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PROCEEDINGS AND DEBATES OF THE 95th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Monday, May 9, 1977*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Righteousness exalteth a nation: but sin is a reproach to any people.—Proverbs 14: 34.

Eternal God our Father, we pray that Thy blessing may rest upon us as we meet today and upon our country as she continues her free way in a not-too-free world. Give strength and wisdom to our President, our Speaker, Members of this body, and all who work with them. Deliver them from pride which makes them think more highly of themselves than they ought to think and from prejudice which makes them think more lowly of others than they ought to think. Enlighten them with Thy presence and sustain them with Thy power that the glories of a just, sober, and righteous people may increase from year to year.

In the spirit of Him who is the way, the truth, and the life, we offer this our morning prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Chirdon, one of his secretaries, who also informed the House that on May 4, 1977, the President approved and signed a bill of the House of the following title:

H.R. 4877. An act making supplemental appropriations for the fiscal year ending September 30, 1977, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 305. An act to amend the Securities Exchange Act of 1934 to require issuers of securities registered pursuant to section 12 of such Act to maintain accurate records, to prohibit certain bribes, and for other purposes.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated, and after those motions to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

AUTHORIZING ESTABLISHMENT OF THE ELEANOR ROOSEVELT NATIONAL HISTORIC SITE IN THE STATE OF NEW YORK

Mr. PHILLIP BURTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5562) to authorize the establishment of the Eleanor Roosevelt National Historic Site in the State of New York, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5562

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to commemorate for the education, inspiration, and benefit of present and future generations the life and work of an outstanding woman in American history, Eleanor Roosevelt, to provide, in a manner compatible with preservation, interpretation, and use thereof by and for the general public, a site for continuing studies, lectures, seminars, and other endeavors relating to the issues to which she devoted her considerable intellect and humanitarian concerns, and to conserve for public use and enjoyment in a manner compatible with the foregoing purposes an area of natural open space in an expanding urbanized environment, the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to establish the Eleanor Roosevelt National Historic Site, including the former home of Eleanor Roosevelt, Val-Kill, as depicted on the map entitled "Boundary Map, Eleanor Roosevelt National Historic Site", numbered ELRO-90,000-NHS and dated May 1977. Said map shall be on file and available for public inspection in the offices of the Secretary of the Interior, Washington, District of Columbia. The Secretary is authorized to acquire such land and improvements thereon by donation, purchase with donated or appropriated funds, or exchange.

SEC. 2. (a) Except as otherwise provided in this Act, the site shall be renovated, maintained, and administered by the Secretary in accordance with the provisions of this Act, the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and the Act of August 21, 1935 (49 Stat. 666), as amended.

(b) The acquisition, renovation, administration, and management of the site and its conservation for public use and enjoyment shall be carried out by the Secretary and the studies, lectures, seminars, and other endeavors relating to the issues to which Eleanor Roosevelt devoted her intellect and concern may be carried out under cooperative agreements between the Secretary and qualified public or private entities. Such agreements shall contain provisions authorizing the Secretary or his designated representatives to enter upon the site at all reasonable times for purposes of renovation, maintenance, administration, interpretation, and visitor conduct, assuring that no changes or alterations are made to the site inconsistent with its historic significance, and may include such other provisions assuring the conduct of studies, lectures, seminars, and other endeavors as are mutually agreeable to the Secretary and the public or private entities responsible for conducting the same under such agreements.

SEC. 3. The Secretary shall erect or cause to be erected and maintained an appropriate monument or memorial to Eleanor Roosevelt within the boundaries of the site.

SEC. 4. (a) There is authorized to be appropriated to carry out the provisions of this Act, not to exceed $575,000 for acquisition of land and interests in lands, and not to exceed $420,000 for development, not more than $50,000 of which may be made available for the purposes of section 3 of this Act.

(b) Within three years from the effective date of this Act the Secretary shall develop and transmit to the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate a general management plan for the use and development of the site consistent with the purposes of this Act, indicating—

(1) the lands and interests in lands adjacent or related to the site which are deemed necessary or desirable for the purposes of resource protection, scenic integrity, or management and administration of the area in furtherance of the purposes of this Act and the estimated cost thereof;

(2) the number of visitors and types of public use within the site which can be accommodated in accordance with the protection of its resources; and

(3) the location and estimated cost of facilities deemed necessary to accommodate such visitors and uses.

SEC. 5. For the purposes of this Act, neither the lands acquired pursuant to section 1, nor any other privately owned lands authorized subsequent to January 1, 1977, to be acquired for inclusion in the National Park System, shall qualify for the purpose of making any payments under the provisions of the Act of October 20, 1976 (90 Stat. 2662), unless hereafter authorized by law.

The SPEAKER. Is a second demanded?

Mr. BAUMAN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from California (Mr. PHILLIP BURTON) and the gentleman from Maryland (Mr. BAUMAN) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from California (Mr. PHILLIP BURTON).

Mr. PHILLIP BURTON. Mr. Speaker, H.R. 5562 would authorize the establishment of the Val-Kill estate in Hyde Park, N.Y., as a national historic site to interpret the life of Eleanor Roosevelt. The 175-acre tract, including the structures which this great First Lady occupied for many years, will be managed by the National Park Service. The Secretary may also negotiate a cooperative agreement to permit various seminars and studies relating to issues which were associated with Mrs. Roosevelt, so long as these activities do not conflict with the purposes of the national historic site.

The bill authorizes up to $575,000 for land acquisition, and up to $420,000 for development, not more than $50,000 of which may be expended for the placement of a suitable memorial to Mrs. Roosevelt in keeping with the character of Val-Kill.

Mr. Speaker, I should also point out that our committee included a provision in the act which will restrict the payment made in lieu of taxes for any newly authorized units of the National Park System to those cases where Congress specifically authorizes such expenditure. I am certainly not opposed to the concept of payments in lieu of taxes, but I think it is responsible to have this payment reviewed in each case for new park authorizations. This will save some expenditures in the long run, and it will also give us better control over this type of spending.

Mr. Speaker, I must point out that it is a privilege for me to be associated in this instance with the Congress enacting this legislation. I can think of no person who I have admired more than Eleanor Roosevelt. Her strength of character and her compassion for humanity are unmatched in my judgment. I also wish to commend the gentleman from New York, JONATHAN BINGHAM, for his leadership in this effort in the committee, and Representative HAMILTON FISH, JR., in whose district Val-Kill is located.

I urge my colleagues to join me in passing H.R. 5562 at this time.

Thank you.

Mr. BAUMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I regret that I did not have a chance to discuss this legislation with the gentleman from California (Mr. PHILLIP BURTON) prior to his motion. I believe that this particular bill was brought before the House and before the Committee on Interior and Insular Affairs last Wednesday without a full understanding of its contents by many Members. Although the gentleman from Maryland was present during the bill's consideration just prior to its being reported, I was, frankly, not aware of the provisions contained in section 5 of the reported copy. I think that the Members ought to be made aware now—unless by some chance the gentleman from California might wish to withdraw the bill by unanimous consent.

The bill goes far beyond the intended and stated purpose of establishing a national historic site for the Val-Kill cottage owned by Eleanor Roosevelt. Last year Congress passed a law which provides a Federal payment in lieu of lost taxes to local governments for various types of public lands, including lands under the jurisdiction of the Bureau of Land Management, all national forests, and national parks. This bill passed overwhelmingly in the House of Representatives and in the other body, and it was particularly supported by a good many Members from Western States in which large tracts of public lands are located.

I was under the impression that section 5 of this bill dealt only with the Val-Kill National Historic Site. Having gone over the legislation during the weekend I discovered that it in fact prohibits any future payments in lieu of taxes for the national park system lands acquired after January 1, 1977. In examining further the digest that was sent to the Democratic Members over the weekend, I saw no mention whatever of this general repeal, although there was a brief mention in the digest sent out by the Republican Conference. Therefore, I do not believe that most Members realize that the bill has this impact.

Therefore, under the circumstances, I would be constrained to oppose the bill, not so much because of its creation of the Eleanor Roosevelt National Historic Site but because the bill went through the committee without the full Committee on Interior and Insular Affairs realizing the import of section 5.

Further I might add that no hearings were ever held on this particular aspect of the legislation. I would hope that the Members who might be called upon to vote on this later today—if, indeed, it comes to a vote in its present form—would oppose the bill on those grounds. We can deal with the Eleanor Roosevelt National Historic Site later without changing the fundamental payment-in-lieu-of-taxes law.

Mr. Speaker, I yield 5 minutes to the gentleman from Kansas (Mr. SKUBITZ).

Mr. SKUBITZ. Mr. Speaker, I rise in support of H.R. 5562—to authorize the establishment of the Eleanor Roosevelt National Historic Site in the State of New York, and for other purposes.

Certainly all of us—irrespective of political party—have the greatest respect and admiration for Mrs. Roosevelt and the outstanding job that she did serving as the First Lady of the Land.

Certainly she was the moving force in many of the programs which were initiated during the New Deal period. But the one I shall always remember is her answer to the appeal of the mothers of Southeast Washington to assist them in getting a new school. The children in that area were attending a one-room portable school—a potbelly stove provided the heat.

The insulation consisted of newspapers stuck in the cracks under the doors and around the windows. Their winter sport consisted of skating on the sewage which gathered on the playground.

Our son attended that school. I shall always be proud of the fact that my wife, Jess, and many other mothers of children—who attended the old portable school—circulated petitions and wrote letters and sent them to Mrs. Roosevelt. Our little community newspaper—consisting of two pages—played an active role in promoting the cause.

Mrs. Roosevelt visited the one-room school. She came—she saw—she acted. The present school building, located on Minnesota Avenue SE, is the result of that joint effort.

This was one of the many little things that Mrs. Roosevelt did that most people do not know about.

I support this bill for another reason—and that is because of a proviso which effectively nullifies a provision of the payment in lieu of taxes enacted last year.

The Members of this body will recall that on August 5, 1976, this body had before it a bill providing for payment in lieu of taxes. I have always supported the principle of payment in lieu of taxes and at that time I stated—and I quote:

The Federal Government is by far the Nation's largest landowner: More than 760 million acres—about one-third of the total U.S. land area—are held by various Government Agencies.

These federally owned lands are, of course, tax exempt, and in some instances the resulting burden on the local governments is obvious.

It is reasonable that the Federal Government should meet its responsibilities as a landowner just as any other landowner is expected to do.

In 1964, Congress created a blue ribbon panel to make a thorough study of the public lands. In June 1970 it issued a report entitled "One-Third of the Nation's Land."

The principle of payments in lieu of taxes could have no finer endorsement than that of the Public Land Law Review Commission. Its blue ribbon panel of six Representatives, six Senators, and six Presidential appointees concluded:

"This Commission is convinced that the United States must make some payments to compensate State and local governments which have burdens imposed on them because of Federal ownership of public lands within their borders even though it is recognized that Federal expenditures must be held to the minimum necessary to provide essential Federal programs. The Federal Government as a landowner must pay its way, whatever the costs fairness and equity demand, that such payments be made."

I was then, and am now—in full agreement with the Commission report.

I hasten to point out, however, that the Commission did not recommend payments for all federally owned lands, but only those which impose "burdens" on State and local governments.

I supported the proviso in Congressman EVANS' bill, H.R. 9719 as it was introduced. It was fair and it was sound.

I pointed out that:

Unfortunately the committee in its desire to garner support for the bill, added amendments adding acreage and making payments which were never intended by the Land Law Review Commission. And if enacted as it is presented today will become a pork barrel and destroy the whole concept of national parks.

I also pointed out that:

If the Congress is persuaded to make payments in lieu of taxes for units of the national park system, how soon will it be argued that the same principle be extended to U.S. lands used for military installations? Surely these lands are far more of a burden to the local governments than the revenue-producing national park areas.

Mr. Speaker, the proviso in this bill corrects, in part, the error that we made last year.

I urge its adoption.

Mr. PHILLIP BURTON. Mr. Speaker, I yield to the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Speaker, I appreciate the gentleman yielding.

First, I want to express my keen appreciation to the chairman of the subcommittee (Mr. PHILLIP BURTON) and the chairman of the full committee (Mr. UDALL) for their great cooperation in speeding this legislation to passage. I also want to thank my colleague from New York (Mr. FISH), in whose district Val-Kill lies, for his consistent support of this project. His statement will appear hereinafter in the RECORD.

Mr. Speaker, I am honored to come before the House today with H.R. 5562, a bill to establish the Eleanor Roosevelt National Historic Site at Hyde Park, N.Y.

It has been very gratifying to work on this bill. We introduced it on March 24 and today, less than 8 weeks later, the bill is ready for consideration by both the full House and Senate. That says something about the leadership of the House and about Interior Chairman UDALL and Subcommittee Chairman BURTON, but most significantly, it says something about the woman we seek to honor in this bill, Eleanor Roosevelt.

H.R. 5562 would authorize the Secretary of the Interior to designate the former home of Eleanor Roosevelt, Val-Kill, and its 173 acres of land as a national historic site. Val-Kill was Eleanor Roosevelt's home. A mile away from the "big house" which is now the Franklin Delano Roosevelt National Historic Site, Val-Kill belonged to Mrs. Rosevelt. Designed by President Roosevelt in 1926, during his life Val-Kill was a hideaway for Eleanor. After his death it was her home base. It was at Val-Kill that President and Mrs. Roosevelt entertained the King and Queen of Great Britain with a hotdog lunch. It was from Val-Kill that Eleanor Roosevelt coordinated her many activities. The Val-Kill guest list included heads of state from all over the world, people of note from Walter Reuther to Cardinal Spellman, from Queen Juliana to Nikita Khrushchev. Both John F. Kennedy and Adlai Stevenson journeyed to Val-Kill to seek Eleanor Roosevelt's support in 1960. Val-Kill truly is a historic site.

But its main claim to national designation is the life of the person who lived at Val-Kill. Eleanor Roosevelt is one of those few persons whose reputation grows, rather than diminishes, with time. Today, 15 years after her death, she remains sole claimant to the title of "First Lady of the World." Her leadership on behalf of civil rights, international peace, the American working man and woman, and the poor and underprivileged in every corner of the globe made Mrs. Roosevelt an international symbol of humanitarianism. I recall a Herblock cartoon in 1959 which said it best. It showed a refugee family on board a ship pulling into New York Harbor. A little child was pointing to the Statue of Liberty and saying, "Look, Mom, it's Mrs. Roosevelt." At a time when so many can only point to the foibles and defects in the American character, it is fitting to commemorate the life of an individual who represented all that is good about America and Americans.

Today it is especially fitting to recall that Eleanor Roosevelt drafted, and pushed to adoption, the United Nations' Universal Declaration on Human Rights. That document represents a universally accepted standard, seldom achieved, but always the goal. The year 1978 will be the 30th anniversary of the Universal Declaration. A Val-Kill historic site will be a fine way of commemorating it.

As a national historic site Val-Kill will be open to the public. The people of Dutchess County, New York State, and the Nation will be able to visit Mrs. Roosevelt's home and enjoy the cottage and its unique setting. Programing at Val-Kill would be administered by the Secretary of Interior in cooperation with a Dutchess County group, Eleanor Roosevelt's Val-Kill which is chaired by Eleanor and Franklin Roosevelt's grandson, Curtis Roosevelt. It was the Eleanor Roosevelt's Val-Kill group which first brought this project to my attention. Programs would center on those themes identified with Eleanor Roosevelt—human rights, world peace, women in politics, social justice, and others. Val-Kill would be a center for research, lectures, symposia, and quiet contemplation. Eleanor Roosevelt's home, now unmarked and anonymous, would again be a special place.

I am happy to report that the Val-Kill project enjoys great support in Dutchess County, N.Y. This is one case where the local community welcomes the establishment of a national park site. At the onsite hearings which I chaired at Hyde Park with Representative HAMILTON FISH, who represents Dutchess County in Congress, we heard from over 20 local citizens. The Hyde Park town supervisor, the town zoning authorities, the majority leader of the Dutchess County Legislature, and a host of private citizens came forward to endorse the Val-Kill bill. Though the hearing was well publicized in advance, no one asked to testify in opposition to the proposal. Everyone called for quick enactment. It was a rare occasion.

After hearing the last witness, I went to Val-Kill for a site inspection. I was accompanied by representatives of the town of Hyde Park and the National Park Service. I was shown both the grounds and the interiors of the stone cottage and factory building.

I was very impressed by Val-Kill. The grounds, though not well kept, are wild and quite beautiful, and include valuable wetlands. The buildings are run down, but are architecturally interesting and structurally sound. Most important the whole place is infused with the the spirit of Mrs. Roosevelt. It will not be difficult to use Val-Kill to carry the meaning of Mrs. Roosevelt's life after 1945 to the visitors who will come to Val-Kill after visiting the Franklin D. Roosevelt National Historic Site.

One last point. It is crucial that we act with speed on this measure. Val-Kill is now in private hands and its owners plan to break it up to sell off—piece by piece. Unless we act now Val-Kill will be lost forever. We can avoid that by enacting this legislation. I am grateful for all the support this bill has received so far in Congress, from the public, and from the White House.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. PHILLIP BURTON. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Speaker, I would also like to commend the gentleman on his efforts to bring this legislation to the floor and I hope that it will win the support of Members on both sides of the aisle.

Mr. PHILLIP BURTON. Mr. Speaker, I yield myself 3 additional minutes.

Mr. Speaker, there is some difference of opinion on the in-lieu-tax matter. I happen to agree fully with the ranking minority member that this matter deserves case-by-case justification.

However, Mr. BAUMAN is, as is all so often the case, correct in stating that the section 5 might be misunderstood by some of our colleagues. I am sure with the support of the gentleman from Kansas we will be able to treat this matter on another bill that would achieve the same result, but after the matter is more fully explored.

As the gentleman from Kansas knows, our committee has made an effort to have these matters recognized and understood, on a bipartisan basis, by the active participants on our subcommittee and I would prefer that we proceed with the in-lieu-tax item in that manner.

Mr. Speaker, I ask unanimous consent to withdraw the pending motion concerning the bill H.R. 5562 and I will reoffer the bill with section 5 deleted.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIP BURTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5562) to authorize the establishment of the Eleanor Roosevelt National Historic Site in the State of New York, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5562

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to commemorate for the education, inspiration, and benefit of present and future generations the life and work of an out-

standing woman in American history, Eleanor Roosevelt, to provide, in a manner compatible with preservation, interpretation, and use thereof by and for the general public, a site for continuing studies, lectures, seminars, and other endeavors relating to the issues to which she devoted her considerable intellect and humanitarian concerns, and to conserve for public use and enjoyment in a manner compatible with the foregoing purposes an area of natural open space in an expanding urbanized environment, the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to establish the Eleanor Roosevelt National Historic Site, including the former home of Eleanor Roosevelt, Val-Kill, as depicted on the map entitled "Boundary Map, Eleanor Roosevelt National Historic Site", numbered ELRO-90,000-NHS and dated May 1977. Said map shall be on file and available for public inspection in the offices of the Secretary of the Interior, Washington, District of Columbia. The Secretary is authorized to acquire such land and improvements thereon by donation, purchase with donated or appropriated funds, or exchange.

SEC. 2. (a) Except as otherwise provided in this Act, the site shall be renovated, maintained, and administered by the Secretary in accordance with the provisions of this Act, the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and the Act of August 21, 1935 (49 Stat. 666), as amended.

(b) The acquisition, renovation, administration, and management of the site and its conservation for public use and enjoyment shall be carried out by the Secretary and the studies, lectures, seminars, and other endeavors relating to the issues to which Eleanor Roosevelt devoted her intellect and concern may be carried out under cooperative agreements between the Secretary and qualified public or private entities. Such agreements shall contain provisions authorizing the Secretary or his designated representatives to enter upon the site at all reasonable times for purposes of renovation, maintenance, administration, interpretation, and visitor conduct, assuring that no changes or alterations are made to the site inconsistent with its historic significance, and may include such other provisions assuring the conduct of studies, lectures, seminars, and other endeavors as are mutually agreeable to the Secretary and the public or private entities responsible for conducting the same under such agreements.

SEC. 3. The Secretary shall erect or cause to be erected and maintained an appropriate monument or memorial to Eleanor Roosevelt within the boundaries of the site.

SEC. 4. (a) There is authorized to be appropriated to carry out the provisions of this Act, not to exceed $575,000 for acquisition of land and interests in lands, and not to exceed $420,000 for development, not more than $50,000 of which may be made available for the purposes of section 3 of this Act.

(b) Within three years from the effective date of this Act the Secretary shall develop and transmit to the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate a general management plan for the use and development of the site consistent with the purposes of this Act, indicating—

(1) the lands and interests in lands adjacent or related to the site which are deemed necessary or desirable for the purposes of resource protection, scenic integrity, or management and administration of the area in furtherance of the purposes of this Act and the estimated cost thereof;

(2) the number of visitors and types of public use within the site which can be accommodated in accordance with the protection of its resources; and

(3) the location and estimated cost of facilities deemed necessary to accommodate such visitors and uses.

The SPEAKER. Is a second demanded?

Mr. BAUMAN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from California (Mr. PHILLIP BURTON) and the gentleman from Maryland (Mr. BAUMAN) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from California (Mr. PHILLIP BURTON)

Mr. PHILLIP BURTON. Mr. Speaker, I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Speaker, what the gentleman intends to do is withdraw that section of the bill?

Mr. PHILLIP BURTON. Yes. It is my intention to work with the gentleman from Kansas and put this amendment on the next bill that comes down the pike, which will be a bill affecting Manassas.

I want to refer to the gentleman from Maryland's observation that all our colleagues on the subcommittee did not fully understand the matter was going to be attached to this bill. In the interest of the issue being given the best treatment, I say to my distinguished colleague, I would urge him to let this matter go forward without the section in it. We will put this item in another bill. That is our intent. I would intend to do this this coming Wednesday on a pending bill before the committee.

Mr. SKUBITZ. Mr. Speaker, if the gentleman will yield further, without such an amendment, what we are doing is taking over the Eleanor Roosevelt property, repairing it to the extent of $1 million and then we will be liable for taxes for the next 5 years, unless we accept this sort of amendment; is that not correct?

Mr. PHILLIP BURTON. The gentleman is correct. Under our amendment, as the gentleman from Kansas knows, we would have dealt with this problem for everyone.

Under the new situation we have to wait to deal with that problem, as I intend to do this coming Wednesday on the item on the agenda. The gentleman has my full assurance of that.

Mr. SKUBITZ. I will join the gentleman then.

Mr. FISH. Mr. Speaker, it is indeed a pleasure for me to have this opportunity today to speak in behalf of H.R. 5562—legislation to protect and preserve Eleanor Roosevelt's Val-Kill cottage and surrounding 173 acres.

Let me begin by commending my colleague, Congressman BINGHAM, for his leadership in sponsoring this bill and the other distinguished Members who have signed their names to it.

This historic and picturesque area is, I am proud to say, located in my district—and has long been a source of pride and pleasure to the Hyde Park citizenry and adjoining townships. Hearings held at Hyde Park last month showed the overwhelming desire of local residents to see Val-Kill given the recognition it deserves.

If we do not act now, the current owners may proceed with a plan to break up the acreage into lots for apartments and offices. If we do not act now, a unique and historic site will be lost to present and future generations.

There is no need to justify the creation of a memorial to Eleanor Roosevelt. She was one of the great humanitarians known to history—and her legacy to her country and the world goes far beyond the boundaries of the modest cottage at Val-Kill.

Most often mentioned is her part in the creation of the United Nations and her leadership in the drafting and adoption of the Universal Declaration of Human Rights. However, these are only the tip of the iceberg.

The important point to stress in discussing this particular proposal is that Val-Kill would become a "living" memorial—a place where people could come for quiet contemplation as well as lectures, research, and symposia.

As a national historic site, Val-Kill will be open to the public. My neighbors in Dutchess County, the people of New York State and the Nation will be able to visit Val-Kill and enjoy Mrs. Roosevelt's home and grounds. Programing at Val-Kill would be administered by the Secretary of the Interior in cooperation with Eleanor Roosevelt's Val-Kill, Inc., a Dutchess County organization chaired by Eleanor and Franklin Roosevelt's grandson—Curtis Roosevelt.

Under the proposal before us today, Val-Kill will serve practical purposes as well as merely commemorative ones—and in ways that would appeal to the nature of Eleanor Roosevelt, who was, above all things, a practical person.

Val-Kill's preservation and restoration will strengthen the existing Hyde Park complex as a cultural and visitor center, and I urge my colleagues in the House of Representatives to wholeheartedly support this bill to establish a living memorial to the works of a great American—Eleanor Roosevelt.

Mr. PHILLIP BURTON. Mr. Speaker, I have no further requests for time.

Mr. BAUMAN. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. PHILLIP BURTON) that the House suspend the rules and pass the bill (H.R. 5562), as amended.

The question was taken.

Mr. ASHBROOK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. PHILLIP BURTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 5562.

The SPEAKER pro tempore (Mr. GAYDOS). Is there objection to the request of the gentleman from California?

There was no objection.

EDUCATION OF THE HANDICAPPED ACT

Mr. BRADEMAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6692) to extend certain programs under the Education of the Handicapped Act, as amended.

The Clerk read as follows:

H.R. 6692

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Education of the Handicapped Amendments of 1977".

CENTERS AND SERVICES

SEC. 2. Section 627 of the Education of the Handicapped Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 627. (a) There are authorized to be appropriated to carry out the provisions of section 621, $19,000,000 for each of the fiscal years ending September 30, 1978, and 1979, $21,000,000 for fiscal year ending September 30, 1980, $24,000,000 for fiscal year ending September 30, 1981, and $25,000,000 for fiscal year ending September 30, 1982.

"(b) There are authorized to be appropriated to carry out the provisions of section 622, $22,000,000 for fiscal year ending September 30, 1978, $24,000,000 for fiscal year ending September 30, 1979, $26,000,000 for fiscal year ending September 30, 1980, $29,000,000 for fiscal year ending September 30, 1981, and $32,000,000 for fiscal year ending September 30, 1982.

"(c) There are authorized to be appropriated to carry out the provisions of section 623, $25,000,000 for each of the fiscal years ending September 30, 1978, 1979, and 1980, and $20,000,000 for fiscal years ending September 30, 1981, and 1982.

"(d) There are authorized to be appropriated to carry out the provisions of section 625, $10,000,000 for the fiscal year ending September 30, 1978, $12,000,000 for the fiscal year ending September 30, 1979, $14,000,000 for the fiscal year ending September 30, 1980, $16,000,000 for each of the fiscal years ending September 30, 1981, and 1982.".

PERSONNEL TRAINING

SEC. 3. Section 636 of the Education of the Handicapped Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 636. (a) There are authorized to be appropriated for carrying out the provisions of this part (other than section 633) $75,000,000 for the fiscal year ending September 30, 1978, $80,000,000 for the fiscal year ending September 30, 1979, $85,000,000 for the fiscal year ending September 30, 1980, $90,000,00 for the fiscal year ending September 3, 1981, and $95,000,000 for the fiscal year ending September 30, 1982.

"(b) There are authorized to be appropriated to carry out the provisions of section 633, $2,000,000 for each of the fiscal years ending September 30, 1978, and 1979, and $2,500,000 for each of the fiscal years ending September 30, 1980, 1981, and 1982.".

RESEARCH

SEC. 4. Section 644 of the Education of the Handicapped Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 644. For the purposes of carrying out this part, there are authorized to be appropriated $20,000,000 for the fiscal year ending September 30, 1978, $22,000,000 for the fiscal year ending September 30, 1979, $24,000,000 for the fiscal year ending September 30, 1980, $26,000,000 for the fiscal year ending September 30, 1981, and $28,000,000 for the fiscal year ending September 30, 1982.".

INSTRUCTIONAL MEDIA

SEC. 5. Section 654 of the Education of the Handicapped Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 654. For the purpose of carrying out this part there are authorized to be appropriated not to exceed $24,000,000 for the fiscal year ending September 30, 1978, $25,000,000 for the fiscal year ending September 30, 1979, $27,000,000 for the fiscal year ending September 30, 1980, $29,000,000 for each of the fiscal years ending September 30, 1981, and 1982.".

The SPEAKER. Is a second demanded?

Mr. JEFFORDS. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Indiana (Mr. BRADEMAS) and the gentleman from Vermont (Mr. JEFFORDS) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from Indiana (Mr. BRADEMAS).

Mr. BRADEMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill H.R. 6692 would extend the discretionary programs, parts C–F, as authorized under the Education of the Handicapped Act for 5 additional years, that is through September 30, 1982. More specifically, the bill extends the discretionary programs authorized under part C, centers and services to meet special needs of the handicapped; part D, training personnel for the education of the handicapped; part E, research in the education of the handicapped, and part F, instructional media for the handicapped.

The bill eliminates two provisions: First, the mandate for a National Advisory Committee on Handicapped Children; and second, part G, special programs for children with specific learning disabilities.

Mr. Speaker, since 1970, this act has had great impact on the lives of our Nation's handicapped children.

As you know, Mr. Speaker, part B of the Education of the Handicapped Act was extended under the Education for All Handicapped Children Act of 1975 under which law, State and local school officials are mandated to provide an education for all handicapped children by 1980. The bill before us today does not in any way change the Education for All Handicapped Children Act (Public Law 94–142). Indeed, because of the significance of that act, my subcommittee intends to hold extensive hearings later this year on the degree of progress in meeting the mandate of the law.

Rather, Mr. Speaker, H.R. 6692 will continue to provide assistance to the States in carrying out their responsibilities to provide a free appropriate public education for all handicapped children. In addition, it also continues the Bureau of Education for the Handicapped, the administrative unit in the Office of Education responsible through the Commissioner for implementing mandated programs for handicapped children and for providing national leadership in this critical area.

This extension will provide resources needed to build the necessary capacity to serve this Nation's 8 million handicapped children. The Federal support provided under the authority of parts C, D, E, and F of the Education of the Handicapped Act is particularly important in its support services for deaf-blind children, very young handicapped children and severely handicapped children.

The support services provided by regional resource centers, the development of new and innovative educational techniques and devices, the growth of manpower potential and the unique benefits of the regional vocational, adult and postsecondary programs, are vitally important as we work together to meet our commitment to provide a free public education to all handicapped children.

Mr. Speaker, there are presently approximately 8 million deaf, blind, retarded, speech-impaired, motor-impaired, emotionally disturbed, or other health-impaired children in the United States requiring special education programs. According to the Bureau of the Education for the Handicapped, over the last 10 years, the number of handicapped children in education programs has grown from 2.1 million to almost 4 million—the estimated number served in the 1976–77 school year. However, almost one-half, or 4 million, handicapped children are still not receiving an adequate education. Even more discouraging is that approximately 1.75 million handicapped children are receiving no educational services at all.

Mr. Speaker, sound education programs should be seen as an investment rather than an expenditure. The human and fiscal returns from the Federal investment in education programs for handicapped children are high. Not only does the individual handicapped child maximize his potential and therefore his present and future independence; society benefits both from his contribution and from the absence of the higher cost of dependency-oriented welfare services.

The discretionary programs continued in H.R. 6692 are essential and an integral component and basic to the Federal strategy to provide an appropriate public education to all handicapped children. Through extension of these discretionary programs, the committee intends to insure that supportive services are provided to the States so that they may be able to meet the goal of full service to all handicapped children, ages 3 to 18, by September 1, 1978, and all handicapped children, ages 3 to 21, by September 1, 1980, as required by Public Law 94–142, the Education for All Handicapped Children Act of 1975.

Mr. Speaker, the authorizations provided in H.R. 6692 are as follows:

First. For part C, centers and services to meet special needs of the handicapped, section 621, regional resource centers, $19,000,000 for each of fiscal years 1978 and 1979, $21,000,000 for fiscal 1980, $24,000,000 for fiscal 1981 and $25,000,000 for fiscal 1982;

Second. For part C, section 622, centers and services for deaf-blind children, $22,000,000 for fiscal 1978, $24,000,000 for fiscal 1979, $26,000,000 for fiscal 1980,

$29,000,000 for fiscal 1981 and $32,000,000 for fiscal 1982;

Third. For part C, section 623, early education for handicapped children, $25,000,000 for each of fiscal years 1978 through 1980 and $20,000,000 for each of fiscal years 1981 and 1982;

Fourth. For part C, section 625, regional education programs, $10 million for fiscal 1978, $12 million for fiscal 1979, $14 million for fiscal 1980 and $16 million for each of fiscal years 1981 and 1982;

Fifth. For part D, training personnel for the education of the handicapped, for other than section 633, $75 million for fiscal 1978, $80 million for fiscal 1979, $85 million for fiscal 1980; $90 million for fiscal 1981 and $95 million for fiscal 1982;

Sixth. For part D, section 633, recruitment of education personnel and dissemination of information on education opportunities for the handicapped $2 million for each of fiscal years 1978 and 1979 and $2,500,000 for each of fiscal years 1980, 1981, and 1982;

Seventh. For Part E, research $20 million for fiscal 1978, $22 million for fiscal 1979, $24 million for fiscal 1980, $26 million for fiscal 1981 and $28 million for fiscal 1982;

Eighth. For part F, instructional media, $24 million for fiscal year 1978, $25 million for fiscal 1979, $27 million for fiscal 1980, $29 million for each of fiscal years 1981 and 1982.

Finally, Mr. Speaker, I would like to address myself to those provisions not extended; that is, the National Advisory Committee on the Handicapped and part G, special programs for children with specific learning disabilities.

With regard to the National Advisory Committee, the committee, now in its 10th year, was established to assist the new Bureau of the Handicapped in providing effective leadership in pursuit of services to handicapped children. Adequate authority now exists for the Department of Health, Education, and Welfare to create such an advisory committee if it felt such a committee were necessary.

Mr. Speaker, the reason for not extending part G, the special programs for children with specific learning disabilities, can be found in the legislative history of the Education of the Handicapped Act. At the time of its enactment, in 1970, part G was viewed as means of meeting the immediate needs of learning disabled children since the definition of "handicapped children" did not include children with specific learning disabilities. However, with enactment of Education for All Handicapped Children Act, the definition was amended to include these children. Thus such a specific or special program is no longer warranted.

Mr. Speaker, I should emphasize that these discretionary programs can and will be continued under other parts of the Education of the Handicapped Act.

Mr. Speaker, this bill was reported unanimously by both the Subcommittee on Select Education, which I have the honor to chair, and the full Education and Labor Committee. This program has always shared widespread bipartisan support and I trust that support will be continued and exemplified here today.

Mr. Speaker, I would at this point like to thank all the members of the Subcommittee on Select Education, which I have the honor to chair, for their support of these measures and in particular would like to thank the distinguished chairman of the Education and Labor Committee, Mr. PERKINS, and the distinguished ranking minority member, Mr. QUIE, for their help in bringing this measure so expeditiously before you today. I would also like to thank the distinguished ranking minority member, Mr. JEFFORDS, and all of the members of the subcommittee for their efforts to see expeditious action on this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. JEFFORDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the ranking member of the Select Education Subcommittee which has jurisdiction over this legislation, I am pleased to recommend it to my colleagues in the House. Although we merely extend ongoing programs I think the legislation is important because it is our committee's reaffirmation not only of these particular programs, but of the need to continue to assist handicapped persons throughout the country.

The programs have been good, they appear to have given much in the way of assistance to the handicapped themselves, the parents, and persons who work for them.

I would, however, raise a concern about the manner in which funds have been distributed throughout the country. It appears that the smaller, rural States do not fare as well as other States throughout the Nation. I recognize that there are demands for funds from both large and small States and communities, but I feel all too often those who are large are able to get the most. A child who is retarded, blind, deaf, et cetera, in Vermont is just as retarded, blind or deaf as a child in New York or California. A child who is retarded, blind or deaf who happens to live on a farm has just as many problems and maybe more than a child who lives in a major city which generally has multiple resources available to work with children. My point is that although the programs authorized by this legislation are good and are working well, I would urge the Bureau of Education of the Handicapped to make a stronger effort to get dollars out to smaller States and particularly to rural areas within every State.

Along this line, although it does not pertain necessarily to the rural versus urban question, is the committee report language regarding training which says:

> The Committee recognizes that P.L. 94-142 has created additional demands on local school personnel and there is an increased need for understanding and training as to how to implement the new law. The Committee expects that the Bureau of Education of the Handicapped will assist State and local education agencies to the maximum extent possible in providing in-service training to help facilitate the implementation of the new law.

This language was included because of the recognition that education of the handicapped is taking new directions and that more and more is being asked not only of teachers of the handicapped, but regular teachers and school administrators who do not ordinarily work with them. Again, Mr. Speaker, I would hope that more dollars will be available out of the money to give to the inservice training effort. While I can appreciate the need to provide new degreed personnel to work in areas of education of the handicapped which is now lacking, I think that because the Congress has placed so much emphasis on the new law (Public Law 94-142) the Bureau must respond in more vigorous terms particularly in the next year as States are gearing up to fully implement it. I would like to see more money given to State education agencies to assist them in carrying out inservice efforts. I am somewhat concerned when I look at the funding level of dollars that the State education agency receives to provide training for their entire State. The funding level for training in the State of Vermont is normally around $100,000. Last year they received a special bonus of funds that were impounded giving them a total of $200,000 for the last year. But in this critical year as the States gear up to fully implement 94-142, they are only receiving $114,000. I think this is inadequate to do the job and I urge the Bureau of Education of the Handicapped to reconsider its funding priorities in this part as well as the other parts of the act. I know that everybody feels that their need is the greatest. I am today making a special plea for the rural areas and rural States. I am not saying that their needs are greater than anyone else's. I am saying that they are at least comparable.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I would like to ask a question. In so many of these programs, it seems to me that much of the money is spent in training and research, and so comparatively little for services. In other words, the program has very large sums of money, but how much of that money for the handicapped, the deaf, and the blind can really get out in the field? I wonder if the gentleman has any information to give us as to the apportionment under this bill of funds in that respect?

Mr. JEFFORDS. Of course, as the gentlewoman from New Jersey may know, we revised the programs and formulas this past year, and I am hopeful that the States will react favorably. But, the burden is placed upon the States to improve the programs. Right now, it is up to the Federal courts to enforce the rights of the children in appropriate actions.

I certainly agree and hope that all the States will be responsive and will develop programs which will adequately utilize these funds in order to provide adequate education for these children. I am sure that our committee will continue to do its oversight to insure, through formulas and other incentives, that the States do develop the kind of programs which are necessary to handle this very difficult problem.

Mrs. FENWICK. And not be eaten up by bureaucracies, State directors, re-

gional directors, subregional directors, secretaries, bookkeepers—people who are not really working directly with the handicapped. That is the question I have. Sometimes these programs simply feed organizations at the State level.

Mr. JEFFORDS. I could not agree with the gentlewoman more. It is extremely necessary that we see that these dollars are well spent.

Mrs. FENWICK. Yes.

Mr. JEFFORDS. Any program which does not do that is not a good program. I am hopeful that our subcommittee will try to make sure that this does not occur.

Mrs. FENWICK. I thank the gentleman.

Mr. JEFFORDS. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, the chairman of the subcommittee, Hon. JOHN BRADEMAS, and ranking member Mr. JEFFORDS have explained the purpose of this legislation so I will not repeat it. I would like to point out, however, so that there is no misunderstanding among my colleagues, that this legislation extends ongoing programs within the Bureau of Education of the Handicapped, and should not be confused with Public Law 94–142 (Education for All Handicapped Children Act of 1975). I know that many of you have been hearing from your States regarding problems and reactions to the "handicapped" legislation, but those concerns are not related to the bill before us today. This bill merely continues ongoing programs which are in every State and/or serve handicapped students from every State. To my knowledge none of the programs authorized in this legislation are controversial and most of them do a tremendous amount of good.

On the matter of 94–142, I must stress that I do not know whether any or all of the problems which have been raised have any substance or merit, but I have asked that the subcommittee schedule oversight hearings in the near future to hear testimony from individuals and groups who have expressed these concerns. I want to emphasize that I recognize many of the problems are due to the "proposed regulations" being developed by the Bureau of Education of the Handicapped, and that the Bureau is now in the process of modifying them. However, I feel that in fairness to all parties to have oversight hearings even before they are finalized will help Members of Congress to clearly focus on all issues.

Getting back to the legislation at hand, I think I can best describe its value by telling about one small program authorized under this legislation (section 625) which I had the honor of introducing in 1973. The program is working beyond my greatest hopes. As we reviewed section 625 during the subcommittee hearings, we heard from not only the men who run the programs, but had an opportunity to hear from the people who directly benefit from this particular program. It was a dramatic hearing in which three deaf persons and the parent of two deaf children testified. Rather than simply read testimony as is ordinarily done, giving facts and figures, these individuals spoke, signed or sung their testimony.

Mr. Rod McDonald, is a deaf-blind adult and a senior computer programer at the U.S. Department of Labor here in Washington and a graduate student at California State University at Northridge, told how section 625 not only changed his life and made it easier to function on his job, but gave him better insights into himself and the world in which he lives. Dr. Larry Fleischer, a deaf adult, who is presently an assistant professor of special education at the California State University at Northridge, described why the program at CSUN was the best thing that ever happened to him. Because deaf students take classes alongside hearing students with the assistance of an interpreter and have to meet the same academic standards as the hearing students, Dr. Fleischer said:

I came to realize that I am no different than others and this realization changed my view of the world. I was capable! I had potential!

Mr. Bernie Ames, speaking as a parent, described the frustrations of raising two deaf sons and the difficulties that they encountered in achieving an education. He explained that because of their poor early academic training, they fell further and further behind in their reading and other educational skills so that the possibility of earning a professional academic degree was not possible. Both boys are completing course work in the vocational education program at the St. Paul Vocational Institute in Minneapolis and Mr. Ames told us that given the ongoing rates for labor in the areas for which the boys have been trained, both will end up making more money next year than he makes.

Possibly the highlight of the hearing for many was Ms. Pam Ortman, who, in spite of the fact that she is hard of hearing, is a competent, vital, and indispensable employee at the St. Paul TVI Center. She "sang" in sign language to the committee expressing the hopes as well as the appreciation of all deaf people not only to the committee, but to the entire Congress.

The hearing was dramatic, touching, and very inspiring, but more than inspiring, after these individuals spoke and sang, Bob Lauritsen of the St. Paul Technical and Vocational Institute summed up in cold hard terms that the regional educational programs funded under section 625 of the act are cost effective and actually result in a profit to the country. He said that the 383 persons who have graduated from his program paid a combined total of $269,292 in taxes last year. TVI's current grant under section 625 is $281,746. For me, the fact that deaf students who graduated from TVI and the other schools have become productive, contributing, and participating members of society and are giving back to this country in dollars and productivity more than they are taking, is the real meaning behind these programs.

It is my deep hope the four original core programs will continue to grow and that the Bureau of Education for the Handicapped will continue to support them so that they can reach at least their minimum capacities as projected under their 5-year plan which was requested by the Bureau last January. I have no doubt that the minimum levels which they project can be accommodated without compromising the existing standards or program quality. Furthermore, I have no doubt that each of these institutions can exceed the minimum levels if given an opportunity by BEH. I see in St. Paul TVI, Seattle, CSUN, and Delgado a mechanism for fulfilling goals, dreams, and aspirations for deaf students from throughout America. It is interesting when I look at the roster of States served by these institutions that every State has at least one student enrolled in one of four.

The following is a chart which shows the minimum 5-year capacities projected for each.

CURRENT STUDENT ENROLLMENT, APPLICATIONS FOR 1977–78, MINIMUM CAPACITY ENROLLMENT PROJECTIONS FOR 1977–82

	Student enrollment, 1976–77	Applications for 1977–78	Minimum student capacity				
			1977–78	1978–79	1979–80	1980–81	1981–82
CSUN	220	120	242	266	279	293	308
Delgado	97	220	100	115	132	152	175
Seattle	140	155	160	180	200	220	240
St. Paul	239	250	250	265	281	298	316
Total	696	745	752	826	892	963	1,039

As I said earlier I am sure that these minimum levels can easily be met and I hope the Bureau works with each of these institutions to help them to meet not only these minimum levels but their maximum capacities so that no qualified deaf students will have to be turned away. The sooner we are able to educate those in need, the sooner they will be able to become productive Americans like those I just described.

Mr. Speaker, I have discussed only one of the programs in this legislation but I think it clearly reflects what is being done in many of the other parts. I urge all of my colleagues to vote for this important piece of legislation.

Mr. BRADEMAS. Mr. Speaker, I yield such time as he may consume to the gentleman from Kentucky (Mr. PERKINS), the distinguished chairman of the full committee.

Mr. PERKINS. Mr. Speaker, I rise in support of H.R. 6692, a bill to extend certain programs under the Education of the Handicapped Act. Before discussing the merits of this legislation, I would like to congratulate our distinguished colleague, JOHN BRADEMAS, who is chairman of our Subcommittee on Select Education. He is to be complimented for his great leadership and continuing, untiring efforts in designing and implementing legislation which will in the future make it possible for all handicapped children to receive a free appropriate public education.

I should like also to congratulate the ranking minority member of the committee, Mr. QUIE, and members of the com-

mittee from both sides of the aisle for their important and helpful contribution to the pending bill. When enacted, H.R. 6692 will mark another step forward in the consistent pattern of growth of our national programs for handicapped children and adults—a pattern which has marked the last three decades.

Specifically, H.R. 6692 would extend the discretionary programs authorized under the Education of the Handicapped Act for 5 additional years. More specifically, the bill extends the discretionary programs authorized under part C, centers and services to meet special needs of the handicapped; part D, training personnel for the education of the handicapped; part E, research in the education of the handicapped; and part F, instructional media for the handicapped. Appropriate authorizations are provided to insure the continuation of all of these programs through September 30, 1982.

Mr. Speaker, there is great need for this legislation. There are presently approximately 8 million deaf, blind, retarded, speech-impaired, motor-impaired, emotionally disturbed, or other health-impaired children in the United States requiring special education programs.

Over the last 10 years, the number of handicapped children in education programs has grown from 2.1 million to almost 4 million. There are still just as many, however, who are still not receiving an adequate education. Even more discouraging is the fact that approximately 1.75 million handicapped children are receiving no educational services at all.

Combined together, the programs extended in H.R. 6692 focus on assuring that all handicapped children will receive the special educational programs they require.

Mr. Speaker, the committee believes that good educational programs are an investment for our Nation rather than an expenditure. The human and fiscal returns from the Federal investment in educational programs for handicapped children are high. This investment will enable the individual handicapped child to develop his potential to the maximum, therefore increasing his present and future independence. Society, in turn, benefits both from his contribution and from the absence of the higher cost of dependency-oriented welfare services.

On May 3, 1977, our Subcommittee on Select Education, after conducting hearings on H.R. 6692, considered the measure in legislative session. The bill was unanimously ordered reported by the subcommittee. On May 5, 1977, the full Committee on Education and Labor considered H.R. 6692, and unanimously ordered it reported.

Mr. Speaker, the proposed authorizations in this legislation are modest when compared to what is needed. The authorizations for all programs covered by this bill amount to $197,000,000 for fiscal year 1978, an increase of $23,000,000 over what was authorized for fiscal year 1977. In subsequent years, there are relatively minor increases which reflect the committee's commitment to expanding Federal support for these humanitarian and necessary efforts.

In conclusion, Mr. Speaker, I reiterate my support for H.R. 6692, and urge the speedy passage of this legislation, which will continue, and increase, the Nation's established commitment to the education of our handicapped children.

Mr. CONTE. Mr. Speaker, I rise in support of H.R. 6692, and I would like to emphasize the permanent value and necessity of providing these educational services to handicapped children. I believe many of my fellow colleagues are aware of my active support in Congress for programs designed to afford our handicapped citizens assistance to benefit their daily lives. As a group, handicapped children are especially in need of educational services and programs which use specialized personnel and instructional methods to insure that the teaching methods wholly complement their handicapped needs.

As a cosponsor of the 1970 act, I would like to point out that my State of Massachusetts was the first State to enact legislation—law 766—mandating public educational services for handicapped students to be comparable to education provided for nonhandicapped students. The bill before us today was actually modeled after the Massachusetts law, and I am proud of the responsiveness of the Massachusetts State Legislature in providing the initiative for this program at the Federal level.

My involvement with H.R. 6692 goes even further because, as a member of the Labor-HEW Appropriations Subcommittee, I am well acquainted with the operations, value, and necessity of assisting States with educational services for handicapped children. This bill guarantees through a $1.1 billion authorization for 5 years, that each State can now provide special educational services to its handicapped students, rather than some States neglecting these essential services because of State-financial shortages.

Mr. Speaker, I urge my colleagues to support this worthy legislation, to help those individuals who desperately need our help.

Mr. NOLAN. Mr. Speaker, I rise in strong support of H.R. 6692 and I commend the subcommittee for recognizing our obligation to continue funding for this important legislation.

It is one thing for us to acknowledge that the disabled people of this country have long been denied many of their basic rights and to agree that the handicapped have a right to participate in our society to the fullest extent possible—but it is quite another to actively commit ourselves to the principles we espouse.

As in the past when we have tried to end discrimination against other oppressed groups in this country, we have found that simply acknowledging the oppression and offering assistance to put an end to it is not enough. Ending discrimination against the handicapped requires affirmative action just as surely as ending our society's discrimination against women and blacks has demanded it. Local school systems may share our ideals and our philosophical commitment to ending discrimination against handicapped children, but they have to deal with the pragmatics of providing the "appropriate education" we have mandated, and we must acknowledge that in many cases, that compliance carries a sizable price tag. If we are going to demand compliance—and we must—I believe we must share the financial burden of implementing the necessary changes.

The greatest costs to the school systems come in developing and initially implementing their methods of incorporating education for the handicapped into their curriculums. It is only reasonable for Congress to provide assistance during this transition period until full compliance becomes incorporated into the normal operating costs of the local schools.

I urge my colleagues to join me in voting in favor of extending this worthy authorization.

Mr. BIAGGI. Mr. Speaker, as a cosponsor of H.R. 6692, I rise to indicate my full support of the legislation and to urge its expeditious consideration by Congress. Passage of this bill is essential if we are to achieve our mandate of requiring States to provide a free and appropriate education for all handicapped children by September 1, 1980.

This legislation will extend for 5 years and increase funds for eight key programs of the Handicapped Education Acts of 1970 and 1975. The bulk of the funds will be directed at the training of specialized personnel and the acquisition of important equipment to provide greater educational opportunities for handicapped children.

The general consensus of those witnesses who appeared at our hearings was that the handicapped education programs were working well, but needed additional funds. This bill recognizes this important consideration and also provides for a 5-year extension of these programs so we can better evaluate the success of the programs on those it serves

It is appropriate that we consider this legislation on the eve of the White House Conference on the Handicapped. Our commitment to handicapped education is clear. We need this legislation to make this commitment a reality.

I wish to pay special tribute to the distinguished chairman of the House Select Education Subcommittee, Mr. BRADEMAS, for his outstanding leadership and advocacy of the rights of handicapped children to receive an education.

Mr. BRADEMAS. Mr. Speaker, I have no further requests for time.

GENERAL LEAVE

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill H.R. 6692.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS) that the House suspend the rules and pass the bill H.R. 6692, as amended.

The question was taken.

Mr. MOTTL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

EXTENSION OF AGE DISCRIMINATION ACT AND COMMODITIES PROVISIONS RELATING TO NUTRITION PROGRAMS FOR THE ELDERLY

Mr. BRADEMAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6668) to amend the Age Discrimination Act of 1975 to extend the date upon which the U.S. Commission on Civli Rights is required to file its report under such act, and for other purposes, as amended.

The Clerk read as follows:

H.R. 6668

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 307(d) of the Age Discrimination Act of 1975 (42 U.S.C. 6101(d)) is amended—

(1) by striking out "eighteen months" and inserting in lieu thereof "two years"; and

(2) by adding at the end thereof the following new sentence: "The Commission may, upon request, provide information and technical assistance with respect to such findings and recommendations to the Congress, the President, and the heads of Federal departments and agencies, during the ninety-day period following the date of the transmittal of its report.".

SEC. 2. Section 707(a)(4) of the Older Americans Act of 1965 (42 U.S.C. 3045f(a)(4)) is amended by striking out "and" after "1976," and by inserting after "1977" the following: ", and the fiscal year ending September 30, 1978".

The SPEAKER. Is a second demanded?

Mr. JEFFORDS. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Indiana (Mr. BRADEMAS) will be recognized for 20 minutes, and the gentleman from Vermont (Mr. JEFFORDS) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Indiana (Mr. BRADEMAS).

Mr. BRADEMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill H.R. 6668, as amended, has two major purposes.

First, this bill would simply provide for an extension of 6 months in which the U.S. Civil Rights Commission may file its study as required by the Age Discrimination Act of 1975. This study was mandated by Congress in order to determine the extent of discrimination based on age in federally assisted programs.

The bill before us today is made necessary by the fact that funds were not appropriated for the Commission's study until May 28, 1976—6 months after the Older Americans Amendments of 1975 were signed into law. The amended deadline, would therefore simply allow the Commission the 18 months originally envisioned by the Older Americans Amendments of 1975 for the completion of the study.

The bill would also authorize the Commission, for a 90-day period, following transmittal of this report, to provide information and technical assistance to Government officials who are responsible for implementing the act. This provision is made necessary by the fact that the Commission's jurisdiction does not extend to age discrimination and therefore once the Commission has fulfilled its obligation to do the report, it would lack the legal authority to render additional services with regard to the act.

Mr. Speaker, the second major purpose of H.R. 6668, as amended, is to extend the commodity provision of the Older Americans Act of 1965 under section 707 (a)(4) for 1 additional year.

Mr. Speaker, I am sure that practically every Member of this body has at one time or another visited a nutrition program for senior citizens in his or her home district. These programs, funded under title VII of the Older Americans Act, are very popular with the elderly, with the communities in which they live and, I might add, with Congress.

Since 1971, when the nutrition for the elderly program was created, every State has participated in it, in fact there are now 6,000 congregate sites serving over 400,000 meals daily.

Mr. Speaker, since 1974, the nutrition programs have been able to supplement their food budgets with commodities from USDA. Indeed, the use of commodities has helped many communities in their continuing struggle to meet rising food costs and still serve well-balanced, nutritional programs.

The extension of the commodities' program is necessary in order that commodities may continue to be purchased for use under the nutrition for the elderly program authorized under title VII of the Older Americans Act.

Mr. Speaker, this 1 year extension would also allow the commodity provision to expire at the same time as other provisions of the Older Americans Act.

Mr. Speaker, H.R. 6668, as amended, was unanimously reported by the full Education and Labor Committee and has the support of Members on both sides of the aisle.

We are all aware of the effectiveness and worth of the title VII Nutrition Program and I urge all of my colleagues to join in supporting this modest extension for 1 additional year of the commodities support program.

Mr. Speaker, I would at this point like to thank all of the members of the Subcommittee on Select Education, which I have the honor to chair, for their support of these measures and in particular would like to thank the distinguished chairman of the Education and Labor Committee, Mr. PERKINS, and the distinguished ranking minority member, Mr. QUIE, for their help in bringing this measure so expeditiously before you today. I would also like to thank the distinguished ranking minority member of the Subcommittee on Select Education, Mr. JEFFORDS, and all of the members of the subcommittee for their efforts to see expeditious action on this bill.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker, H.R. 6668 deals with two very important concerns of the Congress—adequate nutrition programs for our elderly citizens and discrimination against elderly people in federally assisted programs.

The amendments contained in H.R. 6668 are relatively minor. My colleagues know of the great work that is being accomplished under title VII of the Older Americans Act, where hot meals are being served on a daily basis to over 257,000 people.

An important aspect of the nutrition program is the donation of commodities under section 707 of the act. That section requires the Secretary of Agriculture donate commodities acquired under section 32, under section 416 of the Agricultural Act of 1949, and section 709 of the Food and Agricultural Act of 1965, to the elderly nutrition program.

Section 707 requires commodities be donated at a programed level. During the current fiscal year, the programed level of assistance cannot be less than 25 cents per meal. Nationally, this means that approximately $26,000,000 in donated foods must be made available to title VII grantees.

This authority is expiring on September 30. H.R. 6668 extends the provision at the current level for 1 additional year. This will mean that the authorization for the title VII nutrition program and the commodity component will be coterminous.

Second, Mr. Speaker, H.R. 6668 provides for a 6-month extension of the date upon which the U.S. Commission on Civil Rights is required to file its report under the Age Discrimination Act of 1975. Title III of Public Law 94–135 prohibits discrimination in federally assisted programs on the basis of age.

As my colleagues know, such prohibition—as much as they are needed—have in their implementation caused unexpected problems. To guard against this with respect to the Age Discrimination Act, we carefully provided for an extensive study by the Commission on Civil Rights. Because funding was not made available initially to the Commission, its work was delayed.

The amended deadline as provided in this bill will allow the Commission an 18-month study period as was originally envisioned by the Older Americans Amendments of 1975. I think our previous experience has indicated how important it is that this study be carried out carefully and thoroughly.

Providing an additional 6 months for the Commission to complete its work will undoubtedly have a significant and valuable result, as we move to guarantee protection for our elderly citizens.

Mr. BRADEMAS. Mr. Speaker, I reserve the balance of my time.

Mr. JEFFORDS. Mr. Speaker, I have no requests for time.

Mr. BRADEMAS. Mr. Speaker, I have no further requests for time.

GENERAL LEAVE

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 6668, now under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS) that the House suspend the rules and pass the bill H.R. 6668, as amended.

The question was taken.

Mr. ASHBROOK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Pursuant to the provisions of clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

HIGHER EDUCATION TECHNICAL AMENDMENTS

Mr. FORD of Michigan. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6774) to make certain technical and miscellaneous amendments to provisions relating to higher education contained in the Education Amendments of 1976, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Higher Education Act of 1965 is amended as follows:

(1) Section 103(a) of the Higher Education Act of 1965 is amended by striking out "July 1, 1975" and inserting in lieu thereof "July 1, 1974".

(2) Section 104 of such Act is amended by striking out the comma after "material sharing programs".

(3) Section 105(a)(6) of such Act is amended by inserting "provide" immediately before "assurances".

(4) Section 133(a)(7) of such Act is amended by striking out "Commissioner's" and inserting in lieu thereof "Assistant Secretary's".

(5)(A) Section 411(b)(3)(B) of the Act is amended by redesignating divisions (ii), (iii), and (iv) as divisions (iii), (iv), and (v), respectively, and by inserting after division (i) the following:

"(ii) If, during any fiscal year, funds available for making payments under this subpart exceed the amount necessary to make the payments prescribed in division (i), such excess shall be paid with respect to each entitlement under this subpart in proportion to the degree to which that entitlement is unsatisfied.".

(B) Subparagraphs (A) and (B) of section 411(b)(4) of the Act are each amended by inserting ", at the end of a fiscal year," after "If".

(6) Section 415C(b)(4) of such Act is amended by striking out "July 1, 1977" and inserting in lieu thereof "October 1, 1978".

(7) Section 415E of such Act is amended by striking out "having an agreement under section 428(b)" and inserting in lieu thereof "operating, through an agency of the State or through a nonprofit private institution or organization designated by a State, a program under section 428 (b)".

(8) Section 421(a) of such Act is amended by striking out "428(c)(1)(A)" and inserting in lieu thereof "428(a)(1)(C)".

(9) Sections 421(b)(3) and 427(a)(2)(E) of such Act are each amended by striking out the period at the end thereof and inserting in lieu thereof a comma.

(10) Section 421(c)(1) of such Act is amended by inserting "(whether operated by an agency of the State or by a nonprofit private institution or organization designated by the State)" after "by each State".

(11) Section 422(c)(2) of such Act is amended—

(A) in subparagraph (A)—

(i) by striking out "the greater of (i) $50,000, or (ii)";

(ii) by inserting "of loans made by lenders and" after "10 per centum of the principal amount";

(B) in subparagraph (B), by inserting at the end thereof the following new sentence: "Notwithstanding subparagraph (A) and the preceding sentence of this subparagraph, but subject to subparagraph (D) of this paragraph, the amount of any advance to a State described in paragraph (5)(A) for the first year of its eligibility under such paragraph, and the amount of any advance to any State described in paragraph (5)(B) for each year of its eligibility under such paragraph, shall not be less than $50,000."; and

(C) by adding after subparagraph (C) the following new subparagraph:

"(D) If the sums appropriated for any fiscal year for paying the amounts determined under subparagraphs (A) and (B) are not sufficient to pay such amounts in full, then such amounts shall be reduced—

"(i) by ratably reducing that portion of the amount allocated to each State which exceeds $50,000; and

"(ii) if further reduction is required, by equally reducing the $50,000 minimum allocation of each State.

If additional sums become available for paying such amounts for any fiscal year during which the preceding sentence has been applied, such reduced amounts shall be increased on the same basis as they were reduced.".

(12) Section 422(c)(5)(B) of such Act is amended by inserting after "effective date of this subsection" the following: "or which is not actively carrying on a program under an agreement pursuant to such section on such date".

(13) Section 422(c)(6)(B)(iii) of such Act is amended by inserting "eligible" immediately before "institution" each place it appears.

(14) Section 423(b) of such Act is amended by striking out "or" at the end of paragraph (1), by striking out the period at the end of paragraph (2) and inserting in lieu thereof ", or", and by adding after such paragraph the following:

"(3) under such circumstances as may be approved by the State or nonprofit private institution or organization in such State with which the Commissioner has an agreement under section 428(b), for the insurance of a loan to a borrower for whom such lender previously was issued such a certificate if the loan covered by such certificate is not yet repaid.".

(15) Section(a)(1)(A) of such Act is amended—

(A) by striking out "a loan to a student who is or will be in his first year of a program of undergraduate education" and inserting in lieu thereof "loans to a student for his first academic year of a program of post-secondary education";

(B) by striking out "program which is" and inserting in lieu thereof "program, which are";

(C) by striking out "or which is" and inserting in lieu thereof "or which are"; and

(D) by striking out "the loan" and inserting in lieu thereof "the total of such loans".

(16) Section 425(a)(1)(B) of such Act is amended by striking out "to a student for his first academic year of postsecondary education" and inserting in lieu thereof "to such a first-year student".

(17) Section 425(a)(1) of such Act is amended by inserting after the last sentence thereof the following: "For the purpose of clause (B), all loans made within any period of 90 days shall be considered a single loan.".

(18) Section 427(a)(2)(G) of such Act is amended by striking out the semicolon at the end thereof and inserting in lieu thereof a comma.

(19) The last sentence of section 428(a)(8)(A) of such Act is amended by striking out "over the course of the academic year" and inserting in lieu thereof "over the period of enrollment for which the loan is made".

(20) Section 428(a)(9) of such Act is amended—

(A) by inserting "a determination must be made as to whether" after "for which";

(B) by striking out "the determinations to be made (except the determinations of good standing)" and inserting in lieu thereof "the determination to be made"; and

(C) by striking out "(2)(A)(i) and".

(21) Section 428(b)(1)(A) of such Act is amended—

(A) by inserting "in any academic year or its equivalent (as determined under regulations of the Commissioner)" after "(A) authorizes the insurance";

(B) in division (i)—

(i) by striking out "a loan which is made" and inserting in lieu thereof "loans which are made";

(ii) by striking out "or which is" and inserting in lieu thereof "or which are"; and

(iii) by striking out "to a student who has not successfully completed a program of undergraduate education in an amount in excess" and inserting in lieu thereof "to a student for his first academic year of a program of postsecondary education, and who has not previously enrolled in such a program, in an amount in excess of the lesser";

(C) in division (ii), by striking out "to a student for his first academic year of postsecondary education" and inserting in lieu thereof "to such a first-year student"; and

(D) by inserting immediately before the semicolon at the end thereof the following: ", and all loans issued within any period of 90 days shall be considered as a single loan for purposes of division (ii)".

(22) Section 428(b)(1) of such Act is amended—

(A) by inserting "and" at the end of subparagraph (O);

(B) by striking out subparagraph (P); and

(C) by redesignating subparagraph (Q) as subparagraph (P).

(23) Subparagraph (C) of section 428(c)(1) of such Act is amended—

(A) by striking out "insured by it" and inserting in lieu thereof "made by a lender which are insured by such an institution or organization"; and

(B) by inserting "and" at the end of clause (ii), and by striking out ", and" at the end of clause (iii) and the remainder of such subparagraph and inserting in lieu thereof a period.

(24) Section 428(c)(5) of such Act is amended—

(A) by striking out "entered into prior to September 1, 1969"; and

(B) by striking out "in effect on that date" and everything that follows through "the Commissioner may" and inserting in lieu thereof "an agreement pursuant to subsection (b) of this section, the Commissioner may".

(25) Section 428(c)(6) of such Act is amended—

(A) in subparagraph (A), by inserting "and for the purpose of section 428A(b)(5)" after "For the purpose of paragraph (2)(D)" and by striking out "pursuant to such paragraph";

(B) in subparagraph (A)(ii)—

(i) by striking out "of the loan" and inserting in lieu thereof "of loans reimbursed under this subsection";

(ii) by striking out "reimbursed pursuant to subsection (f)"; and

(iii) by inserting immediately before the period at the end thereof "and have not been reimbursed under subsection (f)"; and

(C) in subparagraph (B)(i), by striking out "costs of collection of the loan'" and inserting in lieu thereof "costs of collection of loans'".

(26) Section 428(c)(7)(A)(ii) of such Act is amended by striking out "guranatee agreement under this subsection" and by inserting in lieu thereof "guarantee agreement under subsection (b) of this section".

(27) Section 428(f)(1) is amended—

(1) by striking out "Each" in subparagraph (B) and inserting in lieu thereof "Except as provided in subparagraph (C), each"; and

(2) by inserting after such subparagraph (B) the following:

"(C) For any State which is eligible to receive a reserve fund advance under section 422(c)(5)(B), the spending minimum required by subparagraph (B) with respect to purposes described in clauses (ii) and (iii) of subparagraph (A) shall, for the first year of such eligibility, not be applicable and shall, for the second and third years of such eligibility, be an amount equal to 20 per centum of the payments received under this paragraph.".

(28) Paragraph (2) of section 428(f) of such Act is amended by striking out "(2)(A)" and inserting in lieu thereof "(2)", and by striking out subparagraph (B).

(29) Section 428(f)(3)(A) of such Act is amended by striking out the period at the end thereof and inserting in lieu therof a comma.

(30) Paragraphs (1)(A) and (2)(A) of section 428A(a) of such Act are each amended by inserting "who is carrying at an eligible institution at least one-half the normal full-time academic workload (as determined under regulations of the Commissioner)" after "to any individual student" and by inserting "not" immediately before "successfully completed".

(31) Paragraphs (1) and (2) of section 428A(a) of such Act are each amended by striking out clause (C) and by inserting in lieu thereof, in each such paragraph, the following:

"(C) with respect to lenders which are eligible institutions, provides for the insurance of loans by only such institutions as are located within the geographic area served by such State or nonprofit private institution or organization;".

(32) Section 428A(b)(5) of such Act is amended by inserting, within the parentheses, "consistent with section 428(c)(6)" after "regulations prescribed by the Commissioner".

(33) Section 430(a) of such Act is amended by striking out "interest accrued" and inserting in lieu thereof "accrued interest, including interest accruing".

(34) Section 433(a)(2) of such Act is amended by inserting "clause (A) of" immediately before "paragraph (1)".

(35) Section 435(g)(1)(B) of such Act is amended by striking out "Employees" and inserting in lieu thereof "Employee".

(36) Section 435(g)(3) of such Act is amended by striking out "the amount of the loan described in section 428(a)(1) made" and inserting in lieu thereof "the total amount of such loans as are described in section 428(a)(1) made by the institution".

(37) Section 438 of such Act is amended—

(A) by striking out "unpaid balance of disbursed principal" in subsection (b)(1) and inserting in lieu thereof "average unpaid balance of principal";

(B) by striking out "and" at the end of clause (ii) of subsection (b)(2)(A) and by inserting immediately before the period at the end of clause (iii) of such subsection the following new clause: ", and (iv) by dividing the resultant per centum by four";

(C) by striking out "subparagraph (4)" in subsection (b)(2)(C) and inserting in lieu thereof "paragraph (4)";

(D) by striking out "paragraph (3)" in subsection (b)(4)(B) and inserting in lieu thereof "paragraph (2)";

(E) by striking out "subparagraph" in subsection (b)(4)(C) and inserting in lieu thereof "paragraph"; and

(F) by redesignating the matter following paragraph (5) of subsection (b) as paragraph (6) and by striking out, in such matter, "subsection (a)" and inserting in lieu thereof "this subsection".

(38) Section 439(b)(1) of the Act is amended by inserting "and citizen" after "resident".

(39) Section 464(c)(2) of such Act is amended by striking out "title VIII of the Economic Opportunity Act of 1964" and inserting in lieu thereof "the Domestic Volunteer Act of 1973".

(40) Section 493(a) of such Act is amended by striking out "part A or C" and inserting in lieu thereof "part A, C, or E".

(41) Section 497A(c) of such Act is amended by striking out "paragraph (a)(3)" and inserting in lieu thereof "subsection (a)(4)".

(42) Section 533(a)(2) of such Act is amended by striking out "section 532 of this title" and inserting in lieu thereof "section 406(d)(1)(D) of the General Education Provisions Act".

(43) Section 771 of such Act is amended—

(A) by striking out "grants from funds appropriated under section 721(b)," in subsection (a);

(B) by striking out "In determining" each place it appears in subsection (b) and inserting in lieu thereof "In establishing criteria for determining"; and

(C) by adding at the end thereof the following new subsections:

"(d) Grants and loans awarded for the purposes of this part shall not be subject to the provisions of subsections (a) and (b) of section 781. The Commissioner shall, with respect to each such grant or loan, determine the period which shall be deemed to be the period of Federal interest in the facility reconstructed or renovated. If, within such period, such facility ceases to be used as an academic facility, the United States shall recover from the applicant (or its successor in title or possession) an amount representing the depreciated value of the improvements made with such grant or loan, determined in accordance with the procedures set forth in the last sentence of section 781(b).

"(e) Funds appropriated under section 701(b) available for grants under this part may be used for graduate and undergraduate facilities and may be used without regard to whether such funds will increase or create enrollment capacity, health care capacity, or capacity to carry out extension and containing education programs.".

(44) Section 781 of such Act is amended by striking out ", reconstruction, or renovation" each place it appears in such section and by striking out "reconstructed or renovated" each place it appears in subsections (a) and (b) of such section.

(b)(1) Section 101(b) of the Education Amendments of 1976 is amended by striking out paragraph (5)(A) and by redesignating paragraph (5)(B) as paragraph (5).

(2) Paragraph (6)(A) of section 101(b) of such Amendments is amended by striking out "institution" and inserting in lieu thereof "institutions".

(3) Section 123(a) of such Amendments is amended by striking out "by adding at the end thereof the following new paragraph:" and inserting in lieu thereof "by amending paragraph (3) to read as follows:".

(4) section 127(b) of such Amendments is amended—

(A) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The changes made in—

"(A) sections 425(a) (other than paragraphs (1) (A) and (B) thereof) and 428(b)(1)(A) other than divisions (i) and (ii) thereof, and sections 427(a)(1)(C) and 428(b)(1)(B) shall become applicable with respect to loans to cover the costs of education for periods of enrollment beginning on or after October 1, 1976;

"(B) sections 425(a)(1) (A) and (B) and 428(b)(1)(A) (i) and (ii) shall become applicable with respect to loans made on or after February 12, 1977, to cover such costs for such periods beginning on or after November 12, 1976;

"(C) sections 427(a)(2) (G) and (H) and 428(b)(1) (N), (O), and (P) shall become applicable with respect to loans made on or after June 1, 1977;" and

(B) in paragraph (5), by inserting "on or after February 12, 1977" after "loans made", and by striking out "October 1, 1976" and inserting in lieu thereof "November 12, 1976".

(5) Section 153 of such Amendments is amended by striking out "(a)" after "SEC. 153.".

(6) Section 162(g) of such Amendments is amended by striking out "(1)" after "(g)" and by striking out paragraph (2).

(7) Section 181 of such Amendments is amended by inserting "(a)" after "SEC. 181." and by adding at the end thereof the following:

"(b) Neither the amendment made by subsection (a) of this section nor the amendment made to section 435(b)(1) of the Act (by section 127(a) of this Act) shall be construed to authorize terminating the eligibility of an institution which was deemed to be an institution of higher education for purposes of sections 435(b)(1) and 1201(a) on the date of enactment of this Act. The preceding sentence of this section shall not be construed to impair the authority of the Commissioner to limit, suspend, or terminate such eligibility for the reasons and as provided by section 497 of the Act.".

(8) Section 343(a)(1) of such Amendments is amended by striking out "this section" and inserting in lieu thereof "this part".

(c) Section 604 of the National Defense Education Act of 1958 is amended by striking out "October 1, 1977" and inserting in lieu thereof "October 1, 1979,".

(d) Section 448 of the General Education Provisions Act is amended by striking out "March 31" and inserting in lieu thereof "June 30".

SEC. 2. (a) Except as provided in subsection (b), the amendments made by the first section of this Act shall take effect October 12, 1976.

(b)(1) Except as provided in paragraph (2), amendments made by the first section of this Act to part B of title IV of the Higher Education Act of 1965 shall take effect as provided by subsection (b) of section 127 of the Education Amendments of 1976, as amended by this Act, and shall, for purposes of such subsection, collectively be deemed to be an amendment made by subsection (a) of such section.

(2) The amendments made by paragraphs (16), (19), and (20)(D) of subsection (a) of the first section of this Act shall take effect thirty days after the date of its enactment. No determination made pursuant to section 428(a)(9) of the Higher Education Act of 1965 as in effect between September 30, 1976, and such thirtieth day after enactment of this Act shall be invalid if such

determination, at a minimum, complies with such section as amended by such paragraph (19).

The SPEAKER. Is a second demanded?

Mr. BUCHANAN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Michigan (Mr. FORD) will be recognized for 20 minutes, and the gentleman from Alabama (Mr. BUCHANAN) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Michigan (Mr. FORD).

Mr. FORD of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H R. 6774 contains technical and miscellaneous amendments relating to the programs authorized by the Higher Education Act which we extended and revised extensively last year with the enactment of the Education Amendments of 1976—Public Law 94-482.

I would like to say at the outset that the amendments contained in H.R. 6774 are a product of bipartisan work and are entirely noncontroversial. They were reported out of committee unanimously. I would also, at this time, like to commend the distinguished ranking minority member of the Subcommittee on Postsecondary Education (Mr. BUCHANAN) and the ranking minority member of the full committee (Mr. QUIE) as well as our own chairman (Mr. PERKINS) for their cooperation in expediting these amendments through the committee.

Mr. Speaker, the Education Amendments of 1976 became law on October 12, 1976. Title I of this act extended most programs authorized by the Higher Education Act of 1965, and in many cases extensive and complicated changes were made. For instance, the guaranteed student loan program was completely rewritten. The amendments contained in H.R. 6774 deal primarily with printing and clerical errors, effective dates, and other miscellaneous provisions contained in title I of the Education Amendments of 1976.

Mr. Speaker, most of the amendments contained in H.R. 6774 affect the guaranteed student loan program. They generally fall into three categories. The first category contains amendments relating to effective dates. Because the Education Amendments of 1976 did not become law until October 12, 1976, and the Office of Education did not notify lenders on a timely basis of the changes in the law, a situation was created whereby some question could arise as to the validity of some loans which have been made pursuant to the provision of Public Law 94-482. These amendments allow for a reasonable period of time for compliance with certain provisions of the new law, and are intended to alleviate any possible confusion relating to the validity of the Federal insurance of these loans.

A second category of amendments relates to provisions in the Education Amendments of 1976 which provide incentives for States to establish guaranty agencies. The committee has determined that certain criteria which State agencies are required to meet in order to receive the monetary incentives provided by the new law have been either extremely difficult or in some cases impossible for States creating new agencies to meet. Since a major purpose of the Education Amendments of 1976 was to encourage the establishment of such agencies, H.R. 6774 modifies these requirements to accommodate particular needs of States establishing new States agencies.

A third and final category of amendments which relates not only to the guaranteed student loan program but to other higher education programs as well modifies existing language in order to clarify the original intent of the Congress or to correct typographical, punctuation, or clerical errors.

I would like to make specific reference to three amendments. The first delays for an additional 15 months—until October 1, 1978—the effective date of the provision in section 415C(b)(4) of the Higher Education Act, as amended, which would require States to make all nonprofit institutions of higher education within the State eligible to participate in the State student incentive grant program. Our committee determined that this additional period of time was reasonable and consistent with our original intent that students in nonprofit institutions, both public and private, be eligible for participation in the State student incentive grant program.

H.R. 6774 also restores a provision relating to basic educational opportunity grants which was deleted by the Education Amendments of 1976. This amendment provides for making ratable increases in grants when appropriations are insufficient to pay full entitlements but are in excess of the amount needed to fund at the first step reduction. I concurred in the inclusion of this amendment after receiving assurances from the administration that it was their desire to restore this provision.

Finally, H.R. 6774 amends section 181 of the 1976 amendments which revise the definition of institutions of higher education by adding a proviso thereto that direct that this definition not be interpreted so as to terminate the eligibility of any institution of higher education eligible for participation in programs authorized by the Higher Education Act at the time of the enactment of the 1976 act.

This amendment is totally consistent with the statement of the managers on the 1976 education amendments, and is necessary because information was brought to the committee's attention which indicated that the Office of Education was preparing to publish regulations that may have been in conflict with the intention expressed by the managers as the 1976 amendments.

Mr. Speaker, once again I would like to thank my colleagues on the committee for their bipartisan and unanimous support of this legislation. I can assure my colleagues that H.R. 6774 contains nothing of a controversial nature and I urge its prompt adoption.

Mr. Speaker, I have no requests for time on my side, and I reserve the balance of my time.

Mr. BUCHANAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I know of no opposition on the minority side to this technical amendments bill. But I would like to make just a few comments to put it into perspective for my colleagues.

The last major revision of the Higher Education Act of 1965 was passed as title I of the Education Amendments of 1976. These amendments were signed into law almost 7 months ago as Public Law 94-482.

The conference committee for the 1976 amendments resolved over 400 substantive differences in 59 hours of negotiation. It is not surprising that 7 months of careful scrutiny of that legislation has turned up a number of technical errors.

I believe the committee report gives a fair representation of the bill. It mentions that the administration, the companion committee in the other body, and the major education associations have all had a chance to make suggestions for this bill.

Members should know that many suggestions were made which were not included in the bill. We believed that anything which could be considered substantive and not in keeping with the intent of the Educational Amendments of 1976 should not be included in a technical amendments bill. That is why this bill is absent of any controversy and appropriately placed on the Suspension Calendar.

I might comment on one amendment to the basic educational opportunity grant program. We have included the authority to pro rate the size of the grant so that any level below the maximum $1,800 would be legal, depending on the amount of appropriations. This amendment has stirred some confusion, but it simply puts back into law this old authority which was inadvertently left out in October. In addition, the amendment was requested last week by the administration. Speaking for myself, and I believe several others on the committee, this amendment should not be interpreted as lack of support for continued full funding of the BEOG program.

As has been mentioned by the distinguished chairman of the subcommittee, the majority of the amendments in H.R. 6774 deal with the guaranteed student loan program. The vast majority of these are quite technical and deal with such things as incorrect cross-references and dates. A number of amendments are required by the need to conform the terms and conditions of the direct Federal and the reinsurance programs.

It should be noted that a number of these amendments are designed to further encourage the establishment of State guarantee agencies in those States where agencies have not yet established. The health and viability of the program demand the creation of these State agencies. We have, therefore, used this legislation to clarify a number of points where there was some misunderstanding with respect to the major revision of GSL incorporated in Public Law 94-482.

One final item: There is a great deal of concern among lenders about possible regulations to carry out that section of the law which requires that due diligence be used in connection with the collection of delinquent loans. I would hope, and I believe my colleagues would concur, that OE would incorporate some flexibility in those regulations. Due consideration must be given to the fact that there are a number of differences connected with the making of a student loan that will affect the collection process. Due diligence should not be interpreted too rigidly. I would urge that OE consult with lenders prior to writing these regulations.

In summary, I find this bill fully acceptable to the minority and urge its adoption.

Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, I, too, join in support of these amendments that are necessary to the act.

I would like to take this time to propound a series of questions to the gentleman from Michigan (Mr. FORD), and I should point out that this involves the interest of the gentleman from Illinois (Mr. ERLENBORN) in this legislation, so I am also doing this on his behalf.

Mr. Speaker, I will propound a series of questions to the gentleman from Michigan (Mr. FORD), the chairman of the Subcommittee on Postsecondary Education, regarding a provision contained in the 1976 education amendments authorizing an unemployment moratorium of 1 year in repayment for borrowers under the guaranteed student loan program. It is my understanding that the language in this provision has caused a great deal of concern and confusion among lenders, State agencies, and the U.S. Office of Education. It would be my hope that this colloquy would provide them with guidance in administering this provision and would result in regulations from OE which would clarify the use of this section of the law.

From my conversations with lenders, it is clear that there is a great deal of concern regarding the language which speaks of the borrower being "unable to find full-time employment." It would be my understanding that if a borrower were continuing to work for the same employer but had for one reason or another simply reduced his or her hours of employment by a fraction—perhaps 10 or 20 percent—that borrower would not be able to qualify for this provision since the borrower's income would still be substantially the same as existed prior to the application for the moratorium. Is this also the understanding of the distinguished chairman of the subcommittee?

Mr. FORD of Michigan. Mr. Speaker, if the gentleman will yield, in response to the question of the gentleman from Minnesota (Mr. QUIE), I would like to state my concurrence with his statement and express by hope that the regulations from USOE will significantly contribute to clarifying this provision. Any borrower who maintained employment with the same employer and merely had his or her work week reduced by perhaps 1 to 5 hours to qualify for this provision should certainly not be deemed to be unable to find full-time employment.

Mr. QUIE. I thank the gentleman. Would it be your further understanding that borrowers seeking to qualify should normally be those who would be able to qualify for unemployment insurance?

Mr. FORD of Michigan. Yes, I would agree with the gentleman. That would be our intention that this provision should be used much as benefits under the Unemployment Amendments of 1976 to the Social Security Act of 1935—to wit, to provide temporary assistance in the event of substantial loss of income.

Mr. QUIE. One further question of the gentleman from Michigan: Concern has also been raised with respect to the language in that section which would seem to require that the lender determine that the borrower is seeking full-time employment. Would it be the chairman's understanding that one logical solution to this issue might be to have the borrower sign an affidavit perhaps every 90 days declaring that he or she has been seeking and has been unable to find employment? The affidavit might be filed either with the lender or the insurance agency. This would relieve the lender from a weekly or monthly obligation to contact the borrower and determine his or her status as of that time. Of course, the false filing of a signed affidavit would subject the borrower to possible penalties.

Mr. FORD of Michigan. Yes, I would agree with the gentleman, a distinguished member of the subcommittee, that such a procedure would be entirely adequate under the language of the law, and I would hope that the Office of Education regulations would permit something along this line.

Mr. BUCHANAN. Mr. Speaker, if the gentleman from Minnesota (Mr. QUIE) will yield, I rise to concur with the statements of the gentleman from Minnesota and the gentleman from Michigan, and add my encouragement to the prompt publication of OE regulations clarifying the law.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Speaker, I join in support of this colloquy and add my support to the comments previously made.

Mr. Speaker, I want to compliment the distinguished chairman of our Subcommittee on Postsecondary Education for his work on H.R. 6774.

As my colleagues know, BILL FORD assumed the chairmanship of this important subcommittee in January. He was confronted immediately with a number of problems directly related to the enactment in October of a comprehensive and complex higher education measure.

He has worked diligently and effectively to bring before the House today a totally noncontroversial bill which will further clarify the intent of the Congress with respect to the 1976 act and insure better implementation of these many new provisions by the executive branch.

During the development of this bill, Chairman FORD has worked closely with the minority, with the administration, and with respresentatives of higher education, both students and institutions.

Based on my observations of the way in which he has guided this legislation, I am confident that BILL FORD will be an extremely able, conscientious, and dedicated chairman of our Postsecondary Education Subcommittee.

Mr. Speaker, as I mentioned, the 1976 Education Act was a comprehensive measure. Title I of that bill dealt exclusively with higher education programs. That title amended and extended virtually every higher education program administered by the U.S. Office of Education, including the very complex guaranteed student loan program. This program, with all of its many component parts, was rewritten in its entirety. Furthermore, seven new higher education programs were established by title I.

Mr. Speaker, after enactment of this comprehensive measure—which was not signed until the new fiscal year had begun—a number of problems were brought to the committee's attention. Some of these resulted from technical errors in the drafting of the conference report; others were related to the fact that the bill was not signed into law until after the start of the new fiscal year; and still others suggested adjustments in relatively minor substantive areas.

H.R. 6774 responds to the concerns and requests brought to the committee's attention by the administration and by other affected parties. The legislation was developed on a bipartisan basis and reported from the Committee on Education and Labor unanimously.

Mr. Speaker, I wish to emphasize that there are no costs associated with this bill. There is one authorization related item providing a fiscal year 1978 and fiscal year 1979 authorization for title VI of the National Defense Education Act in the amount of $75 million for each year. As indicated in the statement of the managers on the conference report on the 1976 Education Amendments, it was intended that Public Law 94-482 provide extension of title VI at a $75 million annual authorization level through fiscal year 1979. Because of a technical error the fiscal year 1978 and fiscal year 1979 authorizations were omitted. They are restored in this legislation, as was intended by the Congress last fall.

I know of no question about or opposition to this bill, Mr. Speaker, and I am hopeful that every Member of the House will support its enactment.

Mr. BRADEMAS. Mr. Speaker, since the passage of the Education Amendments of 1976, several drafting and clerical errors and technical problems concerning the implementation of the law have come to light. This bill corrects these errors and problems, and it will insure the orderly, rapid, and effective implementation of the law. I would like to assure my colleagues that this legislation is purely technical and undertakes no substantive modifications of the higher education programs. I urge my colleagues to support the bill.

Mr. Speaker, let me also take this opportunity to commend officials of the Office of Education for their cooperation in pointing out some of the difficulties in

the law and for suggesting remedies. I hope that this development heralds a new era of cooperation between Congress and the executive branch in education matters. I am pleased that the Office of Education no longer seems interested in implementing legislation either in ignorance or scorn of the letter and intent of the law or in trying to change the purpose of the legislation through regulations.

Mr. Speaker, I would also like to commend the distinguished chairman of the Subcommittee on Postsecondary Education, the Honorable WILLIAM D. FORD of Michigan, for the expeditious, thorough, and thoughtful attention he has given to this legislation. I look forward to a most productive 95th Congress for the Subcommittee on Postsecondary Education under the leadership of the gentleman from Michigan. In particular, I applaud and endorse his plans to hold extensive oversight hearings on the whole range of Federal student assistance programs. These hearings will, I am confident, put us in an excellent position to act knowledgeably and effectively on the many important Federal student aid issues.

Mr. BUCHANAN. Mr. Speaker, I have no further requests for time.

GENERAL LEAVE

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill now under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Michigan.

There was no objection.

Mr. FORD of Michigan. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. FORD) that the House suspend the rules and pass the bill H.R. 6774, as amended.

The question was taken.

Mr. MOTTL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Pursuant to clause 3 of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion on which further proceedings were postponed in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 5562, yeas and nays; H.R. 6692, yeas and nays; H.R. 6668, yeas and nays; and H.R. 6774, yeas and nays.

Pursuant to the provisions of clause 3(b)(3), rule XXVII, the Chair announces that after the first vote on these motions, he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rules on which the Chair has postponed further proceedings.

AUTHORIZING ESTABLISHMENT OF THE ELEANOR ROOSEVELT NATIONAL HISTORIC SITE IN THE STATE OF NEW YORK

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill H.R. 5562, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. PHILLIP BURTON) that the House suspend the rules and pass the bill H.R. 5562, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 337, nays 43, not voting 52, as follows:

[Roll No. 206]

YEAS—337

Abdnor	Cotter	Hughes
Akaka	Coughlin	Hyde
Alexander	D'Amours	Ichord
Allen	Daniel, Dan	Ireland
Ambro	Danielson	Jeffords
Ammerman	Davis	Jenrette
Anderson, Calif.	de la Garza	Johnson, Calif.
	Delaney	Johnson, Colo.
Andrews, N. Dak.	Derrick	Jones, N.C.
	Derwinski	Jones, Okla.
Annunzio	Dicks	Jones, Tenn.
Applegate	Diggs	Jordan
Aspin	Dingell	Kasten
Bafalis	Downey	Kastenmeier
Baldus	Drinan	Kazen
Barnard	Duncan, Oreg.	Kemp
Baucus	Duncan, Tenn.	Ketchum
Beard, R.I.	Early	Keys
Beard, Tenn.	Edgar	Kildee
Bedell	Edwards, Ala.	Kostmayer
Bellenson	Eilberg	Krebs
Benjamin	English	LaFalce
Bennett	Erlenborn	Lagomarsino
Bevill	Ertel	Le Fante
Bingham	Evans, Colo.	Leach
Blanchard	Evans, Del.	Lederer
Blouin	Evans, Ga.	Lehman
Boggs	Fary	Lent
Boland	Fascell	Levitas
Bolling	Fenwick	Lloyd, Calif.
Bonior	Findley	Lloyd, Tenn.
Bonker	Fisher	Long, La.
Bowen	Fithian	Long, Md.
Brademas	Flippo	Luken
Breaux	Flood	Lundine
Breckinridge	Flowers	McClory
Brinkley	Flynt	McCloskey
Brodhead	Ford, Mich.	McCormack
Brooks	Ford, Tenn.	McDade
Broomfield	Fountain	McEwen
Brown, Calif.	Fowler	McFall
Brown, Mich.	Frenzel	McHugh
Brown, Ohio	Frey	McKay
Broyhill	Fuqua	McKinney
Buchanan	Gammage	Madigan
Burke, Calif.	Gaydos	Maguire
Burke, Fla.	Gephardt	Mahon
Burke, Mass.	Giaimo	Markey
Burleson, Tex.	Gibbons	Marks
Burlison, Mo.	Gilman	Marriott
Burton, John	Ginn	Martin
Burton, Phillip	Glickman	Mattox
Byron	Gore	Mazzoli
Caputo	Gradison	Metcalfe
Carney	Gudger	Meyner
Carr	Guyer	Mikulski
Cavanaugh	Hagedorn	Mikva
Cederberg	Hamilton	Miller, Calif.
Chappell	Hanley	Mineta
Chisholm	Hannaford	Minish
Clausen, Don H.	Harkin	Mitchell, Md.
	Harris	Mitchell, N.Y.
Clay	Harsha	Moakley
Cleveland	Hawkins	Moffett
Cochran	Heckler	Mollohan
Cohen	Hefner	Moore
Collins, Ill.	Heftel	Moorhead, Pa.
Conte	Hightower	Moss
Conyers	Hollenbeck	Mottl
Corcoran	Horton	Murphy, Ill.
Corman	Howard	Murphy, N.Y.
Cornell	Hubbard	Murphy, Pa.
Cornwell	Huckaby	Murtha
Myers, Gary	Rogers	Thornton
Myers, Michael	Roncalio	Traxler
Myers, Ind.	Rooney	Treen
Natcher	Rose	Trible
Neal	Rosenthal	Tsongas
Nedzi	Rostenkowski	Udall
Nichols	Roybal	Ullman
Nix	Runnels	Vander Jagt
Nolan	Ruppe	Vanik
Nowak	Sarasin	Vento
O'Brien	Sawyer	Volkmer
Oakar	Scheuer	Waggonner
Oberstar	Schroeder	Walgren
Obey	Schulze	Walker
Ottinger	Seiberling	Walsh
Panetta	Sharp	Wampler
Patten	Shipley	Waxman
Patterson	Sikes	Weiss
Pattison	Simon	Whalen
Pease	Sisk	White
Pepper	Skelton	Whitehurst
Perkins	Skubitz	Whitley
Pettis	Slack	Whitten
Pickle	Smith, Iowa	Wiggins
Pike	Smith, Nebr.	Wilson, Bob
Poage	Solarz	Wilson, C. H.
Pressler	Spellman	Winn
Preyer	Spence	Wirth
Pritchard	St Germain	Wolff
Pursell	Staggers	Wright
Quie	Stanton	Wydler
Rahall	Stark	Yates
Railsback	Steed	Yatron
Rangel	Steers	Young, Alaska
Regula	Steiger	Young, Fla.
Reuss	Stockman	Young, Mo.
Rhodes	Stokes	Young, Tex.
Rinaldo	Stratton	Zablocki
Risenhoover	Studds	Zeferetti
Roberts	Thompson	
Rodino	Thone	

NAYS—43

Archer	Hansen	Quayle
Armstrong	Holt	Quillen
Ashbrook	Jacobs	Robinson
AuCoin	Jenkins	Rousselot
Badham	Kelly	Rudd
Bauman	Kindness	Satterfield
Butler	Latta	Shuster
Collins, Tex.	Lott	Snyder
Daniel, R. W.	Lujan	Stangeland
Devine	McDonald	Stump
Dickinson	Marlenee	Symms
Dornan	Miller, Ohio	Taylor
Edwards, Okla.	Montgomery	Watkins
Grassley	Moorhead, Calif.	Wylie
Hall		

NOT VOTING—52

Addabbo	Evans, Ind.	Mann
Anderson, Ill.	Fish	Mathis
Andrews, N.C.	Florio	Meeds
Ashley	Foley	Michel
Badillo	Forsythe	Milford
Biaggi	Fraser	Price
Burgener	Goldwater	Richmond
Carter	Gonzalez	Roe
Clawson, Del	Goodling	Russo
Coleman	Hammer-schmidt	Ryan
Conable		Santini
Crane	Harrington	Sebelius
Dellums	Hillis	Teague
Dent	Holland	Tucker
Dodd	Holtzman	Van Deerlin
Eckhardt	Koch	Weaver
Edwards, Calif.	Krueger	Wilson, Tex.
Emery	Leggett	

The Clerk announced the following pairs:

Mr. Teague with Mr. Anderson of Illinois.
Mr. Biaggi with Mr. Carter.
Mr. Dent with Mr. Eckhardt.
Mr. Dodd with Mr. Fish.
Mr. Edwards of California with Mr. Fraser.
Mr. Florio with Mr. Andrews of North Carolina.
Mr. Evans of Indiana with Mr. Gonzalez.
Mr. Milford with Mr. Coleman.
Ms. Holtzman with Mr. Emery.
Mr. Weaver with Mr. Burgener.
Mr. Santini with Mr. Goldwater.
Mr. Russo with Mr. Hammerschmidt.
Mr. Richmond with Mr. Crane.
Mr. Meeds with Mr. Hillis.
Mr. Mann with Mr. Foley.
Mr. Badillo with Mr. Harrington.
Mr. Addabbo with Mr. Del Clawson.
Mr. Koch with Mr. Krueger.
Mr. Price with Mr. Michel.

Mr. Mathis with Mr. Conable.
Mr. Leggett with Mr. Goodling.
Mr. Dellums with Mr. Holland.
Mr. Ashley with Mr. Roe.
Mr. Ryan with Mr. Charles Wilson of Texas.
Mr. Van Deerlin with Mr. Tucker.

Messrs. VOLKMER, FLYNT, and FOUNTAIN changed their vote from "nay" to "yea."

Messrs. ROBINSON, JACOBS, and MOORHEAD of California changed their vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EDUCATION OF THE HANDICAPPED ACT

The SPEAKER pro tempore (Mr. GAYDOS). The unfinished business is the question of suspending the rules and passing the bill, H.R. 6692, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS) that the House suspend the rules and pass the bill H.R. 6692, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 376, nays 2, not voting 54, as follows:

[Roll No. 207]

YEAS—376

Abdnor	Burke, Fla.	Eilberg
Akaka	Burke, Mass.	English
Alexander	Burleson, Tex.	Erlenborn
Allen	Burlison, Mo.	Ertel
Ambro	Burton, John	Evans, Colo.
Ammerman	Burton, Phillip	Evans, Del.
Anderson, Calif.	Butler	Evans, Ga.
	Byron	Evans, Ind.
Andrews, N. Dak.	Caputo	Fary
	Carney	Fascell
Annunzio	Carr	Fenwick
Applegate	Cavanaugh	Findley
Archer	Cederberg	Fisher
Armstrong	Chappell	Fithian
Ashbrook	Chisholm	Flippo
Aspin	Clausen, Don H.	Flood
AuCoin		Flowers
Badham	Clay	Flynt
Bafalis	Cleveland	Ford, Mich.
Baldus	Cochran	Ford, Tenn.
Barnard	Cohen	Fountain
Baucus	Collins, Ill.	Fowler
Bauman	Conte	Frenzel
Beard, R.I.	Conyers	Frey
Beard, Tenn.	Corcoran	Fuqua
Bedell	Corman	Gammage
Beilenson	Cornell	Gaydos
Benjamin	Cornwell	Gephardt
Bennett	Cotter	Giaimo
Bevill	Coughlin	Gibbons
Biaggi	D'Amours	Gilman
Bingham	Daniel, Dan	Ginn
Blanchard	Daniel, R. W.	Glickman
Blouin	Danielson	Gore
Boggs	Davis	Gradison
Boland	de la Garza	Grassley
Bolling	Delaney	Gudger
Bonior	Derrick	Guyer
Bonker	Derwinski	Hagedorn
Bowen	Devine	Hall
Brademas	Dickinson	Hamilton
Breaux	Dicks	Hanley
Breckinridge	Diggs	Hannaford
Brinkley	Dingell	Hansen
Brodhead	Dornan	Harkin
Brooks	Downey	Harris
Broomfield	Drinan	Harsha
Brown, Calif.	Duncan, Oreg.	Hawkins
Brown, Mich.	Duncan, Tenn.	Heckler
Brown, Ohio	Early	Hefner
Broyhill	Edgar	Hightower
Buchanan	Edwards, Ala.	Hollenbeck
Burke, Calif.	Edwards, Okla.	Holt
Horton	Minish	Schulze
Howard	Mitchell, Md.	Seiberling
Hubbard	Mitchell, N.Y.	Sharp
Huckaby	Moffett	Shipley
Hughes	Mollohan	Shuster
Hyde	Montgomery	Sikes
Ichord	Moore	Simon
Ireland	Moorhead, Calif.	Sisk
Jacobs		Skelton
Jeffords	Moorhead, Pa.	Skubitz
Jenkins	Moss	Slack
Jenrette	Mottl	Smith, Iowa
Johnson, Calif.	Murphy, Ill.	Smith, Nebr.
Johnson, Colo.	Murtha	Snyder
Jones, N.C.	Myers, Gary	Solarz
Jones, Okla.	Myers, Michael	Spellman
Jones, Tenn.	Myers, Ind.	Spence
Jordan	Natcher	St Germain
Kasten	Neal	Staggers
Kastenmeier	Nedzi	Stangeland
Kazen	Nichols	Stanton
Kelly	Nix	Stark
Kemp	Nolan	Steed
Ketchum	Nowak	Steers
Keys	O'Brien	Steiger
Kildee	Oakar	Stokes
Kindness	Oberstar	Stratton
Kostmayer	Obey	Studds
Krebs	Ottinger	Stump
LaFalce	Panetta	Symms
Lagomarsino	Patten	Taylor
Latta	Patterson	Thompson
Le Fante	Pattison	Thone
Leach	Pease	Thornton
Lederer	Pepper	Traxler
Lehman	Perkins	Treen
Lent	Pettis	Trible
Levitas	Pickle	Tsongas
Lloyd, Calif.	Pike	Udall
Lloyd, Tenn.	Poage	Ullman
Long, La.	Pressler	Vander Jagt
Long, Md.	Preyer	Vanik
Lott	Pritchard	Vento
Lujan	Pursell	Volkmer
Luken	Quayle	Waggonner
Lundine	Quie	Walgren
McClory	Quillen	Walker
McCloskey	Rahall	Walsh
McCormack	Railsback	Wampler
McDade	Rangel	Watkins
McEwen	Regula	Waxman
McFall	Reuss	Weiss
McHugh	Rhodes	Whalen
McKay	Rinaldo	White
McKinney	Risenhoover	Whitehurst
Madigan	Roberts	Whitley
Maguire	Robinson	Whitten
Mahon	Rodino	Wilson, Bob
Markey	Rogers	Wilson, C. H.
Marks	Roncalio	Winn
Marlenee	Rooney	Wirth
Marriott	Rose	Wolff
Martin	Rosenthal	Wright
Mattox	Rostenkowski	Wydler
Mazzoli	Rousselot	Wylie
Meeds	Roybal	Yates
Metcalfe	Rudd	Yatron
Meyner	Runnels	Young, Alaska
Mikulski	Ruppe	Young, Fla.
Mikva	Sarasin	Young, Mo.
Milford	Satterfield	Young, Tex.
Miller, Calif.	Sawyer	Zablocki
Miller, Ohio	Scheuer	Zeferetti
Mineta	Schroeder	

NAYS—2

Collins, Tex.	McDonald

NOT VOTING—54

Addabbo	Foley	Moakley
Anderson, Ill.	Forsythe	Murphy, N.Y.
Andrews, N.C.	Fraser	Murphy, Pa.
Ashley	Goldwater	Price
Badillo	Gonzalez	Richmond
Burgener	Goodling	Roe
Carter	Hammer-schmidt	Russo
Clawson, Del		Ryan
Coleman	Harrington	Santini
Conable	Heftel	Sebelius
Crane	Hillis	Stockman
Dellums	Holland	Teague
Dent	Holtzman	Tucker
Dodd	Koch	Van Deerlin
Eckhardt	Krueger	Weaver
Edwards, Calif.	Leggett	Wiggins
Emery	Mann	Wilson, Tex.
Fish	Mathis	
Florio	Michel	

The Clerk announced the following pairs:

Mr. Teague with Mr. Anderson of Illinois.
Mr. Addabbo with Mr. Burgener.
Mr. Dent with Mr. Emery.
Mr. Eckhardt with Mr. Dellums.
Mr. Price with Mr. Del Clawson.
Mr. Murphy of New York with Mr. Goldwater.
Mr. Moakley with Mr. Crane.
Mr. Heftel with Mr. Andrews of North Carolina.
Ms. Holtzman with Mr. Goodling.
Mr. Mann with Mr. Carter.
Mr. Russo with Mr. Hillis.
Mr. Roe with Mr. Foley.
Mr. Florio with Mr. Dodd.
Mr. Ashley with Mr. Leggett.
Mr. Badillo with Mr. Hammerschmidt.
Mr. Koch with Mr. Krueger.
Mr. Holland with Mr. Coleman.
Mr. Fraser with Mr. Gonzalez.
Mr. Weaver with Mr. Mathis.
Mr. Ryan with Mr. Conable.
Mr. Santini with Mr. Michel.
Mr. Richmond with Mr. Edwards of California.
Mr. Murphy of Pennsylvania with Mr. Stockman.
Mr. Harrington with Mr. Tucker.
Mr. Van Deerlin with Mr. Charles Wilson of Texas.
Mr. Fish with Mr. Wiggins.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENSION OF AGE DISCRIMINATION ACT AND COMMODITIES PROVISION RELATING TO NUTRITION PROGRAMS FOR THE ELDERLY

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 6668, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS) that the House suspend the rules and pass the bill H.R. 6668, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 379, nays 0, not voting 53, as follows:

[Roll No. 208]

YEAS—379

Abdnor	Boggs	Chisholm
Akaka	Boland	Clausen, Don H.
Alexander	Bolling	
Allen	Bonior	Clay
Ambro	Bonker	Cleveland
Ammerman	Bowen	Cochran
Anderson, Calif.	Brademas	Cohen
	Breaux	Collins, Ill.
Andrews, N. Dak.	Breckinridge	Collins, Tex.
	Brinkley	Conte
Annunzio	Brodhead	Conyers
Applegate	Brooks	Corcoran
Archer	Broomfield	Corman
Armstrong	Brown, Calif.	Cornell
Ashbrook	Brown, Mich.	Cornwell
Aspin	Brown, Ohio	Cotter
AuCoin	Broyhill	Coughlin
Badham	Buchanan	D'Amours
Bafalis	Burke, Calif.	Daniel, Dan
Baldus	Burke, Fla.	Daniel, R. W.
Barnard	Burke, Mass.	Danielson
Baucus	Burleson, Tex.	Davis
Bauman	Burlison, Mo.	de la Garza
Beard, Tenn.	Burton, John	Delaney
Bedell	Burton, Phillip	Derrick
Beilenson	Butler	Derwinski
Benjamin	Byron	Devine
Bennett	Caputo	Dickinson
Bevill	Carney	Dicks
Biaggi	Carr	Diggs
Bingham	Cavanaugh	Dingell
Blanchard	Cederberg	Dornan
Blouin	Chappell	Downey

Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Edgar
Edwards, Ala.
Edwards, Okla.
Eilberg
English
Erlenborn
Ertel
Evans, Colo.
Evans, Del.
Evans, Ga.
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fisher
Fithian
Flippo
Flood
Flowers
Flynt
Ford, Mich.
Ford, Tenn.
Fountain
Fowler
Frenzel
Frey
Fuqua
Gammage
Gaydos
Gephardt
Giaimo
Gibbons
Gilman
Ginn
Glickman
Gore
Gradison
Grassley
Gudger
Guyer
Hagedorn
Hall
Hamilton
Hanley
Hannaford
Hansen
Harkin
Harris
Harsha
Hawkins
Heckler
Hefner
Hightower
Hollenbeck
Holt
Horton
Howard
Hubbard
Huckaby
Hughes
Hyde
Ichord
Ireland
Jacobs
Jeffords
Jenkins
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kildee
Kindness
Kostmayer
Krebs
LaFalce
Lagomarsino
Latta
Le Fante
Leach
Lederer
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
Luken
Lundine
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Markey
Marks
Marlenee
Marriott
Martin
Mattox
Mazzoli
Meeds
Metcalfe
Meyner
Mikulski
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Moss
Mottl
Murphy, Ill.
Murphy, Pa.
Murtha
Myers, Gary
Myers, Michael
Myers, Ind.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Patten
Patterson
Pattison
Pease
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Pritchard
Pursell
Quayle
Quie
Quillen
Rahall
Railsback
Rangel
Regula
Reuss
Rhodes
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Rousselot
Roybal
Rudd
Runnels
Ruppe
Sarasin
Satterfield
Sawyer
Scheuer
Schroeder
Schulze
Seiberling
Sharp
Shipley
Shuster
Sikes
Simon
Sisk
Skelton
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
St Germain
Staggers
Stangeland
Stanton
Stark
Steed
Steers
Steiger
Stockman
Stokes
Stratton
Studds
Stump
Symms
Taylor
Thompson
Thone
Thornton
Traxler
Treen
Trible
Tsongas
Udall
Ullman
Vander Jagt
Vanik
Vento
Volkmer
Waggonner
Walgren
Walker
Walsh
Wampler
Watkins
Waxman
Weiss
Whalen
White
Whitehurst
Whitley
Whitten
Wiggins
Wilson, C. H.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Mo.
Young, Tex.
Zablocki
Zeferetti

NAYS—0

NOT VOTING—53

Addabbo
Anderson, Ill.
Andrews, N.C.
Ashley
Badillo
Beard, R.I.
Burgener
Carter
Clawson, Del
Coleman
Conable
Crane
Dellums
Dent
Dodd
Eckhardt
Edwards, Calif.
Emery
Fish
Florio
Foley
Forsythe
Fraser
Goldwater
Gonzalez
Goodling
Hammerschmidt
Harrington
Heftel
Hillis
Holland
Holtzman
Koch
Krueger
Mann
Mathis
Michel
Moakley
Murphy, N.Y.
Price
Richmond
Roe
Russo
Ryan
Santini
Sebelius
Spence
Teague
Tucker
Van Deerlin
Weaver
Wilson, Bob
Wilson, Tex.

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Weaver.
Mr. Teague with Mr. Anderson of Illinois.
Mr. Eckhardt with Mr. Richmond.
Mr. Santini with Mr. Bob Wilson.
Ms. Holtzman with Mr. Beard of Rhode Island.
Mr. Holland with Mr. Del Clawson.
Mr. Mann with Mr. Edwards of California.
Mr. Price with Mr. Tucker.
Mr. Russo with Mr. Charles Wilson of Texas.
Mr. Koch with Mr. Emery.
Mr. Fraser with Mr. Burgener.
Mr. Roe with Mr. Andrews of North Carolina.
Mr. Badillo with Mr. Crane.
Mr. Florio with Mr. Fish.
Mr. Ashley with Mr. Spence.
Mr. Foley with Mr. Carter.
Mr. Dent with Mr. Michel.
Mr. Dellums with Mr. Coleman.
Mr. Heftel with Mr. Goldwater.
Mr. Dodd with Mr. Hammerschmidt.
Mr. Mathis with Mr. Hillis.
Mr. Murphy of New York with Mr. Conable.
Mr. Moakley with Mr. Gonzalez.
Mr. Ryan with Mr. Harrington.
Mr. Van Deerlin with Mr. Goodling.
Mr. Krueger with Mr. Sebelius.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

HIGHER EDUCATION TECHNICAL AMENDMENTS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 6774, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. FORD) that the House suspend the rules and pass the bill H.R. 6774, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 382, nays 1, not voting 49, as follows:

[Roll No. 209]

YEAS—382

Abdnor
Akaka
Alexander
Allen
Ambro
Ammerman
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Applegate
Archer
Armstrong
Ashbrook
Aspin
AuCoin
Badham
Bafalis
Baldus
Barnard
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bellenson
Benjamin
Bennett
Bevill
Biaggi
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonior
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Caputo
Carr
Cavanaugh
Cederberg
Chappell
Chisholm
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conte
Conyers
Corcoran
Corman
Cornell
Cornwell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Davis
de la Garza
Delaney
Derrick
Derwinski
Devine
Dickinson
Dicks
Diggs
Dingell
Dornan
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Edgar
Edwards, Ala.
Edwards, Okla.
Eilberg
English
Erlenborn
Ertel
Evans, Colo.
Evans, Del.
Evans, Ga.
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fisher
Fithian
Flippo
Flood
Flowers
Flynt
Ford, Mich.
Ford, Tenn.
Fountain
Fowler
Frenzel
Frey
Fuqua
Gammage
Gaydos
Gephardt
Giaimo
Gibbons
Gilman
Ginn
Glickman
Gonzalez
Gore
Gradison
Grassley
Gudger
Guyer
Hagedorn
Hall
Hamilton
Hanley
Hannaford
Hansen
Harkin
Harris
Harsha
Hawkins
Heckler
Hefner
Heftel
Hightower
Hollenbeck
Holt
Horton
Howard
Hubbard
Huckaby
Hughes
Hyde
Ichord
Ireland
Jacobs
Jeffords
Jenkins
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kildee
Kindness
Kostmayer
Krebs
LaFalce
Lagomarsino
Latta
Le Fante
Leach
Lederer
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
Luken
Lundine
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Markey
Marks
Marlenee
Marriott
Martin
Mattox
Mazzoli
Meeds
Metcalfe
Meyner
Mikulski
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Moss
Mottl
Murphy, Ill.
Murphy, Pa.
Murtha
Myers, Gary
Myers, Michael
Myers, Ind.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Patten
Patterson
Pattison
Pease
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Pritchard
Pursell
Quayle
Quie
Quillen
Rahall
Railsback
Rangel
Regula
Reuss
Rhodes
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Rousselot
Roybal
Rudd
Runnels
Ruppe
Sarasin
Satterfield
Sawyer
Scheuer
Schroeder
Schulze
Seiberling
Sharp
Shipley
Shuster
Sikes
Simon
Sisk
Skelton
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
St Germain
Staggers
Stangeland
Stanton
Stark
Steed
Steers
Steiger
Stockman
Stokes
Stratton
Studds
Stump
Symms
Taylor
Thompson
Thone
Thornton
Traxler
Trible
Tsongas
Udall
Ullman
Vander Jagt
Vanik
Vento
Volkmer
Waggonner
Walgren
Walker
Walsh
Wampler
Watkins
Waxman
Weiss
Whalen
White
Whitehurst
Whitley
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Mo.
Young, Tex.
Zablocki
Zeferetti

NAYS—1

McDonald

NOT VOTING—49

Addabbo	Emery	Mathis
Anderson, Ill.	Fish	Michel
Andrews, N.C.	Florio	Murphy, N.Y.
Ashley	Foley	Price
Badillo	Forsythe	Richmond
Burgener	Fraser	Roe
Carney	Goldwater	Russo
Carter	Goodling	Ryan
Clawson, Del	Hammer-	Santini
Coleman	schmidt	Sebelius
Conable	Harrington	Teague
Crane	Hillis	Treen
Dellums	Holland	Tucker
Dent	Holtzman	Van Deerlin
Dodd	Koch	Weaver
Eckhardt	Krueger	Wilson, Tex.
Edwards, Calif.	Mann	

The Clerk announced the following pairs:

Ms. Holtzman with Mr. Carter.
Mr. Addabbo with Mr. Dodd.
Mr. Teague with Mr. Anderson of Illinois.
Mr. Harrington with Mr. Emery.
Mr. Ashley with Mr. Eckhardt.
Mr. Weaver with Mr. Coleman.
Mr. Van Deerlin with Mr. Fraser.
Mr. Badillo with Mr. Hillis.
Mr. Richmond with Mr. Burgener.
Mr. Murphy of New York with Mr. Fish.
Mr. Carney with Mr. Krueger.
Mr. Florio with Mr. Goldwater.
Mr. Dellums with Mr. Andrews of North Carolina.
Mr. Foley with Mr. Michel.
Mr. Dent with Mr. Ryan.
Mr. Edwards of California with Mr. Del Clawson.
Mr. Mann with Mr. Holland.
Mr. Dodd with Mr. Seiberling.
Mr. Mathis with Mr. Charles Wilson of Texas.
Mr. Santini with Mr. Conable.
Mr. Russo with Mr. Goodling.
Mr. Roe with Mr. Treen.
Mr. Price with Mr. Crane.
Mr. Koch with Mr. Tucker.

Mr. COLLINS of Texas changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. HOLTZMAN. Mr. Speaker, as a result of extremely bad weather conditions this morning, my flight to Washington was delayed for over an hour and I was therefore unable to be present during the vote on the four bills considered under suspension of the rules this afternoon. If I had been present, I would have voted on the bills as follows:

H.R. 5562, to approve the Eleanor Roosevelt National Historic Site, "yes."

H.R. 6692, extension of Education and Handicapped Act, "yes."

H.R. 6668, to amend the Age Discrimination Act of 1977, "yes."

H.R. 6774, technical amendments to the Higher Education Act, "yes."

PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO FILE REPORTS ON H.R. 6810 AND HOUSE JOINT RESOLUTION 424

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations may have until midnight to file two reports, one on H.R. 6810, to amend and extend title II of Public Law 94-369, the other on House Joint Resolution 424, the acceptance of the John F. Kennedy library land.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

REFERRAL OF H.R. 4447 AND H.R. 6820 TO COMMITTEE ON EDUCATION AND LABOR

Mr. MEEDS. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from further consideration of the bills H.R. 4447 and H.R. 6820, and that these bills be referred to the Committee on Education and Labor.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERMISSION FOR COMMITTEE ON INTERNATIONAL RELATIONS TO FILE REPORT ON H.R. 6884, INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that the Committee on International Relations may have until midnight tonight to file a report on the bill (H.R. 6884), International Security Assistance and Arms Export Control Act.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, would the gentleman from Wisconsin explain why he needs the unanimous consent authority to accomplish this?

Mr. ZABLOCKI. Mr. Speaker, if the gentleman will yield, the purpose of securing the unanimous consent request to file a report is so that this week we can have a request for the Committee on Rules to consider the legislation, in order to have the legislation filed in time under the Budget Act.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, has this been discussed with the minority side?

Mr. ZABLOCKI. Mr. Speaker, it is my understanding that there is no objection to this on the part of the minority.

Mr. BUCHANAN. Mr. Speaker, if the gentleman from California will yield, let me say that there is no objection to the request.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PROVIDING FOR CONTINUATION OF APPOINTMENT OF A SPECIAL COUNSEL TO REPRESENT THE HOUSE AND THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE IN CERTAIN JUDICIAL PROCEEDINGS

Mr. THOMPSON. Mr. Speaker, by direction of the Committee on House Administration, I call up a privileged resolution (H. Res. 334) providing for the continuation of the appointment of a special counsel to represent the House and the Committee on Interstate and Foreign Commerce in certain judicial proceedings, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 334

Resolved, That the chairman of the Subcommittee on Oversight and Investigations of the Committee on Interstate and Foreign Commerce is authorized to continue to intervene and appear in the pending action entitled "United States, plaintiff, against American Telephone and Telegraph Company, et al., defendant," civil action 76-1372, United States District Court for the District of Columbia, on behalf of the Committee on Interstate and Foreign Commerce and the House of Representatives in order to secure, in a manner consistent with the prerogatives of the House, information relating to the privacy of telephone communications now in the possession of the American Telephone and Telegraph Company for the use of the committee and the House.

SEC. 2. To carry out the purposes of this resolution, the chairman of the Committee on Interstate and Foreign Commerce is authorized to employ with the approval of the Speaker a special counsel to continue to represent the committee and the House in all judicial proceedings relating to said civil action 76-1372.

SEC. 3. Such expenses not to exceed $55,000 (in addition to expenses which may be paid under section 3 of H. Res. 1420 of the Ninety-fourth Congress) to employ a special counsel shall be paid from the contingent fund of the House on vouchers signed by the chairman of the Committee on Interstate and Foreign Commerce and approved by the Speaker and the chairman of the Committee on House Administration.

SEC. 4. The Committee on Interstate and Foreign Commerce is authorized and directed to report to the House with respect to the matters covered by this resolution as soon as practicable.

SEC. 5. The authority granted herein shall take effect on January 3, 1977, and shall expire three months after the filing of the report with the House of Representatives, but in no case later than January 3, 1979.

Mr. THOMPSON (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. NATCHER). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. The gentleman from New Jersey (Mr. THOMPSON) is recognized for 1 hour.

Mr. THOMPSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Subcommittee on Accounts met on April 19, 1977, and heard the testimony of Hon. JOHN MOSS, chairman of the Subcommittee on Oversight and Investigation of the Committee on Interstate and Foreign Commerce, regarding the need for a continuation of the authorization granted in the 94th Congress, 2d session, by House Resolution 1420, to have private counsel represent the House in the pending civil action entitled "United States, plaintiff, against American Telephone and Telegraph Company, et al., defendant."

On April 26, 1977, the full committee met and adopted, by voice vote, a motion to favorably report House Resolution 334.

Pursuant to its jurisdictional mandate, rule X of the rules of the House, and the Legislative Reorganization Act, 5 U.S.C. 190d, the Subcommittee on Oversight and Investigations has been investigating the security and privacy of domestic telephone communications. Under recent court cases, warrantless taps can be legally effected in only limited circumstances. In *Zweibon* v. *Mitchell*, 516 F. 2d 594 (C.A.D.C.), only agents or collaborators with a foreign power posing a threat to national security can be tapped absent a court warrant

On the basis of this exemption from the policies of the fourth amendment, the President through the Attorney General authorizes taps of domestic telephones.

The subcommittee sought to ascertain the propriety and lawfulness of these national security wiretaps and any other taps effected without court warrant. This review is firmly grounded in the subcommittee's oversight and investigative jurisdiction.

This inquiry is of particular importance to the House since the revelations that citizens have been improperly and illegally made the subject of electronic surveillance. In this area, it is the Congress which has the responsibility to carry out such a review. On June 22, 1976, the Committee on Interstate and Foreign Commerce validly authorized subpenas directing the American Telephone and Telegraph Co. to produce documents in its possession relating to warrantless wiretaps. Immediately subsequent to the issuance of the subpenas representatives of the President contacted Hon. JOHN E. Moss, seeking to provide in lieu of the subpenaed national security request letters the memoranda upon which the Attorney General based his determination.

After some unsuccessful negotiations, on July 22, 1976, the President through the Department of Justice sought and obtained a temporary restraining order against A.T. & T., directing it not to comply with the committee's subpena for national security request letters in the hands of that company.

The Department of Justice has asserted on behalf of the President that the national security request letters in the custody of A.T. & T. are covered by executive privilege. It was the first time any President has asserted that such a privilege extends to a private company.

If these assertions are not directly confronted by the House, the checks and balances in our constitutional form of government will be substantially threatened.

The Supreme Court has repeatedly defended the power of the people's representatives to inquire. The former President's assertions in the pending case directly threaten the power of the legislative branch to inquire, by wrapping a broad class of information in the cloak of executive privilege. If the Executive can preclude the Congress from gaining essential information through this means, the Executive makes meaningless, to the extent of the asserted privilege, the power of Congress to check executive abuse of power. If the Congress cannot know, it cannot act in an informed manner to enact remedial legislation.

Mr. Speaker, I yield for debate only to the gentleman from Ohio (Mr. DEVINE).

Mr. DEVINE. I thank the gentleman for yielding.

Mr. Speaker, I just wanted to point out to the House that this is not a matter that should slide by without a few comments, one of which is that we did not have unanimous support for this when it was up before. The fact is when this matter was voted upon in August 1976 there were 108 yea votes and 143 nay votes. The problem seems to be this, that the gentleman from California (Mr. Moss) who is the chairman of the Subcommittee on Oversight and Investigations of the Committee on Interstate and Foreign Commerce gratuitously intervened into the A.T. & T. case and then requested special counsel, when in fact there are 12 very competent counsel on his payroll on the oversight subcommittee. We, therefore, feel that if he feels that it is necessary in the interests of the House and in the public interest to intervene, he could use the counsel available to him that he has hired and who are paid well on the Oversight Subcommittee.

Mr. THOMPSON. Mr. Speaker, I yield for debate only to the gentleman from Texas (Mr. COLLINS).

Mr. COLLINS of Texas. I thank the gentleman for yielding.

Mr. Speaker, this same issue came up last year, when it was under a different President's executive administration.

It is interesting to know that again this year we find the executive department questioning the advisability of this action, which means that it is not a partisan matter. Both Republicans and Democrats have raised this issue that involves basic national security. What we have is counsel that was specially appointed the last time whereby Congress authorized $50,000, which, at an estimate of $50 an hour, means the committee has already spent 1,000 hours on this special legal work.

This year the committee comes in asking for $55,000 more and the inference before the House would be that we do not have adequate staff in the Oversight Committee. We have excellent staff. We have 12 lawyers and as of March we were paying these lawyers on an annual basis $338,000. Since then we have given the lawyers another raise so they probably are making 10 percent more than that.

I know the committee chief counsel, to name one, who will be representing the House in this particular hearing. He is most eminently qualified and is familiar with all the facts of this case. I think, when we reach the point when we can no longer turn to our staff to handle the work before us, we raise the question: Do we need full-time staff or should we simply turn to outside lawyers for all our work?

Mr. THOMPSON. Mr. Speaker, the gentleman has raised an interesting point. History will show in numerous instances virtually the House has gone outside for counsel rather than to draw on its own staff which, as the gentleman said, is moderately large. I am glad to hear him say they are very well qualified and very able.

In fact, in this particular case the firm retained for this purpose is the firm of Hogan & Hartson, which hardly can be argued as being a partisan firm. They are undertaking this work at approximately one-half of their usual hourly fees. They are well acquainted with the matter and I think for my part they should continue.

Mr. COLLINS of Texas. Mr. Speaker, will the gentleman yield further?

Mr. THOMPSON. I yield 1 minute for debate.

Mr. COLLINS of Texas. They are a great firm. The real issue is about national security and whether or not the Justice Department which acted properly in authorizing special telephone call taps should make public disclosure of matters that really involve national security. We know that the calls which are being checked have a serious security element involved in them.

Mr. THOMPSON. Does not the gentleman agree then that the matter should be pursued in the interest of this body?

Mr. COLLINS of Texas. I think probably other bodies involved with national security have better judgment than we do here in Congress and that is what is really at issue here.

Mr. THOMPSON. I would inform my friend, the gentlemen from Texas, that this subcommittee has oversight jurisdiction over 10 agencies and its staff is by no means so free as to be able to devote an inordinate amount of time to this matter.

Mr. THOMPSON. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. Moss), the distinguished chairman of the subcommittee, for purposes of debate only.

Mr. MOSS. Mr. Chairman, the point at issue here, the very important issue involves the privilege of the House of Representatives. We under the commerce clause of the Constitution are charged with the regulation of commerce and in the wisdom of the Congress in 1934 the Communications Act was passed. It insures the privacy of communications by wire. We are interested in determining the extent to which a private corporation, American Telephone & Telegraph, is acting to see that the Communications Act is being faithfully adhered to.

We never sought any documents from the Government. We subpenaed the records of American Telephone & Telegraph Co. Upon learning of that subpena, President Ford contacted me and expressed concern that the possibility existed that security needs of the Nation would be compromised and suggested that we try to work out an accommodation.

I entered into negotiations with the representatives of the President, Mr. John Marsh and Mr. Philip Buchen, I was assured that those negotiations were being conducted with the concurrence of the President and the President was being kept fully informed. As the

gentleman from Texas (Mr. COLLINS), the ranking minority member on the subcommittee knows, those negotiations led at one point to a successful conclusion. I submitted to the full subcommittee a proposal which would permit a statistically valid sample to be taken to verify the claim that the withheld information did, in fact, deal with national security and not with embarrassing domestic wire taps. That fell apart when the Director of the Central Intelligence Agency came to my office after we and the committee had ratified the agreement and said, "The agreement is not going to be followed. We are not going to let it."

Now, that means that for the first time in the history of this Nation Executive privilege has been asserted over the private papers of a regulated carrier. That is a very shocking claim. How far does it reach? Can it be invoked against the Congress in securing the records of any corporation?

Now, American Telephone and Telegraph Co. said, "We are not an agency of the Government." They wanted to deliver the material to us and they said the material is routinely handled in the offices of American Telephone and Telegraph Co. by people who have no security clearance of any kind.

Now, imagine, private individuals able to examine this and yet the President does not want a committee of the Congress to see the same, identical, information.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mr. THOMPSON. Mr. Speaker, I yield 2 additional minutes to the gentleman from California (Mr. Moss) for debate only.

Mr. MOSS. Mr. Speaker, the committee has a very proud record. We subpenaed last year some material that was very, very interesting from a political standpoint, the Arab boycott of Israeli firms, both domestic and foreign. We were told by Secretary Morton that would leak, but it did not. Nothing has leaked from our committee. In all the 23 years that I have chaired committees, and I have chaired committees that have had access to classified material where the very classifications themselves are among the very highest classified information in this Nation, in that 23 years I have yet to have a single leak from the committee.

I might point out that down in the Justice Department they had leaks in the Department of Justice of grand jury information.

Mr. Speaker, the Congress can be trusted and the Congress if it has any sense of the appropriateness of its role will not permit any Executive to place it in a subordinate position. I do not care whether that is a Republican Executive or a Democratic Executive. I am a Member of an elected body, the House of Representatives, and I take pride in being a part of that body. I do not want by any act of mine or by concurrence in any act of anyone else to see the body diminished. I think for us to recognize this claim of privilege and not fight to end it would diminish the House of Representatives.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. MOSS. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I was one of those that voted in the affirmative when this came up in August 1976. The reason I did was because of the high respect I have for the chairman of the committee and the ranking Member, and for the record of this committee which upholds the honor of this House. It never leaked the contents of a classified document. It never yielded the rights of this Congress when it had the right to stand its ground.

I expect to vote in the affirmative again today. I thank the gentleman.

Mr. MOSS. I thank the gentlewoman. That was most gracious.

Mr. THOMPSON. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. WAXMAN), for purposes of debate only.

Mr. Speaker, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from New Jersey.

Mr. THOMPSON. I would like to express my appreciation for the support of my distinguished colleague from New Jersey (Mrs. FENWICK).

Mr. WAXMAN. Mr. Speaker, I rise in support of House Resolution 334, which provides funds for the continued intervention of the Subcommittee on Oversight and Investigations in the case of United States against A.T. & T. At stake are questions of: First, whether the Government is abusing the protections afforded by the fourth amendment against unreasonable searches and seizures by engaging in wiretaps directed against citizens solely for political purposes; and second, whether the executive may impede, by invoking executive privilege over a private corporation's records, congressional review of these activities.

How this House will resolve these issues, to the extent that it supports the subcommittee's efforts to secure the subpenaed information, will have far-reaching effects on the future relationship between the legislative and executive branches.

Last summer, the subcommittee initiated an investigation into the nature and extent of warrantless wiretapping by the Government after information of possible abuses came into the subcommittee's possession. Protection against unreasonable searches and seizures and the privacy of telephone communications is afforded by the Constitution and the Communications Act of 1934, respectively. The fourth amendment to the Constitution proscribes unreasonable intrusions of individual privacy. Section 605 of the Communications Act of 1934 states that—

> No person receiving or assisting in receiving, or transmitting * * * interstate or foreign communication by wire or radio shall divulge or publish the existence, contents, substance, purport, effect, or meaning thereof * * * to any person other than the addressee * * *

In order to insure that these protections of law are as strong as possible, the courts have generally required that the executive seek and obtain a search warrant from a court before installing a telephone tap. This requirement has been applied most consistently in domestic criminal investigations. Unresolved, however, is the question of whether warrants are required for wiretaps involving agents or collaborators of foreign powers which may pose a threat to the Nation's security. Accordingly, domestic communications companies have traditionally presumed that such requests from the executive are—in the absence of prohibitions to the contrary—legal, and have cooperated in installing and operating these kinds of wiretaps.

The result has been that few, if any, of these wiretaps have been reviewed by any coordinate branch of the Government to ascertain their propriety. The potential for their abuse by the executive is extremely broad. In the absence of effective review, what is to prevent the executive from initiating wiretaps—under the cover of national security—against domestic political dissidents? How is it to be ascertained that their use is not designed to protect the United States from foreign subversion, but to monitor for the purpose of controlling certain persons or groups?

The history of the revelations of activities by the FBI and the CIA in this regard, and by several former Presidents, is ample cause for concern that these practices be reviewed. But equally important, and pursuant to the subcommittee's jurisdiction in this area, it is crucial that there be a comprehensive review of these practices to determine whether court orders should be required for all executive wiretaps in the United States, regardless of their purposes. Our legislative function will be frustrated if we are prevented from exercising our legitimate prerogatives in this area.

Whether we shall ultimately be able to do so depends on whether the President will seek to invoke executive privilege over A.T. & T.'s records of the wiretap requests it received from the executive branch. Previous Presidents have asserted privilege over documents in their possession, but none have tried to protect material in the hands of a private corporation. This novel approach to executive privilege could have the most profound consequences for the Congress. If this type of claim were to be sustained, it could mean that every private entity which has a contractural relationship with the executive could be considered its agent, and subject to its orders not to disclose information. The result could be that entire sectors of the public's business—in defense, education, health, transportation, agriculture—could be placed beyond the effective reach of the Congress—and hence the American people—by virtue of a simple assertion of privilege to protect national security.

Such a policy would place an intolerable burden on our ability to be informed. And without information, the formulation of effective legislation is nearly impossible.

But such a claim of executive privilege in this instance is absurd on its merits as well. It is argued that the ma-

terial requested—the record of warrantless wiretaps—is too sensitive for a congressional subcommittee to receive, that disclosure to the subcommittee could jeopardize national security. But who may see these records now? Why, thousands of employees of A.T. & T., employees who are not systematically screened by anyone as to whether they might divulge this material. It is insulting, to say the least, that the Congress should be denied that which a loyal telephone company clerk may easily review.

Therefore, Mr. Speaker, I believe it essential that the House pass the resolution before us. There is a compelling need for a comprehensive review of the possible abuses of power which have jeopardized our citizens' freedom. Second, if this case is not pursued, the most dangerous precedent would be set regarding the ability of the Congress to receive information not only from the executive but from any private entity which has business with it. At stake, in other words, is our very ability to legislate. Finally, the information we have subpenaed is essential to the determination of the Commerce Committee, and particularly its Subcommittee on Communications, to rewrite the Communications Act of 1934. The right to privacy is an integral component of our efforts in this area.

I urge my colleagues to support this resolution.

Mr. THOMPSON. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. McCLORY), for purposes of debate only.

Mr. McCLORY. I thank the gentleman for yielding to me.

This debate is reminiscent of the last Congress and the work of the Select Committee on Intelligence which experienced egregious leaks, as far as I am concerned. This debate today also focuses on the need for the establishment within this body of a small trustworthy House Committee on Intelligence that can for legitimate purposes receive classified information of the type that appears to be involved here.

As to executive privilege, the privilege belongs to the Chief Executive of the U.S. Government. A private agency—such as a telephone company that has a contractual arrangement with the Government cannot waive a privilege that belongs to the President and it is a disservice and an injustice to the President to attempt to do that. So, what we are trying to do here is to override, through the financing of this private counsel to do just that. It seems to me that the principle of executive privilege is inherent and important to our Government in guarding our national security. The privilege belongs to the executive department and we should not override or circumvent the action of the executive department of our Government by financing separate legal action against a private company which has provided its services in behalf of our national security.

Mr. Speaker. The privileged resolution (H. Res. 334) should be disapproved.

Mr. THOMPSON. Mr. Speaker, I might respond to the gentleman from Illinois by saying that this particular subcommittee has received more than 500,000 documents in executive session in one office. They have never been leaked in public or anywhere else. Furthermore, this was the first time in history that any President—in July 1976—asserted that executive privilege extends to a private company.

Mr. THOMPSON. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DEVINE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 246, nays 143, not voting 43, as follows:

[Roll No. 210]

YEAS—246

Akaka	Ertel	Lundine
Alexander	Evans, Colo.	McCloskey
Allen	Evans, Del.	McCormack
Ambro	Evans, Ga.	McFall
Anderson, Calif.	Evans, Ind.	McHugh
	Fary	McKay
Annunzio	Fascell	Maguire
Applegate	Fenwick	Mahon
Aspin	Fisher	Markey
AuCoin	Fithian	Marks
Badillo	Flood	Mattox
Baldus	Flowers	Mazzoli
Barnard	Flynt	Meeds
Baucus	Foley	Metcalfe
Beard, R.I.	Ford, Mich.	Meyner
Bedell	Ford, Tenn.	Mikulski
Beilenson	Fowler	Mikva
Benjamin	Fuqua	Miller, Calif.
Biaggi	Gaydos	Mineta
Bingham	Gephardt	Minish
Blanchard	Giaimo	Mitchell, Md.
Blouin	Gibbons	Moakley
Boggs	Ginn	Moffett
Boland	Glickman	Mollohan
Bolling	Gonzalez	Moorhead, Pa.
Bonior	Gore	Moss
Bonker	Gudger	Murphy, Ill.
Brademas	Hamilton	Murphy, Pa.
Breaux	Hanley	Murtha
Breckinridge	Hannaford	Myers, Michael
Brodhead	Harkin	Natcher
Brooks	Harrington	Neal
Broomfield	Harris	Nedzi
Brown, Calif.	Harsha	Nix
Burke, Calif.	Hawkins	Nolan
Burke, Mass.	Heckler	Nowak
Burlison, Mo.	Heftel	Oakar
Burton, John	Hollenbeck	Oberstar
Burton, Phillip	Holtzman	Obey
Byron	Howard	Ottinger
Carney	Hubbard	Panetta
Carr	Huckaby	Patten
Cavanaugh	Hughes	Patterson
Cederberg	Jacobs	Pattison
Chisholm	Jeffords	Pease
Clay	Jenkins	Pepper
Collins, Ill.	Jenrette	Perkins
Conyers	Johnson, Calif.	Pickle
Corman	Jones, N.C.	Pike
Cornell	Jones, Tenn.	Preyer
Cornwell	Jordan	Rahall
Cotter	Kastenmeier	Rangel
D'Amours	Kazen	Reuss
Danielson	Keys	Rinaldo
Davis	Kildee	Rodino
de la Garza	Kostmayer	Rogers
Delaney	Krebs	Roncalio
Derrick	LaFalce	Rooney
Dicks	Le Fante	Rose
Dingell	Leach	Rosenthal
Downey	Lederer	Rostenkowski
Drinan	Leggett	Roybal
Duncan, Oreg.	Lehman	Santini
Early	Levitas	Satterfield
Eckhardt	Lloyd, Calif.	Scheuer
Edgar	Long, La.	Schroeder
Eilberg	Long, Md.	Seiberling
English	Luken	Sharp
Shipley	Thornton	Whitten
Simon	Traxler	Wilson, Bob
Sisk	Tsongas	Wilson, C. H.
Skelton	Tucker	Wilson, Tex.
Skubitz	Udall	Wirth
Slack	Ullman	Wolff
Smith, Iowa	Vanik	Wright
Solarz	Vento	Yates
Spellman	Volkmer	Yatron
St Germain	Walgren	Young, Mo.
Staggers	Waxman	Young, Tex.
Stark	Weiss	Zablocki
Steed	Whalen	Zeferetti
Studds	White	
Thompson	Whitley	

NAYS—143

Abdnor	Grassley	Poage
Andrews, N. Dak.	Guyer	Pritchard
	Hagedorn	Pursell
Archer	Hall	Quayle
Armstrong	Hammer-schmidt	Quie
Ashbrook		Quillen
Badham	Hansen	Railsback
Bafalis	Hefner	Regula
Bauman	Hightower	Rhodes
Beard, Tenn.	Holt	Risenhoover
Bennett	Hyde	Roberts
Bevill	Ichord	Robinson
Brinkley	Ireland	Rousselot
Brown, Mich.	Johnson, Colo.	Rudd
Brown, Ohio	Jones, Okla.	Runnels
Broyhill	Kasten	Ruppe
Buchanan	Kelly	Sarasin
Burke, Fla.	Kemp	Sawyer
Burleson, Tex.	Ketchum	Schulze
Butler	Kindness	Shuster
Caputo	Lagomarsino	Sikes
Chappell	Latta	Smith, Nebr.
Clausen, Don H.	Lent	Snyder
	Lloyd, Tenn.	Spence
Cleveland	Lott	Stangeland
Cochran	Lujan	Stanton
Cohen	McClory	Steers
Collins, Tex.	McDade	Steiger
Conte	McDonald	Stockman
Corcoran	McEwen	Stratton
Coughlin	McKinney	Stump
Daniel, Dan	Madigan	Symms
Daniel, R. W.	Mann	Taylor
Derwinski	Marlenee	Thone
Devine	Marriott	Treen
Dickinson	Martin	Trible
Dornan	Milford	Vander Jagt
Duncan, Tenn.	Miller, Ohio	Waggonner
Edwards, Ala.	Mitchell, N.Y.	Walker
Edwards, Okla.	Montgomery	Walsh
Erlenborn	Moore	Wampler
Findley	Moorhead, Calif.	Watkins
Flippo		Whitehurst
Fountain	Mottl	Wiggins
Frenzel	Myers, Gary	Winn
Frey	Myers, Ind.	Wydler
Gammage	Nichols	Wylie
Gilman	O'Brien	Young, Alaska
Gradison	Pettis	Young, Fla.

NOT VOTING—43

Addabbo	Dodd	Michel
Ammerman	Edwards, Calif.	Murphy, N.Y.
Anderson, Ill.	Emery	Pressler
Andrews, N.C.	Fish	Price
Ashley	Florio	Richmond
Bowen	Forsythe	Roe
Burgener	Fraser	Russo
Carter	Goldwater	Ryan
Clawson, Del	Goodling	Sebelius
Coleman	Hillis	Stokes
Conable	Holland	Teague
Crane	Horton	Van Deerlin
Dellums	Koch	Weaver
Dent	Krueger	
Diggs	Mathis	

Messrs. FRENZEL, McKINNEY, and MARLENEE changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the resolution just agreed to, House Resolu-

tion 334, and on the four resolutions to follow: House Resolution 525, House Resolution 526, House Resolution 527, and House Resolution 528.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO FILE REPORT ON H.R. 6566

Mr. BENNETT. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services have until midnight tonight to file a report on H.R. 6566.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

DISMISSING THE ELECTION CONTEST AGAINST RICHARD KELLY

Mr. THOMPSON. Mr. Speaker, by direction of the Committee on House Administration, I call up a privileged resolution (H. Res. 525), and ask for its immediate consideration.

The CLERK read the resolution, as follows:

H. RES. 525

Resolved, That the election contest of JoAnn Saunders, contestant, against Richard Kelly, contestee, Fifth Congressional District of the State of Florida, be dismissed.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New Jersey (Mr. THOMPSON) for 1 hour.

Mr. THOMPSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I intend to call up three additional privileged resolutions dealing with contested election cases—House Resolutions 526, 527, and 528.

I intend further, Mr. Speaker, to defer in each instance to the member of the Committee on House Administration who chaired the respective contested election panel.

Before proceeding, however, I should like to note several matters briefly for the RECORD.

The U.S. Constitution gives the House plenary power to judge its own elections.

Under the rules of the House, jurisdiction over election contests lies with the Committee on House Administration.

Eight election contests, a nearly unprecedented number, have arisen from elections to the 95th Congress.

In order to expedite the processing and resolution of these eight cases, I assigned each one to a three-member contested election panel.

Four of these contested election panels have concluded their hearings and deliberations, and have reported to the full House Administration Committee.

These four matters are before the House this afternoon; because of the serious import of a contest for a Member's seat in Congress, I urge my colleagues to pay particular attention.

In each of the four election cases before us today I want to commend the superb work done by the panel chairman and members. The investigation and resolution of a cloud to a Member's seat is always a heavy responsibility. In each instance our colleagues met that responsibility with distinction.

Mr. Speaker, the instant resolution, House Resolution 525, deals with the contested election matters of Saunders against Kelly. The ad hoc panel assigned to this case was chaired by the Honorable JOSEPH MINISH and consisted of our colleagues ROBERT MOLLOHAN and SAMUEL DEVINE.

Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. MINISH) for debate only.

Mr. MINISH. Mr. Speaker, this resolution pertains to the election contest brought against the Honorable RICHARD KELLY.

Congressman KELLY was certified on November 10, 1976, as the duly elected U.S. Representative from Florida's Fifth District; the official canvass of that race showed that Mr. KELLY had defeated his opponent in the general election, Ms. JoAnn Saunders by 42,111 votes. His credentials were presented to the House and he took the oath and was seated without objection on January 4, 1977.

On December 10, 1976, Ms. Saunders filed a notice of contest pursuant to the Federal Contested Elections Act.

The contestant alleged that during the campaign she had been involved in a controversy with the Florida Ethics Commission concerning her filing of a personal financial disclosure statement which is required by State law. She asserted that the requirement that a candidate file a statement of financial interest at the time qualifying papers are filed is unconstitutional. The contestant further alleged that the chairman of the Florida Ethics Commission carried on "an attack—against" her candidacy and that the contestee "conspired with the chairman" of the Commission to attack her candidacy. She stated that prior to the controversy surrounding her difficulties with the Ethics Commission she was leading in the campaign, and that her subsequent loss to Mr. KELLY was "solely as a result of the unconstitutional action" of the Ethics Commission. She cited unfavorable press publicity because of this matter.

On January 13, 1977, the contestee filed two motions pursuant to the act. One was a motion for a more definite statement which asserted that the contestant's notice of contest was so vague and ambiguous that he was unable to respond adequately to it.

The other was a motion to dismiss. It cited a Federal district court order which held that Florida's personal financial disclosure statute was not unconstitutional and asserted that the contestant had failed in his notice of contest to state grounds sufficient to change the results of the election.

On March 2, 1977, the Committee on House Administration adopted a resolution which assigned the consideration of the case to an ad hoc panel consisting of myself as chairman and the Honorable ROBERT L. MOLLOHAN and the Honorable SAMUEL L. DEVINE as members. The panel was charged in the resolution "to report findings and to make recommendations on this matter to the Committee on House Administration."

On March 10, 1977, the panel met in open session and heard oral argument by counsel for contestant and contestee on contestee's motion to dismiss. The panel then took the matter under advisement. The record was held open for postsubmission filings.

On March 30, 1977, the panel met again in an open hearing to discuss the evidence presented in this case relevant to the pending motion. Pursuant to a motion made by Mr. DEVINE, the panel voted unanimously to recommend to the Committee on House Administration that the contestee's motion to dismiss should be granted.

On April 28 the Committee on House Administration approved that recommendation and reported the resolution.

The Commission is of the opinion after careful consideration of the record that the case should be dismissed. We reached this conclusion only after a thorough review of the oral argument by counsel and the written submissions on behalf of the contestant and the contestee.

The contest should be dismissed because the contestant has failed to meet the burden placed by the act on all contestants if such a motion to dismiss is to be denied.

The statute, together with its legislative history and the precedents construing it, indicate that more than mere notice pleading and generalized allegations are required if a motion to dismiss is to be denied. This was made clear in the case of Tunno against Veysey, the first case to arise under the present statute, where the Committee noted that—

Under the new law then the present contestant and any further contestant, when challenged by motion to dismiss, must have presented in the first instance, sufficient allegations and evidence to justify his claim to the seat in order to overcome the motion to dismiss.

The contestant in the case has not made the sort of specific allegations accompanied by supportive evidence that is required to overcome a motion to dismiss. Indeed, she has offered no specific evidence in support of her claim.

Accordingly, the committee recommends to the House that the resolution be adopted dismissing this contested election case.

Mr. THOMPSON. Mr. Speaker, does the gentleman from California (Mr. WIGGINS) seek recognition for debate?

Mr. WIGGINS. I do, Mr. Speaker.

Mr. THOMPSON. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. WIGGINS), for debate only.

Mr. WIGGINS. Mr. Speaker, the contest of Saunders against Kelly is ripe for disposition on the merits. The decision of the House committee to dismiss the Saunders contest is correct. But I do not agree with the reasons for that action which are stated in the majority report and I will take just a moment to tell the Members why.

It is clear from the notice of contest filed by Ms. Saunders that she has not alleged a legal basis entitling her to any relief and it is clear that she cannot do

so. Accordingly it is wholly appropriate to entertain a motion to dismiss.

Now why is it that she has not alleged a legal basis for relief? The contestant Ms. Saunders complains that election officials in the State of Florida called to the attention of the electorate the fact that she had failed to comply with certain procedural requirements of the Florida statute. If that is her only complaint, it does not justify overturning an election. It is not a legal basis for doing so since it does not challenge the propriety of the election process itself. Accordingly I join in the majority's view that this contest should be dismissed.

But please do not understand my support to be agreement with the reasons stated by the majority that there is a duty on the part of the respondent faced with a motion to dismiss to go forward and instantly prove all elements of his or her case. That is a misplaced burden of proof as we shall explain later in connection with other contests.

Mr. THOMPSON. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DISMISSING THE ELECTION CONTEST AGAINST BOB GAMMAGE

Mr. THOMPSON. Mr. Speaker, by direction of the Committee on House Administration, I call up a privileged resolution (H. Res. 526) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 526

Resolved, That the election contest of Ron Paul, contestant, against Bob Gammage, contestee, Twenty-second Congressional District of the State of Texas, be dismissed.

The SPEAKER pro tempore. The gentleman from New Jersey (Mr. THOMPSON) is recognized for 1 hour.

Mr. THOMPSON. Mr. Speaker, this resolution deals with the contested election case of Paul against Gammage. The ad hoc committee investigating this case was chaired by the gentleman from Pennsylvania (Mr. AMMERMAN) and consisted of the gentleman from Michigan (Mr. NEDZI) and the gentleman from California (Mr. WIGGINS).

Mr. Speaker, I yield such time as he may consume, for debate only, to the gentleman from Pennsylvania (Mr. AMMERMAN), the panel chairman.

Mr. AMMERMAN. Mr. Speaker, the subject of House Resolution 526, for which I now rise, is the contested election case of Paul against GAMMAGE arising out of the general election of November 2, 1976, for a seat in the 59th Congress from the 22d district of Texas. I will briefly summarize events which have taken place from the date of the general election, November 2, 1976, up to this moment.

The result of the November 2, 1976, general election involving Mr. GAMMAGE and Mr. Paul showed a difference of 236 votes in Mr. GAMMAGE's favor.

Mr. Paul requested and obtained a full recount pursuant to Texas law which resulted in a difference of 268 votes in Mr. GAMMAGE's favor.

The recount was conducted under the general observation of inspectors from the secretary of state of Texas and by counsel from the House Administration Committee. Accordingly, on November 22, 1976, BOB GAMMAGE received a certificate of election from the secretary of state of Texas. Mr. GAMMAGE was duly sworn, without objection, as a Member of the 95th Congress on January 4, 1977.

Mr. Paul filed an election contest in the State district court of Harris County, Tex., pursuant to Texas law. Mr. GAMMAGE responded with a motion to dismiss and State court litigation was joined.

On December 19, 1976, contestant Paul filed a notice of contest with the U.S. House of Representatives pursuant to the Federal Contested Election Act. The matter was referred to the Committee on House Administration and on January 19, 1977, contestee GAMMAGE filed an answer and motion to dismiss.

During this period, Chairman FRANK THOMPSON, Jr., appointed me to chair a contested election panel to deal with this matter. Also serving on that panel are LUCIEN NEDZI and CHARLES WIGGINS.

On February 23, 1977, the panel conducted an open hearing for the purpose of hearing oral arguments from both sides pertaining to three motions:

First. A motion by contestant Paul requesting that the House stay all proceedings pending the outcome of court proceedings in Texas.

Second. A motion by contestant Paul requesting 30 additional days for taking depositions.

Third. A motion by contestee GAMMAGE for a dismissal of the case. Arguments were heard and taken under advisement. The record was held open for postsubmission briefs.

One week after the panel hearing, on March 2, 1977, the Supreme Court of Texas ruled that the provisions of Texas law under which contestant Paul had brought his State court contest, as it applied to Federal offices "is in diametrical conflict with and contrary to article I, section 5 of the U.S. Constitution."

The State court cases were thereby terminated and the question of staying House proceedings was moot.

On March 9, 1977, again 1 week later, the panel met in an open hearing for the purpose of discussing the evidence presented. Pursuant to a motion made by Chairman AMMERMAN, the panel voted 2 to 1 to recommend to the full Committee on House Administration that contestee GAMMAGE's motion to dismiss be granted.

On April 28, 1977, at a full committee meeting, the Committee on House Administration voted 16 to 6 to adopt House Resolution 526:

Resolved, That the election contest on Ron Paul, contestant, against BOB GAMMAGE, contestee, 22d Congressional District of the State of Texas, be dismissed.

That is the resolution before the House this afternoon.

Mr. Speaker, a contest for a seat in the House is a matter of the most serious import. The House underlined its concern when it passed, in 1969, the Contested Election Act.

The thrust of the legislative history and first House cases interpreting the contested election law can be summarized simply:

The contestant must, at the outset, make allegations with sufficient supportive evidence to justify his claim to the seat. In other words, Mr. Speaker, the contestant must come forward with sufficient evidence, which if substantiated, would show he would have won the election.

Mere allegations or statements by one's campaign workers do not meet the high standard of supportive evidence that must be offered before a contestant is entitled to go forward.

The dissenting views object because an evidentiary burden is placed on contestant Paul. However, Mr. Speaker and my fellow colleagues, that is only proper: The contested election law does not purport to allow losing candidates to go on fishing expeditions. Indeed, had the committee permitted, Mr. Paul might have attempted to depose every voter in the 22d district.

Mr. Speaker, Ron Paul had his "days in court." This committee allowed him ample opportunity to argue his case and present supportive and credible evidence that would show his entitlement to this seat in Congress.

He argued at length, but failed to present evidence to support his claim to this seat.

Mr. Speaker, I urge the adoption of House Resolution 526.

Mr. THOMPSON. Mr. Speaker, before yielding to the distinguished gentleman from California, I am constrained to say with considerable pride that in this instance and in the preceding one, the wisdom of setting up bipartisan panels, including bipartisan staff and bipartisan investigators, is vindicated by the splendid work done by the gentleman from Pennsylvania (Mr. AMMERMAN) and the gentleman from New Jersey (Mr. MINISH), as well as the two panel chairmen to follow. The gentleman from Pennsylvania (Mr. AMMERMAN) has been a U.S. attorney for western Pennsylvania, and has had extensive experience as a prosecutor, as a lawyer, and certainly has given evidence of a splendid knowledge of law in this instance.

Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from California (Mr. WIGGINS), a distinguished constitutional lawyer second only to the gentleman from Texas (Mr. ECKHARDT).

Mr. WIGGINS. Mr. Speaker, I thank the gentleman for yielding to me. I object to the resolution, and will urge my colleagues to vote against it, but I assure the gentleman that my objections are not based upon any constitutional argument.

Ladies and gentlemen, we are in the process of adopting a totally improper procedure for the consideration of election contests, and it is important that we correct it now. It has nothing to do with the merits of Mr. Paul's case or the case that will follow. It is important, however, that whatever the merits may be, we adopt a procedure providing for

the orderly, fair disposition of election contests.

Let me explain very briefly, ladies and gentlemen, what our statute provides. The new contested election statute enacted by this House provides that a contest will be commenced by the filing of a document known as a notice of contest. This is something akin to a complaint. It is a pleading which initiates the process.

That pleading, the notice of contest, must be filed within 30 days following the certification of the results of an election by the appropriate State election officers. In this case, there is no challenge at all to the fact that Mr. Paul filed an appropriate notice of contest within the time provided by law.

The next section of our election contest statute says what the contestee must do when served with a notice of contest. The statute says that the contestee may do one of two things: He may either file an answer within 30 days of service of the notice of contest, in which answer the contestee admits, denies or otherwise answers the complaint; or, alternatively, the contestee may raise certain motions by way of defense.

Those motions include a statement that the complaint, that is, the notice, is so ambiguous that it is impossible to frame an answer to it. We understand such a motion. It is addressed to the sufficiency of the pleading. The statute also provides that a contestee may, by way of motion, complain that the notice of contest fails to state with particularity the grounds upon which the contest is founded or that it would change the result of the election. Such a motion is also addressed to the pleadings.

Bear in mind that the burden on the maker of that motion is to "state," only to allege, the basis of the contest.

The statute goes on to provide a method of collecting evidence in support of a well-pleaded notice of contest. The statute says that 30 days after this answer comes in, the contestant may start collecting his evidence by way of noticing depositions, obtaining affidavits, or entering into stipulations.

That is the technique envisioned in the law for the proof of allegations contained in a notice of contest.

That is the process, I say to the Members. Let me tell the Members what is wrong with our treatment of that process.

We are authorizing the contestee to file a motion to dismiss any time after the filing of the notice of contest. When that motion to dismiss is filed, the majority says that there is a burden cast upon the contestant. He is a respondent to the motion. The immediate burden is cast on the respondent of the motion to come forward and prove the case at that time, even though the time for taking depositions and the collection of evidence has not yet run.

There is an analogy in Federal civil practice.

It is clear that the maker of a motion to dismiss is asking for a disposition of the case on the merits. He is not challenging the pleadings. It is not in the nature of a demurrer.

In that respect, the motion to dismiss is very much like a motion for summary judgment.

There are enough attorneys in this Chamber right now to know that the maker of a motion for summary judgment carries a very heavy burden of proof.

The SPEAKER pro tempore. The time of the gentleman from California (Mr. WIGGINS) has expired.

Mr. THOMPSON. Mr. Speaker, I yield 5 additional minutes for the purpose of debate only to the gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. Mr. Speaker, as I just said, this motion to dismiss is very much like a motion for summary judgment. When confronted with a motion for summary judgment in civil litigation, the responding party does not carry the burden, nor should he. The maker of the motion carries the burden. And he must show that there are no issues of fact justifying going to the jury, and he must show that he is entitled to judgment as a matter of law. The responding party need not prove his case to defeat the motion.

He must merely show credible questions of fact which justify going forward.

Mr. Speaker, we are now abandoning all those lessons, and we are saying that the making of motion to dismiss immediately after a notice of contest casts upon the respondent the duty of proving his case right then in response to the motion, even though the effect of granting the motion, as in this case, is to cut off the opportunity of taking depositions, which is the technique envisioned in the statute for collecting the evidence.

Let me suggest a proper disposition of this matter. Clearly this resolution ought to go back to the committee so that the contestant can go forward with his attempt to prove his case, as envisioned by the statute. I have no idea whether he is going to prove it or not. He has undertaken a pretty tough case to prove, and it may be that he cannot prove it. But surely he should have the chance to do so, and he should not be cut off.

The proper disposition of the pending resolution is to recommit that resolution to the Committee on House Administration so that the contestant will have a chance to prove his case. If in fact he cannot do so, of course, we will dispose of his contest quickly, but under no circumstances should we right now on this floor ratify a procedure which denies to a contestant the opportunity of proving his case.

In conclusion, Mr. Speaker, it might be alleged that Mr. Paul had that chance. After all, the statute gives him 30 days within which to take depositions. But the statute also says that he may extend that time for good cause, and within 30 days Mr. Paul through his attorney came forward and made a formal request to extend time.

Our committee did not even reach that motion. It elected to dismiss it on the merits and with prejudice because the contestee filed a notice to dismiss.

We cannot tolerate this procedure. We cannot tolerate it in the future. There are going to be other contests by Republicans and Democrats, so let us not look at this as a partisan issue. This question will come up again in the future. If we do anything today, let us establish a precedent, a precedent that will provide for the fair disposition of all election contests according to the election contest statute. Let us not emasculate that statute as is suggested by the majority.

Mr. Speaker, I urge a "no" vote on the resolution. I urge an "aye" vote on the motion to recommit which will be made.

Mr. THOMPSON. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan (Mr. NEDZI).

Mr. NEDZI. Mr. Speaker, I thank the gentleman from New Jersey (Mr. THOMPSON) for yielding me this time.

Mr. Speaker, I was very pleased to hear the gentleman from California (Mr. WIGGINS) say that this is not a partisan issue. I think the Members on our side have demonstrated that it is not a partisan issue because we voted across the board in all four of these contests. We disallowed them basically because evidence was not presented to our committee which warranted that kind of response upholding any of the contests.

Mr. Speaker, the issue is a pretty simple one which I think each of us is going to have to resolve in his own mind. The gentleman from California (Mr. WIGGINS) has taken one approach to the statute. I, along with my colleagues on this side of the aisle, have taken another approach which I think is the more reasonable one.

The question is whether we are going to insist upon all of the fine legalisms of procedure that exist in a court of law in these election contests which are, as all of us know, fraught with political pitfalls and political temptations.

This is the problem, Mr. Speaker. It is not a partisan issue.

I think that in many cases if we go the route of allowing these legal procedures to tie up the Committee on House Administration and the House of Representatives to a point where we cannot resolve these election contests expeditiously, we are going to find that in each of the congressional districts anyone who thinks that he has a good shot at whoever is pronounced the winner of an election, during the next election will engage in an election contest. He will come in and have a forum which will enable him to get a leg up as far as the next election is concerned. The issue will not be resolved within that period of time.

Therefore, Mr. Speaker, the question is whether we are going to seek to resolve these issues expeditiously where evidence has not been presented to the panel with any degree of sufficiency, or whether we are going to insist on permitting these people to go on fishing expeditions.

There is an historical presumption that the certificate of election is valid; and unless that is refuted with adequate evidence, we certainly should stick to that presumption.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. NEDZI. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Speaker, I concur in the remarks of the gentleman from Michigan (Mr. NEDZI). The Committee on House Administration has now investigated this matter and is satisfied that Mr. GAMMAGE received the majority of the votes in the election and that in the recount he continued to receive a majority of the votes. He was certified by the secretary of state of Texas as having been elected to the Congress from the 22d District. Any close election always raises questions, but it seems to me this now should not be a partisan matter and that the proper action of the House is to approve the recommendation of the Committee on House Administration so that the people of the 22d District of Texas can be represented.

I urge the House to defeat the motion to recommit and to approve the recommendation of the committee.

Mr. THOMPSON. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. ARCHER), for purposes of debate only.

Mr. ARCHER. Mr. Speaker, last November voters of the 22d Congressional District of Texas went to the polls to elect their Congressman.

The true outcome of that election is still very much in doubt, and it now appears quite probable from the proceedings today that it will be forever in doubt.

Mr. Speaker, I must question the action taken by the Committee on House Administration. The committee has denied the right to pursue justice, which is sacred to our American principles, and denied it to one of the staunchest defenders of justice and liberty who has ever served in the Congress.

Certainly the time is now to put to rest any doubts whatsoever about the outcome of last November's election. However, that does not mean that we have a right to unfairly limit a fellow American's right to present evidence to prove his case; and that is what the majority will be doing today if it votes to dismiss Congressman Ron Paul's contest.

Mr. Speaker, as my colleague, the gentleman from California has stated so eloquently, Congressman Ron Paul has procedurally been denied the opportunity to present evidence substantiating his claim that the election should be invalidated.

For the second time now, Congressman Ron Paul has been told that he has no right to present evidence to prove his case.

The Texas Supreme Court ruled in effect that the people of the State of Texas do not have any right to use their court system to settle questions involving Federal elections. But I might point out that that was a 5 to 4 decision of a 9-judge panel, all of whom are Democrats.

Is this body going to rule that the people of the State of Texas also cannot depend upon the U.S. House of Representatives to seek out the truth in such disputes? If so, that is really quite a frightening comment on our system of justice in this country.

Mr. THOMPSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I cannot leave unanswered the remarks of the gentleman from Texas (Mr. ARCHER). To say that there is still doubt may be a valid claim in his mind. It is not in the judgment of the committee.

To say that there has been a denial of justice by the Committee on House Administration is an absolute and complete untruth and is deeply resented.

I refuse to yield.

To say that we should yield this matter to the Supreme Court of Texas is to say to the Supreme Court of Texas, notwithstanding the 5-to-4 vote that, no, you are wrong, we throw it back to you.

To say that we have not considered motives, to say that we have been unfair, is an absolute insult to the members of the Committee on House Administration and I do not intend to let it go unanswered.

I deeply regret having to say this to the gentleman.

The gentleman from California (Mr. WIGGINS) has not accused us of evil motives. He bases his case on legal theory. The gentleman from Texas may make such judgments as he wants on the Americanism of anybody—whatever that is, whether it be love of mother, or apple pie, or Texas, or whatever. He can have his definition. I have wondered for years at the definition of a great American. I have heard a great many described as great Americans whom I would not describe as such, but I have not taken their definition.

Mr. Speaker, I yield briefly to the gentleman from California (Mr. WIGGINS) for the purpose of debate only.

Mr. WIGGINS. Mr. Speaker, I did not at all understand the gentleman from Texas (Mr. ARCHER) to impugn in any way the motives and the integrity of the members of the committee on which we both serve but, nevertheless, I fully share the views of the gentleman from Texas that justice has been denied in this case because the committee is approving a procedure which prevents one of the parties from going forward to prove his case. That is a fair observation and I hope the gentleman from New Jersey does not take it personally.

Mr. THOMPSON. Mr. Speaker, if the gentleman will yield, we have adhered strictly to the standards set forth in the statute. I concede to the gentleman that it can be bad but I deny that there was any justice denied in this case.

Mr. WIGGINS. Indeed, the words "motion to dismiss" do not appear anywhere in this statute. This is not a statutory motion. Rather is calls upon the inherent authority of the committee to dismiss a frivolous petition on a good showing. Strangely, we require the respondent to prove his case in order to resist the motion. That is not right, my colleagues, and I do not believe that that is what justice is all about. This emasculates the statute. I urge the Members to read it, it is all in title 2, section 382.

Mr. THOMPSON. Mr. Speaker, I yield 2 minutes, for debate only, to the gentleman from California (Mr. JOHN L. BURTON).

Mr. JOHN L. BURTON. Mr. Speaker, later on there is another contest Pierce against PURSELL that is a very close election that will forever be in doubt in the minds of many people, including the member of the Democratic Party whose motion was dismissed by majority members of the House Administrative Committee. He was denied any means of pursuing his action, which was merely a recount, because there is no provision available. We did it consistent with the laws and the procedures of this House and the Committee on House Administration. That election will also forever be in doubt in the mind of the Democrat who ran for office.

I would say to my colleagues on this side of the aisle I will wonder if we did the right thing if this all becomes a partisan basis in the view that elections will forever be in doubt, because we do not have a procedure—and I would like to see one—for recount. But we were struck with the fact that under the laws and under our precedents there is no procedure except to call them as we see them, and that is how we did it, fairly and squarely. I do not see anybody raising that issue on the Pierce against PURSELL matter.

Mr. THOMPSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. AMMERMAN).

Mr. AMMERMAN. Mr. Speaker, we, the panel, notified the contestant of the hearings and for him to come forward with whatever he had. We heard the argument and questions were put by the gentleman from Michigan (Mr. NEDZI) directly to his counsel—which the transcript will show—such as, "Do you have anything? Why do you not present it?"

It boils down simply to this: Do the Certificate of Election and the results of the election that it certifies mean anything, or does the person who was certified have to go in and show that the contestant was wrong? It is strictly a technicality. He had an opportunity to present everything he had. He had taken depositions over a period of almost 89 days, and he did not even present them. There was an opportunity not only that day but in the ensuing week, which we gave him, to present anything, and it was not done.

Mr. THOMPSON. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. WIGGINS

Mr. WIGGINS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the resolution?

Mr. WIGGINS. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WIGGINS moves to recommit the resolution, H. Res. 526, to the Committee on House Administration.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. WIGGINS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 126, nays 260, answered "present" 2, not voting 44, as follows:

[Roll No. 211]

YEAS—126

Abdnor	Gradison	Pettis
Andrews, N. Dak.	Grassley	Pressler
Archer	Guyer	Pritchard
Armstrong	Hagedorn	Quayle
Ashbrook	Hammer-schmidt	Quie
Badham	Hansen	Quillen
Bafalis	Harsha	Railsback
Bauman	Heckler	Regula
Beard, Tenn.	Hollenbeck	Rhodes
Broomfield	Holt	Rinaldo
Brown, Mich.	Horton	Robinson
Brown, Ohio	Hyde	Rousselot
Broyhill	Jeffords	Rudd
Buchanan	Johnson, Colo.	Ruppe
Burke, Fla.	Kasten	Sarasin
Caputo	Kelly	Sawyer
Cederberg	Ketchum	Schulze
Clausen, Don H.	Kindness	Shuster
Cleveland	Lagomarsino	Smith, Nebr.
Cochran	Latta	Snyder
Cohen	Leach	Spence
Collins, Tex.	Lent	Stangeland
Conte	Lott	Stanton
Corcoran	Lujan	Steiger
Coughlin	McClory	Stockman
Crane	McCloskey	Symms
Daniel, R. W.	McDade	Taylor
Derwinski	McDonald	Thone
Devine	McEwen	Treen
Dickinson	McKinney	Trible
Dornan	Madigan	Vander Jagt
Duncan, Tenn.	Marks	Walker
Edwards, Ala.	Marlenee	Walsh
Edwards, Okla.	Marriott	Wampler
Emery	Martin	Whitehurst
Erlenborn	Miller, Ohio	Wiggins
Evans, Del.	Mitchell, N.Y.	Wilson, Bob
Fenwick	Moore	Winn
Findley	Moorhead, Calif.	Wydler
Frenzel	Myers, Gary	Wylie
Frey	Myers, Ind.	Young, Alaska
Gilman	O'Brien	Young, Fla.

NAYS—260

Akaka	Burleson, Tex.	Flippo
Alexander	Burlison, Mo.	Flood
Allen	Burton, John	Flowers
Ambro	Burton, Phillip	Flynt
Ammerman	Byron	Foley
Anderson, Calif.	Carney	Ford, Mich.
Annunzio	Carr	Ford, Tenn.
Applegate	Cavanaugh	Fountain
Ashley	Chappell	Fowler
Aspin	Clay	Fuqua
AuCoin	Collins, Ill.	Gaydos
Badillo	Conyers	Gephardt
Baldus	Corman	Giaimo
Barnard	Cornell	Gibbons
Baucus	Cornwell	Ginn
Beard, R.I.	Cotter	Glickman
Bedell	D'Amours	Gonzalez
Beilenson	Daniel, Dan	Gore
Benjamin	Danielson	Gudger
Bennett	Davis	Hall
Bevill	de la Garza	Hamilton
Biaggi	Delaney	Hanley
Bingham	Derrick	Hannaford
Blanchard	Dicks	Harkin
Blouin	Dingell	Harrington
Boggs	Downey	Harris
Boland	Drinan	Hawkins
Bolling	Duncan, Oreg.	Hefner
Bonior	Early	Hightower
Bonker	Eckhardt	Holtzman
Bowen	Edgar	Howard
Brademas	Eilberg	Hubbard
Breaux	English	Huckaby
Breckinridge	Ertel	Hughes
Brinkley	Evans, Colo.	Ichord
Brodhead	Evans, Ga.	Ireland
Brooks	Evans, Ind.	Jacobs
Brown, Calif.	Fary	Jenkins
Burke, Calif.	Fascell	Jenrette
Burke, Mass.	Fisher	Johnson, Calif.
	Fithian	Jones, N.C.
	Jones, Okla.	Mottl
	Jones, Tenn.	Murphy, Ill.
	Jordan	Murphy, Pa.
	Kastenmeier	Murtha
	Kazen	Myers, Michael
	Keys	Natcher
	Kildee	Neal
	Kostmayer	Nichols
	Krebs	Nix
	LaFalce	Nolan
	Le Fante	Nowak
	Lederer	Oakar
	Leggett	Oberstar
	Lehman	Obey
	Levitas	Ottinger
	Lloyd, Calif.	Panetta
	Lloyd, Tenn.	Patten
	Long, La.	Patterson
	Long, Md.	Pattison
	Luken	Pease
	Lundine	Pepper
	McCormack	Perkins
	McFall	Pickle
	McHugh	Pike
	McKay	Poage
	Maguire	Preyer
	Mahon	Rahall
	Mann	Rangel
	Markey	Reuss
	Mattox	Richmond
	Mazzoli	Risenhoover
	Meeds	Roberts
	Metcalfe	Rodino
	Meyner	Rogers
	Mikulski	Roncallo
	Mikva	Rooney
	Milford	Rosenthal
	Miller, Calif.	Rostenkowski
	Mineta	Roybal
	Minish	Runnels
	Moakley	Santini
	Moffett	Satterfield
	Mollohan	Scheuer
	Montgomery	Schroeder
	Moorhead, Pa.	Seiberling
	Moss	Sharp
		Shipley
		Sikes
		Simon
		Sisk
		Skelton
		Skubitz
		Slack
		Smith, Iowa
		Solarz
		Spellman
		St Germain
		Staggers
		Stark
		Steed
		Steers
		Stokes
		Stratton
		Studds
		Thompson
		Traxler
		Tsongas
		Tucker
		Udall
		Ullman
		Vanik
		Vento
		Volkmer
		Waggonner
		Walgren
		Watkins
		Waxman
		Weiss
		Whalen
		White
		Whitley
		Wilson, C. H.
		Wilson, Tex.
		Wirth
		Wolff
		Wright
		Yates
		Yatron
		Young, Mo.
		Young, Tex.
		Zablocki
		Zeferetti

ANSWERED "PRESENT"—2

Gammage	Pursell

NOT VOTING—44

Addabbo	Fish	Murphy, N.Y.
Anderson, Ill.	Florio	Nedzi
Andrews, N.C.	Forsythe	Price
Burgener	Fraser	Roe
Butler	Goldwater	Rose
Carter	Goodling	Russo
Chisholm	Heftel	Ryan
Clawson, Del	Hillis	Sebelius
Coleman	Holland	Stump
Conable	Kemp	Teague
Dellums	Koch	Thornton
Dent	Krueger	Van Deerlin
Diggs	Mathis	Weaver
Dodd	Michel	Whitten
Edwards, Calif.	Mitchell, Md.	

Mr. FINDLEY changed his vote from "nay" to "yea."

Mr. WIRTH changed his vote from "yea" to "nay."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the SPEAKER pro tempore announced that they ayes appeared to have it.

Mr. WIGGINS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So the resolution was agreed to.

A motion to reconsider was laid on the table.

DISMISSING THE ELECTION CONTEST AGAINST ABNER J. MIKVA

Mr. THOMPSON. Mr. Speaker, by direction of the Committee on House Administration, I call up a privileged resolution (H. Res. 527) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 527

Resolved, That the election contest of Samuel H. Young, contestant, against Abner J. Mikva, contestee, Tenth Congressional District of the State of Illinois, be dismissed.

The SPEAKER pro tempore. The gentleman from New Jersey (Mr. THOMPSON) is recognized for 1 hour.

Mr. THOMPSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution deals with the contested election case of Young against Mikva. The ad hoc panel investigating this case was chaired by the gentleman from California, the Honorable LEON PANETTA, and consisted of the gentleman from California, the Honorable AUGUSTUS HAWKINS, and the gentleman from Michigan, the Honorable DAVE STOCKMAN.

Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. PANETTA), the panel chairman.

Mr. PANETTA. Mr. Speaker, we deal now with House Resolution 527, which involves the election contest between Samuel Young, the contestant, and ABNER MIKVA, the contestee, in the 10th Congressional District of Illinois.

The Committee on House Administration recommends adoption of the resolution for dismissal. The history of this case is rather complicated. I will try to present a brief summary to the House.

The general election was held on November 2, 1976, at which time Mr. MIKVA won over Mr. Young by 201 votes. On November 22 Mr. MIKVA was certified and declared by the Governor of Illinois as having been duly elected.

On November 24, Mr. Young filed a petition for discovery recount with the clerk of Cook County. On December 6 and 7, a recount was held before representatives of Mr. Young and Mr. MIKVA, the clerk of Cook County, and staff members of the Committee on House Administration. A retabulation was made of approximately 53,000 votes, and it was indicated at that time that there was only a difference of four votes in the election result.

On December 16, 1976, a petition for a recount was filed by Mr. Young in the circuit court, and on December 20, 1976, Mr. Young filed a notice of intention to contest the election with the House of Representatives.

Mr. Speaker, the notice of intention to contest was based on approximately five grounds, alleging malfunction of voting machines, ballots with various identifying marks, ballots not initialed by election judges, ballots cast by nonresidents, and others.

On January 4, 1977, Mr. MIKVA was sworn in as the Representative from the 10th Congressional District. On January 6, 1977, he filed a motion to dismiss the petition for recount in the courts, and the courts upheld Mr. MIKVA and dismissed the case. That case is still under appeal to the supreme court in Illinois.

On January 20, 1977, Mr. MIKVA filed a motion to dismiss with the committee under section b(3), which states that the contestant must state grounds that are sufficient to change the result of the election, and the position by Mr. MIKVA was that the motion did not state grounds

sufficient to change the result of the election.

Hearings were held on March 8, by the ad hoc subcommittee chaired by myself, with the distinguished gentleman from California (Mr. HAWKINS) and also the distinguished gentleman from Michigan (Mr. STOCKMAN). On April 5 an additional hearing was held, and on April 20 a final hearing was held on the motion to dismiss. And a vote was taken of 2 to 1 recommending dismissal.

The basic issue that faces the House is whether the notice of contest filed by Mr. Young states grounds sufficient to change the result of the election. The law in this case is very clear. In an amendment adopted by the House in 1969 makes it clear that an individual can file a motion for dismissal in order to challenge notices of contest that do not meet the burden of presenting sufficient facts and evidence.

In Tunno against Veysey, which is one of the cases handled by the House, the point was made that there is a substantial burden on the contestant not only to come forward with allegations, but also to present evidence and facts supporting those allegations. This is a heavy burden placed on the contestant.

Indeed, in one case, Gormley against Goss, it was held that there were three prerequisites, one, that the official returns themselves are prima facie evidence that the conduct of the election officials was legal; second, that there is also a presumption that the officials performed their duty honestly.

Therefore, the burden to resist these presumptions is a heavy one and falls on the contestant.

Mr. Speaker, this is not just a motion for summary judgment. It should not be compared to other civil proceedings. This is not just simple notice pleadings. There is a substantial burden on the contestant to come forward not only with allegations but with facts.

In this case, Mr. Speaker, the initial allegations were based not on fact but on information and belief. The affidavits filed by the contestant showed, at most, a difference of 4 to 10 votes out of 53,000 votes.

The SPEAKER pro tempore. The time of the gentleman from California (Mr. PANETTA) has expired.

Mr. THOMPSON. Mr. Speaker, I yield 3 additional minutes to the gentleman from California (Mr. PANETTA), for purposes of debate only.

Mr. PANETTA. To continue what I was saying, Mr. Speaker, the contestant showed a difference of 4 to 10 votes out of the 53,000 vote recount and out of the 200,000 vote election result.

The question is, Are 4 to 10 votes enough of a difference to warrant this House proceeding with a full investigation and a full recount of that election?

Mr. Speaker, it was the decision of the panel, which has the right to exercise its discretion in these matters, based on the facts presented to it, that the contestant had not met his burden. We are not in the business of helping the contestant to make out his case. We may argue with procedure. We may not like the process established, but the fact is that we must adhere to the procedures that we have before the House. The fact is that the contestant did not meet or comply with those procedures.

Mr. Speaker, it could well be said that any argument with procedures should be dealt with legislatively; but it should not be dealt with in the context of a quasi-judicial proceeding. Therefore, Mr. Speaker, based on the time and effort that would be involved in further investigating this case and based on the dangerous precedent that could be established, it was the decision of the panel that we recommend dismissal of the case.

I, too, Mr. Speaker, as chairman of that panel, recommend dismissal of this case and that the Members agree to House Resolution 527.

Mr. THOMPSON. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Michigan (Mr. STOCKMAN), for the purposes of debate only.

Mr. STOCKMAN. Mr. Speaker, I rise in opposition to the resolution before us.

I just want to make clear before I proceed into the argument that we do not take this position in this case for the purpose of merely overturning the result of a certified election. We are not taking this position, because we wish to deny the seat to a sitting Member of this body, because we want to see a seat switched from one side of the aisle to the other, and certainly not because we think the proceedings which took place before our panel and our full committee were unfair.

Mr. Speaker, our purpose, really, in raising these questions on these resolutions is to prevent the accumulation of precedents which, in our judgment, will render our whole contested elections procedure null and void and will make it, for all practical purposes, a useful instrument to resolve election contests.

I think it is important for the House to understand that the resolution before the House today is not the product of a hearing on the merits of this case. No evidence was gathered by the committee. Neither of the parties involved in this contest took depositions or other steps to gather evidence. No examination or cross examination occurred.

All of the procedures that are provided by U.S.C. 386 to 389 were not used, because we did not get that far. This motion to dismiss was interposed; and as a result, the basic procedures of the Contested Elections Act were not used.

The fact is that the motion to dismiss must clearly rest on a showing by the contestee that grounds sufficient to change the result of the election were not presented.

Mr. Speaker, the majority of the panel and the majority of the committee have concluded that such grounds were not presented.

I would like to take just about 2 minutes to lay before the House some of the information that was contained in the notice of contest, in the pleadings of the contestant in this case, and then I would ask the Members, on the basis of this evidence, whether or not they think sufficient grounds were presented.

The following pieces of information were presented to us in the original notice of the contestant, first, it showed that there were 10 votes that were counted for the contestee which actually belonged to the contestant, as a result of a discovery recount that was made, and those have not been questioned by the contestee.

Second, it showed in this same discovery recount which was carried out pursuant to State procedure, that there were 230 ballots which were uninitialed by the election judges and, nevertheless, they were counted, even though that is a violation of the State law in Illinois.

The third thing that the notice showed, or contended, or alleged, was that there were 611 ballots containing distinguishing marks, numbers, some of them in sequential order; these ballots also contained lines, checks, and all of these marks, again, are prohibited by the election act in Illinois.

These ballots were counted, therefore, in violation of the basic election act in this State under which the election was carried out.

Then, finally, the notice of contest filed by the contestant contained the names and addresses of 20 individuals who voted in that election despite the fact that they had been stricken from the registration rolls previous to the election. Nevertheless, those ballots cast by unregistered voters were counted.

What does this add up to? It adds up to a showing, a clear, concrete, material showing, that 871 ballots were counted in that contest which were either—No. 1, erroneously tabulated; No. 2, counted in violation of the State law; or, No. 3, illegally cast.

We were dealing with an election involving a difference of only 201 votes and we have a showing in the pleadings, in the notice of contest, that there were 871 ballots which are subject to question.

The only thing that the notice of contest does not show is whether or not each of those 871, or even 500 of them, would have gone to the contestee or the declared winner in that election, Mr. MIKVA and, therefore, would not change the outcome.

But I would suggest to the House that proving which way each one of those ballots would have gone is not something that has to be done in the initial notice; that is something that should be done during hearings on the merits.

This case is far different from some of those we have had in the past, because I think the notice is sufficient and demonstrates that the outcome could have been different.

I would urge that the House recommit this matter to the committee.

Mr. THOMPSON. Mr. Speaker, before yielding to the gentleman from California (Mr. JOHN L. BURTON) following which I presume the gentleman from California (Mr. WIGGINS) would want to be heard—I might point out that, in substance, the legal groundwork for this and the other three contests today is essentially the same. I would think that it is a matter which will come up later, and which deserves some further in depth discussion, probably in the

Committee on House Administration which has the substantive legislative jurisdiction.

Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California (Mr. JOHN L. BURTON) for debate only.

Mr. JOHN L. BURTON. Mr. Speaker, I thank the gentleman from New Jersey for yielding to me.

This case, again, is not unlike the next matter that will be before us and it is not unlike a matter that was before us 2 years ago out in the State of Nebraska, Zeibarth versus Smith, where there was a close election and where the loser petitioned on the basis of statistical information and probabilities that the counting of the ballots had to be erroneous and, therefore, the winning candidate, Mrs. SMITH of Nebraska, should not have been seated.

At that time the Committee on House Administration, with a majority joined by the minority and only myself voting in the negative, dismissed the contest. The matter went to the floor and again the contest was dismissed. I voted in the negative, because I thought there should be some procedure in a close election whereby there should be an avenue of recourse. I found out, chairing the Pierce-Pursell matter that in fact there was not. Based on that I would hope to introduce later this year legislation to provide for a recount procedure for the House of Representatives and that does not exist at the present time in many of the States. But again here we are faced with a close election.

The minority members felt somehow that the burden of proof was met by the losing candidate and voted not to dismiss—the same facts. The numbers are a little bit different. I think there is maybe a 100-vote difference in the margin in the Michigan contest. We on the majority—including myself who voted against dismissing a similar matter 2 years ago because I thought there had to be recourse—voted to dismiss, because there was just no way in the world that we could go in and start ordering local governments to pay for some kind of a recount.

So I would hope that the gentleman from Michigan (Mr. STOCKMAN)—and we have discussed this—would join with me in coming up with a procedure to deal with close elections.

Mr. CHARLES H. WILSON of California. Mr. Speaker, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentleman from California.

Mr. CHARLES H. WILSON of California. I thank the gentleman for yielding.

I wonder if the gentleman will agree with me that perhaps we should have a rollcall vote when the next resolution comes up.

Mr. JOHN L. BURTON. Possibly on the next one.

Mr. CHARLES H. WILSON of California. Apparently these are all going on a party-line vote.

Mr. JOHN L. BURTON. We did not operate on a party-line basis when we dismissed Smith and Ziebarth 2 years ago, Kyros and Emery 2 years ago, and the Pierce-Pursell matter this year. I am kind of distressed that some of these things become partisan, because the facts are the same.

We are dealing with a close election. Unfortunately, there is no procedure under the laws we can address ourselves to, and I hope we can deal with these in fairness as with the others.

I thank the gentleman for yielding.

Mr. THOMPSON. Mr. Speaker, for debate only, I yield 3 minutes to the gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. Mr. Speaker, I should like to paint a little picture here which demonstrates how utterly preposterous this procedure is. Let us suppose you are a plaintiff and you file a complaint, and you allege in the complaint a cause of action entitling you to relief. Let us suppose that the defendant instead of answering immediately files a motion to dismiss your well-pleaded complaint and sets it down for hearing on his motion to dismiss. You go into court, and the judge says to you, the plaintiff:

> Well, what have you got to say for yourself? Why shouldn't we dismiss your complaint? Prove it. Prove it now. Prove up your allegations.

Your answer is:

> Well, Your Honor, this is not my motion. It is not my burden to establish a motion to dismiss. Moreover, I am entitled to take depositions to find out what the evidence is to support my well-pleaded allegations.

We have that procedure in civil litigation, because it is fair, and doing it in this context is unfair.

Mr. THOMPSON. Mr. Speaker, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from New Jersey.

Mr. THOMPSON. I thank the gentleman for yielding.

We are in an entirely different situation here, I respectfully say. We are not in court. There is a presumption to which a Member is entitled when his secretary of state or Governor certifies to his election.

Mr. WIGGINS. I stipulate that presumption, but it is not a constructive presumption which prohibits someone from offering evidence that it is improper. To maintain this position is to do away with our election contest statute.

Mr. THOMPSON. If the gentleman will yield further—and if necessary I will yield him additional time for debate—in the matter of the case just disposed of, the contestee was given an opportunity of in excess of 10 days to submit additional evidence.

The rules of discovery are not applicable here as they are or perhaps should be. The legal situation, as the gentleman knows, is different.

Mr. WIGGINS. But surely the rules of discovery in our own election contests statute are applicable; are they not?

Mr. THOMPSON. Yes, and with respect to existing standards the gentleman is quite right, and the rules have been strictly adhered to.

Mr. WIGGINS. It provides that those depositions be made after answer and the answer was never filed in this case.

Mr. THOMPSON. But those procedures were not utilized by Dr. Paul.

Mr. WIGGINS. If the gentleman wishes to go back and reargue that case, I will if the gentleman will extend the time.

In this case there is a stronger answer. There was not any answer at all filed. In this case the gentleman from Illinois (Mr. MIKVA), for whom I have the greatest respect, filed an immediate motion to dismiss, cutting off any opportunity.

Mr. THOMPSON. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. PANETTA).

Mr. PANETTA. Mr. Speaker, I would say very briefly if we get into the game of trying to take outside legal procedures and try to apply them here, it is a very dangerous game. Those procedures are just not the same.

As a matter of fact, in standard civil proceedings, if a person comes forward with a motion and the respondent on the motion does not present anything, he is going to get thrown out of court.

In 2 U.S.C. section 385, default of contestee, the language says:

> The failure of contestee to answer the notice of contest or to otherwise defend as provided by this chapter shall not be deemed an admission of the truth of the averments in the notice of contest. Notwithstanding such failure, the burden is upon contestant to prove that the election results entitle him to contestee's seat. (P.L. 91–138, § 6, Dec. 5, 1969, 83 Stat. 286.)

If the gentleman from Illinois (Mr. MIKVA) did not do anything, file a motion to dismiss, or whatever, and he did nothing, according to this statute the burden would still be on the contestant, Mr. Young, to prove his case.

Mr. WIGGINS. Mr. Chairman, if the gentleman will yield, I agree totally with the gentleman. Of course the burden rests on the contestant to prove his case, but the time to prove that case is when the case is submitted on the record, not before one has had an opportunity to develop that record.

Mr. PANETTA. I understand the gentleman's argument and I have the greatest respect for his expertise. I respectfully disagree with him. I think it extremely important that we do not come into these cases as advocates and that we do not take the position of simply supporting one side or the other because of party. We must deal with the facts as they are presented to the committee.

The second point I would like to make is that it is extremely dangerous for this House if we permit free and open notices to be filed by everyone everywhere to contest elections. They must be based on fact.

Mr. THOMPSON. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. WIGGINS

Mr. WIGGINS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the resolution?

Mr. WIGGINS. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WIGGINS to recommit the resolution (H. Res. 527) to the Committee on House Administration.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WIGGINS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 272, nays 107, answered "present" 3, not voting 50, as follows:

[Roll No. 212]

YEAS—272

Akaka	Diggs	Kazen
Alexander	Dingell	Ketchum
Allen	Downey	Keys
Ambro	Drinan	Kildee
Ammerman	Duncan, Oreg.	Kostmayer
Anderson, Calif.	Early	Krebs
	Eckhardt	LaFalce
Annunzio	Edgar	Le Fante
Applegate	Edwards, Ala.	Lederer
Ashley	Eilberg	Leggett
Aspin	English	Lehman
AuCoin	Ertel	Levitas
Badillo	Evans, Colo.	Lloyd, Calif.
Bafalis	Evans, Ga.	Lloyd, Tenn.
Baldus	Evans, Ind.	Long, La.
Barnard	Fary	Long, Md.
Baucus	Fascell	Luken
Beard, R.I.	Findley	Lundine
Bedell	Fisher	McCloskey
Beilenson	Fithian	McCormack
Benjamin	Flippo	McFall
Bennett	Flood	McKay
Bevill	Flowers	McKinney
Biaggi	Flynt	Madigan
Bingham	Foley	Maguire
Blanchard	Ford, Tenn.	Mann
Blouin	Fountain	Markey
Boggs	Fowler	Mattox
Boland	Frey	Mazzoli
Boiling	Fuqua	Meeds
Bonior	Gammage	Metcalfe
Bonker	Gaydos	Meyner
Bowen	Gephardt	Mikulski
Brademas	Giaimo	Milford
Breckinridge	Gibbons	Miller, Calif.
Brinkley	Gilman	Mineta
Brodhead	Ginn	Minish
Brooks	Glickman	Mitchell, Md.
Brown, Calif.	Gonzalez	Mitchell, N.Y.
Burke, Calif.	Gore	Moakley
Burke, Mass.	Gudger	Moffett
Burleson, Tex.	Hall	Mollohan
Burlison, Mo.	Hamilton	Montgomery
Burton, John	Hanley	Moorhead, Pa.
Burton, Phillip	Hannaford	Moss
Byron	Harkin	Mottl
Carney	Harrington	Murphy, Ill.
Carr	Harris	Murphy, Pa.
Cavanaugh	Hawkins	Murtha
Chappell	Heftel	Myers, Gary
Clay	Hightower	Myers, Michael
Collins, Ill.	Holtzman	Myers, Ind.
Conte	Howard	Natcher
Conyers	Hubbard	Neal
Corman	Huckaby	Nichols
Cornell	Hughes	Nix
Cornwell	Ichord	Nolan
Cotter	Ireland	Nowak
D'Amours	Jacobs	Oakar
Daniel, Dan	Jenkins	Oberstar
Danielson	Jenrette	Obey
Davis	Johnson, Calif.	Ottinger
de la Garza	Jones, N.C.	Panetta
Delaney	Jones, Okla.	Patten
Derrick	Jones, Tenn.	Patterson
Dickinson	Jordan	Pattison
Dicks	Kastenmeier	Pease
Pepper	Seiberling	Tucker
Perkins	Sharp	Udall
Pickle	Shipley	Ullman
Pike	Sikes	Vanik
Poage	Simon	Volkmer
Preyer	Sisk	Waggonner
Rahall	Skelton	Watkins
Rangel	Skubitz	Waxman
Reuss	Slack	Weiss
Richmond	Smith, Iowa	Whalen
Rinaldo	Snyder	White
Risenhoover	Solarz	Whitley
Roberts	Spellman	Wilson, C. H.
Rodino	St Germain	Wilson, Tex.
Roncalio	Staggers	Wirth
Rooney	Stark	Wolff
Rosenthal	Steed	Wright
Rostenkowski	Stokes	Wylie
Roybal	Stratton	Yates
Runnels	Studds	Yatron
Santini	Thompson	Young, Mo.
Satterfield	Thornton	Young, Tex.
Scheuer	Traxler	Zablocki
Schroeder	Tsongas	Zeferetti

NAYS—107

Abdnor	Guyer	Quie
Andrews, N. Dak.	Hagedorn	Quillen
	Hammer-schmidt	Railsback
Archer		Regula
Armstrong	Hansen	Rhodes
Ashbrook	Harsha	Robinson
Badham	Heckler	Rousselot
Bauman	Hollenbeck	Rudd
Beard, Tenn.	Holt	Ruppe
Brown, Mich.	Hyde	Sarasin
Brown, Ohio	Jeffords	Sawyer
Broyhill	Johnson, Colo.	Schulze
Buchanan	Kasten	Shuster
Burke, Fla.	Kindness	Smith, Nebr.
Caputo	Lagomarsino	Spence
Cederberg	Latta	Stangeland
Clausen, Don H.	Leach	Stanton
	Lent	Steers
Cleveland	Lott	Steiger
Cohen	Lujan	Stockman
Collins, Tex.	McClory	Symms
Corcoran	McDade	Taylor
Coughlin	McDonald	Thone
Crane	McEwen	Treen
Daniel, R. W.	Marks	Trible
Derwinski	Marlenee	Vander Jagt
Devine	Marriott	Walgren
Dornan	Martin	Walker
Duncan, Tenn.	Miller, Ohio	Walsh
Edwards, Okla.	Moore	Wampler
Emery	Moorhead, Calif.	Whitehurst
Erlenborn		Wiggins
Evans, Del.	O'Brien	Wilson, Bob
Fenwick	Pettis	Winn
Frenzel	Pressler	Wydler
Gradison	Pritchard	Young, Alaska
Grassley	Quayle	Young, Fla.

ANSWERED "PRESENT"—3

Kelly	Mikva	Pursell

NOT VOTING—50

Addabbo	Fish	Michel
Anderson, Ill.	Florio	Murphy, N.Y.
Andrews, N.C.	Ford, Mich.	Nedzi
Breaux	Forsythe	Price
Broomfield	Fraser	Roe
Burgener	Goldwater	Rogers
Butler	Goodling	Rose
Carter	Hefner	Russo
Chisholm	Hillis	Ryan
Clawson, Del	Holland	Sebelius
Cochran	Horton	Stump
Coleman	Kemp	Teague
Conable	Koch	Van Deerlin
Dellums	Krueger	Vento
Dent	McHugh	Weaver
Dodd	Mahon	Whitten
Edwards, Calif.	Mathis	

Mr. ST GERMAIN changed his vote from "nay" to "yea."

Mr. HAGEDORN changed his vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

After the message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate disagrees to the amendment of the House to a concurrent resolution of the Senate (S. Con. Res. 19) entitled "concurrent resolution setting forth the congressional budget for the United States Government for the fiscal year 1978," agrees to a conference requested by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MUSKIE, Mr. MAGNUSON, Mr. HOLLINGS, Mr. CRANSTON, Mr. CHILES, Mr. ABOUREZK, Mr. BELLMON, Mr. MCCLURE, Mr. DOMENICI, and Mr. HEINZ to be the conferees on the part of the Senate.

DISMISSING THE ELECTION CONTEST AGAINST CARL D. PURSELL

Mr. THOMPSON. Mr. Speaker, by direction of the Committee on House Administration, I call up a privileged resolution (H. Res. 528) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 528

Resolved, That the election contest of Edward C. Pierce, contestant, against Carl D. Pursell, contestee, Second Congressional District of the State of Michigan, be dismissed.

The SPEAKER pro tempore. The gentleman from New Jersey (Mr. THOMPSON) is recognized for 1 hour.

Mr. THOMPSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution deals with the contested election case of Pierce against Pursell. The ad hoc panel investigating this case was chaired by the gentleman from California, the Honorable JOHN L. BURTON, and consisted of the gentleman from Illinois, the Honorable FRANK ANNUNZIO, and the gentleman from New Hampshire, the Honorable JAMES CLEVELAND.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. JOHN L. BURTON), the chairman of the panel, for purposes of debate only.

Mr. JOHN L. BURTON. Mr. Speaker, I thank the chairman of the committee for yielding this time to me.

This is the election contest matter to which I referred in debate on the other two resolutions in which the margin of victory, out of more than 190,000 votes, was 344 votes.

In this matter I will listen, I am sure, very closely to the motion to recommit offered by the gentleman from California, and I will see if he raises any arguments that would cause me to change my mind from my original intention.

Mr. Speaker, we found ourselves in this situation with the same problems as did the other election panels. This was a close election that will forever be in doubt. There is a contest in which the losing candidate raised some probabilities of error in the tabulation of votes that could lead one to believe that the outcome of the election might have been changed.

After listening to testimony, we found that whatever we did would be second-guessing the results of this election, with

no real information brought to us, other than some statistical probabilities, that could guide us to do anything but dismiss the contest.

Mr. THOMPSON. Mr. Speaker, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentleman from New Jersey.

Mr. THOMPSON. May I ask the gentleman this question, Mr. Speaker:

Am I correct that in this matter, following the canvass showing the difference of 344 votes and the presentation of the credentials of Mr. PURSELL to the House, on November 8 the contestant, Dr. Pierce, filed a suit in the State court seeking an order premitting an inspection and review of tally sheets containing the vote totals and that the initial court granted the requested order, but that decision was reversed on appeal; is that correct?

Mr. JOHN L. BURTON. By the Supreme Court; yes, it was.

Mr. THOMPSON. By the Supreme Court of the State?

Mr. JOHN L. BURTON. By the Supreme Court of the State of Michigan.

Mr. THOMPSON. In other words, it is a situation analogous to the Supreme Court decision in the Paul case; is that correct?

Mr. JOHN L. BURTON. I believe that the State Supreme Court of Michigan and the State Supreme Court of Texas are the highest judicial branches in those States.

Mr. Speaker, it is interesting to point out that if this were a primary election, a recount could have been granted, under State of Michigan law. If it were an election for a judgeship in the State or for the State legislature, there could have been a recount under the State law.

The only place where there cannot be a recount is in the general election for a Member of Congress or the U.S. Senate.

There was a feeling on my part, as I expressed earlier, that there should be a procedure whereby, especially in a State that provides for recounts all the way up the line, with this one exception, a recount might be in order. However, we have no guidelines for a recount. We really have no policy with respect to a recount.

Therefore, based on that information, I felt that it was my duty, in fairness and in equity, notwithstanding the fact that this Member very strongly wanted the losing party, Dr. Pierce, to win the general election, to decide that the only thing I could do, in fairness and in equity, and that the members of committee, the gentleman from Illinois (Mr. ANNUNZIO) and the gentleman from New Hampshire (Mr. CLEVELAND) could do was to dismiss this contest, not on a party-line basis, not on an ideological basis, but in fairness and in honesty.

Mr. Speaker, I do feel, based on my experience with this contest and with the others, that there should be a procedure whereby recount procedures are available in congressional elections; and I would hope that our committee would move on such a matter.

As I say, I think this is really pretty well on all fours with the Gammage matter, and with the Mikva matter.

Mr. Speaker, somebody wants to vote. I do not know whether the motion to recommitt will come now or later. I certainly believe that consistency is the hobgoblin of small minds, but I would still vote against the motion to recommit this matter, as I did on the others.

Mr. THOMPSON. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. WIGGINS), for purposes of debate only.

Mr. WIGGINS. Mr. Speaker, some of the Members of this body believe that this contest is fairly analogous to the previous ones, the Paul and Mikva contests.

It is not. There are some important legal distinctions between them, and I will take just a moment to explain them.

In this case the notice of contest alleges only as follows:

> Contestant Pierce bases this contest on information and belief that certain mistakes were committed and corrections thereof should be made. Contestant Pierce considers himself to be aggrieved by such mistakes.

Mr. Speaker, that is the pleading we have in this case. In both the Mikva case and the Paul case the complaint specified with great particularity the precise nature of the irregularities.

They were sufficiently numerous to change the result of an election. The case before us now is indeed on all fours with the case we decided 2 years ago, Zeibarth versus Smith. In that case Mr. Zeibarth could not point to any specific irregularities, he merely had a close election on his hands and he was disappointed in the result and said,

> It is so close there must be some irregularity, I ought to have a recount.

The decision in Zeibarth versus Smith was that a close election standing alone was not a sufficient basis to overturn an election.

The gentleman from California thought there should be a procedure for a recount and I would not resist amending the code to provide an automatic recount in close elections, even with no specific allegation of irregularity.

But in Zeibarth versus Smith 2 years ago we said that closeness alone is not enough and that you must allege with specificity the particular irregularities which occurred in the election. Clearly Mr. Pierce has not done so. All that was shown is what I have read to the Members, that certain unspecified mistakes were committed and the contestant conceives himself to have been aggrieved. Therefore the proper disposition in this case, in light of those pleadings, and no offer to amend it on his part, is to approve the resolution before the committee.

It is not my intention to offer a motion to recommit, but if the majority would wish to do so, I would not resist it.

Mr. THOMPSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I gather there is sort of an element of throwing the gauntlet by the gentleman from California (Mr. WIGGINS). I do not anticipate any motion to recommit unless it is made by the gentleman from California.

I would like to point out a few things. First of all, the notice of contest in the Mikva case, was based on information and belief and not on particularities and not until the committee granted an extension were there any affidavits presented.

For those Members who subscribe and have subscribed to the argument presented by the gentleman from California (Mr. WIGGINS) in the earlier cases today, it would seem that the same standard should apply in this case. For those Members who desire different standards and who voted earlier to recommit House Resolution 526, perhaps they should consider turning this matter down, in order to be consistent because they are analogous.

Mr. JOHN L. BURTON. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON. I yield to the gentleman from California.

Mr. JOHN L. BURTON. Mr. Speaker, I would like to say there was a showing which I would consider, there was one precinct where there seemed to be a disproportionate falloff, or a possible loss in which the losing party or the moving party claimed 90 votes. I think the winning party stipulated it could not have been more than 40 or 50. There were further showings made, but we did not consider them in any way sufficient enough to go in and order an election. There was a partial recount that showed a switch of four votes.

I really believe this is on all fours with the others.

I might say that I believe as the gentleman from Michigan (Mr. STOCKMAN) does, that we should have a procedure setting forth how we could deal with this type of matter because it is not an easy thing to deal with, especially when you are in the majority and calling them as you see them and then you find out that other people appear to see things differently depending on how you look at it from one side to the other.

Mr. THOMPSON. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LEVITAS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 371, nays 8, answered "present" 2, not voting 51, as follows:

[Roll No. 213]

YEAS—371

Abdnor	Ambro	Andrews, N. Dak.
Akaka	Ammerman	Annunzio
Alexander	Anderson, Calif.	Applegate
Allen		

Archer	Flippo	Meeds
Armstrong	Flood	Metcalfe
Ashbrook	Flowers	Meyner
Ashley	Flynt	Mikulski
Aspin	Foley	Mikva
AuCoin	Ford, Tenn.	Milford
Badham	Fountain	Miller, Calif.
Badillo	Fowler	Miller, Ohio
Bafalis	Frenzel	Mineta
Baldus	Frey	Minish
Barnard	Fuqua	Mitchell, Md.
Baucus	Gammage	Mitchell, N.Y.
Bauman	Gaydos	Moakley
Beard, Tenn.	Gephardt	Moffett
Bedell	Giaimo	Mollohan
Beilenson	Gibbons	Montgomery
Benjamin	Gilman	Moore
Bennett	Ginn	Moorhead, Calif.
Bevill	Glickman	Moorhead, Pa.
Biaggi	Gonzalez	Mottl
Bingham	Gore	Murphy, Ill.
Blanchard	Gradison	Murphy, Pa.
Blouin	Grassley	Murtha
Boggs	Gudger	Myers, Gary
Boland	Guyer	Myers, Ind.
Bolling	Hagedorn	Natcher
Bonior	Hall	Neal
Bonker	Hamilton	Nichols
Bowen	Hammer-schmidt	Nix
Brademas	Hanley	Nolan
Breaux	Hannaford	Nowak
Breckinridge	Hansen	O'Brien
Brinkley	Harrington	Oakar
Brodhead	Harris	Oberstar
Brooks	Harsha	Obey
Brown, Calif.	Hawkins	Ottinger
Brown, Mich.	Heckler	Panetta
Brown, Ohio	Heftel	Patten
Broyhill	Hightower	Patterson
Buchanan	Hollenbeck	Pattison
Burke, Calif.	Holt	Pease
Burke, Fla.	Holtzman	Pepper
Burke, Mass.	Horton	Perkins
Burleson, Tex.	Howard	Pettis
Burlison, Mo.	Hubbard	Pickle
Burton, John	Huckaby	Pike
Byron	Hughes	Poage
Caputo	Hyde	Pressler
Carr	Ichord	Preyer
Cavanaugh	Ireland	Pritchard
Cederberg	Jacobs	Quayle
Chappell	Jenkins	Quie
Clausen, Don H.	Jenrette	Quillen
Clay	Johnson, Calif.	Rahall
Cleveland	Johnson, Colo.	Railsback
Cohen	Jones, N.C.	Regula
Collins, Ill.	Jones, Okla.	Rhodes
Collins, Tex.	Jones, Tenn.	Richmond
Conte	Jordan	Rinaldo
Conyers	Kasten	Risenhoover
Corcoran	Kazen	Roberts
Corman	Ketchum	Robinson
Cornell	Keys	Rodino
Cornwell	Kildee	Rogers
Cotter	Kindness	Roncalio
Coughlin	Kostmayer	Rooney
Crane	Krebs	Rose
D'Amours	LaFalce	Rosenthal
Daniel, Dan	Lagomarsino	Rostenkowski
Daniel, R. W.	Latta	Rousselot
Danielson	Leach	Roybal
Davis	Lederer	Rudd
de la Garza	Le Fante	Runnels
Delaney	Leggett	Ruppe
Derrick	Lehman	Santini
Derwinski	Lent	Sarasin
Devine	Levitas	Satterfield
Dickinson	Lloyd, Calif.	Sawyer
Dicks	Lloyd, Tenn.	Scheuer
Diggs	Long, La.	Schroeder
Dingell	Long, Md.	Schulze
Dornan	Lott	Seiberling
Downey	Lujan	Sharp
Drinan	Luken	Shipley
Duncan, Oreg.	Lundine	Shuster
Duncan, Tenn.	McClory	Sikes
Early	McCloskey	Simon
Edgar	McCormack	Sisk
Edwards, Ala.	McDade	Skelton
Edwards, Okla.	McDonald	Skubitz
Eilberg	McEwen	Slack
Emery	McFall	Smith, Iowa
English	McKay	Smith, Nebr.
Ertel	McKinney	Snyder
Evans, Colo.	Madigan	Solarz
Evans, Del.	Maguire	Spellman
Evans, Ga.	Mann	Spence
Evans, Ind.	Markey	St Germain
Fary	Marks	Staggers
Fascell	Marlenee	Stangeland
Fenwick	Marriott	Stanton
Findley	Martin	Steed
Fisher	Mattox	Steers
Fithian	Mazzoli	Steiger
Stockman	Vanik	Wilson, Tex.
Stokes	Vento	Winn
Stratton	Volkmer	Wirth
Studds	Waggonner	Wolff
Stump	Walgren	Wright
Symms	Walker	Wydler
Taylor	Walsh	Wylie
Thompson	Wampler	Yates
Thone	Watkins	Yatron
Thornton	Waxman	Young, Alaska
Traxler	Weiss	Young, Fla.
Treen	Whalen	Young, Mo.
Tsongas	White	Young, Tex.
Tucker	Whitehurst	Zablocki
Udall	Whitley	Zeferetti
Ullman	Wiggins	
Vander Jagt	Wilson, Bob	

NAYS—8

Burton, Phillip	Jeffords	Stark
Carney	Kastenmeier	Wilson, C. H.
Harkin	Myers, Michael	

ANSWERED "PRESENT"—2

Kelly	Pursell

NOT VOTING—51

Addabbo	Edwards, Calif.	Mathis
Anderson, Ill.	Erlenborn	Michel
Andrews, N.C.	Fish	Moss
Beard, R.I.	Florio	Murphy, N.Y.
Broomfield	Ford, Mich.	Nedzi
Burgener	Forsythe	Price
Butler	Fraser	Rangel
Carter	Goldwater	Reuss
Chisholm	Goodling	Roe
Clawson, Del	Hefner	Russo
Cochran	Hillis	Ryan
Coleman	Holland	Sebelius
Conable	Kemp	Teague
Dellums	Koch	Trible
Dent	Krueger	Van Deerlin
Dodd	McHugh	Weaver
Eckhardt	Mahon	Whitten

Mr. MILLER of California changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROPOSALS TO SOLVE SHORT-TERM AND LONG-TERM PROBLEMS IN SOCIAL SECURITY SYSTEM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–148)

The SPEAKER pro tempore (Mr. NATCHER) laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

The Social Security system affects the lives of more Americans than almost any other function of government. More than 33 million people currently receive benefits. Another 104 million people are making contributions with the expectation that they will receive benefits when they retire or become disabled, or when their survivors need help.

Today, the Board of Trustees of the Social Security Trust Funds is submitting its 1977 report to the Congress. The report tells us that the system critically needs financial support in the short term. The high unemployment of recent years has curtailed Social Security's revenues, while benefits have risen with inflation. Since 1975 expenditures have exceeded income; and existing reserves will soon be exhausted.

Unless we act now, the Disability Insurance Trust (DI) Fund will be exhausted in 1979 and the Old Age and Survivors Insurance (OASI) Trust Fund will run out in 1983.

The Trustees' Report indicates that there are serious longer term problems as well. Under current law the Social Security system will have an estimated deficit of 8.2 percent of taxable payroll over the next seventy-five years. About half of this deficit is due to changes in the projected composition of our population over those years. Higher life expectancy and lower birth rates will make the nation older as a whole. About half is due to a technical flaw in the automatic cost of living formula adopted in 1972.

While campaigning for President, I stressed my commitment to restore the financial integrity of the Social Security system. I pledged I would do my best to avoid increases above those already scheduled in tax rates, which fall most heavily on moderate and lower-income workers. I also promised to correct the technical flaw in the system which exaggerates the adjustment for inflation, and to do so without reducing the relative value of retirement benefits as compared with pre-retirement earnings.

I am announcing today a set of proposals which meet those commitments and which solve both the short-term and long-term problems in the Social Security system through the end of the twentieth century. These proposals are designed to:

—Prevent the default of the trust funds now predicted to occur.

—Bring income and expense into balance in 1978 and keep them that way through the end of the century.

—Create sufficient reserves to protect the system against sudden declines in revenue caused by unemployment or other economic uncertainties.

—Protect the system's integrity beyond the turn of the century to the extent we can predict what will happen in the next 75 years.

—Provide for an orderly review and examination of the system's basic structure.

My proposals are the result of a number of hard choices. I am convinced that action is needed now, and that these steps will restore the financial integrity of the Social Security system.

I will ask the Congress to take the following specific actions:

1. Compensate the Social Security trust funds from general revenues for a share of revenues lost during severe recessions. General revenues would be used in a countercyclical fashion to replace the payroll tax receipts lost as a result of that portion of unemployment in excess of six percent. General revenues would be used *only* in these carefully limited situations. Because this is an innovative measure, the legislation we submit will provide this feature only through 1982. The next Social Security Advisory Council will be asked to review this countercyclical mechanism to determine whether it should be made permanent.

2. Remove the wage-base ceiling for employers. Under present law employers and employees pay a tax only on the first $16,500 in wages. Under this proposal the employer ceiling would be raised over

a three-year period, so that by 1981 the ceiling would be removed. This action will provide a significant source of revenue without increasing long-term benefit liabilities.

3. Increase the wage base subject to the employee tax by $600 in 1979, 1981, 1983, and 1985, beyond the automatic increases in current law. This will provide a progressive source of financing.

4. Shift revenues from the Hospital Insurance Trust Fund to the Old Age, Survivors, and Disability Trust Funds. In part, this shift will be made possible because of substantial savings to the Medicare system from the hospital cost containment legislation that I have proposed.

5. Increase the tax rate on the self-employed from 7 percent to 7.5 percent. This will restore the historical relationship between the OASI and the DI rates paid by the self-employed to one and one-half times that paid by employees.

6. Correct certain technical provisions of the Social Security Act which differentiate on the basis of sex. This will include a new eligibility test for dependent benefits. Recent Supreme Court decisions would result in unfinanced increases in the cost of the system and some inequities without this change.

These six steps, along with measures already contained in existing law, will eliminate the short-term financing problem and improve the overall equity of the Social Security system.

In order to guarantee the financial integrity of the system into the next century, two additional steps must be taken. I will be asking the Congress to:

1. Modify the Social Security benefit formula to eliminate the inflation overadjustment now in law. This modification, known as "decoupling," should be done in a way that maintains the current ratio of retirement benefits to preretirement wages.

2. Adjust the timing of a tax rate increase already contained in current law. The one percent tax rate increase presently scheduled for the year 2011 would be moved forward so that .25 percent occur in 1985 and the remainder in 1990.

Taken together, the actions I am recommending today will eliminate the Social Security deficit for the remainder of this century. They will reduce the estimated 75-year deficit from the Trustee Report forecast of 8.2 percent of payroll to a manageable 1.9 percent.

Prompt enactment of the measure I have recommended will provide the Social Security system with financial stability. This is an overriding immediate objective.

In addition, I am instructing the Secretary of Health, Education, and Welfare to appoint the independent Social Security Advisory Council required by law to meet each four years. I will ask the Council to conduct a thorough reexamination of the structure of the system, the adequacy of its benefits, the effectiveness and equity of disability definitions, and the efficiency and responsiveness of its administration. Their report, which will be issued within the next two years, will provide the basis for further improvements.

I call upon the Congress to act favorably on these major reform initiatives.

JIMMY CARTER.

THE WHITE HOUSE, *May 9, 1977.*

RESIGNATION AS CONFEREE AND APPOINTMENT AS CONFEREE ON FIRST BUDGET RESOLUTION, FISCAL YEAR 1978

The SPEAKER pro tempore laid before the House the following resignation as a conferee on the first budget resolution for fiscal year 1978:

WASHINGTON, D.C.,
May 9, 1977.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I am submitting my resignation as a Conferee to the House-Senate Conference on the First Budget Resolution for FY 1978.

With kind regards, I am,

Sincerely yours,

PARREN J. MITCHELL,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

The SPEAKER pro tempore. Without objection, the Chair appoints the gentleman from Illinois (Mr. SIMON) as a conferee on Senate Concurrent Resolution 19 to fill the existing vacancy.

There was no objection.

PERSONAL EXPLANATION

Mr. FOLEY. Mr. Speaker, I was unavoidably absent during consideration today of four suspension matters, and on rollcalls 206, 207, 208, and 209 I was not recorded. If I had been present, I would have voted "aye" in each instance.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. SARASIN) is recognized for 5 minutes.

Mr. SARASIN. Mr. Speaker, on May 5 and 6, 1977, I was absent from the House for the legislative session. Had I been present, I would have voted in the following fashion:

Rollcall No. 201: House Concurrent Resolution 214: Budget resolution, agreed to an amendment that increases both budget authority and outlays for veterans' benefits and services by $175 million, "aye";

Rollcall No. 202: House Concurrent Resolution 214: Budget resolution, rejected an amendment that sought to restore defense levels to those requested by the President and to provide for a reduction in the deficit, "nay";

Rollcall No. 203: House Concurrent Resolution 214: Budget resolution, rejected an amendment in the nature of a substitute that sought to provide for reduced spending outlays, a reduced deficit, increased funding for defense, an across-the-board personal tax reduction, and an elimination of the business tax credit, "aye";

Rollcall No. 204: House Concurrent Resolution 214: Budget resolution, agreed to the concurrent resolution on the budget for fiscal year 1978, "nay"; and

Rollcall No. 205: H.R. 6655: Housing, agreed to the rule (H. Res. 541) under which the bill was considered, "yea."

FALSE IDENTIFICATION FRAUD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. HYDE) is recognized for 5 minutes.

Mr. HYDE. Mr. Speaker, today I am introducing comprehensive legislation to deal with a serious national problem that has gone unchecked for far too long: The criminal use of false identification.

A growing army of criminals and fugitives is using a screen of false credentials in welfare fraud, illegal immigration, drug trafficking, and in passing bad checks and phony credit cards—all of which is estimated to be costing American taxpayers over $10 billion annually. This shocking statistic is contained in a recent comprehensive report issued by the Department of Justice.

Every American man, woman and child pays the price in both higher taxes, and increased consumer costs, as well as in the human suffering and tragedy caused by the success of false identification.

Any enterprising imposter can obtain genuine ID's of living or dead persons from the legal issuing offices themselves. This process begins when a person obtains a certified copy of another person's birth certificate by simply filing a false application at one of 7,000 vital records offices. In the "infant death identity" process, the names of deceased infants gleaned from obituary columns or tombstones are frequently used. This "breeder document," the certified copy of a birth certificate, is then used to obtain a driver's license, social security card and other documents until one or more identities are created. With them the criminal can invade the personal privacy of those both living and dead persons whose names he uses to commit any number of crimes.

One news article reported that police recently arrested a man and found in his pocket 17 social security cards in different names, 15 drivers' licenses, and 11 starter check sets, indicating he was busy opening bank accounts under various aliases.

There are social security recipients receiving several social security checks due to phony identifications and impersonations. When asked what they are doing about prosecuting the culprits, Social Security Administration officials answer, "We are not a law enforcement agency—we are a social service agency, so we simply pick up the extra cards from the individuals who have more than their share." More proof that crime pays and pays and pays.

One woman, who owned rental property in three different cities, drove expensive cars, and lived in a luxurious apartment, was regularly receiving four checks from social security for years. She had assumed four different identities, backed up with credit cards, passports,

and driver's licenses and other forms of false identification.

Investigators probing Chicago welfare frauds uncovered one case which must take the prize for sheer gall and ingenuity: a 31-count fraud indictment charged a welfare recipient with the receipt of illegal welfare benefits, medical assistance, and food stamps, in addition to social security and veterans benefits from four nonexistent spouses. An investigator stated that "when the entire story is told, I believe this will prove to be the most massive case of welfare fraud that has ever been perpetrated in the 50 States." The recipient of all of these benefits used 80 different names, 30 different addresses and 15 different telephone numbers. The total annual benefits received by this one person was estimated at a minimum of $150,000 annually in cash assistance alone. She is rightfully termed "the Welfare Queen" by the media.

The Social Security Administration, by its own estimates, reports that more than 4.2 million people have two or more social security numbers. No one knows how many of these are getting two, three, or more social security payments under false identifications. In 1975 alone, the Postal Service estimated that $22 million worth of checks had been stolen from the mails, a large number of which were cashed by persons using false identification.

In 1974, the Department of Commerce placed losses on bank credit cards, from all sources, at $500 million per year.

The Immigration and Naturalization Service estimates that $10 billion in earnings is sent out of this country by 8 to 10 million employed illegal aliens and at least $100 million in income taxes are evaded by these illegal aliens annually.

The Passport Office—which has been ringing the alarm on passport and identification frauds for more than 40 years—reportedly has a back-up of hundreds of fraud cases awaiting research, analysis and investigation. Documentation fraud not only affects the integrity of the passport, but there is evidence of fraud in the obtaining of visas; there is fraud in documentation for social security for relief checks, for food stamps, for health services, and for pensions of various kinds. Phony birth certificates, baptismal certificates, driver's licenses and so forth ad infinitum can be purchased in virtually every large city in the United States for whatever price the traffic will bear.

In 1974, the Federal Advisory Committee on False Identification, FACFI, was established by the Attorney General, to: First, study the nature and scope of the criminal use of false identification; and second, recommend steps to combat it—consistent with every citizen's right to privacy. FACFI consisted of some 75 volunteers representing 50 Federal, State, and local agencies, the commercial sector and the public.

The results of the 18-month FACFI study is a report that not only unmasks false identification crimes, but provides a comprehensive, commonsense plan which Federal, State, and local agencies, the commercial sector and the public can use to prevent such crimes. The FACFI plan is designed to increase personal privacy while giving law enforcement agencies the necessary weapons to fight false ID use.

Because false identification is a "modus operandi" and not a separate category of crime, firm statistics are virtually impossible to obtain. The FACFI report reveals only the tip of a vast iceberg of unknown criminal dimensions.

False identification impacts nationally are in the areas of:

First. Drug smuggling—approximately 80 percent of the hard drugs entering the United States are smuggled using false identification.

Second. Illegal immigration—illegal immigration, aided by false identification, produces a costly Federal, State, and local tax burden. The Immigration and Naturalization Service estimates place this tax burden at more than $12 billion annually.

Third. Fugitives from justice—virtually all fugitives use false identification to avoid arrest; some have 30 or more identities.

Fourth. Fraud against business—results in more than $1 billion each year in check, credit card and securities fraud aided by false identification. One New Jersey man obtained 1,000 credit cards and $660,000 in loans by creating 300 phony ID's.

Fifth. Fraud against Government—losses could be in the billions, ranging from multiple welfare payments to abuses in the social security and food stamp programs.

More than 100 recommendations are detailed in the FACFI report, including new Federal and State legislation; an overhaul in the way in which certified copies of birth certificates and driver's licenses are issued to prevent false application for these documents; the matching of birth and death certificates to prevent criminals from assuming the names of deceased persons; uniform identification standards for welfare applicants; verification of a suspect's identity before he is released on bond; and the increased use of electronic funds transfer systems to prevent forgery and counterfeiting.

The committee also recommended against a national ID card.

Today I am introducing the major piece of legislation recommended by FACFI which, if enacted, will close most existing loopholes in Federal laws dealing with false identification.

My bill:

First. Prohibits false applications for Federal documents by prohibiting the knowing use or supplying of false information or falsified documentation when obtaining Federal identification documents;

Second. Prohibits the knowing use of the mails or other channels of interstate commerce for transporting any false information or documents for the purpose of obtaining State identification documents;

Third. Prohibits the unauthorized making or altering of any Federal identification document;

Fourth. Prohibits the unauthorized making or altering of any State identification document when there is knowledge that such document will be used to obtain any document issued by the United States; and prohibits the sale or delivery of any such State identification document; and

Fifth. Prohibits using the channels of interstate commerce or the mails to transmit any false Federal or State identification document or one intended to be used improperly.

In addition to this comprehensive legislation, there are other measures which I will be introducing in the months ahead which will address themselves to other specific areas of false identification fraud.

We must close loopholes in Federal statutes which encourage false identification crimes. For example, under Federal law 18 U.S.C. ch. 25 (42 U.S.C. 408) it is not illegal to manufacture or possess a counterfeit or altered social security card.

Anti-counterfeit features can be employed on all future social security cards. H.R. 4646, a bill which would expand the use of the social security card to be used as the sole identifier of eligibility to work in the United States, sponsored by the gentleman from California (Mr. SISK), which I cosponsored, can be used as the model.

Other steps recommended by FACFI include:

More effective guidelines for the identification of applicants for Federal or cost-shared assistance programs, including amendments to the Social Security Act, establishing the validity of identification evidence prior to assistance being granted to any applicant.

Similar guidelines to cover the food stamp program.

The requirement that recipients of public assistance and food stamp benefits be issued photo ID cards by the participating State agencies.

A joint Federal-State proposal for matching of birth and death records; a joint Federal-State program making driver's licenses totally counterfeit proof and the drafting of an identity protection act" which will protect all other identification documents from abuse within the State's jurisdiction. I have already suggested such legislation to the Illinois Legislature.

Establishing a national clearinghouse for false identification documents which would be similar to the Fraudulent Document Center currently in operation by the Drug Enforcement Administration and Naturalization Service in El Paso, Tex. The center indexes genuine birth and baptismal certificates known to have been used by illegal aliens to document false claims to U.S. citizenship. The filing of these documents is presently a manual operation. A clearinghouse for false ID documents would need automated search and retrieval capabilities.

Specific recommendations to the Department of Health, Education, and Welfare, and the Department of Transportation to institute a series of seminars at regional HEW and DOT centers to inform State public assistance adminis-

trators, registrars of vital statistics and State motor vehicle administrators of the problem of false ID use and techniques used to combat such fraud.

Demonstration grants for improving State training programs for the detection of false ID's, and encouragement in the form of Federal loans or seed money to States which undertake significant efforts to improve the reliability of birth certification and issuance of drivers' licenses and State ID cards.

In my remarks today, I have only skimmed the surface of the 800-page report submitted by the Federal Advisory Committee on False Identification. The problem is massive in scope, dating back to the early 1920's. The use of false identities is rampant in our country and the astronomical cost affects every segment of the national economy.

I strongly recommend to all my colleagues that they become familiar with the FACFI report. Copies are available through the Government Printing Office. Read the report. You will be as appalled as I am. And remember as you read, that false identification fraud costs the American taxpayers approximately $10 billion annually.

Let us not wait any longer before we do something about it.

As an addendum to my remarks today, I would like to share with my colleagues an article on credit card theft from the Washington Post, December 8, 1976; as well as the Post's recent editorial (April 29, 1977) on the very problem that I have just outlined:

AN IDENTITY CRISIS

Can a foolproof identification card be developed in this country at this time? The short answer is "no," and that has large implications for many areas of public policy. For instance, a Cabinet task force on illegal immigration has apparently been unable to find an easy ID system to enable employers to identify illegal aliens. And this week, Chicago election officials told a House panel that because existing IDs are unreliable, the administration's plan for election-day voter registration would be likely to produce massive fraud.

As if to illustrate the problem, a Baltimore grand jury last week indicted one Leon R. Collier, also known as Robert E. Lee Pugh Jr., on charges of prescribing drugs illegally and impersonating a physician at, of all places, the Maryland Penitentiary Diagnostic Center. When the state police arrested Mr. Collier-Pugh, they found in his car a "mound" of tax returns, federal and state drug-dispensing licenses and other documents that suggest the man may have used at least 19 identities.

The Collier-Pugh case is one example of the booming traffic in phony IDs among swindlers, tax evaders, fugitives from justice, drug dealers and welfare cheaters—as well as illegal aliens and unlawful voters. A Justice Department committee estimated last year that crimes involving faked identities now cost society more than $10 billion per year.

Such frauds are not easy to stop, as Labor Secretary Ray Marshall has learned while looking for a way to curb employment of illegal aliens. Mr. Marshall first proposed that the Social Security card be made counterfeit-proof and used as a "work card" for citizens and legal aliens. That approach raises substantial civil-liberties concerns. Even if those could be resolved, a national "work card" would not work because it would not be reliable. False identities could still be built, as they are now, by getting a birth certificate in someone else's name—often somebody who died young—and using that document to obtain a driver's license, bank accounts and—yes—a Social Security card. And if the card were counterfeit-proof, the fake identity would seem all the more genuine.

Congress can discourage some of this by tightening the laws against interstate trafficking in fraudulent documents. The administration ought to crack down on those who use phony papers to get federal benefits. As the Justice Department panel concluded, however, the best preventive measures are coordination of birth and death records and strict controls on access to birth certificates and driver's licenses. Responsibility for those steps rests and should remain with the states. Tightening up every state's record-keeping sufficiently will take some time. Meanwhile, it would be rash to launch any new government program that depends too much on any single ID to prove who's who.

SEVENTEEN MEMBERS OF REPUBLICAN TASK FORCE ON CONGRESSIONAL REFORM JOIN IN INTRODUCING FOUR REFORM RESOLUTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. COUGHLIN) is recognized for 15 minutes.

Mr. COUGHLIN. Mr. Speaker, today I am being joined by 17 members of the Republican Task Force on Congressional Reform in introducing four reform resolutions. In brief, these resolutions will: Require a vote of the House on any proposed changes in Members' official allowances, provide public disclosure of the official expenditure records of the House, permit public accessibility to the nepotism certificates filed by congressional staff, and prohibit the use of closed rules.

At this point, I would like to recognize the task force cosponsors: JOHN B. ANDERSON of Illinois; WILLIAM L. ARMSTRONG of Colorado; ROBERT E. BAUMAN of Maryland; M. CALDWELL BUTLER of Virginia; JAMES C. CLEVELAND of New Hampshire; THOMAS B. EVANS, Jr., of Delaware; MILLICENT FENWICK of New Jersey; BILL FRENZEL of Minnesota; LOUIS FREY, Jr., of Florida; HENRY HYDE of Illinois; JAMES A. S. LEACH of Iowa; W. HENSON MOORE of Louisiana; JOEL PRITCHARD of Washington; RALPH S. REGULA of Ohio; NEWTON I. STEERS, Jr., of Maryland; WILLIAM A. STEIGER of Wisconsin; and ROBERT S. WALKER of Pennsylvania.

Mr. Speaker, I am honored to serve as chairman of a task force whose membership consists of the foremost leaders in the congressional reform effort. Earlier this year, the task force demonstrated its firm commitment to responsible and open Government by advocating a comprehensive and stringent ethics reform package. We stated then, that accountability to the public is central to effective congressional reform. Continuing in this regard, these resolutions represent essential steps to restoring public confidence in the integrity of this institution.

While the 95th Congress has approved an omnibus ethics measure, this recent spate of frenzied activity cannot erase the fact that for too long Congress tolerated allegations of impropriety, for too long Congress adhered to undemocratic and outmoded parliamentary procedures, and for too long Congress paid little heed to abuses in its system of official allowances. As a result, public opinion views Congress with a jaundiced eye—the lack of confidence in this House is clearly expressed by polls and surveys, editorial commentaries, and even in our own constituent mail.

The issue of reform wears no partisan label; Members on both sides of the political aisle are dedicated to revitalizing the public's faith in Congress. Regrettably, the majority party has, at times, been reluctant in addressing the urgent priority of reform. The March ethics debate is a case in point. Despite the adoption of significant ethics proposals, a restrictive "gag rule" was imposed on parliamentary debate. This precluded the consideration of a number of amendments which would have further reformed the financial and personnel operations of the House of Representatives. Such undemocratic limitations on debate can only contribute to increased public cynicism.

The task force is under no illusion that the proposed resolutions will be an instant panacea, but we honestly believe that these measures represent an important progression to a more reform-spirited, accountable House of Representatives.

Mr. Speaker, at this time, I would like to briefly summarize the intent of these resolutions.

HOUSE VOTE ON OFFICIAL ALLOWANCES

The first resolution offered by the task force requires a vote of the House on any proposed change in official House allowances.

Prior to 1971, adjustments in the official allowances were considered by the full House. This procedure, criticized as time-consuming and outmoded, was altered in 1971 with the adoption of House Resolution 457. The resolution delegated to the Committee on House Administration the authority to adjust allowances without the requirement of a vote by the full House. Opposition to House Resolution 457 was spearheaded by then minority leader Gerald R. Ford who argued:

(O)nce this authority is given to this committee, 25 Members out of 435, it will never be retrieved by the House as a whole until and unless there is a scandal. I think the better way to avoid that scandal is to require these additional benefits be voted on in the House by each and every Member of the House.

Regrettably, Representative Ford's statement proved prophetic. The control over House allowances served as the cornerstone for the aggrandizement of power by the chairman of House Administration, Congressman Wayne Hays. Increase after increase was instituted in the levels of House accounts: Certain raises were justified due to rising costs or necessary expansion of services; most appeared merely as a means to bolster the advantages of incumbency. Efforts to rescind the committee's authority were

turned back in abrasive partisan confrontations.

In the wake of the 1976 House Administration Committee scandal, the House considered House Resolution 1372, the so-called stripper resolution, on July 1 which provided that allowances could be adjusted only by the adoption of a resolution of the whole House. However, incorporated in House Resolution 1372 were three major loopholes—the Committee on House Administration retained authority to adjust allowances as a result of any change in the price of materials, services, or office space; any technological change or improvement in electrical or mechanical equipment; or any increase in the cost of living which results in action under the Federal Pay Comparability Act of 1971. These exceptions allowed the committee a wide latitude of control in the setting of allowances. Efforts to delete this provision both in July, and subsequently in September, during the consideration of the fiscal year 1977 legislative branch appropriation bill, were unsuccessful.

In 1977, the Committee on House Administration has, pursuant to the exceptions listed in H. Res. 1372, effected adjustments in House allowances. By permitting the committee to continue to exercise this power, the House is condoning sleight-of-hand techniques which obscure our benefits from public exposure. The full House bears a responsibility to go on record in determining the level of perquisites which Members receive. The loopholes which allow the committee to unilaterally adjust our allowances should be rescinded.

DISCLOSURE OF OFFICIAL EXPENDITURE RECORDS

The second resolution advocated by the task force would require the Clerk of the House to make available for public inspection the official expenditure records of Members and committees of the House.

Although the official allowances of the House are derived from public tax dollars, disclosure of the manner in which these funds are utilized is quite limited. Currently, the only information available is a summary listing in the quarterly publication of the Clerk of the House. The original vouchers remain closeted from view. In 1976, this task force strongly backed efforts to insure public accessibility to the official expense records of the House. One of the primary goals of the motion to recommit the 1977 legislative branch appropriation bill was the requirement that such expense records be open to public scrutiny in the Office of the Clerk. Although the motion to recommit was defeated, the task force renewed efforts in the 95th Congress to implement this reform. During the consideration of the House rules in January as well as during the March ethics battle, amendments were drafted to provide for public availability of these records. Yet, due to the closed procedures of debate imposed, these amendments could not receive a hearing.

This obvious lack of progress is disheartening as the accessibility of the House's expenditure records is central to the issue of restoring accountability. The public and the press possess a valid right to know how Congress is using tax dollars in the funding of its operations. Full disclosure is essential not only to curb any potential abuse, but to dispell even the hint of impropriety in the use of public moneys.

DISCLOSURE OF NEPOTISM CERTIFICATES

The third resolution proposed by the task force would require employees of the House to file, by February 1 of each year, a statement with the Clerk of the House disclosing the names of any Members to whom they are related. Such statements would be maintained by the Clerk for 5 years, and would be made available for public inspection during normal working hours.

For many years, the issue of nepotism has inspired colorful journalistic copy. In 1932, the House adopted a resolution, introduced by Representative L. C. Warren, Democrat of North Carolina, which opened the payroll records to public review. Within the week, newspaper accounts identified nearly 100 Members whose clerk-hire allowances listed personal relatives. In 1967, following a scandal involving the chairman of the House Committee on Education and Labor, the Congress adopted an amendment to the Postal Revenue and Federal Salary Act forbidding public officials, including Congressmen, from employing relatives on their own staffs.

Following the improprieties unmasked last summer, this task force supported the enactment of strict antinepotism rules which would disclose publicly the names of relatives of Members who were employed either on the staffs of committees or in the offices of other Members. Beginning in 1977, all employees have been required to complete certificates of relationship; yet, contrary to the spirit of reform, these certificates are not readily accessible to public purview. Generally each Member merely collects these statements from his staff and files them in his office. During the consideration of the ethics bill in March, attempts were made to insure the public availability of this information. However, amendments to this effect were blocked by the restrictions imposed on debate. As the House lacks any comprehensive personnel code standards, it is essential that such nepotism information be accessible to curb any potential for abuse.

In mid-April, the Committee on House Administration notified Members that the Clerk of the House would be microfilming the monthly payroll certification forms and would make such microfilms available for public inspection. As a result, there will be greater public access to one aspect of the financial operations of the House—salary information—as well as to the nepotism certifications listed on payroll forms. This is a notable step and I would like to personally commend the chairman of the committee, the gentleman from New Jersey (Mr. THOMPSON) for this action. However, it is important to recognize that the duration and scope of this reform effort is contingent on the direction of the Committee on House Administration. A preferable course would be to incorporate such requirements into the rules governing the House. I sincerely believe that the House, if presented with the opportunity, will embrace the merit of these reform resolutions as introduced today by the task force.

PROHIBITION OF CLOSED RULES

The fourth resolution proposed by the task force is aimed at insuring the opportunity of free and open debate in the House of Representatives. This resolution consists of two important, interrelated, elements. First, the Committee on Rules would be prohibited from providing for the consideration of legislation under a closed or "modified" closed rule. Second, any resolution reported by the Rules Committee which repeals or amends the rules of the House, or creates any special, select, or ad hoc committee or commission could only be considered under a procedure which permits the offering of any and all germane amendments. As a parliamentary safeguard, these restrictions could not be waived under any circumstance.

Justifications for closed rules have long peppered the annals of congressional debate. Closed rules are rationalized as a necessary protection against overtly partisan efforts to subvert legislative measures, or are viewed as an imperative means of handling bills deemed too complicated or technical to be opened for revision on the floor. Occasionally these arguments reflect a degree of validity. More often, such closed or "gag" rules are merely employed to impart an acute parliamentary advantage to the supporters of the bill in question by thwarting any amendments. For years, reformers zealously criticized the routine granting of closed rules to the tax bills reported by the Committee on Ways and Means. Although this practice has been restrained, restrictions on the amendment process persist. Just over a month ago, the unemployment benefits extension bill emerged under a closed rule, thereby preventing the consideration of numerous vital amendments.

A disturbing trend has been reflected in recent efforts to reform the procedures of the House. One of the most pointed examples, as I have mentioned, occurred during the recent debate on House Resolution 287, the omnibus ethics package. Under the "modified" closed rule, amendments to institute an audit of House accounts, to allow public accessibility to official expenditure records, and to implement further controls on the use of the frank were excluded from floor debate. Again, when the House proceeded to consider a resolution to create a Select Committee on Ethics, the procedure adopted essentially barred any possible amendments. At a time when the integrity of the institution was at stake, the ideals of free and open debate were discarded.

Closed rules prevent the membership of the House from exercising its representative function. Debate in a no-amendment setting often becomes a perfunctory, superfluous commentary to a preordained juggernaut. Closed rules are intolerant of minority rights, be the

minority a partisan grouping, an ideological force or a regional division. The House has rarely encompassed the wide range of talent, the diversity of experience, or the wealth of opinion which now characterizes this body. Adoption of closed rules limits the exercise of our independent judgment and discredits our abilities as legislators. Only in free and open debate can the best legislative product be fashioned; only in free and open debate can we be true to the spirit of our constitutional heritage.

THE RONALD McDONALD HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. RAILSBACK) is recognized for 5 minutes.

Mr. RAILSBACK. Mr. Speaker, I would like to bring to the attention of my colleagues the existence of the Ronald McDonald House in Chicago, Ill. On April 28, 1977, I attended the dedication of the Ronald McDonald House which provides a home where children with cancer, leukemia or other serious illnesses can live with their families while undergoing treatment at nearby hospitals. Since the House is located only 2 blocks north of Children's Memorial Hospital—where over 400 children with cancer and leukemia come from as far as 200 miles for treatment—parents can also stay there to be close by when their children are hospitalized. The charge is $5 per family per night if they can afford it; otherwise there is no charge.

The House was established and will be operated by volunteers, namely the parents of children with cancer and leukemia and the doctors treating them. Purchased with the proceeds of a fundraising promotion held at McDonald Restaurants in the Chicago area last June, it has been renovated and furnished with the help of over 60 firms which have donated materials, furnishings, and labor, or supplied them at a substantially discounted price. The House has 16 bedrooms, two kitchens, and an apartment for the live-in manager.

An added advantage of the Ronald McDonald House is that it allows families in difficult emotional situations to be together in a refreshing atmosphere, and by sharing their concerns lessen the pain. The Ronald McDonald House in Chicago is the second one in the United States. The first opened in Philadelphia in October, 1974. The concept is quickly spreading across the nation, and it is my hope that this most worthwhile project will enjoy success in other areas of the Country.

Mr. Charles Marino, through whose efforts the Ronald McDonald House has become a reality, should be commended for the excellent job he has done in organizing this project. Also to be commended are Dr. Edward Baum, William Chunowitz, Sy Oliven, Don Anderson, and Karen and John Bozza who have all dedicated so much of their time and energy in making this project possible. I feel confident that with the efforts of people such as these many people who are facing a very serious situation can be somewhat comforted.

I was proud to take part in the dedication ceremony, and wish the fine people at the Ronald McDonald House in Chicago well in the future.

THE "PHANTOM MANDATE" OF THE DEMOCRATIC SOCIALISTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. ICHORD) is recognized for 60 minutes.

Mr. ICHORD. Mr. Speaker, I had hoped that some of the members of my party who are perhaps of a more liberal persuasion than I am would have been here to participate in this discussion. I refer particularly to the gentleman from California (Mr. DELLUMS), who is quoted in the Washington Post as having organized a Democratic Socialist Organizing Committee which apparently is supposed to work inside my Democratic Party.

The past weekend, Mr. Speaker, has been heavy with rhetoric on the part of some administration critics who do not seem to understand the message that was delivered by the American people in last year's primaries and in the general election. I refer specifically to some spokesman within the Democratic Party who took the occasion of the President's leaving the country to level broadside attacks against the administration's record and programs to date. The thrust of these attacks is that the Carter administration is not moving the country in the direction the critics desire or, in any case, is not moving fast enough.

Let me say, Mr. Speaker, that I recognize the right and even the obligation of Members of Congress to speak out on behalf of policies they believe are necessary to the country's well-being, both foreign and domestic, even if it means criticizing a President of their own party. But it does, Mr. Speaker, to me seem presumptuous for those whose politics have been repudiated at the polls—that is, policies which would lead our country in the direction of increased Federal bureaucracy and a form of socialist control over the economy—to rise up so soon after this President has received his mandate and lay claim to a phantom mandate of their own.

If I remember correctly, Mr. Speaker, nearly all the candidates that Jimmy Carter ran against were running on a platform to the left of President Carter, and they were defeated in primary after primary and election after election.

I would have thought, Mr. Speaker, that the devastation reaped upon the Democratic Party in the election of 1972 was a clear sign that the American people do not wish to be led leftward toward ever-burgeoning Government regulation of their lives and their livelihoods.

Then again last year the signal was loud and clear in the primaries and in the election that while the people are looking for forward-looking, active executive leadership, they do not favor the precipitous plunge toward the left that some ideologues in our party advocate. These ideologues, Mr. Speaker, do not speak from the strength of any national mandate whatsoever. Their policies have been repudiated time and time again. They certainly have a right to speak out and be heard, but from their critical tone a casual observer would think that the Carter administration was somehow reneging on its promises and not following the course they demand. It seems to me, Mr. Speaker, that the direct opposite is the case.

That is, if the President were to pursue the policies urged by his left-wing critics, he would indeed be reneging on his pledge to provide progressive leadership, while at the same time cutting back on excessive Federal governmental controls over the economy and our people's daily lives, the sort of controls that have virtually wrecked the economy of Great Britain and which the American people neither need nor, judging by this action at the polls, desire.

Mr. Speaker, I was first elected to this body come 16—now going on 17—years ago. When I first came here, I had no difficulty in acquiring a good working knowledge of every piece of legislation that came upon the floor of the House. Today it is impossible.

Today, 90 percent of us who walk through the door really do not know what we are voting about. The doormen on the door who have been here and have listened to all of the debate probably have as much influence on how the vote is going to turn out as does an elected U.S. Congressman.

Mr. Speaker, we are voting and we are spending about half of our time trying to reverse or reversing the rules and regulations of the bureaucracy that we have established.

It all is beginning to remind me, Mr. Speaker, of the ancient Greeks of Locris, who also governed themselves by a democracy about 500 years before the birth of Christ. They at one time got fed up with all of the laws that their legislators were passing, so by the use of the device of initiative petition and referendum, they passed a law that before any legislator introduced a new law regulating their lives, he had to stand on a platform with his head through a hangman's noose in the city square. If the people vetoed the legislation he was about to introduce, they dropped the platform.

Mr. Speaker, for 200 years they had no new laws introduced in the Greek province of Locris.

It is getting almost that bad here in Washington, D.C.

Mr. Speaker, in view of these broadside attacks on the administration, and I say broadside attacks from the left within the Democratic Party, I believe the time has come for those Members of the Congress and of the Democratic Party who oppose the reckless policy advocated by these critics to speak out and to be heard. I think this is necessary in order to point out that the media attention given these critics is not commensurate with their actual power and

influence, either within the Democratic Party or in Congress.

Mr. Speaker, I know that this is the day of advocacy journalism, but I would say to my friends in the fourth estate that I believe that the press is giving undue attention to this minority within the Democratic Party.

For this reason, I have asked that this time be set aside on the House Calendar this afternoon in a letter sent out early this morning so that the issues raised by these attacks can be addressed by those of us who disagree with the policies advocated by their sponsors.

I, for one, invited those critics who are Members of this House to join me today in a full discussion of the fundamental question of the direction in which this country is and should be headed by a Democratic administration in the White House. I regret that those critics are not here to discuss their position.

Mr. Speaker, my purpose in seeking to initiate this debate is not so much to defend the executive branch or the administration as to put the attention given the President's recent critics in proper perspective.

The ultimate question, Mr. Speaker, as I see it, is not one involving whether the administration is to be liberal or conservative, but whether it should be given an opportunity to carry out the will of the people, as expressed at the polls.

I think it should. Furthermore, I think, Mr. Speaker, I read the mandate of the 1976 election correctly.

I welcome the opportunity today to test that reading on the floor of this House in full discussion and debate against those who, operating on the basis of a phantom mandate, read it otherwise.

Since I see no one on the floor of the House, Mr. Speaker, to contest what I have stated, I hope that they will be here tomorrow and I will try to be here tomorrow myself and defend the progress, policies and positions of my party as expressed through the administration of the President of the United States against the critics.

NORTHEAST-MIDWEST RESEARCH INSTITUTE ISSUES PAPER ON FOOD STAMP REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, the Welfare Reform Task Force of the Notheast-Midwest Coalition has been analyzing the regional impact of food stamp reform legislation. We believe the Nation's food stamp program demands major reform, but the burdens of reform must not be borne inequitably by the Northeast and Midwest.

The Northeast-Midwest Research Institute has prepared a background paper on the regional impact of major food stamp reform proposals. The paper provides an excellent perspective from which to analyze food stamp reform issues. For the benefit of our colleagues, I am inserting a summary of the study in the RECORD. Because of its length, it is impossible to reprint the entire text of the study; however, if you would like a copy of the study, I would be happy to provide one for you:

EXECUTIVE SUMMARY

At a time when the food stamp program has come under increasing public criticism, Congress is faced with the task of reforming it.

Three alternative general policy options are now pending before the Congress: standardizing the deduction system, eliminating the purchase requirement, and cashing out. A fourth implicit policy option is maintenance of the status quo.

There are five major food stamp reform bills—the S. 275 (Talmadge), S. 845 (Dole-McGovern) and H.R. 4484 (the original Richmond Bill), the Administration bill and the House Agriculture Subcommittee Bill. In addition, three amendments or proposals—amendments by Representative McHugh and Senator Leahy and an option by the House Subcommittee staff are being considered by Congress. These bills adopt one, two, or a combination of the general policy options.

In simple terms of dollars gained or lost to the Northeast and Midwest region:

The original Richmond Bill is the most advantageous to the region with a net loss of $1 million,

The Dole-McGovern bill is next most advantageous with a net loss of $49 million.

If a budget constraint of $200 million above current program costs is assumed,

The Leahy amendment to the Administration Bill is the most advantageous to the region.

ATTEMPT MADE TO SUBVERT WILL OF CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, I rise today to warn my colleagues that a small claque of Congressmen and carrier admirals is seeking quietly to subvert the will of Congress as expressed on this floor only a few weeks ago.

On March 3 this House, overruling the views of its Armed Services Committee, voted 252 to 161 to support a rescission of funding for another 90,000-ton super aircraft carrier.

That rescission had been requested by both the Ford administration and the Carter administration.

On March 15 the Senate, without a roll call vote, also agreed to the rescission.

These votes were the culmination of a debate that has raged for several years over the future of the U.S. Navy.

For decades the demands of the Navy's carrier admirals for ever larger behemoths of the waves had prevailed. After much wrangling within the administration and the Congress, the decision was reached this year to build a larger number of smaller, conventionally powered carriers. This would complicate Soviet defense by forcing it to contend with more targets. It would also increase the U.S. Navy's presence in the world's oceans by giving it more ships.

Representative SAM STRATTON, of New York, who opposed the change in policy, termed it "a historic vote." The Washington Post hailed the vote editorially saying it "could well mark a critical moment in the history of the Navy, a moment when a new direction was taken."

To replace the supercarriers, the Carter and Ford administrations proposed—and the majority of both Houses endorsed—an investigation of a new half-sized carrier known as the CVV which would be equipped with smaller VSTOL—for vertical or short take-off and landing—planes.

Representative GEORGE MASON summarized the majority view the day we voted to end the supercarrier's reign. He said, "We are embarking on the VSTOL era."

It now appears we were premature in believing we had made a major new defense policy decision.

A small claque of Congressmen and carrier admirals is already at work seeking to subvert the clearcut decision of this House, the clearcut decision of the Senate, the expressed preference of the Ford administration and the expressed position of the Carter administration.

A handful of willful men is out to thwart the decision of this Congress.

Let me begin with the actions of the House Armed Services Committee. This committee is the bastion of support for large supercarriers in the Congress. While the House voted almost 2 to 1 in favor of the *Nimitz* rescission, members of the Armed Services Committee opposed the rescission by a 28-to-8 margin. The vote involved $81.6 million that had been appropriated last year for a fourth, nuclear-powered *Nimitz*-class carrier which would eventually cost $2 billion altogether.

Since that vote, the committee has done everything in its power to thwart the mandate of the House. First, in reporting out this year's defense authorization bill, the committee canceled the Navy's entire request of $8 million for the VSTOL support program and cut all but $4 million from the Navy's $32 million request for VSTOL aircraft development.

VSTOL aircraft are needed to fly off VSTOL carriers. Kill the VSTOL plane and you kill—or at least mortally wound—the VSTOL carrier. If the House action is sustained by the Senate in conference, it will further mutilate the intention of Congress to advance the VSTOL carrier.

Next, on May 3, the committee delivered an even more devastating blow to the alternative CVV carrier. The administration had sought to reprogram $6 million from its current fiscal year 1977 defense budget to allow preliminary design work on the new CVV. None of the fiscal year 1977 funds were for ship construction and in no way did they commit us to building a CVV.

Nevertheless, in an overwhelming voice vote last week, the full committee prohibited any transfer of fiscal year 1977 funds within the Navy that would permit design work to begin. Since reprogramings are subject to veto by a single congressional authorizing committee, the committee's action by itself assures that no work can be undertaken this fiscal year on an alternative carrier. The whole schedule of CVV development has now been delayed at least 1 year.

Thus, the committee has singlehandedly foreclosed an option for which the

House had shown very strong preference. If nothing else, this is a gross abuse of the power to oversee reprogramings. The purpose of oversight is to assure that the Defense Department acts in accord with congressional desires. It is not to provide a vehicle for a committee to subvert the will of the House.

The committee's action is galling in another respect. Throughout the debate over the merits of a *Nimitz* as opposed to a CVV, opponents of the smaller carrier continually complained that alternatives to the supercarrier were nothing more than flights of fancy and that none was even on the drawing boards. For instance, in the debate over the rescission, members of the Armed Services Committee complained that the CVV was a paper ship and a dream-boat-type carrier.

One Congressman offered a frequently heard objection to the CVV when he said during the floor debate:

> The Navy has no plans for this carrier. . . . They cannot tell us what it is going to look like. It is just somebody's dream, a long way down the pike.

Now, when the administration seeks funds to design the ship, the committee members are trying to make all of their criticisms come true. While objecting to a "paper" ship, the committee refuses to let the ship progress beyond the paper stage. How can committee members continue to prohibit funds for design work on the CVV while at the same time complaining that it is only a conceptual ship?

The Senate Armed Services Committee is to be commended for a more reasoned approach to the carrier issue. But it too is doing some strange things. The committee approved research and development funding for the V/STOL technology and added $15 million for development design work on the CVV, which is all to the good.

However the committee also added $81.6 million for long lead items for a fourth *Nimitz*-class carrier in order to maintain that option. This is the exact amount which Congress, less than 2 months ago, agreed to rescission. What sense does it make to cancel funds in March and then turn around and approve them in May? If the committee had wanted to preserve the *Nimitz* option, why did it not oppose the rescission on the Senate floor 2 months ago?

Moreover, by preserving the option to buy another *Nimitz* the committee may well be dooming any alternative carriers. For as long as the carrier forces in the Navy think they will still be able to get a supercarrier, they have absolutely no incentive to treat the CVV or V/STOL technology seriously. Rather, there will be strong pressures to present the alternative concepts in the weakest light possible in order to strengthen the case for another *Nimitz*.

Thus, while its motives are commendable, the committee's strategy is flawed and inconsistent with recent congressional actions.

A final actor in the recent drama is the Navy. This service has consistently lobbied for another *Nimitz* and against the CVV. The Navy's support for the new CVV policy enunciated by the civilian leaders of the Pentagon and by Congress has been underwhelming.

First, the service is doing its best to expand the once small CVV that was discussed in Congress. When originally proposed by the administration, the CVV was due to displace 40,000 to 50,000 tons when fully loaded. However, the chief of naval operations, Adm. James Holloway, testified before the House Armed Services Committee on March 7—4 days after the House vote—that the small carrier will actually run from 50,000 to 60,000 tons.

What is more, it turns out Admiral Holloway was using "standard displacement" instead of "full load displacement." This distinction can add anywhere from 13,000 to 18,000 or more tons to the new ship, if existing carriers of a similar size are any guide. Thus, under Admiral Holloway's guidelines, the CVV could actually weigh in at anywhere from 63,000 to 78,000 tons.

In addition, the smaller carrier that had been proposed as a V/STOL ship no longer will carry V/STOL planes. While Admiral Holloway has personally been an advocate of this technology, Navy traditionalists seem determined to make V/STOL's the "planes of the future"—permanently. In his March 7 testimony, Admiral Holloway said that a high performance, subsonic VSTOL would not be available until "1988 at the very earliest." Supersonic versions would not appear until the middle 1990's.

As a result, the Navy says the first two CVV's will be "transition" ships, initially equipped with conventional planes. Defense Secretary Harold Brown has accepted this. But there are key differences between his vision of a transition carrier and the Navy's.

In testimony before the House Appropriations Committee, February 17, Brown said the CVV would "be capable of operating some of the conventional aircraft which will be in the inventory in the 1980's." He specifically ruled out the Navy's most expensive fighter, the F–14 Tomcat.

Yet in subsequent testimony March 7 to the House Armed Services Committee, Admiral Holloway said the transition ship would have to handle "all of those carrier capable aircraft" in the Navy's inventory. He specifically included the F–14. To operate that kind of aircraft, the carrier will have to be bigger, more complicated and more expensive than assumed to date.

And, as the carrier continues to grow in size, it also appears that nuclear power is not yet dead. In that same March 7 testimony, Admiral Holloway indicated the Navy's interest in building a "middle-sized, nuclear-powered carrier" in the middle 1980's.

Middle-sized? The economic factors are such that once the substantial investment is made in nuclear power, the supercarrier is the most cost-effective to build—and at this time the only carrier that can be built. The only nuclear reactor currently available for carriers requires a minimum ship beam of 134 feet—the precise width of the latest *Nimitz*. Without a major and time consuming investment of well over $200 million for a new and smaller reactor, the choice of nuclear carriers is limited to very large ones.

Thus, it is not surprising that while talking about middle-sized nuclear carriers in the 1980's, Admiral Holloway has also refused to rule out the possibility of another *Nimitz* in coming years.

What is at work here is organizational pressure from two of the strongest bureaucracies within the Navy—the naval aviators and the nuclear power advocates. The aviators have tended to dominate the service since the demise of the battleship admirals in World War II. For them, no carrier deserves consideration unless it carries the largest and most sophisticated aircraft and unless it can attack the Soviet homeland in the face of the most severe threats imaginable. Anything short of a supercarrier is inadequate.

Those favoring nuclear power are just as devoted to their cause. With Adm. Hyman Rickover at their helm, they may well be the strongest pressure group in any of the services.

Overcoming these forces is no easy task. Indeed, this would not be the first time they had waylaid plans for smaller carriers.

In August 1975 then Defense Secretary James R. Schlesinger ordered the Navy to draw up plans for a 50,000-ton nonnuclear carrier designated the "midi." Because of strong protests from Navy officials and congressional supporters of Admiral Rickover, Schlesinger was quickly forced to agree that the midi would be nuclear-powered.

Next, when a study of alternative sizes was begun, the chief of naval operations specified that the carrier would have to be "capable of operating modern aircraft across all the Navy's missions." This meant that the carrier had to carry F–14's and heavy attack aircraft and be able to survive a saturation attack conducted near the Soviet homeland. As a Library of Congress analysis later concluded, "With these guidelines the subsequent finding that a *Nimitz*-like follow-on class is required is assured."

Operating under these constraints, the study recommended the purchase of another supercarrier. Three alternatives were all found to be less capable ships costing virtually the same as the supercarriers. Schlesinger's nonnuclear midi had been scuttled.

Mr. Speaker, the key offenders in what is beginning to look like a rerun of the 1975 drama are the House Armed Services Committee and the Navy. Somehow they must learn that when Congress votes on an issue, it is not just doing it for the exercise. In March, Congress decided to cancel another supercarrier. That was an unambiguous statement that it did not want to hear any more about plans for a new *Nimitz*. Instead, Congress wanted to see the development of smaller carriers such as the CVV.

For the Armed Services Committee and the Navy to continue their obstruction is inexcusable and unacceptable. No longer should the will of the majority of Con-

gress be held hostage to parochial service interests and the whims of a few Members.

STATEMENT OF DISPLEASURE ON PRESIDENT CARTER'S "STATEMENT ON WATER PROJECTS"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. McKAY) is recognized for 15 minutes.

Mr. McKAY. Mr. Speaker, I would like to place in the RECORD a statement expressing my extreme displeasure concerning President Carter's "Statement on Water Projects" which details the administration's reasons for modifying the Bonneville Unit of the Central Utah project.

I purposely kept silent until I could assess the President's reasons. Now that I have seen them, my worst suspicions are confirmed: politics overshadowed fact and motivated President Carter's decision on this Nation's water projects. He determined during the campaign that water projects were "bad" and following his inauguration set out to create facts to substantiate his predilections. His reasons are wanting at every turn. They are irrelevant, misleading, and an affront to his own Department of Interior which encouraged and supported the projects for over 30 years.

The President listed six specific "factors" for his decision to "modify" the Bonneville unit of the central Utah project.

First, with regard to the project's economics, President Carter says the cost of the project is too high at $862 million. What he fails to take into account is 86 percent of project money will be repaid and a large part of that with interest.

He claims there is a "distinct possibility" the project will cost more than originally authorized yet he fails to acknowledge the statement by his own Water Project Review Office on March 15, 1977, that the Bonneville unit will indeed be within the authorized limit. The statement further explained that should the project go over the limit, a change in authorization would result.

Furthermore, should the project exceed the limit it would be a mere 3 percent of the total project cost. Cutting a water project for a 3 percent potential overrun is incredible especially when that overrun is the result of inflation during years of administrative delay.

Second, the President contends the project is of marginal economic value with a benefit/cost ratio of one to one, or unity. What is marginal about a dollar's value for a dollar spent?

I contend the benefit/cost ratio is a poor measure of value because it ignores too many other factors and implies there is an alternative to water. There is no alternative to water in Utah.

Apparently the President agrees with my feelings about benefit/cost ratio because eight of the nine projects he recommends for funding have a benefit/cost ratio less than ours—less than unity. The nine projects approved and their corresponding benefit/cost ratios are as follows:

Dayton, Ky	0.81
Fulton, Ill	.71
Red River Waterway, La	.7
Tennessee-Tombigbee Waterway, Ala., Miss.	.87
Tyrone, Pa	.69
Bear Creek, Ala., Miss	1.06
Dallas Creek, Colo	.9
Dolores, Colo	.6
Lyman, Wyo	.5

All but one have less economic value than the Bonneville unit by the President's own standards.

Carter claims the high cost of irrigation investment—$4,295 per acre—is too high. Yet under his proposal it will soar much higher because the replacement value of CUP water will skyrocket. In the East $4,295 is too much for water. In the West we have no alternative but dry fields and dusty faucets. Third, Carter claims a loss of fisheries in the Uintah basin would result with the construction of the Bonneville unit. However, the environmental impact statement issued by the Department of Interior says, "The Bonneville unit would not be expected to significantly deteriorate existing populations of fish" (p. 349).

Carter contends that the diking of Utah Lake would eliminate 25,000 acres of wetlands and wildlife habitat. He fails to realize, however, that there is a periodic destruction of wetlands by nature itself and that in drought years like this one, much of the lake will turn to mudflats. Moreover, construction of the Bonneville unit would create a 15,000-acre wildlife management area which will be lost if Congress accepts Carter's recommendation.

Fourth, the President says there will be an increase of the salinity content of the river downstream. He is right to a point, but the increase in salt comes from diverting clean water from a river that is salty to begin with. Even this will only increase the salt amounts by less than 1.5 percent. In the words of the administration's environmental impact statement, "The Bonneville unit would have only a minor effect on the salinity increase."

The Bonneville unit has been attacked and defended in the Federal District Court of Utah and in the 10th Circuit Court of Appeals, *Sierra Club* v. *Stamm*, 507 F.2d 788 (1974). In both instances the courts declined to kill the project on environmental grounds and supported the environmental impact statement. But what the Federal courts declined to do for basis in law, Mr. Carter tackles with an Executive order because of his personal environmental beliefs.

As for the Indian agreements, should President Carter bear sway, the Interior Department must breach an agreement with the Indians reached in 1965. The Water Projects Review Office in their report of March 15 admitted 12 specific benefits to the Indians from the Central Utah Project and concluded "the Ute Indian Tribe may be compelled to fight long legal battles to defend . . . rights conceded them in the Deferral Agreement."

Finally, the President tells us he cut the project because of "questionable need" and "possible alternative water supplies."

At this point I am bewildered.

I just completed a tour of the drought stricken areas of Utah. I stood in fields with dust swirling at my ankles as farmers told me of the last rain they had in September of 1976. And the President talks of "questionable need." If the Central Utah Project were complete today, there would be no dust bowls in the Sevier River Basin.

And as for the "possible alternatives" he says there are some, yet suggests none. He suggests none because there are none.

Mr. Speaker, I would also like to place in the RECORD a statement which I made at the Central Utah Project, Bonneville unit hearings on March 23, 1977, in Salt Lake City. The additional information contained in that statement further substantiates the inappropriateness of President Carter's actions.

Mr. Chairman and other members of the hearing panel; while I would like to thank you for affording me this opportunity to present testimony at this crucial hearing, I feel obliged to protest the action which necessitates it. The 21-year history of the Bonneville unit of the Central Utah Project is well known and will no doubt again be recounted by witnesses at this hearing. I would like to point out that the Bonneville unit is the responsibility of Congress, not the executive branch. After careful study and extensive hearings, the Congress authorized the Bonneville unit and has for several years appropriated money for its construction. I think there is some confusion regarding the funding of this project. Each year, the administration recommends a particular level of funding for the Appropriations Committee to consider. The committee has for several years recommended that additional funds be added to the budget for the Central Utah Project, and the Congress has approved these increases. I raise this issue to point out that Congress is the institution responsible for making decisions on funding for the Bonneville unit. I think some questions have been raised that demand an answer.

In my preparation of evidence for presentation this morning, I found it difficult to determine with whom the burdens of proof and persuasion rest. I have concluded that since the Bonneville unit carries with it a congressional determination of validity, this project of six Presidents, must be afforded a like presumption at this hearing. Therefore, my remarks this morning will be addressed to a point-by-point discussion of the three announced projects review criteria namely, adverse environmental impacts, benefit-cost disparities, and safety considerations. In that the Interior Department has no safety consideration objections, refutation need not cover the safety issue.

ENVIRONMENTAL ASPECTS

The Federal Government has established through the National Environmental Policy Act of 1969 (Public Law 91-190) a procedural device known

as the environmental impact statement which purpose is to present factual data necessary to define and evaluate the environmental impact of proposed or existing Federal construction projects. Such an environmental impact statement was completed for the Bonneville unit on August 2, 1973. I am confident that the members of the panel from the Interior Department will give full recognition to the EIS as the authoritative source on environmental issues, in that it was prepared under the Department's direction and established guidelines.

SALINITY

The Bonneville unit is now opposed because the diversion of over 136,000 acrefeet of water out of the Colorado River Basin would increase the salinity concentration in the Colorado River. It must be pointed out that the water diverted by the Bonneville unit does not reenter the Colorado downstream thereby directly adding to the river's salinity content. The environmental impact statement estimates that the amount of increase attributable to the Bonneville unit would be about 4 percent of the total estimated increase and concluded, therefore, that "the Bonneville unit, separately, would have only a minor effect on the salinity increase"—final EIS page 658.

FISHERY IMPACTS

The Bonneville unit is now considered to significantly deteriorate fishery populations. The EIS states however that:

The Bonneville Unit would not be expected to significantly . . . deteriorate . . . existing populations of either game fish species or nongame fish species in either the Upper Bonneville Basin or the Sevier River Basin (EIS p. 349).

Furthermore, the Bonneville unit will produce 20,000 surface acres of reservoir area into which an estimated 3.6 million fish will be planted each year—EIS page 484. Lastly, completion of the Bonneville unit assures minimum flows in certain streams that otherwise periodically dry up during late summer months or periods of drought.

With respect to the allegation that the project would significantly affect the availability of wildlife habitat areas, the Bonneville unit plan calls for the establishment of three wildlife management areas which would be made available to the Utah Division of Wildlife Resources for administration. The cost of developing these areas would be covered by section 8 of the Colorado River Storage Project Act (70 Stat. 105).

In addition, tribal authorities of the Uintah and Ouray Indian Reservation have selected six areas, totaling 6,600 acres, along the Duchesne River for development as wildlife management areas under the project plan. While it is expected that the principal loss of wildlife habitat would occur as a result of reservoir inundation, the "broader impact on wildlife habitat on a statewide level is expected to be less severe" (EIS p. 478).

WETLAND REDUCTION

Yet another environmental objection results from the diking of Utah Lake to reduce its size by one-third. It is estimated that the diking of Provo Bay will result in a loss of 25,000 acres of wetland. The plan partially compensates for this loss, however, by the development of 14,500 acres of replacement habitat within the Goshen Bay wildlife management area along the western shores of the lake. In addition, the diking of the lake will significantly improve the water quality within the lake. Quoting directly from the definite plan report:

POPULATION CONCENTRATION

The water quality of Utah Lake is presently unsuitable for general municipal use and for many industrial uses. Under occasional conditions of low lake levels resulting from drought (such as the one currently beseeching us), the water has deteriorated to the point of unsuitability for irrigation use . . . Studies show that with the diking . . . and the importation of good quality water from Strawberry Reservoir under the Central Utah Project, the lake water will be considerably improved in chemical quality over that which has occurred historically. (Central Utah Project, Bonneville Unit, Definite Plan Report, August 1964, Appendix B Water Supply, Volume 2, p. 273).

The Bonneville unit has ultimately been objected to on the ground that it will further concentrate population along the already congested and polluted Wasatch Front area, thus degrading the quality of life for residents of the area. In direct contrast, however, is the conclusion of the EIS which states:

Without the Bonneville Unit development, growth within the Bonneville Basin area would be expected to continue, with the expansion of urbanization into the rural areas and the accompanying loss of green belt areas. Migration from the rural areas to the cities would continue. (EIS p. 163).

It is my judgment that this review panel should also be apprised of the environmental impacts which are expected to result if the Bonneville unit is not constructed. The EIS projects that:

If the proposed Bonneville Unit were not constructed, many environmental changes would still occur within the Unit area. Many of these changes would alter the esthetic composition of the area . . . If left uncontrolled the problem of haphazard and inadequate development of the land around Strawberry Reservoir would likely become worse. The erosion problems in the Diamond Fork area can be expected to continue and worsen as long as the present Strawberry Reservoir irrigation system is in operation. The level of Utah Lake will continue its historic pattern of fluctuation and esthetically undesirable conditions will . . . occur. (EIS pp. 157 and 158).

To date gentlemen, I have seen no report, study, or investigation of the magnitude of this environmental impact statement of 702 pages, which would justify the Department of Interior's position that the Bonneville unit fails for environmental reasons. The environmental impact statement is the accepted and approved vehicle for environmental impacts study and its decision on the Bonneville unit should stand uncontroverted.

BENEFIT-COST COMPARISONS

The use of the benefit-cost analysis in the evaluation of water resource development projects is not without conceptual and procedural objection. The benefit-cost ratio is sort of a magic number which is supposed to provide an objective assessment of whether constructing a project would be in the national interest. The legal foundation for this economic analysis is essentially a single phrase from the Flood Control Act of 1936 which authorized projects, "if the benefits to whomever they may accrue are in excess of the estimated costs."

Since 1936, the benefit-cost ratio analysis has been changed or modified 12 times or an average of once every 3 years. Congress became agitated with these repeated efforts to change the rules of the game during every timeout and mandated in section 80 of the Water Resources Development Act of 1974, Public Law 93–251, that in regard to the interest rate discount used in the benefit-cost formula, projects authorized prior to 1969 would be assessed throughout project completion in accordance with the interest rate in effect prior to 1968. Apparently the executive branch did not get the message.

Under the legally authorized discount rate of 3⅛ percent, the Bonneville unit enjoys a benefit cost ratio of 1.3 to 1.0. Even under the Interior Department's new, illegitimate discount rate of 6⅜ percent, the project still reflects a benefit-cost ratio of 1 to 1, or for every dollar spent, a dollar's worth of good.

It is important to remember that the benefit-cost ratio is an accurate assessment of the economics of the project only to the extent that all of a project's merits and demerits are included in the benefit-cost formula. With respect to the Bonneville unit, they have not been.

Probably the most frequently voiced criticism of benefit-cost analysis is that it is based on a single national economic standard. It ignores other valid effects which cannot be monetarily quantified. A most significant example of this, is the failure of the Interior Department to calculate into the cost-benefit formula the cost of defending against legal suit which will most certainly be filed by the Central Utah Water Conservancy District for breach of repayment contract No. 14–06–400–4286, dated December 28, 1965, and by the Ute Indian Tribe for anticipatory breach of water deferral agreement contract No. 14–06–W–194, which was executed on September 20, 1965. A detailed explanation of the content of these agreements will be presented by other witnesses at this hearing.

To date, the Federal Government has invested over $200 million in the Bonneville unit. Furthermore, the Government expects to be reimbursed a total of $739 million or 86 percent of the cost of the entire Bonneville unit. This repayment to the Government is from receipts derived from sale of project water made available upon completion. These factors should weigh heavily in favor of completion of the Bonneville unit.

There are significant problems involved in using the benefit-cost formula to justify the spending of Federal dollars on water projects. The idea of maximum profit, reflected by the benefit-cost ratio, implies that there is another alternative to which the money should divert. The investor uses the cost-benefit analysis to determine the adequacy of alternative investments. There are, however, no al-

ternatives or substitutes for water development.

The businessman uses the benefit-cost formula to decide whether to spend now or spend later. Clearly, the Government must, however, view the tradeoff between spending now or later somewhat differently than either an individual investor or businessman. Government has an obligation to provide for the future. One generation follows another and the use of a positive discount rate in evaluating public investment projects implies that present generations are more deserving than future ones. This is likely to be disputed by future generations. Indeed, the responsibility of Government extends beyond the life of any individual or generation.

I know that I speak for Utah's entire congressional delegation when I say that despite the so-called economic evidence to the contrary, we cannot afford not to develop the Bonneville unit. My first speech in the House of Representatives was in defense of this water reclamation project. As a descendant of the pioneer group which introduced irrigation to the Great Basin, I am especially aware of the value of reclamation projects. It was the goal of our early pioneers to make the desert "blossom as a rose": They accomplished this task by careful management of water resources. They serve to us as a good example of providing for future generations through foresight and sacrifice. I believe it is one which we should continue to follow.

The Constitution has provided that all Federal moneys are appropriated first by the House of Representatives. As a member of the House Appropriations Committee, I will continue this fight to fund the Bonneville unit. Pressing business in Washington necessitates my immediate return. I thank you for your attentiveness.

Mr. Speaker, I also wish to place in the RECORD three newspaper articles which vividly point out the seriousness of the water situation in the State of Utah and why the continuation of the central Utah project is imperative.

The first article is from the April 16, 1977, Salt Lake Tribune and is entitled "Water Rationing Plan Begins." The second newsclipping, found in the April 17, 1977, Salt Lake Tribune, is an editorial entitled "Rejection of Bonneville Unit Musn't Stop Water Quest." The final article is entitled "Dust Bowl Memories in '77 Drought."

The articles follow:

WATER RATIONING PLAN BEGINS

(By George A. Sorensen)

Water rationing for lawns, shrubs, gardens and other outside uses began Friday in 12 areas of Salt Lake County involving approximately half the county's residents.

Residents will be restricted to four hours outside watering a week or a total usage of 36,000 gallons per month. The program will start as a volunteer effort with the Salt Lake County Water Conservancy District monitoring the consumption. If that doesn't work, increased water rates for over use and a county ordinance with civil penalties to assure a 50 per cent reduction of water from a year ago could be implemented.

William C. Hague, general manager of the Metropolitan Water District of Salt Lake City, said there will be no immediate, mandatory curtailment of water usage.

90 PER CENT ALLOTMENT

The district supplies water to Salt Lake City and east bench areas of the county. It also offers surplus amounts to the Salt Lake County Water Conservancy District if water is available. He said it is not likely surplus water will be available this year.

Mr. Hague said the district is now operating with 90 per cent of normal allotment.

However, he said, "It is crucial that we do not dip into Deer Creek Reservoir more than is absolutely necessary, as the drought could extend into next year."

He said any decision on mandatory water use curtailment must be made by the Salt Lake City Commission.

Participating in the county ration program will be Midvale, Murray, Riverton, Sandy, South Jordan, South Salt Lake, West Jordan, Chesterfield Improvement District, Granger-Hunter Improvement District, Kearns Improvement District, Taylorsville-Bennion Improvement District, and the conservancy district.

CONTROLS NOT SEVERE

However, Mayors O. P. Davis, South Salt Lake and Boyd N. Twiggs, Midvale, indicated the restrictions in those two cities will not be as severe at the start because both rely entirely upon wells for their water. Both said they are urging residents to use restraint in outside watering.

Robert B. Hilbert, manager of the conservancy district, said each entity may make minor adjustments in the usage during the summer and will announce individually any changes.

Mr. Hilbert said the underground water (wells) should provide ample water for a time and it is the systems relying on surface water (snow melt) that are in trouble. However, well levels are dropping and some are expected to go dry during the summer, he said.

NO FURTHER CONTROLS

"If everyone cooperates as they have to date—14 per cent reduction in February and 12 per cent in March—we will not need further restrictions on outside watering and will have ample for in-house use. The average monthly use inside the home is approximately 14,000 gallons which leaves 22,000 gallons for outside use," Mr. Hilbert said.

"Mulch is the magic word," Henry Engh, representing the Utah Associated Nurserymen, said, "for outside watering. We can live with the four hours and residents can save up to 50 per cent of the water by using black mulch (black plastic) to cover open ground between the plants and shrubs."

Other good mulches are straw, steer manure and dry grass clippings, Mr. Engh said.

OTHER RESTRICTIONS

Other restrictions include the limiting of outside watering to between 8 p.m. and 10 a.m. and no watering between midnight Saturday and midnight Sunday.

"While it is assumed that many people work on their gardens and lawns on Sunday, this is not proven by our records. Sunday is the slowest use day and by restricting watering on this day it allows the reservoirs to regenerate for emergency purposes," Mr. Hilbert said.

Even numbered homes may water on Mondays, Wednesdays and Fridays with odd numbered homes watering on Tuesdays, Thursdays and Saturdays. The total four hours may be split between the three days any way the home owner desires.

WATERING RESTRICTED

Schools, public parks, condominium projects, apartment complexes and other large water users will be restricted to watering between midnight and 8 a.m. These units will be restricted to one-half the watering time used last year, Mr. Hilbert said.

Commercial users such as car washes, health spas, large air conditioning users are asked to conserve as much as possible. However, no restrictions have been placed on them at this time. But if the water shortage worsens, restrictions will have to be imposed, the conservancy district manager said.

REJECTION OF BONNEVILLE UNIT MUSTN'T STOP WATER QUEST

This arid state has suffered a serious but not irreversible setback if, as reported, President Jimmy Carter's final decision is to virtually junk the Bonneville Unit of the Central Utah Project.

Rep. Gunn McKay, D-Utah, Saturday confirmed that the White House would approve finishing the 95–98 per cent complete Currant Creek Dam and certain associated diversion facilities which were not spelled out. Remainder of the $773 million water project was denied presidential approval.

This does not mean that the Bonneville Unit, years in planning and many times cleared up by Congress and environmental reviews, is dead. But the protracted fight to keep the critical water diversion project moving toward an ever more distant completion date is made many times more difficult.

Rep. McKay expressed confidence that Congress will effectively neutralize the President's short-sighted action. That is a plausible hope. However, the fact that Mr. Carter gave the go ahead to endangered projects in states represented by key members of Congress suggests that united support for disapproved projects may now become less than robust.

If the state's longstanding reliance on steady, planned growth is still a valid concept—and we say that it is—then President Carter's withdrawal of support for the crucial Bonneville Unit is wrong on its face.

There are many, in Utah and elsewhere, who reject the premise that orderly growth is necessary or even desirable in a time of energy and other shortages. It is apparent from Mr. Carter's ill-considered action that this questionable attitude has prevailed in a capital far from the realities of life in moisture deficient Utah.

Fortunately, shattering of the Bonneville dream will not impose immediate hardship. There is time to fashion other, perhaps less acceptable alternatives that could sustain the future economic well-being long linked to the Bonneville Unit's new water supplies.

Utah must adopt a vigorous two-pronged response to the Carter intransigence. It must continue to push its eminently valid case in Washington while marshaling local resources, talent and imagination to provide an effective replacement for essential benefits the Bonneville Unit has been counted upon to provide.

One way or another the state must have additional water supplies. And one way or another it will get them. Denial of the Bonneville Unit will make the task immensely more difficult. But it cannot be allowed to stop the vital quest.

DUST BOWL MEMORIES IN '77 DROUGHT

(By James R. Dickenson)

For anyone of a certain age from certain areas of the West and Midwest the engrossing weather story this year is not the extraordinarily cold winter in the East but the ongoing, two-year drought of the High Plains and the Western mountains.

Drought. To survivors of the Dust Bowl of the 1930s it is a torment to which there apparently is no end. The opening scenes of the movie version of "The Grapes of Wrath" in which Tom Joad learns how his family was burned out and blown off their Oklahoma farm was a nightmare revisited.

It is a nightmare revisited on the High Plains about every 20 years. Nature's cycles are often exaggerated by man's intrusion—the drought of the 1930s was exacerbated by greed and short-sighted farming techniques.

Anyone who has to deal with Mother Nature on a serious and sustained basis knows how inexorable and unforgiving she is. Farming is a heartbreak—there are no statistics on the number of people who tried to make their fortunes in the Midwest only to retreat east in defeat.

Only the flower children of the 1960s who had known nothing but urban affluence could romanticize rural communes as a liberating experience. Nature never takes a day off and with flood, blizzard and drought she can make it difficult to survive.

Only city people can think the television commercial that says, "It's not nice to fool Mother Nature," is funny.

No one who went through the Dust Bowl and Depression can really take the good times for granted. Children grew up eavesdropping on the adults' conversations, the gist of which often was that they were about to lose the farm—which many did—to hard times.

All children of the Depression grew up knowing that unseen forces suddenly could and would carry everything away from them. In the Dust Bowl the unseen forces of the economy were aided by the all too tangible forces of nature.

I'm too young to remember the particular storm of April 14, 1935, pictured above, but I vividly remember its successors a year or two later. Particularly one that must have been in July or August of 1936.

Those dust storms of Southwest Kansas were awesome and inspired a sense of doom unimaginable this side of Judgment Day. Not only did we realize that they were both the symptom of our current economic problems and probably the source of future ones, we really wondered if we would survive the big ones.

That wall of dust was a primal force like a tidal wave and appeared capable of carrying away everything in its path.

My cousins and I were playing on my Uncle Vernie's farm about four miles north of Rolla, Kansas, one bright, scalding summer afternoon in 1936 when a black cloud began rising in the northwest. In happier times a cloud that dark and menacing would have produced a lot of rainfall but this cloud was eastern Colorado topsoil that should never have had its cover of buffalo grass plowed under.

When we realized what it was we began the panicky race across the farmyard to the house, a race not made any easier by the fact that the sandy soil was so hot it burned our bare feet. That fear should not be written off as mere childish imaginings because when that dirt wall hit, 3 p.m. became as black and impenetrable as a stormy, moonless 3 a.m.

My uncle had been running the tractor in the field just east of the house. He unhitched from the implement and made his own race for home on the tractor. He lost in the darkness and disorientation of the high wind and ran the tractor into the big tree that shaded the stock in the barnyard.

This, on a farm he worked for nearly 40 years, did tell him where he was. He followed the fence line to the house, which in such storms was like a fort under siege.

The women—my mother and two aunts and the older girls—tried to keep the dust out by putting wet towels under the doors and around the windows but it was hopeless. A high wind finds every tiny crack and seam and it relentlessly blew eastern Colorado into every building in quantities that reduced the housekeepers to tears.

The black, howling void seemed interminable. Only when it ended, when the black dirt was gone and the whistle of the wind, like a needle in the frontal lobes of the brain, had ended, did you realize how desperate it made you.

You were never allowed to forget, however. For years the dirt from those storms was banked up on both sides of the five- and six-foot fences in town so that you could walk from yard to yard climbing up the slopes and stepping over the six or eight inches of fence that hadn't been covered.

The drought was the major factor, of course, but man contributed to his woes. A lot of marginal land in Colorado, Oklahoma, Kansas and other Dust Bowl states that had better been left in virgin sod was broken in the boom years of World War I. This mistake was compounded by farming techniques that powdered the soil and made it susceptible to blowing in dry times.

We all paid for that greed. I can remember one of my uncles saying that he prayed for weeds to grow in the fields because they might help keep the soil from blowing away.

So, when Western state congressmen argue for dam and water control projects I have mixed emotions. I know how crucial water is economically in the arid West, not least of all to the family farmer. The problem is that dams are often destructive of the environment and many have marginal value.

No one can imagine the damage man does to himself in the long run when he tries to improve on nature. And the debate between environmentalists and economic boosters often is in terms of total war, that one side is all right and the other is all wrong.

No one can or wants to stop progress, but there's got to be a balance. Nature once tampered with is seldom restored and those most eager to exploit the environment seldom have to live with the consequences.

They can be dire. You don't fool Mother Nature and she doesn't fool around with mere mortal man. She really doesn't.

EXPLANATION OF VOTE ON AMENDMENT TO BUDGET RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. BONKER) is recognized for 5 minutes.

Mr. BONKER. Mr. Speaker, the Members listed hereinafter offer the following statement to explain their vote on an amendment to the budget resolution: Representative TOM FOLEY, Representative LLOYD MEEDS, Representative JOEL PRITCHARD, Representative NORM DICKS, Representative MIKE MCCORMACK, Representative DON BONKER.

On May 4, Representative ASHBROOK of Ohio successfully introduced an amendment to the authorization bill for the State Department which stated:

None of the funds authorized to be appropriated in this Act shall be used for the purpose of negotiating reparations, aid or any other form of payment to the Socialist Republic of Vietnam.

We believe that this amendment was inappropriate and unwise for the following reasons:

First, we believe that if and when the Congress addresses the sensitive subject of Vietnam, it should face the question squarely in a separate bill written and debated for that purpose. By attaching his amendment to a bill that is basically noncontroversial, covering routine State Department appropriations, Representative ASHBROOK and his supporters circumvented the necessary legislative processes for considering matters of this importance. Our foreign policy deserves full and open debate by the Congress, as the Vietnam issue will undoubtedly receive in due time, but last-minute and hastily drafted amendments to cut off State Department funds is no way to accomplish sound Government policy.

Second, ample protection already exists against reparations to Vietnam. Current economic and food aid laws already forbid such aid to Communist countries, including Vietnam. Section 13 of the State Department authorization for 1973 flatly prohibits assistance to North Vietnam except by specific act of Congress. The Ashbrook amendment really accomplishes nothing.

Third, as noted by Representative MONTGOMERY during the debate on the House floor, the Ashbrook amendment could well sabotage delicate talks now underway in Paris on the return of our missing in action—MIA's. Representative MONTGOMERY of Mississippi, the most knowledgeable and active Member of Congress on the MIA issue, stated that our Government has already told the Vietnamese that it is not about to give any reconstruction aid to them at this time. But negotiating with Vietnamese who may well mention aid in their presentations and agreeing to give aid are two different things. To outright forbid our diplomats to "negotiate . . . aid" could be interpreted as forbidding them to listen to the Vietnamese. This could well lead the Vietnamese to break off the MIA talks, endangering the progress we have made so far.

In summary, the Ashbrook amendment only repeats prohibitions already in effect, erects useless impediments and constraints on the flexibility of our negotiators, and risks endangering key negotiations on our MIA's. And it does this on an "end run," not as a part of necessary debate on the entire issue of Vietnam.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 5 minutes.

Mr. DRINAN. Mr. Speaker, on Friday, May 6, I attended a regional hearing of the House Select Committee on Aging and was therefore unable to vote on the resolution granting a rule for the consideration of H.R. 6655, the Housing and Community Development Act of 1977. Had I been present, I would have voted "aye."

INTENTION TO OFFER AMENDMENT TO PRESIDENT'S ENERGY LEGISLATION SIMILAR TO TITLE I (RELATING TO QUOTAS) OF H.R. 6860, THE ENERGY CONSERVATION AND CONVERSION ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, at the present time, the President's energy proposals contain no mechanism for controlling the level of oil imports. At last Thursday's Ad Hoc Energy Committee hearing, in response to my questioning, Dr. Schlesinger indicated that while the admin-

istration's bill was currently silent on the subject, they were studying import control mechanisms and might be making recommendations at a later date. I find this deferral unacceptable. At a time when we are importing one-half of our oil supplies, an energy plan which fails to deal with the import mechanism question is only one-half of an essential plan.

Without a system of quotas, import licensing, and monitoring of imports, there can be no way of guaranteeing that conservation is really carried out or that domestic supplies of energy are developed to replace our reliance on foreign oil.

Title I of the House-passed Energy Conservation and Conversion Act of 1975 (H.R. 6860) contained language which would have provided flexible quotas along with an ad valorem tariff system on imported oil. These provisions would have enabled us to monitor the quantity, value, and source of oil imports. Unfortunately, this legislation failed to pass the Senate during the 94th Congress.

At the appropriate time, I intend to offer the general language of title I of H.R. 6860 to the President's energy legislation. Of course, the dates and numerical limitations will be altered to reflect the present situation. In addition, it is possible: first, that the import levels allowed in H.R. 6860 were unrealistically low and that some additional flexibility should be built into the quota limits; and second, that the ad valorem duty should be set lower so as to measure oil imports farther than restrict them through higher prices.

The reasons why I believe that this amendment is necessary are generally contained in the Ways and Means Report on H.R. 6860 (H. Rept. 94–221). As a reminder of how title I was to have worked and the reasons why it is necessary, I would like to include in the RECORD at this point portions of the committee's 1975 report. Again, the figures in the new amendment will be altered to reflect our present circumstances.

The portions follow:

SUMMARY

The quota is not intended as an independent discipline but rather as a means of being sure that the conservation and conversion efforts result in a reduction in imports, rather than in a cutback in domestic production of oil and gas.

The import quotas are set at levels, so that in conjunction with the projected domestic supply of petroleum and the anticipated reduction in projected demand resulting from the actions taken by the bill, they will approximately account for the difference between the demand for oil and the domestic production of oil. However, because of uncertainties about the supply of oil, as well as the conservation efforts, the President is given authority to increase or decrease the quotas by 1 to 2 million barrels a day. The quotas are supplemented by permitting the President to continue approximately the present $1.20 tariff on oil imports if he finds this necessary to reduce oil consumption and imports.

* * * * *

The import quotas themselves are not intended to be a major source of reduction in imports. Rather, quotas are set at levels so that it is expected that, in conjunction with the projected domestic supply of petroleum and the anticipated reduction in projected demand resulting from the actions taken by the bill, they will approximately account for the difference between the demand for oil and the domestic production of oil. Since it may be necessary to modify the quota levels from time to time as a result of unexpected economic developments, the President is given limited authority to increase or decrease the level of quotas from year to year. Therefore, the quotas are not fixed but can be adjusted to avoid economic disruption that might be created by a completely rigid system. The reduction of the domestic consumption and use of quotas is also intended to exert pressure on the OPEC cartel in the hope of reducing its influence and its ability to maintain excessively high oil prices. The bill supplements these quotas by continuing approximately the duties on petroleum and products that were in effect in January 1975, and by providing for an increase in the rates of the tariff if the President finds this necessary to reduce oil consumption and imports.

* * * * *

OIL IMPORT RESTRICTIONS

Oil import quotas.—The bill imposes mandatory quotas on oil imports. These are set at 6.0 million barrels per day in 1975 and 1976, 6.5 million barrels per day in 1977, 6.0 million barrels per day in 1978 and 5.5 million barrels per day thereafter. These levels are lower than the level of imports prevailing prior to the oil embargo and, together with a civilian strategic reserve and a program for standby emergency conservation measures, will provide adequate protection against an oil embargo.

Your committee does not intend that these import quotas be an energy conservation measure in themselves. Rather, the levels of the quotas are designed to reflect the energy conservation and conversion measures elsewhere in the bill, and the purpose of the quotas is to make sure that all oil savings resulting from the conservation and conversion program are reflected in reduced imports. The President, therefore, is given the authority to vary the level of the quota. Because of the greater uncertainty about the level of demand and domestic supply farther into the future, the President is given more flexibility in later years. The bill gives the President the authority to vary the basic quota by up to one million barrels per day in 1975, 1976, and 1977, 1.5 million barrels per day in 1978 and 1979, and 2 million barrels per day in 1980 and thereafter. If the quotas are at all restrictive, to prevent oil importers from receiving excessive profits from the import licenses provided under the quota system and to allocate oil imports as efficiently as possible, import licenses are to be distributed through public auctions. Also, to ensure that users of imported fuel oil have time to convert to other energy sources, import restrictions for residual and distillate fuel oil are set at a minimum of 2 million barrels per day for the years 1975–1977 out of the overall quotas for those years.

Oil import tariff.—The bill imposes a tariff on oil imports of 2 percent *ad valorem* for crude oil and 5 percent *ad valorem* for petroleum products These are approximately the levels of the import license fees that were in effect in January 1975 under the national security provision of the Trade Expansion Act. The authority of the President to impose oil import tariffs or quotas under that Act (except in the case of war) is terminated, but the President is given the authority to increase the oil import tariff to 10 percent ad valorem or $1.00 per barrel, whichever is higher. For a two-year period, however, the tariff on residual and distillate fuel oil is limited to 5 percent. Your committee believes that the tariff will be a significant conservation measure.

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As indicated in the statement of purpose for Title I (and as explained further in the prior section on the reasons for the bill), both domestic and international considerations point to the need for the United States to reverse its trend towards increasing dependence on imported oil for basic energy needs. To achieve this change in energy consumption, it is important that an energy program effect a real reduction in the percentage of oil consumption representing imported oil. The purpose of the bill is to achieve a sufficient reduction in imports of oil so that they do not represent more than 25 percent of the domestic oil consumption by 1985. At the same time in achieving this result the program must not aggravate the current recession nor significantly increase inflation, but rather must allow for economic recovery and future growth. It also is important that we decrease our dependence on foreign oil so that the United States will be in a position to withstand any oil embargo imposed by foreign nations. This can be achieved through a combination of the development of a strategic reserve for oil, the expansion of domestic or other close-at-hand oil sources, and the realization of further economies in domestic consumption.

Your committee's study of the oil import problem and American energy needs has convinced it that a comprehensive program of quota restrictions is necessary to be sure that the conservation achieved by other provisions in the bill will result in a reduction in foreign imports rather than a reduction in domestic production.

Mr. VANIK. In addition to the arguments advanced in 1975, I believe some form of import control mechanism is necessary, because, frankly, it is not clear exactly how the President's plan reduces imports to a level of 6 million barrels per day. The fact sheet on the President's plan provided by the White House states:

The President's energy plan, if implemented effectively, is projected to save about 4.6 million barrels of oil per day (MMB/D) . . . over the amount of oil we would otherwise require by 1985. These savings would reduce oil imports to about 7 MMB/D by 1985, a 40 percent decrease. *The President has established a goal of reducing imports to below 6 MMB/D, which would require voluntary conservation efforts by the American public.* (Emphasis added.)

It is not at all clear how this last 1 million barrels per day in savings is to be achieved. Only by keeping the pressure on through a gradually tightening quota system can we hope to achieve the goal.

The idea of oil import controls is a difficult one for me to support. For over a decade, I opposed the system of oil import quotas which kept cheap foreign oil out, speeded up the consumption of our domestic supplies, and provided additional profits to the oil industry. In the past, I calculated that the old system of oil import controls cost the American consumer some $77 billion during the 1960's and the early 1970's.

The old system of quotas made no sense when the world price of oil was dirt cheap and the producers were unorganized. It does make sense when we are trying to limit the volume of imports to stop the drain of our Nation's wealth into the hands of a few nations charging exorbitant prices. The oil import quota system which was destructive to our national security before 1973 must now be included in any energy legislation which effectively seeks to free us from the pressures of foreign oil powers.

The quota provisions of the 1975 act were opposed by a number of Members.

The views of nine minority Members in the House report stated:

> If quotas act independently to restrain demand, they are an unmitigated disaster. If they do not act independently, as the Majority claims they will not, they are superfluous and merely a charade."

In response to this criticism, I do not believe that many Members were aware of the flexibility given to the President in setting the quotas. On the other hand, many Members seem to think that energy independence will be easy to achieve and that there will be no disruptions. The fact is that the various proposals in the President's plan may do very little to cut energy consumption. Americans may be willing to pay much more for gasoline and inefficient autos than we realize. A system of gradually restricting quotas is the only guaranteed way we have of making Americans look for other sources of energy and conservation. A commitment to a quota system will be a "diet" to which we will have to adhere; it is the one and only certain way to wean ourselves from our reliance on foreign oil. A quota system may eventually result in allocation problems—those problems can be met. A quota system will only come into effect if we fail to achieve the conservation and the development of new sources of energy which are proposed in the President's overall plan. If we fail to meet voluntarily the goals in the President's plan, then we must have a means of forcing ourselves to meet those goals. Import quotas are the only fair way to impose energy restraint on America and to ensure our future national security.

CONGRESSIONAL BLACK CAUCUS STATEMENT ON MEETING WITH AMBASSADOR ANDREW YOUNG

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. MITCHELL) is recognized for 10 minutes.

Mr. MITCHELL of Maryland. Mr. Speaker, the opportunity to meet with our former colleague and present United Nations Ambassador Andrew Young continues the close working relationship members of the Congressional Black Caucus have had with an individual who has been given a crucial and significant role in the formulation and implementation of United States foreign policy.

Ambassador Young's willingness to speak out with candor, truthfulness, and insight has brought a refreshing openness to the conduct of our foreign policy. It is a measure of his success in discussing with the public matters formerly debated behind closed doors that concerted efforts have been undertaken to undercut his position and strength. It is no wonder that there is consternation among those who have failed to speak out against racist regimes, who have subordinated human rights to "Realpolitik."

As a member of the Congressional Black Caucus, Ambassador Young was among the leaders of our efforts to move the United States Government toward policies which would lead to majority rule for the people of southern Africa. He was an early leader of those who moved for a ban on the importation of Rhodesian chrome, now part of our laws. He was among the caucus members who met with former Secretary of State Kissinger to urge these and other positions on the Government.

Today, when he has the position and the influence to make his views heard and to bring policy into conformity with what can only be described as elemental positions, his views are called into question by those who would have us forget their vigorous support for past foreign policy mistakes, including the war in Vietnam and the support of regimes in daily violation of the principles our Nation espouses.

We are heartened that Ambassador Young has brought serious discussion about policies and practices which have become enmeshed in the inertia of the status quo. The President's support for his efforts is well justified. The Congress, itself, is to be commended for soundly defeating just last week an attack on the Ambassador through an amendment to cut his staff. All decent Americans must speak out against scurrilous attacks on members of the Ambassador's staff on the floor of Congress. The attempt to red-bait leading national figures is a shocking reminder that we have not fully escaped the mentality that plagued the country in the 1950's.

We know, and Andy Young knows, that change comes only through struggle. His courageous efforts to bring about change in the Nation's foreign policy and to better the condition of people throughout the world deserve the Nation's respect and support.

GENERAL LEAVE

Mr. MITCHELL of Maryland. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

PERSONAL EXPLANATION

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MIKVA. Mr. Speaker, I was in my district to speak at a law day program last Friday, May 6, and was unable to vote on rollcall No. 205, the rule under which the Housing and Community Development Act was considered. Had I been here, I would have voted "yes."

PERSONAL EXPLANATION RELATIVE TO VOTE ON HOUSE RESOLUTION 527

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MIKVA. Mr. Speaker, I will not be voting today on House Resolution 527, the resolution dismissing the contest brought against my election to the U.S. House of Representatives, because it is a vote in which I have an obvious interest.

I appreciate the care and thoroughness with which the challenge was investigated, and I am gratified that the House Administration Committee and the Speaker acted expeditiously on this matter.

A NEW CONSUMER ADVOCACY CONCEPT

(Mr. McCLOSKEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. McCLOSKEY. Mr. Speaker, the gentleman from Iowa (Mr. BLOUIN) and I are today introducing a different kind of consumer bill from H.R. 6805 which is presently being considered by the Committee on Government Operations. The basic concept underlying this bill is that while consumers do need a more vigorous voice in governmental decisionmaking processes, it would be unwise to add on top of existing Government consumer programs a new agency with the power both to increase the paperwork burden presently imposed on businessmen, as well as have the power of court action to challenge decisions of other governmental agencies.

The concept of our substitute bill is that of a consumer "ombudsman," empowered to raise his or her voice as vigorously and as publicly as possible on the consumer's behalf in all governmental agencies and decisionmaking processes, and with the further power to obtain all relevant information and cooperation from every agency of Government, including the Departments of Agriculture and Labor.

The Consumer Advocate's powers, however, would end there. The Advocate would have no power to impose his views on Government agencies; and no agency would be bound to accept the Advocate's position. Each agency would be required to consider the Advocate's viewpoint and full publicity would attend his or her arguments and efforts.

The bill recognizes a second basic principle: That we should never again create a new office in the Government without abolishing at least as much bureaucracy as the bill creates. Therefore, in addition to a 5-year "sunset" provision, we have added a specific provision that the Advocate's office will come into existence only when the Comptroller General certifies that a presidential reorganization plan, accepted by the Congress, has abolished or transferred to the new agency offices and functions whose fiscal year 1976 budget outlays exceed the budget authority for the Advocate's office.

Other provisions in the substitute bill differing from the present bill before the committee are as follows:

DIFFERENCES BETWEEN SUBCOMMITTEE VERSION OF H.R. 6805 AND BLOUIN/MCCLOSKEY AMENDMENT IN THE NATURE OF A SUBSTITUTE

SUBCOMMITTEE BILL	BLOUIN/M'CLOSKEY SUBSTITUTE
1. Establishes an "Agency for Consumer Protection," to be directed by an Administrator.	Establishes an "Agency for Consumer Advocacy" to be directed by an Advocate.
2. Permits the Agency to seek judicial review of actions by other Federal agencies, including actions regarding which the Agency did not intervene at the administrative level.	Denies to the Agency any power to seek judicial review of actions by other Federal agencies or to appear in court actions.
3. Authorizes the Agency to issue interrogatories to private businesses, and to request court order to enforce those interrogatories.	Denies the Agency the power to issue interrogatories to private businesses.
4. With regard to requests for information by the Agency to other Federal agencies, alters the Freedom of Information Act to ease access to trade secrets and confidential commercial or financial information.	Places the Agency in the same position as all other individuals in requesting information from other Federal agencies.
5. Prohibits Agency involvement in labor-management disputes and agricultural matters.	*Permits* Agency involvement in labor-management disputes and agricultural matters.
6. Authorizes the appropriation of $15 million for FY 1978 and $17 million for FY 1979.	Reduces the authorization to $10 million for FY 1978 and 1979.
7. The act takes effect 90 days after the date of enactment.	Before the act takes effect, the Comptroller General must certify that a Presidential reorganization plan has been accepted which abolishes or transfers to the Agency functions whose budgetary outlays exceed the amount authorized by the act.
8. Creates a permanent authorization for the Agency.	Includes a "sunset" provision to end the Agency's authorization on September 30, 1982.

INTRODUCTION OF LEGISLATION ESTABLISHING CONSUMER PROTECTION AGENCY

(Mr. BLOUIN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BLOUIN. Mr. Speaker, I am honored today to join my distinguished colleague from California, Mr. MCCLOSKEY, in introducing legislation to establish an Agency for Consumer Protection.

This legislation, introduced in the form of a substitute to H.R. 6805, is a more acceptable alternative for the pending legislation. It is a substitute which insures a strong and vigorous voice on the consumer's behalf, but at the same time eliminates some of the provisions of the pending legislation which tend to add to the Federal bureaucracy.

I am convinced that the concept of an Agency for Consumer Protection, as proposed in our substitute, could be more effective and, in the final analysis, more efficient than the Consumer Protection Agency envisioned by the pending legislation, H.R. 6805.

While our proposed Agency lacks some of the legal jurisdiction and judicial prerogatives of the proposed Consumer Protection Agency, it also lacks the size, the cost, and the additional bureaucracy of the Agency established by H.R. 6805.

There is no doubt in my mind about the need for consumers to have a stronger and more effective voice in the affairs of Government, especially in the decisions made by Federal agencies which presumably regulate the businesses, services, and utilities which serve the public, and a new Federal agency such as that proposed by H.R. 6805 can provide that voice. Our proposal, however, could do that job better.

A national consumer advocate, as envisioned by our substitute, would be empowered to sound a strong and vigorous voice on behalf of consumers in the Federal decisionmaking process, to seek and receive the necessary information and cooperation he or she needs from the appropriate Federal agencies, and to prepare a sound, aggressive case for the consumer's interest in the decision and rulemaking activities of Federal agencies.

It would not have the power to seek judicial review of Federal agency actions, nor would it have special interrogatory powers. Both would inevitably require a huge and constantly expanding bureaucracy.

Our substitute requires that before any new consumer advocacy agency is established, the Comptroller General must certify that other office or functions whose fiscal 1976 budget outlays exceed the budget authority for the new agency have been abolished or transferred to the new agency. In addition, it reduces fiscal 1978 and 1979 budget authorizations for the Agency to $10 million and establishes a 5-year "sunset" provision, insuring that the legislation authorizing the Agency would expire in 1982.

I am hopeful that my colleagues will recognize our substitute as an alternative to the pending legislation. I quite frankly think it addresses some of the serious problems which people have with the Consumer Protection Agency as proposed by H.R. 6805 and thereby provides a more likely opportunity for the House to pass a meaningful and effective consumer protection law.

PUBLIC FINANCING A HOAX

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, the House Administration Committee last week reported out the atrocious instant-on-site voter registration bill, at President Carter's request. Now, to satisfy the so-called reformers, will next consider legislation to have public financing for senatorial as well as congressional elections.

Fortunately word is leaking out about the shortcomings of these schemes, and I am pleased to share an article written by a highly respected member of the Ohio Legislature, the Honorable Alan E. Norris. His column appeared in the Columbus Citizen-Journal on May 9, 1977, and I feel all of our Members would do well to read and digest it.

Mr. Norris is a six-term member of the Ohio General Assembly, occupies a leadership role, and may well, one day, become a member of this body. His article follows:

PUBLIC FINANCING OF CAMPAIGNS IS A HOAX

(By Alan E. Norris)

David C. Hetzler, executive director of Common Cause, Ohio, writing in this spot several weeks ago, asserted that "Nowhere is the corrupting influence of big money felt stronger than in the financing of the campaigns of our elected officials." Utilizing a curious transition in logic, Hetzler then concluded that public financing of political campaigns would eliminate the influence of "big money special interests and individual fat cats" on public officials.

He's got to be kidding.

"Public financing" is one of those clever euphemisms used by politicians and journalists that sound good, but obscure the real meaning of what they have in mind. "Public financing" is a concept that eventually could result in taxpayers being forced to pay for huge media campaigns by a bunch of politicians to spread a pack of promises at election time.

In the past, taxpayers only had to foot the bill for implementing political promises once a candidate got elected—public financing asks them to pay for the hot air that floats the promises, too!

We've now had a look at a presidential campaign financed by taxpayers. Were the candidates, as Hetzler argues, miraculously enabled to purge themselves of special interest influence? Hardly. The speed with which candidate Jimmy Carter reversed previously held positions on major issues in order to win union support should lay that illusion to rest in a hurry.

Obviously, public financing of elections is a public hoax if people believe it will eliminate the influence of special interest groups on candidates.

But I believe there is even stronger ground for objecting to public financing of political campaigns: it probably signals the end of a strong two-party system in this country.

The dual party system is what makes representative government work. Without the burden placed upon the majority party to enact a legislative program, and the corresponding responsibility of the minority party to point out that program's shortcomings and force improvements, there would be precious little legislation of consequences. And without a viable minority party to keep it on its toes, the majority party grows unimaginative and subject to the blandishments and corruptions of power.

Unfortunately, public financing laws are being proposed and enacted by majority Democrats in a form purposely designed to perpetuate their majority status—and the demise of the Republican Party. Naturally, as a Republican, that offends me. Hopefully, comprehending independents and Democrats will also deplore such a cynical appropriation by one political party of the election process for its own selfish ends.

Here's how these laws work. In exchange for accepting tax money to run his campaign, a candidate must agree to limit his spending to a ceiling set by law.

But the spending ceiling does not apply to a special interest group campaigning for a candidate among its own membership. There is only one special interest group with a membership large enough to effectively take advantage of that intentional loophole—organized labor. And so labor unions, always the financial backbone of the Democratic Party, can ignore the ceiling and go on spending unlimited money communicating to their members the virtues of the Democratic ticket.

What really has happened with public financing, is that the taxpayer has now relieved unions of the burden of supporting Democratic candidates directly, leaving them free to go on spending unlimited sums in indirect support of these same candidates. This procedure enables unions to strengthen their hold on Democratic officeholders.

For example, in 1976 both Gerald Ford and Jimmy Carter had $23 million in taxpayers' money to spend on their campaigns—that was the spending ceiling. But, according to the New York Times, unions spent an additional $18 million communicating with their members in support of candidate Carter.

Candidate Ford did not receive comparable help from the business community, since it's illegal for corporations to spend money on political campaigns. And so, incredibly, the net effect of the new public financing law was to give Carter an almost 2 to 1 dollar advantage over Ford.

Without public financing, most of that $18 million probably would have gone in direct contributions to the Carter ticket, and both candidates would have ended up spending about the same amount on their campaigns, as had been the case in past presidential races.

Can there be any serious doubt that Carter's nearly 2 to 1 financial advantage—conferred on him by a Democratic Congress through the public financing law—was decisive in his whisker-thin victory?

Taxpayer-financed political campaigns are a hoax perpetrated on the public by cynical Democratic Party officials, labor bosses, and a conglomeration of unsuspecting journalists and well-meaning but naive lobbies like Common Cause, which should know better.

The taxpayer foots the bill. Democrats become the permanent majority party. Labor bosses acquire even more influence over Democratic officeholders. And the Republican Party slides into permanent decline. A pretty picture? Only if you are a Democratic politician or a labor boss.

We must wake up to the dangerous reality of so-called public financing before it is too late.

PERSONAL EXPLANATION

(Mr. HANNAFORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANNAFORD. Mr. Speaker, on rollcall No. 204, final passage of House Concurrent Resolution 214, the first concurrent resolution on the budget for fiscal year 1978, I am recorded as not voting. I was present and did vote "yes," but for a mechanical reason unknown to me, the voting mechanism failed to record my vote. I ask that my statement appear in the permanent RECORD immediately following the vote.

PAUL M. BRUUN

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, a notable and distinguished figure of Miami Beach, Fla., who has devoted a lifetime to serving the public, indeed humanity, has just recently retired from active journalism. His name is Paul M. Bruun. This inimitable, charming, impressive, and powerful man came to Florida in 1934 with his lovely bride. He started his employment with selling advertising for the Miami Tribune. As he did wherever he was, he distinguished himself as a salesman.

When the ownership of the Miami Tribune changed, Paul Bruun went to New York, the home of his wife. After a stretch with Dun and Bradstreet there, being unhappy with the big city, he returned to the staff of the Miami Beach Sun, owned and published by my great friend, John D. Montgomery, who now publishes the family newspaper, the Junction City News, in Junction City, Kans. Then he served a great stint in Washington working for the Zionist movement, although himself a Christian, at the insistence of Christian friends. Paul Bruun was one of those who made the Variety Children's Hospital the great institution it is. He was also a tower of strength in raising funds for the fight against cancer.

Paul was also one of those who helped establish the Children's Cardiac Hospital. He was a leader in launching the cerebral palsy telethon. With his great heart and his great energy he helped constantly to raise funds against polio.

He immeasurably has contributed to the growth and success of two great Miami Beach hospitals, St. Francis and Mount Sinai. He was an undaunted friend for the cause of education, for helping the poor, for everything that helped to make a better community and lighten the load upon those most burdened.

His last great enterprise was as publisher of the Daily Sun Reporter on Miami Beach, where he was not only the publisher but always wrote a most effective personal column.

Paul Bruun has just been made the subject of a special salute by the Daily Sun Reporter, of which he is now publisher emeritus.

In this special edition, Paul Bruun tells the story of his great and meaningful life. It is a life dedicated to people, to building a better community, State, and country; yes, a better world. The story of this great life is a great story. Paul Bruun is a great American. To me he has been a great friend to whom I proudly pay tribute, as do his fellow citizens. I insert the story of Paul M. Bruun to appear in the body immediately following this introduction:

"MIAMI BEACH * * * MY TOWN"

(How to best describe Paul M. Bruun, son of a God-fearing mother, who doesn't smoke, drink or gamble and yet believes in the rights of every man provided they don't interfere with the rights of others! That Paul has dedicated a lifetime serving humanity is not at all surprising, for he set out to be a minister. This is his story.)

(By Paul M. Bruun)

"Paul has a definite calling." I can hear my late saintly mother, Kristina Bruun, say, adding quickly, "he has the power of either swinging people to God or to the devil."

Later when she heard I had gone into newspapering and accidentally caught a glimpse of a Bruun Sun Reporter with a scandalous bathing beauty in a bikini on its face, she wrung her hands, looked straight into my eyes and shockingly asked, "Son, are you working for the devil?"

"No mother," I frankly replied, "I'm serving God's people, but not from a single pulpit. For I sincerely believe that all people are God's children."

One evening running into our Archbishop Coleman F. Carrol who was just recovering from an illness, he asked me, "Paul, do you pray for me? I pray for you," he added.

"No, I don't," I replied. "You see, Archbishop, I'm not a praying man; I'm a doing man."

My wife, Josephine, likes to remind me that my greatest virtue is my tragic flaw for I have never learned to say, "No" to suffering humanity which in the long run takes its toll, for no man is made of steel. But giving is the only way of life.

I'm often asked why I came to Florida. My pet story is that I arrived here in the fall of 1934 with my bride, Josephine, with no intentions of staying and that I never had enough money to leave.

Actually, Florida fascinated me, but if I could only move a hill or a mountain here! However, we decided to spend our first winter in Florida.

That year the late Moe Annenberg had just started the Miami Tribune and I managed to get a job selling advertising on a commission basis to tide me over the winter. These were lean days with the week's first salary being something like $2.50 for commission was paid after the client paid his bill, so that I found myself not only selling advertising but also collecting bills in order to get my just share.

While I was poor in money, I was ambitiously rich. When the advertising director was having difficulty finding an amusement editor, knowing of my theatrical background and that I wasn't a drinking man, he prevailed upon me to accept the assignment. He just wanted to see if it were possible for one to run around to bistros all night and still remain sober.

I welcomed the challenge. This found me working night and day, selling advertising by day, covering the beat by night and then stopping at the office in the early hours often after having covered two major attractions, to report them for the next day. I even pitched in with the collections.

Before the season was over, my boss decided it was more profitable for the paper to place Bruun on a salary basis than to keep him on his mounting commissions. I declined his offer, saying, "Pay me what I earn or get yourself another boy."

Soon I was covering Miami Beach's swank Lincoln Road, paved with elegance in those days and with some of the world's finest shops. Quality merchandise poured in from the four corners of the world and I would feast my eyes on it as merchants proudly displayed it. The Community theatre was the only cinema on Lincoln Road. The Colony theatre followed but no dime stores or general shops—nothing ordinary for Lincoln

Road—just ultra for the Rolls Royce clientele.

When Annenberg sold the Miami Tribune to the Miami Herald to buy the Philadelphia Enquirer, it was time for the Bruuns to return north.

My Manhattanite Josephine tried to make a city boy cut of her country boy and insisted I try the big city, New York. I really tried. My last connection was with Dun and Bradstreet when I jumped at the opportunity to return to Florida.

I just couldn't shake that sand out of my shoes, I guess. It was John D. Montgomery who opened the door. He sent one of his emissaries to woo me away from New York which didn't take much doing.

He asked me to join his staff to help build his struggling Miami Beach Sun.

How to break the news to my city girl Josephine:

"I'm sick and tired of being pushed in subways"—I said, these people with their blank expressions without enough interest or curiosity to even visit their Statue of Liberty!

I'm going back where I can breathe and live! Join me or stay—the choice is yours," I said. We were on our way.

Once again, with undaunted faith and boundless energy, I started to build a mountain. I was selling advertising at an unbelievably ridiculous rate on a commission basis and often collecting bills get my pay. Soon I was covering amusements, writing a daily column as well.

World War II brought all kinds of involvement. I was determined to serve my country one way or another, if not in the military service, then at home. There was a lot of work to be done.

1944: Shepard Broad prevailed upon my boss John Montgomery to get me to go to Washington as their local Christian spokesman for the Zionist movement to help establish a homeland for the Jews in Israel.

Late in March while expecting momentarily our first born, I left in Montgomery's borrowed overcoat across my shoulders (it was too small) and a one-way ticket to Washington to speak on behalf of my Jewish brethren.

It was a great honor to be chosen by a people of my community as their Christian representative and spokesman. Perhaps I could convey their story and plead their cause as an unbiased citizen.

When Josephine wondered how I was going to return to Florida on a one-way ticket, with travel being frozen and the military having priority again I confidently replied, "Have no fear. Once in Washington, I'll have no problem getting a return ticket."

My mission accomplished, everyone fled and I was left in a lurch without a ticket home. Thank God for friends!

One call to New York City to our very dear, esteemed friend, Dr. M. Rosen, and he immediately had me on the right train home. I returned to Miami Beach in time to greet our first born, Paul Marius Bruun II, seated here today, and to convey Washington's message in some of our Miami Beach Temples.

One of the projects dear to my heart is Variety Children's Hospital. I had the privilege of being its second president, known in theatrical parlance in those days as "Chief Barker", I guess because they barked loudly and long to get the financial aid needed and no one could bark louder than this Bruun especially when it came to children's needs.

One day I received a call from George Hoover of Paramount Pictures, now president of Variety Children's Hospital, asking me to join Variety. "I didn't tell him I didn't know the meaning of 'Variety,' but I sure wasted no time learning all about it the moment he hung up." As many of you probably know Variety, a theatrical charity organization, originated in Pittsburgh when a foundling was found in a theatre. Ever since, Variety has become International with chapters throughout the world dedicated to children's welfare.

We can't discuss Variety Children's Hospital without mentioning the late Jack Bell, noted Herald columnist Bell and I co-chaired the once highly successful $100,000 yearly Variety campaign by getting 1000 people to give $100 each towards Variety Children's Hospital.

This was when $1.00 was a dollar! We had many trials and tribulations in those early days, but we managed to keep the doors open, even at the threat of mortgaging our very homes though it didn't get to this stage.

Today, needless to say, Variety Children's Hospital is one of the finest children's institutes anywhere, nurtured by such spirited ladies as Bernice Meinicker and her growing family of charming women, a group I have threatened to enlist or have on my team any day.

Life is a constant battle against the evils that plague mankind. One of the worst is cancer. This was one of the greatest challenges of my crusading career, and I am proud to have shared in its fight.

I remember being with the late Walter Winchell when we kicked off the fundraising drive in the gardens of Walter Jacob's Lord Tarleton Hotel. Incidentally, Walter is here today. This became a "do or die" campaign. I had plenty of help, headed by the vivacious Lillian Wolf and her crew of dedicated ladies who undertook to raise the first $25,000 for Cancer. We finally ended up with $90,000 in cash—no pledges—by early spring after the winter season was over.

I even went to New York at my own expenses, for you must remember, I was still working for a living, to experience going through the Presbyterian Memorial Hospital to see what was being done for our Cancer patients.

Later I succeeded in getting an additional $100,000 from Walter Winchell's Damon Runyon Cancer Fund towards our campaign. This was the beginning of the Dr. Papanicoleau Cancer Research Institute in Miami, F.orida. I stayed with it until ground was broken and the Herald photographs took their shots.

This is the only drive tinged with sadness because of the powers that be who made use of the funds in the bank as they saw fit without even the courtesy of telling me. Obviously, my crusading work for Cancer was over, but I had the distinct pleasure and privilege of spearheading what is now the Dr. Papanicolaeu Cancer Research Institute in Miami, Fla.

Life goes on, I continued serving my community the best I could. Being a working boy rich in spirit, it was only natural for me to give of myself. No game or sport on earth can equal the happy feeling of being able to contribute in any measure to the good of all.

I had the satisfaction of lending a hand to the late Richard Barenson movement to establish the Children's Cardiac Hospital.

Launching the Cerebral Palsy Telethon was a great campaign. The late Henry Cove helped to keep the idea alive and at the end I was the only one who stayed with him. Finally, we managed to get WTVJ, our only TV station at the time, to go along with us and the First Cerebral Palsy Telethon was launched not without much deliberation at first about hour and dates.

We took in all of $86,000 with little or no expenses attached. Again, it was a lot of money in those days including many sleepless nights and a lot of sweat! This was during the day when all my theatrical friends pitched in and contributed generously of their talents. This was truly a noble achievement for a great cause, I must say, one that paid off handsomely in satisfaction.

But it was such an exiciting and successful campaign that it soon became a great promotional stunt and publicity gimmick. Cerebral Palsy was well on its way and soon became big business. While my pioneering in it was over, I was pleased to know I had launched the first drive and had given the community renewed hope and fight against this evil.

I don't rightly remember how many thousands of dollars were raised in the fight against polio—a campaign led by such stalwarts as Judge Holt, Florida pioneers, Claire Weintraub and Jack Oleary.

During the 40's Miami Beach was known partially for its new yearly hotels. The slogan here used to be "Which is going to be the new hotel this year!"

"As the Fontainebleau neared completion for the approaching season I ran in my column, "Why not dedicate it to our two hospitals, namely, St. Francis Hospial, known as our Community hospital and the first in Miami Beach, and Mt. Sinai."

Upon reading the item, Ben Novack called me immediately and said, "Go ahead!" I quickly contacted the beloved Sister Magdalene, Administrator of St. Francis Hospital at that time, and Fred Snite, Chairman of the Board of St. Francis Hospital, who together with Max Orowitz, head of Mt. Sinai Hospital, accepted the idea.

A date was set. Tickets were printed. The opening of the Fontainebleau was the biggest gala ever staged to that date. We even had the Mayor of Fontainebleau, France, and other French dignitaries in for the occasion. Stars, including the then most popular Patty Page, flew down at their own expense to entertain. Two dedicated souls picked up the dinner check.

They were Max Orowitz of Mt. Sinai Hospital and Fred Snite, Chairman of the Board of St. Francis. The evening netted $80,000—$40,000 for St. Francis and $40,000 to Mt. Sinai. Again, this was big money in those days when we dealt in dollars.

The Miami Beach high school always found a champion in me. Nothing gave me more pleasure than to help students take off on their nationwide debating competition and a thrill to see them return winners. We promoted such little things as air-conditioning for the practice hall for the school band.

It was just as much fun getting a high school bus for their extra curricular activities.

Clothing drives for disaster areas everywhere, including foreign countries were part of our extracurricular activity. And it was lots of work but fun too with the help of such spirited citizens as the late Muriel Hirsch Pick, known for her big hats whom I affectionately dubbed, "The Hat," a title she enjoyed to her parting day.

First Havana International Golf Tournament: "I even had the privilege of staging the first Havana International Golf Tournament, prior to the advent of Castro, when I sold a lot of advertising in Cuba and had a syndicated column in one of their Havana papers.

Batista gave me $20,000 which, together with contributions from all the hotels, including that of my late friend, Jerry Brooks who aided me immeasurably, we were able to launch Cuba's first international golf tournament. We held a Calcutta because gambling was legal. This was quite an experience because shortly thereafter Castro stepped in and wrecked all friendly relations.

Meanwhile the Miami Beach Sun had been launched and well on its way. I was still on a commission basis and while John Montgomery never offered me a salary, he gave me much more; he gave me the greatest gift any publisher can give an employee and that is Carte Blanche to work as I saw fit—a great challenge—and his priceless confidence which I shall always esteem.

Finally, Montgomery sold out to the late George B. Storer, an independent radio and TV operator, to return to his Kansas paper. I continued on the Miami Beach Sun until

I had accumulated 19 years and 50 weeks of service to the Sun and to my community.

After having been named publisher, I arrived at my desk one morning to be greeted by my good friend and Sun Executive, Willie E. Rine, with, "I have bad news for you. You are no longer with the organization." Thereupon I replied, "What makes you think it's not bad news for you? I still have Paul Bruun. You have nobody!" (Incidentally, I never learned the reason).

I was so disgusted I wanted to leave town and go into an entirely different business, but some of my good friends, such as Ben Novack and Hank Meyer, persuaded me to stay and start a paper of my own. Hank even christened it The Miami Beach Reporter.

The Miami Beach Sun changed hands four times after I left when I bought it and incorporated it with The Miami Beach Reporter. And that is how The Miami Beach Sun Reporter was born.

The rest is history. Expansions are costly and I needed financial help. That's when Panax of Michigan stepped in, leasing my Printing Press with option to buy the paper within five-years. They picked up the option Dec. 1, 1976, as you all know. We wish them luck.

We will have a voice and a daily column and there's still plenty of work to be done.

Senior citizens meals: In recent years I instigated with the help of friends MEALS ON WHEELS for Sr. citizens, and for the many forgotten children of Miami Beach, we have managed to launch the "Send a Beach Child to Camp" campaign with the aid of our generous friends and noble workers such as Mrs. Dorothy Michelson and Mrs. Deanie Javer, my former secretary. Thanks to all the wonderful citizens who have made it possible to give these youngsters a taste of a better life.

No man ever works alone or achieves success all by himself. An organization is only as good as its employees, and I have been blessed with some of the best.

Now, if you will permit me, I should like to thank my most loyal Miami Beach Sun Reporter employees that stood by me, through lean years—many are here today and some are continuing with Panax, including my former loyal secretary, Mrs. Deanie Javer and my most capable comptroller, Mrs. Barrie Sano. These two indefatigable ladies I understand, dreamed up the recent luncheon to gather some of my many friends who have stood by me these many years and with whom we have shared many an interesting moment.

You see, I really haven't done very much in the face of those far more gifted and richer than I. I have simply enjoyed giving humbly of my God-given talents and sometimes not so humbly when it came to taking money from my affluent friends for the needy. I have done it the hard way. I feel sorry for the youth that starts at the top today, for he will never know that ecstatic feeling of achievement that comes from mounting that ladder step by step while pausing to help others less fortunate along the way.

Giving is exciting and beautiful. I wouldn't change my life with all its hard knocks, including ill health, for all the world!

There's one thing I have never been able to do and that is to say, "No", to suffering humanity, even when someone popped into intensive care to see me with a painful problem.

This is my life and my town. I consider it a privilege to be able to serve both God and man. Whenever anyone complains about the weather, I simply ask "What have you done to make this a more beautiful day?"

It gets me in trouble sometimes with my wife, Josephine, who fears for my health. Years ago, our longtime friend, Peggy Simonds, then of the Daily News, said to her, "Whenever anyone pops in to see me with a problem, I cut him short and tell him, 'The one you want to see is Paul Brunn.'"

To which the irate Josephine retorted, "Thought you were a friend!" "I am!" insisted Peggy, "but your Paul loves helping people. I just can't!"

PERSONAL EXPLANATION

(Mr. HAMMERSCHMIDT asked and was given permission to extend his remarks at this point in the RECORD).

Mr. HAMMERSCHMIDT. Mr. Speaker, earlier this afternoon, I was on the Senate side of the Capitol in room S–138, meeting with members of the Arkansas Home Builders Association to discuss legislative problems and concerns.

Unfortunately, not being notified from the House side when votes were taken under suspension of the rules, I missed being on the House floor to cast my vote on the first four measures considered.

Had I been present, I would have voted as follows:

H.R. 5562, relating to Val-Kill National Historic Site, "yea."

H.R. 6692, extension of Education to Handicapped Act, "yea."

H.R. 6668, to amend Age Discrimination Act of 1977, "yea."

H.R. 6774, technical amendments to Higher Education Act, "yea."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FISH (at the request of Mr. RHODES), for today, on account of illness in the family.

Mr. COLEMAN (at the request of Mr. RHODES), for today, on account of official business.

Mr. DRINAN (at the request of Mr. WRIGHT), for Friday, May 6, on account of official committee business.

Mr. BURGENER (at the request of Mr. RHODES), for today and the balance of the week on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. PETTIS) and to revise and extend their remarks and include extraneous matter:)

Mr. SARASIN, for 5 minutes, today.
Mr. HYDE, for 5 minutes, today.
Mr. COUGHLIN, for 15 minutes, today.
Mr. RAILSBACK, for 5 minutes, today.

(The following Members (at the request of Mr. FLIPPO) and to revise and extend their remarks and include extraneous matter:)

Mr. ICHORD, for 60 minutes, today.
Mr. KOCH, for 10 minutes, today.
Mr. ASPIN, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. MCKAY, for 15 minutes, today.
Mr. BONKER, for 5 minutes, today.
Mr. DRINAN, for 5 minutes, today.
Mr. VANIK, for 5 minutes, today.
Mr. MITCHELL of Maryland, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PHILLIP BURTON, on H.R. 5562 in the House today.

(The following Members (at the request of Mrs. PETTIS) and to include extraneous matter:)

Mr. SARASIN.
Mr. YOUNG of Florida in five instances.
Mr. BROWN of Ohio.
Mr. DERWINSKI in two instances.
Mr. WHITEHURST in two instances.
Mr. KEMP.
Mr. BROOMFIELD.
Mr. GRASSLEY.

Mr. COLLINS of Texas in three instances.

Mr. STEERS.
Mr. SYMMS.
Mr. BOB WILSON.
Mr. FRENZEL in five instances.

(The following Members (at the request of Mr. FLIPPO) and to include extraneous matter:)

Mr. RODINO.
Mr. FISHER.
Mr. MOAKLEY.
Mr. ANNUNZIO in six instances.

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. BROWN of California in 10 instances.

Mr. ROGERS in five instances.
Mr. FRASER.
Mr. DANIELSON.
Mr. BONKER.
Mr. SIMON.

Mr. MURPHY of Illinois in two instances.

Ms. OAKAR.
Ms. SCHROEDER.
Mr. DRINAN.
Mr. RANGEL.
Mr. VANIK in two instances.
Mr. EILBERG.
Mr. JONES of Tennessee.
Mr. MCDONALD in two instances.
Mrs. MEYNER.
Mr. HARRINGTON.
Mr. LUKEN.
Mr. YOUNG of Missouri.
Mr. WAXMAN.
Mr. BINGHAM in 10 instances.
Mr. PANETTA.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 305. An act to amend the Securities Exchange Act of 1934 to require issuers of securities registered pursuant to section 12 of such Act to maintain accurate records, to prohibit certain bribes, and for other purposes; to the Committee on Interstate and Foreign Commerce.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on May 6, 1977 pre-

sent to the President, for his approval, a bill of the House of the following title:

H.R. 4876. Making economic stimulus appropriations for the fiscal year ending September 30, 1977, and for other purposes.

ADJOURNMENT

Mr. FLIPPO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 42 minutes p.m.), the House adjourned until tomorrow, Tuesday, May 10, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1439. A letter from the Postmaster General, transmitting a draft of a proposed concurrent resolution to authorize the use of air space over First Street, N.E. to construct a bridge for the transfer of mail between Union Station and the Washington City Post Office; to the Committee on the District of Columbia.

1440. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Navy to offer to sell certain defense equipment to the United Kingdom (Transmittal No. 77–29), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

1441. A letter from the Director, Defense Security Assistance Agency; transmitting notice of the intention of the Department of the Army to offer to sell certain defense equipment to Saudi Arabia (Transmittal No. 77–32), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

1442. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Navy to offer to sell certain defense services to Saudi Arabia (Transmittal No. 77–33), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

1443. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Army to offer to sell certain defense equipment to Greece (Transmittal No. 77–34), pursuant to section 36(b) of the Arms Control Act; to the Committee on International Relations.

1444. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice; transmitting copies of orders entered in the cases of certain aliens found admissible to the United States, pursuant to section 212(a)(28)(I)(ii) of the Immigration and Nationality Act (66 Stat. 182); to the Committee on the Judiciary.

1445. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, pursuant to section 212(d)(6) of the act (66 Stat. 182); to the Committee on the Judiciary.

1446. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a Corps of Engineers report on the Upper Baker Project, Skagit River Basin, Wash., pursuant to section 209 of the Flood Control Act of 1962 (H. Doc. No. 95–149); to the Committee on Public Works and Transportation and ordered to be printed.

1447. A letter from the Chairman, U.S. International Trade Commission, transmitting a draft of proposed legislation to provide authorization of appropriations for the U.S. International Trade Commission for fiscal year 1979; to the Committee on Ways and Means.

1448. A letter from the Comptroller General of the United States, transmitting a report on problems the Navy encountered in providing logistical support for the Mark-48 torpedo (LCD–76–451, May 9, 1977); jointly, to the Committees on Government Operations, and Armed Services.

1449. A letter from the Comptroller General of the United States, transmitting a report on the need for more definitive cost information in NASA's Space Shuttle facility program (PSAD–77–17, May 9, 1977); jointly, to the Committees on Government Operations, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. REUSS: Committee on Banking, Finance and Urban Affairs. H.R. 5959. A bill to revise and extend the Renegotiation Act of 1951; with amendment (Rept. No. 95–270). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4992. A bill to amend the Indian Financing Act of 1974 by revising the appropriations authorization for the Indian business development program; with amendment (Rept. No. 95–271). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. House Joint Resolution 424. Joint resolution to authorize the Administrator of General Services to accept land, buildings, and equipment, without reimbursement, for the John Fitzgerald Kennedy Library, and for other purposes (Rept. No. 95–273). Referred to the Committee of the Whole House on the State of the Union.

Mr. ZABLOCKI: Committee on International Relations. H.R. 6384. A bill to amend the Foreign Assistance Act of 1961 to authorize international security assistance programs for fiscal year 1978, to amend the Arms Export Control Act to make certain changes in the authorities of that act, and for other purposes (Rept. No. 95–274). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. H.R. 6810. A bill to amend and extend title II of Public Law 94–369, to establish a new title to the State and Local Fiscal Assistance Act of 1972, and for other purposes; with amendment (Rept. No. 95–275). Referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. CHARLES H. WILSON of California: Committee on Armed Services. H.R. 6566. A bill to authorize appropriations for the use of the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes; with amendments (Rept. No. 95–272, pt. I). Referred to the Committee on Science and Technology for the period ending not later than May 16, 1977, for considerations of such portions of title I relating to nonmilitary nuclear energy research and development as fall within that committee's jurisdiction under rule X, clause 1(r). And ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AKAKA:

H.R. 7000. A bill to clarify certain provisions of the Barber's Point deep-draft harbor project at Oahu, Hawaii; to the Committee on Public Works and Transportation.

By Mr. BALDUS:

H.R. 7001. A bill to amend the Federal Election Campaign Act of 1971 with respect to the filing of reports with State officers; to the Committee on House Administration.

By Mr. BINGHAM:

H.R. 7002. A bill to provide benefits, training, and other forms of readjustment assistance to workers affected by the termination of major Government procurement programs, and to provide a tax credit for hiring certain retrained workers; jointly, to the Committees on Education and Labor, and Ways and Means.

By Mr. BEVILL (for himself, Mr. MANN, Mr. HOLLAND, and Mr. FLOWERS):

H.R. 7003. A bill to amend section 4941 of the Internal Revenue Code of 1954, and section 101(1)(2) of the Tax Reform Act of 1969; to the Committee on Ways and Means.

By Mr. EILBERG (for himself, Mr. NIX, Mr. MYERS of Pennsylvania, Mr. LEDERER, Mr. DODD, and Mr. SCHULZE):

H.R. 7004. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to authorize group life insurance programs for public safety officers and to assist State and local governments to provide such insurance, and for other purposes; to the Committee on the Judiciary.

By Mr. ERLENBORN (for himself, Mr. BUTLER, Mr. COLLINS of Texas, Mr. DUNCAN of Tennessee, Mrs. FENWICK, Mr. HAGEDORN, Mr. KETCHUM, Mr. QUIE, and Mr. YOUNG of Florida):

H.R. 7005. A bill to amend the Federal Election Campaign Act of 1971 to prohibit certain political committees from making contributions to any candidate, and for other purposes; to the Committee on House Administration.

By Mr. FRENZEL:

H.R. 7006. A bill to amend the U.S Information and Educational Act to permit the distribution of the film "Winter Count"; to the Committee on International Relations.

By Mr. HANNAFORD:

H.R. 7007. A bill to terminate age discrimination in employment; to the Committee on Education and Labor.

By Mr. HYDE:

H.R. 7008. A bill to provide procedures for calling constitutional conventions for proposing amendments to the Constitution of the United States, on application of the legislatures of two-thirds of the States, pursuant to Article V of the Constitution; to the Committee on the Judiciary.

H.R. 7009. A bill to amend title 18, United States Code, relating to the production of false documents or papers of the United States, and the use of false information in obtaining official documents and papers of the United States, involving an element of identification; to the Committee on the Judiciary.

By Mr. RODINO (for himself, Ms. HOLTZMAN, Mr. GUDGER, Mr. EVANS of Georgia, Mr. HYDE, Mr. EILBERG, Mr. FLOWERS, Mr. DRINAN, Mr. MAZZOLI, Mr. FISH, Mr. BADILLO, Mr. BI-

AGGI, Mr. BLANCHARD, Mr. CARNEY, Mr. FRASER, Mr. GONZALEZ, Mr. LEHMAN, Mr. MIKVA, Mr. NOLAN, Mr. OBERSTAR, Mr. PATTEN, Mr. PATTERSON of California, Mr. TSONGAS, and Mr. VENTO):

H.R. 7010. A bill to provide for grants to States for the payment of compensation to persons injured by certain criminal acts and omissions, and for other purposes; to the Committee on the Judiciary.

By Mr. HEFTEL:

H.R. 7011. A bill to amend titles 32 and 37 of the United States Code to authorize the establishment of a National Guard in and for American Samoa; to the Committee on Armed Services.

By Mr. LEHMAN (for himself, Mr. ROUSSELOT, Mr. SOLARZ, Mrs. SCHROEDER, Mr. LEACH, Mr. RYAN, and Mr. HOWARD):

H.R. 7012. A bill to provide for a 40 percent reduction of the burden on respondents in the censuses of agriculture, drainage, and irrigation taken in 1979 and thereafter, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LLOYD of California (for himself, Mr. BEDELL, Mr. BONIOR, Mr. FREY, Mr. GLICKMAN, Mr. HANNAFORD, Mr. HAWKINS, Mr. JEFFORDS, Mr. JENRETTE, Mr. LAFALCE, Mrs. LLOYD of Tennessee, Mr. MADIGAN, Mr. MITCHELL of New York, Mr. NOLAN, Mr. PATTERSON of California, Mr. PEPPER, Mr. PURSELL, Mr. VENTO, Mr. WHITEHURST, Mr. WINN, and Mr. YOUNG of Alaska):

H.R. 7013. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for installing solar energy equipment in residential buildings, to provide low-interest loans under the Energy Research and Development Administration for such installations, and for other purposes; jointly to the Committees on Ways and Means, and Banking, Finance and Urban Affairs.

By Mr. McCLOSKEY (for himself and Mr. BLOUIN):

H.R. 7014. A bill to establish an Agency for Consumer Advocacy in order to secure within the Federal Government effective protection and representation of the interests of consumers, and for other purposes; to the Committee on Government Operations.

By Mr. MARTIN (for himself, Mr. FISH, Mr. McDONALD, Mr. MOTTL, Mr. SNYDER, and Mr. YOUNG of Missouri):

H.R. 7015. A bill to amend the Federal Food, Drug, and Cosmetic Act to authorize an evaluation of the risks and benefits of certain food additives and to permit the marketing of saccharin until such an evaluation can be made of it; to the Committee on Interstate and Foreign Commerce.

By Mr. O'BRIEN (for himself, Mr. COLLINS of Texas, Mr. KETCHUM, Mr. WHITEHURST, Mr. DERWINSKI, Mrs. MEYNER, Mr. BADHAM, Mr. BURGENER, Mr. JONES of Oklahoma, Mr. GOODLING, Mr. SPENCE, Mr. McCLORY, and Mr. KEMP):

H.R. 7016. A bill to amend the United Nations Participation Act of 1945 to allow the importation of certain strategic materials which are shipped from a country, other than Southern Rhodesia, under a contract entered into before March 18, 1977, and which the seller certifies are not of Southern Rhodesian origin; to the Committee on International Relations.

By Mr. PANETTA (for himself, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. MURPHY of Pennsylvania, Mr. PATTERSON of California, Mr. PRITCHARD, Mr. RYAN, Mr. SISK, Mrs. SPELLMAN, Mr. STARK, Mr. STEERS, and Mr. VENTO):

H.R. 7017. A bill to permit teachers to change employment across State lines without substantial loss of retirement benefits; to the Committee on Education and Labor.

By Mr. QUILLEN (for himself and Mr. YOUNG of Alaska):

H.R. 7018. A bill to amend title 38 of the United States Code to revise certain administrative requirements of the veterans' educational program, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. RAILSBACK:

H.R. 7019. A bill to eliminate racketeering in the sale and distribution of cigarettes, and for other purposes; to the Committee on the Judiciary.

By Mr. SCHEUER (for himself, Mr. WAXMAN, Mr. BENJAMIN, Mr. FITHIAN, Mr. MOORHEAD of California, Mr. MURPHY of New York, and Mr. STEERS):

H.R. 7020. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit with respect to housing senior citizens in the principal residence of the taxpayer; to the Committee on Ways and Means.

By Mr. SLACK:

H.R. 7021. A bill to amend title 39, United States Code, to alter the organizational structure of the U.S. Postal Service, to revise the procedure for adjusting postal rates and services, and for other purposes; to the Committee on Post Office and Civil Services.

By Mr. STAGGERS (by request):

H.R. 7022. A bill to amend the Federal Railroad Safety Act of 1970 to direct the Secretary of Transportation to issue regulations requiring railroad locomotives and cabooses to be equipped with bulletproof material; to the Committee on Interstate and Foreign Commerce.

By Mr. THONE:

H.R. 7023. A bill to amend the National Housing Act to provide for Individual Housing Accounts, and for other purposes; to the Committee on Ways and Means.

By Mr. VENTO:

H.R. 7024. A bill to provide a national home-delivered meals program for the elderly; to the Committee on Education and Labor.

By Mr. WHITEHURST:

H.R. 7025. A bill to provide for the regulation or charges by certain State-owned carriers in the foreign commerce of the United States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 7026. A bill to provide for minimum rate provisions by nonnational carriers in the foreign commerce of the United States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WHITEHURST (for himself, Mr. BAUCUS, Mr. ERTEL, Mr. GEPHARDT, Mr. GLICKMAN, Mr. JENRETTE, Ms. MIKULSKI, and Mr. WOLFF):

H.R. 7027. A bill to amend the National Housing Act to provide for the insurance of graduated payment mortgages, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BEDELL (for himself, Mr. BAUCUS, Mr. BLOUIN, Mr. BONIOR, Mr. CORMAN, Mr. EDWARDS of California, Mr. GEPHARDT, Mr. JENRETTE, Mr. MOORHEAD of Pennsylvania, Mr. NOLAN, Mr. PATTERSON of California, Mr. SKELTON, Mr. STARK, Mr. THOMPSON, and Mr. TSONGAS):

H.J. Res. 449. Joint resolution to support the goals of the U.S. delegation to the Law of the Sea Conference in reaching an equitable and effective international agreement; to the Committee on International Relations.

By Mr. GRADISON:

H.J. Res. 450. Joint resolution proposing an amendment to the Constitution of the United States relative to the assignment of public school students; to the Committee on the Judiciary.

By Mr. MINISH (for himself and Mr. ANNUNZIO):

H.J. Res. 451. Joint resolution to establish the Kosciuszko Trail; to the Committee on Interior and Insular Affairs.

By Mr. PEPPER:

H.J. Res. 452. Joint resolution to provide the authority for the President to call a White House Conference on Aging in 1981, and for other purposes; to the Committee on Education and Labor.

By Mr. RODINO:

H. Con. Res. 217. Concurrent resolution to provide for the printing of a revised edition of "The Constitution of the United States of America"; to the Committee on House Administration.

By Mr. COUGHLIN (for himself, Mr. ANDERSON of Illinois, Mr. ARMSTRONG, Mr. BAUMAN, Mr. BUTLER, Mr. CLEVELAND, Mr. EVANS of Delaware, Mrs. FENWICK, Mr. FRENZEL, Mr. FREY, Mr. HYDE, Mr. LEACH, Mr. MOORE, Mr. PRITCHARD, Mr. REGULA, Mr. STEERS, Mr. STEIGER, and Mr. WALKER):

H. Res. 550. Resolution to provide that the fixing or adjustment of certain allowances of Members, officers, and committees of the House of Representatives may be carried out only through the adoption of a resolution by the House; to the Committee on House Administration.

H. Res. 551. Resolution to amend the Rules of the House of Representatives to require that the Clerk make available for public inspections all financial records in his possession or under his control respecting Members and committees of the House; to the Committee on Rules.

H. Res. 552. Resolution to amend the Rules of the House of Representatives to require that employees of the House periodically file statements with the Clerk disclosing the names of any Members to whom they are related and that the Clerk make these statements available for inspection; to the Committee on Rules.

H. Res. 553. Resolution to amend the rules of the House of Representatives to prohibit closed rules, and for other purposes; to the Committee on Rules.

By Mr. HARRINGTON:

H. Res. 554. Resolution to direct the Committee on Interstate and Foreign Commerce to make an investigation and study of telecommunications policy; to the Committee on Rules.

By Mr. McDONALD (for himself, Mr. BAFALIS, Mr. BARNARD, Mr. BAUMAN, Mr. BEARD of Tennessee, Mr. BEVILL, Mr. BRINKLEY, Mr. BUCHANAN, Mr. BURKE of Florida, Mr. BYRON, Mr. COCHRAN of Mississippi, Mr. DAVIS, Mr. EMERY, Mr. EVANS of Georgia, Mr. FLIPPO, Mr. GINN, Mr. GUDGER, Mr. GUYER, Mr. HALL, Mr. HILLIS, Mr. JONES of North Carolina, Mr. JONES of Tennessee, Mr. MARRIOTT, Mr. MITCHELL of New York, and Mr. MOTTL):

H. Res. 555. Resolution to amend the Rules of the House of Representatives to establish the Committee on Internal Security, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AKAKA:

H.R. 7028. A bill for the relief of the Rev. Jaime S. Neri; to the Committee on the Judiciary.

H.R. 7029. A bill for the relief of Keiko Miyanaga; to the Committee on the Judiciary.

By Mr. PHILLIP BURTON:

H.R. 7030. A bill for the relief of Chang Tze Vong; to the Committee on the Judiciary.

H.R. 7031. A bill for the relief of Ho Chiu Chang; to the Committee on the Judiciary.

H.R. 7032. A bill for the relief of Chang Lee Young Loh; to the Committee on the Judiciary.

By Mr. DUNCAN of Oregon:

H.R. 7033. A bill for the relief of Youngsoon Choi; to the Committee on the Judiciary.

By Mr. SARASIN:

H.R. 7034. A bill for the relief of Karen Anh Ferries AKA: Thi Kim Anh Nguyen; to the Committee on the Judiciary.

By Mr. VOLKMER:

H.R. 7035. A bill for the relief of Crisanto S. Gualberto, M.D., Thelma Castro Gualberto, Tina Gualberto, and Lala Gualberto; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 6655

By Mr. ERTEL:

Page 48, after line 3, insert the following new section:

LAND-USE REQUIREMENTS UNDER THE NATIONAL FLOOD INSURANCE ACT OF 1968

SEC. 215. Section 1361 of the National Flood Insurance Act of 1968 is amended by adding the following new subsection at the end thereof:

"(d) In carrying out the provisions of this section or any other section of this Act, the Secretary may not require that State, local, or any other measures referred to in subsection (c) apply to any repair, reconstruction, or improvement to a structure unless the cost of such repair, reconstruction, or improvement exceeds 80 percent of the market value of this structure prior to such repair, reconstruction, or improvement or, in the case of a structure which has been damaged, prior to such damage."

By Mr. HANNAFORD:

Page 3, strike out line 9 and all that follows through line 24 and redesignate the subsequent paragraphs accordingly.

Page 11, strike out line 9 and all that follows through line 20 or page 13 and insert in lieu thereof:

SEC. 106. (a) Section 106(c) of such Act is amended—

Page 14, strike out line 6 and all that follows through line 21 on page 17.

Page 17, line 22, strike out "(f)" and "(c)", and insert in lieu thereof "(b)" and "(e)", respectively.

Page 18, line 3, strike out "(g)" and insert in lieu thereof "(c)".

Page 18, strike out line 4 and all that follows through line 20 on page 21.

Page 21, line 21, strike out "(2)" and insert in lieu thereof "(1)".

Page 21, line 24, strike out "(3)" and insert in lieu thereof "(2)".

Page 22, strike out line 1 and all that follows through line 14.

Page 22, line 15, strike out "(j)" and insert in lieu thereof "(d)".

Page 22, line 21, strike out "; and" and insert in lieu thereof a period.

Page 22, strike out lines 22 and 23.

Page 22, line 24, strike out "(k)" and insert in lieu thereof "(e)".

By Mr. GARY A. MYERS:

Section 604 is amended by adding after "eighteen months" the first time it appears therein the following: "or, in the case of aggregate structural defects exceeding $1,000, beginning thirty-six months".

Section 604 is further amended by striking out "eighteen months" the third time it appears therein and inserting "thirty-six months" in lieu thereof.

Page 59, line 1, after "eighteen months" insert "or, in the case of aggregate structural defects exceeding $1,000, beginning thirty-six months".

Page 59, line 14, strike out "eighteen months" and insert in lieu thereof "thirty-six months".

Page 59, line 1, after "eighteen months" insert "or, in the case of aggregate structural defects exceeding $1,000, beginning thirty-six months".

Page 59, line 12, strike out "eighteen months" and insert in lieu thereof "thirty-six months".

By Mr. PATTERSON of California:

Page 10, after line 4, insert the following:

(e) Section 104 of such Act is amended by adding the following new subsection at the end thereof:

"(i)(1) The Secretary shall, in making funds available to the recipients of grants under this title, permit any such recipient to receive funds, in one payment, in an amount not to exceed the total amount designated in the recipient's application, and approved by the Secretary pursuant to this section, for use by the recipient for establishing a revolving loan fund which is to be established in a private financial institution and which is to be used to finance rehabilitation activities that are part of the recipient's community development program. The Secretary may, as a condition of making such payment, require that the revolving loan fund be utilized for the making of loans to finance rehabilitation activities in a manner consistent with this Act. Rehabilitation activities authorized under this section shall begin within 45 days after the Secretary has made such payment.

"(2) The Secretary shall establish standards for such cash disbursements which will insure that the deposits result in appropriate benefits in support of the recipient's rehabilitation program. These standards shall be designated to assure that the benefits to be derived from the local program include at a minimum one or more of the following elements, or such other criteria as determined by the Secretary—

"(A) Leverage of community development block grant funds so that participating financial institutions commit private funds for loans in the rehabilitation program in amounts substantially in excess of deposit of community development funds;

"(B) Commitment of private funds for rehabilitation loans at below-market interest rates or with repayment periods lengthened or at higher risk than would normally be taken;

"(C) Provision of administrative services in support of the rehabilitation program by the participating lending institution; and,

"(D) Interest earned on such cash deposits shall be used in a manner which supports the community rehabilitation program.

At the time of application, the Secretary shall review and approve all agreements with lending institutions which receive funds for community rehabilitation programs. Such approval shall be made on a case-by-case basis, and upon a determination by the Secretary that the agreement with the lending institution meets minimum benefit standards as listed in this paragraph."

Page 13, strike out line 11 and all that follows through "once" in line 14 and insert in lieu thereof the following: "involving the extent of poverty shall be counted three times and each of the other ratios shall be counted once".

By Mr. PEPPER:

Page 8, line 21, after "(B)" insert the following: "'prepared and will follow a written citizen participation plan, which plan provides the opportunity for citizens to participate in the general implementation of the Community Development Program and in the evaluation of how funds received under this title are expended, with special attention to the measures and to scheduled hearings described in clause (A), (C)".

Page 9, line 1, strike out "(C)" and insert in lieu thereof "(D)".

By Mr. STARK:

Page 35, after line 18, add the following new subsection and redesignate the subsequent subsection accordingly:

(f) Section 8 of such Act is amended by adding the following new subsection at the end thereof:

"(i) The Secretary shall issue and implement regulations designed to ensure that at least 20 percent of the newly constructed or substantially rehabilitated dwelling units which are assisted under this section shall be designed and constructed so that physically handicapped persons will have ready access to, and use of, such units."

Page 45, after line 7, add the following new subsection and redesignate the subsequent subsection accordingly:

(b) Section 202(f) of such Act is amended by inserting "(1)" before "In carrying out" and by adding the following new paragraph at the end thereof:

"(2) Subject to approval in appropriation Acts, no commitment for assistance may be made under this section with respect to any project designed and constructed or substantially rehabilitated after the date of enactment of this Act unless the person applying for assistance has given assurances satisfactory to the Secretary of Housing and Urban Development that the project will be designed and constructed in accordance with standards which are issued under the Act entitled 'An Act to insure that certain buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped', approved August 12, 1968, as amended (42 U.S.C. 4151–4156), and which are issued to insure, whenever possible, that physically handicapped persons will have ready access to, and use of, multifamily-rental projects."

By Mr. TAYLOR:

Page 64, after line 5, insert the following new title:

TITLE VII—AMENDMENTS TO FLOOD DISASTER PROTECTION ACT OF 1973

SEC. 701. (a) Section 202(b) of the Flood Disaster Protection Act of 1973 is repealed.

(b) Section 3(a)(4) of such Act is amended by striking out all after "mortgages or mortgage loans" and inserting in lieu thereof the following: "but shall exclude assistance pursuant to the Disaster Relief Act of 1974 (other than assistance under such Act in connection with a flood);".

SENATE—*Monday, May 9, 1977*

The Senate met at 2 p.m. and was called to order by Hon. WENDELL R. ANDERSON, a Senator from the State of Minnesota.

PRAYER

The Reverend Dr. Seth R. Brooks, minister, Universalist National Memorial Church, Washington, D.C., offered the following prayer:

Our Heavenly Father, for all Thy gifts we give Thee humble thanks. So often we turn to Thee to ask Thee to give us. We now ask Thee to make us. Make us grateful for the beauty and mystery of the

universe. Make us loyal and responsible citizens of our country, which has so blest us. Make us courageous, honest, moral, responsible persons. Make us to stand against evil, exploitation, cruelty, and greed as we see them. We would daily go forth to seek, to strive, to find, and not yield.

Thine is the kingdom, the power, and the glory. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 9, 1977.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WENDELL R. ANDERSON, a Senator from the State of Minnesota, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ANDERSON thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, May 5, 1977, be dispensed with

Mr. BAKER. Mr. President, reserving the right to object, and I will not object, I would like to say something for the record. We have before us the question of Senate Resolution 5 which will no doubt be presented to the Senate in one form or the other today. While I will not object to the reading of the Journal today, I wish to say as a matter of accommodation that that may be necessary tomorrow.

Mr. ROBERT C. BYRD. Did I understand the distinguished minority leader to say it would be necessary or it may be necessary?

Mr. BAKER. No; it may be necessary.

Mr. ROBERT C. BYRD. On tomorrow.

I thank the distinguished minority leader.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF CALL OF THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the call of the calendar under rule VIII, as required by rule VII, be waived.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. ALLEN. I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the first nomination on the Executive Calendar.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

OFFICE OF MANAGEMENT AND BUDGET

The second assistant legislative clerk read the nomination of Lester A. Fettig, of Virginia, to be Administrator for Federal Procurement Policy.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. BAKER. Mr. President, if the majority leader will yield to me for a moment, I might say that the Executive Calendar at my desk shows that the nominations on pages 1, 2, 3, 4, and 5 are cleared for consideration and confirmation.

Mr. HARRY F. BYRD, JR. Mr. President, will the majority leader yield?

Mr. ROBERT C. BYRD. Yes.

Mr. HARRY F. BYRD, JR. I would like to ask when the Executive Calendar is called on pages 2, 3, 4, and 5 that the following items be held temporarily: Calendar Nos. 196, 200, 203, 204, and 206.

I might say by way of explanation that on these, involving retirement of high-ranking military officers, I have requested the staff of the Armed Services Committee to make available to the Senate the ages at which these officers are being retired.

Mr. ROBERT C. BYRD. May I assure the distinguished Senator there are holds on those nominations and they will not be taken up until the holds are taken off.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the other nominations on the Executive Calendar.

The second assistant legislative clerk proceeded to read nominations on the Executive Calandar.

The ACTING PRESIDENT pro tempore. Without objection, all nominations, except those noted, are considered en bloc and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF STATE

Wilbert John Le Melle, of New York, Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Kenya.

Mabel Murphy Smythe, of Connecticut, Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Republic of Cameroon.

Ulric St. Clair Haynes, Jr., of Indiana, Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic and Popular Republic of Algeria.

Frederick T. Van Dyk, of Maryland, an Assistant Administrator of the Agency for International Development.

AMBASSADOR

Ralph Earle II, of Pennsylvania, for the rank indicated while serving as Alternate Chairman of the U.S. Delegation to the Strategic Arms Limitation Talks, Ambassador.

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

Spurgeon M. Kenny, Jr., of the District of Columbia, Deputy Director of the U.S. Arms Control and Disarmament Agency.

DEPARTMENT OF DEFENSE

Percy Anthony Pierre, of the District of Columbia, an Assistant Secretary of the Army.

John Patrick White, of California, an Assistant Secretary of Defense.

U.S. AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

Maj. Gen. Arnold W. Braswell, [redacted]R (major general, Regular Air Force), U.S. Air Force, lieutenant general.

The following officer under the provisions of title 10, United States Code, sec. 8066, to be assigned to a position of importance and responsibility designated by the President under subsec. (a) of sec. 8066, in grade as follows:

Maj. Gen. Robert C. Mathis, [redacted]FR (major general, Regular Air Force), U.S. Air Force, lieutenant general.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

Maj. Gen. Bennie L. Davis, [redacted]FR (brigadier general, Regular Air Force), U.S. Air Force, lieutenant general.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

Maj. Gen. Richard L. Lawson, [redacted] FR (colonel, Regular Air Force), U.S. Air Force, lieutenant general.

U.S. ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

Maj. Gen. John Quint Henion, [redacted], U.S. Army, lieutenant general.

The following officers for appointment in the Adjutant General's Corps, Army National Guard of the United States under the provisions of title 10, United States Code, sections 593(a) and 3392:

Brig. Gen. Charles Emerson Murray, [redacted] major general.

Brig. Gen. Grady Smith, Jr. [redacted], major general.

U.S. NAVY

Rear Adm. William L. Read, U.S. Navy, having been designated for commands and other duties determined by the contemplation of title 10, United States Code, section 5231, for appointment to the grade indicated while so serving, vice admiral.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of nominations placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. The nominations will be stated.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, NAVY, AND MARINE CORPS, AND NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

The second assistant legislative clerk proceeded to read nominations placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, all nominations are considered en bloc and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

Air Force nominations beginning John T. Abell, to be colonel, and ending George McKnight, to be colonel, which nominations were received by the Senate on April 8, 1977, and appeared in the Congressional Record on April 18, 1977.

Air Force nominations beginning Richard F. Sellers, Jr., to be captain, and ending Steven M. Wegener, to be second lieutenant, which nominations were received by the Senate on April 8, 1977, and appeared in the Congressional Record on April 18, 1977.

Army nominations beginning Howard G. Glock, to be colonel, and ending Roy H. Warren, to be first lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on April 21, 1977.

Navy nominations beginning Henry T. Adema, to be captain, and ending Joan E. McCauley, to be commander, which nominations were received by the Senate on April 12, 1977, and appeared in the Congressional Record on April 18, 1977.

Marine Corps nominations beginning Robert A. Appel, to be second lieutenant, and ending Charles S. Needels, to be appointed to commissioned grade, which nominations were received by the Senate on April 8, 1977, and appeared in the Congressional Record on April 18, 1977.

Marine Corps nominations beginning Louis R. Abraham, to be colonel, and ending Vea J. Smith, to be colonel, which nominations were received by the Senate and appeared in the Congressional Record on April 21, 1977.

National Oceanic and Atmospheric Administration nominations beginning Ludvik Pfeifer to be commander, and ending Charles M. Huff, to be lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on May 4, 1977.

Mr. ROBERT C. BYRD. Mr. President, I ask that the President be notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONGRESSIONAL BUDGET FOR THE GOVERNMENT, 1978

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. MUSKIE, I ask the Chair to lay before the Senate a message from the House of Representatives on Senate Concurrent Resolution 19, the first concurrent resolution setting forth the congressional budget for fiscal year 1978.

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the concurrent resolution (S. Con. Res. 19) setting forth the congressional budget for the U.S. Government for the fiscal year 1978.

(The amendment of the House is printed in the House proceedings of the RECORD of May 5, 1977.)

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. MUSKIE, I move that the Senate insist upon its amendments and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. MUSKIE, Mr. MAGNUSON, Mr. HOLLINGS, Mr. CRANSTON, Mr. CHILES, Mr. ABOUREZK, Mr. BELLMON, Mr. MCCLURE, Mr. DOMENICI, and Mr. HEINZ conferees on the part of the Senate.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President. I reserve the remainder of my time.

THE PROPOSED AMENDMENT OF THE STANDING RULES OF THE SENATE—SENATE RESOLUTION 5

Mr. BAKER. Mr. President, shortly we will turn our attention to a matter of the call of the general orders calendar, I presume. The first item on that calendar today is Senate Resolution 5.

I would like to make my position clear on this matter. I indicated at the time the majority leader asked unanimous consent to dispense with the reading of the Journal for today that while I would not object today to the reading of the Journal, that it might be necessary on a subsequent day. My reason for doing that would be so that no one would be caught by surprise in the event it is necessary.

Senate Resolution 5 is a matter of great importance not only to the minority in the Senate but, I believe, indeed, to the Senate itself. It covers a wide range of controversial issues. I believe it seriously diminishes the rights of the minority and, indeed, of the majority, as well in some respect. It eliminates certain procedures and protections and creates others.

It is an important resolution that is before the Senate. I do not despair, Mr. President, of the hope that a way can be found to negotiate our way through this difficulty to remove the disagreements that exist. And I would hope for that.

As I discussed with the majority leader on Thursday, before we adjourned, when the Republican Policy Committee meets at luncheon tomorrow I hope to discuss this matter and the several aspects and ramifications of it. I hope that we can find some basis for agreeing to the major provisions of the resolution, or modifying them, so that they are acceptable to most, if not all, the Members on this side of the aisle.

I say these things, Mr. President, so that my colleagues will be aware of my motives and intentions in discussing Senate Resolution 5 at some length today.

It is my hope that we can postpone consideration of this measure until there is an opportunity to explore the possibilities of compromise and accommodation and the matter can be submitted in some detail, together with any suggestions for modification and change, to my colleagues on this side of the aisle.

Mr. President, I reserve the remainder of my time under the standing order.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for transaction of routine morning business for not to exceed 30 minutes.

IMPLEMENTATION OF S. RES. 4: A REPORT ON INITIAL ACCOMPLISHMENTS

Mr. ROBERT C. BYRD. Mr. President, Senate Resolution 4 was adopted by the Senate on February 4, 1977, by a vote of 89 to 1. It was the product of the Select Committee To Study the Senate Committee System, which was chaired by the distinguished junior Senator from the State of Illinois (Mr. STEVENSON).

The accomplishments of that select committee under the able leadership of Senator STEVENSON have greatly improved the efficiency of the Senate and deserve the praise of this body.

Prior to this year, Senators served on an average of 18 committees and subcommittees and were under great pressures to attend meetings and maintain pace with the legislative workloads. Now, during the 95th Congress, Members serve on about 10 or 11 committees and are better able to participate in the business of each committee.

Committees have been reduced in number from 31 to 25 and at least 2 of the 25 are scheduled to expire during this Congress. And subcommittees have been reduced from 174 in 1976 to the present 118 in 1977. Three of those subcommittees are temporary.

By virtue of Senate Resolution 4, the Senate has been able to assign its Members, senior and junior, to committees on a more equitable basis and even freshmen Senators have been given a greater share of committee responsibilities. For example, freshmen Senators now hold eight subcommittee chairmanships.

Senator STEVENSON and his committee recommended the establishment of a computerized method for scheduling committee hearings and other meetings so as to avoid conflicts between committees, allowing Senators to plan their days and not be forced to choose which meetings to attend, as was the case in the past.

These improvements—reduction of committees, more equitable assignment of Members, and scheduling of meetings, among other changes—have substantially improved the efficiency of the Senate and as Members become more familiar with scheduling procedures, I am confident that the legislative flow from committees to the Senate and action on that legislation in the Senate will become even more expeditious and efficient.

The Senate owes Senator STEVENSON much praise for his outstanding achievements, and I take this opportunity to

commend and thank him and the members of his committee.

Mr. President, I ask unanimous consent that a memorandum setting forth the accomplishments of Senate Resolution 4 as prepared by Mr. STEVENSON be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MAY 2, 1977.

To Senator ROBERT C. BYRD.
From Senator STEVENSON.
Re S. Res. 4.

Here is the requested report on the accomplishments of S. Res. 4. It is imperative, e.g., committee and subcommittee assignments reduced by 42%. The Select Committee on the Committee System went out of existence on schedule May 1, returning $50,000 in unused funds to the Treasury. You and Senator Cannon deserve much of the credit. If you do nothing with this, I would like to.

THE IMPLEMENTATION OF SENATE RESOLUTION 4: A REPORT ON INITIAL ACCOMPLISHMENTS

S. Res. 4 was adopted by the Senate by a vote of 89–1 on February 4, 1977, with most of its provisions taking effect in the Senate one week later, on February 11. Since then, it has become clear that the Senate has changed markedly as a result of the provisions of the reorganization. It is difficult to judge systematically the nature of every change, since many provisions of S. Res. 4 become operative in the future, and since the period following implementation has been short. But many quantitative comparisons between the pre-S. Res. 4 Senate and the current Senate can be made. It should be emphasized that, as additional provisions of the reorganization are phased in (including, for example, the expiration of such committees as Nutrition and Human Needs, Indian Affairs, Joint Defense Production, etc., and the provision restricting the subcommittee chairmanships held by full committee chairmen), the initial accomplishments of S. Res. 4 will be strengthened.

INITIAL EFFECTS OF S. RES. 4 ON THE SENATE

Committee and subcommittee assignments and numbers

1. Senators have had committee and subcommittee assignments limited and reduced substantially. In the 94th Congress, Senators served on average on 4 committees and 14 subcommittees, with some serving on as many as 30 or 35 panels. With the implementation of S. Res. 4, Senators currently serve on average on 3 committees and 7.5 subcommittees,* or an overall average of 10.5 assignments. Compared with the 94th Congress average of 18 assignments, this is a reduction of 42 percent.

2. Workload among Senators has been equalized, as the range of assignments has been reduced. Prior to S. Res. 4, Senators' assignments ranged from a low of 7 to a high of 35, with a wide range in between. That variation has been much reduced, now going from 8 to 15. No Senator currently serves on as many committees and subcommittees as the previous average.

3. The number of Senate Subcommittees has been reduced markedly. The total number of subcommittees to all standing, select, special and joint committees is now 118. Compared to the 94th Congress total of 174, this is a 32 percent reduction. Three of these subcommittees are temporary, ad hoc subcommittees of the Select Intelligence Committee, reducing the projected total to 115. The number of subcommittees to standing committees alone has been cut from 140 to 101, a reduction of 28 percent.

4. The number of Senate committees has been reduced. Prior to reorganization, the Senate had 31 committees, including standing, special, select and joint panels. There were 18 standing committees. After reorganization, the Senate has 25 committees, including 15 standing committees. At least two more committees are scheduled to expire in the 95th Congress, bringing the number of committees to 23, or a total reduction of 8.

5. Workload among Senate committees has been equalized with junior Senators getting a larger share of subcommittee chairmanships and ranking minority memberships. S. Res. 4 limited Senators to one subcommittee chairmanship per committee, the first such limitation in Senate rules. Even with the large reduction in the number of subcommittees, junior and freshmen Senators have a greater share of committee workload responsibilities, through subcommittee chairmanships, than they had in the last Congress. In the 94th Congress, freshman Senators held only 2 subcommittee chairmanships on major standing committees—the Small Business Subcommittee on Banking, and the Buildings and Grounds Subcommittee on Public Works, both held by Senator Morgan. In addition, freshman Senators in the 94th Congress held 2 subcommittee chairmanships on Veterans' Affairs, 2 "panels" on Public Works, and 2 ad hoc subcommittees on the Committee on Aeronautical and Space Sciences. Following the implementation of S. Res. 4, 95th Congress freshmen hold 8 chairmanships of standing subcommittees on major standing committees of the Senate, plus 2 vice-chairmanships, for a total of 10. These chairmanships are on such committees as Finance, Judiciary, Banking, Energy and Natural Resources, Foreign Relations, and Governmental Affairs. When Sec. 201(e)(3) of S. Res. 4 takes effect, with the 96th Congress, limiting further the subcommittee chairmanships held by committee chairmen, additional subcommittee chairmanships will open up to junior Senators.

6. *Subcommittee assignments have been handled in a fashion equitable to all Senators.* S. Res. 4 included a provision expressing the sense of the Senate that assignment to subcommittees would be handled in an equitable fashion by committees; namely, that no Senator would receive a second subcommittee assignment until every Senator, in order of seniority, had received one subcommittee assignment, and that no Senator would receive a third subcommittee assignment until all members of the committee had received two assignments. At least 5 standing committees of the Senate have explicitly incorporated this provision in their formal rules, and additional committees have adopted it in practice. As a result, junior Senators and senior Senators have been treated equitably in subcommittee assignments.

Scheduling

7. *Scheduling of committee and subcommittee meetings and coordination of activities among committees and subcommittees have been facilitated.* S. Res. 4 called for the establishment of a computerized scheduling service, to establish and maintain a schedule of all Senate and joint committee and subcommittee meetings. This is in the process of implementation; in the meantime, the *Daily Digest* has been printing a list of all scheduled meetings in the *Congressional Record*, updated daily. These lists run several pages long, and provide information on meetings scheduled as much as ten weeks in advance. They have proven useful in letting committees know about duplications of effort, in allowing Senators to plan their own schedules in advance, in reducing conflicts in meetings, and in informing the Senate and the public about anticipated activities in the body.

8. The number of meetings and hearings conducted by Senate committees and subcommittees, and the resulting scheduling conflicts, have been cut back substantially. While it is too early to tell definitely whether the cutback in the number of committees and subcommittees and in the number of Senators' assignments, the consolidation and reorganization of committee jurisdictions, and scheduling reforms have permanently reduced committee activity and committee scheduling conflicts, the preliminary evidence strongly suggests it. The following tables show total meetings of standing committees and their subcommittees and of select, special and joint committees and subcommittees for comparable periods in 1974, 1975, 1976, and 1977, with the 1977 figures showing meetings after the implementation of S. Res. 4.

SENATE STANDING COMMITTEE AND SUBCOMMITTEE ACTIVITY, PERIOD FROM FEB. 11 THROUGH MARCH 1974–77 [1]

	1974	1975	1976	1977
Full committee meetings	86	139	198	135
Subcommittee meetings	146	148	187	143
Total	232	287	385	278

SELECT, SPECIAL, AND JOINT COMMITTEE AND SUBCOMMITTEE ACTIVITY, PERIOD FROM FEB. 11 THROUGH MARCH 1974–77

	1974	1975	1976	1977
Full committee meetings	25	24	35	21
Subcommittee meetings	11	13	42	14
Total	36	37	77	35

[1] Figures include all standing committees except Appropriations; confirmation hearings are not counted (there were 8 in 1974, 24 in 1975, 26 in 1976, and 54 in 1977). Figures were compnted from Daily Digests.

As these tables clearly indicate, the yearly increases in committee and subcommittee activity were stopped following the implementation of S. Res. 4, and workload among committees was reduced substantially. Though it is impossible to tell what kinds of activity would have existed without the passage of reorganization, it appears that the trend toward increased committee and subcommittee activity was reversed as a result of S. Res. 4.

9. Scheduling conflicts between committees and sessions of the Senate have been reduced. S. Res. 4 prohibits committees from meeting after the first two hours of a floor session, and in no case after 2 p.m. when the Senate is in session, unless consent is obtained from the joint leadership. In addition, S. Res. 4 provides two specified meeting periods for committees, to allow for regular scheduling and to reduce meeting conflicts. With major efforts on the part of the Majority Leader to implement this aspect of S. Res. 4, committee and floor conflicts have been ameliorated, as the following table shows:

SENATE COMMITTEE AND SUBCOMMITTEE MEETINGS, PERIOD FROM FEBRUARY 11 THROUGH MARCH 1974–77

[In percent]

Meetings	1974	1975	1976	1977
Before 2 p.m.	77	75	73	82
2 p.m. or later	23	25	27	18

Committee jurisdictions

10. Jurisdictions of committees have been modernized to reflect current problems and issues. Such areas as rural development, international economic policy, consumer matters, environmental policy, energy policy, research and development, Outer Continental Shelf lands, transportation, science and technology, human resources, and many other

*These figures do not include assignments to committees which are scheduled to be eliminated or consolidated within the next few months.

contemporary areas, are now reflected in the Standing Rules of the Senate.

11. Jurisdictions in vital policy areas have been consolidated in single Senate committees, to reduce fragmentation in policy-making and to coordinate responsibilities. These changes have been reflected in practice. Following implementation of S. Res. 4, 57 bills, 3 resolutions and 1 joint resolution—61 measures in all—were re-referred as a result of reorganization. Six additional bills were re-referred jointly.

12. Comprehensive oversight jurisdiction has been created in numerous areas, where it was not possible to consolidate all authorizing jurisdiction, to provide the Senate with focal points for an overview of important policy areas. These areas, which have never existed before in Senate rules, include international economic policy; transportation policy; consumer affairs; science and technology; environmental protection and resource utilization and conservation; food, nutrition and hunger, nationally and internationally.

13. Jurisdiction over energy policy has been consolidated in a single Committee on Energy and Natural Resources.

14. A permanent Ethics Committee, balanced by party and seniority and with revolving membership, has been created.

Mr. JAVITS. Mr. President, how many minutes do I have?

The ACTING PRESIDENT pro tempore. There is no time limit set.

Mr. JAVITS. Mr. President, I rise to support the minority leader in what he has just said about Senate Resolution 5.

We will have a full opportunity to debate it, but I think our premises should be laid out.

For many years, since the first year I came here in 1957, I have fought against the tyranny of rule XXII, and it was the bone in our throat respecting all the civil rights laws of which I and Members who have departed, like Paul Douglas, and other Members who were here, like the majority leader, himself, and myself and many others, are very proud.

Mr. President, at no time in our struggle against rule XXII have we sought to do anything but provide a fair opportunity for debate and consideration apposite the size of the Senate and its purpose in the legislative scheme.

We have been charged many times in all these 20 years with trying to impose a gag rule or to end debate by motion as one can in the other body, where I have also served for 8 years. But that was never true. Even at the very beginning, Paul Douglas and I contended at the most for cloture after a guaranteed period of very adequate debate by a constitutional majority of the Senate and only after a guaranteed period of a number of days for very considerable debate. As I recall it was never less than some weeks rather than days.

So, Mr. President, as we are a small minority now relatively, though we have been smaller in the Senate, I think it is in the highest interest of the country to protect the right to a calm and secure deliberation in respect of the matters which are discussed here.

I am for reforms which have been uncovered by abuses which have been made after the imposition of cloture. But I am not, Mr. President, for throttling the minority, and I see in a number of the changes which have been made many such possibilities.

I am not very convinced that we cannot deal with the abuses and still preserve the right of every Senator to have an hour to debate an issue.

Even one of our great newspapers this morning, very much favoring the reform of what happens after cloture is imposed, came out in favor of that 1-hour period which, by the way, cannot be transferred by unanimous consent—that is it; it is 1 hour for every Member—as a very reasonable period and there is no particular reason to cut that to a half hour.

I wish to point out another very serious matter which arises in Senate Resolution 5 which deeply troubles me in terms of the sheer human rights of the Senate itself, Mr. President, and that is the power to sweep away all amendments without any vote if the time, which is very sharply limited, does not permit us to reach them. It has always been the great tradition of this body that, if one had an amendment, he could get it voted on, and one of the big powers of the minority was to require a vote upon an amendment.

Mr. RANDOLPH. Mr. President, will the able Senator yield?

Mr. JAVITS. I will yield in just a minute.

This is the first time I have seen, in my experience and from what history I have read, an effort to simply sweep away that almost inalienable right to vote on an amendment when it is submitted. All I am saying right now, preliminarily, is that I wish to support the minority leader in a rather difficult role. He does not wish to be an obstructionist. He has certainly made that very clear. But I think he has a perfect right to say that he has to consult his colleagues—a big deal about 1 day—and beyond that I think it is absolutely up to us to defend reasonable freedoms for this body so that the minority may have an adequate opportunity, without imposition, stringing things out, and blocking legislation by the sheer ability to string them out, to have its say so that the country may judge.

I yield.

Mr. RANDOLPH. Mr. President, I have long advocated that an unprinted amendment should not be voted on in the Senate at the time it is introduced. An amendment should be printed. It should be at the desk for 24 hours and available for study. As the Senator knows, and other Senators realize full well, we come into the Chamber, and we are actually voting on amendments that have been penciled, are unprinted, and sent hurriedly to the desk. There is not sufficient time to be informed on the subject matter of the amendment. We move to the floor from committees where some of the Senators might be presiding or questioning witnesses. Senators come in, very frankly, at the last minute. They have no opportunity to really become aware of the issue of the amendment, and very quickly they must ask someone who has been in the Senate Chamber. The vote is going a certain way and that may be the determining factor. I am not saying that Senators always vote a certain way because a vote is going one way or the other. But it becomes a factor because we do not have an orderly procedure for the consideration of amendments. As the able Senator knows, amendments often become the heart of the bill and they can change the very intent of a measure. There should be a better procedure for their consideration.

I thank my colleague.

Mr. JAVITS. I thank the Senator very much. I certainly agree with him respecting the adequacy of notice. I was addressing myself, however, to the other question——

Mr. RANDOLPH. But the Senator mentioned the amendment procedure. That is the reason for my comment.

Mr. JAVITS. But the Senator recognizes the right, which I consider inalienable, to a vote on any amendment. That very deeply concerns me in connection with this particular rule change, which would sweep away that very critical right.

PRIVILEGE OF THE FLOOR

Mr. BAKER. Mr. President, I ask unanimous consent that Larry Smith of the staff of the Committee on Rules and Administration may remain on the floor during the consideration of this measure and other measures collateral to it.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask unanimous consent that John Lapere of the staff of the Committee on the Judiciary be allowed to remain on the floor during the consideration of Senate Resolution 5.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Montana is recognized.

Mr. GRIFFIN. Mr. President, if the Senator from Montana will yield, I make a similar request with respect to David Koehler and James Hill.

The ACTING PRESIDENT pro tempore. Without objection it is so ordered.

MONDAY MORNING QUARTERBACKING ON THE CARTER ADMINISTRATION: HOW TO IMPROVE THE SCORE

Mr. MELCHER. Mr. President, Monday morning quarterbacking to rehash last week's game is traditional and popular with people who like football. On one end there are those who want to fire the coach, but on the other end there are those who never find fault with the team, always blaming the referee or the weather, rather than anything the coach or team failed to do. But most football enthusiasts are in the middle ground and have a more rational, realistic approach to the events of last week's game.

I want to Monday morning quarterback about the Carter administration's efforts so far to correct the country's sluggish economy. I am not interested in cutting up the President for not having done everything yet, and neither am I interested in being the administration's apologist by saying that he has had only his first 100 days and that he is doing just grand. The truth is, he is doing pretty well but, as most of us middle of the road Monday morning quarterbacks know, he could do a lot better.

President Carter's private pollster may be telling him to go slower here or there

because he needs to build a better image with this or that group or should become stronger with some conservative or ethnic group that supported him in last fall's election. But that pollster's advice is past tense. I can tell the President that traditional people like myself join together in urging a quick approach to stimulating the economy in time-tested, proven ways.

Bowing to warnings of the Burns-type inflation worriers, President Carter and his advisers have become too cautious. The cutbacks on water projects, rather than for environmental reasons, more accurately portray a strong desire for a budgetary cut in the Ford budget because the President really could not find the room to cut defense spending as he had anticipated. First there was a hold on 19 water projects which would cut over one-half billion dollars out of the budget. The original number was reduced and then more were added with public discussion of environmental concerns, as if they had not all been gone over under the requirements of the National Environmental Policy Act.

When all the review is washed out, most of these water projects will continue because both the Administration and the Congress will find them beneficial and necessary. But there will be a slight budgetary delay in spending which will not save any money and really will not stave off inflation. The effect also is a delay in jobs which are badly needed in this country on projects that also will stimulate the economy in a wide number of areas.

Then there is the President's approach to an energy program in which he urges a gasoline tax and a tax on big cars as if this is a bold, new program. It is neither new nor bold and worst of all it is not practical. Gasoline prices have gone up and are going up some more. A new tax will probably do little to reduce consumption but will penalize those who have to drive, and the tax itself is inflationary. As to "gas guzzlers," the EPA requirements that manufacturers continue to make annual improved gas mileage can be stepped up without the gimmick of a tax. Many of us Monday morning quarterbacks find that there is hardly any muscle and some tired old flab in the Carter energy package. The President says more use of coal is needed and we will. But should we follow his advice and trot out the old Rockefeller recommendations for Federal subsidy of $1 billion for a coal gasification plant? I thought we had been through all that and decided against a Federal subsidy for such a plant to produce a small amount of synthetic gas to cost consumers more than $5 per 1,000 cubic feet. That is three times what consumers are paying now for natural gas in their high-priced utility bills. I thought the President had an old script when he recommended coal gasification instead of urging the use of coal in the magnetohydrodynamic process, commonly known as MHD. He did not even mention that in his message and his budget does not call for the modest needs of $125 million for MHD research and engineering now underway but instead crimps the program by holding it to $50 million in his budget. We have to quickly perfect this process for using coal to generate electricity because engineering data indicates that the process will provide 40 percent more electricity out of every ton of coal used, and without air pollution, and only uses a fraction of the water now consumed in conventional methods of electrical generation.

The President ignored distribution of oil and gas. We have to bring Alaskan crude oil to the Midwest by building a new pipeline. We have to bring Alaskan natural gas down to the lower 48 by building a new gas pipeline. MHD and the pipelines have to be done. We know it. I hope that President Carter knows it, too, but you could not tell it from his energy message, which had more ballyhoo than substance.

We should be marching forward with these projects now, which means jobs, and they are not inflationary. MHD requirements of $125 million for the next fiscal year is modest. The pipelines will be built by private investments, but it is Federal leadership that is needed to clear the way in planning and the granting of construction permits.

Then there is the overly cautious approach to agriculture that the President is following. Though other administrations, from time to time, have ignored the significant role that agriculture plays in our economy, many of us traditional, middle-of-the-road Monday morning quarterbacks believed that this farmer administration would use agriculture as part of the basis for an economic stimulus program. Milk fared all right with a slight upward adjustment in price supports, and it was a correct decision because dairy producers face much higher costs. All of the other farm producers have higher costs, too, but the administration drew the line on them with tight recommendations. Their recommendations on price supports range from pallid to miserable. Cotton and feed grain supports are tolerable. The peanut program, which I suspect is an embarrassment for the President, would have a modest reduction in the support price, which is currently twice as high as the world price for that commodity. Wheat gets the miserable end of the stick with producers facing future bankruptcy because last year's cereal grain production around the world was good and we have a surplus. The Carter recommendation for price support is not only way below wheat production costs but is also less than 50 percent of parity.

Make no never mind that wheat and other grains have been the backbone of solving our balance-of-payment problem to offset the high cost of imported oil, the Carter approach is to cut supports for farmers. By doing so he allows the agriculture segment of our economy to stagnate or sink. Agriculture does affect the entire economy. If the farmers and ranchers do well, the job market is stimulated because the farmers and ranchers buy more steel and rubber as well as other supplies that mean jobs in Pittsburgh, Akron, Buffalo, and all over the country.

My advice to President Carter and his administration is to do what comes natural. Follow the middle ground; do what has to be done quickly on energy such as pipeline distribution and a better program for using coal through MHD; stimulate the agriculture economy rather than threatening a veto of the farm bill if its costs might exceed $2 billion.

You are doing OK, Mr. President, as our new coach, but there is much room for improvement in these areas—and by doing so the score for economic recovery can be substantially increased.

Mr. ROBERT C. BYRD. Mr. President, how much time remains for morning business?

The PRESIDING OFFICER. Thirteen minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXTENSION OF TIME FOR FILING COMMITTEE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Budget Committee be authorized to have until midnight Tuesday night to file its report.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

UNANIMOUS-CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are two measures on the unanimous-consent calendar which were cleared for action a couple of days ago. They are Calendar Orders 97 and 100.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Orders No. 97 and 100.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF THE PRIVACY ACT OF 1974

The bill (S. 1443) to amend the Privacy Act of 1974 to extend the life of the Privacy Protection Study Commission to September 30, 1977, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5(g) of the Privacy Act of 1974 (5 U.S.C. 552a note) is amended by striking out the last sentence thereof and inserting in lieu thereof the following: "The Commission shall cease to exist on September 30, 1977.".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-118), explaining the purposes of the measure.

There being no objection, the excerpt

was ordered to be printed in the RECORD, as follows:

The Committee on Governmental Affairs considered an original bill (S. 1443) to amend the Privacy Act of 1974 to extend the life of the Privacy Protection Study Commission to September 30, 1977, and having considered the same, reports favorably thereon without amendment and recommends that the bill pass.

EXCERPT

PURPOSE

The purpose of this bill is to extend the life of the Privacy Protection Study Commission (created by Public Law 93-579) from July 10, 1977, to the end of the current fiscal year, September 30, 1977, without any additional authorization.

BACKGROUND

The Privacy Protection Study Commission was created by section 5 of the Privacy Act of 1974 (Public Law 93-579). The Commission has seven members; three appointed by the President; two appointed by the President of the Senate; and two appointed by the Speaker of the House of Representatives.

The Commission has three large tasks to perform:

(1) To make a study of the data banks, automated data processing programs, and information systems of governmental, regional and private organizations, in order to determine the standards and procedures now in force for the protection of personal information;

(2) To make recommendations to the President and the Congress on the extent, if any, to which the principles and requirements of the Privacy Act of 1974 should be applied to organizations other than agencies of the Federal executive branch—through legislation, administrative action, or voluntary adoption; and

(3) To report on such other legislative recommendations as the Commission may determine to be necessary to protect the privacy of individuals while meeting the legitimate needs of government and society for information.

As part of the study called for in (1) above, the Commission is also required to report on five specifically enumerated information policy issues:

Whether a person engaged in interstate commerce who maintains a mailing list should be required to remove the name and address of any individual who does not want to be on the list;

Whether the Internal Revenue Service should be prohibited from transferring individually identifiable data to other Federal agencies and to agencies of State government;

Whether an individual who has been harmed as a consequence of a willful or intentional violation of the Privacy Act of 1974 should be able to sue the Federal Government for general damages;

Whether—and if yes, in what way—the standards for security and confidentiality of records that the Privacy Act requires Federal agencies to adopt should be applied when a record is disclosed to a person other than an agency; and

Whether, and to what extent, governmental and private information systems affect Federal-State relations and the principle of separation of powers.

The life of the Commission began officially on June 10, 1975, when the seventh member was appointed. The Commission's final report is due on June 10, 1977.

The act states that 30 days thereafter the Commission will cease to exist.

The bill reported by the committee on April 21, 1977, by voice vote, strikes the last sentence in section 5(g) of the act and substitutes the language, "The Commission shall cease to exist on September 30, 1977." (The last sentence of section 5(g) states, "The Commission shall cease to exist 30 days after the date on which its final report is submitted to the President and the Congress.") Because the actual date for the final report is June 10, the Commission would be required to go out of existence on July 10, without the requested extension.

The extension proposed by the Commission is specifically for the purpose of putting together editorial support for an anticipated set of appendix volumes in conjunction with the final report, and to allow the Government Printing Office ample time to print the materials.

No additional authorization is being requested in conjunction with this extension.[1]

Appendix A is a communication received by Carole Parsons, Executive Director of the Privacy Protection Study Commission, which outlines, in detail, the reasons for the Commission's request for the extension. The appendix also includes a projected budget within the limits of the present authorization for the Commission.

OVERSEAS CITIZENS VOTING RIGHTS ACT

The Senate proceeded to consider the bill (S. 703) to improve the administration and operation of the Overseas Citizens Voting Rights Act of 1975, and for other purposes, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 2, line 4, strike "(50 U.S.C. 1464 (c))" and insert "(42 U.S.C. 1973cc-14(c))";

On page 2, beginning with line 6, insert:

SEC. 2. Section 3 of the Overseas Citizens Voting Rights Act of 1975 (42 U.S.C. 1973dd-1) is amended by inserting immediately before the period "or, in lieu thereof, an alternative form of identification consistent with this Act and applicable State or district requirements, if a citizen does not possess a valid passport or card of identity and registration."

On page 2, line 13, strike "2" and insert "3";

On page 3, line 24, strike "3" and insert "4";

On page 4, line 7, following "1955" insert "(42 U.S.C. 1973cc-11)";

On page 4, line 19, following "Act", strike all through and including page 5, line 8, and insert in lieu thereof: "Where consistent with their respective duties, appropriate departments, or agencies of the Federal Government shall assist and cooperate with the Presidential designee, both in the collection of such information and in its dissemination to persons who meet the requirements of section 3 of this Act".

On page 5, line 19, following "Act", insert a comma and the following: "and (2) with the assistance of the Postmaster General, the availability of free postage and expedited mail delivery of balloting material under the Act, and notify all appropriate State and local election officials of such availability under the Act and under the Federal Voting Assistance Act of 1955, as amended".

On page 7, line 9, following "Code" insert a comma and "unless otherwise prohibited by any treaty or other agreement between the United States and a foreign country";

On page 7, beginning with line 20, strike through and including page 8, line 2;"

On page 8, line 3, strike "4" and insert "5";

On page 8, beginning with line 9, strike through and including line 16, and insert in lieu thereof:

"(b) The exercise of any right to register or vote in Federal elections by any citizen outside the United States shall not affect the determination of his place of residence or domicile for purposes of any tax imposed under Federal, State, or local law.".

On page 8, begining with line 22, insert the following:

SEC. 6. The Overseas Citizens Voting Rights Act of 1975 (42 U.S.C. 1793dd) is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 11. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.".

SEC. 7. Section 101 of The Federal Voting Assistance Act of 1955 (42 U.S.C. 1973cc) is amended—

(1) by inserting "(a)" immediately before "The"; and

(2) by adding at the end thereof the following:

"(b) Each State shall enable every citizen in the following categories who is absent from the place of his voting residence to register absentee and to vote by absentee ballot in any Federal election, as defined in section 2 of the Overseas Citizens Voting Rights Act of 1975 (42 U.S.C. 1973dd(1)), held in his election district or precinct if he is otherwise eligible to vote in that election:

"(1) Members of the Armed Forces while in the active service, and their spouses and dependents.

"(2) Members of the Merchant Marine of the United States, and their spouses and dependents.

The rights granted in this section shall be supplemental to the voting rights presently enjoyed by these citizens under other Federal and State laws.".

On page 9, line 24, strike "5" and insert "8";

On page 10, line 1, strike "(50 U.S.C. 1462)" and insert "(42 U.S.C. 1973cc-12)";

On page 10, line 8, strike "6" and insert "9";

On page 10, line 9, strike "(50 U.S.C. 1463)" and insert "(42 U.S.C. 1973cc-13)";

On page 10, beginning with line 11, strike through and including line 12; and insert in lieu thereof:

(1) by striking out "Council of State Governments" in paragraph (1) and inserting in lieu thereof "governments of the several States"; and

On page 11, line 7, strike the semicolon and the word "and" and insert a period;

On page 11, beginning with line 8, strike through and including line 14;

On page 11, line 15, strike "7" and insert "10";

On page 11, line 16, strike "(50 U.S.C. 1464)" and insert "(42 U.S.C. 1973cc-14)";

One page 12, line 4, strike "8" and insert "11";

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Overseas Citizen Voting Rights Act of 1975 (42 U.S.C. 1973dd) is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following new paragraph:

"(4) 'official postcard' means a postcard

[1] The authorization for the Commission expires September 30, 1977. Public Law 93-394, signed into law on September 3, 1976, and considered by the Committee, removed the fiscal year expenditure limitation of Section 9 of Public Law 93-579, the Privacy Act of 1974, and increased the authorization for the Commission by $500,000 from $1,500,000 to $2 million to carry out the provisions of Section 5 of the Privacy Act.

application for registration to vote and for an absentee ballot in the form provided in section 204(c) of the Federal Voting Assistance Act of 1955 (42 U.S.C. 1973cc-14(c)).".

SEC. 2. Section 3 of the Overseas Citizens Voting Rights Act of 1975 (42 U.S.C. 1973dd-1) is amended by inserting immediately before the period "or, in lieu thereof, an alternative form of identification consistent with this Act and applicable State or district requirements, if a citizen does not possess a valid passport or card of identity and registration".

SEC. 3. Section 4 of the Overseas Citizens Voting Rights Act of 1975 (42 U.S.C. 1973dd-2) is amended by adding at the end thereof the following new subsection:

"(c) In carrying out the provisions of this section, it is recommended that each State—

"(1) accept any official postcard which is duly executed by any person who meets the requirements in section 3 of this Act as a simultaneous application for registration under such State's election laws and for an absentee ballot under such State's absentee balloting laws;

"(2) if a special application is required for registration by mail, provide that the necessary forms will be sent with the absentee ballot and may be returned with it;

"(3) authorize and instruct the State or local election officials, upon receipt of any official postcard application or any other application for registration to vote or for an absentee ballot, to mail immediately to the applicant a ballot, instructions for voting and returning the ballot, and a self-addressed envelope; and

"(4) provide that there be printed across the face of each envelope in which a ballot is sent two parallel horizontal red bars, each one-quarter inch wide, extending from one side of the envelope to the other side, with an intervening space of one-quarter inch; the top bar to be one and one-quarter inches from the top of the envelope, and with the words 'Official Election Balloting Material—via Air Mail', or similar language, between the bars; that there be printed in the upper right corner of each such envelope in a box, the words 'Free of United States Postage, Including Air Mail'; that all printing on the face of each such envelope be in red; and that there be printed in red in the upper left corner of each State ballot envelope an appropriate inscription or blanks for return address of sender.".

SEC. 4. The Overseas Citizens Voting Rights Act of 1975 (42 U.S.C. 1973dd) is amended—

(1) by redesignating sections 5, 6, 7, and 8 as sections 7, 8, 9 and respectively; and

(2) by inserting immediately after section 4 the following new sections:

"CURRENT ABSENTEE VOTING INFORMATION

"SEC. 5. (a) The Presidential designee under section 201 of the Federal Voting Assistance Act of 1955 (42 U.S.C. 1973cc-11) (hereafter in this Act referred to as the 'Presidential designee') shall request, annually or more often when appropriate, each State to furnish him with information on the current absentee registration and voting procedures of each State pertaining to citizens entitled to vote in Federal elections under this Act. Such information shall include election dates, officers to be elected, other matters to be voted on, any provisions under such State's law requiring the removal of the name of any person from such State's voter registration roll (for whatever reason), information related to the number of absentee voters in a State, and any other information relevant to Federal elections. Where consistent with their respective duties, appropriate departments, or agencies of the Federal Government shall assist and cooperate with the Presidential designee, both in the collection of such information and in its dissemination to persons who meet the requirements of section 3 of this Act.

"(b) The Presidential designee shall publicize, in the manner best designed to reach the persons meeting the requirements in section 3 of this Act, (1) the right of such persons to vote in Federal elections and the procedures available to such persons to enforce that right, as provided in this Act, and (2) with the assistance of the Postmaster General, the availability of free postage and expedited mail delivery of balloting material under the Act, and notify all appropriate State and local election officials of such availability under the Act and under the Federal Voting Assistance Act of 1955, as amended.

"PRINTING AND TRANSMITTING OF POSTCARDS; FREE POSTAGE; PUBLICITY

"SEC. 6. (a) The Administrator of General Services shall cause to be printed and distributed to the Department of Justice, the Department of State, and any other appropriate department or agency of the Federal Government official postcards for use in accordance with the provisions of this Act as directed by the Presidential designee. Such departments or agencies shall deliver or make available such postcards to persons meeting the requirements in section 3 of this Act not later than August 15 immediately before any general Federal election for use in such election. To the extent practicable, such postcards shall also be made available at appropriate times to such persons for use in special or primary Federal elections.

"(b)(1) The Postmaster General, the Attorney General, the Secretary of State, and the head of any other appropriate department or agency of the executive branch shall facilitate the transmission of balloting material, including official postcards, absentee ballots, voting instructions, and envelopes for the return of such ballots, to and from persons meeting the requirements of section 3 of this Act.

"(2) Any balloting material sent from the United States to any person meeting the requirements of section 3 of this Act shall be sent by priority airmail or by the most expedited postal service available.

"(3) Any balloting material sent to the United States by any person meeting the requirements of section 3 of this Act shall be returned by priority airmail or by the most expedited service available, wherever practicable. Such material may be mailed from any Armed Forces post office in an overseas area established as provided in section 406 of title 39, United States Code, unless otherwise prohibited by any treaty or other agreement between the United States and a foreign country. In the case of ballots executed outside the United States by any person, such ballots may be segregated from other forms of mail and placed in special bags marked with special tags printed and distributed by the Postmaster General for this purpose.

"(c) Official postcards, ballots, voting instructions, and envelopes for the return of such ballots, whether transmitted individually or in bulk, shall be free of postage, including airmail postage, in the United States mails.".

SEC. 5. Section 9 of the Overseas Citizens Voting Rights Act of 1975 (42 U.S.C. 1973dd-5), as redesignated by this Act, is amended—

(1) by inserting "(a)" immediately before "Nothing";

(2) by adding at the end thereof the following:

"(b) The exercise of any right to register or vote in Federal elections by any citizen outside the United States shall not affect the determination of his place of residence or domicile for purposes of any tax imposed under Federal, State, or local law.".

SEC. 6. The Overseas Citizens Voting Rights Act of 1975 (42 U.S.C. 1973dd) is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 11. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.".

SEC. 7. Section 101 of The Federal Voting Assistance Act of 1955 (42 U.S.C. 1973cc) is amended—

(1) by inserting "(a)" immediately before "The"; and

(2) by adding at the end thereof the following:

"(b) Each State shall enable every citizen in the following categories who is absent from the place of his voting residence to register absentee and to vote by absentee ballot in any Federal election, as defined in section 2 of the Overseas Citizens Voting Rights Act of 1975 (42 U.S.C. 1973dd(1)), held in his election district or precinct if he is otherwise eligible to vote in that election:

"(1) Members of the Armed Forces while in the active service, and their spouses and dependents.

"(2) Members of the Merchant Marine of the United States, and their spouses and dependents.

The rights granted in this section shall be supplemental to the voting rights presently enjoyed by these citizens under other Federal and State laws.".

SEC. 8. Section 202 of the Federal Voting Assistance Act of 1955 (42 U.S.C. 1973cc-12) is amended by inserting immediately after "voting procedures," the following: "any provisions under such State's law requiring the removal of the name of any person from such State's voter registration roll (for whatever reason), information related to the number of absentee voters in a State,".

SEC. 9. Section 203 of the Federal Voting Assistance Act of 1955 (42 U.S.C. 1973cc-13) is amended—

(1) by striking out "Council of State Governments" in paragraph (1) and inserting in lieu thereof "governments of the several States"; and

(2) by striking out paragraph (3) and inserting in lieu thereof the following new paragraph:

"(3) the Postmaster General and the heads of the departments and agencies concerned to facilitate the transmission of balloting materials to and from persons to whom this Act is applicable. Any balloting material sent from the United States to such persons shall be sent by priority airmail or by the most expedited postal service available. Any balloting material sent to the United States by such persons shall be returned by priority airmail or by the most expedited service available, wherever practicable. In the case of ballots executed outside the United States by any such person, such ballots may be segregated from other forms of mail and placed in special bags marked with special tags printed and distributed for this purpose.".

SEC. 10. Section 204 of the Federal Voting Assistance Act of 1955 (42 U.S.C. 1973cc-14) is amended by adding at the end thereof the following new subsection:

"(c) Notwithstanding the provisions of subsections (a) and (b), the Presidential designee shall design, for purposes of carrying out the provisions of this Act and the Overseas Citizens Voting Rights Act of 1975, a single form of postcard application for registration to vote and for an absentee ballot. The Presidential designee is empowered to promulgate such form by regulation and upon adoption of such form, subsections (a) and (b) of this section shall have no effect.".

SEC. 11. (a) Section 2401(c) of title 39, United States Code, is amended—

(1) by inserting after "title" a comma and the following: "the Overseas Citizens Voting Rights Act of 1975."; and

(2) by striking out "Act" immediately be-

fore the period and inserting in lieu thereof "Acts".

(b) Section 3627 of title 39, United States Code, is amended by striking out "or under the Federal Voting Assistance Act of 1955" and inserting in lieu thereof "under the Federal Voting Assistance Act of 1955, or under the Overseas Citizens Voting Rights Act of 1975.".

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–121), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT FROM REPORT NO. 95–121

PURPOSES

This bill would amend The Overseas Citizens Voting Rights Act of 1975 and the Federal Voting Assistance Act of 1955 to improve the administration and operation of these laws in a number of respects.

First of all, it will vest the authority and responsibility for collecting and disseminating absentee voting information to citizens overseas in the President's designee under the Federal Voting Assistance Act of 1955. The designee is now the Secretary of Defense. The enforcement of the Overseas Citizens Voting Rights Act is vested in the Department of Justice and will remain there. No one, however, was given the responsibility of collecting and disseminating relevant information to citizens covered by that law. The Federal Voting Assistance Division of the Department of Defense, acting as the President's designee under the Federal Voting Assistance Act of 1955, has been performing this informational function for over 20 years for military personnel and since 1968 for civilians temporarily residing overseas. It is the committee's view that they can perform the same function for all overseas citizens at a minimal increase in manpower and expense.

The bill would also amend the 1975 act to facilitate the performance of this function and assure uniformity with the duties of the President's designee under the 1955 act. For example, the bill would authorize utilization of the same ballot application and free airmail postage provisions presently contained in the Federal Voting Assistance Act of 1955 for all citizens residing overseas. The President's designee under the 1955 act, furthermore, would be given the authority to revise the absentee registration and ballot application forms currently recommended for use under the 1955 act by military personnel and civilians temporarily residing abroad, and to develop a single form which could also be used by citizens covered by the Overseas Citizens Voting Rights Act. As under the 1955 act, these forms will only be recommended for adoption by the States, not mandated.

In addition, the bill provides that any balloting material sent from the United States to persons covered by either act or returned by them to this country, shall be sent by priority airmail or by the most expeditious postal service available. The bill specifically states that such balloting material may be sent by civilians overseas from an overseas Armed Forces post office unless prohibited by any treaty or other agreement between the United States and a foreign country. Because of the often severe time limitations, the need to provide for the most expeditious form of transportation of balloting material is obvious. Toward the same end, the bill directs the President's designee to publicize and notify appropriate citizens and State election officials of the availability of free postage and the expedited mail delivery of balloting material.

The bill would also amend the 1955 act to correct a disparity respecting the treatment of absentee votes covered under these two acts, and assure all such citizens the right to vote in Federal elections.

Finally, the bill would provide that the exercise of the right to register or vote in Federal elections by citizens residing overseas shall not affect the determination of his place of residence or domicile for the purpose of any tax imposed under Federal, State, or local law. This section is similar to a provision in S. 95, as it passed the Senate in the 94th Congress, though deleted by the House prior to the enactment of that bill as The Overseas Citizens Voting Rights Act of 1975 (Public Law 94–203). This provision is not intended to grant immunity from taxation, but merely to forbid the exercise of the right to vote in Federal elections to be considered a factor in determining tax liability.

COMMITTEE ACTION

S. 703 was introduced by Senators Pell, and referred to the Committee on Rules and Administration. On March 8, 1977, the committee held a hearing, chaired by Senator Claiborne Pell, ranking majority member of the committee, on S. 703, and the operation of the Overseas Citizens Voting Rights Act of 1975 and the Federal Voting Assistance Act of 1955.

The testimony, written statements, and letters received by the committee are contained in a 298-page hearing record. On April 27, 1977, the committee held a markup session and approved S. 703, with amendments, recommending that the bill be passed by the Senate. The more significant provisions of the bill and committee amendments are discussed in the following parts of this report.

RIGHT TO VOTE ABSENTEE

The committee found that at present there is a disparity in Federal law respecting the treatment of absentee voters who are delineated in the 1955 and 1975 acts. Because the law now mandatorily enfranchises for Federal elections only U.S. citizens residing overseas, the voting rights of the spouses and dependents of servicemen and members of the Merchant Marine domestically stationed away from their voting residence are still subject to State whim. All States have enfranchised servicemen, whether stationed in the United States or abroad. As to registration and voting rights enjoyed by other classes of absentee voters mentioned in the 1955 act, State treatment has been anything but uniform. The Department of Defense testified during hearings on this legislation that "19 jurisdictions have not yet enfranchised all the persons addressed by the 1955 act". The Department then added "the right of overseas citizens to vote now receives greater Federal protection than that of the members of the Armed Forces, Merchant Marine, and their families". [Hearings, Overseas Absentee Voting, pp. 16, 80–81.]

The committee believes that the rights of these U.S. citizens should be no less than the protections accorded overseas Americans with respect to voting in Federal elections. Therefore, we amend the Federal Voting Assistance Act at title 42, U.S. section 1973cc to equalize the treatment of all persons whose absentee voting predicament has been recognized in the 1955 and 1975 laws.

The Federal interest in achieving uniform mandated Federal enfranchisement for these categories of persons is substantial. It is true that this provision imposes substantive registration and voting requirements on the States. We note, however, that State regulatory authority in these matters has already been preempted in part by the 1976 act giving a mandatory Federal vote to overseas citizens. The committee's amendment will result in an equality of voting circumstances for all categories of absentee voters set forth in the 1955 and 1975 acts.

TAXATION

Section 5 of the bill (amended by the committee) would add a provision to the Overseas Citizens Voting Rights Act of 1975 to provide that the exercise of the right to register or vote in Federal elections by a citizen outside the United States shall not affect the determination of the citizen's place of residence or domicile for purposes of any tax imposed under Federal, State, or local law. This tax provision would assure that voting in Federal elections will be an entirely neutral act for tax purposes.

The tax provision in S. 703 is similar to a provision in Public Law 94–203 as it has been passed by the Senate (as S. 95) in May 1975. The House deleted the tax provision in S. 95 later that year. The Senate sponsors of S. 95 thought the tax provision would have helped clarify the applicable tax law, and expressed their regret on the Senate floor at the deletion of the provision in the House amendment. [Hearings, pp. 51–61.]

Although not seeking a conference in 1975, the Senate sponsors noted at that time if the fear of State taxation continued to discourage a significant number of overseas citizens from voting in Federal elections under the 1975 act, the Senate should seek to add a specific tax provision to the law.

The testimony before the committee on S. 703 produced compelling evidence that the fear of State taxation did in fact discourage thousands of overseas citizens from voting in the 1976 Federal elections under the 1975 act. This chilling effect of the fear of State taxation was documented in several worldwide surveys prepared by private organizations. The U.S. Chamber of Commerce, for example, found that 43.8 percent of the participants in their survey who did not vote in 1976 stated their concern about State tax liability as the primary reason.

This fear of State taxation was based in part on the confusion engendered by the varying tax laws of 50 different States. This confusion was well documented in surveys and studies prepared for the committee by the Bipartisan Committee on Absentee Voting and the Library of Congress.

The committee regards this confusion as especially unfortunate, since the Library of Congress studies found that seven States do not even have a general personal income tax. In another 12 States, overseas citizens are not subject to State income tax on any income derived outside the State if they are permanently residing outside the State, whether or not they are exercising the right to vote. The studies showed that officials of another 17 States had issued opinion letters that those States would not subject overseas citizens to State income tax solely for the privilege of voting in Federal elections in that State. Furthermore, in the remaining 14 States, the 24th amendment to the Constitution—the Poll Tax amendment—should be sufficient to protect Americans residing abroad from State taxation for voting in Federal elections.

As a legal matter, therefore, the tax provision of S. 703 probably would not change the ultimate tax liability of Americans overseas who vote in Federal elections. The tax provision would, however, constitute a uniform statutory statement to avoid the need for each overseas citizen to obtain a ruling or judicial opinion confirming this legal result as applied to the individual citizen. Few overseas Americans, particularly those with limited economic means, are in a position to litigate this State tax question in order to secure the right to vote in Federal elections.

It has been pointed out to the committee that the Federal tax liability of overseas pri-

vate citizens already runs into the hundreds of millions of dollars. The Internal Revenue Service has long recognized, however, that voting in a U.S. election will not itself in any way affect the claim of an overseas citizen to whatever Federal income tax benefits may accrue to him as a result of his residence in a foreign country. See Revenue ruling 71-101, 1971-1 C.B. 214, as clarified by a letter, dated August 28, 1972, from the Acting Chief of the Corporate Tax Branch of the Internal Revenue Service to Senator Goldwater (reprinted at page 49 of the 1973 overseas voting hearings by the Privileges and Elections Subcommittee of this Committee).

The imposition of State taxes on the overseas citizen for the privilege of voting in Federal elections under the 1975 act would in many instances constitute double taxation. The overseas citizen generally is subject to substantial income tax and sales tax—or value-added tax—liability in his foreign country of residence. The foreign income tax is ordinarily creditable against his Federal income tax liability, but not against any State or local tax liability.

It would be inequitable for a State to impose an additional tax burden on the overseas citizen for the purpose of voting in Federal elections if he makes no use of any other services provided by the State, such as police, fire, education, sanitation, transportation, and social services for which he is already paying taxes in his foreign country of residence.

The committee emphasizes, however, that the tax provision in S. 703 will not preclude a State from seeking to impose taxation on an overseas citizen if the State can reasonably prove such tax liability has a basis other than voting in Federal elections in the State. Furthermore, it must be stressed that the tax provision, like the 1975 act applies only to Federal elections. If an overseas citizen wants to vote in State and local elections, he must still persuade the State to accept him as a resident of the State for purposes of voting in State and local elections. The tax provision in S. 703 would not change this result in any way. The constitutionality of this provision was extensively documented in the hearings record.

REGISTRATION AND VOTING PROCEDURES

Section 3 of the bill would amend the 1975 act by adding a new subsection to allow overseas citizens voting under that act to utilize the same Federal post card application forms as are now authorized by the majority of States under the Federal Voting Assistance Act of 1955. The testimony of the Departments of State and Defense and a number of other witnesses indicated that overseas citizens have been confused by the relationship between the existing form provided under the 1955 act and the special forms adopted by many States in response to the 1975 act.

This new provision would recommend that each State accept the official Federal post card application authorized under the 1955 act as a simultaneous application for registration and absentee ballot under the 1975 act. It would recommend also that if a special application were required for registration by mail, the State should provide that the necessary forms be sent with the absentee ballot and that they be returned with it.

This new provision would also recommend that each state authorize and instruct the State or local election officials, upon receipt of any official post card application or any other application for registration to vote or for an absentee ballot, to mail immediately to the applicant a ballot, instructions for voting and returning the ballot, and a self-addressed envelope. Section 10 of S. 703 would authorize the Presidential designee under the 1955 act to develop a single form of post card application for registration to vote and for an absentee ballot that may be utilized by overseas citizens seeking to vote only in Federal elections under the 1975 act, as well as by citizens qualified to vote in Federal, State, and local elections under State law implementing the 1955 act. The bill recommends that all jurisdictions accept these forms. The committee hopes that upon dissemination of the forms, information will be provided to citizens as to which jurisdictions will accept the forms and which will not.

The failure to receive absentee voting materials on time was second only to the fear of State tax liability among the reasons given by overseas citizens for not voting in the 1976 Federal elections. The U.S. Chamber of Commerce, in its worldwide survey of overseas citizens, found that 31 percent of the participants in the survey who did not vote in 1976 stated their failure to obtain absentee ballots in time as the primary reason. The International Herald-Tribune received 559 complaints of persons who did not receive absentee ballots at all, or who received absentee ballots too late to participate in the elections. The statements submitted by the Departments of State and Defense also supported these conclusions.

The committee considered a number of proposals to mandate required dates for the posting of ballots by State election officials, or to require the State to count overseas ballots postmarked not later than election day. Several witnesses also proposed that Congress require the States, with respect to the counting of late ballots, to fix a uniform date (perhaps within 10 days after election day) as the cutoff point for counting ballots postmarked on or before election day.

The committee concluded, however, that the Federal imposition of specific deadlines upon State election officials might, at this time, cause some degree of confusion and disruption in the conduct of elections by the States. At present, it is believed that only two States—Nebraska and Washington—permit absentee ballots to be accepted by local election officials after election day. If the delays in mailing voting materials should persist in future elections, the committee believes that consideration should be given then to the recommendations to mandate minimum standards or deadlines for the mailing and counting of absentee ballots received from overseas citizens in Federal elections.

The committee will expect the President's designee to keep it advised with regard to the operation of the 1975 and 1955 Acts, and to make recommendations which it feels would facilitate the absentee registration and voting of citizens covered by these laws.

PASSPORT REQUIREMENT

The committee amended the 1975 act to provide an alternative to the requirement that an overseas citizen have a valid U.S. passport or State Department card of identity and registration in order for him to register and vote absentee under that act.

The committee amendment, contained in section 2 of the bill, would make it sufficient for the overseas citizen to have an alternative form of identification consistent with the 1975 act and applicable State or election district requirements, if he does not possess a valid passport or card of identity and registration.

The initial purpose of the passport or card of identity and registration requirement in the 1975 act was to require a form of identification that was presumed to be universal among citizens residing outside the United States. In the hearings on S. 703, however, several witnesses pointed out that many such citizens do not maintain up-to-date passports or cards of identify and registration, because such documents are not required by the foreign country in which they reside. The Canadian Government is one of those foreign countries, and approximately 20 percent of the U.S. citizens covered by the 1975 act reside in Canada. Furthermore, the Defense Department testified that many States did not use the passport identification information obtained from the overseas voter.

Regulatory impact of S. 703

Pursuant to Rule 29, Section 5(a) of the Standing Rules of the Senate, the committee received the following information as to the regulatory impact of S. 703:

1. Number of Individuals and Businesses Affected by S. 703

Approximately 1 million absentee voters and election officials in approximately 6,300 local election districts that administer Federal elections throughout the United States would be affected by S. 703.

2. Economic Impact on Individuals, Consumers and Businesses Affected by S. 703

Absentee voters and local election districts will realize a savings of the air mail postage costs for mailing balloting materials.

3. Impact on Personal Privacy of Individuals Affected by S. 703

Individuals are now required to supply their overseas address and date of birth to local election officials. These minimal disclosures are no more detailed than those required of voters who physically reside in election jurisdictions within the United States.

The form of absentee ballot request which the President's designee (DOD) intends to promulgate does not require a person to supply his or her social security number. No record of absentee voters is maintained by the Federal Government.

4. Additional Paperwork and Costs Resulting From S. 703

There will be a substantial increase in paperwork resulting from the requirement to publicize absentee voting procedures. The costs of this publicity are unknown at this time and will vary from country to country, depending upon intensity of coverage and media costs.

The cost of transporting balloting materials through the military postal system will be approximately $0.24 per eligible voter who uses the system each election year.

There would be a minor change to the DOD directive governing postal operations and related services to provide for limited use of the military postal system by non-DOD employees in connection with elections.

The projected costs of S. 703 are set forth in the accompanying 5-year estimate.

FIVE-YEAR COST ESTIMATE

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., April 27, 1977.

Hon. HOWARD W. CANNON,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for S. 703, a bill to improve the administration and operation of the Overseas Citizens Voting Rights Act of 1975, and for other purposes.

Should the committee so desire, we would be pleased to provide further details on the attached cost estimate.

Sincerely,

ALICE M. RIVLIN,
Director.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE, APRIL 27, 1977

1. Bill No. S. 703.

2. Bill title: A bill to improve the administration and operation of the Overseas Citizens Voting Rights Act of 1975, and for other purposes.

3. Bill status: As referred to the Senate Committee on Rules and Administration, February 10, 1977.

4. Bill purpose: The purpose of this leg-

islation is to improve the operation and administration of the Overseas Citizens Voting Rights Act of 1975 to insure maximum participation in Federal elections by U.S. citizens residing overseas. Specifically, the bill provides that the Department of Defense (DOD) should extend its efforts in collecting and disseminating relevant absentee voting information from just military and civilian government personnel to all U.S. citizens overseas. The bill also provides clarification that U.S. citizens residing overseas will not be subject to Federal, State or local taxation solely because they exercise their right to vote in a Federal election.

5. Cost estimate:

Estimated costs

Fiscal year:	*Thousands*
1978	$177
1979	170
1980	197
1981	188
1982	226

6. Basis of estimate: To determine the cost impacts resulting from this legislation, it was assumed that out of the estimated 750,000 persons residing overseas not presently having access to voting information, approximately 250,000 could be reached by the 1978 election through the efforts of this legislation. This figure is assumed to increase by 50,000 each year. The percentage increase in voters for each election that this figure represents, over the current number of people currently being reached, has been applied to the current costs for postage, voting guides, and Federal post card applications. Assuming an enactment date of October 1, 1977, the costs for these items will occur mainly in election years, starting in 1978. The costs for increased publicity include the hiring of one extra person; assistance to States in the preparation of legislation and the development and implementation of procedures includes the employment of three additional persons. An estimate of $30,000 per year for travel has also been included in the estimate. The expenditures for assistance to States and related travel are assumed to occur every year, but declining over the projection period. All cost elements have been inflated by the relevant current CBO projections of price increases.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Kathy Weiss.

10. Estimate approved by: Robert A. Sunshine for James L. Blum, Assistant Director for Budget Analysis.

WAIVER OF CALL OF THE CALENDAR—ORDER OF PROCEDURE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the call of the calendar, under rules VII and VIII, be waived today.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, how much time remains in morning business?

The ACTING PRESIDENT pro tempore. Seven minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business, no resolutions come over under the rule.

Mr. BAKER. Mr. President, reserving the right to object, would the majority leader restate his request?

Mr. ROBERT C. BYRD. I ask unanimous consent that at the conclusion of routine morning business no resolutions come over under the rule.

The ACTING PRESIDENT pro tempore. An order to that effect was entered last Thursday.

Mr. BAKER. Reserving the right to object, an order has been entered for when?

The ACTING PRESIDENT pro tempore. For today.

Mr. BAKER. The majority leader's request was not for tomorrow but for today, is that correct?

Mr. ROBERT C. BYRD. The Senator is correct.

The ACTING PRESIDENT pro tempore. An order to that effect was entered last Thursday.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REPORT OF THE BOARD OF TRUSTEES OF THE SOCIAL SECURITY TRUST FUNDS—MESSAGE FROM THE PRESIDENT—PM 79

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was referred to the Committee on Finance:

To the Congress of the United States:

The Social Security system affects the lives of more Americans than almost any other function of government. More than 33 million people currently receive benefits. Another 104 million people are making contributions with the expectation that they will receive benefits when they retire or become disabled, or when their survivors need help.

Today, the Board of Trustees of the Social Security Trust Funds is submitting its 1977 report to the Congress. The report tells us that the system critically needs financial support in the short term. The high unemployment of recent years has curtained Social Security's revenues, while benefits have risen with inflation. Since 1975 expenditures have exceeded income; and existing reserves will soon be exhausted.

Unless we act now, the Disability Insurance Trust (DI) Fund will be exhausted in 1979 and the Old Age and Survivors Insurance (OASI) Trust Fund will run out in 1983.

The Trustees' Report indicates that there are serious longer term problems as well. Under current law the Social Security system will have an estimated deficit of 8.2 percent of taxable payroll over the next seventy-five years. About half of this deficit is due to changes in the projected composition of our population over those years. Higher life expectancy and lower birthrates will make the nation older as a whole. About half is due to a technical flaw in the automatic cost of living formula adopted in 1972.

While campaigning for President, I stressed my commitment to restore the financial integrity of the Social Security system. I pledged I would do my best to avoid increases above those already scheduled in tax rates, which fall most heavily on moderate and lower-income workers. I also promised to correct the technical flaw in the system which exaggerates the adjustment for inflation, and to do so without reducing the relative value of retirement benefits as compared with pre-retirement earnings.

I am announcing today a set of proposals which meet those commitments and which solve both the short-term and long-term problems in the Social Security system through the end of the twentieth century. These proposals are designed to:

—Prevent the default of the trust funds now predicted to occur.

—Bring income and expenses into balance in 1978 and keep them that way through the end of the century.

—Create sufficient reserves to protect the system against sudden declines in revenue caused by unemployment or other economic uncertainties.

—Protect the system's integrity beyond the turn of the century to the extent we can predict what will happen in the next 75 years.

—Provide for an orderly review and examination of the system's basic structure.

My proposals are the result of a number of hard choices. I am convinced that action is needed now, and that these steps will restore the financial integrity of the Social Security system.

I will ask the Congress to take the following specific actions:

1. Compensate the Social Security trust funds from general revenues for a share of revenues lost during severe recessions. General revenues would be used in a countercyclical fashion to replace the payroll tax receipts lost as a result of that portion of unemployment in excess of six percent. General revenues would be used *only* in these carefully limited situations. Because this is an innovative measure, the legislation we submit will provide this feature only through 1982. The next Social Security Advisory Council will be asked to review this countercyclical mechanism to determine whether it should be made permanent.

2. Remove the wage-base ceiling for employers. Under present law employers and employees pay a tax only on the first $16,500 in wages. Under this proposal the employer ceiling would be raised over a three-year period, so that by 1981 the ceiling would be removed. This action will provide a significant source of revenue without increasing long-term benefit liabilities.

3. Increase the wage base subject to the employee tax by $600 in 1979, 1981, 1983, and 1985, beyond the automatic increases in current law. This will provide a progressive source of financing.

4. Shift revenues from the Hospital Insurance Trust Fund to the Old Age, Survivors, and Disability Trust Funds. In part, this shift will be made possible because of substantial savings to the Medicare system from the hospital cost containment legislation that I have proposed.

5. Increase the tax rate on the self-

employed from 7 percent to 7.5 percent. This will restore the historical relationship between the OASI and the DI rates paid by the self-employed to one and one-half times that paid by employees.

6. Correct certain technical provisions of the Social Security Act which differentiate on the basis of sex. This will include a new eligibility test for dependent benefits. Recent Supreme Court decisions would result in unfinanced increases in the cost of the system and some inequities without this change.

These six steps, along with measures already contained in existing law, will eliminate the short-term financing problem and improve the overall equity of the Social Security system.

In order to guarantee the financial integrity of the system into the next century, two additional steps must be taken. I will be asking the Congress to:

1. Modify the Social Security benefit formula to eliminate the inflation overadjustment now in law. This modification, known as "decoupling," should be done in a way that maintains the current ratio of retirement benefits to preretirement wages.

2. Adjust the timing of a tax rate increase already contained in current law. The one percent tax rate increase presently scheduled for the year 2011 would be moved forward so that .25 percent would occur in 1985 and the remainder in 1990.

Taken together, the actions I am recommending today will eliminate the Social Security deficit for the remainder of this century. They will reduce the estimated 75-year deficit from the Trustee Report forecast of 8.2 percent of payroll to a manageable 1.9 percent.

Prompt enactment of the measure I have recommended will provide the Social Security system with financial stability. This is an overriding immediate objective.

In addition, I am instructing the Secretary of Health, Education and Welfare to appoint the independent Social Security Advisory Council required by law to meet each four years. I will ask the Council to conduct a thorough reexamination of the structure of the system, the adequacy of its benefits, the effectiveness and equity of disability definitions, and the efficiency and responsiveness of its administration. Their report, which will be issued within the next two years, will provide the basis for further improvements.

I call upon the Congress to act favorably on these major reform initiatives.

JIMMY CARTER.

THE WHITE HOUSE, *May 9, 1977.*

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED BILL SIGNED

On May 6, 1977, under authority of the order of May 5, a message from the House of Representatives was received stating that the Speaker had signed the enrolled bill (H.R. 4876) making economic stimulus appropriations for the fiscal year ending September 30, 1977, and for other purposes.

(The enrolled bill was signed by the Deputy President pro tempore on May 6, 1977.)

MESSAGE FROM THE HOUSE

At 2:08 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that the House has agreed to the concurrent resolution (S. Con. Res. 19) with an amendment; that the House insists on its amendment; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. GIAIMO, Mr. WRIGHT, Mr. LEGGETT, Mr. MITCHELL of Maryland, Mr. DERRICK, Mr. PIKE, Mr. OBEY, Mr. LEHMAN, Mr. MATTOX, Mr. LATTA, Mrs. HOLT, Mr. ROUSSELOT, and Mr. REGULA were appointed managers of the conference on the part of the House.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC

The ACTING PRESIDENT pro tempore laid before the Senate the following communications which were referred as indicated:

EC–1279. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report of two new deferrals of Energy and Research and Development Administration funds totaling $127.2 million and a revision to a previously transmitted Department of Commerce deferral, jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, and Commerce, Science, and transportation, and ordered to be printed.

EC–1280. A letter from the President of the National Railroad Passenger Corporation transmitting, pursuant to law, a request by AMTRAK for a fiscal year 1978 budget amendment necessary to finance the purchase of Northeast Corridor Properties (with an accompanying report); to the Committee on Commerce, Science, and Transportation.

EC–1281. A letter from the Chairman of the Interstate Commerce Commission transmitting, pursuant to law, the Commission's final report in ex parte No. 55 (Sub-No. 24), revised rules of practice (with an accompanying report); to the Committee on Commerce, Science, and Transportation.

EC–1282. A letter from the Chairman of the U.S. Water Resources Council transmitting, pursuant to law, the fifth annual report of the Water Resources Council concerning the Council's progress in carrying out responsibilities to examine the Nation's water resources (with an accompanying report); to the Committee on Environment and Public Works.

EC–1283. A letter from the Secretary of Commerce transmitting pursuant to law, the annual report of the Foreign-Trade Zones Board for the fiscal year ended June 30, 1976, together with the reports covering the operations during the same period of Foreign-Trade Zones 1, 2, 3, 5, 7, 8, 9, 12, 15, 17, 18, 21, and 23 (with an accompanying report); to the Committee on Finance.

EC–1284. A letter from the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds transmitting, pursuant to law, the 1977 annual report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund (with an accompanying report); to the Committee on Finance.

EC–1285. A letter from the Postmaster General of the United States transmitting a draft of proposed legislation to authorize the use of air space over First Street, NE., to construct a bridge for the transfer of mail between Union Station and the Washington City Post Office (with accompanying papers); to the Committee on Governmental Affairs.

EC–1286. A letter from the Acting Assistant Secretary for Administration of the Department of Commerce transmitting, pursuant to law, notice of the Department's intention to adopt a system of records in addition to those previously noticed in the Federal Register, in accordance with the Privacy Act (with an accompanying report); to the Committee on Governmental Affairs.

PETITIONS

The ACTING PRESIDENT pro tempore laid before the Senate the following petitions which were referred as indicated:

POM–167. House Joint Resolution No. 34 adopted by the General Assembly of the State of Ohio memorializing the Congress of the United States to fulfill the commitments of two Presidents by authorizing full funding for the construction and completion of an expansion of Ohio's Uranium Enrichment Facility at Piketon (Portsmouth), Ohio by the United States Energy Research and Development Administration; to the Committee on Energy and Natural Resources:

HOUSE JOINT RESOLUTION NO. 34

"*Be it resolved by the General Assembly of the State of Ohio,*

"Whereas, The 112th General Assembly recognizes that adequately supplying America's present and future energy needs, including the need for nuclear energy, is necessary to America's survival; and

"Whereas, America's nuclear energy needs are expected to triple within the next eight years; and

"Whereas, Pursuant to the commitments of two Presidents, the Ohio uranium enrichment facility, located at Piketon (Portsmouth), Ohio has been scheduled for expansion by the United States Energy Research and Development Administration to increase the production of enriched uranium, a fuel source vital to America's nuclear energy capabilities; and

"Whereas, the proposed federal budget for fiscal year 1978, now before the United States Congress for consideration, contains funding recommendations sufficient to complete a scheduled $4.5 billion expansion at the Ohio uranium enrichment facility; now therefore be it

"Resolved, That we, the members of the 112th General Assembly of the State of Ohio, in adopting this resolution, memoralizing the Congress of the United States to fulfill the commitments of two Presidents, by authorizing the funding recommended to complete an expansion of Ohio's uranium enrichment facility; and be it further

"Resolved, That the Secretary of State transmit properly authenticated copies of this Resolution to the President Pro Tempore and to the Majority Leader of the United States Senate, the Speaker of the United States House of Representatives, the two United States Senators from Ohio, each member of the United States House of Representatives from Ohio, and the President of the United States."

POM–168. Senate Concurent Resolution No. 45 adopted by the Legislature of the State of Hawaii requesting the U.S. Congress to amend the Revenue Sharing Program; to the Committee on Finance:

"SENATE CONCURRENT RESOLUTION 45

"Whereas, the State and Local Fiscal Assistance Act of 1972 commonly known as the Revenue Sharing Act, which was to have expired at the end of 1976, was extended by the 94th Congress for forty-five months; and

"Whereas, the funds appropriated were increased and will total approximately $25.5

billion to be distributed among the state and local governments of the country; and

"Whereas, other amendments have immensely improved aspects of the Act, for example: funds entitled to local entities may now be used to match federal grants; mechanisms have been provided for better public understanding, awareness, and control of the utilization of entitled funds; and the anti-discrimination provisions now include aged and the handicapped; and the priority categories which limited the type of programs for which funds were allowed to be expended have been eliminated; thus Congress, in essence, lessened the spending restrictions of the local entities; and

"Whereas, one provision remains which, because of Hawaii's highly centralized government and small physical size, may prove deleterious; section 107 of the Act provides that the State retain one-third of the entitlement, with the counties dividing the remainder according to a pre-determined ratio; and

"Whereas, while the Legislature recognizes the necessity and desirability of the county home rule concept, Hawaii consists of only four counties; and health, education, and welfare services provided by the government sector are primarily the responsibility of, and centralized at, the state level; for example, Hawaii has a statewide system of public school education and the counties have no responsibility in this area; and funds provided by the revenue sharing could be better and judiciously expended for services in the health, education, and welfare area if the state government were allowed to retain a greater proportion of the entitlement; and

"Whereas, Hawaii is entitled to $11.3 million for fiscal year 1977–78; now, therefore,

"Be it resolved by the Senate of the Ninth Legislature of the State of Hawaii, Regular Session of 1977, the House of Representatives concurring, that the 95th Congress is requested to amend the State and Local Fiscal Assistance Act of 1972 to endow the individual states with greater discretion as to the distribution of the entitlements provided; and

"Be it further resolved that certified copies of this Concurrent Resolution be transmitted to the Honorable Jimmy Carter, President of the United States, the Secretary of the Treasury, the Speaker, Majority and Minority Leaders of the U.S House of Representatives, the President Pro Temoore, Majority and Minority Leaders of the U.S. Senate, and the Members of Hawaii's Congressional delegation."

POM—169. Senate Resolution No. 393 adopted by the Senate of the State of Hawaii requesting the U.S. Congress to include Crown Land claims as subject matter for the study commission proposed by S.J. Res. 4, 95th Congress, 1st Session; to the Committee on Energy and Natural Resources:

"SENATE RESOLUTION 393

"Whereas, by the Great Mahele of 1848, all the lands in the Hawaii Kingdom were divided and distributed to wit: One-third (⅓) for the public called "Public Lands"; One-third (⅓) for the King for his use, designated as "Crown Lands"; One-third (⅓) to the Chiefs; and

"Whereas, prior to the reign of Kamehameha V the Crown Lands were considered to be the private domain of the King, and he could sell, mortgage or otherwise deal with such land as his private property without any limitation; and

"Whereas, during his reign, King Kamehameha V declared Crown Lands to be inalienable, and it appears that it was so regarded and thereafter, King Lunalilo, King Kalakaua and Queen Liloukalani were deemed to have been only entitled to use of the income from the Crown Lands; and

"Whereas, upon the abdication of the throne by Queen Lilioukalani, the Crown Lands were deemed to be part of the public land of the Hawaii Republic; and upon the annexation of Hawaii by the United States of America, crown lands thereby became part of the Public Lands of the United States of America; and

"Whereas, it appears that person or persons who were or should be entitled to the Crown Lands were deprived of their property or property rights in the Crown Lands; and

"Whereas, Aborigine or Native Hawaiians were deprived of certain property or property rights upon the annexation of these islands by the United States of America; now, therefore

"Be it resolved by the Senate of the Ninth State Legislature, State of Hawaii at the Regular Session of 1977, that the Congress of the United States of America be respectfully requested to enact legislation to compensate the family or families who would be considered to be the highest among the chiefs and would have been considered the presumptive heirs to the throne and the Hawaiian Kingdom for the Crown Lands so taken and damages suffered, and the aborigine or Native Hawaiians for damages suffered by them at the time of the Annexation of the Hawaiian Islands to the United States of America; and

"Be it further resolved that the Congress of the United States of America be respectfully requested to specifically include all current Crown Land claims as a part of the Hawaiian Aboriginal Claims Settlement Study (S.J. Res. 4) and that there be no limitation of taking into consideration direct grants for payment under any settlement of Crown Land claims; and

"Be it further resolved that duly certified copies of this resolution be transmitted to the President of the United States of America, the Vice-President of the United States of America, the President Pro-temp of the Senate of the Congress of the United States of America; the Speaker of the House of Representatives of the Congress of the United States of America; to the Chairman of the Interior and Insular Affairs Committee of the House of Representatives of the Congress of the United States of America; to the Honorable Daniel K. Inouye and Honorable Spark M. Matsunaga, senators from the State of Hawaii and to Honorable Cec Heftel and Honorable Daniel K. Akaka, representatives from the State of Hawaii, of the Congress of its United States of America."

POM–170. A resolution adopted by the Senate of the Commonwealth of Massachusetts memorializing the Congress of the United States to adequately fund research on the impact of the *Argo Merchant* oil Spill; to the Committee on Environment and Public Works;

"RESOLUTIONS

"Whereas, The marine resources of the Commonwealth have played a vital role historically in our economic development; and

"Whereas, The protection of the marine environment is important to the quality of life in Massachusetts; and

"Whereas, The discharge of millions of gallons of oil by the tanker *Argo Merchant* had a direct, significant and detrimental effect on the marine environment; and

"Whereas, There is growing concern over the inadequacy of the scientific assessment of the environmental damage caused by this disastrous oil spill; and

"Whereas, Inadequate funding has been cited as the reason for the discontinuance of the scientific work to determine the full impact of this historic domestic oil spill; now therefore be it

"Resolved, that the Massachusetts Senate hereby respectfully urges the Congress of the United States to appropriate sufficient funds to carry out the needed assessment of the impact on the marine environment of the *Argo Merchant* oil spill; and that the National Ocean and Atmospheric Administration in conjunction with the Environmental Protection Agency be directed to undertake and make public an adequate short term, mid-term, and long term assessment study; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the Massachusetts Congressional delegation, to the Directors of the National Ocean and Atmospheric Administration and the Environmental Protection Agency, and to the presiding officer of each branch of the Congress."

POM–171. Senate Resolution No. 231 adopted by the Senate of the State of Hawaii supporting retention of the cost of living allowance for Federal employees with military commissary and post exchange privileges in Hawaii; to the Committee on Governmental Affairs;

"SENATE RESOLUTION 231

"Whereas, in late 1976 the United States Civil Service Commission announced cuts in, and eventual elimination of, the cost of living allowance for federal employees in Hawaii with military commissary and post exchange privileges; and

"Whereas, as a result, since January 1, 1977 the Commission has reduced, for federal employees having access to commissaries and post exchanges, the cost of living allowance authorized by Congress in 1947 to assist such employees at overseas posts such as Hawaii, Alaska, Guam, and the Virgin Islands to cope with a higher cost of living; and

"Whereas, when the Commission announced this reduction and eventual elimination of the cost of living allowance for those with access to military facilities in Hawaii, it also raised the cost of living allowance for all other federal employees in Hawaii, as much as 17.5 per cent of the base pay of federal employees on Oahu; and

"Whereas, in its zeal to create a more equitable system, the Commission has indeed created a far less equitable one, for it has, without proper authority, discriminated against and penalized those whom Congress has seen fit to provide equitable compensation for service to their country; and

"Whereas, the Commission's action has indeed penalized these federal employees to a degree far beyond the potential benefits that accrue to them as a result of these purchasing privileges; and

"Whereas, furthermore, benefits earned as a result of military service are distinct from salary and benefits received as a federal civil service employee, and are awarded by Congress for honorable service to this country, irrespective of the financial condition of the individual recipient; and

"Whereas, for the reasons stated in this Resolution, for the glaring injustice perpetrated by this action which penalizes and discriminates against those who served this country in its time of need, and who have served to keep it strong, it is absolutely imperative, in the moral and ethical traditions this nation holds sacred, that this action of the Commission be immediately rescinded; now, therefore,

"Be it resolved by the Senate of the Ninth Legislature of the State of Hawaii, Regular Session of 1977, that it emphatically, in the name of justice and morality, supports retention of the cost of living allowance for federal employees with military commissary and post exchange privileges in Hawaii, and strongly urges that the November 1976 action of the United States Civil Service Commission to reduce and eliminate such allowance for those who have honorably served our country be immediately rescinded; and

"Be it further resolved that certified copies of this Resolution be transmitted to

the President of the United States, all members of the leadership of both houses of the United States Congress, all members of the Hawaii congressional delegation, and the Chairman of the United States Civil Service Commission."

POM–172. Senate Resolution No. 196 adopted by the State of Hawaii urging Congress to amend the National Housing Act in relation to Federal insurance of mortgages on leasehold property; to the Committee on Banking, Housing, and Urban Affairs;

"SENATE RESOLUTION 196

"Whereas, the conventional home mortgage, under which a lender advances a major portion of the purchase price or construction cost of a home with the balance amortized over a long period at equal installments, is a relatively recent development in home financing; and

"Whereas, widespread use of the conventional home mortgage has been spurred by federal programs established under the National Housing Act of 1934, as amended, which provided for federal insurance of mortgages by the Federal Housing Administration, and guarantee of veterans' home loans through the Veterans Administration; and

"Whereas, F.H.A. insurance is available only for the purchase of homes which meet the criteria of the National Housing Act and regulations adopted pursuant to it; and

"Whereas, F.H.A. insurance programs place specific restrictions on the minimum lease term remaining, where the home to be covered is situated on leasehold property; and

"Whereas, subsection II of the National Housing Act, 12 U.S.C. 1707, specifies that a residential mortgage on leased land can be insured by the F.H.A. only if the lease term is at least 50 years at the time of insurance; and

"Whereas, more than 30,000 single-family homes in Hawaii are situated on leased land, as well as an increasing number of dwelling units within leasehold condominiums and planned unit developments; and

"Whereas, residential leaseholds in Hawaii are customarily for a term of at least 50 years, and often for 55 years; and

"Whereas, mortgages are often obtained on leasehold property upon resale by the original or succeeding owner, in which case the remaining lease term may well be less than 50 years and the remaining period of fixed rent may be limited; and

"Whereas, many private lenders in the State will extend long-term mortgage financing in such situations, so long as the remaining lease term is at least 2 years longer than the proposed mortgage term; and

"Whereas, in view of the fact that residential mortgages are being written for periods not exceeding 30 years, a 50-year remaining lease term requirement appears to make little sense in safeguarding a security interest in the mortgaged property; and

"Whereas, the 50-year requirement, when applied to resold residential leasehold property, means that the lessor must consent to an extension of the lease to a 50-year term, before F.H.A. insurance can be secured; and

"Whereas, since June, 1976, several major leasehold landowners in Hawaii, notably Bishop Estate and Campbell Estate, have unilaterally refused to extend the terms of residential leases; and

"Whereas, this action, coupled with the 50-year federal requirement, has made obtaining federal mortgage insurance impossible for many persons wishing to finance homes on leasehold land; and

"Whereas, the federal requirement seems to accord little additional protection for insurance purposes, plays into the hands of lessors who have taken the law into their own hands, and has resulted in significant disadvantages to purchasers of leasehold residential homes in Hawaii; now, therefore,

"Be it resolved by the Senate of the Ninth Legislature of the State of Hawaii, Regular Session of 1977, that the Congress of the United States is requested to amend the National Housing Act to shorten the remaining lease term necessary for insuring mortgages on residences, preferably to a term not more than 2 years longer than the term of the mortgage applied for; and

"Be it further resolved that certified copies of this Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and to each member of Hawaii's congressional delegation."

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under authority of the order of May 5, 1977, the following reports of committees were submitted during the adjournment of the Senate, on May 6, 1977:

By Mr. RANDOLPH, from the Committee on Human Resources:

With an amendment:

S. 725. A bill to extend certain programs under the Education of the Handicapped Act (Rept. No. 95–124).

By Mr. RANDOLPH, from the Committee on Environment and Public Works:

Without amendment:

S. Res. 165. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1279. Referred to the Committee on the Budget.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HART, from the Committee on Armed Services:

Without amendment:

S. 1474. An original bill to authorize certain construction at military installations, and for other purposes (together with additional views) (Rept. No. 95–125).

EXECUTIVE REPORTS OF COMMITTEES DURING ADJOURNMENT

The following executive reports of committees were submitted on May 6, 1977, under authority of the order of May 5, 1977, during the adjournment of the Senate:

By Mr. STENNIS, from the Committee on Armed Services:

John Patrick White, of California, to be an Assistant Secretary of Defense.

Percy Anthony Pierre, of the District of Columbia, to be an Assistant Secretary of the Army.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation, on May 6, 1977, submitted reports on sundry nominations in the National Oceanic and Atmospheric Administration which had been printed in the CONGRESSIONAL RECORD of May 4, 1977, and they were placed on the Secretary's desk.

Mr. HARRY F. BYRD, JR. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nominations of Maj. Gen. John Q. Henion, U.S. Army to be lieutenant general; and Vice Adm. Robert Adamson, Jr., U.S. Navy, for appointment to the grade of vice admiral on the retired list; and Maj. Gen. Arnold W. Braswell, U.S. Air Force, to be lieutenant general. Also, Lt. Gen. Robert E. Hails, U.S. Air Force, to be placed on the retired list in the grade of lieutenant general; and Maj. Gen. Robert C. Mathis, U.S. Air Force, to be lieutenant general; and Maj. Gen. Bennie L. Davis, U.S. Air Force, to be lieutenant general. Also, Maj. Gen. Richard L. Lawson, U.S. Air Force, to be lieutenant general; and Lt. Gen. Winton W. Marshall, U.S. Air Force, to be placed on the retired list in the grade of lieutenant general; and Brig. Gen. Charles E. Murry and Brig. Gen. John G. Smith, Jr., Army National Guard, to be major general. Also, Adm. John P. Weinel, U.S. Navy, for appointment to the grade of admiral on the retired list; and Rear Adm. William L. Read, U.S. Navy, for appointment to the grade of vice admiral; and Vice Adm. John J. Shanahan, Jr., U.S. Navy, for appointment to the grade of vice admiral on the retired list. I ask that these nominations be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. In addition, there are 627 in the Air Force for promotion to the grade of colonel—list beginning with John T. Abell; and 878 in the Air Force for promotion to the grade of captain and below—list beginning with Richard F. Sellers; and 31 NROTC graduates for permanent appointment to the grade of second lieutenant in the Marine Corps—list beginning with Robert A. Appel. There are 526 in the Navy Reserve for temporary promotion to the grade of captain and below—list beginning with Henry T. Adema; and 35 in the Army for promotion to the grade of colonel and below—list beginning with Howard G. Glock; and 83 in the Marine Corps for promotion to the grade of colonel—list beginning with Louis R. Abraham. Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's Desk for the information of any Senator.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of April 18, and 21, 1977, at the end of the Senate proceedings.)

ORDER FOR STAR PRINT—SENATE REPORT 95–118

Mr. ROBERT C. BYRD. Mr. President, in the printing of Senate Report 95–118 on S. 1443, some original material to be included in the Appendix was omitted. On behalf of Mr. RIBICOFF, I ask unanimous consent that the report be star printed with the additional material included.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. ROTH:

S. 1473. A bill to amend title 18 of the United States Code for the purpose of prohibiting the sale of children in interstate or foreign commerce; to the Committee on the Judiciary.

By Mr. HART, from the Committee on Armed Services:

S. 1474. An original bill to authorize certain construction at military installations, and for other purposes; placed on the calendar.

By Mr. WALLOP (for himself, Mr. ALLEN, Mr. CURTIS, Mr. EASTLAND, Mr. GARN, Mr. GOLDWATER, Mr. HATFIELD, Mr. HELMS, Mr. LAXALT, Mr. MCCLURE, Mr. MORGAN, and Mr. THURMOND):

S.J. Res. 50. A joint resolution to amend the Constitution of the United States to provide for balanced budgets and elimination of the Federal indebtedness; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROTH:

S. 1473. A bill to amend title 18 of the United States Code for the purpose of prohibiting the sale of children in interstate or foreign commerce; to the Committee on the Judiciary.

Mr. ROTH. Mr. President, a national network exists to channel babies into the hands of desperate couples willing to pay exorbitant amounts to adopt them.

Babies are being bought and sold like commodities—in many cases before they are even born.

Private placement of children is legal in almost every State. In most instances, the private placement is a direct agreement between the natural mother and the adopted parent in which a third party, usually an attorney, simply acts as counsel. However, because newborn infants are rare, there is an element which has turned private adoption into a secretive and highly paid black marketeering practice.

Mr. President, I send to the desk a bill to put an end to the selling of human beings for profit. The barbaric bartering conducted by baby brokers benefits only the black marketeer.

Estimates of the black market baby operation run as high as 20,000 per year. A healthy infant can be worth in the baby market as much as $25,000. Unscrupulous attorneys and doctors use counseling services and abortion clinics to find pregnant women who do not want their baby. Lawyers have been known to scurry around the country collecting pregnant women and newborns for their clients. Investigations have revealed that pregnant women have even been recruited in foreign countries and brought to the United States to place their children in the flesh market.

The mother usually receives support for room and board and maternity clothes during her pregnancy. The natural mother, in a state of stress and confusion due to an often unwanted pregnancy, and, perhaps abandoned by friends and family, will be enticed and controlled to give up her baby to the black marketeer.

The child is matched with a couple who pays medical expenses, living expenses for the mother, and unconscionable legal fees. Black marketeers make no serious effort to help these young women make an informed decision about the child and its destinv.

It has been reported that in order to quickly obtain a child the prospective parents may be forced to perjure themselves before the court that certifies the adoption. It is almost certain the court will not be told how the couple came to get the child. The only qualifications these people have is that they have found the right baby lawyer, paid his price, and had little concern about what they told the adoption court.

The issue is clear, Mr. President, the practice of pediatric pandering is detrimental to mother, child, and adoptive parents alike.

Unlike black market baby lawyers, certified adoption agencies investigate couples before considering them for an adoption. Certain requirements must be met. For example, a couple must be married for a certain number of years, and cannot have a criminal background. Further, if the natural mother appears unsure of her decision, she is not rushed into signing any papers. Instead, the agency can place the child in a foster home until the natural mother either prepares a home for herself and the child, or makes the final decision to sign adoption papers.

When a black market baby lawyer arranges an adoption, he hands over the baby to two people he often has never seen before. He most likely has no knowledge of their background or problems

It is clear that the victims of the black market baby are both the natural mother and the future parents. The natural mother is emotionally exploited. She may not, upon the birth of her child, want to relinquish the baby. The future parents must pay large sums of money for the child. This financial exploitation has been documented to the point that often the unscrupulous attorney handling the case may come back to the prospective parents and demand more money. In order to receive the child the prospective parents must come up with the funds or lose their already heavy "investment."

Mr. President, my bill would prohibit the sale of children in the interstate or foreign commerce. It does permit the direct transfer between parent and adoptive parents without legal middlemen and transfers made under existing State laws. The bill exempts parents, guardians, licensed institutions, and attorneys if the fees received are paid within the guidelines to be promulgated by the Attorney General. It is clear that no single State law or agreement between the States without strict penalties can control the trafficking and the black market. My bill calls for penalties of up to $10,000 in fines or up to 5 years imprisonment or both.

I recognize that the dividing line between paying expenses and actually buying a child is narrow. The fees paid and received by the parties must be reasonable—not a bribe to the mother or to the attorney.

Because of the interstate character and scope of baby selling, local officials find it difficult to put an end to this practice. Jurisdictional limits, nonuniform regulation of interstate adoption procedures, lack of investigating authority, and absence of permanent government records are among the obstacles facing the local prosecutors.

The peddler of flesh who realizes the limitation and the difficulties pursues his trade with impunity and profit.

Mr. President, Congress on previous occasions has studied this area. As far back as 1955, Senator Kefauver conducted an extensive study of baby selling which resulted in Senate approval of legislation. The Senate has four times subsequently voted a baby selling prohibition but the House has failed to concur.

I ask unanimous consent that the text of my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1473

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 18 of the United States Code is amended by inserting immediately after chapter 119 the following new chapter:

"Chapter 121—INTERSTATE PLACEMENT OF CHILDREN FOR PERMANENT CARE OR ADOPTION

"Sec.
"2581. Placing or causing the placement of a child for compensation.
"2582. Definitions.

"§ 2581. Placing or causing the placement of a child for compensation.

"(a) Whoever, either directly or through any other person, knowingly solicits, provides, or receives anything of monetary value, or the promise of anything of monetary value—

"(1) for seeking to place, placing, or arranging to place any child for permanent care or adoption, or

"(2) for causing any individual—

"(A) to place any child for permanent care or adoption,

"(B) to adopt any child, or

"(C) to provide any child with permanent care;

under the circumstances which result in the transportation of such child or such individual within the District of Columbia, within the Commonwealth of Puerto Rico, or within any territory or possession of the United States, or in interstate commerce, or in foreign commerce, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

"(b) The provisions in subsection (a)(1) shall not apply to any person who—

"(1) solicits, provides, or receives monetary value for seeking to place, placing, or arranging to place any child for permanent care or adoption—

"(A) if such person is—

"(i) a parent of such child,

"(ii) a guardian or any other person appointed by a court to provide for and to protect the interests of such child,

"(iii) a person seeking to adopt such child or personally to provide such child with permanent care, or

"(iv) a person authorized under or licensed to place children for permanent care or adoption in accordance with the laws of the State where such child is being placed for permanent care or adoption; and

"(B) if such monetary value is—

"(i) received for services provided in connection with placing, seeking to place, or arranging to place such child for permanent care or adoption, and

"(ii) not in excess of an amount which is fair, reasonable, and customarily received for the same or similar services at the time

and place such services are provided, as determined by guidelines promulgated by the Attorney General; or

"(2) provides legal services—

"(A) which are in connection with the preparation and execution of documents, or appearance in court, necessary to place any child for permanent care or adoption in accordance with the laws of the State where such child is being placed; and

"(B) for which monetary value is not received in excess of an amount which is fair, reasonable, and customarily received for the same or similar legal services at the time and place such legal services are provided, as determined by guidelines promulgated by the Attorney General.

"§ 2582. Definitions

"As used in this chapter—

"(1) the term 'child' means any individual who has not attained the age of sixteen at the time such individual is placed for permanent care or adoption, and includes any unborn individual;

"(2) the term 'permanent care' means a majority of the support provided for a child during a period of at least one year by any person who is not—

"(A) a parent, grandparent, sibling, aunt, or uncle of such child,

"(B) a guardian or any other person appointed by a court to provide for and to protect the interests of such child, or

"(C) a person authorized under or licensed in accordance with the laws of the State where such support is provided to place children for adoption or to provide such support to children;

"(3) the term 'services' includes medical services rendered to the mother of any child which are otherwise unreimbursed expenses incurred by such mother; and

"(4) the term 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.".

SEC. 2. The tables of chapters for part I of title 18 of the United States Code and for such title are each amended by inserting immediately after item 119 the following new item:

"121. Interstate placement of children for permanent care or adoption ---------- 2581".

By Mr. WALLOP (for himself, Mr. ALLEN, Mr. CURTIS, Mr. EASTLAND, Mr. GARN, Mr. GOLDWATER, Mr. HATFIELD, Mr. HELMS, Mr. LAXALT, Mr. MCCLURE, Mr. MORGAN, and Mr. THURMOND):

S.J. Res. 50. A joint resolution to amend the Constitution of the United States to provide for balanced budgets and elimination of the Federal indebtedness; to the Committee on the Judiciary.

Mr. WALLOP. Mr. President, in fiscal year 1977 we will pour $38 billion down the drain. In fiscal year 1978 the figure is even higher—$43 billion. By 1982, the figure will be over $50 billion. These are the moneys we must pay for interest on the public debt. These vast sums rank only below what we spend for income security, national defense, and health. Unlike these other areas, funds to pay off interest on the national debt serve no productive ends.

It is time we took serious steps to balance the Federal budget and eleminate the unacceptably large interest payments. According to a recent Gallup poll, nearly 80 percent of the public favors this action. Although Congress has taken some steps toward fiscal accountability, outlays continue to exceed receipts and the national debt continues to increase. We have not done enough to stem this inflationary tide.

I am introducing today a constitutional amendment to provide for balanced budgets and eliminate Federal indebtedness. This resolution would require a balanced budget by 1980 and that 5 percent of the national debt be paid off each year, thereafter making the Federal Government debt free by the turn of the century. The resolution is identical to the one introduced in the House by Representatives JACOBS and KEYS which has received strong bipartisan support.

Mr. President, putting our financial house in order is not a partisan goal. Whatever method we choose, it is in everyone's best interest.

I ask unanimous consent that the text of the resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 50

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within three years after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. In exercising its powers under article I of the Constitution, and in particular its powers to lay and collect taxes, duties, imposts, and excises and to enact laws making appropriations, the Congress shall assure that the total outlays of the Government during any fiscal year do not exceed the total receipts of the Government during such fiscal year and that the Federal indebtedness is eliminated.

"SEC. 2. During the first fiscal year beginning after the ratification of this article, the total receipts of the Government, not including receipts derived from the issuance of bonds, notes, or other obligations of the United States, shall not be less than 90 per centum of the total outlays, not including any outlays for the redemption of bonds, notes, or other obligations of the United States. During the second fiscal year, the total receipts shall not be less than 98 per centum of the total outlays.

"SEC. 3. During the fourth fiscal year beginning after the ratification of this article and for each such succeeding year thereafter, total outlays shall not exceed total receipts.

"SEC. 4. In the case of a national emergency, Congress may determine by a concurrent resolution agreed to by a rollcall vote of three-fourths of all the Members of each House of Congress, that total outlays may exceed total receipts: *Provided, however,* That outlays shall never exceed receipts by more than 10 per centum.

"SEC. 5. During the fifth fiscal year beginning after the ratification of this article and and for the next nineteen succeeding fiscal years thereafter, the total receipts of the Government shall exceed outlays by an amount equal to 5 per centum of the Federal indebtedness at the beginning of the fifth fiscal year. The President shall, not later than the thirtieth day after the close of the fifth fiscal year, ascertain the total Federal indebtedness and transmit said total to the Congress by special message.

"SEC. 6. Thereafter, whenever the Congress determines under section 4 that an emergency exists and authorizes outlays to exceed receipts, any indebtedness ensuing therefrom shall be extinguished within three fiscal years of being incurred.

"SEC. 7. The Congress shall have the power to enforce this article by appropriate legislation."

ADDITIONAL COSPONSORS

S. 514

At the request of Mr. ROBERT C. BYRD, the Senator from Louisiana (Mr. JOHNSTON) was added as a cosponsor of S. 514, to amend title XVIII of the Social Security Act

S. 1011

At the request of Mr. ROTH, the Senator from Arizona (Mr. DECONCINI), the Senator from Minnesota (Mr. ANDERSON) and the Senator from Pennsylvania (Mr. SCHWEIKER) were added as cosponsors of S. 1011, a bill to amend title 18, United States Code, to prohibit the sexual exploitation of children and the transportation in interstate or foreign commerce of photographs or films depicting such exploitation.

S. 1040

At the request of Mr. ROTH, the Senator from Arizona (Mr. DECONCINI) and the Senator from Pennsylvania (Mr. SCHWEIKER) were added as cosponsors of S. 1040, a bill to amend the Child Abuse Prevention and Treatment Act to prohibit the sexual exploitation of children and the transportation and dissemination of photographs or films depicting such exploitation.

S. 1392

At the request of Mr. ROBERT C. BYRD (for Mr. RIBICOFF), the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 1392, to strengthen and improve the early and periodic screening, diagnosis, and treatment program.

SENATE RESOLUTION 5

At the request of Mr. ROBERT C. BYRD, the Senator from New Jersey (Mr. CASE) was added as a cosponsor of Senate Resolution 5, to amend rule XXII of the Standing Rules of the Senate.

AMENDMENTS SUBMITTED FOR PRINTING

SUPERVISORY AUTHORITY OF FEDERAL BANKING AGENCIES—S. 71

AMENDMENT NO. 255

Mr. TOWER. Mr. President, I am submitting today an amendment to S. 71, a bill to strengthen the supervisory authority of the Federal banking agencies over financial institutions and their affiliates. This amendment is identical to a bill (S. 3586) which I introduced during the 94th Congress, on June 17, 1976.

The purpose of this amendment is to institute certain due process requirements with respect to the supervisory authority of the Federal banking agencies. The bill I am proposing to amend (S. 71) would greatly expand the authority of those agencies in taking action against

directors and officers of commercial banks. This amendment would assure that, when such action is taken, it does not violate the due process rights of the individuals involved.

There is an imbalance in present law between the need for the banking agencies to move expeditiously against bank officers who are suspected of being unfit to hold a position of responsibility and trust in banks and the need to assure due process. The bill S. 71, would tilt the bias even more in the favor of expediency. The amendment I am proposing would attempt to redress this imbalance by assuring that actions taken by the agencies against a banking official should not be arbitrary, but should be subject to substantive standards set by Congress and objective review by the courts.

The amendment affects three areas in which action can be taken by the Federal banking agencies against a bank official—removal, suspension, and employment.

With respect to removal of a banking official from office, the amendment would require the observance of certain judicially derived standards for the issuance of a removal order. These standards apply only to removals based upon purported dishonesty or breach of trust, and constitute a reasonable, commonsense set of factors to consider when evaluating whether or not an individual is truly a threat to a bank by virtue of the purported inclination toward dishonesty or breach of trust. The removal portion of the bill (S. 71) contains the phrase: "* * * and, in addition, has evidenced his unfitness to continue (to participate in the affairs of the bank)." This phrase reflects the concern addressed in my amendment, that is, whether or not the individual is in fact a realistic threat to the safety and soundness of the bank. My amendment proposes standards by which a person's fitness can be judged.

The amendment also requires the agencies to make a finding before removing an individual that he poses or continues to pose an "undue risk of injury to the bank by virtue of personal dishonesty." The purpose of this provision is to prevent the agencies from using an allegedly dishonest act which occurred at an earlier date as a self-sufficient basis for removal, without considering, in light of the factors proposed in the amendment, whether an individual still appears to be of a dishonest inclination at the time of the proposed removal action.

With respect to the suspension provision of the amendment, it is important to note that the present law is completely devoid of the types of procedures and standards required to support a constitutionally sufficient injunctive action. Moreover, the existing suspension statute was invalidated last year by a three-judge court as an unconstitutional deprivation of the due-process rights of the individuals involved (*Feinberg* v. *FDIC*, 522 F. 2d 1335 (D.C. Cir. 1975)). The amendment would state that the purpose of the suspension provision is to provide protection for a bank against a person who is in fact a threat to the bank in terms of dishonesty, provide a set of substantive factors that are to be used in evaluating the merits of injunctive-type proceedings in suspension orders, provide for administrative hearings, provide for judicial review of suspension orders and provide for opportunity for administrative and judicial review of outstanding suspension orders for good cause.

With respect to employment, the existing law is deficient in that it does not provide a clear statutory opportunity for formal review of the question of current fitness to be involved in a bank, nor does it provide any congressionally determined standards to guide the agency in making such a determination. The amendment would cure these deficiencies.

I am hopeful that parties appearing before the Committee on Banking, Housing and Urban Affairs to testify on S. 71 will also address their remarks to this proposed amendment.

I ask unanimous consent that the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 255

Beginning with page 22, line 24, strike out all through page 26, line 22, and insert in lieu thereof the following:

"(e)(1) Whenever, in the opinion of the appropriate Federal banking agency, any director or officer of an insured bank has committed any violation of law, rule, or regulation or of a cease-and-desist order which has become final, or has engaged or participated in any unsafe or unsound practice in connection with the bank, or has committed or engaged in any act, omission, or practice which constitutes a breach of his fiduciary duty as such director or officer, and the agency determines that the bank has suffered or will probably suffer substantial financial loss or other damage or that the interests of its depositors could be seriously prejudiced by reason of such violation or practice or breach of fiduciary duty, and that such violation or practice or breach of fiduciary duty is either (A) one involving personal dishonesty on the part of such director or officer, and the facts indicate that such individual continues to pose an undue risk of injury to the bank by virtue of personal dishonesty, or (B) in the case of a violation of a cease-and-desist order, one which demonstrates his gross negligence in the operation or management of the bank or a willful disregard for the safety or soundness of the bank, the agency may serve upon such director or officer a written notice of its intention to remove him from office, subject to the provisions of subsection (e)(5) of this section.

"(2) Whenever, in the opinion of the appropriate Federal banking agency, any director or officer of an insured bank, by conduct or practice with respect to another insured bank or other business institution which resulted in substantial financial loss or other damage, has evidenced either his personal dishonesty or, in the case of a violation of a cease-and-desist order, his gross negligence in the operation or management of the bank or institution or a willful disregard for its safety and soundness, and, in addition, has evidenced his unfitness to continue as a director or officer and, whenever, in the opinion of the appropriate Federal banking agency, any other person participating in the conduct of the affairs of an insured bank, by conduct or practice with respect to such bank or other insured bank or other business institution which resulted in substantial financial loss or other damage, has evidenced either (i) his personal dishonesty and a predilection toward further personal dishonesty, constituting an undue risk of injury to the bank, or, (ii) in the case of a violation of a cease-and-desist order, his gross negligence in the operation or management of the bank or institution or a willful disregard for its safety and soundness, and in addition, has evidenced his unfitness to participate in the conduct of the affairs of such insured bank, the agency may serve upon such director, officer, or other person a written notice of its intention to remove him from office and/or to prohibit his further participation in any manner in the conduct of the affairs of the bank, subject to the provisions of paragraph (5) of this subsection.

"(3) In respect to any director or officer of an insured bank or any other person referred to in paragraph (1) or (2) of this subsection, the appropriate Federal banking agency may, if it deems it necessary for the protection of the bank or the interests of its depositors, by written notice to such effect served upon such director, officer, or other person, suspend him from office or prohibit him from further participating in any manner in the conduct of the affairs of the bank, subject to the provisions of paragraph (5) of this subsection. Such suspension or prohibition shall become effective upon service of such notice and, unless stayed by a court in proceedings authorized by subsection (f) of this section, shall remain in effect pending the completion of the administrative proceedings pursuant to the notice served under paragraph (1) or (2) of this subsection and until such time as the agency shall dismiss the charges specified in such notice, or, if an order of removal or prohibition is issued against the director or officer or other person, until the effective date of any such order. Copies of any such notice shall also be served upon the bank of which he is a director or officer or in the conduct of whose affairs he has participated.

"(4) A notice of intention to remove a director, officer, or other person from office or to prohibit his participation in the conduct of the affairs of an insured bank, shall contain a statement of the facts constituting grounds therefor, and shall fix a time and place at which a hearing will be held thereon. Such hearing shall be fixed for a date not earlier than thirty days nor later than sixty days after the date of service of such notice, unless an earlier or a later date is set by the agency for good cause shown at the request of (A) such director or officer or other person or (B) the Attorney General of the United States. Unless such director, officer, or other person shall appear at the hearing in person or by a duly authorized representative, he shall be deemed to have consented to the issuance of an order of such removal or prohibition. In the event of such consent, or if upon the record made at any such hearing the agency shall find that any of the grounds specified in such notice has been established, the agency may issue such orders of suspension or removal from office, or prohibition from participation in the conduct of the affairs of the bank, as it may deem appropriate. In any action brought under this section by the Comptroller of the Currency in respect to any director, officer, or other person with respect to a national banking association or a district bank, the findings and conclusions of the Administrative Law Judge shall be certified to the Board of Governors of the Federal Reserve System for the determination of whether any order shall issue. Any such order shall become effective at the expiration of thirty days after service upon such bank and the director, officer, or other person concerned (except in the case of an order issued upon consent, which shall become effective at the time specified therein). Such order shall remain effective and enforceable except to

such extent as it is stayed, modified, terminated, or set aside by action of the agency or a reviewing court.

"(5) Any notice of intent to issue a removal or suspension order under paragraph (1) or (2), and any notice of suspension or prohibition under paragraph (3), shall, to the extent of the agency's knowledge at the time, contain a statement of the facts constituting the grounds therefor and an assessment of the potential risk of injury to the bank involved from the further participation of the affected individual in its affairs. With respect to the question of 'personal dishonesty,' the agency or a reviewing court may conclude at any time that the individual concerned does not in fact pose an undue risk to the bank in question by virtue of dishonest conduct, due to any one or more of the following considerations: the technical, unintentional nature of the crime involved, if any; the absence of bad faith conduct; the absence of a predilection toward dishonest conduct or breaches of trust; the absence of an egregious, serious, and willful intent to commit the dishonest act or breach of trust in question; the novelty of the crime, if any, complained of; the presence of good faith reliance upon advice of counsel; evidence of rehabilitation and any other such considerations commonly utilized by the courts in similar injunctive situations under other laws. With respect to the questions of 'gross negligence' or 'willful disregard', such shall only be grounds for removal when evidenced by one or more violations of a cease-and-desist order, and such violations are serious and non-technical in nature. 'Willful disregard' is not established unless an intent in bad faith not to comply with the order is also evidenced.

"(6) Any person subject to an order issued under paragraph (4) of this subsection shall be entitled to submit a petition to the appropriate Federal banking agency for reconsideration of the order after the expiration of three years from the date of the order or of the last reaffirmation thereof pursuant to this subsection. The provisions of subsection (h) of this section shall apply to any such petition and to any such reaffirmed order.".

(2) Section 8(g) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1818 (g)), is amended to read as follows:

"(g)(1) Whenever any director or officer of an insured bank, or other person participating in the conduct of the affairs of such bank, is charged in any information, indictment, or complaint authorized by a United States attorney, with the commission of or participation in a felony involving dishonesty or breach of trust, the appropriate Federal banking agency may by written notice, in accordance with the procedures and criteria specified in subsections (g)(3) and (g)(4) of this section, suspend him from office and/or prohibit him from further participation in any manner in the conduct of the affairs of the bank. Such suspension and/or prohibition shall become effective upon service of such notice and shall remain in effect until (1) terminated by the agency, or (2) the information, indictment, or complaint is finally disposed of, without a judgment of conviction, or (3) the completion of the administrative proceedings required under paragraph 3 of this subsection.

"(2) Whenever any director or officer of an insured bank, or other person participating in the conduct of the affairs of such bank, is convicted of the commission of or participation in a felony involving dishonesty or breach of trust, and at such time as the judgment of conviction is not subject to further appellate review, the appropriate Federal banking agency may, in accordance with the procedures and criteria specified in paragraphs (3) and (4) of this section, serve upon such director, officer or other person a written notice of its intent to suspend him from office or prohibit him from further participation in any manner in the affairs of the bank.

"(3) Any notice of suspension or prohibition pursuant to paragraph (1), and any notice of intent to issue an order of suspension or prohibition pursuant to paragraph (2), shall fix a time and place at which a hearing will be held thereon. Such hearing shall be fixed for a date not later than fifteen days after the date of service of such notice, unless a later date is set by the agency for good cause shown, at the request of (A) such director, officer, or other person, or (B) the Attorney General of the United States. Unless such director, officer, or other person shall appear at the hearing in person or by a duly authorized representative, he shall be deemed to have consented to the issuance of an order of such suspension or prohibition. In the event of such consent, or if upon the record made at any such hearing the agency shall find that such person constitutes an undue risk to the bank by virtue of a predilection to dishonest conduct or breach of trust, or by virtue of probable adverse public reaction to the continued involvement of such person in the affairs of the bank, the agency may issue such an order of suspension or prohibition from participation in the conduct of the affairs of the bank as it may deem appropriate. Any such order shall become effective thirty days after service upon such bank and the director, officer, or other person concerned. Such order shall remain effective and enforceable except to such extent as it is stayed, modified, terminated, or set aside by action of the agency or a reviewing court, except that an order originating upon the premise of paragraph (1) shall terminate upon final disposition of the information, indictment, or complaint without a judgment of conviction.

"(4) Any notice of suspension or prohibition under paragraph (1) of this section and any notice of intent to issue a suspension or prohibition order under paragraph (2) of this section shall, to the extent of the agency's knowledge at the time, contain a statement of the facts constituting the grounds therefor and an assessment of the potential risk of injury to the bank involved from the further participation of the affected individual in its affairs. The mere fact of the existence of an outstanding information, indictment, complaint, or conviction for a felony involving dishonesty or a breach of trust shall not of itself preclude the appropriate banking agency or a reviewing court from concluding that the individual concerned does not in fact pose an undue risk to the bank in question from the standpoint of dishonesty or breach of trust, due to any one or more of the following considerations: the technical, unintentional nature of the crime involved; the absence of bad faith conduct; the absence of a predilection toward dishonest conduct or breaches of trust; the absence of an egregious, serious, and willful intent to commit a dishonest act or breach of trust; the novelty of the crime complained of; the presence of good faith reliance upon advice of counsel; evidence of rehabilitation; and any other such considerations commonly utilized by the courts in similar injunctive situations under other laws.

"(5) Any person subject to an order issued under paragraph (3) shall be entitled to submit a petition to the appropriate Federal banking agency for reconsideration of the order after the expiration of three years from the date of the order or of the last reaffirmation thereof by the agency pursuant to this subsection. The provisions of subsection (h) of this section shall apply to any such petition and to any such reaffirmed order.

"(6) If at any time, because of the suspension of one or more directors pursuant to this section, there shall be on the board of directors of a national bank less than a quorum of directors not so suspended, all powers and functions vested in or exercisable by such board shall vest in and be exercisable by the director or directors on the board not so suspended, until such time as there shall be a quorum of the board of directors. In the event all of the directors of a national bank are suspended pursuant to this section, the Comptroller of the Currency shall appoint persons to serve temporarily as directors in their place and stead pending the termination of such suspensons, or until such time as those who have been suspended cease to be directors of the bank and their respective successors take office.".

(3) Section 8(h) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1818 (h)), is amended to read as follows:

"(h)(1) Any hearing provided for in this section shall be held in the Federal judicial district or in the territory in which the home office of the bank is located unless the party afforded the hearing consents to another place, and shall be conducted in accordance with the provisions of chapter 5 of title 5, United States Code. Such hearing shall be private, unless the appropriate Federal banking agency, in its discretion, after fully considering the views of the party afforded the hearing, determines that a public hearing is necessary to protect the public interest. Within ten days after such hearing, the appropriate Federal banking agency or Board of Governors of the Federal Reserve System shall render its decision (which shall include findings of fact upon which its decision is predicated) and shall issue and serve upon each party to the proceeding an order or orders consistent with the provisions of this section. Judicial review of any such order shall be exclusively as provided in this subsection (h). Unless a petition for review is timely filed in a court of appeals of the United States, as hereinafter provided in paragraph (2) of this subsection, and thereafter until the record in the proceeding has been filed as so provided, the issuing agency may at any time, upon such notice and in such manner as it shall deem proper, modify, terminate, or set aside any such order. Upon such filing of the record, the agency may modify, terminate, or set aside any such order with permission of the court.

"(2) Any party to the proceeding, or any person required by an order issued under this section to cease and desist from any of the violations or practices stated therein, may obtain a review of any order served pursuant to paragraph (1) of this subsection (other than an order issued with the consent of the bank or the director or officer or other person concerned) by the filing in the court of appeals of the United States for the circuit in which the home office of the bank is located, or in the United States Court of Appeals for the District of Columbia Circuit, within thirty days after the date of service of such order, a written petition praying that the order of the agency be modified, terminated, or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the agency, and thereupon the agency shall file in the court the record in the proceeding, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, such court shall have jurisdiction, which upon the filing of the record shall except as provided in the last sentence of said paragraph (1) be exclusive, to affirm, modify, terminate, or set aside, in whole or in part, the order of the agency. Review of such proceedings shall be had as provided in chapter 7 of title 5, United States Code. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certi-

orari, as provided in section 1254 of title 28, United States Code.

On page 26, line 23, strike out "(2)" and insert in lieu thereof "(4)".

On page 28, line 21, strike out "(3)" and insert in lieu thereof "(5)".

On page 30, strike out lines 18 through 21 and insert in lieu thereof the following:

(e)(1) Section 8(i) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1818 (i)), is amended to read as follows:

"(i)(1) The appropriate Federal banking agency may in its discretion apply to the United States district court, or the United States Court of any territory, within the jurisdiction of which the home office of the bank is located, for the enforcement of any effective and outstanding notice or order issued under this section, and such courts shall have jurisdiction and power to order and require compliance herewith.

At the end of the bill, add the following:

SEC. 11. Section 19 of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1829), is amended to read as follows:

"SEC. 19. (a) Except with the written consent of the Corporation, no person shall serve as a director, officer, or employee of an insured bank who has been convicted, or who is hereafter convicted, of any criminal offense involving dishonesty or a breach of trust. Upon petition of such a person, setting forth the justification for such consent, the corporation shall within thirty days conduct a hearing for the purpose of assessing the potential risk to the bank from the participation of the petitioner in its affairs as a director, officer, or employee. The Corporation shall within ten days after such a hearing give such consent if it determines that the petitioner does not pose an undue risk of injury to the bank by virtue of dishonest conduct or breach of trust; otherwise it shall issue a written decision denying the petition. The Corporation and any reviewing court may conclude that the individual concerned does not in fact pose an undue risk to the bank in question, due to any one or more of the following considerations: the technical, unintentional nature of the crime involved, the absence of bad faith conduct; the absence of a predilection toward dishonest conduct or breaches of trust; the absence of an egregious, serious, and willful intent to commit the dishonest act or breach of trust for which he was convicted; the novelty of the crime for which he was convicted; the presence of good faith reliance upon advice of counsel in the circumstances for which he was convicted; evidence of rehabilitation; and any other such considerations commonly used by the courts in similar injunctive situations under other laws. For each willful violation of this prohibition, the bank involved shall be subject to a penalty of not more than $100 for each day this prohibition is violated, which the Corporation may recover for its use.

"(b) A person denied permission to serve as a director, officer, or employee of an insured bank after submitting a petition pursuant to subsection (a) of this section, shall be entitled to resubmit a petition after the expiration of three years from the date of the last such adverse decision. Within thirty days after the service upon such person of an adverse decision under subsections (a) or (b) of this section, he may obtain review of the decision by filing in the United States Court of Appeals for the District of Columbia Circuit a written petition praying that the decision of the agency be modified, terminated, at set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the agency, and thereupon the agency shall file in the court the record in the proceeding, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, such court shall have jurisdiction, which upon the filing of the record shall, except as provided in the last sentence of said paragraph (1), be exclusive, to affirm, modify, terminate, or set aside, in whole or in part, the order of the agency. Review of such proceeding shall be had as provided in chapter 7 of title 5, United States Code. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari, as provided in section 1254 of title 28, and except as provided in the first sentence of this subsection.

"(c) With respect to the affairs of any State nonmember bank, any hearing and decision required by this section may be held or rendered, respectively, by the Corporation in coordination with any similar hearing and order pursuant to section 1818(g), and the specified time periods and other procedural requirements applicable in such case shall be those of section 1818(g).".

NOTICES OF HEARINGS

DEALER FRANCHISE LEGISLATION

Mr. JOHNSTON. Mr. President, on Wednesday, May 25, 1977, the Subcommittee on Energy Conservation and Regulation of the Senate Committee on Energy and Natural Resources will hold a hearing on the various legislative proposals—S. 743, S. 19, and H.R. 130— addressing the problems of independent businessmen engaged in the marketing of refined petroleum products.

The hearing will commence at 9 a.m. in room 3110 of the Dirksen Senate Office Building. The subcommittee will hear testimony from the administration and from selected private witnesses. Questions concerning this hearing should be directed to James T. Bruce at 224-9894 or Benjamin S. Cooper at 224-0611.

COMPETITIVE PROBLEMS IN THE EYEGLASS INDUSTRY

Mr. NELSON. Mr. President, hearings on competitive problems in the eyeglass industry will resume on May 24, 25, and 26 at 9:30 a.m. each day.

The hearings on the first 2 days of this series, May 24 and 25, will be held in room 424, Russell Senate Office Building. The third day, May 26, will be in room 235 of the Russell Building. Witnesses will be announced at a later date.

SMALL BUSINESS AND ALTERNATIVE ENERGY

Mr. NELSON. Mr. President, I am pleased to announce that the Senate Small Business Committee will hold a public hearing in Maine on Monday, May 23, at 12 o'clock noon in room 302, Center for Research and Advanced Study, University of Maine at Portland-Gorham, 246 Deering Avenue, Portland. The Senator from Maine (Mr. HATHAWAY) and the Senator from New Hampshire (Mr. MCINTYRE) have agreed to co-chair the session.

At this hearing, the committee will take testimony on the opportunities and problems facing New England small business in the emerging alternative energy industries: those based on solar and wind power, wood, waste, and other inexhaustible or renewable energy resources.

Senators MCINTYRE and HATHAWAY have invited R. Buckminster Fuller, the architect-inventor-philosopher who has long advocated more widespread and imaginative use of the world's inexhaustible energy resources, especially wind power, to be the first witness. Dr. Fuller has accepted that invitation. Other statements will be presented by members of the New England small business and academic communities and the State governments of Maine and New Hampshire. A complete witness list will be available from the Small Business Committee, 424 Russell Senate Office Building, in the near future.

PENSION ADMINISTRATION AND INVESTMENT POLICIES

Mr. NELSON. Mr. President, I wish to announce that public hearings will be conducted on the structure under which Federal agencies are administering the Employee Retirement Income Security Act of 1974—ERISA—the reporting requirements imposed upon businesses under the act, and pension plan investment policies, beginning on May 10 and 11.

These will be joint proceedings of the Private Pension Plans Subcommittee of the Senate Finance Committee and the Senate Select Committee on Small Business.

These two bodies joined in previous pension hearings on February 2 and 3, 1976, for the purpose of monitoring the simplification of the Department of Labor and the Internal Revenue Service pension reporting forms and ruling under ERISA, and to explore the rise in the number of retirement plan terminations occurring after the enactment of that measure. A statement of preliminary findings was presented to the Senate on September 30, 1976—CONGRESSIONAL RECORD, page 33951 and the following.

As we resume this inquiry, Senator BENTSEN and I envision a series of hearings to examine, indepth, the causes for pension terminations, and to determine what legislative and administrative solutions to the underlying problems may be practicable.

Two bills—S. 901 and S. 285, introduced by Senator BENTSEN—are presently before the Private Pension Plans Subcommittee. These bills will serve as vehicles for discussion of the general questions involved and alternative courses of action.

The witnesses for the May 10 and 11 sessions have been announced as follows:

May 10, 1977, 2 p.m., Laurence N. Woodworth, Asst. Sec. for Tax Policy, Department of Treasury; Francis X. Burkhardt, Asst. Sec. for Labor-Management Relations, Department of Labor accompanied by: Steven J. Sacher, Assoc. Solicitor for Plan Benefits Security.

May 11, 1977, 10 a.m., Donald C. Alexander, former Commissioner of Internal Revenue; William J. Chadwick, former Administrator of Pension and Welfare Benefit Programs, Department of Labor.

Richard H. Fay, Esquire, Washington, D.C.

Panel representing private venture capital organizations, including:

David T. Morgenthaler, Pres., National Venture Capital Assoc., Cleveland, Ohio

Richard J. Hanschen, Dallas, Texas.

Stewart Greenfield, Darien, Conn.

Reid Dennis, San Francisco, Calif

The hearings will commence at 2 p.m. on May 10 and at 10 a.m. on May 11 in

the Finance Committee chambers, 2221 Dirksen Senate Office Building, and will be open to the public.

Anyone wishing further information with respect to the hearings may contact the offices of the Finance Committee or the Select Committee on Small Business.

ADDITIONAL STATEMENTS

SOCIAL SECURITY FINANCING PROPOSALS

Mr. NELSON. Mr. President, today President Carter has submitted to Congress a package of legislative proposals to solve the financial problems confronting the social security system.

Too frequently, our Government reacts only after a problem has reached crisis proportions. President Carter's proposal helps avert this situation.

Millions of Americans depend upon social security as their sole source of income, and millions more depend on social security to provide them with the benefits they have earned over their working years. These are promises which must be kept, and that makes it all the more important to assure that the social security system maintains its financial integrity.

Tomorrow, the House Subcommittee on Social Security begins hearings on the President's proposals. Early next month, the Senate Finance Subcommittee on Social Security will begin its hearings on this legislative package.

Mr. President, I ask unanimous consent that a description of the Carter proposal prepared by the Department of Health, Education, and Welfare be printed in the RECORD.

There being no objection, the description was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY FINANCING PROPOSALS

The financing problems of the social security system are growing more serious with each passing year and now threaten the integrity of the system.

A compelling urgency exists to re-establish the financial integrity of the system and guarantee continued benefits to the 33 million Americans now receiving them and the expected benefits of the 104 million Americans who are paying their taxes into the system.

President Carter pledged during the campaign to restore the system's financial soundness and the public confidence that had been shaken by reports of mounting deficits.

The proposals being made today fulfill that pledge. They also fulfill President Carter's commitment to do his best to hold down increases in social security payroll tax rates, which fall most heavily on lower income workers.

THE PROPOSALS IN BRIEF

The proposed legislation, which is aimed at dealing with both immediate and longer-term social security financing problems, would achieve these objectives by:

Instituting a special counter-cyclical system of financing from general revenues which would replace the social security taxes that are lost when the unemployment rate exceeds 6 percent.

Removing the ceiling on the amount of an individual's wage or salary on which the employer pays social security taxes.

Restoring the basic (Old Age, Survivors and Disability Insurance) (OASDI) social security tax that is paid by the self-employed to the traditional rate of 1½ times the tax on employees.

Making some shifts of funds among the different social security trust funds.

Imposing relatively small increases in the amount of wage or salary on which an employee must pay social security tax. The increase would be $600 in each of four future years, 1979, 1981, 1983 and 1985.

Changing the test of whether an individual may claim social security benefits as a dependent, in conformity with Supreme Court decisions requiring men and women to be treated equally.

Correcting the excessive adjustment for inflation which was inadvertently applied in 1972 to future social security benefits.

Advancing to 1985 one-quarter of the 1 percent increase in the OASDI tax that is currently scheduled to go into effect in 2011 and advancing the remaining three-quarters to 1990.

In the short run, these proposed changes would achieve the following benefits:

Produce revenues in excess of expenditures starting in 1978.

Prevent the exhaustion of the Disability Insurance Trust Fund, which would otherwise occur in 1979.

Prevent the exhaustion of the Old Age and Survivors Insurance Trust Fund, which would otherwise occur in 1983.

Avoid any increase (beyond that already in the law) in the tax rates on an employee's wages.

Avert the risk of impairing the economic recovery this year and next, by postponing any form of increased social security tax until 1979.

Achieve adequate balances in the trust funds by the end of 1982.

The longer-term adjustments would:

Put the social security system in full actuarial balance until at least the turn of the century.

Ensure that the remaining deficit facing the system beyond the year 2000 is within manageable proportions, given the limitations on our capacity to forecast such a distant future.

DETAILED SUMMARY AND RATIONALE

I. Financing from general revenues during times of high unemployment

The proposed new counter-cyclical financing mechanism is designed to compensate the social security system for payroll tax receipts that are lost as the result of an unemployment rate in excess of six percent. An amount of money equal to the difference between the payroll taxes that were actually paid and those that would have been collected for the year if unemployment had been no more than 6 percent would be transferred from general Treasury revenues to the social security trust funds.

Under the proposal, the transfers would cover the taxes that have been lost because of high unemployment starting in 1975.

The transfers would actually be made in 1978, 1979 and 1980 but would reflect the revenue shortfalls of the years 1975–78. Unemployment is expected to fall below 6 percent in 1979.

Although the Administration believes the countercyclical mechanism would be a sound permanent financing device, it is planned that this change in the law be enacted only temporarily, subject to renewal if recommended by the Advisory Council on Social Security, in its report due at the end of 1978.

Rationale

Using general revenues to make up taxes lost because of recessions averts the necessity of raising social security taxes during a recession, an action that could make the recession worse.

Use of this special financing device, which means that the trust fund will not have to withstand the entire drain imposed by recessions, will make it possible safely to maintain a lower reserve level in the trust funds. Under current financing systems, a reserve level equal to 50 percent of a year's outlays has been considered necessary. With implementation of the countercyclical financing mechanism, a reserve level of 33 percent will provide the same degree of safety.

The traditional argument that financing social security out of general tax revenues would create a temptation to raise benefits to unwisely high levels does not apply to this limited form of general-revenue financing because:

The general-revenue funding would be available only for those years in which unemployment exceeded 6 percent, and thus could not be used to finance permanent higher benefit levels.

The amount of general-revenue financing would not be open-ended; it would be fixed by a formula.

Impact on Trust Funds: 1978, $6.5 billions; 1979, $4.3 billions; 1980, $3.3 billion. Cumulative 1978–82, $14.1 billions.

II. Taxing employers on the entire earnings of employees

At present, both the employer and the employee pay social security tax only on the first $16,500 of the employee's earnings, a figure that would rise, in stages, to $23,400 by 1982 under current law.

The proposal would eliminate the limit on the earnings on which employers pay social security taxes (usually called the "wage base") in three annual steps, starting in 1979. The base would be increased to $23,400 in 1979, to $37,500 in 1980 and to the entire amount of wage or salary paid in 1981.

Rationale

Increasing the amount of earnings subject to tax on the employer only provides the means of bringing vitally needed additional revenues into the social security trust funds without requiring an increase in benefit levels. The levels have always been tied to the wage base on which the worker must pay social security tax.

The increased cost to employers, while substantial (a total of $30.4 billion in the four years 1979–82) is less than they would pay under a conventional social security tax-increase plan, in which both tax rates and the wage base would be increased (a total of $34.2 billion).

Impact on Trust Funds: 1979, $2.6 billions; 1980, $6.1 billions; 1981, $10.3 billions; 1982, $11.4 billions. Cumulative 1978–82, $30.4 billions.

III. Restoring the traditional ratio in the tax on the self-employed

The tax rate on the self-employed would be increased from the present 7 percent to 7.5 percent, starting in 1979.

This would restore the historical relationship of 1½ to 1 in the basic social security tax (Old Age, Survivors and Disability Insurance) paid by the self-employed, compared with that paid by employees.

Rationale

From 1950, when the self-employed were first covered by social security, until 1972, the 1½ to 1 ratio prevailed. The decision in 1972 to permit the self-employed to pay less has been criticized as inequitable by many students of the social security system.

Impact on Trust Funds: 1979, $100 millions; 1980, $300 millions; 1981, $400 millions; 1982, $400 millions. Cumulative 1978–82, $1.2 billions.

IV. Shifts in funds

Beginning in 1978, a portion of the Hospital Insurance (Medicare) Trust Fund would be shifted into the OASDI Trust Fund. Increases in the HI tax that are already

scheduled to go into effect amount to .2 percent each on employer and employee in 1978 and .25 percent on each in 1981. Half of the first increase would be shifted permanently to the OASDI trust fund and 40 percent (.1 of .25) of the second increase.

Rationale

The Hospital Insurance Trust Fund will need less money than previously anticipated as a result of the expected enactment of the Administration's program to contain the rate of increase in hospital costs.

This fund also gains income from other aspects of the Administration's plan (the counter-cyclical financing and the wage-base increases) and the shift will, in effect, transfer these gains back to the OASDI trust fund.

The shift is needed to keep the OASDI trust fund solvent.

Impact on Trust Funds:

(Increase in OASDI Trust Fund and decrease in HI Trust Fund).

1978, $1.6 billions; 1979, $2.0 billions; 1980, $2.3 billions; 1981, $4.8 billions; 1982, $5.4 billions. Cumulative 1978–82, $16.1 billions.

Effective in 1978, the amount of revenue required to keep the Disability Insurance Trust Fund from running out of money would be transferred to this fund from the Old Age and Survivors Trust Fund.

Rationale

Shifts of money between these two funds, which are linked to the public mind and in financing practice have been common in the past.

V. Increases in the wage base subject to tax

Beginning in 1979, and in each alternate year through 1985, the amount of income subject to social security tax would be increased by $600, in addition to any increase that went into effect automatically, reflecting increases in the average wage in the nation.

Under present assumptions about the pace of wage increases, the automatic increases in the base, plus the four proposed $600 increases would bring the wage base to $30,300 in 1985.

Rationale

Makes up a near- and intermediate-term revenue shortfall with a tax that impacts only on those with above-average incomes.

Impact on Trust Funds. 1979, $500 millions; 1980, $600 millions; 1981, $1.1 billions; 1982, $1.3 billions; 1983, $1.7 billions; 1984, $1.8 billions; 1985, $2.3 billions. Cumulative 1978–82, $3.5 billions.

VI. Changes in the test for beneficiaries

In order to comply with recent Supreme Court decisions holding that men and women must be treated alike under the social security laws, the Social Security Administration has been forced to permit any husband to claim dependent's benefits, regardless of his actual previous dependency in his wife's earnings. Women were always permitted this. The proposed legislation would narrow eligibility for dependent's benefits, limiting it to whichever spouse had had the lower income over the preceding three year period.

Impact on Trust Funds: Reduction in outlays.

1978, $100 millions; 1979, $300 millions; 1980, $500 millions; 1981, $700 millions; 1982, $1.0 billion. Cumulative 1978–82, $2.6 billions.

VII. Correcting the inflation overadjustment

Congress, in 1972, in an effort to adjust social security benefits to reflect the full effects of both inflation and the real increase in average wages, inadvertently went too far. The complex formula which adjusts both the initial benefits of future retirees and the current payments to present retirees, produces an overadjustment which would by the year 2020 give typical retirees benefits equal to 60 percent of the wage they earned in their last year of employment, and even larger percentages in subsequent years. Some retirees would receive more in social security benefits than they earned in their last working year.

Correcting the overadjustment has become known as "decoupling" because it would separate the procedure for granting current retirees cost-of-living increases from the method by which the initial benefit for future retirees is calculated.

The proposal would end the overadjustment, by providing simply that future benefits grow at the same rate as wages. The ratio of benefits to final earnings will be held constant at 45 percent.

Rationale

The adjustment is excessive, mounts ever higher over the years and, if left unchanged, would create about half of the overall deficit in the social security system that would occur by the year 2051.

Impact on Trust Funds: Reduces the long-range deficit (75 years) on the social security trust funds to about 4 percent of total payrolls on which social security taxes are imposed, instead of the 8.2 percent that would exist without the Administration's program.

VIII. Advancing the planned tax increase from 2011 to 1985 and 1990

This tax increase, amounting to 1 percent each on employer and employee, would be moved forward.

One-quarter of the increase would be imposed in 1985 and the remaining three-quarters imposed in 1990.

Rationale

The change in effective dates of the tax would ensure the soundness of the social security trust funds up to the turn of the century. It is possible that not all of the scheduled increase would be needed in 1990 and it could be postponed then, if that proves to be the case.

Impact on Trust Funds: Reduces long-range deficit by 0.6% of total payrolls on which social security taxes are imposed.

SUMMARY

The social security trust funds incurred large deficits, beginning in 1975 and 1976 and further deficits are projected for each year into the future.

The deficits are reducing reserves in the funds to a point where the Disability Insurance Trust Fund would be exhausted in 1979 and the Old Age Survivors Insurance Trust Fund would be exhausted in 1983 if no action were taken.

For the 75-year period running to 2051, these trust funds would incur an average deficit of 8.2 percent of payrolls. The proposals being made today would reduce that deficit to 1.9 percent.

STATUS OF THE SOCIAL SECURITY TRUST FUNDS: RECENT HISTORY AND PROJECTIONS OF CURRENT LAW USING 1977 TRUSTEES REPORT ASSUMPTIONS

Year	Old-Age, survivors, and disability insurance, combined					Hospital insurance		OASDHI
	Combined tax rate (percent)	Earnings base	Change in trust funds (billions)	Ending trust fund balance (billions)	Beginning reserve ratio [1]	Combined tax rate (percent)	Beginning reserve ratio [1]	Combined tax rate (percent)
Historical:								
1974	9.9	$13,200	+$1.5	$45.9	73	1.8	69	11.7
1975	9.9	14,100	−1.5	44.3	66	1.8	79	11.7
1976	9.9	15,300	−3.2	41.1	57	1.8	77	11.7
Projected:								
1977	9.9	16,500	−5.6	35.5	47	1.8	66	11.7
1978	9.9	17,700	−6.9	28.6	36	2.2	55	12.1
1979	9.9	18,900	−7.9	20.7	27	2.2	56	12.1
1980	9.9	20,400	−9.1	11.6	18	2.2	53	12.1
1981	9.9	21,900	−11.5	.1	9	2.7	45	12.6
1982	9.9	23,400	−14.9	−14.8	0	2.7	50	12.6

[1] Ratio of trust fund at beninning of year to expenditures during year.

STATUS OF THE INDIVIDUAL CASH BENEFIT TRUST FUNDS: RECENT HISTORY AND PROJECTIONS OF CURRENT LAW

Calendar year	Old-Age and Survivors Insurance			Disability Insurance		
	Change in trust fund (billions)	Ending trust fund balance (billions)	Beginning reserve ratio [1] (percent)	Change in trust fund (billions)	Ending trust fund balance (billions)	Beginning reserve ratio [1] (percent)
Historical:						
1974	+$1.3	$37.8	68	+$0.2	$8.1	110
1975	−0.8	37.0	63	−.8	7.4	92
1976	−1.6	35.4	54	−1.6	5.7	71
Projected:						
1977	−3.2	32.2	47	−2.5	3.3	48
1978	−4.1	28.2	38	−2.8	.5	24
1979	−4.4	23.8	31	−3.5	−3.1	3
1980	−4.5	19.3	24	−4.6	−7.7	(2)
1981	−6.7	12.7	18	−4.9	−12.6	(2)
1982	−8.7	4.0	11	−6.2	−18.8	(2)

[1] Ratio of trust fund at beginning of year to expenditures during year.

[2] The disability insurance trust fund is exhausted in 1979.

ADMINISTRATION SHORT-RUN FINANCING PLAN FOR SOCIAL SECURITY CASH BENEFIT PROGRAMS

(1978-1982 aggregates excluding interest earnings):

	Billions
Additional financing needed under conventional payroll tax approach	$83
Administration plan to meet the needs:	
Countercyclical general revenues: Additional revenues produced*	$14.1
Savings from lower reserve ratio	24.1
Tax employer on full earnings of employee* (phased in over three years)	30.4
$1200 increase in employee earnings base ($600 in 1979 and $600 in 1981)	3.5
Shift of medicare tax rate	7.2
Increase in self-employment tax rate	$1.2
New eligibility test for dependents' benefits	2.6
Total new financing provided	83

*Includes new revenues initially going to hospital insurance (HI) fund but reallocated to cash benefit funds through transfers of the HI tax rate.

SOURCE OF ADDITIONAL REVENUES PRODUCED BY ADMINISTRATION PLAN

[In billions of dollars]

Year	Change in trust funds current law	Removing base for employers	Countercyclical general revenues	Increasing base for employees	Increasing self-employment tax rate	Reduced outgo[1]	Reallocation of part of HI rate	Added interest income	Total effect	Change in trust funds under plan
Old-age, survivors, and disability insurance:										
1978	−6.9		+5.5			+0.1	+1.6	+0.3	+7.5	+0.6
1979	−7.9	+2.1	+3.6	+0.4	+0.1	+.3	+2.0	+.8	+9.4	+1.4
1980	−9.1	+5.0	+2.8	+.5	+.3	+.6	+2.3	+1.5	+13.0	+3.9
1981	−11.5	+8.1		+.9	+.4	+.9	+4.8	+2.5	+17.6	+6.1
1982	−14.9	+9.0		+1.0	+.4	+1.5	+5.4	+3.7	+20.9	+6.0
Hospital insurance:										
1978	+1.9		+1.0			+.8	−1.6		+.1	+2.0
1979	+1.2	+.5	+.7	+.1		+1.3	−2.0	+.1	+.7	+1.9
1980	−.1	+1.1	+.5	+.1		+2.0	−2.4	+.1	+1.5	+1.4
1981	+3.6	+2.2		+.2		+2.7	−4.8	+.2	+.4	+4.0
1982	+2.3	+2.4		+.3		+3.4	+5.4	+.2	+.9	+3.2
Cumulative total, 1977-82:										
OASDI	−50.3	−24.2	+11.9	+2.8	+1.2	+3.5	+16.1	+8.8	+68.4	+18.1
HI	+8.8	+6.2	+2.2	+.7		+10.2	+16.1	+.6	+3.7	+12.5
Total	−41.5	+30.4	+14.1	+3.5	+1.2	+13.6		+9.4	+72.1	+30.6

[1] Includes effect of institution of new dependency test, decoupling, and hospital cost containment. Note: Individual items may not add to total due to rounding.

PROJECTIONS OF THE STATUS OF THE SOCIAL SECURITY CASH BENEFIT TRUST FUNDS AFTER ADOPTION OF ADMINISTRATION PLAN

Year	Employee earnings base		Social security total tax rate (including medicare) (percent)		Operation of cash benefit trust funds under proposal	
	Present law	Proposal	Present law	Proposal	Change in trust funds (billions)	Reserve ratio[1] (percent)
1977	$16,500	$16,500	11.7	11.7	−$5.6	47
1978	17,700	17,700	12.1	12.1	+.6	36
1979	18,900	[2] 19,500	12.1	12.1	+1.4	34
1980	20,400	21,000	12.1	12.1	+3.9	32
1981	21,900	[2] 23,100	12.6	12.6	+6.1	32
1982	23,400	24,600	12.6	12.6	+6.0	34
1983	24,900	[2] 26,700	12.6	12.6	+5.2	36
1984	26,400	28,200	12.6	12.6	+3.6	36
1985	27,900	[2] 30,300	12.9	13.4	+9.4	36
1986	29,400	32,100	12.9	13.4	+8.9	38
1987	31,200	33,900	12.9	13.4	+7.2	40
1988	33,000	35,700	12.9	13.4	+5.3	40
1989	34,800	37,800	12.9	13.4	+3.3	39

[1] Reserves at beginning of year as percent of year's expenditures.

[2] Denotes year in which $600 ad hoc increase occurs.

EFFECT OF PROPOSALS ON LONGER-RUN DEFICITS

Effect on average 25-year deficit (1977-2002):

	Percent
Deficit under present law	−2.3
Effect of Short-run financing plan	+1.3
Effect of decoupling plan	+0.4
Effect of tax rate shift	+1.1
Resulting 25-year surplus	+0.5

Effect on average 75-year deficit (1977-2051):

	Percent
Deficit under present law	−8.2
Effect of short-run financing plan	+1.7
Effect of decoupling plan	+4.0
Effect of tax rate shift	+0.6
Remaining 75-year deficit	−1.9

THE CONCORDE

Mr. GOLDWATER. Mr. President, the Port Authority of New York and New Jersey continues to drag its heels as to whether the Concorde should be allowed to land at JFK. I think enough time has gone by that a decision should be forthcoming and if New York wants to start sliding downhill in the area of international air transportation, that is up to them, but I think they will be making a mistake. Mr. Robert I. Stanfield writing in the May issue of AOPA Pilot, rather succinctly sums this whole matter up, and I ask unanimous consent that his editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE CONCORDE

(By Robert I. Stanfield)

AOPA always has advocated the expansion of our public use airport system—paralleling the development of the public road system—with the inherent freedom of use by the flying public, similar to that possessed by the motorist on the public highway.

Thus we see the action of The Port Authority of New York & New Jersey—in refusing to act on the question of Concorde operations into and out of New York's JFK—to be ominous. We also see the stimulus of local emotionalism, much of which is based on misinformation.

Last month J. B. Hartranft, Jr., the president of AOPA, wrote President Jimmy Carter, urging decisive federal action to resolve this question. AOPA's reasoning, as expressed in his letter, follows:

"The unwillingness of the Port Authority to evaluate the Concorde against a set of reasonable environmental standards is but another example of a distressing trend; the random restraint of interstate air commerce by local communities to the detriment of the entire nation.

"If trains, buses and trucks were treated in this fashion, there would be a national hue and cry and immediate federal action under the preemption provisions of the Constitution. It is hard to understand why aviation, our true national transportation system, is treated as a second class citizen.

"While at first blush it may appear strange that an organization which represents 200,000 general aviation pilots and aircraft owners should be concerned with the fate of the Concorde, the situation at JFK closely parallels the problems which we have faced across the country.

"For years we have fought to maintain a nondiscriminatory policy regarding the use of airports. Access should be available to all aircraft which meet the national environmental standards. To allow each locality to set its own independent standards for aviation operations and airport use is to allow local political entities to destroy any semblance of a national air transportation system.

"In addition, in this case we see the Port Authority interjecting itself into a foreign policy question which has broad ramifications for the entire aviation community and our nation's international relations. Clearly

there will be retaliation by England and France which will impact on aviation manufacturers as well as the users. Exports of U.S. manufactured aircraft will suffer as will freedom of transit by aircraft operators, both general aviation and air carrier."

Concordes have been flying into Washington's Dulles for the past 11 months. Soon, we expect, they will also be flying into Dallas/Fort Worth—cities that can hardly wait for the service.

It's not easy to understand why the Port Authority keeps postponing its decision on this supersonic aircraft that would have no greater an impact on the New York community than the narrow-body subsonic jets operating there now.

It's also hard to understand why the Port Authority—despite testing which showed the Concorde can comply with the 112 PNdB noise limit at JFK—has reportedly asked the companies involved with the testing to keep the results "confidential."

We hope the President will heed the urging of AOPA in that the federal government exercise its right of preemption. Failure to do so, as Mr. Hartranft pointed out, will give license to every community to tinker with our national transportation system and can only result in the entire nation being the loser.

THE CLOSE UP PROGRAM IN NORTH CAROLINA

Mr. MORGAN. Mr. President, throughout my years of public life, I have always been interested in the quality of education provided to our young people. I am particularly proud that my State of North Carolina has been exemplary in the dedication of its teachers and the quality of its educational institutions The educators of my State have been extremely innovative and responsive to the needs of our students.

In no case has this been more apparent than in their response to the Close Up program. I rise today in tribute to the fine work of our individual schools, for the press of the times has brought the school board of my home county to the consolidation of these schools. While it is with great anticipation that I look forward to the opening of Western Harnett High School and Harnett Central High School; it is with pride that I recall the good work that these schools which will be consolidated have fostered.

This has been particularly true in the case of the Close Up program, a program which it has been my privilege to help build in the State of North Carolina. Close Up is a nonprofit, nonpartisan forum on the involvement of youth in Government. The basic method of the program is simple: To bring young people to Washington to see our Government firsthand; to meet people in Government; to see Government in action. But the result is a genuine understanding and appreciation of the nature of our system of government and its opportunities for involvement.

I rise today in recognition of the efforts made by the administration and faculty of these schools to broaden the educational horizons of their student bodies through participation in Close Up. In their final months as operating high schools may I today on the floor of the U.S. Senate commend the great contribution made to the area of secondary education by Anderson Creek High School, Angier High School, Buies Creek High School, Boone Trail High School, Lafayette High School, Benhaven High School, and Lillington High School. These were small schools by some standards, but they were the pride of their communities. They were centers of civic, cultural, and even political life and a rallying point for many a community project. Today their graduates are spread out across this Nation and, indeed across the world, but they carry in their hearts fond memories of formative days spent in the classrooms of these North Carolina high schools.

These schools served their students well and their staff and faculties will long be remembered and revered by those they sought to assist in their educational journeys with programs like Close Up. And certainly these dedicated servants and these small Southern high schools leave a legacy which can only be measured in a stronger America for which we can all be proud.

THE PRESIDENT'S ENERGY PROPOSAL

Mr. GARN. Mr. President, President Carter has addressed the Nation, and addressed the Congress, on the subject of energy. In doing so, he has opened a much-needed dialog. I feel that Presidents Nixon and Ford attempted the same thing, but I admit that President Carter has been more successful in communicating to the people as a whole the gravity of the situation.

Nevertheless, I do not feel that the President's proposed solution will in all cases meet the need, so in the spirit of dialog, I take this opportunity to set forth my own views, and to comment on the proposals he has offered us. Needless to say, there will be as many views about what should be done as there are Members of Congress and Senators, or as there are citizens of this great country. As the legislation moves through the legislative process, I promise to contribute to the debate, and to seek to supply positive suggestions. Clearly action is needed, and needed now.

In brief, I feel strongly that the President's proposal will continue the same system of governmental interference which has produced the energy problem in the first place. It is difficult to say what the exact mix of fuels and use patterns is best, and it is precisely for this reason that Government attempts, through tax penalties and incentives, to produce the best patterns, are so expensive, and so counterproductive. It does not appear to me that this situation will be improved. Indeed, it appears that President Carter is proposing a greatly expanded Federal authority over local and private decisions. To the extent that is so, it must be resisted.

First. Tax penalties on gasoline and "gas-guzzlers." Virtually everyone recognizes that these penalties will fall heaviest on the poor. That is particularly true in the West, where it is common to travel long distances to work and to visit close friends. The President has at one time talked about "recycling" the money taxed away to those hurt by it; more recently, his advisers have looked at the money that could be raised—as much as $34 billion in 1985 for the gas tax alone—as a way to finance such social programs as national health insurance. It will be extremely difficult to get the money back to those who are hurt at any rate, and if we are successful at doing it, we are entitled to ask why they should change their use patterns? If the sting is taken out of the penalty, what is the point? Taxes on gasoline have all the disadvantages of high prices without any of the advantages. At least when the price to producers goes up, they are encouraged to produce more. When Government gets the difference, the consumer is hurt, and the producer is discouraged from additional efforts.

Second. Price controls. The same considerations apply here. The President proposes to boost the price by a wellhead tax on oil, to boost the price to the world market level. I think we are entitled to ask why, if the price is to go that high, it should not go there naturally, through deregulation. In that way, producers would have an incentive to tap some of the less accessible reserves, thus easing the shortages and decreasing our dependence on foreign sources. By tying the price of natural gas to the price of domestic crude oil, he has guaranteed a price rise, but to an arbitrary price where no one can predict its impact. He has further proposed extending Federal regulation to the intrastate market, which will simply guarantee that next time we have a cold winter, the shortages will be nationwide, instead of just in the nonproducing States.

Third. Conservation. This is the most positive part of the President's proposal, and a concept I wholeheartedly support. It is undisputable that the United States wastes a great deal of energy. On the other hand, people have been encouraged to waste through artificially low prices historically, and through interference in energy markets to produce consumer preferences for more valuable fuels. It is essential to cut the rate of energy growth. What is less certain is that such a cut can be produced by Federal bureaucrats issuing regulations and restrictions, dictating to producers and consumers efficiency standards for everything from toasters to electric toothbrushes. Higher prices will guide consumers' actions more surely than the hand of the bureaucrat, and the President appears to be committed to higher prices. The extensive regulatory structure that the other proposals will require appears to me to be unnecessary.

Fourth. Industrial fuels. President Carter proposes taxes and incentives to encourage the conversion by industry from oil and gas to coal as a boiler fuel. It should be noted that many industries converted from coal to oil and gas a few years ago, at the insistence of the Government. The President also proposes authority to require the conversion where it is not accomplished voluntarily.

Once more we see the kind of across-the-board regulation that has gotten us into so much trouble in the past. In most

cases, it may be desirable for industry to convert, though Federal restrictions on air quality make it very difficult, and may make it impossible. In some cases, however, local conditions may dictate a different response. There is no evidence that the Carter program will have that kind of flexibility. As price structures change, industry will be encouraged to convert to the cheaper and more plentiful coal; again, the regulatory structure appears unneeded.

Fifth. Solar energy and insulation. I have long advocated incentives for insulation, and was happy to see the President lend his support to them. Solar energy is certainly the fuel of the future, and I would be happy to see more attention given to it now. I do not believe that it is a realistic solution to the space and water heating problems of the average family at this time, however, and I am not sure that it should be singled out for preferential treatment. We should be exploring many different alternatives, and the marketplace is the most responsive institution to carry out the research, development, and marketing. It will do so as it is freed from artificial restrictions.

It appears to me, Mr. President, that reliance on free people and free institutions has produced most of the advancements we have experienced in America. To the extent that Government has gotten itself involved, it has introduced distortions and expense. In trying to solve our present crisis, we should turn to those institutions which have proved fruitful and avoid those which have harmed us. The cure for governmental interference is not more governmental interference. It is more freedom. As the Senate considers the President's specific proposals, I will work in that direction.

THE BUDGET AND DEFENSE SPENDING

Mr. CRANSTON. Mr. President, the Senate and the House have now acted on the first budget resolution for fiscal year 1978, and for the fourth time on the fiscal year 1977 budget. A conference to settle the differences is about to begin.

One of the largest remaining differences between House and Senate, and the issue which received the most attention in the other body, is how much to provide for national defense.

Certainly, all Senators believe in a strong national defense. Our objectives are that we be strong enough to deter any attack on us by our potential adversaries, to protect our allies and our vital interests, to defend ourselves and our allies from being coerced by any potential enemy or enemies, and to convince any foe that we can respond to any attack upon us with a deadly retaliation.

In short, I believe that we would all agree that the appropriate measure of our defense budget is the amount of money required to enable us to carry out, in the most cost-effective way, those elements of U.S. foreign policy upon which military force has a bearing.

Although we all more or less agree on this standard, there are vast differences over how to quantify it.

The current defense numbers in the Senate version of the budget resolution involve more than a 10.3-percent jump in new budget authority—from $108.8 to $120.3 billion. And the resolution allows for a 12.8-percent jump in anticipated current year outlays—from $98.9 to $111.6 billion. I believe the budget could have been cut by several billion dollars without harming any national security interests. Like most big budgets, this one has considerable fat in it.

Yet, whenever a cut in defense funds is proposed, the argument is raised that such a cut will immediately reduce our armed strength by thousands of men, or eliminate much of our weapons modernization or procurement effort, and thereby dangerously weaken us vis-a-vis the Soviet Union.

Considering that we are dealing with numbers far in excess of current year funding, for a fiscal year which does not begin until October 1, 1977, it is difficult to see how such consequences could occur.

Yet, such arguments are often used to attempt to dissuade Members of Congress who might be considering any cut in the defense budget.

As recently as April 27, during the debate in the other body on the first budget resolution for fiscal year 1978, the argument was made that a $750 million dollar cut in the roughly $60 billion portion of the defense budget that relates to personnel—52 percent of the total—would represent "200,000 jobs knocked out of the Defense Establishment, either in uniform or civilian. That means 200,000 more people who are going to be out on the street."

The budget process has now existed long enough so that we can examine arguments made at the beginning of one budget cycle, and compare these predictions with actual conditions as we near the end of the year—and fiscal year 1977 is a particularly good year for that purpose, since the congressional budget numbers for that fiscal year have been updated three times since they were adopted.

I believe my colleagues will find interesting a brief review of the defense budget numbers for fiscal year 1977, along with certain statements which were made about them, and a progress report of what has actually happened to date:

When the first concurrent resolution on the budget for fiscal year 1977 was under consideration in the Senate Budget Committee, then President Ford had submitted a revised request for new budget authority of $114.9 billion, with fiscal year 1977 outlays of $101.1 billion.

Believing these amounts excessive, I proposed an alternative approach which would have resulted in a defense budget consisting of new budget authority of $108.2 billion, and outlays of $99.5 billion. The committee was then told that to achieve this outlay total, our armed strength would have to be cut immediately by 100,000 men—which would unacceptably weaken our military posture. The committee thereupon rejected my suggestion, and adopted defense totals of $113.0 billion in budget authority and 100.9 billion in outlays.

On the Senate floor, Senator BAYH proposed an amendment which would have reduced the defense totals in the budget resolution to $110.4 billion in budget authority—a reduction of $2.6 billion; and outlays of $100.4 billion—a reduction of only $500 million from the committee's numbers. The distinguished Senator from Indiana was told in debate that if his numbers were adopted, new procurement would have to be curtailed by 90 percent and all research and development would need to be abandoned.

The Senate defeated the Bayh amendment and the defense numbers recommended by the committee were adopted as a part of the first concurrent resolution for fiscal year 1977.

Now, let us take a look at what has happened during the course of fiscal year 1977.

After conference with the House on the first concurrent resolution, the defense numbers became $112.5 billion in budget authority, and $100.8 billion in outlays.

The Senate later passed a second concurrent resolution for fiscal year 1977, approving defense numbers of $112.1 billion in budget authority, and $100.7 billion in outlays.

After conference with the House, these numbers became $112.1 billion in budget authority and $100.65 billion in outlays.

After Senate action on the third concurrent resolution, the defense numbers were further reduced to $109.2 billion in new budget authority, and $100.1 billion in outlays.

After conference with the House, these numbers became $108.8 billion in new budget authority and $100.1 billion in outlays.

Most recently, this week the Senate again amended the fiscal year 1977 budget resolution. In the defense function, the Senate-passed defense numbers are now $108.8 billion in new budget authority and $98.9 billion in outlays. I invite comparison of those numbers with my original suggestion, $108.2 billion in budget authority and $99.5 billion in outlays—and with the original Senate numbers: $113.0 billion and $100.9 billion in outlays.

And, I would point out that OMB currently estimates that actual outlays for the fiscal year will be even lower—$97.1 billion.

I would also ask my colleagues to observe that although the congressional budget is now $600 million lower in outlays than my original suggestion, we have not cut our authorized armed strength by 100,000 men, or even 1,000 men; and although we are now at least $1.5 billion in both budget authority or outlays below the numbers in the Bayh amendment, we have not reduced our procurement by 90 percent, nor eliminated our research and development. But, considerable fat has been boiled out of the fiscal year 1977 defense budget.

If we are ever to achieve a balanced budget, it is clear that we must continue to boil fat out of the whole budget—but the defense area remains the most bloated. In spite of the inability of the Pentagon to spend anywhere near the amounts requested for fiscal year 1977,

even larger amounts have been requested for fiscal year 1978, and the Senate has approved virtually the entire request.

As we enter conference with the House concerned about the size of the budget we have approved and the deficit it implies, the House is $3.2 billion below the Senate in budget authority, and $1.7 billion in outlays for the defense function. I ask my colleagues to review last year's history, and see if there is a lesson in it.

MILITARY RETIREMENT

Mr. GOLDWATER. Mr. President, we are hearing a lot these days about military retirement, and what an evil thing it is. What many of these accusers forget is that military retirement is mostly a matter of honor with the American people. We promised retirement to men to get them to join the Army, and now we have Members of the Congress who would like to go back on the word of America. That is something we can never condone. In the March 1977 issue of "The Retired Officer" is a very interesting and very short compilation of facts often ignored or overlooked on this matter. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COMPLEMENTARY FACTS ABOUT RETIREMENT

For the past several months there has been considerable criticism in the press about the cost of military retirement. The statistics proffered in most of these editorials and news stories are convincing enough—by themselves. However, in the absence of other, more qualifying statistics, these stories serve to mislead the public, thus stirring up unnecessary and unfortunate ill-feeling toward the military.

To help you set the record straight, should you feel the urge, following are some facts and figures that should help to counterbalance some of the information you may have read or heard.

The military retiree draws, on the average, $6,648 annually—this is just above the official poverty level. This figure is before taxes.

As of 30 June 1976, there were 1,096,184 military personnel receiving retired or retainer pay. This figure broken down includes 751,244 enlisted persons (69 percent) and 344,940 officers (31 percent).

Military retired pay is deferred pay earned over twenty to thirty years of service. This pay also serves as a retainer fee which keeps the retiree subject to the Uniform Code of Military Justice and recall to active duty at any time.

It is implied by some that most military personnel voluntarily retire after twenty years service. The fact is that only one of every ten even make it to retirement eligibility.

Military retirement pay is figured on base pay, not on salary. Many people misconceive that the military receive 50 to 70 percent of salary as retired pay. Regular Military Compensation (RMC) is the military equivalent to salary for purpose of compensation. By law, RMC is the sum of basic pay *plus* quarters allowance *plus* subsistence allowance *plus* federal tax difference. Depending on grade, retirement at 20 years service represents between 33 and 40 percent of RMC. At 30 or more years, the rate ranges from 49 to 61 percent. Hence, retired pay or a percentage of salary ranges from 33 to 61 percent of "salary" as opposed to 50 to 70 percent of base pay.

One figure that was presented in a recent news story is that since 1962, the annual cost of retired military pay has been multiplied by ten to $8.2 billion, while the entire defense budget has just doubled. However, there was some information missing that would have helped qualify this: (1) in recent years, funds for repair or modernization of equipment, research and development, and procurement of new weapons systems have been limited, thus enlarging the proportion of personnel costs to total cost; (2) the 1962 retired population of 13,436 represents the abnormally small standing forces of pre-World War II; and (3) the Consumer Price Index has more than doubled since 1962.

Information in this article was culled from a press release provided by The Retired Officers Association. For more information, see the editorial in the March 1977 issue of The Retired Officer.

MAGEN DAVID ADOM RECOGNITION DAY

Mr. RIBICOFF. Mr. President, May 8 is World Red Cross Day. People throughout the world recognize the outstanding work the Red Cross does. On May 8, its many supporters will honor the birthday of its founder, Henri Dunant. When he created the Red Cross, Mr. Dunant foresaw an organization that would unite people of different political, religious, and economic ties through a shared commitment to humanitarianism. For 96 years, the Red Cross has helped people avoid, prepare for, and cope with disasters. Worldwide, it has over 1.4 million volunteers and 3,135 chapters.

Currently, the International Committee of the Red Cross recognizes as its official symbols the Christian Red Cross, the Moslem Red Crescent, and Iran's Red Lion, and Sun Emblem, the Magen David Adom, the Red Star of David, has long been a source of strength and reassurance to the people of Israel and those of the Jewish faith throughout the world. It symbolizes a friend and helping hand during periods of crisis. Still, it is not recognized as an official symbol of the Red Cross, though it meets all of the criteria for acceptance.

Operation Recognition is a worldwide effort to gain international recognition of the Magen David Adom by the Red Cross. I am a cochairman of Operation Recognition. It currently has active supporters in 35 countries who are attempting to gain support from civic and community leaders. On May 8, in conjunction with the observation of World Red Cross Day, members of this organization are planning a series of events to bring attention to the lack of recognition of the Magen David Adom. Special meetings are planned, petitions will be circulated, and a presentation will be made to parliaments worldwide.

Henceforth, May 8 will also be observed as Magen David Adom Recognition Day. The time has come for the International Committee of the Red Cross to recognize the Magen David Adom as an official symbol.

TITLE IX: ADMINISTRATIVE, LEGAL, AND CONSTITUTIONAL ASPECTS

Mr. GARN. Mr. President, I am pleased to be joining my colleague Senator HELMS in introducing legislation which, if enacted, would bring commonsense back into the Federal rulemaking process and would help to relieve the tremendous financial burden that is currently facing our institutions of higher education. A large percentage of this financial burden is caused by Federal regulations. It is time we in Congress do something to alleviate this problem. The Academic Freedom Act is a step in that direction.

However, while this legislation would certainly help to correct past wrongs, it is time that Congress begin to "prevent the disease" and not just work on the "cure." We can no longer stand back and point our fingers at the executive branch as if they are the ones totally responsible for the deluge of Federal regulations. The Constitution gave Congress the power to enact laws and yet we pass legislation that is so vague that we are in essence giving the lawmaking power to the executive departments. Title IX is a perfect example. Congress did not carefully consider or outline what "Federal financial assistance" meant before the passage of title IX. As a result, Federal financial assistance has been interpreted to include even those institutions whose only source of Federal funds is through students who are participating in one of the Federal student financial assistance programs. Mr. President, I find it hard to believe that this is what Congress really intended.

I am not suggesting that we do away with the laudable goals of the aforementioned bill, but I am suggesting that commonsense prevail and that Congress start "writing" the laws again. In this regard, Mr. President, I ask unanimous consent that a speech by Dallin Oaks, president of Brigham Young University and outspoken critic of title IX, be printed in the RECORD. As he points out, the time has come for "us to reclaim the moral authority of the title IX Congress enacted and abolish the burdensome 'administrivia' of the regulation HEW decreed."

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

TITLE IX: ADMINISTRATIVE, LEGAL AND CONSTITUTIONAL ASPECTS

THE FUTURE OF INDEPENDENT HIGHER EDUCATION

(By Dallin H. Oaks)

I have at least a dozen messages I would like to give to this influential group. I would like to speak about the importance of academic freedom in higher education. Here I would speak of the often-overlooked importance of academic freedom for colleges and universities, pointing out that an institution which lacks freedom from government interference in the management of its educational functions cannot protect its faculty from government interference in theirs.

I would like to explain why private independent institutions—especially church-related ones—must have a different regulatory mechanism than public institutions already sponsored by the state and funded by its taxpayers. I am alarmed at the increasing tendency of lawmakers to make no distinction between the laws and regulations that may be appropriate or even required for public institutions, and the lesser legal restrictions that are wise or even acceptable for private independent ones.

I would also like to give my views on the vital issues in public financial support of

higher education. Here I would take sad note of the number of institutions that have closed their doors, unable to survive rising costs and increased competition. Even more sad in my opinion are the numbers of institutions that are abandoning their independent mission, conforming themselves to questionable laws and regulations and shouldering up to the tax trough because they would rather be fed than dead. I reluctantly accept as inevitable the fact that many currently independent institutions must have some type of public assistance if they are to continue to perform educational functions, which, as President John Silber of Boston University has noted so persuasively, are public functions and worthy of public support. But we must find ways to make such public assistance available to independent colleges and universities with the minimum possible "strings." And the regulatory burden imposed upon those receiving such assistance must be graduated according to the magnitude of the aid received—whether massive or *de minimus*—and adjusted according to its nature—whether direct (such as direct budgetary support or categorical assistance) or indirect, such as loans or grants to students or even tax credits for those who give contributions or pay tuitions to higher education. Private, independent institutions must have options on the amount of government regulation to which they will be subject by the receipt of different kinds and amounts of public assistance.

I could speak with deep concern about current or proposed statutes and regulations that pose unacceptable threats to the independent sector of higher education. Under that heading I would mention Internal Revenue Service Procedure 75–50, which threatens to remove the crucial tax exemption from any private school, college or university that fails to conform a long list of its institutional policies to the IRS' definitions of public policy in the matter of racial discrimination, presuming guilt unless the institution proves otherwise each year.

I would like to warn you about the disturbing implications of the Treasury Department's recent proposal for legislation that would subject all interstate contributions and fund-raising to extensive federal regulations and requirements on financial disclosure and management.

I would also sound an alarm about the increasing tendency of state regulatory bodies—systems of higher education and licensing agencies—to claim supervisory authority over private educational institutions, even those already accredited by the regional associations.

I would also like to elaborate on the hypocrisy and irrationality of many government regulations. Dorothy Rabinowitz did this with telling effect in a recent issue of *Fortune* exposing scandal, mismanagement and discriminatory hiring in the E.E.O.C. The content and administration of Title IX is also hypocritical. For example, last week the Supreme Court ruled that the survivor benefit provisions of the Social Security Act were unconstitutional because of sex discrimination, giving different treatment to widows than to widowers. H.E.W. had defended that discrimination as an acceptable legislative classification, warning that its elimination would cost the Social Security Program almost $500 million in 1977. Sex discrimination apparently has its price, a point H.E.W. conveniently overlooked in its Title IX Regulations, which abolish sex discrimination in elementary, secondary and higher education, imposing large costs for capital expenditures and operating costs.

Another instance of hypocrisy was revealed when one of AAPCU's independent college presidents wrote H.E.W. that the Title IX regulations seemed to require a college to discontinue any services to ROTC or other military organizations since military limitations on combat specialties for women put them in the category of organizations that discriminated on the basis of sex in their employment practices. H.E.W.'s response tried to decree that conflict out of existence, but could give no reasoned basis to do so.

As I have tried to speak for the freedom of private, independent higher education, I have sometimes been misunderstood as speaking against the aspirations of minority groups, women, or others whom the law seeks to aid. I hope to prevent such misunderstandings. I believe that no group has a greater stake in the freedom of educational institutions than those who have been victimized by discrimination. While freedom can be and has been abused, the freedom to be different has been the source of the greatest advances in educational opportunities for minorities and for society as a whole. For example, the earliest and most significant efforts in the education of women were in the single-sex colleges. Now we are told that these alternatives must be abolished, even for those who prefer them. The Title IX Regulations grant continued life to the private single-sex college, but only at the undergraduate level. If a private college desires to offer a masters degree, it must abandon its single-sex character. What nonsense!

The greater measure of freedom appropriate to a private institution can be used to benefit minorities in ways forbidden to public institutions that are sponsored by the government and directly supported by taxes. For example, the Supreme Court will soon decide the *Bakke* case, in which the California Supreme Court has ruled unconstitutional a preferential admissions program for minority applicants to the Medical School of the University of California at Davis. Whatever the Supreme Court does with that decision, it should not apply to private, independent colleges and universities. They should be free to utilize admissions policies that favor one group or another on the basis of religion, sex, race, ethnic or other criteria so long as these institutions are not government-sponsored and do not make direct use of tax funds in the programs affected. While such freedom admittedly can be abused, it is more likely to be used to benefit a minority than to disadvantage it. The conscience of our society is sufficiently aroused in favor of groups that have been victimized by discrimination that educational freedom is most likely to be used to favor the interests of minority groups in the long run. Thus, if the Supreme Court of the United States affirms the California judgment in the *Bakke* case—as many legal scholars think it will—private institutions should nevertheless be free to apply preferential admissions policies to favor minority groups that public institutions are forbidden to favor.

These are not political issues, and their treatment does not necessarily change from one political administration to another. We have had Secretaries of H.E.W. whose actions have seemed relatively indifferent to the principles of independence, and others of the same political party who have been commendably sensitive. I put Secretary David Mathews, who will address your group this evening, in the latter, favorable category. He succeeded in reversing some very dangerous trends during his brief tenure in office. I hope that they will stay reversed.

This long introduction will have made you aware of by conviction that it is imperative for America to preserve a strong and independent private sector in higher education. Free to be different, the private institutions will maintain a competitive alternative that will police its own excesses and help its sister institutions in the public sector preserve their academic freedom and quality.

The most significant inroads on the freedom of higher education in many years are embodied in the sex discrimination regulations under Title IX of the Education Amendments Act of 1972. Brigham Young University has been a leader in opposing the excesses of Title IX, and so you have invited me to speak on "Title IX: Administrative, Legal, and Constitution Aspects."

I will offer three observations on Title IX. The first is my own. The second and third are from distinguished lawyers, one in a great state university and the other in government, in the Office of Civil Rights.

My first comment about the Title IX regulations is that they exceed the statutory authority granted by Congress. It is of course axiomatic in our system of government that Acts of Congress are valid only if they are consistent with the Constitution. It is equally true—and for the same reasons—that regulations issued by Executive agencies are valid only if they are consistent with the terms and intent of the Act of Congress that authorizes them.

The law passeed by Congress under Title IX of the Education Amendments Act of 1972 provides as follows:

"No person in the United Stats shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance. . . ."

That straightforward language embodies an appropriate principle: no education program or activity receiving federal financial assistance shall discriminate on the basis of sex. The reference to "education program or activity" obviously singles out certain constituent elements of a university, college, or school. Congress means to impose its requirements selectively and not on an entire institution.

That is not the basis on which H.E.W. acted in issuing its regulations. Secretary Weinberger's statement of June 3, 1975 issuing the regulations declares that the law "forbids sex discrimination in any educational *institution* receiving Federal assistance." And in its official explanation of the coverage of the regulations H.E.W. stated that they apply *"to all aspects of all education programs or activities* of a school district, institution of higher education, or other *entity which receives Federal funds for any of those programs."*

The implementation of H.E.W.'s position is apparent in the definitions in the Regulations. For example, a "recipient" institution is defined as any one to which federal financial assistance is extended directly or indirectly or which "benefits from such assistance. . . ." "Federal financial assistance" is defined to include a variety of indirect financial arrangements, including a situation where federal scholarships, loans, grants, wages, or other funds are extended directly to students of the institution. These definitions constitute an illegal and oppressive extension of the coverage of the Regulations—a witch's broom on which H.E.W. can ride into any school closet or private chamber. By grammatical sleight of hand—insertion of the word "benefits" and substitution of the word "institutions" for the words "program or activity" used by Congress—H.E.W. has attempted to extend its regulatory authority over every program or activity of all institutions that receive or benefit from any federal financial assistance in any individual program or activity. This is a direct bureaucratic repeal of the words Congress chose to limit the scope of Title IX to those programs or activities actually receiving federal financial assistance.

In a recent article in the Georgetown Law Journal, Washington attorney Janet Lamersen Kuhn confirms the legal theory I have just expounded and then demonstrates another deficiency with the Title IX regulations: Congress did not authorize the agency

to write any regulations on employment practices, which Congress has regulated in another manner. "The end of equal educational opportunity," attorney Kuhn concludes, "does not justify the assumption of legislative functions by an executive department."

I am pleased that the legality of the Title IX Regulations is being challenged by the NCAA in a federal court suit in the District of Kansas. I am only sorry that no individual colleges or universities have joined the NCAA as parties to that suit. I find it sad that a position of vital interest to the independence of higher education has to be litigated by the athletic establishment, as if athletics were the only program in a college or university that was concerned about maintaining its freedom from illegal control by H.E.W. Clearly the outcome of this litigation will have a major impact on the legality of federal regulatory power over all of higher education. Our American Association of Presidents of Independent Colleges and Universities will shortly file a brief *amicus curiae*, explaining the significance of this case for the educational interests of colleges and universities. Where are the other associations—state and national—who profess to speak for the independent sector of higher education?

According to a published opinion by Arvo Van Alstyne, Vice President of the University of Utah and Professor in its College of Law, the Title IX Regulations are unconstitutional because they exceed the law-making power authorized in the Constitution.

We should not forget that our federal government has only those powers specifically conferred by the Constitution. Its power is not *carte blanche*. In the exercise of its spending power, Congress can attach "strings" to its appropriations but it cannot attach conditions or impose regulations which are unconstitutional in themselves. There are serious doubts about the conditions H.E.W. has attached, as Van Alstyne explains.

The power to regulate commerce—the other likely justification for the power asserted in Title IX—is distinctly limited when it is applied to the operations of state government. Here is an objection to the Title IX Regulations that applies specifically to state colleges and universities. Just last year the Supreme Court ruled unconstitutional an Act of Congress that attempted to impose wage and hour controls over state and local government employees, including those in education. The Court explained its decision in terms of the need to preserve the autonomy of state government. "If Congress may withdraw from the states the authority to make those fundamental employment decisions upon which their systems for performance of these functions must rest," the Court ruled, "we think there would be little left of the states' 'separate and independent existence.'" Van Alstyne concludes that this case "can be read to preclude any discernible degree of Congressional displacement of state authority over state employment structures and compensation practices."

The third possible source of Congressional power for Title IX is the Fourteenth Amendment, which grants Congress authority to implement its guarantee of equal protection of the laws. But Van Alstyne finds that this source of power falls short of justifying the Title IX Regulations for two reasons. First, it cannot authorize any regulation of private schools, since the Fourteenth Amendment is limited to state action. Second, since sex is not a constitutionally suspect classification, the range of congressional power to outlaw sex discrimination is less than its power to outlaw the suspect classification of racial discrimination. H.E.W. conveniently overlooks that point in its legal arguments for the Title IX regulations, virtually all of which use precedents involving the eradication of racial discrimination.

Those interested in a fuller exposition of Van Alstyne's reasoning can obtain a copy of his published opinion. I quote only his conclusion:

". . . Title IX should be given a strict interpretation to avoid constitutional doubts. Such an interpretation is readily available: the prohibition in Title IX against sex-spaced 'discrimination' may properly be construed to mean only discriminatory actions which . . . would have a sufficiently invidious quality to violate the Equal Protection Clause. . . .

"The principal characteristic of laws that are unconstitutional in the Equal Protection sense . . . is that they necessarily reflect a discriminatory purpose. Conversely, a law neutral on its face and serving otherwise permissible purposes, will not be held invalid under the Equal Protection Clause merely because it adversely affects a greater proportion of one race (or sex) than of another.

"The suggested interpretation of Title IX . . . is essential to its constitutionality. . . .

"It is immediately apparent, however, that Title IX, so construed, will not sustain the elaborate structure of mandatory compliance actions reflected in the H.E.W. Regulation. The theme of the Regulation is that gender-based discriminatory effects must be eliminated, without reference to discriminatory institutional purpose, . . . [T]he Regulation, it is submitted, mainfestly impose[s] non-discrimination standards far in excess of the minimum constitutional norms mandated by the Equal Protection Clause.

"If the analysis advanced above is correct, it follows that the Regulation, in most if not all of its principal features, is wholly unauthorized by Title IX, properly construed, and is therefore a nullity. On the other hand, if Title IX authorizes these provisions, Title IX is probably unconstitutional. The government, in my opinion, can't have it both ways."

In December 1976 Martin H. Gerry, Director of the Office of Civil Rights, spoke at the Annual Meeting of the American Association of Presidents of Independent Colleges and Universities, of which I am currently president. Surprisingly, Gerry criticized the way regulations have been made in the Department of Health, Education, and Welfare in the last decade. His criticism included the sex discrimination regulations under Title IX, and a variety of other regulations, including those involving discrimination on the basis of age and handicap.

Gerry contended that the law-making functions that the Constitution assigns to the Legislative Branch are being steadily but wrongfully transferred to the Executive Branch. This happens, he explained, because Congress has increasingly indulged in the passage of generalized pronouncements with little or no prior consideration of their impact on the group being regulated. Thus, Gerry constrasted the extensive debate over the prohibition on racial discrimination in the Civil Rights Act of 1964, which ran to approximately 6,000 pages of legislative history, with the 20 or 30 pages of legislative history that went into the equally sweeping prohibition of sex discrimination in the Education Amendments Act of 1972. Whereas the meaning and impact of the abolition of racial discrimination were reasonably clear when Congress acted, Gerry observed that the concept of what constitutes "federal financial assistance," and thus which institutions or programs are regulated by Title IX, was never debated or discussed in either House of Congress.

Similarly, there is a total absence of legislative history on what Congress intended by the term "handicapped," despite the fact that when Congress passed the Rehabilitation Act of 1973 it made this word the operative concept on which tens of thousands of colleges, universities, and other employers are required to expend millions of dollars in capital improvements and to make far-reaching changes in employment and other practices. The same vague generality and absence of key legislative history characterizes the law against discrimination on the basis of age.

When Congress fails to perform its law-making function—passing a law without clear content or legislative history—the law-making function passes to the Executive Department, according to Gerry's explanation.

So what should be done? Mr. Gerry suggested that the Congress should make laws only after it has given thoughtful and extensive consideration to their probable meaning and impact. If this careful consideration has not been given, and if Congress has passed a law that is nothing more than sweeping expression of general goodwill or intent, as Gerry termed it, and thus not clear to those affected by it, the President ought to veto the measure on the basis that it fails to provide the Executive Branch with what it needs to faithfully execute the law. All of this, of course, consistent with our system of government in which the Congress makes the laws and the Executive Branch sees that they are faithfully executed. So far I am in perfect agreement with Gerry.

But what if the President does not veto a vague Congressional enactment? In that event, Gerry contended that the responsible Executive Department has no alternative other than to go ahead and give meaning to the general intent of Congress by issuing regulations to inform the regulated parties precisely what the law required of them. Here Gerry goes wrong in my judgment because that is precisely how the Executive Branch unconstitutionally usurps the function of the Legislative.

When the real law-making power is exercised by individuals not responsive to the electorate, we are being ruled by decree rather than by representative democracy. That was the manner of the Roman Emperors. It is not the pattern of a free people. If Congress has passed vague legislation and the President has not seen fit to veto it, the courts should strike down the executive department's law-making regulations as a violation of separation of powers. Beyond that, the people should use their political voice to insist that the elected President of the United States, who holds the Executive authority, rescind regulations and practices that have no direct authorization in the language of the Congressional enactment as clarified in the legislative history. That is what happened to the absurd but perfectly typical H.E.W. Title IX ruling outlawing the father-son and mother-daughter functions in Scottsdale, Arizona, and that is what should happen to the whole mess we call Title IX.

The Title IX legislation states an acceptable moral and legal principle, but the Regulations have driven it beyond law and reason. Let us reclaim the moral authority of the Title IX Congress enacted and abolish the burdensome administrivia of the Regulation H.E.W. decreed.

TWIN CITIES METROPOLITAN TRANSIT COMMISSION

Mr. ANDERSON. Mr. President, there have been no shortages of analyses since President Carter's national energy plan. Of particular interest to me are the comments of Mr. J. Douglas Kelm, chairman of the Twin Cities Metropolitan Transit Commission, on the interrelationships that exist between energy, urban development, and transportation. I ask unanimous consent to have printed in the RECORD Mr. Kelm's comments on

urban development patterns, energy, sources, and transportation policies.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

COMMENTS BY MR. J. DOUGLAS KELM

URBAN DEVELOPMENT PATTERNS

The automobile and cheap petroleum, accompanied, in the 50s and 60s, by hastily and poorly conceived road building and housing programs, stimulated an out-migration from central cities, and produced a fundamental change in our urban fabric. This combination of technology and policy was the dominant factor in the pollution of air and water, in the inefficient use of land, in over-consumption of energy, in the decay of older cities and the geographic division of the classes, in vastly increased costs of extending municipal services—a cost often subsidized by those least capable of bearing such burden while not enjoying the benefits of what came to be known as "urban sprawl."

We know from available research that development policies perpetuating urban dispersal will consume 34 percent more energy than a policy of urban containment; that, in large urban areas, such policies will be 46 percent more costly in the operating and maintenance costs of transportation and utilities; that the *capital* cost of such facilities is 99 percent greater. Continuation of urban sprawl in the Minneapolis-St. Paul area is estimated to result in an unnecessary public investment of approximately $200 million annually during the next 15 years.

Now that we understand the relationship between development and transit, federal programs which fund sewers, water systems, housing, mortgages, "new tons," and other should be tied to the availability of transit and oriented toward the development of clustered activity centers.

ENERGY SOURCES

Coal alone constitutes the alternate source to fill the energy gap for at least ten years. More likely it will be 25 years before other sources will supply significant energy to meet our needs. Coal production must be accelerated. Strip mining laws acceptable to the states must be enacted including federal reclamation standards. Short term air quality standards relaxation (especially in the East) is necessary, but should be accompanied by substantial funding and time constraints for the development of air quality control technologies. Tax incentives should be employed to speed the conversion from oil to coal, especially for electric generation. Greater emphasis must be given to cogeneration of electricity and heat by thermal plants.

Beyond those facilities now under construction, nuclear power will not make increased contributions to our needs during the next ten years. Even were we to ignore environmental and national security risks, the impact of nuclear energy would be small even by the year 2000.

As in the case of nuclear power, the energy contributions from solar and geothermal technologies will be proportionately small. Obviously, this is not an argument against massive funding of research and development efforts in all potential technologies. However, it is an admission that the products will be evolutionary, and primarily beneficial to coming generations.

In a very real sense what we have is not an "energy crisis", but, more accurately, a "petroleum crisis".

Incentives for increased domestic oil production are appropriate, but our best estimates of that potential are not encouraging. In the short term, increased oil imports should not be for the purpose of filling our demand/supply gap, but for the development of strategic oil reserves. National security obviously demands reduced reliance on imported oil within the next few years. Furthermore, a good case can be made for the argument that our profligate energy consumption coupled with excessive oil imports have been injurious to the economies of our western allies—even to a greater extent than to those of non-industrialized developing nations.

PETROLEUM CONSERVATION

Improved energy-use efficiency is truly our cheapest source of energy. The attached article on comparative United States/Swedish energy consumption emphasizes our wasteful practices. With very similar GNP's and standard of living it is clear that the total consumption of energy per capita is far higher in the United States (by a ratio of approximately 10 to 6). The United States uses more energy in all sectors of the economy but the greatest difference is in transportation (over 3 to 1).

Sweden's superior public transit system probably accounts for fewer families having second cars and, very importantly, Swedish cars of lower weight resulting in greater energy efficiency. Very significant differences in automobile utilization exist: for trips of six miles or less, the Swedes use private cars and public transit in the ratio of 55/45 in contrast to the United States ratio of 90/10. Generally, gasoline consumption per mile for these short trips is nearly double average auto fuel consumption and in the United States this traffic accounts for 65% of all auto trips.

The commuter habits of the two countries mark a major difference in total energy consumption. Public policy, reflected in transit availability, subsidies and fares are a factor in this respect, but the gasoline and vehicle tax system has also strongly affected Swedish auto use. Further auto disincentives include parking limitations and high parking fines. Large cities ban through traffic in their central areas and provide transit-only and pedestrian-only streets.

A sharply graduated tax based on auto weight and horsepower certainly will encourage the production and purchase of more energy-efficient automobiles. *But*, if increased performance (higher mpg) merely allows drivers to travel the same miles with less gasoline consumption, we will fail to change the life style and urban development patterns discussed earlier. And it is those patterns which have resulted in other energy waste and other capital waste. Air pollution will continue to be a problem, especially since many performance improvements have been at the expense of air quality standards.

It seems self-evident that a petroleum tax should not be levied on uses which are greatly non-discretionary. Transportation use is (or can be made to be) discretionary, and therefore should be the prime target of a fuel tax. The report of the Upper Midwest Council proposes a tax of $1.00 per gallon, introduced in 20-cent steps during the next five years.

Estimates vary somewhat, but most studies conclude that well over 50 percent of United States petroleum consumption is for transportation, with ⅔ of that devoured by the private passenger automobile. We cannot escape making such consumption the main target of conservation effort. It will provide the time and the funds necessary to develop alternate energy sources and alternate transportation systems. It will preserve for a longer time that dwindling oil resource for residential, industrial and agricultural uses not so easily converted.

The proceeds of increased vehicle and gasoline taxes should not go into the general fund. They should support other energy-related programs—specifically energy research, energy-efficiency and mass transit programs. A small portion (certainly no more than 25 percent) could be used to relieve the inflationary impact on lower income groups. Such "relief" must be approached with care. Too much relief would be self-defeating in respect to stimulating conservation. Moreover, generally it is the lower income group that has no auto or one auto—and that one more frequently a small vehicle.

TRANSPORTATION POLICIES

It is essential that Congress and the executive branch give more than lip service to policies well stated in the enabling legislation which created the Urban Mass Transportation Administration. That statute calls for establishment of mass transit systems "needed for economical and desirable urban development." It requires development of transit plans "formulated with due consideration to their probable effect on the future development of urban areas."

We must narrow the "expenditure gap" between transportation modes that is so wide that it lavishly rewards inefficient use of transportation resources and penalizes efficient use. For every federal dollar spent on transit systems last year, four dollars were spent on highways. Even more disturbing, a recent report by the General Accounting Office states that, in 1974, total public and private expenditures for the highway mode was over $230 billion, compared to only $6 billion for transit—a ratio of nearly 40 to 1! The level of federal transit funding must progressively increase to $4.5 billion annually by 1982, and should provide long term commitments to recipient cities.

Not only do we have to start putting our dollars where our values and priorities supposedly are, but, specifically in the area of transit funding, we must assure local decision making in the development of transit systems that will have the greatest favorable impact on community development. Taking such a direction will depart sharply from the policies of the previous DOT administration, which adhered rigidly to "cost effectiveness" as virtually the only criterion which could be used in deciding whether to fund transit projects. Cities must be free to select transit systems which, while less cost-effective in a narrow accounting sense, are of sufficient scale and permanence to have a genuine impact on reversing the inefficient development patterns of the past. I do not imply that urban areas such as Minneapolis/St. Paul are candidates for large conventional rapid transit. I do know that they cannot do an effective job in transportation or shaping development by simply adding more buses or improving traffic management. Cities such as ours must be encouraged to implement less costly, intermediate sized, fixed guideway systems that will be less labor-intensive, less polluting, less energy wasteful and, more importantly, be more effective in shaping development and redevelopment.

Mr. ANDERSON. Mr. President, I also ask unanimous consent to have printed in the RECORD the reaction of Mr. Kelm of the Metropolitan Transit Commission to the President's energy message, particularly the President's proposal for raising the gasoline tax.

There being no objection, a telegram was ordered to be printed in the RECORD, as follows:

[Mailgram]

ST. PAUL, MINN.,
April 21, 1977.

This mailgram is a confirmation copy of the following message:

President JIMMY CARTER,
White House,
Washington, D.C.

DEAR MR. PRESIDENT: I was very pleased with the overall contents of your energy message to the joint session of Congress. Evidence of my personal pleasure can be

seen in the fact that your message covered most of the recommendations I made to you in my April 8th letter and attached energy paper. There is really only one point on which I find myself in variance with your recommendation. I very strongly believe that a higher tax on gasoline at the pump must be levied and should be levied in a shorter time frame. My communication of April 8 recommended a 20 cent tax added each year for the next 5 years, bringing the total tax to $1.00 by 1982. I believe the tax of this magnitude is justified for 3 reasons: 1. It is probably required in order to result in automobile drivers adopting meaningful reduction in consumption, 2. It produces the kind of revenue necessary to fund other energy-related programs including the mass transit systems required to give citizens a transportation alternative, 3. It will result in gasoline prices which more fairly reflect prices in allied countries whose economies are endangered by the uncertainty of petroleum shortages. I recognize political sensitivity of such a task, but I believe the Minnesota Congressional Delegation has the courage to support it, and I will urge that delegation to do so whether tax is at the level you proposed or hopefully at the level which I believe would be a more effective part of your total program.

Respectfully,

DOUG KELM.

Mr. ANDERSON. Mr. President, third and finally, I believe my colleagues would benefit by an article written by Mr. Kelm of the Metropolitan Transit Commission in passenger transport in April of this year entitled, "Sweden and Energy Conservation." I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the St. Paul (Minn.) Pioneer Press, Jan. 29, 1977]

SWEDEN AND ENERGY CONSERVATION

(By Doug Kelm)

In 1976 my brief visit to Sweden and discussions with Swedish officials permitted only casual observations of their transportation policies and practices in relation to total energy consumption. A number of studies of comparative energy use in that country and the U.S. have been made, with a more detailed one recently published by Schipper and Lichtenberg of the Energy and Resources Group of the University of California, Berkeley.

Sweden provides an excellent base for comparison because its standard of living, economy and demography are so similar to the U.S. Significant differences include for Sweden: lower population density, colder climate and fewer automobiles per capita (Sweden 0.3; U.S. 0.45). The first two of these factors should work against Sweden's superior energy efficiency ratio The findings of the Schipper/Lichtenberg study, however, was that the Swedes "used approximately 60 percent as much energy as the United States to generate each dollar of gross national product."

The total consumption of energy per capita (expressed in kilowatt-hours) is 100,000 in the United States, 60,000 in Sweden The United States uses more energy in all sectors of the economy, but the large difference (24,000 to 7,800) is in the transportation sector. Transportation also accounts for 25 percent of total U.S. energy consumption compared to 13 percent for Sweden Moreover, transportation accounts for more than half of the petroleum consumed in the United States. While the price and per capita consumption of electricity are very similar in both countries, the per capita consumption of petroleum is far less in Sweden

A brief examination of the nontransportation sectors demonstrates some of the reasons for Sweden's relatively more efficient energy use. Residential and commercial use is slightly less per capita despite the more severe climate. In large part this is attributed to subtsantially different standards of building construction, ventilation and insulation and to more realistic lighting standards in the commercial sector. Another factor is the efficiency of thermal cogeneration of heat and electrictly more frequently employed in Sweden. Such attributes also generally apply to Swedish industrial use of energy, supplemented by the higher efficiency resulting from Sweden's more modern industrial equipment.

But, as noted previously, the greatest difference in energy use is in the transportation sector. Sweden's superior public transit system probably accounts for fewer families having second cars and, very importantly, Swedish cars are of lower weight resulting in greater energy efficiency. The California study also points out very significant differences in automobile ulitization: for trips of six miles or less, the Swedes use private cars and public transit in the ratio of 55/45 in contrast to the U.S. ratio of 90/10. Generally, gasoline consumption per mile for these short trips is nearly double average auto fuel consumption and in the U.S. this traffic accounts for 65 percent of all auto trips.

Simply stated, the commuter habits of the two countries mark a major difference in total energy consumption. Public policy, reflected in transit availability, subsidies, and fares are a factor in this respect, but the tax system has also strongly affected Swedish auto use. In 1974 the Swedish tax on gasoline was 53 cents per gallon and vehicle taxes rise sharply in proportion to weight. Further auto disincentives include parking limitations and high parking fines. Large cities ban through traffic in their central areas and provide transit-only and pedestrian-only streets.

The Schipper/Lichtenberg study found that "the most important variable affecting energy use and energy efficiency is the relative price of energy with respect to other resources." In respect to transportation the authors' conclusion emphasizes the developmental by-products of energy conservation, the synergistic effects.

GOVERNMENT INFLUENCE

"Energy conservation in passenger transport in Sweden has also been strongly influenced by government policy, in this case mainly through the market mechanism, by various taxes and incentives. These factors also have important synergistic effects. Good intracity transport and high costs of operating an automobile tend to keep the population more concentrated. In addition to maintaining the viability of the public transport system itself, this situation also affects housing and living patterns in energy-saving ways. With increased population densities apartment living is more common, potentially affecting energy savings through fewer external walls, better insulation and more efficient heating systems. Shopping also becomes easier, with more neighborohod stores; trips are shorter, often on foot."

Conservation strategies learned from Sweden could substantially reduce energy consumption (which today is dangerously dependent on foreign sources), while lowering pollution, reducing capital requirements and generally raising employment. In the meantime, we could buy ourselves time and money to develop energy substitutes for fading petroleum resources. The interrelationship of land use, energy and transportation is complex, but it is evident that it must be given serious attention by metropolitan planning, energy and transportation officials in the United States.

LOOKING BACK TOWARD ASIA

Mr. GOLDWATER. Mr. President, one of the most refreshing experiences that has been mine during a rather long stay in Washington has been the writings of Mr. David S. Broder of the Washington Post. As a conservative, I have not agreed with everything he has written, but he is certainly one of the most perceptive men writing on national affairs. In the Sunday, May 8 edition of the Post he wrote from Honolulu of the final recognition by some of his colleagues and some of the administration's, and others of a fact that was established over 100 years ago when the Secretary of State caused the purchase of Alaska and later Hawaii. At that time it was stated that the prime interest in America's foreign policy was the periphery of the Pacific and, Mr. President, I have often said publicly and in my writings that this is still the case. Neither President Kennedy nor President Johnson recognized this fact or we would not have lost that vital section of this periphery, South Vietnam, to the Communists. Now the most brilliantly prospering economies in the world are to be found in Korea, Japan, Taiwan, and so it will be all around the Pacific. It does not make sense to me for this country to be nurturing any ties with Red China for, to do so, would give her prestige as we gave the Soviet Union recognition. Let Red China suffer the sad effects of Communist domination while her people who look hungrily across the straits to the country of the Republic of China where free people have established one of the great economies we have in the world today. As Mr. Broder says, "The Pacific demands attention from Americans." I pray that President Carter will look at it with the right approach, namely, the strengthening of our ties with the free people of the Pacific and forget about the Communists. I ask unanimous consent that Mr. Broder's column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

LOOKING BACK TOWARD ASIA

(By David S. Broder)

HONOLULU.—The flow of news last week was eastward, With President Carter crossing the Atlantic for the London summit and Vice President Mondale and Secretary of State Vance preparing for European trips of their own later this month.

But editors are contrary people (to belabor the obvious), so they headed westward across the Pacific to Hawaii for the annual convention of the American Society of Newspaper Editors.

The result was that those who were recruited from Washington to contribute to the editors' understanding of—or confusion about—the Carter administration had a chance to view their subject from a different perspective.

Even in a week in which the Carter administration was negotiating with both Vietnams and the People's Republic of China, there were complaints that the President's attention was focused in the wrong direction. There was vivid evidence here of the continuing fear that Washington will neglect its Pacific interests.

China scholars A. Doak Barnett of the Brookings Institution and Richard Solomon of the Rand Corporation urged haste in the "normalization" of relations with Chin

warning that this year and next are crucial for that process. Yukio Matsuyama of Japan's Asahi Shimbun newspaper, a member of a panel questioning Carter on a satellite telephone hookup, used his few minutes to plead for a presidential visit to Japan.

He did not conceal his disappointment when Carter said it would be "a year or two" before he could comply with such a request.

The anxiety about Washington's attention reflects one of the legacies of Vietnam. No matter how often officials in Washington deny it, the fear lingers that the forced American withdrawal from Indochina will be translated into a national distaste for any involvement in the Pacific basin.

The concern seems particularly misplaced with President Carter. He views Japan as one of the three principal power centers in the interdependent economic and political structure he came to know as a member of the Trilateral Commission of American, European and Japanese leaders. No recent President has been more conscious of Japan than Carter.

Despite the political concern expressed at the meeting about Washington's errant attention, those who focus on Asia are remarkably optimistic in their views of its present condition and future prospects.

Peter R. Kann, editor of the Asian Wall Street Journal, took his colleagues on a verbal tour of Japan, "the Free World's second greatest economic power," to the industrial centers of Taiwan and South Korea, the international banking community of Singapore, the textile plants of Hong Kong, the agricultural riches of Malaysia and the modern technology "in the jungles of Indonesia.

Derek Davies, editor of the Far Eastern Economic Review said the Pacific basin offers the industrialized nations "the greatest potential in the world for mutually profitable partnership."

Herman Kahn, the Hudson Institute futurist, capped the optimistic forecasts with the startling statement that Pacific Asia will achieve a level of prosperity in 50 years that took the West over 200 years to reach.

He said that Japan has already demonstrated that capacity in its remarkable resurgence from the rubble of its World War II defeat. "Chinese culture," he said, "is better adapted to industrial life" than our most Western cultures. Products of that culture, Kahn said, will lead the new prosperity of all the Pacific lands to which they have migrated.

The great ocean that touches the shores of these lands, Kahn said, will become again the great unifier of this vast portion of the globe. The bonds that will be forged across it will be bonds of business and investment, of trade and commerce, of raw materials and manufacturers.

Hearing all this, it was hard to remember that only five years ago, Americans were fighting in Vietnam in order to avert what some saw as a serious threat to the future of America's security.

Now the Pacific demands attention from Americans, not as a source of danger but as an area of unrivaled opportunity. Last week, the leaders of America were looking to Europe But if the observations heard here were at all correct. it can be only a matter of time before Asia again is high on the American agenda.

AUTHORITY AND PROCEDURAL RULES OF THE SELECT COMMITTEE ON ETHICS

Mr STEVENSON. Mr. President, I submit for publication in the CONGRESSIONAL RECORD the supplementary procedural rules recently adopted by the Select Committee on Ethics. Some procedural rules of the select committee, along with some of its basic authority, are stated in the standing orders of the Senate as agreed to in Senate Resolution 338, 88th Congress, as amended by Senate Resolution 4 and Senate Resolution 110, 95th Congress. Further authority and procedural rules of the select committee are stated in Public Law 93–191, regarding franked mail, and in Senate Resolution 400, 94th Congress, regarding unauthorized disclosure of intelligence information in the possession of the Select Committee on Intelligence.

For the vice chairman and myself, as chairman, I ask unanimous consent the committee's supplementary rules of procedure, followed by the other authorities just described, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

I. SUPPLEMENTARY PROCEDURAL RULES OF THE SELECT COMMITTEE ON ETHICS

(Agreed to April 5, 1977)

1. *Jurisdiction.*—The jurisdiction of the Committee is derived from the following sources:

(a) The Senate Code of Official Conduct approved by the Senate in Title I of S. Res. 110, 95th Congress, April 1, 1977, and stated in Rules 42 through 50 of the Standing Rules of the Senate.

(b) Senate Resolution 338, 88th Congress, as amended by Section 201 of S. Res. 4 and Title II of S. Res. 110, 95th Congress, which states, among others, the duties to receive complaints and investigate allegations of improper conduct which may reflect on the Senate, violations of law, violations of the Senate Code of Official Conduct, and violations of rules and regulations of the Senate; recommend disciplinary action; and recommend additional Senate Rules or regulations to insure proper standards of conduct.

(c) Residual portions of Standing Rules 42, 43 and 44 of the Senate as they existed on the day prior to the amendments made by Title I of S. Res. 110.

(d) Public Law 93–191 relating to the use of the mail franking privilege by Senators, officers of the Senate, and surviving spouses of Senators.

(e) Senate Resolution 400, 94th Congress, Section 8, relating to unauthorized disclosure of classified intelligence information in the possession of the Select Committee on Intelligence.

(f) Recommendation II of the Report of the Special Committee of the Senate to Study Questions Related to Secret and Confidential Government, (Senate Report 93–466, October 12, 1973).

2. *Officers.*—The Committee shall select a chairman and a vice-chairman from among its members. (S. Res. 338, as amended. In the absence of the chairman, the duties of the Chair shall be filled by the vice-chairman or a Committee member designated by the chairman.

3. *Procedural Rules.*—The basic procedural rules of the Committee are stated as a part of the Standing Orders of the Senate in Senate Resolution 338, as amended. Supplementary procedural rules are stated herein. The Committee's responsibilities for franked mail are also governed by additional procedural rules stated in Section 6 of Public Law 93–191.

4. *Meetings:* (a) The regular meeting day of the Committee shall be the first Friday of each month while the Congress is in session.

(b) Special meetings may be held at the call of the Chair, provided at least 48 hours notice is furnished to all Members.

(c) If any member of the Committee, desires that a special meeting of the Committee be called by the chairman, he may file in the office of the Committee his written request to the chairman for that special meeting. Immediately upon the filing of the request, the clerk of the Committee shall notify the chairman of the filing of the request. If, within three calendar days after the filing of the request, the Chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the members of the Committee may file their written notice in the office of the Committee that a special meeting of the Committee will be held, specifying the date and hour of that special meeting. The Committee shall meet at that date and hour. The clerk shall notify all members of the Select Committee of the date and hour of the special meeting.

5. *Quorum:* (a) A majority of the members of the Committee shall constitute a quorum thereof for the transaction of business, except (as otherwise required by S. Res. 338, as amended), no investigation of conduct of a Member, or officer, and no report, resolution, or recommendation relating thereto may be made unless approved by the affirmative recorded vote of not less than four members of the Select Committee.

(b) Notwithstanding the provisions of section (a) above, one member of the committee may constitute a quorum for receiving sworn testimony, and the Committee may authorize the receiving of such testimony by a hearing examiner in accordance with its regulations and procedural rules.

6. *Order of Business:* Questions as to the order of business and the procedure of the committee shall in the first instance be decided by the chairman, subject always to an appeal to the committee membership.

7. *Hearings Announcements:* The committee shall make public announcement of the date, place and subject matter of any hearings to be conducted by it at least one week before the commencement of that hearing unless the committee determines that there is good cause to begin such hearing at an earlier date.

8. *Open Committee Meetings:* Meetings of the committee shall be open to the public or closed to the public as determined under the provisions of paragraph 7(b) of Rule XXV of the Standing Rules of the Senate (Appendix A of these Rules).

9. *Television and Radio Coverage:* (a) Any meeting or hearing of the committee which is open to the public may be covered in whole, or in part, by television broadcast, radio broadcast, or motion picture or still photography. Photographers and reporters using mechanical recording, filming, or broadcasting apparatus shall position their equipment so as not to interfere with the seating, vision, and hearing of the committee members and staff on the dais, or with the orderly process of the meeting or hearing

(b) No witness shall be required to be photographed at any hearing or to give testimony while the broadcasting (or coverage) of that hearing is being conducted. At the request of any such witness who does not wish to be included in radio or television coverage, all equipment used for coverage shall be turned off

10. *Record of Testimony and Committee Action* An accurate stenographic or transcribed electronic record shall be kept of all committee proceedings, whether in executive or public session Such record shall include Senator's votes on any question on which a record vote is held The record, whether in public or executive session, shall be made available for inspection to a witness or his counsel under committee supervision; a copy of any testimony given in public session, or that part of the testimony given by the witness in executive session and

subsequently quoted or made part of the record in a public session, shall be made available to any witness at his expense if he so requests.

11. *Secrecy of Executive Testimony and Action:* All testimony or action taken in executive session shall be kept secret and shall not be released for public information without the approval of a majority of the committee.

12. *Release of Reports to Public:* No committee report or document shall be released to the public in whole or in part without the approval of a majority of the committee. For committee reports on which there is no unanimous decision, separate views may be included by any member or members of the committee.

13. *Recorded Votes:* Any member may require a recorded vote on any matter.

14. *Proxies; Recording Votes of Absent Members:* (a) Proxy voting shall not be allowed when the question before the committee is the initiation or continuation of an initial review or an investigation, or issuance of a report or recommendation. In such cases an absent member's vote may be announced solely for the purpose of recording the member's position and such announced votes shall not affect the passage or defeat of the motion to issue the report or recommendation. On other matters, the committee may order that the record be held open for the vote of absentees or record proxy votes if the absent committee member has been informed of the matter on which the vote occurs and has affirmatively requested of another committee member in writing that he be so recorded.

All proxies shall be in writing.

Proxies shall not be considered for the purpose of establishing a quorum.

15. *Complaints:* Any person may file a complaint with the committee that any Senator, or officer or employee of the Senate, has violated proper conduct, the Senate Code of Official Conduct, or any rule, regulation, or law within the jurisdiction of the committee. The complaint must be in writing and should state essential facts constituting the violation. The committee will prescribe regulations governing the filing of sworn complaints.

16. *Swearing of Witnesses:* All witnesses at public or executive hearings who testify to matters of fact shall be sworn unless the chairman, for good cause, decides that a witness does not have to be sworn. The chairman or any member may administer oaths to witnesses.

17. *Counsel for Witnesses:* Any witnesses summoned to a public or executive hearing may be accompanied by counsel of his own choosing who shall be permitted while the witness is testifying to advise him of his legal rights.

18. *Right to Cross-Examine and Call Witnesses:* Any person who is the subject of an investigation in public hearings, personally and through counsel, may cross-examine witnesses called by the committee and call witnesses in his own behalf.

19. *Written Witness Statements:* Any witness desiring to read a prepared or written statement in executive or public hearings shall file a copy of such statement with the counsel or chairman of the committee 48 hours in advance of the hearings at which the statement is to be presented. The committee shall determine whether such statements may be read or placed in the record of the hearing.

20. *Right to Testify:* Any person whose name is mentioned or who is specifically identified, and who believes that a public hearing, or comment made by a committee member or counsel, tends to defame him or may, (a) request to appear personally before the committee to testify in his own behalf, or, in the alternative, (b) file a sworn statement of facts relevant to the testimony or other evidence or comment complained of. Such request and such statement shall be submitted to the committee for its consideration and action.

21. *Travel:* Travel at committee expense by members of the committee for any official purpose shall be authorized in advance of such travel. Such authorization shall be in the form of travel vouchers signed by the chairman of the committee.

22. *Staff:* (a) It is the policy of the committee that (1) the staff is to be assembled and retained as a permanent, professional, cause; (2) each member of the staff shall be professional and demonstrably qualified for the position for which he or she is hired;

(2) the staff as a whole and each member of the staff shall perform all official duties in a nonpartisan manner; and

(3) no member of the staff shall engage in any partisan campaign activity directly affecting any congressional or presidential election.

(b) The appointment or dismissal of the staff director and the counsel shall be approved by a majority vote of the committee, a quorum being present, upon the recommendation of the chairman and vice-chairman, acting jointly. All other full time staff assistants shall be appointed by the chairman and vice-chairman acting jointly.

(c) All staff employed by the committee or housed in committee offices shall work for the committee as a whole, under the general direction of the chairman and vice-chairman, and the immediate direction of the staff director.

(d) Members of the staff may not accept public speaking engagements or write for publication without specific advance permission from the staff director. The staff director shall secure advance permission for any such activities on his part from the chairman and vice chairman.

23. *Rules Changes:* (a) The rules of the committee, other than those established by statute, or by the Standing Rules and Standing Orders of the Senate, may be modified, amended or suspended at any time: *Provided, however,* That not less than a majority of the entire membership so determine at a meeting called with due notice.

(b) Any amendments adopted to the rules of the Select Committee shall be published in the Congressional Record not later than thirty days after adoption.

APPENDIX A—OPEN AND CLOSED MEETINGS

Paragraph 7(b) of rule XXV of the Standing Rules of the Senate reads as follows:

"(b) Each meeting of a standing, select, or special committee of the Senate, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a meeting or series of meetings by a committee or a subcommittee thereof on the same subject for a period of no more than fourteen calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated in paragraphs (1) through (6) would require the meeting to be closed followed immediately by a record vote in open sessions by a majority of the members of the committee or subcommittee when it is determined that the matters to be discussed or the testimony to be taken at such meeting or meetings—

"(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

"(2) will relate solely to matters of committee staff personnel or internal staff management or procedure;

"(3) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

"(4) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement;

"(5) will disclose information relating to the trade secrets of financial or commercial information pertaining specifically to a given person if—

"(A) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

"(B) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

"(6) may divulge matters required to be kept confidential under other provisions of law or Government regulations.

"(c) Whenever any hearing conducted by any such committee or subcommittee is open to the public, that hearing may be broadcast by radio or television, or both, under such rules as the committee or subcommittee may adopt.

"(d) Whenever disorder arises during a committee meeting that is open to the public, or any demonstration of approval or disapproval is indulged in by any person in attendance at any such meeting, it shall be the duty of the Chair to enforce order on his own initiative and without any point of order being made by a Senator. When the Chair finds it necessary to maintain order, he shall have the power to clear the room, and the committee may act in closed session for so long as there is doubt of the assurance of order.

"(e) Each committee shall prepare and keep a complete transcript or electronic recording adequate to fully record the proceedings of each meeting or conference whether or not such meeting or any part thereof is closed under this paragraph, unless a majority of said members vote to forego such a record.".

APPENDIX B—DIVISION OF RESPONSIBILITY FOR INFORMAL COUNSEL AND INFORMATION

(Agreed to April 25, 1977)

Senators, staff and others frequently request informal counsel and information from Committee staff about ethics rules and regulations through personal visits or telephone calls. Responding to such requests has been a daily casework function of the staff.

Senate Standing Orders authorize the following formal methods by which the Committee may explain and implement ethics rules: (1) recommendations of legislation; (2) reports to the Senate of proposed Senate rules and regulations; (3) Committee reports pursuant to an initial review or an investigation; (4) Committee regulations as it feels are necessary to implement the Code of Official Conduct; (5) advisory opinions in writing; and (6) interpretative rulings explaining and clarifying the application of any law, the Code of Official Conduct, or any rule or regulation of the Senate within its jurisdiction.

Also, Public Law 93-191 requires the Committee to "provide guidance, assistance, advice and counsel, through advisory opinions or consultations, regarding Senators' use of franked mail."

The Committee hereby establishes the following policy to guide the staff and the Chairman and Vice Chairman in handling:

(a) requests for informal counsel for which the appropriate response is not one of the methods cited above; and

(b) consultations provided for in Public Law 93-191.

1. The staff may provide no oral or written opinion on, or interpretation of, matters within the jurisdiction of the Committee, but may provide direction to applicable rules and published Committee interpretations when such is requested of them.

2. Staff shall make it clear to the consulting person they may not give oral or written interpretations on any matter, and may only report prior determinations and established policies of the Committee without comment on their applicability to the facts in the consulting person's case.

3. In all cases in which an interpretation or opinion is requested, staff shall inform the caller that the request must be made to the committee in writing.

4. Staff shall summarize in a memorandum every exchange in which the caller might take the information given for an opinion or offers information of interest to the committee about employees or members, and promptly submit all such memoranda for the review of the staff director and the Chairman and Vice Chairman.

5. Staff shall bring all requests for opinions and rulings and all complaints against persons subject to the jurisdiction of the committee to the attention of the Chairman and Vice Chairman promptly after their receipt.

6. The Chairman and Vice Chairman shall respond to requests for informal counsel, rulings and complaints but shall promptly bring to the attention of the Committee every matter which, if established, would reflect discredit upon the Senate, or any member or employee thereof, or require an interpretation upon a significant question of first impression.

II. Authority and Basic Procedural Rules of the Select Committee on Ethics

I. Standing Orders of the Senate Relating to Ethics Enforcement

Resolved, That (a) there is hereby established a permanent select committee of the Senate to be known as the Select Committee on Ethics (referred to hereinafter as the "Select Committee") consisting of six Members of the Senate, of whom three shall be selected from members of the majority party and three shall be selected from members of the minority party. Members thereof shall be appointed by the Senate in accordance with the provisions of paragraph 1 of Rule XXIV of the Standing Rules of the Senate at the beginning of each Congress. The Select Committtee shall select a chairman and a vice chairman from among its members. For purposes of paragraph 6 of rule XXV of the Standing Rules of the Senate, service of a Senator as a member or chairman of the Select Committee shall not be taken into account.

(b) Vacancies in the membership of the Select Committee shall not affect the authority of the remaining members to execute the functions of the committee, and shall be filled in the same manner as original appointments thereto are made.

(c) A majority of the members of the Select Committee shall constitute a quorum for the transaction of business, except that the Select Committee may fix a lesser number as a quorum for the purpose of taking sworn testimony. The Select Committee shall adopt rules of procedure not inconsistent with the rules of the Senate governing standing committees of the Senate.

"(d)(1) No Member may serve on the Select Committee for more than six years of continuous service, exclusive of service prior to the effective date of title I of the Committee System Reorganization Amendments of 1977. One Member who is a member of the majority party and one Member who is a member of the minority party and who are appointed to the Select Committee at the beginning of the Ninety-sixth Congress and each succeeding Congress shall be Members who did not serve on the Select Committee during the preceding Congress.

"(2) Of the members of the Select Committee—

"(A) one from the majority party and one from the minority party shall be Members who, at the time of initial appointment to the Select Committtee, have served in the Senate for less than six years;

"(B) one from the majority party and one from the minority party shall be Members who, at the time of initial appointment to the Select Committee, have served in the Senate for less than twelve but more than six years; and

"(C) one from the majority party and one from the minority party shall be Members who, at the time of initial appointment to the Select Committee, have served in the Senate for twelve or more years.".

"(e)(1) A member of the Select Committee shall be ineligible to participate in any initial review or investigation relating to his own conduct, the conduct of any officer or employee he supervises, or the conduct of any employee of any officer he supervises, or relating to any complaint filed by him, and the determinations and recommendations of the Select Committee with respect thereto. For purposes of this subparagraph, a Member of the Select Committee and an officer of the Senate shall be deemed to supervise any office or employee consistent with the provision of paragraph 12 of rule XLV of the Standing Rules of the Senate.

"(2) A member of the Select Committee, may at his discretion, disqualify himself from participating in any investigation pending before the Select Committee and the determinations and recommendations of the Select Committee with respect thereto. Notice of such disqualification shall be given in writing to the President of the Senate.

"(3) Whenever any member of the Select Committee is ineligible under paragraph (1) to participate in any investigation or disqualifies himself under paragraph (2) from participating in any investigation, another Member of the Senate shall, subject to the provisions of subsection (d), be appointed to serve as a member of the Select Committee solely for purposes of such investigation and the determinations and recommendations of the Select Committee with respect thereto. Any Member of the Senate appointed for such purposes shall be of the same party as the member who is ineligible or disqualifies himself.".

Sec. 2. (a) It shall be the Select Committee to—

(1) receive complaints and investigate allegations of improper conduct which may reflect upon the Senate, violations of law, violations of the Senate Code of Official Conduct, and violations of rules and regulations of the Senate, relating to the conduct of individuals in the performance of their duties as Members of the Senate, or as officers or employees of the Senate, and to make appropriate findings of fact and conclusions with respect thereto;

(2) recommend to the Senate by report or resolution by a majority vote of the full committee disciplinary action (including but not limited to, in the case of a Member: censure, expulsion, or recommendation to the appropriate party conference regarding such Member's seniority or positions of responsibility; and in the case of an officer or employee; suspension or dismissal) to be taken with respect to such violations which the Select Committee shall determine, after according to the individual concerned due notice and opportunity for hearing, to have occurred;

(3) recommend to the Senate, by report or resolution, such additional rules or regulations as the Select Committee shall determine to be necessary or desirable to insure proper standards of conduct by Members of the Senate, and by officers or employees of the Senate, in the performance of their duties and the discharge of their responsibilities; and

(4) report violations by a majority vote of the full committee of any law to the proper Federal and State authorities.

"(b)(1) Each sworn complaint filed with the Select Committee shall be in writing, shall be in such form as the Select Committee may describe by regulation, and shall be under oath.

"(2) For purposes of this section, 'sworn complaint' means a statement of facts within the personal knowledge of the complainant, alleging a violation of law, the Senate Code of Official Conduct, or any other rule or regulation of the Senate relating to the conduct of individuals in the performance of their duties as Members, officers, or employees of the Senate.

"(3) Any person who knowingly and willfully swears falsely to a sworn complaint does so under penalty of perjury, and the Select Committee may refer any such case to the Attorney General for prosecution.

"(4) For the purposes of this section, 'investigation' is a proceeding undertaken by the Select Committee after a finding, on the basis of an initial review, that there is substantial credible evidence which provides substantial cause for the Select Committee to conclude that a violation within the jurisdiction of the Select Committee has occurred.

"(c)(1) No investigation of conduct of a Member, or officer of the Senate, and no report, resolution, or recommendation relating thereto may be made unless approved by the affirmative recorded vote of not less than four members of the Select Committee.

"(2) No other resolution, report, recommendation, interpretative ruling, or advisory opinion may be made without an affirmative vote of a majority of the members of the Select Committee voting.

"(d)(1) When the Select Committee receives a sworn complaint against a Member or officer of the Senate, it shall promptly conduct an initial review of that complaint. The initial review shall be of duration and scope necessary to determine whether there is substantial credible evidence which provides substantial cause for the Select Committee to conclude that a violation within the jurisdiction of the Select Committee has occurred.

"(2) If as a result of an initial review under paragraph (1), the Select Committee determines by a recorded vote that there is not such substantial credible evidence, the Select Committee shall report such determination to the complainant and to the party charged, together with an explanation of the basis of such determination.

"(3) If as a result of an initial review under paragraph (1), the Select Committee determines that a violation is inadvertent, technical or otherwise of a de minimus nature, the Select Committee may attempt to correct or prevent such a violation by informal methods.

"(4) If as the result of an initial review under paragraph (1), the Select Committee determines that there is such substantial credible evidence but that the violation, if proven, is neither of a de minimus nature nor sufficiently serious to justify any of the penalties expressly referred to in subsection (a)(2), the Select Committee may propose a remedy it deems appropriate. If the matter is thereby resolved, a summary of the Select Committee's conclusions and the remedy proposed shall be filed as a public record with the Secretary of the Senate and

a notice of such filing shall be printed in the Congressional Record.

"(5) If as the result of an initial review under paragraph (1), the Select Committee determines that there is such substantial credible evidence, the Select Committee shall promptly conduct an investigation if (A) the violation, if proven, would be sufficiently serious, in the judgment of the Select Committee, to warrant imposition of one or more of the penalties expressly referred to in subsection (a)(2), or (B) the violation, if proven, is less serious, but was not resolved pursuant to paragraph (4) above. Upon the conclusion of such investigation, the Select Committee shall report to the Senate, as soon as practicable, the results of such investigation together with its recommendations (if any) pursuant to subsection (a)(2).

"(6) Upon the conclusion of any other investigation respecting the conduct of a Member or officer undertaken by the Select Committee, the Select Committee shall report to the Senate, as soon as practicable, the results of such investigation together with its recommendations (if any) pursuant to subsection (a)(2).

"(e) When the Select Committee receives a sworn complaint against an employee of the Senate, it shall consider the complaint according to procedures it deems appropriate. If the Select Committee determines that the complaint is without substantial merit, it shall notify the complainant and the accused of its determination, together with an explanation of the basis of such determination.

"(f) The Select Committee may, in its discretion, employ hearing examiners to hear testimony and make findings of fact and/or recommendations to the Select Committee concerning the disposition of complaints.

"(g) Notwithstanding any other provision of this section, no initial review or investigation shall be made of any alleged violation of any law, the Senate Code of Official Conduct, rule, or regulation which was not in effect at the time the alleged violation occurred. No provision of the Senate Code of Official Conduct shall apply to or require disclosure of any act, relationship, or transaction which occurred prior to the effective date of the applicable provision of the Code. The Select Committee may conduct an initial review or investigation of any alleged violation of a rule or law which was in effect prior to the enactment of the Senate Code of Official Conduct if the alleged violation occurred while such rule or law was in effect and the violation was not a matter resolved on the merits by the predecessor Select Committee.

"(h) The Select Committee shall adopt written rules setting forth procedures to be used in conducting investigations of complaints.".

"(i) The Select Committee from time to time shall transmit to the Senate its recommendation as to any legislative measures which it may consider to be necessary for the effective discharge of its duties.

SEC. 3. (a) The Select Committee is authorized to (1) make such expenditures; (2) hold such hearings; (3) sit and act at such times and places during the sessions, recesses, and adjournment periods of the Senate; (4) require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents; (5) administer such oaths; (6) take such testimony orally or by deposition and (7) employ and fix the compensation of a staff director, a counsel, an assistant counsel, one or more investigators, one or more hearing examiners, and such technical, clerical, and other assistants and consultants as it deems advisable.

"(b)(1) The Select Committee is authorized to return and compensate counsel not employed by the Senate (or by any department or agency of the executive branch of the Government) whenever the Select Committee determines that the retention of outside counsel is necessary or appropriate for any action regarding any complaint or allegation, which, in the determination of the Select Committee is more appropriately conducted by counsel not employed by the Government of the United States as a regular employee.

"(2) Any investigation conducted under section 2 shall be conducted by outside counsel as authorized in paragaph (1), unless the Select Committee determines not to use outside counsel.".

(c) with the prior consent of the department or agency concerned, the Select Committee may (1) utilize the services, information, and facilities of any such department or agency of the Government, and (2) employ on a reimbursable basis or otherwise the services of such personnel of any such department or agency as it deems advisable. With the consent of any other committee of the Senate, or any subcommittee thereof, the Select Committee may utilize the facilities and the services of the staff of such other committee or subcommittee whenever the chairman of the Select Committee determines that such action is necessary and appropriate.

(d) Subpoenas may be issued by the Select Committee over the signature of the chairman or any other member designated by him, and may be served by any person designated by such chairman or member. The chairman of the Select Committee or any member thereof may administer oaths to witnesses.

"(e)(1) The Select Committee shall prescribe and publish such regulations as it feels are necessary to implement the Senate Code of Official Conduct.

"(2) The Select Committee is authorized to issue interpretative rulings explaining and clarifying the application of any law, the Code of Official Conduct, or any rule or regulation of the Senate within its jurisdiction.

"(3) The Select Committee shall render an advisory opinion, in writing within a reasonable time, in response to a written request by a Member or officer of the Senate or a candidate for nomination for election, or election to the Senate, concerning the application of any law, the Senate Code of Official Conduct, or any rule or regulation of the Senate within its jurisdiction to a specific factual situation pertinent to the conduct of the person seeking the advisory opinion.

"(4) The Select Committee may in its discretion render an advisory opinion in writing within a reasonable time in response to a written request by any employee of the Senate concerning the application of any law, the Senate Code of Official Conduct, or any rule or regulation of the Senate within its jurisdiction to a specific factual situation pertinent to the conduct or proposed conduct of the person seeking the advisory opinion.

"(5) Notwithstanding any provision of the Senate Code of Official Conduct or any rule or regulation of the Senate, any person who relies upon any provision or finding of an advisory opinion in accordance with the provisions of paragraphs (3) and (4) and who acts in good faith in accordance with the provisions and findings of such advisory opinion shall not, as a result of any such act, be subject to any sanction by the Senate.

"(6) Any advisory opinion rendered by the Select Committee under paragraphs (3) and (4) may be relied upon by (A) any person involved in the specific transaction or activity with respect to which such advisory opinion is rendered: *Provided, however*. That the request for such advisory opinion included a complete and accurate statement of the specific factual situation; and (B) any person involved in any specific transaction or activity which is indistinguishable in all its material aspects from the transaction or activity with respect to which such advisory opinion is rendered.

"(7) Any advisory opinion issued in response to a request under paragraphs (3) or (4) shall be printed in the Congressional Record with appropriate deletions to assure the privacy of the individual concerned. The Select Committee shall to the extent practicable, before rendering an advisory opinion, provide any interested party with an opportunity to transmit written comments to the Select Committee with respect to the request for such advisory opinion. The advisory opinions issued by the Select Committee shall be compiled, indexed, reproduced, and made available on a periodic basis.".

"(8) A brief description of a waiver granted under paragraph 2(c) of rule XLII or paragraph 1 of rule XLIII of the Standing Rules of the Senate shall be made available upon request in the Select Committee office with appropriate deletions to assure the privacy of the individual concerned."

SEC. 4. The expenses of the Select Committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the Select Committee.

SEC. 5. As used in this resolution, the term "officer or employee of the Senate" means—

(1) an elected officer of the Senate who is any Member of the Senate;

(2) an employee of the Senate, any committee or subcommittee of the Senate, or any Member of the Senate;

(3) the Legislative Counsel of the Senate or any employee of his office;

(4) an Official Reporter of Debates of the Senate and any person employed by the Official Reporters of Debates of the Senate in connection with the performance of their official duties;

(5) a member of the Capitol Police force whose compensation is disbursed by the Secretary of the Senate;

(6) an employee of the Vice President if such employee's compensation is disbursed by the Secretary of the Senate; and

(7) an employee of a joint committee of the Congress whose compensation is disbursed by the Secretary of the Senate.

III. FROM PUBLIC LAW 93-191—FRANKED MAIL

* * * * *

SEC. 6. (a) The Select Committee on Standards and Conduct of the Senate shall provide guidance, assistance, advice and counsel, through advisory opinions or consultations, in connection with the mailing or contemplated mailing of franked mail under section 3210, 3211, 3212, 3213(2) or 3218, and in connection with the operation of section 3215, of title 39, United States Code, upon the request of any Member of the Senate or Member-elect surviving spouse of any of the foregoing, or other Senate official, entitled to send mail as franked mail under any of those sections. The select committee shall prescribe regulations governing the proper use of the franking privilege under those sections by such persons.

(b) Any complaint filed by any person with the select committee that a violation of any section of title 39, United States Code, referred to in subsection (a) of this section is about to occur or has occurred within the immediately preceding period of one year, by any person referred to in such subsection (a), shall contain pertinent factual material and shall conform to regulations prescribed by the select committee. The select committee, if it determines there is reasonable

justification for the complaint, shall conduct an investigation of the matter, including an investigation of reports and statements filed by that complainant with respect to the matter which is the subject of the complaint. The committee shall afford to the person who is the subject of the complaint due notice and, if it determines that there is substantial reason to believe that such violation has occurred or is about to occur, opportunity for all parties to participate in a hearing before the select committee. The select committee shall issue a written decision on each complaint under this subsection not later than thirty days after such a complaint has been filed or, if a hearing is held, not later than thirty days after the conclusion of such hearing. Such decision, that a violation has occurred or is of fact in the case by the select committee. If the select committee finds, in its written decision, that a violation has occurred or is about to occur, the committee may take such action and enforcement as it considers appropriate in accordance with applicable rules, precedents, and standing orders of the Senate, and such other standards as may be prescribed by such committee.

(c) Notwithstanding any other provision of law, no court or administrative body in the United States or in any territory thereof shall have jurisdiction to entertain any civil action of any character concerning or related to a violation of the franking laws or an abuse of the franking privilege by any person listed under subsection (a) of this section as entitled to send mail as franked mail, until a complaint has been filed with the select committee and the committee has rendered a decision under subsection (b) of this section.

(d) The select committee shall prescribe regulations for the holding of investigations and hearings, the conduct of proceedings, and the rendering of decisions under this subsection providing for equitable procedures and the protection of individual, public, and Government interests. The regulations shall, insofar as practicable, contain the substance of the administrative procedure provisions of sections 551–559 and 701–706, of title 5, United States Code. These regulations shall govern matters under this subsection subject to judicial review thereof.

(e) The select committee shall keep a complete record of a... its actions, including a record of the votes on any question on which a record vote is demanded. All records, data, and files of the select committee shall be the property of the Senate and shall be kept in the offices of the select committee or such other places as the committee may direct.

IV. STANDING ORDERS OF THE SENATE REGARDING UNAUTHORIZED DISCLOSURE OF INTELLIGENCE INFORMATION

A. Provisions relating to Select Committee on Intelligence

* * * * * *

SEC. 6. No employee of the select committee or any person engaged by contract or otherwise to perform services for or at the request of such committee shall be given access to any classified information by such committee unless such employee or person has (1) agreed in writing and under oath to be bound by the rules of the Senate (including the jurisdiction of the Select Committee on Standards and Conduct and of such committee as to the security of such information during and after the period of his employment or contractual agreement with such committee); and (2) received an appropriate security clearance as determined by such committee in consultation with the Director of Central Intelligence. The type of security clearance to be required in the case of any such employee or person shall, within the determination of such committee in consultation with the Director of Central Intelligence, be commensurate with the sensitivity of the classified information to which such employee or person will be given access by such committee.

(c)(1) No information in the possession of the select committee relating to the lawful intelligence activities of any department or agency of the United States which has been classified under established security procedures and which the select committee, pursuant to subsection (a) or (b) of this section, has determined should not be disclosed shall be made available to any person by a Member, officer, or employee of the Senate except in a closed session of the Senate or as provided in paragraph (2).

(2) The select committee may, under such regulations as the committee shall prescribe to protect the confidentiality of such information, make any information described in paragraph (1) available to any other committee or any other Member of the Senate. Whenever the select committee makes such information available, the committee shall keep a written record showing, in the case of any particular information, which committee or which Members of the Senate received such information. No Member of the Senate who, and no committee which, receives any information under this subsection, shall disclose such information except in a closed session of the Senate.

B. Provisions relating to Select Committee on Ethics

SEC. 8. * * *

(d) It shall be the duty of the Select Committee on Standards and Conduct to investigate any unauthorized disclosure of intelligence information by a Member, officer or employee of the Senate in violation of subsection (e) and to report to the Senate concerning any allegation which it finds to be substantiated.

(e) Upon request of any person who is subject to any such investigation, the Select Committee on Standards and Conduct shall release to such individual at the conclusion of its investigation a summary of its investigation together with its findings. If, at the conclusion of its investigation, the Select Committee on Standards and Conduct determines that there has been a significant breach of confidentiality or unauthorized disclosure by a Member, officer, or employee of the Senate, it shall report its findings to the Senate and recommend appropriate action such as censure, removal from committee membership, or expulsion from the Senate, in the case of Member, or removal from office or employment or punishment for contempt, in the case of an officer or employee.

RELEASE OF STATE DEPARTMENT LETTER ON TERRORISM

Mr. JAVITS. Mr. President, with the Department of State's permission I released today an exchange of letters with the Department concerning terrorism. The response to my inquiry indicated that at least four foreign governments have aided or abetted terrorists. The State Department's revelation that these four governments—Libya, Iraq, Somalia, and South Yemen—have aided terrorists and terrorism is an important development because it clearly identifies those who are responsible for helping terrorism to exist. It is now for the civilized nations of the world to determine what are the appropriate actions to take in response to those who have aided terrorists. Hopefully, one response will be substantive movement to implement effective measures to protect against terrorists and meaningful machinery for their prosecution and punishment.

Because of the importance of this subject, the Foreign Assistance Subcommittee of the Foreign Relations Committee has scheduled hearings for June 29 on terrorism. In these hearings I hope the information provided by the State Department can be expanded and effective counterterrorist avenues can be explored.

Mr. President, I ask unanimous consent that the text of my exchange of correspondence with the Department of State be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

JAVITS RELEASES STATE DEPARTMENT LETTER DETAILING ACTIONS BY FOUR GOVERNMENTS TO AID AND ABET TERRORISM

ANNOUNCES SENATE FOREIGN RELATIONS COMMITTEE HEARINGS

WASHINGTON.—U.S. Senator Jacob K. Javits (R–NY) released today an exchange of correspondence with the Department of State indicating that the governments of at least four countries have aided or abetted terrorists and terrorism.

In its correspondence, which is appended, the State Department stated that "There is, unfortunately, every indication that international terrorism is on the increase and we will have to prepare ourselves to deal with further attacks on American citizens and installations abroad including those of American companies." In an addendum to its letter, the State Department specified four governments (Libya, Iraq, the People's Democratic Republic of Yemen, and Somalia) it believes to have assisted terrorists in recent years. Finally, the State Department correspondence outlined certain actions it is examining to counter terrorist activity.

Senator Javits stated, "the State Department's agreement to present its information in unclassified form is an important development in that it clearly identifies those governments that have helped to allow terrorism to exist. It is now up to the civilized nations of the world to determine what it believes to be appropriate action in response to the activities of these governments who have sided with terrorists. I am hopeful that these revelations will provide an impetus to adoption of effective protective measures against terrorists and machinery for their prosecution and punishment."

In this connection, Senator Javits pointed out that the courts of Turkey had imposed the death penalty on the murderers of his former aide, Harold Rosenthal, who was killed in a terrorist attack at Yesilkoy Airport in Istanbul on August 11 of last year, and that the defendants in that case are now appealing their sentence in the Turkish legal system.

Hearings on this subject will be scheduled by the Senate Foreign Relations Committee for an appropriate date in the second half of June. Correspondence with the State Department is attached.

U.S. SENATE,
Washington, D.C., February 23, 1977.

Hon. DOUGLAS HECK,
Coordinator for Combating Terrorism,
Department of State,
Washington, D.C.

DEAR AMBASSADOR HECK: I intend to follow up the Senate's passage in the 94th Congress of S. Res. 524, which condemned the August 11th terrorist attack at Yesilkoy Airport,

Turkey, with hearings before the Senate Foreign Relations Committee. As one who was particularly concerned with our efforts to combat terrorism and who was tragically and intimately affected by the Yesilkoy Airport attack, I have been particularly disturbed by reports of assistance rendered by the Government of Libya to facilitate that and other terrorist attacks. In addition, I am sure that you are aware of reports of assistance by the governments of Iraq, South Yemen and Somalia to terrorists. Accordingly, I would like to have from the Department of State a report, in writing, preferably unclassified, setting forth in detail the operations, assistance, and methods that Libya and any other countries have pursued in furtherance of terrorists and terrorism.

In addition, I am interested to know what new approaches, if any, the Administration intends to take to combat terrorism. I hope that any new departures that will be taken will be formulated in consultation with the Congress where I believe a most cooperative and constructive attitude will be found.

I believe that the information I am herein requesting will be most helpful in laying a constructive basis for the Senate Foreign Relations Committee hearings which I intend to request.

With best regards,

Sincerely,

JACOB K. JAVITS.

DEPARTMENT OF STATE,
Washington, D.C., April 27, 1977.

Hon. JACOB K. JAVITS,
U.S. Senate

DEAR SENATOR JAVITS: With further reference to your letter of February 23 to Ambassador Heck and to the interim reply of March 8, and consequent to Ambassador Heck's discussion with your staff, I have enclosed summary statements in response to your request for information on assistance given to terrorists by various governments in recent years. Also enclosed is a short paper on the present status of our thinking with regard to new initiatives against international terrorism which are currently under consideration by the Executive Branch.

We fully share your concern about terrorism and value your support of our efforts to cope with it. There is, unfortunately, every indication that international terrorism is on the increase and we will have to prepare ourselves to deal with further attacks on American citizens and installations abroad including those of American companies. The initiatives set forth in the enclosed paper are designed to prepare us to handle such threats more effectively in the future and hopefully to deter as many as possible. There may be other initiatives and measures that should be considered. Ambassador Heck will be pleased to meet with you or members of your staff if you wish to discuss these questions at further length.

Sincerely,

DOUGLAS J. BENNETT, Jr.,
Assistant Secretary for Congressional Relations.

Enclosures: As stated.

LIBYA

Although the Libyan Government claims that it is opposed to terrorists it has qualified this by saying that "freedom fighters" are not "terrorists" and have the right to carry on their struggles "by whatever means" they deem necessary.

The Libyan Government, since at least 1972, has actively assisted a number of terrorist groups and individuals. These have primarily been members of the several "rejectionist" factions of the Palestinian movement who have broken away from more moderate Palestinian leaders on the issue of the legitimacy of politically motivated violence as a means of carrying on the struggle against Israel.

It is a matter of public record that Libya has received and given refuge to international terrorists involved in a long history of terrorist acts, including:

The perpetrators of the October 1972 massacre at the Munich Olympics;

The hijackers of the Lufthansa aircraft in October 1972;

The hijackers of the Japanese Air Line Boeing blown up in July 1973;

The terrorists who attacked the TWA plane at Athens airport in August 1973;

The terrorists who attempted to shoot down the El Al plane outside of Rome in September 1973;

The terrorists who commandeered a train in Czechoslovakia bound for Austria in September 1973;

The hijackers of the BOAC plane over Dubai in November 1974; and

The kidnappers of certain OPEC oil ministers in December 1975.

IRAQ

The Government of Iraq is a major supporter of Rejectionist Palestinian elements which repudiate a negotiated settlement to the Arab/Israel dispute. The Rejectionist Palestinians include groups which use terrorism as a policy instrument.

Baghdad lends political and moral support to all rejectionist groups. To what degree Baghdad provides financial, military, logistical or training support is unclear, but it appears that a substantial degree of some such support goes to one renegade Fatah group and the Wadi Haddad wing of the Palestinian Front for the Liberation of Palestine (PFLP), both of which carry out international terrorist activities.

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN (ADEN)

There is some public evidence that the People's Democratic Republic of Yemen has on occasion allowed its territory to be used as a sanctuary for terrorists. The absence of any U.S. representation in South Yemen and the general restrictions placed on the movements and contracts of foreigners there make it difficult for the United States to verify the existence and extent of PDRY support for terrorism.

In recent months there have been some tentative movements toward improvement of relations between PDRY and certain of its moderate Arab neighbors which have consistently repudiated international terrorism. We are not able to predict with any certainty, however, whether this trend will have a significant effect on PDRY's attitude toward terrorism.

SOMALIA AND TERRORISM

There have been two major terrorist incidents involving the Front for the Liberation of the Somali Coast (FLCS), a Somali Government-supported group, in the past two years. In March, 1975, three members of the FLCS seized the French Ambassador to Mogadiscio, and only freed him five days later in exchange for money and two FLCS members who were prisoners in France. The exchange took place in Aden at the public request of both France and Somalia.

In February, 1976, a group of FLCS commandos seized a school bus containing 31 French children in Djibouti and attempted to drive it across the border into Somalia. The bus was halted before it reached the border. French sharpshooters eventually killed six of the commandos and re-took the bus. Two of the children were killed.

There is open cooperation between the Somali Government and the FLCS, a cooperation which the Somali Government justifies on the grounds that the FLCS has been recognized by the Organization of African Unity as a legitimate liberation movement. While it is generally agreed that the FLCS is dependent on Somali Government support, there is no evidence which establishes that the two incidents described above were precipitated with the knowledge of the Somali Government.

In a December, 1976 meeting in Somali, the Central Committee of the FLCS expelled five of its top leaders. While the FLCS leadership did not use the occasion to renounce terrorism as policy, some of the reasons cited for the expulsions were the infiltrating of armed gangs into Djibouti without consulting the FLCS policy-making body, conspiracy to assassinate other members, kidnapping, killing, robbing, and misappropriation of funds. The disciplinary action appears to be in accord with the apparent Somali Government decision to cooperate peacefully with the French in bringing about Djibouti's independence. Independence is expected in June of this year.

NEW INITIATIVES AGAINST TERRORISM

There are numerous ongoing efforts by the Department and other agencies to improve our counter-territorist capabilities and activities. These include developing close bilateral and multilateral cooperation with other like minded governments, better physical security, expanded intelligence data bases and intelligence exchange practices, improved aircraft security as well as other anti-hijacking measures at home and abroad and closer bilateral and multilateral cooperation on political and legal measures for controlling, apprehending, and prosecuting those guilty of committing or abetting acts of international terrorism.

Specifically we have encouraged all of our posts to seek additional parties to the Hague, Montreal and Protection of Diplomats Conventions. Moreover, we have actively supported the FRG initiative in the UN General Assembly to draft a hostage convention and expect to take an appropriate role in the UN's consideration of that convention. Our bilateral contacts with other countries sharing an interest in combatting terrorism continually explore new avenues to address the problems of international terrorism through international law and new bilateral and multilateral initiatives in this area. We are encouraged by what we have achieved, but the threat persists and there is much more that can and should be done.

In this connection, the question arises as to the feasibility of multilateral enforcement agreements against countries which fail to maintain minimal airport security standards or to cooperate in other efforts against terrorists. Based upon experience in the International Civil Aviation Organization regarding a previously proposed enforcement convention, we believe there would be significant resistance among member states to compulsory enforcement of such measures as the minimal security standards set forth in Annex 17 to the Convention on International Civil Aviation (the Chicago Convention). Although there has been a number of terrorist attacks and bombings at major airports in the past few years and despite U.S. support for implementation of security standards, the prospects of success for a multilateral enforcement agreement are not considered good. However, we continue unilaterally to urge other governments to adopt Annex 17 standards as we search for new ways and means to increase international support for enforcement.

Within the existing institutional framework of the Cabinet Committee to Combat Terrorism and its operating-level Working Group, this administration is energetically searching for new approaches as well as the

improvement of currently employed methods and techniques to cope with international terrorism. We are presently exploring the prospects for further advance in several areas:

Crisis Management. We are seeking to improve the management of terrorist acts committed in the United States which have important foreign policy implications. We are considering recommendations for a new interagency effort to integrate and refine our policy options in this area and to identify realistic procedural alternatives for the management of such incidents.

Guidelines on Mass Destruction Terrorism. We believe attention should be focused on the development of a government-wide policy and an operational mechanism to deal with terrorist threats of mass destruction. There is an urgent need for establishing clear and coordinated policy and operational guidelines which identify and instruct the lead and supportive agencies whose capabilities to deal with terrorist threats of nuclear, bacteriological or chemical mass destruction are yet untested.

Counter-terrorism Technology. We have been examining the need for the research and development of equipment to improve our counter-terrorist capabilities. Requirements in this area have been tentatively identified by studies on mass-destruction and intermediate terrorism and in an overview of technology requirements.

Ready Reaction Teams. Our experience with terrorist incidents abroad has revealed a need at overseas posts for the early on-scene assistance of specialists in the procedures and techniques of managing terrorist incidents such as kidnapings and hostage-barricade situations. The peculiarities of a given situation will determine whether such a team is needed, and if so, its number and composition. We have in mind an experienced crisis manager and a psychiatrist with terrorist/hostage-barricade training as being the key members. We hope to develop the Ready Reaction Team concept into an operational procedure to give immediate Washington support to overseas Missions confronted by a terrorist challenge.

OPENNESS IN FOREIGN POLICY

Mr. SPARKMAN. Mr. President, there has been a good deal of discussion—and some misunderstanding—in recent months of both the uses and pitfalls of "openness" in the making and conduct of foreign policy. An article in the New York Times on April 25 suggests that President Carter is slipping into the secretive ways of some of his predecessors, making major decisions in a small, closed circle and discouraging criticism from his advisers. A week or so earlier the media were filled with reports that the Carter administration had blundered into a fiasco in Moscow by publicizing its strategic arms control proposals in advance. The question therefore arises: is the Carter administration too closed or too open? Or is it appropriate to be closed in some aspects of policymaking and open in others?

I am inclined to the latter view. Woodrow Wilson has been criticized for having called for "open covenants openly arrived at" and then going on to negotiate the Treaty of Versailles behind closed doors. What tends to be overlooked is that "covenants," once agreed upon, were wide open; what President Wilson and his colleagues had discovered was that it is simply not practical to negotiate complex and controversial issues in the full glare of publicity.

Nor, indeed, does democracy, or good policy, require that. The people of a free society have the right to know everything to which their leaders propose to commit them, and they have the right to know before the commitment is made. But they do not have the right—or the need—to be apprised of the negotiating process every step of the way. To conduct international negotiations entirely in the open indeed is to invite meddling by special interest groups and posturing by the negotiators. The latter all too often makes for intransigence rather than reasonable compromise.

It cannot be said that the policymaking and negotiating processes should always be confidential. That must depend upon circumstances and the nature of the issue. But there are two things that should always be open: one is the agreement itself, and the other is the policymaker's mind.

Whether the Carter administration is sufficiently openminded in all of its policymaking probably cannot be judged after hardly more than 100 days in office. The administration has, however, shown considerable openmindedness in its appreciation of Congress need to reassert foreign policy powers. Speaking, for example, of the landmark war powers resolution, which was passed over President Nixon's veto in 1973, President Carter said in his "telethon" of March 5 that the war powers resolution—

> is a reduction obviously in the authority that the President has had prior to the Vietnam war, but I think it is an appropriate reduction. My own attitude toward government is that I would never see our nation approach a time of war with any sort of predictability about it without discussing it thoroughly and letting the American people know what is going on.

The administration has had one bad experience with an excess of candor, and that arose in connection with Secretary Vance's mission to Moscow. The mistake was in publicly discussing our SALT proposals before presenting them to the Russians and giving them a chance to consider and respond. I would not fault the President greatly on this, because the error seems to have been made only because of the President's determination to inform and educate the American people. As he said in his press conference of March 24, it would be his practice to acquaint the people with "some of the options to be pursued, some of the consequences of success, some of the consequences of failure."

Commendable as this is, the approach to the Soviets on SALT was nonetheless ill advised. The administration undertook to inform the American people of a prospective agreement before trying to negotiate it, and the Russians quite possibly assumed that our purpose was propaganda rather than serious negotiations. Their own much publicized call for "general and complete disarmament" was obviously designed for propaganda, and they may have supposed, mistakenly, that we would operate in the same way. It would have been wiser, it now seems clear, to have sounded out the Russians first on our new SALT approach, sought at least a measure of agreement, and then gone on to explain the proposed agreement to Congress and the American people for their consideration.

If the administration is to be criticized for negotiating too openly, it is even more to be commended for keeping the American people informed. In his statements on the Middle East, on Vietnam, and the efforts to gain information on our MIA's, and most important, in his proposed energy conservation program, President Carter has acted in the tradition of the first Roosevelt, who found the Presidency a "bully pulpit," the second Roosevelt, who said that the Presidency was preeminently a place of moral leadership, and Adlai Stevenson, with whom I had the honor of running for national office on a campaign of "talking sense to the American people."

The administration also earns high marks on consulting with the Foreign Relations Committee on issues currently being negotiated. On April 1, for example, our Subcommittee on Western Hemisphere Affairs chaired by Senator SARBANES, the distinguished junior Senator from Maryland, met with Ambassadors Bunker and Linowitz to receive an in-depth briefing on the current status of the Panama Canal negotiations. Similar briefing sessions have been conducted regularly by the committee throughout the past 13 years as the negotiations for a new Panama Canal Treaty have been conducted. I recall, for example, that on February 6, 1974, just prior to the release of the Tack-Kissinger guidelines, a similar briefing session was held by the committee at which time Ambassador Bunker discussed the negotiating guidelines with members of the committee.

These briefing sessions are important for two reasons: First, they keep the committee up to date on significant current negotiations which, if successful, will result in a treaty requiring the consent of the Senate by two-thirds vote. Second, and no less important, they give committee members an opportunity to advise members of the executive branch on negotiating positions. Sessions such as these serve to bring about the kind of cooperation and understanding between the two branches of Government that were, I think, envisioned by the Founding Fathers of our republic.

I would, therefore, urge the President to continue in his role of educator, seeking open covenants carefully and thoughtfully arrived at. And if, in this process, he should occasionally reveal a bit more than he ought to, or reveal it too soon, that should not trouble us greatly, because even an excess of candor is much to be preferred to its opposite.

AMERICANS OVERWHELMINGLY FAVOR KEEPING DIPLOMATIC RELATIONS WITH THE REPUBLIC OF CHINA

Mr. GOLDWATER. Mr. President, on several occasions in the past, President

Jimmy Carter has articulated his purpose of consulting with, and following the good judgment of, the American people with respect to the conduct of our Nation's foreign policy. I previously expressed my view that adherence to this policy would require the continuation of formal diplomatic relations with the United States and the Republic of China located on Taiwan.

By many different means, the American people had announced their position on the issue of our China policy by making clear their will that our Government remain staunch in its commitment to the Republic of China. This public will was demonstrated in numerous petitions and resolutions adopted by local and State governments throughout the United States, by a resolution offered in the House of Representatives carrying the names of a clear majority of that body and by a Gallup poll of November 1975, which found that fully 70 percent of Americans favored continued diplomatic relations with the Republic of China and that the same majority opposed official relations with Communist China on terms demanded by the Communist regime.

Mr. President, I am pleased to report that last Friday a new poll was released showing that the already overwhelming public support of the Republic of China has increased over the findings in 1975. The latest public opinion survey was conducted between March 26 and April 3, 1977, by decision-making information. According to this survey, 84 percent of the American public favors continuing full diplomatic ties with the Republic of China. This is an increase of 14 percent over the comparable finding in 1975.

Moreover, 74 percent of Americans are found in this latest survey to favor adherence to U.S. Mutual Defense Treaty with the Republic of China. This result indicates an increase of 27 percent as compared with the 1975 result.

Finally, when presented with the demand of the People's Republic of China that the United States should withdraw recognition from the Republic of China as the condition of establishing diplomatic relations with mainland China, 77 percent of Americans indicated we should not withdraw recognition from free China.

Mr. President, in view of the great importance of the survev in the context of American foreign policy toward China, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

NATIONAL ISSUES SURVEY ON CHINA ISSUE

The public opinion survey was conducted between March 26 and April 3, 1977, by Decision Making Information (DMI) of Santa Ana, California, and commissioned by the Committee For A Free China.

According to the survey, 77 percent of the respondents—7 percent over the results of a Gallup study released in November 1975—think that the United States should not break off relations with the Republic of China in order to establish diplomatic relations with Peking.

Other results of the DMI survey were:

Eighty-four percent of the respondents favor continuing full diplomatic ties with the Republic of China (as compared with 70 percent in 1975)

Seventy-four percent favor continuing the U.S. mutual defense treaty with the Republic of China (as compared with 47 percent in 1975)

Young respondents (between 18 and 34 years of age) and those with better educational backgrounds were the ones most inclined to favor maintaining present U.S.-Republic of China relations.

The national probability survey contains the results of 1,201 telephone interviews with adults (18 years and over) within the continental United States. The sample was drawn from the universe of households with telephones. All 48 states in the continental U.S. were included in the randomly selected sample. In general, random samples such as this yield results projectable to the entire universe of the adult population in the United States within ±2.9 percentage points in 95 out of 100 cases.

The questions on China and the results, as tabulated, were as follows.

1. Do you favor or oppose our continuing full diplomatic relations with the Republic of China on Taiwan?

	Percent
Favor	84
Oppose	9
Don't know	7

2. We now have a mutual defense treaty with the Republic of China on the island of Taiwan. This treaty was approved by the U.S. Senate in 1954. Do you think the U.S. should continue this treaty, or not?

	Percent
Yes, continue	74
No, do not continue	14
Don't know	13

3. There has been much discussion of the United States establishing diplomatic relations with the People's Republic of China—Mainland China. Would you favor or oppose our establishing full diplomatic relations with the People's Republic of China/Mainland China?

	Percent
Favor	79
Oppose	14
Don't know	7

4. The People's Republic of China—Mainland China—requires that before the U.S. can establish diplomatic relations with it that we must first break off formal relations with the Republic of China on Taiwan. Do you think the U.S. should or should not withdraw recognition from the Republic of China on Taiwan in order to establish relations with the People's Republic of Mainland China?

	Percent
Should withdraw recognition	12
Should not withdraw recognition	77
Don't know	11

THE RESIGNATION OF DR. JAMES C. FLETCHER AS NASA ADMINISTRATOR

Mr. STEVENSON. Mr. President, Dr. James C. Fletcher has resigned afer 6 years as Administrator of the National Aeronautics and Space Administration. During his tenure, NASA has achieved a number of important objectives in space and aeronautics. Equally important, Dr. Fletcher leaves the Agency well prepared for its future responsibilities.

Evidence of Dr. Fletcher's effectiveness is a listing of the Agency's major achievements during his years as Administrator. These include:

The last three Apollo missions to the Moon, the most scientifically rewarding of the series;

The three Skylab missions, which added much to our knowledge of the Earth and the Sun and how men work and live in space;

The Apollo-Soyuz flight with the Soviet Union, the only joint manned mission;

Exploration of the solar system, including the Pioneer missions to Jupiter, Mariner flights to Mercury, Venus, and Mars, and the Viking project, the first successful landing of two spacecraft on Mars;

Expanded program of applications satellites such as Landsat, to use space for the betterment of life on Earth;

And advances in aeronautics that will improve the speed, range, and fuel efficiency of our civilian aircraft.

But Dr. Fletcher's greatest accomplishment, in my view, has been the development of a balanced and long-term program for NASA. After the rapid buildup of the 1960's and the subsequent decline in NASA budgets and personnel, he succeeded in stabilizing the Agency on a firm course for the long haul. Dr. Fletcher's foresight, vigor and persistence have established the Space Shuttle as the heart of the space program for at least the next decade. At the same time, he has brought about many improvements in NASA's efficiency. Today it is widely considered to be one of the best-managed Federal agencies.

Dr. Fletcher came to NASA, after a distinguished career in industry and as president of the University of Utah. His reputation has grown at NASA, and the Nation will be reaping the benefits of his efforts there for many years to come.

We wish him well.

MANPOWER FOR THE MILITARY—DRAFT OR VOLUNTEER?

Mr. GOLDWATER. Mr. President, in recent months we have heard considerable debate over how best to provide an adequate supply of qualified personnel for the Armed Forces of our Nation. The question seems to be whether to continue with a Volunteer Army or return to the selective service draft. Recently, the Association of the United States Army did a complete analysis of this question and arrived at the conclusion that the time has come to "fish or cut bait." As the association put it:

The Administration and the Congress must decide whether to fund adequately an all-volunteer force, Active, Reserve and National Guard and restore promptly the Selective Service System to an operational status or, as an alternative, return to an equitable draft.

Mr. President, no matter what position the Members might take on this vital question, I feel they would all benefit from reading the exhaustive special report by the AUSA entitled, "Manpower for the Military—Draft or Volunteer?" I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MANPOWER FOR THE MILITARY—DRAFT OR VOLUNTEER?

EXECUTIVE SUMMARY

An important debate is developing in this country over the wisdom and feasibility of relying exclusively on volunteers to man the Armed Forces. The focus of that debate is on the future of the All-Volunteer Force.

The decision to go volunteer was controversial at the outset. Controversy exists today as to how well the All-Volunteer Program is working. Is the Volunteer Force a success? How long can it last? Is it costing too much? Will it work in wartime? Is adoption of some kind of draft inevitable? Or are there better alternatives? In this report we examine these questions and many others they generate.

Background

The All-Volunteer Program was spawned by public disenchantment with the Vietnam War, by resistance to what was perceived as an unfair and inequitable draft and by sheer political expediency. It was not sought by military leaders of the day.

The current picture

Primarily because of cuts in recruiting funds, the Total Army, particularly the Reserve Components, has been the first to feel the pinch and has begun to fall short in attracting the quantity and especially the quality of volunteers required in peacetime. Both situations are considered correctible provided (1) recruiting funds are restored to the pre-FY '76 level; (2) the economy does not improve markedly; and (3) a greater inclination to enlist develops—three major qualifications.

Meanwhile, time, the loss of draft-induced enlistments and the lack of incentives for attracting recruits and retaining veterans have caught up with the Army National Guard and Reserve. As a result, they are about 100,000 below the desired peacetime objective for paid-drill personnel.

At the same time, the Army's Individual Ready Reserve (IRR)—the pool of trained individuals used to fill up units and to replace combat losses in time of emergency—is in deep trouble and sinking fast. Unless drastic corrective action is taken, the IRR by FY '82 will be about 360,000 short of mobilization requirements for trained personnel to flesh out and sustain Army units until revived draft machinery and an expanded training base can assume that responsibility.

Yet, the Selective Service System has been lowered to "deep standby" status and so weakened that it cannot supply inductees for training until four months after mobilization starts (M-Day), with the result that trained draftees cannot be shipped to NATO as replacements for combat losses until M+7 months.

All this means that in the case of the Army, most of all, the validity of the Volunteer Program is in doubt, that an excessive burden has been placed upon the Reserve Components, that our ability to meet primary wartime requirements is in serious jeopardy and that the volunteer concept is for peacetime only and cannot meet wartime needs for personnel.

The Army's proposed program for attracting and retaining volunteers for National Guard and Reserve units and for the IRR (Reserve Components Readiness Improvement Package—RCRIP) will cost eventually about $750 million per year. If the needed funds are provided and the program works, then the Volunteer Era can be extended. Otherwise, an alternative to the All-Volunteer Program will have to be adopted.

The fragility of the volunteer concept has been demonstrated in terms of its sensitivity to economic conditions, to the inclination to enlist and to the scale of financial support. There is legitimate cause for concern about the durability of a program which depends on such slippery factors as these.

The cost factor

Many believe that the Volunteer Forces have become unbearably expensive and that the only way to keep personnel costs within reasonable bounds is to revive the draft. Unfortunately, the situation is not that simple and clean-cut. A pivotal issue is how one interprets the improvements made in military life since the advent of the Volunteer Era. Were these improvements made simply to attract volunteers? Or were they something owed the soldier as a matter of fairness and equity?

We evaluate most of those improvements as essential contributions to a decent quality of life for the soldier, whether he be a draftee or a volunteer. So there are no great savings to be made by reducing the pay and quality of service life.

It would be a mistake to conduct the debate on the premise that a Draft Force will automatically be cheaper to operate than an All-Volunteer Force and will surely lead to lower Defense manpower costs.

Alternatives to current policy

In the case of the Army, restoring the Active Army's recruiting budget to the pre-FY 76 level and funding RCRIP are essential if the case for an All-Volunteer Army is to be fairly tested.

A draft for the Individual Ready Reserve only could be a partial solution but it is a rather futile idea. It is doubtful that public acceptance for an IRR draft could be gained because of (1) inequities growing out of the rather small numbers to be drafted; (2) lack of a visible emergency; and (3) the seeming inconsistency of drafting for the IRR while keeping the Active Army and Reserve Components on a volunteer footing.

A draft for Reserve Components units is considered virtually unmanageable and extremely inequitable because of the need to draft people according to where they live and what units with what requirements are located in the nearby area.

A draft for the Active Forces is a total solution that would not only overcome the present infirmities of the Active Forces, but would also eliminate personnel shortages in Reserve Component units quickly and those in the IRR eventually. It would also avoid the $750 million annual cost of financing RCRIP. And it would bring about the needed revival of an operational Selective Service System. There are possibilities for additional savings as well.

Gaining public support for a new Active Forces draft would be a major effort, lacking dramatic evidence that the Active Forces could not remain effective in peacetime on a volunteer basis and lacking the galvanizing threat of war on the horizon.

Universal Military Training is dismissed on three counts. It would be extremely costly because of the large numbers of individuals trained. It would be wasteful in that the numbers trained would far exceed conceivable requirements. Moreover, it is hard to imagine that kind of proposal finding much favor today with a society that places such a high value on non-interference with individual liberty and freedom of choice.

National Service is discounted because of (1) the probable high cost; (2) the predictable lack of public support, if any form of compulsion is involved; and (3) the likelihood that most youths of desirable quality would opt for something less demanding than military service.

A significant reduction in the size of any of the Armed Forces is considered unwise, unjustified and exceedingly dangerous. It would call for cutting commitments and redefining our vital national interests, serious steps under any circumstances, and dangerous steps at a time when Soviet capabilities for conventional war are on the rise.

Where we come out

With all the trouble flags now flying, the status quo is unendurable. We cannot continue on the present downward drift. The time has come to operate on the problem. The Administration and the Congress must decide either:

To provide the resources needed to maintain a sound, ready All-Volunteer Force—Active, National Guard and Reserve—with the numbers and quality demanded by its mission,

Or to change course and install the most equitable draft possible for the Active Forces.

In either case, the Selective Service System and Presidential induction authority should be restored immediately so that crucial DOD requirements for inductees to be trained as fillers and combat replacements can be met on time.

Finally, all Services and the Department of Defense should make a sustained, all-out effort to retain the present quality of military life, to protect competitive military compensation and to prevent further erosion. These are indispensable ingredients of a successful military manpower program for either a Volunteer or a Draft Force.

INTRODUCTION

Since the draft ended in 1973 the All-Volunteer Force has been our sole source for military manpower. Not only has it come with an expanding price tag, but in today's diminishing manpower market real questions are arising as to whether we can man the forces we need solely from the volunteer source. It is recognized as well that the All-Volunteer system can only be effective in peacetime, and there is justifiable concern about our ability to make a rapid transition to a draft system in emergencies.

We agree that the future of the All-Volunteer Force needs to be assessed realistically and debated forthrightly. We also share the growing concern about the cost of manpower in the defense budget. Yet, it would be a mistake to conduct that debate on the premise that a Draft Force will automatically be cheaper to operate than the All-Volunteer Force and will surely lead to lower defense manpower costs. To accept that premise unquestioningly is to rig the outcome of the debate when other factors may well turn out to be decisive.

In the fall of 1970 the Army got its orders to shift to an All-Volunteer basis. Since then, making a success of the All-Volunteer Program has been the major objective and foremost challenge confronting the Army.

The plan was to reduce draft calls to zero by 1 July 1973. Giving this program top priority and maximum effort, the Army attained this goal six months early. During the conversion period, the Army was assisted by strong financial and policy support and by a declining civilian job market.

The decision to go volunteer was controversial at the time. Now that the deed has been done, controversy still surrounds the All-Volunteer Program. Is the Volunteer Army a success? How long will it last? Is it costing too much? Will it work in wartime? Is adoption of some kind of draft inevitable? Or are there better alternatives?

In this report we examine these questions and the myriad others they generate. We disavow both those who are cynical about the volunteer concept and those who see no good in the draft route. Our purpose is to contribute relevant facts and useful viewpoints to what seems certain to become a major professional and public debate.

We undertake to assess the impact of the All-Volunteer Program on the Active Army, on units of the Army National Guard and Reserve, on the Individual Ready Reserve

and on the overall ability of the Total Army to perform its mission. Also assessed is the effect of the mothballing of the Selective Service System. Manpower costs under the volunteer concept are then analyzed and the costs of get well programs, where needed, are reviewed.

After looking at alternatives, we offer our current thinking on the major issues—not because we feel especially wise, but because we wish to do what we can to improve understanding of those issues.

The debate is already under way. It is timely. It is necessary. And it is important, because the outcome will influence the content and quality of our Army at a crucial time in our national life.

BACKGROUND

The buildup

It seems fair to claim that the All-Volunteer Program was spawned by a combination of public disenchantment with the Vietnam War, resistance to what was perceived as an unfair and inequitable draft and political expediency during the 1968 Presidential campaign.

As early as 1967 comprehensive studies of the feasibility of an All-Volunteer Force were made by two blue-ribbon panels.

The first such study was conducted by the President's National Advisory Commission on Selective Service, composed of 20 distinguished citizens headed by Burke Marshall. They concluded that an All-Volunteer Force was neither feasible nor desirable.

The second 1967 study was produced by the Civilian Advisory Panel on Military Manpower Procurement which had been set up by the House Armed Services Committee. General Mark Clark, the renowned WW II commander was the Chairman of the distinguished group of eight educators and business leaders. They rejected the All-Volunteer Force even more strongly than had the President's Commission.

By late 1968 however, President Nixon, with the upcoming Presidential campaign much on his mind, began moving toward a volunteer concept of manning the Armed Forces. In a radio address in October of that year, he attacked the inequities of the draft as it then operated in these terms:

"A system of compulsory service that arbitrarily selects some and not others simply cannot be squared with our whole concept of liberty, justice and equality under the law. . . . The inequity stems from one simple fact—that some of our young people are forced to spend two years of their lives in the Nation's defense while others are not. It is not as much the way they are selected that is wrong as it is the fact of selection." (It is understood that then Secretary of Defense Melvin Laird had no advance knowledge that President Nixon would make in this speech what amounted to a promise to end the draft in time.)

The preponderant professional military opinion of that day opposed an All-Volunteer Force and supported continuation of the draft along with an operational Selective Service System.

AUSA was in the vanguard of those opposing the ending of the draft. In July 1969 AUSA went on the record as favoring:

A continuation of the draft with modifications to make it as fair and equitable as possible.

Maintaining the Selective Service System.

Continuing to register and classify all draft eligible young men.

Proceeding with plans for improving pay and career attractiveness.

The objective of AUSA was "to attract into the Armed Forces as many volunteers as feasible and to back them up with a viable Selective Service System as a residual source of manpower to be instantly available in time of need."

In this same statement AUSA also pointed out that at least 71 percent of recent enlistments into the Reserve Components were draft motivated and that "as a result the strengths of the Reserve and National Guard units could be sharply reduced in the absence of a draft."

In March 1969 Nixon moved out, appointing the President's Commission on an All-Volunteer Armed Force (Gates Commission) "to develop a comprehensive plan for eliminating conscription and moving toward an All-Volunteer Armed Force." Some 11 months later the Gates Commission, which clearly understood its mission, submitted its report recommending:

Adoption of the All-Volunteer Armed Force concept accompanied by competitive levels of military compensation, reasonable qualification standards and attractive conditions of military service.

Dropping of the Selective Service System to a standby status on 30 June 1971 to be activated only by a joint resolution of Congress upon request of the President.

Marching orders

In the fall of 1970 the Army's loyal opposition to the All-Volunteer concept was ended by Nixon's decision to stop the draft as soon as possible and shift to an All-Volunteer Force.

Subsequently, in an address to the AUSA Annual Meeting in October 1970 the Army's Chief of Staff, General William C. Westmoreland made the first public commitment that the Army would make an all-out effort to reach a full volunteer, or zero draft, status. This marked the beginning of the end of the long emotional debate within the Army over the draft versus volunteer issue, and the Army pulled up its socks and undertook to make a success of the volunteer concept.

In his address General Westmoreland asserted that attaining the all-volunteer goal required:

Vigorous, imaginative and dedicated leadership within the Army.

Elimination of unnecessary irritants and unattractive features of Army life while retaining "immutable principles of dedicated professionalism, loyalty, integrity of character and sacrifice."

Money for increased pay, combat arms bonuses, better housing, modern barracks and civilian labor to perform basic, nonmilitary tasks.

The "support of the American people and their leaders in business, industry, the church, education and the news media."

Westmoreland made clear that he supported the volunteer concept but that success depended on "help from the Administration, the Congress and the citizenry of our nation," and on enlightened leadership at all levels within the Army. He also recognized that the Reserve Components would be affected to the move to a zero draft, that we must not ignore the Individual Ready Reserve (the pool of trained manpower that has completed active duty obligations but are available for call-up until the total six year service obligation runs out) and that a large part of our problem was "to increase the number of volunteers in the Army Reserve and National Guard at the same time we increase volunteers in the Active Army."

The following month General Westmoreland convened an Army Commander's Conference devoted to moving "as far and as fast as we can toward realization of a Modern Volunteer Army." He told his senior commanders that "the time for debate is over . . . the decision has been made." He described as "clearly ambitious" the goal that had been assigned to the Army—achieving a zero draft by 1 July 1973.

Draft calls were actually terminated six months early, in January 1973, as the Army approached an all-volunteer status through the combined effects of an expanded recruiting effort, a large reduction in the strength of the Active Army (from the 1968 high of 1.57 million to 801,000 in FY 73), increased attractiveness of military service through provision of new, material incentives and general sluggishness of the economy.

In a letter to President Nixon on June 30, 1972, General Westmoreland foresaw many of today's problems:

"As the target date for reaching a zero draft status nears, I am convinced that increased pressures for reduced Active Army forces will be felt. At the same time, there will undoubtedly be an increasing tendency to use money—in the form of added pay raises, pay incentives and similar measures—to obtain the final increment of manpower needed to close the gap. The end result of such action can only be higher costs, which could jeopardize overall military manpower programs. For this reason, among others, I strongly advocate the retention of a Selective Service System law that could be implemented when needed. Such standby authority would serve as an incentive for enlistments in both Active and Reserve forces, keep the draft mechanism alive and enable the President to ensure that a cross section of America is represented in its Armed Forces. The actual use of the draft authority under such conditions would, I believe, be so limited that it would not be onerous."

Shrinkage of the Reserve Components

In the shift to an All-Volunteer Army, the Active Army was the beneficiary of most of the special policies, programs, recruiting resources and incentive packages developed to make the volunteer concept succeed. First priority had to be and was given to putting the Active Army on a voluntary footing. Less attention was paid to the needs of the Reserve Components because of their healthy strength status at the time in contrast to the urgent needs of the Active Army to recruit large numbers of personnel then and there. Although the Reserve Components were not ignored, the taking of major steps to assist them in adjusting to the volunteer concept was deferred until such time as the Active Army had made the shift and the Congress had supplied additional resources. Thus, the ground was prepared for the decline in strength that was to plague the National Guard and the Reserve as the Army marched further into the Volunteer Era.

Ironically, while the future manpower strength of the Reserve Components was being placed in jeopardy, Defense policy was sharply increasing reliance on the National Guard and Reserve under the Total Force Concept. The Reserve Components were being asked to man more units in a higher state of readiness and with earlier NATO deployment dates, even though long-range recruiting and retention problems were discernible.

More overlooked, perhaps, than deferred was the impact of the All-Volunteer Army on the IRR. As the flow of draft alumni from the Active Army into the IRR was to dry up, inevitably the ability of the IRR to furnish fillers upon mobilization and replacements upon the initiation of combat would deteriorate.

The Selective Service system starts to slide

The President's induction authority was allowed to end on 30 June 1973, a move that foreshadowed the eventual dismantling of the Selective Service machinery.

How much this decision owed to the desire to do what was politically appealing and how much to failure to appreciate that the volunteer concept would work only in peacetime and was no solution to wartime requirements for fillers and replacements, seems beyond discernment and is probably beyond proof. But the start of the downhill slide of the Selective Service System caused little stir in the press, in the Congress or among a public comforted by the end of the Vietnam experience and the death of the unbeloved draft.

AUSA counsels caution

On numerous occasions during the past eight years AUSA has stressed the need to preserve a healthy, ready-to-go Selective Service System and to overcome the manpower problems of the National Guard and the Reserve.

Typical was the AUSA position paper in September 1972 which pointed to the strength problems plaguing both the National Guard and Reserve and called for "strong support . . . for those incentive measures pending before the Congress, particularly those affecting the National Guard and the Reserve." In the same vein AUSA emphasized in May 1973 that "what they (Reserve Components) urgently need is the passage of pending legislation which will provide them with a greater range of incentives to attract volunteers."

Later in that same year AUSA explained that one of the most pressing problems in the National Guard and Reserve was "to meet manpower requirements without the pressure of the draft." After explaining the unwisdom of inaction on the manpower shortages in the Guard and Reserve, AUSA went on to warn that "to set unrealistically high levels of readiness for Reserve Forces and to assume for war planning purposes the attainment of those levels, in an attempt to satisfy strategic requirements, creates a false premise and undermines the validity of our defense planning."

As early as June 1975 AUSA expressed concern over the steadily diminishing strength of the IRR, claiming that the implication from this trend was "a drastically reduced capability to provide experienced former military personnel in the numbers necessary to support a military expansion during an emergency."

AUSA consistently argued that the President's induction authority under the Selective Service law must be extended until actual experience had proven that qualified personnel in sufficient numbers, properly distributed within the Services including the Army National Guard and the Army Reserve, could be recruited and maintained by voluntary means alone. Once that battle was lost, AUSA raised its voice regularly in support of retaining the Selective Service System in an operational status assuring that the needs of Defense for inductees would be met on time. The later lowering of the Selective Service System from an operational to a "deep standby" status was seen not as the end of the struggle but as a dangerous mistake that must be corrected soonest in order that the plight of the IRR might be eased and our mobilization plans made workable.

Moving on

The stage is now set to look at how the All-Volunteer Army is faring and where it seems to be headed.

HOW WELL IS THE ACTIVE ARMY DOING?

On quantity

Overall

There has been no significant problem in maintaining the Active Army at or near its authorized strength until very recently. (See Figure 1 for graphic depiction of the changing size of the Army through the years.) [not printed in Record]

This achievement is partly attributable to the near 50% reduction in the size of the Army since 1968 and the sluggish state of the economy in the recent past. Also, it reflects the unwritten law that the strength of the Army will be maintained at required levels, even if that means temporary abandonment of quality standards.

Recruiting

Still, imperfections crept into the recruiting picture starting in FY 76 and have worsened in the last half of Calendar 76, as shown in Figure 2. Whereas the Active Army met its goal in FY 74 and 75, it fell 2 percent short in FY 76—some 5 percent short in the Transition Quarter (July–August–September 76)—and a disturbing 8% short in the 1st Quarter of FY 77.* As will be shown a reduction of financial support for the recruiting effort is a major reason for this developing shortfall.

FIG. 2.—ACTIVE ARMY RECRUITING OF NPS MALES

[In thousands]

Fiscal year	Required	Enlisted	Shortfall Number	Shortfall Percent
1974	(1)	(1)	(1)	(1)
1975	(1)	(1)	(1)	(1)
1976	167.6	164.3	3.3	2
Transition quarter [2]	51.5	48.9	2.6	5
1st quarter fiscal year 1977 [3]	36.3	33.4	3.0	8

[1] Met goal.
[2] July–August–September 1976.
[3] October–November–December 1976.

Note: More recent figures show that accession of NPS males from Oct. 1, 1976 to Feb. 28, 1977 is 60,600 against a requirement of 63,900, giving a cumulative shortfall of 3,300 or 5.2 percent.

Reenlistment

The reenlistment situation for Calendar 76, shown on Figure 3, is good with respect to careerists—those with more than one enlistment—but weak regarding retention of individuals completing their first enlistment. The number reenlisted represents only 79 percent of the objective for the year. This compares adversely with first termer reenlistment rate of 128 percent in Calendar 75 and 145.2 percent in Calendar 74. Evaluation of this trend is a judgmental exercise but probably involves a deeper disinclination toward military service by those who have tried it, a growing belief that one can do better in the civilian economy, and a reduction in reenlistment options and benefits.

FIG. 3.—REENLISTMENT RESULTS IN CALENDAR 1976

Category	Active Army objective	Achievement [1]	Percent
1st termers	22,927	18,035	[2] 78.7
Males		(15,990)	
Females		(2,045)	
Careerists	38,310	39,227	102.5
Males		(38,394)	
Females		(883)	
Total	61,237	57,312	93.6

[1] Does not include prior-service enlistments which are accounted for in accessions, nor extensions of 3 or more years.
[2] Comparable figure for calendar 1974 was 145.2 pct; for 1975, it was 128 pct.

On quality

Overall

The two main yardsticks used to measure the quality of personnel being recruited for the Army are the percentage of male high school diploma graduates (HSGSs) and the percentage in the upper 50th percentile of the five different mental categories. These will be examined separately. The overall picture is that the Army was making real progress in improving quality after the shift to a volunteer footing until FY 76 when a downward trend set in, paralleling a cut in financial support of the recruiting effort. This trend is destined to continue in FY 77. The cut in recruiting resources is shown in the adjoining Figure 4.

* Preliminary data for January and February 1977, the first two months of the 2d Quarter FY 77, indicate that the shortage is returning to the 5% level.

FIGURE. 4.—*Active Army recruiting resources*

[Fiscal year 1978 constant $ in millions]

Fiscal year:	Budget
1974	$295
1975	289
1976	257
1977*	230
1978**	286

*Does not include reprogramming request of $21.9 million, submitted but not yet approved.
**Budget request now before Congress.

High School Diploma Graduates (HSDGs)

Experience in operating the Volunteer Army indicates that the best, single indicator of quality is the number of soldiers who graduated from high school with a diploma. These soldiers are the most trainable and reliable, whereas the non-HSDGs tend to be less motivated and less disciplined, and they are more liable to be discharged before their training is completed or before their enlistment expires. Indeed, losses from non-HSDGs are currently running more than twice those from HSDGs. The costs of recruiting and training replacements for those high school dropouts who become Army dropouts are considerable and justify strong efforts to recruit the better performing HSDGs.

Figure 5 [not printed in RECORD] shows the trend since FY 72 in the percentage of enlisted personnel who were high school graduates either with diplomas or GED certificates (based on testing to determine if accumulated knowledge is equivalent to a high school education). In the last three years there has been a modest increase in HSDGs of 4.4%, bringing the percentage of enlisted personnel who are legitimate high school graduates to 64.6%.

Of greater importance is the percentage of recruits who are HSDGs, for they will determine the quality level of the Army tomorrow. The Army's long-range objective for male HSDG recruits is 68%. A lesser rate is established each year based on what is realistically attainable. For example, the rate was 54% in FY 1975, some 62% in FY 1976, and is down to 56% in FY 77. Figure 6 lists, by six-month periods since the start of FY 75, the percentage of non-prior service male recruits who were HSDGs. The trend is downward and indicates that the Volunteer Army is beginning to have problems in maintaining the desired level of quality.

FIG. 6.—QUALITY TRENDS NPS MALE HSDG

	Fiscal year 1975		Fiscal year 1976		Transition quarter plus 1 quarter fiscal year 1977
	1st half	2d half	1st half	2d half	
Percent	49.9	59.5	62.3	49.0	52.3
Number (thousands)	44.8	45.2	50.1	41.1	43.0

Several aspects of Figure 6 are noteworthy:

In FY 75, the Army slightly exceeded the rather conservative goal of 54 percent.

The percentage of HSDGs rose to a gratifying 62.3 percent in the first six months of FY 76 and then fell some 13 percent in the remainder of that year to a low of 49 percent, giving a rate for the year of 56 percent, or 6 percent below the goal established for that year.

The performance since the end of FY 76 is somewhat better—52.3 percent—but indicates a loss of momentum in the recruiting effort.

This loss of momentum reflects the reduction in recruiting resources presented in Figure 4 and suggests quite clearly that you

cannot cut the recruiting effort and expect to maintain the immediate quality level, let alone reach the cost-effective level of 68 percent.

The downward trend is expected to worsen in the remainder of FY 77 as the debilitating two-year cut in recruiting dollars does further damage to the Army's recruiting effort.

Figure 7 gives another look at the degree of success in meeting requirements for male recruits who are HSDGs. In none of the three time periods shown did the Army meet requirements, and in the first five months of FY 77 the number of HSDGs recruited was a whopping 16.8 percent short of the needed number.

FIG. 7.—NPS MALE ACCESSIONS WITH HIGH SCHOOL DIPLOMAS

	Fiscal year 1976	Transition quarter	Oct. 1.1976, to Feb. 28, 1977 [1]
Requirement	96,700	35,000	32,700
Enlistment	91,000	27,300	27,200
Shortage	−5,700	−7,700	−5,500
Percent	6	22	16.8

[1] Includes preliminary data for February 1977.

Figure 8 gives a closer look at the shortfall in HSDGs over the first five months of FY 77. The story is, again, one of an increasing shortfall, rising from 3 percent in October 76 to 17 percent in February 77.

FIGURE 8.—ACTIVE ARMY RECRUITING OF NPS MALE HSDGS

[Cumulative; in thousands]

Month	Required	Enlisted	Shortfall [1]
October 1976	6.6	6.4	0.2 (3)
November	13.0	12.1	.9 (7)
December	17.1	15.5	1.6 (9)
January 1977	26.0	22.1	3.9 (15)
February	32.7	27.2	5.5 (17)

[1] Figures in parentheses equal percent.

Mental Categories

Soldiers are classified into one of five categories according to the results of tests administered when entering the Army. Figure 9 [not printed in Record] shows the five categories based on the percentile score made by the soldier. It also shows how the distribution of mental categories within the Army compares to that within the nation. The mental categories are further defined as follows:

Category I: Superior.

Category II: Above average.

*Category III: Average.

Category IV: Below average; marginally qualified for military service.

Category V: Not qualified for military service.

Figure 10 paints a profile of the enlisted force according to percentage in the four categories qualified for military service. Note the rise in the top three categories and the decline in Cat IV since FY 73 when the Army shifted from the draft to a volunteer footing—both good signs.

*Category III is broken down into Cat IIIa and Cat IIIb at the 50th percentile point. The number of soldiers in Cat I-Cat IIIa is a special measure of quality, denoting those in the so-called Upper 50th Percentile.

FIGURE 10.—PROFILE OF ENLISTED FORCE MENTAL CATEGORY—PERCENTAGES

[As of December each year]

	1971	1972	1973	1974	1975	1976	1977
I	5.1	4.4	4.3	4.0	4.2	4.4	4.6
II	27.3	27.0	28.4	28.5	29.4	29.7	29.6
III	44.8	47.2	49.2	51.0	51.8	52.9	53.5
I–III	77.2	78.6	81.9	83.5	85.4		
IV	22.8	21.4	18.1	16.5	14.6	13.0	12.3

Figure 11 (not printed in the Record) provides perspective on the percent of male recruits in Category IV that entered the Army each year since 1960. The picture given is a healthy one, with a general reduction in the percentage of Cat IVs taken in each year. Note especially that the trend is decidedly favorable since the Army became a volunteer force in the middle of FY 73.

The quality picture darkens when viewed in terms of the percent of males recruited into the Army since FY 73 from the Upper 50th Percentile. Figure 12 shows a drop of over 7% since FY 73, suggesting that: (1) improving economic conditions make it harder for the Army to attract the upper mental categories; and (2) there is a decrease in the propensity to enlist manifesting itself, perhaps because of the somewhat better state of the economy, or because of the perception that actual or threatened erosion of traditional benefits is making a military career less attractive, or both.

Figure 12.—Trend in accessions of NPS males in the upper 50 percentile

Fiscal year:	*Category I–IIa*
1973	54.3
1974*	48.1
1975	52.7
1976	50.6
TQ plus 1st qtr 77	47.0

*First full year without the draft.

Looking at HSDGs and Mental Categories Together

Figure 13 shows what percent of NPS males recruited are HSDGs and in the Upper 50th Percentile.

FIGURE 13.—QUALITY OF NPS MALE ACCESSIONS BY HSDG's AND MENTAL CATEGORIES

[In percent]

	Fiscal year 1976		Fiscal year TQ [1]	Fiscal year 1977 1st quarter [1]
	1st half	2d half		
High school diploma graduate:				
Required	63.0	61.0	62	56
Achieved	62.3	49.0	55	54
Upper 50th percentile achieved	52.7	48.7	47	47

[1] HSDG and upper 50th percentile annualized using seasonality rates.

The percentage of HSDGs recruited has fallen from the high of 62.3 percent in early fiscal year 1976, is now 2 percent below the modest goal of 56 percent for fiscal year 1977, and is 14 percent below the long-range, cost-effective goal of 68 percent.

The percentage of recruits in the upper 50th percentile, which, ideally, the Army would like to be 3 to 4 percent below the USDG objective, has fallen to the lowest take of males in the upper mental categories since the end of the draft, and is 17 percent below the long-range, cost-effective goals of 64 percent.

Putting quantity and quality together

Figure 14 permits a combined look at the quantity and quality aspects of the Volunteer Active Army.

FIG. 14.—NPS MALES QUANTITY AND QUALITY

[Fiscal years]

	1976			1977,
	1st half	2d half	TQ [1]	1st quarter [1]
Quantity (thousands):				
Required	90.8	76.8	51.5	36.3
Achieved	80.4	83.9	48.9	33.4
High school diploma:				
Graduate (Percent):				
Required	63.0	61.0	62.0	56.0
Achieved	62.3	49.0	55.0	54.0
Upper 50th Percentile (Percent): Achieved	52.7	48.7	47.0	47.0

[1] HSDG and upper 50th Percentile annualized using seasonality rates.

The Army is coming closer to hitting the quantity targets than the ones for quality. Both are correctible, if the Army is given recruiting resources at the level enjoyed in the first two years of the Volunteer Army (see Figure 4), if the economy does not improve markedly, and if the propensity to enlist develops an upward swing. That propensity has been measured at three different times by the Army using a national sample of 17–21 year olds. Here are the results:

Fall 1975 (1st half FY 76): 13.7 percent.

Spring 1976 (2d half FY 76): 8.4 percent.

Fall 1976 (TQ+1st Qtr FY 77): 9.8 percent.

What goes into the "propensity to enlist" is an amalgam of slippery factors. We have already touched on some—the availability of jobs in the civilian market, the perceived attractiveness of military life, and the resources invested in the recruiting effort. Whatever its ingredients, it is an influential intangible that makes evaluation of the prospects for continuing success of the volunteer concept an elusive proposition.

The unmistakeable feature of Figure 15 [not printed in Record] is that the black content is up and rising, particularly in the enlisted force—up over 7 percent since FY 72 to 24.3 percent today, and at West Point and in ROTC units—up almost 11 percent since FY 72 to 21 percent today.

The percent of NPS Blacks (Male and Female) being recruited in the Volunteer Army is also noteworthy:

FY 76: 24.3 percent.

FY TQ: 29.5 percent.

1st Qtr, FY 77: 28.0 percent.

Most observers credit the state of the economy and the opportunity for advancement offered by the Army as among the forces attracting blacks into the Army in numbers well over the 12 percent black proportion of the national population.

Is the Volunteer Active Army a Success?

The Army, in the person of Acting Assistant Secretary (Manpower and Reserve Affairs) Paul D. Phillips, answered this question by telling the Congress in February:

"Yes. We have consistently been at or near the authorized strength each year, albeit at

somewhat lower quality and consequently at higher loss rates than desired."

Proposals for Improving Chances of Future Success

Five often-heard proposals for improving management of the All-Volunteer Army and increasing prospects for future success merit mention and brief comment. They are:

Lower physical standards.
Lower quality standards.
Reduce attrition rate for first-termers.
Use more civilians.
Use more women.

Lowering physical standards would, of course, make it easier to recruit the required numbers of non-prior service personnel. However, these standards are not a matter of whimsy; they reflect years of practical experience in the utilization of people with different degrees of physical fitness in a wide variety of jobs. Any adjustment of these standards should be carefully and objectively determined and not embraced blindly out of excess zeal to simplify meeting recruiting requirements.

Lowering quality standards is a matter of greater delicacy perhaps. As previously noted, the Army has much real-life data which demonstrates that soldiers who meet the present quality standards by and large turn out to be trainable, well-motivated, stable, reliable, and capable of adjusting to the demands of military discipline. Failing to meet these standards brings poorer performance of duty, more disciplinary problems and lower morale, resulting in more early discharges and increased costs to recruit and train replacements as well as an increase in personnel turbulence and a loss of efficiency and cost effectiveness. So, this is an area where special respect should be shown for experimental data before embarking on a new set of standards simply because they will make it easier for the Volunteer Army to recruit the required numbers. The true goal is to make the numbers and have a worthy Army too.

The Army's attrition rate for first-termers is currently running at about 35 percent, well above the goal of 25 percent. However, the Army points to cuts in recruiting funds which have caused shortfalls in meeting quality goals as the main reason for the high rate of attrition.

Greater utilization of civilians is a familiar cry. The main concern in this area, rooted in painful history, is that conversion of job classifications from military to civilian is often followed by a cut in civilian strength authorization with a consequent net loss in operating ability.

Using more women in the Army requires the weighing of several competing factors. It appears now that women are cheaper to recruit but may be more costly to maintain. We must be sure that the principle of equal rights equates with equal capabilities and responsibilities. That there are physical limits beyond which most women cannot be utilized has been well recognized in sports and the Armed Services themselves are building a great reservoir of data which may help delineate more clearly what these limits may be. That exceptional woman who can meet all physical requirements must be given the opportunity to do so. Also, there is a limit beyond which women cannot be utilized without reducing the rotation base for men in combat units. Wherever that limit lies, it cannot be breached without extending time in combat for men in combat units or without changing policy to permit women to engage in combat. To insure equity and the ability of units to perform, such exceptions as Maternity leave which do not apply to males will also have to be reexamined. The Army probably can utilize profitably more than the 55,000 women now in uniform, but not as many as some efficiency managers might wish.

We certainly do not oppose examination of these five proposals and hope that sensible ways can be found to ease the task of keeping the Army on a volunteer footing. But, even taken together, they do not seem likely to influence in the long run whether the Army can remain a volunteer organization or must turn to the draft or some other alternative.

The plight of the reserve components in the Volunteer Army

The problem of falling strength

During the years when the Vietnam War and the Active Army draft were in full swing, the Army National Guard and the Army Reserve succeeded in staying close to desired strength levels, helped by enlistments into the National Guard and the Reserve which were induced by the ongoing draft. Then, as the draft calls were reduced and the Vietnam War wound down, the strength of Reserve Component units gradually fell. Since the end of FY 75 the decline has been sharper as the reserve enlistees of the late 60s and early 70s reached the end of their six-year Military Service Obligation. This picture is reflected in Figure 16.

FIG. 16.—STRENGTH OF THE ARNG AND USAR

	Paid strength			
	ARNG		USAR	
Fiscal year	Congressional authorized	Actual (end of year)	Congressional authorized	Actual (end of year)
1971	400,000	402,175	260,000	263,299
1972	400,000	387,539	260,000	235,192
1973	400,000	385,600	261,300	235,499
1974	400,000	403,396	232,591	234,866
1975	400,000	394,720	225,000	225,057
1976	400,000	362,330	[1] 219,000	194,611
197T	400,000	366,841	[1] 219,000	191,919
1977 (1st quarter)	390,000	364,394	[1] 219,000	193,614
1977	390,000	[2] 377,000	[1] 212,400	[2] 205,000

[1] Purposely kept below requirements because of anticipated recruiting difficulties.
[2] A Projection.

Note that in the 18-month period from the end of FY 75 (30 June 75) to the end of the 1st Quarter of FY 77 (31 December 76) the actual paid drill strength of the National Guard dropped 30,326 while the actual paid drill strength of the Reserve fell 31,443—giving a combined shortfall of almost 62,000 against the strengths authorized by the Congress.

The picture worsens when the actual paid drill strengths of the National Gaurd and the Reserve are compared with the strength figures representing the peacetime objective and the wartime requirement.

FIGURE 17.—STRENGTH COMPARISON PAID DRILL VERSUS PEACETIME OBJECTIVE VERSUS WARTIME REQUIREMENT (ARNG AND USAR)

[In thousands of dollars]

	Paid drill (Dec. 31, 1976)	Peacetime objective	Wartime requirement
ARNG	364.4	400	430.5
USAR	193.6	260	276.0
Total	558.0	660	706.5
		−558	−558.0
Shortfall		102	148.5

The shortfall in Figure 17 can be interpreted in two different ways. It may represent the extent to which cuts in the size of the Active Army in recent years have resulted in placing an unrealistic requirement on the National Guard and Reserve to supply trained units for quick deployment upon mobilization. It certainly points up the need to strengthen the incentives for enlistment in the Reserve Component units.

The Predictable Causes of the Understrength

There is nothing unusual or surprising about the current strength predicament of the Army National Guard and the Army Reserve.

The primary cause was the politically inspired decision of the American government to stop the draft as a part of the get well cure for the Vietnam War disease affecting our nation at the start of this decade.

The secondary cause was the conscious decision of Defense and the Army, previously noted, to concentrate available resources on the near-overwhelming requirement to convert the Army to a volunteer footing.

There simply wasn't enough money made available to finance career incentives for the Reserve Components and the Active Army simultaneously. Moreover, the Active Army could afford no delay in coming to grips with its real and present strength problems, while the big kitty of draft-induced enlistees in the National Guard and the Reserve meant that their strength problems were off in the distance.

The problems were foreseen but could not be taken under immediate attack. Hence, temporizing was endured as the more urgent recruiting and retention requirements of the Active Army were addressed as a matter of first priority.

Stopping the draft and urgently building a Volunteer Active Army set forces in motion which, in time, impacted adversely on the ARNG and the USAR in such ways as:

Destroying the former incentive to enlist in the Reserve Components with a six-month Active Duty requirement in preference to the longer two-year period of Active Duty associated with exposure to the draft.

Drying up the stream of draft alumni graduating from the Active Army with four years remaining on their Military Service Obligation.

Depriving the ARNG and the USAR of the resources and policies needed to create a strong recruiting capability and a package of incentives for enlistment and retention, patterned after those working well for the Active Army.

The Unsettling Effects of the Understrength

The recent disturbing decline in the strength of ARNG and USAR units can trigger a series of chain reaction type effects which, if untreated, could undermine the Total Force Concept on which the success of national military strategy heavily depends. These adverse effects include:

Interference with the preparation and conduct of meaningful training as key personnel are diverted to the overriding effort of recruiting new enlistees and extending selected, onboard personnel.

General degradation in the conduct of unit training as squads, crews and sections are forced to train on a skeletonized basis or to consolidate for training with consequent loss of tactical integrity and weakening of platoon and company proficiency.

Concomitant lowering of unit readiness to perform assigned emergency and wartime missions.

Delaying until after M-Day of training that normally would be done in peacetime.

Inevitable stretching out of required post M-Day training as units await, absorb and polish filler personnel.

Failure to meet established deployment dates with accompanying setback in timely reinforcement of oversea forces.

Such are some of the causes and effects of the developing strength problems of the Army National Guard and Reserve. High priority action is required to correct the situation. Solutions are available but, as we shall see, they are not cheap. Nor are they appealing to the proponents of the short war philosophy.

Reaching for Quality Standards

Quality data on the Army National Guard and Reserve is not so extensive as that for the Active Army, but one aspect that stands out is the decline in accession of National Guard recruits who are high school graduates—the sum of diploma holders and those who have qualified for GED equivalency certificates. This situation is set forth in Figure 18, where data is also given on the Army Reserve and the Active Army to provide perspective.

FIGURE 18.—ACCESSIONS OF NONPRIOR SERVICE HIGH SCHOOL GRADUATES [1]—(ARNG-USAR-ACTIVE ARMY)

[In percent]

	ARNG	USAR	Active Army
Fiscal year:			
1972	81.9	----------	70.5
1973	66.0	----------	60.2
1974	42.9	64.9	56.0
1975	47.3	66.5	66.0
1976	48.6	70.1	64.0
1977	46.8	71.1	63.5
1977 (goal)	55.0	—55.0	----------

[1] Includes GED high school diploma graduates, and personnel who have attended college.

The drop of 35 percent for the ARNG from FY 72 to the end of the FY 77 Transition Quarter (30 September 76) is dramatic. Obviously, enlistment sweetners and a stronger recruiting force are needed to get the National Guard out of this hole.

The higher percentage of HSG recruits in the USAR is partly explained by the greater number of females recruited for the USAR, most of whom are high school graduates via the diploma route.

The advent of the Volunteer Army has also affected the statistics on mental categories of personnel enlisting in the National Guard. Figure 19 shows big drops in the top two categories and unwanted increases in the bottom two categories.

FIGURE 19.—ARNG ACCESSIONS OF NPS PERSONNEL BY MENTAL CATEGORIES

[In percent]

	Category I	Category II	Category III	Category IV
Fiscal year:				
1970	17.9	43.7	33.7	5.1
1971	15.9	40.8	37.1	6.1
1972	11.1	36.3	42.9	9.5
1973	7.7	29.6	45.9	16.4
1974	2.4	22.5	45.9	28.8
1975	1.9	28.2	48.0	21.6
1976	2.0	26.5	53.3	17.9
TQ	2.2	16.1	58.7	18.9
1977 goal				[1] 18.0

[1] Maximum.

Similar data for the USAR, but for a shorter time period, appear in Figure 20. The picture is good except for the rise in the Category III percentage. Being able to utilize more females and not needing to fill nearly so many combat arms vacancies as the ARNG, the USAR finds it easier to recruit personnel in the higher mental categories.

FIGURE 20.—USAR ACCESSIONS OF NPS PERSONNEL BY MENTAL CATEGORIES

[In percent]

	Category I	Category II	Category III	Category IV
Fiscal year:				
1975	6.5	30.2	45.3	12.2
1976	8.3	31.0	54.8	5.6
1TQ	9.1	30.1	53.5	7.3
1977 goal				[1] 15.0

[1] Maximum.

Note: Data for fiscal year 1975 does not add to 100 percent due to conversion from old accession procedure which did not always identify mental categories to new procedure which does.

Summing up this portion, the greatest strain in keeping up quality is on the ARNG with its large commitment to manning combat units. The termination of the draft increased that strain. Yet unless relief is soon provided, quality will have to be sacrificed further in order to meet numerical goals—a step that will degrade training, readiness and discipline.

The Reserve Component Readiness Improvement Package (RCRIP)

According to current conventional wisdom, if no remedial measures are undertaken, the Reserve Components might be able to hold their present strength—which is some 102,000 below the desired peacetime level—but quality will decline further.

The Army has developed a comprehensive, get well program for the Reserve Components, including the Individual Ready Reserve (IRR), to be discussed later. This program is called the Reserve Component Readiness Improvement Package (RCRIP). It is a costly package, estimated to require as much as $500 million per year for the ARNG and USAR and some $250 million more for the IRR. Although the cost is considerable indeed, there is no certainty of success. But it is clear that anything less would be insufficient to give the Reserve Components the capabilities they need to handle the enlarged and crucial missions assigned them under the Total Force Concept.

RCRIP reflects two main convictions:

That stimulating more enlistments requires an increase in the full-time recruiters of the ARNG and the USAR, more money for advertising and material incentives, particularly enlistment bonuses and educational assistance.

That the key to retention of quality soldiers is to provide job satisfaction through realistic, purposeful training. This, in turn, requires freeing key personnel from diversionary duty as recruiters; providing full-time career counselors to encourage reenlistment; and authorizing an adequate, full-time complement of trainers.

Some of the highlights of RCRIP are:

For the ARNG:

(1) Putting 700 career counselors on full-time duty status. This improvement is aimed at the goal of retaining 63% of eligible, on-board personnel.

(2) Providing over 1,600 training/readiness NCOs to equip each company with a full-time soldier who can concentrate on the training function.

(3) Expanding by almost 400 the personnel comprising the recruiting/retention force. This increase will result in a full-time recruiting/retention force in each State.

(4) Providing almost 350 captains for duty as training assistants at the battalion level.

(5) Adding over 1,500 technicians to handle administrative, supply and maintenance duties that are now performed at the expense of training.

For the USAR:

(1) Expanding the recruiting force by almost 1,400, many of whom are to be production recruiters. This expansion is designed to obtain 70,000–90,000 recruits per year, the number needed to reach the desired strength for 219,000 by the end of FY 78.

(2) Authorizing almost 1,200 training/readiness NCOs on a one-per-company basis.

(3) Financing more USAR spaces at basic training centers and service schools of the Active Army and reenforcing the USAR School System with about 400 personnel.

(4) Increased technicians by about 1,450.

(5) Setting up some 160 captains as training assistants at each USAR battalion and school.

(6) Increasing advertising in support of the recruiting effort.

For both the ARNG and the USAR:

*(1) Offering a bonus of $300 per year to individuals enlisting for designated MOS's in selected units. To qualify an individual must be a high school graduate, in Categories I–III and agree to enlist for three to six years. Twelve weeks of initial active duty for BCT are required.

*(2) Giving a reenlistment bonus of $300 per year to individuals reenlisting or extending for three to six years in specified MOS's and units. Eligibility is limited to personnel with less than 12 years of service at time of reenlistment or extension.

*(3) Establishing an educational assistance program which covers 50% of the tuition and fees at vocational and technical schools and institutions of higher learning. Limited to six semester or nine quarter hours per semester or quarter, Open to enlisted members of Selected Reserve units.**

*(4) Exempting from federal taxation up to $1,500 of the military pay of members of ARNG and USAR units in the Selected Reserve.

*(5) Greatly increasing the number of retirement points which Reserve Component personnel can accumulate annually.

*(6) Reducing to eight weeks of BCT the initial Active Duty required of male personnel possessing hard technical skills acquired in civilian life.

Financial Implications of RCRIP

The cost of that portion of RCRIP pertaining to units of the Selected Reserve is estimated to be about $500 million per year. The Army sought $110 million to start on RCRIP in the FY 78 budget, but OSD cut the amount to $51 million. FY 79 will be the first year in which the Army seeks approval of the whole $500 million needed annually to carry out all of the hoped for improvements in the Selected Reserve units.

A request for these additional funds could not come at a much worse time. Already the future of the All-Volunteer Army is being questioned in the Congress and the upper reaches of the Executive Branch as too expensive. The realization that it will cost $500 million more per year just to bring and keep ARNG and USAR up to the desired peacetime strength levels will occasion no joy and could heighten skepticism about the long-range feasibility of the volunteer concept.

Yet the Army considers RCRIP to be a conservative approach and is not able to guarantee success, given the several uncontrollable variables that affect the Improvement Package. In January 1977 the Army took this position in a memorandum to OSD analyzing the Volunteer Force:

"The Army is cautiously optimistic that given resources required to support recruiting and retention initiatives for Reserve Component units (meaning RCRIP) and barring major changes in the recruiting environment, required unit strength levels can be achieved. However, it will probably be the end of FY 79 before it is determined conclusively whether the requisite strengths of the Reserve Component units can be achieved and maintained in the volunteer environment."

This language can be translated to mean that if the $500 million is made available each year and if the job market remains depressed and the propensity to enlist does not decrease, then ARNG and USAR units can be bailed out. Those are significant "ifs" and reflect the fragility of the volunteer concept.

Because of the urgent need for improving reserve component strength immediately, AUSA joined with five other associations in support of congressional action this session (First Session, 95th Congress) for enlistment/reenlistment incentives of a lesser scope. The package includes educational assistance as an incentive for enlistment and selective application of a reenlistment bonus. Support of this lesser measure does not alter our belief that the larger RCRIP package is

*These provisions require new legislation.

**This term include ARNG units and USAR troop program units (units organized to serve as such upon mobilization).

needed—even if it may not be enough to do the job.

Policy Implications of RCRIP

As the strength predicament of the ARNG and USAR and the magnitude of the get well bill become better known, at least two other viewpoints may surface.

First, it can be claimed, with considerable validity, that too much is being asked of the ARNG and USAR to man units calling for 660,000 soldiers in peacetime and 706,000 in wartime—and to provide almost one-half of the Army's combat battalions, two-thirds of its tactical support and over one-half of its deploying manpower. The claim becomes more valid when the early deployment dates for the Reserve Component units are examined.

To a considerable extent, this over-burdening of the ARNG and the USAR is a product of necessity as far as the Army is concerned. The post-Vietnam cuts in the size of the Active Army has been painfully deep and have brought no accompanying reduction in commitments; hence, dependence had to be placed upon the ARNG and USAR to provide some units that, in truth, belonged in the Active Army force structure.

Also, the pressure to improve the widely publicized "teeth-to-tail" ratio and to add the last three combat divisions has forced the Active Army to shift to the Reserve Components the requirement for support type units that could not be blinked away.

One indication that the Reserve Components are being asked to do too much is their inability to provide any manpower at all for a block of tactical support units calling for some 91,000 soldiers.

This is not to say that the Total Force Concept is wrong in theory, but it is fair to suggest that, in practice, a dangerous imbalance has been created between the Active and Reserve Components of that Total Force.

Second, the tabling of RCRIP may trigger a challenge to the Army's mobilization philosophy and requirements. Indeed, the debate could shift from "Is the volunteer concept working?" to "Do we need all those Reserve Component forces?" It is not inconceivable that cost-reducers and proponents of the short war philosophy might assert that there is no need to sink more money in forces that may never be mobilized and fielded in time to influence the outcome of the short and violent next war. If so, it would not be the first time that costly programs had been made manageable by lowering requirements.

At least one study is already under way with a charge from the new Secretary of Defense to take a hard look at reserve units that cannot respond quickly to mobilization requirements. The end result could be another downward slide in the size of the reserves.

Without meaning to, the Army may have set the stage for a challenge to its mobilization philosophy by the emphasis placed in recent times on the importance of winning the first battle, given the suddenness and violence level of a future war. While this emphasis is defensible and contributes to readiness of personnel professionally, it can be misinterpreted, as indicated. Unfortunately, the Army has not been able to register the point that it will take most of the Total Army Force to win the early battles of a NATO war.

Making the case in opposition to the short war philosophy is not the purpose of this paper, and we hope the need to do so elsewhere does not arise from the debate over the future of the All-Volunteer Force. Short war versus long war controversies have a way of becoming more contentious than instructive. For the moment, we will simply align ourselves with those who believe that the nature and duration of future warfare are sufficiently uncertain and unpredictable to justify forces that are versatile and strong enough to cope with a broad range of possibilities.

The evaporation of the individual ready reserve

Definition

We have seen that the Active Army is straining to meet important quality standards and is hurting from past cuts in recruiting resources—and that the overburdened ARNG and USAR apparently need a $500 million annual booster shot to cope with their strength predicament. But the Individual Ready Reserve (IRR) is in deep trouble now and sinking fast, an innocent victim of neglect, priorities and the decision to terminate the draft.

Just exactly what is the IRR? It is an offspring of the Armed Forces Reserve Act of 1952 which established a Ready Reserve, a Standby Reserve and a Retired Reserve. It owes its existence also to another piece of legislation which established a Military Service Obligation of eight years, later reduced to six years. After completing their required periods of active duty either in the Active Army or in units of the Selected Reserve (high priority reserve units which drill regularly and attend annual training camps), these "obligors" are transferred into a pool called the Individual Ready Reserve until completion of their fifth year of total service when they are normally put into the Standby Reserve for their final year.

The purpose of the IRR is to supply trained individuals to fill out understrength Active Army and Selective Reserve units in event of mobilization, to form new units to be organized after M–Day and to provide a flow of replacements for combat losses until inductees from the Selective Service System can be trained and deployed.

Personnel in the IRR are subject to call-up in event the President declares an emergency, or Congress does, or a war is declared. While in the IRR, most individuals undergo no further training and receive no pay or benefits or retirement points. They simply sit in the IRR on paper, undisturbed and unused unless an emergency or a war develops.

The enlisted input to the IRR comes entirely from soldiers completing enlisted or draft service (if the system is operating) in the Active Army or enlistments in National Guard or Reserve units. There is no provision for direct enlistment in the IRR or for remaining in it after the six year Military Service Obligation has been completed.

Once transferred into the Standby Reserve for the final year of obligated service, the soldier cannot be recalled to active duty unless Congress declares an emergency or a war, and then only after the Selective Service System has screened the case and determined that the individual can be made available for further service.

A Dwindling Asset

The IRR is the main loser in the shift from a draft to a Volunteer Army. What used to be a bulging pool of trained manpower is now a rapidly dwindling asset. A few statistics make the point with painful clarity:

In FY 72, when the draft was still in effect, the enlisted strength of the Army's IRR was almost 977,000. In February of this year General Rogers told the Senate Armed Services Committee that the strength today is 156,000. That is a drop of 821,000 or 84 percent in five years, a huge loss by any measure. (See Figure 21 for depiction of the rise and fall of the IRR since FY 70.)

Also in February of this year, the Acting Assistant Secretary of the Army (Manpower and Reserve Affairs), Mr. Paul D. Phillips, told a House Armed Services Subcommittee that unless positive action is taken, the Army's IRR will be 360,000 men short of needs by 1982. He was referring to requirements for fillers and combat replacements out to M plus 180 of any FY 82 conflict.

The pool of Army officers in the IRR will be depleted for all practical purpose by FY 80.

It seems that the impact of the All-Volunteer Force upon the IRR was either ignored or unappreciated by the decision-makers in the fall of 1970 when the determination to go volunteer was announced to a public that had soured on the Vietnam War and was eager for a shift in priorities from foreign to domestic programs. In the atmosphere then prevailing, there was little natural interest among the citizenry in maintaining a pool of fillers and replacements for use in some future mobilization. And by then, the military had been told to stop debating the wisdom of the volunteer concept and get with it.

That the IRR would quickly dry up in a volunteer environment was as predictable in 1970 as it is understandable today. The main reasons, none esoteric are:

The main source of input to the IRR—draft alumni from the Active Army—gradually disappeared. Virtually the last draftee entered the IRR from the Active Army in FY 75. In FY 77, the last draftee will have completed five years of his Military Service Obligation and will be eligible to enter the Standby Reserve for the remaining year.

The longer enlistments that characterize the Volunteer Active Army—three to six years versus the two year draft—and the numerous reenlistments that occur mean that many soldiers leave the Active Army with little or no time remaining on their six year obligation.

There are no incentives for the typical enlisted person to remain in the IRR.

There is no program whereby an individual can enlist in the IRR.

There is one other noteworthy deficiency in the makeup of the IRR today. Only about 30% of the individuals in it have a combat MOS. This means that most would-be fillers for combat units will have to undergo retraining in a unit or at a training center. Neither course is helpful to a unit rushing to qualify for deployment under the demanding NATO timetables, many of which reflect recently accelerated deployment dates as NATO has contemplated the buildup of Warsaw Pact conventional forces and the criticality of the early battles.

Clearly, the wasting away of the IRR further demonstrates two uncomfortable facts: (1) the volunteer concept is a peaceful concept only, and (2) our ability to deploy and sustain combat forces to and in the NATO area is in doubt and getting worse.

The volunteer concept fails to provide a timely flow of qualified fillers and combat replacements until inductees delivered by a resurrected Selective Service System can be trained. Also, the Selective Service System of today is in such an inert condition that the first trained inductee cannot be available for deployment until after seven months after the start of hostilities. Noting this, the Army Chief of Staff told the Congress in the statement cited earlier that "this is a situation of serious proportions."

Quick, Cheap Fixes Won't Do

A number of remedial measures have been examined by the Defense Manpower Commission, by OSD, by the Army and lately by the Congress. Unfortunately, no quick, inexpensive cures are available. Here are some of the candidates:

Extend the Military Service Obligation until age 28. This would have no practical effect until about FY 82, and even then it would not give nearly the amount of relief needed. Moreover, by then the extended soldier would probably need retraining. Also

this proposal would hurt all recruiting programs.

Revive the two year enlistment in the Active Army and the Reserve Components. This would restart the flow of obligated personnel into the IRR, but it would inflict on the Active Army the personnel turbulence and instability from which it has just escaped. It would also balloon costs as the training base was expanded to handle the larger and more frequent inputs of recruits and not provide time for reserve members to become adequately trained.

Eliminate the Standby Reserve and add one year to the IRR Obligation. This would avoid the present requirement for Standby Reservists to be screened by the Selective Service System, now in mothballs, to determine availability before a call-up could be issued. It will not produce anything like the numbers and MOS's needed, but it could ease the strain a little.

Draft prior service personnel after M-Day. This is patently unfair. It is also slow-moving and unwieldy, as many of the prior service folks will have moved into critical civilian positions and into complicated family situations. Besides, many of those judged available would need retraining either for refresher purposes or to meet changed skill requirements. This is not the sort of measure you build into a mobilization manpower solution. Rather, it is evidence of lack of a respectable, equitable solution. It should only be put on the table as a crash solution to a manpower crisis. With good sense and good will, we should be able to avoid such an anathema.

Increase manning levels in the Active Army and the Selected Reserve. This would reduce the requirement for fillers and for replacements too, if units were authorized overstrength allowances, but it is not a realistic proposal. It would increase the very manpower costs that the Army is under pressure to reduce. More importantly, it just isn't feasible. If the Army is stretching and straining to meet existing numerical and quality requirements, raising those requirements to impossible levels would be an artificial and destitute act.

RCRIP Revisited

We previously looked at what the Reserve Components Readiness Improvement Package offered as a solution to the developing strength problems of the ARNG and USAR units which comprise the Selected Reserve. A second part of RCRIP is the Army's current prescription to the ills besetting the IRR. Like the first part of RCRIP, it is expensive and carries no guarantee of success. Its main features resemble the get well actions planned for the Selected Reserve Units. Here they are:

Establishing a program of eight-year direct enlistments by individuals from ages 17–26. BCT and AIT would be taken at the outset at Active Army training centers and at regular pay for recruits. Two-week refresher courses involving active duty would be taken twice during the eight-year enlistment. A bonus * of $200 would be offered for each of the eight years.

Providing for voluntary extensions of four years duration by enlisted personnel satisfactorily completing their eight-year enlistment. Two weeks of refresher training in the Active Army with full pay would be required at the start of the extension. A $200 bonus * would be offered for each of the four years.

Giving the same educational assistance described previously for the Selected Reserve.*

Extending Servicemen's Group Life Insurance coverage to all members of the IRR.*

Granting to IRR personnel who enlist for eight years or extend for four thereafter a Federal income tax exemption of $750 for each of those years.*

Cost and Chances for Success

The IRR portion of RCRIP is estimated to cost about $150 million, rising to some $250 milion as the size of the IRR increases to the desired level by FY 83. This expenditure would finnace enlistments and extensions sufficient to achieve a cumulative net increase in the IRR of about 270,000 by FY 83.

The prospects for success of the IRR recruitment/extension plan are not easy to assess. It may prove difficult to attract people into something as amorphous as the IRR.

With no unit structure and hence no sense of belonging, no feeling of identification with a tangible organization and no esprit derived from association with a specific, distinctive group—lacking these ingredients there may be little job satisfaction and small awareness of accomplishment. Most of these wholesome stimuli are present in the units of the Selected Reserve, but it will be a real challenge to whip up enthusiasm for joining a shapeless pool. Of course, some of these drawbacks could be lessened by preassigning IRR fillers to the specific units which they would join upon mobilization and with which they would take their mandatory, periodic refresher training in peacetime.

In a letter to Congressman Nedzi, Chairman of the Military Personnel Subcommittee of the House Armed Services Committee, in January 1977 General Rogers reported "that it is the shrinking Individual Ready Reserve pool that is the most difficult personnel strength problem facing the Army." He hedged his optimism about RCRIP as a solution by citing its dependence on timely availability of needed funds and holding up of the propensity to enlist. If these conditions were not met or if an adequately supported program simply failed to attract the needed members, then, said the Army Chief of Staff, some form of involuntary service for at least the IRR might be required.

Before looking at the implications of a draft for either the IRR or the Active Army, it is appropriate to review what has happened to the draft machinery in the volunteer era and what bearing its operational status has on the Army's ability to perform its mission in an emergency.

The dismantling of the Selective Service System

The Heart of the Problem

The decision to install the All-Volunteer Force was never justified on grounds of eliminating or altering dependence on the Selective Service System to supply manpower needed by the Department of Defense in time of national emergency. Yet, in the past four years the Selective Service System has withered to the point where it can no longer be expected to meet crucial Defense manpower needs in the early months of a future war.

Although actual requirements are scenario-dependent, it can be said that to support full mobilization for a major conventional war in Europe, Defense needs the following from the Selective Service System:

The first inductee delivered for training at Mobilization Day + 30 days.

About 650,000 draftees between M + 30 and M + 180 days.

Some 70,000 Army Standby Reservists in 30–45 days after M-Day.

Another 70,000 Standby Reservists for the other Services by M + 60 days.

If the Selective Service System were organized and manned to deliver the first inductee by M + 30, then the first draft-produced replacement could be shipped overseas by about M + 4 months, allowing three months for predeployment training, the minimum required by law. This would reduce the strain on the depleted IRR and permit timely replacement of losses sustained by forces engaged in combat. However, no such capability exists today. While the IRR has been evaporating into the volunteer atmosphere, the Selective Service System itself has been quietly dismantled. The dismal truth is that having deteriorated from an operational status in FY 73 to a "deep standby" status today, the Selective Service System cannot deliver the first inductee until M + 4 months, meaning it will be M + 7 months before the first draftee can be made ready for shipment overseas.

Taking Liberties With the Law

The necessity for a Standby Draft mechanism was recognized by the Congress in its amendment of the Military Selective Service Act in September 1971. The pertinent paragraph of the new law followed recommendations of the Gates Commission and Administration officials and read as follows:

"If at any time calls under this section for the inductions of persons for training and service in the Armed Forces are discontinued because the Armed Forces are placed on an all-volunteer basis for meeting their active duty manpower needs, the Selective Service System, as it is constituted on the date of the enactment of the subsection, shall, nevertheless, be maintained as an active standby organization, with (1) a complete registration and classification structure capable of immediate operation in the event of a national emergency and (2) personnel adequate to reinstitute immediately the full operation of that System, including military reservists who are trained to operate such System and who can be ordered to active duty for such purpose in the event of a national emergency."

We don't possess a license to practice law, but there is no law that forbids us to practice English. And to us, this language means that during the Volunteer Era the Selective Service System was to stand by in a ready-to-go status with sufficient structure and personnel to assume full operation immediately in event of national emergency.

The key provision, just cited, is still in effect, but it has been undermined by a series of budget cuts that have reduced the System to a hollow shell, incapable of meeting well-established Defense requirements. This reflects the hostile, or at least indifferent, attitude toward Selective Service that has enveloped much of our society since the bad old days of the Vietnam War. It also suggests a willingness to enlarge the already considerable risk associated with existing plans for dealing with national emergencies.

Softening the Draft Bite

Although it was little noticed at the time and has been little remembered since, by the time the draft ended many improvements had been made that eliminated the major inequities and irritants that surrounded draft operations during the Vietnam War. For example:

A random sequence or lottery system of selecting men for military service was in effect.

Men were exposed to the draft for a period of one year only and since the lottery permitted them to know their draft number during the year before they became vulnerable to the draft, they could make realistic, long-range plans.

Most men became vulnerable to the draft during the year of their 20th birthday, an age when they could be expected to cope with the emotional and physical demands of the draft.

Occupational, agricultural, student and paternity deferments were phased out and no new ones were being issued.

With the exception of registrants deferred for extreme hardship of dependents, certain medical specialty students, ministerial students and some elected public officials, all other registrants, or in excess of 95% of any age group, were exposed to the possibility of processing for induction.

Registrants could appear in person before appeal boards.

Registrants could receive reasons from local and appeal boards for adverse classification actions.

The minimum age of local board members was lowered to 18.

The maximum period of service allowed on local boards was lowered to 20 years.

The point is that a good job had been done of softening the disruptive effects of the miltiary draft. If we do find it necessary or advisable to go to a draft again, we don't have to invent a totally new one. We have one on the shelf that has been tested in the real world and defanged.

Dismantling by the Numbers

When the draft ended in FY 73 the Selective Service budget was down to $61 million, structure consisting of a national headquarters, supervisory regional organizations, State headquarters, local boards and appeal boards. Over 8,000 paid employees were engaged in operating the System. The budget including rent costs, ran around $96 million.

Once the draft was terminated, the Selective Service System became fair game for those hunting economy, supposed efficiency, political hay and post-Vietnam therapy.

On 1 July 1973 the President's induction authority was allowed to lapse, a move that risked delay in getting cranked up for some new emergency, and that detracted from our deterrent posture.

In FY 74 preinduction physical examinations were stopped, classification was limited to 500,000 per year (sufficient to guarantee delivery of 100,000 men within 90 days of a call for inductions by Defense), the Selective Service budget was down to $61 million, including GSA's rental charges, and the work force was slashed to some 4,340 persons.

In FY 75 almost 2,900 more employees were severed from the rolls, and the budget dropped to $45 million.

In FY 76 the practice of continuous registrations was ordered discontinued and development of a plan for annual registration was undertaken. With no registrations, classifications were also stopped. The budget bite this time took the Selective Service System down to some $37.5 million.

All this turned out to be stage-setting for the death scene of FY 77 when a strangulation budget of $6+ million was decreed. This meat-axe cut meant that:

There would be no annual registration. Any future registration would await a Presidential request of Congress for induction authority.

The Selective Service would be reduced to a 100-man organization responsible only for manpower procurement planning at the national level.

Local boards were wiped out and regional headquarters were virtually eliminated, leaving the NG and Reserve cadres of State headquarters the only field elements.

As AUSA observed at the time, the death knell of the Selective Service System had been sounded. The "deep standby" was more deep than standby.

What It Means

The relegating of the Selective Service System to "deep standby" status meant that when all the pretenses were set aside, fundamental Defense requirements for manpower in a national emergency simply would not be met. In the context of the time, this ugly truth was not disturbing to many outside the military.

Here is the arithmetic of the situation, as it exists today:

The first inductee will be delivered to Defense, not at M + 30 days, but at M + 110 days. Hence, the first trained replacement cannot be sent overseas until seven months after M-Day.

Instead of 650,000 inductees to Defense by M + 180 days, the Selective Service System can only promise 100,000 in 150 days and 480,000 in 230 days.

Instead of 67,000 Army Standby Reservists in M + 30–45 days, the first one will not show up for 45 days.

To us it is clear that the dismantling of the Selective Service System has seriously jeopardized our ability to carry out our basic plans to cope with a major war. We share the "grave concern" expressed by the Defense Manpower Commission in the following terms:

"Recent administrative actions have already emasculated any semblance of a viable standby Selective Service System. In the event of sudden major hostilities, our volunteer forces would be weakened by casualties without adequate loss replacements. In time they would be unable to conduct sustained operations, and could be annihilated."

Strong words, yes, but a fair appraisal of a harsh situation, invented here in America by folks who have historical reasons for knowing better.

Part of the rationale for de-energizing the Selective Service is the dubious assumption that we probably can count on sufficient warning to rebuild the draft machinery in time to meet Defense manpower requirements. Two things are wrong here. It can also work the other way, in which case we will pay a stiff price for tying our national security to optimistic assumptions. And even if, somehow, an accommodating foe provides us the luxury of lengthy warning during a prolonged period of tension, the act of activating the Selective Service System under such conditions could be a destabilizing factor, endangering efforts to defuse that tension.

Another piece of the rationale for "deep standby" status is that post-mobilization drafting of prior service personnel will meet our need for personnel in the uncomfortable interval between the exhausting of the IRR and the initial flow of trained inductees. Quite apart from the political implications of asking some to serve twice while others serve not at all, are the practical problems of locating these people, screening their status and retraining them in the brief period available in a quick-hitting emergency.

Perhaps the underlying rationale of some who support a mothballed Selective Service System is the unexpressed disbelief that the next war will be conventional enough or long enough to justify a comprehensive, mobilization effort. This may have to be debated directly before the issue of the All-Volunteer Force versus a draft force can be resolved.

However, barring a fundamental change in the threat and in our national strategy, we see an urgent need to reestablish now a truly operational Selective Service System, including Presidential induction authority. The cost of doing so is small compared to the high price of most other important readiness measures. The advantages of doing so are many, including:

Providing a practical remedy for the inability of the volunteer concept to supply the manpower needed in wartime.

Compensating for the evaporation of the IRR.

Significantly improving support of forces in combat whose need for replacements will be most critical in the opening months of war.

Strengthening the credibility of our deterrent to conventional war.

Putting our youth on notice that the recent Presidential amnesty for draft evaders was a one-time, special case and not a pattern for the future.

A CAPSULE ASSESSMENT

Based on the foregoing discussion, we can attempt to assess in capsule form the net impact of the All-Volunteer Program on the Active Army, the Reserve Components, the Individual Ready Reserve, and the Selective Service System. Doing so will clear the way for a quick look at alternative solutions.

Primarily because of cuts in recruiting funds, the Active Army is beginning to fall short in attracting the quantity and especially the quality of volunteers required in peacetime. Moreover, the large manpower costs associated with operating a volunteer force are causing growing concern and tempting some to think that a draft Army would be cheaper.

Meanwhile, the ARNG and USAR, on whom increased reliance has been placed for units under the Total Force Concept, are some 102,000 below the peacetime objective, lacking as they do draft-induced enlistments and the many incentives and resources essential for successful recruiting and retention programs. Unless relief is provided soon, quality will have to be sacrificed further to prevent larger manpower shortfalls.

At the same time, the IRR is in deep trouble and sinking fast. The enlisted pool has dropped by 84% since FY 72 and now numbers only 155,000. Most officers will be gone by FY 80. Therefore, unless corrective action is taken, the IRR by FY 82 will be about 360,000 short of mobilization requirements for fillers and combat replacements to flesh out and sustain Army units until revived draft machinery and an expanded training base can assume that responsibility.

Yet, the Selective Service System has been lowered to "deep standby" status and so weakened that it cannot supply inductees for training until four months after mobilization starts, with the result that trained draftees cannot be shipped to NATO as replacements for combat losses until M + 7 months at the earliest.

All this means that the validity of the present Volunteer Army Program is in doubt, particularly for the IRR, that our ability to meet primary wartime requirements is in serious jeopardy, and that the feasibility and desirability of an All-Volunteer Army are becoming controversial issues once again.

Significant increases are required in the Army budget to sustain a Volunteer Active Army and to overcome the deterioration of Reserve Component units and the depletion of the IRR. The Army's get-well program of attracting and retaining volunteers for National Guard and Reserve units and for the IRR will cost eventually about $750 million per year. If the needed funds are provided and the program works, then the Volunteer Era will be extended. Otherwise, the Army foresees some form of involuntary service, at least for the IRR.

The big get-well bill may heighten skepticism about the feasibility of the volunteer concept and might also stimulate a challenge to the Army's mobilization philosophy and requirements.

The fragility of the volunteer concept has been demonstrated in terms of its sensitivity to economic conditions, to the inclination to enlist, and to the scale of financial support. There is cause for concern about the durability of a program which depends on such slippery factors as these, and it is time to examine the implications of some alternatives to that program.

IS THE VOLUNTEER ARMY COSTING TOO MUCH?

Two Other Questions Involved

There is a widespread belief, particularly in the Congress and the press, that the Volunteer Army has become unbearably expensive and that the only way to keep manpower costs within reasonable bounds is to revive the draft. (Throughout this section, the kind of draft visualized is the sort we had during the Vietnam War—i.e., a draft for the Active Army but with exemptions only available to those who enlisted in NG or Reserve units.) The validity of this belief needs to be assessed, if the debate over the future of the All-Volunteer Force is to be conducted clearly and intelligibly.

The answer to the question, "Is the Volunteer Army Costing Too Much?" depends on the answers to two related questions:

What did it cost to achieve a Volunteer Army?

What cost reductions could be realized by shifting to a draft?

Any attempt to answer the first of these questions, unfortunately and unavoidably, involves subjective judgments which befog the ongoing debate. These judgments concern how one interprets the improvements made in Army life since the advent of the Volunteer Era. Were these improvements made to attract volunteers? Or were these improvements what was owed the soldier as a matter of fairness and equity?

Improvements made in the All-Volunteer Force

Looking broadly for the moment at the All-Volunteer Force—meaning all services—the main improvements made in the years of the All-Volunteer campaign include the following:

A big increase in pay and allowances, particularly for junior enlisted and officer personnel, based on the so-called comparability principle—meaning that the soldier's wage should be made comparable to that paid for the civilian skill most closely related to his.

A significant expansion of the recruiting effort involving more recruiters, special pay for recruiters, and much more advertising.

Broadening of educational assistance programs, especially those available to off-duty personnel.

Enlistment bonuses.

Increases in the number of ROTC scholarships and subsistence allowances.

A greatly expanded program of scholarships, special pay, and bonuses to attract and retain professional medical and health personnel.

Rehabilitation, modernization, and construction of barracks, BOQs, and family quarters.

Expansion of travel entitlements to include more junior enlisted personnel.

Modernization of the feeding system and use of civilian KPs.

The big money items on this list are the pay increase, the stepped-up recruiting effort, and the educational assistance. Various groups differ widely on how much of which items at what cost should be attributed to achieving an All-Volunteer Force, and how much to improving military life in recognition of the legitimate needs and entitlements of military personnel.

FIG. 21.—DEFENSE MANPOWER COSTS [1]

[Outlays, dollars in billions; fiscal years]

	1964	1968	1974	1975	1976	1977	1978
Defense outlays	50.8	78.0	78.4	86.0	88.5	98.3	110.1
Manpower outlays:							
Military personnel appropriations	12.3	19.0	22.2	23.2	23.3	24.3	25.3
Defense family housing appropriation	.5	.4	.7	.9	1.0	1.2	1.3
Military retired pay [2] appropriation	1.2	2.1	5.1	6.2	7.3	8.2	9.1
Reserve and NG personnel appropriation	0.7	0.9	1.6	1.7	1.8	1.9	2.1
Civilian costs	7.6	10.6	14.2	15.4	16.5	17.5	18.6
Subtotal	22.3	33.0	43.8	47.5	49.8	53.1	56.4
Personnel support [3] costs	1.7	2.8	3.2	3.5	3.8	3.9	4.1
Total manpower costs	24.0	35.8	46.9	51.0	53.6	57.1	60.4
Percent of defense outlays	47	46	60	59	61	58	55

[1] Detail may not add up due to rounding.

[2] For those already retired. Future retirement costs for current members are not reflected in the budget.

[3] Includes costs of individual training, medical support, recruiting and examining, overseas dependent education, half of base operating support, and a miscellaneous category.

Source: Annual Defense Department Report fiscal year 1978, January 17, 1977, by Secretary Donald H. Rumsfield.

COMPARING VOLUNTEER AND DRAFT ARMY COSTS

In its 1970 report, the President's Commission on an All-Volunteer Force (the Gates Commission) estimated that about $3 billion in additional expenditures for items such as those listed above would be needed for an AVF in 1971. Ever since, $3 billion has stuck in the minds of many as the cost of installing the volunteer concept, and hence about what could be recouped annually by reverting to a draft system of acquiring manpower.

In 1974 DOD's "Project Volunteer" chose the $3 billion figure as its estimate of the cost of attaining the All-Volunteer Force.

In a December 1976 study, OSD focused not on the cost of attaining an All-Volunteer Force, but on the so-called "opportunity cost" of an All-Volunteer Force. The term "opportunity cost" was defined as the costs that could be recoupled or avoided to provide a savings that actually could be realized with a return to the draft. This opportunity cost estimate assumed that pay comparability levels would be maintained even if the draft returned. Using this opportunity cost method, OSD estimated that annual cost of the All-Volunteer Force to be about $\frac{1}{3}$ billion for all Services, considerably less than the earlier $3 billion figure.

The Staff of the Defense Manpower Commission, as a part of its two-year study, reported in 1976 that "OSD postulates that the true cost of the All-Volunteer Force involves only opportunity costs and with higher pay and certain other benefits a continuing requirement (based on equity) the real savings with a return to the draft would only amount to about $125 million."

The DMC staff considered estimating the cost of the All-Volunteer Force to be a dilemma, resulting from the widely varying definitions and methodologies used to compute both costs and savings attributable to the All-Volunteer Force.

For its own part, the DMC staff concluded that:

Any All-Volunteer Force cost estimate will be arbitrary and subject to considerable debate. Depending on individual judgment and methodologies, estimates might range from essentially nothing up to almost $4.6 billion.

Only with a dramatic reduction in pay, to minimums reasonable for subsistence and allowance, could significant budget reductions be realized by a return to conscription.

It can be argued that the costs of maintaining a given size military force are essentially comparable whether that force is raised through conscription or volunteers.

The whole issue turns on what is a cost attributable to bringing about and maintaining an All-Volunteer Force, and what is properly attributable to an improvement in military life owed the soldier under any circumstances.

The Department of the Army recently estimated the difference between those current costs peculiar to remaining under an All-Volunteer Army versus those new costs that would come into being under a draft. The results were set forth in a letter to Congressman Nedzi in January 1977.

The Army tried to isolate those costs peculiar to the All-Volunteer Army from those costs incurred in improving the Army for general purposes. For example, rehabilitation of barracks was not considered a cost peculiar to the All-Volunteer Army, while the cost of providing civilian KPs was. As another example, pay increases based on the comparability principle were not classified as costs peculiar to the All-Volunteer Army, while the cost of combat arms bonuses was. Another feature of the Army approach was the assumption that any new draft Army would, as in the past, try to recruit volunteers with the draft being used to make up anticipated shortages. Hence, a new draft Army would still conduct a recruiting program, but not as intensively or expensively as the program now in effect in the Volunteer Army. The Army concluded that by reverting to the draft the following costs peculiar to the All-Volunteer Army could be deleted from the budget:

[In millions]

Acceleration of recruiting effort	$68.0
All Bonuses and special pay	82.0
All Civilian KPs	66.4
Total	216.4

However, most of these reductions would be offset by new costs associated with going to a draft. The Selective Service System would have to be restored to an operational status, and the accession and training facilities of the Army would have to be expanded to accommodate the increased load of trainees. The Army estimated these costs to be:

[In millions]

Operation of Selective Service System	$79.2
Increased accession and training costs	113.9
Total	193.1

Thus in the Army's view subtracting these costs peculiar to the draft of $193.1 million from the $216.4 million of costs peculiar to an All-Volunteer Army gives $23.3 million as the net price being paid to avoid returning to a draft—far from the $3 billion visualized by some parties to the debate.

The real meaning

The central fact that emerges from all this discussion is that there will be no dramatic reductions in overall costs flowing from a decision to scrap the volunteer program and go to a draft, unless there are cuts made in the pay and allowances presently paid the soldier.

The claim has been made, at the OSD level,

that if Junior Enlisted Personnel are no longer paid a "comparable wage" but are paid only the Federal minimum wage, a saving, DOD-wide, of $1.7 billion could be made.

This proposal is not valid for a variety of reasons. The actual dollar pay of a recruit right now ($374 per month) is not much above the civilian minimum wage (approximately $370 per month—based on a 40 hour civilian workweek at $2.30 per hour), not including food, housing and medical services made available to the military person. It ignores as well the unusual demands of military service as opposed to civilian employment. So dollar savings would be elusive—certainly not in the $1.7 billion bracket.

A More Equitable Approach

If it is necessary in the national interest to go to a draft involving pay reductions, there is a more equitable approach to be considered.

First, in order to administer the draft on an equitable basis and to avoid a double standard of pay, all services would be required to utilize draftees for all their first term accession. For the Active Forces this would involve 412,400 in FY 77 and 396,100 in FY 78.

Since the total amount of money for recruiting for all Services will amount to $497.6 million in FY 77 and $565.6 in FY 78, large savings could be expected in this budget item.

Under this course of action, no volunteers would be accepted directly into the individual services although for personal career convenience individuals subject to the draft would be permitted to volunteer for their draft service earlier than they might be called otherwise.

Second, a more equitable way of approaching payroll savings would be to establish for the first six months of a trainee's service, "trainee pay," at $100 less than the base pay a current volunteer receives ($274 per month vs. $374 per month). During this first six months, the draftee is receiving his basic and advanced individual training and is in effect in "apprentice" status. Since all in this status would receive similar pay for similar service that inequity would be removed.

Applying this idea to the 412,400 recruits the Active Forces plan to train in FY 77 and the 396,100 to be trained in FY 78—and assuming a $600 salary saving per recruit under this plan—$247.4 million could be saved in FY 77 and approximately $237.6 million in FY 78. Additionally, the services plan to train 101,000 recruits for the reserve components in FY 77 and 114,000 in FY 78. As each of these receives full pay and allowances while getting his basic and advanced individual training, additional savings would be realized of $60.6 million in FY 77 and $68.4 million in FY 78. Additionally, the $750 million annual cost of the Army's proposed Reserve Components Readiness Improvement Package would be avoided.

While the training cost load would not increase appreciably at the outset, there would be some offsetting increases in training costs in future years since the number of trainees annually could increase substantially because of the shorter draft period.

Finally, we would assume a draft requirement of two years of active duty plus a four year Reserve Requirement, in either the Selected Reserve or IRR. In conjunction, there should be an option for the potential draftee for a four year Selected Reserve Enlistment followed by two years in the IRR as an alternative to draft into the active force.

This would solve immediately the very difficult manpower problems the reserve components confront today.

Before jumping to the easy conclusion that the way to reduce manpower costs is to cut other military compensation, one should consider the following:

The costs peculiar to an All-Volunteer Army are less than 1% of the Army's FY 77 budget—$216.4 million out of $26.9 billion.

The basic pay of today's soldier has less value than in 1971.

The soldier's purchasing power has gone down some 7% since 1971, the year when his pay was made reasonably competitive.

Over 50% of married junior enlisted men are in financial trouble.

People are not standing in line to enlist.

THE IMPLICATIONS OF ADOPTING A DRAFT AND OTHER ALTERNATIVES TO CURRENT POLICY

It is not the purpose of this paper to propose specific solutions to the problems confronting the All-Volunteer Army, but to contribute to an understanding of those problems and an awareness of some of the alternatives to present policies and programs.

Proposals now on the table for consideration fall into the following categories:

Those that seek to improve the ability of the Army to make a success of the Volunteer Program.

Those that would replace the Volunteer Program with some form of a draft.

Those that involve more novel approaches.

Proposals for improving the Volunteer Army

These proposals have been discussed earlier but are condensed here as a summary and for completeness.

Restore the Active Army's recruiting budget to pre-FY 76 levels so that quality standards can be brought within reach.

Adopt the Reserve Components Readiness Improvement Package in order to provide needed incentives for enlistment and retention in National Guard and Reserve units and in the IRR.

To compensate for the evaporation of the IRR:

(1) Extend the Military Service Obligation beyond the present 6 years.

(2) Revive 2-year enlistments in the Active Army and the Reserve Components.

(3) Eliminate the Standby Reserve and add one year to the time served in the IRR.

(4) Increase manning levels in Active Army and Reserve Component units to reduce early requirements for fillers and replacements upon mobilization.

(5) As a temporary means of coping with crises, draft prior-service personnel who have most recently finished their Military Service Obligation.

To reduce recruiting requirements:

(1) Lower physical and quality standards.

(2) Use more women and civilians.

(3) Amend early discharge procedures to reduce attrition of first-termers.

A draft for the IRR

Army thinking calls for a strenuous effort to bring the strength problems of the Reserve Components and the IRR under control. If after about two years—say the end of FY 79—insufficient progress is being made, then the Army would consider installing a draft for the IRR. This draft would include exemptions for those who volunteer for service in the Active Army or in Reserve Component units. The draftee would go on active duty for BCT/AIT and would incur a Military Service Obligation of something like 8 years.

The principal advantage of an IRR draft is that it addresses the IRR understrength problem directly. Also, it might turn out to be less expensive than the program for attracting volunteers into the IRR which has been incorporated in RCRIP.

The disadvantages of an IRR draft are numerous and significant. To begin with, it would probably be quite difficult to generate public and political support for an IRR draft in the absence of a visible emergency and while the Active Army and the Reserve Components were still operating on a volunteer basis.

Second, the numbers drafted to build up and sustain the IRR would presumably be considerably smaller than in previous Active Army drafts. The smaller the draft, the greater the inequities, and the louder the public uproar as to choices made regarding who serves and who sits on the sidelines. This could bring about a recurrence of something like the "Why Me?" rhubarb that polluted the Reserve callup of 1961 during the Berlin crisis when small numbers of fillers were called and many in seemingly similar or more eligible status were untouched.

Third, with the numbers taken being small, and with service in Active Army or Reserve Component units being arduous by comparison, an IRR draft would not stimulate many enlistments in those units.

Additionally, an IRR draft would lead to a pool of green, unseasoned individuals with pool personnel normally having only 3-4 months of active service compared with IRR members of today, most of whom have had two or more years of service in the Active Army.

Finally, an IRR draft would most likely only produce fillers and replacements with simple, basic MOSs, creating a skin mismatch problem in units or a retraining requirement after mobilization.

A draft for reserve component units

A draft for units of the Army National Guard and the Reserve would be patterned after the IRR draft in terms of initial active duty for BCT/AIT and a 8-year Military Service Obligation. However, exemptions probably would be limited to volunteers for enlistment in the Active Army only, given the far gentler nature of service in the unstructured, undemanding IRR.

This kind of draft would offer direct relief for understrength units of the Reserve Components and might generate some enlistments into the Active Army.

The disadvantages of a Reserve Component draft are so overwhelming as to disqualify it from serious consideration. Geography is the main problem in that individuals would have to be drafted according to where they lived and what units with what vacancies were located in the nearby area. With this limitation, a Reserve Component draft would be virtually unmanageable and certainly inequitable on a grand scale.

It appears, too, that such a draft would raise legal questions with respect to a federal draft of individuals into National Guard units which, prior to federalization, are under State control.

Again, public and political support of a Reserve Component draft would be questionable with the Active Army still on a volunteer basis and no real emergency confronting the nation.

Moreover, this sort of draft would contribute nothing to resolving the much larger strength problem of the IRR.

A draft for the active forces

We all can visualize more easily the workings and impact of a new draft for the Active Forces. A lottery system would be used to determine who would be inducted when. As discussed in *The Dismantling of the Selective Service System*, there would be no occupational, agricultural, student or paternity deferments. The draft would be made as equitable as our experience with other drafts and harsh reality permit. Exemptions would be expected for those enlisting in the Reserve Components or taking advantage of the opportunity to enlist in the IRR.

The foremost advantages of a new Army Force draft include the following:

Strength problems would disappear.

Quality goals would probably be met, although many of the better qualified individuals might seek refuge in the Reserve Components or in the IRR.

The cost of RCRIP would be avoided. As in

in the past, draft pressure would stimulate enlistments in the Reserve Components, and the input of draft alumni would gradually build up the IRR pool.

The credibility of our deterrent to conventional war would be strengthened as the United States signaled its increased resolve and readiness to meet emergencies.

The improved strength position of the Armed Forces and the backup of an operational Selective Service System would vastly improve our ability to carry out NATO and other emergency plans.

The indispensable requirement for an Active Force draft is public support particularly in the aftermath of the Vietnam experience and in the presence of new attitudes in some segments of our society about the rights of the individual versus the needs of the state.

It is quite conceivable that the public would prefer to pay more—say for RCRIP—to support the volunteer principle and avoid return of the unwanted draft.

And again, without a significant, recognized increase in international tension and worsening of the prospects of peace, public response to a call for a new draft might vary from questioning to critical to outright opposition. At least, strong leadership by the government would be needed to gain the requisite support for another peacetime draft.

A Gallup Poll released in early March 1977 confirms that a draft is an idea whose time has not yet come. The question asked was: "Do you think we should return to the draft or not?" The essence of the replies was described thusly:

"Although America's armed forces continue to have difficulties meeting manpower needs with volunteers, the public, at least for the moment, rejects the idea of returning to the draft.

"Currently, 54 per cent of Americans do not think the Armed Forces should return to the draft, while about one third, 36 per cent, feel the nation should reinstitute a selective service program immediately. And among those people who would be most directly affected—18–24-year-old males—sentiment against returning to the draft is overwhelming."

(The "overwhelming" refers to 82 percent who answered "No" against 13 percent who said "Yes" and 5 percent who had no opinion.)

Obviously, if the question had been asked another way or if some preliminary explanation had been made the result could have been very different.

Another factor to be considered is the effect of the President's amnesty for draft evaders on the next set of potential draftees. Will there be more resistance, more evasion, or will the absence of the explosive Vietnam issues mean a more wholesome response?

Apart from the fundamental question of public support, there are several other complicating factors.

No matter how pure the draft procedures, there will be inequities for some.

The draft will also bring more problems of rapid turnover of personnel, a less experienced force, and a need to expand the training base. Nothing insurmountable here, but part of the price for ending the volunteer approach.

On balance then, an Active Force draft is the best of the three types of draft under consideration. It is a known quantity. It would put the Active Forces, the Reserve Components, and the IRR on a more solid footing, ending uncertainties and distractions associated with the constant struggle to reach required strength and quality levels. It would recreate an operational Selective Service System. It would avoid the costs of RCRIP.

UNIVERSAL MILITARY TRAINING

The ultimate form of involuntary service is Universal Military Training, a generic term used to describe various concepts involving military training of all physically qualified youths for about one year, followed by further service in Reserve Component units or in a pool to be tapped in event of mobilization. The military obligation would be terminated at a specific age.

In the context of the present times, public acceptance of UMT is probably impossible to obtain. A public with reservations about the draft could be expected to oppose UMT vigorously and successfully. If President Truman and General Marshall could not put across their UMT plan at the height of the Cold War, it is hard to imagine that kind of a proposal finding much favor today with a society that places such a high value on noninterference with individual liberty and freedom of choice.

UMT would be extremely costly because of the large number of individuals trained. It would also be quite wasteful in that the number trained would far exceed conceivable requirements.

NATIONAL SERVICE

This term refers to various concepts of motivating or compelling the nation's youth to perform a variety of public services, including military service. Concepts of national service are not well-defined and, hence, useful comment thereon is difficult.

It is dismissed here on three quick counts:

Probable high cost.

Lack of public support, if any form of compulsion is involved.

Unresponsiveness to military needs, particularly if the national service is voluntary. You don't have to be a pessimist to imagine that most youths of desirable quality would opt for something less demanding than military service.

REDUCED FORCE STRUCTURE

The Army is under constant pressure to purify its force structure by eliminating frills, cutting out fat, lopping off units of marginal effectiveness on the modern battlefield, improving the "teeth-to-tail" ratio, revising deployment schedules, developing more realistic scenarios, pruning the Reserve Components, and generally improving efficiency so that the same job can be done with a smaller force.

A new Administration, alarm over manpower costs in general, and the size of the Reserve Components Readiness Improvement Package can bring renewed efforts to trim forces and, in the process, learn "who the good managers are" and "who can do more with less." Or, as already noted, the plight of the Reserve Components and the IRR can trigger a fresh debate over whether the next war will last long enough to allow time for the Army to mobilize and deploy all those National Guard and Reserve units.

We camp with those who think that the Army's force structure is too lean already. Listen to how General Weyand, then Army Chief of Staff, discussed this point in his Posture Statement before the Senate Armed Services Committee in February 1976:

". . . One of my concerns, in fact, is that the Active Forces do not now have enough support within their force structure to be sustained without at least a selective mobilization of the Reserve Components . . ."

Elsewhere the Army has talked about force requirements and risk factors in these terms:

"To meet all contingencies and to protect all interests simultaneously, an Army force of at least 50 divisions (plus Marine Amphibious Forces) would be required. This is an unconstrained requirement . . . Analysis of the most likely contingencies and most vital U.S. interests yields a force requirement for approximately 30 Army divisions, plus Marine Amphibious Forces, for a high assurance of not having to resort to first use of nuclear weapons . . . This means that the 24 division Army will be unable to defend successfully in both Europe and Korea at the same time . . . In another sense, this means war in Europe could endanger U.S. interests in the Pacific . . ."

Or, put another way, the Army is already operating under the risk of a 6-division shortfall. With the Army thus constrained, the 1½ war strategy means that if a NATO war starts first, we cannot handle half a war elsewhere—and if the ½ war starts first, then we cannot come close to meeting NATO requirements.

Any significant reduction in the Army's present force structure, then, would call for cutting commitments and redefining our vital national interest, serious steps to take under any circumstances, and dangerous steps to take at a time when Soviet capabilities, especially for conventional war, are continuing to rise.

WHERE WE COME OUT

With the Active Army beginning to have quality problems, with National Guard and Reserve units considerably understrength and needing help fast, with the IRR pool drying up, and with the Selective Service System in impotent, deep-standby status, the status quo is becoming unendurable.

We make no special claim to prescience, but we have developed certain viewpoints as a result of our study of the state of the All-Volunteer Army.

We stop short of branding our thoughts as conclusions because it is too soon in the debate over the All-Volunteer Program to take concrete positions.

With those qualifications we offer the following views as our contribution to the debate, just now beginning but sure to take center stage before long.

Selective Service System

The Selective Service System, including Presidential induction authority, should be restored now to operational status so that DOD requirements for inductees to be trained as fillers and combat replacements can be met on time.

Army recruiting budget

The Active Army's recruiting budget should be restored to the pre-FY 76 level to provide a reasonable opportunity of meeting quantity and quality goals.

Reserve component readiness improvement package

RCRIP should be approved and funded as a possible solution to the strength predicament of the Army National Guard and Reserve and to the near-disastrous shortage of manpower in the IRR.

Emergency use of prior service personnel

In the panic that might grow out of sudden emergency need for trained manpower before the reserves could be rebuilt or the Selective Service System made productive, the drafting of personnel who have completed their entire military obligation would provide probably the only viable solution to the urgent trained manpower needs of the country. The fact that it is even being considered within the Department of Defense and on Capitol Hill is an indication of the necessity to move quickly to get more acceptable solutions in place.

For drafting prior service personnel should be considered only as a last resort.

Draft contingency

If RCRIP is not approved and funded, or if it does not work, then a draft should be adopted promptly.

Reserve Component draft

A draft into Reserve Component units (with exemptions for Active Army volunteers) is considered virtually unmanageable and extremely inequitable because of the need to draft people according to where they live and what units with what requirements are located in the nearby area.

IRR draft

A draft into the IRR (with exemption for Active Army and Reserve Component volunteers), is an intriguing but perhaps futile idea.

It is doubtful that substantial public acceptance can be gained for an IRR draft because of (1) inequities growing out of the rather small numbers that would be drafted; (2) lack of a visible emergency; and (3) the seeming inconsistency of drafting for the IRR while keeping the Active Army and Reserve Components on a volunteer footing.

An IRR draft is a partial solution, at best, and would probably stimulate few enlistments in the Active and Reserve Components where the service is more arduous and the sacrifices are greater.

Active Force draft

If recourse to a draft becomes necessary, we should go all the way and convert the Active Forces to a draft basis, with exemptions for Reserve Component volunteers and possibly for IRR volunteers. This is a total solution that would not only overcome the infirmities of the Active Army, but would also eliminate strength shortfalls in the Reserve Components quickly and those in the IRR eventually.

Draft planning

Detailed contingency plans for an IRR draft and for a new Active Force draft should be developed now for use when and if future events make it necessary to abandon the Volunteer Program.

CONCLUSION

It is neither boastful nor comforting to point out that had our earlier recommendations regarding the maintenance of a viable Selective Service System been followed, our defense posture now would be imminently stronger and our deterrence more credible.

But we do know now that we cannot continue the present downward drift. In today's world the issue cannot be whether or not we shall have military forces sufficiently strong to support our national interests and goals. The issue is, rather, how we shall supply the quality forces our country needs.

The time has come to fish or cut bait. The Administration and the Congress must decide whether to fund adequately an all-volunteer force, Active, Reserve and National Guard and restore promptly the Selective Service System to an operational status or, as an alternative, return to an equitable draft.

The Services and the Department of Defense, with the encouragement of the Administration and the Congress, should make a sustained, all-out effort to retain the present quality of military life, to protect competitive military compensation and to prevent further erosion of benefits. These are indispensable ingredients of a successful military manpower program for either a Volunteer or a Draft Force.

FRANK STANTON'S VIEWS ON STATE, USIA, AND VOA

Mr. PERCY. Mr. President, some of us were quite surprised at the conclusions of the GAO report on proposals for reorganizing the international information cultural affairs, and radio broadcasting activities of the U.S. Government.

One of the more amazing assertions in this report is that USIA officials have said that an independent Voice of America would require 100 additional people at an additional cost of $4 million. However, our colleagues should know that the Director of USIA, John Reinhardt, testified before a Senate Appropriations Subcommittee on April 21 quite to the contrary.

Mr. Reinhardt said:

We see no severe, great budgetary implications of any reorganization that may be done. We believe that if the Stanton report were implemented precisely as recommended, it perhaps would cost somewhat more. Somewhat more positions may be involved. But we do not believe that this would be appreciable.

In short, I do not think that the reorganization question is fundamentally a question of budget.

It is my own opinion that perhaps 75 persons at USIA now performing support functions for VOA could simply be transferred to the new VOA. That would mean 75 fewer support positions at USIA, reducing the USIA budget by the same amount that VOA's would be increased.

The GAO report does support the position that all international cultural activities should be consolidated into a single agency. Its attitude on the VOA and on policy articulation run counter to the recommendations of both the Stanton Panel and the Murphy Commission on the Organization of the Government for the Conduct of Foreign Policy.

On reading the draft of the GAO report last month, Frank Stanton, former president of CBS and the chairman of the Stanton Panel, was moved to respond in writing to Elmer Staats, the Comptroller General. I ask unanimous consent that Mr. Stanton's letter be included in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Hon. ELMER B. STAATS,

Comptroller General of the United States, General Accounting Office, Washington, D.C.

DEAR ELMER: In my note from London last month, I indicated that I would write further in reference to the GAO's draft critique of proposals for reorganizing the international information, cultural and radio programs of the US government. As you know, my interest in this matter stems from the fact that the GAO is primarily concerned with—and rather critical of—the 1975 report of a Panel I chaired on this subject.

Perhaps it would be useful if I were to give you my conclusions and then try to fill in the details. It seems to me the following points should be made.

1. There was and still is an urgent need to restructure this government's international information, cultural and radio activities. Our Panel was created because the Senate Foreign Relations Committee and the USIA and CU Advisory Commissions believed that the programs required an urgent review and restructuring.

2. The Murphy Commission and the Congressional Research Service concluded, as did our Panel, that what is loosely called public diplomacy is really composed of three distinct activities: policy information (spokesman), cultural communications and radio.

3. The Murphy Commission reviewed our recommendations and endorsed them. They did so after full consideration of the points of view expressed by our critics for they had their day in court before the Commission. (The Murphy Commission's report was finalized four months after our report was published.)

4. The practicality of our recommendations is documented by the experience of other countries which divide their so-called public diplomacy programs effectively into (policy) information, cultural radio programs, each run under separate auspices. One has only to review the British, French and German programs in these areas to be persuaded of the logic of our proposals.

The GAO draft has not changed my view that, taken in their entirety, our Panel's "Recommendations for the Future" are still the best prescription for strengthening these functions of our government. But my concern is not solely parochial. The era of governmental reorganization that the Carter Administration has promised demands a careful weighing of the evidence and a straightforward, detailed appraisal of both problems and solutions. I believe that the GAO critique fails to treat fairly either the Panel's report or the real situation.

THE EVIDENCE

Though I do want to comment on the GAO's treatment of specific reorganization proposals in some detail, before doing so I would like to make a few observations about the draft as a whole. First, it strikes me that there is a pervasive, ill-concealed bias in the evidence which the GAO marshals against our "Recommendations." It is difficult to be specific, because in most cases the "critics" to which the GAO draft refers are not identified except by that label and as part of a sample of 75 "practitioners . . . outside specialists . . . and officials of U.S. embassies . . ." whom the GAO representatives interviewed. With one exception, there is not a single specific opinion quoted in the 51-page draft favorable to the Panel's work. Thus the overall impression is that practitioners and officials of the US government are almost totally opposed to the 'Recommendations." Members of our Panel, on the other hand, interviewed 98 individuals (each of whom is listed by name in our report), including three Secretaries of State, virtually all heads of USIA, CU and VOA, more than a dozen ambassadors, and scores of PAOs and CAOs. The very least we could conclude from that larger and verifiable sample is that there were differences of opinion among those best informed, including a distinct majority view sympathetic to changes like those the Panel recommended in its published report.

Certainly there are individuals who are critical of the Panel's report. But there are also many favorable to our "Recommendations" whom the GAO—disturbingly—ignored or failed to mention. For instance, it is a fact that among the most senior USIA officers who have retired—among those who have no axe to grind—there is practically unanimous support for our recommendations.

While I have not been privy to the 1976 memorandum (to which the GAO refers on page 10) of the then leadership in the State Department, I am familiar enough with the circumstances surrounding it not to take it too seriously. Former USIA Director James Keogh's opposition to our report is well known. Equally well known, however, is the support of the Panel's recommendations by former Assistant Secretary of State for Educational and Cultural Affairs, John Richardson, and former VOA Director Kenneth Giddens, and their respective predecessors, as is the signed petition by 560 VOA staffers (published in November 1976) supporting independence of the Voice from USIA control.

The GAO draft makes much of the first set of opinions, but curiously omits completely the second. The same sort of selectivity is evident in the few cases where the draft cites hard data: the figures were almost all compiled by USIA management, chief among the Panel's critics. This bias is amply demonstrated in the one case where GAO cites Congressional Research Service as well as USIA data. In this case, USIA estimated less than one-fifth the savings CRS found likely to result from a Panel recommendation.

WHAT THE PANEL DID

I am uneasy, too, about some of the GAO's inferences concerning the Panel's own work and conclusions. The draft notes quite correctly that two members did not approve our final recommendations. Since the Panel was composed of 21 prominent individuals, and since all of the other members subscribed to its report, this means that we achieved an overwhelming consensus. GAO also fails to note that one of the two dissenters simply did not participate in our work except for the initial full Panel meeting, and that the other actually did not dissent, but resigned from the Panel prior to the publication of the report (after voting for it in our concluding day-long session).

I find it astounding how consistently the draft's criticisms of our proposals seem to be based on facts or opinions originating in USIA, or otherwise related to the defense of USIA's vested interests. Moreover, in a few places GAO's authors imply that our Panel did not know what it was talking about, that its recommendations were based "on a misreading of the work of certain agency (i.e., USIA) elements." When one considers that our Project Director spent over 30 years working his way from the bottom of USIA to the very top of its career ladder—to say nothing of the expertise of the rest of the Panel—this kind of unsubstantiated assertion is hard to take seriously.

Regrettably, the GAO draft is also not free of misrepresentations and distortions of the Panel's substantive work. Many of these are specific to the Panel's recommendations and will be discussed later, but a few concern the overall thrust of the report and its philosophical basis.

For example, one of the GAO's central and oft-repeated arguments against our recommendations is that we do not explain the problems which they are supposed to solve; things are working very well just as they are, the GAO argument runs, so there is no reason to put the agencies through the "institutional trauma" likely to accompany their implementation. I find it strange that the draft's authors fail to explain, if there are so few problems, why the House, the Senate, the USIA and CU Advisory Commissions, and even the GAO itself, at an earlier date, have called for studies and made recommendations for rationalizing this extraordinarily complex organizational structure.

Furthermore, even though the Panel commended these agencies' personnel for their past successes, it is not true that we failed to point out the problems needing attention. They are to be found all through the "Recommendations" (see especially page 4) and are succinctly summarized in its one-page conclusion. Moreover, the Panel designed its recommendations so as to avoid serious institutional disruption, and the report clearly explains (pages 37–39) how that can and should be insured. Indeed, we consciously set aside elaborate internal reorganization proposals so that these could be worked out gradually, without undue dislocation, after the formation of the new agencies. It is therefore simply not correct to imply that the Panel had not carefully weighed costs and benefits of change in developing its proposals, or that it does not specify the problems to which its solutions are addressed.

The most serious substantive deficiency of the GAO report is its apparent failure to understand the conceptual distinctions which lie at the heart of all the Panel's recommendations. When GAO cites, as grounds for opposing our report, the well-nigh unanimous opinion of selected practitioners that culture and information cannot be separated, I suspect that not only GAO but also most of those they interviewed do not wish to recognize, let alone understand, our central idea.

The key here is the distinction we make between policy information (spokesman) and "general information." The fact is, of course, that all meaningful communication involves the transmission of some kind of information. So bringing a foreign people into touch with American culture involves transmitting information about American culture, and the Panel in its report (and USIA in practice) defines culture very broadly to include all aspects of our domestic life as a nation and people. "Culture," therefore, includes "information," and not only information about the arts, letters, education and science, but also information about the American economy, governmental system, and even the views of our citizens on international affairs. This kind of information-about-American-culture we called "general information."

What culture does not include, and this is the critical point, is information that has to do with the explanation and advocacy of the US government's foreign policy (spokesman). We insist upon the separation of this "policy information" from all the "general information" about Americal culture for the simple reason that in this country, unlike authoritarian states, the government does not control culture. The genius of this country—political, economic, social, and especially artistic—lies in its intensely private and individualistic nature. For us to represent that society and culture overseas in a fashion which mixes it all up in the partisan advocacy and defense of our government's foreign policy is a betrayal in method of the very ideals we stand for. How can we expect foreign peoples to believe what we say about free, open, and private society when they hear it from someone whose primary job is to persuade them to support the latest US policy moves vis-a-vis Moscow or at the UN? This matter has perceptively been addressed by George Kennan, whose wise statement is, I understand in your possession.

If you accept this basic need to keep the advocacy of foreign policy separate from general information about American culture and society, then the Panel's organizational recommendations flow almost inevitably from it. Establishment of the New Information & Cultural Agency (ICA), by ending the artificial separation between people-to-people programs and the media products and US officials with whom they must work, would provide an efficient organizational home for the effective overseas portrayal of our culture and society. The articulation, defense and advocacy of US foreign policy would center in law, as it does today in fact, in the President, Secretary of State, and overseas ambassadors who formulate the policy and understand it. The Voice of America would be relocated under a separate Board in order to free its news and general information programming from the pressures of day to day diplomatic crises while still allowing the policy defenders unrestricted access to the radio audience.

One more point here: We are the only democratic country in the world that fails to separate the spokesman role from cultural communications. Britain, France and West Germany, to cite but the most important of our allies, all have separate programs. So it can be done. Indeed, representatives of these countries wonder whether these programs can be at all successful if they are not separated, we are the only country which puts the international radio operation under the same roof as policy information and cultural communications programs. I believe the worldwide reputation of BBC's external service is such that its model should be taken seriously.

FIVE SPECIFIC RECOMMENDATIONS

The GAO draft opposes all of our recommendations except one. With the foregoing as background, let me turn now to its specific objections to what the Panel proposed.

1. The GAO first rejects the idea of transferring USIA's policy information (spokesman) role into the Department of State. By proxy, it argues that policy and general information are mutually reinforcing and difficult to separate. The unnamed critics it approvingly quotes (without claiming they are in the majority) add that an overseas officer who defends US foreign policy along with portraying American society can do each job easier and more effectively.

It seems to me that two different matters are involved here. First, it may indeed be argued that the cultural sugar sweetens the foreign policy pill, that we can sell our foreign policy better if it is disguised by submersion in a cultural program. If so, that is a method based on deception which I believe we should reject as bound in the long run to fail. The reverse situation, however, that a cultural affairs officer's effectiveness would be enhanced by his being identified as a foreign policy advocate, seems to me patently absurd. In my opinion, culture explicitly dished out in the service of short-run policy could not fail to be rejected as biased and self-serving. Of course the cultural program must, as the Panel makes clear, support the long-range goals of our foreign policy. But protecting its effectiveness in doing that is precisely why it must be kept separate in the eyes of its audience from short-run policy advocacy.

The GAO draft also argues that policy dissemination would be poorly done by the Department of State because it lacks the interest or skills to handle this essentially "journalistic" job. It occurs to me parenthetically that this reasoning may say more about the government's view of journalism than the GAO's view of our report. In my opinion, the advocacy of U.S. foreign policy is not a journalist's job; it is closer to a lawyer's work. It is biased and bound to be partisan. U.S. officials discussing U.S. policy overseas are like Jody Powell, not like James Reston or Murray Marder. Confusion between these two roles is also evident where the draft quotes or echoes Edmund Gullion's remark that the State Department could not clear commentaries fast enough. If these so-called "commentaries" are official, then they amount to policy itself and clearance must be part of their formulation; if they are really independent commentaries (such as might be used as part of VOA news and features), then "clearing" means censoring and is contrary to our most deeply ingrained values. Journalistic skills and speed are of course important to the policy information role, but the current Press Office has successfully carried out this function domestically for years and in the process has proven that State can do this kind of work. High level interest would be guaranteed by giving Deputy Under Secretary rank to the head of the new Office of Policy Information, and the personnel actually doing the job in the field would of course be mostly the same people who now do it for USIA.

Most remarkable about the GAO draft's treatment of this matter is that, in the end, it admits that there is a real problem here: USIA spokesmen need better information about what policy is. That, of course, aside from the need to separate it from general information, was our reason for putting policy information in State. USIA has been often and dramatically out of touch with the policy it is supposed to articulate, an inevitable state of affairs so long as the agency which carries the policy information role remains an agency outside the State Department.

And the credibility of policy articulator depends on his authoritativeness, on repeated demonstration that he knows what

he is talking about. The GAO lamely suggests an effort at inter-agency dialogue to resolve this problem. I can only point out that 25 years of dialogue has barely served to make workable, at great cost in time and energy, a system which fundamentally is poorly organized.

2. A second Panel recommendation which the GAO rejects is the transfer to State of the duty to advise US policy makers on the implications of foreign public opinion. This service is one our statesmen need when they formulate policies since the level of acceptance overseas is one of the factors that has to be taken into consideration. As the draft correctly points out, information of this kind reaches the top of the State Department from a variety of sources. The Panel's proposal would strengthen the flow of public opinion data, generated by press attaches, through Ambassadors to the Secretary of State; indeed, it would facilitate that movement by placing the information gatherers within (instead of outside) the State Department and hence organizationally and functionally closer to their Ambassadors. Creation of the ICA would, presumably, result in information gathered by cultural officers reaching the Department of State only indirectly, but access to the ambassador in the field would be preserved by the country team concept. Moreover, the Panel assumed that the foreign policy maker needs to estimate foreign opinion about present or prospective US foreign policies, far more than about American society and culture. Since the official dealing with policy information is in the best position to estimate foreign reaction to it, his is the advice which must get through. This access is what the Panel's proposal provides.

3. The third Panel recommendation is, I am happy to say, accepted by the GAO draft. Unfortunately, accepting it while rejecting all the others so distorts its meaning as to make the resulting situation worse than today's status quo. The recommendation in question, of course, is the creation of a unified Information and Cultural Agency (ICA) out of the now-fragmented USIA and State Department Bureau of Educational and Cultural Affairs. GAO approves of this combination because it would promote organizational efficiency, programming consistency, and budgetary savings.

GAO insists, however, that the ICA include policy information. It then proceeds to criticize its version of the new agency for a series of problems which arise only because of the addition of that function. The government's cultural constituents, it says, might not be willing to accept grants or commissions from a propaganda agency; the new ICA might violate the Congressional ban on domestic propaganda; and so on.

Obviously, none of these problems arise if the ICA sticks to general information, and they constitute another group of reasons why the policy information function should be performed elsewhere. That the GAO has not found any other solution to these problems becomes very clear at the end of the section, when the draft is unable to arrive at a clear recommendation as to how the ICA could otherwise be established.

In fact, there is no logical way to create the ICA and include policy information as part of its work. The results would be disastrous. Fulbright scholars would be handled by the same outfit that sells U.S. foreign policy. As the GAO list of alternative models makes clear, no organizational relationship can be found which is satisfactory for both functions, i.e., independent for the cultural program yet intimately linked to State and the White House for policy information. The increasingly important reciprocal nature of the cultural program would have to be scrapped, or the spectre of a U.S. government agency propagandizing the American people raised. Ultimately, the result would be the propagandizing of culture (which was the reason for separating the exchange program from USIA in the first place), or a policy information agency even more out of touch with what's really going on at State than is USIA today. The ICA simply will not work in the form GAO proposes.

4. A fourth Panel proposal, opposed like the first two by GAO, has to do with changes in the field organization of USIA and CU. Today's field organization does not reflect the Washington division between USIA and CU because USIA personnel execute all information and cultural programs overseas. The Panel noted that the lack or correspondence between the field and headquarters was probably beneficial to our overseas programming, but only because the current headquarters arrangement is so irrational and not because field arrangements are ideal. In fact, USIA control of CU overseas work is exceedingly frustrating for many cultural officers (who essentially must serve two masters) and for CU headquarters (whose overseas arm is amputated by the setup).

One has only to read the Resolution of the CU Advisory Commission of July 20, 1973, which perhaps more than any other factor was responsible for the creation of our Panel. It often means that the PAO, or USIA person who may serve as the ambassador's press officer, ignores the cultural side while concentrating on policy information work. Our "Recommendations" urged that this problem could be resolved if the press officer were attached to the ambassador (with whom he must work anyway) by placing him under the State Department's Office of Policy Information. The rest of the PAO's staff would be employed by the ICA, would continue working as a unit, but would report to only one executive in Washington.

The GAO raises a host of objections to this tidy arrangement. It condemns the Panel for disturbing a setup that works reasonably well instead of commending it for advocating a better method. It claims that jurisdictional problems will increase, when exactly the opposite is clearly the case. It argues that USIA personnel are better equipped than States to do the press attache job, in spite of the fact that the Panel recommends transfer of USIA people working in policy information to the Department's new office handling that function. It maintains that (somehow) our proposal overlooks the country team concept, when in fact we depend upon the team to handle the minimal coordination still needed between policy information and culture. Incredibly, it accuses us of exporting the "artificial division that *now* exists in Washington," when the obvious effect of our proposals is to *end* the artificial division between USIA and CU by combining them into the ICA. In fact, the differing nature of the spokesman and cultural communications makes a division between them essential, and that is the division which must be "exported" for the effective functioning of each. The current division between general information and exchange of persons is eliminated. The GAO critique completely ignores the fact that practically every embassy in Washington has a press attache and, at the same time, a cultural attache, both of whom report to the ambassador.

5. Finally, the GAO rejects the Panel's view that the Voice of America should be given a quasi-independent status under a board of overseers composed of three private citizens, the head of ICA, and the Deputy Under Secretary of State for Policy Information. The Panel developed this recommendation because VOA, an indivisible entity, must not only include policy and general information programming, but also must perform a news function essential to our national belief in the free flow of information.

Nothing is more important to the American moral position in the world than that this news be objective and free from political alteration by diplomats. Hence, we specified that a majority of the Board and its Chairman be appointed from the private sector. GAO agrees on the general need for objective news and on the likelihood that under current arrangements diplomats can frustrate it when they choose to. But the draft ultimately argues that corruption of news is essential for reasons of state. I disagree. Government censorship of the news is contrary to our deepest values and grossly misrepresents us overseas. It also destroys our credibility when private new sources, the BBC, and Deutsche Welle, are all broadcasting the news we ignore.

In no sense do I suggest that the diplomats must be totally subservient to the newsmakers. What I do suggest is that neither should dominate the other. The GAO critique of the Panel's recommendations is based on the assumption that the national interest requires diplomats and journalists to act together in spite of disagreement.

In my view that is unnecessary. Hence, the Panel gave the diplomats in the Office of Policy Information unimpeded access to air time in order to make US foreign policy know, but also allowed the newscasters to do their job so long as they conform to accepted journalistic standards of verification and accuracy. If newsmen and diplomats disagree, so be it. We are a pluralistic society. Should American diplomats be embarrassed by news reporting, they can make it clear (as the VOA will) that news broadcasts are not controlled by the government and do not reflect government policy. Were such a tradition established, here would be no reason for embarrassment—only pride.

Part of the GAO view here stems from the fact that the "Voice of America" is regarded as a US government radio—really, the "Voice of the US Government, Executive Branch." Given recent Congressional-Executive differences, such a view even misrepresents US foreign policy, to say nothing of American society as a whole. The Voice of America should represent American culture and society in all its complexity, and the VOA must therefore be open to general information programming as well as the news and policy information. Coordination of these three functions will not be an easy task, but we believe that a five-man group of overseers representing all three interests can be so selected and appointed by the President and approved by the Senate as to do it wisely. To suggest (as GAO does) that the board might allow the newscasters to operate in a sensationalist manner is to assume not only that the ⅖ of the board representing the government will have no influence on its decisions, but also that the President and Congress will abdicate their responsibility.

* * * * *

In the end, after rejecting most of our report, the GAO draft is disappointingly vague about its recommendations for the future. Since it believes that existing arrangements have "met the test of practicality and performance," it is a fair inference that the draft comes down flat-footed for the status quo. We have seen only one apparent exception: it would move the State Department's Bureau of Educational and Cultural Affairs into USIA. Fortunately, it seems to me that Congress would hardly accept the submergence of the exchange of persons programs in a "propaganda" (i.e., policy information) agency unless policy advocacy is returned to State, and the GAO is strongly against that.

Curiously, the only other recommendation the GAO draft makes is for a new comprehensive statement of CU–USIA mission and

methods, another USIA idea. While I have nothing against this sort of effort, it clearly has little to do with the organizational problems to which our report was directed. It would leave the defense of foreign policy to an agency separate from the home of policy, the State Department. It would leave the exchange of persons—the part of cultural communications intended to be protected from current policy pressures—within the State Department. It would maintain the costly and clumsy separation between exchange of persons and general information, while retaining the confusion of culture with foreign policy advocacy. It would leave cultural communications without an overseas arm of its own and cultural officers overseas attempting to serve two bosses. It would do nothing to protect the VOA against political pressures. These are the problems that need immediate attention; they are organizational problems demanding an organizational solution.

Our report is now two years old. It is time that we stopped studying and started adressing the real needs.

With all good wishes.

Sincerely,

FRANK STANTON.

ADDRESS BY SENATOR PELL TO THE BOOK MANUFACTURERS' INSTITUTE

Mr. STAFFORD. Mr. President, as is well known, my distinguished colleague, Senator PELL, chairman of our Subcommittee on Education, Arts and Humanities, has for many years been enriching our perspectives on educational and cultural matters and helping to spark creative initiatives for the advancement of our country in these fields.

In this regard I commend to my colleagues Senator PELL's recent speech to the Book Manufacturers' Institute. This speech links concerns with our Nation's reading heritage, directions in the publishing industry, and the desirability of increasing the publication of instructional materials for schools as well as publishing opportunities for talented new authors. Senator PELL concludes by linking the relevance of the Arts and Humanities Endowments to these concerns.

Mr. President, I ask unanimous consent that the text of Senator PELL's address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR CLAIBORNE PELL

Ladies and Gentlemen:

I am delighted to have this opportunity of addressing the Annual Management Conference of the Book Manufacturers' Institute. It is always a pleasure for me to be in your company.

I would like to pose a serious question to you today—one very relevant to your work, interests, efforts, and concerns. And, one also closely related to my own as Chairman of the Senate Subcommittee on Education, Arts, and Humanities.

The question is simply this: Are we, in this the richest and most industrialized country in the world, in danger of becoming a nation of illiterates?

Obviously, I do not mean a people who cannot read or write. I do not mean illiteracy in that sense. Our educational system in its breadth and scope is reaching more young people today than ever before. We are teaching with increasing success, it would appear, the basics of language, the mechanical elements, and the fundamentals. Progress may be slow, but it is continuing.

And, in your very significant field, there are more heartening signs of continuing progress and development.

Certainly, we can take pride in the fact that the number of new book titles published in the United States, some 40,000 annually, stands at a level unsurpassed in the world. Two decades ago that number was only 18,000. The U.S. Department of Commerce has projected further damage growth and estimates that by 1985 book sales will reach in volume $8.4 billion, more than double today's figure. In addition, we are the world's largest book exporter. Latest figures indicate a yearly exportation of books worth approximately $250 million. That is some $90 million more than book imports from other countries.

I realize how difficult the profitability of your own industry has become with inflationary factors and the steep rise in paper prices and other manufacturing costs.

However, if we look at the number of books we publish and manufacture today as contrasted with the decade of the 1960's, we can note an encouraging increase in per capita ratio—18,000 new book titles produced in 1960 and 40,000 today shows a growth that well exceeds the growth in population—in percentage terms a growth rate of over 100 percent in books—contrasted to a growth rate of 20 percent in population during the intervening time. And, while the cost of producing cloth-bound books has increased up to 80 percent since 1960, there has been a compensatory development in the less expensive paperback market. It is estimated that today more than 50 million paperbacks are sold throughout the country and are available in more than 100,000 outlets. That is between 25 and 30 times the number of places where hard-cover books can be secured, with the exception of libraries, of course, which I will mention later. The volume of paperbacks produced has increased five-fold since initial tabulations were started thirty years ago.

So, our people have books available to them in greater numbers than ever before and in greater numbers and varieties than in other countries. That is certainly good news in terms of our country's intellectual growth.

But, there are some disturbing signs, signs which greatly concern me. The reservoir is filled with abundance. But, are we as a country increasingly approaching it without a glass or a cup or a receptacle to hold its benefits?

In recent weeks the National Assessment of Educational Progress, based in Denver, issued a report resulting from nationwide testing for the United States Office of Education.

In terms of "functional reading performance"—that is, familiarity with the basics of language—some improvements were indicated. The gap in an ability to read between students whose families have academic economic means and educational background, and students who come from underprivileged and disadvantaged backgrounds has slightly narrowed in the past five years. Underprivileged black students, for instance, improved in basic skills by 4.8 percent while economically more advantaged white students improved by 2.1 percent. But, the gap between the two groups is still close to 14 percent—bad news keeps emerging.

Only half of the 17-year olds in the U.S., the survey indicates, can read college freshman-level materials.

The U.S. Office of Education informed us in 1975 that 23 million adult Americans, at least one out of five, were functionally illerate. By this they mean unable to grasp simple, written instructions, unable to understand and assimilate a simple news account. Only one percent of our population cannot read and write—and we rank among the top nations in the world in this respect—but functional literacy is something else, something which needs an immediate focus.

More disturbing perhaps than the slow, often at times, torturous rate of change and improvement are counterbalancing indicators.

An article in the magazine American Education points out that in the latest testing period the National Assessment of Educational Progress finds that students are using "a simpler vocabulary" than they were a few years ago.

Their current style is characterized by "a shorter, primer-like style" and the student paragraphs tested nation-wide showed "more incoherence" than at the beginning of this decade.

In other words, we may be progressing on the surface. More of us are functionally literate, but in the critical area of being articulate, of being able really to articulate and express our thoughts, we appear to be retrogressing. And this, of course, affects our reading. It will seriously affect the reading adults of future generations if the trend continues.

I remember reading some little time ago an article in the Wall Street Journal which described some of these problems. What stands out in memory is a father's discovery that his teen-aged daughter's school-provided text of David Copperfield did not seem to coincide with his own recollections of the Dickens novel. He brought down from his library shelf his own well-worn copy, illustrated with such great attention to detail by Cruikshank, and lo and behold—the daughter's text had indeed been simplified and reworked. The Dickensian language, its richness, its humor, its unique quality—all were lost.

How strange if we should become in time a country with individual libraries stocked with ersatz versions of the classics.

How strange if the classics were to be forgotten, replaced with only contemporary frames of reference.

"Out, out damned spot" might no longer conjure up the cold night hallways of a Scottish castle and Lady MacBeth seeking to erase the stain of tragedy, but perhaps instead it might conjure up only an advertisement for a new, all-purpose detergent.

Or, I can imagine some future student when asked to identify a line in poetry, like John Donne's 17th century "Go and catch a falling star", finding those words reminiscent only of a movie on the Late-Late Show dealing with a fallen Hollywood idol.

According to the Gallup Poll, watching television is almost three times as popular as reading, and it consumes the interests of almost half of our people.

But, I do not believe that television itself is to blame for an inability to read well, or to enjoy books, or to appreciate good literature. The inarticulate quality, which is creeping into our lives, which is manifesting itself now among those in school heading for college, comes, it seems to me, from more subtle and less easily recognized causes.

In essence, it comes perhaps most of all from an emphasis on quantity, rather than on quality. I am convinced that we must make a full education—school and college—the basic right of every American. That has been among my most important goals in my years of experience as Chairman of the Senate Education Subcommittee. We have come closer to that goal each year.

Basic Educational Opportunity Grants, sometimes, I'm glad to say, called Pell grants, enable students to attend college regardless of their economic background, which make education increasingly available to all, have

proved their worth. And, they are better funded than before. They are recognized as possibly the most important single key for unlocking the door to increased knowledge and wisdom and to a future career.

But, we must concentrate on what is there when the door is unlocked. And, we must make what lies beyond the threshold more envigorating, more intriguing, and more enriching. We must focus on quality.

If we do not, our books will eventually become simplified to the point where their meaning diminishes or disappears. We will have, across the country, functional literacy, but also intellectual illiteracy.

And, in that case, we could become in time a nation of nonreaders, and that would be disastrous for all of us here and disastrous for the nation.

In seeking to remedy this situation and to reverse any downward trend, I suggest a five-point program.

(1) I believe we should place greater national investment in instructional materials, including most importantly the basic tool of learning—the book.

Books remain an excellent investment in the educational field. Despite inflation, their cost has risen less rapidly than other areas which are involved in the education spectrum. Based on an index of 100 for the year 1952, 25 years ago, book costs have risen to 185. But in the same 25 years, using the same index of 100, tuition costs have risen to 427 and dormitory costs to almost 400. The dollar spent on books in these terms becomes even more worthwhile.

In the 93rd Congress, we approved legislation authorizing added funds for instructional materials. The appropriations for this highly important area have fallen short of the goals my Subcommittee set. During the past year, 44 States had to reduce the percentage of per pupil expenditures for instructional materials. In recent times, instead of an increase in this area of educational need, we have witnessed a decline. As a result, there has been a sharp decline, up to 30 percent, in the publication of new editions of books for young readers in school. Only one percent of the total education budget is devoted to instructional materials. That figure should be increased, so that we can have available to our students the very best textbooks, ones fully up to date. The better the tools, the better the structure, the better the edifice we can build.

(2) Closely related to this priority is the improvement of our nation's libraries. I have long been an advocate for better libraries, and the Senate sponsor in this area of relevant legislation. This year we are embarked on reauthorizing and expanding the scope of the Library Services and Construction Act.

Important hearings have been held. We are on our way to better funding levels and in longer range to a major White House Conference on library needs within the next two years, with preliminary planning conferences to be held in each State during 1978.

It is estimated that 20 percent of all our elementary schools are without library centers—a percentage which applies to national needs as well for adults and other students. With modern technology now able to make information accessible to all, the strengthening of library resources is of particular and essential significance. Again, we have the tools to construct a better future, as soon as the setting for their better use is established.

(3) New and improved textbooks, better libraries for schools and colleges and communities all across the country—these are the building blocks for a more enlightened society. But, we need a spirit of quest, a desire to learn to go with those basic tools. We need it at all levels of our society, among our youngest citizens and among our eldest.

Contributing to a flagging in this spirit, I believe is the overspecialization our society has too often been prone to develop.

It seems to me that books have become in some cases endangered by overspecialization. Scholarly works have become increasingly specialized, their audience increasingly limited for this very reason. And, here the cost factor is a major inhibitor. We need to take a new look at the work of our scholars and the contribution that work can make to aid society as a whole. Certainly we need the benefit of great minds today. But, we need that benefit not in some remote ivory tower where it communicates across an abyss to another lovely ivory tower, we need it in the mainstream of our national life.

Last year, I struggled with this concept with the National Endowment for the Humanities, created through legislation which I introduced and managed back in the early 1960's. At issue was the outreach of this program. How could we make it more meaningful to all our citizens, not just for scholars speaking to other scholars, but for all of us? One way to do that is through increased Federal assistance to publication costs, so that when a fine work is completed, assisted in part by Federal aid, it does not lie dormant gathering dust on a shelf. It goes out to benefit as many as possible. Accordingly, I believe the Humanities Endowment should establish a formula for aiding university presses. The funds would not be exorbitant, perhaps 10 percent of the overall cost, but enough to make the difference between a decision to publish, to create a new book, and a decision to let a valuable manuscript lie fallow.

(4) As a fourth step, I recommend that we better utilize the resources of the National Endowment for the Arts. Early in its lifetime, it inaugurated in 1966 a program to bring poets into our school system on a pilot and trial basis. The poets, with national reputations and with beginning promise, found heartwarming welcome in their visits to class rooms.

Often, and for the first time, students were suddenly and personally aware of the beauties, the complexities, the varied cadences of our language—used selectively, used for a purpose—to create new images and make them come alive. The project now includes schools all across the country, but they represent only a small fraction of the potentials involved. We need to strengthen that program, as we need to strengthen the contribution other related art forms can make to the educational process. I am convinced that someone who loves music, for example, is a richer human being because of that love. The arts, indeed, in the ten years of the Endowment's life have entered the mainstream of our society; but they are still tangential to education, and we need to give them a more central role there.

(5) Finally, let me mention another Arts Endowment program germane to our discussions today. As you know well, it is very hard today to consider for profitable publication, and hence for the making of a new book, anything with an anticipated sale of less than 10,000 copies. That you might judge as an oversimplification; 20,000 copies would probably be closer to the mark for major publishers. As a result of such economics, the new, untried writer is at a disadvantage today. Unless he or she has something adjudged extraordinary, and therefore often sensational, to say, the work does not merit a risk. It was different before publishing costs became so driven by inflation. But, it is a fact of life today.

As a result, the young Ernest Hemingway, the unknown William Faulkner of 1977 is not finding help from the big name publishers who fostered and developed such writing in days of yore. And yet, more young writers are today embarking on the tenuous journey to a professional career than before. How can this be?

One major reason stems from the Arts Endowment's program to assist our country's small presses. By and large, this is accomplished with relatively small grants which make the critical difference between failure and borderline, marginal, but make-ends-meet existence.

Latest figures show assistance to 112 of these small independent presses in over half our States. The average grant is about $3,000—a total of $345,500 for the program. But, from this investment comes an estimated 400 volumes of poetry and fiction, nearly half by writers whose work has not previously been published in book form. Again, this is a program worth strengthening and encouraging so that we will afford to our serious developing writers of tomorrow every opportunity.

If we can follow the steps I have outlined—bolstering the availability and accessibility of books, providing the tools by which they can properly be read and appreciated, increasing the outreach of scholarship, making the wonders of language a part of every young person's experience, and expanding the horizons of the book producers of tomorrow—then I believe we can adopt, not a pessimistic approach, but an attitude of great optimism.

And, like a Winston Churchill, we will be able to mobilize our English language and send it forth into battle for the betterment and well-being of our own day and age.

As the 17th century essayist, Joseph Addison, said, "books are legacies, which are delivered down from generation to generation." Let us make sure they are the best legacies we can transit, and let us make sure they are well read!

PRIVATE PROFIT AND PUBLIC WASTE: THE CONNECTION

Mr. PERCY. Mr. President, as we consider the administration's answer to our critical energy problem, we must be concerned with the effect these alternatives will have on the environment. We also must be prepared to consider every new energy source.

Abby Rockefeller recently wrote an article in the Compost Science Journal of Waste Recycling entitled, "Private Profits and Public Waste: The Connection." This article addresses the issue of the economics of recycling organic waste and nonwaste materials.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRIVATE PROFIT AND PUBLIC WASTE: THE CONNECTION

(By Abby Rockefeller)

I would like to describe in this paper what I have learned, in the course of trying to gain official and public recognition of the Clivus Multrum, of the methods and motives in the present approach to waste management; what, in my view, is wrong with them, and my opinion of a more rational approach.

In March of this year I attended the Conference on Bioconversion in Washington, D.C., sponsored by EPA, ERDA, the Department of Transportation, the State Department, the Department of Defense, et al. It was regarded by its sponsors and the participants as a hopeful and important event. The thrust of it was to establish that organic waste and non-waste materials can be an important source of energy, specifically as fuel by converting these wastes to methanol, ethanol, alcohol, etc. On the face of it, the idea of using a more recently sun-created and renewable material than coal or oil, as a source of fuel, ought to seem like a hope-

ful move. But there was a problem with this conference. Almost without exception, the speakers were indifferent to the constraint which should be imposed on the use of materials and energy; the constraint of the Second Law of Thermodynamics. This law tells us that, among other things, it is the responsibility of economies to determine, not merely how to use materials, but how to use them well; that is, how to use them conservatively and with regard to their various relative values to us as producers of work. This means that an economy must always function with an honest and whole view of all the levels of uses to which materials can be put, and the implications for energy loss and work done for each. For example, burning "solid wastes" by incinerators or pyrolysis to produce fuel (an increasingly approved method of waste disposal and fuel production) can only be judged a clever solution if one thinks that the choice for dealing with these wastes is only between "disposing" and burning. If these are the only choices, then burning with some recovery of the energy value as fuel looks almost as if we are getting something for nothing. Although power companies do get something for better than nothing by this means (they are paid by the ton to take this "free" source of fuel), society loses from a thermodynamic point of view. This is because the various constituents of this "solid waste" have a greater work value to us (partly as a function of time) as the materials they were before pyrolysis than their ephemeral value as fuel can possibly give us. Another way to say this is that, in most cases, it takes more energy to produce new goods to serve the same purposes, than to recover from them by their conversion to fuel.

(As others more competent than I have had trouble in explaining the significance of the Second Law of Thermodynamics in relation to the use of matter and energy, let me defend myself by saying that its significance is experientially self-evident, and that in lieu of understanding the Second Law itself you can easily get by with good sense.)

There is a language developing in the official world of waste management which has expropriated words associated with environmental concern, words which, I believe, conceal a program to treat materials in the same old profligately wasteful way, under the guise of conservation. The phrases now widely used for the new approach are "waste recycling" and "resource recovery and reuse." The use of the words "recycling" "recovery" and "reuse" have already served to pacify environmentalists, politicians and the public at large The trick behind the terms is that they refer to recycling, recovery and reuse of matter and energy *only after* mixing, at the consumer level (the house, business, industry), diverse materials which are then regarded as waste, only after they are transported by costly and environmentally damaging means to control waste collection points (e.g., treatment plants, solid waste disposal centers) where they are further homogenized by treatment processes. It is only after all this that there may be recovery (sludge will be "mined" for its nutrients and metals) or recycling and reuse (the solid wastes in some cases will be sorted for metals before burning for fuel.)

This approach is, to state it plainly, absurd. It will necessarily have the devastating effects of (1) locking consumers further into their present careless treatment of materials which they are taught to regard at a certain point as "waste." Now there will be a market for their wastes which encourages, or rather pressures, them to "throw out" more rather than less; (2) the energy value of materials will be dissipated ever more rapidly or, to say it another way, the rate of entropy will increase; (3) energy will be expended in an increasingly inefficient relationship to work done or goods created.

Why, one must ask, after all we really know about the environment and the Second Law of Thermodynamics, are we recklessly pursuing this foolish path? One word is, I believe, the key to the motive: profit. At the Conference on Bioconversion, it was repeated over and over again that any program to use waste as resource must be "cost effective." It is evident that by "cost effective" they mean productive of profit to industry and business, for they certainly don't mean cost effective to people; nor do they consider for a minute the cost of the energy involved, except in so far as it relates indirectly (by some accident) to the present arbitrary economic pricing system.

If the limits suggested by the Second Law of Thermodynamics are true—and we have no experience to date that gives us justification for behavior that ignores them—the only costs whose effectiveness we can afford to consider are those of energy in its relation to work we wish to do. This is to say that profit should be called an "externality," not damage to the environment and health, or depletion of resources and energy. An economic system in which profit is the prime mover is not free to serve social needs with a view to expending the least amount of energy compatible with fulfilling specific tasks. Nor can a profit-directed system give attention to the whole picture instead of to a fragment, nor can it examine whether or not an onsite, as opposed to the centralized approach, would be more appropriate. Profits (though certainly not social well-being) are increased in the degree to which energy is expended, and by sticking to a narrow view of the "bottom line."

I would like to give an outline of my view of a rational approach to waste management. First, one must consider in the same context the problems of both solid waste and sewage, because part of the question is precisely what should be treated as solid and what as liquid waste (i.e., what should be transported by vehicle and what by water)? The present division is, in rational terms, arbitrary: "solid" wastes are all those wastes, both organic and inorganic, which, because they won't fit down the drain, must be carted off by truck. "Sewage" is the combination of any waste material we can manage to stuff down the drain or toilet—liquid or solid, organic or inorganic, nutrient or poison—mixed with its transportation medium, water.

Let us look at what the effect would be on water, on soil and agriculture, on energy, on capital, on social, and—I insist—on psychic behavior, and finally, on the treatment of the remaining waste materials, if, by one reasonable stroke, it were decreed that water should no longer be used as the transportation medium for organic wastes.

Water. Of the water used in households, 30%–50% is automatically saved by not flushing toilets. Water bodies, both ground and surface, are protected, to a large degree, from the eutrophicating and poisoning effects of nutrients (90% of household nitrates come from urine, roughly 50% of a household phosphates from toilet and food wastes). Groundwater, only to a limited extent a renewable resource (like oil, it has a long history of accumulation), could be better protected by taking less out to begin with and by recharging the aquifer through onsite disposal of grey water, a more feasible solution when toilet wastes are kept out.

Soil and Agriculture. Personal and organic kitchen wastes can be kept out of flush toilets and garbage grinders, and can readily be composted on site and returned to the soil. Soils need humus to stabilize nutrients in whatever form they come, as well as to create an environment which allows the natural production of nitrogen. We could significantly reduce the production of petrochemically acquired nitrogen as well as the frenetic rate of phosphorus extraction. On the average, everything that goes into a household or a person goes out again. This is to say that the organic and nutrient output from a household is as great as the input; that the agricultural significance of our wastes can therefore be equal to what we carry home in the grocery bag.

Energy. Central treatment plants, gross consumers of energy, both in construction and in operation and maintenance, would not be necessary in most areas. Wastewater without toilet wastes and flushing water is substantially easier to treat and less deleterious to health and groundwater. Also, the energy used to transport solid wastes by truck would be reduced when food wastes are kept out of trash cans. This is because the necessity of removing solid wastes so frequently—once or twice a week—is largely due to the nuisance caused by mixing odor-causing organics with the inorganics. The inorganic and unsoiled paper wastes, after "source separation," (an abstruse term from waste management jargon, meaning the grouping according to kind, at the consumption point), can be stored for weeks or even months.

Capital. The effects on expenditure of capital would here be similar to the effects on the consumption of energy. Advanced waste treatment plans, the mode of central treatment now advocated by EPA, are preposterously expensive in money terms. They don't contribute to environmental protection—they only concentrate and displace the problem. It would appear that their only advantage is that, to the degree to which they are energy and capital expensive to society, they are prifit-producing for a few industries (sanitary and general engineering firms among them). Elimination of water transport of organic wastes would reduce monetary cost through elimination of large sewer pipes (4'' and up) as well as by the reduced frequency of solid waste pick-up mentioned above.

Social. Housing construction plans are now governed to a large extent by sewer lines. Sewers are necessary mostly because of the flush toilet. Such growth is inorganic (to use the term in its symbolic sense) and ugly. The sense of blight associated with the tedious patterns of suburban sprawl is the consequence of this. Moreover, being tied to a central system for so crucial a function as treatment and disposal of one's own organic wastes both sponsors an irresponsible attitude on the part of consumers towards those wastes, and makes people unnecessarily vulnerable to failures or manipulation by the central treatment establishment. The claim that AWT's are socially beneficial because of the jobs they produce is spurious on two accounts; first, because we can produce jobs by multitudes of presently unfulfilled social services. Secondly, high technology industries, which AWT's certainly represent, are capital and energy intensive and, therefore, they produce fewer jobs than onsite methods could.

Psychic. The act of polluting drinking water by the disposal into it of one's personal wastes surely must instill the feeling that these wastes are inherently harmful. This must in turn make us feel that we are ourselves innately destructive and disintegrated from natural processes in general and our own physiological processes in particular. To put our organic waste products where they belong (and composting makes this possible) must at least tend to accomplish the reverse: the sense of the appropriateness of our personal functions and by-products in relation to the rest of the natural scheme.

Other Wastes. The wastes which remain to be considered, once body and organic kitchen wastes are extracted from the water flow, are solids, bottles, cans, unsoiled paper

(newspapers, cardboard, etc.) the hopeless waste plastic and, as liquid washwater or, as it is curiously called "grey water"—the wastewater used solely for purposes of washing. The remaining solid wastes devoid of decaying organics, can now be stored for long periods of time without offense. It would be most reasonable for the relevant industries themselves—not the garbage truck—to pick up their respective resources. (Recycling centers, as well as trash collection would then both be happily put out of business.) The washwater, once free of the most problematical nutrients and most intense loads of potentially pathogenic bacteria, can be treated easily by onsite subsurface disposal. In certain areas, especially dry ones, it should be regarded as a resource and used directly for irrigation of trees, vegetables, flowers and lawns. There are several projects underway to demonstrate the potential of using grey water as both a nutrient and an irrigation source in greenhouses which will produce food. Such as environment has the advantage of being stable and controllable. A few of these projects will use a stone trickle-filter as the method of pretreatment. Perhaps by the next composting and waste recycling conference there will be some useful data on this promising method of treatment and use of washwater.

In conclusion, I have two things to say. First, we should regard with distrust proposals for waste management, resource recovery, energy production, or, for that matter, any industrial processes which do not adequately account for the Second Law of Thermodynamics. Second, we must not waste our time in the idle hope that an economy driven by motive for private profit can ever be pressed into a shape which will be able to perform the function of satisfying human needs while simultaneously maintaining the optimal relationship with the environment and using the minimum amount of energy compatible with fulfilling those tasks.

ENERGY POLICIES

Mr. GARN. Mr. President on Monday of last week, Senator LUGAR gave a masterful exposition of the energy policies of this Nation. In a speech to the U.S. Chamber of Commerce, Senator LUGAR described our past energy policy, the one President Carter has proposed to us, and the energy policy we should be following.

As Senator LUGAR points, out, we have an energy policy in the United States, and it has been a disaster. In brief, it has consisted of a vain attempt to keep prices low, and to manage the details of energy usage through governmental intervention. President Carter ignored this policy in his speech to us, and instead asked us for a great deal more of the same. The President's call for punitive taxes on certain energy used and tax incentives and grants to encourage other uses is a continuation of the folly which teaches that Government knows better than people how their actions should be directed.

There is indeed an energy crisis in America, and we should be grateful to President Carter for helping make the people aware of it. President Carter has succeeded in convincing many people who before denied it that something must be done. Unfortunately, his prescription does not approach the true solution in many cases.

Mr. President, I ask unanimous consent that Senator LUGAR'S speech be printed in the RECORD, and hope that all Senators will read it and act on it.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE KEYNOTE ADDRESS TO THE 65TH ANNUAL MEETING OF THE CHAMBER OF COMMERCE OF THE UNITED STATES

(By Senator RICHARD G. LUGAR)

This is a good time to celebrate good news. More Americans are working for higher wages than ever before in our history. From these wages, Americans are saving record amounts of money. They are being rewarded with generous interest rates, but these interest rates are falling because so much new capital is being saved by individuals and businesses.

With the exceptions of Switzerland and Western Germany, our rate of inflation is the lowest of any country and public opinion polls now indicate that citizens see inflation as our most troublesome problem and are demanding appropriate political action.

The new Congress, despite widespread predictions to the contrary, has rejected common situs picketing legislation and the Senate has adopted an increase in the investment tax credit and tax law changes to encourage independent drilling for oil. None of the so-called economic stimulus legislation has become law, but the rate of unemployment has been falling, gross national product has been rising, and the leading indicators signal a sound economic trend.

Furthermore, our country is at peace. We are served in our armed forces by men and women who have chosen to serve as volunteers. We have important opportunities to influence the search for peace in the Middle East and to inspire, everywhere, the historical search of men and women for greater spiritual, economic, and political freedom.

As we take a moment to celebrate good news and to renew an ongoing quest for freedom, we need not dwell on abstract principles. The timely interest of most citizens in formulating energy policy provides a great opportunity to try to reverse mountains of prejudice and misinformation. This will be a monumental venture, but the appeal to proceed is irresistible.

Oratory has been plentiful in suggesting that our country has lacked an energy policy. In actuality, we have been suffering from a hidden, misunderstood, disastrous policy for some time.

Our energy policy has been a guarantee by Federal government law and regulation that petroleum products and natural gas in this country would be sold at low prices. As the years have passed, the enforced low prices have been some distance below market prices established by supply and demand. Homeowners, businessmen, builders and administrators of schools and hospitals have proceeded to construct heating facilities based on a government imposed policy of cheap energy. The policy has been extraordinarily popular. Energy of growing value has been purchased and used at cut rates. Inexpensive energy sources have been tapped then progressively more expensive sources have been brought on line. Most of us knew that we were getting a bargain and we preferred to believe that a policy which produced such a bargain with no questions asked or answered ought to last indefinitely.

In due course, energy producers were forced to tap much more expensive sources, and the expense of finding additional resources is likely to be much greater still. Our unexamined but very real energy policy is still to impose Federal government controls on price even if the additional expenses of exploration, drilling, extraction, and shipment rise steeply beyond incoming revenues. As other governments have imposed high energy prices, we give speeches about the need for energy independence which neither they nor we believe. The OPEC countries know that their petroleum exports are absolutely vital for the industrial production of the Western industrial nations and Japan and that our energy policy has been one of enforced low prices coupled with harassment of our own domestic energy producers.

President Carter has opened an important conversation on energy policy. All Americans commend him for making certain that we know that a problem is before us worthy of prompt and constructive attention. But President Carter has not chosen to lay bare the falacy of our present energy policy in order that we might examine why it has not worked and why we should bury it once and for all before proceeding to higher ground. Instead, he has retained much of the present misunderstanding and proceeded to suggest substantially more federal employees, more federal taxes, and many more intrusions on the personal freedoms of American citizens.

The American people have considerable skepticism about President Carter's energy proposals because they believe that much more natural gas will be forthcoming at higher prices. They believe that gas can be produced from coal, competitively, when natural gas prices are higher. They believe that solar energy will be a reasonable choice when energy prices, in general, are higher.

In fact, most Americans exercising common sense know that we will be short of energy in this country only if we are determined through misguided government policy to make certain that we are short. At higher prices, abundant and long-lasting energy resources are available. Our present energy policy is one of imposing energy shortages on ourselves. We had better begin to debate the real issue of whether we want energy shortages at low prices or whether we are willing to pay the prices needed to develop abundant energy for the future of this country.

If I had been in President Carter's shoes, I would have told the Congress and the American people that we must commence deregulation of petroleum and natural gas prices now. I would have suggested legislation that would offer strong incentives to channel the substantial new producer profits into the capital investments sorely needed for new energy production. I would have described the present energy policy and buried it. I would have suggested appropriate termination of thousands of federal jobs now sustained by federal energy regulations.

I would have told the politically difficult truth that energy prices are going to rise and that citizens may want to choose ways of saving energy and their money by insulating houses, driving smaller cars, and a host of other options which individuals could adopt without federal mandates which necessarily must ignore the differences in millions of American households. I would also have affirmed that the federal government has no business playing the role of a stern father treating American citizens as misguided and overly indulged children. The federal government has no business dictating the size of your car, your house, your income, or any other personal choice which does not harm another citizen. The federal government has no business imposing the life styles of others on you all under the guise of patriotism and civic virtue.

In his own way, through a system of taxes, the President has proposed higher prices and the conservation of energy which will come from higher prices of gasoline, large cars, and barrels of petroleum in general. Thus the President implicitly recognizes the dilemma of the current energy policy. Why did he piece together such a complex entanglement of carrots and sticks to serve as a new energy policy?

The President made his choices after weighing the words of many advisers who

advocated an energy policy incorporating some or all of the following ideas:

1. New tax revenues to finance national health insurance, welfare reform on a leveling up basis, and other expensive social programs which are difficult to push if your Administration is already looking at an estimated $64 billion deficit for Fiscal 1978.

2. New methods for income redistribution in this country . . . reregulation of energy prices would mean that new revenues would come to energy producers who would use those revenues for more energy production as opposed to the President's suggestions for sprinkling a part of the new revenues into rebates for various groups of Americans at the expense of other groups and with no new stimulus to energy production.

3. The enforcement of new life styles . . . some Americans simply dislike cars, dislike big houses, people who commute to and from the suburbs or the country, large families and the supposed over-population which they represent—in summary, a set of life style attitudes which are characterized by critics as over-indulgent, wasteful, gas-guzzling, and irresponsible. Some environmentalists believe that these life style attitudes which a majority of Americans seem to prefer also provide significant threats to the environment and ought to be curtailed on those grounds. They have adopted the energy debate as a good opportunity to impose, through governmental force, changes that they deem necessary.

4. Intense dislike of oil companies, gas producers, utilities of all sorts, and nuclear power plants could be utilized to provide an enemy for the warfare in which we are asked to now engage, and to divert attention from our disastrous governmental energy policy over the years and our willingness to wink at a time-worn low price-empty shelf policy. We have wanted to believe that energy would be cheap forever. In ancient days, we are told that kings cut off the heads of messengers who brought bad news. In modern times, we are the kings. As energy producers brought us more bad news about the costs of finding more energy, we have applauded politicians and journalists who assured us that energy producers were evil, that they were monopolists, conspirators against the public good, and enjoyers of "obscene" profits. Even as the lights began to go out, the oratory became more shrill. The President has not summoned enough courage to reverse this avalanche of anti-business sentiment. Perhaps he deemed it an impossible task to buck a trend which has been pushed with so much vehemence for so long. But some of us had better speak out clearly and forcefully. Many businesses in this country may have suffered mismanagement and some have broken laws from time to time. Clearly, most American companies, including energy producing companies, are among the best managed enterprises in the world, with humane values and a genuine passion for invention, free expression, and freedom in marketplaces.

Leaving aside my speculation about advice which the President may have received, I will offer advice in a direct manner.

I will vote for decontrol by government and for control by individual Americans exercising their life-style choices through free market votes.

I will not vote to increase the price of gasoline taxes by 5 cents per year or to tax large cars and redistribute taxes or finance new social programs behind the scenes of the energy debate.

I am willing to explain to my constituents why energy prices are going higher and how we can insure that this country has adequate energy supplies for decades to come if we use all of our inventive genius, development and management skills, and our common sense judgments as conservative citizens who do not normally waste expensive resources.

I favor a strong coal industry and I favor addressing the environmental policy tradeoffs necessary to obtain more coal. The President's suggestion of forcing the use of coal by various large utility and industrial plants will simply create severe brownouts if coal is unavailable. Coal is now hard to dig, hard to transport, and hard to burn in this country. These difficulties must be alleviated before mandating switches to coal which are unlikely to occur.

I favor more rapid development of nuclear energy and discussion at the same time of safeguards, disposal of nuclear waste, and the potential for a degree of energy independence which nuclear energy offers the United States, Europe, and Japan as demand pressures bring much higher OPEC pricing of petroleum in the 1980's.

I favor this set of policies because they offer probability of providing the basis for relatively full employment in our country, for sound energy production and energy conservation, and for maximizing freedom which you and I cherish. This freedom is more important to us than changing the life styles of others, redistributing wealth in this country, or perpetuating the warfare on energy producers, foreign or domestic, which has led to so much bad public policy.

The debate on energy must be a useful discussion on how freedom can be extended in a complex inter-dependent world, and at a time when many learned scholars are telling us that the golden age for America is past. I am grateful that the debate has been initiated at this time in our history with the attention of many Americans focused on the strengthening of our successful and vital country. We must make some important choices about extending the authority of government or extending the freedom of each citizen to make choices of self discipline and common sense market decisions.

This is the debate for which many of us have called. It is the age-old debate of Western civilization in which we will define for our generation the relationships between individual human beings and the state. The best thinking of each citizen is required now. The active participation of each American will help to insure a strong base for our third century in which the American dream must continue to grow for us and for men and women who cherish freedom, everywhere.

THE PRESIDENT'S NATIONAL ENERGY PLAN

Mr. PERCY. Mr. President, I would like to take this opportunity to voice my strong support for the goals and objectives of the energy program outlined recently in President Carter's speech to the joint session of Congress. In future weeks, I will be commenting in greater detail on the specifics of the plan. But today, I simply want to voice my admiration for the President's effort to make fuel efficiency the cornerstone of the Nation's energy policy.

In calling for substantial sacrifices from all sectors of society, the President has acted boldly and courageously. As he publicly acknowledged, special interest groups will inevitably object to the sections of his proposal which require sacrifices from them, while applauding the imposition of hardships on others. We would all do well to heed the President's advice and show ourselves willing to compromise our own selfish interests in the pursuit of the common good.

What makes President Carter's program so different from earlier attempts to resolve our energy problem is its heavy emphasis on conservation. Strong measures to curb our consumption of fossil fuels have been rejected in the past because a slowdown in energy growth was thought to lead to an inevitable slowdown in economic growth. This assumption has been resoundingly disproved by economists in Government and academia. If anything, a carefully designed and implemented program of energy conservation will improve the state of the economy through the creation of jobs and through curtailment of costly energy waste.

If it has not been clear in the past, it is painfully clear now—conservation of energy is absolutely crucial. Heedlessly, we have been doubling and redoubling the amount of energy we consume, as though supplies were limitless. The end to the period of cheap and plentiful energy is now a reality, one we must accept.

We must reject the advice of those who tell us that the United States need only produce more energy in order to evade the crisis. For years we have listened to these soothing voices, and now we have drawn perilously close to an energy catastrophe. The time has come to reject this illusory solution and accept the need to curb our energy appetite by using fuel more efficiently. Conservation is the only lasting means of resolving the related problems of increasingly scarce fuel supplies, overdependence on foreign oil, environmental degradation and capital constraints.

Cutting back on wasteful and inefficient uses of energy has long been one of my own personal projects. For this purpose, the distinguished Senator from Minnesota (Senator HUMPHREY) and I founded the Alliance To Save Energy, a private, nonpartisan, nonprofit organization dedicated to the promotion of rational energy-use habits in all sectors of our economy. It was very heartening to see included in the Carter plan many of the measures I have been advocating for years: a tax on gasoline, a "gas-guzzler" penalty on automobiles which fail to meet minimum mileage standards, peak-load pricing for electrical utilities, and the encouragement of residential and industrial insulation, to name just a few.

Naturally, I have some reservations about the President's plan. I have long been an opponent of excessive Government intervention in the private marketplace, and the proposals embodied in the Carter program for increased restrictions on energy pricing are troublesome to me. But all of us will have to make adjustments of some kind or another as we develop and oversee a balanced program.

We desperately need a comprehensive energy policy of the sort envisioned by President Carter. We will never have one unless we in the Congress approach the subject in a spirit of constructive compromise. But in our efforts to reject the one extreme of self-serving obstructionism, we must not fall victim to the other extreme of passive and uncritical acceptance.

There are several aspects of the plan which need careful scrutiny. For example, the plan to provide rebates to encourage people to buy small cars seems

likely to create an unnecessary dilemma: either we apply the rebate to foreign cars and risk harming U.S. small car sales, or we deny the rebate to foreign cars and risk violating our commitments under GATT. Also, we must be sure that the plan provides sufficient help to low-income and elderly people, the groups hardest hit by higher fuel prices.

As suggested by President Carter, the Congress can best demonstrate its support of the goals of the national energy plan by enacting a joint resolution committing the Nation to:

Reducing annual growth of U.S. energy demand to less than 2 percent;

Reducing oil imports from a potential level of 16 million barrels a day to less than 6 million barrels, about one-eighth of total energy consumption;

Achieving a 10-percent reduction in gasoline consumption;

Insulating 90 percent of all residences and other buildings;

Increasing coal production on an annual basis by at least 400 million tons;

Using solar energy in more than 2.5 million homes.

I endorse these goals and urge my colleagues to enact a joint resolution committing the Nation to them.

The President has received generous and thought-provoking press coverage of his findings and plan of action. On April 20, 1977, there appeared three incisive and provocative editorials on this subject in the New York Times. Further thoughts on the President's energy message are contained in a statement I released this morning. Mr. President, I ask unanimous consent that these four documents be printed in the RECORD.

There being no objection, the editorials and statement were ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 20, 1977]

CARTER'S FIRST BIG-CRUNCH

(By C. L. Sulzberger)

PARIS.—President Carter has addressed himself admirably to the greatest long-range problem of the United States and the rest of the industrialized world. If he succeeds in gaining national and international support for his energy program he will have shown himself able to act in the grandly effective manner of another Democratic leader, Franklin D. Roosevelt. But the road remains long, twisting and studded with pitfalls.

Mr. Carter's first step was to charge the brilliant, tough James Schlesinger with the principal task of coordinating a policy designed, in the very long run, to prevent America from either sliding into the paralysis of subzero growth, such as that toward which unhappy Cambodia now stumbles, or heading gradually toward old-fashioned recourse to war in search of raw material sources—in this case fuel. Neither extreme need ultimately be considered absurdly alarmist.

The nation's energy problem—as Mr. Carter said Monday night—is already worse "than it was in 1973 or a few weeks ago." Without enough energy a wasteful, over-industrialized society must grind to a halt just as inevitably as Cambodia doomed itself when it deliberately destroyed its few factories, such as sugar refineries and slew its few technicians.

As for war in quest of material gain—known familiarly as imperialism—this is a very old and ingrained habit in mankind, the only living species save the harvester and to organize conquests for that purpose. Anyone who remembers those trial blimps floated during the Kissinger-Ford Administrations implying that Washington might encourage Israel to seize Saudi Arabia's petroleum wells, can see that the idea is not 100 percent removed from contingency "thinking."

The Carter energy program is the first fully thought-out prescription for one of the nation's crucial difficulties. Should it succeed, it will take its place among historic milestones such as the N.R.A. (National Recovery Administration) or the Lend-Lease Act. One inevitable short-term development will be Mr. Schlesinger's assumption of the Cabinet's principal post—coordinating all energy problems as a kind of souped-up, perhaps less crusty, certainly more intellectual Harold Ickes.

Already, though the barest blueprint has yet been outlined—stressing conservation of automobile fuel, air conditioning, etc.—so-called "special interests (normal to any free society) have begun to holler: oil companies, automobile manufacturers, coal producers, economists, consumer pressure groups. But Mr. Carter is on the right road, and he and Mr. Schlesinger will have to bulldoze their way down it.

It is beyond high time for the West's fat-dripping societies to cease choking themselves on the uninhibited exhaust of factory and engine pipes; stalling amidst traffic jams induced by overuse of cars (in two-, three-, or four-car families); freezing themselves in air-cooled summers and boiling themselves in air-cooked winters, all devouring petroleum we haven't got.

Is it unreasonable that a nation which can dispatch men to the moon should be unable to build more efficient automobiles with engines that expend less fuel for more power?

Even four years ago James E. Akins, then U.S. Ambassador to Saudi Arabia and later fired by Mr. Kissinger for being abrasively and profoundly right, wrote: "To look simply at the world's oil reserves and conclude they are sufficient to meet the world's needs can no longer be acceptable."

It is a fortunate coincidence that Mr. Carter's energy policy assumed shape just before his first Presidential trip abroad to London's economic summit and also as the International Atomic Energy Agency convenes a conference in Salzburg on nuclear power.

There have already been differences in energy approaches between the United States and other industrial nations. These seemed heightened by the President's attempt to ban the spread of weapons-grade plutonium, thus hindering certain reactor projects.

All aspects of energy—petroleum, natural gas, solar power, coal, hydro-electric power and nuclear—are indeed linked and some industrial lands—notably Japan and France—are woefully short on fossilized fuel. But Mr. Carter already has indicated to Roy Jenkins, president of the European Commission, that Washington's plutonium views won't harm Europe's energy plans.

Yet these remain details—crucial details but incidental to the problem of getting the world to agree on how to face future energy needs. And it is right that the largest industrial power and greatest energy consumer should lead the way in showing what can be done to conserve what exists, rationally share out what is coming, and pioneer in the development of new sources like the sea and air around us and the sun above.

[From the New York Times, Apr. 20, 1977]

MR. CARTER'S CERTAIN TRUMPET

But even those two Midwestern potentates would never have been able to wreak such havoc had it not been for the . . . total incompetence of the last three men to occupy the White House, especially the fool who finished off our country by presiding over the Crash of '79.

That havoc, described in Paul Erdman's best-selling novel of petrodollar intrigue, is, of course, imaginary. But something approaching it is imaginable. The muscle and comfort of the United States depend on energy—and increasingly, on foreign oil. And, the world's oil supply is getting scarcer and scarcer all the time. The perils may not cause a "crash" by 1979 but they are already alarmingly evident.

Fortunately, as his first energy message demonstrates, Jimmy Carter is no fool. He has taken as his text the famous lines of William James: "What we now need to discover in the social realm is the moral equivalent of war, something heroic that will speak to men as universally as war does." In words as somber as his suit, Mr. Carter has called the nation, peaceably, to arms. There will be time enough, after Mr. Carter details his energy program tonight and in coming days, to assess the merits and the politics of specific proposals. For the moment, he is entitled to respect and support for a brave beginning.

Mr. Carter did more than he had to, as a politician concerned with the moment. He did all that a President concerned for the future could do. Rather than wrap an innovation or two in an otherwise familiar—and safe—catalog called an energy program, he outlined a complete, coherent strategy. His approach lays out the problem for the public to understand; but it also exposes the Administration to maximum political risk as it tries to press its strategy on several difficult fronts at once. As an example, note the haste with which Senator Howard Baker, the Republican leader, moved to pronounce, even before tonight's detailed message and without regard to need or alternative, that he is "unalterably opposed to a gas tax."

It is doubtful that the public will rally quickly to Mr. Carter's trumpet, no matter how certain its call. The embargo of 1973 has faded; it is almost an exercise in nostalgia to recall such emblems as the anti-Arab bumper strips that read "The faster you drive, the richer they get." Now, to the ordinary householder the problem of how to pay last month's fuel bill looms much larger than whether there'll be enough fuel, at any price, in the winter of '85.

Still, the President is right, as well as brave, to press this test of Americans' willingness to behave in their long-term best interests. He may not win on every front quickly. But the effort will make the development of a sound energy program steadily easier and the threat of upheaval steadily less fearsome, until finally the United States can gain energy security, and with it, the moral equivalent of peace.

[From the New York Times, April 20, 1977]

THE PRICE OF ENERGY INSURANCE

As the Congressmen trooped out of the briefings yesterday on the President's energy program, they agreed, apprehensively, that it would be "controversial." A truer word was never spoken. Sen. Howard Baker has already pledged undying hostility to the gasoline tax. He claims to see in it another attempt by the bloated East to fasten its hegemony on the sturdy motor-driven yeoman of rural Tennessee. Members from the oil states deplored the inadequate emphasis, they said, on increased domestic oil production. Meanwhile, the members from the automobile states deplored the excessive emphasis, they said, on automobiles. It was a busy day—and, remember, the legislative details won't begin to appear until the President speaks to Congress tonight.

Oil imports are currently just over half of our national oil supply. Depending on 9 million barrels a day of other people's oil is hazardous to your economic health. That

huge volume, and the prospect of continuous increases, maintains a tight sellers' market for OPEC.

Some Americans, including some in Congress, seem to have the idea that OPEC's current price, around $13 a barrel, somehow reaches the limit of possibility. On the contrary, OPEC could raise it to $20 tomorrow and, as a matter of economics, the United States couldn't do anything but to keep buying and keep crying. If the Arabs wanted to use the oil weapon again and cut off sales altogether, the whole industrial world would be thrown into chaos—again. This country and the countries of Europe have been pouring armaments into the Persian Gulf region to pay for oil. If somebody ever begins to use those weapons, it wouldn't take much of a war to close the Gulf completely to oil tankers.

For people in politics, it's an awful position to be in. If Mr. Carter and Congress put through all these severe and unwelcome measures to reduce our oil imports, maybe the country can avoid the dire possibilities of embargo and extortionate pricing. But then no congressman could ever prove to his constituents that this insurance policy had been necessary. It's like taking a flu shot. You always remember the sore arm, but never the case of flu that you didn't get. Nobody can count the people who didn't die in the epidemic that didn't happen. Nobody can reckon the cost of an oil shortage that wise public policy prevented.

It's Congress' job to challenge and test each line of the President's energy program. As the President himself candidly observed, it's a complex structure, and there's something in it for everybody to hate. But for Congress and everyone else, in the end the question isn't whether you like it all down to the last nut and bolt. It's whether you can think of any better answer to a danger that is, unfortunately, a real one.

STATEMENT BY SENATOR CHARLES H. PERCY ON PRESIDENT CARTER'S ENERGY MESSAGE TO CONGRESS

President Carter's energy message to Congress is a bold and comprehensive challenge for a national attack on America's critical energy crisis. The President's proposals deserve the careful but prompt consideration of Congress. And, more important, the Congress and all sectors of our society must get behind a comprehensive plan to save energy or we risk the future well being of all Americans.

By emphasizing the necessity of energy conservation because of inevitably higher energy prices, the President has taken the tough approach to cutting our extravagant waste of both expensive foreign oil and dwindling domestic supplies of oil and natural gas. For consumers, conserving energy is one of the best ways to save money. The President also has provided sound incentives for environmentally-safe use of our abundant coal supplies and development of such new energy sources as solar power. Only strong incentives will work; voluntary measures have not worked.

Every American is being asked to join the energy conservation effort to avert what the President has correctly warned will be a national catastrophe if we fail to act. Sacrifice will be required by every citizen and every interest group, but it is far better to sacrifice now than to do nothing and eventually face the day when America would go into economic decline, hostage to the nations which control the world's energy resources.

It is absolutely essential that American motorists stop squandering energy. A higher Federal gasoline tax, along with an equitable income tax rebate, will place a realistic price on gasoline. What is more, stiff taxes on the purchases of gas-guzzling cars and rebates on the purchase of fuel-efficient cars will reward the purchase of cars that meet the nation's conservation goals.

The President has wisely provided consumers with attractive economic incentives to improve energy efficiency in their homes. Through tax credits for installation of insulation, storm windows and clock thermostats, along with requirements that utilities offer financial and technical assistance for the installation of these energy-saving devices, the national conservation effort will reach out to every homeowner, and at the same time will provide savings in fuel bills.

The President has correctly extended the war on energy waste to the artificially-low pricing of domestic oil and natural gas. Once again, realistic pricing is the best mechanism to end waste of cheap, underpriced fuel.

It is essential that Congress work diligently in the weeks ahead to assure that new energy policies enacted into law are fair to every American. We also must accommodate the needs of those hit hardest by higher energy prices—particularly the aged and the poor.

President Carter has delivered the strongest challenge to America of any peacetime President. There will be disagreement and debate over many of his specific proposals, but no one can soundly question the severity of the nation's energy crisis or the urgent need for action. It is up to every American to join the national energy conservation effort. This is the underlying purpose of the recently created Alliance to Save Energy.

PRESERVATION OF PRIME AGRICULTURAL LAND

Mr. PERCY. Mr. President, the annual decline in farmland acreage in the United States is causing considerable concern among both farm and nonfarm groups throughout this country. Productive agricultural land is one of this country's most valuable resources and the entire world benefits through its proper and efficient use.

In order to demonstrate the impact that preservation of prime agricultural land can have on millions of our citizens, rural and urban dwellers alike, I would like to give you a brief economic profile of the agricultural situation in Illinois.

The State of Illinois, with approximately 81 percent of its 35 million acres classified as farmland, is one of the most productive agricultural areas in the United States. In 1975, Illinois ranked 1st in the Nation in the production of corn and soybeans, 9th in the production of oats and 12th in the production of winter wheat. Illinois produced over 19 percent of the Nation's soybeans with 15 percent of the Nation's soybean acreage and 21 percent of the Nation's corn.

Illinois leads the Nation with 8.2 percent of all agricultural export shares for all agricultural commodities. As of 1975, Illinois accounted for 15 percent of the Nation's export shares for soybeans and soybean products, ranking first in the Nation.

The key to Illinois' high level of agricultural productivity lies in its soils. Illinois has literally millions of acres of rich farmland bearing some of the most fertile soils found anywhere in the world.

However, the Illinois Department of Agriculture estimates that the State is losing farmland at a rate of 80,000 acres a year. During the 10-year period between 1966 and 1975, about 1 million acres of Illinois farmland were lost to all forms of urban and rural land use. The Illinois Department of Mines and Minerals estimates that between 5,000 and 6,000 acres of productive agricultural land is lost each year due to strip mining.

Recently the Illinois USDA State rural development committee hosted a mini-leadership conference on "Land Use—Food, Energy, and Living," in Champaign, Ill. The objective of the conference was to provide an opportunity for the participants to suggest ways in which the committee could best be of service to the State of Illinois in informing the public about land use issues. It is my hope that the conference brings to the attention of others the importance of preserving prime agricultural land. Furthermore, I hope that other concerned people will hold conferences in their respective States, similar to the one held in Illinois.

Mr. President, I ask unanimous consent that the following summary of the Illinois land use conference be printed in the RECORD so that the Illinois conference may serve as a format for others who may want to hold similar conferences in their own States.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF USDA STATE RURAL DEVELOPMENT COMMITTEE CONFERENCE ON LAND USE—FOOD, ENERGY, AND LIVING

The Illinois USDA State Rural Development Committee hosted a mini-leadership conference on Land Use—Food, Energy, and Living, in Champaign, Ill., March 30, 1977. The 50 invited participants represented a broad cross-section of interests for the use of land resources.

Four presentations were made in a morning session which set forth the following:

1. An overview of economic and political conflicts in land use.

2. The impact of converting prime farmland to other uses as well as the need to protect remaining land resources with conservation systems.

3. The past, current and projected impacts of Illinois coal mining on land use as it relates to the nation's energy needs.

4. The need for land use planners to consider agricultural land as a major land use rather than land to be developed. It was pointed out that agriculture as a major industry has many needs for an infrastructure to support it and this should become a part of land use planning efforts.

During and following a group lunch, at tables of 10 to 11 people, there were discussions of the presentations and other land use concerns. Recommendations to the Rural Development Committee were formulated.

A wrap up session of the entire group participating in open discussion is summarized below:

CONCERNS

1. Prime agricultural land conversion to other irreversible uses.

2. Lack of clear national and state land use policies that provide guidelines and/or targets for local and state land use decision makers' use.

3. Fragmented federal, state, and local government policies and procedures that result in inefficient use of land and in many cases cause spinoff impacts on agricultural land.

4. Societal energy needs are often neglected in terms of land use planning.

5. Adverse impact on wildlife of intensive agricultural pursuits.

6. Elected officials at all levels inadequately informed about land use issues.

7. Conflicts of interest relating to land use planning.

RECOMMENDATIONS

1. The USDA State Rural Development Committee continue to provide a forum for all interests to have on-going dialogue on the land use issues.

a. Conduct regional seminars for public participation but with special emphasis on getting all elected officials to attend.

b. Conduct a state conference at the level of a Governor's Conference for bringing together all interests statewide.

2. The State USDA Rural Development Committee assist state government agencies and Legislative Committees who are studying land use issues and are developing growth policies by providing information on research activities and points of reference, especially relating to agriculture.

3. Monitor land use legislation and inform the public concerning the impacts.

REGULATORY REFORM: THE FDA IN FLUX

Mr. PERCY. Mr. President, over the last 15 years, the most chastised and controversial of all the regulatory agencies within the Federal Government has been the Food and Drug Administration, FDA. The FDA's saccharin ban is only the latest in a series of widely publicized episodes in a turbulent history. Since the horrors of the thalidomide disaster in the early 1960's, the FDA has been caught in an ever-tightening vise between the Agency's statutory responsibility to safeguard the consumer from any potentially deleterious effects of new products, and the public's own aggressive demand for safe and effective goods.

A recent series of articles in the New York Times by Richard D. Lyons and an article from the New York Times Magazine by Dr. Richard Spark clearly delineate the problems confronting the FDA today.

Sweeping innovations in our technological capabilities have dramatically increased the pressures on the FDA. In almost every imbroglio in which the agency has been involved over the last decade, either the product itself was new or the problem identified with it could not have been detected with the technology available a generation earlier. The FDA now requires, literally, a mountain of research information on a product's safety and potential effectiveness before it will render an independent assessment of that product's benefits and risks.

Today, for each of approximately 100 new drug applications made every year, the FDA must review an average of 120,000 pages of complex data. This work is a herculean task for the agency staff. It has resulted in something of an alleged "drug lag," because of the FDA's cautious approach toward approving new drugs. Pharmaceutical company officials point out that, in the last 15 years, the average time from drug development to marketing has quadrupled.

But one cause for this delay has been the abject failure of some food, drug and cosmetic companies to work with the FDA toward the common goal of safe and effective products. Because of the financial pressures of a highly competitive business, certain companies want to see their products marketed as quickly as possible. For that reason, the FDA must set a standard of openness and fairness in its decisionmaking that will protect the agency from any charge of arbitrariness on its part. The benefit/risk formula used by FDA in approving drugs must be clarified so that both the affected industry and the public clearly understand the reasons behind all decisions enforced by the quasi-judicial FDA. Rulings which seem arbitrary or unfair do untold damage to both public confidence in FDA's ability and the responsiveness of industry to FDA policy.

The Regulatory Reform Act of 1977, sponsored by Majority Leader BYRD, Governmental Affairs Committee Chairman RIBICOFF, and myself, has set as its primary goal the elimination of excessive, duplicative, inflationary, and anticompetitive regulation. Through the strict discipline and action-forcing mechanisms of this legislation, regulation would be made more responsive to the public interest. The FDA is a prime example of a regulatory agency desperately in need of such reform.

S. 600, the Regulatory Reform Act of 1977, not only seeks reorganization of bureaucratic quagmires but, more importantly, begins to address the fundamental philosophical issues which lie at the heart of Federal regulation of consumer products. In the absence of the day-to-day, case-by-case pressures which surround the FDA, Congress could better assess the net impact of the FDA, including the degree to which it has achieved its statutory purposes. This regulatory review could then offer practical, more effective, alternative approaches to achieving the desired regulatory ends.

The Regulatory Reform Act of 1977 is of vital interest to businessmen, consumers, and regulators alike. The 8-year agenda allows enough time for serious study and dialog on each of the regulatory agencies. By taking legislative action to achieve more effective and efficient regulations, all concerned and interested parties, perforce, will begin to reevaluate the principles and procedures which underlie each of the regulatory agencies. As these excellent articles clearly show, a thorough housecleaning is in order.

Mr. President, I ask unanimous consent that the New York Times articles of March 13, 14 and 15, 1977, along with the New York Times Magazine article of March 20, 1977, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 13, 1977]

FDA IS CAUGHT BETWEEN DEMAND FOR NEW GOODS AND PUBLIC SAFETY

(By Richard D. Lyons)

WASHINGTON, March 12.—The Food and Drug Administration's ability to assure the safety and usefulness of tens of thousands of household products has been torn between unending demands for new consumer goods and vastly more sophisticated methods of detecting potential dangers in those products.

In virtually every one of the scores of controversies in which the agency has been embroiled in the last decade, either the product itself was new or its problems could not have been identified with the technology available a generation ago.

Saccharin, which the agency said this week it would ban, has been sold since the turn of the century, but questions about its safety arose only in the last decade. Furthermore, the method used in identifying saccharin as a potential health hazard has been employed for only a few years.

Demands for new products, coupled with demands for their total safety, have not only put the F.D.A. at the center of controversy but also strained its role as moderator between the industries that develop products and the consumers who use them.

Such disputes wear and divide further an agency that in recent years has been accused in lawsuits of incompetence or wrongdoing, has been investigated more than 100 times by Congressional panels and has had its intent challenged by liberals and conservatives. All the while, new products continue to be spewed out by the scores, while the agency says it cannot monitor those already on the market.

During one frenetic period in the early 1970's, the American consumer was beset by reports of mercury in fish, botulism in pizzas and mushrooms, pesticides in turkeys, arsenic in chickens, antibiotics in cheese, growth hormones in meat, infectious salmonella in soup, cyclamates in soft drinks and DDT in practically everything.

The concern that Americans have about obesity led to demands for artificial sweeteners to replace sugar, which generates 77 calories in a typical bottle of soft drink. As a result cyclamate and aspartame were developed to replace saccharin, which often leaves a bitter taste. Then, the replacements were banned as potentially carcinogenic after prolonged legal, scientific and even political struggles that served to undermine the drug agency's ability to meet its routine commitments. Now controversy has erupted over saccharin as well.

Public demands for better contraceptive methods led to birth control pills and intrauterine devices that in turn raised grave medical questions about the hazards they posed to the health of millions of women using them.

Again, the agency had to moderate as the arguments became heated.

Other recent controversies have centered on synthetic food colorings to make convenience foods appear more palatable, electronic heart pacemakers to correct cardiac problems, drugs to modify high blood pressure, microwave ovens that offer increased efficiency, lightweight plastic bottles containing potentially harmful chemicals, aerosol sprays for convenience in applying cosmetics, contact lenses and scores of other relatively new products.

DEFENSIVE REACTIONS

Such disputes have left many consumers unable to assess the charges and uncertain what to believe, and have tended to keep the agency mired in defending itself rather than initiating the day-to-day and long-term regulatory actions it is charged with undertaking.

Still, during the last fiscal year the F.D.A. initiated 1,276 actions against either the producers or distributors of consumer goods, including the seizure of 317 batches of items and the recall of 837 others.

A classic case in which the agency seized the initiative in what it perceived as consumer protection started in 1962. Acting on Congressional mandate, the agency sought to set limits on the strengths of vitamin and mineral supplements. There was evidence, and still is, that using large amounts of vitamins A and D might be harmful.

After a process that lasted 11 years, the agency put regulations into effect in 1973.

The results were howls of complaints from food faddists, who said they had the right to eat anything they wanted regardless of Federal regulations, and scores of lawsuits, with some going to the Supreme Court. The drug agency's action was upheld, but only after enormous expenditures of the agency's resources.

Leading the charge against the regulations were pharmaceutical concerns that manufacture vitamins, and the National Health Federation, a group that the drug agency has called "a front for promoters of unproved remedies, eccentric theories and quackery." Six one-time officers of the federation have been convicted of breaking various medical and drug laws. Not surprisingly, the federation wants the F.D.A. abolished.

OVERRULED BY CONGRESS

After losing the Supreme Court test, the federation and other backers of unregulated vitamins tried a different tack. They mounted an intensive lobbying campaign in Congress that produced tens of thousands of letters. Scores of bills were introduced in response to the pressure and H.R. 7988, which nullified the F.D.A.'s regulations, was enacted last year.

Vitamins are only a tiny part of the agency's regulatory domain. The $150-billion-a-year food industry markets an average of one new product a day. A generation ago the average market sold about 1,500 items. Today there are 10 times that number, and the agency must find virtually all of them safe or bar them from distribution.

Adding to this rush to new products are the chemical additives that help produce, store or process the goods. At least 2,500 food additives on the market, including colorings, flavorings and preservatives, are intended to make foods look, taste, age, mix or spread better.

Dr. Sidney M. Wolfe, the director of the Health Research Project, a Washington-based consumer advocacy group, said: "We know that many of the additives are harmful, and it's possible that almost all of them may be, therefore why use them at all since they really aren't needed?"

The drug agency has banned many food colorings and additives, some only after prolonged legal and scientific battles.

PROBLEMS FROM CONTAINERS

Even food containers pose problems. In recent years controversies have erupted over whether the wax coatings on milk cartons are carcinogenic, over trace elements of potentially harmful plastics that have been found in cereal boxes made from recycled paper and over whether the chemical components of lightweight plastic containers for liquor and soft drinks are safe.

Even in trying to do what its officials perceive to be the right thing, the F.D.A. draws attack from opposite sides. After a series of scares about the risks of food additives, an editorial in the Journal of the American Medical Association, a group long opposed to the agency's cautious approach to allowing new drugs on the market, chided the agency for causing "undue alarm" about the food problems.

Conversely, the agency has been accused, in a detailed report of the Center for the Study of Responsive Law, another Washington-based arm of Ralph Nader's consumer advocacy crusade, of selling out to the food industry. The report, titled "The Chemical Feast," was especially strident about food additives, urging the agency to ban chemical additives that even hint at causing cancer, genetic damage or birth defects.

The agency has the power to order such bans under the terms of the so-called Delaney Clause in the food additives amendments to the Food, Drug and Cosmetic Act that were passed in 1958.

CANCER-CAUSING SUBSTANCES BANNED

Bearing the name of Representative James J. Delaney, Democrat of New York, this clause prohibits the use of chemicals in foods if the chemicals have been found to cause cancer in either animals or humans.

Mr. Delaney said the advocacy of such legislation had led "the chemical lobby to spend $90,000 to defeat me." He retained his seat by only 145 votes.

His legislation also transferred from the agency to industry the burden of proving the safety of a chemical, subject to agency review. In the cyclamate case, the laboratory work that discovered tumors in the bladders of laboratory animals was performed by the manufacturer.

But this transfer of responsibility has created still another problem for the agency—the possibility that the tests or their results are fraudulent.

In a series of cases still developing, the agency has urged the Justice Department to convene a Federal grand jury in Chicago to investigate the possibility that data used to support proof of safety for new drugs had been falsified by the G.D. Searle Company, one of the nation's major pharmaceutical makers, and a series of independent testing laboratories.

When the Delaney clause was enacted, Congress regarded 50 parts per million as the practical equivalent of "zero" contaminant. Yet today's analytical techniques are almost one million times more sensitive than they were then.

The scientific detective work that can increasingly spot trouble is aided by such tools and methods as the electron microscope, mass spectroscopy, neutron activation analysis and gas chromatography, which collectively can detect amounts of contaminants as little as one part per trillion.

In the latest saccharin tests, which were performed in laboratories of the Health Protection Branch of the Canadian Government after animal feeding tests made by the F.D.A. had been challenged as having been improperly conducted, it was a new testing technique, rather than a new machine, that spotted trouble.

Animal feeding experiments have been conducted for decades as a means of assuring the safety of food products since little testing of hazardous substances can be performed on humans. Forty different studies on rats and mice had been made with saccharin.

But Canadian scientists devised a new strategy to counter all complaints that the tests had not been conducted properly. As with other tests, they fed large quantities of saccharin to 100 rats, some of which developed bladder tumors. But it was the offspring of this group that was of more concern since they had been exposed to saccharin since conception. And it was in these offspring that most of the cancerous tumors were found.

Another chemical in widespread use since the turn of the century as a food additive is red dye No. 2 once mixed into hundreds of products. It had been identified as a potential carcinogen as early as 1956, and a ban on its use in the Soviet Union forced the drug agency to examine the chemical more closely in the early 1970's.

One F.D.A. scientist said an agency experiment that had raised serious questions about the chemical "was more or less squelched," and agency officials now acknowledge that the studies were botched. Finally, the agency banned the substance again using techniques not in use a few decades ago.

DIFFICULT TO INTERPRET DATA

"Our scientific capacities to detect chemical residues have in many cases outstripped our scientific ability to interpret their meaning," said Dr. Alexander M. Schmidt, who was Commissioner of the agency until last December.

While these innovative detection methods serve to spot potential hazards, they also raise the question: How safe is safe?

While one part per trillion of a carcinogen is theoretically illegal, does that level in a substance really mean that it is a hazard to health?

Critics of food additives noted that many people are increasingly coming to believe that it is.

The complex issues of food additives and food safety are relatively simple when compared with the infinitely more complicated problems of assessing drugs since they are much more likely to cause harm. In addition, in the case of drugs, subjective decisions must often be made not only for the safety of the pharmaceutical, but also for its effectiveness.

The legal linchpin of the drug agency's current regulatory efforts for drugs is a series of 1962 amendments to the Food, Drug and Cosmetic Act that charge the agency with determining that drugs are not only safe but also effective for treating the conditions for which they are prescribed.

It took the agency over a decade to review the efficacy assertions for 3,500 drugs appearing under 5,800 different formulations called "me-too" products. Of the 3,500 about 730 already have been ordered off the market and perhaps another 300 will be after resolution of a herculean amount of legal and scientific work.

AGENCY IS OFTEN CHALLENGED

In trying to carry out its legislative mandate the agency sometimes appears to be a bottomless pit of problems. Almost any position it takes is challenged by someone, and if it takes no position it is accused of "do nothingism."

Before Dr. Schmidt became Commissioner of Food and Drugs he asked the outgoing director, Dr. Charles C. Edwards, and the agency's general counsel, Peter B. Mutt, about the agency's problems. As Dr. Schmidt recalled it, the conversation went this way:

Schmidt: I notice that F.D.A. takes a lot of hard knocks in the newspapers. Is there never any good news about F.D.A?

Mutt: No, I can't recall any. However, there is sometimes bad news for which we don't get blamed.

Schmidt: For instance?

Edwards: Well, there's a report of botulism in borscht on the Trans-Siberian Railroad.

[From the New York Times, Mar. 14, 1977]

DEMORALIZATION PLAGUING F.D.A.; SOME TOP JOBS REMAIN UNFILLED

(By Richard D. Lyons)

WASHINGTON, March 13.—In just a decade the Food and Drug Administration has evolved from amorphous obscurity deep within the capital bureaucracy into both the world's paramount regulator of consumer goods and the Federal Government's most criticized, demoralized and fractionalized agency.

With the agency's ban on saccharin, it is again at a storm center of complaints from consumer groups that the action was too long delayed and from diet food interests that the step was capricious and without scientific justification.

But the agency, a bureaucratic waif that is responsible for overseeing a staggering $200 billion worth of products yearly, is not only whipsawed by the public controversy, it is so demoralized that a number of its top positions long ago unfilled, so burdened that it cannot keep up with the explosion of consumer goods and so battered by lawsuits and outside pressures that its power to make its decisions stick is sometimes undermined.

AMBITIOUS SAFETY EFFORT

Its bureaucratic problems have been so vexing that in just the last three years the agency has been the target of more than 100 Congressional investigations, 50 highly critical reports by the General Accounting Office and a series of internal inquiries despairing of ever setting the place right.

Moreover, it is plagued by the inherent difficulties raised by the speed with which industry develops new products and the countervailing speed with which analytical science develops new methods for detecting potential danger in substances on the market.

Even critics who are frustrated with the agency's performance say that no other government has attempted such an ambitious effort to insure the safety of food and drugs for its people. This raises questions about the limits of what can be expected from any such agency as the F.D.A., especially when the public's expectations are so diverse.

Additionally, the agency has increasingly become a scapegoat of forces on both the right and left: the former charging that the agency is overregulating to the point of subverting personal freedom, the latter that it is failing its legislative mandate to protect the public from adulterated foods and nostrums far more harmful than snake oil.

The litany of complaints by special interest groups is led by the pharmaceutical industry and the medical profession, which charge that the agency obstructs progress by failing to give speedy approval to the miracles of modern science that could save lives and prevent suffering.

Consumer advocates counter that the scientific oversight of the agency is sloppy and inadequate, thus exposing the public to scores of unneeded and dangerous drugs and chemicals that contribute to all manner of ailments and diseases, including cancer, the most feared of all.

Present and former F.D.A. officials express a weariness in discussing the depth of the agency's problems and their frustrations in trying to solve them.

"The Congressional hearings in the last couple of years just about destroyed the agency," an agency official said privately. "The staff has been torn by dissension and strife, the morale is bad, there's no direction and stagnation has set in."

Another Federal official who has been intimately connected with the agency for years and is a member of a review team exploring the agency's deficiencies and its future expressed his opinion somewhat differently:

"On Monday, Wednesday and Friday I think there's no hope for F.D.A.; on Tuesday, Thursday and Saturday I think it's possible to turn it around."

Ralph Nader was among those persons familiar with the agency who has been both a highly vocal critic willing to be identified.

"What the F.D.A. needs is guts," said the consumer advocate, noting decisions in which agency officials have made decisions, then reversed themselves. His point was that the agency, which lacks a strong constituency to give it support, is whipsawed by lobbying groups and is sometimes undermined by pressure from the White House and Congress.

In some widely publicized cases involving the agency's efforts at regulation, subsequent investigations disclosed that the first effect of an F.D.A. order either to ban or to restrict use of a product was a march to the White House of Capitol Hill by agents of the manufacturer seeking to use political influence to have the injunction removed.

Indeed, after his departure as Commissioner of the agency in 1969, Dr. Herbert E. Ley said that "what the F.D.A. is doing and what the public thinks it's doing are as different as night and day." He complained further that during his 18-month tenure he had been under "constant, tremendous, sometimes unmerciful pressure" from drug industry officials.

But the $10 billion a year market in prescription and over-the-counter drugs made by 2,500 companies is less than half the agency's regulatory responsibilities. It has the legislative authority to oversee the products of 50,000 food companies that market $130 billion worth of goods. Add to the list cosmetics, medical devices such as eyeglasses, veterinary medicines fed to livestock and such other diverse products as microwave ovens and aerosol sprays.

As problems arise the agency becomes embroiled in thousands of cases, some of which develop into national controversies, and at times it seems that the agency lurches from crisis to crisis.

After the detection of botulism in Bon Vivant vichysoisse in 1971, it was discovered that the company's New Jersey processing plant that had produced the tainted batch had not been inspected by the agency in more than four years.

Cranberries tainted with a dangerous weed killer, fish contaminated with mercury, artificial sweeteners that may cause cancer, oral contraceptives that may contribute to strokes, alleged cancer cures of no proven worth that draw emotional but uninformed support from a gullible public—these represent only a few of the agency's crises.

Successive Administrations, starting with President Kennedy's, have reacted to the controversies by throwing increasing amounts of funds and personnel at the criticism.

Since the so-called Kefauver-Harris amendments, which set the regulatory tone of the modern F.D.A., were enacted in 1962, the agency's annual budget has increased more than tenfold from $23 million to $242 million, while its staff has tripled from 2,400 to 7,200.

Yet criticism of the agency has seemed to be directly proportional to Federal appropriations.

A year ago the Ford Administration was on the verge of releasing an economic report containing scathing criticism of the agency's utility and effectiveness. The comments were later deleted for unexplained reasons.

During the agency's 15-year period of both expansion and trouble, its commissioners have tended to leave the agency with sighs of relief.

"Two to three years is the limit you can run such an agency," said one former Commissioner, Dr. James L. Goddard. "By that time everyone is mad at you."

Key administrative positions at the agency have sometimes gone unfilled for years and as a result various departments have been allowed to drift and flounder through lack of leadership and authority.

Nine months elapsed between the announcement last July by Dr. Alexander M. Schmidt that he intended to leave, and the naming earlier this month of his successor as Commissioner, Dr. Donald Kennedy.

The position has been held in relatively low esteem by academicians, physicians and management specialists, and the salary of $50,000 a year is relatively modest when compared with similarly demanding positions in medicine and industry.

There has been no director of the agency's important Bureau of Food since the departure of Dr. Virgil O. Wodicka 2½ years ago.

The directorship of the Bureau of Medical Devices and Diagnostic Products remained vacant almost as long, 28 months, until the appointment last June of David Link. Agency sources said almost 40 persons had been offered the position.

The agency now has 70 professional vacancies, including 20 physicians, 14 toxicologists, 7 pharmacologists and 5 lawyers.

Groups of dissident employees have trooped to Capitol Hill to testify against their superiors, plunging the agency into name-calling internal squabbles that remain unresolved.

"One of the most frustrating, embarrassing and degrading experiences I've ever had in my medical career" was the way Dr. Gerald Solomons of the University of Iowa described to a Senate committee his service as an F.D.A. consultant two and a half years ago. He and 10 colleagues said they were harassed, transferred and even overruled when they produced negative findings after evaluating new drugs

COMPLAINTS ABOUT STAFF

The internal complaints have also concerned lower level employees, with some agency officials privately describing members of the F.D.A.'s professional staff as "retreads" and "has beens." In testimony a year ago dealing with low morale at the agency, Dr. J. Richard Crout, director of the Bureau of Drugs, said this about the chaos in which he had found the agency:

"There was an enormous documents room . . . where some people said fights went on and there was absenteeism. There was open drunkenness by several employees, which went on for months. There was intimidation internally. I tell you that in my first year at F.D.A., even lasting longer than that, 1972–73, going to certain kinds of meetings was an extraordinarily peculiar kind of exercise.

"People—I'm talking about division directors and their staffs—would engage in a kind of behavior that invited insubordination. People tittering in corners, throwing spitballs—I'm describing physicians. People who would, let me say, slouch down in a chair, not responding to questions, moan and groan with sweeping gestures, a kind of behavior I have not seen in any other institution as a grown man."

Leading the Congressional investigations of the agency's difficulties have been Senator Edward M. Kennedy, Democrat of Massachusetts, who heads the Subcommittee on Health of the Labor and Public Welfare Committee, and Senator Gaylord Nelson, Democrat of Wisconsin, who directs the Subcommittee on Administrative Practice and Procedure of the Senate Judiciary Committee.

In summing up hearings of the two subcommittees, Senator Kennedy said last summer: "During the past two years these subcommittees have received testimony from 30 F.D.A. employees about the practices and internal management of the agency.

"These accounts included serious allegations of undue industry influence, improper transfers, details or removals, alteration of files and forced withdrawal of memoranda, bias toward drug approvals, improper manipulative use of advisory committees, disappearance of critical agency action memoranda into what the F.D.A. Commissioner termed 'a mysterious bottomless pit,' and incredibly slow-moving ineffective enforcement, and compliance programs with years elapsing between the discovery of a problem and the initiation of a solution, and inappropriate use of medical officer recommendations."

In reaction to these hearings and others previously held by House committees, a special new investigating panel was set up in February 1975 by Caspar W. Weinberger, who was then Secretary of Health, Education and Welfare. He gave the committee 18 months to try to interpret the charges and suggest remedies.

But bickering has groken out within the investigating group, formerly called the H.E.W. Review Panel on New Drug Regulation. Key personnel, including the original chairman, have resigned, the reporting deadline has passed, and an extension has been granted until the end of the month. The panel will file two comprehensive reports totaling over 1,000 pages in April and May dealing with F.D.A. staff problems and scientific judgments.

[From the New York Times, Mar. 15, 1977]

FDA MAY BE ULTIMATE CHALLENGE TO CARTER'S PLEDGE ON REORGANIZATION AND CONSUMER AID

(By Richard D. Lyons)

WASHINGTON, March 14.—For the Carter Administration, whose leader and top aides say that governmental reorganization and consumer protection are paramount among

their priorities, the Food and Drug Administration may be the ultimate challenge.

In the past, critics and reformers have focused on the bureaucratic problems of the agency while the F.D.A. itself has reeled in response to one crisis after another. But few have addressed the fundamental philosophical issues that lie at the heart of the regulation of consumer products:

Can the public tolerate other thalidomide cases if the trade-off to those maimed and killed is new and more effective drugs that can protect and salvage many more lives?

Do all soft drinks have to be sweet, or will a diet-minded public tolerate some sodas that contain neither the sugar that generates calories nor the artificial sweeteners that may cause cancer?

THE FUROR OVER SACCHARIN

Should the Federal Government prohibit the use of a drug such as Laetrile, which it deems worthless in treating cancer although some sufferers of the disease believe that it will do them some good?

If an oral contraceptive increases the chance of stroke in the woman who uses it, should she be prohibited from taking it even though an unplanned pregnancy in itself may threaten her life?

In short, how should the line be drawn between underregulation and overregulation of consumer goods, and who should draw it and when? How shall government regulation be changed?

The F.D.A. drew the line on saccharin, and now is under tremendous pressure to reverse itself, as it has done in the past with other substances that its officials considered to be harmful. Yet, the agency's conduct and the logic of the laws under which it makes such decisions have come under increasing attack in the last decade, and the Carter Administration almost assuredly will make changes. Whether or not there will be reforms is another question.

"The saccharin uproar may be the trigger that will force both Congress and the American public to re-examine the responsibilities of the F.D.A. and the laws under which it operates," an agency official said last week. "Indeed, we may be on the verge of addressing the very real dilemma of choosing between safety and the real world."

President Carter made repeated statements during the campaign last year in support of both increased consumer protection and government reorganization. While key members of his Administration have yet to address the problem of making the F.D.A. operate more efficiently and effectively, it is likely that in time they will be forced to do so.

Any plans for reorganization or reform would also have the effect of forcing into the open how far the public and Congress are willing to go in demanding guarantees of total consumer protection.

Conservative groups have stepped up their attacks on the philosophy of consumer regulation, using examples of drug agency decisions as ammunition. Such conservatives as Dr. Milton Friedman, the Nobel Prize-winning economist, have posed questions about the need for such consumer regulation.

Volumes of laws have been enacted under the interstate commerce clause of the Constitution to regulate consumer products since Congress in 1897 forbade the importation of any tea "inferior in purity, quality, and fitness for consumption" as compared with a legal standard. Varying degrees of authority over foods, drugs, cosmetics, fabrics, pesticides and scores of other classes of goods have been vested by Congress in the F.D.A., the Department of Agriculture, the Environmental Protection Agency and the Consumer Products Safety Commission.

And in most cases, the drug agency has been the spearhead of regulatory efforts in behalf of consumers, although some consumer advocacy groups would contend otherwise.

At the turn of the century, muckracking journalists exposed medical quackery and the industrial trusts; in doing so, they demonstrated the scandalous conditions in the state of foods and medicines.

The result was the Pure Food and Drug Act of 1906 and the formation of the embryonic F.D.A., then part of the Chemistry Bureau of the Department of Agriculture. More consumer laws were passed in the next generation, leading to the formal establishment of the agency.

MORE AUTHORITY IN 1937

A drug disaster in 1937 that killed 93 persons using an elixir of sulfanilamide, a compound used in treating gonorrhea and other infections, led to much tighter regulation of foods, drugs and cosmetics and an administrative reorganization that split the agency from the Department of Agriculture, gave it more authority and made it the forerunner of the present Department of Health, Education and Welfare.

A scandal in the early 1960's involving thalidomide, which was used as a sedative and was found to be responsible for severe birth deformities when taken during pregnancy, led to the enactment of the tough Kefauver-Harris amendments that have set the tone of the modern F.D.A.

In the ensuing years, the agency seemed to get everything its officials could want in bureaucratic bounty: more authority, more staff members, more money. But the agency today is hardly better off than it was 15 years ago because, despite the budgetary largess and added power, it has been overwhelmed by the unexpected dimensions of the very problems it was supposed to solve.

A public conditioned to the sincere if misguided view of "better living through chemistry," also demands a wider variety and number of consumer products that are larded with extra chemicals, some of which may be harmful, that can be detected by new analytical techniques that can find some harm in virtually anything. Therefore, rising public expectations and demands collide with everyday realities.

"It's like the old wheeze about how to stop crime," a former agency official said. "The obvious answer is put a cop in every car, in every house, on every street."

"Total consumer protection is an unrealistic dream," he continued. "The costs would be a staggering, hundreds of millions of dollars more, and the end result would be a bureaucracy that simply would not be tolerated by the public."

The uproar produced by the agency's proposal to ban saccharin is an expression of this attitude, while there are other clues that there is a counterreaction to the conventional view that the public wants more consumer protection. Even Ralph Nader has conceded that the consumer movement has stalled for lack of public enthusiasm.

A bill to countermand the saccharine proposal has already been introduced in Congress, following on other legislative attempts to undercut the powers that the Senate and House had already given the agency.

In response to the entreaties of a vocal lobby, Congress last year repealed its mandate to the agency to set limits on the potency of vitamin and mineral supplements. Bills introduced in Congress this year, which are being supported by more than 70 members would also reverse a previously taken Congressional position by withdrawing from the agency the power to ban from the market a prescription drug that failed to live up to its claims of usefulness.

COLLIDING DEMANDS

The public overwhelmingly says it wants a healthier environment, yet demands for cleaner air and purer water are being muted in some parts of the country when they lead to the closing of polluting factories, resulting in layoffs.

In turn, the financial pressures in the highly competitive food, drug and cosmetics industries put a burden on the agency to approve products that may have been inadequately or even fraudulently tested. In one case receiving increasing attention, the agency has urged an inquiry by a Federal grand jury into what is believed to be fraudulent reporting of the results of tests on animals of drugs later approved for human use.

"As soon as dollars are involved, the companies run for their lawyers, not their scientists," a Federal official familiar with the agency's operations said.

"The problem is that the United States has not learned to use science as a regulator, although no other country has either, and the solutions have been based on laws passed in reaction to crises rather than on science," he added.

An F.D.A. consultant said, "The agency's rulings are drafted by scientists, then translated by lawyers into regulations that they can defend in court, but sometimes a lot is lost in translation."

HELD IN HIGH REGARD

Despite all its problems and defects, even some staunch critics say that the F.D.A. may be the best consumer protection agency in the world. Officials of the World Health Organization in Geneva say they regard it very highly and that "nothing the F.D.A. does escapes international attention."

Yet, if the agency is the best, it may be so by default. No other nation has citizens who not only desire safety in consumer goods but are also willing to invest a quarter of a billion dollars a year in such regulation.

Agency officials note that public opinion polls conducted by Louis Harris two years ago had found that 86 percent of those questioned were familiar with the agency, a higher rating than that of any other consumer organization, and that those questioned said they thought the agency was doing a better job of protecting the interests and safety of consumers than any other Federal consumer unit.

But the agency is beset by management, staff and policy problems that are compounded by a virtual lack of any organized constituency to support the agency.

Many consumer advocates believe that the Nixon-Ford Administrations were marked by political meddling in drug agency decisions and, in general, a lack of zeal for consumer-oriented product regulation.

"What is needed is a pro-consumer lobby to persuade the F.D.A. to take its injury-prevention duties more seriously," said Anita Johnson, a lawyer and consumer advocate in Washington.

Dr. Charles C. Edwards, a former Commissioner of Food and Drugs credited with improving the administrative management of the agency in the early 1970's, has proposed a superagency akin to the Federal Reserve Board.

"There is no way under the current system that the commissioner can protect himself from all the pressures," Dr. Edwards said. "He needs to be able to make a decision and stick to it, free from political interference."

Dr. Edwards noted that Arthur F. Burns, chairman of the Federal Reserve Board, serves for a fixed term and thus has tenure and protection by law from interference even by the President.

Investigations in the last 15 years have decried the lack of highly motivated, competent scientific personnel. Most F.D.A. professionals oversee the laboratory work of others outside the agency rather than originating it themselves, and this secondhand work is not highly regarded in science.

Further, the agency's scientific staff tends to be inbred because there is almost no chance to work outside the agency and thus gain a different perspective of scientific problems and techniques that might relate to the agency.

Congressional proposals to award sabbatical leaves to F.D.A. scientists were dismissed by the Ford Administration as being too expensive and a waste of time.

The agency is spread through 16 buildings—some little more than huts, and others modern but bleak—that seem to be strewn at random in a dozen places throughout the District of Columbia and its suburbs.

For more than a decade, attempts have been made to collect the agency's operations on an expanse of Federal land earmarked for it in Beltsville, Md. But funds have repeatedly been rejected by Congress.

REFORM EFFORT DEFEATED

One abortive reform effort was tried last year through bills introduced by Senators Edward M. Kennedy, Democrat of Massachusetts, and Jacob K. Javits, Republican of New York, that would have divided the agency into two units—a Federal drug and devices administration and a Federal food and cosmetics administration. The idea was that, through subdivision, more attention could be devoted to specialized problems by a more specialized agency.

The Ford Administration and others familiar with F.D.A. operations opposed the measure on the ground that two agencies would be twice as hard to deal with. The bills have not been reintroduced this year.

Other proposals have called for consolidating the consumer activities of the F.D.A., the Environmental Protection Agency, the Department of Agriculture and the Consumer Product Safety Commission into a single agency, either separate from the Department of Health, Education and Welfare or at a higher level within the department. But this might create a bureaucracy that in itself would be more inefficient and difficult to administer than the F.D.A. already is.

Supporters of a strong F.D.A. contend that the most important needs of the agency are more authority and the setting of priorities in the regulation of consumer goods by either Congress or the President.

Dr Sidney M. Wolfe, who as director of the Health Research Group here has been a frequent and harsh critic of the agency, said: "It's not the money it gets, it's how it's spent—in other words, priorities. Devote the funds to the areas that have the greatest impact."

This, according to Mr Nader, means those areas in which consumers are either "being harmed or cheated."

"To make the F.D.A. work, you would have to give it a consumer advocacy function so that it could develop its own consumer constituency," Mr Nader added, noting that President Carter has endorsed the notion of consumer advocacy

The intentions of the Carter Administration toward the agency are not clear, although there is little doubt of its well-intentioned support. Mr Carter said last summer that he favored adequate research programs on consumer products to anticipate potential hazards, and would recommend measures to establish quality standouts wherever possible

Simon Lazarus, the White House aide responsible for the regulatory agencies, was asked what plans the Administration was drawing up to deal with the regulation of consumer goods in general, and the F.D.A in particular

NOTHING HAS BEEN DECIDED

"I haven't the slightest idea," he replied. "There really is absolutely nothing that has been decided, and no one is addressing the question at the moment"

Mr Lazarus noted that Marrison Wellford, a former associate of Mr. Nader, has the "line" responsibility for the agency in the Office of Management and Budget. But if there are plans to reform the agency, Mr. Wellford has not been talking about their content and timing.

Joseph A. Califano Jr., the new Secretary of Health, Education and Welfare, inspected the agency's headquarters in Rockville, Md., earlier this month and told the workers there that the agency had "more responsibilities and less resources than most agencies of the Federal Government."

But Mr. Califano's statement about the agency and its responsibilities was clouded by the fact that his inspection trip, scheduled for two hours, was cut to 2 minutes.

In the view of a veteran F.D.A. official who is acutely aware of the agency's problems, the only path to reform is reorganization, the setting of realistic priorities and at least an attempt at resolving philosophical issues that collectively would give the agency "a new sense" of direction, a new image and a new name."

[From the New York Times Magazine, Mar. 20, 1977]

BREAKING THE DRUG BARRIER

(By Richard Spark)

Unfortunately, no drug is completely "safe." For example, there is a medication that, when administered in low doses, may cause indigestion and bleeding disorders, and, in higher doses, may result in marked alterations in blood chemistry, stupor, seizures and, on occasion, death. One would hardly expect a medication with such inherent toxicity to be approved for use by laboratory mice, let alone humans.

Yet the use of this drug—aspirin—is sanctioned by the Food and Drug Administration because it lowers fever and relieves pain more consistently than it produces harmful side effects. It remains on the market because its benefits outweigh its risks.

The benefit-vs.-risk formula has been effectively used to evaluate all drugs. In recent years, however, because of pressure from consumer groups and Congress, disproportionately more attention has been given to the risk side of this equation. As a result, the F.D.A. has been both cautious and sluggish in approving new medications for use in this country.

Regrettably, this slowdown has occurred during an era of major advances in pharmacology. Over the past 15 years, many important new drugs have been developed that represent advances in controlling life-threatening cardiac arrhythmias (irregularities of the heartbeat), hypertension, asthma, ulcers, edema and seizure disorders. These medications have been widely used throughout the world but have been unavailable to American patients. Eventually, many of these drugs have been or will be sanctioned for use in the United States. But "eventually" usually means a delay of between 2 to 10 years. This bureaucratic embargo on new drugs has been referred to as the "drug lag" and its significance is viewed with variable concern by different members of the health-care community.

One's perspective of the problem depends upon whether one is predisposed to consider new drugs as primarily harmful or beneficial. Members of consumer groups and of Congress, who generally enjoy the luxury of good health, have focused much of their attention on the harmful effects of medications and see in the drug lag the workings of an admirable "better safe than sorry" policy.

On the other hand, patients who must get along with older medications that are either less effective or more toxic than new drugs that are awaiting approval are likely to disagree. Pharmaceutical company officials who in the past have developed antibiotics, antihypertensives, and other "miracle drugs" are also embittered over the F.D.A.'s predilection for procrastination. They note that in the last 15 years the average time from drug development to marketing has quadrupled and they are fond of arguing that, with the current climate of restrictive regulations, were aspirin a new drug today it is likely that even it would be a long time in being approved by the F.D.A.

Just why does the drug lag exist? It can be traced back to public apprehensions resulting from a number of drug disasters in the late 1950's and early 1960's, peaking with the thalidomide catastrophe in 1962.

Originally marketed in Europe, thalidomide is a fairly effective sleeping pill, which would probably have been routinely approved by the F.D.A. under earlier procedures. But, while approval was pending before the F.D.A. evidence became public that pregnant women who had been taking the pill in Europe were giving birth to deformed babies. It happened that a bill to require extensive and prolonged testing of new drugs was being considered in Congress at the same time. Public reaction to thalidomide helped propel the legislation, the Kefauver-Harris bill, through Congress.

The Kefauver-Harris requirements have resulted in a staggering increase in the paperwork necessary to document a new drug's safety and effectiveness. Today the F.D.A. must each year review an average of 120,000 pages of complex data for each of around 100 new drug applications. For the 70 physicians and 350 ancillary personnel assigned to new drug applications at the F.D.A., this is a herculean task.

One recent example of what is required for new-drug approval is the application by Abbott Laboratories last year for permission to market Abbokinase, an agent that dissolves blood clots and can be used in the treatment of pulmonary embolism. No less than 428 volumes of research results, totaling 664,000 typewritten pages, were part of the company's approval application. The time-consuming barriers of testing that are reflected in such mountains of paperwork stand in stark contrast to both earlier U.S. experience and current practices abroad. In 1948, for instance, the F.D.A. approved a cough medicine, Benylin expectorant, upon submission of only 73 pages of data. And numerous new drugs that face years before clearance in the U.S. have long since been approved and are on the market in Europe or Japan today.

Moreover, there is little motivation in the F.D.A. to speed any application along for approval, for F.D.A. employees know that might get them in trouble with Congress. This caution was described by former F.D.A. Commissioner Alexander Schmidt when he testified before U.S. Senate hearings on health in September 1974. "In all of our [F.D.A.] history," he said, "we are unable to find one instance where a Congressional hearing investigated the failure of the F.D.A. to approve a new drug. The occasions on which hearings have been held to criticize approval of a new drug have been so frequent in the past 10 years that we have not even attempted to count them. At both the staff level and managerial level, the message . . . could not be clearer. Whenever a difficult or controversial issue is resolved by approval, the agency and the individuals involved will be publicly investigated. Whenever it is resolved by disapproval, no inquiry will be made. The Congressional pressure for negative action is, therefore, intense and ever increasing."

This "Congressional pressure for negative action," the brief moment of glory for not approving thalidomide, and the increasing volumes of data to be received were interpreted as a clarion call for inactivity and

had a devastating effect on morale and productivity at the F.D.A.

New drug approval, which had peaked at 240 for the year prior to the Kefauver-Harris hearings, fell to an average of 60 in subsequent years; and in one six-year period, 1967–72, not a single new drug was approved in the cardiovascular area.

While the rigorous requirements legislated in the Kefauver-Harris act are largely responsible for the drug lag, a compounding basic problem has been the failure of the pharmaceutical companies and the F.D.A. to work together toward the common goal of safe and effective drugs.

Drug development is a complex process. Ordinarily, a new drug goes through several phases of testing in different species of laboratory animals to determine if it has therapeutic potential and if it has any major toxic actions. Of the several thousand new chemical entities that are developed and tested, only a handful pass this stage.

Once the new drug is considered safe and effective for laboratory animals, the pharmaceutical company applies to the F.D.A. for permission to test the new drug in humans. This work is usually farmed out to various clinical investigators at medical centers around the country.

While the patient is taking this new medication, the clinical investigator is obligated to see him at frequent intervals to record the effects of the new drug. Does it lower blood pressure? Does it relieve his arthritis? He must also determine whether there are any deleterious side effects. Did the medication make the patient sleepy, hyperactive, impotent, give him diarrhea, or cause his hair to fall out? The investigator must also be alerted to the unexpected. Does the medication that is supposed to relieve high blood pressure also cause blood cells to hemolyze (rupture), cause an elevation in blood sugar, or damage the kidneys?

The information from these studies is forwarded to the pharmaceutical company sponsoring the drug, which collates the data and submits it to the F.D.A. for approval to market the new drug. This is where problems first develop. Frequently, the F.D.A. will review the material and feel that the studies were designed and interpreted by the drug company in such a way as to prejudice the results in its favor. A series of potentially embarrassing questions may be asked:

Was this an adequate and well controlled study? For example, it is known that most hypertensive patients have marked variability in their day-to-day blood pressure. If a hypertensive patient has a blood pressure of 160/100 on a day when he received no drug and a blood pressure of 150/90 when he received the experimental medication, is this due to the drug or his normal day-to-day blood pressure variation? Are the changes produced by the drug objective or subjective? That is, for the patient with arthritis who gets a new drug and says he feels better, can one also demonstrate that there is measurably less swelling in his joints and greater freedom of movement of his affected extremities?

Are the side effects acceptable when measured against the benefits anticipated from the new drug? A sliding set of standards is used to answer this question, standards that depend on the nature of the disease being treated. A 20 percent incidence of nausea and vomiting may be acceptable for a new drug that is designed to treat certain forms of cancer, but is it acceptable for a drug used to treat a kidney infection? The drug company may have demonstrated that its drug does not adversely alter any of the 12 blood tests that were measured in the laboratory safety screening. Do they know with certainty that a 13th, 14th, or 15th test will not be affected? Can the company be sure that this drug will not cause cancer?

Many of the questions that are asked at this time are valid. Some are merely contentious.

However, if any of the questions cannot be answered to the satisfaction of the F.D.A. or one of its advisory committees, the new drug application is likely to be returned to the pharmaceutical company for more studies. Naturally, the more money invested in research and development, the greater the ultimate cost to the patient when the drug is finally marketed.

In 1962, a single new drug could be developed for $1.2 million in the United States and around $900,000 overseas (United Kingdom, Holland, Sweden, France and Germany). By 1972, the cost of developing a new drug in the United States increased to $11.5 million while the comparable overseas figure was $7.5 million. Projections are that in 1977 the development of a single new drug in this country will cost $40 million.

When the test data finally satisfies the F.D.A. and its advisory committees, there is one final hurdle: the wording of the package insert which is written by the pharmaceutical company but must be approved by the F.D.A. The package insert contains brief statements about structure, chemistry, mechanism of action, recommended dosage, toxicity and, most important, a listing of those specific medical conditions for which the F.D.A. has granted approval for the drug to be used. This last point is a source of great medico-legal concern.

It is true that the package insert tends to be largely ignored. Dr. J. Richard Crout, director of the Bureau of Drugs at the F.D.A., notes: "We insist that the drug industry spend several million dollars a year putting an insert in every package, knowing full well that at least 99 per cent of these pieces of paper end up in the waste basket."

In any case, the legal status of the package insert is ambiguous. Thus, the law states that a "new drug may not be shipped in interstate commerce intended for uses not contained in the currently approved labeling." But the same law also states that once a "new drug has been shipped in interstate commerce for its approved use . . . a pyhsician [may] lawfully prescribe the drug for an unapproved use."

Why would a physician want to prescribe a drug for an unapproved use? Primarily because there is also an "approval lag."

Frequently, a drug that is initially marketed for one use will, at a later date, be found to have a second unrelated use for which it has not been approved. A notable example is Xylocaine, which was originally approved and marketed as a local anesthetic—it is the "novocaine" we get when we go to the dentist. Years afer it was approved for this use, Xylocaine was found to be extremely effective in controlling life-threatening cardiac arrhythmias that may occur after a heart attack. But it was a full 10 years after the original reports of Xyclocaine's effectiveness as an antiarrhythmic agent before it was sanctioned by the F.D.A. for this other use.

During this decade Xylocaine was freely shipped across state lines ostensibly "intended" for its approved use as a local anesthetic. However, unless one is willing to presume that epidemics of dental caries struck our hospitals' coronary care units, it is clear that Xylocaine was being heavily prescribed for an unapproved use.

The fact that there is a double standard of legal responsibility for pharmaceutical companies and physicians with respect to the package insert has been interpreted by some pharmaceutical executives as the first crack in the dike at the F.D.A. The current trend is for the drug company to seek approval for a new drug for whichever indication is likely to meet the least amount of resistance at the F.D.A. Once the new drug is approved for use for any indication and is on the market, the drug company confidently assumes that physicians will prescribe it freely for its other, unapproved indications.

Such machinations in marketing, which have left physicians in a precarious position, are the least of the problems that have been spawned by the drug lag. Fearful that any irregularity in animal toxicity studies will jeopardize their new drug applications, pharmaceutical companies have not always made a full disclosure of their data. The most recent case involved the G. D. Searle Company, which withheld data indicating that two of its products, Aldactone (a diuretic and antihypertensive) and Flagyl (a treatment for trichomoniasis), cause cancer in laboratory rodents when given in extremely high doses for a prolonged period of time.

When the consumer-oriented Health Research Group petitioned to have Flagyl removed from the market because of its demonstrated capacity to cause tumors in mice, the F.D.A. refused. While agreeing that Flagyl was, in the doses used, carcinogenic in the mouse, they challenged the Health Research Group's contention that this was prima facie evidence that it was "unsafe for human use." They pointed out that several agents that are known to cause tumors in animals, such as the antitubercular drug isoniazid and the sedative phenobarbital, do not cause cancer in humans. However, in an effort to mollify the Health Research Group and spank Searle, the F.D.A. did recommend that data on animal toxicity be more prominently featured in the package insert.

For medications that are not approved for any use, patients and physicians have found their own creative solutions to the drug lag. For example, Beclomethasone, a cortisone-like compound, marketed in England in 1972, was immediately recognized as a significant advance in the treatment of asthma, for it can be delivered directly to the lungs, thereby eliminating the deleterious side effects of hypertension, obesity, osteoporosis (thinning of the bones), intestinal bleeding and worsening of diabetes mellitus, side effects that occurred when cortisone was swallowed in tablet form and distributed throughout the body. In 1976, four years after Beclomethasone was introduced in England, it was approved in the United States. Four years is a long time to wheeze. But not for the affluent asthmatics who were able to deal with their English Connection, a cooperative London pharmacist who was willing to fill American prescriptions for Beclomethasone for patients who could then smuggle it back into this country.

Has the more demanding ritual required for new drugs in the United States protected American patients? Apparently not, for there are still a number of agents that have wended their way through the process only to be recalled at a later date because of new evidence. The most prominent examples of this are the minipill and sequential oral contraceptives, which, after approval, were found to cause breast cancer in beagles. A more recent example is the drug Triazure, which was approved for the treatment of psoriasis, only to be withdrawn one year later because it was found to cause arterial thrombosis (blood clots). The system is not fool-proof.

On the other hand, while there have been problems with some more rapidly approved drugs in England, there is no evidence to indicate that during those 15 years when drugs have lagged in this country, the British suffered quantitatively more side effects than have been observed here.

What solutions are there to the "drug lag?" The F.D.A. and the pharmaceutical industry are agreed on the need for a more efficient system to make safe and effective new drugs available to American patients. There are several suggestions as to how this may be implemented. The F.D.A. has proposed that the pharmaceutical companies consult with them

at the earliest possible stages of drug development so that a mutually acceptable program of clinical testing can be designed. Presumably this would obviate the need for the F.D.A. to request "just a few more studies" after the drug company had already invested millions of dollars and years of time in programs that were exclusively of its own design.

For their part, the drug companies would like to have the F.D.A. spend less of its time and limited manpower justifying its past actions to Congress and consumer groups and devote more resources to processing new drug applications.

The proposed new liaison between the F.D.A. and the drug companies in the early stages of drug development may prove to be fruitful. However, it is unlikely that elected officials and consumer groups will abrogate their responsibilities and declare a moratorium on questioning the F.D.A.'s actions.

It may be that the only solution to the problem is international. It should be possible for the F.D.A., England's Committee on Medicines and the comparable national agencies of other interested nations to meet and agree on a uniform set of standards for safety and effectiveness that can be applied internationally to evaluate each new drug. A pool of data could thus be gathered and made available to all participating countries and be analyzed on its merits at approximately the same time to determine whether this international documentation of safety and effectiveness justifies approval of that drug. A collaborative effort of this nature would eliminate needless repetition of research and would go a long way toward lowering the cost—in both time and money—of drug development.

There is every reason to believe that the dramatic advances in pharamacology that we have witnessed for the past 15 years will continue. A more efficient system must be devised for testing and evaluating new compounds so that they will be quickly available at a reasonable cost to American patients.

Side effects of new drugs will, it is hoped, be minimized, but they will not disappear. But then neither will disease. Taking any medication will always involve a calculated weighing of benefits and risks. The drug lag has not eliminated the risks. It has merely delayed the availability of the benefits.

(This concludes additional statements submitted today.)

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

AMENDMENT OF THE STANDING RULES OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, first, I ask unanimous consent that the Senate proceed to consideration of Senate Resolution 5.

Mr. BAKER. Mr. President, I object.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate proceed to the consideration of Senate Resolution 5.

Mr. BAKER. Mr. President, I had hoped, as I said earlier in the time allocated under the standing order to the two leaders, that we could find a way to negotiate our way out of this dilemma. I still have some hope that we can do that. I indicated previously that I had hoped also that we would not bring this measure up until tomorrow. But we now have before us a motion to proceed to the consideration of Senate Resolution 5.

I intend to discuss this matter with my colleagues on this side of the aisle, with the distinguished majority leader, or his designee, and others who wish to discuss it, to see if there is room for accord and agreement. I intend to explore the concerns and the problems that we believe Senate Resolution 5 presents to the detriment of the minority. I wish the Senate to be on notice of our willingness to try to find a common ground for agreement and compromise.

In the meantime, Mr. President, I think it is important that I discuss thoroughly the ramifications of this proposed change.

Mr. CANNON. Will the Senator yield 5 seconds?

Mr. BAKER. I cannot yield for the purpose of a question. I ask unanimous consent that I may yield to the Senator without losing my right to the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I ask unanimous consent that William Cochrane, Peggy Parish, and Louise McPherson be granted the privilege of the floor during the consideration of this measure.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Mr. President, the cloture procedure in the Senate is one with which we are all familiar and one that has been the subject of much debate over the years. It may come as a surprise to some to learn that cloture as we know it today, is a fairly new innovation in the procedure of the Senate.

On the other hand, the procedure for expediting debate goes back to the earliest days of the Senate. As a matter of fact, in 1789, the first Senate adopted 20 rules, of which the following relate to debate in and taking the time of the Senate. I quote rule No. 2 from that provision:

2. No Member shall speak to another, or otherwise interrupt the business of the Senate, or read any printed paper while the Journals or public papers are reading, or when any Member is speaking in any debate.

3. Every Member, when he speaks, shall address the Chair, standing in his place, and when he has finished shall sit down.

4. No Member shall speak more than twice in any one debate on the same day, without leave of the Senate.

5. When two Members shall rise at the same time, the President shall name the person to speak; but in all cases the first rising shall speak first.

6. No motion shall be debated until the same shall be seconded.

* * * * *

8. When a question is before the Senate, no motion shall be received unless for an amendment, for the previous question, or for postponing the main question, or to commit, or to adjourn.

The "previous question," in other proceedings, Mr. President, is the effective equivalent of cloture. According to the authorities, it apparently developed in the British Parliament in the 17th century. It is described in section 34 of Jefferson's Manual of Parliamentary Practice as follows:

When any question is before the House, any Member may move a previous question, whether that question (called the main question) shall not be put. If it pass in the affirmative, then the main question is to be put immediately, and no man may speak anything further to it, either to add or alter.

In 1778, the Journals of the Continental Congress also show that the "previous question" was used. Section 10 of the Rules of the Continental Congress reading: "When a question is before the House no motion shall be received unless for an amendment, for the previous question, to postpone the consideration of the main question, or to commit it."

The earliest rules of this Senate provide, in the ninth rule:

9. The previous question being moved and seconded, the question from the Chair shall be: "Shall the main question be now put?" And if the nays prevail, the main question shall not then be put.

The 11th rule of the Congress of 1789 provide that—

11. When the yeas and nays shall be called for by one-fifth of the members present, each Member called upon shall, unless for special reasons he be excused by the Senate, declare, openly and without debate, his assent or dissent to the question.

That is the origin of the first effort to limit debate in Congress, Mr. President. According to the publication of the Committee on Rules and Administration of the Senate, dated January 3, 1977, there were changes to the procedure of the Senate of the United States relating to the limitation of debate of the previous question, or cloture, in 1806, 1807, 1841, 1846, 1850, 1862, 1868, 1869, 1870, 1871, 1872, 1873, 1879, 1880, 1881, 1882, 1883, 1884, 1886, 1890, 1893, 1897, 1902, 1908, 1911, 1914, 1915, 1916, 1917, 1918, 1920, 1921, 1922, 1925, 1926, 1933, 1935, 1939, 1945, 1946, 1947, 1948, 1949, 1950, 1951, 1953, 1955, 1956, 1957, 1958, 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1975, and 1976.

So it is, Mr. President, that Congress and, before it, the Continental Congress and, before it, the British Parliament, have had a great deal of difficulty in finding an equitable and fair way to regulate the flow of debate and to limit, on occasion, the extent and the nature of that debate. It is out of that chronology of events that rule XXII has grown in the Senate and has been amended from time to time.

Mr. President, one of the fundamental tenets of Senate responsibility, one of the distinguished characteristics of Senate procedure over the years, has been that, here, we guarantee the fullness of debate and the opportunity for a minority—even a minority of one or two—to ventilate fully, state, and publish their ideas and their positions on issues. That has been the great redeeming grace of the Senate. It has made it truly unique, not only in the American scheme of self-government, but throughout the annals of civilization, that there is a single forum where even a small minority has the unfettered right to express itself.

That has been the philosophy that has undergirded and structured the rules of procedure of this body, even with regard to rule XXII.

For instance, rule XXII provides that, on cloture, as on an affirmative determination of the question, "Shall the debate on this issue come to a close," even after cloture is invoked, each Member will have 1 hour to discuss the issues, to call up his amendments, and to debate them before the Senate proceeds to final consideration of the issue at hand. Under rule XXII as we know it and as it has come to us, surviving the several amendments to which I have referred, there remain 100 hours.

That hundred hours refers to the hundred hours of debate and, obviously, is enough for each one to express his or her point of view. That is the reason for my objection to the consideration of Senate Resolution 5.

I understand the need to tighten up on delay after cloture, but I think the Committee on Rules has gone too far, as the majority has gone too far. It reduces the 100 hours to 50 hours.

That does not seem too bad. The resolution was originally introduced to provide 50 hours, with a time allocation of 1 hour per Senator, which, as minority leader, concerned me, since there are more than 50 Senators in the majority. While it is extremely unlikely, it posed at least the theoretical possibility that the occupant of the chair might recognize only the majority for the full 50 hours, and the minority might thus be deprived of any right to debate the issues prior to cloture.

But in the Rules Committee, that was changed. Now they propose a reduction of post-cloture time, the 100 hours to 50 hours, a reduction from 1 hour per Senator to 30 minutes per Senator.

It sounds reasonable on the face of it, but then we notice that it is not 50 hours of debate, but rather, 50 hours for the consideration of the matter.

That is a big difference, because 50 hours of debate means that every Senator would have at least 30 minutes and the time for rollcalls, quorum calls and other matters would not be charged against the 30 minutes of debate or the previous 1 hour for debate.

But 50 hours of consideration is a very different thing. It puts us right back where we started in terms of the threat to the minority. This predicament is true. Because when we charge the time to read bills and amendments, and charge against that 50 hours the time for quorum calls and rollcall votes, and do not charge them to the 30 minutes allocated each Senator which remains 30 minutes of debate, we get back to the same situation. That is, it is at least theoretically possible that the entire 50 hours would be consumed by measures other than debate by the minority in this body.

No matter how unlikely an event the aforementioned may be, it is a matter of my responsibility and one I must guard against.

Mr. President, there are a number of other provisions in Senate Resolution 5 that are particularly troublesome to me. One of them concerns the number of times it is proposed that something be done in this body on motion and vote without debate.

Heretofore, much of the business of the Senate has been done by unanimous consent, which is the most exquisite form of minority protection. Unanimous consent means that any single Member can stop an action as soon as he considers it hostile or threatening from a legislative standpoint. But there is a very substantial change in the relative rights and opportunities for thorough treatment of the issues and expression of minority views, if we change that procedure from unanimous consent to "on motion" without debate.

I confess I am wary of anything that is done without debate. I find it difficult to understand why anything in this body should be done without debate. I am sympathetic with the idea that debate should be limited and should be appropriate, both in time and nature, and I am open to suggestions on how we can do that. But I express now my concern for anything that is done in this body without debate.

We do that regularly, of course, with tabling motions. We do not do it with previous question motions. But I think there is a fundamental trampling of rights when we speak of "on motions" without debate as a device for expediting business of the Senate on post cloture.

Mr. President, Senate Resolution 5 provides that motions to correct the Senate Journal will not be debatable and that the Journal must be confined to an accurate description of the previous day's proceedings in the Journal.

It is interesting, Mr. President, that when the distinguished majority leader or his designee appears here at the opening of each session of the Congress, he does not ask unanimous consent that the Journal of the previous day be approved. He asks unanimous consent that the reading of the Journal be dispensed with. There is no requirement in the rules that the Journal be approved.

There is conversely a requirement that any Member who wishes to correct the Journal may suggest that correction and that it may be debated, that it may be offered to the body for its consideration.

Provisions of Senate Resolution 5 provide that motions to correct the Senate Journal would not be debatable.

In another case, Mr. President, under Senate Resolution 5 it is provided that quorum calls would be restricted and that no appeal could be made from the ruling of the Chair that no business had been transacted since the last quorum call if the minute book or the transcript of debate supports the ruling.

This limitation would also apply to a ruling on a point of order immediately following a vote in whch the presence of a quorum was established and no business has intervened.

Mr. President, that may sound like an esoteric consideration, but it is a very real matter. It is a very serious concern to me that the Chair's ruling—no matter how august and distinguished the occupant of the Chair may be, or so immune from the disagreement of his fellows and colleagues, the other 100 Members of the Senate—I count the Vice President of the United States, of course, in his primary role as President of the Senate—that any ruling of the Chair should ever be unappealable, whether it has been the transaction of business or something else. I think the ruling of the Chair should always be appealable.

Mr. President, Senate Resolution 5 also provides that on cloture motion, no cloture motion may be presented covering any pending question unless 24 hours have elapsed since the Senate began consideration of the measure.

I frankly think that is a good provision. I have seen cases where not only cloture petitions were filed against a measure as soon as the measure was laid down as the pending business, but if my memory serves me, in the last Congress in the second session there were two measures where cloture petitions were filed before they became the pending business.

So I think that is a good provision in Senate Resolution 5 and that we could build toward a consensus of agreement in that respect.

Senate Resolution 5 also provides that a final limitation would allow Senators to offer a nondebatable motion to dispense with the reading of an amendment or report when the amendment or report has been identified by the clerk and is available to Senators in printed form.

I have some mixed emotions about that provision, Mr. President.

For instance, I have previously stated my concern for nondebatable motions as a matter of principle. I do agree, however, that on occasion we read extensive amendments and bills when there is absolutely no need to do so. If that measure, the bill, the resolution, the amendment, is on the desk of every Senator and has been available to him and to his staff for a reasonable time beforehand, it may be that something could be worked out, making it unnecessary to read each one; but it need not necessarily be in the form of a nondebatable motion.

I reserve judgment on that part, Mr. President.

Mr. GRIFFIN. Will the Senator yield for a moment?

Mr. BAKER. I am glad to yield to the Senator.

Mr. GRIFFIN. Of course, the language in the proposed change of the rules, about which the Senator is making his point, does not say that there would be a printed copy of an amendment on each Senator's desk and available also to the press in the galleries.

It seems to me this language only means that a printed copy need be at the desk and available to all Members if they want to go to the desk and search for it. This would mean that it would be very difficult not only for Senators to know what was going on but, also, the public.

Even though the reading of an amendment may involve a period of time and is sometimes used as a dilatory tactic, the fact is that the public is entitled to know what is going on in the Senate Chamber. If amendments are not printed and available to everyone, the only way that the public would know what is going on when an amendment is offered would be for the agreement to be read aloud.

So I agree with the Senator. I think it is a very important point to which we should give careful attention.

Mr. BAKER. Mr. President, I thank the distinguished Senator from Michigan, who is on the Rules Committee and has a detailed understanding of this proposal and its pitfalls and of the procedures of the Senate.

I think we should take account of the fact that rule XXII and the filibuster extension, or extended debate arrangement, have come to be thought of in this country as always dilatory and in some ways unacceptable or undesirable. However, it is a right to be protected.

I have voted for cloture as many times as I have voted against it, if not a great deal more often. I have no conviction, no policy that I will vote against cloture each time or for cloture each time. I try to cast each vote on the basis of whether I think there has been a good debate in the Senate on the issue involved. I am not one of those who think debate does not make any difference. I think it does. I do not think it makes much difference right this minute, because there are not enough Members present to hear my remarks, and therefore enable me to judge that impact.

However, I think that the time that passes while the Senate is considering a measure often has a beneficial effect. The country comes to understand the issues more fully than it would in an abbreviated time.

I believe that the great issues that have concerned the country have been settled more often than not, notwithstanding a tough cloture rule and the original provision for 100 hours of debate, under adequate protections and safeguards, after cloture.

In a word, Mr. President, cloture has served a good purpose many times. It has served its purpose well on the so-called "conservative" side, as well as on the so-called "liberal" side. I was not here at the time, but I understand that one of the granddaddy filibusters of all times was on the COMSAT bill.

It is a question of insuring that the country has an opportunity to hear and understand what is truly one's point of view.

So, Mr. President, as we address that situation, I hope that in Senate Resolution 5 we do not design a circumstance in which, after the Senate agrees to cloture by three-fifths of a constitutional majority, as is required in the present state of rule XXII, or two-thirds of those present and voting, as in the case of a rules change, we end the opportunity to discuss thoroughly the issues before the Senate.

I believe we are doing an important thing in considering this resolution. I said at the beginning of these remarks that I intended to discuss the matter fully—not only with Members on this side of the aisle, but also with my colleagues on the other side of the aisle—to try to find a common ground in agreements or changes that might eliminate our principal objections to this proposal.

I intend to discuss this matter at the Republican Policy Committee meetings today and tomorrow, and I intend to make suggestions or to gather suggestions as to how to work our way out of this dilemma. I think there is a chance that we can find an improvement on rule XXII to which we all can agree.

I do not think for one moment that we should change the three-fifths or the two-thirds provisions of rule XXII. They, indeed, are not under attack or under consideration in Senate Resolution 5. But I think there are serious deficiencies in Senate Resolution 5 as presently written; and unless we can reach an agreement or some sort of compromise as to changes in this measure, I expect that it will be necessary to discuss it at some length.

Mr. President, I yield the floor.

Mr. CANNON. Mr. President, the Committee on Rules and Administration reported Senate Resolution 5, amending the Standing Rules of the Senate relative to cloture, reading of the Journal, amendments, and conference reports, and appeals from the Chair on quorums, on April 18, 1977. This resolution, along with a number of others, was submitted and referred to the Rules Committee on January 4 of this year, the first day of this Congress, with instructions that "these resolutions, or that a resolution on the subject matter" not be reported back within 60 days, but to be reported within "not to exceed 90 days." The time limit was extended by a subsequent order, hence the report was not filed until April 18.

Eight resolutions on the general subject were referred to the committee for study, but Senate Resolution 5, submitted by Mr. ROBERT C. BYRD, was the resolution selected by the committee to be reported; it was reported with an amendment in the nature of a substitute by a vote of 6 yeas to 3 nays.

The resolution seeks to amend the rules so that if and when cloture is invoked on a pending motion, bill, or resolution the Senate will be assured that final action will be forthcoming thereon within a definite time. In the last Congress the cloture rule was used to the extent that the Senate was brought almost to a standstill as far as it was possible to act on proposed legislation on which cloture had been invoked. This certainly was not the intent of the Senate in its adoption of the cloture rule in 1917, and in adding amendments thereto since that date. In the last Congress a number of Senators became somewhat alarmed at the inability of the Senate to act on measures even after voting to invoke cloture. A number of Members have discussed the problem with me, inquiring if something could be done to correct that situation.

This resolution proposes to offer some solution in the case of such abuses of time in the future, and at the same time, leave the Senate with unlimited debate except when three-fifths, or two-thirds in the case of rule changes, of its membership goes on record that the Senate should act on the pending motion, resolution, bill, or any other pending question.

Under these proposed changes in the rules, the Senate would still have the same right to refuse invoking cloture as it now has—it would still take the same vote. All but one of the proposed amendments to rule XXII set forth in this resolution would not become operative until cloture had been invoked and that one exception would be to the advantage of those opposed to invoking cloture in that it would not be in order to file a cloture motion on any proposition until after the elapse of 24 hours following the time after such a proposition had been laid before the Senate for its consideration in the first instance; under the present procedure a cloture motion can be filed on any motion or pending business as soon as it has been laid before the Senate. This proposed change at least assures the Senate of a limited time to find out something about the pending proposal before it is called upon to invoke cloture thereon.

Currently after cloture is invoked on a matter, the time taken for quorum calls, rollcalls, reading of amendments, or any other uses of time not defined as "no Senator shall be entitled to speak in all more than 1 hour," is not charged against any Senator's allotted 1 hour. Hence, it has been possible under the present rule, by the use of delaying tactics, to block for a long time the final disposition of a matter on which cloture has been invoked.

In addition to the proposed changes in rule XXII there are recommended amendments to four other rules designed to eliminate certain existing procedures that can be used under certain circumstances to waste the Senate's time—namely: reading of long amendments and conference reports, when they are already available to all Senators in printed form, the reading of which at present may be dispensed with only if unanimous consent is granted. The resolution also proposed to dispense with the reading of the Journal on motion as well as by unanimous consent, another device which has been used on various occasions to delay action by the Senate.

Briefly, an analysis of the significant provisions of Senate Resolution 5, discloses that if adopted it would amend the Standing Rules of the Senate as follows:

Rule XXII would be amended to provide that once cloture has been invoked on any proposition, a maximum of 50 hours of overall consideration would be placed thereon after which time the Senate would begin to vote on its final disposition. At the close of 50 hours of consideration following the vote to invoke cloture—including quorum calls, votes, reading of amendments, debate, or the consumption of time for any other purpose—the Senate would proceed to vote on final disposition to the exclusion of any amendments at the desk not then actually pending before the Senate at that time, and to the exclusion of all motions except a motion to table, a motion to recommit, or a motion to reconsider action previously taken by the Senate, and one quorum call on demand to establish the presence of a quorum—and motions required to establish the presence of a quorum—and motions required to establish a quorum such as a motion to have the Sergeant at Arms request the

attendance of absent Senators—immediately before the final vote begins.

The 50 hours of maximum time would be subject to further reduction or to an increase of time greater than the 50 hours by the adoption of a motion to that effect, respectively, by a two-thirds affirmative vote of the Senators duly chosen and sworn—67, with a membership of 100—but only one motion to reduce the time and only one motion to extend the time would be in order in any one calendar day—avoiding the waste of time in repetitious votes on such motions.

The time limit could not be reduced to less than a minimum of 24 hours, but after the elapse of 24 hours on consideration, any remaining time could be further reduced but not to less than 2 hours by the adoption of such a motion by a two-thirds affirmative vote of the Senators duly chosen and sworn, and the new agreed upon time would be equally divided between and controlled by the majority and minority leaders or their designees.

While the resolution proposes no change in the method of invoking cloture, it would amend the rule so that no cloture motion could be presented on any pending question unless 24 hours had elapsed since the time the Senate began consideration thereof—with the exception of a motion to invoke cloture on the motion to proceed to the consideration of a matter—unless the majority leader had announced a recess or adjournment for a period of more than 30 days or had announced a sine die adjournment of Congress to begin within 2 weeks of the day on which such a cloture motion was presented.

This resolution proposes to amend rule III so as to dispense with the reading of the Journal on motion without debate, as well as by unanimous consent, and it also adds language to confine any corrections in the Journal to an accurate description of the proceedings of the Senate of the preceding day; such corrections would be determined without debate.

The resolution would add a new paragraph to rule V making certain rulings by the Presiding Officer as to the presence of a quorum not subject to appeal. The same prohibition against an appeal from the ruling of the Chair would also apply to decisions by the Chair on a point of order when made immediately following a yea-and-nay vote which established the presence of a quorum, and no business had transpired since that vote. These changes are designed to prohibit a Senator from appealing the decision of the Chair when he rules that no business has been transacted since the last quorum call or since the last yea-and-nay vote, at which time a quorum was established, and even though the vote sustains the decision of the Chair, this being business, the Senator taking the appeal could immediately call for another quorum.

Rules XV and XXVII would be amended by adding new language to those rules to make it in order to move to waive the reading requirement of any amendments or reading requirement of conference reports when presented to the Senate, when those amendments or conference reports are available to all Members of the Senate in printed form. Such motions would not be debatable, to be adopted by a majority vote.

All of these proposed changes in the rules of the Senate are set forth in this amendment in the nature of a substitute for Senate Resolution 5 which the Committee on Rules and Administration reported to the Senate with recommendations that the resolutions be adopted as proposed to be amended.

Mr. ROBERT C. BYRD. Mr. President, in recent years, an interesting phenomenon has occurred in the Senate—the post-cloture filibuster. Following the invoking of cloture, the Senate has had difficulty, all too often, in reaching a final decision on the matter clotured. The problem has not been the arcaneness of the subject matter or indecision on the part of the Senate, but, rather, the inability of the Senate to work its will because of dilatory tactics that can be resorted to under rule XXII of the Senate.

Under rule XXII, as it is presently written, each Senator is allowed 1 hour to speak on any clotured matter, or amendment or motion in relation to such matter. The time consumed on quorum and rollcalls or reading of amendments, et cetera, cannot be charged against the time of any Senator. Obviously, therefore, it is to the advantage of any Senator who wishes merely to delay final action on a matter, once cloture has been invoked, to simply resort to all sorts of maneuvers that result in time-consuming quorum calls and rollcalls without any penalty being charged against the time of that Senator. He is constitutionally endowed with the right to ask for a rollcall vote on any amendment, motion, appeal, or matter, and he also has a clear right to insist on a quorum before any vote is taken, but under cloture he can resort to dilatory tactics that involve numerous roll and quorum calls without any regard whatsoever to the resulting imposition on the time of other Senators or the Senate itself.

He can call up hundreds of amendments at the desk, if they have met the germaneness and reading requirements under the rule, even without regard to whether they are his own or another Senator's amendments, demand the reading thereof and rollcall votes in relation thereto, and all without any charge against his own time. He can appeal rulings of the chair, move to reconsider votes, move to table, and demand rollcall votes on all of these—and resort to quorum calls prior to such votes—without utilizing time from the 1 hour allotted him, and, by so doing, can interminably delay the Senate in reaching a final vote.

Mr. President, the Senate has too much vital business to transact in the remaining years of the 20th century to permit this anachronistic situation to continue as a potential roadblock to the effective functioning of the Senate and the reasonable operation of the legislative process. Senate Resolution 5 constitutes a logical, feasible, reasonable approach in removing that roadblock, and it would do so without trampling upon the legitimate rights of a minority in the Senate—partisan or otherwise.

No attempt is being made to alter rule XXII as to the invoking of cloture. The present requirement of a constitutional three-fifths—or 60 votes—would continue unchanged. However, once the Senate has indicated its intention, by a three-fifths vote, to limit the debate and reach a final decision—up or down—on a matter, it should be allowed to work its will after a reasonable period for the debate and amendment process. Senate Resolution 5 would achieve this by establishing an overall time ceiling of 50 hours, with a limit of 30 minutes per Senator, for the consideraton of any matter, once cloture has been invoked. The right of any Senator to demand quorum or rollcalls would not be infringed, and the time for such would not be charged against the time of the Senator calling for the quorum or rollcall. It would simply come out of the overall 50 hours.

At the expiration of the 50-hour limit—if final action is not concluded earlier—the Senate would proceed to a final vote on the clotured measure or matter. No further amendments would be eligible for consideration at the terminal point except amendments then pending. No further motions at that point would be in order before the final vote except a motion to table, to recommit, or reconsider, or to establish the presence of a quorum.

An overall limit of 50 hours would provide ample time for serious debate and action on amendments. A nondebatable motion to reduce the time downward from the ceiling of 50 hours would be in order, but not below a floor of 24 hours, and only when adopted by a constitutional two-thirds majority, thus providing ample time by the same token, a nondebatable motion to extend the 50 hours of debate to a longer period would be in order and could be adopted by a constitutional two-thirds.

I have explained the principal feature of Senate Resolution 5 and the reasons necessitating its implementation. The same concept has been utilized in Senate Resolution 5 to achieve final action by the Senate on a clotured matter within a reasonable time frame as is presently incorporated in legislation governing debate on congressional budget resolutions and Government reorganization proposals, and various other matters.

For example, in Public Law 95–17, 95th Congress, to establish the period within which the President may transmit to the Congress plans for the reorganization of agencies of the executive branch of the Government, and for other purposes, there is language written into the law which determines the circumstances—with respect to time, and so on—under which debate on any resolution of disapproval will be governed. Debate on the resolution, for example, shall be limited to not more than 10 hours. A motion further to limit debate is in order and not debatable. An amendment to the resolution is not in order. A motion to postpone is not in order. A motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed

to shall not be in order. No motion to proceed to the consideration of other business is in order.

In connection with the congressional budget process, in brief, the following requirements are set forth in the law governing debate: Debate on any concurrent resolution shall be limited to not more than 50 hours, and, with respect to the Second Concurrent Resolution, debate is limited to not more than 15 hours. There is a limitation on debate on any amendment of 2 hours. A motion to further limit debate is not debatable. A motion to recommit is not in order except a motion to recommit with certain instructions. And with respect to debate on the conference report on any concurrent resolution of the budget, debate shall be limited to 10 hours.

With respect to the Federal Pay Comparability Act of 1970, there is language governing the debate on any resolution that would disapprove of the same, the debate being limited to not more than 2 hours. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

In connection with the construction project at Diego Garcia, I find in Public Law 93-552 there is provided that in the case of the President's certification of the need for a construction project on the island of Diego Garcia and in the event there is a resolution of disapproval, there is a time limitation for debate thereon of 10 hours and with the proviso that a motion to further limit debate on the resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order.

In the case of the act to provide for pension reform, Public Law 93-406, there is set forth in that law language which would govern the debate on any resolution of disapproval, and it is as follows: Debate on the resolution of disapproval shall be limited to not more than 10 hours. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

In the Trade Act of 1974, there is language set forth which is meant to govern the debate on resolutions approving commercial agreements with Communist countries, and the language is as follows, in part: Debate in the Senate on an implementing bill or approval resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours. A motion in the Senate to further limit debate is not debatable. A motion to recommit an implementing bill or approval resolution is not in order. With respect to resolutions disapproving certain actions, the following language in the same law will govern debate thereon: Debate in the Senate shall be limited to not more than 20 hours on the resolution and all debatable motions and appeals in connection therewith. A motion in the Senate to further limit debate on a resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order in the Senate.

There are numerous other laws that provide for a type of cloture on the debate on resolutions of approval or disapproval in connection therewith.

These have worked well and without unfairness to a minority. If anything, the Senate Resolution 5 approach is less restrictive on a minority, and intentionally so. For example, a motion to further reduce time under Senate Resolution 5 carries with it an established floor, requires a constitutional two-thirds vote, and allows for extension as well as reduction of time, none of which is available in the instance of congressional budget resolutions, Government reorganization resolutions, and the other resolutions to which I have alluded.

The other provisions of Senate Resolution 5, for the most part, are not confined to a post-cloture situation but would be equally available at other times. They allow for waiver, by majority vote on nondebatable motions, of the reading of the Journal, and reading of amendments and conference reports when printed and available to Senators. As for forced readings of the Journal and conference reports when objection is heard, these do not necessarily constitute a problem in post-cloture situations, inasmuch as forced Journal readings can be avoided simply by recessing from day to day, and conference reports are not in order to be called up anyhow, except by unanimous consent, when cloture is invoked on a matter until that matter has been fully disposed of.

Senate Resolution 5 does two additional things. First, it prevents an appeal from the Chair's ruling that no quorum call is in order if no business has been transacted following a previous quorum call and only if such ruling is supported by the Journal or reporter's transcript, or immediately following a rollcall vote on which a quorum is shown to have voted; and second, no cloture motion may by offered, except on a motion to proceed, until after the expiration of 24 hours following pendency of a matter before the Senate except when a sine die adjournment, or a recess or adjournment in excess of 30 days will occur within a period of 2 weeks from the date of the offering of such cloture motion and the majority leader so announces. Thus, to this extent, the present cloture rule is relaxed.

Mr. President, I think Senate Resolution 5 represents a workable, rational, reasonable, and fair solution to the post-cloture-filibuster problem, and I hope that the Senate will proceed to the consideration of the resolution and adopt it.

(Mr. METZENBAUM assumed the Chair as Presiding Officer.)

Mr. ROBERT C. BYRD. I have discussed this matter with the distinguished minority leader heretofore, and it is true that he had expressed the hope that the Senate would not proceed until sometime tomorrow afternoon with the consideration of this matter. I would gladly have acceded to that suggestion but for the fact that there was nothing on the calendar that I could proceed with in the meantime, with any assurance that it would be disposed of by tomorrow, and I felt that the time today could be profitably utilized by Members on both sides of the question, and for that reason I felt it incumbent upon me to move to proceed to consider Senate Resolution 5.

I would hope that out of the discussions by the minority—and I speak in this instance in a partisan sense—we could reach a time agreement on the resolution itself which would protect it against wholesale amendments. Perhaps such a time agreement could allow amendments if they are agreed to in advance by, say, the majority and minority leaders.

I would personally prefer to see the language as it is now in the resolution passed without amendment, but if an improvement can be made in the language of the resolution, I certainly am open to suggestions. I have heard some fears expressed that a majority, under this resolution, could monopolize all the time and shut a minority out, whether it be a partisan minority or not. I do not think from a practical standpoint that would ever happen. Theoretically, I suppose it could happen. But I certainly am open to suggestions if any language can be presented that would, in effect, assure recognition of Members who oppose a measure or amendment or motion. Perhaps such language could be worked out.

I am only interested in expediting the business of the Senate, and finding a way to expedite it in a fair and reasonable way. I think that the resolution does present a fair and reasonable, workable approach. But if it can be improved upon, I am certainly open to suggestions, and as a matter of fact am continuing to study the language of the resolution with the thought in mind that I myself might come up with language that would constitute an improvement within the framework of the concept of the resolution, which was worked out very carefully, and has been agreed to by the distinguished Senator from Alabama (Mr. ALLEN) and me in several instances. The language in the resolution comports with certain suggestions that he made.

For example, the establishment of a floor of 24 hours once cloture has been invoked was his suggestion. The suggestion that any remaining time could not be reduced below 2 hours was a product, or the language in the resolution to that effect was a product, of a suggestion made by the distinguished Senator from Alabama.

The provision in the language that requires 24 hours to expire, once a matter is before the Senate, before a cloture motion can be offered thereon, except in certain circumstances involving the imminent pendency of a sine die adjournment or any other adjournment or regular recess extending beyond 30 days, was agreed to by me and by the committee, but the suggestion was put forth by Mr. ALLEN. I agreed to it because I felt that in fairness it was a reasonable suggestion. There have been times when the leadership has slapped a cloture motion on a measure—and I have done so—immediately upon its becoming the

pending matter before the Senate. It was a reasonable suggestion by Mr. ALLEN that 24 hours should first expire.

So, as I say, the language has been very carefully studied and gone over, I think, by all the members of the committee, and certainly I feel that inasmuch as it meets with the approval of Senator ALLEN, that should be assurance to all Senators that the rights of a minority are going to be adequatly protected.

It is fair, it is reasonable, it is workable, and it will speed the legislative process on any matter once cloture has been invoked, without making any change in the requirements for invoking and voting cloture, but it will not make haste in such a way that it tramples on the rights of a minority.

I close today simply by saying that I hope that the minority leader and others will consider a unanimous-consent agreement which will protect the language from amendments that might do injury to the principles that are expressed in the resolution.

I would hope there would not be an extended debate on this matter. As I say, I am open to suggestions. if there are clear weaknesses in the resolution or if it can be improved. I have never seen any legislative product that cannot be improved.

I am open to suggestion. I want to try to work out something that will meet with the approval of a majority of the Members of this body.

I hope that there will not be any extended debate, however. I do not think that is necessary. It is desirable to take adequate time, of course, in our work on this rules change, but there are other pressing matters down the road that will require the attention of the Senate, and I hope the Senate will not be overly long in addressing itself to and adopting this resolution.

Mr. GOLDWATER. Will the Senator yield for a question?

Mr. ROBERT C. BYRD. Yes.

Mr. GOLDWATER. I am interested in this change. I wonder if the Senator has any record of the maximum number of hours used by the 100 Senators after cloture had been invoked.

Mr. ROBERT C. BYRD. I do not have that information in my hands. I have seen it, but I cannot give the Senator that information at this moment.

Mr. GOLDWATER. Can the Senator suggest a place I might inquire?

Mr. ROBERT C. BYRD. Yes, the Legislative Reference Service of the Library of Congress has that information.

Mr. GOLDWATER. To my recollection we have never used very much of it. I do not see this particular part of the rules change as an important part of it. I will try to get that information myself.

Mr. ROBERT C. BYRD. I believe I can respond to the distinguished Senator by saying that the overall 50-hour time limit seems to be more than adequate if we look at the experience that we have had in connection with action on any matter heretofore following the invoking of cloture. I have been in the Senate for 19 years, and the distinguished Senator, I believe, has been here longer than that. I do not remember the Senate's ever consuming 50 hours on any matter following the invoking of cloture.

Mr. GOLDWATER. It has been my experience, as I recall, that once cloture has been invoked the time just ends itself. I will try to find that out and make it a matter of record.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. President, I yield the floor.

Mr. HATCH. Will the Senator yield for another question?

Mr. ROBERT C. BYRD. Yes.

Mr. HATCH. As I understand, there will be no change in the 60–40 vote, however?

Mr. ROBERT C. BYRD. That is correct.

Mr. HATCH. It has been reduced from 67 to 60, but there is no attempt in this to change it to below 60?

Mr. ROBERT C. BYRD. There is no change.

Mr. HATCH. Can the Senator conceive of that happening?

Mr. ROBERT C. BYRD. Let me answer the question this way: There are some Members of the Senate who would vote for majority cloture. I do not support that position.

Mr. HATCH. The Senator would not support that?

Mr. ROBERT C. BYRD. I support the present three-fifths rule and was active to a considerable extent in writing the present rule. So I would want to retain the present rule in that regard.

Mr. HATCH. I thank the Senator.

Mr. ALLEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. Mr. President, during the last Congress, extended debate was resorted to in an effort to kill a number of bills that came up during that session, and, after cloture had been invoked, the debate in a number of instances continued.

Some dissatisfaction was expressed in the Senate because of the fact that the debate continued on in many instances day after day and day after day, after cloture had been invoked. It seemed reasonably certain that some effort, and possibly a successful effort, would be made during this session of the Congress to further limit debate. I favor free and open debate in the Senate and I have opposed all efforts to limit further debate.

Some 2 years ago here in the Senate, an effort was made, and it was a successful effort, to amend the Senate rules by throwing the rulebook out the window. Rule XXII was amended to change the rule on the number of Senators required to invoke cloture, that is, to stop the debate, from two-thirds of a quorum present to three-fifths of the elected membership. In other words, 60 positive votes.

Might I say this was done by throwing the rulebook out the window, for the method that was employed was not the method provided by the rules, the method that is being followed by the distinguished majority leader on this occasion, that is, invoking cloture or seeking to invoke cloture, on the motion to proceed to the resolution.

The rules at that time required a two-thirds vote of the Senate to cut off debate. The strategy was adopted and put into play to offer a resolution, I believe Senate Resolution 4, if I am not mistaken, calling for the amendment of the Senate rules in a manner that I stated, though actually it was seeking to amend the rules down to where three-fifths of a quorum could cut off debate, and the final version as passed with three-fifths of the entire membership.

Then a motion was filed saying that the Senate would proceed immediately to the consideration of Senate Resolution 4; that there be no debate upon the motion calling for the immediate consideration of Senate Resolution 4; that there be no motion, no action of any sort, that we would vote on it without debate.

Obviously, that was contrary to the rule because that was invoking cloture by a majority vote, whereas the Senate rule provided for a two-thirds vote.

So a point of order was made by the distinguished then majority leader, Mr. Mansfield, that this motion was out of order.

Obviously, it was out of order. Then a motion was made by those who had thrown the rulebook out the window to table the point of order. That was put by the then Vice President for a decision by a majority vote of the Senate. There was a majority vote in favor of that illegitimate cloture motion, and the Vice President implemented that motion as to Senate Resolution 4, to amend the Senate rules, without the motion to proceed even being adopted. He implemented the provisions of it before it was ever adopted. He ruled that there could be no debate on that motion and, subsequently, no debate on the amendment resolution itself.

So they were able to accomplish that by a majority vote and amend the Senate rules.

I say, to the credit of the distinguished majority leader, Mr. ROBERT C. BYRD, that he did not participate in that procedure, which violated the Senate rules, of amending the Senate rules. But the majority wanted them amended and it is said that a majority here, in the Senate, can accomplish what it wishes to accomplish. It was necessary, in order to pass a resolution, that it be ccmpromised down to where it took three-fifths of the entire membership, rather than three-fifths of a quorum, in order to cut off debate.

So, Mr. President, when it seemed that a further amendment was going to have to be made to the Senate rules in order to further limit debate, the two main questions in my mind were: Will the same illegitimate procedure as used by Senator MONDALE and Senator PEARSON in the last Congress be resorted to again, and the Senate rules amended by a majority vote?

The second fear that I had, or apprehension, was that the requirement for an affirmative vote of 60 Senators to cut off debate might be relaxed further, back to the original position of Mr. MONDALE and Mr. PEARSON—that is, three-fifths of the quorum present, which might be several votes under 60 votes.

Those were the two main considerations, as the Senator from Alabama saw

it. Then, when the distinguished majority leader brought forth his resolution, which now is being considered on a motion to proceed to it, and it became apparent that he was not seeking to amend the requirement for 60 votes to cut off debate, and when he gave personal assurance that he would not make an effort to amend the rules other than in compliance with the rules—in other words, going the route of seeking cloture, which was not done 2 years ago—that caused the Senator from Alabama to be interested in seeing if, possibly, some sort of compromise might be worked out that would protect the rights of those who do favor full and open debate in the Senate.

Mr. ROBERT. C. BYRD. Will the distinguished Senator yield, without interrupting his train of thought?

Mr. ALLEN. Yes, I am delighted to yield.

Mr. ROBERT C. BYRD. I appreciate what the distinguished Senator is saying. It is entirely accurate.

I believe the Senator will also agree that, last fall, he and I talked about the possibility that I would offer a resolution to deal with the situation. I told the Senator in that telephonic conversation, I believe, that before the Senate convened in January, I would indicate to him the changes I had in mind.

Mr. ALLEN. That is correct.

Mr. ROBERT C. BYRD. I felt it was only fair to do that. I also felt that the Senator was entitled to know that. We did discuss the concept of the resolution before it was introduced.

I feel that, every step of the way, there has been an effort to be fair and open in developing the language. There has not been any attempt on the part of the author of the resolution to keep it under wraps and spring anything new.

What we have here today is the result of free and open discussion and debate—discussion between ourselves before it was offered and discussion between ourselves after it was offered, in an effort to arrive at language that would appear to both of us to be workable, fair, and reasonable.

Mr. ALLEN. The Senator is correct.

Mr. ROBERT C. BYRD. And there was free and open debate in the committee. I think that this procedure has created a spirit of compromise, a spirit of accommodation that has resulted in the wording of the resolution that is before us.

I thank the distinguished Senator.

Mr. ALLEN. I thank the distinguished majority leader. What he stated is entirely and absolutely correct. He has evidenced a sincere desire to work in harmony with those who oppose further limitation on the right to debate.

As I have stated, the two points that caused me some apprehension are not present in the distinguished majority leader's plan. That is, he is following Senate rules requiring 60 votes to limit debate, to invoke cloture and, also, is not cutting down the 60-vote requirement. These were the two chief apprehensions that I had.

Now, the suggestion that the Senator from Alabama made, or one of the suggestions, was that, instead of allowing a cloture motion to be filed the same minute or, if possible, the same second the matter as to which cloture was sought to be invoked became the pending business—and that has happened time and time again—at my request, the resolution contains a provision that a cloture motion cannot be filed until the matter as to which cloture is sought to be invoked has been pending before the Senate, the pending business, for at least 24 hours.

Why is that important? During the last Congress, I dare say several of the cloture votes that were required came about as a result of the filing of a cloture motion simultaneously with the laying of the matter before the Senate. That did nothing but wave a red flag in the face of those who wanted to have some amount of debate. But when the leadership took the position, "We are going to cloture this, file for cloture immediately," that caused those of us who oppose such measures to say, "Well, let us see how much cloture is going to shorten the debate."

If, on the other hand, they had had this 24-hour cooling off period, so to speak, the opponents of the measure could take stock of their situation, study the measure to a greater extent to see if they might possibly amend it, see if there is any hope of defeating it by extended debate, and, on ascertaining that the bill was sure to pass, then, possibly, it would not have been necessary to file the cloture motion. So the 24-hour waiting period, so to speak, is provided in this resolution.

In the resolution as originally contemplated by the distinguished majority leader, only 50 hours of pendency of the measure before the Senate, after cloture had been invoked, would have been permitted.

That would have allowed the leadership to file a motion as soon as the matter came before the Senate reducing the time from 50 hours down to whatever time they wanted to say, 1 hour or whatever hours.

So at my request a floor was inserted, that 50 hours of pendency before the Senate is permitted under the resolution, and on the motion to reduce that time it cannot be reduced below 24 hours. That is 24 hours of pendency before the Senate, 24 hours within which that is the pending business that the Senate is in session; 24 hours, say, 8 hours per day, would be 3 full days of debate here in the Senate, which is not too bad when we take into consideration the 1 day, 24 hours, before the cloture motion can be filed and 2 days, because we cannot vote on it for 2 more days, and that was not sought to be lowered. So it would seem that some 6 days of debate would be permitted even if cloture should be invoked.

Then the next question arose as to these matters, it came up in the Rules Committee, as to what would happen if 24 hours had been used up—the floor had already been achieved and we were still debating it—could the motion to reduce the time be reduced down to nothing on further consideration? No. At my suggestion, that was put in at a minimum of 2 hours, after 24 hours has been used up.

Another concession that was made was that these motions to reduce the time under the original resolution might have been made more than once a day.

So it was agreed in the Rules Committee at my suggestion that such a motion reducing the time or increasing the time be made only once per 24 hours, once per day, per calendar day.

That was a further protection to those who did wish to have the opportunity for free and open debate.

Mr. President, while I do not favor any further change in the Senate rules and would like to go back to the rules as they existed in the 93d Congress, before the effort at the start of the 94th Congress, still, if the rule is to be amended, I feel that this is a fair and reasonable compromise.

Again, I wish to commend the distinguished majority leader with his great prestige, with his great influence with the Members of the Senate, and with the leadership that he exerts and displays and is capable of, I have no doubt that if he put the weight of his influence behind a measure reducing the number required to invoke cloture, this measure would have a mighty good chance of passing.

The distinguished majority leader is not seeking to do that. He is preserving the most important feature of the present rule. That is, the 60-vote requirement.

I can live with most any requirement after the invoking of cloture, because we know that once cloture is invoked, even though this matter might be delayed for several days, somewhere along the line a vote is going to come.

About the only time that the present rules would be an advantage over the proposed rule would be in the closing days of a session, the closing days of a Congress. Then, possibly, measures that should be killed could be killed in this fashion.

Mr. SCHMITT. Will the Senator yield?

Mr. ALLEN. Yes.

Mr. SCHMITT. I wonder if the Senator from Alabama would talk for a moment to the point of the possibility under this rule, and actually under present rules, that very little if any debate may occur prior to cloture, which with this new set of rules would mean debate limited to 50 hours, on what might be a tremendously important issue to a minority here, but potentially to a majority in the country on a vote.

Mr. ALLEN. I am glad the Senator asked that. I had not covered it fully.

The distinguished majority leader's original proposal was that the time be limited, the time for Senators to speak be limited to 30 minutes, all to come out of the 50 hours.

At my request, he agreed, as a matter of compromise, to raise that period to 1 hour and objection was made in the Rules Committee, as I recall, by the distinguished minority leader, Mr. BAKER, wanting the 30-minute requirement.

I feel that the distinguished minority leader was in error in his judgment on this, because if the distinguished Senator from New Mexico had been here in the last Congress and had seen these matters under discussion, there was no

danger of any Senator with a 50-hour limitation, and wanting to speak, not getting that right.

I see the distinguished Senator from North Carolina (Mr. HELMS) here and he knows that this is correct. The difficulty is getting the Senators to take their hour. In pushing some of these extended debates, that has been the problem with those who are seeking to fully debate the matter, getting Senators to use their hour.

So possibly four, five, or six Senators using the hour is pretty well par for the course. Many might speak 10 minutes. So that the 1-hour really would help use the 50 hours.

The problem is going to be using the 50 hours, and there is practically no danger whatsoever with a Senator not getting his hour, even if limited to an hour instead of 30 minutes at the insistence of Mr. BAKER.

Mr. SCHMITT. Will the Senator yield further?

Mr. ALLEN. Yes.

Mr. SCHMITT. My concern is not so much with what happened, say, the pragmatic difficulty in obtaining Senators with the lung power or staying power to speak for an hour and totaling 100 hours of debate, as with the possibility that some issues of such great national moment should occur that the constituents of the Senators throughout this country would be deprived by the enactment of this change of that particular right for debate, an hour's debate on the issue that was of importance to them.

I hope as we continue this discussion, and I am sure we will, that we remember it is more than just the U.S. Senate that participates in the extended debate.

It is the public, through the media, that also participates; and it is probably one of the greatest arguments for insuring that there is sufficient time for that debate to occur, so that the public is fully and currently informed, as we also should be.

Mr. ALLEN. That is mighty fine. I would be glad to see every Senator use his time, but the chances are that those who are for the measure and for cutting off debate are not going to speak at all—if so, a very limited amount of time. Any Senator who wished to speak an hour, in my judgment, would have no difficulty finding that hour to speak, inside the 50-hour frame.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. GOLDWATER. This brings to my mind a rather interesting point that I have seen develop in the years since I returned to the Senate after my self-imposed sabbatical.

It used to be that we would have rather long debates. They might go on a week or more before cloture motions were filed. But in the last several years I have seen a number of times when cloture motions were filed before the bill was even brought to the floor.

I wonder whether the Senator from Alabama has ever given any thought to this and has developed some ideas as to rules with respect to when a cloture motion might be filed. I do not think it should be possible to prevent extended debate on a bill when it has not even been brought to the floor of the Senate. That concerns me. With this new rule, if it is adopted, all chances of discussing controversial legislation will disappear, in my opinion.

Mr. ALLEN. I thank the Senator for his comment and his inquiry.

As I stated, one of the situations that existed in the last Congress that caused more cloture votes to be required was the fact that the leadership, on many occasions, would file a cloture motion simultaneously with the bringing up of the matter. Obviously, a cloture motion could not be filed unless the matter was pending; but the clerk would not have gotten the words out of his mouth, reporting the bill, before a cloture motion would be at the desk, and he would be reading that in a matter of seconds.

Of course, I would have liked a longer time. But this resolution does embody a suggestion made by the Senator from Alabama, that the requirement be that a cloture motion could not be filed until the matter had been reported and became the pending business for at least 24 hours before the cloture motion could be filed. That is not much, but it is 24 hours more than the present rule provides for.

Mr. SCHMITT. Mr. President, will the Senator yield

Mr. ALLEN. I yield.

Mr. SCHMITT. The Senator will admit, however, that in the heat of the utilization of rules to inhibit debate, it conceivably could occur, even in this body, that there could be an adjournment for the 24-hour period, so that no debate actually would occur until cloture conceivably might be invoked. That is a real possibility under the rules today.

Mr. ALLEN. That could be done. I am not saying that the leadership could not do that, but it is not likely that they would; because I do not see why they would object to a little discussion on it.

I am going to vote for the new proposed rule—reluctantly, of course. I do not want any amendment. But in order to guard against having a worse amendment, I have agreed to vote for this amendment.

Under this rule, one would have 24 hours before a cloture motion could be filed. We would have 2 days, then, from the time a cloture motion was filed until there is a vote. Then we would have approximately 5 days, unless we had around-the-clock sessions, which is not likely. We would have 5 days on the 50 hours. So that we would have some 8 days to discuss the matter. I do not believe there would be any argument that could not be advanced in an 8-day time frame.

I say this, further: Respecting, as I do, and insisting, as I do, upon the right of free and open debate, if this matter is filibustered by any Member or Members of the Senate, I certainly will not vote to cut off debate. I would support, to the extent of my vote, any effort to continue the debate ad infinitum.

If I had known that the Republicans were going to be so united on this issue, I never would have reached this agreement with the distinguished majority leader. But they have not been united on this issue. They were not united on it in the last Congress, and I saw no indication that they were going to be united at this time. I was seeking the best agreement that could be made, saving these two points: Preserving the 60 votes and requiring that this effort to amend the rules be governed by the cloture rule, as provided in rule XXII. Those things having been agreed to, and liberal time having been given to discuss the matter, to offer amendments, it seemed to the Senator from Alabama to be the better part of wisdom to agree.

I will say this, and I do not think I am disclosing anything that the distinguished majority leader would not have me disclose: The majority leader has agreed that he will oppose any efforts to tighten up on the resolution to make it any easier to cut off debate. He is willing to accept this compromise, and I felt that I could do not less than to agree to this resolution as is. If an effort is made to lower this 60 to three-fifths of the membership, that certainly would free me to seek to discuss the matter as long as I will be permitted to do so by the Senate rules.

Mr. SCHMITT. The Senator from Alabama is to be commended for his efforts to reach a compromise that would be acceptable to all Members of the Senate. I hope, however, that he will keep an open mind as the debate continues.

I will not say that all Republicans necessarily are united on this issue. We will have to wait and see. But at least as some of us try to point out the dangers that come with this specific set of rule changes, I hope the Senator will keep an open mind—not dangers to the orderly process of insuring that the business of the Senate continues, but dangers to the rights of the American people to have issues within this body fully debated, so that they will have the time to come to their own conclusions on potentially very complex issues, many of which the Senator, I am sure, can foresee in the not-too-distant future.

Those of us who, during the next day or so, or potentially longer, will be debating some of these points and attempting to bring them to the attention of the Senate and the American people, will have that primary point in mind: That the people of this country are participants in the debate that takes place in this Chamber, and they must have sufficient time to be participants. I am not sure that 8 days, as the Senator has pointed out, is sufficient time. When one tries to mobilize the opinions of millions of people throughout this country so that they are informed opinions, not knee-jerk opinions, 8 days is a very short amount of time.

However, I commend the Senator for his efforts in this matter; and I hope that as the debate proceeds, we will clarify many of these points further.

Mr. ALLEN. I thank the distinguished Senator.

The Senator from Alabama takes second position to no Member of the Senate in insisting upon the value of extended discussion and the necessity for extended discussion and for the neces-

sity of free and open debate in the U.S. Senate.

What the Senator from Alabama has done is to make a pragmatic choice preserving the two features he felt were most important: The 60-vote requirement, and the fact that this matter is going to be handled under the Senate rules in limiting debate rather than see what happened here 2 years ago happen again.

I hasten to add that the distinguished majority leader was not a party to what happened at that time, and he spoke very eloquently against what was being done.

I commended him at that time for his attitude, and I commend him now for that attitude.

But if the Senator had been here to see the old steamroller work on the demand to reduce this, the number required to invoke cloture, and a method not authorized by the Senate rules was used, then he would see the value of requiring that we proceed under the rules themselves in cutting off debate, and he would see, too, the importance of preserving the 60-vote requirement, and the value and the merit of a measure that does preserve the 60-vote requirement, and a procedure that does guarantee that the rules will be followed in seeking to limit debate.

I say again if this matter is debated on an extended basis, and efforts are made to cut off debate, the Senator from Alabama assures one and all that his vote will be cast against the invoking of cloture.

I yield the floor.

Mr. ROBERT C. BYRD. Mr. President, I have no desire to speak further on this matter today. I am certainly willing to listen to others, willing to answer questions, if any are directed at me, and willing to stay in session today as long as Senators may wish to discuss this matter. I personally have no desire to prolong the discussion today.

I certainly want to give the distinguished minority leader every opportunity to ascertain what the situation is among his colleagues on the other side of the aisle, and I have no desire to offer a cloture motion on the motion to take up today. I am simply willing to stay in or go out at this point, whatever my colleagues would prefer.

Mr. SCHMITT. Mr. President, if the distinguished majority leader would allow us a few moments, Senator GRIFFIN wishes to speak, we believe, and we will have him on the floor shortly.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. HELMS. Mr. President, I want to associate myself with the remarks of the able Senator from Alabama.

As Senator ALLEN has indicated, he is supporting the proposal by the distinguished majority leader, and so am I. I am aware that there has been consternation in some circles as a result of the position taken by the Senator from Alabama and the Senator from North Carolina on this matter. Both he and I have perhaps demonstrated our belief in full debate in the Senate. But I fully agree that the distinguished majority leader has been eminently fair in this proposal relating to rule 22.

Let me emphasize that I would personally prefer no change at all in the rules. The able majority leader knows that. But the two items that the Senator from North Carolina most wishes to preserve will indeed be preserved under this proposal, and I intend to support him. I shall not vote for cloture under any circumstance, but I do commend the able majority leader for his reasonable approach, and his typical spirit of fair play.

In my years in the Senate, I have participated in a number of extended debates when I thought the best interest of the American people would be served by such discussions. I have worn out a great deal of shoe leather trying to find Senators willing to use a part of or all of their allotted time, once cloture had been voted. As for Senate Resolution 5, I think there is no danger at all that any Senator will be deprived of an opportunity to speak his mind on any matter on which cloture has been voted.

Moreover, the able majority leader is a man who would not tolerate the kind of hypothetical conduct that some have described as a possibility under Senate Resolution 5. The Senator from West Virginia does not operate that way, and I would feel perfectly comfortable under the proposals he has advanced.

So, regardless of any consternation that may appear in some quarters about my position, I do support the proposal of the Senator from West Virginia, and I again commend him for his reasonableness, which is a part of his personality and high character.

I thank the Chair.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Michigan yield to me for just a moment?

Mr. GRIFFIN. I yield to the distinguished majority leader.

Mr. ROBERT C. BYRD. I want to express my appreciation to the distinguished Senator from North Carolina for the supportive words he has stated with respect to the resolution before us, and also for his very generous and charitable remarks that were directed toward me.

I take the occasion also to express the same deep appreciation with regard to the distinguished Senator from Alabama (Mr. ALLEN).

Mr. GRIFFIN. Mr. President, Senator BAKER and I have our minority views printed in the committee report. Those views set forth at some length the concerns we, as minority members of the Rules Committee, have about Senate Resolution 5.

I listened carefully to the remarks of the distinguished majority leader. I can say from close association with him, in committee and otherwise, that I know he is trying to do what he says, which is to deal with some abuses, as he sees them.

I must say, however, it is my considered judgment that the so-called reform, in the text of Senate Resolution 5, goes much farther than would be necessary to correct the abuses at which it is aimed and which it seeks to remedy. In the process, whether by design or not, it significantly increases the power of the majority and its leadership at the expense of a minority, and that minority can either be spelled with a large "M" or a small "m." In some instances, of course, the minority does not necessarily refer to those of us on this side of the aisle.

I say that for this reason: The use of dilatory tactics after cloture is invoked is a very rare thing in this body and has only been observed, at least by this Senator, on a couple of occasions. It has been used effectively in blocking legislation only toward the end of a session.

If the proposed changes in Senate Resolution 5 were only to apply to some designated period at the end of a session then the argument for them would be much stronger. But I have to observe that some very basic changes are being made across the board, which would have the effect of reducing the rights of the minority.

Let me point out that in many instances the reason for extended debate is for a single Senator—or for a small group of Senators—to say to the country: "Hey, now, we are going to stop the Senate and make sure that this bill does not go steamrolling through without the public's knowing what the Senate is doing."

On some 85 or 90 occasions since 1841, extended debate—often referred to as a filibuster—has been used to extend the time of consideration of a measure. In some instances it has been successful in actually defeating or blocking a measure.

I think it is interesting that only on eight occasions has the filibuster concerned civil rights or related matters. In the vast majority of cases, the extended debate, or filibuster, has related to other matters. And, in many instances, as everyone in this Senate knows, the country has been better off because a courageous Senator or a small group of Senators took the floor and said to the Senate and to the country; "You will not roll over us on this: we are going to take some time and make sure the country knows what the Senate is doing." And in that process, any number of times, the minds of Senators have changed so that a better result for the country has evolved.

It should be kept in mind that once cloture is invoked, the Senate has not voted on the merits of the measure that is being considered. If the purpose of debate is to be sure that the country becomes aware of the issue, and its merits, then the time after cloture can be very important. This especially may be the case in situations where it may take 5 or 6 days, or 2 weeks or more, to really focus the attention of the country on a very important issue.

This becomes particularly important to the minority, I suggest, because it is the majority and its leadership that controls the scheduling of legislation. We have very little to say about when a measure will be brought up.

I think that this proposed rule change goes too far and makes some changes that I think the Senate as an institution would regret.

For example, the argument is made that after cloture a Senator who has placed a large number of amendments at the desk may engage in dilatory tactics and consume large amounts of time by calling up these amendments. It is

the case that that privilege has sometimes been abused. But the remedy proposed in Senate Resolution 5, I suggest to the distinguished majority leader, goes much farther than is necessary to correct that abuse. This proposed change could result in a Senator not being able to have any of his amendments considered. If the remedy were to be that no Senator could submit more than two amendments at the desk, for example, that would go a long way toward correcting the evil that we are talking about. But the proposal we have here is to set a limit of 50 hours for debate after cloture is invoked, and out of that 50 hours could come all the time consumed for rollcalls on amendments that are called up, on quorum calls, et cetera.

In the background of the minority's concern is the fact that in this session no Republican sits in the Chair and presides, only Democrats. This is a change in itself from what we have experienced in the past. So, if there were an amendment that the majority and its leadership would just as soon not have voted on, it would not be difficult to maneuver so that a Senator would be unable to be recognized and have his amendment presented. The language of Senate Resolution 5 does not say that every amendment at the desk that has been qualified can be called up for a vote, regardless of whether there is a debate on it or not. It goes much farther and provides that only the amendment or amendments pending at the time shall be voted on. All others are brushed aside.

I submit that goes much further than is necessary to correct or address the abuse that the distinguished majority leader was discussing.

I am also very concerned about the change in the rule which would provide that motions to correct the Journal shall be determined without debate. I can understand the concern that on occasions a request to waive the reading of the Journal has been objected to and the reading of the Journal has then been employed by those who seek to delay the Senate. But this goes further than to waive the reading of the Journal, which has been the abuse. This says that motions to correct the Journal shall be decided without debate.

The CONGRESSIONAL RECORD, of course, is not the official record of the actions of the Senate. The Journal is the sacred book. If a single Senator has reason to believe that the Journal needs correction, it seems to me that he should have some time to explain to the Senate why that correction should be made.

It may be that his opportunity should be provided at a different time, so that a Senator would not be able to use the Journal in order to carry on a filibuster. But if a Senator wanted to explain to the Senate why the Journal was in error, it seems to me that that very basic and fundamental right should be preserved. I must say that the Journal clerk is one who does not need to be corrected I see no immediate reason for concern. But what bothers me, if we make such basic change in the rule, is what it could mean under some other circumstances.

I am also troubled by the language relating to waiving the right to have amendments and conference reports read and providing that a motion to waive the reading would be decided without debate. These are matters, that heretofore under the present rules require unanimous consent.

As I read the language that is included here, it occurs to me that it could be interpreted to mean that a single printed copy at the desk is considered available to all Members. I do not know if that is what is intended or not. But the language does not say that there shall be 100 printed copies, 1 available to each Senator, and also to the press gallery. After all, how else does the public know what the Senate is doing if an amendment is not read unless the press gallery has a copy of that amendment as well? It seems that is an important part of the institution.

I know that sometimes these rules are abused, but my point is that the proposed remedy goes much farther than is necessary to correct the evil, and in the process more power is gathered unto the majority and its leadership, and at the expense of the minority.

I shall have more to say on this matter at a later time, Mr. President. If the majority leader has anything further to say at time time—and if not I understand there is a possibility he may want to wind up—I yield the floor.

(Mr. BUMPERS assumed the Chair as Presiding Officer.)

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Michigan has expressed his concern in a number of respects with regard to the resolution (S. Res. 5).

He is concerned that a situation could occur in which a Senator who has an amendment would not be able to get recognition to call up that amendment. He speaks of a hypothetical situation in which the majority would so conspire—he did not use the word "conspire," but I shall use it—so conspire with the Chair that any Senator who was in the minority, whether it be a partisan minority or otherwise, who had an amendment that the majority did not want the Senate to vote on, would not be able to get recognition to call up that amendment.

Mr. President, with all due respect to the distinguished Senator and his constructive criticism of the resolution, with a 50-hour limitation, with one half hour per Senator, and the provision that once the 50 hours have expired the Senate would proceed to vote on the measure or matter, and that only those amendments then pending would be voted on, the Senator is really bending quite far to raise the possibility that such might happen. I simply cannot see that that situation would ever occur. I think that the majority would bring down upon itself the universal condemnation of the press, of the country, and of the Senate in the long run, were it to attempt to arrange between the Presiding Officer and those in the majority to hold the floor on a given question and to deny recognition to a Senator who desires to offer a germane amendment that had met the reading requirements, simply in order to prevent him from calling up such amendment.

He has 50 hours in which to call up his amendments. That is a little over 6 8-hour days. It is 5 10-hour days. That is ample time in which to conduct a serious debate, in which to offer amendments that are germane and that have met the reading requirements. If the subject matter is of a nature that, once cloture is invoked, more time is needed, two-thirds of the Senate could provide that additional time.

But if additional time were not provided, 50 hours, Mr. President, is probably more time than has ever been spent on any matter after cloture has been invoked since the cloture rule first came into existence. I do not believe 50 hours was consumed on the 1964 Civil Rights Act, once cloture was invoked. Many days—many, many days—were consumed on that measure before cloture was invoked, but once cloture was invoked I do not think that 50 hours of time was utilized in reaching final action thereon. Once the Senate spoke its will through cloture to the effect that it intended to reach a conclusion on the 1964 Civil Rights Act, Senators who were then opposing that measure called up their amendments. They did not call up amendments just to be frivolous; they called up their amendments that had been entered, and got a vote thereon, and the Senate concluded its action without undue delay.

Fifty hours is ample time for Senators to call up their amendments and have them voted on. It is ample time for sound, serious, sincere debate. So while I believe that the Senator is expressing a personal concern that is a very sincere one, I do not believe that this hypothetical situation is ever going to develop. The Chair is bound by the rules to recognize the first Senator who addresses the Chair. Of course, if several Senators address the Chair at the same time, it is within the Chair's discretion to determine which Senator will be first recognized. But under the rule the Chair must recognize the first Senator addressing the Chair.

There was a situation some time ago in which the Senator from Alabama diligently sought recognition and it was not accorded him. But the Presiding Officer later apologized to the distinguished Senator from Alabama. So I cannot share the view that under this resolution a majority and its leadership and the Chair would ever attempt to conspire to prevent a Senator or Senators from calling up amendments under cloture. They would have every right to do so, and they would be expected to do so; and they would have plenty of time during the 50 hours in which to do so.

They would also have time before cloture was invoked in which to offer their amendments. I think we are overlooking the fact, Mr. President, that up until the time cloture is invoked, Senators may offer amendments and get votes thereon.

Now, on that point may I say, as I said earlier, it may very well be that language could be devised which would insure that the Chair would recognize Senators in opposition to as well as Senators who are

proponents of a measure or amendment or motion then pending. As a matter of fact, I am trying to develop such language now because, having read the minority's report and having sat in the committee during its deliberations on this measure, I know that such concern has been expressed.

So it may very well be that some language could be devised—and I have discussed this with the Senator from Alabama—which would adequately address even this theoretical and hypothetical circumstance.

The able Senator from Michigan also makes reference to provision in the legislation that would deny time for debate on motions pertaining to correction of the Journal. This is another area which could be accommodated. I think the Senator is right. There might be reason to take at least 5 minutes to explain what the inaccuracy in the Journal is all about and to note that for the record. This is an area that is possibly capable of some accommodation, perhaps by allowing 10 minutes of debate. Certainly there ought to be a way found to put to rest that point made by the distinguished Senator.

As to the interpretation of the word "available," which appears in the resolution in connection with the waiving of reading of amendments and conference reports, I suppose some legislative history could be established. To me it is perfectly clear. If the amendment is identified by the clerk and is printed and available, that means to me it is available to all Senators.

Under the policies we now follow, when amendments are called up if they are printed they are supposed to be distributed and placed on the desks of Senators. The Senate pages are always prepared to deliver printed amendments to any Senator. That is what we mean by being available. Whether or not more explicit language would lend itself to a better understanding and give more assurance to Senators, I do not know. It may be possible. It seems to me that that statement of legislative history as to what is meant by the word "available" ought to sufficiently clarify the matter. Just for the Senator who offered the printed amendment to have it in his hand would not be sufficient. But it also should not mean that if 99 Senators had it on their desk and one said he did not have it on his desk, it would not qualify as being "available."

I think reasonable men would look at it in a reasonable way and enjoy a clear understanding.

Mr. President, as I have indicated while the distinguished minority leader was out of the Chamber, I am certainly open to suggestions if there are areas in the resolution which can be improved. I think it is a workable resolution, a good one, one which is fair and reasonable, and I think there is sufficient justification for its adoption.

But, as I have just indicated in response to the statement by the distinguished Senator from Michigan, I think the areas to which he has addressed himself are possibly capable of some modification which will allay his concern.

I felt it worthwhile to make these comments in response to the Senator from Michigan so they might be food for thought as we proceed.

Mr. BAKER. Mr. President, if I could respond for a brief moment, I want to express my appreciation to the distinguished Senator from Michigan for his discussion of these issues and the clarification of the problems as he sees them, as well as to express my appreciation to the distinguished majority leader for his responses. I find them most hopeful. I think there is a real chance, Mr. President, by putting our heads together we can devise a formula for improving rule XXII and avoid any difficulties that we have discussed at some length today. For my part, I would like to assure the distinguished majority leader that I will work with him. Senator GRIFFIN and I, as Republican members on the Rules Committee signing the minority report, are most anxious to try to find solutions to these problems.

Mr. ROBERT C. BYRD. Mr. President, if the distinguished Senator will yield, the areas to which the distinguished Senator from Michigan addressed himself, to which I responded, are areas in which I have already stated it is recognized that there is some concern. I do not think the concern is justified, but that does not eliminate the concern. They are areas in which I would certainly be willing to look at some further language to assure that the opposition would be recognized during the 50 hours following cloture to call up their amendments and be able to participate in debate.

I do not guarantee that such language can be devised but I am willing to consider the matter.

Overnight, I would think we could work on the idea.

Mr. BAKER. Mr. President, I yield to the Senator from Utah.

Mr. HATCH. Mr. President, I ask unanimous consent that Sylvia Castellanos of my staff be accorded the privileges of the floor during the debate on Senate Resolution 5.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 4 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 4 p.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR SCHMITT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order tomorrow, Mr. SCHMITT be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ZORINSKY). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 4 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 4 p.m. tomorrow.

The motion was agreed to; and at 4:59 the Senate recessed until tomorrow, Tuesday, May 10, 1977, at 4 p.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 9, 1977:

OFFICE OF MANAGEMENT AND BUDGET

Lester A. Fettig, of Virginia, to be Administrator for Federal Procurement Policy.

DEPARTMENT OF STATE

Wilbert John Le Melle, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Kenya.

Mabel Murphy Smythe, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Republic of Cameroon.

Ulric St. Clair Haynes, Jr., of Indiana, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic and Popular Republic of Algeria.

Frederick T. Van Dyk, of Maryland to be an Assistant Administrator of the Agency for International Development.

AMBASSADOR

Ralph Earle II, of Pennsylvania, for the rank of Ambassador while serving as Alternate Chairman of the U.S. Delegation to the Strategic Arms Limitation Talks.

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

Spurgeon M. Keeny, Jr., of the District of Columbia, to be Deputy Director of the U.S. Arms Control and Disarmament Agency.

DEPARTMENT OF DEFENSE

John Patrick White, of California, to be an Assistant Secretary of Defense.

Percy Anthony Pierre, of the District of Columbia, to be an Assistant Secretary of the Army.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Arnold W. Braswell, [redacted] FR (major general Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Robert C. Mathis, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Bennie L. Davis, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutentant general

Maj. Gen. Richard L. Lawson, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. John Quint Henion, [redacted], U.S. Army.

The following officers for appointment in the Adjutant General's Corps, Army National Guard of the United States under the provisions of title 1, United States Code, sections 593(a) and 3392:

To be major general

Brig. Gen. Charles Emerson Murry, [redacted]

Brig. Gen. John Grady Smith, Jr., [redacted]

IN THE NAVY

Rear Adm. William L. Read, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

IN THE AIR FORCE

Air Force nominations beginning John T. Abell, to be colonel, and ending George G. McKnight, to be colonel, which nominations were received by the Senate on April 8, 1977, and appeared in the CONGRESSIONAL RECORD on April 18, 1977.

Air Force nominations beginning Richard F. Sellers, Jr., to be captain, and ending Steven M. Wegener, to be second lieutenant, which nominations were received by the Senate on April 8, 1977, and appeared in the CONGRESSIONAL RECORD on April 18, 1977.

IN THE ARMY

Army nominations beginning Howard G. Glock, to be colonel, and ending Roy H. Warren, to be first lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on April 21, 1977.

IN THE NAVY

Navy nominations beginning Henry T. Adema, to be captain, and ending Joan E. McCauley, to be commander, which nominations were received by the Senate on April 12, 1977, and appeared in the CONGRESSIONAL RECORD on April 18, 1977.

IN THE MARINE CORPS

Marine Corps nominations beginning Robert A. Appel, to be second lieutenant, and ending Charles S. Needels, to be appointed to commissioned grade, which nominations were received by the Senate on April 8, 1977, and appeared in the CONGRESSIONAL RECORD on April 18, 1977.

Marine Corps nominations beginning Louis R. Abraham, to be colonel, and ending Vea J. Smith, to be colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on April 21, 1977.

IN THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

National Oceanic and Atmospheric Administration nominations beginning Ludvik Pfeifer, to be commander, and ending Charles M. Huff, to be ensign, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 4, 1977.

EXTENSIONS OF REMARKS

TESTIMONY IN SUPPORT OF AN OIL IMPORT CONTROL MECHANISM

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. VANIK. Mr. Speaker, when the Ways and Means Committee considers the President's energy conservation legislation, I plan to propose an amendment to provide a mechanism to monitor and control the flow of oil into the United States so that the goal of conservation and domestic energy supply development is achieved. The language I intend to offer will be an update of the language contained in title I of H.R. 6860, the Energy Conservation and Conversion Act of 1975—a bill which passed the House but which was not considered by the Senate.

In reviewing the Ways and Means hearings on H.R. 6860 in March of 1975, I found the following quotes which help explain why I believe an import control mechanism is necessary. First, Mr. Charles L. Schultze, former Director of the Bureau of the Budget and at the time a senior fellow at the Brookings Institution, testified as follows:

The nature of the world oil market has changed dramatically in the past 5 years. The giant international oil companies, the majority of whom are U.S. corporations, still play a critical, but a substantially different role. It is not at all obvious that the relationships they now have with the U.S. Government and with the oil-producing countries serve the best interests of the Nation.

Let me give some examples: Everyone more or less automatically assumes that a reduction in consumption in the United States will come out of imports. Imports are thought of as a residual—the balancing difference between domestic demand and domestic supply. But it is possible that when consumption is reduced the major oil companies take part of this reduction in the form of reduced domestic production. They have long-term interests abroad. Even though their properties are rapidly being nationalized, they want to preserve favored access to the nationalized oil.

Hence, they may find it in their own long-run interest to maintain good relationships with the OPEC countries and to import into the United States a larger volume of oil than purely short-run market considerations would justify.

Second, Mr. Arthyr M. Okun, a senior fellow at Brookings and a former member of the Council of Economic Advisers, testified:

Under present circumstances we have no assurance that a dollar cut or barrel cut in consumption is translated into a barrel cut of imports. The companies that procure oil from abroad and produce it here still have options on which route to take, and it is only by having a quantitative control on the part of the Federal Government that you will get any assurance.

It is interesting that both Mr. Schultze and Dr. Okun along with Mr. John C. Sawhill, former Administrator of the Federal Energy Administration who testified in a panel with the others, all raised questions about the ability of the giant international oil companies to act in the interest of the United States. The questions raised by these three experts are still unresolved. In my mind, it is time that we moved toward a Federal agency system in which the Federal Government negotiates for the purchase of oil rather than relying on companies which are the handmaidens of the OPEC nations.

As Dr. Okun testified:

I am convinced that our national interest requires U.S. importation of oil to be controlled by the federal government through a quota system. Such a system—which might take any of several forms—has many advantages: a) it would permit us to encourage competitive bidding by potential oil suppliers; b) it would relieve the pressures on our international oil companies that have been forced to bargain with host countries when they must basically placate, even in ways that may be injurious to U.S. interests; c) it is the only way to ensure the fulfillment of any specific target for reduction in oil imports; d) it is also the only way to ensure that a barrel of reduced consumption is translated into a barrel of reduced imports; e) it will permit us overtime to purchase increasingly—and ultimately exclusively—from countries which would be fully reliable suppliers as a result of their mutual interdependence with the United States.

John Sawhill stated:

We must, however, do more than merely participate in programs designed to avert the bankruptcy of the most vulnerable countries and stimulate investment. We must also assume far greater responsibilities in direct negotiations with the oil producers. Over the past 5 years, we have seen the control of the international oil system shift from the oil industry to the governments of producing countries. What has emerged is a system under which the terms on which oil is available to consuming nations are largely determined by an international oil cartel (OPEC) with the companies no longer in a position to exert any appreciable degree of influence over either supply or price. I believe, therefore, that the governments of consuming nations—including our own—must now become more deeply involved in oil negotiations. The cost and availability of energy is too important to the consuming nations to be left in the hands of an international cartel and a weekend oil industry. A number of approaches have been suggested including the establishment of a government agency which would require exporters to bid for access to the U.S. market. Such an approach should be studied carefully, but any final action

should await the implementation of a broad program to stimulate domestic supply and curtail demand. Individual members of the cartel will not really compete for a larger share of our market until they are convinced that we are serious about reducing the size of the market.

Finally, as Dr. Schultze pointed out:

In their relationships with OPEC the major oil companies may play a role not fully consistent with U.S. interests. At the present time, as I indicated, there is a surplus of world oil. Production is being cut back. To a large extent the major international companies make decisions on where the cuts are to fall. Within limits this allows OPEC to avoid the potentially damaging and disruptive negotiations that would have to occur were they to face each other across the table and try explicitly to divvy up the world market. And so the staying power of the cartel is strengthened by the use of the international majors as the agents for making production decisions.

None of this results from an evil conspiracy or collusion. And some of it is hypothesis, not proven fact. The central point, however, is that in today's world, the role of the major U.S. oil corporations needs a thorough review. The problem is very complex, and hasty measures to change the structure of the industry might do much damage.

I would, therefore, suggest that a blue-ribbon national commission be established, to study the problem in depth and make recommendations to the President and the Congress.

It could review a number of alternatives. Should oil imports be handled on a quota system and through sealed competitive bids? Should the major oil companies be divorced from their overseas operations at the water's edge, so that imports are subject to more competitive forces? Should ownership of refining and distribution be separated from crude oil production? Should the taxes levied by OPEC be treated as excise taxes instead of profits taxes?

U.S. RELATIONS WITH SOUTH AFRICA

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. BONKER. Mr. Speaker, in February, I sent to the Department of State and inserted in the RECORD—February 2, page E519—a list of 22 options the United States could conceivably take to help effect the end of apartheid in South Africa.

I have just received a long and, I believe, thoughtful response from the Department of State. It details both an extensive description of recent U.S. actions taken with regard to South Africa and a sense of where the Department believes we should head in the future. While I do not, of course, endorse all the statements presented, I consider them to be a very useful addition to the growing debate on U.S. relations with South Africa. I include the Department of State's response in the RECORD:

DEPARTMENT OF STATE,
Washington, D.C., May 2, 1977.

Hon. DON BONKER,
House of Representatives.

DEAR MR. BONKER: I refer to your letter of February 16 to Secretary Vance, and our reply of March 9, concerning a list of options for United States policy toward South Africa. The list is extremely useful in our current comprehensive review of our South African policy. We believe that our basic policy objective should be to use our influence to foster fundamental, constructive change—away from institutionalized racial discrimination and toward human rights and the opportunity for all of South Africa's inhabitants to determine their own destiny, regardless of race. I offer below some thoughts on the actions suggested by the Library of Congress analyst to you. I regret the delay in this reply, which is due to the need for coordination among a number of offices in order to provide a detailed response.

One aspect of our policy review concerns our public stance toward the South African Government and its racial policies. I would, however, point out that the United States Government has spoken out consistently against South Africa's race policies, particularly after the violence first erupted there last June. We have also endeavored to make it clear to South Africa that we see no circumstances under which we would go to the defense of any white minority regime in the region. The South African Government seems to have recognized this reality, judging from Prime Minister Vorster's New Year's Day statement. Moreover, we have not condemned the struggle of South African blacks for freedom and justice. Rather, we have made clear our view that the recent rioting, with its tragic cost in lives, was the inevitable result of the frustration of blacks long deprived of basic human rights. Although we continue to believe that success in this struggle for justice can be achieved through nonviolent means, it is obvious that the South African Government's policies have served to push events in the opposite direction.

We are at present reviewing our arms embargo against South Africa with a view to closing loopholes. With regard to the United Nations, we are taking a new approach in the current Security Council consideration of apartheid. Rather than simply reacting to resolutions and statements put forth by African and other delegations, we have from the start been working with the Africans in an effort to agree on specific measures which all members of the Council can support. We hope that instead of leading to confrontation and vetoes, this constructive approach will bring positive results.

The U.S. Government has several programs for assisting refugees, particularly students, from South Africa. In December 1976 the President authorized the obligation of $1 million through the United States Emergency Refugee and Migration Assistance Fund for refugees from southern Africa, including South Africa, located in neighboring countries. This constitutes the U.S. response to an appeal for funds from the United Nations High Commissioner for Refugees (UNHCR), who will be allocating part of his funds for student refugees.

Also during 1976, the U.S. made a total of $300,000 available to the UNHCR for southern African refugee students in Africa. These funds are provided by the Office of the Coordinator for Human Rights and Humanitarian Affairs in the Department of State. This program, which was initiated in 1963, assists refugee students from southern Africa, including South Africa, at the secondary level at the Nkumbi International College in Zambia, and in post-secondary studies and vocational training throughout independent Africa. In 1976 there were about 70 students attending Nkumbi with UNHCR assistance and in 1977 we anticipate approximately 100 scholarships at $2,300 per scholarship. In 1976, 45 southern African students pursued post-secondary and vocational studies under this program, and in 1977 scholarships are planned for approximately 55–65 students.

Since 1961 the United States has been assisting refugee college-level students from southern Africa, including South Africa, to pursue studies in the U.S. Funds are administered by the African-American Institute under contract with the Department of State's Bureau of Educational and Cultural Affairs, and amounted to $238,000 in 1976. Some 25 southern African students are presently in the program.

The U.S. Government has additional programs, separate from the refugee programs, for assisting students from southern Africa. We contribute to the United Nations Education and Training Program for Southern Africa, which provides scholarships for students from the region, including South Africa. In 1977 we are providing $50,000. For 1978 we have requested $500,000, which, if approved, will increase the U.S. share from 2.5 percent to 25 percent of the total expected contributions.

In addition, in FY 1976 the Agency for International Development initiated the Development Training for Southern Africa program. Funds obligated for FY 1976 totaled $677,000, and covered scholarships for black candidates from Rhodesia, Namibia, and South Africa. Funds for 1977 are $1,125,000.

Thus, although we do not presently contribute to the United Nations Trust Fund for South Africa, we are contributing substantially through other channels to purposes served by the Fund. Moreover, we are currently formulating an expanded scholarship program in response to the increased flow of student refugees from South Africa since June 1976. This will require additional funding, for which we will submit a request at a later date.

The question of whether to take steps to reduce American economic involvement with South Africa is a complex one. In the case of American investment, for example, we need to consider whether the cause of human rights would be advanced more by discouraging such investment or by continuing and intensifying our efforts to encourage American firms to take progressive steps in such areas as better wages, improved working conditions, increased opportunities for training and advancement, and recognition of American investment in South Africa provides a means whereby a commitment to social justice, such as is held by this Administration, can be put into practice.

In this connection we are encouraged by the recent decision of 12 American firms with affiliates in South Africa to agree to a statement of employment principles. Although the statement does not address certain areas of employment practices, such as recognition of black unions we consider it to be a step in the right direction. We believe that significant and sustained progress in the field of progressive employment practices can be effectively achieved by enlisting the voluntary cooperation of American firms rather than by coercive measures. American firms would be less likely to extend the needed cooperation if the U.S. Government were to adopt measures discouraging or restricting American business involvement in South Africa.

On the question of whether to restrict or prohibit loans from U.S. banks to South Africa, it is necessary to consider whether placing such limitations on the opportunities available to the American business community would put any effective pressure on the South African Government, or whether South Africa would simply find comparable financial resources in other developed countries, as is likely. As for the Export-Import Bank, direct loans from that institution are, as you know, prohibited in the case of South Africa. With regard to limited Eximbank facilities and Commodity Credit Corporation credits, our policy making needs to take into account the fact that these programs help facilitate U.S. exports, and the adverse effect which terminating them would have on American exporters.

Although the issue of the U.S. nuclear relationship with South Africa is currently under intensive review, we have been supplying highly enriched uranium fuel to South Africa for use in a U.S.-supplied research reactor since 1965. This U.S.-supplied fuel, the research reactor itself, and any material produced therein are subject to IAEA safeguards, which we have every reason to believe are being effectively applied. Nevertheless, we are generally concerned about the proliferation potential presented by large national stocks of highly enriched uranium. As a result, and in light of our pending nuclear policy review, we anticipate that we will be applying more stringent conditions to any future exports of such material, as well as to nuclear cooperation in general.

With regard to international financial organizations South Africa is not a borrowing member of the World Bank, nor a member of a regional bank. South Africa is a member of the International Monetary Fund (IMF). It is the U.S. view that the IMF's character as the world's central financial and monetary institution should not be undermined by the injection of noneconomic issues. The IMF's Articles of Agreement require that the decisions on IMF operations, including proposed IMF credits, be based strictly on economic and financial criteria in accordance with the IMF's purposes. The IMF is a centerpiece of U.S. international economic and financial policy, with a large responsibility for shaping a free and open international monetary system that is consistent with our own economic philosophy and conducive to our own economic interests. The IMF's operations have in fact remained remarkably free of political interference, and it has been able to concentrate fully and efficiently on the performance of its valuable economic functions. It is important that we maintain that approach in order not to undermine the effectiveness of an institution that is of central importance to the broad, long-term international interests of the United States.

Before we decide to downgrade our diplomatic representation in South Africa, we should consider what benefits we derive from our current level of representation. We particularly value our channels of communication with all segments of South African society. This communication enables us to maintain a familiarity with the South African scene which is essential to determining the means and opportunities available to us to exert whatever influence we have in favor of change. With specific reference to our military attaches, they provide us with information about South Africa's rapidly developing defense establishment which would not be available to us through other channels.

South Africa's policy on visas for Americans, which sometimes seems arbitrary and capricious, and how the U.S. should respond, is another current issue. It may well be that a strict quid pro quo response would not be in our interest. This is to say, it is often in the interest of the United States to permit and even encourage visits by journalists, scholars, and others who, upon their return, may be able to introduce a new perspective into South African thinking. In any case, our close study of this question is continuing.

Our cultural program for South Africa consists principally of the International Visitor Program, under which South Africans of all races visit the U.S. (approximately 60 in FY 76). The program also includes scholarships for black South Africans to study in American graduate schools, and send American academic specialists to South Africa on lecture tours, which reach all population groups. The Department of State agrees that these cultural and educational programs should be expanded, and we have therefore submitted an increased budget request for them for FY 78.

The U.S. Government has made clear its opposition to South Africa's "homelands" program, both by our refusal to recognize the independence of the Transkei, and in various public statements. At the 1976 session of the U.N. General Assembly, we stated that "we do not intend to have official contacts with the Transkei Government or to establish any type of relationship with the Transkei."

The questions you have raised are all pertinent to the policy choices we face. We appreciate having the benefit of your thoughts at this time.

Sincerely,

DOUGLAS J. BENNET, Jr.,
Assistant Secretary for Congressional Relations.

OLDER AMERICANS MONTH

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. BRADEMAS. Mr. Speaker, I take this occasion to remind my colleagues that each year the month of May is set aside, by Presidential proclamation, to honor the Nation's elderly citizens.

As chairman of the Subcommittee on Select Education, which has jurisdiction over legislation relating to older Americans, I want to join in this tribute.

Mr. Speaker, we have made significant advances in recent years on behalf of older Americans, but we have far to go before the economic and social equity of our older citizens is insured.

We have much to do—in health care, employment, housing, and social services—before the rich promise of American life is available to all the older people of our country.

Mr. Speaker, I am pleased to insert at this point in the RECORD President Carter's proclamation designating "Older Americans Month, 1977":

A PROCLAMATION

Nearly 33 million Americans are at least 60 years old, and the number is growing by 500,000 a year.

Older Americans can provide our youngsters with an awareness of their heritage, and with a sense of family continuity.

And Older Americans can pass on to our children not only the knowledge and wisdom that come with age, but also the values that guided our forebears in building a great republic.

We must find ways to assure that older citizens will continue to lead useful and productive lives. And we must find ways to use their experience, judgment and ability.

Now, therefore, I, Jimmy Carter, President of the United States of America, do hereby designate the month of May, 1977, as Older Americans Month.

I call upon all Federal, State and community agencies, educators, the communications media, the clergy, and concerned organizations and individuals to do all that lies within their power to help assure that our older citizens have an adequate personal income, access to housing facilities responsive to their needs, adequate services such as health care and transportation, fair employment opportunities, and opportunities for continued involvement in our Nation's activities. Let each of us resolve to do all that is possible to guarantee to these Americans that their later years will be rich, secure and filled with the dignity that is, and ought to be, the birthright of all Americans.

In witness whereof, I have hereunto set my hand this eleventh day of April, in the year of our Lord nineteen hundred seventy-seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER.

AMERICAN TAXPAYERS OVERSEAS

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. WHITEHURST. Mr. Speaker, the Congress in its wisdom has done it again. In an effort to squeeze the last dollar from Americans working abroad, we have set in motion what could become a near-total exodus of Americans employed overseas. I am sure that a number of my colleagues have already heard from Americans in the Middle East who are dismayed by the effects of the Tax Reform Act of 1976. That Act, which has already created mischief for hundreds of thousands of Americans at home through a penalty on sick pay exclusion, has now reached across the sea to sting other Americans gainfully employed in American enterprises in foreign countries. The real effect will be felt not only on these people, but on the ability of American firms to do business abroad. Without tax incentives to encourage Americans to take necessary positions in overseas operations, American firms will not be able to compete effectively. If they cannot compete, there will be no contracts and the ripple effect will lap right back on our own shores and further injure industry and job-producing opportunities in the United States.

Mr. Speaker, I take this opportunity to introduce excerpts from an article which appeared in the May 8 issue of the Washington Post, an article reprinted from the Los Angeles Times by Joe Alex Morris, Jr., who poignantly describes the impact of legislative actions:

AMERICANS ON MIDEAST JOBS WATCH THEIR WORLD COLLAPSE

(By Joe Alex Morris Jr.)

ABU DHABI.—Connie Thomas stood among the possessions left over from the sudden urgent sale of her household goods.

"I'm packing up my dreams," she said bitterly.

Last year, Connie and her husband, Buford, were sitting on top of the world. His employer, the Minneapolis roadbuilding firm of S. J. Groves and Son, had sent him to the booming Middle East, where the money flows like oil and contracts proliferate like rabbits. Thomas put his daughter in a Swiss boarding school, and he and Connie started making plans for a retirement home in Florida.

Then their world collapsed. They left over the weekend for their Midwest home, probably to join the ranks of the unemployed.

Their dream, they said, died in the U.S. Congress.

In recent weeks:

The Tax Reform Act of 1976 was put into effect: The amount of earnings a foreign-based American can exempt each year from U.S. income taxes was cut to $15,000 from $25,000 or $20,000, depending on the length of service overseas. And credit for foreign taxes on that first $15,000 was wiped out. Moreover, the U.S. tax rate would be figured on gross income, not on the net remaining

after the $15,000 exemption. The rules were applied retroactively to 1976 earnings.

Proponents of the tax legislation said it closed a loophole that gave advantages to Americans working overseas. But many of the one million Americans living abroad consider the measure a threat to their livelihood.

Thomas said the immediate effect on him was a sizeable increase in tax withholding on his 1977 earnings. He still doesn't know whether his employer will reimburse him for the extra tax burden for 1976 which he expects the Internal Revenue Service to exact retroactively.

Many companies are, but Americans abroad wonder how long companies will continue to pick up the tab. It's a doubtful benefit at best because a company contribution is considered income to the employee when he computes the following year's tax bill.

Apprehension is evident throughout the 600-strong American community here and among the 1,200 U.S. citizens in Dubai. Two teachers quit the American school in Dubai and went home after an agent of the Internal Revenue Service briefed the community there on the new law.

Bob Browning of Pomona, Calif., a vice president and general manager of Offshore International, expects to be recalled to the United States after 27 years abroad. "By 1980, the company would be paying $50,000 on my taxes," he said, "I just couldn't compete."

The problem is particularly acute in the Middle East oil regions, because the cost of living is the highest in the world. Annual rents in Abu Dhabi range between $24,000 and $40,000 for modest accommodations. If the company pays this, it must be noted on the individual's tax return as added income.

TRIBUTE TO DINA G. BEAUMONT

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. WAXMAN. Mr. Speaker, it is a personal pleasure to join in honoring my friend, Dina G. Beaumont, who has been chosen to receive the 1977 Histadrut Distinguished Service Award—a symbol of recognition and appreciation from the Israel labor movement. The salute to Dina will be delivered as the highlight of an all-industry labor-management dinner on Saturday, May 14, 1977. Dina, who is vice president of district 11, Communication Workers of America, AFL–CIO, has held many other union offices. She was vice president and president of the Federation of Women Telephone Workers—FWTW, a member of the National Bargaining Team of CWA, vice president of the Los Angeles County Federation of Labor, and a member of the Civil Rights Committee, National AFL–CIO.

Dina received the Labor Woman of the Year Award in 1975 from the American Civil Liberties Union, and she attended the International Women's Year Conference in Mexico City. She is a democratic national committeewoman from California, a member of the Democratic National Platform Committee, delegate and co-vice chairman of the California delegation to the 1976 Democratic National Convention, and was a delegate to the miniconvention in Kansas City in 1974.

Dina Beaumont is truly a "woman for all seasons." Not content with her activities for the union movement, women's rights and her political interests, she has fully entered into her community's life. Her contributions include membership in Common Cause, a regional vice-presidency of the Coalition of Labor Union Women, CLUW, and activity in the Monterey Park Democratic Club. She has been on the board of trustees of Blue Shield, the corporate board of United Way, and the list goes on: town hall, UCLA Alumni Association, Friends of KCET, board of directors of the Consumer Federation of California, Industrial Relations Research Association, the Coro Foundation's southern California board of trustees, and the National Conference of Christians and Jews southern California's board of directors.

Dina and her husband Dennis, a captain in the merchant marine, have a son, Walter Douglas, and a daughter, Madeleine. They support Dina's work and her commitments, and she sets a fine example for her children to follow. I ask the Members to join me and the other countless friends of Dina G. Beaumont in offering our admiration of this energetic, brilliant and most extraordinary woman, and in congratulating her for earning the 1977 Histadrut Distinguished Service Award.

FRUSTRATIONS OF THE MIDDLE CLASS

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. BAUMAN. Mr. Speaker, millions of American citizens are beginning to wonder if anybody in Government cares about them. These are the hard-working and productive members of this Nation's middle class. Their frustration increases every time their taxes go up to finance another of the countless Federal programs to benefit others. The editorialist for WBOC–TV in Salisbury, Md., has expressed admirably this feeling of frustration among members of the middle class and I commend the editorial's warning to my distinguished colleagues:

We have paid the bill for the cost of upgrading every other minority group in this country for many years . . . but we too have a limit of endurance.

The body of the editorial follows:

THE MIDDLE CLASS

For the past several generations—minorities have made their voices heard . . . blacks, women, Spanish-speaking and other ethnic groups . . . and you can think of others fitting this classification. And no one will deny that there was room for improvement in their social and economic status . . . and was long overdue. This is not to say that even now things are as good as they could or should be to bring equality to all . . . but the improvements which have been made have been shouldered by you and us . . . the middle class workers . . . and we suggest that perhaps today, we, the middle class, are the true minority in this country, and no one has spent much time worrying about us.

In recent years, virtually every minority group in this country has made classic gains . . . but what have we, as middle class workers, really gained? True, our income has gone up, but in terms of true buying power it has not, for inflation and taxes in one form or another have taken care of that. And yet we are the ones who have, and still are, paying most of the bills of our country.

Inflation has not been stopped . . . taxes keep rising and our legislators show no signs of putting on the brakes . . . welfare rolls continue to grow. Tax loopholes still exist which permit wealthy individuals and large corporations to pay proportionately far less than what we are expected to pay.

Maybe the time has come for us, as middle class workers, to band together . . . and brand ourselves as the real minority of today . . . the forgotten minority . . . and see if we can't persuade our resident bureaucracy into giving us a break too. We have paid the bill for the cost of upgrading every other minority group in this country for many years . . . but we too have a limit of endurance.

SOIL CONSERVATION

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. GRASSLEY. Mr. Speaker, last year I first brought to the attention of the House the need for soil conservation. The effects of inadequate soil protection can be seen in the Midwest and Great Plains States. The problem will not go away by itself. Yet many landowners cannot afford to plant and cultivate soil protection areas. At the same time the Nation cannot afford to let its soil be washed and blown away.

I have reintroduced several times this year legislation to provide tax credits to landowners who leave vegetative areas as soil erosion barriers. These barriers also double as wildlife habitats. I intend to keep pushing for enactment of this legislation and urge my colleagues to join in supporting me.

Meanwhile, I would like to share with the House an editorial in favor of my bill, which appeared in today's edition of the Des Moines Register, one of the top newspapers in the country:

SOIL-SAVING LOOPHOLE

The dark, rich soil in which farmers are now planting their crops is Iowa's most valuable resource. Soil is one of the nation's most important resources. Unfortunately, Americans are not giving this resource the care it deserves and needs.

William Greiner, director of the Iowa Department of Soil Conservation, estimates that only one-third of Iowa's 26 million acres of cropland is adequately protected against soil erosion. As a result, Iowa is losing its soil at an average annual rate of 10 tons per acre. On unprotected sloping land, losses run up to 25 tons. Statewide average losses equal one inch of topsoil every 12 years.

Representative Charles Grassley (Rep., Ia.) has introduced a bill in Congress that would help farmers do more to protect their land. The bill provides tax incentives to those who leave unplowed areas of vegetative cover. To qualify for the tax benefit, farmers would have to create unplowed strips that meet the U.S. Department of Agriculture requirements. The strips would be between 20 and

60 feet wide, and cover no more than 15 per cent of a farm's cropland. Farmers who took this action could then claim a tax credit.

The cost of this incentive program would be minimal compared with its value. If ten per cent of Iowa's farmers participated, each seeding an average of two acres of grass strips, total tax credits would be $2.4 million a year in Iowa.

Because it involves a change in tax laws, the bill has been assigned to the House Ways and Means Committee, but no action has been taken on it. Ways and Means has plenty of experience in granting expensive and wasteful tax loopholes to the powerful and the wealthy. With this bill it could create a "loophole" that would benefit all Americans.

HUMAN RIGHTS: THE KINGDOM OF THE NETHERLANDS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. FRASER. Mr. Speaker, a little pamphlet, "The Kingdom of the Netherlands, Foreign Policy," was recently brought to my attention. One of a series of pamphlets on the Netherlands published by the Ministry of Foreign Affairs, the pamphlet summarizes in a few pages that nation's foreign policy.

The final page of the booklet is devoted to "human rights." These paragraphs expressing the human rights stance of the Govenment of the Netherlands are worth repeating here:

HUMAN RIGHTS

The Netherlands Government attaches great value to the international promotion and protection of human rights. The Government's concern for human rights stems partly from the increased importance placed particularly on human and social values in the Netherlands in recent years. Influenced by a growing awareness of the cohesion of the world community and of the intertwining of political and economic events in the world, the increased perception of norms has extended to wider fields than those which the international legal order was previously thought to cover. At the present time, these norms relate in particular to the preservation of peace, solidarity with the oppressed, the lessening of social and economic injustices in the world and the protection of human rights.

The Government considers that concern for these values should be expressed in its foreign policy. Continual suppression of human rights and situations of elementary injustice that offer no prospect of rectification result ultimately in the eruption of tensions which can sweep away all stability in the world. It is therefore of vital importance to the Netherlands, which is so closely bound up in the international community, that she commit herself to the international promotion and protection of human rights, this being part of a dynamic policy of peace and security.

The Netherlands tries to do everything possible within the framework of the United Nations to strengthen the procedures for the maintenance of human rights, in particular, the function of the right of appeal of individuals and non-governmental organisations. In recent years, the Netherlands has taken special initiatives aimed at combating the use of torture, resulting among other things in the adoption by the UN in 1975 of a Declaration for the Protection of religious intolerance and the recognition of objections to military service on grounds of conscience. Together with other countries, the Netherlands has pursued an active policy directed towards improving the human rights situation in Chile.

Moreover, the Netherlands is a party to the European Convention on Human Rights whose conclusion she was instrumental in bringing about.

WEST POINT PAYS TRIBUTE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. RANGEL. Mr. Speaker, over 100 years ago, James C. Freeman of Georgia, a former Member of this House took the initiative and courage to nominate the first black man to graduate from the U.S. Military Academy. The former slave, Henry Ossian Flipper, had been silenced during his 4 years at West Point. Yet after he was commissioned he continued to serve our country with the all black 10th Cavalry Regiment in Oklahoma, until he was wrongfully dismissed. Last year he was postumously exonerated by the Department of the Army. His career was highlighted when he served as Assistant to the Secretary of the Interior under President Harding.

On May 4, an article appeared in the New York Times describing the unveiling of a bust in his honor at the U.S. Military Academy. I felt my colleagues might be interested in reading this tribute to this courageous American.

The article follows:

FIRST BLACK TO GET A DIPLOMA CITED BY WEST POINT

(By James Feronnn)

WEST POINT, May 3.—The United States Military Academy paused today to honor Henry Ossian Flipper, who persevered here as a virtual outcast 100 years ago to become West Point's first black graduate.

Silenced by the other cadets during his four years at the academy, Lieutenant Flipper "became one of the most honored citizens of the nation, a credit to all of its people and its rich diversity," said Lieut. Gen. Sidney B. Berry, the superintendent.

Flanked by 18 of Flipper's descendents from Georgia and other parts of the South, General Berry helped unveil a bust. As he did so, Mrs. Irsle King, burst into tears as the cover was removed.

She stepped up after the ceremony, to run her fingers over the bronze likeness.

"It's just like him, it's just like all of them," she said, referring to Lieutenant Flipper's four brothers, "especially here." Mrs. King touched the area above the eyes.

Then, with her brother, Festus Flipper, they stood with the superintendent on the plain for a review by two of the Academy's four regiments, today more heavily represented by blacks and other minorities.

It had not always been that way. General Berry, who has been instrumental in seeking to increase black representation at the 175-year-old military institution, acknowledged this by noting that while West Point now had 194 black cadets in its corps, only 206 blacks had graduated in the century since Lieutenant Flipper "blazed away."

OTHERS BEFORE HIM FAILED

Lieutenant Flipper was not the first at West Point. Several blacks who preceded him dropped out, unable to withstand the stress compounded by isolation and abuse that was to be directed toward "coloreds" for decades. Some, like Benjamin O. Davis, a retired lieutenant general, survived to achieve prominence.

Cadet Flipper, born in slavery in Thomasville, Ga., was tutored by other slaves and later by the wife of a former Confederate officer.

He attended Atlanta University and was appointed to West Point by Representative James C. Freeman of Georgia. A "strong, dignified but gentle person with immense self-respect," according to General Berry, Cadet Flipper nevertheless found difficulties following him into the field.

Serving at frontier outposts with the all-black 10th Cavalry Regiment in Oklahoma, he was accused—and acquitted—of embezzlement, and then was dismissed from the service for conduct unbecoming an officer for "carelessness" in bookkeeping and "delinquency" is filing reports.

Lieutenant Flipper was exonerated posthumously by the Army last year. As a civilian, he spent 37 years as a civil and mining engineer and was appointed assistant to the Secretary of the Interior in 1921.

He died in 1940 in Atlanta at the age of 84.

THREE ST. ANN CIVIC LEADERS TO BE HONORED

HON. ROBERT A. YOUNG

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. YOUNG of Missouri. Mr. Speaker, three of eastern Missouri's most dynamic civic leaders will be honored with a testimonial dinner this week. The officials, all from the north St. Louis County community of St. Ann, are Mayor Clarence Tiemeyer, Police Chief Maurice McCue, and Police Judge John Luby.

Mayor Tiemeyer has inspired many through his political, church, and civic leadership. He has been the mayor of St. Ann for the past two decades. In past years, he has served as president and treasurer of the Airport Township Democratic Club. He is an active member of his church, and has been a leader in its annual fund drive. His involvement in civic organizations includes the chamber of commerce, the VFW, the Holy Name Society, Lions Club, and Kiwanis.

Chief McCue has been the police chief for the past two decades. In 1970, he was voted the Police Chief of the Year in Missouri. He is a life member of the Missouri Peace Officers Association, of which he was the president in 1970–71. The American Red Cross has honored him for rendering first aid which saved the life of an auto accident victim, and last year President Ford commended him for the superior safety precautions which his force provided for a Presidential visit.

John Luby has served as police judge of St. Ann since his election in 1957. He is a retired chief deputy sheriff of St. Louis County. Judge Luby is an active member of the Missouri Bar Association and is an

active member of the St. Ann's Lions Club.

I join their many friends in Missouri in saluting these fine public servants on this great occasion.

SOYBEAN CHECKOFF SYSTEM

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. JONES of Tennessee. Mr. Speaker, last week the Tennessee State General Assembly passed enabling legislation that will authorize a soybean checkoff system that will allow for the establishment in Tennessee of a soybean research and promotion program.

This kind of self-help, voluntary program is modeled after the same type of action that this body has taken in the past on similar programs for cotton, eggs, and livestock. It is a very good concept that allows farm producers to pool their resources and develop programs that will further aid their interests in developing new markets for their products.

I would like to insert into the RECORD the following newspaper article on the passage of that bill in the Tennessee Legislature. The article features comments from Mr. Page Box, president of the Tennessee Soybeans Association, and shows the wide ranging support that this program has in Tennessee:

SOYBEAN CHECKOFF SYSTEM

RIPLEY, TENN.—Page Box of Ripley, president of the Tennessee Soybean Association, Friday predicted a bright future for soybean production in the state.

"Soybean producers in Tennessee will no longer be riding on someone else's coattails," said the 33-year-old soybean farmer and farm implement dealer. "We will finally be paying our own way in the promotion and development of the soybean industry."

The Tennessee legislature Thursday passed an act long sought by the TSA. It calls for a one-half cent assessment per bushel of soybeans, to be paid on a voluntary basis by individual soybean producers.

"Tennessee became the 17th state in the nation and the last in the South to enact a soybean check-off system," said Box, who has made weekly trips to Nashville since January to visit legislators. "We have worked to get this bill passed for seven years.

"Last year, the bill passed the House, but was killed in the Senate Commerce and Labor Committee. The Tennessee Farm Bureau has fought this thing since its inception. This year, we have had strong support from all of our area legislators."

"If every soybean producer in the state participates, we will have an income of $240,000," said Box. "One-half of the money will stay in the state for local research, and one-half will go to the National Soybean Association and used primarily for market development overseas and at home."

Box explained that farmers will declare they want to participate in the check-off system when they market their beans.

"The operator of the grain elevator that buys the soybeans will in turn send the check-off funds to the state Department of Agriculture, where they will be deposited in a special fund."

Box said, "The funds will be administered by a nine man committee appointed by the governor. The committee will be selected from names of 18 soybean growers submitted by TSA, the Tennessee Farm Bureau, and the Tennessee Farmer's Cooperative. Three members will be chosen from each group."

Box is enthusiastic regarding plans for expanded research in Tennessee.

"We expect most of the funds spent in Tennessee will be used to supplement research work done by the University of Tennessee Extension Service.

"For example, we can use money to find ways to combat the race for soybean cyst nematode that is detrimental to many farmers. We can improve soybean varieties best suited to our soil and climate through research."

He explained that where national production of soybeans has largely dealt with overseas markets in the past, greater emphasis will be placed on development of markets at home.

"In rural Tennessee, soybeans are the backbone of our economy," said Box. "The reason you see so many new homes in rural areas, new trucks on the road, and new farm implements in the fields is because of soybeans."

"We will kick off a new soybean promotional program in January. Grocery shoppers will see new labels on various types of shortening that will say 'made with soy oil'.

"Many persons who purchase shortening now, do not realize when they are buying shortening made with soybean oil, or imported palm oil which has been proven to be less nutritious.

"We have 1.2 billion pounds of palm oil coming into the United States each year. We believe Americans would like to know when they are using a product made with soybean oil made in the United States."

Box pointed out that the check-off system will not be expensive to individuals.

"The average yield of soybeans in Tennessee is 24 bushels per acre," he said. "We are talking about 12 cents per acre. I farm 100 acres of soybeans, so the check-off will cost me $12.

"It will be worth it to have our most outstanding agricultural product in the state recognized."

THE WATSONVILE BAND: SETTING A STANDARD OF EXCELLENCE

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. PANETTA. Mr. Speaker, I would like to bring to the House's attention the outstanding record of accomplishment of the Watsonville Band. Over the course of their 30 years of vigorous competition in parades and concerts throughout our country and beyond, they have set a standard of excellence that is virtually unparalleled in the annals of competitive marching and concert band history. It is not without reason that this fine organization has been dubbed "California's Most Winning Marching Band." I would like to point out some of the history and accomplishments of this remarkably successful organization.

The city of Watsonville's involvement in marching and concert band competition dates beyond the inception of the Watsonville Band in February of 1947. During the early decades of this century, the precursor of the Watsonville Band, known as the Sciots Band, established a tradition of musical and marching magnificance that captured and has held the imagination of Watsonville residents to this day.

Their fascination with the musical accomplishments of their city's most talented citizens spurred the formation of what is known today as the Watsonville Band. Thirty years ago this February marked the beginning of this golden age of music in Watsonville. Since that date, the band has logged an astonishing record of 206 first-prize performances in 616 competitions.

From the farmlands of the San Joaquin and Central Valley, to the International Center at the 1962 Seattle World's Fair, to the pavillion at Expo 67 in Montreal, the musical and marching talents of past and present members of the Watsonville Band have charmed and entertained people from all over the world. Through the common language of music and of discipline in marching, the members of the Watsonville Band express their pride and heritage and promote understanding among the people of our Nation and the world.

It is my honor to salute in their 30th year these ambassadors of good will, these models of excellence in marching and concert band competition. I wish the Watsonville Band continued success in the years to come.

REGIONALIZATION FOR THE NATIONAL CONSUMER COOPERATIVE BANK

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Miss OAKAR. Mr. Speaker, last week the Committee on Banking, Finance and Urban Affairs favorably reported H.R. 2777. This bill will establish the National Consumer Cooperative Bank as well as provide a self-help instrumentality and technical assistance for the initiation and development of cooperative organizations.

I am a cosponsor of this legislation and I encourage my colleagues to support H.R. 2777. Nonetheless, I feel that this bill should be enhanced by the incorporation of a regional bank provision.

The original legislation had outlined a plan whereby after 7 years of operation the board of directors of the bank could establish a network of regional banks. However, the substitute amendment agreed to in committee markup did not include the section of regional banks.

I am convinced that regionalization will greatly improve the delivery of services that this legislation will call for. While the self-help and technical assistance functions will be carried out by ACTION and its regional offices, the lending functions of the bank will be wholly administered by a central bank in Washington. This is not advisable.

Historically, co-ops have been grassroots organizations. They bring people—neighborhood people, farmers, impoverished people, the elderly—together for

the purpose of helping themselves. These co-ops, rooted in the local communities, should have the opportunity to interface with the co-op bank at the regional level. To insist on a central bank in Washington without proper channels of communication at the regional level is to encumber co-op development.

I will offer an amendment on the floor to add the regionalization provisions to H.R. 2777. The amendment is a modest measure. It calls for 7 years of bank operations before the establishment of regional banks. It allows all those involved to monitor the operations and progress of the bank before giving it regional outlets.

I ask my colleagues to consider this amendment from the perspective of those who will use the co-op bank and its adjacent function. These are people of our neighborhoods and towns.

I ask my colleagues to vote for this amendment and to support H.R. 2777 as measures that give Americans the opportunity to realize their capabilities and provide themselves with affordable products, services, and housing.

MEDICARE REIMBURSEMENT BILL GAINS APPROVAL OF HEALTH SUBCOMMITTEE

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. STEERS. Mr. Speaker, I am pleased to note that the Ways and Means Subcommittee on Health accepted the provisions of my medicare reimbursement bill, H.R. 3296 offered by Congresswoman MARTHA KEYS in subcommittee markup on H.R. 3, relating to medicare/medicaid fraud and abuse. My bill is cosponsored by another member of that subcommittee, Mr. WILLIAM BRODHEAD as well as Dr. TIM LEE CARTER, a member of the Subcommittee on Health and the Environment.

H.R. 3296 contains three provisions. Firstly, it provides for a lump-sum reimbursement to medicare beneficiaries who the Secretary determines on the basis of medical and other evidence should purchase rather than rent durable medical equipment. Currently, medicare beneficiaries are reimbursed for purchased medical equipment at a monthly rate equal to the monthly rental fee. A General Accounting Office study showed that this reimbursement system creates an incentive for beneficiaries to rent rather than buy even when the cost of rental, over long periods of time, by far surpasses the cost of purchasing the equipment.

These beneficiaries who live, for the most part, on shoestring budgets find it most difficult to dole out one big payment in any given month when reimbursement comes in the form of such small payments stretched out over a period of months. The GAO analysis revealed that out of a statistical sample of 420 reimbursements of the approximately 13,000 beneficiaries studied, a savings of $234,000 including $47,000 for the patients' share, could have been realized if the equipment had been purchased when the anticipated period of need indicated that purchase would have been more economical than rental.

Second, the bill provides an incentive to purchase used equipment by waiving the 20 percent coinsurance amount whenever the purchase price of the equipment is at least 25 percent less than the reasonable charge of comparable new equipment.

Third, the bill requires that the Secretary encourage suppliers of durable medical equipment to make such equipment available on a lease-purchase basis whenever possible.

In short, this legislation would serve both the interests of economy and certain hardship cases where beneficiaries cannot afford to be reimbursed for purchase of small monthly amounts.

THE 29TH ANNIVERSARY OF INDEPENDENCE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. RODINO. Mr. Speaker, it is with great pleasure that I extend my congratulations to the nation of Israel on the 29th anniversary of its independence.

Since its founding in 1949 as a refuge and homeland for all Jewish people, this valiant state has consistently demonstrated its total commitment to the ideals of liberty. The Israel Parliament, the Knesset, is a democratically elected, proportionally representative body. Israel's Fundamental Laws, the National Constitution, were synthesized from British, French, Muslim, and Ottoman statutes, in order to conform as closely as possible with the prevailing legal customs of Palestine. An independent judiciary and court system were also established.

In addition to the creation of a democratic government, Israelis have excelled in numerous other fields. Despite a lack of previous experience in farming, Israeli agriculture has steadily expanded at the rate of 8 to 10 percent each year. Industrial production has been increased to a level which, at present, is comparable to that of the advanced nations of Western Europe.

Large-scale economic growth has not been attained to the detriment of cultural and educational advancement. Outstanding artists, sculptors, and several Nobel Prize-winning authors are proudly numbered among Israel's citizens. Literally thousands of schools and libraries enrich a country which, in size, is scarcely larger than my home State of New Jersey.

Perhaps the most astonishing aspect of modern Israel is the fact that despite its youth, and the hardships faced since its creation, the State of Israel has embarked upon an active program of technical assistance targeted toward other emerging nations.

Mr. Speaker, I could continue at length to list the multitude of accomplishments attained by the people of the State of Israel in the 29 years since its creation. Yet, somehow this seems unnecessary, for the State of Israel stands as a living monument to the strength of the human spirit.

THE BREEDER REACTOR AND THE SST

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. BROWN of California. Mr. Speaker, in the course of the debate over President Carter's nuclear energy policy, I have heard many references about the apparent decision by several European countries to continue with the fast breeder while the United States holds off on commercializing this technology. Listening to the debate, one would think that the United States was abandoning modern technology and reverting to the stone age.

Obviously this is not happening. What is happening is another historic debate over relative perceptions of progress and over what values are considered when one makes a major policy decision. In this sense, the debate over the LMFBR is quite similar to the debate over the commercialization of supersonic transports. As we all know, this debate continues today. However, the key question, that of economics, has already been largely resolved. The SST is uneconomical, and in a fuel-conscious world, a foolish technology. The European decision to continue with the fast breeder may be the nuclear equivalent of the SST. This, as well as the proliferation issues, should be considered during the course of our debate.

A recent article which echoed this thought was in the May 7 issue of the Washington Star. The article follows:

UNITED STATES IS RIGHT ON NUCLEAR ISSUE

The United States was right, France and England wrong, when America refused to go ahead with the supersonic marvel of the age. Sure, the Concorde is swift, but it has disagreeable environmental faults and worse, from a commercial viewpoint, it has an inadequate payload. Some still aren't convinced, but most American engineers are delighted we dropped the supersonic transport (SST).

Now today, in the same way, we think President Carter is right, most of Europe wrong, in his rejection of the so-called fast-breeder reactor. This is enormously more important than the Concorde.

Theoretically the reactor could open the way to limitless energy in a fuel-starved world. It is so complicated that it is almost impossible to comprehend but, on paper at least, the process is a kind of perpetual-motion energy machine: It burns up a type of waste-product nuclear fuel and in the act produces more fuel than it burns up. Who could ask for more? World leaders are like little boys at Christmas: Visions of sugarplums dance through their heads.

The problem is that what is technically feasible may not be commercially valuable. So we have this extraordinarily dramatic 1977 confrontation: Mr. Carter, a nuclear engi-

neer, has just shelved or scrapped proposed American breeder reactors costing billions with more billions scheduled, while France, West Germany and half a dozen other European countries are scrambling to amass billions to build them and, more than that, to export them, and know-how, to less technically advanced countries so that they can have an independent, limitless supply of energy. West Germany is doing that for Brazil; France for Pakistan.

President Carter is at the summit conference in Europe trying to explain his seemingly outrageous views to the leaders of the Western alliance and Japan. They are reportedly distrustful and angry. He has one advantage; he is an Annapolis nuclear engineer and served once on a nuclear submarine: He can understand the complex lingo without an interpreter.

This is pretty dramatic, but there is another darker, more dangerous side to it. Most Americans are still probably foggy about it; it is almost certain that many of the peaceful protesters at Seabrook, N.H. (the delightfully named "Clamshell Alliance") don't understand it.

There are two kinds of nuclear reactors. One kind uses enriched uranium for fuel and is reasonably disassociated from weaponry; it is conventional and housebroken. The other kind is used in the breeder reactors and takes plutonium, a man-made product that is probably the most toxic stuff on earth—a driblet will kill you, and 10 pounds in a bomb will blow up Chicago. A nation that builds or buys a breeder reactor that will produce plutonium from enriched uranium (U238) is on its way to making nuclear weapons. The President is doing what he can to stop it.

A few years ago—as recently as Nixon—the United States also thought the fast breeder reactor (plutonium) was the path to unlimited energy. The change was abrupt. Now the strongest doubts have arisen—commercial doubts, not environmental or military doubts. The cycle is too expensive, it is believed.

Experts who say this are not against nuclear power; they think nuclear power is here to stay. There are about 400 so-called thermal reactors actually operating, or building, in the world today. But the fast breeder reactor, turning uranium U238 into plutonium, is a doubtful economic bet; it is enormously expensive to build and its electricity can't compete with electricity from other power sources.

Some of the idealistic protesters at Seabrook and elsewhere make no distinction, it appears, in denouncing nuclear reactors; they are against all kinds, and the nuclear age, too, apparently. I am afraid they are too late.

Australian nuclear physicist Stuart Butler, who received a prize from the American Physical Society here this week, agrees with President Carter. The fast breeder reactor, he tells me, is "at a critical point in its development. The industrialized nations are poised, but not yet committed, to embark on a massive commercial development program."

He's against it; he thinks Jimmy Carter can still head them off. Wtih two colleagues he has written a popular-style book, widely influential in Australia, that may soon be reprinted here: *Uranium on Trial.*

"We are totally opposed to the introduction of breeder reactors for power production at this stage," it says. Wait a bit, the authors argue: Maybe this monster plutonium will be harnessed in time and put to the plough, but not yet. The thermal reactor, they say, "is the only type of reactor that we believe is suitable for use in the world today."

If the layman is still groping for confirmation, and searching for some other authority in this nightmare world, he will find Prof. Butlers' verdict from Australia confirmed almost word-for-word by the Ford Foundation's newly published study, *Nuclear Power Issues and Choices* (Ballinger paperback). The study is by a 21-member blue ribbon panel. It urges delay in plutonium breeders for urgent reasons of safety and economics. True, the study agrees, other countries are pursuing such breeders—France, West Germany, the United Kingdom, Japan and the Soviet Union. Some are having success. But, says the report, "being first with a technological development program does not always mean success in economic or other terms since technical success must be matched to real needs. The supersonic transport provides a contemporary example." Yes, the Concorde.

My hunch is that whatever President Carter and supporters try to do, the fight to prevent nuclear proliferation has been lost. Enrico Fermi in Chicago in 1942, produced the first chain reaction, and three years later we face a prospect so bloodcurdling that we prefer not to notice it.

Bomb power is spreading. Last week there were these stories: 200 tons of uranium oxide were diverted nine years ago in a vessel and nobody knows where they went—was it Israel? South Africa may be developing nuclear weapons at a secret hideaway. The General Accounting Office tells Congress that commercial nuclear facilities can't account for "thousands of pounds" of highly enriched plutonium and uranium.

Delegates of 60 nations at Salzburg hear that 102 nations have now accepted the Nonproliferation Treaty. Fine, except that some 50 nations haven't, including France, Argentina and Brazil.

Defense Secretary Harold Brown smilingly told me the other day that no one Princeton undergraduate could make a bomb; but 100 undergraduates, with access to fissionable material, very possibly could.

MRS. ADELINE I. TRIPP—OUTSTANDING EDUCATOR

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. SARASIN. Mr. Speaker, since the days of Thomas Jefferson, it has been recognized that education is the bulwark of our society, the best guarantor of a dynamic, progressive nation in which our freedoms, liberties, and creativities can be protected and enhanced. Yet, without creative and energetic educators committed to the challenge of delivering quality instruction to over 200 million people, education would stagnate and our society would fall.

Seymour, Conn., has been among the fortunate communities in our country in that it has enjoyed the talents and services of Mrs. Adeline I. Tripp. One of the most outstanding educators of our time, Mrs. Tripp has devoted 51 years of her life as a teacher and principal, demonstrating constant concern for her pupils and her colleagues. The resolution promulgated by the Seymour Board of Education and the superintendent of schools best captures the feeling of the community for this dedicated woman upon her retirement:

RESOLUTION FOR MRS. ADELINE I. TRIPP

(September 1926 through June 1977)

Whereas the Seymour Board of Education recognizes that Mrs. Adeline I. Tripp has given fifty-one years of outstanding service to the community of Seymour as a teacher and principal, and

Whereas her efforts as elementary school teacher have contributed greatly to the intellectual awakening and cultural development of countless young people, and

Whereas her recognized administrative abilities have contributed greatly to the moulding of an excellent staff and curriculum during her years as principal at the Center and Annex Schools, and

Whereas she has spent many extra hours counseling students, parents and teachers to promote a better understanding between the home and the school, always keeping in mind the best interests of the students in her charge, and

Whereas she has worked harmoniously with several superintendents and many different Board of Education members, being ever aware of the many needs and moods of the community, and

Whereas her warm sense of humor has helped to lessen the feeling of discouragement that many share as rapid changes occur which leave their mark upon our society and our schools, and

Whereas she has always displayed concern and respect in her relationships with all human beings, and

Whereas she has been a true model of a leader in professional ethics, and has shown wisdom and sensitivity in working with the problems of others,

Be it resolved: that the Board of Education and the Superintendent of Schools offer their deep gratitude and sincere thanks to Mrs. Tripp for many years of service, and wish her many years of prosperity and happiness in her retirement.

The respect Mrs. Tripp has earned comes not just from her 51 years of service nor from any particular incident in her career. Instead, it comes from the spirit she conveyed to pupils and teachers alike, a spirit of humanitarianism and faith in democracy. Mrs. Tripp has lived these ideals, teaching "good government" on a daily basis. In the 1940's, she organized the school's "Junior Congress" whereby the students, under her guidance, formulated their own school laws, campaigned and elected officers and representatives from every classroom. From that time on the school was theirs, and its role in the community was well defined. She taught her students to look at their school and their community to see how they might work to make it an even better place in which to work and live, to face problems on a daily basis, solving them cooperatively and individually.

Mrs. Tripp embodies the characteristics of an innovative and resourceful educator. Faced with a 92-year-old school that lacked both a gymnasium and an auditorium, she nonetheless insured that the arts and physical education would not be absent from any child's curriculum. Dedicated teachers, through her inspiration, built a small stage in the basement of the school; empty rooms and hallways become instant gymnasiums. The lack of proper equipment and facilities was never benignly accepted. Instead, teachers and students learned to develop greater imaginative and improvisational skills.

Always the activist, Mrs. Tripp was instrumental in forming the first PTA in Seymour and spearheaded the first Head Start program there. In addition to membership in various professional organizations, Mrs. Tripp is an active member of

the board of directors of the Valley Arts Council, the Seymour Womens' Club, and St. Augustine's Church choir.

While Mrs. Tripp might be formally retiring from her work as an educator, no one really believes that she will or can "retire" her concern and activity on behalf of people. She will undoubtedly continue to leave her mark on the lives of others and upon that of her community.

I join the residents of Seymour in wishing Mrs. Tripp a well-deserved, healthy, and active retirement.

SEVENTH OHIO DISTRICT CONGRESSIONAL YOUTH ADVISORY COUNCIL FINAL REPORTS

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. BROWN of Ohio. Mr. Speaker, on Thursday, April 7, the Seventh District Congressional Youth Advisory Council members for the school year 1976–77 met in Urbana, Ohio, to present their final reports and recommendation on legislation they had studied during the current year. The fourth of four reports follows.

A REPORT AND AMENDMENTS ON EQUAL OPPORTUNITY AND FULL EMPLOYMENT ACT OF 1975

(Champaign-Logan County)

Craig M. Engle, Chairman.

Dave M. Wickerham II, Co-Chairman.

COMMITTEE MEMBERS

Robin Carter, Mark Arnold, Craig Prall, Debrah Sue Fox, Paul Mech, Duane Newman, Diane Kennon, Dave Yoder, and Greg Krisher.

The following is a report filed by the Champaign/Logan County Congressional Youth Advisory Council on the Equal Opportunity and Full Employment Act of 1975.

Unemployment is a major problem that has faced the United States for many years. Since the Great Depression of the 1930's, to the present, countless federal programs have been instituted to strengthen the economy and stimulate the job marekt. The programs, ranging from Franklin D. Roosevelt's New Deal to today's CEP, WIN, CETA, all have had limited success.

CEP, the Comprehensive Employment Program, was a joint MDTA-EOA funded effort to decentralize program activities and win support of labor and business. However, the government didn't control as tightly as they could have, so CEP was unable to meet its goals.

WIN, the Work Incentive Program, was established by amendment to the Social Security Act in 1967 to assist employable recipients of Aid to Families with Dependent Children (AFDC) to achieve financial independence through full time, permanent employment and thus reducing welfare payments. Then we had WIN I in 1971 and WIN II in 1973, which continues presently, coordinated by CETA. Funding is 90% Federal. The effectiveness of WIN in producing welfare savings is questionable. The limited data available shows little or no savings.

CETA is the Comprehensive Employment and Training Act of 1973. After seeing how MDTA, EOA, WIN and EEA were fragmented, duplicative and not responsive to local needs, there was a demand for reform that would yield a program both comprehensive and decentralized. Now came CETA, which put title numbers on the programs.

Title I—The core of CETA, provides financial assistance to State and Local governments to plan and administer their own manpower programs. The structure includes Planning Councils and State Manpower Service Councils. Vo Ed assistance is the bone thrown to industry. Then there are Title II funds, Title III target groups, such as Indians, Offenders, Migrant Workers and others. Title IV continues the Job Corps—Federally administered. Title V established the MCMP—National Commission for Manpower Policy appointed by the President.

Title VI is the EJP—Emergency Job Program—a very controversial facet of CETA.

CETA is a no-strings revenue sharing act which gives the broadest powers to State and Local groups to plan and deliver manpower services. What is its record? After 3 years we now have 8 million unemployed.

With this present situation, and America's past history of failures on job-creation bills, it was time to eliminate the overlapping fragmental programs and devise a universal plan. Is this universal plan the Humphrey-Hawkins Bill? Almost.

The Full Employment and Balanced Growth Act of 1976 (H.R. 50 and S. 50) has the overall objective of creating and maintaining an economic environment which promotes balanced growth, a full employment goal of 3 percent for adult Americans within 4 years, full production, full purchasing power, and other essential priority purposes. To achieve this goal, the Act directs the Federal Government, including the President, the Federal Reserve Board, and the Congress, to design and coordinate economic policies and programs via short- and long-run plans to ensure full employment and balanced growth.

The goal of full employment is further emphasized in the Act in the policy statement establishing the right to employment opportunities (section 102):

The Congress declares and establishes the right of all adult Americans able, willing, and seeking work to opportunities for useful paid employment at fair rates of compensation.

This Bill shows great thought and promise; however, its procedures and clarity are not sufficient for the problem it has to solve. The Bill sometimes hides its intent behind the aloofness of the wordings. The Bill's basic popularity is not derived from the intent of the act. If we change some of the Bill's policies, clarify its wordings and intent, revise the old, and introduce the new, we will be on our way back to the great society we once knew. Our revised Humphrey-Hawkins Bill is not the total answer, for Congress must make drastic changes in other policies. For example, the present tax structures must be changed. We need better coordination of government economic policies, there is a dire need for reform and economy in government agencies. And we must implement urban Rehabilitation and Development.

Our revised bill sections focus directly on each aspect of creating a strong defense against unemployment. I am proud to offer these Amendments as a serious effort to right some economic wrongs.

IN THE CONGRESSIONAL YOUTH ADVISORY COUNCIL, APRIL 7, 1977

(Mr. Craig Engle introduced the following Amendment to the Equal Opportunity and Full Employment Act of 1975; which was presented to the entire 7th District Congressional Youth Advisory Council.)

An amendment to extend and revise the Equal Opportunity and Full Employment Act of 1975

SEC. 4 should contain the following additions to be given the title Sec. 4.5, and will take the place of Sec. 9 which is now deleted.

SEC. 4.5. (a) The Congress hereby recognizes that—

(1) in the absence of genuine full employment, as defined in this act, many Federal policies and programs have been based on the presumption of the continuing lack of suitable employment opportunities for large numbers of people able and willing to work;

(2) to carry out their functions under this Act, the President, the Secretary of Labor, the local planning councils, the community boards, etc., need the assistance and guidance of long-range, continuing, serious, and objective studies of the many changes required in such Federal policies and programs to gear them more closely to the Full Employment and Production Program, its continuing adjustment and improvement, and its implementation.

(b) The Congress hereby commissions the President to establish and appoint, with the assistance of the Secretary of Labor and Council of Economic Advisors—and subject to approval by the Senate, a United States Business and Economic Council.

(1) This council shall be composed of 12 members which shall be broadly representative of labor, business, the social and natural sciences and the professions, with the addition of two recognized economic experts. This council shall also include the Chairman of the Council of Economic Advisors. The members shall be appointed for a term of four years and shall serve at the pleasure of the Secretary.

(c) The Council shall be under the direction of a Chairman who shall—

(1) serve for a term of four years but shall be removable, with or without cause, by the Secretary;

(2) be compensated at the rate provided for grade 18 of the General Schedule set forth in section 5332 of title 5, United States Code. The position created by this subsection shall be in addition to the number of positions placed in grade 18 of the General Schedule under section 5108 of title 5, United States Code;

(3) appoint a Vice-Chairman; and

(4) appoint, for terms not to exceed four years, without regard to the provisions of title 5 of the United States Code governing appointment in the competitive service and may compensate without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, such technical or professional employees of the Council as he deems necessary to accomplish its functions and also appoint and compensate without regard to such provisions not to exceed one-fifth of the number of full-time, regular technical or professional employee of the Council.

(d) The United States Business and Economic Council shall—

(1) be provided an executive secretary and other needed staff by the Secretary. The Secretary shall also pay the members of the Commission per diem, travel, and other necessary expenses, together with compensation at a rate not exceeding $100 per day while performing the business of the Commission;

(2) meet at least once every month and at such other times as requested by the Chairman or the Secretary;

(3) choose a President and such other officers as required to perform its business;

(4) advise and consult with the Chairman in respect to all programs and activities conducted pursuant to this section;

(5) regularly consult with the Council of Economic Advisers; and

(6) be separate and void of any Presidential and Congressional control and shall submit an annual report to the President and Congress early enough to be incorporated with the President's budget. This report shall include:

(A) estimates of future business trends and commercial needs; citing certain industries and businesses, conducive to a balanced economic growth pattern, that should experience an expansion in commercial activities within the foreseeable future;

(B) recommendations of projects included within the reservoir of public service and private employment projects received from the local planning councils established within the Comprehensive Employment and Training Act of 1973 that would be conducive to the goals and methods as pertaining to achieve them as wished by this Council.

(7) The industries cited above shall be subject to Congressional approval, and appropriations within the budget shall be made accordingly to provide funding for employment and expansion grants to be established by this Act.

(e) It is the duty of the members of the United States Business and Economic Council to contact all of the above business prospects for expansion as outlined by the council in its report and approved by the Congress in the Budget. These business prospects shall be offered governmental grants for expansion. These expansion incentives can be accepted or refused by the business prospects as the prospect wishes. These incentive grants are available in two forms as follows:

(1) Training and Expansion Grant—The prospect in this case receives financial assistance from the government in expansion efforts and training programs initiated by the business to train workers as named by the Job Placement Board. The government agrees to pay a percentage, as agreed by contract between the government and business, of the trainee's salary on a steadily decreasing scale for an agreed upon time span until the worker is fully trained. The business must also agree to a minimum employment span of each new worker to insure the continuity of the program.

(2) Employment Expansion Grant—In this case the prospect agrees to hire a certain number of individuals that have received government-financed training to suit their new employment either through schooling or public works projects. The prospect receives an expansion grant to increase the product output of the business. The business must also agree to a minimum employment span of each new worker.

(f) The United States Business and Economic Council shall write up the grant contracts in the best interests of both the government and the business involved; but the contract is subject to Congressional Approval. The Congress suggests to the council that the grant be made in payments over a time span agreed to by the business involved. The business is also reminded that it is eligible for additional aid in the form of low-interest expansion and hiring loans that this act hereby establishes. These low-interest expansion loans should also be made available to other interested commercial establishments.

SEC. 5. Paragraph (b) should contain the following addition:

In addition to its responsibilities under other statutes, the United States Full Employment Service will now require a list of people who are on Welfare, Unemployment Compensation, Social Service Programs, etc., that are physically capable of receiving employment opportunities. This list shall be sent to an information processing center within the division. It is the duty of this center to align job opportunities within the private sector of employment to members of this list. Geographic distribution of employment opportunities will be taken into account but must not be taken over the skill aspect of the individual involved. The priority order of job alignment is as follows:

(1) available private employment opportunities;

(2) available private employment opportunities that have been created by cooperative expansion efforts made by private businesses and the government;

(3) public service projects financed entirely by the government.

Once given a job opportunity of the (2) step, unless the recipient can justify a refusal of the opportunity, the individual is expected to take advantage. If any re-location is required, the government shall assess the situation and help defray the expenses, as such. The individual is then placed on a limited Welfare allowance which decreases steadily as the individual's salary increases to what is deemed as the living wage. The business co-operative unit is required to pay what is deemed the living wage within the time span agreed to within the governmental contract or they will void the contract and not receive any additional grant payments as outlined in Business Expansion.

DANGER IN SOUTHERN AFRICA

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. BOB WILSON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

(From the La Jolla (Calif.) Light, May 5, 1977)

DANGER IN SOUTHERN AFRICA

(By Robert Letts Jones)

I feel like a modern-day Paul Revere. My tri-cornered hat is as out-of-fashion as my message. But I feel obligated to warn that the trend of events convulsing southern Africa spells danger for the United States. And for Western Europe, too.

The West is losing control of that part of the world to the cleverly disguised thrust of Soviet Russia.

At stake are the vast mineral resources of the region, as well as the strategic sea route around the Cape of Good Hope. A combination of the two, dominated eventually by the imperialists in the Kremlin, could, in time, force the industrial democracies of Western Europe to surrender to Soviet blackmail. Then the United States would be isolated.

Moscow realizes that. The West doesn't.

That's the chilling message which carries my major conclusion gained on a recent five-week swing through South Africa, South West Africa and Rhodesia.

The take-over in Angola in late 1975 by the Soviet-directed force of Cuban and MPLA troops marked the start of the carefully-planned scheme to win domination of southern Africa.

America was involved in that short, secret war—but the general public here didn't realize it.

P. W. Botha, South Africa's Defense Minister, told me in Cape Town that when his nation's small military column moved into neighboring Angola in 1975 he had "the full encouragement" of the United States.

The South Africans advanced to a position within sight of Luanda, capital of the former Portuguese colony. It was then that the U.S. Congress refused to approve money for those forces fighting the Russian-directed troops. At the time, President Ford described the Congressional action as "a fateful decision." Defense Minister Botha agreed.

The South Africans found themselves out on a limb. They didn't get the backing they supposed they would. So they withdrew their troops who had victory within their grasp.

The nations of Africa took note. What had happened had been a test of strength and political will between the Soviets and those of the Western bloc. The West had been found wanting.

The OAU (Organization of African Unity), which some time before had split evenly over recognition of the Soviet-backed MPLA, then turned around and accepted the MPLA as the acknowledged authority in Angola.

When Congress blocked further help for the forces fighting the Moscow-dominated invasion, the U.S. military aid had already amounted to about $50 millions. The American support was for units operating out of Zaire to the north, coordinating with the South Africans coming up from the south.

The Free World's handling of that Angolan crisis was a blunder, Ian Smith, Rhodesian prime minister, told me in Salisbury, his country's capital.

In an exclusive interview Smith put it this way: "By stepping back and allowing the Russians in," the West cleared the way for a minority guerrilla group to carry out the Kremlin's bid for another base in southern Africa.

"I believe that, if the Americans had just snapped their fingers under the Russians' noses, they would have retreated hastily," he commented. "But instead of doing that, the Americans virtually invited the Russians in.

"Because the Russians decided to come in and put their puppets in control, it would have been perfectly in order for the Free World to try to stop them . . ."

Because of what did happen, the Soviets are in, he commented, and "they determined that there will not be any democratic process, no truthful expression of opinion from the people" (those of the three warring factions who had been battling prior to the Cuban invasion).

What had been lost militarily because of the Congressional turn-down, Secretary of State Henry Kissinger tried to make-up for by diplomatic means. That's when his shuttle missions came into play.

Kissinger's "package plan" for a majority government in Rhodesia had been accepted in good faith, Ian Smith told me. For "majority rule" in two years sanctions would be lifted.

"I received the message from Dr. Kissinger confirming that the terms had been cleared with the front-line presidents. It was only after we had received this that my government then made its final decision of acceptance."

As for the Geneva talks which followed the break-down of negotiations, Smith saw "from the moment we arrived, it was quite clear that the terms, believed to be the basis for going (there), has been changed."

In reference to the terrorists' presence in those talks, the prime minister indicated he had been led to believe that they would not be a party to the agreement.

"Progressively, the whole thing deteriorated until we were confronted with a situation which was clearly out of tune with the agreement we had received."

Smith identified Russia as the real master of the terrorists. The last thing Moscow wants, he thought, was "a peaceful solution."

The prime minister made plain to me that Kissinger's proposals made sense to him—in view of the alternative: Complete isolation to bear alone the terrorist attacks directed and supported by Soviet Russia.

Meanwhile, Ian Smith continues to risk his political life in Rhodesia by boldly leading the way toward eliminating racial curbs. His action is still aimed at keeping his part of the "package deal" to bring about majority rule in two years—by way of a peaceful, internal settlement.

As for the phase of the Cold War which has gone underground, Dr. Jan S. Marais, chair-

man of the Trust Bank Group of South Africa, acknowledges that the next logical target for Soviet Russia would be domination of southern Africa.

If such domination were achieved, the resulting combination of mineral resources in the Soviet Union and in South Africa would mean this degree of world domination of raw materials:

90 percent of all uranium,
90 percent of all platinum,
85 percent of all gold,
80 percent of all vanadium,
75 percent of all manganese.

Put Rhodesia into the considerations and then Russia, with South Africa, would have 96 percent of the chrome on the globe.

In addition, a take-over of South Africa could give Moscow a chance to dictate how the sea route around the Cape of Good Hope would be used. That would affect 24,000 ships per year, including the big tankers carrying most of Europe's oil and a good share of that to America, who use that route. Command of that passage could offer an influence on the economy of the future that would border on control. Put that potential capability with the above share of the world's mineral resources and the Soviets could restrain at will Western Europe's and the United States' industrial might.

In effect, Soviet Russia could hold the West at ransom.

That prospect, if achieved by the Kremlin schemers, inspired me to don the role of a Paul Revere.

RESTORING PUBLIC CONFIDENCE IN GOVERNMENT

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. FISHER. Mr. Speaker, last month, a constituent of mine, Jane Sovern of Reston, Va., was one of two State winners in the Century III Leaders Scholarship program. The winners were selected on the basis of three categories: a specially prepared current events exam, participation in school and community activities, and a written statement of ideas on how Americans can meet the Nation's needs and challenges during the next century.

Miss Sovern's paper, "Restoring Public Confidence in Government" follows:

RESTORING PUBLIC CONFIDENCE IN GOVERNMENT

1976 is a year when Americans are reflecting upon the past; in our Bicentennial year, we seem to emphasize our Revolution two hundred years ago. But 1976 is a year when all Americans should also be looking ahead at Century Three. We need to unite to meet the challenges facing our country. One crucial problem in the United States today is the loss of public confidence in government—especially Congress. The number of voters in elections declines each year as citizens become more apathetic.

The American people seem to view Congress as a great, lumbering beast which impedes any progress in the nation. High school students are even more disillusioned than voting-age adults. "They really don't do anything," or "They're all crooks on Capitol Hill," are frequently heard evaluations. The problem is that the public misunderstands and is ignorant of the complexities of the legislative process. The challenge is, therefore, to educate the American public about the difficulties, decisions and delays of being a national legislator.

The first and most important step is to educate the secondary school population, the voters of the future. This is the most urgent need and the best way to begin restoring confidence in Congress. To educate citizens early about the functions and complexities of Congress, it is necessary to revise the current secondary school curriculum which at present emphasizes past events and, at best, brushes on the intricacies of the legislative branch and other governmental institutions. A student is lucky if he learns about such concepts as subcommittees and filibusters, let alone receives an opportunity to fully comprehend the complexities of the Congress. The voters of the future must have the chance to learn how their legislature operates.

To criticize the status quo is always easy, but to come up with viable alternatives is much more challenging. One concrete proposal to increase secondary school students' awareness of Congressmen's problems is a required government course in addition to the traditional United States history course. Students would study in depth the workings of the government, including the legislative branch. This would give the necessary background to develop sensible, aware voters. Students in this course should also be encouraged to keep up with current events relating to government. They could follow the progress of particular pieces of legislation in *Congressional Reports* and in the newspapers. Teachers could also encourage students to campaign for a candidate for the Senate or the House of Representatives. This would enable students to comprehend better the day-to-day grind of campaigning, the effects of lobbyists, and the value of each person's vote. Students might also write papers detailing candidates' positions on issues or follow the voting records of their current Senators or Congressmen. If students were more involved, with the actual workings of government, the apathy currently felt for Congress would diminish.

Another purpose that schools could implement is the encouragement of extra-curricular activities to increase students' comprehension of how Congress operates. One example is more funding for and more encouragement to participate in student congresses. These forums help students realize the difficulties of being a legislator, such as the intricacies of working under parliamentary procedure. Schools can also provide funding for field trips to Washington (or state capitols) so that students can observe Congressional committee and legislative sessions at first hand. Encouragement of extra-curricular activities is an excellent way to enable students to understand better the obligations and frustrations of legislators.

A final idea is to encourage Senators and Representatives to be more accessible to secondary school students. This would give young people more personal contact with their Congressmen and Senators and broaden the students' concepts of government. If legislators could be more accessible, not only would their credibility improve, but their concern would emphasize to students the importance of young people in politics.

With this plan in mind, there are many immediate steps to take. Students can present the idea of required government classes to the school board. They can work with a campaign effort and thus encourage others to become involved in the political process. Students can petition the school board for more funds for forensic programs to encourage participation in student congress. And students can write to Washington and suggest to their Congressmen and Senators that they devote more time and effort to high school sudents. There is no more appropriate place than the secondary school to combat public mistrust of Congress.

Although 1976 is our Bicentennial year, we as Americans need to put the past—both distant and recent—behind us and to concentrate on unification. We must work together to increase public confidence in the institutions which were created for our own benefit, especially our legislative branch. This is particularly true for young Americans, for it is they who will shape the attitudes of the future; when they cease to regard Congress as a dragon and begin to see their legislators, if not as knights in shining armor, at least as their own elected representatives, that will be a first step, however small, towards improving society for 2076, the Tricentennial.

COOPERATION ON WORLD HEALTH PROBLEMS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. HARRINGTON. Mr. Speaker, President Carter's trip to Europe had as its primary purpose the discussions known popularly as the "Downing Street Summit." While the global importance of the economic issues dealt with during that meeting cannot be minimized, the international significance of a different set of deliberations taking place in Geneva today cannot be overlooked.

The 13th Assembly of the World Health Organization, meeting in Geneva, seeks to address another important global problem—raising international standards of health. Basic to any strategy to address human rights in the world must be concern for the fundamental human right to live a healthful existence. As Secretary of State Vance noted in his recent speech at the University of Georgia, "the right to the fulfillment of such vital needs as food, shelter, health care, and education" fall within the administration's definition of "human rights."

The Carter administration has already taken steps to insure that this Nation's policies do not neglect world health needs. Dr. Peter Bourne, who is Special Assistant to the President for Health, has already begun to study the roles of U.S. agencies in international health. In delivering a statement from President Carter to the World Health Assembly in Geneva today, Dr. Bourne underlined what I hope will be a continued administration emphasis on dealing with international health issues in a comprehensive and thoughtful manner.

I ask that the President's statement be printed in the RECORD. I particularly direct my colleagues' attention to his personal commitment "to find ways in which our Government and the private sector can better cooperate with other nations on health, population, and nutritional needs." I encourage the President, and Dr. Bourne, to continue to pursue that course. If the United States is to make a positive contribution to solving international health problems, it must be through the kind of effort outlined by President Carter and Dr. Bourne.

The text of the President's statement follows:

WHITE HOUSE EMBARGO UNTIL NOON MONDAY, MAY 9, 1977

To the President and Members of the Thirtieth World Health Assembly, Geneva, Switzerland

I want to commend the outstanding work of the World Health Organization, under the leadership of Dr. Halfdan Mahler. Public health has been a particular concern of mine for many years. My mother is a nurse, and my wife is deeply committed to improving health services.

During my lifetime, science and technology have brought under control a number of diseases that once weakened, crippled, or killed people throughout my home state of Georgia.

But many parasitic and infectious diseases remain, even in a country such as ours. In some areas of the southeastern United States, more than 25 percent of the children suffer from intestinal parasites.

The situation is far worse, of course, in countries which have not yet reached the technical and scientific levels made possible by our abundance of natural resources. In the developing countries of Asia, Africa, Latin America and the Middle East, some two billion people live with the constant threat of malaria, schistosomiasis, leprosy, measles, yaws, and other terrible diseases.

Malnutrition and high population growth rates complicate the problems of health care—and the chief sufferers are children.

In Upper Volta, to pick one tragic example from the many, mortality among children under five is close to 50 percent.

These questions affect us all, since increased international travel hastens the spread of disease throughout the world. But a greater degree of cooperation between scholars and scientists of all nations can slow that spread, and even wipe out certain diseases altogether. Smallpox, for example, is almost eradicated except for Somalia.

In my speech to the United Nations General Assembly several weeks ago, I emphasized our commitment to basic human rights. These include the right of every human being to be free from unnecessary disease.

To work toward that right, we will offer to share our medical know-how with all nations, regardless of politics or ideology. We will work together to control disease, improve nutrition, and raise the quality and productivity of life throughout the world.

The United States is ready to help develop a truly international program to identify and report epidemic and endemic diseases. We will work with the World Health Organization, as well as with individual countries, in a global effort to give early warning of impending disease outbreaks.

The gap in health and productivity between developed and developing nations is bound to increase political and social instability in the world.

In some measure this gap is due to unequal distribution and consumption of food, energy, and water. We know the economic and social consequences to other nations of our own waste of nonrenewable energy resources, and we are determined to correct the situation.

We also know that health and economic development are closely linked. The child with malaria often misses school. The anemic worker, with a parasitic infection, is less productive than he should be. We need to pursue programs which break this cycle of poverty, disease and hunger.

When I return to the United States, I will strive personally to find ways in which our government and the private sector can better cooperate with other nations on health, population and nutritional needs.

The United States supports the World Health Organization's expanded immunization program. My country has pioneered in the development of polio and measles vaccine, and will continue to support vaccine research.

My country also supports the bold and innovative new program of research in tropical diseases being developed in cooperation with the World Health Organization. These efforts will bring us closer to our goal: a world in which all people can live free from fear of crippling and debilitating diseases.

The preamble of the World Health Organization's constitution says, "The enjoyment of the highest attainable standard of health is one of the fundamental rights of every human being."

The United States will do its best to bring that right within the reach of all.

JIMMY CARTER.

JAMES J. O'CONNOR

HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. MURPHY of Illinois. Mr. Speaker, today I would like to pay special tribute to an outstanding businessmen and public servant, Jim O'Connor, a proud son of Chicago.

Jim serves as executive vice president in charge of operations of one of Chicago's largest companies. Although his job is a demanding one, he has become affectionately known as "Mr. Outside." Jim gives freely of his time to serve on civic boards as well as to work with industry and community groups to help bring business to Chicago. Jim has committed himself to making "Chicago a better place."

I recommend the following article which appeared in today's Chicago Daily News to my colleagues. Truly Jim O'Connor is a dedicated businessman and public servant whose city is a better place for his contribution.

The article follows:

JAMES J. O'CONNOR: EDISON'S MR. ENERGY

(By Dick Griffin)

James J. O'Connor enjoys working. It's good he does . . . because he has 26 employers.

One of them, Commonwealth Edison Co., has him working for about 60 hours a week as executive vice president in charge of operations for the giant electric utility.

The other 25 employers take another 20 hours a week and he doesn't earn a nickel for it. Those 25 are civic, industry and Catholic groups dealing with race relations, open housing, Chicago business conditions and health.

In addition to being responsible for seven operating divisions of Edison; its 15 generating stations, including three nuclear plants; a $5 billion plant construction program, and all engineering and public relations activities, Jim O'Connor has become the Edison company's "Mr. Outside."

He even outpoints Edison chairman and president Thomas G. Ayers, although Ayers' fewer roles are superprestigious ones like chairman of the board of trustees of Northwestern University.

"Fortunately, I have a very understanding family," said O'Connor. "They accept that the demands of my job are very heavy."

Kale Williams, executive director of the Leadership Council for Metropolitan Open Communities, said of O'Connor:

"I don't know how he does it all, but he works harder than anybody I know, and he's one of the most effective guys in town."

O'Connor reaches his 37th floor office in the First National Bank Building by 7 a.m. most weekday mornings and seldom heads for home before 7:30 or 8 at night. Breakfast and lunchtime are working sessions, as are many dinner hours. Friday evenings he fills his briefcase with a day's work to take home for the weekend.

"Challenge and opportunity don't mean a damn thing if you're not having fun in your work," he said. "I'm having fun."

Of Edison's deep involvement in community activities, he says:

"It may not be the most altruistic of motives, but it's clearly important for a company like ours, with such a tremendous stake in the community, to encourage our people to be involved. We can't move our transmission lines to the Sunbelt states or the suburbs. Our fortunes will rise or fall with the fortunes of Chicago, so we have to help make Chicago a better place."

O'Connor is critical of what he considers the meager contributions to the community's good by most of Chicago business executives:

"There aren't more than two dozen businessmen who are truly effective in the civic and charity fields. With the strength and talent of Chicago's business community, there should be many more. There are so few good people that they wind up on more boards than they should."

The best, in O'Connor's view, include A. Robert Abboud, chairman of the First National Bank of Chicago; Ayers of Edison; Edwin C. (Bill) Berry, assistant to the president of Johnson Products Co.; Frederick G. Jaicks, chairman of Inland Steel Co., and Robert W. Reneker, chairman of Esmark.

Many executives accept invitations from civic groups to join their boards because they don't know how to say no, said O'Connor, but they usually end up contributing nothing more to the group than their name.

"A lot of time, the people on these boards have gotten away from the realities of street problems," he said, "and street sense is needed to solve many of the city's problems.

"If you get involved, it should be a real involvement, not a superficial connection. We need a new commitment from a lot of people."

O'Connor, 40, appears to be a leading candidate to become president or chairman of Edison in the next few years, when Ayers and vice chairman Gordon R. Corey, both now 62, retire.

Present betting is that O'Connor or Wallace B. Behnke Jr., will head the company or share power. Behnke, 51, the company's other executive VP, now heads financial operations. Several months ago the two swapped jobs for their present assignments.

"You may not believe this," said O'Connor, "but I don't lose sleep wondering about my future in this company."

O'Connor was born and raised on the South Side, the youngest of three children of a trial attorney. The most important years of his life, he believes, were the four he spent at St. Ignatius High School, Chicago's famed West Side Jesuit institution.

"That was the real world," he said. "You learned to live with people of every race and economic group. Somebody once said that going to Ignatius was a superb education even if you never cracked a book or listened to a teacher. I wouldn't trade the diploma I got from Ignatius for the three college degrees I got afterwards."

He earned a bachelor's in economics from Holy Cross College, a master's in business administration from Harvard and a law degree from Georgetown. In 1963, after three years in the Air Force, he joined Edison's industrial relations department. He was ap-

pointed a vice president in 1970 when he was 33 years old and three years later he became an executive VP.

O'Connor lives in Evanston with his wife, Elen, and their four children. He spends free time at his farm in Woodstock, where he unwinds by painting buildings ("I like to paint; you see the results fast") and tinkering with the Model T Ford he and his late father restored 25 years ago.

Of all his achievements, he remembers most fondly being named Chicago's most outstanding Irishman in 1976 by the Irish Fellowship Club.

He admires the Chicago Bears, the White Sox ("once a South Sider, always a South Sider") and nuclear energy.

"We're committed to nuclear energy as a power source," he said. "It's the right choice from our stockholders' standpoint and from our customer's standpoint, and it has the best safety record of any technology. We delude ourselves if we think the sun, the wind or the ocean's tide are going to be of any importance as fuel sources in the next 25 years."

Nuclear energy opponents like consumer advocate Ralph Nader (O'Connor calls him arrogant) and Robert Redford ("the pretty boy of motion picture fame") use false emotional arguments, O'Connor believes.

"They ask, 'Can we live with nuclear energy?' and our approach is, 'Can we possibly live without it?"

STUDENTS FROM TWO NORTHEAST PHILADELPHIA HIGH SCHOOLS HONORED FOR RESEARCH PROJECT

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. EILBERG. Mr. Speaker, I am delighted to be able to report that students from two high schools in northeast Philadelphia, which I am privileged to represent in the Congress, have been honored by Mayor Frank L. Rizzo for a joint Bicentennial research project which they carried out last year.

The students attend George Washington High School and Archbishop Ryan High School for Boys. The superintendents of both the public and parochial school systems, along with teachers, principals and other school officials, will attend the ceremony held in city hall.

The students have published a 104-page history book entitled "Northeast Philadelphia; a Magical History Tour," and prepared a slide presentation entitled "Northeast Philadelphia; The Way We Were."

The mayor presented a tribute to the schools for inspiring its students to take pride in the history of their city and community. Accepting the tribute were Father Noel Wall, OFM, principal, Archbishop Ryan High School For Boys; and Dr. Carol Wacker, principal, George Washington High School.

The mayor also presented small replicas of the Liberty Bell to students involved in the project: Debra Albert, Karen Degler, Debra Ettinger, Layne Evans, Miriam Feldman, Risa Gebman, Nancy Jacobs, Susan Malamut, Howard Maniloff, Judy Olinsky, and Janet Taylor of George Washington High School; and Edward Baranoski, Paul Castellani, Michael Cocco, James Cullen, Michael Dempsey, Peter Doyle, Carlos Fernandez, Mark Green, and Alfred Pallante of Archbishop Ryan High School For Boys.

Inspired by the spirit of the Bicentennial, the students launched their project 2 years ago with three goals in mind: First, to increase their own awareness of the history of their community; second, to share their "sense of awareness" and appreciation of their community's past with the younger members of the community, especially all elementary, middle, and junior high students in the Northeast who are currently studying American History; and third, to contribute something of themselves and their work to the city of Philadelphia.

With the aid of Federal funds and a contribution from the Northeast Chamber of Commerce, the students managed to publish the 104-page history book and slide presentation. Ten copies of "A Magical History Tour" will be distributed to all public and parochial schools in the Northeast.

Mr. Speaker, I want to take this opportunity to extend my congratulations to all of these students, and to their schools, for this outstanding achievement.

LOBBY REFORM

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. MOAKLEY. Mr. Speaker, last year this body overwhelmingly passed an important lobby reform bill. Unfortunately, the session adjourned before reconciliation with the Senate version of the bill was achieved. Now, Congressmen KASTENMEIER and RAILSBACK have reintroduced the lobby reform bill as H.R. 5795, and I feel we should move swiftly and concertedly to adopt its provisions.

This bill is fair. It does not restrict lobbying in any way except to require public record of who is lobbying, what issues are involved, and how much time and money is spent on his efforts. Even these reporting requirements are confined to organizations spending more than $1,250 in a quarter on a retained person or employing someone for 30 or more hours to lobby on its behalf.

The individual working for himself is exempted from these reporting obligations, as are both individuals and organizations contacting their own Congressman or Senator. Clearly, the bill does not seek to hamper legitimate contact between elected officials and their constituents. In fact, only the large, continuously operating lobbies are affected by this bill, and even they are required only to report—not curtail—their activities.

But in addition to being a fair bill, the time for this legislation's passage appears ripe. A fresh wind is blowing through this Nation and taking with it some of the dark, suspect attributes of Washington politics that have so sadly besmirched our reputation before the public. Sunshine regulations, public financing for Presidential candidates, campaign disclosures, and strict ethic codes have all been instituted by the Congress. These accomplishments have begun to quiet public distrust and disillusionment with their elected officials.

What is more, these regulations seem bound to be followed by new plans to restore public confidence in Congress. Some look to congressional campaign financing as the next big step, but I feel that perhaps this legislative measure is a more important area for our attention. With such a reform, this Congress can begin to rebuild its reputation as an institution of honesty and decency in which all our citizens can place their trust. We can return the elected officeholder to a position of honor by following up on the promising legislation we have passed.

I think H.R. 5795 can go a long way in returning Congress to the public's trust without impairing the free operation of our democratic ideals. While lobbyists perform important and often vital tasks for a democracy as information disbursors and constituent advocates, the public well knows that their influence can be misused. I believe public recordkeeping requirements can control potential abuse even while providing the public with information which will affirm lobbyists' basic honesty to them. The bill certainly need not deter any legitimate activity in which lobbyists engage.

Mr. Speaker, I am all for this bill. Its subject is important and its measures are fair. It is time we required our lobbyists to join us in the sunshine so that all of America can judge our integrity. We realized this last session, and I urge my fellow Members to act once again with foresight and honesty and pass H.R. 5795.

MOTHER'S DAY POEM

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Ms. SCHROEDER. Mr. Speaker, let me share my favorite Mother's Day poem I received from one of my favorite Denver mothers:

Do you feel you've failed as Mother when you find your son has taped up the holes in his tube socks with masking tape?
Your husband had breakfast at MacDonalds three times last week?
You find your daughter coming home early from school to start dinner for the family?
Despair not! remember . . .
When the sky needs looking
When the knees need bandaiding
When the generals need a scolding
When the kites need flying
When the balloons need blowing
When the Dad needs hugging
When the lilacs need picking
When the day needs dreaming
Hurrah.
We are indomitable and there.
Happy Mother's Day.

CARBON FUELS AND CLIMATE: RESEARCH UNDER THE NATIONAL CLIMATE PROGRAM ACT

HON. GEORGE E. BROWN, JR.
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. BROWN of California. Mr. Speaker, in considering legislation to establish a national climate program, which was reported unanimously last Tuesday by the Science and Technology Committee, one climate-related concern was most urgently emphasized in the testimony we received from a number of eminent scientists. The question is how will the global buildup of carbon dioxide in the atmosphere from fossil fuel combustion affect the climate. This buildup has already been observed and will continue as coal and oil burning increase.

Prof. Bert Bolin, an eminent meteorologist at the University of Stockholm, Sweden, was our second witness in the lengthy and comprehensive hearings held by the Subcommittee on the Environment and the Atmosphere in May of 1976. As former Joint Organizing Committee chairman of the global atmospheric research program and former director of the European Space Research Organization, Dr. Bolin's remarks and paper, entitled "Energy and Climate," which summarized our knowledge about the mechanisms that determine the climate of the Earth and the possibility that man directly or indirectly may influence the climate, were exceedingly helpful to members of the Environment and Atmosphere Subcommittee.

Last Friday, in the May 6th, 1977, Science magazine of the American Association for the Advancement of Science, Professor Bolin has again addressed the carbon dioxide problem. He attempts, in the preliminary way that reflects our ignorance of the global carbon cycle, to quantitatively detail the storage and release of CO_2 in the atmosphere, oceans, and biosphere.

Professor Bolin's analysis is the kind of calculation which will be necessary if the CO_2 buildup is to be understood. Mr. Speaker, at the risk of exhorting our colleagues to read a somewhat technical discussion, I ask that a condensed version of Dr. Bolin's article be inserted in the RECORD. We will all, I believe, have to gradually become more comfortable with these quantitative biogeochemical budgets as the major global impacts of human activities become more manifest and more demanding of our attention.

In the complex matter of understanding climate and its impacts on energy alternatives, the consequences of CO_2 buildup from increased coal combustion have earnest signifiance. It is the hope of the Science and Technology Committee that the "National Climate Program Act of 1977" will facilitate the current efforts of the Energy Research and Development Administration, the National Science Foundation, the National Oceanic and Atmospheric Administration, and others, to conduct the necessary scientific inquiry in the broadest global context.

Dr. Bert Bolin's condensed article follows. I particularly commend to my colleagues the first two and the last paragraphs:

CHANGES OF LAND BIOTA AND THEIR IMPORTANCE FOR THE CARBON CYCLE

(By Bert Bolin)

It is well established that the carbon dioxide content of the atmosphere is increasing. Observations at the South Pole, on Hawaii and in the upper troposphere of the Northern Hemisphere are available for almost 20 years. The increase has been about 16 parts per million (ppm)—from 311 ppm in 1957 to 327 ppm in 1975—that is, about 5 percent. Attempts to estimate the probable increase since the beginning of the industrial revolution have yielded a value between 30 and 35 ppm—more than 10 percent. The major cause of this increase is undoubtedly emission of carbon dioxide into the atmosphere from the combustion of fossil fuels.

Humans are, however, intervening in the carbon cycle in more ways than by burning fossil fuels. Deforestation and the cultivation of land for agricultural purposes are examples of major changes in the land biota that may well have had significant implications for the global carbon cycle. Data on these changes are few, and it is difficult to assess precisely what may have happened during the last decades or centuries. I will therefore limit myself to some rather rough estimates, which will show, however, that these changes imply a significant decrease of the amount of carbon in organic matter on land during the last century. Thus humans have also been adding carbon dioxide to the atmosphere in this way.

As a background, the present (that is, 1975) carbon dioxide concentration in the atmosphere, 327 ppm, corresponds to a carbon content of about 690×10^9 tons. The corresponding figure at the beginning of the industrial revolution has been estimated as 610 to 620×10^9 tons. Thus, the amount of carbon in the atmosphere has probably increased by 70 to 80×10^9 tons. These values should be compared with an accumulated output due to fossil fuel combustion and cement production of about 140×10^9 tons, of which about half has been emitted during the last two decades.

CHANGES IN THE WORLD'S FORESTS

Even though dense forests cover only about 30 percent of the land surface, about 90 percent of the living biomass is found there. Any significant change in the amount of carbon in land biota would be observed in the atmosphere if it were not masked by the steady increase due to the emission of carbon dioxide from burning fossil fuels. It has long been realized that significant changes of the land biota may have occurred in the past, but because of lack of data no serious attempts have been made to assess quantitatively what may have happened on a global scale during the last century or two.

In Europe the area covered by forests has increased slightly from 1950 to 1975, while no significant changes seem to have occurred in the United States during this time. The net change of the forests in developed countries (including Canada and the Soviet Union) during the last 20 years is probably less than 1 percent, which is insignificant in the present context. It should be realized, however, that the use of forests in some of these countries has changed considerably during the 20th century. It is likely that a significant increase of the biomass has occurred, but it is impossible to assess it more precisely without a detailed investigation. A 10 percent increase of the biomass of Swedish forests represents an increase of the carbon content by 0.5×10^9 tons. For Europe as a whole this figure might be several times larger. On the other hand, when a virgin forest is subjected to regular exploitation its average biomass decreases, since the forest is harvested before the biomass reaches its maximum. To some extent this effect is counteracted by the prevention of forest fire (which is one mechanism for virgin forest renewal) in exploited forests. I conclude that the changes of forests in developed countries at present do not represent a significant net flux of carbon to or from the atmosphere.

In developing countries major changes are taking place. Forest plantation has increased rapidly. Persson estimates that during the last three decades an area of 0.3 to 0.6×10^6 km² has been planted in China and about 0.1×10^6 km² has been planted in other developing countries.

I estimate the net amount of carbon being withdrawn from the atmosphere by these forests by assuming an annual net production of 0.5 kilogram per square meter per year, which yields a value of 0.2 to 0.4×10^9 tons per year.

Simultaneously with this forestation, clearing of natural forests for other uses has proceeded at an accelerating rate, particularly in tropical countries. The main reason for this is the need for additional land for agriculture. Persson estimates that about 0.02×10^6 km² is cleared every year in Africa, and the corresponding figure for Latin America is 0.06×10^6 km². For the developing countries as a whole about 0.12×10^6 km² of natural forest is cleared and burned every year. It is estimated that the areas of closed forests in the developing countries will have decreased by 20 to 25 percent by the turn of the century if this trend continues. If we assume that all the biomass in these forests burns (20 kg of carbon per square meter) we arrive at an annual input of 1.5×10^9 tons of carbon into the atmosphere in the form of carbon dioxide. This is likely to be an overestimate, partly because not all of the living biomass burns and partly because some of these areas again become covered by vegetation, although usually not forests.

Finally, we should consider the use of wood for industrial purposes and as fuel. FAO estimates the production of wood in 1974, measured in amounts of carbon, to 0.4×10^9 tons of carbon in the form of wood, a considerable part (perhaps half) of which goes into long-lasting structures. The paper produced from pulpwood is mostly burned within a year, rapidly returning the carbon to the atmosphere. The estimated production of fuel wood, equivalent to about 0.5×10^9 tons of carbon, is probably considerably too low. In view of the rapidly increasing population in developing countries, it is likely that cutting of wood for fuel has increased appreciably during the last decades and that the present use exceeds the growth of new trees and bushes in these areas. There may be a net input to the atmosphere of 0.2 to 0.4×10^9 tons of carbon annually, because of inadequate forest growth for renewal of fuel wood in the developing countries.

CHANGES OF ORGANIC MATTER IN THE SOIL

Estimates of the amount of carbon in the form of organic matter in the soil vary widely. The most recent and perhaps the most accurate is Bohn's value, about 3000×10^9 tons, which is considerably higher than most previous estimates. Since this carbon pool is larger (perhaps four times larger) than the carbon pool of living land biota, the turnover time of carbon in the soil is much longer. The average residence time of carbon in land biota is about 15 years. More than half of organic matter produced annually—that is most of what is contained in leaves, grass, and so on—has a short residence time and is decomposed rapidly in the soil.

If we assume that 25 to 50 percent of the land cultivated today has lost 2.5 to 6 kg of carbon per square meter since the early 19th century, a total of 10 to 40 $\times$ 10^9 tons of carbon has been added to the atmospheric

pool during this time. The annual input to the atmosphere today may be similarly assessed as 0.1 to 0.5 $\times$ 10^9 tons per year. This problem warrants further consideration.

DISCUSSION

The data compilation presented above is incomplete and a much more detailed review of available information should be made. Nevertheless, it is possible to give some overall limits on the way in which humans are modifying the exchange of carbon dioxide between land biota, soil, and the atmosphere.

The accumulated input of carbon to the atmosphere is 50 $\pm$ 25 percent of the amount transferred to the atmosphere from fossil fuel combustion, and the present annual input is 10 to 35 percent of the present emission from the use of fossil fuels. Possible compensation through more rapid growth of land biota in other parts of the world due to increasing amounts of carbon dioxide in the atmosphere might reduce these figures somewhat, but it seems unlikely that such compensation would be complete.

Even if our understanding of the magnitude of man's effect of the exchange of carbon between the plants, the soil, and the atmosphere is incomplete, it is interesting to carry the discussion one step further. First, during the last decade the average input of carbon to the atmosphere from fossil fuel combustion has been 4.0 $\times$ 10^9 ton/year, of which 2.0 $\times$ 10^9 ton/year has remained airborne. The total input due to human activities has thus been 5.0$\pm$ 0.6 $\times$ 10^9 ton/year. The airborne fraction has been 40 $\pm$ 5 percent, rather than 50 percent as estimated previously. Furthermore, the total accumulated input since the early 19th century has been 210 $\pm$ 30 $\times$ 10^9 tons. Assuming that the airborne fraction has remained unchanged throughout this period, the amount of carbon in the atmosphere has increased by 90 $\pm$ 15 $\times$ 10^9 tons; that is, the carbon dioxide concentration has increased by 35 to 50 ppm. The concentration may have been as low as 275 ppm during the early 19th century.

It follows that the oceans must have served as a more effective sink for carbon dioxide than previously considered. This result is difficult to reconcile with present models of the role of the oceans in the carbon cycle, and the problem warrants further study.

Attempts to predict the future increase in the carbon dioxide content of the atmosphere have been based on the assumption that the airborne fraction of the net output due to human activities has been about 50 percent during the last 20 years. If, instead, it is 40 $\pm$ 5 percent, the future increase might be slower and possible secondary effects such as climatic changes might be delayed, provided depletion of the world's forests is stopped. There are other and more immediate reasons why we need to take great care in dealing with the global ecosystem, but the modifications of the global carbon cycle described here are another and in the long run also an important reason.

EL MONTE WOMEN'S CLUB ANNIVERSARY

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. DANIELSON. Mr. Speaker, one of the most respected organizations in my congressional district, the El Monte, Calif. Women's Club, is celebrating its 75th anniversary or "Diamond Jubilee" this week.

This club has historic roots, having been renamed in 1902 from its predecessor organization, the El Monte Shakespeare Club, organized only 2 years earlier.

Tuesday, May 10, the club will celebrate its 75th anniversary by reaching into the past and recreating one of the Shakespeare Club's presentations of more than 75 years ago, using an original script. I wanted to call this unique format to the attention of my colleagues and commend the El Monte Women's Club on this occasion.

ENDING DISCRIMINATION AGAINST THE HANDICAPPED

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. BRADEMAS. Mr. Speaker, with the signing last month of the regulations for section 504 of the Rehabilitation Act of 1973, disabled Americans can look forward to their rightful opportunity for full participation in our society. No longer will handicapped people be denied the jobs, education, housing, and social services that are offered to all Americans. The barriers that prevented disabled individuals in the past from enjoying their rights as citizens must now come down.

This new day of opportunity has not, however, come about without the serious efforts of handicapped people across the country speaking out and sitting in for their rights. Handicapped Americans are striving for the productive, useful lives they deserve. All Americans should join this effort to pull down the barriers of discrimination.

Mr. Speaker, the Washington Post of May 9, 1977, carries a story by Myra McPherson on the battle fought by handicapped people to end the discrimination they have so long suffered. At this point I insert this article in the RECORD.

NEWLY MILITANT DISABLED WAGING WAR ON DISCRIMINATION

(By Myra MacPherson)

Frank Bowe is talking on the telephone about his concern for the disabled. After 20 minutes, the person on the other end haltingly asks Bowe if he has a disability.

"Yes," he replies, "I am deaf."

Stumbling with surprise, the other person says, "Oh, you must mean partially deaf." "No," answers Bowe, "totally deaf."

Bowe explains that an aide is listening on an extension, translating the conversation in sign language so rapidly there is barely a pause between a question and Bowe's response.

Bowe, a psychologist, is asked if he has experienced job discrimination.

"Yes," he says with a laugh. "I was told I couldn't hold a job because I wouldn't be able to use the phone."

Hale Zukas has cerebral palsy so severe that he is immobile in a wheelchair, his useless hands tied in a brace. He can only make guttural sounds. Someone mentions cerebral palsy in Zukas' presence and there is an urgency to the sounds he makes to attract attention. With a pointer attached to the special helmet he wears, Zukas points to a board clipped to his wheelchair. On the board are key words and the alphabet.

Zukas rapidly taps out his message—people wrongly believe that "all c.p.'s (cerebral palsied) are mentally retarded." Zukas has a bachelor's degree in math and a master's in Russian.

Sigi Shapiro was a normal baby. She was almost 3 when she got pneumonia and was placed in isolation in a hospital. A doctor went on vacation and forgot to lessen her medication. Shapiro literally was overdosed on antibiotics, shot into her right hip. When her father came to visit, she could no longer stand. The hospital's verdict: she had somehow contracted polio while in isolation with pneumonia. The father did not sue. Neither did Shapiro years later when the Philadelphia school board refused to certify her to teach in public schools because she was in a wheelchair.

"I let them discriminate against me," says Shapiro. "I wasn't aware then."

These three people are among America's new militants—the blind, crippled, deaf, mentally retarded; victims of war, of automobile wrecks and disease, and accidents of birth.

Last month, after years of being carefully hidden in homes and institutions, hundreds of disabled militants like Bowe and Zukas and Shapiro suddenly marched into peoples' consciousness—picketing in wheel chairs and on crutches, singing the song of the 1960s civil rights marches, "We Shall Overcome." They fought for and got a tough regulation from the Department of Health, Education and Welfare enforcing a four-year-old law forbidding discrimination against the handicapped.

"Hopefully the era of 'Tiny Tim' is gone forever," says Denning Gearhart, who moves in a motorized wheelchair. "We've been too used to sitting on Bob Cratchit's shoulders, saying, 'God Bless Us Every One,' instead of saying, 'Dammit, I am as qualified as the next person.'"

Gearhart's speech is slurred by the damage done to his nervous system by cerebral palsy. "When I was 30 days old, they noticed I was acting weird. The doctor said I was spastic and retarded and that my parents should take out a long-term life insurance policy and forget about me. One night recently I saw a man on TV who had been in an institution for the retarded for 25 years. He wasn't retarded. His speech patterns and expressions were mine—I could have been looking at myself." Gearhart, 25, will graduate in June from the University of Pennsylvania law school.

The number of handicapped Americans—an estimated 36 million or nearly one out of six—shocks many, a testimonial to just how hidden they have been. This does not include an additional 10 million alcoholics and 1½ million drug addicts.

The phrase "handicapped" takes in a vast variety of disabilities. The most obvious are the blind, deaf, crippled. New HEW regulations could include someone with a limp or severe facial scar, if the person was discriminated against because either condition was an obstacle to being hired. It includes such diseases and conditions as speech impairments, cerebral palsy, epilepsy, muscular dystrophy, multiple sclerosis, alcoholics, drug addicts, heart diseases, diabetes, mental retardation, emotional illness, learning disabilities such as dyslexia. Moreover, people who have been misclassified as mentally retarded or discriminated against because of histories of mental illness, heart disease or cancer are classified as handicapped.

The disabled leaders borrowed from the 1960s civil rights marches and began fighting for their rights. A collection of 45 organizations representing 5 million individuals,

the American Coalition of Citizens with Disabilities (ACCD), was formed three years ago. Frank Bowe is the director.

One grim reason for their strength today is that more and more Americans are becoming eligible to join this minority. Modern medicine is saving those who used to die—from strokes, automobile accidents, cancer, war wounds—and they are often being saved only to be shunned by society.

Used to being treated like first class citizens in their "former life" they are now "fighting for their rights," says Max Cleland the Veterans Administration director. Cleland lost both legs and an arm in Vietnam. "In World War II, guys injured as badly as I was, died. Vietnam sent some 400,000 disabled veterans back to this country, and they're not shrinking violets. They're going to fight for jobs. Around 30 to 35 per cent of all disabled vets are unemployed."

One protest group included a young woman who injured her spine in a diving accident and a 29-year-old man, Ralf Hotchkiss, who broke his neck in a motorcycle accident 10 years ago. "I was pretty dense about the handicapped until this happened to me," he said. An engineer, Hotchkiss has testified on the Hill for the need to revamp buses to make them accessible to the handicapped, and now he designs motorized "hot rod wheelchairs."

Statistics on the handicapped are proffered, by militants and bureaucrats alike, with the caveat that they are vague and that much is unknown.

They show, however, that millions are underreducated, underemployed and overlooked. In one 1972 survey, 15½ million people of working age listed themselves as disabled. The actual number is considered much higher because many such as those with a history of mental problems or epilepsy, were reluctant to list themselves as disabled.

Of that 15½ million, only 43 per cent were working—compared to 74 per cent of the nondisabled. Only 14 per cent of some 7.7 million severely disabled were employed. One quarter of the disabled had family incomes below the poverty level, compared to 10 per cent of the non-disabled surveyed. According to one 1970 census study, 52 per cent of the disabled who worked made $2,000 a year or less.

"There's an awful lot of typecasting in hiring the handicapped," said one HEW official. "Deaf people 'belong' in the linotype printing field, the blind 'belong' in photo darkrooms, the severely handicapped or retarded in sheltered workshops, for example."

Not all handicapped can become productive, but disabled militants say society would save billions in welfare and institutional costs if the handicapped were better educated, given better jobs, taught how to live alone. For example, Hale Zukas, so severely palsied, now lives alone in Berkeley, Calif., and can afford to hire someone to attend to his needs through a California independent-living fund. This is far less costly than the estimated $15,000 per year for care in a California institution.

Last year, $8 billion was paid out in Social Security to 2,670,000 disabled. Nearly $3½ billion more was paid to 2,115,000 blind and disabled in supplemental security income.

The new HEW regulation provides that handicapped children can no longer be segregated in public schools but must be integrated into regular classrooms to the "maximum extent possible," and that every handicapped child—no matter the nature or severity of the handicap—will be entitled to free public education.

There are 8 million handicapped children, aged 1 to 21; 5½ million are school age. One million are receiving no education and only 3 million of them are receiving appropriate educational services, says Bob Herman of the Bureau of the Education of the Handcapped. He elaborates:

"Only a fraction of the kids who graduate who could work are finding work. The problem is they're not getting decent vocational training. You go into a vocational education workshop and ask why they don't take the educable retarded or someone with a physical handicap and they say, 'it's too dangerous. He could get his tie caught in a lathe.' So you ask, 'Why don't you take the tie off?' They don't have any good answers because they don't want to change. With the new regulation, the burden has shifted to those schools. All too many of these kids have been left to make bird houses in sheltered workshops."

Some universities were adapting to the handicapped before the HEW regulation made it mandatory. At Michigan State University, for example, volunteer readers work with the blind on campus, elevators have the floor numbers marked in braille, ramps are numerous, some telephones and drinking fountains are at wheelchair height.

As disabled students become more a part of campus life, their humor often inspires able-bodied friends. MSU tells a story about a blind former graduate student, Win Smith, who was so adept he could walk across campus without a cane or guide dog. When an awed Jesus Freak asked him how he could step over curbs without tripping, Smith solemnly replied, "The Lord took away my sight—and replaced it with radar in my toes." "Praise the Lord," said the Jesus Freak.

For millions of other students the stories are different. Daniel Yohalem, a lawyer for the Children's Defense Fund, ticks off some cases:

A Georgia high school football hero, paralyzed in a game, is in an institution because his school refuses to widen doors, provide ramps and special transportation for him to attend classes.

An 11th grade girl in Mississippi made it through the 10th grade until her multiple sclerosis became so severe that she required a wheelchair. Now she is at home receiving no education. The school refuses to rearrange classes so that she could attend school.

A 6-year-old boy in rural Louisiana attended kindergarten last year but the school provided no remedial help, braille or special services. His parents were forced to send him to an institution for the blind 35 miles away. The school refused to pay for his transportation. His older brother now drives him. The mother has no idea what will happen when the older boy goes off to college next year.

Once out of school, many disabled find themselves locked in a vicious circle. Available jobs pay little. Since a paraplegic estimates he would need $12,000 a year just to be able to afford the medical benefits he now gets through Medicare, many feel they can't afford to work.

Another major problem is that many cannot ride on buses. "What's the good of a job if you can't get to it?" they ask.

There are sometimes surprises when the handicapped do get hired. The Civil Service Commission surveyed 397 handicapped who constitute the traditionally hardest to place in jobs—more than a third were deaf or had severe hearing losses and most of the deaf were also mute. Many were blind or amputees. Four out of five required no job restructuring at all, and work site modifications, such as installing ramps, were minimal. In another study, the handicapped were absent less than the able-bodied.

Changing attitudes, in fact, may be far more difficult than changing architecture. Fear and revulsion toward the handicapped, as Max Cleland says, is "primeval."

Frank Bowe became deaf after a bout with measles when he was 3. He remembers losing a balloon in a park and not being able to hear himself cry. "I was crying out my frustration in a world gone silent."

Today, he says, "the problem is not so much with us—but with the people who are not disabled. We are always defined in terms of what we cannot do. We are determined to change those attitudes. I want to help others to see us as people—not as crutches and wheelchairs and canes."

THE IMPORTATION OF LIQUEFIED NATURAL GAS—IS IT SAFE?

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. WHITEHURST. Mr. Speaker, on February 23, 1977, I placed in the RECORD an article on the shipment of liquefied natural gas which had appeared in Parade magazine. Since that time, I have had an opportunity to read further on the subject, particularly an article in the April 1977, issue of Scientific American written by Dr. Elisabeth Drake and Dr. Robert C. Reid of the Massachusetts Institute of Technology, who have done considerable research on the matter of safety in transporting LNG.

The conclusions reached by Drs. Drake and Reid are most interesting and encouraging, and I urge my colleagues to read what they have written. It seems clear that if adequate precautions are taken, LNG can be shipped with sufficient safety:

[From Scientific American, April 1977]

THE IMPORTATION OF LIQUEFIED NATURAL GAS

(By Elisabeth Drake and Robert C. Reid)

The consumption of energy in the U.S., which reached a peak of 75 quads (quadrillion British thermal units) in 1973 and then declined slightly, is now on the rise again and is expected by the Federal Energy Administration to be at a level of 85 quads in 1980 and 95 quads in 1985. About 30 percent of the energy comes from gas, and the incentives for maintaining that proportion as the demand for energy rises are strong. Yet domestic production of natural gas has fallen off sharply since it reached a peak in 1973 and appears likely to decline even more rapidly in the future unless new sources are found and developed. One way to supplement the dwindling supplies of natural gas is to import liquefied natural gas on a large scale from areas overseas that have an abundance of natural gas and little or no market for it. It is relevant to ask how promising this option is, that is, whether the arguments for the importation of liquefied natural gas outweigh those against it.

The obvious problem in transporting large amounts of natural gas by any means other than a pipeline is that at ordinary temperatures a gas occupies a large volume. If natural gas is cooled to a temperature of −162 degrees Celsius (−259 degrees Fahrenheit), however, it becomes a liquid with a six hundredth the volume of the gas. The problems of transporting the fuel to places that cannot be reached by pipelines and of storing it in large quantities thereby become manageable. With liquefied natural gas the main problems are to find materials that will hold such a cold substance reliably and to determine what safety measures must be adopted against the possibility that the liquid might escape.

The arguments in favor of the large-scale

importation of liquefied natural gas can be summarized quickly, since they are not complex. The U.S. needs additional sources of energy. Gas is particularly desirable as a fuel because it burns cleanly and is easy to distribute to consumers. Gas heating is now installed in many homes, factories and public buildings. Natural gas, much of which is produced as a by-product of the petroleum with which it is associated, is still wasted in many areas by being vented into the air or burned, since there is no local market for it. The technology for liquefying natural gas, for transporting it on the high seas and for storing it on land is in hand. Moreover, that technology is less complex and less expensive than the technology for making synthetic gas out of oil or coal. A considerable international trade in liquefied natural gas already exists: Japan imports about 80 percent of its gas in liquid form. Western Europe 5 percent and the U.S. somewhat less than .1 percent. Indeed, the U.S. is at present a net exporter of liquefied natural gas: exports from Alaska to Japan are about three times greater than imports from Algeria to a terminal in Massachusetts. (In last winter's gas-supply emergency the shipment of liquefied natural gas from Alaska to Massachusetts by way of the Panama Canal was authorized for the first time.) In 1976 the figures were exports of 32 trillion B.t.u.'s to Japan and imports of 10.8 trillion B.t.u.'s to Massachusetts. Put in more familiar terms, the annual imports were 450,000 cubic meters (three million barrels or 10 billion standard cubic feet); in terms of the size of the ships currently fitted out to transport liquefied natural gas the imports amounted to about 12 shiploads.

The arguments against the large-scale importation of liquefied natural gas focus on the question of the safety of the undertaking. Liquefied natural gas, like gasoline and nautral gas, can be dangerous if it is handled carelessly or if large amounts are released in an accident against which insufficient safeguards have been provided. Allowance must also be made for the fact that the liquefied gas is at a very low temperature.

A facility for liquefying natural gas and storing the liquid was built in Cleveland in 1941. In 1944 one of the storage tanks failed and a disastrous accident resulted. No dike had been built around the tank to contain all the liquid in the event of a leak, so that the liquefied gas flowed unimpeded into the surrounding area. The cold liquid boiled rapidly, and the vapors soon reached a source of ignition that touched off a huge fire in which 128 people died.

This accident set the fledgling liquefied natural gas industry back many years. Nearly two decades passed before the advantages of this form of the fuel were explored again. The possibility of doing so arose in part from work in the National Aeronautics and Space Administration and the Department of Defense on rocket fuels; that work yielded improved materials for storing cryogenic liquids and new safety precautions for handling them.

In the 1960's several municipal gas companies designed and built facilities that employed liquefied natural gas for "peak shaving," that is, for supplying fuel at times of unusually high demand. A company would buy, liquefy and store pipeline gas during periods when the demand was low and the price was below normal. Later, during cold spells when the capacity of the pipeline was strained and the price of gas was higher, the liquefied natural gas could be revaporized and fed into the mains serving the company's customers. More than 60 such plants are now operating in the U.S. and Canada.

The peak-shaving plants have proved to be economically successful and have had an excellent safety record. They played an important role in maintaining gas service to residential customers during the unusually cold periods last winter. On this scale, then, the use of liquefied natural gas as a fuel appears to be a sound concept. With the depletion of gas reserves in the region of the 48 contiguous states of the U.S., however, the incentive to import liquified natural gas for base-load operations is increasing. A base-load terminal would receive liquefied natural gas on a regular basis from a fleet of tankers, store it in large tanks and revaporize it continuously to send it to the mains as fuel.

The tankers projected for operations on this scale would each have a capacity of up to 165,000 cubic meters, which is enough liquefied natural gas to cover a regulation American football field to a depth of about 40 meters (125 feet). The storage tanks at the receiving terminal would be from two to four times the size of the 50,000-cubic-meter structure typical of present peak-shaving facilities. Contemplating these prospects, many people have voiced concern about what would happen if a tanker carrying liquefied natural gas were involved in a collision or an airplane hit a storage tank or an earthquake occurred in an area occupied by a tank or a facility were sabotaged. The question to be faced is whether the safety provisions that can be devised would be sufficient to allow the large-scale importation of liquefied natural gas to proceed with acceptable risks to the public.

One cause for the concern about liquefied natural gas is an accident that took place in 1973 at a storage facility on Staten Island, which is part of New York City. The accident involved a tank that had been used to store liquefied natural gas. From outside to inside the tank consisted of a concrete wall, an insulating layer of polyurethane foam and a container for the liquid The container was a membrane made of aluminized Mylar plastic film.

After the tank had been in operation for about two years a leak developed in the Mylar film. The tank was shut down and the liquefied natural gas in it was pumped out and vaporized for local consumption. Nitrogen gas was then blown into the tank to warm it and to eliminate any residue of flammable vapor. Eventually air was admitted to the tank and workmen entered to begin repairs.

While the workmen were in the tank the insulation somehow caught fire. Hot gases from the combustion raised the internal pressure. The roof rose, as it had been designed to do if excessive pressure developed in the tank; in settling it collapsed into the tank, killing 40 workers. Even though the accident did not involve any liquefied natural gas or endanger the public safety, it aroused local opposition to a terminal that was under construction nearby for the importation of liquefied natural gas. Another source of concern was the fact that the terminal would bring ships carrying liquefied natural gas into waters where marine accidents had occurred. The issue of whether or not the terminal is to be operated remains unresolved.

Most of the questions concerning the safety of liquefied natural gas relate to tankers and storage tanks. We shall discuss some typical designs before returning to the safety question.

The 35 liquefied natural gas tankers now in operation have an average capacity of 46,000 cubic meters of liquid: 41 other tankers that are under construction or in the design stage have a mean capacity of 124,000 cubic meters. As we have mentioned, plans are being laid for vessels that will carry 165,000 cubic meters.

The tanks on a ship carrying liquefied natural gas must have double walls and insulation more than a meter thick to reduce the vaporization rate. Accordingly a collision that might lead to a loss of cargo would have to be considerably severer than it would if the ship were built like a petroleum tanker, where the tank is the hull of the ship itself. Accidents such as ramming and grounding are highly unlikely to cause the release of cargo from a ship carrying liquefied natural gas.

The tanks on a given liquefied natural gas ship have one of three basic designs. The first is freestanding tanks, which are separate from the hull except for support members. The outside of each tank is insulated, and a clearance may be left between the insulation and the hull. The second design is membrane tanks, which receive support from the hull through load-bearing insulation. The third design is spherical tanks that are built outside the ship and then lowered into prepared spaces during the final stages of its construction. With all three types of tank the primary container for the liquid is made of welded metal. In addition the freestanding tanks and the membrane tanks are required by the U.S. Coast Guard to have a secondary cryogenic barrier. (The requirement does not apply to spherical tanks because they are built under conditions where the welds can be pretested for integrity.)

At sea a tanker carrying liquefied natural gas presents an unusual profile. The density of the cargo is less than half the density of seawater, so that the ship rides high in the water. A typical ship has a draft of only 10 meters and a main deck that is from 20 to 25 meters above the waterline. Ballast tanks, which are filled with water, are required to provide stability on return voyages. At such times the tanker nonetheless carries a residual "heel" of liquefied natural gas; part of it is allowed to vaporize slowly to provide fuel for the ship, and the remainder serves to keep the temperature in the tanks low so they do not have to be cooled before being loaded again. Since it is expensive to build and operate such a large and highly specialized vessel, its operators seek to minimize the amount of time the ship is idle. This approach has led to the development of elaborate and efficient schemes for loading and unloading. Pipes carry liquefied natural gas between a ship and a tank on shore at a rate as high as some four cubic meters per second (50,000 gallons per minute).

The storage tanks must be built of materials that retain their strength at —162 degrees C. Carbon steel, which is the basic material for most steel construction, is not satisfactory because it gets brittle at low temperatures. Certain materials, however, have been extensively tested with liquefied natural gas and found to be suitable for the construction of the inner tank, the one that actually holds the cold liquid. The materials include high-nickel steels, some aluminum alloys and prestressed concrete. The insulation that is a requisite for every tank holding liquefied natural gas is put outside the structure that contains the liquid and is held in place by an outer tank. The outer tank is what an observer sees. The insulation is usually the noncombustible material known as perlite.

Storage tanks for liquefied natural gas at an import terminal are never small. A typical tank has an inner diameter of 55 meters, an outer diameter of 58 meters and a height of 55 meters. It holds some 90,000 cubic meters (550,000 barrels) of liquefied natural gas.

Each tank is surrounded by an impoundment dike that must be capable of containing at least the entire contents of a full tank. In many cases the dike is built at some distance from the tank and is therefore fairly low (from two to 10 meters high). Some recent designs have put the dike close to the tank, partly because in the event of a fire the flames would be confined to a smaller area. Such a dike is likely to be almost as high as the tank itself. In addition to the diking requirement, Federal regulations stipulate that a buffer zone wide enough to prevent another disaster of the Cleveland type must be provided between the dike and the boundary of the facility.

In the early stages of the development of

facilities for liquefied natural gas there were plans to store the material in roofed holes in the ground. The liquefied natural gas was expected to create a sealed cavity by freezing the adjacent soil. Experience with such tanks in the U.S. showed, however, that stresses build up in the frozen soil and cracks develop. The increase in the amount of contact between the liquefied natural gas and the soil leads to an increased rate of heat transfer into the cavity, and the economics of the facility become marginal. Four such tanks in the U.S. have been abandoned; a few remain in operation in other countries, but they too are being phased out of service.

In Japan, where land is scarce and earthquakes are a severe hazard, a number of buried concrete tanks for liquefied natural gas have recently been built. A tank of this kind typically has a foamed polymer inside the concrete as insulation. The insulation supports a membrane that functions as the seal for the liquefied natural gas.

Liquefied natural gas has a number of interesting characteristics arising from the fact that methane, which is its main constituent, is mixed with small amounts of other compounds such as ethane, propane and nitrogen. One characteristic is the possibility of a "flameless vapor explosion" when liquefied natural gas comes in contact with water. The phenomenon was first reported in 1970 by David S. Burgess and his colleagues at the U.S. Bureau of Mines, who were measuring the boiling rate of liquefied natural gas spilled on water. In the 56th test of an otherwise uneventful series a sharp explosion destroyed the experimental tank containing the water. Later a similar but larger explosion took place after about a quarter of a cubic meter of liquefied natural gas had been spilled on an open pond. In neither case did the material catch fire.

To determine the cause of these explosions Torr Enger and David E. Hartman of the Shell Pipe Line Corporation carried out an extensive program of testing. They concluded that the explosions resulted from the fact that a thin layer of the liquefied natural gas on the water had become so superheated that homogeneous nucleation of vapor occurred very rapidly. A flameless vapor explosion can happen only when the liquefied natural gas incorporates significant fractions of ethane and propane. The range of composition is quite different from that of typical liquified natural gas, which incorporates only small percentages of ethane and propane.

Even when a flameless vapor explosion takes place, the damage is slight. At the Liquid Natural Gas Research Center of the Massachusetts Institute of Technology we measured pressures in the liquid close to the surface where the explosion occurs and found they were well below 690 kilonewtons per square meter (100 pounds per square inch). Since the pressure wave would attenuate rapidly with distance, if such an explosion took place on water adjacent to a tanker, it would have little effect on the hull of the ship. Pressures in the air above the explosion are of course even lower.

A second interesting effect is that mixtures of liquefied natural gas with differing composition and density can stratify. This phenomenon was first recognized in 1971 after an incident at an import terminal in Italy. About 18 hours after a cargo of liquefied natural gas had been put into a storage tank the pressure in the tank began to rise. Soon the safety valves were actuated, and in the course of an hour some 150,000 kilograms of natural gas were vented. Fortunately the vented gas did not ignite and the pressure in the tank did not go high enough to cause any serious damage.

An analysis of the incident revealed that the new load of liquefied natural gas had a higher density than the material that was already in the tank. It was also warmer. Because of the difference in density the new material, which had been loaded into the bottom of the tank, remained there, creating a two-layer system. Over the following 18 hours heat flowed into the tank through the bottom and the side walls, since even though the liquefied natural gas in the bottom layer was warmer than that in the top layer, it was still much colder than the surroundings. Such a flow of heat is normal, and in an unstratified storage tank it drives a convective circulation of liquefied natural gas that maintains the entire contents of the tank well mixed and at essentially the same temperature.

In a two-layer system the liquid in each layer still flows convectively, but the denser fluid is not sufficiently buoyant to enable it to penetrate the less dense upper layer. Thus energy can be stored in the denser layer. In time the transfer of heat and mass between the layers tends to equalize the difference in density. Then the layers may mix rapidly. As the material attempts to achieve thermal equilibrium, the intrusion of the warm bottom layer leads to a rapid generation of vapor to release the excess energy that was accumulated while there were two layers. The contents of the tank have suddenly mixed. The phenomenon is commonly called rollover.

Modern facilities have standard procedures for preventing rollover. The less dense liquid may be loaded in to the bottom of the tank and the denser into the top. This procedure tends to prevent stratification. Another option is to always load the tank from the top; then, even if stratification occurs, the time required for rollover is much longer than the residence time of liquefied natural gas in a storage tank at a typical import terminal.

Problems other than flameless vapor explosions and rollover have received considerable attention. If liquefied natural gas is spilled, it boils rapidly. Although the vapor is not toxic, it may in high concentration cause asphyxiation by excluding oxygen. Moreover, the low temperature of the material may result in frostbite for anyone in the immediate vicinity of a spill. Both of these potential hazards are too localized to be of concern outside the boundaries of the facility.

The major hazard of liquefied natural gas is fire. If a spill is ignited, it burns much like a pool of gasoline. If it is not ignited quickly, the flammable vapor may be carried by the wind until a source of ignition is encountered. Experiments in the U.S., France and Japan have shown that once the vapor has been ignited a flame front burns back through the vapor toward the source from which the vapor came.

Another serious question is whether a fire in a cloud of vaporized liquefied natural gas might develop into a detonation capable of producing a damaging blast wave. The consensus among workers who have studied the problem is that the probability of such an explosion in an unconfined space is small. The detonation of a vapor in open air has not been confirmed even when a high-explosive charge served as the initiator. Charles D. Lind of the Naval Weapons Center at China Lake, Calif., has been unable to obtain detonations even with charges of up to two kilograms.

Lind carried out his tests with mixtures of methane and air enclosed in thin polyethylene hemispheres up to 20 meters in diameter. Ignition sources or explosive charges were placed in the center at ground level, and the results were followed with high-speed photography. The polyethylene enclosure was destroyed by either the detonation of the high explosive or the resulting blast wave, but in no case did the combustion wave of the methane accelerate to become a detonation. Explosions of methane-air mixtures have been demonstrated in rigid enclosures, but normally the combustion wave must travel 30 meters or more before it can become a self-supporting detonation wave.

Liquefied natural gas inside a storage tank is innocuous: it cannot burn unless it is vaporized and mixed with air. Only if it is released can there be a hazard. Accordingly tankers and storage facilities for liquefied natural gas are designed and operated to prevent accidental release.

Typically tanks for liquefied natural gas are designed to meet standards that specify the severity of wind, earthquakes and so on that the tank must withstand. The standard usually is the severest condition experienced within the past 50 or 100 years. Safety factors, which are also laid down in building codes, ensure that a tank will be able to withstand an even severer event. Moreover, in a storage facility it must be demonstrated that the public would not be endangered if the largest pipe connection to the tank should fail at the maximum rate of flow of liquefied natural gas.

Similar analyses of hazard are made for a liquefied natural gas tanker entering a port. Data are collected on the traffic density and the type, speed and length of other vessels in nearby waters. Since the probability of collision should approach zero if the rules of the road are followed, analysts frequently make the conservative assumption that all ships move in a random manner. In any event, not all collisions would be severe enough to penetrate the double hull of a ship carrying liquefied natural gas deep enough to release any of the cargo. Therefore the analysis is carried further to estimate the minimum momentum and angle of impact for a striking ship to cause a major release of liquefied natural gas.

Only after careful analyses can one estimate the potential hazards to the public of an operation involving liquefied natural gas. As an example, the risk associated with the proposed importation of liquefied natural gas to Staten Island is estimated to be about one fatality every 10 million years for people living or working along the approach route to the harbor. That level of risk is about 10 times less than the risk of dying from a fire at home and about the same as the risk of being struck by lightning.

Nevertheless, even though a facility can be designed to provide a high degree of safety in the event of the kind of accident envisioned in the design standards, one may still postulate severer accidents resulting, say, from a massive earthquake or from a sophisticated act of sabotage. The sudden destruction of a tank containing liquefied natural gas would be expected to lead to a major fire with potentially disastrous consequences. Can society tolerate such a risk?

The general problem is not unlike the problems faced daily by industrial engineers and governmental regulatory agencies. For example, should a big jet airplane be allowed to fly over a crowded public facility such as an athletic stadium? There is a low but always finite possibility of a crash with catastrophic results.

Similar examples reveal that society tolerates certain highly improbable risks—risks that cannot feasibly be eliminated by design—in order to reap the benefits of energy, consumer products, transportation, central water-supply systems and so on. On the basis of the studies that have been made of the hazards of liquefied natural gas and the experience that has been gained in several countries in handling the fuel on a large scale, it seems reasonable to say that the hazards are similar to those involved in handling other fuels such as gasoline, propane (liquefied petroleum gas) and gaseous natural gas. Liquefied natural gas therefore appears to be a promising alternative source

of energy. Moreover, it can be expected that further experience in handling liquefied natural gas and further research by the industry and by regulatory agencies will raise the level of safety in its use even higher.

EXPLANATION OF VOTE ON CONTESTED ELECTIONS OF BOB GAMMAGE AND ABNER MIKVA

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. McDONALD. Mr. Speaker, the resolutions dismissing Ron Paul's action contesting the election of BOB GAMMAGE and Samuel Young's action contesting the election of ABNER MIKVA place me in a very difficult position. On the one hand Ron Paul is a personal friend and philosophically I am undoubtedly closer to Dr. Paul and Mr. Young than Mr. GAMMAGE and Mr. MIKVA. Thus a vote against dismissing their challenges might be criticized as a personal and philosophical one.

On the other hand, a vote for the resolutions might be criticized as placing party loyalty above unbiased judgment.

Therefore, I want to state unequivocally that my decisions in these two cases were arrived at strictly on the merits after a careful study of the committee reports, without reference to personal, political, or philosophical considerations.

According to the committee report, Mr. GAMMAGE's motion to dismiss Dr. Paul's challenge was granted on the merits since it was acknowledged that the complaint did allege instances of irregular and perhaps even illegal voting. Thus, the question is whether Dr. Paul offered sufficient evidence to establish that these irregularities changed the result of the election. This is for the ad hoc Election Panel to decide. But obviously such a decision presupposes that Dr. Paul be allowed to submit all his evidence. Yet the panel dismissed his challenge without considering his properly filed motion for an extension of time to submit evidence.

With respect to Mr. MIKVA's motion to dismiss Mr. Young's challenge, the committee report indicates that it granted the motion even though a decision by the Illinois Supreme Court which may permit a limited recount is due any time. The purpose of the recount apparently is to allow Mr. Young to gather evidence to sustain his allegations that there were sufficient voting irregularities to change the outcome of the election.

In both cases, as far as I can tell from the committee reports, the contestants were effectively denied the opportunity to gather and present evidence to sustain their challenges. Surely the purpose of the Federal Contested Election Act is to provide a contestant the means to prove that he or she in fact won the election, if such is the case. And while the heavy burden of proof is properly on the contestant, he has no means of sustaining it if not given the opportunity to offer evidence.

Under these circumstances, I have no choice but to vote against the dismissal resolutions. These are votes neither for Paul and Young, nor against GAMMAGE and MIKVA. They are simply votes for decisions on the merits, which I think are legally and ethically required.

The "partisan morality" implicit in the straight party line vote in the committee on these resolutions is particularly disturbing. The obvious complexity of the questions involved, as reflected in the committee reports, suggests the extreme improbability that each Member would judge the issues on the merits and just happen to reach a decision most favorable to his party. Should the same thing happen on the House floor, it would push the limits of mathematical probability to infinity.

"Partisan morality" consists of placing party loyalty above the law, and renders all concepts of morality in Government meaningless, both legally and ethically. It has brought both parties into disrepute among the American people. It is time to get rid of it, once and for all.

VERIFICATION OF ARMS CONTROL AGREEMENTS

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. SIMON. Mr. Speaker, on May 3, the House agreed to an amendment to the Arms Control and Disarmament Amendments Act of 1977 concerning verification of arms control agreements. I voted against that amendment as did a majority of those Members present during the debate on it. It passed subsequently on a rollcall vote.

This amendment, presented at the last minute, and which, therefore, did not have the benefit of normal staff work and committee consideration, is not what it seems. On the surface, it is simply a requirement for the Arms Control and Disarmament Agency to report on the degree to which a given arms control proposal can be verified for compliance.

Its effect, however, is to limit the arms control negotiation options available to the President. This effect is most clearly demonstrated in the final section of the amendment. That section substitutes the judgment of Congress for that of the Arms Control and Disarmament Agency and the intelligence community departments and agencies on how arms control verification data should be analyzed by requiring that the basis for such analyses be the worst case. This is an unreasonable and unwise intrusion into a technical area. I have no objections to questioning those agencies responsible for verification analysis on worst case possibilities, but I do not believe that we should dictate the premises of their analytical work.

Worst case analysis is well known to the American taxpayer as a method used to gold plate defense programs—particularly weapons systems. Used as mandated by this amendment, it would limit the President's ability to negotiate arms control agreements by arbitrarily excluding many possibly reasonable arms control proposals from serious consideration. Worst case analysis also offers opponents of arms control agreements the perfect delaying strategy since they can play a nearly infinite game of "what if?" The President ought to be able to consider all the arms control options he feels appropriate and that they ought to be judged on their merits rather than prejudged.

This amendment assumes that verification is a simple, straightforward process where outcomes are clear. This is not true. In his remarks in support of this amendment my friend, Representative DERWINSKI, referred to an Arms Control and Disarmament Agency pamphlet on verification. It is a good publication and should be widely read. Its title is "Verification: The Critical Element of Arms Control," and it is for sale for $1 by the Superintendent of Documents, Washington, D.C. 20402, catalog No. 002–000–00055–1.

This booklet has a short section on "Verifiability" which I quote here because it goes to the heart of this issue and because it is so clear:

VERIFIABILITY

To say that the United States will only enter into arms control agreements that it considers adequately verifiable is to raise a series of questions. How good are our verification techniques? To what extent are arms control agreements in fact verifiable? To what extent must agreements be verifiable in order to be compatible with our security?

A MISCONCEPTION ABOUT VERIFIABILITY

There is a widely held view that verifiability is a question of black and white—that an arms control agreement either is verifiable simply or else not at all. Actually, verifiability is more nearly a question of shades of gray. Apart from a very few cases—a ban on large ships in a circumscribed ocean area, for example, or a ban on above-ground testing of nuclear devices with a large yield—no agreed limitations on modern weapons can be verifiable with total certainty through present techniques of verification, or indeed through any practicable techniques that can now be imagined. Given a determination to violate an agreement and to brave the consequences of possible detection, and given sufficient expenditure of resources and time and sufficient ingenuity, the most determined verification effort could probably be frustrated or evaded to some extent.

This should not be taken to mean that violations will necessarily occur, or even that they are likely to occur. Nor does it mean that arms control agreements which the United States has made or is likely to make are not adequately verifiable. It is only to say that perfect intelligence is no more available for verification purposes than it would be in a world without arms control treaties. Judgments of verifiability are relative rather than absolute, and they require a balancing of considerations of different kinds.

In estimating the verifiability of a given arms control agreement, it is necessary to take into account both the capacity of existing detection systems and the ability of the other side to evade detection if it should choose to do so. While an agreement might be relatively difficult to monitor with the techniques at our disposal, this fact alone need not disqualify it. If violations are likely to involve high risks or heavy expenditures

with little prospect of a commensurate advantage, such an agreement could well be considered adequately verifiable.

Similarly, an agreement limiting certain kinds of arms might be relatively easy to monitor given the practices and operating procedures currently in use by the other side. Yet if those practices or procedures could be easily altered (or substitutes devised) in ways that could substantially facilitate violations, such an agreement might be considered inadequately verifiable. If, for example, the presence of a certain kind of missile can be reliably detected by observation of a particular type of transport vehicle usually associated with it, an assessment of verifiability would require considering how easily other vehicles could be adapted to the same purpose.

Evaluating our verification capability requires consideration of a number of factors, of which timeliness is perhaps the most critical. Timely intelligence is frequently as important as accurate intelligence, during peacetime no less than in war; timely assessment of treaty compliance can be essential, particularly in cases where treaty violations could be the initial step in an effort to obtain a significant military advantage, or could constitute an immediate military threat. If assessing compliance with a particular agreement would require a prolonged period spent in collecting, analyzing and evaluating the relevant data, the agreement might have to be considered inadequately verifiable.

AGREEMENTS AND WHAT THEY LIMIT

Arms control agreements may impose a variety of restrictions, some of which tend to be more easily verifiable than others. Generally speaking, bans are more easily verified than numerical limits. A ban on any deployment of mobile missiles, for example, would be easier to verify than a limit on the number that may be deployed: observation of a single missile would be sufficient evidence that the ban had been violated, while some uncertainty as to the number actually deployed would always remain. A ban on research connected with a particular type of weapon is much more difficult to verify than a ban on its testing.

The characteristics of the weapons or forces to be constrained are of course central to the determination of verifiability. Though generalizations are hazardous, some rough rules will be found to apply in most cases. Objects that are large and stationary (for example, underground silos for ballistic missiles) are easier to count and keep track of than objects that are small and mobile (for example, soldiers). Since nuclear bombs and missiles are relatively small and relatively mobile, agreements designed to limit strategic weapons have focused not on bombs and missiles themselves but on the platforms and launchers—the silos, submarines, and heavy bombers—required to deliver them.

Agreements restricting the quality or technical characteristics of weapons rather than their quantity are as a rule more difficult to verify. A numerical limit on anti-ballistic missile (ABM) complexes, for example, is easier to verify than a prohibition on improving air defense systems in order to give them an ABM capability. Similarly, a limitation on the number of strategic launchers is easier to monitor than a limitation on the type of warhead permitted for those launchers.

A related difficulty is created by weapons which are not constrained by an arms control agreement, yet which share (or could be modified to share) certain characteristics of the weapons one is seeking to limit. Tactical weapons which have or could have a strategic capability—or which bear external resemblances to strategic weapons—pose a problem for the verification of limitations on strategic weapons. They could serve to mask violations, or they could raise questions regarding compliance even in the absence of violations.

INFERENCE AND OBSERVATION

In some cases, verification may depend on inference as well as on direct observation. When the presence or absence of a certain type of weapon cannot be detected by direct observation, much can often be learned from the military support facilities and maintenance equipment generally associated with it. But whether or to what extent inferences drawn from such facilities or equipment can serve as a criterion of verifiability is a difficult question. It is sometimes hard to know whether the use of a certain kind of equipment is a matter of necessity, convenience, or mere habit. Moreover, to rely on inferences of this sort is to be at a disadvantage in challenging possible violations, since alterations in the equipment used might not itself constitute an illegal act.

In the case of agreements which are difficult to verify by direct observation alone, verifiability may sometimes be improved by the negotiation of specific constraints on the facilities, equipment or procedures to be employed in connection with a particular type of weapon. In the ABM Treaty, for example, the United States and the Soviet Union agreed, in order to "enhance assurance of the effectiveness of the limitations on ABM systems," not to deploy in the future radars for early warning of missile attack except at locations along the periphery of their territories and looking outward. The purpose of this provision is to ensure that radars used for early warning do not form an integral part of an anti-ballistic missile capability.

Another class of constraints is one that could provide advanced warning of an intent to obtain important military capabilities prohibited by treaty. In the ABM Treaty, for example, the development and testing of a mobile land-based ABM system is prohibited. Without this constraint, it would be legally possible to construct large numbers of systems which could be illegally deployed in a relatively short time.

While many negotiated constraints can prove useful, restrictions affecting aspects of a weapons system that may be only peripherally related to its essential function may have only limited effectiveness. Technology can work in unexpected ways; the further removed the constraint from the function it is intended to constrain, the more likely it is that technical advances will make the constraint ineffective.

EVALUATING VERIFIABILITY

To what extent an arms control agreement is verifiable is a question that depends largely on technical factors. Whether an agreement is sufficiently verifiable to justify committing ourselves to it is a matter of military and political judgment. It is essental, for example, that assessments of verifiability incorporate an estimate of the potentialities for violation; but assessments of this kind should not be understood to include an estimate of the likelihood of violation. How easily another party could cheat if it decided to do so is one question. Whether it is likely to make this decision is another question, and one that cannot be resolved by the essentially technical process of determining verifiability.

A judgment of verifiability is a judgment as to the relative difficulty of violations and the prospects of detecting them should they occur. A judgment as to the intentions of another party is part of an essentially political assessment—an evaluation of whether the verifiability of an agreement is adequate to safeguard our security. While technical judgments of verifiability properly belong to experts in verification intelligence, judgments regarding the adequacy of verfication are the province of those responsible for directing national policy. Verifiability is one of the consideration that enter into an evaluation of the overall merit of an arms control agreement; as was pointed out earlier, it is not the only one. Possibly the most difficult and the most critical aspect of the verification process is ensuring that the technical facts of verifiability are properly conveyed to those who must assess them in the light of the political facts of life in the nuclear age.

This amendment, presented at the last minute, prevented the normal staff work and committee consideration which the country expects from Congress in reaching informed decisions on issues of this importance. Only 45 Members were present during the debate while 407 voted on the amendment when the roll was called. Since the text of the amendment was available only on the floor, most Members voting probably had very little idea of the real issues presented. The country deserves better.

The amendment shows signs of its hasty construction. For example, as Chairman ZABLOCKI pointed out:

> . . . it would bring out into the open those collection techniques which the former Director of ACDA urged be kept secret. This would not strengthen our ability to verify arms control—it would weaken it.

On May 6 the Washington Post added to this point by noting that the amendment would require the Director of ACDA—

> to tell Congress about the personnel assignments of the Central Intelligence Agency, the Defense Intelligence Agency and others that do most of the government's verification work, and also about those agencies' budgets.

The committees with responsibility in this area have adequate information now, I am advised by them. But to massively distribute such information to all Members of Congress is, in fact, to provide information to the Soviets and others that we may not wish to provide them.

I do not believe for 1 minute that the proponents of this amendment intended those effects, and I mention the unforeseen dangers this amendment poses to our national security only to illustrate my point about the undue haste with which the amendment was put together and presented. As a matter of general principle I do not believe that the Congress should work in that fashion. The dangers are too great.

Finally, this amendment is superfluous. Existing reporting and consultation procedures are adequate as Chairman ZABLOCKI noted in the debate:

> The reporting requirements contained in the amendment are unnecessary. The capabilities of the U.S. Government to observe the behavior of foreign governments with respect to their treaty commitments are routinely discussed before the Congress in Defense Department and intelligence community authorization hearings. In addition, the activities of the Arms Control and Disarmament Agency with respect to its verification activities are reported to the Committee on International Relations and the Committee on Appropriations on a routine basis.

I might add to this long list of existing reporting requirements another: The

treaty ratification process and the need to request from the Congress any new authority required for the implementation of any new arms control agreement. All will agree that the congressional oversight possibilities or adequate verification are many and adequate and that this amendment contributes nothing new in that respect. Legislating new reporting requirements is no substitute for our active utilization of those which exist.

Mr. Speaker, this amendment is unnecessary, built on a simplistic concept of verification, dangerous to the national security, and will have the effect of hampering the President in his attempt to negotiate arms control agreements. That is why I voted against it.

I hope the Senate will act with cooler heads than we did in the House.

AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE ENDORSES REMOVAL OF U.S. VISA RESTRICTIONS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. DRINAN. Mr. Speaker, the American Association for the Advancement of Science has joined two other prestigious organizations of scholars, the Federation of American Scientists and the National Academy of Sciences, in endorsing legislation which I have filed to remove from the Immigration and Nationality Act the mandatory denial of visas to present and former members of the Communist Party.

These outdated and unnecessary provisions of our law, enacted over President Truman's veto at the height of the "Red Scare" in 1952, have resulted in the embarrassing exclusion from the United States of many scholars and political figures. Just last month, three Soviet trade union officials were prevented from entering the United States. These exclusions place the United States in violation of the freedom of immigration, travel, and exchange of ideas provisions of the Helsinki Agreement. When the Belgrade Conference convenes later this year to review compliance with the Helsinki pact, the United States will be vulnerable to criticism of its immigration policy. To the extent that we ourselves violate the Helsinki Agreement, our ability to insist on improvements in the human rights polices of other nations will be compromised.

I commend to the attention of my colleagues the letter of support which I have received from the American Association for the Advancement of Science. I also insert below an editorial which appeared in the Washington Post on April 20 criticizing the State Department's denial of travel visas to the three Soviet trade unionists and AFL–CIO President George Meany's reported role in that denial; a letter which I wrote to the Post and which appeared in that paper on May 2 applauding their editorial; and an essay by nationally syndicated columnist Garry Wills which appeared in the Boston Globe today.

Mr. Wills takes the Carter administration to task for denying visas to the Soviet trade unionists and for perpetuating the unnecessary ban on entry into the United States by members of the Communist Party.

Mr. Wills writes:

What is hard to understand is the way we make trouble for ourselves on foreseeable tomorrows at Belgrade by today's trivial ban on three Russian visitors. It is not so much wrong as dumb; because it lets those in the wrong include us in their ranks.

The letter from the American Association for the Advancement of Science and the editorials follow:

AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE,
Washington, D.C., April 22, 1977.

Hon. ROBERT F. DRINAN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN DRINAN: The Board of Directors and the Committee on Scientific Freedom and Responsibility of the AAAS would welcome legislation that would remove from the U.S. Immigration and Nationality Act those sections mandating the exclusion of visitors to the United States on the basis of their political ideologies. Visa applications from members of the political "ineligible" organizations are not automatically rejected, and in fact are often accepted, but their applications must go through a special waiver procedure which involves additional time and paperwork.

It is particularly in the interest of free circulation of scientists that we support the removal of these restrictions. The nature of scientific inquiry is such that it requires a consistent free exchange of ideas through personal meetings and interactions, as well as exchange of publications, without regard to political ideology. Any attempt by one country to restrict such exchanges of ideas, therefore, is an inhibition upon the international character of the scientific endeavor.

As noted in a recent report prepared by the British Council for Science and Society: "Experience has shown that there can be no substitute for personal travel as a means of diffusing scientific knowledge throughout the world, and no substitute for personal dialogue and confrontation of opinion in advancing scientific knowledge. Restrictions on international travel are therefore a most serious interference with the activity of science, and a major threat of scholarly freedom."

From the inquiries which our office has conducted into this matter it appears that qualified foreign scientists, who may also happen to be or have been members of one of the restricted political organizations, almost always do receive visas and are able to accept invitations to visit the United States in order to pursue their professional exchanges. However, the added paperwork involved in handling such cases appears to place a quite unnecessary burden on our consular services and on the State and Justice Departments with no compensating gain.

Moreover, the requirement of obtaining special approval for a visa to this country creates for foreign visitors an invidious and unnecessary distinction between members of the restricted political organizations and other visitors. Some of them actively resent being placed in such a special category; if we are trying to create good will among our foreign visitors, the existing provision in the immigration legislation works against our own best interests. As you have pointed out, these current provisions of the law are in violation of the provisions of the Helsinki Final Act relating to freedom of travel and the free exchange of ideas. If we are to raise objections to violations of this Act by foreign countries, as we have indeed been doing, we must stop violating the intent of the Act ourselves.

As your proposed bill makes clearly evident, these changes would not impede the authority of the Attorney General to refuse admission to individuals for whom there was evidence that their entrance into this country might be harmful to the interests of the United States. To prescribe by law the exclusion of all individuals of a given party or class, however, is a clear violation of the provisions of the Helsinki Final Act and the principle of free circulation of scientists. Your proposed bill would correct this anomaly, and we therefore welcome your intention to introduce it.

Sincerely,

EMILIO Q. DADDARIO,
President, American Association for the Advancement of Science.
WILLIAM D. CAREY,
Executive Officer.
H. BENTLEY GLASS,
Chairperson, Committee on Scientific Freedom and Responsibility.

[From the Washington Post, Apr. 20, 1977]

"SECRETARY OF STATE" MEANY

George Meany is right in saying that Communist trade unionists are governing stooges. His pride in the "free," i.e., nongovernmental status of American unionists is well earned. But he's not the Secretary of State. It's wrong for him to use the AFL–CIO's muscle to force a too-long-pliant State Department to deny entry visas to these Soviet functionaries. Mr. Meany did just that a few days ago, not for the first time, to prevent three Russians from attending the farewell convention of retiring longshoremen's leader Harry Bridges. The Bridges union, needless to say, is not a part of the AFL–CIO.

To give Mr. Meany the best of it, he evidently believes a visa is a laurel conferring respectability. But for a country like the United States, supposedly committed to the free exchange of ideas, goods and people, a visa simply certifies that the person being admitted has acted within the law. The United States accepted a fresh commitment to free travel at the Helsinki conference in 1975. If it continues to restrict foreigners travel arbitrarily, it will suffer embarassment at the Belgrade follow-up conference starting in June, and it will be less able to press legitimate objections to the human-rights violations of other countries, including Russia.

President Carter has many fish to fry with Mr. Meany. Politically it can't be easy for the administration to take him on again. But if it's serious it will. First, the State Department must alter its policy and stop denying visas on political grounds alone. Then, the administration must move to amend the law that gives the department its present denial authority.

We would not want to see all restrictions on foreigners' entry removed, however. Specifically, to ensure that Americans who so desire are admitted to the Soviet Union and like countries, the United States must be able to hold up the entry of their citizens. Otherwise, as sad experience demonstrates, the Russians will cheat. Of the need for hard-bargaining with the Russians to obtain equal treatment in this matter as in others, Mr. Meany, we are sure, would approve.

MR. MEANY AND THE SOVIET ISSUE

George Meany may be piqued at the prospect of Soviet trade union officials attending American conferences, but as your April 20 editorial points out, Mr. Meany can quite

ably serve the interests of working men and women without taking on the added burden of *de facto* Secretary of State.

When the Belgrade Conference to review compliance with the Helsinki Agreement convenes this summer, how will the Carter administration defend our continued policy of automatic exclusion of members of the Communist Party? How will American representatives square President Carter's professed devotion to human rights with our refusal to lift travel and immigration restrictions against those whose philosophies we do not share?

Rather than allow the unraveling of our bold new policy on human rights, President Carter should move immediately to amend the 1952 McCarran-Walter Act's ban on Communist travel within the United States. I have introduced a bill, sponsored by eight other Representatives and endorsed by the National Academy of Sciences and the Federation of American Scientists, to end this prohibition born of anti-Communist hysteria. I hope that President Carter, recognizing that an inconsistent American approach to human rights feeds the Communist propaganda machine, will support this legislation.

ROBERT F. DRINAN,
Member of Congress (D-Mass.).

[From the Boston Globe, May 9, 1977]

BAN ON RUSSIAN UNIONISTS UNDERCUTS CARTER'S PLEDGE

(By Garry Wills)

When the Helsinki Declaration review takes place in Belgrade later this year, America will be in a much weaker position than it should have been. One of the principal freedoms in the Helsinki compact was freedom of travel. The yearning of Jews to emigrate from Russia points out one of the more poignant divisions of people in our time.

But our own moral standing in such pleas has been undercut in a trivial way by the denial of a visa to three Russian trade unionists invited to join a longshoremen's tribute to their union organizer, Harry Bridges, on his 76th birthday.

President Carter is praised or reviled for being tough on labor, for showing he really meant it when he said he would come into the White House with no strings attached. But the visa denial is a clear payoff to George Meany, who has trouble recognizing the rights of union officials not affiliated with the AFL-CIO. His vendetta against the longshoremen was allowed to compromise our position on human rights and our Helsinki pledge to uphold them.

In a way, the lapse is made worse by President Carter's earlier efforts to uphold that pledge. He lifted restrictions on American travel to Cuba, Vietnam and North Korea and expressly called this action an honoring of the Helsinki agreement.

When his Administration bans three invited Russian visitors from public events, it makes no sense to call this petty action a response to espionage threats. Instead, it looks as if America means that free travel applies to Americans going elsewhere, not to others visiting us. At least, that is what the Russians will make of our action at Belgrade. And what will hurt most is the grain of truth in the charge—the gratuitous minor offense that gives an excuse for distraction from Russia's graver acts of repression.

In the past, America has indulged in silly bans based on pettish xenophobia. After the "Red Raids" in the wake of World War I, a meek lecturer like Gilbert Chesterton had to fill out demeaning questionnaires in order to enter this country. Later, Charlie Chaplin got his comeuppance from our visa bureaucrats.

In the 1940s, we banned Russian artists from attending the Waldorf Conference, aimed at premature detente, on the excuse that Russians did not allow free travel. Our logic was to prove how bad others were by imitating them. This did not keep the Russians out. It just made those who wished to open general discourse become avowed government agents in order to circumvent our visitors' policy. Non-Communists from other countries were excluded, while the Communist countries put their citizens on exempt diplomatic visas. To complete the irony, the State Department incited various complying intellectuals to mock visitors like Dimitri Shostakovich for being government agents—after we refused to admit anyone except avowed government agents.

The Waldorf Conference is still being used by compliant intellectuals to vilify one of its organizers—Lillian Hellman—even after detente, after Helsinki, after President Carter's brave words on freedom of travel. Some people have to live out their lives vindicating all their yesterdays—and that is understandable. What is hard to understand is the way we make trouble for ourselves on foreseeable tomorrows at Belgrade by today's trivial ban on three Russian visitors. It is not so much wrong as dumb; because it lets those in the wrong include us in their ranks.

THE LEGACY OF LUDWIG ERHARD

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. McDONALD. Mr. Speaker, it is saddening to learn of the death of Ludwig Erhard, the architect of West Germany's postwar "economic miracle." It is sad not merely because he is no longer with us, but also because the legacy he has left us lies dormant.

The superiority of the free market has been proved many times, both in theory and practice. But perhaps no example was more self-evident than postwar Germany. The economy was in worse shape than Germany's devastated cities—completely shattered, with widespread hunger and shortages, and Lucky Strikes serving as currency. To get things moving Erhard prescribed a free economy, decreeing an end of rationing and economic controls, including price controls. Keynesians everywhere were horrified. Erhard's reply:

"Turn the people and the money loose and they will make the country strong."

The result is history, although it is ignored by most of today's economists. Hunger and shortages disappeared, the economy boomed, and West Germany was soon not only outproducing the much larger prewar German Reich, but in a few years had overtaken most other industrial powers. To the Keynesians this was an "economic miracle," but only because it could not be explained on their theories. In fact, it was the inevitable result of the establishment of a free market, as was proven then, as was proven by the United States in its freer days, and as would be proved by any other country which would do the same.

Yet the some old Keynesian snake oil is prescribed today. To cure unemployment and recession, which were caused by government intervention, they propose further intervention—deficit spending to "get things going and put people to work." As Erhard has demonstrated, if we decontrol, our unemployment and stagnation will disappear almost overnight.

The following obituary from the Washington Star of May 5, 1977, gives a fine account of Ludwig Erhard's distinguished career:

[From the Washington Star, May 5, 1977]

LUDWIG ERHARD, GERMAN ECONOMIC SAVIOR, DIES

(By Wolfgang Saxon)

Ludwig Erhard, 80, who was responsible for West Germany's post-war economic recovery, died today in Bonn, where he had been hospitalized for a serious heart ailment.

If any single man deserved credit for West Germany's astounding economic rise from the ashes of World War II, it was Prof. Ludwig Erhard, the rotund, pink-cheeked, cigar-smoking incarnation of prosperity, who disregarded the outcries of his countrymen and their conquerors and put his economic vision to work.

The remedy he prescribed was a free market economy with a social conscience—a formula his critics deemed a ludicrous answer to the problems of a shattered, truncated country where hunger and shortages abounded and Lucky Strikes were the coin of the realm.

To get his policies across, Erhard moved with stealth, sermonized, coaxed and at times bullied labor and industry. Thus he built the tools with which the government of Konrad Adenauer, West Germany's first chancellor, could gain respectability abroad and give the Germans back their self-respect.

The economic mission began for Erhard, a trained economist without a Nazi past, when he was selected in the summer of 1945 from a list of "good Germans" to help figure out ways to get factories back into operation in his native Bavaria.

He was the Bavarian minister for economic affairs in 1945 and 1946, then returned to teaching until 1947, when he was appointed chairman of a group of German and American financial experts who worked in secrecy near Frankfurt, preparing to wipe out 400 billion inflation-bound Reichsmarks.

By then the war-ruined economy had come to work largely on "cigarette currency," with six to 10 Reichsmarks fêtching one Camel or Lucky Strike as people resorted more and more to barter and black markets.

Director of economic affairs when the currency reform was inaugurated in the summer of 1948, Erhard became known as "the father of the Deutsche mark."

Long rows of ragged people lined up at the banks that summer to exchange nominal sums of worthless Reichsmarks one-to-one for the newly printed Deutsche mark, with the rest of their money holdings to be redeemed later, 10 to one.

As it turned out, it was almost the last time West Germans had to line up for anything. Hoarded goods suddenly reappeared on the shelves and queues disappeared as if by magic as industry geared up and farmers sold their produce in the market for the new money, today one of the world's most solid currencies.

Convinced that currency reform alone was not enough, Erhard sprang an additional surprise of his own. Acting on a Sunday when neither his German colleagues nor the military government could interfere, he announced in a broadcast that he had decreed the end of nearly all rationing and economic controls, including price controls.

"Turn the people and the money loose," he declared, "and they will make the country strong."

Prices rose, but Erhard remained confident. "Prices will drop in the spring," he promised on Christmas Eve. And they did.

While Erhard preached hard work and productivity as the keys to success, the forces of the market soon made West Germany outproduce the prewar recovery of the much larger German Reich and within years overtake most other industrial powers.

By and large Erhard enjoyed enormous popularity until his sudden fall from grace during his brief tenure as chancellor and successor to Konrad Adenauer.

The two men had met in Bonn during the drafting of the West German constitution when the Federal Republic of Germany was founded in 1949. Erhard became minister of economics, a post he held until October 1963. Adenauer respected his economic judgment and Erhard was a spectacularly effective campaigner at the height of his career.

Adenauer made him vice chancellor in addition to his economic post after the 1957 elections. However, their relationship grew difficult when Erhard showed political ambitions of his own.

In 1959, Adenauer decided to resign and run for election as president, a ceremonial office. He changed his mind when his Christian Democratic party favored Erhard as his successor rather than his favorite.

The aging Adenauer had little regard for Erhard's competence to govern and to survive in the rough and tumble of practical politics, but a party caucus forced him to resign in 1963 and picked Erhard as its vote-getting "people's chancellor."

Always looking for a middle ground and reluctant to whip dissidents into line, Erhard soon got into trouble with unruly members of Parliament from his own party.

In 1966, a recession and creeping inflation caused concern about the mighty mark; a failure to cope with a big federal deficit was the final blow that brought down his government.

Erhard was born in Fuerth, Bavaria. He was seriously wounded while serving as a cannoneer in World War I and was unable to take over his father's dry goods shop. Instead, he studied management and economics at the University of Frankfurt. In 1923 he married Luise Lotter, also an economics student.

He lost his post as director of a market survey institute in 1928 after some harassment over his divergence from Nazi ideology and economics.

ILLEGAL ALIENS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. SYMMS. Mr. Speaker, there is a great deal of discussion these days about illegal aliens. Some people feel that they are causing problems by taking jobs from citizens, by using services which should be available only to legal residents, and in some cases even adding to the problem of additional crime in this country. Others remind us that this Nation is strong because it is a mixture of energetic foreign people who came to America because they wanted freedom, and the opportunity to work. These people point out that in many cases the illegal aliens do jobs that no one else wants to do, and that often they are not only good workers, but are also honest, and truly appreciative of the traditions, and the freedoms found here in the United States.

One of the finest statements on the question of illegal aliens which I have seen, is the following written by the well-known economist Hans F. Senholz, the secretary-treasurer on the conservative caucus shadow cabinet.

I commend it to your attention and thoughtful consideration:

ILLEGAL ALIENS

With unemployment at chronically high rates in nearly all countries, it is not surprising that the number of explanations and interpretations is on the rise. In less developed countries, we are told, the high birth rates and population growth rates exceed the ability of agriculture and industry to absorb the new population, with the result of increasing unemployment. In the industrial countries, where the rates of growth of population are much lower, the explanations cover a wide spectrum from the Marxian exploitation doctrine to the Keynesian inadequate-spending theory. In the U.S., the oldest explanation of them all is coming to the fore. Rooted in the fear and resentment of foreigners, many of whom are illiterate and poor, more and more Americans are pointing at the newcomers as the cause of their difficulties. Labor leaders, especially, are quick to vilify "the illegal aliens" for the chronic unemployment that is plaguing organized labor.

Their explanation is almost 300 years old. The descendants of the original English settlers used it, viewing with alarm the influx of Germans and Scotch-Irish. And they in turn later protested the arrival of southern and eastern Europeans. In 1849, the foes of immigration even formed a secret political party, the American or Know-Nothing Party. Its members agreed to vote only for native Americans and restrict the rights of immigrants. When questioned about the party's objectives, its members were sworn to answer "I know nothing."

Their intellectual descendents now are pointing at millions of "illegal aliens" from Latin America who are blamed for our high unemployment rates, for lowering our enviable wage rates, for corrupting our political and social institutions, and their reluctance to conform and "Americanize."

The estimate of some 8 million illegal aliens in the U.S. suggests a simple solution to our unemployment problem. Let us expel the 8 million aliens after we have inflicted appropriate punishment for illegal entry, and our chronic unemployment will cease to exist. Now every native American will cheerfully find his job.

In reality, unemployment is a cost phenomenon. There is always employment for anyone whose productivity exceeds his employment costs. And unemployment is awaiting anyone whose costs exceed his usefulness. This is true whether or not he is a citizen.

No one can possibly know how many illegal aliens actually have entered the U.S. But we do know that they are earning a living through rendering services in agriculture, commerce and industry. You may find them in the fruit orchards of California, Oregon and Washington, on the farms and ranches of Arizona, Texas, Louisiana, and Mississippi, in the hotels and motels in our cities, and in other service industries from coast to coast. They are working because their services are useful and economical. Eight million Americans are unemployed because their employment costs consisting of wages and social benefits, exceed their usefulness. How would they become more productive and economical through expellation of foreigners? How could a black teenager in New York City whose employment costs exceed $3 an hour (minimum wage $2.30 plus fringe benefits) and whose labor may be worth only 75¢, find employment after a Latin chambermaid at the Park Hotel was arrested and expelled? The expellation of eight million foreigners would not vacate eight million jobs for deserving Americans. In fact, it is likely to create even more unemployment.

Productive alien employees cannot forcibly be replaced by native labor that inflicts losses on employers. They can be removed and deported, which would withdraw useful labor, restrict service and production, inflict losses on employers, and thus cause a contraction of economic activity. The hotel and motel industry, for instance, would be severely hampered in service and capacity. The fruit orchards would harvest less fruit, which would cause prices to rise and the industry to contract. And the American people would suffer a significant reduction of living standards through the loss of wholesome fruit in their diets.

Economists readily admit that in a stagnant economy the influx of new labor, native or foreign, tends to reduce wage rates. The given amount of capital is distributed over a greater number of workers, which reduces individual labor productivity and wage rates. But this admission does not apply to labor markets in which generous unemployment compensation, multiple benefits, and liberal foodstamps keep millions of workers from seeking employment. The institutional benefits that are creating the unemployment are not reduced when aliens illegally enter the U.S.

In constant fear of detection and deportation few illegal aliens, if any, are seeking the social benefits that induce so many natives to prefer unemployment. There are no jobless benefits, no foodstamps, not even public assistance for illegal aliens. They live, and in many respects are like those old-fashioned Americans before the dawn of the New Deal and its redistribution programs. And they probably feel like American colonists who were illegal aliens in the eyes of all Indians.

While the fear of detection may prevent illegal aliens from collecting transfer benefits, it is more difficult to escape the taxes that are levied on labor. Surely, there are many who by arrangement with their employers pay neither income nor social security taxes. But this makes employers accomplices to illegal employment and tax evasion, which is a risk no large employer can possibly take. Therefore, it is rather likely that most illegal aliens suffer tax withholdings like anyone else. They are probably paying "their share" in the expenses of our social institutions.

And yet, illegal aliens stand accused of corrupting our political and social institutions, favoring political and social radicalism, agitating for more transfer programs, etc. etc. All of this may be true. But we wonder about the political and ideological dangers of a California fruitpicker or an Atlanta chambermaid who, in constant fear of detection and deportation, timidly inquires about membership in a labor union. Surely, every native newspaper publisher, editor, commentator, writer, or professor can be, and probably is, immeasurably more effective in propagating radical ideas than an illiterate alien.

He stands accused of refusing to conform and "Americanize." But he may be at a loss about the standard to which he is to conform and about the meaning of "Americanization." As there is no standard, and cannot be one in this nation of refugees from all corners of the world, he, the illegal alien from Latin America, must be acquitted of this charge. It must suffice that he conforms

to the only standard of a civilized society, that he is a human being who was born with inalienable human rights.

The festering problem of illegal entry to the United States and the social agitation that is besieging an estimated 8 million illegal aliens concern us all. We must therefore rejoin old fallacies and seek amiable solutions.

As for me, I would promptly offer citizenship to all illegal aliens under the following conditions:

They must offer cogent proof of residence in the U.S. and gainful employment for a period of five years. However, we would deny citizenship to illegal aliens found guilty of any crime against human life or property, or of the misdemeanor of having received, or merely attempted to receive transfer payments during the illegal stay in the U.S.

As long as the Statue of Liberty still holds the burning torch of liberty we have no choice but to live by its light.

Give me your tired, your poor,
Your huddled masses yearning to breathe free
The wretched refuse of your teeming shore.

Hans F. Sennholz
Grove City College
Grove City, Pa.

Mr. Speaker, Mr. Sennholz said it so well, I only hope his point of view gets a fair hearing.

PORTSMOUTH, OHIO, URANIUM-ENRICHMENT FACILITY

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. LUKEN. Mr. Speaker, on May 3 I issued remarks in the CONGRESSIONAL RECORD in support of the uranium enrichment facility at Portsmouth, Ohio. As I pointed out at that time, the President's recent decision to redirect national uranium enrichment programs to the centrifuge method not only jeopardizes the future of the Portsmouth facility, but also jeopardizes the Federal Government's credibility in southern Ohio.

Today, the Cincinnati Enquirer printed an editorial which succinctly states the sentiment of southern Ohio concerning this issue. I would like to share this newspaper's views with my colleagues at this time:

THE HIGH STAKES AT PORTSMOUTH

"We must proceed promptly with enlargement of the Portsmouth (uranium-enrichment) facility, and you can depend on me to provide the leadership needed to insure full funding of this important program."

That was candidate Jimmy Carter before a Southern Ohio audience on October 29, 1976. He said that if elected President he would push "on a first-priority basis to provide for the full $255 million in funding for the fiscal year 1977 phase of this construction."

One result of that pledge was to help Mr. Carter sweep normally Republican precincts in the drive which gave him Ohio by a narrow margin. But President Carter, who also campaigned on the promise, "I'll never lie to you," has triggered a shockwave of dismay and disbelief with the suggestion he may order the $4.4-billion uranium-enrichment complex built outside Ohio. Best guess is it would go to Oak Ridge, Tenn., with all the appearances of a political move to placate Tennesseans for putting a damper on the planned Clinch River nuclear reactor.

He says if he puts the project elsewhere, it will be for national security reasons.

He should've thought of that before he gave Ohioans reassurances he would back the Portsmouth area facility (at Piketon) "on a first-priority basis." "That such shabby treatment should be meted out from one who sanctimoniously boasted that he would never lie to the American people is absolutely unbelievable," Rep. William H. Harsha (R-Ohio) told the House the other day. "The people have been had and by some of the most sordid political shenanigans imaginable."

We hope Mr. Harsha is proved wrong about those "sordid political shenanigans," that Mr. Carter is not bowing to demands of powerful Southern politicians to toss them the planned Ohio facility to atone for the slowdown clamped on the Clinch River project originally designed to convert nuclear waste to plutonium.

Granted the President has selected a new technology developed in a pilot project at Oak Ridge. But to embrace a new centrifuge system, rather than gaseous diffusion, need only delay, not cancel, expansion of the Goodyear Atomic Corp. plant at Piketon.

Almost unbelievably, the President was reported astonished by the violent reaction in Ohio to the suggestion he might shift the project. Who wouldn't be more than mildly disturbed at the prospect of losing 6000 new construction jobs and the promise—by Governor Rhodes' estimate—of 1500 permanent jobs in an area with 18% unemployment?

To shift the plant away from Ohio would be the crassest kind of breach of faith with the people. And if it went to Oak Ridge, it would smack of the foulest kind of political deal, cottoning to those outraged over the Clinch River development.

But the threatened shift of the plant had one salutary effect: It forged Ohio's Republican and Democratic leaders into a rare and welcome display of unity in the drive to hold Mr. Carter to his campaign promise.

The enlistment of Sens. Walter D. Huddleston (D-Ky.) and Wendell H. Ford (D-Ky.) in the effort to save the Piketon plant expansion was also gratifying. There are indeed times when the two-state approach can be more effective and with benefits to both. We hope this was the case with the uranium project.

We hope that on sober reflection Mr. Carter, a leading apostle of the need to restore trust to government, will see the wisdom in keeping the campaign promise he so indelibly stamped on Ohio.

ANOTHER REPORT ON THE BREEDER REACTOR

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. BROWN of California. Mr. Speaker, the Science and Technology Committee is presently debating the President's nuclear policies concerning the breeder reactor. To help in our deliberations, we were provided recently with the report from one group of the ERDA Breeder Review Steering Committee. However, the report from the remainder of the group, which reaches very different conclusions, was not included. In order to have a complete record, I would like to insert that report now:

PROLIFERATION RESISTANT NUCLEAR POWER TECHNOLOGIES: PREFERRED ALTERNATIVES TO THE PLUTONIUM BREEDER

(By Thomas B. Cochran, Russell E. Train, Frank von Hippel, and Robert H. Williams)

SUMMARY

Our findings are as follows:

U.S. nonproliferation objectives must take precedence over economic considerations.

Nonproliferation criteria must be established to govern all fission energy activities, including R, D&D and the commericalization of fission energy supply alternatives (e.g. breeder and advanced converter reactors).

The minimum criterion of acceptability for the commercialization of an energy supply alternative must be the demonstration that the development and commercial utilization of the technology by a non-nuclear weapons state leaves that state no closer to a nuclear weapons capability than would be the case if all its nuclear power were derived from low-enriched uranium fueled reactors operating in a once-through fuel cycle mode (that is, without reprocessing) and with verified spent fuel storage in secured international facilities.

The plutonium breeder and its associated fuel cycle does not meet this minimum criterion of acceptability. Indeed it would put into the fresh fuel of reactors worldwide enormous quantities of material which could be converted into nuclear weapons within a matter of days. The implications in terms of nuclear weapons proliferation are awesome.

The immediate issue in the U.S. advanced reactor development program is whether or not to terminate the Clinch River Breeder Reactor Project. We believe that termination of this project and all other activities associated with the demonstration and commercialization of the plutonium economy is essential if the U.S. is to have credibility internationally in its efforts to prevent nuclear weapons proliferation. Merely postponing the Clinch River Project for 1–3 years would not provide the strong and clear signal that is needed.

We believe that the breeder R&D program should be converted to a program aimed at preserving nuclear fission as an energy option for the long term in a manner consistent with U.S. nonproliferation objectives.

We do not advocate the pursuit of any particular technology. It is our view that scientists and engineers should be given considerable flexibility in selecting the most promising technologies that conform to nonproliferation criteria established by an agency or agencies having a national security outlook (e.g. ACDA).

We note, however, that making fast breeder reactors such as the LMFBR inherently proliferation resistant may be intractable. Fast breeder reactors by their nature are tied to fuel cycles which contain nuclear weapons usable material in the fresh fuel of a significant fraction of all reactors. If, after careful technical review, this connection is found to be indeed indissoluble, the U.S. should shift the focus of its base research program on advanced reactor technology away from fast reactors toward thermal neutron reactors.

To show that there exist alternative uranium conserving fuel cycles that are much more proliferation resistant than the plutonium fuel cycle, we have given particular attention to the denatured uranium-thorium fuel cycle, for which the fresh fuel would contain no nuclear weapons material and the highly radioactive spent fuel could contain very little.

Slightly modified [1] versions of today's pressurized water reactors on a denatured ura-

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[1] The only modification would be the addition of heavy water to the coolant (spectral shift operation) in varying amounts over the fuel life.

nium-thorium fuel cycle could support a nuclear generating capacity that would provide for a hundred years more electric power than is generated on the average by the entire U.S. electric utility system today, using only about two thirds of the uranium in U.S. high grade uranium ore deposits, as officially estimated by ERDA.

Even if the most pessimistic forecasts of high grade U.S. uranium resources should be realized, the large amounts of uranium in low grade ores such as the Chattanooga shale, which could not be used in today's reactors, would be an economically viable backup resource for uranium conserving light water reactors operating on a denatured uranium-thorium fuel cycle.

The high end of the electricity demand forecasts considered by ERDA's Task Force on the Fission Breeder—Why and When is based on wholly unrealistic expectations of future electricity prices. The principal analysis advanced in support of "midrange" growth (5 percent annual growth rate) is an industry report which envisions that a 40 percent decline in the real price of electricity between 1975 and 2000 will act as a stimulus for consumer demand. It is much more likely this price will grow at least 65 percent in this time frame.

The view still appears to be prevalent in the nuclear energy supply sector that U.S. energy and electricity consumption must continue to grow almost as rapidly as in the past or else the nation will experience massive unemployment, a weakening of U.S. economic strength, and the permanent condemnation of a substantial fraction of the U.S. population to poverty. We reject this view. Energy growth at or near historical rates can be achieved only by continued energy waste. We believe that such energy waste would undermine rather than strengthen U.S. security.

Preliminary results of the most comprehensive engineering study which has yet been made of the potential for increasing the efficiency of U.S. energy use indicate that rising energy prices and public policy initiatives will lead to much slower growth in energy consumption than we have experienced in the past. By the year 2010 the U.S. GNP could be doubled with only a 40 percent increase in energy use by introducing those energy efficiency improvements which would be economically justified if the real price of energy were to roughly double in this same period.[2] In an independent analysis we have arrived at almost the same results. While these results cannot be regarded as forecasts of what will happen, they show that the U.S. has the flexibility to choose a low energy growth path, through the adoption of energy efficiency improvement policies, that would greatly facilitate the achievement of U.S. nonproliferation and environmental objectives without jeopardizing U.S. economic well-being.

Although electricity consumption will probably continue to grow somewhat faster than total energy use for the remainder of this century, we expect that the difference between electric and total energy growth rates will be much less than in the past. A very large fraction of U.S. primary energy use is already devoted to the generation of electricity (about 30 percent), and most of the remaining 70 percent of U.S. energy consumption goes to end uses such as process heat, transportation, and feedstocks which cannot be economically electrified. Furthermore, we expect that in the future the price of electricity will no longer be falling rapidly relative to energy prices in general.

When we add the above considerations to the expectation that U.S. GNP growth will slow toward the end of the century due to the slowing growth rate of the labor force which is expected during that period, we find it difficult to project a growth rate for electricity averaging more than 3 percent per annum out to the year 2000.

With electricity use growing at 3 percent per year, ERDA's projection of 350 Gwe of nuclear capacity in 2000 is too high to be credible, even though this capacity is only about one third the capacity projected for 2000 when the time-table for plutonium breeder commercialization was originally set. It is unlikely that nuclear generating capacity in the year 2000 will be more than 250 Gwe.

The viability of relying on proliferation resistant uranium conserving reactors instead of plutonium breeder reactors over the next century does not depend sensitively on the growth rate assumed for nuclear power in this century, but does require a plateauing of nuclear generating capacity early in the next century.

We believe that U.S. energy consumption will have to approach a plateau by at least early in the next century. Otherwise it is almost inevitable that continued rapid growth in both fission and fossil energy use will have exceedingly damaging social and environmental consequences.

[2] Drs. John Gibbons (Chairman) and Clark Bullard (Member), Demand Panel Committee on Nuclear and Alternative Energy Systems, ERDA sponsored study under the auspices of the National Academies of Science and Engineering, private communication and briefing by Dr. Gibbons to the LMFBR Steering Committee, April 5, 1977.

BILLY CARTER—EXCELLENT BUSINESSMAN

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. COLLINS of Texas. Mr. Speaker, from Plains, Ga., this country has now recognized one of the Nation's best businessmen. Until Mr. Billy Carter came on to the national scene, most of us had not heard of Plains, Ga.

I hope we hear more from this commonsense businessman who speaks up so well for all of the small businessmen in this country. America has too many problems with the regulatory requirements from our overdemanding Government. Big business has the manpower and the financial resources to comply with these rules, but the little businessman drowns under redtape and regulations. I admire the plain spoken way that Billy Carter of Georgia sums up the facts.

I was impressed with his down to earth statements as I have just spent 3 days this week in markup sessions of the Commerce Committee. We are preparing bills that will place a demanding burden on small businesses from coast to coast.

I wish all Congressmen could have an opportunity to visit small businesses such as this peanut operation in Plains and talk to down-to-earth businessmen. Mr. Billy Carter understands the issues and the complications that face the small businessman today.

This was summed up in an excellent story in the current issue of Nation's Business. Here are some of the excerpts from this article that you will find most interesting:

EXCERPTS

William Alton Carter III, businessman, points to a stack of paper on his desk and says, "A lot of what they ask for in those government forms they send out is nobody's damned business."

When he assumes the role of William Alton Carter III, businessman, a role seldom captured in television or newspaper accounts, he is a no-nonsense, hard-driving executive.

He is usually at his office no later than six in the morning. He wears blue jeans or other work clothes. He has had plenty of practical experience, however. He can look at four tons of peanuts on a truck and tell you within 200 pounds what they weigh, and that is something you don't learn from schoolbooks.

In many ways, like other businessmen, small and big, Billy Carter is fed up with the Washington bureaucracy as it affects his business. The infectious Carter grin fades when he talks about worker safety and health laws, air pollution edicts, government paperwork, taxes, and unemployment compensation. The expression turns almost grim when welfare is mentioned.

Operating the Carter warehouse, which buys, processes, stores, and markets peanuts and sells fertilizer, lime, and other farm products, has brought Billy Carter into conflict more than once with OSHA and with the federal Environmental Protection Agency. EPA inspectors from time to time have claimed the peanut shelling process has polluted Plains.

He estimated that 22 percent of the spending on shelling equipment in the new plant—the total came to $800,000—was dictated by OSHA and EPA requirements. Despite that expense, he says, federal inspectors still are on his back with niggling complaints.

Pointing to the top of a grain elevator where the shelling operation starts, he says, "We had to spend $400 for some guardrails up there, but one man might go up there once a year."

At the peak of the processing season, in the fall, the Carter warehouse employs up to 75 men and women. The number of employees has been falling off as more and more labor-saving devices have been installed, and the trend can be expected to continue.

Unfortunately, the victims of the labor-saving devices are some of the hard-core unemployed in the area.

"Every time the minimum wage goes up, we have to lay off a few more people," Mr. Carter says. "I'd rather give these people jobs, but I have to look at costs."

At one time he had 24 women sorting peanuts by hand. Virtually all have been replaced by a series of electric eyes which sort the peanuts mechanically.

In the peanut shelling plant that was shut down because it could not meet OSHA requirements, there were jobs for about 35 men and women.

"We are doing five times more production in the new plant, and we can get by with 15 people," Mr. Carter says.

"Actually, I would much prefer some kind of system where we could hire people at a lower figure and gradually raise them to the minimum wage," he says. "That way, we would have a chance to see if they can do the work, or even show up for work, before giving them a regular job.

"I'm really on the spot. Every time the minimum wage goes up, I have to raise my other employees. It's not fair to have your better employees making the same as those who don't put as much into their work. But I'm going to say it again. A lot of people simply aren't worth the minimum wage."

"We have a lot of trouble in this area with welfare," he says. "In Sumter County we have as many people administering welfare

and related programs as there are in the rest of the county government. Five years ago we had eight people handling welfare; now there are close to 60. They raise hell if people getting welfare go to work.

"Here's a good example of what I mean. I had a man working for me—a big, strapping fellow—who had some kind of chronic leg ulcer. He went to a new doctor who told him he had to stay off the leg for a couple of weeks. They put him on welfare. At that time the work was seasonal, and he was making as much on welfare as by working. That was 15 years ago.

"I see him every once in a while walking down the street. On Saturday afternoon he's drunk and raising hell. I finally complained to the welfare people, and you know what they told me? 'Well, we check him every Thursday afternoon, and he's always there sitting in a chair with his foot propped up.' I got mad. I said, 'Damn it, if I was drawing what you're paying him, I know damned well that one afternoon a week I'd sit there and watch television with my foot propped up when you come in.'

"The trouble with the welfare program is that the more people they have on the payroll the more they hire, and the more they hire the more the director gets."

"Our unemployment compensation system is so much abused," he complains. "I guess we brought 50 people here from the state employment office this year when the rush season was on. I know of only one man who took a job and stayed on for a few weeks. The only thing most of them want to do is come out here and get us to sign the slip showing they applied for a job. Then they go back home and continue drawing benefits. We operate 60 and 70 hours a week in the rush season, so we had the jobs if people really wanted to work.

"When unemployment was at the highest, I needed a man to run a peanut drying machine. It would have paid $250 to $300 a week. I couldn't hire a single person. They would rather draw $90 in unemployment benefits every week and pick up food stamps at the same time."

Ask Billy Carter what is the greatest problem the small businessman has to contend with and he answers with one word—government.

"No question about it, government at all levels, but especially at the federal level," he elaborates.

"I'm not going to deny that some of those OSHA and EPA regulations are good. They are. But I'm talking about all the ridiculous regulations we have to put up with.

"The major complaint I have is that 90 percent of the folks they send here to inspect us don't know anything. We have some kids right out of college who don't know a damned thing. I could tell them this [pointing to his bookcase] is a peanut sheller, and they wouldn't know the difference. The trouble is that they don't educate these inspectors before they send them out."

What, he is asked, would make OSHA and EPA more workable? His answer is simple: "A little common sense."

The Carter warehouse at one time ginned cotton for farmers in the area, but gave it up. Cotton ginning, like mechanical peanut shelling, is noisy, a circumstance which brought Billy Carter and OSHA into one of their confrontations.

"All of the employees working around the gin had to wear earplugs," he explains. "So I had to do the ginning. You see, as the owner, there was no way I could be made to wear earplugs. There are about 80 electric motors on a cotton gin, and the only way you can tell when there is a problem is to hear it. You can't convince OSHA about things like that.

"I had to put in an expensive wall across the whole new shelling plant to cut down the noise. That wall is completely worthless for anything else."

After the plant was completed, OSHA ordered Billy Carter to install additional toilets as well as hot water in the washrooms.

Until the federal government let up somewhat on some forms that had to be filled out and returned to Washington, according to Mr. Carter, his office staff was spending about 15 percent of their time filling them out.

"Some of these quarterly, semi-annual, and annual reports are a three and four-day job," he explains. "Some are almost impossible to fill out. I had some forms that had to be filled out by the 15th of the month, so for five days before the 15th we didn't do a thing but government paperwork."

Billy Carter says that much of the information sought by government agencies should be seen by only one agency, the Internal Revenue Service, if any.

"Take these crop reports and the agricultural census," he says. "A lot of them have to do with my finances. I don't like that information going through 40 government hands.

"When they do these agricultural censuses, you can almost say the hell with everything else for almost a month because it's going to tie you up that long. I have to help the farmers who deal with us. The only place they can get the information to fill out their own census forms is right here. So we have to go through all our back records to satisfy the government. And you can't get out of it because it's required by law."

Like all businessmen, Billy Carter is hit by paperwork from all sides. In one EPA check of his new plant, inspectors came across a piece of peanut cleaning machinery which fell short of certain pollution control requirements.

"The permit I had to get to put in the controls was so complicated it cost me $200 just to get the damned thing filled out," he recalls sourly.

A PERSONAL EXPLANATION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. MAZZOLI. Mr. Speaker, because of previous commitments in my district I was not present for roll No. 205 on Friday, May 6, 1977. Had I been present I would have voted "yes" to adopt House Resolution 541 to provide for the consideration of H.R. 6655.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure until the computerization of this information becomes operational, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, May 10, 1977, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 11

8:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1978 for the District of Columbia.
1114 Dirksen Building

8:30 a.m.
Energy and Natural Resources
Public Lands and Resources Subcommittee
To hold hearings to receive testimony on a report on the impact of surface mining prepared by ICF (consultants) for the Environmental Protection Agency and the Council on Environmental Quality.
3110 Dirksen Building

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue oversight hearings on the broadcasting industry, including network licensing, advertising, violence on TV, etc.
235 Russell Building

9:30 a.m.
Environment and Public Works
To consider pending committee business.
4200 Dirksen Building

Judiciary
Antitrust and Monopoly Subcommittee
To continue oversight hearings on the effectiveness of antitrust enforcement by the Justice Department and FTC, to hear Attorney General Bell.
2228 Dirksen Building

Rules and Administration
To mark up S. 1072, to establish a universal voter registration program; S. 926, to provide for public financing of primary and general elections for the U.S. Senate; and the following bills and messages to amend the Federal Election Campaign Act; S. 15, 105, 962, 966, 1320, and 1344, President's message dated March 22, and recommendations of the FEC submitted March 31.
301 Russell Building

Veterans' Affairs
To mark up S. 1189, H.R. 3695, H.R. 5027, and H.R. 5029, authorizing funds for grants to States for construction of veterans health care facilities.
414 Russell Building

10:00 a.m.
Energy and Natural Resources
To hold hearings on the nomination of Leslie Jay Goldman, of Illinois, to be an Assistant Administrator of the Federal Energy Administration.
3110 Dirksen Building

Finance
Private Pension Plans and Employee Fringe Benefits Subcommittee
To hold hearings jointly with Select Committee on Small Business on S. 285, proposed Tax-Exempt Private Pension Investment Act of 1977, and S. 901, proposed Pension Simplification Act.
2221 Dirksen Building

Foreign Relations
To hold hearings on pending nominations.
4221 Dirksen Building

Governmental Affairs
Energy, Nuclear Proliferation, and Federal Services Subcommittee
To resume hearings on S. 897, to strengthen U.S. policies on nuclear nonproliferation, and to reorganize certain nuclear export functions.
3302 Dirksen Building

2:30 p.m.
Foreign Relations
Foreign Economic Policy Subcommittee
To hold a closed business meeting.
S-116, Capitol

Judiciary
To hold a business meeting
Room to be announced

MAY 12

8:00 a.m.
Appropriations
District of Columbia Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1978 for the District of Columbia.
1114 Dirksen Building

8:30 a.m.
Governmental Affairs
Subcommittee on Reports, Accounting, and Management.
To continue hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6202 Dirksen Building

9:00 a.m.
Energy and Natural Resources
To mark up S. 9, to establish a policy for the management of oil and natural gas in the Outer Continental Shelf.
3110 Dirksen Building

Governmental Affairs
Federal Spending Practices and Open Government Subcommittee
To receive testimony on alleged mismanagement in Small Business Administration minority business activities.
1318 Dirksen Building

Judiciary
Antitrust and Monopoly Subcommittee
To continue oversight hearings on the effectiveness of antitrust enforcement by the Justice Department and FTC.
2228 Dirksen Building

Select Ethics
Open, followed by closed session, to consider organizational matters.
1417 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To resume hearings on H.R. 5294, S. 656, S 918, and S. 1130, to amend the Consumer Protection Act so as to prohibit abusive practices by independent debt collectors.
5302 Dirksen Building

Environment and Public Works
To mark up proposed legislation authorizing funds for fiscal year 1978 for the Nuclear Regulatory Commission.
4200 Dirksen Building

Finance
Public Assistance Subcommittee
To resume hearings in connection with the President's statement on welfare principles.
2221 Dirksen Building

Human Resources
To mark up S. 1303, authorizing funds for fiscal years 1978 through 1980 for the Legal Services Corporation; Black Lung Benefits program legislation; and possibly other pending legislation.
4232 Dirksen Building

10:30 a.m.
Commerce, Science, and Transportation
To hold a closed business meeting
235 Russell Building

1:30 p.m.
Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To continue hearings on H.R. 5294, S. 656, S. 918, and S. 1130, to amend the Consumer Protection Act so as to prohibit abusive practices by independent debt collectors.
5302 Dirksen Building

2:00 p.m.
Select Intelligence
To hold a closed business meeting.
357 Russell Building

2:30 p.m.
Foreign Relations
To mark up S. 1160, authorizing funds for fiscal year 1978 for security assistance programs, and S. 1235, authorizing funds for fiscal year 1978 for activities of the Peace Corps.
4221 Dirksen Building

MAY 13

9:00 a.m.
Human Resources
To hold hearings on the nominations of Peter G. Bourne, of the District of Columbia, to be Director, and Lee I. Dogoloff, of Maryland, to be Deputy Director, both of the Office of Drug Abuse Policy.
Until noon 4232 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To continue hearings on H.R. 5294, S. 656, S. 918 and S. 1130, to amend the Consumer Protection Act so as to prohibit abusive practices by independent debt collectors.
5302 Dirksen Building

Energy and Natural Resources
To resume hearings on the President's energy program.
3110 Dirksen Building

Governmental Affairs
Energy, Nuclear Proliferation, and Federal Services Subcommittee
To continue hearings on S. 897, to strengthen U.S. policies on nuclear nonproliferation, and to reorganize certain nuclear export functions.
3302 Dirksen Building

12:00 noon
Human Resources
Aging Subcommittee
To hold hearings on S. 519 and S. 1283, to authorize funds for programs to provide home-delivered meals for the elderly.
4232 Dirksen Building

MAY 16

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To receive testimony on proposals to encourage economic growth and employment.
2221 Dirksen Building

10:00 a.m.
Agriculture, Nutrition, and Forestry
Environment, Soil Conservation, and Forestry Subcommittee
To hold hearings on S. 1360, to establish an Advisory Committee on Timber Sales Procedure.
324 Russell Building

Banking, Housing, and Urban Affairs
To hold oversight hearings on federally guaranteed loans to New York City.
5302 Dirksen Building

Select Indian Affairs
To resume hearings on S. 1377, extending the time for Indian tribes to bring actions before the Indian Claims Commission.
Room to be announced

MAY 17

9:30 a.m.
Environment and Public Works
Regional and Community Development Subcommittee
To hold oversight hearings on the implementation of the Public Works Employment Act of 1977.
4200 Dirksen Building

Finance
Taxation and Debt Management Subcommittee
To receive testimony on proposals to encourage economic growth and employment.
2221 Dirksen Building

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1978 for DOT, to hear Secretary of Transportation Adams.
1224 Dirksen Building

Banking, Housing, and Urban Affairs
To continue oversight hearings on federally guaranteed loans to New York City.
5302 Dirksen Building

Energy and Natural Resources
To consider pending committee business.
3110 Dirksen Building

MAY 18

9:30 a.m.
Energy and Natural Resources
Public Lands and Resources Subcommittee
To hold hearings on S. 1360, to establish an Advisory Committee on Timber Sales Procedure.
3110 Dirksen Building

Human Resources
Alcoholism and Drug Abuse Subcommittee
To hold hearings on S. 1107, the Occupational Alcoholism Prevention and Treatment Act of 1977.
Until 12:30 p.m. 4232 Dirksen Building

Rules and Administration
To resume hearings to receive testimony in behalf of requested funds for activities of Senate committees and subcommittees.
301 Russell Building

10:00 a.m.
Appropriations
Transportation Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1978 for DOT.
1224 Dirksen Building

Banking, Housing, and Urban Affairs
To continue oversight hearings on federally guaranteed loans to New York City.
5302 Dirksen Building

Commerce, Science, and Transportation
To hold hearings on the nomination of John McGrath Sullivan, of Pennsylvania, to be Administrator of the Federal Railroad Administration.
5110 Dirksen Building

Governmental Affairs
Subcommittee on Reports, Accounting, and Management
To resume hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6202 Dirksen Building

Select Indian Affairs
To hold hearings on S. 103, 667, and 785, to convey certain Federal land to the Ely Indian Colony, Paiute, and Shoshone Tribes.
Room to be announced

2:00 p.m.
Rules and Administration
To continue hearings to receive testimony in behalf of requested funds for

activities of Senate committees and subcommittees.
301 Russell Building

MAY 19

9:30 a.m.
Human Resources
Alcoholism and Drug Abuse Subcommittee
To continue hearings on S. 1107, the Occupational Alcoholism Prevention and Treatment Act of 1977.
Until 12:30 p.m. 1202 Dirksen Building
*Rules and Administration
To continue hearings to receive testimony in behalf of requested funds for activities of Senate committees and subcommittees.
301 Russell Building

9:45 a.m.
*Banking, Housing, and Urban Affairs
To hold hearings on S. 695, to impose on former Federal procurement personnel an extended time period during which they may not work for defense contractors.
5302 Dirksen Building

10:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To hold hearings on S. 1391, the Hospital Cost Containment Act of 1977.
4232 Dirksen Building

MAY 20

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue hearings on S. 695, to impose on former Federal procurement personnel an extended time period during which they may not work for defense ocntractors.
5302 Dirksen Building
Human Resources
Health and Scientific Research Subcommittee
To continue hearings on S. 1391, the Hospital Cost Containment Act of 1977.
4232 Dirksen Building
Joint Economic
Energy Subcommittee
To receive testimony on the economic impact of the President's energy proproposals.
6202 Dirksen Building

MAY 23

9:00 a.m.
Energy and Natural Resources
Public Lands and Resources Subcommittee
To hold oversight hearings on the implementation of the Wild Horses and Burros Act.
3110 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue hearings on S. 695, to impose on former Federal procurement personnel an extended time period during which they may not work for defense contractors.
5302 Dirksen Building
Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on S. 600, the Regulatory Reform Act of 1977.
6226 Dirksen Building
Select Indian Affairs
To hold hearings on S. 905, the Central Arizona Indian Tribal Water Settlement Act of 1977.
Room to be announced

MAY 24

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on S. 657, to establish an Earth Resources and Environmental Information System.
5110 Dirksen Building
Select Small Business
To resume hearings on alleged restrictive and anticompetitive practices in the eyeglass industry.
424 Russell Building

10:00 a.m.
Energy and Natural Resources
Energy Production and Supply Subcommittee
To hold oversight hearings to review the proposed exchange of land between the Superior Oil Company and the Federal Government.
3110 Dirksen Building
Governmental Affairs
Intergovernmental Relations Subcommittee
To continue hearings on S. 600, the Regulatory Reform Act of 1977.
6226 Dirksen Building
Governmental Affairs
Subcommittee on Reports, Accounting, and Management
To resume hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6202 Dirksen Building

MAY 25

9:00 a.m.
Energy and Natural Resources
Energy Conservation and Regulation Subcommittee
To hold hearings on S. 19, S. 743, and H.R. 130, to provide for the protection of franchised distributors and retailers of motor fuel.
Room to be announced

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 657, to establish an Earth Resources and Environmental Information System.
5110 Dirksen Building
Energy and Natural Resources
Energy Production and Supply Subcommittee
To resume hearings on S. 977, to conserve gas and oil by fostering increased utilization of coal in electric generating facilities and in major industrial installations.
4200 Dirksen Building
Joint Economic
Energy Subcommittee
To receive testimony on the economic impact of the President's energy proposals.
1114 Dirksen Building
Select Small Business
To continue hearings on alleged restrictive and anticompetitive practices in the eyeglass industry.
424 Russell Building
Select Indian Affairs
To hold hearings on S. 660, seeking an agreement with the Cherokee, Choctaw, and Chickasaw Indian Tribes of Oklahoma for the purchase or lease of their rights in the riverbed of the Arkansas River.
Room to be announced
Veterans' Affairs
To hold hearings on S. 247, to provide recognition to the Women's Air Forces Service Pilots.
Until noon 318 Russell Building

10:00 a.m.
Governmental Affairs
Intergovernmental Relations Subcommittee
To continue hearings on S. 600, the Regulatory Reform Act of 1977.
6226 Dirksen Building
Select Small Business
To hold hearings on S. 807, to authorize grants to assist individuals and small business concerns in developing solar energy equipment and energy-related inventions.
235 Russell Building

1:00 p.m.
Governmental Affairs
Governmental Efficiency Subcommittee
To hold hearings to receive testimony on a GAO study alleging inaccurate financial records of the Federal flood insurance program.
1224 Dirksen Building

MAY 26

9:30 a.m.
Energy and Natural Resources
Public Lands and Resources Subcommittee
To hold hearings on S. 1338, to authorize the issuance of permits on public domain national forest lands for commercial outdoor recreation activities.
3110 Dirksen Building
Select Small Business
To continue hearings on alleged restrictive and anticompetitive practices in the eyeglass industry.
235 Russell Building

10:00 a.m.
Governmental Affairs
Subcommittee on Reports, Accounting, and Management
To continue hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6202 Dirksen Building
Select Small Business
To continue hearings on S. 807, to authorize grants to assist individuals and small business concerns in developing solar energy equipment and energy-related inventions.
424 Russell Building

JUNE 6

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold oversight hearings on the cable TV system.
235 Russell Building
Select Indian Affairs
To hold oversight hearings on the Indian Education Reform Act (P.L. 93-638).
Room to be announced

JUNE 7

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue oversight hearings on the cable TV system.
235 Russell Building
Human Resources
Health and Scientific Research Subcommittee
To hold hearings to evaluate information upon which the FDA based its decision to propose regulations banning the use of saccharin.
4232 Dirksen Building
Select Indian Affairs
To continue oversight hearings on the Indian Education Reform Act (P.L. 93-638).
Room to be announced

JUNE 8

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on S. 421, to establish a program to educate the public in understanding climatic dynamics.
5110 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue oversight hearings on the cable TV system.
235 Russell Building

Human Resources
Health and Scientific Research Subcommittee
To continue hearings to evaluate information upon which the FDA based its decision to propose regulations banning the use of saccharin.
4232 Dirksen Building

JUNE 9

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 421 to establish a program to educate the public in understanding climatic dynamics.
5110 Dirksen Building

JUNE 10

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 421 to establish a program to educate the public in understanding climatic dynamics.
5110 Dirksen Building

JUNE 13

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on S. 657, to establish an Earth Resources and Environmental Information System.
235 Russell Building
Finance
Taxation and Debt Management Subcommittee
To receive testimony on proposals to encourage economic growth and employment.
2221 Dirksen Building

JUNE 14

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 657, to establish an Earth Resources and Environmental Information System.
5110 Dirksen Building
Finance
Taxation and Debt Management Subcommittee
To receive testimony on proposals to encourage economic growth and employment.
2221 Dirksen Building

JUNE 15

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 657, to establish an Earth Resources and Environmental Information System.
235 Russell Building

CANCELLATIONS

MAY 10

9:00 a.m.
Energy and Natural Resources
To mark up proposed fiscal year 1978 authorizations for ERDA.
3110 Dirksen Building

MAY 11

9:00 a.m.
Energy and Natural Resources
To continue markup of proposed fiscal year 1978 authorizations for ERDA.
3110 Dirksen Building

HOUSE OF REPRESENTATIVES—*Tuesday, May 10, 1977*

The House met at 12 o'clock noon.

Dr. James L. Pleitz, First Baptist Church, Pensacola, Fla., offered the following prayer:

Our Father in Heaven, bless these Thy servants who serve our Nation in this position of trust. May each Member of this body remember that they are accountable not only to their constituents but accountable to their Creator.

Lord, in this day when we are so keenly aware of the energy crisis, may we never forget that there is an inexhaustible supply of energy available to those who wait upon Thee. Help us to experience the fulfillment of Your promise that they that wait upon the Lord shall renew their strength.

Father, may what is said and done in this House today give evidence that these people have yielded their lives to Thee.

In the strong name of Christ we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Is there objection to the approval of the Journal?

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

Mr. SIKES. Mr. Speaker, I move the approval of the Journal.

The SPEAKER. The question is on the motion offered by the gentleman from Florida (Mr. SIKES).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 381, nays 12, not voting 39, as follows:

[Roll No. 214]

YEAS—381

Abdnor	Clausen, Don H.	Fowler
Addabbo	Clay	Fraser
Akaka	Cleveland	Frey
Alexander	Cohen	Fuqua
Allen	Coleman	Gammage
Ambro	Collins, Ill.	Gaydos
Ammerman	Collins, Tex.	Gephardt
Anderson, Calif.	Conte	Giaimo
Anderson, Ill.	Corcoran	Gibbons
Andrews, N.C.	Corman	Gilman
Andrews, N. Dak.	Cornell	Ginn
Annunzio	Cornwell	Goldwater
Applegate	Cotter	Gonzalez
Archer	Coughlin	Goodling
Armstrong	Crane	Gore
Ashbrook	D'Amours	Gradison
Ashley	Daniel, Dan	Grassley
Aspin	Daniel, R. W.	Gudger
AuCoin	Danielson	Guyer
Badham	Davis	Hagedorn
Bafalis	de la Garza	Hall
Baldus	Delaney	Hamilton
Barnard	Dellums	Hammer-schmidt
Baucus	Derrick	Hanley
Bauman	Derwinski	Hannaford
Beard, R.I.	Devine	Harkin
Beard, Tenn.	Dickinson	Harrington
Bedell	Dicks	Harris
Bellenson	Diggs	Harsha
Benjamin	Dingell	Hawkins
Bennett	Dodd	Heckler
Bevill	Dornan	Hefner
Biaggi	Downey	Hightower
Bingham	Drinan	Holland
Blanchard	Duncan, Oreg.	Hollenbeck
Blouin	Duncan, Tenn.	Holt
Boggs	Eckhardt	Holtzman
Boland	Edgar	Horton
Bolling	Edwards, Ala.	Howard
Bonior	Edwards, Calif.	Hubbard
Bonker	Edwards, Okla.	Huckaby
Bowen	Eilberg	Hughes
Brademas	Emery	Hyde
Breaux	English	Ichord
Breckinridge	Erlenborn	Ireland
Brinkley	Ertel	Jeffords
Brodhead	Evans, Colo.	Jenrette
Brooks	Evans, Del.	Johnson, Calif.
Broomfield	Evans, Ga.	Johnson, Colo.
Brown, Ohio	Evans, Ind.	Jones, N.C.
Broyhill	Fary	Jones, Okla.
Burke, Calif.	Fascell	Jones, Tenn.
Burke, Fla.	Fenwick	Jordan
Burke, Mass.	Findley	Kasten
Burleson, Tex.	Fish	Kastenmeier
Burton, John	Fisher	Kazen
Burton, Phillip	Fithian	Kelly
Butler	Flippo	Ketchum
Byron	Flood	Keys
Caputo	Florio	Kildee
Carney	Flowers	Kindness
Carr	Flynt	Koch
Cavanaugh	Foley	Kostmayer
Cederberg	Ford, Tenn.	Krebs
	Fountain	Krueger
LaFalce	Myers, Michael	Simon
Lagomarsino	Myers, Ind.	Sisk
Latta	Natcher	Skelton
Le Fante	Neal	Skubitz
Leach	Nichols	Slack
Lederer	Nix	Smith, Iowa
Leggett	Nolan	Smith, Nebr.
Lehman	Nowak	Snyder
Lent	O'Brien	Solarz
Levitas	Oakar	Spellman
Lloyd, Calif.	Oberstar	Spence
Lloyd, Tenn.	Obey	St Germain
Long, La.	Ottinger	Staggers
Long, Md.	Panetta	Stangeland
Lott	Patten	Stanton
Lujan	Patterson	Stark
Lundine	Pattison	Steed
McClory	Pease	Steers
McCloskey	Perkins	Stockman
McCormack	Pettis	Stratton
McDade	Pike	Studds
McDonald	Poage	Stump
McEwen	Pressler	Symms
McFall	Preyer	Taylor
McHugh	Quie	Thompson
McKay	Quillen	Thone
McKinney	Rahall	Thornton
Madigan	Railsback	Traxler
Maguire	Rangel	Treen
Mann	Regula	Trible
Markey	Reuss	Tsongas
Marks	Rhodes	Tucker
Marlenee	Richmond	Udall
Marriott	Rinaldo	Ullman
Martin	Risenhoover	Vento
Mathis	Roberts	Volkmer
Mattox	Robinson	Waggonner
Mazzoli	Rodino	Walgren
Meeds	Rogers	Walker
Metcalfe	Roncalio	Walsh
Meyner	Rooney	Wampler
Michel	Rose	Watkins
Mikulski	Rosenthal	Waxman
Mikva	Rostenkowski	Weiss
Milford	Rousselot	Whalen
Miller, Calif.	Roybal	White
Miller, Ohio	Rudd	Whitehurst
Mineta	Runnels	Whitley
Minish	Ruppe	Whitten
Mitchell, N.Y.	Russo	Wiggins
Moakley	Ryan	Wilson, C. H.
Moffett	Santini	Wilson, Tex.
Mollohan	Satterfield	Winn
Montgomery	Sawyer	Wirth
Moore	Scheuer	Wolff
Moorhead, Calif.	Schroeder	Wydler
Moorhead, Pa.	Schulze	Wylie
Moss	Sebelius	Yates
Motti	Seiberling	Yatron
Murphy, Pa.	Sharp	Young, Tex.
Murtha	Shipley	Zablocki
Myers, Gary	Shuster	Zeferetti
	Sikes	

NAYS—12

Brown, Mich.	Luken	Sarasin
Frenzel	Mitchell, Md.	Steiger
Glickman	Pritchard	Wilson, Bob
Jacobs	Quayle	Young, Fla.

NOT VOTING—39

Badillo	Early	Pickle
Brown, Calif.	Ford, Mich.	Price
Buchanan	Forsythe	Pursell
Burgener	Hansen	Roe
Burlison, Mo.	Heftel	Stokes
Carter	Hillis	Teague
Chappell	Jenkins	Van Deerlin
Chisholm	Kemp	Vander Jagt
Clawson, Del	Mahon	Vanik
Cochran	Murphy, Ill.	Weaver
Conable	Murphy, N.Y.	Wright
Conyers	Nedzi	Young, Alaska
Dent	Pepper	Young, Mo.

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 703. An act to improve the administration and operation of the Overseas Citizens Voting Rights Act of 1975, and for other purposes; and

S. 1443. An act to amend the Privacy Act of 1974 to extend the life of the Privacy Protection Study Commission to September 30, 1977.

DR. JAMES L. PLEITZ

(Mr. SIKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SIKES. Mr. Speaker, we have been privileged today to hear Dr. James L. Pleitz, pastor of the First Baptist Church, Pensacola, Fla., who gave the opening prayer in the House of Representatives. I feel we are distinctly honored by the presence of this able and devout man of God. I have known many who have served in the ministry. I have not met one whom I feel has accomplished more good for the people of the congregation he serves and the city in which he lives.

There is much I would like to say about his record of leadership and service for God and man. Very briefly—Dr. Pleitz is a native of Arkansas. He holds honorary doctorate degrees from Stetson University in Florida and from Ouhita (Washita) University in Arkansas. He has served as pastor of the First Baptist Church, Pensacola, Fla. for 19 years. Three years ago under his leadership a volunteer improvement project involving 1,000 volunteers was undertaken to up-grade substandard housing in the city. Ninety-seven homes were substantially improved and all the work was accomplished by volunteers.

Five years ago 127 young people sponsored by his church visited the Dominican Republic. This was principally a choral group but they worked with doctors and nurses to provide medical care for the needy. The President of the Dominican Republic was so impressed by the group that he invited them to the palace on two occasions. This mission made an indelible mark both on the people and the Government of the Dominican Republic and on the young people who participated.

We in the House are signally honored to have this great man of God deliver our opening prayer today.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 6714, AMENDING THE FOREIGN ASSISTANCE ACT OF 1961

Mr. SISK, from the Committee on Rules, submitted a privileged report (Rept. No. 95-276) on the resolution (H. Res. 556) providing for consideration of the bill (H.R. 6714) to amend the Foreign Assistance Act of 1961 to authorize development assistance programs for fiscal year 1978, to amend the Agricultural Trade Development and Assistance Act of 1954 to make certain changes in the authorities of that act, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO SIT TODAY DURING 5-MINUTE RULE

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may be permitted to sit this afternoon during the deliberations of the House under the 5-minute rule.

The SPEAKER pro tempore (Mr. MURPHY of New York). Is there objection to the request of the gentleman from Washington?

There was no objection.

A CASE OF UNJUST PERSECUTION IN THE SOVIET UNION

(Mr. MOAKLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOAKLEY. Mr. Speaker, we, the Soviet Union, and many other countries pledged ourselves in the Helsinki accord to do everything possible to reunite families separated by political boundaries. We all have a stake and a legitimate interest in protecting such international agreements.

I rise today to plead the case of a long-suffering family in the Soviet Union. This family is Jewish, and because of their request to join their relatives in Israel, they have lost everything.

Ideya Yefimovna Nikulina is the mother of this family. Her relatives live in Israel, while she, her husband and her son live in the Soviet Union. Yet, since 1973, this family has been repeatedly, and without explanation, denied exit visas to Israel.

It is Ideya's mother who wrote:

With tears in my eyes I turn to you with a mother's plea to rescue my children from ruin.

It has been more then two years since they were deprived of earning a living, deprived of a permanent living place, deprived of elementary human conditions. They wander in unfriendly environments in an effort to produce a livelihood by selling much needed warm clothes.

Half starved, homeless, they are pained to see their child suffering (from epilepsy) and being deprived of schooling, because they do not have a permanent residence.

At the present time they are in great distress. But I can't be of much help to them. My husband, a pensioner, is an invalid; he lost both hands in World War II. I, myself, have a heart ailment and I can't work.

Thank you in advance for your kindness.

This brave woman thanks us in advance for our efforts. Even without the Helsinki accord. I would feel humanly obligated to try to relieve the unjust persecution of her and her children.

Perhaps my words today cannot tangibly help Ideya and her famliy, but for now words are my only means of protest. The Soviet Union's disgraceful conduct violates both the letter and spirit of the Helsiki accord, and such violation should not pass without our country's fullest condemnation.

POTENTIAL INJUSTICE CITED IN VETERANS TRAINING PROGRAM

(Mr. HAMMERSCHMIDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAMMERSCHMIDT. Mr. Speaker, it has been brought to my attention by one of our very fine veterans service officers in Arkansas that a potential injustice now exists in the wording of section 1503 of title 38 of the United States Code, through which individuals otherwise eligible for vocational rehabilitation training might be excluded from such training without any fault of their own.

The present wording of subparagraph (b) of section 1503 requires that otherwise deserving people be precluded from vocational rehabilitation benefits if they have, for example, been medically unfeasible for training for a long period, or taken longer than 13 years to establish service-connection of a serious disability—and this is by no means an unusual occurrence—or had a discharge upgraded after a similar period. I cannot believe it was the intent of Congress to deny such individuals the benefit of vocational rehabilitation, and I wish to thank Mr. Hubert Foster of Logan County, Ark., for pointing the discrepancy out to me.

In order to remedy this inequity, I am today introducing legislation which will guarantee all veterans who qualify for vocational rehabilitation a minimum of 6 years in which to utilize their vocational rehabilitation benefits. I invite my colleagues to join me in support of this legislation.

APPOINTMENT OF CONFEREES ON H.R. 5840, EXPORT ADMINISTRATION AMENDMENTS OF 1977

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5840) to amend the Export Administration Act of 1969 in order to extend the authorities of that act and improve the administration of export controls under that act, and to strengthen the antiboycott provisions of that act, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

MOTION OFFERED BY MR. M'KINNEY

Mr. McKINNEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McKINNEY moves that the Managers on the part of the House, at the Conference on the disagreeing votes of the two Houses on the bill H.R. 5840, be instructed to insist upon section 110 of the House-passed bill.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Connecticut (Mr. McKINNEY) for 1 hour in support of his motion.

Mr. McKINNEY. Mr. Speaker, I have never before in my 6½ years in the House offered a motion to instruct. I feel, however, that this particular issue before us today is so important that I must in some way express myself very strongly.

Underlying everything that I am going to say and I am trying to do here today is my firm belief as an American and my firm belief as someone from New England that we do have an energy crisis.

I would not, however, say that this is what is felt by a great many of our average Americans.

President Carter has gone to the extreme length—and I congratulate him for it—of having two appearances in front of television, one in a fireside chat, one before both bodies of Congress, saying there is an energy crisis.

Yet, I would suggest that when the average American picks up the newspaper and sees that we are exporting Alaskan oil—which we promised not to do, which the oil companies promised not to do, and which everyone involved in the hearings, including the big companies, said we shall not do—we are going to make every American feel that this is one of the greatest ripoffs, just one more of what he considers to be the latest of a number of ripoffs.

He has heard about the energy problem. I would seriously ask the Members these questions: "Can you go back and tell your constituents that the President's comprehensive energy policy entails the potential exportation of 400,000 barrels of Alaskan oil every day? Can you go back and explain how we are waging the moral equivalent of war against energy shortages and foreign dependence, while at the same time actively pursuing an export policy which inevitably delays the construction of domestic delivery systems? Will your constituents understand the need for higher fuel costs, energy taxes, conservation efforts, gas guzzler taxes, et cetera, to reduce U.S. dependence on foreign energy sources, while we swap almost a half million barrels of U.S. oil for OPEC crude?"

Far more important, I say to each Member who may happen to be a supporter of freedom for Israel, as I am: "How can you possibly state that we will continue our commitment to the State of Israel in the face of ever-increasing U.S. dependence on OPEC oil, when we know that there is a direct relationship between the dependence on that oil and the amount of oil we are forced to consume from the Middle East?"

Last but not least, can a few cents per barrel savings in transportation costs really justify the exportation of Alaskan oil supplies which the 1973 pipeline law clearly declares to be a domestic resource?

Mr. ICHORD. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Speaker, I would like to ask the gentleman this question:

Does the gentleman's position permit a shipment of oil from Alaska to Japan and then for Japan to replace that oil with oil which they, in turn, have purchased from the OPEC nations, which would certainly shorten the distance over which Japan would have to transport its oil? In other words, let them have the Alaskan oil, but replace it with oil on the eastern coast, which would be closer, meaning there would be less transportation for it.

Does the gentleman's position permit that?

Mr. McKINNEY. No, it does not. I am particularly glad that my friend, the gentleman from Missouri (Mr. ICHORD), asked this question because I think I know of his interest. In fact, I think at certain times the gentleman despairs of me. I think I know of his interest in national defense.

The trilateral trade system that has been worked out makes economic sense, but the FEA admits that the most economic sense it makes is between 50 cents and $1.10 per barrel.

The most expensive alternative, which is to use Jones bottomed ships, which, I might add, would be able to move through the Panama Canal, is the most expensive alternative. That is not mentioning the cross-Guatemala pipeline, the cross-Panama pipeline, the North Tier pipeline, and so forth.

The main point I want to make is that we receive our oil, in essence, by the grace of our greenbacks to the OPEC nations and the fact that there is no Mideast war. We also receive our oil because of the grace of the Russian Navy not confusing the issue in the Mediterranean, which we do not like to think they could do, but they could. We also receive our oil because of a number of minor things. For instance, it has been estimated that the PLO could very quickly and very easily buy a surplus torpedo boat and do in every tanker in the Mediterranean in a very short period of time.

There are all kinds of contingencies outside of our control which control the flow of OPEC oil.

If we were to go into this trilateral arrangement, the FEA admits that our imports will increase from the OPEC nations.

To my way of thinking—and I am sure the gentleman would agree with me—that means that we are even further dependent in great areas of this country on OPEC oil, which has a lifeline that none of us can guarantee for 2 hours.

The gentleman and I cannot guarantee right now, while we stand here, that there is not perhaps a Mideast war precipitating. I do not want to see it, but I have even been working on this issue I would to the gentleman for 2 years. I have said to innumerable people in the State Department, "Give me a guarantee, as intelligent a guarantee as you can give me." No one is certain that there will not be a Mideast war in 1977 or a Mideast war in 1978. They do not know.

It seems to me that in the case of each leader to whom the President talks, one is a little bit happier, one is a little bit more dubious. I think that is a strange way to allow ourselves to be dependent on foreign oil.

Mr. DODD. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to my colleague, the gentleman from Connecticut.

Mr. DODD. Mr. Speaker, I have listened with interest to the proposal made by the gentleman from Connecticut (Mr. McKINNEY), and I must say that I believe for us to follow any other path than the gentleman promotes here would be lunacy. We are talking about an investment in our own future. I think the American public are going to be tremendously disappointed if we find in very short order a tremendous domestic reserve ending up traveling to the Far East.

I believe particularly the idea of forcing the United States into the creation of an east-west delivery system is particularly important when we start talking about our own national defense and our own national security—God forbid there should develop a contest in the Middle East.

Again I want to compliment the gentleman from Connecticut.

Mr. McKINNEY. Mr. Speaker, I would like to add to what the gentleman from Connecticut (Mr. DODD) has said. In the interim period of time—and this is only a 2-year prohibition—while the Panama Canal pipeline can be built or the Guatemala pipeline, or the El Paso pipeline, the use of Jones bottomed ships makes great economic sense for the American tanker industry is not very popular in the oil business because American shipping is more expensive.

We in this Congress have helped to develop them and I have voted for every one of the proposals simply for our own economic reasons and our own national security reasons. I have voted to increase the amount of American ships in the oceans, and through our proposal this would mean putting those Jones bottomed ships to work, and I suggest, at this same time, help guarantee our national security and our national defense.

Mr. RUPPE. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Speaker, I thank the gentleman for yielding. I would like to ask the gentleman whether in setting such a precedent, as would be indicated through this legislation that there will be no shipment or exportation of oil from the United States or Alaska, does the gentleman not also think that this would set a precedent in terms of other countries saying that, "Since we have ample energy supplies of oil and natural gas should we not also discontinue its sale and hold it for our own, curtail the sale of our energy supplies abroad?"

Does the gentleman from Connecticut not believe that we may thus be setting the groundwork for precedents of other countries in terms of a likely policy being adopted by those other countries and to perhaps close down their energy supplies to us that we could use here in the United States?

Mr. McKINNEY. Mr. Speaker, I am glad the gentleman from Michigan asked that question because I believe the gentleman from Michigan knows that I am very concerned, serving on the Subcommittee on International Trade of the Committee on Banking, Finance and Urban Affairs, about setting precedents that may bring about or cause retaliation. In this respect I have been assured by the subcommittee, that there is a very distinct line in this business of energy, and that for this 2-year prohibition there is no industrialized nation with a surplus that they want to give away.

I hope I have answered the gentleman's question, that retaliation has been our concern, but every other country has the right to see to its domestic needs as a priority and I think so do we.

Mr. YOUNG of Alaska. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Speaker, I would like to compliment the gentleman from Connecticut for his motion to instruct the conferees. We have already voted to restrict exports, and we should insure that this restriction remains in the final bill. Even the Senator from Alaska and I agree that this is the way it should be done, but I do not agree that the Alaskan oil should be shipped to Japan in exchange for other oil. As the gentleman from Connecticut has said, I think the economic situation we face in this country plus the shortage we face in our energy supplies indicate that a transportation system is definitely needed to move our oil from the west coast to the east coast.

As the Members may have noticed in this morning's paper, there was a hearing yesterday where John O'Leary stated that he is hoping to produce more oil in Alaska. I ask, more oil in Alaska for whom? If we do not have the ability to ship the oil, and if we do not accelerate the development of other means to transport the oil, then why produce more oil in Alaska? Is it because we want to ship it to Japan? That was not the intent of the Alaska pipeline authorizing legislation.

I know that some people have said that we should have shipped the oil through Canada, but we would not have built the pipeline and we would not have that pipeline today. I do think we should insist, as President Carter has done, that the conferees really come to grips with making the public aware of the energy shortage that does exist. It is going to exist, and it is very, very important that the conference report contains an export ban so we have the incentive to build a new distribution system.

Again, I compliment the gentleman. I think he has done an excellent job, and I think we should follow his leadership.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentleman for yielding.

It was not clear from the garbled version that was in the CONGRESSIONAL RECORD that the point Iwas making when we had this debate earlier a couple of weeks ago was that we cannot just take oil and run it through any refinery. As I understand it, this oil from Alaska cannot be refined in refineries that are not adjusted for acid oil. Therefore, if we allow ourselves to get into the situation where we do not have our refineries geared to this oil, and then we were selling it to Japan, and then all of a sudden there was an emergency, we could not use this oil; is that correct?

Mr. McKINNEY. That is absolutely correct. Not only would we not have the machinery in position to transport the oil to those parts of the country cut off, but Alaskan oil is what is known as "sour" oil. If we right now, because we are running out of time and because this oil is going to start flowing in October, do not commit ourselves, our Midwest refineries will not have the capability and the time to tool up to handle this sour oil. This cannot be done overnight.

Mr. SEIBERLING. There is just one other question. Is it fair to the Japanese to put them in the situation where we are saying as long as there is no crisis, why, they can have the oil; but the minute there is, we are going to cut them off?

Mr. McKINNEY. There is one thing that fascinates me. I think I have been a friend of the Japanese, and that Congress has, but one of the biggest things we have trouble with—at least in my district—is Japanese television sets, et cetera, et cetera, et cetera. I am opposed to protectionist trade practices, but we are dealing here with a statutorily-declared domestic resource. The issue, by law, must be considered outside the context of our ongoing trade with the Japanese. Yes, it is true that any exchange with Japan would be suspended in the event of any OPEC embargo or supply reduction. But the issue remains—what do we do then?

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from Michigan.

Mr. DINGELL. I thank the gentleman for yielding.

I want to commend the gentleman for his position. I want it to be known that I very strongly support his position. At the time we passed the legislation creating the Transatlantic Pipeline, the commitment was made to this House by the Administration, by the oil companies, and by everybody else involved, that that oil was needed at home and would be used here and would not go to Japan. At that time an amendment was offered by the deceased colleague of ours, a great gentleman, and a wonderful legislator, a man by the name of John Saylor, that forbade the export of that oil to Japan, and it was regarded as a national commitment by this body that the legislation include that amendment by acceptance of the committee and by unanimous acceptance of the Members.

More recently Frank Zarb, speaking as the Federal Energy Administration, made the firm commitment that that oil was not going to Japan, that it was needed at home, it would be marketed here, refined here, and used here, and it would not go to Japan.

I find myself most curious as to why we keep hearing these stirrings downtown about how this oil is now going to Japan and going to be exported somewhere else, and I urge my colleagues very strongly to join the gentleman from Connecticut (Mr. McKINNEY) in making clear the intention of the House that the commitments made that the oil will be used here and not exported are carried out, and to make it very plain that we do not intend to see this Nation achieve additional dependence on foreign oil by reason of the export of this oil, but that it be kept here, refined here, and used here. Our refineries can adapt so that this oil can be used at home without the evil consequences of its being exported.

Mr. McKINNEY. I thank the gentleman. I am well aware of his excellent record in environmental affairs. Every time we sold out on another point of NEPA and on another point of environmental protection to the Alaskan pipeline, we were assured this was a national emergency; America must have the oil. That was the assurance we received from every single person, and that is an assurance that I feel both administrations—I am not picking on the Carter administration alone—have betrayed in planning to export Alaskan oil.

Mr. YOUNG of Alaska. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. I thank the gentleman for yielding.

The comment was made that we do not have the capability of refining "the sour oil of Alaska," but before the Committee on Oversight of the Alaskan Pipeline we were told it would cost less than 1 cent per gallon, I believe, to put in the new equipment to permit refineries to use the oil.

That cost factor is a minute cost factor, but it gives us the ability to take and utilize the oil which will come through the Alaskan pipeline. So, again, I will stress the fact that we need it now. The time to reequip those refineries is now and not when we are in a crunch. I know we can do it.

Mr. GARY A. MYERS. Will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from Pennsylvania.

Mr. GARY A. MYERS. Mr. Speaker, is it the understanding of the gentleman that all the oil from Alaska would be traded or only a portion? It seems to me if only a portion of it will be, we ought to be required to make the refineries adjustable for this oil.

Mr. McKINNEY. There is no point when we can adapt our refineries and handle all the oil that comes from the Alaskan pipelines. The west coast does not have the facilities. It is estimated to be from 400,000 to 600,000 barrels that will be in excess of their ability to handle, and that does become difficult. That is the part that would be exported to Japan.

Mr. GARY A. MYERS. So in other words there would be some conversion of refining equipment to handle the Alaskan oil?

Mr. McKINNEY. Yes. From now changes can be made, and this is the middle of May until the beginning of October. This is the time to do it. At no time would we be able to do it quickly should there be a close down of the OPEC supply chain.

Mr. GARY A. MYERS. If there is to be a partial tradeoff and we are making arrangements to handle part of the Alaskan shipments, then we would retain better control and in the event of a cutoff of shipments that would be less disastrous than it would be otherwise.

Mr. McKINNEY. The FEA told this Congressman there is a capacity to handle it and there is a capacity of Jones bottom ships to handle it. When these questions came up there was an affirmative answer to each question, so it would be my belief the gentleman's questions would not have any valid ground. What the gentleman calls "extra" may be all the East and Midwest has to run factories and heat homes in the event of any OPEC embargo.

Mr. WHALEN. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from Ohio.

Mr. WHALEN. Mr. Speaker, the gentleman indicates there would be a surplus on the west coast. How would the surplus be transported to the Middle West and to the east coast?

Mr. McKINNEY. The problem comes in this Nation in the west-to-east movement. The problem is getting the oil into the Jones bottom ships to go through the Panama Canal. There is a private consortium—I am not sure who all is in it—which would be building a pipeline through Guatemala to ship to the Gulf. It is to be built in Guatemala at some point and it will be shipped to a point at El Paso, and the president of Guatemala has indicated there would be agreement.

Mr. WHALEN. How much time would that take to construct?

Mr. McKINNEY. It is estimated it would be completed within 2 years, which is one reason why my prohibition would be only for 2 years.

I feel now I should yield to the chairman of the committee such time as he may consume. The chairman has been most patient through all this.

Mr. ZABLOCKI. Mr. Speaker, I thank the gentleman for yielding.

I am sure the gentleman is well aware I am less than enthusiastic about his amendment. Indeed there are those who feel that it is quite an ill-advised amendment. However I do further understand the gentleman's concern, since the other body rejected a similar identical amendment by a vote of 66 to 27, but I want to assure the gentleman that as a conferee it is my duty to uphold the position of the House.

I was pleased when the gentleman had alerted me as chairman of the committee of his intention to instruct. I quote from the letter:

> I appreciate your understanding during House debate on the bill and hope to prevail on your good nature once again.

I am dismayed that the gentleman would display now such a lack of confidence in me by asking the House to instruct the conferees.

I say to the gentleman from Connecticut that in the years I have served in this House, it has been over 28 years, I have always voted against instructing conferees, because I believe that we must have confidence in our conferees.

Mr. Speaker, I can assure the gentleman that to the extent possible we will uphold the gentleman's position in conference; but do not instruct us. That is insulting us.

Mr. McKINNEY. Mr. Speaker, let me say, I think when I started I prefaced my remarks with my real dislike of having to take this step. I have the utmost confidence in the gentleman from Wisconsin. I have the utmost confidence in this House; but there are very powerful forces here.

The other body tabled this amendment by a substantial vote, as the chairman has indicated. Many Members of this House have legitimate questions as to the impact of this instruction on the question of the Arab boycott provisions of the bill. My motion here today is by no means an attempt to insult the chairman or to imply that I mistrust his motives in conference. All in this Chamber are aware of the International Relations chairman's record of hard work and solid accomplishment. The very fact that my motion has come this far is a tribute to his open-mindedness. However, and I speak very frankly, it is the other body I fear. I do not want this amendment to become a bargaining chip in the conference over some very delicate antiboycott provisions. I want to remove this important issue from the points of conflict at the conference so full attention can be directed toward bringing out an antiboycott bill as soon as possible.

The SPEAKER pro tempore (Mr. SISK). The Chair would remind Members that under the rules governing debate it is not in order to refer to votes or debate in the other body.

Mr. McKINNEY. Mr. Speaker, this gentleman asks unanimous consent to strike his remarks in that connection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman for yielding.

I think the gentleman's amendment is very important. I think each Member has to make up his own mind on instructing the conferees. That goes into other areas; but the amendment itself is well worth fighting for.

I would hope whether or not the motion passes that the conferees will insist on the House position. I do not know how we can represent the American people and expect them to believe we have an energy problem, much less an energy crisis, if we are shipping oil to Japan. I do not think we can sell that to the American people.

Mr. Speaker, I would like to confirm what the gentleman said a moment ago about moving traffic through the Panama Canal and that it can handle 500,000 barrels of oil a day and then transship it to east coast refineries that can handle that kind of oil. It is a very simple thing to do. They can offload three ships already arrived. They would shuttle back and forth across the canal for this volume of oil.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Speaker, I thank the gentleman for yielding.

I can well understand the gentleman's motion to instruct the conferees. Coming from an area as I do that produces a rather substantial amount of high sulfur oil, of course, that is what is coming down from Alaska, I would be constrained to ask the gentleman in the well if the gentleman is prepared to stand in the well here and fight for the refining capacity in the Northeastern United States to handle that crude oil if we ship it to them?

Mr. McKINNEY. Mr. Speaker, I would be delighted to tell the gentleman that this particular Congressman has fought for building refineries in the Northeast. Just two elections ago my opponent stood in front of a church which I have attended and pointed to it and said, "Your Congressman wants to put an oil refinery there." He managed to put that in every single newspaper in the fourth district. The people in my district are intelligent enough to know that they cannot have it both ways. If we want the oil, and we do, then we have to find an environmentally safe way to refine it there as well.

Mr. KETCHUM. Mr. Speaker, I congratulate the gentleman from Connecticut for that.

Mr. McKINNEY. I also support, by the way, Continental Shelf drilling.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Speaker, I have not yet made up my mind as to what position to take on the matter pending before us. As a result of the gentleman's motion, however, I want to compliment the gentleman for focusing attention on this very real problem. In doing so, I want to allude to the fact that in the Committee on the Interior we have established a Special Investigations Subcommittee that will deal with the integrity of the Alaska pipeline itself; and second, will make an evaluation of how that oil will be disposed of.

The reason I make the point is that, while the overall pipeline capacity is about 2 million barrels per day, currently the capacity to receive that oil is only about 600,000 barrels per day. This is a very serious problem. We are going to have to have the full capacity for delivering that oil.

Mr. McKINNEY. I appreciate the gentleman's remarks.

Mr. SKUBITZ. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Speaker, I would like to state that I am going to support my colleague's position. If we have the oil, we have a couple of worn-out salt mines in Kansas which are no longer available for atomic garbage, but we would like to store oil in them.

Mr. McKINNEY. I thank the gentleman.

Mr. Speaker, I move the previous question on the motion to instruct.

The previous question was ordered.

The SPEAKER pro tempore (Mr. SISK). The question is on the motion to instruct.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ZABLOCKI. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 240, nays 166, not voting 26, as follows:

[Roll No. 215]

YEAS—240

Abdnor	Drinan	Lott
Akaka	Duncan, Tenn.	Lujan
Ammerman	Early	McClory
Anderson, Calif.	Eilberg	McCloskey
	Emery	McDade
Andrews, N.C.	Ertel	McHugh
Andrews, N. Dak.	Evans, Del.	McKinney
	Evans, Ind.	Madigan
Ashbrook	Fish	Maguire
Aspin	Fithian	Markey
AuCoin	Flippo	Marks
Badham	Florio	Marlenee
Bafalis	Flowers	Marriott
Baldus	Flynt	Martin
Barnard	Ford, Tenn.	Mathis
Baucus	Fountain	Mazzoli
Bauman	Frey	Meeds
Beard, R.I.	Fuqua	Mikulski
Beard, Tenn.	Gaydos	Mikva
Benjamin	Giaimo	Miller, Ohio
Bennett	Gilman	Minish
Bevill	Ginn	Mitchell, Md.
Biaggi	Goldwater	Mitchell, N.Y.
Blanchard	Gonzalez	Moakley
Blouin	Grassley	Moffett
Boland	Gudger	Mollohan
Bonior	Guyer	Montgomery
Bonker	Hagedorn	Moore
Bowen	Hall	Moorhead, Calif.
Brinkley	Harkin	
Brodhead	Harris	Moorhead, Pa.
Brooks	Harsha	Mottl
Broomfield	Heckler	Murphy, Pa.
Brown, Mich.	Hefner	Murtha
Brown, Ohio	Heftel	Myers, Michael
Broyhill	Hollenbeck	Myers, Ind.
Burke, Calif.	Holt	Neal
Burke, Fla.	Holtzman	Nichols
Burke, Mass.	Horton	Nolan
Burton, John	Howard	O'Brien
Byron	Hubbard	Oakar
Caputo	Huckaby	Oberstar
Carney	Hughes	Ottinger
Cederberg	Ichord	Pettis
Chappell	Jacobs	Pressler
Cleveland	Jeffords	Preyer
Cohen	Jenrette	Pritchard
Coleman	Jones, N.C.	Pursell
Collins, Ill.	Jones, Tenn.	Quayle
Conte	Kasten	Quie
Corcoran	Kazen	Quillen
Cornwell	Kelly	Rahall
Cotter	Keys	Railsback
D'Amours	Kildee	Regula
Daniel, Dan	Lagomarsino	Rinaldo
Daniel, R. W.	Latta	Robinson
Davis	Le Fante	Rogers
Dellums	Leach	Rooney
Derrick	Lederer	Rose
Devine	Leggett	Rousselot
Dingell	Lent	Rudd
Dodd	Lloyd, Calif.	Ruppe
Dornan	Lloyd, Tenn.	Russo
Santini	Stanton	Wampler
Sarasin	Steed	Watkins
Satterfield	Stockman	Weiss
Sawyer	Stokes	Whitehurst
Schroeder	Stratton	Whitley
Seiberling	Studds	Whitten
Sharp	Taylor	Wilson, Bob
Shipley	Thone	Wilson, C. H.
Shuster	Traxler	Wolff
Skelton	Trible	Wydler
Skubitz	Tsongas	Wylie
Slack	Tucker	Yates
Smith, Nebr.	Vanik	Yatron
Snyder	Vento	Young, Alaska
Spellman	Volkmer	Young, Fla.
Spence	Walgren	Young, Mo.
St Germain	Walker	Young, Tex.
Stangeland	Walsh	Zeferetti

NAYS—166

Addabbo	Foley	Murphy, Ill.
Alexander	Fowler	Murphy, N.Y.
Allen	Fraser	Myers, Gary
Ambro	Frenzel	Natcher
Anderson, Ill.	Gammage	Nedzi
Annunzio	Gephardt	Nix
Applegate	Gibbons	Nowak
Archer	Glickman	Obey
Armstrong	Goodling	Panetta
Ashley	Gore	Patten
Badillo	Gradison	Patterson
Bedell	Hamilton	Pattison
Beilenson	Hammer-schmidt	Pease
Bingham		Perkins
Boggs	Hanley	Pickle
Bolling	Hannaford	Pike
Brademas	Hansen	Poage
Breaux	Harrington	Rangel
Burleson, Tex.	Hawkins	Reuss
Burlison, Mo.	Hightower	Rhodes
Burton, Phillip	Holland	Richmond
Butler	Hyde	Risenhoover
Carr	Ireland	Roberts
Cavanaugh	Jenkins	Rodino
Clausen, Don H.	Johnson, Calif.	Roncalio
	Johnson, Colo.	Rosenthal
Clay	Jones, Okla.	Rostenkowski
Collins, Tex.	Jordan	Roybal
Conyers	Kastenmeier	Runnels
Corman	Ketchum	Ryan
Cornell	Kindness	Scheuer
Coughlin	Koch	Schulze
Crane	Kostmayer	Sebelius
Danielson	Krebs	Sikes
de la Garza	Krueger	Simon
Delaney	LaFalce	Sisk
Derwinski	Lehman	Smith, Iowa
Dicks	Levitas	Solarz
Diggs	Long, La.	Stark
Downey	Long, Md.	Steiger
Duncan, Oreg.	Luken	Stump
Eckhardt	Lundine	Symms
Edgar	McCormack	Thornton
Edwards, Ala.	McDonald	Treen
Edwards, Calif.	McEwen	Udall
Edwards, Okla.	McFall	Ullman
English	McKay	Waggonner
Erlenborn	Mann	Waxman
Evans, Colo.	Mattox	Whalen
Evans, Ga.	Metcalfe	White
Fary	Meyner	Wiggins
Fascell	Michel	Wilson, Tex.
Fenwick	Milford	Winn
Findley	Miller, Calif.	Wirth
Fisher	Mineta	Wright
Flood	Moss	Zablocki

NOT VOTING—26

Breckinridge	Dent	Roe
Brown, Calif.	Dickinson	Staggers
Buchanan	Ford, Mich.	Steers
Burgener	Forsythe	Teague
Carter	Hillis	Thompson
Chisholm	Kemp	Van Deerlin
Clawson, Del	Mahon	Vander Jagt
Cochran	Pepper	Weaver
Conable	Price	

The Clerk announced the following pairs:

On this vote:

Mr. Carter for, with Mr. Teague against.

Mr. Del Clawson for, with Mr. Thompson against.

Mr. Dickinson for, with Mr. Staggers against.

Mr. Vander Jagt for, with Mr. Pepper against.

Mr. Burgener for, with Mr. Price against.

Mr. Hillis for, with Ms. Chisholm against.

Until further notice:

Mr. Dent with Mr. Conable.

Mr. Roe with Mr. Cochran of Mississippi.

Mr. Van Deerlin with Mr. Kemp.

Mr. Weaver with Mr. Mahon.

Mr. Brown of California with Mr. Breckinridge.

Mr. AMBRO and Mr. PATTERSON of California changed their vote from "yea" to "nay."

Mr. DERRICK changed his vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. SISK). The Chair appoints the following conferees: Messrs. ZABLOCKI, FASCELL, ROSENTHAL, HAMILTON, BINGHAM, RYAN, SOLARZ, BROOMFIELD, BUCHANAN, and WHALEN.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to make an announcement.

Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated, and after those motions to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

TINICUM NATIONAL ENVIRONMENTAL CENTER ADDITIONS

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2817) to provide for certain additions to the Tinicum National Environmental Center.

The Clerk read as follows:

H.R. 2817

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of June 30, 1972, entitled "An Act to provide for the establishment of the Tinicum National Environmental Center in the Commonwealth of Pennsylvania, and for other purposes" (16 U.S.C. 668dd, note) is amended—

(1) by striking out "Wanamaker Avenue" in the last sentence of section 2 and inserting in lieu thereof "Darby Creek"; and

(2) by amending section 7(b) to read as follows:

"(b) Beginning with fiscal year 1978, there are authorized to be appropriated, in addition to the appropriations authorized under subsection (a), $8,850,000 to carry out the purposes of this Act."

The SPEAKER pro tempore. Is a second demanded?

Mr. RUPPE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from Michigan (Mr.

RUPPE) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a cosponsor of H.R. 2817, I rise in strong support of this legislation.

The Tinicum National Environmental Center which was established in 1972, is unique in that it marked the creation of the first urban area of this sort, which allows the city dweller the opportunity to relate to wildlife and learn how various species of wildlife, flora and fauna interrelate in an ecosystem. This concept, of course, extraordinarily enriches the quality of life of an urban dweller like me and those of us that reside in similar areas of our country.

Mr. Speaker, this center is located in the Boston to Washington megalopolitan corridor. More specifically, it lies at the southwest edge of the city of Philadelphia and adjacent to the Philadelphia International Airport. Through attrition from railroads, highways, the airport disposal sites and residential and industrial sites the original 5,700 acres of the Tinicum tidal marsh had been reduced to roughly 500 acres by 1968. Today more than half of the remaining 1968 tidal marsh area has been destroyed. The establishment of this center in 1972 has resulted in the preservation of the last true tidal marshland in the Commonwealth of Pennsylvania.

Mr. Speaker, the center provides a haven for thousands of migratory waterfowl and shore birds. At least 119 kinds of waterfowl and shore birds and 177 species of land birds are known to frequent Tinicum.

The marsh also supports a great variety of mammals including mink, weasel, otter, fox, raccoon, and groundhog. In fact the people surrounding the center feel so strongly about the preservation of this marsh that they have raised over $300,000 which will be donated to the Interior Department for preservation purposes.

Mr. Speaker, the 1972 act authorized to be appropriated $2,250,000 to carry out its purposes. Subsequently, the act was amended to add an additional $1.6 million for carrying out its purposes.

Mr. Speaker, H.R. 2817 would increase the funding authorization an additional $7,250,000. Also, it would amend the original act to include the Wanamaker Avenue dredge site which is vitally needed in order to protect the integrity of the center from commercial development and to provide a scenic buffer zone.

Finally, Mr. Speaker, I would like to express my concern and the concern of the committee over the lack of progress being made in the acquisition of the land within the center's boundaries. I urge the Secretary to complete acquisition of the lands at the earliest possible date before irreparable decimation occurs and land prices escalate. Also, I urge the Interior Department to acquire first those lands originally designated for inclusion in the center under the 1972 act by making offers to the owners of such lands prior to the acquisition of lands included in the center resulting from the extension of its boundaries in 1976 and by this legislation.

Mr. Speaker, I now yield to the gentleman from California (Mr. LEGGETT), chairman of the subcommittee that reported the legislation, such time as he may consume.

Mr. LEGGETT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, in an effort to preserve the last remaining marshland in the Commonwealth of Pennsylvania, in 1972 my subcommittee reported legislation that resulted in the establishment of the Tinicum National Environmental Center—which consists of approximately 1,200 acres of land—of which 200 acres are the original pristine marshlands.

Mr. Speaker, the 1972 act authorizes to be appropriated $2,250,000 to carry out the purposes of the act. During the 94th Congress, legislation was passed that resulted in the enactment of Public Law 94-548, which increased the funding authorization an additional $1.6 million and it extended the boundaries of the center to include the Folcroft dump site, consisting of about 45 acres.

Mr. Speaker, there is still a need for more funds to carry out the purposes of this act. In view of increased land values and recent land appraisals, it now appears that it will take a total of $11.1 million to complete the acquisition of the designated lands within the center and to complete the development of the center, estimated to cost around $4.5 million.

Mr. Speaker, to date, only 296 acres have been acquired by the Secretary, 145 acres by donation from the city of Philadelphia and 151 acres by transfer from the Corps of Engineers.

Mr. Speaker, in addition, H.R. 2817 would extend the boundaries of the center again, this time to include the Wanamaker Avenue dredge site consisting of about 78 acres.

Mr. Speaker, it is imperative that this site be added to the center also as plans are for the owners of this land to develop the area as a shopping center, which would have the effect of destroying valuable waterfowl habitat and wildlife-oriented outdoor recreation.

Mr. Speaker, this legislation is supported by the Department of the Interior, and we have been advised that the $11.1 million authorized to be funded under this act will be sufficient to acquire all the remaining lands within the center, as well as the Wanamaker Avenue site added by this legislation, and to complete the development of the center.

Mr. Speaker, the bill was reported unanimously by the Committee on Merchant Marine and Fisheries, and it has the broad support of conservation and environmental groups in the Philadelphia area. I urge its prompt passage.

Mr. RUPPE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the marshland of the Tinicum Environmental Center is the last remaining tidal marsh in the Commonwealth of Pennsylvania. In 1643, when the first settlers arrived in Pennsylvania, there were 5,700 acres of marshland in this State. Today, there are approximately 200. Since World War I, virtually all of the original 5,700 acres have been covered with fill to construct highways, railroads, boatyards, disposal sites and residential and industrial sites.

The legislation before us today provides the authorization necessary to acacquire the lands originally contemplated by the Congress in 1972. Mr. Speaker, there should be no doubt about the merit of preserving the Tinicum Marsh. It is located in the urban region of Philadelphia and provides a recreational experience for over 40,000 people per year. Furthermore, the marsh is covered by wild rice which often reaches 11 feet in height and which produces seeds that are of outstanding value as waterfowl food.

In all, at least 119 species of waterfowl and 109 species of land birds are known to occur at Tinicum. Thousands of migratory waterfowl, sometimes tens of thousands, pause at the Tinicum Marsh to rest and feed. The marsh also supports a great variety of species, including mink, weasel, otter, fox, raccoon, opossum, and groundhog. The marsh is also the home for over 10 species of fish and various species of turtles and toads.

In fact, the people of the surrounding area feel so strongly about the need to preserve the marsh that they have raised over $200,000 which will be donated to the Government and used for the preservation of the marsh.

In addition to providing funds for the acquisition of the original lands, the bill before us today authorizes the acquisition of the 78-acre Wannamaker Avenue tract which is immediately adjacent to the existing center. This land has been dredged to a depth of 60 feet and if it is not acquired, the land will probably be filled for the construction of a shopping center. If we are to realize the original objective of preserving Tinicum Marsh, it is essential that the Wanamaker tract be acquired.

Mr. Speaker, to preserve the last remaining pristine tidal marsh in the Commonwealth of Pennsylvania, I urge the adoption of this legislation.

Mr. Speaker, I yield back the remainder of my time.

Mr. MURPHY of New York. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to begin by commending my colleague from California (Mr. LEGGETT) for his cooperation in scheduling hearings before the Subcommittee on Fisheries and Wildlife Conservation. I wish to acknowledge the cooperation I have received from the subcommittee. I am also grateful to my colleague from New York (Mr. MURPHY) for his dedicated work in bringing H.R. 2817 to the floor for consideration today.

The Tinicum National Environmental Center, located in Delaware and Philadelphia Counties of Pennsylvania, was

established in 1972 by Public Law 92-326. At that time, 890 acres were included in the boundaries of the center, but the legislation allowed for later additions by authorizing up to 1,200 acres.

The Tinicum marshland is the sole surviving tidal marsh in Pennsylvania. The land was first settled in 1642 by the Dutch, the Swedes, and the English. At that time, the marshes comprised 5,700 acres, parts of which were drained by these early settlers for grazing land. Since then, and most notably in recent years, much of this land has been irreversibly developed for highways, railroads, residences, industrial sites, a privately-owned dump, and the Philadelphia International Airport. This development occurred at a time when most of us were more sensitive to exploiting land for economic benefit than appreciating the benefit of preserving natural resources.

There are, of course, a number of motivations for preserving as much of this marsh as possible in its natural state. Tinicum Marsh acts as a natural flood plain. Past development has worsened the flooding of the Darby Creek which drains into the marsh. Before, the Darby Creek overflow was readily absorbed by the marsh. Now, because of the overdevelopment which characterizes much of Delaware County, Pa., the marsh's ability to absorb the water in the creek has been impaired.

The Tinicum National Environmental Center has a tremendous potential for serving as an open classroom for the millions of people who live in the highly urbanized area around it. The marsh serves as a home for many species of fish and small wildlife, including muskrat, cottontails, moles, and an occasional raccoon, opossum, and groundhog. Many species of amphibians and reptiles have also been reported. More than 100 species of migratory waterfowl and 175 species of land birds have been sighted within the boundaries of the center, and the marsh is located along the Atlantic flyway. Unusual plants are found in this area. I understand that it is the only place in Pennsylvania where wild rice not only survives, but thrives.

There are few green areas left in Delaware County, which is a densely populated urban-suburban area. Green space is vanishing at an alarming rate. I find it tragic that my generation has left such a meager heritage of unspoiled natural areas for the next generation.

In 1975, I sponsored a bill calling for two additional areas to be included in the center—a 45-acre landfill site known as the Folcroft landfill, and a 78-acre area comprised of two lagoons resulting from dredging operations during the construction of Interstate 95. The Merchant Marine and Fisheries Committee and eventually the Congress went on to approve the addition of the Folcroft landfill, bringing the total acreage in the center to 945 acres. The lagoons, however, were deleted from the legislation, because of budgetary considerations.

H.R. 2817, the bill before us today, calls for the addition of the 78-acre lagoon area that was deleted from last year's bill. The lagoons lie just outside of the western boundary of the center. They serve an important function as a natural flood plain and flood control mechanism for the flood-prone communities adjacent to the center. They also act as a natural buffer zone between the marshlands in the center and the industrialized area to the west, and serve as a natural watering spot for the wildlife in the center. The owners of the land have stated their intention to fill and develop the lagoons for light industry or for a townhouse development, provided that the Corps of Engineers approves their application for a permit to fill the lagoons. Commercial or residential development so close to the marsh would expose this delicate ecosystem to the pollution, congestion, and noise that are already so typical of this urban-suburban area. Preserving the lagoons, on the other hand, would increase the buffer zone around the marshlands and would make the lagoons available for fishing and other suitable recreational activities.

H.R. 2817 also calls for a $7.25 million increase in the funding authorization level for the Tinicum National Environmental Center. This additional money is needed to meet development costs, for purchase of the lagoons, and to make up for the increase in the value of the lands authorized in the original legislation passed in 1972. Of the $7.25 million, $4.5 million is earmarked for development costs, including construction of a visitors' center, construction of access roads and walkways, and channelization work.

When the Tinicum National Environmental Center was established in 1972, it was envisioned that the Fish and Wildlife Service would quickly move to purchase the authorized land and carry out the preliminary development work necessary to make the center fully accessible to the public for the many purposes for which it was created. Unfortunately, progress in land acquisition has been painfully slow, and as of this date, the preliminary appraisal work has not yet been completed. The Fish and Wildlife Service is finally beginning to make some headway, however, and has assured me that it will be ready to begin condemnation proceedings, if required, by September of this year.

Over the last year, the people of Delaware County have worked tirelessly to secure funds from State, county, and local sources, so that the full cost of funding the addition of the lagoons would not fall on the Federal Government alone. To date, approximately $15,000 has been raised, and the Delaware County Council has pledge to provide up to $30,000 in matching funds. It is clear from the success of the fundraising effort that the people of Delaware County and the greater Philadelphia area are supportive of the addition of the lagoons to the center, and they look forward to the time when the center will be fully operational.

That any of Tinicum marsh remains today is testimony to the vigorous activism of thousands of residents of the Philadelphia area who have refused to permit the total destruction of this oasis. Grassroots interest has brought the Tinicum National Environmental Center to where it is today; and with the help of this Congress, we will be able to make this exceptional resource known and enjoyed by thousands of Americans every year.

The SPEAKER pro tempore. There being no further requests for time, the question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 2817.

The question was taken.

Mr. MOTTL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3 of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

Does the gentleman from Ohio withdraw his point of order that a quorum is not present?

Mr. MOTTL. Mr. Speaker, I withdraw my point of order.

ATLANTIC TUNAS CONVENTION ACT OF 1975 AUTHORIZATION

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6205) to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Atlantic Tunas Convention Act of 1975.

The Clerk read as follows:

H.R. 6205

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 10 of the Atlantic Tunas Convention Act of 1975 (16 U.S.C. 971h) is amended by striking out "fiscal year 1977" and inserting in lieu thereof "fiscal years 1977, 1978, 1979, and 1980".

SEC. 2. Section 2(4) of such Act of 1975 (16 U.S.C. 971(4)) is amended to read as follows:

"(4) The term 'fisheries zone' means the waters included within a zone contiguous to the territorial sea of the United States, of which the inner boundary is a line coterminous with the seaward boundary of each coastal State, and the outer boundary is a line drawn in such a manner that each point on it is two hundred nautical miles from the baseline from which the territorial sea is measured; or similar zones established by other parties to the Convention to the extent that such zones are recognized by the United States.".

The SPEAKER pro tempore. Is a second demanded?

Mr. RUPPE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER protempore. The Chair recognizes the gentleman from New York (Mr. MURPHY).

The SPEAKER. pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from Michigan (Mr. RUPPE) are recognized for 20 minutes each.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the International Convention for the Conservation of Atlantic Tunas was signed in Rio de Janeiro in 1966 and it was ratified by the United States in 1967. There are now 16 nations signatory to the convention. The convention was formed for the purpose of providing protection to the tuna and tuna-like fishes of the Atlantic Ocean, which were being overfished by vessels from Europe, Africa, Asia, and the Americas.

Mr. Speaker, in 1975 legislation was reported by the Committee on Merchant Marine and Fisheries that resulted in the enactment of Public Law 94-70. That law—for the first time—provided the necessary statutory authority for the United States to carry out its responsibilities under the convention.

Mr. Speaker, the 1975 act authorized to be appropriated such sums as may be necessary for fiscal years 1976 and 1977 for carrying out the purposes of the act. The estimated cost of administering the act has amounted to about $600,000 per year.

Mr. Speaker, H.R. 6205 would extend the appropriations authorization at the same level of funding for the next 3 fiscal years and it is estimated it will cost the Federal Government about $700,000 per year to carry out the act. Of this amount, approximately $650,000 per year would be expended by the Department of Commerce in carrying out research on the bluefin tuna and approximately $500,000 per year would be expended by the Department of State in carrying out its responsibilities under the act.

Mr. Speaker, H.R. 6205 was unanimously reported by the Committee on Merchant Marine and Fisheries; it has the support of the Departments of State and Commerce; it is a good piece of legislation, and I urge its prompt passage.

Mr. Speaker, I now yield to the gentlemen from California (Mr. LEGGETT), Chairman of the subcommittee that reported this legislation, such time as he may consume.

Mr. LEGGETT. Mr. Speaker, H.R. 6205 is a bill I introduced, along with 12 of my colleagues, to authorize appropriations for fiscal years 1978, 1979, and 1980 for the purpose of providing the United States with the necessary funds for carrying out its responsibilities under the International Convention for the Conservation of Atlantic Tunas.

Mr. Speaker, the implementing legislation to provide for the carrying out of this convention was not enacted any too soon when it finally became public law in 1975. In fact, the bluefin tuna was being so overfished at that time that the Department of Commerce was in the process of declaring the bluefin tuna to be a species threatened with extinction. It was only by the passage of the implementing legislation in 1975 that the necessary authority was provided to give this fishery the protection to which it is entitled.

Mr. Speaker, the Commission that was established under the convention has promulgated three conservation recommendations which have been accepted by all of the contracting parties to the convention. Two of these recommendations restrict the catch size of both the bluefin and yellowfin tuna and the third limits each nation's annual bluefin tuna catch to recent levels.

Mr. Speaker, the passage of this legislation will allow the United States to continue to fulfill its financial obligations under the convention and to participate in the work of the Commission in providing research on the tuna and tuna-like fishes of the Atlantic Ocean.

Mr. Speaker, the cost of the legislation is estimated to be only $700,000 per year for the 3-year extended life of the act, which I think is extremely reasonable, and I urge its prompt passage.

Mr. RUPPE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 6205 and urge my colleagues to suspend the rules to expedite passage of this legislation. As my colleagues from New York and California have indicated, this legislation continues the authorization for an extremely important conservation program.

When the fishing nations of the Atlantic met in Rio de Janeiro and signed the International Convention for the Conservation of Atlantic Tunas in 1966, it was already apparent that many species of tuna, notably the giant bluefin tuna, could become seriously depleted if proper conservation measures were not implemented. The United States ratified the convention 1 year later and the convention became effective in 1969. Unfortunately, it was not until 1975 that the Congress enacted legislation to implement the convention.

The convention has now been ratified by 14 nations which have agreed to implement a substantial conservation program. This management program carefully restricts the harvest of Atlantic tunas. For example, Atlantic fishermen will be completely prohibited from harvesting Atlantic bluefin tuna weighing between 115 to 300 pounds, the prime breeding weight. This stringent conservation measure is essential if we are to prevent the further depletion of this important resource. Without the conservation program established by the International Convention, this response may soon cease to exist.

H.R. 6205 will enable the United States to continue its participation in the international effort to insure that the Atlantic stocks of tuna are protected for future generations of commercial fishermen and sportsmen. Therefore, I urge the prompt passage of this legislation.

Mr. MURPHY of New York. Mr. Speaker, I have no further requests for time.

Mr. RUPPE. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill, H.R. 6205.

The question was taken.

Mr. RUSSO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. RUSSO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to the provisions of clause 3 of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

Does the gentleman from Illinois withdraw his point of order?

Mr. RUSSO. I do, Mr. Speaker.

COMMERCIAL FISHERIES RESEARCH AND DEVELOPMENT ACT AUTHORIZATION

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6206) to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Commercial Fisheries Research and Development Act of 1964, as amended.

The Clerk read as follows:

H.R. 6206

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Commercial Fisheries Research and Development Act of 1964 (16 U.S.C. 779b) is amended—

(1) by amending subsection (a) to read as follows:

"(a) There are authorized to be appropriated to the Secretary of Commerce for apportionment to the States to carry out the purposes of this Act the following sums:

"(1) $5,000,000 for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976, and September 30, 1977,

"(2) $10,000,000 for each of the fiscal years ending September 30, 1978, September 30, 1979, and September 30, 1980.";

(2) by amending subsection (b) up to the first proviso to read as follows:

"(b) In addition to the amounts authorized in subsection (a) of this section, there are authorized to be appropriated to the Secretary of Commerce—

"(1) $1,500,000 for each of the fiscal years ending June 30, 1974, June 30, 1975, June 30, 1976, and September 30, 1977, and

"(2) $3,000,000 for each of the fiscal years ending September 30, 1978, September 30, 1979, and September 30, 1980.

which shall be available to the States in such amounts as the Secretary of Commerce may determine appropriate for the purposes of this Act:"; and

(3) by amending subsection (c) to read as follows:

"(c) In addition to the funds authorized in subsections (a) and (b) of this section, there are authorized to be appropriated to the Secretary of Commerce the following sums which shall be made available to one

or more States in such amounts as the Secretary of Commerce may determine to be appropriate for developing a new commercial fishery therein:

"(1) $100,000 for each of the fiscal years ending June 30, 1974, June 30, 1975, June 30, 1976, and September 30, 1977.

"(2) $500,000 for each of the fiscal years ending September 30, 1978, September 30, 1979, and September 30, 1980.".

The SPEAKER pro tempore. Is a second demanded?

Mr. RUPPE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from Michigan (Mr. RUPPE) are recognized for 20 minutes each.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Commercial Fisheries Research and Development Act of 1964, more commonly referred to as "Public Law 88-309," authorizes the Secretary of Commerce to assist the States in carrying out commercial fisheries research and development projects. This 13-year-old program will expire on September 30, 1978.

Mr. Speaker, since the inception of this act, a total of 712 projects have been initiated at a total cost of nearly $70 million. The benefits derived from this program have been widespread and are enjoyed not only by the States, but by other groups as well. The States have benefited by increased research capabilities through the construction of laboratories and have enhanced fishery stocks through the construction of fish culture facilities. Other Federal agencies benefit as the program contributes supporting knowledge resulting in a strengthened national effort. Also, there is substantial benefit to industry and the public from projects dealing with technology, extension, research, and enabling better use of fisheries products. For instance, advancement has been made in aquaculture for the rearing of catfish, trout, shrimp, oysters, clams, and other shellfish. Improvements have been made in fish byproducts and development of new products. Also, over $3 million has been expended under this act to alleviate resource disasters resulting from such causes as hurricanes and fish diseases.

Mr. Speaker, the purpose of H.R. 6206 is to provide increased financial assistance to our commercial fishing industry. In accomplishing this purpose, the legislation would increase the appropriation authorizations of existing law, which expire at the end of fiscal year 1978, and it would extend the Act for an additional 2 years at the same level of funding.

Mr. Speaker, H.R. 6206 has the unanimous support of the Committee on Merchant Marine and Fisheries, and it is strongly supported by the 50 States and our Territories and possessions. I urge its prompt passage.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. LEGGETT), chairman of the subcommittee.

Mr. LEGGETT. Mr. Speaker, H.R. 6206 is a bill I introduced, along with 14 of my colleagues, to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Commercial Fisheries Research and Development Act of 1964.

Mr. Speaker, this grant-in-aid program has been very popular with the States, and it was because of this popularity and the passage of the 200-Mile Fishery Zone Act that prompted this legislation to be introduced.

Mr. Speaker, this act authorizes the Secretary of Commerce to cooperate with the 50 States, the Commonwealth of Puerto Rico, and the governments of the Virgin Islands, Guam, and American Samoa in carrying out research and development of our Nation's commercial fisheries. This act was the catalyst that brought both the States and the Federal Government together on a cooperative program to improve the commercial fisheries of our Nation.

Mr. Speaker, section 4(a) of the act authorizes to be appropriated $5 million per year through fiscal year 1978 to carry out the purposes of the act. These funds are apportioned among the States under a formula which is based on the most recent 3-year average of the values of the raw fish landed and the fisheries products processed in each State. Each of the recipient States is assured a Federal apportionment of at least one-half of 1 percent and no more than 6 percent of the funds appropriated in any fiscal year. Approved projects are carried out with the States on a 75-25 matching fund basis.

H.R. 6206 would increase the present authorization level from $5 to $10 million for fiscal year 1978 and it would extend this program at the same funding level for fiscal years 1979 and 1980.

Mr. Speaker, section 4(b) of the act authorizes to be appropriated $1.5 million per year through fiscal year 1978, to be used by the Secretary to assist those States—in the form of grants—in which there has been a commercial fishery failure due to a resource disaster caused by natural or undetermined factors. After the Secretary of Commerce has determined a commercial fishery failure has occurred in a particular State, these funds can be used to restore the affected fishery and for research and development to prevent a similar failure in the future. H.R. 6206 would increase the authorization level to $3 million for fiscal year 1978 and it would extend this program at the same level of funding for fiscal years 1979 and 1980.

Mr. Speaker, section 4(c) of the act authorizes to be appropriated $100,000 per year—in the form of grants—to be used by the Secretary to assist the States in developing new commercial fisheries. H.R. 6206 would increase this authorization to $500,000 for fiscal year 1978 and it would extend the program at the same level of funding for fiscal years 1979 and 1980.

Mr. Speaker, the need for the increased funding provided by this legislation stems from the fact that there is a tremendous backlog of programs that the States would like to have funded if sufficient funds were made available. Of the coastal States responding to a poll conducted at the request of the committee, 18 of such States indicated they had projects in need of funding totaling more than $7.5 million. It should be noted that because of the need to report this legislation before May 15, that the inland States and the outlying areas were not polled and I feel sure their needs would total an additional several million dollars.

Mr. Speaker, the States are in strong support of the legislation, and it was unanimously reported by the Committee on Merchant Marine and Fisheries. I uge its prompt passage.

Mr. RUPPE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the enactment of the Fishery Conservation and Management Act of 1976 signaled the beginning of a new era in the U.S. fisheries policy. But I say to you today, the Fishery Conservation and Management Act was only the first step in the revitalization of the U.S. fishing industry. We must look beyond the Fishery Conservation and Management Act. We must look toward a coordinated and comprehensive fisheries development program.

It is within this context that we are considering H.R. 6206 which increases and extends the authorization for the Commercial Fisheries Research and Development Act.

Mr. Speaker, two-thirds of the marine resources found within 200 miles of our coast spend some portion of their life cycle within the coastal and estuarine waters under State jurisdiction. Many valuable fishery resources have been and continue to be sharply reduced in abundance because the supporting habitat has been severely damaged or destroyed. The grant-in-aid program established under the Commercial Fisheries Research and Development Act provides for the establishment of a coordinated effort for the continued rehabilitation of damaged fish stocks.

The Commercial Fisheries Research and Development Act also provides essential funding for the development of the commercial fishery industry. Using funds appropriated under this act, the States, in cooperation with the fishing industry, have established aggressive programs to enhance the domestic industry by developing commercial fisheries resources.

Finally, the Commercial Fisheries Research and Development Act provides essential funding to assist the States in establishing and implementing effective fisheries conservation and development programs for fish found within 3 miles

of the U.S. coast. These fisheries resources are not generally within the purview of our 200-mile act. Yet they are a major element of our marine resources and their conservation must be an integral part of any comprehensive fisheries management program.

At the present time, there are more than $7.5 million in conservation and development projects which the States believe need to be undertaken, but for which funding is not available. With respect to the $7.5 million backlog, it is important to note that this figure represents the needs of only 18 States which the committee contacted. If time had permitted us to poll all 50 States, I am certain the list of needed projects would be much greater than $7.5 million. The enactment of H.R. 6206 will authorize the necessary funding for these and other projects—projects which are essential to the U.S. fishing industry in order to regain its position of preeminence in the world.

Mr. MURPHY of New York. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. DOWNEY).

Mr. DOWNEY. Mr. Speaker, the measure we have before us today is of the greatest importance. It represents a major step in strengthening our fishery management and conservation efforts by increasing Federal support for fishery research and development.

Adequate support in this area is vital, as we continue to lose our domestic fishery resources from overfishing, natural disasters, predation, disease, and pollution. New techniques for management of our resources, and increased effort in creating new fisheries are necessary. But, States cannot always do this without Federal support.

As an example of the importance of this legislation I would like to take a moment to share with my colleagues a crisis which presently exists in my district on Long Island's south shore.

Last Friday, the State of New York announced the closure of 1,400 acres of producing clam beds in one of the towns in my district. The State took this action because the water in the town of Babylon contained a high level of bacteriological pollutants. Aside from the obvious economic implications, this action will force the neighboring towns of Islip and Brookhaven where the water is relatively clean to accommodate an additional 2,000 Babylon fishermen, or restrict their waters to merely local use. Each decision is unpopular.

Clearly, in this situation there are just not enough resources anymore to support the existing fishing industry which employs over 10,000 individuals on Long Island alone. Overfishing in unrestricted clam beds will undoubtedly be the result with the likely spectre of even more restrictions, even more dislocations to the economy.

Because of this situation, many of my constituents have asked me why we cannot transplant the clams from the polluted water to the clean water since clams will purge themselves of harmful pollutants in a clean environment.

The answer is if the State had the money this could and undoubtedly would be done. The problem is that the State just does not have the money and has already obligated the small funds it has received under the Commercial Fisheries Research and Development Act for similarly deserving projects.

This problem in my district is only a small example of the kinds of challenges that must be met by our commercial fisheries. The challenge is a great one, in New York State, for example 25 percent of the producing shellfish areas have already been closed because of pollution, or natural disaster. And this is a story that we hear time and again from every State in the Union.

The bill before us today will provide greater support for fisheries management and development projects so that we may meet these challenges. I urge my colleagues to give H.R. 6206 their fullest support.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 6206, as amended.

The question was taken.

Mr. MOTTL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3 of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bills considered under suspension of the rules today, H.R. 6206, H.R. 6205, and H.R. 2817.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion, on which further proceedings were postponed, in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 2817, de novo;

H.R. 6205, de novo; and

H.R. 6206, by the yeas and nays.

Pursuant to the provisions of clause 3(b)(3), rule XXVII, the Chair announces that after the first vote on these motions, he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on both of the additional motions to suspend the rules on which the Chair has postponed further proceedings.

TINICUM NATIONAL ENVIRONMENTAL CENTER ADDITIONS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 2817.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill, H.R. 2817.

The question was taken.

Mr. MOTTL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 374, nays 32, not voting 26, as follows:

[Roll No. 216]

YEAS—374

Abdnor	Chappell	Frey
Addabbo	Clausen,	Fuqua
Akaka	Don H.	Gammage
Alexander	Clay	Gaydos
Allen	Cleveland	Giaimo
Ambro	Cohen	Gibbons
Ammerman	Coleman	Gilman
Anderson,	Collins, Ill.	Ginn
Calif.	Conte	Glickman
Anderson, Ill.	Conyers	Goldwater
Andrews, N.C.	Corcoran	Gonzalez
Andrews,	Corman	Goodling
N. Dak.	Cornell	Gore
Annunzio	Cornwell	Gradison
Archer	Cotter	Grassley
Armstrong	Coughlin	Gudger
Ashley	D'Amours	Guyer
Aspin	Danielson	Hamilton
AuCoin	Davis	Hammer-
Badillo	de la Garza	schmidt
Bafalis	Delaney	Hanley
Baldus	Dellums	Hannaford
Baucus	Derrick	Harkin
Beard, R.I.	Derwinski	Harrington
Beard, Tenn.	Devine	Harris
Bedell	Dickinson	Harsha
Beilenson	Dicks	Hawkins
Benjamin	Dingell	Heckler
Bennett	Dodd	Hefner
Bevill	Dornan	Heftel
Biaggi	Downey	Hightower
Bingham	Drinan	Holland
Blanchard	Duncan, Oreg.	Hollenbeck
Blouin	Duncan, Tenn.	Holt
Boggs	Early	Holtzman
Boland	Edgar	Horton
Bolling	Edwards, Ala.	Howard
Bonior	Edwards, Calif.	Hubbard
Bonker	Edwards, Okla.	Huckaby
Bowen	Eilberg	Hughes
Brademas	Emery	Hyde
Breaux	English	Ichord
Breckinridge	Erlenborn	Ireland
Brinkley	Ertel	Jacobs
Brodhead	Evans, Colo.	Jeffords
Brooks	Evans, Del.	Jenrette
Broomfield	Evans, Ga.	Johnson, Calif.
Brown, Calif.	Evans, Ind.	Johnson, Colo.
Brown, Mich.	Fary	Jones, N.C.
Brown, Ohio	Fascell	Jones, Tenn.
Broyhill	Fenwick	Jordan
Burke, Calif.	Findley	Kasten
Burke, Fla.	Fish	Kastenmeier
Burke, Mass.	Fisher	Kazen
Burlison, Mo.	Fithian	Kelly
Burton, John	Flood	Ketchum
Burton, Phillip	Florio	Keys
Butler	Flowers	Kildee
Byron	Foley	Kindness
Caputo	Ford, Tenn.	Koch
Carney	Fountain	Kostmayer
Carr	Fowler	Krebs
Cavanaugh	Fraser	Krueger
Cederberg	Frenzel	LaFalce

Lagomarsino	Myers, Ind.	Skubitz
Latta	Natcher	Slack
Le Fante	Neal	Smith, Iowa
Leach	Nedzi	Smith, Nebr.
Lederer	Nichols	Snyder
Leggett	Nix	Solarz
Lehman	Nolan	Spellman
Lent	Nowak	Spence
Levitas	O'Brien	St Germain
Lloyd, Calif.	Oakar	Staggers
Lloyd, Tenn.	Oberstar	Stanton
Long, La.	Obey	Stark
Long, Md.	Ottinger	Steed
Lott	Panetta	Steers
Lujan	Patten	Steiger
Luken	Patterson	Stockman
Lundine	Pattison	Stokes
McClory	Pease	Stratton
McCloskey	Perkins	Studds
McCormack	Pettis	Taylor
McDade	Pickle	Thone
McEwen	Pike	Thornton
McFall	Pressler	Traxler
McHugh	Preyer	Treen
McKay	Pritchard	Trible
McKinney	Quayle	Tsongas
Madigan	Quie	Tucker
Maguire	Quillen	Udall
Mann	Railsback	Ullman
Markey	Rangel	Vander Jagt
Marks	Regula	Vanik
Marlenee	Reuss	Vento
Marriott	Rhodes	Volkmer
Martin	Richmond	Walgren
Mathis	Rinaldo	Walker
Mattox	Risenhoover	Walsh
Mazzoli	Rodino	Wampler
Meeds	Rogers	Waxman
Metcalfe	Roncalio	Weiss
Meyner	Rooney	Whalen
Mikulski	Rose	White
Mikva	Rosenthal	Whitehurst
Milford	Rostenkowski	Whitley
Miller, Calif.	Roybal	Whitten
Miller, Ohio	Rudd	Wiggins
Mineta	Ruppe	Wilson, C. H.
Minish	Russo	Wilson, Tex.
Mitchell, Md.	Ryan	Winn
Mitchell, N.Y.	Santini	Wirth
Moakley	Sarasin	Wolff
Moffett	Satterfield	Wright
Moore	Sawyer	Wydler
Moorhead, Calif.	Scheuer	Wylie
	Schroeder	Yates
Moorhead, Pa.	Schulze	Yatron
Moss	Sebelius	Young, Alaska
Mottl	Seiberling	Young, Fla.
Murphy, Ill.	Sharp	Young, Mo.
Murphy, N.Y.	Shipley	Young, Tex.
Murphy, Pa.	Shuster	Zablocki
Murtha	Sikes	Zeferetti
Myers, Gary	Simon	
Myers, Michael	Sisk	

NAYS—32

Ashbrook	Gephardt	Robinson
Badham	Hagedorn	Rousselot
Barnard	Hall	Runnels
Bauman	Jenkins	Skelton
Burleson, Tex.	Jones, Okla.	Stangeland
Collins, Tex.	McDonald	Stump
Crane	Michel	Symms
Daniel, Dan	Montgomery	Waggonner
Daniel, R. W.	Poage	Watkins
Flippo	Rahall	Wilson, Bob
Flynt	Roberts	

NOT VOTING—26

Applegate	Diggs	Pepper
Buchanan	Eckhardt	Price
Burgener	Ford, Mich.	Pursell
Carter	Forsythe	Roe
Chisholm	Hansen	Teague
Clawson, Del	Hillis	Thompson
Cochran	Kemp	Van Deerlin
Conable	Mahon	Weaver
Dent	Mollohan	

The Clerk announced the following pairs:

Mr. Teague with Mr. Buchanan.
Mr. Thompson with Mr. Carter.
Mr. Dent with Mr. Mollohan.
Mr. Eckhardt with Mr. Kemp.
Mr. Diggs with Mr. Burgener.
Mr. Pepper with Mr. Mahon.
Mr. Weaver with Mr. Del Clawson.
Mr. Van Deerlin with Mr. Ford of Michigan.
Mr. Applegate with Mr. Hillis.
Ms. Chisholm with Mr. Conable.
Mr. Roe with Mr. Cochran of Mississippi.
Mr. Price with Mr. Hansen.

Mr. MICHEL changed his vote from "yea" to "nay."

Messrs. RISENHOOVER and ABDNOR changed their votes from "nay" to "yea."

So (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ATLANTIC TUNA CONVENTION ACT OF 1975 AUTHORIZATION

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill (H.R. 6205).

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 6205.

RECORDED VOTE

Mr. RUSSO. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 407, noes 2, not voting 23, as follows:

[Roll No. 217]

AYES—407

Abdnor	Burleson, Tex.	Evans, Colo.
Addabbo	Burlison, Mo.	Evans, Del.
Akaka	Burton, John	Evans, Ga.
Alexander	Burton, Phillip	Evans, Ind.
Allen	Butler	Fary
Ambro	Byron	Fascell
Ammerman	Caputo	Fenwick
Anderson, Calif.	Carney	Findley
	Carr	Fish
Anderson, Ill.	Cavanaugh	Fisher
Andrews, N.C.	Cederberg	Fithian
Andrews, N. Dak.	Chappell	Flippo
	Chisholm	Flood
Annunzio	Clausen, Don H.	Florio
Applegate		Flowers
Archer	Clay	Flynt
Armstrong	Cleveland	Foley
Ashbrook	Cohen	Ford, Tenn.
Ashley	Coleman	Fountain
Aspin	Collins, Ill.	Fowler
AuCoin	Collins, Tex.	Fraser
Badham	Conte	Frenzel
Badillo	Conyers	Frey
Bafalis	Corcoran	Fuqua
Baldus	Cornell	Gammage
Barnard	Cornwell	Gaydos
Baucus	Cotter	Gephardt
Bauman	Coughlin	Giaimo
Beard, R.I.	Crane	Gibbons
Beard, Tenn.	D'Amours	Gilman
Bedell	Daniel, Dan	Ginn
Beilenson	Daniel, R. W.	Glickman
Bennett	Danielson	Goldwater
Bevill	Davis	Gonzalez
Biaggi	de la Garza	Goodling
Bingham	Delaney	Gore
Blanchard	Dellums	Gradison
Blouin	Derrick	Grassley
Boggs	Derwinski	Gudger
Boland	Devine	Guyer
Bolling	Dickinson	Hagedorn
Bonior	Dicks	Hall
Bonker	Dingell	Hamilton
Bowen	Dodd	Hammer-schmidt
Brademas	Dornan	
Breaux	Downey	Hanley
Breckinridge	Drinan	Hannaford
Brinkley	Duncan, Oreg.	Harkin
Brodhead	Duncan, Tenn.	Harrington
Brooks	Early	Harris
Broomfield	Edgar	Harsha
Brown, Calif.	Edwards, Ala.	Hawkins
Brown, Mich.	Edwards, Calif.	Heckler
Brown, Ohio	Edwards, Okla.	Hefner
Broyhill	Eilberg	Heftel
Buchanan	Emery	Hightower
Burke, Calif.	English	Holland
Burke, Fla.	Erlenborn	Hollenbeck
Burke, Mass.	Ertel	Holt
Holtzman	Mitchell, Md.	Sebelius
Horton	Mitchell, N.Y.	Seiberling
Howard	Moakley	Sharp
Hubbard	Moffett	Shipley
Huckaby	Mollohan	Shuster
Hughes	Montgomery	Sikes
Hyde	Moore	Simon
Ichord	Moorhead, Calif.	Sisk
Ireland		Skelton
Jacobs	Moorhead, Pa.	Skubitz
Jeffords	Moss	Slack
Jenkins	Mottl	Smith, Iowa
Jenrette	Murphy, Ill.	Smith, Nebr.
Johnson, Calif.	Murphy, N.Y.	Snyder
Johnson, Colo.	Murphy, Pa.	Solarz
Jones, N.C.	Murtha	Spellman
Jones, Okla.	Myers, Gary	Spence
Jones, Tenn.	Myers, Michael	St Germain
Jordan	Myers, Ind.	Staggers
Kasten	Natcher	Stangeland
Kastenmeier	Neal	Stanton
Kazen	Nedzi	Stark
Kelly	Nichols	Steed
Ketchum	Nix	Steers
Keys	Nolan	Steiger
Kildee	Nowak	Stockman
Kindness	O'Brien	Stokes
Koch	Oakar	Stratton
Kostmayer	Oberstar	Studds
Krebs	Ottinger	Stump
LaFalce	Panetta	Symms
Lagomarsino	Patten	Taylor
Latta	Patterson	Thompson
Le Fante	Pattison	Thone
Leach	Pease	Thornton
Lederer	Perkins	Traxler
Leggett	Pettis	Treen
Lehman	Pickle	Trible
Lent	Pike	Tsongas
Levitas	Poage	Tucker
Lloyd, Calif.	Pressler	Udall
Lloyd, Tenn.	Preyer	Ullman
Long, La.	Pritchard	Vander Jagt
Long, Md.	Pursell	Vanik
Lott	Quayle	Vento
Lujan	Quie	Volkmer
Luken	Quillen	Waggonner
Lundine	Rahall	Walgren
McClory	Railsback	Walker
McCloskey	Rangel	Walsh
McCormack	Regula	Wampler
McDade	Reuss	Watkins
McEwen	Rhodes	Waxman
McFall	Richmond	Weiss
McHugh	Rinaldo	Whalen
McKay	Risenhoover	White
McKinney	Roberts	Whitehurst
Madigan	Robinson	Whitley
Maguire	Rodino	Whitten
Mann	Rogers	Wiggins
Markey	Roncalio	Wilson, Bob
Marks	Rooney	Wilson, C. H.
Marlenee	Rose	Wilson, Tex.
Marriott	Rosenthal	Winn
Martin	Rostenkowski	Wirth
Mathis	Rousselot	Wolff
Mattox	Roybal	Wright
Mazzoli	Rudd	Wydler
Meeds	Runnels	Wylie
Metcalfe	Ruppe	Yates
Meyner	Russo	Yatron
Michel	Ryan	Young, Alaska
Mikulski	Santini	Young, Fla.
Mikva	Sarasin	Young, Mo.
Milford	Satterfield	Young, Tex.
Miller, Calif.	Sawyer	Zablocki
Miller, Ohio	Scheuer	Zeferetti
Mineta	Schroeder	
Minish	Schulze	

NOES—2

Benjamin	McDonald

NOT VOTING—23

Burgener	Eckhardt	Obey
Carter	Ford, Mich.	Pepper
Clawson, Del	Forsythe	Price
Cochran	Hansen	Roe
Conable	Hillis	Teague
Corman	Kemp	Van Deerlin
Dent	Krueger	Weaver
Diggs	Mahon	

The Clerk announced the following pairs:

Mr. Teague with Mr. Hansen.
Mr. Dent with Mr. Burgener.
Mr. Weaver with Mr. Corman.
Mr. Van Deerlin with Mr. Hillis.
Mr. Price with Mr. Carter.
Mr. Pepper with Mr. Kemp.
Mr. Obey with Mr. Cochran of Mississippi.
Mr. Ford of Michigan with Mr. Del Clawson.

Mr. Diggs with Mr. Krueger.
Mr. Eckhardt with Mr. Conable.
Mr. Roe with Mr. Mahon.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

COMMERCIAL FISHERIES RESEARCH AND DEVELOPMENT ACT AUTHORIZATION

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 6206, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 6206, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 402, nays 9, not voting 21, as follows:

[Roll No. 218]

YEAS—402

Abdnor	Butler	Flippo
Addabbo	Byron	Flood
Akaka	Caputo	Florio
Alexander	Carney	Flowers
Allen	Carr	Flynt
Ambro	Cavanaugh	Foley
Ammerman	Cederberg	Ford, Tenn.
Anderson, Calif.	Chappell	Fountain
	Chisholm	Fowler
Anderson, Ill.	Clausen, Don H.	Fraser
Andrews, N.C.		Frenzel
Andrews, N. Dak.	Clay	Frey
	Cleveland	Fuqua
Annunzio	Cohen	Gammage
Applegate	Coleman	Gaydos
Armstrong	Collins, Ill.	Gephardt
Ashbrook	Conte	Giaimo
Ashley	Conyers	Gibbons
Aspin	Corcoran	Gilman
AuCoin	Corman	Ginn
Badham	Cornell	Glickman
Badillo	Cornwell	Goldwater
Bafalis	Cotter	Gonzalez
Baldus	Coughlin	Gore
Barnard	D'Amours	Gradison
Baucus	Daniel, Dan	Grassley
Bauman	Daniel, R. W.	Gudger
Beard, R.I.	Danielson	Guyer
Beard, Tenn.	Davis	Hagedorn
Bedell	de la Garza	Hall
Beilenson	Delaney	Hamilton
Benjamin	Dellums	Hammer-schmidt
Bennett	Derrick	
Bevill	Derwinski	Hanley
Biaggi	Devine	Hannaford
Bingham	Dickinson	Harkin
Blanchard	Dicks	Harrington
Blouin	Dingell	Harris
Boggs	Dodd	Harsha
Boland	Dornan	Hawkins
Boiling	Downey	Heckler
Bonior	Drinan	Hefner
Bonker	Duncan, Oreg.	Heftel
Bowen	Duncan, Tenn.	Hightower
Brademas	Early	Holland
Breaux	Edgar	Hollenbeck
Breckinridge	Edwards, Ala.	Holt
Brinkley	Edwards, Calif.	Holtzman
Brodhead	Eilberg	Horton
Brooks	Emery	Howard
Broomfield	English	Hubbard
Brown, Calif.	Erlenborn	Huckaby
Brown, Mich.	Ertel	Hughes
Brown, Ohio	Evans, Colo.	Hyde
Broyhill	Evans, Del.	Ichord
Buchanan	Evans, Ga.	Ireland
Burke, Calif.	Evans, Ind.	Jacobs
Burke, Fla.	Fary	Jeffords
Burke, Mass.	Fascell	Jenkins
Burleson, Tex.	Findley	Jenrette
Burlison, Mo.	Fish	Johnson, Calif.
Burton, John	Fisher	Johnson, Colo.
Burton, Phillip	Fithian	Jones, N.C.
Jones, Okla.	Moss	Shuster
Jones, Tenn.	Mottl	Sikes
Jordan	Murphy, Ill.	Simon
Kasten	Murphy, N.Y.	Sisk
Kazen	Murphy, Pa.	Skelton
Kelly	Murtha	Skubitz
Ketchum	Myers, Michael	Slack
Keys	Myers, Ind.	Smith, Iowa
Kildee	Natcher	Smith, Nebr.
Kindness	Neal	Snyder
Koch	Nedzi	Solarz
Kostmayer	Nichols	Spellman
Krebs	Nix	Spence
Krueger	Nolan	St Germain
LaFalce	Nowak	Staggers
Lagomarsino	O'Brien	Stangeland
Latta	Oakar	Stanton
Le Fante	Oberstar	Stark
Leach	Obey	Steed
Lederer	Ottinger	Steers
Leggett	Panetta	Steiger
Lehman	Patten	Stockman
Lent	Patterson	Stokes
Levitas	Pattison	Stratton
Lloyd, Calif.	Pease	Studds
Lloyd, Tenn.	Pepper	Stump
Long, La.	Perkins	Symms
Long, Md.	Pettis	Taylor
Lott	Pickle	Thompson
Lujan	Pike	Thone
Luken	Poage	Thornton
Lundine	Pressler	Traxler
McClory	Preyer	Treen
McCloskey	Pritchard	Trible
McCormack	Quayle	Tsongas
McDade	Quie	Tucker
McEwen	Quillen	Udall
McFall	Rahall	Ullman
McHugh	Railsback	Vander Jagt
McKay	Rangel	Vanik
McKinney	Regula	Vento
Madigan	Reuss	Volkmer
Maguire	Rhodes	Waggonner
Mann	Richmond	Walgren
Markey	Rinaldo	Walsh
Marks	Risenhoover	Wampler
Marlenee	Roberts	Watkins
Marriott	Robinson	Waxman
Martin	Rodino	Weiss
Mathis	Rogers	Whalen
Mattox	Roncalio	White
Mazzoli	Rooney	Whitehurst
Meeds	Rose	Whitley
Metcalfe	Rosenthal	Whitten
Meyner	Rostenkowski	Wiggins
Michel	Rousselot	Wilson, Bob
Mikulski	Roybal	Wilson, C. H.
Mikva	Rudd	Wilson, Tex.
Milford	Runnels	Winn
Miller, Calif.	Ruppe	Wirth
Miller, Ohio	Russo	Wolff
Mineta	Ryan	Wright
Minish	Santini	Wydler
Mitchell, Md.	Sarasin	Wylie
Mitchell, N.Y.	Satterfield	Yates
Moakley	Sawyer	Yatron
Moffett	Scheuer	Young, Alaska
Mollohan	Schroeder	Young, Fla.
Montgomery	Schulze	Young, Mo.
Moore	Sebelius	Young, Tex.
Moorhead, Calif.	Seiberling	Zablocki
	Sharp	Zeferetti
Moorhead, Pa.	Shipley	

NAYS—9

Archer	Edwards, Okla.	McDonald
Collins, Tex.	Goodling	Myers, Gary
Crane	Kastenmeier	Walker

NOT VOTING—21

Burgener	Eckhardt	Mahon
Carter	Fenwick	Price
Clawson, Del	Ford, Mich.	Pursell
Cochran	Forsythe	Roe
Conable	Hansen	Teague
Dent	Hillis	Van Deerlin
Diggs	Kemp	Weaver

The Clerk announced the following pairs:

Mr. Teague with Mr. Burgener.
Mr. Dent with Mr. Kemp.
Mr. Ford of Michigan with Mr. Pursell.
Mr. Weaver with Mrs. Fenwick.
Mr. Van Deerlin with Mr. Hansen.
Mr. Price with Mr. Conable.
Mr. Eckhardt with Mr. Carter.
Mr. Mahon with Mr. Hillis.
Mr. Roe with Mr. Cochran of Mississippi.
Mr. Diggs with Mr. Del Clawson.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1977

Mr. ASHLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6655) to amend certain Federal laws pertaining to community development, housing, and related programs.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. ASHLEY).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6655, with Mr. STUDDS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Friday, May 6, 1977, the Clerk had read through line 5 on page 1.

Are there any amendments to section 1?

If not, the Clerk will read title I.

The Clerk read as follows:

TITLE I—COMMUNITY DEVELOPMENT AMENDMENTS

OBJECTIVES AND PURPOSES OF COMMUNITY DEVELOPMENT ACTIVITIES

SEC. 101. (a) Section 101(c) of the Housing and Community Development Act of 1974 is amended—

(1) by striking out "and" at the end of paragraph (6);

(2) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(3) by adding the following new paragraph after paragraph (7):

"(8) the alleviation of physical and economic distress through the stimulation of private investment and community revitalization in areas with population outmigration or a stagnating or declining tax base."

(b) Section 101(d)(4) of such Act is amended by inserting the following before the period at the end thereof: "by Federal agencies and programs, as well as by communities".

DEFINITIONS

SEC. 102. (a) Section 102(a) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting in paragraph (6) "either" before "(B)" and by inserting before the period at the end thereof the following: "or (C) has a population in excess of one hundred thousand, a population density of five thousand persons per square mile, and contains within its boundaries no incorporated places as defined by the United States Bureau of Census";

(2) by redesignating paragraphs (10), (11), (12), and (13) as paragraphs (12), (13), (14), and (15), respectively.

(3) by inserting the following new paragraphs after paragraph (9):

"(10) The term 'age of housing' means the number of existing housing units constructed in 1939 or earlier, based on data compiled by the United States Bureau of the Census and referable to the same point or period in time.

"(11) The term 'extent of growth lag' means the number of persons who would have been residents in a metropolitan city or urban county, in excess of the current

population of such metropolitan city or urban county, if such metropolitan city or urban county had had a population growth rate between 1960 and the date of the most recent population count referable to the same point or period in time equal to the population growth rate for such period of all metropolitan cities.";

(4) by inserting "and" before "the Trust Territory" in paragraph (1) and by striking out "; and Indian tribes, bands, groups, nations, and nations, including Alaskan Indians, Aleuts, and Eskimos, of the United States" in such paragraph;

(5) by inserting the following new paragraph after paragraph (15) (as redesignated by paragraph (1) of this section):

"(16) the term 'Indian tribe' means any Indian tribe, band, group, and nation, including Alaska Indians, Aleuts, and Eskimos, and any Alaskan Native Village of the United States, which is considered an eligible recipient under the Indian Self-Determination and Education Assistance Act (Public Law 93-638) or under the State and Local Fiscal Assistance Act of 1972 (Public Law 92-512).";" and

(6) by inserting the following before the period at the end of paragraph (5): "which have not entered into cooperation agreements with such town or township to undertake or to assist in the undertaking of essential community development and housing assistance activities".

(b) Section 102 of such Act is amended by adding the following new subsection at the end thereof:

"(d) An urban county designated under subsection (a)(6)(B)(i) of this section shall notify prior to December 1, 1977, and each year thereafter all incorporated units of general local government, the populations of which are included in the population of such urban county for purposes of this section, of their opportunity to exclude their population from such urban county. After December 1, 1977, these units of general local government which have not elected to have their populations so excluded shall have their populations included within the population of such urban county for purposes of this section until they, on their own initiative, elect to exclude their population by notifying the urban county on or before December 1 of any subsequent year.".

AUTHORIZATIONS

SEC. 103. (a) The first sentence of section 103(a)(1) of the Housing and Community Development Act of 1974 is amended by inserting "and Indian tribes" after "units of local government".

(b) Section 103(a)(1) of such Act is amended by striking out everything after the first sentence and inserting the following in lieu thereof: "There are authorized to be appropriated for these purposes not to exceed $3,500,000,000 for the fiscal year 1978, not to exceed $3,650,000,000 for the fiscal year 1979, and not to exceed $3,800,000,000 for the fiscal year 1980. Any amounts authorized for any fiscal year under this section but not appropriated for such year may be appropriated for any succeeding fiscal year.".

(c) Section 103(a)(2) of such Act is amended to read as follows:

"(2) Of the amounts approved in appropriations Acts pursuant to paragraph (1), $50,000,000 for each of the fiscal years 1975 and 1976, $200,000,000 for the fiscal year 1977 (not more than 50 per centum of which amount may be used under section 106(d)(1)), $350,000,000 for the fiscal year 1978 (of which not more than $175,000,000 may be used under such section), $265,000,000 for the fiscal year 1979 (of which not more than $25,000,000 may be used under such section), and $250,000,000 for the fiscal year 1980 (none of which may be used under such section) shall be added to the amount available for allocation under section 106(d) and shall not be subject to the provisions of section 107."

(d) Section 103(b) of such Act is amended—

(1) by striking out "for the fiscal year 1977," and inserting in lieu thereof "for each of the fiscal years 1977, 1978, 1979, and 1980."; and

(2) by striking out "to units of general local government having urgent community development needs which cannot be met" and inserting in lieu thereof "for the financial settlement of projects and programs assisted under the categorical programs terminated in section 116(a), primarily urban renewal projects assisted under the Housing Act of 1949, to units of general local government which require supplemental assistance which cannot be provided".

(e) Section 103 of such Act is amended by redesignating subsections (c) and (d) as subsections (d) and (e), respectively, and by adding the following new subsection after subsection (b):

"(c) In addition to the amounts made available under subsections (a) and (b), and for the purpose of assisting severely distressed cities and urban counties that require supplemental grant assistance under section 119 in order to alleviate excessive physical and economic deterioration through neighborhood reclamation and community revitalization, there is authorized to be appropriated not to exceed $400,000,000 for each of the fiscal years 1978, 1979, and 1980."

APPLICATION REQUIREMENTS

SEC. 104. (a) Section 104(a) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting "and housing" in paragraph (1) after "which identifies community development";

(2) by striking out "and" in paragraph (3)(A); by inserting "and" after the semicolon in paragraph (3)(B); and by inserting the following new subparagraph after paragraph (3)(B):

"(C) improve conditions for low- and moderate-income persons residing in or expected to reside in the community and foster neighborhood development in order to induce higher-income persons to remain in, or return to, the community;"; and

(3) by striking out paragraph (6) and inserting in lieu thereof the following:

"(6) provides satisfactory assurances that, prior to submission of its application, it has (A) prepared and followed a written citizen participation plan, which plan provides the opportunity for citizens to participate in the development of the application, with special attention to measures to encourage the statement of views and the submission of proposals by low- and moderate-income people and residents of blighted neighborhoods, and to scheduling hearings at times and locations which are convenient to all citizens, (B) provided citizens with adequate information concerning the amount of funds available for proposed community development and housing activities, the range of activities that may be undertaken, and other important program requirements, and (C) held public hearings to obtain the views of citizens on community development and housing needs.".

(b) Section 104(b)(3) of such Act is amended—

(1) by striking out subparagraphs (B) and (C) and inserting in lieu thereof "(B) the application does not involve a comprehensive community development program, as determined by the Secretary; and"; and

(2) by redesignating clause (D) as clause (C).

(c) Section 104(d) of such Act is amended by adding the following new sentence at the end thereof: "With respect to grants made pursuant to sections 106(d)(2) and 106(f)(1)(B), the Secretary may adjust, reduce, or withdraw grant funds, or take other action as appropriate in accordance with such reviews and audits, except that funds already expended on eligible activities under this title shall not be recaptured or deducted from future grants made to the recipient.".

(d) Section 104(e) of such Act is amended by adding the following new sentence at the end thereof: "In addition, the Secretary may provide an opportunity for the State, in which a grant is to be made to a unit of local government under section 106(d)(2) or 106(f)(1)(B), to participate in the selection process for funding such grants. Such participation may include, as determined practicable by the Secretary, the incorporation of State growth and resource coordination policies in funding decisions on such grants, or such other arrangements, excluding administration of the grants referred to in the preceding sentence, as the Secretary deems appropriate.".

ELIGIBLE ACTIVITIES

SEC. 105. (a) The parenthetical expression in section 105(a)(4) of the Housing and Community Development Act of 1974 is amended to read as follows: "(including interim assistance, and financing public or private acquisition for rehabilitation, and rehabilitation, of privately owned properties)".

(b) Section 105(a)(8) of such Act is amended by striking out "economic development,"

(c) Section 105(a) of such Act is amended by striking out "and" at the end of paragraph (12), by striking out the period at the end of paragraph (13) and inserting in lieu thereof "; and", and by adding the following new paragraph at the end thereof:

"(14) activities not otherwise authorized under this section which are carried out by public or private nonprofit entities, when such activities are necessary or appropriate to meeting the needs and objectives of the community development plan described in section 104(a)(1), including, but not limited to, (A) acquisition of real property; (B) acquisition, construction, reconstruction, rehabilitation, or installation of (i) public facilities, site improvements, and utilities, and (ii) commercial or industrial buildings or structures and other commercial or industrial real property improvements; (C) planning; and (D) assistance to local development corporations meeting criteria established by the Secretary pursuant to regulations."

ALLOCATION AND DISTRIBUTION OF FUNDS

SEC. 106. (a) Section 106(a) of the Housing and Community Development Act of 1974 is amended by striking out "(2) or (3)" in the second sentence and inserting in lieu thereof "(1) or (2)".

(b) Section 106(b) of such Act is amended by striking out paragraphs (1) through (4) and inserting in lieu thereof the following:

"(b)(1) The Secretary shall determine the amount to be allocated to each metropolitan city which shall be the greater of an amount that bears the same ratio to the allocation for all metropolitan areas as either—

"(A) the average of the ratios between—

"(i) the population of that city and the population of all metropolitan areas;

"(ii) the extent of poverty in that city and the extent of poverty in all metropolitan areas; and

"(iii) the extent of housing overcrowding in that city and the extent of housing overcrowding in all metropolitan areas; or

"(B) the average of the ratios between—

"(i) the extent of growth lag in that city and the extent of growth lag in all metropolitan cities;

"(ii) the extent of poverty in that city and the extent of poverty in all metropolitan areas; and

"(iii) the age of housing in that city and the age of housing in all metropolitan areas.

"(2) The Secretary shall determine the amount to be allocated to each urban county, which shall be the greater of an amount that bears the same ratio to the allocation for all metropolitan areas as either—

"(A the average of the ratios between—

"(i) the population of that urban county and the population of all metropolitan areas;

"(ii the extent of poverty in that urban county and the extent of poverty in all metropolitan areas; and

"(iii) the extent of housing overcrowding in that urban county and the extent of housing overcrowding in all metropolitan areas; or

"(B) the average of the ratios between—

"(i) the extent of growth lag in that urban county and the extent of growth lag in all metropolitan cities and urban counties;

"(ii) the extent of poverty in that urban county and the extent of poverty in all metropolitan areas; and

"(iii) the age of housing in that urban county and the age of housing in all metropolitan areas.

"(3) In determining the average of ratios under paragraphs (1)(A) and (2)(A), the ratio involving the extent of poverty shall be counted twice, and each of the other ratios shall be counted once; and in determining the average of ratios under paragraphs (1)(B) and (2)(B), the ratio involving the extent of growth lag shall be counted once, the ratio involving the extent of poverty shall be counted one and one-half times, and the ratio involving the age of housing shall be counted two and one-half times."

(c) Section 106(b)(5) of such Act is amended—

(1) by striking out "(5)" and inserting in lieu thereof "(4)" and

(2) by striking out "receive" and inserting in lieu thereof "are entitled to".

(d) Section 106(c) of such Act is amended—

(1) by striking out "During the first three years for which funds are approved for distribution to a metropolitan city or urban county under this section" in the first sentence and inserting in lieu thereof "With respect to funds approved for distribution to a metropolitan city or urban county under this section during fiscal years 1975, 1976, and 1977"; and

(2) by inserting "only for such funds approved for distribution in fiscal years 1975, 1976, and 1977" after "adjusted" in the first sentence.

(e) Section 106(d) of such Act is amended to read as follows:

"(d)(1) Any portion of the amount allocated to metropolitan areas under the first sentence of subsection (a) which remains after the allocation of grants to metropolitan cities and urban counties in accordance with subsections (b) and (c) and any amounts added in accordance with the provisions of section 103(a)(2) shall be allocated by the Secretary, first, for grants to metropolitan cities, urban counties, and other units of general local government within metropolitan areas to meet their hold-harmless needs as determined under subsections (g) and (h), and, second, in accordance with the provisions of paragraph (2).

"(2) Any portion of such amount which remains after applying the provisions of paragraph (1) shall be utilized by the Secretary for grants to units of general local government within metropolitan areas (other than metropolitan cities and urban counties), and States for use within metropolitan areas, allocating for the metropolitan areas of each State the greater of an amount that bears the same ratio to the allocation for such areas of all States available under this paragraph as either—

"(A) the average of the ratios between—

"(i) the population of the metropolitan areas in that State and the population of the metropolitan areas of all States;

"(ii) the extent of poverty in the metropolitan areas in that State and the extent of poverty in the metropolitan areas of all States; and

"(iii) the extent of housing overcrowding in the metropolitan areas in that State and the extent of housing overcrowding in the metropolitan areas of all States; or

"(B) the average of the ratios between—

"(i) the age of housing in the metropolitan areas in that State and the age of housing in the metropolitan areas of all States;

"(ii) the extent of poverty in the metropolitan areas in that State and the extent of poverty in the metropolitan areas of all States; and

"(iii) the population of the metropolitan areas in that State and the population of the metropolitan areas of all States.

In determining the average of the ratios under subparagraph (A), the ratio involving the extent of poverty shall be counted twice and each of the other ratios shall be counted once; and in determining the average of the ratios under subparagraph (B), the ratio involving the age of housing shall be counted two and one-half times, the ratio involving the extent of poverty shall be counted one and one-half times, and the ratio involving population shall be counted once. The Secretary shall, in order to compensate for the discrepancy between the total of the amounts to be allocated under this paragraph and the total of the amounts available under such paragraph, make a pro rata reduction of each amount allocated to the metropolitan areas in each State under such paragraphs so that the metropolitan areas in each State will receive an amount which represents the same percentage of the total amount available under such paragraph as the percentage which the metropolitan areas of the same State would have received under such paragraph if the total amount available under that paragraph had equaled the total amount which was allocated under that paragraph. If the Secretary approves a grant to a unit of general local government which has a comprehensive community development program with provision for lower income housing, the Secretary may make commitments to any such unit of general local government for specified grant amounts for up to a period of three years, subject to the availability of appropriations. In determining whether to make such a commitment to a unit of general local government, the Secretary shall consider such factors as the unit's engaging in economic redevelopment activities, past performance of the unit in community development activities, the function of the unit as a regional center of economic development and activity, the potential for having increased employment within such unit as a result of community development activity, the physical and economic deterioration within the unit (taking into consideration such factors as the age of housing stock, the extent of poverty, and population), the capacity of the unit to carry out such programs, and any other factors deemed, by the Secretary, to be relevant to carrying out the purposes of this Act. The Secretary shall distribute funds under this paragraph in such a manner as to insure that a reasonable proportion of grants is available to applicants which are not seeking funding for comprehensive community development programs. In computing amounts under this paragraph, there shall be excluded metropolitan cities, urban counties, Indian tribes, and units of general local government which are entitled to hold-harmless grants pursuant to subsection (h).".

(f) Section 106(c) of such Act is amended—

(1) by striking out "during such program period" in the first sentence and inserting in lieu thereof "within a reasonable time"; and

(2) by striking out "during the same period" in the first sentence.

(g) Section 106(f) of such Act is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following:

"(f)(1) Of the amount approved in an appropriation Act under section 103(a) for grants in any year (excluding the amount provided for use in accordance with sections 103(a)(2) and 107), 20 per centum shall be allocated by the Secretary—

"(A) first, for grants to units of general local government outside of metropolitan areas to meet their hold-harmless needs as determined under subsection (h); and

"(B) second, any portion of such amount which remains after applying the provisions of subparagraph (A) shall be utilized by the Secretary for grants to units of general local government outside of metropolitan areas and States for use outside the metropolitan areas, allocating for the nonmetropolitan areas of each State the greater of an amount that bears the same ratio to the allocation for such areas of all States available under this subparagraph as either—

"(i) the average of the ratios between—

"(I) the population of the nonmetropolitan areas in that State and the population of the nonmetropolitan areas of all States;

"(II) the extent of poverty in the nonmetropolitan areas in that State and the extent of poverty in the nonmetropolitan areas of all States; and

"(III) the extent of housing overcrowding in the nonmetropolitan areas in that State and the extent of housing overcrowding in the nonmetropolitan areas of all States; or

"(ii) the average of the ratios between—

"(I) the age of housing in the nonmetropolitan areas in that State and the age of housing in the nonmetropolitan areas of all States;

"(II) the extent of poverty in the nonmetropolitan areas in that State and the extent of poverty in the nonmetropolitan areas of all States; and

"(III) the population of the nonmetropolitan areas in that State and the population of the nonmetropolitan areas of all States

In determining the average of the ratios under clause (i) of subparagraph (B) the ratio involving the extent of poverty shall be counted twice and each of the other ratios shall be counted once; and in determining the average of the ratios under clause (ii) of subparagraph (A), the ratio involving the age of housing shall be counted two and one-half times, the ratio involving the extent of poverty shall be counted one and one-half times, and the ratio involving population shall be counted once. The Secretary shall, in order to compensate for the discrepancy between the total of the amounts to be allocated under subparagraph (B) and the total of the amounts available under such subparagraph, make a pro rata reduction of each amount allocated to the nonmetropolitan areas in each State under such subparagraph so that the nonmetropolitan areas in each State will receive an amount which represents the same percentage of the total amount available under such subparagraph as the percentage which the nonmetropolitan areas of the same State would have received under such subparagraph if the total amount available under such subparagraph had equaled the total amount which was allocated under such subparagraph. If the Secretary approves a grant to a unit of general local government which has a comprehensive community development program with provision for lower-income housing, the Secretary may make commitments to any

such unit of general local government for specified grant amounts for up to a period of three years, subject to the availability of appropriations. In determining whether to make such a commitment to a unit of general local government, the Secretary shall consider such factors as the unit's engaging in economic redevelopment activities, past performance of the unit in community development activities, the function of the unit as a regional center of economic development and activity, the potential for having increased employment within such unit as a result of community development activity, the physical and economic deterioration within the unit (taking into consideration such factors as the age of housing stock, the extent of poverty, and population), the capacity of the unit to carry out such programs, and any other factors deemed, by the Secretary, to be relevant to carrying out the purposes of this Act. The Secretary shall distribute funds under this subparagraph in such a manner as to insure that a reasonable proportion of grants is available to applicants which are not seeking funding for comprehensive community development programs. In computing amounts under subparagraph (B), there shall be excluded units of general local government which are entitled to hold-harmless grants pursuant to subsection (h) and Indian tribes.";

(2) by striking out "during such period" in paragraph (2) and inserting in lieu thereof "within a reasonable time"; and

(3) by striking out "during the same period" in paragraph (2).

(h) Section 106(g)(2) of such Act is amended—

(1) by striking out "(b) (2) or (3)" in the second sentence and inserting in lieu thereof "(b)(1) (A) or (B), or (2) (A) or (B)"; and

(2) by inserting ", as computed under subsection (b)(1) (A) or (B), or (2) (A) or (B)," before "shall" in clauses (i) and (ii).

(i) Section 106(i) of such Act is amended—

(1) by striking out "population, poverty, and housing overcrowding";

(2) by striking out "receive" and inserting in lieu thereof "are entitled to"; and

(3) by striking out "(b)(5)" and inserting in lieu thereof "(b)(4)".

(j) Section 106(j) of such Act is amended—

(1) by striking out "not later than thirty days prior to the beginning of any program period" in the first sentence and inserting in lieu thereof "by such date as the Secretary shall determine";

(2) by inserting "for a hold-harmless grant for a single year" after "eligibility" in the first sentence; and

(3) by striking out "(b)(5)" in the second sentence and inserting in lieu thereof "(b)(4)".

(k) Section 106(l) of such Act is amended to read as follows:

"(l) Not later than March 31, 1979, the Secretary shall report to the Congress with respect to the adequacy, effectiveness, and equity of the formula used for allocation of funds under this Act, with specific analysis and recommendation as to the feasibility of utilizing impaction as a measurement consideration, and the feasibility of utilizing a single formula based on the current factors or others, including regional or area differences in income and cost of living. As used in this subsection, the term 'impaction' means the intensity, measured in terms of absolute numbers and proportions of each needs factor.".

(l) Section 106 of such Act is amended by adding the following new subsection at the end thereof:

"(m) In the event that the total amount available for distribution under this section in fiscal year 1978 or fiscal year 1979 is insufficient to meet all basic grant and hold-harmless entitlement needs as provided pursuant to this section, and funds are not otherwise appropriated to meet such deficiency, the Secretary shall meet the deficiency through a pro rata reduction of (1) all basic grant and hold-harmless entitlement amounts and (2) funds available under section 106(d)(2) (including amounts provided for use under section 103(a)(2)) and section 106(f)(1)(B).".

DISCRETIONARY FUND

SEC. 107. Section 107 of the Housing and Community Development Act of 1974 is amended—

(1) by striking out "and 1977," in subsection (a) and inserting in lieu thereof, "1977, 1978, 1979, and 1980,";

(2) by striking out "2 per centum" in subsection (a) and inserting in lieu thereof "3 per centum";

(3) by striking out "and units of local government" in subsection (a)(5) and inserting in lieu thereof ", units of local government, and Indian tribes";

(4) by striking out "and" in subsection (a)(5), by striking out the period at the end of subsection (a)(6) and inserting in lieu thereof a semicolon, and by adding the following after subsection (a)(6):

"(7) to Indian tribes; and

"(8) to States, units of local government, Indian tribes, or areawide planning organizations for the purpose of providing technical assistance in planning, developing, and administering assistance under this title. The Secretary may also provide such technical assistance under this paragraph directly or through contracts.";

(5) by striking out "one-fourth" in subsection (b) and inserting in lieu thereof "15 per centum"; and

(6) by adding the following new subsection at the end thereof:

"(d) No grant may be made to an Indian tribe unless the applicant provides satisfactory assurances that its program will be conducted and administered in conformity with title II of Public Law 90-284. The Secretary may waive, in connection with such grants, the provisions of section 109 and section 110."

GUARANTEE OF LOANS FOR ACQUISITION OF PROPERTY

SEC. 108. Section 108 of the Housing and Community Development Act of 1974 is amended—

(1) by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a) The Secretary is authorized, upon such terms and conditions as the Secretary may prescribe, to guarantee and make commitments to guarantee the notes or other obligations issued by units of general local government, or by public agencies designated by such units of general local government, for the purposes of financing acquisition of real property (including such related expenses as the Secretary may permit by regulation). Obligations guaranteed pursuant to this section shall be in such form and denominations, have such maturities, and be subject to such conditions as may be prescribed by regulations issued by the Secretary.

"(b) No guarantee or commitment to guarantee shall be made with respect to any unit of general local government or public agency designated by any such unit of general local government which would increase the recipient's total outstanding obligations guaranteed under this section in excess of an amount equal to three times the amount of the grant approved for the recipient pursuant to section 106(b) for the same program period.

"(c) Notwithstanding any other provision of this title, grants allocated to the recipient pursuant to this title (including program income derived therefrom) are authorized for use in the payment of principal and interest due (including such servicing, underwriting, or other costs as may be specified in regulations of the Secretary) on the guaranteed obligations issued pursuant to this section.

"(d) To assure the repayment of obligations and charges incurred under this section and as a condition for receiving such guarantees, the Secretary shall require any recipient to pledge—

"(1) any grants approved or for which the recipient may become eligible under this title; and

"(2) at the discretion of the Secretary, such other security as may be deemed appropriate by the Secretary in making such guarantees, including increments in local tax receipts generated by the activities assisted under this title.

"(e) The Secretary is authorized, notwithstanding any other provision of this title, to apply grants pledged pursuant to paragraph (d)(1) to any repayments due to the United States as a result of such guarantees."; and

(2) by redesignating subsections (c), (d), (e), (f), and (g) as subsections (f), (g), (h), (i), and (j), respectively.

REPORTING REQUIREMENTS

SEC. 109. Section 113(a) of the Housing and Community Development Act of 1974 is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof: "; and"; and

(3) by adding the following new paragraph after paragraph (2):

"(3) with respect to the action grants authorized under section 119, a listing of each unit of general local government receiving funds and the amount of such grants, as well as a brief summary of the projects funded for each such unit, the extent of financial participation by other public or private entities, and the impact on employment and economic activity of such projects during the previous fiscal year.".

URBAN DEVELOPMENT ACTION GRANTS

SEC. 110. (a) Section 104(a) of the Housing and Community Development Act of 1974 is amended by inserting "or section 119" after "106".

(b) Title I of the Housing and Community Development Act of 1974 is amended by adding the following new section at the end thereof:

"URBAN DEVELOPMENT ACTION GRANTS

"SEC. 119. (a) In order to promote the primary objective of this title of the development of viable urban communities, of the total amount of authority approved in appropriation Acts under section 103(c), the Secretary is authorized to make urban development action grants to severely distressed cities and urban counties to help alleviate physical and economic deterioration through reclamation of neighborhoods having excessive housing abandonment or deterioration, and through community revitalization in areas with population outmigration or a stagnating or declining tax base. Grants made under this section shall be for the support of severely distressed cities and urban counties that require increased public and private assistance in addition to the assistance otherwise made available under this title and other forms of Federal assistance.

"(b) Urban development action grants shall be made only to cities and urban counties that have, in the determination of the Secretary, demonstrated results in providing housing for persons of low and moderate income and in providing equal opportunity in housing and employment for low- and moderate-income persons and members of minority groups. The Secretary shall issue regulations establishing criteria in accordance with the preceding sentence and setting forth

minimum standards for determining the level of physical and economic distress of cities and urban counties for eligibility for such grants, which standards shall take into account factors such as the age and condition of housing stock, including residential abandonment; average income; population outmigration; and stagnating or declining tax base.

"(c) Applications for assistance under this section shall—

"(1) include documentation of eligibility for grants in accordance with the standards described in subsection (b);

"(2) describe a concentrated Urban Development Action Program setting forth a comprehensive action plan and strategy to alleviate physical and economic distress through systematic change, which program shall be consistent with the Community Development Program described in section 104(a)(2) and the housing assistance plan described in section 104(a)(4), and, where it exists and is in effect, the Overall Economic Development Plan as provided for in section 202(b)(10) of the Public Works and Economic Development Act of 1965, but only in the event and after such time as such plans are required by law or administrative action to be consistent with Community Development Programs. Such program shall be developed as to take advantage of unique opportunities to attract private investment, stimulate investment in restoration of deteriorated or abandoned housing stock, or solve critical problems resulting from population outmigration or a stagnating or declining tax base;

"(3) include the activities to be undertaken in the Urban Development Action Program, together with the estimated costs and general locations of such activities; and

"(4) indicate public and private resources which are expected to be made available toward achieving the action plan and strategy described in paragraph (2).

"(d) To the extent that the application requirements of section 104(a)(4) have been satisfied in connection with a grant made pursuant to section 106, such requirements shall be determined to have been met for purposes of this section.

"(e) In establishing criteria for the purpose of making grants under this section the Secretary shall establish selection criteria which must include, but are not limited to, demonstrated performance of the city or urban county in housing and community development programs; impact of the proposed Urban Development Action Program on the special problems of low- and moderate-income persons and minorities; extent of financial participation by other public or by private entities; extent of assistance to be made available by the State; impact on the physical, fiscal, or economic deterioration of the city or urban county; extent to which the program describes activities representing a special or unique opportunity to meet local priority needs or the objectives of this title; feasibility of accomplishing the program in a timely fashion within the grant amount available; and comparative degree of physical and economic distress among applicants.

"(f) In addition to activities authorized under section 105(a), an Urban Development Action Program may also include such additional community development and neighborhood development and conservation activities as the Secretary may determine to be consistent with the purposes of this section.

"(g) No assistance shall be provided for business loans or industrial development under this section unless the Secretary shall first consult with and coordinate such assistance with other Federal agencies which make available funds for similar activities.

"(h) The Secretary shall, at least on an annual basis, make reviews and audits of recipients of grants pursuant to this section as necessary to determine the progress made in carrying out activities substantially in accordance with approved plans and timetables The Secretary may adjust, reduce, or withdraw grant funds, or take other action as appropriate in accordance with the findings of such review and audits, except that funds already expended on eligible activities under this title shall not be recaptured or deducted from future grants made to the recipient

"(i) No assistance may be provided under this section for projects intended to facilitate the relocation of industrial or commercial plants or facilities from one area to another unless the Secretary finds that such relocation does not significantly and adversely affect the unemployment or economic base of the area from which such industrial or commercial plant or facility is to be relocated."

REHABILITATION LOANS

SEC. 111. (a) Section 312(d) of the Housing Act of 1964 is amended by striking out "and not to exceed $100,000,000 for the fiscal year beginning on October 1, 1976" and inserting in lieu thereof "not to exceed $100,000,000 for the fiscal year beginning on October 1, 1976, and not to exceed $60,000,000 for the fiscal year beginning on October 1, 1977".

(b) Section 312(h) of such Act is amended by striking out "1977" each place it appears and inserting in lieu thereof "1979".

COMPREHENSIVE PLANNING

SEC. 112. (a) The second sentence of section 701(e) of the Housing Act of 1954 is amended by striking out "and not to exceed $100,000,000 for fiscal year 1977" and inserting in lieu thereof "not to exceed $100,000,000 for fiscal year 1977, and not to exceed $80,000,000 for fiscal year 1978".

(b) Section 701(e) of such Act is amended by adding the following new sentence at the end thereof: "Not less than 20 per centum of the funds appropriated for fiscal year 1978 and for succeeding fiscal years shall be made available by the Secretary for planning grants to the recipients identified in paragraphs (3) and (4) of subsection (a).".

EFFECTIVE DATE

SEC. 113. The amendments made by this title shall become effective October 1, 1977.

Mr. ASHLEY (during the reading). Mr. Chairman, I ask unanimous consent that title I may be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AMENDMENT OFFERED BY MR. HANNAFORD

Mr. HANNAFORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HANNAFORD: Page 3, strike out line 9 and all that follows through line 24 and redesignate the subsequent paragraphs accordingly.

Page 11, strike out line 9 and all that follows through line 20 on page 13 and insert in lieu thereof:

SEC. 106. (a) Section 106(c) of such Act is amended—

Page 14, strike out line 6 and all that follows through line 21 on page 17.

Page 17, line 22, strike out "(f)" and "(c)", and insert in lieu thereof "(b)" and "(e)", respectively.

Page 18, line 3, strike out "(g)" and insert in lieu thereof "(c)".

Page 18, strike out line 4 and all that follows through line 20 on page 21.

Page 21, line 21, strike out "(2)" and insert in lieu thereof "(1)".

Page 21, line 24, strike out "(3)" and insert in lieu thereof "(2)".

Page 22, strike out line 1 and all that follows through line 14.

Page 22, line 15, strike out "(j)" and insert in lieu thereof "(d)"

Page 22, line 21, strike out ", and" and insert in lieu thereof a period.

Page 22, strike out lines 22 and 23.

Page 22, line 24, strike out "(k)" and insert in lieu thereof "(e)".

Mr. HANNAFORD (during the reading). Mr. Chairman, I ask unanimous consent that the amendment may be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. BROWN of Michigan. Mr. Chairman, reserving the right to object, I would just like to suggest from this side of the aisle that if those Members who offer amendments expect us not to object to a request to dispense with a reading of the amendment, they should provide us with a copy of the amendment before the amendment is offered. However, I will not object at this time.

Mr. HANNAFORD. Mr. Chairman, if the gentleman will yield, there are about 15 copies at the desk, and I have other copies available. The staff can provide those copies. I thought the copies would be distributed from the desk.

Mr. BROWN of Michigan. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HANNAFORD. Mr. Chairman, my amendment simply deletes all reference in H.R. 6655 to the new formula for entitlement for community development funds, in which case over $1 billion of added funding for that purpose would be added to present funding and distributed in accordance with the existing formula.

I take on the task of presenting this amendment with reluctance and with some humility because, obviously, the new formula has a measure of merit and because I have the greatest respect for the ability of the distinguished chairman of the subcommittee, Mr. ASHLEY, from Ohio, and for the members of the committee who labored long on this bill. I admit, also, that I have a personal bias against the concept embodied in the new formula, for it presents a conflict between relatively new cities and relatively old cities, and I was recently a mayor of a new city, and most of the cities in my district and my State fall into that category.

But the issue has to be raised and the bill explained from this perspective.

The fact is there are really three programs in title I of this bill: First, a 3-year extension of the present community development block grant program at approximately present levels of funding; second, $1 billion add on in block grants to cities, to be distributed primarily based on the number of pre-1939 housing units in each city; and third, a $400,000,000 annual new categorical grant

program called the action grant program.

The old formula certainly was not perfect. There is no perfect formula, and therein lies the major weakness of the block grant system. Need, after all, is a subjective judgment. And if you try to establish need by an arbitrary formula, you will get distortions. But the old formula was somewhat biased in favor of older cities, contrary to the editorial in support of this bill in this morning's Washington Post. I accept that older cities probably have somewhat greater need, and I am willing to accept this slight inequity that exists in the old formula.

There may be a greater disparity in need due to age of housing than the present formula permits. I accept that. But the $400,000,000 in new money for the new categorical grant program, the urban development action grant program, accommodates just such a disparity in need on a case-by-case basis. I accept that.

The new formula stripped of the window dressing of the other two elements of this title, cannot stand by itself. It really creates a wholly new program, funded by a billion dollars in new money to be passed out using a formula that determines need based primarily on the number of pre-1939 housing units. And why pre-1939 housing as a measure? Simply because that is a figure that chances to be in census information and for some reason had a correlation with where HUD, in its subjective judgment, thought the greatest need existed. All of this new money, save a small allowance for inflation, goes into a new program that gives nothing whatever to the vast majority of the cities in this country.

This new program may be worthy. It may be that we should take a billion dollars from the taxpayers of the West and South and the growth cities elsewhere and give it to older cities, primarily in the Midwest and Northeast. If so, the program should stand on its own in a separate bill and not be shrouded in the other two programs.

There are great distortions in this new formula. For example, the community development entitlement for Los Angeles in 1977 was $17 per capita, and for Detroit it was $20 per capita, an acceptable inequity. Next year under the new formula, Los Angeles will improve slightly to just under $19 per capita, while the per capita allowance for Detroit jumps to $42.49, well over 2 to 1. This is an absolutely unacceptable inequity.

An almost equal dislocation occurs even within the State of California. Beautiful old San Francisco, as fair a city as adorns the face of the Earth, with its BART line and other public transit in place and its gleaming central city development the pride of the Nation, receives $38 per capita under the new formula, while Los Angeles—a city of greater need—receives half that amount, and San Francisco receives $14.51.

This new billion dollar program looks at old buildings, regardless of their state of repair, as a measure of need; and it mindlessly and arbitrarily passes out money on that basis. It almost disregards poverty as a measure of need, counting it at only 30 percent. In my own district, the proud little city of Artesia has a per capita income of $2,600 and receives a per capita entitlement of $16 through the county contract, while Washington, D.C., with a per capita income of $7,800 will receive almost $44 per capita next year. This legislation is that far out of joint.

The new formula is heavily biased against the West. It is heavily biased against the suburbs. If one represents a district largely comprised of suburbs in the West, he is going to have a hard time explaining this legislation to his constituents.

I can support the principle upon which the original community development legislation was based, that the Nation at large should support the revitalization of the cities of the Nation rather uniformly. The countryside and the suburbs draw important cultural, educational, and commercial benefits from the cities that serve them. But I cannot accept that the suburbs in my district in Los Angeles and Orange Counties, California, some of them with many low-income people, should be taxed to support the revitalization of Detroit or Newark.

For these reasons, the new formula is certainly more objectionable than the old. My amendment reverts to the old formula for the entitlement of all funds. If my admendment passes, I would invite the Secretary and the committee to continue to explore for a more equitable formula for distribution of all the funds. If they cannot come up with anything better than the new formula offered in this bill, it seems to me an admission of a failure of the concept of the block grant. We should then consider reverting all community development funding to the former categorical programs. Need is a subjective judgment and can only be judged case by case. Any arbitrary formula flies in the face of this fact.

Until such time, however, I contend that the old formula is more acceptable, and I urge my colleagues to adopt my amendment.

The CHAIRMAN. The time of the gentleman from California (Mr. HANNAFORD) has expired.

(On request of Mr. BROWN of Michigan and by unanimous consent, Mr. HANNAFORD was allowed to proceed for 1 additional minute.)

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HANNAFORD. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, I thank the gentleman for yielding as I wish to address a question to him. Just to make sure that the printed amendment conforms to the gentleman's intent, as I understand his intent, he proposes to eliminate the new formula, both with respect to entitlement communities as well as with respect to discretionary balances; is that correct?

Mr. HANNAFORD. That is correct.

Mr. BROWN of Michigan. Mr. Chairman, I thank the gentleman.

Mr. ASHLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is perhaps the most important amendment that we will be considering this afternoon or during the entire consideration of the bill before us.

I think that in some ways I can understand the sentiments of the author of the amendment. He was, as usual, very candid and open with respect to why the amendment is being offered.

I fear, however, that he overstates the proposition.

Let me go back to 1974 when the community development and housing bill of that year was adopted. We said at that time that it would be necessary—and we provided in the law that the Secretary would be obliged—to review the operations of the community development program, particularly with respect to the formula by which funds are allocated to various communities.

We said that this review and assessment would have to be completed by March 31, 1977, and so it was. It was not just the Department of Housing and Urban Development that undertook the assessment, it was the Brookings Institution and there were other resource groups from the Southwest, the West, and from various parts of the country, that were called upon to participate in this analysis.

The overwhelming consensus was to the effect that the formula did not properly measure the physical dimensions of development need; that the relationship between poverty and the extent of housing overcrowding was very close and that in the original formula where we count population, poverty, counted twice, the extent of housing overcrowding, in effect was a triple weighting of poverty. Those that undertook the review said that in assessing the needs of some of our cities, in the Midwest and Northeast, and in other parts of the country as well, they had come across indications of need, and that, if we were to improve on the product of 1974, we would have to take into account these findings and so a dual formula began to take shape.

When I say dual formula, I would hope that that phrase would be understood. To hear the gentleman from California (Mr. HANNAFORD) talk, one would think that what the committee is suggesting is a brand new formula which we are causing to be superimposed on the cities on the west coast and other parts of the country which the gentleman feels are being unfairly put upon.

Nothing could be further from the fact.

If the original formula is good for Los Angeles or good for Memphis or good for Toledo, then those cities can opt in favor of the original formula. But if there are cities in the country that have the kind of physical development needs that are involved in the age of housing stock and in the age of the infrastructure, then those cities should have the opportunity to avail themselves of the alternative formula.

If city A avails itself of the original formula and city B avails itself of the

alternate formula, how, pray tell, can city A be disadvantaged?

Yet the thrust of the amendment is clear: We live by the original amendment and the original formula and the original formula only.

Very clearly, I would say to my friend the gentleman from California (Mr. HANNAFORD) by his own admission, the original formula apparently suits the communities that he represents. But, Mr. Chairman, some of the rest of us have to be responsive to the needs in other parts of the country. If our cities are plagued by an out migration or other problems, if our cities are plagued by an age of housing stock that does reflect an infrastructure that may go back into the last century, if our cities, in short, have a set of needs that are different than those of the gentleman from California, should our cities be denied?

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(By unanimous consent, Mr. ASHLEY was allowed to proceed for 1 additional minute.)

Mr. ASHLEY. Mr. Chairman, I said at the outset that the disposition of the amendment is of very fundamental importance to the entire bill we are considering today. I hope that the Members will bear in mind that it is not pride of authorship on the part of the gentleman now in the well that is involved here, rather I would suggest to the Members that every major interest group that is concerned with our cities such as the conference of mayors, the League of Cities, the National Association of Counties, and the Governor's conference, one and all, and many more, support the bill as it has been presented to the Members of this House and they strenuously object to the adoption of the amendment that is under consideration.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. FRASER, and by unanimous consent, Mr. ASHLEY was allowed to proceed for 2 additional minutes.)

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Minnesota.

Mr. FRASER. I thank the gentleman for yielding.

I want to say that I support the basic thesis that the gentleman from Ohio has advanced. I have a special problem in my area. The Minneapolis-St. Paul area has a strong regional planning and coordinating agency known as the metropolitan council. The council has done pioneering work in encouraging the dispersal of low-cost housing throughout our metropolitan area. I know that what works for Minnesota may not work for other parts of the country; nevertheless, through the community development program I hope we might give some encouragement to those efforts aimed at developing metropolitan responses to metropolitan problems.

I would like to ask the gentleman from Ohio (Mr. ASHLEY) if we might indicate to Secretary Harris that special consideration be given to those applications for metro area discretionary funds that are in accord with metropolitan development plans.

Mr. ASHLEY. I can say to the gentleman from Minnesota that I have discussed the unique type of planning operation that his Twin Cities area is well known for, and that I would expect a very encouraging response from the Secretary in this regard.

Mr. FRASER. If the gentleman will yield further, so we might encourage the Secretary to give extra points in the HUD rating system for those metro area discretionary proposals that help to further metropolitan goals?

Mr. ASHLEY. I think that is entirely possible, and I would support that.

Mr. FRASER. I want to thank the gentleman, and I very strongly support the gentleman's position on this amendment.

Mr. ASHLEY. I note that the gentleman moderately was in favor before my response; now he is very substantially in favor.

Mr. PATTISON of New York. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from New York.

Mr. PATTISON of New York. Mr. Chairman, I strongly support the excellent statement of the chairman in opposition to this amendment.

Mr. Chairman, I rise in opposition to the amendment offered by my distinguished colleague from California, Mr. PATTERSON. I am convinced that the bill as it was introduced by the Banking Committee represents a well-balanced and rational approach toward hitting at the basic problems which plague our cities and rural areas. It is the purpose of the bill to develop viable urban communities while eliminating blight and deterioration. To amend the legislation by striking the new formula we would greatly affect the intent of this legislation. Under the proposed dual formula arrangement, funds would be targeted to areas of greatest need.

It is time that we face the facts. Our areas of greatest need which would be best served by community development funding are in the older deteriorating cities. This is where economies are lagging. This is where we have conditions marked by crime, poverty, and inadequate service levels. This is where people are fleeing from, leaving behind fiscal ills.

The new formula, it has been argued, is not a true reflection of need and is concerned with physical deterioration rather than human problems. We must realize that physical deterioration is a human problem. Old, rundown buildings affect a community's quality of life, its economic well-being. They inhibit public and private investment in housing, and other physical facilities.

I agree that this proposed formula is not perfect. But we cannot wait until a perfect solution appears. We have to move ahead. We must accept the new formula so that a more adequate representation of distress is used when determining the allocation of our community development funds.

I am particularly pleased that the dual formula situation is also proposed for our smaller communities competing for discretionary balances. The bill recognizes that needs of smaller communities are not different from those with populations over 50,000. The small cities provisions, includes the option of multiyear funding for communities with comprehensive plans. This gives small communities the opportunity to attend to their community development needs in the same manner afforded our larger cities. Over the past few months I have been in contact with local officials in my district who were quite concerned about the phaseout of hold harmless entitlements. These communities have great pride in their accomplishments over the past few years and rightly so. The provisions under H.R. 6655 direct the Secretary of HUD to take into consideration such factors as a community's past performance and capacity to carry out programs, in order to respond to the concerns of hold harmless communities. The small cities provisions will lessen the impact of the phaseout of hold harmless funds.

Mr. Chairman, I can only echo the sentiments of my colleagues. This is a national bill. To amend it as proposed, by the gentleman from California whose name is often confused with mine, would be a grave mistake.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. MOORHEAD of Pennsylvania, and by unanimous consent, Mr. ASHLEY was allowed to proceed for 2 additional minutes.)

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Pennsylvania.

Mr. MOORHEAD of Pennsylvania. I thank the gentleman for yielding.

I would like to ask a question just for clarification purposes. Is it not true that the new formula basically in its present form was proposed by the Ford administration, then reviewed and amended, but just slightly, by the Carter administration, so that it is a bipartisan new formula?

Mr. ASHLEY. The gentleman is absolutely right, and that is a helpful contribution. I appreciate that.

Mr. MOORHEAD of Pennsylvania. If the gentleman will yield further, I also note in the dissenting views of the gentleman from California the per capita grants for the gentleman's city of Toledo are approximately the same as those for Long Beach, Calif., so there is no prejudice on the part of the distinguished chairman of the subcommittee.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Massachusetts.

Mr. BOLAND. I thank the gentleman for yielding.

I want to support the gentleman's position on this amendment. The Subcommittee on Appropriations that I chair has been dealing with this matter, the

Housing and Community Development Act of 1974, since its adoption, and has fully funded, in every instance, the request of the Department on this program, with the result that the community development funds over the past 3 years have totaled some $8.6 billion distributed over 2,000 communities in the United States.

When this legislation was passed in 1974, there was a promise made, of course, to the older cities that those cities would be held harmless with respect to the funding in the next 3 years, and then would be phased down.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. BOLAND, and by unanimous consent, Mr. ASHLEY was allowed to proceed for 3 additional minutes.)

Mr. BOLAND. If the gentleman would yield further. After getting a look at what would happen to the older cities, the areas where the greatest needs are now, and after getting a look at what would happen to those older cities, it was the decision—as the gentleman from Pennsylvania (Mr. MOORHEAD) has indicated—of the Ford administration, and implemented by this administration, to soften the impact upon the older cities of America where we have older housing, where we have a growth lag in population, and where there are a great many other difficult and complex problems. The dual formula approach would soften the impact of the hold-harmless phasedown on those cities.

As the gentleman from Ohio has well stated, there are two formulas here. There is a choice here, and, since there is a choice, it would appear to me we are treating all communities all over the United States in a very fair and very equitable manner.

Again I applaud the gentleman from Ohio for the leadership he has shown, not only in this area, but also in many other areas during his service in the House. I support the position he takes and I rise in opposition to the amendment of the gentleman from California (Mr. HANNAFORD).

Mr. TSONGAS. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Massachusetts.

Mr. TSONGAS. Mr. Chairman, during the discussion of the dual formulas, the impression has been given that many of the older cities are really going to be in for a windfall. They are not going to be in for a windfall. Let me just give one example. I suggest Members think of Massachusetts, and the cities that come to mind as being in trouble and having obvious trouble are the urban core cities of Boston, Lowell, Lawrence, Cambridge, Worcester, Fall River, Haverhill, Malden, New Bedford, and Springfield: These are cities that are in real trouble. The problems of the older cities are national problems. Even under the dual formula each of the cities I just listed is going to lose money.

What this amendment would do, in fact, would be reduce what we are going to get. There is no windfall. If these cities are to survive I would prefer a formula staying with the hold harmless to keep these cities where they are. That is not going to happen. We compromised down to the dual formula. But to go beyond that and go to another system is too much and I oppose that.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, under the dual formula will one set of cities, say the older cities, be at an advantage over the newer cities within the formula?

Mr. ASHLEY. No, because the newer cities will be able to avail themselves of the existing formula which is to say allocation of funds will be based on a three-part formula, the population, the poverty counted twice, and the extent of housing overcrowdedness. In the newer cities the phenomenon of housing overcrowding is not rare.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(By unanimous consent, Mr. ASHLEY was allowed to proceed for 5 additional minutes.)

Mr. ASHLEY. Mr. Chairman, overcrowded housing tends to be a phenomenon that is related to growth areas. Indeed so is poverty. As communities begin to thrive there are attracted to those communities, as we know, people of very low incomes, people in poverty, so that the gentleman's question is a very perceptive one. No, the newer communities are not disadvantaged by the fact that the newer communities may be taking advantage of the newer formula. They are not disadvantaged, not one bit. The newer communities can take the formula which is most beneficial to themselves, just as the older communities may wish to measure their needs not so much in terms of poverty but in terms of age of their housing and the outflow of population. These may be more indicative of the need for those cities.

Mr. KAZEN. Mr. Chairman, if the gentleman will yield for one further question, do I understand any particular city can choose either one or the other formula under which to proceed?

Mr. ASHLEY. The gentleman is absolutely correct in that.

Mr. KAZEN. I thank the gentleman.

Mr. FAUNTROY. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the Delegate from the District of Columbia.

Mr. FAUNTROY. Mr. Chairman, I want to first commend the very distinguished chairman of the subcommittee, Mr. ASHLEY, who has worked so very hard and so very long to bring this bill to the floor for consideration. Every reasonable concern that was expressed by Members has, to the best of my knowledge, been met to the extent that it is possible to do so within the confines of expenditures that we have been allowed by the budget.

Having said all of this, however, I do not mean to suggest that the bill is perfect or that any of us—least of all myself—is completely satisfied. What we have before us is a bill that seeks to accommodate the inherent problems of the dire need to offset the rising operating costs of our 236 and conventional public housing projects, and provide a new mechanism for our communities to seize unique opportunities for the revitalization and stimulation of viable neighborhoods and industrial commercial development. If the committee were able to draw upon greater resources, we could have met more of the needs than we did and we would have been able to meet in a more satisfactory way the concerns that some of my colleagues have expressed. I, personally, would have liked to have seen additional funds made available to our older central cities. I would have liked to have seen additional funds made available in a special category to meet the unique needs of those communities which stand, as does the city I represent, to lose millions of dollars by the phaseout of hold harmless mandates.

Finally, I would have liked to have made available the kinds of resources that could have met more of the unmet needs of our rural communities. Unfortunately, we are required to establish priorities, to make judgments, and to stay judgments, and to stay within the budget. This bill is the best we can do. That it is before you, today, with only three votes cast in opposition means that we have managed to achieve a level of compromise and believe that what we have done is fair, right, and just, as far as our resources go.

No one will suffer as a result of this bill. It is true that many communities will lose some funds—my own community loses substantial funds. Indeed, the District of Columbia loses more funds than any other community for its size. This loss, however, is not a function of this bill. It is a function of the decisions which were made in 1974 when, in the creation of a CDBG program, it was decided that we would have a hold-harmless program and that it would be eventually phased out. In seeking to meet the needs of our communities which have changed even since 1974, this committee sought to give every community every option which might be available to them in seeking funds. Thus, in cooperation with HUD Secretary Patricia Harris, the committee put in place a second formula, amended that formula to assure that the phasedown of hold harmless did not operate adversely in the formula, and allowed a community to elect between either the new or the old formula. Additionally, under the leadership of our chairman and others who are on the Budget Committee, an effort was made to increase the total authorizations for CDBG so that our most needy communities could have some additional resources without taking them from another community or another sector of our Nation.

It is true that more of our resources go to our Midwest and Northeast communities. It is also true that some communities with higher per capita incomes receive greater per capita amounts than communities with smaller per capita incomes. These kinds of observations are not, however, useful in understanding this bill. In the first place, the bill is in-

tended to meet the greatest needs. Some of the communities with seemingly high per capita incomes have some of the highest costs of living and the greatest needs. High per capita incomes cannot be equated with high standards of living or with community needs.

Whether we like to admit the fact or not, the older cities have older homes which while they, individually, may be very nice are not generally representative of the city. Older homes are, in themselves, a problem for many communities. While age, qua the age of housing is not always a valid measurement in determining the condition of the physical structure of housing, it is very definitely a valid measurement for CDBG assistance if one is to look at the age of housing as representative of the infrastructure that supports housing—streets, traffic flows, patterns of employment, water and sewer service, and other kinds of utilities. The fact that Georgetown in the District of Columbia, which some of our colleagues have used as the example of why the age of housing fails to be representative of the problem, has nice houses does not speak to the question that the streets, many of the utilities, and much more of the infrastructure such as schools, and other public use buildings, and old street car tracks represent a need which can be only addressed by CDBG assistance.

Let me make it clear that I do not propose that the District use its CDBG funds for some of these purposes in Georgetown. I merely want to point out that the formula is not inappropriate and that Georgetown cannot be considered as without a reasonable need. Just as we, in this committee were obliged to set priorities, however, local communities, too, must set priorities. I would hope in setting these priorities local communities are not constrained to meet only those so desperate needs that the resources cannot even begin to provide a measure of improvement for the quality of life that is set upon so many of our people.

Our cities are the symbols of our Nation and of our society. They are the repositories of our physical, financial, spiritual, and cultural worth and wealth. We need to save them. This bill is but one mechanism we can use and I hope we will use it.

Let us look at some of the components of this bill that we can use. In addition to the CDBG assistance, we have increased the section 312 rehabilitation loan levels by $60 million. This program, which is a loan as opposed to a grant, is one of the best investments we can make. The program, while small by comparison to others, is large because of the rollover and because it does require a commitment by those who receive the funds to use them wisely and to repay the amounts. This is a positive program, and I am personally pleased to see its authorization raised because I know, from personal experience in this city, that it works.

The realization that the problems of one community are not confined to that community is acknowledged in our continued support of the section 701 comprehensive planning grant program which is supported by a new authorization of $80 million. As we grow closer in our metropolitan areas, our problems grow closer and can only be solved by comprehensive planning. We have, in this Washington area, shown how it can be done. Through assistance from this program, we have been able to build a fair share housing program, among other programs.

Finally, of course, I would just comment that with the changes made to simplify the application process for section 202 programs and added authority for section 8 management by a public housing agency will make these programs better and more accessible to a greater number of persons. The bill possesses a great number of other considerations. Many of them speak to the financing of urban policy and improvements in the programs administered by the Farmers Home Administration. I support all of these; I support this bill. As I indicated earlier, I wish we had more resources so we could better meet some more of our needs. Under the circumstances, this is a good bill.

Mr. KELLY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in favor of the amendment. During the debate it was stated that this was really a very fair arrangement, because there were dual formulas and we could pick either one we wanted and get the one that was best for our community; but those of us that represent southern districts, western districts or districts outside the 50,000 limit can hardly stand all that fairness, because the situation clearly is this, that the second or additional formula exists only to give the preferred States and the preferred areas the same kind of preference that they have enjoyed from the outset of this program. The very purpose of this whole procedure is to continue the preference that the cities in the northeast and north central part of the United States have enjoyed from the inception of the program.

Now, in 1974 the program was amended to provide that we were going to distribute the funds under this program fairly for everyone in the country, but because it would be such a shock to the preferred areas for them to be treated fairly, they were grandfathered in for an additional 3 years to receive more than a fair share.

This nonsense ought to quit, because let us read right from the report itself:

> Recipients of grant assistance would be required to develop programs that take advantage of unique opportunities to solve critical problems resulting from loss of employment or chronic unemployment in the community.

Now, it has been said that this is the imperial Congress and we are out of touch with reality. However, it must be that the Members here have some vague notion that the chambers of commerce of the communities they represent are in commercial combat with the other communities of the Nation to attract employment into their communities.

Now, why in the world should we in the nonpreferred areas vote to give preference to other areas to help them get the jobs that we need in our own districts? This is a free country. We are entitled to compete. The Federal Government should not get in the middle of that struggle and start taking money away from one section of the country and shipping it to another and thus become involved in the competition for industry. It just simply does not make sense.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. KELLY. I yield to the gentleman from Oregon.

Mr. AuCOIN. Mr. Chairman, I appreciate the gentleman yielding. I would point out to the gentleman that the language the gentleman reads from the committee report does not pertain to the language before the committee at the moment. The gentleman is referring to language in the committee report that has to do with the urban development action grant, which is a totally separate function, and has nothing to do with the dual formula and is a subject we may get to somewhat later in the day. So what I would point out that that portion of the gentleman's remarks is irrelevant now.

Mr. KELLY. Mr. Chairman, I thank the gentleman for pointing out that the preference we are discussing is not the only one that is afforded; but I would point out that it is true that some of the communities in the West and in the South can take advantage of the second or additional formula; but even when they do, it is not to their comparative benefit.

Let me give some specifics. Malden, Mass., with a population of 56,000, and Asheville, N.C., with a population of 57,000, the Massachusetts town gets 8.7 percent more money and they get $3.21 per capita more money.

Pittsburgh, Pa., gets 33.9 percent more money than New Orleans, although their population is the same. Per capita, the Pennsylvania city gets $52.62, while as a comparable city New Orleans gets only $39.29. They both qualify under the additional formula. So I think that we find it hard to appreciate all this fairness.

But, I think that anyone that has got his act together and his head screwed on, in representing these people from communities outside the 50,000 limit or in the South or the Plains States or the West, has got to say, "Thanks, but no thanks."

Mr. LUNDINE. Mr. Chairman, I move to strike the last word, and I rise to speak in opposition to the amendment.

Mr. Chairman, I would like to point out that this amendment provides that the entire community development block grant program will be limited to a 1-year extension. That means that every city across America is going to be faced with the inability to plan for its community development activity, with the uncertainty of what is going to happen to this program in the future. It means that every community throughout America relying on this particular program to de-

velop its infrastructure of community facilities and capabilities will be without any idea as to the level of continuance of its funding.

This amendment is not only addressed to those cities of the Northeast and Midwest; this amendment would cause cities throughout this country, larger cities, to suffer. Atlanta would go from $14.6 million down to $13.1 million in fiscal year 1980 if this amendment is accepted. Denver would go from $11.5 million to $9.7 million if this amendent is successful. Louisville, Ky., would go from $14.5 million to $8.6 million.

It is not only the large cities of this country that would suffer from this amendment; likewise, small cities all over this country would suffer detriment. Savannah, Ga., would go from $6.7 million to $3.6 million. Even the city of Long Beach, in the sponsor's district, would be reduced from $7.8 million to $5.9 million for community development activity in fiscal year 1980.

Mr. HANNAFORD. Mr Chairman, will the gentleman yield?

Mr. LUNDINE. I yield to the gentleman from California.

Mr. HANNAFORD. The gentleman's figures disregard the fact that we would have a larger funding to distribute on the old formula, and assumes that we would simply be using the old formula to distribute present levels of funding. So, that is not accurate as far as money for that is concerned and the figures he gives are far too small. The other matter is that this does not limit the 3-year funding. This does not address that question. I thank the gentleman.

Mr. LUNDINE. It is my understanding that the reason—and I think it has been adequately stated by the chairman of the Appropriations Subcommittee—that there is adequate funding for this program is precisely on the assumption that we are going to have an additional formula sent to those cities in the South and West, as well as to cities in the North and East.

I would like again to reiterate that several studies by the Brookings Institution and other independent agencies, in addition to studies undertaken by both of the last two administrations, indicate that this rebalance is the fairest approach to meet the community development needs throughout this country. I would like to point out that this is not some revenue-sharing program to be allocated on a per capita basis. It is for a very specific purpose, addressed to the deterioration and blight of America's communities. It is a program succeeding that which started with the 1949 Housing Act, designed to alleviate this deterioration and blight.

I would urge, for these reasons, that the amendment offered by the gentleman from California be defeated.

Mr. PATTERSON of California. Mr. Chairman, I move to strike the last word, and I rise to speak in favor of the amendment.

Mr. Chairman, I think it is time to address what this amendment does and does not do. What the Hannaford-Patterson amendment does, in fact, is eliminate a new formula and put in place of that the present, existing formula.

Why does it do that? Because the proposed new formula is not just a new formula, it is a new $1 billion program. That is what it is. It has been stated that we have the choice of this formula or that formula, new or old. That is not accurate. Each city will take the formula that gives that city the highest number of dollars.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON of California. I yield to the gentleman from Ohio, chairman of the Subcommittee on Housing.

Mr. ASHLEY. The gentleman says it is not accurate?

Mr. PATTERSON of California. That is true.

Mr. ASHLEY. When it is said that cities have a choice as between the old formula and new formula?

Mr. PATTERSON of California. If cities have the option of a new formula, I am sure they would select the formula that would be higher.

Mr. ASHLEY. That is a fact that the city itself can select as between the two formulas; is that not a fact?

Mr. PATTERSON of California. It is not my understanding that that is a fact.

Mr. ASHLEY. How does the gentleman think it is accomplished, then?

Mr. PATTERSON of California. My understanding is that the formula that is computed for a particular city is the one that gives the highest yield to that city.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON of California. I yield to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. I thank the gentleman for yielding.

Is the gentleman saying, and is it not true, that under this bill, as amended in committee, 94 percent of the dollar gains, as provided under the provisions of this bill, go to cities under the dual formula in the north central and in the northeastern regions of this Nation, to the exclusion and the detriment of the cities in the South and the Far West and the Southwest of this Nation?

Mr. PATTERSON of California. That is true.

Mr. ALEXANDER. I thank the gentleman.

Mr. PATTERSON of California. Mr. Chairman, let me describe what happens. If you, in fact, receive more moneys pursuant to the old formula, that is the formula under which you receive funds. And if we look at the statistics, we will find that the older cities, particularly in the Northeast, receive much of the greater funding because they qualify for the new formula, whereas the South and the West do not, as the gentleman from Arkansas (Mr. ALEXANDER) stated.

Mr. TSONGAS. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON of California. I yield to the gentleman from Massachusetts (Mr. TSONGAS).

Mr. TSONGAS. I thank the gentleman for yielding.

Is the gentleman saying the older cities in the East will do better under the dual formula than they did previously?

Mr. PATTERSON of California. I am saying the older cities, without the hold harmless provision, do better under the new formula.

Mr. TSONGAS. If the gentleman will yield further, can I give the gentleman some examples of how that is not true?

Mr. PATTERSON of California. Is the gentleman going to address the hold harmless cities?

Mr. TSONGAS. Yes.

Mr. PATTERSON of California. Of course, hold harmless cities are coming down under any formula. As the gentleman knows, they reduce two-thirds next year, one-third the following year, and they zero out in 1980.

Mr. TSONGAS. Right.

Mr. PATTERSON of California. So they will come down. Some will not but most will.

Mr. TSONGAS. To give the gentleman one of the 8 examples I have, the city of Boston received 28.9 in this current fiscal year. Under the dual formula it would go down to 26.9, and under the gentleman's amendment it would go down to 13.7.

It would be difficult, given the enormous problem the city of Boston has, that the program having to deal with the cities can more than halve its allocation.

I thank the gentleman for yielding.

Mr. PATTERSON of California. I thank the gentleman for his contribution.

Mr. Chairman, the real issue here is: Do we want to address poverty or do we want to address old houses?

The old formula gives a 50-percent weight to poverty. The new formula gives 50-percent weight to the age of housing, that is, pre-1939 housing.

I submit that if we want a program that addresses true social problems, that poor people live throughout the United States, they are not entirely contained within older cities. And in fact I could recite, as has been recited to me, some exceptions. The city of San Francisco, in my home State of California, is a fine example of a city in which many of us would like to visit or to live. They are a winner under the new formula. Los Angeles would be a loser. And yet the city of Los Angeles undoubtedly has greater urban problems than the city of San Francisco. But in fact pre-1939 housing is the key mistake in the new formula.

The CHAIRMAN. The time of the gentleman from California (Mr. PATTERSON) has expired.

(On request of Mr. LUNDINE and by unanimous consent, Mr. PATTERSON of California was allowed to proceed for 2 additional minutes.)

Mr. LUNDINE. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON of California. I yield to the gentleman from New York (Mr. LUNDINE).

Mr. LUNDINE. I thank the gentleman for yielding.

Do I understand that the gentleman thinks this is a poverty program?

Mr. PATTERSON of California. I be-

lieve that the program is to aid the needy. We have addressed the issue of the needy for some months in the subcommittee and in the committee. If that is correct, I think poverty is a key factor.

Mr. LUNDINE. If the gentleman will yield further, would the gentleman argue that this is not a physical development kind of program that follows from urban renewal and modern sewer and open space, and those kinds of grant programs which were addressed to the physical conditions of cities and other communities, rather than to the poverty characteristics of those cities?

Mr. PATTERSON of California. Not at all. I would think that the physical characteristics of a city are important. But the fact is this: Should these problems not—and are they not in fact—addressed under the category of poverty? Is it not true that most poor people do in fact live in less desirable, older housing? Why should we not use the real test, the test of poverty rather than the test of the age of housing?

We have the Georgetowns of the world, and they are certainly examples of older housing. However, the poor cannot afford to live in Georgetown.

Mr. KELLY. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON of California. I yield to the gentleman from Florida.

Mr. KELLY. Mr. Chairman, does the gentleman agree that by giving the preference that this additional formula provides and adopting the formula which this amendment is trying to strike out of the bill, the Federal Government does in effect engage in conflicting tests as between localities when it comes to employment and jobs for its people?

Mr. PATTERSON of California. Mr. Chairman, I am not sure I should comment on that. I thank the gentleman for his contribution.

Mr. BROWN of Michigan. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, at the outset I would like to substantially endorse and concur with the remarks of the gentleman from Ohio (Mr. ASHLEY). We have discussed the issue raised by this amendment as though there were some righteousness or some perfection associated with the original formula and as though there were some absolute right to receive money under the original formula.

We must remember that when we adopted the original formula, we did not know with absolute certainty that experience would prove that it would result in the kinds of things we wanted to do in distributing community development funds. In fact, we recognized that experience might prove that that formula did not really address the needs we wanted to have addressed in the 1974 act.

We, therefore, provided that the Secretary of HUD should study the experience under the first formula and report back to the Congress with respect to its success in meeting the needs of our communities and recommend any changes in the formula that she or he felt were necessary to basically accomplish the goal and the objectives of the 1974 act. That mandate of the 1974 act was met, not just by the studies, the analyses, and the examination of the Secretary of HUD, but also by many outside groups such as the Brookings Institution.

The General Accounting Office in its report on the operations of the community development block grant program pointed out several anomalies, inequities, and inconsistencies in the way the 1974 act formula addressed the problems of our communities. There were, as I understand it, some 100 different factors and combinations of factors that were considered in arriving at what is now the so-called new formula, making it a dual formula program.

It was pretty much the consensus of the Ford administration, as has been said, and of the Carter administration that the factors and their weighting, as they are presently incorporated in the new formula, were the right factors and represent the right weighting of factors that would better enable us to accomplish that which we hoped to accomplish in the 1974 act. Recognizing that even the new formula would not completely and properly address the needs of other communities, the old formula was retained because that formula better addressed the needs of other communities.

What could have been done is the same level of funding could have been requested to be authorized, which would have meant that cities receiving money under the old formula would have their amounts substantially reduced in order to meet the additional funding levels that the new formula would require for other communities. However, that was not done.

Furthermore, a $358 million additional level of funding has been authorized in the new legislation, which by and large—and I say "by and large" because I want to add that caveat—which by and large maintains the level of funding of the old formula for communities that were receiving under that formula and takes care of those communities which will receive funds under the new formula.

Mr. Chairman, to explain the caveat I just mentioned, there will be a prorating downward of all communities under either formula, but that will be rather negligible.

In short, no community has a right as such to funding under the old formula.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. BROWN) has expired.

(By unanimous consent, Mr. BROWN of Michigan was allowed to proceed for 2 additional minutes.)

Mr. BROWN of Michigan. To continue, Mr. Chairman, I can understand Members who think they are doing a proper parochial job in supporting this amendment. When they see they have something under a formula, even though the formula may not be valid, they still have it and do not want to see additional funding not distributed in a similar pro rata way to their communities. I can understand their dissenting and, I commend them for speaking out in support of their congressional districts.

However, Mr. Chairman, in this instance, for the reasons I have stated, I think they are wrong and their limited view of their function as a national legislator should be reconsidered.

Mr. HANNAFORD. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from California.

Mr. HANNAFORD. Mr. Chairman, I thank the gentleman for yielding.

It is clear to me that those who were establishing the formulas we talked about and who fed so many things into it set out with a preconception as to which cities they wanted to indicate were to get the help. If one sets out with that in mind, he gets what he is after.

For example, Mr. Chairman, the city of San Francisco, by their figures, is said to be the 11th most needy city in this country. That just does not make sense to me at all, but I want to point that out.

Mr. Chairman, I do not think that there is anything infallible about that computer down there at HUD.

Mr. BROWN of Michigan. Mr. Chairman, I thank the gentleman for his comments, and I would tend to agree with him in his comments. However, on what else could we base a formula other than upon an analysis of the needs and then coming up with a formula that will meet those needs?

I admit that is deductive, rather than inductive; but I think it is the only way we can determine and address those needs and see that they are provided for in a properly weighted way.

Mr. KELLY. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Florida.

Mr. KELLY. Mr. Chairman, I thank the gentleman for yielding.

Much of this bill is directed toward trying to reactivate cities that are in a deteriorating condition; is that not true? We are trying to help renovate the deterioration; is that correct?

Mr. BROWN of Michigan. Mr. Chairman, if I may respond to the gentleman, the 1974 act was aimed at both rehabilitation of neighborhoods and of communities and the prevention of slums and blight.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. BROWN) has expired.

(On request of Mr. KELLY and by unanimous consent, Mr. BROWN of Michigan was allowed to proceed for 2 additional minutes.)

Mr. BROWN of Michigan. If I may respond, Mr. Chairman, the act was aimed at both the prevention of slums and blight and the elimination of slums and blight.

Mr. KELLY. Mr. Chairman, if the gentleman will yield further, it does, however, include that.

Therefore, I ask the gentleman, What testimony did the committee have from

the cities that are in the most deteriorated condition?

Let us take New York City. What testimony did the committee have to indicate that they have really gotten their act together and that the root causes for this deterioration have now been cured and if we would but send them aid, they then will be able to get themselves up on their feet and moving?

Mr. BROWN of Michigan. Mr. Chairman. The gentleman knows that we did not attempt and the formula was not put together on the basis of one community or another community, but, rather, after looking at the factors in different communities.

The Federal Government cannot take care of the problems of New York. However, the Federal Government, in addressing problems that are common to the city of New York and common to other communities throughout the Nation, should address those needs with a formula that the good performing cities may benefit from and recognize that bad performing cities may benefit from.

I know of no way when you are dealing with factors that are common to more than one community, you can pick and choose as to whether or not you will recognize those factors which affect funding levels in one community and not in another community.

Mr. KELLY. But the point is, if the gentleman will yield still further, that the communities that say their needs are the worst in no way evidenced that they themselves, or the people in those cities, are committed to changing the policies which caused the deterioration, is that not a fact?

Mr. BROWN of Michigan. In the first place, Mr. Chairman, we did not react to what we heard from the city of New York nor did we react to what we heard from any other city as such. We claim to provide no specific answers to their problems.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. ASHLEY, and by unanimous consent, Mr. BROWN of Michigan was allowed to proceed for 2 additional minutes.)

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. Certainly I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, it has been suggested that the present formula is some kind of a contrivance that is designed to benefit certain cities. I would like to try to put that at rest by quoting from the testimony of the representative of the Brookings Institution, who appeared before our subcommittee. He said:

> What is not reflected in the formula—and this is what Secretary Harris in her formula and our proposal add, is the physical dimension. Everything else—the poverty factor, the overcrowding housing—are more a reflection of income factors. Given the emphasis of the law on urban blight, it seems to us that there is a need to have a strong data element oriented toward measuring physical needs. This is where pre-1939 housing fits in. . . .

And the other elements of the new formula fit in.

I might state that my purpose in reading that element from the transcript is simply to point out that we are concerned here with poverty, as the gentleman from California (Mr. HANNAFORD) has indicated, but not poverty alone, but the physical dimension of need as is reflected in the comment from the representative of the Brookings Institution. The two are related to each other. The words concerning the blight in our cities and the advanced deterioration of our cities are a reflection of the needs that confront us as well as the poverty of our cities. So that it is on that basis that the dual formula has been developed and is before us at this time.

Mr. Chairman, I appreciate the gentleman yielding and appreciate the comments the gentleman from Michigan (Mr. BROWN) has made.

Mr. ALEXANDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and members of the committee, I speak today in support of the amendment offered by the gentleman from California (Mr. HANNAFORD). I do so very reluctantly because during the 9 years that I have been a Member of this body, I have worked very hard as a representative from a nonmetropolitan region to try to cope with, to understand and to have compassion for the problems of the urban areas of the central cities. But, I believe that there are two very crucial and important principles here that have been ignored by the bill that has been reported by this committee.

First is the principle that urban problems in nonmetropolitan regions in my judgment, and in the judgment of many of the Members here, ought to receive the same kind of concern as the urban problems in metropolitan regions.

Second, the principle that all regions of the country and all sections of the country ought to benefit in an equitable manner from any legislation that we pass in this body.

When I first arrived here I accepted an invitation from the National Council of Mayors to go on the weekends to some of the cities that I had not visited before. I went to such cities as Philadelphia, Dayton, and New York. I saw raw poverty in Bedford-Stuyvesant in New York that would persuade any person that is in this body to be sympathetic with the needs there. But, the poverty and the need in Bedford-Stuyvesant is no more real to the people who live there than the poverty in West Memphis, Ark., a city of less than 50,000 people, is real to its people.

Instead of helping abate and remove and arrest the regional biases and the regional prejudices that are so much a part of this institution, this bill, I believe, has intensified those prejudices.

We are asked to consider this bill as a national bill when it was stated by a member of the committee a minute ago, the gentleman from California (Mr. PATTERSON), that 94 percent of the dollar gains that the cities of this Nation make under the dual formula in this bill, go to the North Central cities and to the Northeastern regions of this Nation. The supporters of the bill rationalize this inequity by saying that they have developed a formula that responds to the greatest need, that the bill that we have before us responds to the greatest need. That bill totally and completely ignores a GAO report of this year that says that under the old bill, under the 1974 bill that expires this year, population and overcrowding and poverty are a good measure for determining aid to cities, and that under these terms the present formula that we now have for distributing money on an 80–20 basis ought to be increased to a 66–34 basis. The supporters of this bill say that it is not meant to respond to poverty or to overcrowding, which are the traditional measures of need for community development, but rather this bill adopts new measures based upon growth lag, age of housing, and population.

We are told that the intent of this bill is to protect capital investment and tax base in the older, decaying cities and to encourage people to return to the cities to reinvest and to invest in their revitalization. To that I say it is amazing to me how measures of need change. For more than 20 years people like me from the South and Southwest have been urging that Government programs respond to the needs of outmigration of population.

For over 20 years our nonmetropolitan regions of this country have been emptying out their poor and their untrained and their unskilled to the metropolitan regions in this country, and we have urged the Congress and the administration to base their programs on the basis of loss of capital and of revitalization of these regions, and to some extent we have succeeded. But, as we are succeeding, the urban areas of the country come to us now and say, we need to change this measure. They say we need to base our new equation on growth lag and on age and on poverty. In the past we were repeatedly told that poverty and overcrowding were the proper measures of the greatest need, and, therefore, the big cities in the North Central and Northeastern States were to receive the major share under the old programs. Now they want to change the formula based upon a different need.

I say that our needs in the nonmetropolitan regions of this country to help the urban poor are just as real as they are in Washington, D.C., in Philadelphia, in Pittsburgh, in New York, in Chicago, and in San Francisco.

Mr. FORD of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from Tennessee.

Mr. FORD of Tennessee. Mr. Chairman, I rise to associate myself with the remarks of the gentleman from Arkansas, and I rise today in strong support of the amendment offered by the two gentlemen from California. The

committee bill would base community development funding primarily on the age of housing in a community, while the present formula bases funding on the level of poverty. While it is said that computer analysis determined that the dual formula approach would be the most equitable, like my colleague Mr. HANNAFORD, I remain unconvinced. By implementing the new formula this bill takes $750 million in increased authorizations for fiscal year 1978 from the amount to be used for the Nation at large and reallocates most of it to older cities of the Northeast and Midwest. The newer, growing cities of the South and West will not benefit from the alternate formula and will only get what amounts to an increase over last year's figure to offset inflation.

I do not question the need to revitalize our older cities. However, if we concentrate on them too heavily we risk letting our newer cities deteriorate to a much greater extent than would normally occur.

In record numbers over the past few years Americans have shown a preference to live in the South and the West. Certainly we should not penalize them for this choice by letting their cities deteriorate faster to accommodate other regions of the country.

If we reject this amendment we will show Americans that we do not care for their preferences and that we value the condition of old buildings more than the condition of the human spirit. The measure of need should be poverty, not the age of buildings.

Again, I urge my colleagues to support this amendment.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

(On request of Mr. TSONGAS, and by unanimous consent, Mr. ALEXANDER was allowed to proceed for 1 additional minute.)

Mr. TSONGAS. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from Massachusetts.

Mr. TSONGAS. Mr. Chairman, when the gentleman from Florida was speaking, I went over the figures and let me read just four communities off to the gentleman and I ask the gentleman to tell me whether he thinks the grants will go up or down in those communities.

Mr. ALEXANDER. What is the gentleman reading from?

Mr. TSONGAS. The printed data on what will result from the formulas: West Palm Beach, Miami Beach, Orlando, and Fort Lauderdale. Will the gentleman hazard a guess as to whether these communities will receive more or less?

Mr. ALEXANDER. Yes. Under the proposed legislation I can tell the gentleman that by and large the South has a net loss of over $34 million in support that erodes away from our region; the West has a loss of about $2 million that erodes away from that region; and in the Northeast and other areas they benefit by amounts larger than we would lose.

Mr. AUCOIN. Mr. Chairman, I rise in opposition to the amendment and I move to strike the requisite number of words.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield.

Mr. AUCOIN. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, the figure of 94 percent has been kicked around. I think we ought to pin down what it means. Obviously the new formula will give money to communities that would not get as much under the original bloc grant formula. So when we talk about the 94 percent, it is 94 percent of the additional dollars that are put into the funding of the program. The additional dollars put into the funding of the program amount to $358 million, so we are talking about 94 percent of $358 million, the additional funding, and not about the $3.5 billion that are in the bill for funding of the CD program. It should be obvious that additional money has to go into the funding of the new formula if we hold other communities that are receiving money under the original formula harmless for all intents and purposes.

We hear Members talk about moving funding out of one place and into another. The dual formula does not. Communities lose not a dime, but some communities will receive additional funding.

Mr. Chairman, I appreciate the gentleman's patience but I did think that point should be made.

Mr. AUCOIN. Mr. Chairman, the gentleman from Michigan stole about half my speech but I think the point is well worth making. There is not a single section of the country that is hurt by the bill brought to the House today. I come from the Western part of the United States. This is an area which has been alleged on the floor is going to be hurt under this bill. I say to my colleagues the West is not going to be hurt, nor is the South, nor is the Midwest, nor is the East.

What is going to happen under this bill is what should have happened if we had had the vision in Congress 3 years ago—funds are going to go where the need is, where the blight is, where the physical decay is.

We are talking about the physical human habitat. We are talking about the living environment of human beings wherever they may be—in the urban areas, in the small towns, or in the rural areas. We have found after 3 years experience that the formula we have had is not perfect in any sense of the word, and the new formula is better in terms of addressing real needs.

It was said a moment ago that this House should not legislate unless we legislate on the basis of absolute equity across the Nation. The gentleman who made that statement comes from the South and I am sure he is one of the strong advocates of the farm bill. I wonder if the gentleman would agree with me that it might be a little difficult for a person coming from a consumer State, from a nonagricultural State to agree with that principle. He knows he would have difficulty defending his principle in that instance.

The point is that no one is hurt in this bill. What we are dealing with are limited funds, and its imperative that those funds be focused on areas where there is the greatest need.

This is not a welfare program. Despite all the "per capita arguments" we have heard suggesting that it is a revenue sharing program, it is not a revenue sharing program.

This is a community development program.

All the formulas that were analyzed by the Department of Urban Development to come up with the best formula to meet real needs, of all the formulas that were suggested, including crime rates, the number of persons age 65 or over, the number of female heads of families, and families below the poverty level and all the rest—some 18 different formulas in all—of all those, this is the best formula that best meets real needs.

Mr. Chairman, let me tell my colleagues one of the problems with the old formula. Some anomalies have been suggested by my good friend, the gentleman from California, and I hope the gentleman will excuse me for differing with him on this particular amendment; but the gentleman suggested some anomalies under the dual formula and suggested the House ought to pass the amendment and strike this section because of those anomalies.

The gentleman used the example of Los Angeles and San Francisco. But I must tell my friend that I can find five anomalies in the old formula for every one that the gentleman can cite in the new dual formula. One of the anomalies in the old formula is the weight that is given to the overcrowding factor. Under that factor today, some of the most robust, some of the most economically dynamic cities in this country rank as high as the most needy and most decaying cities in the Nation—simply because their rapid growth created temporary overcrowding.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

(By unanimous consent, Mr. AUCOIN was allowed to proceed for an additional 2 minutes.)

Mr. AUCOIN. Mr. Chairman, that is the problem with the original formula and that is what the Brookings Institution points out and other studies have pointed out.

Sure, we can stand here and talk about anomalies. I want everyone to know that the bill's formula is imperfect. But the world is imperfect. I suggest that if we have to wait for the day we find perfection, we will wait forever. We will never solve the blight of the cities. The East will decay. The older cities of the country will be destroyed by neglect, people will continue to flee to the suburbs. We will have empty pock-marked areas across the country that used to be places where human beings lived. We cannot wait for perfection. This is the best formula we can devise as of today.

Mr. Chairman, I would remind my colleagues that the same provision we had in the original bill—that is, a provision that requires a review of the formula based on the experience of coming years—is in this bill, too. And with an

additional 3 years' experience we may well find there are further improvements to undertake. I suggest that is the way legislation ought to be passed. That is the way legislation ought to be developed.

The only thing that can hurt this carefully balanced bill is for some area of the country that gains, and every area of the country does gain—to develop a selfish attitude which says, "We do not gain enough. We want some more, even though there are areas of the country that are decaying faster than our areas."

Mr. Chairman, I come from the West. My allegiance is to the West; but I also belong to the United States. We have a national need. This bill meets that national need.

The CHAIRMAN. The time of the gentleman from Oregon has again expired.

Mr. HANNAFORD. Mr. Chairman, I ask unanimous consent that the gentleman from Oregon be allowed to proceed for an additional 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. BROWN of Michigan. Mr. Chairman, reserving the right to object, I wonder if we could get an understanding with the chairman of the subcommittee, the gentleman from Ohio (Mr. ASHLEY) on a time limit.

Mr. ASHLEY. Mr. Chairman, if the gentleman will yield, I wonder how many speakers we are looking to?

Mr. Chairman, I ask unanimous consent that all debate on this amendment and amendments thereto conclude at 10 minutes to 4.

The CHAIRMAN. The Chair will state that originally there is also a unanimous-consent request that the gentleman from Oregon (Mr. AUCOIN) be granted an additional 2 minutes.

Is there objection to the request of the gentleman from California?

There was no objection.

Mr. AUCOIN. Mr. Chairman, I yield to the gentleman from California (Mr. HANNAFORD).

Mr. HANNAFORD. Mr. Chairman, I thank my friend for yielding and that description still applies, I hope.

Mr. Chairman, there are two things I would like to point out. I quite agree with the gentleman that both formulas are imperfect. I have serious reservations about the ability to devise formulas that do not have gaping errors in them. Therefore, I think we might find serious fault with the block grant concept as opposed to categorical grants.

Second, the gentleman has stated, and stated eloquently, that no one loses. The fact is that we have $358 million in new money next year, however, in new taxes to be collected in that amount, and California's total residue in funds from that is a mere $20,000. In other words, the State of California, taken all over, stands about dead even in benefits received, with an added tax of its share of $358 million we would pay some $40,000,000 in taxes in exchange for $20,000 in benefits. That may be sectional; it may be selfish; it may be parochial, but it does "hurt" and is something I have to look at in representing my State. I thank the gentleman.

Mr. KELLY. Mr. Chairman, will the gentleman yield?

Mr. AUCOIN. Reluctantly, I yield to my colleague from Florida.

Mr. KELLY. The gentleman in the well several times has mentioned that no one gets hurt, that everyone gets more money.

Mr. AUCOIN. That is absolutely true. Using my time, I want to repeat the point that there is not a section of this country that is hurt by this bill, but there is an opportunity for selfishness. The West has an opportunity to be selfish if it wants to, and so does the South. Many of the remarks I have heard suggest that this is the case, but I say to my friend from Florida—using my own time if I may—we have a higher task before us, and that is to address the national problems facing the country.

The CHAIRMAN. The time of the gentleman from Oregon has again expired.

Mr. KELLY. Mr. Chairman, I ask unanimous consent that the gentleman from Oregon have 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. ASHLEY. Mr. Chairman, reserving the right to object, the gentleman has been given 2 additional minutes. Others have arisen. Would the gentleman's new time be coming from those Members who wish to be recognized?

The CHAIRMAN. The Chair will inform the gentleman that there has been no time limitation agreed to at this point.

Mr. ASHLEY. Well, Mr. Chairman, there was no objection to the unanimous-consent request that all debate on this amendment conclude at 10 minutes to 4.

The CHAIRMAN. The Chair will advise the gentleman that the request was never placed before the committee. The pending unanimous-consent request is that the gentleman from Oregon be recognized for an additional 2 minutes.

Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. KELLY. Will the gentleman yield?

Mr. AUCOIN. I yield to the gentleman from Florida.

Mr. KELLY. I would agree with the gentleman that no one is going to get hurt if we did not have to pay the bill, but since the population shift in this country has gone to the Sun Belt, those people have to pay the bill. So, we are all buying the melon, but there are preferred sections of the country that just get the biggest hunk. So, if we did not have to pay for the thing this would be a great thing, but since we have to pay for it, it does not sound like a very good deal.

Mr. AUCOIN. The gentleman would like these taxpayer dollars to go on a basis that has been shown to reward areas of dynamic economic growth, something that may work very well for his State.

Mr. ASHLEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude at 10 minutes to 4.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was granted will be recognized for approximately 50 seconds each.

The Chair recognizes the gentleman from Ohio (Mr. STANTON).

Mr. STANTON. Mr. Chairman, it is most regrettable that the majority of this debate here this afternoon has been on regional considerations. Before the Members vote, I wish they would recheck with the committee, because it has never really been brought out that there are some 50 cities in the South and West that will definitely benefit from this dual formula. It is not a fact that everybody in the Midwest would benefit. This is one Member whose district would not get 1 penny. When we consider cities such as New Orleans; Savannah, Ga.; Wichita, Kans.; Anaheim, Calif.; Berkeley, Calif.; certain cities in all of these particular States do benefit under this dual formula.

Mr. Chairman, all I can say is that to be fair all around, before the Members vote blindly because they are from a particular State, they better recheck the work of the committee.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Chairman, I have listened carefully to the debate, and I think it has been on a high level.

I want to salute particulary the gentleman from Oregon, who seemed to me to put the issue very clearly: It is a national issue. It is not just a regional issue.

Mr. Chairman, I do have in my district housing problems of such appalling nature that I just wish the proponents of this amendment could come and see for themselves. If they did, I believe they would be satisfied there is a tremendous unmet need there. But this bill presents a fair national formula, and it should be argued on that basis. I salute those who have developed it in the committee and subcommittee and those who have argued for it on a national basis.

Mr. Chairman, I am strongly opposed to the Hannaford amendment. I represent a portion of one of this Nation's largest and most hard pressed cities, New York, and title I of this bill, the community development block grant program, is the most important part of this legislation to my constituents. The formula for distributing these block grant funds is the crucial part of title I.

The bill before us today which was reported by the Banking, Housing, and Urban Affairs Committee deals with this allocation problem in a responsible and fair manner. The original formula enacted in 1974 clearly has to be changed, both because it does not apportion funds in a way which correlates with need and because dozens of cities are facing sizable cutbacks in funding as the 1974 act's hold-harmless provision is phased out. Every study con-

ducted by HUD, by the committee, or by outside public or private interest groups has come to the same conclusion: Block grant funds under the present formula are being spread too thinly for too many communities, to the detriment of those cities with the greatest need for community development funding. I must remind my colleagues that section 101(c) of title I states that "The primary objective of this title is the development of viable urban communities * * *" Metropolitan areas with populations of 50,000 or more and urban counties with populations of 200,000 or more are intended to receive the bulk of the funding provided under title I. There are only about 600 such urban areas in the country, yet in fiscal year 1977 HUD distributed funds to more than 4,500 communities. In the current fiscal year the 600 urban areas which should be the primary target of community development funds are receiving 76 percent of the funds, but if the present formula is not changed, they will receive only 59.6 percent of the funds.

Last year, Floyd Hyde, former mayor of Fresno, Calif., and former Under Secretary of HUD, made an eloquent statement before the Senate Banking, Housing and Urban Affairs Committee on the need for maintaining the urban emphasis of the block grant program. I would like to quote a short portion of his testimony:

Significantly, while most of us refer to these problems as the "urban crisis," they are indeed national problems and, for the most part, they are heavily concentrated in but a few of our cities. In our haste to look at the broader picture, i.e., the metropolitan areas of the nation. I fear we have leaped over and left neglected and isolated, millions of Americans in our central cities who are most in need.

The Nation's critical human problems are highly concentrated in only 48 of our cities:

They contain ½ of the 5 million urban sub-standard housing units.

They have 3 times the urban death rate;

They have 4 times the national maternal death rate;

They contain ⅔ of the urban poor;

They distribute over ½ of the urban food stamps;

They contain 80 percent of the blacks who live in cities, a high percentage of which are unemployed.

. . . a continuation of the policy of "spreading" can mean only further tragedy for the many millions of Americans trapped in our declining central cities.

If the Members of this body could come up to New York City and see the extent of deterioration and devastation which is destroying hundreds of blocks of a once proud and shining city I am certain they would understand the desperate need for targeting community development funds to where they are most needed in our older, central cities. More than 100,000 rental units have been destroyed in New York since 1970 and thousands more are being abandoned every month. More than 1 million housing units within the city urgently require substantial rehabilitation, but with present funds the city can only deal with 35,000 units a year.

Even if slums and blight could somehow miraculously be halted, it would still take New York at this rate 30 years to restore its housing stock to decent conditions. And of course, the blight is not stopping—it is spreading. Neighborhood preservation is the most important need in my congressional district in the Bronx, and the title I funds authorized in this bill are the principal, if not the only, source of assistance.

But my congressional district alone could easily use the entire city's third-year block grant and still only scratch the surface of what needs to be done. New York will receive about $150 million this year in community development funds but local planning boards submitted urgent requests for more than $700 million worth of projects.

The committee bill includes a new dual formula for allocating block grant funds which I strongly support. The existing formula is based on a city or urban county's population, housing, overcrowding, and the extent of poverty—weighed double. However, under the bill applicants could instead choose to use a new formula which takes into account age of housing, extent of poverty, and growth lag.

Age of housing is based on the number of units built in 1939 or before, and growth lag is defined as the extent to which a locality has fallen below the average population growth rate of all metropolitan cities. This new formula promises to do a much better job of delivering community development funds where slums, decay, and blight are most serious. New York City's share of community development funds would increase under this bill from $150 million this year to $229 million in fiscal year 1978, $246 million in fiscal year 1979, and $258 million in 1980. At the same time, however, the dual formula will mean that none of the present recipients of funds under title I will lose money; in fact, most will continue to receive increases. I urge my colleagues to oppose this amendment and support the committee bill's provisions.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. KELLY).

Mr. KELLY. Mr. Chairman, I think we can put the case squarely on the comment that was just made by the gentleman from Ohio (Mr. STANTON). He mentioned that New Orelans was one of the cities of the South that would benefit from the additional formula. Let us examine the facts. New Orleans will benefit from the additional formula. But Pittsburgh, a city in one of the preferred States that has less population, will get 33.9 percent more money. The people in Pittsburgh will get $52.62 per capita, while those in New Orleans will get $39.62. And just because you come from the South does not mean you cannot count better than that.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. GEPHARDT).

Mr. GEPHARDT. Mr. Chairman, I would like to state my opposition to the amendment, and I would like to salute the committee for the work it has done in coming up with a formula which I think should be acceptable to all areas of the United States. There is, doubtlessly, problems that anyone can find with any formula. But I think, when one looks at the totality of what has been tried to be accomplished, that the committee has succeeded admirably.

I would like to close by saying that one-half of my district would benefit greatly, in St. Louis, and the other half would not benefit at all. But I think, in looking at the totality of the program and the philosophy, which is to spur community development in the communities that are deteriorating, I think we should support the program and defeat the amendment.

Mr. Chairman, I commend the committee for its excellent work on H.R. 6655, the Housing and Community Development Act of 1977. In particular, I support the revised formula for allocating community development funds.

Under the bill, each community's block grant will be the larger of two amounts—one determined according to the existing formula based on population, housing overcrowding, and poverty, or a second amount calculated under a new system based on the age of housing, poverty, and growth lag.

While some of my colleagues have argued that this revision will penalize some regions of the country, in my view, one of its great advantages is that it will not really damage any. On the contrary, it will permit community development funds to be targeted to cities most in need of assistance, while preventing any community from suffering a loss.

I represent an area which will gain a great deal from the revisions and an area which will benefit very little. I find, therefore, that it is necessary to look at the total picture of community development needs. From that perspective, I believe the committee has developed a good proposal.

While the existing formula recognizes needs of cities experiencing growth, the alternate mechanism will address the most serious problems of older cities; namely, the loss of real property and the loss of people. The factors in the new formula are true indicators of urban decline and economic weakness. The age of housing is an accurate gage of the extent of physical decay while growth lag measures a city's growing inability to provide needed public services as its tax base declines.

Allocating funds in a way that recognizes the special problems of our older cities is essential for them to reverse the spreading blight they have suffered in recent decades.

The case of St. Louis demonstrates the value of the alternate formula. Under the existing mechanism, the city of St. Louis has received block grants of about $14 million per year. These funds have been extremely valuable in helping to save areas which have so far escaped blight. The city has effectively stabilized and revitalized neighborhoods threatened with deterioration.

The funding level, however, has largely limited the community development effort to a holding action, and even this relatively low level of funding could not be expected to continue. The phasing out of hold harmless funding and the decline in city population threatened St. Louis with even smaller community development grants in the future.

The alternative formula, on the other hand, will raise the St. Louis entitlement to over $30 million in the next fiscal year. This sizeable increase will make a dramatic difference in the city's ability not only to contain blight but to turn around those areas which have suffered widespread abandonment and deterioration. The increased funding will launch capital improvements including park development, street repair, and urban forestation. It will enable the city to maintain the 17,000 vacant lots it holds, thereby creating an atmosphere conducive to investment and construction. Community development officials also believe the substantially increased grant will stimulate a housing program, which has been languishing, and promote highly popular rehabilitation programs.

If the present formula were allowed to continue alone, without the alternative to focus assistance on areas of greatest need, our major older cities, like St. Louis, would be increasingly threatened by bankruptcy as declining tax bases continue to undermine their ability to meet a growing demand for public services. The new mechanism is essential to save these cities.

Losing our cities means the destruction of untold billions of national wealth. In passing the Community Development Act of 1974, the Congress recognized that the welfare of the Nation depends on the revitalization of urban areas and made a commitment to a systematic and sustained effort to eliminate blight, conserve older areas, improve the environment of lower-income families, and develop new centers of population growth and economic activity. By revising the formula in accordance with the provisions of H.R. 6655, we will take a giant step not only toward stopping decline of our great cities but toward establishing truly viable urban communities.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. MOORHEAD).

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, I think we should go back in history and recognize that the purpose of the 1974 act was to replace the categorical grants which were largely urban renewal. We attempted to devise a formula and we found that this formula did not attack adequately those areas which needed renewal.

The new formula does recognize that need and is an equitable formula.

The bill as reported by the committee is a balanced national bill which hurts no area.

The amendment should be defeated.

(By unanimous consent, Mr. WATKINS yielded his time to Mr. HANNAFORD.)

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. HANNAFORD).

Mr. HANNAFORD. Mr. Chairman, I urge my colleagues to adopt this amendment. We have been asked to go back into history regarding the background of this legislation. I would like instead to look to the future and say that if we adopt this formula we may be embarking on a program which may be with us for some time, and that bothers me a great deal.

That concern is the main reason I took on the unpleasant chore of presenting this amendment to the House.

This is not a regional bill by design; it is a regional bill by chance. It really amounts to a conflict between older cities and newer cities, and there are many newer cities in this country that are in great need of community development funds. There is nothing magical about the computer down at HUD, and there is nothing magical about the year 1939 as far as housing is concerned. That is a poor measure to use for the distribution of community development funds.

Mr. Chairman, I urge the adoption of the amendment.

(By unanimous consent, Mr. ERTEL and Mr. TSONGAS yielded their time to Mr. ASHLEY.)

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. PATTERSON).

Mr. PATTERSON of California. Mr. Chairman, it is a shame that we spend so much time talking about regional rather than national issues. The fact is, however, that there is a regional impact here, created by the addition of the so-called new formula.

If we could take a map board and show on it where the moneys go pursuant to the dual formula and show the cities that do better by the new formula, we would see that this is a regional change in formula, as the gentleman from California (Mr. HANNAFORD) said, not by design but by the formula.

What this amendment attempts to do is to address the issue pursuant to the old formula, which deals with poverty as its basis rather than old structures. The issue is a national issue. The national issue is this: Do we want the aid to go to cities that have the poor, or do we want the aid to go to old housing structures?

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. Mr. Chairman, drawing upon the remarks of the preceding speaker, the gentleman from California (Mr. PATTERSON), if we had taken a dart board and thrown darts at all those cities that were receiving community development funding through the categorical grant programs, we would find that those darts went pretty much in areas where the dual formula will provide money; whereas the original formula took a lot of money away from those places.

Let us look at these hold-harmless cities. Where are they? They are basically in those areas that will be addressed by the new formula.

What we are trying to do is to provide greater equity between what used to be categorical grants and the block grant formula. With the dual formula we come up with greater equity as between the two categories.

Mr. Chairman, I think the case has been made and the amendment should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. ASHLEY) to close debate.

Mr. ASHLEY. Mr. Chairman, it has been said that the newer communities of our country benefit to a greater extent by the use of the original formula and that the older cities of our country benefit to a greater extent by the use of the new formula, the alternative formula.

We know for a fact that not all of our newer cities are in the South or in the Southwest or in the so-called Sun Belt areas, and we know that all our older cities are not in the Midwest and the Northeast. The gentleman from Massachusetts (Mr. TSONGAS), as well as other Members, has made this point. We know that there are cities in all sections of the country that are older and that are suffering the incipient deterioration and distress that comes upon older cities.

Yes, these cities would benefit by the second formula. What is the matter with that, Mr. Chairman?

What is the matter with having two formulas, each of which measures the needs in a fair way—perhaps not, as has been said, completely fair, but as fair as minds have been able to devise to date.

Mr. Chairman, nobody is accusing anybody here of being deliberately dishonest in the promulgation of the formulas. Therefore, what is the matter, Mr. Chairman, with saying, "Yes, we do have some cities whose needs are better addressed with one formula as distinguished from the needs of newer communities better addressed by the original formula"?

This is where the debate started, and perhaps it is an appropriate place at which it should end. This has been the deliberate effort of the subcommittee and the Committee on Banking, Finance and Urban Affairs to bring to the Members a formula that is national in its scope and that incorporates the needs of all or our communities.

If it can be said—and it has been said by the sponsor of the amendment—that, yes, there are sectional implications here that have to be addressed, I must say that I am sorry that that is so. However, we must look at our national needs in general.

Therefore, Mr. Chairman, I urge that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. HANNAFORD).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. HANNAFORD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 149, noes 261, not voting 22, as follows:

[Roll No. 219]

AYES—149

Akaka	Hall	Patterson
Alexander	Hammer-	Pepper
Allen	schmidt	Perkins
Anderson,	Hannaford	Pettis
Calif.	Harris	Pickle
Andrews, N.C.	Hefner	Poage
Archer	Heftel	Preyer
Armstrong	Hightower	Quillen
Badham	Hubbard	Risenhoover
Bafalis	Huckaby	Roberts
Beard, Tenn.	Ichord	Robinson
Bellenson	Ireland	Rogers
Bennett	Jacobs	Roncalio
Bevill	Jenkins	Rose
Bowen	Jenrette	Rousselot
Breaux	Johnson, Calif.	Roybal
Breckinridge	Johnson, Colo.	Runnels
Brooks	Jones, N.C.	Ryan
Broyhill	Jones, Okla.	Santini
Burke, Calif.	Jones, Tenn.	Satterfield
Burke, Fla.	Kazen	Sikes
Burleson, Tex.	Kelly	Sisk
Butler	Ketchum	Smith, Iowa
Chappell	Krebs	Spence
Clausen,	Krueger	Stangeland
Don H.	Lagomarsino	Stark
Collins, Tex.	Lloyd, Calif.	Steed
Corman	Lloyd, Tenn.	Stump
Daniel, Dan	Long, La.	Symms
Daniel, R. W.	Long, Md.	Taylor
Danielson	Lott	Thornton
Davis	Lujan	Treen
de la Garza	McClory	Trible
Dornan	McCloskey	Tucker
Duncan, Tenn.	McDonald	Ullman
Edwards, Calif.	Mann	Vander Jagt
Edwards, Okla.	Martin	Waggonner
English	Mathis	Wampler
Evans, Ga.	Mattox	Watkins
Flippo	Milford	Waxman
Flowers	Miller, Calif.	White
Ford, Tenn.	Mineta	Whitehurst
Fountain	Montgomery	Whitley
Frey	Moore	Whitten
Fuqua	Moorhead,	Wiggins
Gammage	Calif.	Wilson, Bob
Gibbons	Moss	Wilson, C. H.
Goldwater	Natcher	Wilson, Tex.
Gonzalez	Neal	Young, Alaska
Gore	Nichols	Young, Fla.
Gudger	Panetta	Young, Tex.

NOES—261

Abdnor	Brinkley	Delaney
Addabbo	Brodhead	Dellums
Ambro	Broomfield	Derrick
Ammerman	Brown, Mich.	Derwinski
Anderson, Ill.	Brown, Ohio	Devine
Andrews,	Buchanan	Dickinson
N. Dak.	Burke, Mass.	Dicks
Annunzio	Burlison, Mo.	Diggs
Applegate	Burton, John	Dingell
Ashbrook	Burton, Phillip	Dodd
Ashley	Byron	Downey
Aspin	Caputo	Drinan
AuCoin	Carney	Duncan, Oreg.
Badillo	Carr	Early
Baldus	Cavanaugh	Eckhardt
Barnard	Cederberg	Edgar
Baucus	Chisholm	Edwards, Ala.
Bauman	Clay	Emery
Beard, R.I.	Cleveland	Erlenborn
Bedell	Cohen	Ertel
Benjamin	Coleman	Evans, Colo.
Biaggi	Collins, Ill.	Evans, Del.
Bingham	Conte	Evans, Ind.
Blanchard	Conyers	Fary
Blouin	Corcoran	Fascell
Boggs	Cornell	Fenwick
Boland	Cornwell	Findley
Bolling	Cotter	Fish
Bonior	Coughlin	Fisher
Bonker	Crane	Fithian
Brademas	D'Amours	Flood
Florio	Maguire	Rostenkowski
Flynt	Markey	Rudd
Foley	Marks	Ruppe
Fowler	Marlenee	Russo
Frenzel	Marriott	Sarasin
Gaydos	Mazzoli	Sawyer
Gephardt	Meeds	Scheuer
Giaimo	Metcalfe	Schroeder
Gilman	Meyner	Schulze
Ginn	Michel	Sebelius
Glickman	Mikulski	Seiberling
Goodling	Mikva	Sharp
Gradison	Miller, Ohio	Shipley
Grassley	Minish	Shuster
Hagedorn	Mitchell, Md.	Simon
Hamilton	Mitchell, N.Y.	Skelton
Hanley	Moakley	Skubitz
Harkin	Moffett	Slack
Harrington	Mollohan	Smith, Nebr.
Harsha	Moorhead, Pa.	Snyder
Heckler	Mottl	Solarz
Holland	Murphy, Ill.	Spellman
Hollenbeck	Murphy, N.Y.	St Germain
Holt	Murphy, Pa.	Staggers
Holtzman	Murtha	Stanton
Horton	Myers, Gary	Steers
Howard	Myers, Michael	Steiger
Hughes	Myers, Ind.	Stockman
Hyde	Nedzi	Stokes
Jeffords	Nix	Stratton
Jordan	Nolan	Studds
Kasten	Nowak	Thompson
Kastenmeier	O'Brien	Thone
Kemp	Oakar	Traxler
Keys	Oberstar	Tsongas
Kildee	Obey	Udall
Kindness	Ottinger	Vanik
Koch	Patten	Vento
Kostmayer	Pattison	Volkmer
LaFalce	Pease	Walgren
Latta	Pike	Walker
Le Fante	Pressler	Walsh
Leach	Pritchard	Weiss
Lederer	Pursell	Whalen
Leggett	Quayle	Winn
Lehman	Quie	Wirth
Lent	Rahall	Wolff
Levitas	Railsback	Wright
Luken	Rangel	Wydler
Lundine	Regula	Wylie
McCormack	Reuss	Yates
McDade	Rhodes	Yatron
McEwen	Richmond	Young, Mo.
McFall	Rinaldo	Zablocki
McHugh	Rodino	Zeferetti
McKay	Rooney	
McKinney	Rosenthal	

NOT VOTING—22

Brown, Calif.	Ford, Mich.	Mahon
Burgener	Forsythe	Price
Carter	Fraser	Roe
Clawson, Del	Guyer	Teague
Cochran	Hansen	Van Deerlin
Conable	Hawkins	Weaver
Dent	Hillis	
Eilberg	Madigan	

The Clerk announced the following pairs:

On this vote:

Mr. Teague for, Mr. Dent against.

Mr. Hawkins for, Mr. Eilberg against.

Messrs. PREYER, JONES of Oklahoma, IRELAND, DANIELSON, NICHOLS, FLOWERS, and GAMMAGE changed their vote from "no" to "aye."

Mr. APPLEGATE, Mrs. BOGGS, and Messrs. QUAYLE, HAGEDORN, DICKS, VOLKMER, BAUMAN, AND BYRON changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GONZALEZ: Page 9, after line 2, insert the following new subsection and redesignate the subsequent subsections accordingly

(b) Section 104(b)(2) of such Act is amended by inserting the following after the first sentence thereof: "In carrying out the preceding sentence, the Secretary shall require that (A) in the case of any applicant receiving a grant computed under section 106(b)(1)(A) or (b)(2)(A), such applicant expend at least 50 percent of such grant for the primary benefit of low- and moderate-income families and, (B) in the case of an applicant receiving a grant computed under section 106(b)(1)(B) or (b)(2)(B), such applicant expend at least 30 percent of such grant for the primary benefit of such families.".

Mr. GONZALEZ. Mr. Chairman, in the Housing Act passed in 1974 the numerous categorical programs were consolidated into a block grant or revenue sharing type program in the belief that the decisionmaking process on how to spend community development funds should be shifted from Washington to the local level.

At that time I stated in my dissenting views on the Housing bill my misgivings about transferring these responsibilities to the local level especially those activities designated to benefit low- and moderate-income families. I felt that there were no safeguards in the law that would adequately ensure that the funds that were granted to a community would be spent to alleviate the serious problems for which the program was originally intended.

Since the CD program was enacted, a number of studies have been done to analyze the block grant approach and these studies express my very concerns. One study that has monitored the program for the past 2 years shows that in the first year 34 percent of the CD funds were expended for the national objective of preventing or eliminating slums, blight, or deterioration, while the second year shows that only 17 percent was used for that same purpose.

This same 2-year study shows that CD activities in the first year were located away from low- and moderate-income areas and toward middle- and high-income areas, and data for the second year shows that this trend is intensifying, with the proportion in low- and moderate-income tracts dropping from 51 percent to 44 percent.

Another study done by the Brookings Institute and issued in January reports under the topic of "Who Is Supposed to Benefit" the following, and I quote:

Despite the language of the act calling for priority to expenditures on low-income groups, CDBG applications may in fact be approved if the applicant certifies that "other activities (aside from those targeted on low- and moderate-income families) are required to meet other community development needs having a particular urgency."

Because of the serious misgivings I have had about the actual expenditure of funds under this act and which are reinforced by the studies I have quoted, I am offering an amendment that would simply require a community to expend funds on low and moderate income people based on the proportion to which it receives these funds under this criteria. That is merely assuring funds are spent as promised. Thus, those communities that receive funds where poverty is

counted twice would have to spend at least that proportion of its funds on low and moderate income residents, while those communities that utilize the new formula where poverty is counted only one and one-half times would have to utilize at least that amount for these same groups.

Mr. Chairman, if we are truly going to help those who are most in need in a community and attempt to achieve what is called for in the landmark legislation known as the Housing Act of 1949, then we must concentrate on those most affected by urban blight and decay and in need of safe, decent, and sanitary housing—the low and moderate income families.

I realize that many will argue that this will be difficult for communities to accomplish or that it is too strong a directive, but I believe that Congress must take positive action to get back into the driver's seat or at least get into the car on the community block grant program and give communities receiving these Federal funds some direction as to how Congress feels the money should be spent.

There are many people in communities around the country who look to the Federal Government to assist them in attaining a decent home and a suitable living environment for themselves and for their families, and I believe that my amendment would give maximum feasible priority to activities that benefit those low and moderate income families who are most in need.

Mr. ASHLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, certainly the motive behind this amendment is an understandable one. The fact remains that it is all but inoperable, and would in no sense promote the purpose that the gentleman from Texas has in mind.

The proposed would require communities to spend their community block grant funds in areas of poverty based on the proportion to which these communities receive the funds for that criteria, in either the formula where 50 percent is attributable to poverty or under the new formula where 30 percent is attributable to poverty.

This proposal, therefore, really misrepresents the function of the dual formulae upon which we have just voted and which we have ratified.

The formulae were designed to correlate most highly with a multi-dimensional set of needs. Their purpose is to rank in relative terms the extent of need between communities.

The dual formula is not intended, nor is it possible to use the formula, as a means of separating the funds between the three factors in each formula.

The logical extension of this proposal advanced by my friend, the gentleman from Texas, would be to allocate the funds within each community, not only with regard to poverty, but the other formula factors as well.

In other words, if it is consistent to say that 50 percent of the funds under the original formula must be directed toward people in poverty, what about the 25 percent of the formula that is represented by housing overcrowding? And what about the factor in the new formula that talks to the loss of population, or to the age of housing?

Are we to say that, under the new formula, if this amendment is adopted and we follow the pattern of this amendment, we will be looking toward the time when communities will be spending 50 percent of their community block grants on new housing?

That simply is not possible, Mr. Chairman, if we mean to carry out the basic elements and to achieve the purposes of the community block grant program.

Let me also say, Mr. Chairman, that the proposal will severely limit the flexibility of the local governments to solve their particular community development needs.

The proposal really would reinstitute that degree of Federal control which the basic legislation was meant to remove.

Going back to the 1974 act, what we said was that we did not want the Federal Government to be telling the local communities what their needs were, and we asked that the local communities develop a community development plan which would be a profile, if you will, of the needs of each community, and then a plan to be responsive in remedying those needs.

Clearly, the proposal before us would do violence to that concept.

I might also point out, Mr. Chairman, that in 1975, 63.6 percent of all community development block grants were used to benefit low- and moderate-income areas and families, which is in excess of the proposal offered by the gentleman from Texas.

In 1976, it was 57 percent, again substantially more than what is required under the gentleman's amendment.

In other words, what I am really saying now is that the intent of this proposal is really dealt with under existing law, and under existing law the requirements of the gentleman's amendment are being met.

The 1974 act says that communities must, under section 104(b)(2)—and I am quoting now—"certify to the satisfaction of the Secretary that its community development program has been developed so as to give maximum feasible priority to activities which benefit low- and moderate-income families."

The CHAIRMAN. The time of the gentleman from Ohio (Mr. ASHLEY) has expired.

(On request of Mr. MOORHEAD of Pennsylvania and by unanimous consent, Mr. ASHLEY was allowed to proceed for 2 additional minutes.)

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Pennsylvania.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, I will ask the chairman of the subcommittee if it is not also true that we have broadened the scope of the community development block grant to include economic development, and that the objectives of the statute are the alleviation of physical and economic stress.

Mr. ASHLEY. Indeed that is entirely so, which again suggests strongly the efforts that have been made to concentrate the thrust of the community development program, with its ancillary action grant program, precisely in the areas about which the gentleman from Texas (Mr. GONZALEZ) is concerned. That is being accomplished under the law.

Mr. Chairman, the gentleman's amendment would impose a rigidity which would be most damaging, and, therefore, the amendment should be defeated.

Mr. BADILLO. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, this amendment, which I support, has nothing at all to do with the formulas provided for in the bill. The only reason that the gentleman from Texas (Mr. GONZALEZ) speaks of the formulas and mentions the factor applying to poverty is because he wants to insure that whatever the localities state they intend to do is in fact what they will actually accomplish.

The difficulty now is that while all the localities prepare applications in which they follow precisely the formula that we have established, once they receive the money, they use it as a general revenue-sharing fund. There is nothing in our law that prevents that, because we merely say that it should be used principally for low- and moderate-income housing, and we do not mandate that it be used only in those areas which are identified in the application.

All the gentleman from Texas (Mr. GONZALEZ) is saying is that at least half of the money, if one formula is used, or 30 percent of the money, if the other formula is used, must be used in the areas where low- and moderate-income housing people reside.

Mr. ASHLEY Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, this is not a general revenue-sharing measure. We do say that to the maximum feasible extent possible these funds shall be directed to areas of low- and moderate-income family housing. But the basic legislation goes on to say that there are a number of eligible activities, and we specify what those eligible activities are.

Mr. BADILLO. Mr. Chairman, we have no disagreement with the approach of the subcommittee chairman. We agree with what we have stated in the law.

We are talking about the way in which the moneys are in fact used, and what the gentleman from Texas (Mr. GONZALEZ) is referring to is a report that was prepared showing that nationally there has been a misuse of these funds.

I would like to speak about my own city of New York and quote from that report. The officials of New York City, for example, describe 22 community planning districts in which only 41 percent of the city's population resides, but which account for 65 percent of the city's families with incomes below the poverty line and 73 percent of the city's welfare

recipients. Sixty-one percent of all fires relating to housing took place in those districts.

Now, one would think that if the city has defined and described its problems in this fashion, it would use the money it receives, following the provisions of the law which we have so carefully drafted, to alleviate them. However, when we turn to the other part of the proposal to see how the funds are actually used, we discover that less than one-third of the moneys are used in those areas which the city identified as most needy.

What we are saying is this: We do not seek to deprive the cities or localities of flexibility. But we do say that once the cities or localities make a determination and a decision about what they consider their greatest needs, they should apply the funds they receive to alleviate them. We are not trying to tell them what their problems are. We are only telling them that once they identify the problems in part A of the application, they should follow through in part B of the application and use the funds to deal with the problems that they have identified.

There need be no concern about depriving anyone of flexibility. The cities and localities will continue to have total flexibility to come to grips with the problems that they have chosen to identify.

But they will not have the type of flexibility that permits them to identify the problems and then turn their backs upon them and use the money they receive for altogether different purposes.

In this amendment there is nothing to limit the authority of the cities and localities with this exception: We merely say to them that we expect them to comply with the law. If the Members believe, as I do, that this is a good law and that it will be helpful—and the subcommittee chairman has stated the law correctly—then what we want to do in these next 3 years is to avoid what has happened in the past 3 years.

Mr. Chairman, what we want to do is to insure that the law will be complied with; and the best way to do that is to support the amendment of the gentleman from Texas (Mr. GONZALEZ).

Mr. TSONGAS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I will not use the full 5 minutes; but let me point out one thing, and that is what we tried to do in this case is to devise a formula to address problems that are universally applicable.

If, indeed, the problems of New York, for example, would dictate that this kind of amendment should pass, that is one thing; but if we pass the amendment, we are passing it for everybody.

Mr. Chairman, I represent two cities. We have enormous problems in those cities, very much like that in New York City. However, in the two cities I represent, the basisc problem is in the downtown area. The decay that has taken place down there has spread throughout the neighborhood and throughout the entire city. Therefore, the way to attack poverty in my cities is to start in the downtown areas, invest moneys in the downtown areas, and then there will be a kind of ripple effect into the surrounding neighborhoods and with respect to the housing in the entire city.

Mr. Chairman, if we agree to this amendment, it may be fine for some cities; but we will be restricting it to some cities that have different needs and that have to address their poverty problem in very different ways.

Mr. Chairman, the bill is flexible. It has local controls. It allows people like the mayors and city managers in my cities to address the problems in the way they can best address them and not be hamstrung by a formula which has no application to the problems of those cities.

Mr. BROWN of Michigan. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I do not intend to take much of the committee's time.

This amendment was very adequately discussed and debated in committee. The committee obviously did not adopt it.

Mr. Chairman, I think for all the reasons that have been stated the amendment should be defeated.

Mr. BLANCHARD. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

My colleague, the gentleman from Michigan (Mr. BROWN), indicates that something like this or something very similar was rejected in committee. That is correct.

I know that one of the reasons I voted against it was not the intent, as the chairman has already indicated; but as far as I can see, the amendment is unworkable. I do not know how a community could prove precisely that either 50 percent or 30 percent of its funds were expended for low- and moderate-income persons in terms of data collection and everything else. I think it would extend the application process in such a lengthy way with inconclusive analysis that we might end up tying up all the moneys we are trying to move efficiently back to the cities.

Mr. Chairman, I have not heard yet, either before the subcommittee or the full committee or now, any explanation as to how we could make this work without tying up the program and thus defeating the overall purpose of the act.

Mr. Chairman, if for that reason only, quite honestly, I think the amendment ought to be rejected, since the whole CDBG program becomes unworkable with it.

Mr. ALLEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in response to the opposition that has been expressed to this amendment, let me say that there is a basic misunderstanding.

This amendment does not require the cities to be able to prove that at least 50 percent or 30 percent, depending upon the formula used, goes to the poor or to those of moderate incomes. But what it does say is that when the city makes its application for approval of a program, and that program is approved, depending on whether it meets the criteria set forth in the law, that having been approved, the city is then going to be restricted and required to carry out the program for which it applied for the money in the first place. That is all.

Mr. Chairman, I think it is a very modest requirement. This is supposed to be a bill to help those who live in poor and moderate-income neighborhoods.

It does not require the building of a single house. It may be a playground for children in a slum area, for example. Whatever the plan and nature of the project is left to the city fathers and officials to determine. But once they determine the program, and that program is approved by HUD, we want to know that it is going to be carried out.

I believe the amendment offered by the gentleman from Texas (Mr. GONZALEZ) is a modest amendment. It requires only 50 percent of the money, in the case one formula is used, and 30 percent in the case the alternate formula is used, to be applied to neighborhoods where the greatest need exists.

I urge support of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. GONZALEZ).

The question was taken; and the chairman announced that the noes appear to have it.

Mr. ALLEN. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. MITCHELL OF MARYLAND

Mr. MITCHELL of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MITCHELL of Maryland: Page 10, line 21, immediately after "nonprofit entities" insert "or entities organized under Section 301(d) of the Small Business Investment Act of 1958".

Mr. MITCHELL of Maryland. Mr. Chairman, this amendment is basically clarifying in nature. Its purpose is to spell out that minority enterprise small business investment companies, known as "MESBICS," are entitled to funding under the community development block grant program of the Housing and Community Development Act, should recipient localities choose to do so.

A number of my colleagues may recall that the MESBIC program was created in 1969 as a joint effort between the Federal Government, represented by the Department of Commerce and the Small Business Administration, and the private sector, represented principally by banks and other corporations, to provide venture capital and technical assistance to disadvantaged small businesses. In fact, section 301(d) of the Small Business Investment Act of 1958, as amended, the authorizing statute for the MESBIC program, stresses the creation of entities which will "contribute to a well-balanced national economy" by aiding those who have been "hampered because of social or economic disadvantages."

During the time of the subcommittee markup of the Housing and Community Development Act of 1974, I argued, and I think properly so at the time, that community development funds should not be

used to start new businesses. An amendment which I introduced at that time was designed not to allow community development funds to be used, for example, to start a new hardware store or a new restaurant service business.

However, regretfully, I neglected to consider the peculiar and critical position of MESBICS in the community development process. Since that time, it has repeatedly and rightfully been brought to my attention that MESBICS are an integral part of the community development fabric, where they exist, and that numerous cities such as Augusta, Ga., Poughkeepsie, N.Y.; New Orleans, La., and San Diego, Calif., desire to utilize a portion of their respective community development funds to assist these organizations.

I should also point out that the need to provide the local latitude to strengthen MESBICs through the Community Development program is heightened when one understands that as a result of the losses that banks and other lending institutions have suffered in the last 3 years, the criteria for securing loans have increased. One of these increases is the requirement of from 30 percent to 50 percent equity on the part of the potential borrower instead of the former 15 percent to 30 percent. This situation greatly aggrevates the problems of minority business developers, nationwide, of increasing sources of equity capital in order to participate in the economic and community development of this country.

A partial solution to this problem is to allow localities to use some of their Community Development funds to capitalize viable MESBICs, therefore, allowing their qualification for 3 to 1 leverage, rather than the present 2 to 1 leverage from the Small Business Administration. It is important to emphasize, again, that such community development funds should be primarily used to "capitalize viable MESBICs," not provide direct start-up funds for new businesses. As an example of "viable," in the usual administrative regulatory process, HUD may well desire to limit the utilization of community development funds to those MESBICs which already have a private-public funding level of $750,000 or so.

In any event, the basic provision for use must be clearly given to HUD by this Congress. That, again, is the thrust of my amendment and I ask my colleagues to fully support its intent and passage.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. MITCHELL).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PATTERSON OF CALIFORNIA

Mr. PATTERSON of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr PATTERSON of California: Page 13, strike out line 11 and all that follows through line 14 and insert in lieu thereof the following "involving the extent of poverty shall be counted three times and each of the other ratios shall be counted once"

Mr. PATTERSON of California. Mr. Chairman, this Committee of the Whole has made the decision to go with the new formula. That new formula addresses the issue of the age of housing as opposed to poverty. I would like, and therefore I offer, an amendment which would treat poverty as a primary factor. The explanation for the amendment is simple. I would weight the new formula 60 percent to the extent of poverty, 20 percent to age of housing, and 20 percent to population lag, as opposed to the new formula in its present form which weights age of housing, 50 percent; poverty, 30 percent; and population lag, 20 percent.

The purpose of the amendment is also simple. The CDBG program is designed, as it has been in the past and should be in the future, to aid the needy and the needs of cities and of all Americans. I submit my amendment at this time and ask for an "aye" vote.

Mr. ASHLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, in all truth, we have really spent a very substantial amount of time debating the merits and the demerits of the dual-formula system, and I would hope that we would be able to dispose of the current amendment offered by the gentleman from California in relatively short order.

The gentleman is offering us really for the first time a brand new formula, and I want to make it clear to my colleagues that this was never discussed in the subcommittee on which we serve or in the full committee at any point in the very thorough deliberations with respect to the subject matter before us. So clearly there is no way in the world of assessing what is involved and what the implications might be with respect to this new formula. Clearly the gentleman is not favorably disposed toward any new formula, as was indicated in the prior debate, that is responsive to the needs of the older communities of our Nation. He made that point clear, and he certainly is making it clear in this amendment when he rewrites not the original formula but the new formula—and I do not know whether it would be advantageous to California or to certain sections of the country or not, because there has been no way of assessing what the implications of it would be.

This is not the way to legislate, Mr. Chairman. We do not really come to the floor of the House for the purpose of writing formulae which would have a profound effect upon the ability of our cities to meet the needs of our people throughout every part of the country.

Mr. PATTERSON of California. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. Yes, I yield to the gentleman from California.

Mr. PATTERSON of California. I thank the chairman for yielding.

The issue was raised in the subcommittee and in the committee with regard to poverty. It was suggested that there are 16 to 18 needs, but that particular formula which was presented as a package had age of housing with a heavy factor, and reduced the issue of poverty.

Mr ASHLEY. I will say to the gentleman that he really dismissed—and I use that word guardedly—any real consideration of the physical dimension of need with respect to our American cities and the people who live in our American cities. He did show a singular understanding of the dimensions of poverty, and that is reflected here. What the gentleman is saying is that he does not care about the age of housing and what that reflects in the way of need; that he does not care about population lag and what that reflects in a different way with respect to the needs of some cities; that all he is concerned about is the number of people in poverty, and that that should obviously weight, at least in terms of his amendment, some 60 percent in terms of the formula that he is proposing.

So I would say, Mr. Chairman, that it is not prudent or wise for the House to try to undertake the rewriting of the formula, to which literally years of study, years of modeling in terms of trying to assess the impact have been put, and to put that aside in favor of a proposition that is brought to us, for the first time, within the last 5 minutes.

Mr MOORHEAD of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Pennsylvania.

Mr. MOORHEAD of Pennsylvania. I thank the gentleman for yielding.

Would the chairman not agree that when we considered the other formula we had computer printouts so that we knew what community would benefit and how much?

Now we have an amendment and in that it appears for the first time we are really flying in the dark because we do not know the result of this amendment if it were adopted.

Mr. ASHLEY. The gentleman is absolutely right.

Mr. PATTERSON of California. Will the gentleman yield on that point?

Mr. ASHLEY. I yield to the gentleman from California.

Mr. PATTERSON of California. That is the value of my amendment, which is that we do not know what it will do in each of our home districts. We heard what would happen with the Hannaford amendment, and so we voted regionally. Now we have a chance to vote nationally on the issue of poverty.

Mr. ASHLEY. Mr. Chairman, I will not yield any further. If the gentleman from California feels there is value in his amendment because we do not know what it will do, I am going to let the statement stand.

Mr. BROWN of Michigan. Mr. Chairman, I rise in opposition to the amendment.

At the outset I have some difficulty with the gentleman's amendment. His amendment reads:

Page 13, strike out line 11 and all that follows through "once" in line 14 and insert in lieu thereof the following:

I looked at page 13, lines 11 through 14, and "once" does not appear on line 14.

Mr. PATTERSON of California. Mr. Chairman, after the word "through" we deleted the words "'once' in" and I had the secretary delete it. If the gentleman has a copy with those words in it, it is

incorrect. If he would delete the words "'once' in", it would read correctly and read: "all that follows through line 14".

Mr. BROWN of Michigan. I thank the gentleman for his correction because the amendment did not make any sense the way it was offered.

I would also respectfully suggest I trust the gentleman is pursuing this amendment facetiously rather than in substance, because if he is sincere in pursuing it and it should by any chance pass, I hope the gentleman will set up a desk in the well of the House so that all those who attempted to check the figures applicable to the prior amendment can be directed to the gentleman so he can explain to the Members of the House what his amendment does for their communities and their districts, because obviously it is of great concern to every Member.

Mr. PATTERSON of California. Mr. Chairman, if the gentleman will yield further, the amendment is not facetious. It is to say let us treat poverty without getting all these great bulks of paper work from HUD. My amendment says let us address the real issue, which is poverty, and meet that need, whether it affects the gentleman's district or mine, and no matter how it affects our districts it will be the best thing for this Nation.

Mr. BROWN of Michigan. Mr. Chairman, I thank the gentleman for his comments. However, I think that his conclusion that this is the best thing for the Nation is his conclusion and nothing more.

As the Members know, in the original formula we have poverty counted at 50 percent. His amendment to the second formula would increase that formula to 60 percent. It totally ignores a basic thrust of the legislation which is to look at the physical plant of our communities, as the gentleman from Pennsylvania mentioned and is intended to replace categorical urban programs which have been terminated. To disproportionately address poverty as a factor, ignores other factors reflecting critical community needs. That is why the new formula is addressed to these items of physical deterioration which need to be addressed in the block grant program.

Mr. Chairman, I urge defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. PATTERSON).

The amendment was rejected.

AMENDMENT OFFERED BY MR. BADILLO

Mr. BADILLO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BADILLO: Page 10, line 12, insert "(1)" after "(b)".

Page 10, after line 13, insert the following:

(2) Section 105(a)(8) of such Act is amended by inserting the following before the semicolon at the end thereof: ", and if such services have not been provided by the unit of local government (through funds raised by such unit, or received by such unit from the State in which it is located) during any part of the 12-month period immediately preceding the date of application submission for funds which are to be made available under this title, and which are to be utilized for such services, unless the Secretary finds that the discontinuation of such services was the result of events not within the control of the applicant."

Mr. BADILLO. Mr. Chairman, this amendment has been discussed with the subcommittee chairman and the ranking member of the minority.

The purpose of the amendment is to insure that the funds under this act are not used as a substitute for the municipal budget and to clarify that we mean to see to it that that does not happen. For that reason, I think that the amendment is acceptable to both sides.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I yield to the chairman.

Mr. ASHLEY. Mr. Chairman, I want to commend the gentleman from New York for the gentleman's enormous energy. We have seen this amendment and heard discussion of this amendment for some considerable period of time.

I do say this with sincerity, that the gentleman is to be commended because the gentleman is well aware of certain situations perhaps in the gentleman's district that very much suggests to the gentleman that there has been a substitution of funds that was not contemplated under the act.

It seems to me that this is a part of the legislative process that we are engaged in here. We have called upon the appropriate Assistant Secretary of HUD to review the language and it has been reviewed by myself and my colleague, the gentleman from Michigan (Mr. BROWN).

On the basis of the gentleman's efforts and our evaluation of the amendment, we are happy to accept it at this time.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, I thank the gentleman for yielding.

As the gentleman knows, most of us were sympathetic to the gentleman's cause as the gentleman addressed it in the committeee; however, there were many language-drafting problems encountered with the amendments that the gentleman proposed in the committee. The draft of the amendment as now proposed, I think, meets those objections.

Therefore, Mr. Chairman, I would support the amendment at this time.

Mr. BADILLO. Mr. Chairman, I thank my colleague.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BADILLO).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BROWN OF MICHIGAN

Mr. BROWN of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Michigan: Page 17, line 1, section 106, is amended:

(a) by adding, in subsection (e) immediately after the phrase "In determining whether to make such a commitment to a unit of general local government, the Secretary shall" the words: "give special consideration to those communities presently carrying out comprehensive community development programs, which are subject to the provisions of subsection (h)(2), and shall"; and

(b) by adding, in subsection (g), immediately after the phrase "In determining whether to make such a commitment to a unit of general local government, the Secretary shall" the words: "give special consideration to those communities, presently carrying out comprehensive community development programs, which are subject to the provisions of subsection (h)(2), and shall".

Mr. BROWN of Michigan. Mr. Chairman, this amendment is addressed to a great concern that has been expressed to me by many Members regarding small communities under 50,000 who have comprehensive community development programs in being and who have been held harmless from reduced funding under the 1974 act, but who will be phased out to zero under the new legislation because there is no funding protection for hold-harmless cities in the legislation.

Now, larger communities, those entitlement communities above 50,000, are being protected somewhat in their phaseout by the new formula. They may be phased out in part, but they will not be phased out as much, because the new formula will lift their level of funding up so that they will not be phased down the way they would be without the new legislation.

It seems to me that in saying that the Secretary shall give special consideration to the smaller communities with comprehensive plans, which would otherwise be phased out, we are doing the very minimum that should be done for them. I know many Members feel we should give some kind of protection to these smaller communities which will be phased out to nothing in so far as their funding is concerned. I trust that I will receive at least acquiescence on the side of the majority with respect to this amendment.

Mr. ASHLEY. Mr. Chairman, I move to strike the appropriate number of words.

Let me ask my friend from Michigan, is the purpose of this amendment to cause the Secretary to give special consideration to smaller communities in metropolitan areas and in nonmetropolitan areas that have enjoyed hold harmless status in the past, that would be phased out on hold harmless in the next 3 years?

Mr. BROWN of Michigan. That is correct. If the gentleman would yield, those communities that were hold harmless and that have, in effect, a comprehensive community development program; not the communities that may have a one shot minimal grant.

Mr. ASHLEY. That answers any reservations I may have had. I think the amendment is a thoroughly good one, and I support it.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield for one brief question?

Mr. ASHLEY. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Obviously, I am sympathetic with the amendment, and I just have one question. Is the amount of money in discretionary funds sufficient to meet the

needs of the small towns that the gentleman is concerned with in his amendment? That is the only problem I have with it. To the gentleman's knowledge, is there sufficient money in these discretionary funds?

Mr. BROWN of Michigan. If the gentleman will yield to me, as the hold harmless phases out, the discretionary pot of money—if I may call it that—gets larger, so that therefore there should be no problem of funding since the hold harmless is a fixed amount and all we are saying is that the Secretary shall give special consideration.

Mr. MITCHELL of Maryland. I support the amendment.

Mr. LUNDINE. Mr. Chairman, I move to strike the last word.

Very briefly, Mr. Chairman, I was the author of an amendment that had to do with a program for small cities with comprehensive community development plans and programs. I think this is a useful amendment. I support this amendment because it was my intention, and it has been the intention of everyone who has made a contribution to this act with respect to the smaller communities, that the past performance of previous level of program activity should be given some consideration. I believe this is a useful amendment to accomplish that purpose.

Mr. STANTON. Mr. Chairman, will the gentleman yield?

Mr. LUNDINE. I yield to the gentleman from Ohio.

Mr. STANTON. I appreciate the gentleman yielding to me. I want to compliment the gentleman from Michigan for this amendment. As he said, this does go a long way toward answering the problem many of us have been confronted with between cities and the hold-harmless amendment. I support the amendment.

Mr. CONYERS. Mr. Chairman, in considering the Housing and Community Development Act of 1977, I am very concerned with the problems of smaller cities. The city of Highland Park, Mich., containing 35,000 of my constituents, has been struggling with the serious urban decay and blight problems common to most Northeastern cities, and it relies heavily on HUD assistance.

Highland Park's community development efforts, now receiving a $4,441,000 hold-harmless entitlement, date back nearly 10 years with the old urban renewal and neighborhood development categorical programs. With this bill's phase-out of hold-harmless funds, however, the city's commitment to and investment in long-range revitalization is threatened. The projects underway, which have resulted in torn-down houses and other social disruption, will in no way be completed when the current entitlement runs out, and many city blocks have been allowed to further deteriorate with the expectation that redevelopment is on the way.

H.R. 6655, and accompanying committee report, rightly recognize the problems of smaller communities. I am pleased to note that hold-harmless cuts are phased over a 3-year period, and that the HUD Secretary is supposed to give discretionary priority to communities facing this substantial loss of funds.

However, cities such as Highland Park will be totally at the mercy of the HUD Secretary, and will have to compete with thousands of other cities who may just be beginning a community development program. I am afraid, as with many other Federal grant programs, that newer, richer and whiter communities will grab up the discretionary "pot" leaving the Highland Parks of the Nation in worse shape than ever.

I can only hope that the passage of H.R. 6655 will insure that continued HUD assistance will be available to the small municipalities as well as the large. I urge the Banking, Currency and Housing Committee to make every effort to insure that HUD follow congressional intent as expressed on pages 5 and 6 of the committee report and in Congressman GARRY BROWN's amendment which specifically mandates special consideration to small communities whose fight for survival is dependent on HUD aid.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. BROWN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PATTERSON OF CALIFORNIA

Mr. PATTERSON of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PATTERSON of California: Page 10, after line 4, insert the following:

(e) Section 104 of such Act is amended by adding the following new subsection at the end thereof:

"(1)(1) The Secretary shall, in making funds available to the recipients of grants under this title, permit any such recipient to receive funds, in one payment, in an amount not to exceed the total amount designated in the recipient's application, and approved by the Secretary pursuant to this section, for use by the recipient for establishing a revolving loan fund which is to be established in a private financial institution and which is to be used to finance rehabilitation activities that are part of the recipient's community development program. The Secretary may, as a condition of making such payment, require that the revolving loan fund be utilized for the making of loans to finance rehabilitation activities in a manner consistent with this Act. Rehabilitation activities authorized under this section shall begin within 45 days after the Secretary has made such payment.

"(2) The Secretary shall establish standards for such cash disbursements which will insure that the deposits result in appropriate benefits in support of the recipient's rehabilitation program. These standards shall be designated to assure that the benefits to be derived from the local program include at a minimum one or more of the following elements, or such other criteria as determined by the Secretary—

"(A) Leverage of community development block grant funds so that participating financial institutions commit private funds for loans in the rehabilitation program in amounts substantially in excess of deposit of community development funds;

"(B) Commitment of private funds for rehabilitation loans at below-market interest rates or with repayment periods lengthened or at higher risk than would normally be taken;

"(C) Provision of administrative services in support of the rehabilitation program by the participating lending instituton; and,

"(D) Interest earned on such cash deposits shall be used in a manner which supports the community rehabilitation program. At the time of application, the Secretary shall review and approve all agreements with lending institutions which receive funds for community rehabilitation programs. Such approval shall be made on a case-by-case basis, and upon a determination by the Secretary that the agreement with the lending institution meets minimum benefit standards as listed in this paragraph."

Mr. PATTERSON of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. BROWN of Michigan. Mr. Chairman, reserving the right to object, as I indicated earlier I will not object if we are provided with a copy of the amendment.

While the amendment is being provided, I will withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PATTERSON of California. Mr. Chairman, I apologize to the gentleman from Michigan (Mr. BROWN) for not having a copy of the amendment before him.

This amendment was offered by myself in the full committee, and the vote was 18 to 20 in favor of the amendment. Subsequent to that, a number of my colleagues indicated to me that, were there a period in the amendment limiting the time within which a city and bank must initiate rehabilitation loans that they would support the amendment. We did not have time to offer the amendment again in the full committee.

Mr. Chairman, recently the Department of the Treasury has recommended and the Department of Housing and Urban Development has issued proposed regulations ending the current practice of allowing lump-sum drawdowns of community development block grant funds for deposit in private financial institutions for use in leveraging private funds and services for investment in housing rehabilitation programs.

My amendment would direct the Secretary of HUD to continue to allow the continuation of lump-sum drawdowns for cities with rehabilitation programs.

The lump-sum drawdowns and subsequent deposits in private lending institutions have proven very useful in inducing private lenders to put up their own funds for the below-market-rate and higher risk loans, as well as to provide other services in support of community rehabilitation programs.

Cities have been able to leverage their community development block grant funds on an advantageous basis. In fact, according to the Housing Subcommittee staff report on community development, some cities have been able to leverage $1 of CDBG funds into $4 of private funds. This practice seems to me to be the best way to leverage private funds for investment in rehabilitation on reasonable terms.

Mr. Chairman, I am aware that the proposed drawdown provisions issued by HUD follow a policy of the U.S. Treasury intended to discourage grant recipients from depositing Federal funds in banks and securing interest on them. While I believe that this is a good policy, I feel it would be prudent to allow a controlled departure from this, in this case, to insure private sector involvement in needed rehabilitation projects.

The amendment outlines minimum benefit standards which must be realized by the city before drawdown could be permitted and limits the use of such funds to rehabilitation programs only. It also establishes a time limit by which these rehabilitation programs must begin—that is, 45 days—so as to insure that cities or private lenders do not abuse the privilege granted.

I believe that this amendment should be approved so that we can continue to foster the active involvement of dollars and private market investment in rehabilitation programs in neighborhoods where such risks would not ordinarily be taken.

Just about every city in my district, and I am sure in yours, has advised us of their use of this program. The city of Santa Ana, Calif., for example, has a program where they will leverage $10 private to every $1 Federal.

Mr. Chairman, I urge the adoption of the amendment.

Mr. TSONGAS. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON of California. I yield to my colleague, the gentleman from Massachusetts (Mr. TSONGAS).

Mr. TSONGAS. I thank the gentleman for yielding.

As I indicated to the gentleman in committee, we have established a program like this in my district, and it is working out quite well. I voted against the amendment because I was concerned about some of the details, and if I can ask the gentleman some questions, perhaps he can answer those questions at this point.

First, in terms of the revolving fund, there will be applications made to the fund and decisions made as to whether applications will be approved or not approved.

Who will be making the decisions?

Mr. PATTERSON of California. The Secretary of HUD.

Mr. TSONGAS. The Secretary of HUD would decide on each loan application to the revolving fund?

Mr. PATTERSON of California. I am sorry. No. That would be pursuant to the agreement between the city and the financial institution.

Mr. TSONGAS. Does the gentleman envision a board, for example, with city fathers and bankers and community people making a majority vote decision, or just what does the gentleman have in mind?

Mr. PATTERSON of California. This provision would not specify such, but the Secretary of HUD could require such.

The CHAIRMAN. The time of the gentleman from California (Mr. PATTERSON) has expired.

(On request of Mr. TSONGAS and by unanimous consent, Mr. PATTERSON of CALIFORNIA was allowed to proceed for 2 additional minutes.)

Mr. TSONGAS. Mr. Chairman, will the gentleman yield further?

Mr. PATTERSON of California. I yield to the gentleman from Massachusetts.

Mr. TSONGAS. Mr. Chairman, I believe the gentleman has already answered my second question.

It is my understanding that the Secretary must approve each revolving fund application in terms of its composition; is that correct?

Mr. PATTERSON of California. That is my understanding; yes.

Mr. TSONGAS. This is the gentleman's amendment, and I would assume that is what it provides.

Mr. PATTERSON of California. That is the intent of it, and I believe that is what the language requires.

Mr. TSONGAS. Does the gentleman's amendment intend that the applications approved under the revolving loan fund be consistent with community involvement and with the community development plan per se, or would it be the intent of the amendment that only in terms of the language of the application would it be approved or disapproved?

Mr. PATTERSON of California. It would be my intent that it would be done pursuant to a community plan. In each case there would be an application made to the Secretary, and the Secretary would have the right to require such other criteria as the Secretary would determine. That is provided in the amendment, and I would assume the Secretary would require that there be community involvement, and that that would be done in each case.

Mr. TSONGAS. Mr. Chairman, I would urge the gentleman to be sure that provision is included, because in a case in my own community there have been instances where the loan application has been inconsistent with the generally approved community development plan.

My next question is this: Does the gentleman envision that other participants, in addition to CD moneys and private funding from financial institutions, may contribute?

Specifically, for example, I refer to union funds that are made available to a community development fund because they will benefit by any construction that will ensue. Would that activity be eligible under the provisions of the fund?

Mr. PATTERSON of California. I see no reason why it could not be eligible, but this amendment would not require such activity.

Mr. TSONGAS. Mr. Chairman, I thank the gentleman, and I commend him for offering this amendment.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON of California. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, I, too, would like to commend the gentleman for offering his amendment.

As I understand it, it is a good amendment. It seems to me that it is a good principle to use. If we can get Federal dollars and leverage them in some way so that we can accomplish much more in community development, I believe that is the right way in which to proceed.

Mr. Chairman, I congratulate the gentleman upon offering his amendment.

The CHAIRMAN. The time of the gentleman from California (Mr. PATTERSON) has again expired.

(By unanimous consent, Mr. PATTERSON of California was allowed to proceed for 2 additional minutes.)

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON of California. I yield to the gentleman from Ohio, chairman of the Subcommittee on Housing.

Mr. ASHLEY. Mr. Chairman, I appreciate the gentleman's yielding.

Did I understand the gentleman correctly, in his colloquy with the gentleman from Massachusetts (Mr. TSONGAS), that he replied in the affirmative to a question as to whether or not the use of the fund must be consistent with the community development plan?

Mr. PATTERSON of California. Yes, I did reply in that fashion.

Mr. ASHLEY. Mr. Chairman I think it is important that the congressional intent behind the amendment be clear on that point. I believe that is a very crucial aspect of the amendment.

I will also say to the gentleman that when we considered this matter in committee there was no 45-day limitation included. That is correct is it not?

Mr. PATTERSON of California. The gentleman is correct.

Mr. ASHLEY. It was really rather open-ended, was it not?

Mr. PATTERSON of California. I did not have a limitation included in it, that is correct.

Mr. ASHLEY. Mr. Chairman, I believe, with the work that the gentleman has done with the constraints that are now clear in the legislative language, that the amendment is a good one, and I am happy to support it.

Mr. PATTERSON of California. Mr. Chairman, I thank the chairman of the subcommittee very much for his acceptance of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. PATTERSON).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. OTTINGER

Mr. OTTINGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OTTINGER: Page 2, after line 23, add the following new paragraph and redesignate the succeeding paragraphs accordingly:

(1) by inserting the followinng before the period at the end of paragraph (4): "except that, in the case of any city which the Secretary has classified as a metropolitan city under clause (B) of this paragraph, the Secretary shall continue such classification until the decennial census indicates that the population of such city is below fifty thousand."

Mr. OTTINGER. Mr. Chairman, this is a noncontroversial amendment, I believe. I have discussed it with both the majority and the minority.

This amendment takes care of an anticipated situation under which cities that are designated as metropolitan cities

which have a population of 50,000 or more are threatened with imminent loss of funds because recent census estimates that are used by HUD indicate the populations of these cities have dropped below 50,000.

The Bureau of the Census itself admits that its population estimates have a 3 percent margin of error. Thus, a city with an actual population of 50,000 or more might be disqualified because of an estimate indicating a population figure as low as 48,500.

In the case of White Plains, N.Y., the population decline itself could be attributable to the urban renewal program, and the new housing being constructed under the community development program will itself bring the population over the 50,000 figure from the estimate.

These cities are embarked upon substantial programs and to change their funding status in midstream would cause great disruption.

To demonstrate how important this amendment is to the communities affected I would like to quote briefly from a letter I just received from Donald R. Marquis, town manager of the town of Arlington, Mass.:

On behalf of the town of Arlington's 52,000 citizens (our own town population estimate) I would like to extend my sincere thanks to you and Scott Gilbert of your Washington staff for swiftly moving to provide legislation that would not jeopardize our community's participation in the Community Development Block Grant program.

Community Development Block Grant funds since the inception of the program in 1974 have provided the impetus for Center revitalization plans, land banking and housing rehabilitation. This summer the fruits of our early labor in this program will be realized when construction begins in Arlington Center. The loss of future funding would quickly discourage the high hopes and expectation of town officials and the business community who now see daylight and potential progress for the first time since our country's economic woes impacted urban centers.

To my knowledge, there are only six cities affected by this amendment at the present time. Those cities are Arlington, Mass.; Chester, Pa.; Covington, Ky.; Lincoln Park, Mich.; Milford, Conn.; and White Plains, N.Y., which I represent.

Mr. Chairman, this amendment has been adopted in the other body. I think it was nobody's intention that these small communities be cut off in midstream.

Mr. Chairman, I urge the adoption of the amendment.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, I thank the gentleman for yielding.

I quite concur that this does create a problem where these intermediate census figures drop a city below the 50,000-person figure.

However, the gentleman in his remarks and in our discussion did not indicate his intent to me as to how the amendment should be interpreted insofar as the allocation of funds is concerned.

Does the gentleman intend this to be purely a threshold figure to make it an entitlement community and then the factors that are applicable to the community with the lower population and all that would mean that the lower population estimate would be used in arriving at the amount of the funds?

Mr. OTTINGER. The gentleman is correct. The intent is only to retain these cities as entitlement communities.

Mr. BROWN of Michigan. Therefore, a city will not be receiving funds in excess of the factors applicable to that city with the lower population figure; is that correct?

Mr. OTTINGER. That is correct.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, I can well understand the situation in which a community which originally or at some time had a population of 50,000 would, on the basis of a census estimate, drop below that population figure and, therefore, would lose its status as an eligible community under the act. I think that the gentleman's approach is a reasonable one.

I am worried only about one aspect. It does not go to the 3-percent margin because the Census Bureau itself admits that population estimates have a 3-percent margin of error.

However, it may be that we will get better census data along the way, in which case I would not want communities to think that they were locked in for a period of, let us say, 10 years. If we were to go through a census that provided accurate data every 5 years, I would not want the intent of the Congress to be construed to be that regardless of that factor, it intended to grandfather in or hold harmless communities in this particular set of circumstances for the 10-year period. I understand that the 10-year period is in there.

I am simply expressing the view that if there were a 5-year census basis for data that would be more accurate, it would be understood that the matter would be reviewed at that time in the light of those circumstances; is that correct?

Mr. OTTINGER. Yes. I certainly am sympathetic to that viewpoint. The intent is to not disqualify a city on the basis of census estimates, but to wait until accurate figures are obtained.

Mr. ASHLEY. Mr. Chairman, if the gentleman will yield further, if those figures are obtained on a more regular basis than every 10 years, then obviously the more firm data would apply; is that correct?

Mr. OTTINGER. That is correct.

Mr. ASHLEY. Mr. Chairman, I thank the gentleman.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman for yielding.

I would like to join in support of his amendment.

I would like to point out, as I discussed with the chairman last Friday, that although the amendment does not take care of the problem I had; namely, a county's population falling below the statutory limit, after the colloquy I had with the chairman last Friday. I think the Department will get the message that it is the intention of the committee that such situations be taken care of through the exercise of discretionary powers.

Mr. OTTINGER. I thank the gentleman and would think that the same principles should apply to his situation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. OTTINGER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GINN

Mr. GINN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GINN: On page 17, line 5, immediately after "activity," insert "impact on the unit's growth of national policy or direct Federal program decisions."

On page 21, line 5, immediately after "activity," insert "impact on the unit's growth of national policy or direct Federal program decisions."

Mr. GINN. Mr. Chairman, this bill establishes certain factors for the Secretary of Housing and Urban Development to consider in determining the allocation of community development block grants. The amendment I offer would include in those determining factors consideration for the impact of national policy decisions or direct Federal program decisions.

With the exception of last year, this consideration was traditionally provided by the Secretary and I feel strongly that national policy or Federal program decisions are still relevant in administering this fine program. As such, they should be included in the guidelines set forth in this bill.

My amendment, Mr. Chairman, does not single out communities which are impacted by Federal decisions for additional Federal assistance without respect to that community's commitment to the objectives of the block grant program or its eligibility for same. The Federal decision provision refers solely to those Federal actions which create hardships on a community of a nature which this bill is designed to address.

We are talking about the need for low income housing and for economic redevelopment, and to the extent that a Federal impact decision creates these needs, it is a factor to be weighed in the community development block grant program. Your favorable consideration of this amendment, I believe, would be significant to the goals of this comprehensive and critical legislation.

Mr. Chairman, permit me to cite an example of how hardships have been placed on a community in my district as a result of a Federal impact decision.

Fort Stewart, which is located in Hinesville, Liberty County, Ga., is the home of the newly created 24th Army Infantry Division, and military and civilian employment there will increase from less than 5,400 to over 15,500 in the 2-year period from June 1975 to September 1977. The total impact of this expansion will nearly triple Liberty County's population by 1980.

The Army estimates that 2,723 military families will have to be housed off-post by June of this year, and there are as yet no available estimates for single enlisted men's housing needs. However,

of the total military personnel expected to be at Fort Stewart by September 30, 1977, 61 percent, or almost two-thirds will have incomes which fall below HUD's estimated 80 percent of median family income, the criteria used in this program. These figures, I might add, include the housing allowance paid to these personnel. As you can see, the economic benefits to the community by this Federal action will be minimal, while the demands for services and facilities will be large. The situation is one that has been created in the national interest, and it is apparent that the Federal Government has an obligation to take that national interest into consideration when formulating Federal housing programs.

In fiscal year 1976 Liberty County received community development block grant funding when the HUD criteria gave consideration to such situations. However, this year, Liberty County without Federal impact consideration fell slightly below the cutoff for funding in Georgia, and had the criteria given even minimal consideration to impact, the application likely would have been approved and badly needed housing and community facility improvements funded.

Mr. Chairman, I am certain that this story can be repeated again and again throughout the country where a national policy decision has created a critical shortage of low-income housing and a need for economic redevelopment activity. I do not think we can ignore these situations, and I therefore urge adoption of my amendment.

Mr. ASHLEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this amendment would cause the Secretary to consider an additional factor in determining whether or not a city shall get discretionary funds, on a multiple year basis, that is to say a 3-year basis. I think this is a factor, as the gentleman from Georgia pointed out, which is worthy for consideration, the impact of a Federal or military installation can be positive or negative.

Inasmuch as it is one of a number of factors that can be taken into consideration, I would support the amendment.

Mr. BROWN of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am not sure but what the present language of the bill would permit authorizing and almost directing the Secretary to consider the very subject matter that is in the gentleman's amendment. However, I think it does no harm. It certainly would make sure that the Secretary does not omit consideration of Federal decisions and Federal programs as factors in her determinations under this section. So, therefore, Mr. Chairman, I would support the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. GINN).

The amendment was agreed to.

AMENDMENT OFFERED BY MRS. HECKLER

Mrs. HECKLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. HECKLER: Page 17, line 10 and on page 21, line 9, after "population)," insert "the extent to which the unit's activity or program of activities is necessary to alleviate a serious threat to health or safety."

Mrs. HECKLER. Mr. Chairman, I rise to offer an amendment to the proposed title I of H.R. 6655 and do so as a former member of the Housing Subcommittee and one who knows from experience the fairness and impressive expertise of both the chairman and the gentleman from the great State of Michigan (Mr. BROWN). I propose to insert the following language on page 17, line 10 after "population)" and on page 21, line 9, identically: "the extent to which the unit's activity or program of activities is necessary to alleviate a serious threat to health or safety."

Mr. Speaker, I offer this amendment as one of more than two score Members of the House who recently have experienced water-related problems in their districts. My amendment would clarify and sharpen existing HUD regulations which outline the "threat to public health or safety" standards as a requirement by which a community may obtain nonmetropolitan discretionary funds.

My amendment will elevate the existing regulations into law, because the current regulations are not being adhered to by HUD in its awarding of such grants.

Taunton, Mass., a city of 47,000 persons which has a water supply of low quality, inadequate quantity, and chlorination to such excess that its elderly residents cannot drink it, received a score of zero out of a possible 10 points on this criteria in applying for HUD discretionary grant moneys.

Mr. Chairman, despite the fact that Taunton qualifies for such funds under the criteria regarding poverty, housing needs, and the need to eliminate blight, the city was denied some $180,000 in grant funds which would have been utilized to install a water lining and distribution system. The denial occurred because the city had received a zero rating in the threat to public health category of the regulations. And despite the added fact that the city's Board of Health has determined that the current system of water distribution does constitute a serious threat to the health and safety of the residents, and that the repair and reconstruction work which is proposed in the grant application is the only reasonable solution to the problem. I might add that the situation in Taunton is so serious that at one point the Board of Health placed into effect a boil-water order for all residents who use the public water system. The denial of this grant by HUD is an outrage.

My amendment recognizes the linkage between safe water and community development. Because of the limitations imposed on it by this water problem, Taunton faces serious problems of community development. It is severely hampered in attracting new residents, industry, and commercial enterprise. The viability of its past and present community development projects—in areas of housing, recreation, employment, neighborhood improvement, industrial expansion, and public transportation—stand in jeopardy.

The guarantee of a safe water supply should be every citizen's right. It is our duty and responsibility to guarantee that this right is assured. It is for these reasons, Mr. Speaker, that I offer this amendment which requires that this housing authority contain the language "the extent to which the unit's activity or program of activities is necessary to alleviate a serious threat to health or safety." This language would encompass many different situations, but it is my intent that activities as demonstrated in the Taunton application would be specifically considered. My amendment requires HUD to take into account the need for a safe water supply as a factor in determining eligibility for funding.

Mr. BROWN of Michigan. Mr. Chairman, will the gentlewoman yield?

Mrs. HECKLER. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. I thank the gentlewoman for yielding.

As she has stated, she discussed this amendment with me earlier. I wonder if the gentlewoman recognizes that as presently drafted the language she proposes would apply only to those communities which have comprehensive community development programs?

Mrs. HECKLER. Yes, I do recognize that. I also have to say that the city of Taunton does have such a program and does have such a plan.

Mr. BROWN of Michigan. If the gentlewoman would yield further, as placed in the bill the language that she is proposing would apply to communities with comprehensive community development programs, but not to single-shot funding applications and that is what she proposes; is that correct?

Mrs. HECKLER. Yes. There are two insertions of the amendment in the bill that would apply to the situation.

Mr. BROWN of Michigan. Mr. Chairman, I have no objection.

Mr. ASHLEY. Mr. Chairman, I move to strike the last word.

I would say to the gentlewoman from Massachusetts that until she presented her amendment to me in fairly recent days I had no idea what a boiled water order was.

I confess I still do not know exactly what that is. In any event, and having acknowledged the feeble state of my ability to deal with this amendment, I do want to say this in some seriousness, that if the Secretary cannot take into account this very fundamental aspect of public health and safety, then something is the matter with the way we draft legislation.

I think the gentlewoman has represented her citizens very well and responded to a very serious problem in a way that is responsive to that very difficult matter that confronts the people of Taunton, so I am pleased to accept the amendment.

Mrs. HECKLER. Mr. Chairman, if the gentleman will yield, I should like to say I appreciate his sympathy and understanding and I also think it represents good judgment.

For his further education, a boil-water order is imposed by the public health department of the area or State in communities where the bacteria count is so high as to be injurious to public health. So this community was faced with a boil-water order, which meant they were not to drink the water unless it was boiled and not to use it in any way for food or drink unless it was boiled.

That was all surmounted, but the antiquated plumbing which caused the condition of high bacteria count in the water has not been corrected. The boil-water order has been removed, but the people of Taunton are still boiling their water and going to neighboring towns for water.

I do appreciate the gentleman's view on this situation and his acceptance of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Massachusetts (Mrs. HECKLER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BROWN OF MICHIGAN

Mr. BROWN of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

AMENDMENT OFFERED BY MR. BROWN OF MICHIGAN

Amendment offered by Mr. BROWN of Michigan: Page 5 line 22, section 103, is amended—

(a) by striking "3,500,000,000", "3,650,000,000" and "3,800,000,000" in subsection (b) and inserting "3,900,000,000", "4,050,000,000" and "4,200,000,000" respectively;

(b) by adding at the end of subsection (d) the following paragraph:

"(3) by adding at the end thereof the following sentence: 'No funds shall be made available under this subsection unless the amounts appropriated under subsection (a) are at least 3,500,000,000 in fiscal year 1978, 3,650,000,000 on fiscal year 1979 and 3,800,000,000 in fiscal year 1980.' "; and

(c) by striking all after '." in subsection (e) and inserting in lieu thereof the following:

"(c) Of the amounts made available under subsections (a) and (b) not more than the lesser of (A) $400,000,000 or (B) the excess of such amounts over $3,600,000,000 in fiscal year 1978, $3,750,000,000 in fiscal year 1979 and $3,900,000,000 in fiscal year 1980 may be made available for any fiscal year for supplemental grant assistance under section 119."

Mr. BROWN of Michigan (during the reading). Mr. Chairman, I ask unanimous consent that the amendment may be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BROWN of Michigan. Mr. Chairman, this amendment establishes the priorities for the utilization of the $4 billion that are authorized in this bill. Basically it says we shall first fund the community development block grant program to a $3.5 billion level, the urgent needs program at a $100 million level, and then fund the urban development action grants for the $400 million as is authorized in the bill.

The reason I feel this amendment is necessary is because there has been much talk about what will happen in the appropriations process. I think it is important that we decide priorities for this legislation here and now. As Members know, when we were discussing the amendment offered by the gentleman from California (Mr. HANNAFORD), we acknowledged that there will be some prorating done because of the dual formula. We have at the same time said, and the gentleman from Oregon is nodding and others I notice are agreeing, that no community is going to get hurt because the bill maintains present funding levels at least under the old formula, but if we prorate down to accommodate the new new formula and then prorate even further down because the basic community development block grant program is not funded at the proper level, the prorating down could cause significant reduction in funding for many communities.

I have discussed this amendment with the gentleman from Ohio (Mr. ASHLEY). I think his attitude toward this amendment, which was a little different in the committee has changed, and I trust I will receive his acceptance and support.

Mr. ASHLEY. Mr. Chairman, if the gentleman will yield, in all truth my attitude has changed. I had not had the time to really go into the matter thoroughly when it was presented in the committee. What the gentleman is suggesting really makes a lot of sense, because communities do forward plans and they like to think they know what this community block grant program is going to enable them to undertake in the way of CDA programs. It is possible since we are under a community funding plan for there to be some changes and we think it is very important and of highest priority that the funding levels be maintained so that communities can plan and contract and enter into obligations on the basis of some confidence in what the Congress is doing or what the Congress is saying.

So I think that the highest order of priority is to maintain in every section of the country the levels of funding that communities are able to anticipate by virtue of what we are doing here today.

Now, if we do not adopt the gentleman's amendment, the fact of the matter is that the Committee on Appropriations, in all truth, might say that it would be their judgment that there would be fewer funds than we have authorized for the CD program, but that the action grant program would be fully funded. That really does not reflect at all the kinds of priorities that we in the authorizing committee, the subcommittee and the full committee, meant to convey to the House.

It is our mutual common judgment in this, and I think other Members share this feeling, that we have got to keep the faith with those communities, whether under the old formula or the new formula, that we have, in fact, contracted with.

So I would say to the gentleman and simply add this parenthetically, that we have one means of grant distribution for those entitlements and to the communities in community development and we have a different means of grant distribution in the old categorical system in the actual grant program; so we have to be clear in what we are doing and why we are setting the priorities we are.

I have to say to the gentleman that the gentleman was right in the first instance. I was right to be a little cautious, because I have known the gentleman from Michigan for a number of years, and I am happy to accept the amendment.

Mr. TSONGAS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, just one question of the gentleman from Michigan. Is it the intent of the gentleman to have an absolute priority or relative priority once the appropriation process is completed?

Mr. BROWN of Michigan. Well, if the gentleman will yield, what the amendment does is to say that to make the block grant program work with the dual formula and to keep faith with the communities that are expecting entitlements under the old formula, that until the block grant formula has been funded at $3.5 billion, there is no funding for the other two categories. As soon as that is met, additional money goes in the urgent needs category, which is authorized at $100 million. As soon as that is met, additional money goes to the action grant program.

Mr. TSONGAS. Then the gentleman's answer is absolute priority.

Mr. BROWN of Michigan. Yes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. BROWN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. FOWLER

Mr. FOWLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOWLER: Page 30, line 14, strike "and".

Page 30, line 17, strike out the period and insert "; and".

Page 30, after line 17, insert the following:

"(5) provides satisfactory assurances that, prior to submission of its application, it has (A) prepared and followed a written citizen participation plan, which plan provides the opportunity for citizens to participate in the development of the application, with special attention to measures to encourage the statement of views and the submission of proposals by low- and moderate-income people and residents of blighted neighborhoods, and to scheduling hearings at times and locations which are convenient to all citizens, (B) provided citizens with adequate information concerning the amount of funds available for proposed activities under this title, the range of activities that may be undertaken, and other important program requirements, and (C) held public hearings to obtain the views of citizens on needs which may be dealt with under this title."

Mr. FOWLER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. FOWLER. Mr. Chairman, I wish to offer an amendment to H.R. 6655. One of the major problems we face in this country is how to relate national policy to local needs. Atlanta and the Fifth Dis-

trict have been one of the most successful areas in the Nation in developing methods for citizen participation that go beyond Federal requirements. We happen to believe that only through the active involvement of our citizens and neighborhoods can policies be developed which are responsive to public needs. But even in Atlanta we have had problems in insuring adequate citizen input at all stages of the policy process. A case in point is a current dispute in which a local neighborhood group was excluded from the planning and development of a section 8 rehabilitation grant application.

My amendment is simple: It would extend the requirement for citizen participation contained in section 104 to include the new urban development action grant program.

The urban development action grant program is a welcome change of emphasis from community development programs of the past which placed primary emphasis on development and new construction instead of reclaiming existing neighborhoods from deterioration and revitalizing existing communities.

I fully support the purposes of this bill and especially its commitment to revitalize urban neighborhoods and commercial districts. But good intentions are not enough. We must realize that billions of dollars which we would authorize in this bill translate into programs which have great impact on people's lives. We must see to it that the voice of the citizen is heard when we in Washington, or in the statehouses, or city halls, consider these programs.

Therefore, I wish to point out one glaring omission which my amendment would remedy. We have heard a great deal of talk on the floor today about experts and consultants. The consultants who matter are not those who are found within city bureaucracies. The "consultants" who matter are the people who must live with the results of this program—my neighbors and your neighbors. This amendment requires such prior consultation with citizens. It requires citizen input and citizen participation at the beginning of the process where it can make a difference. Furthermore, this amendment requires no additional budget authority.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. FOWLER. I yield to the gentleman from Ohio.

Mr. ASHLEY. I think the gentleman from Georgia is really to be very much commended for offering this amendment. It came as something of a shock to me to have it suggested that it might be that citizen participation was not required with respect to the new action grant program. In reviewing the legislation, I find there can be an argument either way, in all truth, that the action grant program is an addendum to the community development block grant program; and that inasmuch as citizen participation is a very key requirement of the community development program, therefore it could be construed as being a requirement for the new action grant program.

The fact of the matter is, however, that it is not clear, and it should be clear. The gentleman's amendment makes it clear, and I am pleased to accept the amendment.

Mr. FOWLER. I thank the gentleman.

Mr. BROWN of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I quite concur with what the gentleman from Ohio has said. Certainly, I would accept the amendment offered by the gentleman from Georgia.

Mrs. HOLT. Mr. Chairman, I am delighted that H.R. 6655 authorizes an increase from $5 to $15 million for 1978 funding of urban homesteading.

This will allow as many as 3,000 residential properties owned by HUD, claimed through defaults on mortgages, to be returned to private ownership and the tax bases of localities.

The proposed increase in funding means that the Banking, Finance and Urban Affairs Committee considers this program to be operating successfully. I have a special interest in this, because the urban homesteading program was originated by my legislation enacted in 1973.

HUD has a huge inventory of houses acquired through mortgage defaults, but which cannot be marketed through conventional means because of their poor condition. Basically, the urban homesteading program allows these properties to be transferred to individuals for $1 each if they contract to restore the properties to standards required by local building and housing codes.

This program attacks urban blight. It enables families with modest incomes to begin homeownership. It improves the tax bases of localities which implement the program. It enables the Department of Housing and Urban Development to reduce an enormous and wasteful inventory of empty housing.

Mr. DON H. CLAUSEN. Mr. Chairman, I rise in support of the bill, H.R. 6655, the Housing and Community Development Act of 1977.

I commend the distinguished chairman of the Subcommittee on Housing and Community Development, our colleague from Ohio (Mr. ASHLEY), for his tremendous efforts to put together a bipartisan bill which will benefit both urban and rural communities, both large and small, for the next 3 years.

I would also like to extend my special thanks to our colleague from Michigan, the ranking minority member of the subcommittee, (Mr. BROWN), for his work to incorporate in the legislation our proposals to increase the FHA mortgage limits and lower the downpayment requirements, plus the expansion of the graduated payment mortgage program.

These improvements in the Federal housing authority loan program will make it easier for families to buy homes. Our proposal increases the maximum home loan from $45,000 to $60,000. About 87 percent of all home sales fall in this category.

At the same time, our proposal lowers the down payment required to assist the many families which are perfectly capable of making the required monthly payments, but are unable to amass the large sum needed for the downpayment.

Our proposal also expands the graduated payment concept started recently as an experimental program to make it available to more families. The program allows young families to make monthly payments more in line with their financial capability. In later years, the payments are increased at the same time their wage-earning potential rises.

I appreciate the bipartisan support these provisions have received and urge their adoption.

It is important to note the impact this legislation will have on our small communities as well as family homeowners. I consider this to be a good bill and hope that amendments to it will make it an even better bill.

Our small communities must be adequately provided for under this legislation. As the hold-harmless system is phased out, cities and towns with under 50,000 people must not be left "high and dry." Their needs are significant at this time. Residents are demanding better housing, better community facilities, better sewer systems, and better water systems.

The assumption that smaller cities do not face exactly the same urban problems of the major metropolitan areas is incorrect. I strongly urge the subcommittee to review the needs of these smaller cities and to incorporate them in urban legislation.

At the present time, there is a gap in Federal programs for areas of greater than 10,000 population and less than 50,000. These cities have demanding requirements for major improvements that must be met. The Congress cannot continue to ignore these needs in preference to the larger urban complexes.

It is my understanding that my colleague from Iowa (Mr. GRASSLEY) will offer an amendment to the $400 million action grant program to insure that at least 25 percent of the funding goes to our small cities and towns. Twenty-five percent of all block grant funds now go to these communities and the amendment would simply guarantee a continuation of the status quo. I shall support my colleagues amendment as well as others directed at protecting the interests of our small communities.

Mr. ST GERMAIN. Mr. Chairman, I rise today in support of title IV of the Housing and Community Development Act of 1977. This title relates entirely to lending powers and authorities of Federal savings and loan associations. These institutions, which are a major source of home finance lending in this country, have been checked in their efforts to help Americans become homeowners due to soaring construction costs which have increased the sales price of homes much beyond, in many cases, the legal lending limits of such associations. To correct this situation, I recommended to the members of my subcommittee, with jurisdiction of Federal savings and loans, and to the Housing Subcommittee that a separate title be offered to the Housing Act to provide the flexibility savings and loans need in our current housing market. The title contains amendments

to existing housing laws which have received the support of the Federal Home Loan Bank Board and broad bipartisan support in the House and, more recently, in the Senate Committee on Banking, Housing, and Urban Affairs.

Briefly, I will describe the six sections of this title:

Section 401. Construction loans.—In 1974 the House adopted a provision permitting Federal savings and loan associations to make unsecured lines of credit construction loans or residential real estate not to exceed 5 percent of assets. In conference with the Senate, the figure was cut back to 3 percent of assets. This amendment, once again, adopts the 5 percent figure even more fully justified 3 years later due to inflationary pressures than 3 years ago when the House adopted an identical provision.

Section 402. Single family dwelling limitation.—The existing loan limitation is increased from the present $50,000 level to $60,000, consistent with the increase in the FHA lending limitation. Of even more importance, however, is the flexibility contained in this amendment inasmuch as only the excess over the newly established $60,000 limit will be counted against the 20 percent of assets requirement rather than the entire loan as existing law requires. The House in 1974 accepted the judgment of our committee in granting this type flexibility but we were not successful in prevailing on this position in conference. So we are once again insisting upon flexibility as well as adopting a more realistic lending limitation.

Section 403. Lending authority.—This amendment provides primarily for associations situated in the upper Midwest, including the States of North and South Dakota, Montana, Iowa, and Nebraska, the type flexibility required to make customary farm loans in that region of the country. Present law and its interpretation by the Federal Home Loan Bank Board has unfortunately created a situation where these savings and loans have been prevented from using excess capital for badly needed loans for farm land and buildings and, as a consequence, they have had to export this capital to other States for investment purposes. This amendment will permit the retention of a greater percentage of depositors' funds in the states of deposits.

Section 404. Property improvement loans.—Again, consistent with the action taken for FHA home improvement loans, the $10,000 ceiling has been increased to $15,000. I certainly believe that, as we move down the road with energy conservation measures, rehabilitation and home improvement loans must be given the highest possible priority, and conventional financial institutions should not be unrealistically limited in this prospectively important area of mortgage financing.

Section 405. Multifamily dwelling limitations.—Consistent with the flexibility granted in terms of single family excess loan treatment, by this amendment, we are providing that only the excess per unit over lending limitations as determined by appropriate housing statutes are to be counted in the 20 percent of assets category. Beyond doubt, this amendment will be beneficial to associations located or investing in areas of high concentration of rental properties. It also will assist in the making of sound rehabilitation loans for apartment buildings in low and moderate income areas. Such rehabilitation loans are going to be absolutely essential if we are going to make significant headway in providing energy conservation measures for a majority of our population.

Section 406. Conforming amendment to Federal Home Loan Bank Act.—As I indicated, section 406 merely conforms to the increased limitation adopted by section 401. Specifically, the program for advances—section (10b)—of the Federal Home Loan Bank Act will now contain the same $60,000 limitation.

Mr. Chairman, I appreciate this opportunity to explain to you these provisions of the Housing Act which, I believe, address in a positive manner problems faced by potential homeowners and federally chartered savings and loan associations. The committee urges your adoption of this part of the bill.

Mr. RONCALIO. Mr. Chairman, the Nation's changing energy needs have greatly affected the State of Wyoming. Due to emphasis on development of uranium, oil, natural gas, trona, and coal, the population of the State has increased by 13.2 percent in 5 years. Growth is so rapid that the Wyoming Department of Economic Planning and Development estimates that approximately half of Wyoming communities are impacted or potentially impacted communities.

The legislation which we consider today contains many programs of vital interest to my State of Wyoming. The community development block grants program, authorized in title I of this bill, and the housing financing provisions contained in title II and in title VI will be welcomed in Wyoming.

Because the community development block grant program tends to ignore small, rural communities, I would like to see a shift in priorities. Under present law, and also under the legislation before us, moneys are distributed on a population formula based on SMSA's. Eighty percent of the funds are earmarked for standard metropolitan areas, having 50,000 or more residents. Nonmetropolitan areas, then, receive only 20 percent of the funds. Although, as I mentioned before, Wyoming's population has increased substantially, the largest community still falls short of being a standard metropolitan statistical area, having only 47,776 residents.

Proper community development is almost impossible in the face of the rapid influx of people to most of Wyoming's communities. A new formula for community development block grant funds is included in this new authorization bill, but unfortunately, is not directed toward small communities. The bill requires the Secretary to report to Congress by March 31, 1979, on the effectiveness and equity of the new formua, and I suggest that special attention be given to the concerns of the small communities in energy-related impact areas. I am sure this is a problem that will get worse before it gets better, as we try to meet our changing energy needs.

Section 110 of H.R. 6655 contains a new program which results in a substantial reduction of the proportion of total funds going to small communities. The creation of a $400 million set-aside urban development action grant program totally disregards the needs of small, rural communities. I understand that an amendment will be offered to guarantee 25 percent of the $400 million to smaller communities. I urge support of that amendment. A recent GAO study states that if community development funds were allocated according to need, small communities in rural areas would receive 34 percent rather than a minimal 20 percent of the funds. I suggest we make an effort to achieve that.

In title II and title VI, we consider programs which are vital to Wyoming's housing needs. There are actually no HUD programs designed to assist rural communities. Although their circumstances differ from urban areas, rural needs are great, and I strongly support those few existing programs which do assist rural areas to some degree.

The section 8 lease housing assistance—rent subsidy—program is the one from which Wyoming receives its greatest amount of help. Through this program, HUD pays a certain amount to a housing developer to subsidize a prorated rent. In Wyoming, it primarily benefits those on fixed incomes, mainly the elderly, who cannot meet many of the increasing costs of living. In the past year, although the funding was not sufficient for many units, it was a great help in constructing those that were made available to the elderly. I hope this program will continue at a high enough level to make it economically feasible for builders to enter into these contracts and provide housing for the elderly in my State.

I am happy to see the increase in maximum amounts of mortgages under section 202. Because of the energy impact in Wyoming, the housing market is highly inflated, and many individuals are unable to get loans through FHA because the mortgage limit is too low; yet the cost of homes is too high to obtain other conventional loans. This, then, helps create the cycle which has plagued the construction industry in recent years.

The rural housing provisions in title VI are helpful, particularly the rural rental housing loans, and I am pleased to see this program extended.

Mr. FISH. Mr. Chairman, I was and still am, among those who view with some concern the fate of smaller hold-harmless communities, under 50,000, which were funded under the 1974 act, but which now find themselves phased out. I was among those who wished to extend hold-harmless at its previous level for an additional year to permit further studies prior to cutting these smaller communities adrift to compete for discretionary funding.

To become hold-harmless communities under the 1974 act, these communities had demonstrated a concern for community improvement, code enforcement,

housing, and the various programs related to community revitalization. I would not like to see this past effort forgotten, or its fruits, which are only now beginning to be seen, frittered away and forgotten.

My concern is not totally abstract. Within the 25th Congressional District which I have the honor to represent, are four old, small cities, all being funded under hold-harmless, and all in need of continued assistance. Of these, one, the city of Poughkeepsie, as it is in a standard metropolitan statistical data area, will be eligible as a formula city. The others, the cities of Beacon, Peekskill, and Kingston—the first capital of New York State—will not. But all are suffering on a smaller scale, all the problems faced by our larger, eastern cities. Simply because they are small, they cannot and should not be forgotten.

Over the years, in addition to upgrading areas of physical decay and eradicating of urban blight, a considerable amount of community development funding in these small cities has gone toward helping finance programs which are human resource related. It is the threat to these people-oriented programs which particularly troubles me. For these programs, once started, require an ongoing effort if any value from money already spent is to be realized.

Is it my understanding that under H.R. 6655 these needs will be recognized and responded to? Is it correct that these smaller hold-harmless cities will be in a preferential position in applications for discretionary funding?

Also, is it my understanding that these smaller hold-harmless communities can apply for the 3-year comprehensive grant programs for discretionary funding while at the same time receiving their two-thirds or one-third hold-harmless funding during fiscal year 1978 and fiscal year 1979?

If these two conditions are met: First, that smaller hold-harmless communities will receive preferential treatment in their bids for discretionary funding; and second, can apply for 3-year comprehensive grant funds while still receiving their declining share of hold-harmless funding, then the impact of this new formula will be lessened.

I hope my understanding on these two points is correct. Further, since I mentioned the social programs under community development, I would like to clarify a question that has arisen in some HUD area offices about their eligibility. It is my understanding that these social programs are eligible if they predominantly serve low- and moderate-income persons and also an area in which community development physical activities are taking place, and that it is absolutely not necessary that any more complicated relationship between the physical and social activities needs to be established. Is this correct?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. FOWLER).

The amendment was agreed to.

Mr. ASHLEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. STUDDS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6655) to amend certain Federal laws pertaining to community development, housing and related programs, had come to no resolution thereon.

APPOINTMENT AS MEMBERS OF NATIONAL COMMISSION ON UNEMPLOYMENT COMPENSATION

The SPEAKER. Pursuant to the provisions of section 411(a) of Public Law 94-566, the Chair appoints as members of the National Commission on Unemployment Compensation the following Member on the part of the House:

The gentlewoman from Ohio, Ms. OAKAR; and the following from private life: Mr. Richard Crossier, of Holden, Mass.; and Mr. Edward Sullivan, of Belmont, Mass.

GENERAL LEAVE

Mr. ASHLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks with respect to the legislation currently under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERSONAL EXPLANATION

Mr. PEPPER. Mr. Speaker, today, while I was in attendance at the White House at a roundtable Conference on the Aging, chaired by Mrs. Carter, I missed rollcalls 216 and 217.

If I had been present, I would have voted "aye" on both.

ALABAMA YOUTH LEGISLATURE RECOMMENDS ENERGY-RELATED POLICIES

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. NICHOLS. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues in the House the recommendations of the Alabama Youth Legislature on energy related policies and would request that this resolution adopted by the 30th Alabama Youth Legislature be placed in the CONGRESSIONAL RECORD.

It is this kind of interest and participation by young people that convinces me that our Nation will meet the challenges ahead. As long as we have young people who are willing to become involved in finding the solutions to the very difficult problems in our society our Nation will certainly survive as a strong world leader well into the 21st century.

I, of course, have a very special interest in this resolution since it was introduced by a very fine young man from my congressional district, Mr. Walter Shorter of Prattville, Ala.

THIRTIETH ALABAMA YOUTH LEGISLATURE RESOLUTION

A bill to be entitled an act. To propose enabling legislation to encourage the substitution of renewable, residual fuels such as bark and wood to be used in place of fossil fuels (gas, oil, and coal) in boilers and other large combusters. This encouragement to convert from fossil fuels will be accelerated by the use of existing Industrial Development Board tax free bond funding and is to be considered an extension of Wallace-Carter Act and its amendments

Whereas, the fossil fuel supply of Alabama, the Nation, and the world is finite;

Whereas, this State abounds in surplus renewable energy forms; such as, bark, sawdust, and waste wood;

Whereas, these renewable fuels have been used successfully in place of fossil fuels;

Whereas, the technology of combusting of renewable, residual fuels can be accomplished with equal or less impact on the environment;

Whereas, the use of renewable fuels would reduce the strain on present finite resources in this country and reduce dependence upon foreign oil producing countries;

Whereas, the enactment of this legislation would encourage industrial development in this State and thereby surpass revenues lost from tax-exempt bond financing;

Whereas, the Federal Government has failed to provide leadership in the energy crisis by developing a meaningful natural energy policy, the initiative must be taken by the several states.

Be it enacted by the Youth Legislature of Alabama.

SECTION I. The following amendment to the Code, Title 37, Section 511, paragraph 20, and Section 815 (Wallace-Carter Act) is proposed, and shall become valid as a part thereof when approved by the Legislature and proclaimed by the Governor as prescribed by law:

PROPOSED AMENDMENT

SECTION II. The Industrial Development Board authorities properly convened will be able to authorize the issuance of tax exempt bond issues for the purpose of construction and conversion of existing combusters (boilers) from fossil fuels to renewable fuels.

SECTION III. Renewable fuels are defined as bark, chip, sawdust, or other woody plant residues.

SECTION IV. In order to qualify for such funding, the combuster must be designed and operated on 60% renewable fuel level based on British Thermal Unit imput over any seven (7) day period.

SECTION V. All such construction or conversion shall be done under then existent laws and regulations pertaining to the environment.

SECTION VI. It is intended that this equipment shall be free and clear of ad valorem taxes for twenty (20) years.

SECTION VII. All acts or parts of acts are hereby repeated.

SECTION VIII. This bill shall become effective immediately upon message and approval by the Governor, or its otherwise becoming law.

CALIFORNIA CONSTITUENT EXPLAINS OIL COMPANIES' NEED FOR PROFITS

(Mr. BADHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BADHAM. Mr. Speaker, a recent advertisement in a number of major newspapers posed the question "Why Are Oil Companies Telling Congress They Need More Profits To Explore for Oil?"

The advertisement was placed by a so-called "Committee for Energy Resources" in an apparent drive for what was referred to as "appropriate Government action."

One of my constituents, a Mr. Samuel K. Miller, provided one of the most articulate and cogent responses to this question. Since many of my colleagues appear to have the same question in mind, I thought it might be of interest to them to hear the response of Mr. Miller who obviously opposes the type of "appropriate Government action" the advertisement advocates. He answered the question this way;

Because of tens of millions of little investors like me, who supply the capital on which the oil companies run, cannot afford to do so unless we get a return on our investment, the oil companies must be profit-oriented to supply that return and in turn survive. They tell Congress they need more profits to carry on the costly and risky business of oil exploration because it is true.

I must say, Mr. Speaker, that I am proud to have a man such as Mr. Miller in my constituency and I should like to have printed herewith the full text of Mr. Miller's response together with the text of the advertisement.

APRIL 30, 1977.

Subj: Your Ad in Wall Street Journal 4/28/77 Advocating More Government Control of Oil Companies.

G. H. HUNT,
Chairman, Committee for Energy Resources, Washington, D.C.

DEAR SIR: Your questions have answers—which, if your ad is serious, are possibly denied you through ignorance or stupidity—such as:

Because of tens of millions of little investors like me, who supply the capital on which the oil companies run, cannot afford to do so unless we get a return on our investment, the oil companies must be profit-oriented to supply that return and in turn survive. They tell Congress they need more profits to carry on the costly and risky business of oil exploration because it is true.

Because their efforts in the field of energy, where their efficiency and expertise are the subject of world-wide envy, are so hampered by governmental price controls, archaic governmental interpretation of anti-trust laws, governmental threats of divestiture, and bureaucratic governmental inquiries, regulations, reports and general harassment, the oil companies have been driven by government action into other areas, such as real estate development. And you want more governmental action?

Because this is a free-enterprise country (not yet Socialist in spite of its many crackpots in and out of government who espouse more governmental controls) Mobil Corporation and all the other oil companies should divert their profits and commit their efforts into any legitimate cottonpicking, or non-cottonpicking, field of endeavor they choose.

Appropriate action by my Senators and Representatives, who are receiving copies of this letter, would consist of cutting away the price controls and the other red tape which constrict the oil companies and letting this dynamic industry once again flex its muscles and attack the energy problem. Its efforts inevitably would be more effective, more efficient and more rapid than government's.

Appropriate action for you might be to move to the friendlier milieu of some Socialist country; the United States of America can do nicely without you.

Sincerely,

SAMUEL K. MILLER.

WHY ARE OIL COMPANIES TELLING CONGRESS THEY NEED MORE PROFITS TO EXPLORE FOR OIL?

Are oil companies attempting to divert profits to non-oil-producing properties?

Why is Mobil Corporation investing substantial cash reserves in real estate development ventures throughout the United States via their foreign based subsidiary?

Shouldn't Mobil be committing their efforts toward the development of precious domestic energy resources rather than real estate?

Why is Mobil now considering additional major real estate investments such as the 70,000 acre Irvine Ranch in Southern California?

If you are concerned about these questions, contact your congressman or senator now for appropriate governmental action.

G. H. Hunt, Chairman, Committee for Energy Resources, 2000 N St., N.W., Washington, D.C. 2003.

THE SMALL-SITE HYDROELECTRIC AMENDMENT TO ERDA AUTHORIZATION

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, I rise today to commend my colleagues on the Advanced Energy Technologies and Energy Conservation, Development, and Demonstration Subcommittee of the Science and Technology Committee for their adoption of an amendment I was honored to draft and support concerning the future electrical generation for our Nation. The amendment, added to the Energy Research and Development Administration's proposed fiscal year 1978 authorization, would require the Administration to develop several small-site hydroelectric projects. These projects will require the retrofitting of existing dams to allow them to generate up to 1,000 kilowatts of electricity for local consumption. Recent estimates are that over 24,000 potential sites exist, where this new concept of retrofitting an existing dam for generation can be applied. This is a concept I first proposed in testimony before the Public Works Subcommittee of Appropriations last March. The cost of such projects are minor as compared to the proposals for new construction that we have recently seen. Also, the projects do not create additional environmental damage as compared to the construction of these new mammoth hydroelectric projects. The benefits that can be derived from the conversion of these sites are of great value to the local communities. For, in addition to supplying an additional amount of power to help with the peak demands, the potential restoration of economic vitality of these once prosperous communities, makes this an appealing concept. The subcommittee recognized these potential benefits and authorized $15 million for the demonstration of this form of electrical generation. Mr. Speaker, I believe that this approach is a far better alternative to the construction of some of the proposed hydroelectric projects, such as the proposed Dickey-Lincoln hydroelectric project on the St. John River in Maine. This is a better approach from an economic standpoint and from an environmental standpoint. The conversion time would be a matter of months, and finally the potential savings in barrels of oil could amount to 2 million per day.

Mr. Speaker, it is my hope that this program will demonstrate the commercial feasibility of the future retrofitting of these small-site dams as a viable means of providing some of the Nation's electrical energy in the immediate future. Once again, I would like to commend the members of the subcommittee and in particular Chairman MCCORMACK, ranking member GOLDWATER, and Representative FISH for their support in this worthy effort.

Thank you, Mr. Speaker.

PRESIDENTIAL ELECTION REFORM

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 15 minutes.

Mr. ASHBROOK. Mr. Speaker, the current procedure for electing the President and Vice President of the United States is frequently criticized. I believe that much of this criticism is justified and that it is time for a major overhaul of our Presidential election process.

The winner-take-all system, for example, unfairly gives all of a State's electors to the candidate with the most popular votes. A candidate receiving only one vote less than his opponent gets none of that State's electoral votes.

In addition, people vote for electors rather than the candidates themselves. Not only is this somewhat confusing, there is a danger of having renegate electors. Since an elector chosen by the people is not bound to vote for the candidate the people choose, a Carter elector could have voted for Gerald Ford or vice versa.

Moreover, there is the possibility of having the election thrown into the House of Representatives. One body of Congress and not the people would choose the next President. In this process each State would cast only one vote, as determined by a majority of Congressmen within the State. A heavily populated State like Ohio would have no more influence than a sparsely populated State.

To remedy these defects I have introduced a bill that would establish a new procedure for electing the President and Vice President of the United States. This legislation would abolish the present Electoral College and end the practice whereby people vote for electors rather than the candidates themselves. In its place it would substitute an electoral system based primarily on congressional districts.

Each State would have a number of electoral votes for President and Vice President equal to the total number of Senators and Representatives to which the State is entitled in the Congress. Two votes would be awarded on the basis of who receives the highest popular vote in the State. One vote would be awarded per congressional district on the basis of who receives the highest popular vote in that congressional district.

If there is a tie for the highest number of electoral votes, the candidates for President and Vice President receiving the votes of the highest number of congressional districts would be elected. In the unlikely event of a tie in congressional districts as well, the matter would go to the House of Representatives.

This system would eliminate the problem of the renegade elector. Electoral votes for President and Vice President would be calculated on the basis of the people's vote. It would also eliminate the State winner-take-all situation. A candidate who loses the entire State could still receive electoral votes by carrying one or more congressional districts within the State. Finally, the chances of the election being tossed into the House of Representatives would be extremely remote.

At the same time, my bill maintains the principle of federalism. States and congressional districts within these States would be the basic building blocks of my election plan. It is important that we maintain strong individual States—individual units of government which together form and support a nation. If we continue to erode the sovereignty of the States there soon will be only one all-encompassing unit, the Federal Government.

Yes, Mr. Speaker it is time for a major overhaul of our Presidential election process. I believe the proposal I am offering presents the best approach to this problem.

A SOLUTION FOR THE BULL RUN WATERSHED

The SPEAKER. Under a previous order of the House, the gentleman from Oregon (Mr AuCoin) is recognized for 5 minutes

Mr. AuCOIN. Mr. Speaker, I am happy to join my distinguished colleague and friend, the gentleman from Oregon (Mr. Duncan) in cosponsoring a bill to clear up a legal cloud over the Bull Run Watershed near Portland, Oreg. It is a bill that also prescribes what I believe to be sound, sensible, and fair new rules governing the use of the watershed

I commend my colleague from Oregon's Third District for his work on this legislation. My anlysis of the bill is that it protects the watershed, a source of water for nearly a million persons in the Portland region, and still permits limited other activity, such as recreational and regulated logging

The bill also gives the city of Portland, which owns the water from Bull Run, substantial consultation powers with the Secretary of Agriculture in setting management policies for the area.

The issue with Bull Run must always be protection of the extraordinary water quality of the watershed. All other considerations are secondary. I believe the secondary activities I mentioned earlier can be accommodated under this bill without harming the quality of the watershed. However, I shall be open to suggestions or proposed amendments that would strengthen the bill in a responsible way.

In the meantime, this legislation is a solid effort to permit the unharmful recreational activity of hikers and outdoorsmen, handicapped children's programs, and other activities that have been abruptly halted by a severe court interpretation of the 1909 Bull Run Watershed Act.

LEGISLATION TO MAKE RECREATION AREAS IN OREGON AVAILABLE TO HANDICAPPED AND FOR GEOTHERMAL DEVELOPMENT

The SPEAKER. Under a previous order of the House, the gentleman from Oregon (Mr. Duncan) is recognized for 5 minutes.

Mr. DUNCAN of Oregon. Mr. Speaker, today on behalf of my colleagues Al Ullman, James Weaver, and Les AuCoin from Oregon, and with their joint sponsorship, I introduce a bill addressing, and hopefully solving, a problem which has arisen in the State of Oregon involving the continuing and complex relationship between Federal Government, on the one hand, and local government, on the other. This problem arose out of a lawsuit filed in the U.S. District Court for the District of Oregon challenging the Forest Service's management of a part of the Mt. Hood National Forest, generally known as the Bull Run Reserve, from which the city of Portland and a number of other units of local government in the metropolitan area draw their municipal water supply. At issue was a 1904 trespass statute which most people believed precluded livestock grazing in the area, but which was read by the district court to preclude any entry not connected with the preservation or improvement of the water supply. As a result, any further sales of timber have been halted within the reserve. Recreational activities, and particularly special facilities for handicapped persons in the Lost Creek area, and the development of geothermal resources in Old Maid Flats, both within the reserve throughout of the geographical limits of the watershed, have also been halted.

Bull Run water has been a source of pride to Portlanders and others who have used it. All of the interested parties believe that this resource should be our primary concern in the Bull Run. Most of these interested parties also believe that, with the Nation entering a period of scarcity of resources, it is vital to the present and future needs of the Nation that we continue to use the other resources in the area to the extent, at least, that such use does not significantly affect adversely the quality and quantity of the Bull Run water. Most also believe that the 1904 statute does not appropriately address the present and future needs and opportunities for the protection, management, and utilization of the reserve.

Cooperation between the Forest Service—custodians of the land in which this watershed lies, and the city of Portland—particularly its water department—the principal beneficiaries of the action of the Federal Government in establishing the watershed, has, over the years, been good. It has been possible to permit limited logging within the watershed—thus furnishing jobs, lumber for housing, and income to the counties without adversely affecting the water. It has been possible to permit recreational use of areas outside the geographical watershed, and most believe that geothermal development outside the geographical watershed is also a desirable use by an energy-short nation.

This bill attempts to build on that foundation of good relations. It recognizes the importance of the quality of the water. It does not detail the management plan in the statute, but provides that such should be worked out from time to time in consultations and cooperation between the city and the Forest Service. Provision is made for constant monitoring of the water, and the Secretary is mandated to alter his management techniques, or to change the management plan in the event of evidence of a deleterious effect on the water. Public notice and hearings are required at significant occasions.

Boundary areas of the reserve are set by reference to a specific map to include the geographic watershed plus some buffer areas. These boundaries will free some areas for all of the multiple uses to which the national forests are dedicated, and will allow recreationalists who have traditionally used Lo Lo Pass, Ramona Falls, and the Pacific Crest Trail to continue to do so legally. These new boundaries will also allow the handicapped to use Lost Creek campground, now denied by the court's decision. This campsite has ramped walkways and conveniences that offer to the handicapped that outdoor experience denied them in the past. The geothermal development in Old Maid Flats will be able to proceed without the restriction of the court order.

Just as importantly, a political decision will have been made on a political issue freeing the courts of a management and administrative responsibility with which they ought not to be burdened.

While the congressional delegation in the affected areas is cosponsoring this legislation, it should be noted that the council of the city of Portland has noted its desire for a slightly different solution. The council would add a requirement for compulsory arbitration of management decisions in the Bull Run Reserve in the event of a disagreement. They would also require the Forest Service, or the counties receiving a share of the timber receipts, to build a filtration plant for their water system should such be required as a result of logging activities in the reserve. I have agreed personally to introduce such a bill on request, and I believe that Senators from Oregon will do likewise in the Senate. Such a bill should follow very soon.

It is the hope of the sponsors of this bill that hearings will be promptly set by the appropriate committees both on this bill and the subsequent one to which I referred. It is for that reason that this bill is being introduced simultaneously in both bodies. There are two imperatives of time: First, to move as quickly as possible to make the recreational areas available this summer to the handicapped, and second, to move quickly with the geothermal development. All agree on the need for the speedy deci-

sion. With cooperation and goodwill, the remaining questions of State and local relations can be decided and this problem put behind us.

PERSONAL EXPLANATION

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. McHUGH) is recognized for 5 minutes.

Mr. McHUGH. Mr. Speaker, yesterday I was unavoidably absent from the House during the consideration of two matters. Had I been present, I would have voted "aye" on both rollcall No. 212 and rollcall No. 213.

MILITARY HEALTH CARE

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. WHITE) is recognized for 5 minutes.

Mr. WHITE. Mr. Speaker, the Military Personnel Subcommittee of the House Armed Services Committee, of which I am chairman, has been monitoring closely the subject of military health care delivery, both in military facilities and in the civilian community under CHAMPUS. Also, there have been several bills introduced which are addressed to the matter of military health care and the CHAMPUS program.

Accordingly the Military Personnel Subcommittee will commence hearings on May 17, 18, and 19, 1977, during which the entire subject of health care for military members and their dependents, as well as those in the retired community, will be looked into. During those hearings we will welcome statements or testimony from Members of Congress who may wish to contribute to our inquiry.

REDLINING MUST STOP: MORTGAGE LOANS MUST BE MADE ON THE BASIS OF A PERSON'S CREDIT AND NOT BECAUSE OF HIS OR HER RESIDENCE LOCATION

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, I am increasingly concerned that the Congress has ignored a pernicious problem with implications for all our major urban areas. The problem I am referring to is the practice of redlining, which is defined as the refusal by banks and savings and loans to make business and residential loans in certain geographic areas regardless of the credit-worthiness of the individuals applying for the loans. When they engage in the practice of redlining, these financial institutions, which are regulated by the Federal Government and which accept deposits from any geographic area, are denying basic credit and mortgages to neighborhoods, thereby contributing to their economic decline. In many instances these neighborhoods are also racially identifiable, so that the failure to make loans in the area also results in a disproportionate number of blacks or other ethnic groups being unable to obtain the needed loans to become homeowners. This practice of redlining, even when it is not accompanied by racial discrimination, arbitrarily deprives individuals of the right to show their credit worthiness as individuals, and it is a practice that must be stopped.

Last year the Congress adopted the Home Mortgage Disclosure Act, which requires financial institutions to report their loans by census tracts, or by ZIP code, when census tracts were unavailable. In order to find out how this disclosure law is working and to ascertain what additional legislation might be needed, I recently wrote the Chairman of the Federal Reserve Board, the Chairman of the Federal Deposit Insurance Corporation, and the Chairman of the Federal Home Loan Bank Board. I believe their responses will be of interest to my colleagues and I am appending their responses.

Each of these agencies point out that the Home Mortgage Disclosure Act adopted in the last Congress does not require banks and savings and loans to provide statistics on the number of applications that they received for loans in various geographic areas, but only the statistics on the loans actually made. Without statistics on the demand for loans in a given area, it is almost impossible to show that banks have been neglecting to serve the area.

The present laws also explicitly forbid discrimination on the basis of race, religion, sex, or national origin. I believe that the law should be amended to forbid discrimination on the basis of geographic area, as has already been done by state law in Illinois. Illinois also has more effective reporting requirements. Other states are also considering amendments to their banking laws, and the State of New York banking department is expected to make a statement of its own on the subject of redlining in the near future. I intend to pursue legislation that will eradicate the practice of redlining and make it possible for people to obtain home mortgages on the strength of their own credit and the intrinsic value of their real property where that is fairly determined, and not on the basis of what neighborhood they live in.

I am appending the letters I received from the Federal bank regulatory agencies:

FEDERAL HOME LOAN BANK BOARD,
Washington, D.C., May 2, 1977.

Hon. EDWARD I. KOCH,
U.S. House of Representatives, Longworth Office Building, Washington, D.C.

DEAR CONGRESSMAN KOCH: Thank you for your letter of March 31, 1977, in which you expressed your interest in the effective implementation of the Home Mortgage Disclosure Act of 1975 as a tool to identify and to prevent redlining. Your letter asked for information, documents and opinions from the Federal Home Loan Bank Board concerning our response to the general problem of discrimination in the granting of home mortgages and to the specific problem of the Act's effectuation. I shall be happy to provide you with the materials you requested.

I. Has the Board prepared any reports on redlining?

During the first part of the 1970's the Board commissioned two studies which identified elements that make up redlining:

(1) Williams, Beranek and Kenkel, Factors Affecting Mortgage Credit Risk In Urban Areas—A Pittsburgh Prototype Analysis (1973) (summary paper). (See attachment A).

(2) MIT-Harvard Joint Center, Financial Institutions and Neighborhood Decline: A Review of the Literature (1974) (summary and conclusions). (See attachment B).

In addition, the Board in 1975 participated in a survey along with the other Federal financial regulators to test the effectiveness of different forms, data and procedures which could be used to learn whether a lending institution's practices were consistent with the purposes of the Civil Rights Act of 1968. (See attachment C).

II. What conclusions has the Board reached from information compiled as a result of the HMDA?

At present, we believe it would be premature for the Board to reach any conclusions as a result of data compiled by those savings and loan associations subject to the Home Mortgage Disclosure Act's requirements. This is because both the Act and its implementing regulations, as prepared by the Federal Reserve Board, were designed to make the materials reported by the individual institutions available for local use by residents, depositors and municipalities. Moreover, since there is a wide variation in the way in which data has been disclosed by the depository institutions and since there is considerable disparity in the reporting periods, any overall tabulation and analysis of the data would not only be difficult but also costly. However, we are concurrently working on a proposal to undertake a study of disclosure data in three cities. We would be happy to make available to you any reports that ultimately result from this effort.

III. Does the Board have authority to prohibit redlining under existing legislation? Does the Board have any anti-redlining regulations?

The response to both of these questions is "yes." Under Title VIII of the Civil Rights Act of 1968, as amended, the Federal Home Loan Bank Act of 1932, the Home Owners' Loan Act of 1933, the National Housing Act, as amended, the Civil Rights Act of 1866 and the Equal Credit Opportunity Act, the Bank Board has considerable authority to prohibit redlining and to deal with its various manifestations. I am sending along with this letter copies of:

(1) The Board's nondiscrimination in lending regulations and policy statement. 12 C.F.R. 528.1–.5 deal with nondiscrimination in lending and other services, in application processing and in advertising. 12 C.F R. 531.8 sets forth guidelines relating to nondiscrimination in lending. (See attachment D)

(2) Two formal General Counsel Opinions. The opinion dated February 7, 1974, concerns the legality of loan appraisal forms which include information on the ethnic composition of a neighborhood. The opinion dated March 21, 1974, discusses illegal redlining in violation of the Board's regulations. (See attachment E)

Supplemental to the materials listed above, you may be interested in reading the amicus brief which the Board entered in the case of Robert L. Laufman v. Oakley Building and Loan, heard in the United States District Court for the Southern District of Ohio (No. C–1–74–153), 1976. In that case the Board argued that Title VIII prohibited racial redlining and that it had the responsibility and authority to prohibit the practice by regulated institutions. (See attachment F)

The Board is currently in the process of amending its nondiscrimination regulations so that they will be consistent with the new requirements of the Equal Credit Opportunity Act. We will send you copies of the amended regulations when they are adopted.

IV. Does the Board believe its nondiscrimination regulations are useful?

In the opinion of the Board our regulations are necessary and useful in preventing discriminatory lending practices. To strengthen the effectiveness of our anti-redlining and other nondiscrimination regulations, all of the Bank Board's examiners recently completed a two and one-half day intensive training course on the purposes of the fair housing and equal credit laws and ways of detecting their violation I am including copies of our examiners' manual and training materials for your perusal. (See attachment G)

The Board has not limited its activity to merely policing compliance with nondiscrimination laws and regulations. It has also made positive efforts to reach the sources of the problem and to offer constructive alternatives to the decline of those neighborhoods which may be on the brink, if not already well on the road, to complete deterioration.

In 1971 the Board established the Office of Housing and Urban Affairs (OHUA). Among its other activities, this office has provided extensive technical assistance to savings and loan associations which are owned, managed or controlled by minority groups. When OHUA was first set up, there were forty minority associations with FSLIC insurance By the end of last year, the number had increased to seventy-three. Within that same time span their total assets had grown from $400 million to $958 million.

The Board has long recognized that when a neighborhood faces the kinds of neglect and deterioration of which redlining is only one manifestation there is need for a concerted effort to halt the trend by all of the interested parties in the community. Accordingly, the Board searched for mechanisms which would encourage a wider spectrum of institutions to lend in declining neighborhoods

One such tool proved to be the Neighborhood Housing Services program (NHS) as originally designed in Pittsburgh, Pennsylvania, in 1968 The basic elements of such a program consist of residents interested in neighborhood preservation; local governments willing to make needed municipal repairs and public improvements and to enforce housing codes, financial institutions committed to make marketable loans and to contributing to the NHS organization's operations and an NHS organization, which counsels, monitors and coordinates the various housing improvement operations in the community The Board adopted this successful format and, along with HUD through the Urban Reinvestment Task Force, has seen as of April 1977, Neighborhood Housing Service problems established in 29 cities, with 17 more in the developmental stage. (See attachment H)

Most recently the Bank Board entered into a settlement agreement with a coalition of civil rights groups which sued the four Federal financial regulatory agencies for alleged failures to implement the fair housing laws. (See attachment I)

In this agreement the Board promised, among other things:

(1) to establish and test a system of collation, collection and analysis of data on the race and sex of loan applicants required to be maintained by the Equal Credit Opportunity Act, as a possible tool to detect discriminatory lending practices of regulated institutions,

(2) to adopt a permanent system of collation of such information by regulated lenders, if the Board finds that the data materially enhances its ability to enforce compliance with its nondiscrimination regulations;

(3) to continue training its examiners in civil rights matters so as to improve detection of violations;

(4) to provide extensive training in civil rights to one person in each of its 12 districts who will spend approximately 50 percent of his her time on civil rights enforcement;

(5) to create a temporary position at the Board to be designated Special Assistant for Civil Rights to the Director of the Office of Examinations and Supervision; and

(6) to develop nondiscrimination complaint processing procedures.

V. Does the Board believe it needs additional legislative authority?

The answer to this query is "no". The legislation listed in our reply to your third question gives the Bank Board sufficient authority in the area of anti-redlining regulation.

In response to your concluding request for the Board's comments on racial and economic discrimination in housing and on "redlining" in general, I would like to say that in most cases redlining is not the sole factor for a neighborhood's deterioration. Instead, this form of lender disinvestment accompanies the decline process in response to other conditions, whether they be a lowering in the neighborhoods' socioeconomic status, a racial or ethnic change, speculation, or other factors. And just as there are a combination of forces working on the general deterioration of a neighborhood, so too there is a need for a pooling of efforts to restore the neighborhood to health. For this reason, the Bank Board has not concentrated all of its efforts to thwart neighborhood decay in one approach. It has applied the stick, when necessary, to achieve compliance with fair housing laws and regulations; it has also offered the carrot, to encourage the kind of voluntary participation which can often result in creative efforts capable of generating more far-reaching effects than a purely governmental program might attain.

During the last Congress the Bank Board actively supported provisions for alternative mortgages instruments. We continue to back this measure as an added way of attacking the panoply of problems which surround neighborhood deterioration and individuals' inability to obtain housing credits.

Sincerely,

GARTH MARSTON

FEDERAL RESERVE SYSTEM,
Washington, D.C., April 21, 1977

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: I am pleased to respond to your letter of March 31 regarding the implementation of the Home Mortgage Disclosure Act and its effect in identifying and preventing impermissible discrimination in the extension of residential housing credit. The answers to your questions are enclosed. Since several of your inquiries relate to the enforcement of the Act, information had to be sought from the Federal Reserve Banks, and this necessitated a delay in responding to your letter.

I hope you will find the enclosed responses helpful. The Board is firmly committed to carrying out the policies enunciated in the Equal Credit Opportunity, Fair Housing, and Home Mortgage Disclosure Acts, and we appreciate your interest in our implementation of that important legislation.

Sincerely yours,

ARTHUR F. BURNS.

ANSWERS TO QUESTIONS CONTAINED IN REPRESENTATIVE KOCH'S LETTER OF MARCH 31, 1977

1. During 1974 and 1975, the Board, in conjunction with the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board, conducted a Fair Housing Survey. The purpose of the survey was to attempt to determine if discrimination against racial and ethnic minorities and women occurs in the granting of home mortgage and home improvement loans, and, if it does, whether a survey could identify and measure the extent of the discrimination. To experiment with different techniques, the four agencies adopted three different approaches in collecting data. Enclosed is a copy of the Board's May 6, 1975 press release explaining the method and results of the survey form used by the Board and the FDIC.

The data collected by the Comptroller and the FHLBB were made available to the Board in 1976 and have been analyzed by the Board's staff. Although, as indicated in the enclosed materials, the survey did not yield definitive evidence concerning discrimination in residential lending, each of the survey forms did reveal a few significant disparities between the treatment of minority and non-minority credit applicants at certain lending institutions. In those cases involving State-chartered member banks where the data suggested that further investigation was warranted, Federal Reserve System examiners interviewed bank personnel and reviewed credit files in order to make certain that impermissible discrimination was not occurring.

While the Board's staff was analyzing the data produced by the Fair Housing Survey, the Congress was considering several disclosure bills, which resulted in the enactment of the Home Mortgage Disclosure Act of 1975. The Board was directed to implement the act and did so through its Regulation C (a copy of which is enclosed) Regulation C mandated that depository institutions subject to the act prepare an initial mortgage disclosure statement by September 30, 1976.

In order to monitor compliance with Regulation C and to insure that banks subject to the System's supervisory jurisdiction are satisfying their obligations under various other Federal consumer credit and anti-discrimination laws, System examiners have examined approximately 430 State member banks since October 1. Of that total, about 245 banks were subject to the Home Mortgage Disclosure Act and were checked for compliance with Regulation C.

At the request of Senator Proxmire, the FDIC and the FHLBB are considering a project to collect and analyze mortgage loan disclosure data from depository institutions in certain standard metropolitan statistical areas, should such an effort appear feasible As the agency primarily responsible for implementing the Home Mortgage Disclosure Act, the Board, of course, would cooperate to the extent appropriate with the FDIC and FHLBB. Finally, the Board will be involved in reviewing the results of the joint Comptroller-FDIC pilot study of mortgage applicant and loan information that was conducted this past winter.

2. The Board has not reached any conclusions or prepared any summaries as a result of the mortgage disclosures made by State member banks for four reasons. First, the disclosure by geographic area of the location of real estate on which a lending institution has made a mortgage or home improvement loan will not necessarily reveal "redlining" practices. The reports required under the Home Mortgage Disclosure Act do not indicate the amount of demand for credit and, therefore, do not provide a yardstick by which to measure the degree to which credit needs are being satisfied.

Second, several disclosure statements relating to each bank will have to be examined before even a partial picture of an institution's lending patterns and practices can be discerned. The disclosure requirements of the Home Mortgage Disclosure Act and the anti-discrimination prohibitions of the amended Equal Credit Opportunity Act are too new to tell whether they have had or will have a salutary effect in fostering equal credit opportunities in the residential lending arena. Third, System examiners will not conclude their consumer law compliance examinations of all State member banks until March 1978. We will have no overall

view of System compliance until that review is completed.

Finally, as the Congress recognized in passing the Home Mortgage Disclosure Act, the issues of what constitutes "redlining" and what the appropriate cure may be are matters best left to the informed judgment of local depositors, public officials, and citizens.

Thus, the act provides a mechanism whereby interested parties at the local level can learn how depository institutions located in their community are investing the deposits entrusted to them. The act was not designed, however, to provide aggregate data at the Federal level for supervisory purposes. Indeed, a plan to have the Department of Housing and Urban Development collect, collate, and summarize the data was rejected by the Congress. Therefore, in view of the policy to foster local, community initiatives and considering the wide diversity of circumstances in which "redlining" may allegedly occur, any conclusion about "redlining" on a nation-wide basis may be misleading and counterproductive.

3. Under the amended Equal Credit Opportunity Act and the Board's implementing Regulation B, discrimination against applicants for credit on the basis of race, color, religion, national origin, sex, marital status, age, receipt of public assistance benefits, and good faith exercise of rights pursuant to the Consumer Credit Protection Act is prohibited. A pamphlet containing the text of the regulation and the act is enclosed.

As an example of the type of activity prohibited by Regulation B, footnote 3 of the regulation (on page 7 of the pamphlet) includes discrimination against a credit applicant "because of the characteristics of other individuals residing in the neighborhood where the property offered as collateral is located." Thus, discrimination in residential lending based upon the racial or ethnic composition of a neighborhood, which is often condemned as "redlining," is illegal under Regulation B.

To assist the Board and other supervisory agencies in enforcing the non-discrimination requirements of the act and the regulation, section 202.13 of Regulation B (on page 19 of the pamphlet) requires residential mortgage lenders to request information about the race/national origin, sex, marital status, and age of applicants for purchase money housing credit. We hope that this information, along with data available under the Home Mortgage Disclosure Act, will enable examiners to detect signs of impermissible discrimination.

4–5. Discrimination against a credit applicant based upon the racial or ethnic characteristics of the applicant or the neighborhood in which the applicant chooses to reside deserves no place in our society. As noted above, the amended Equal Credit Opportunity Act and Regulation B prohibit such discrimination. The Federal Reserve System is pursuing a comprehensive program to detect, correct, and prevent impermissible discrimination in the credit field. We trust that this program, improved through use, will succeed.

FEDERAL DEPOSIT INSURANCE CORP.,
Washington, D.C., May 2, 1977.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: Chairman Barnett has asked me to reply to your letter of March 31, concerning the Home Mortgage Disclosure Act and redlining. The FDIC responsibilities under the Home Mortgage Disclosure Act are, as you know, rather limited. We are responsible for seeing that nonmember insured ocmmercial banks and mutual savings banks do make the appropriate disclosures required by the law and the implementing regulations. The Federal Reserve Board has the responsibility for issuing regulations under the Act. For various reasons, but particularly because the Home Mortgage Disclosure Act only requires disclosure of loans made and provides no indication of loan demand, we do not believe that this information is particularly useful in determining whether redlining exists.

Although the law does not require us to do so, we have instructed our examiners to obtain a copy of each bank's Home Mortgage Disclosure Act report during the course of a regularly scheduled bank examination, and forward a copy of that report to Washington for analysis. Because of the variety of formats, and the lack of uniformity in the base for disclosure (some banks used zip codes and some census tracts) we have not found it feasible to carry out a substantive analysis of the data. That may be more feasible with the data now becoming available, since all banks must now report on a census tract basis.

In any case, it is clear that we do not have the authority in general to prohibit redlining not involving racial discriminaton. We do feel that we have sufficent authority to prevent discrimination in mortgage lending (including redlining) on the basis of race, religion, sex, national orgin, etc. as set forth in the Equal Credit Opportunity Act. We do not feel that the relationship between redlining and discrimination on the basis prohibited by law is now very clearly set forth in the law. This is an area that calls for more research and analysis before a determination that additional legislation is needed. We have been exploring, in cooperation with the Federal Home Loan Bank Board, sponsoring additional research on the subject of redlining not connected with racial implications or effects.

The FDIC is undertaking an expanded program of enforcement of Fair Housing Lending, and we believe that the monitoring program described in the attached document describing the proposed settlement of a lawsuit on this matter may provide the basis for generating more useful information on redlining. I am also enclosing a statement made by myself a year ago at a hearing on redlining conducted by HUD. If I can provide any additional information on this matter, please let me know.

Sincerely yours,

PAUL M. HORVITZ,
Assistant to the Chairman for Policy.

INTRODUCTION OF FEDERAL CONSTITUTION CONVENTION AMENDMENT ACT

(Mr. HYDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HYDE. Mr. Speaker, yesterday I introduced a bill to provide procedures for calling constitutional conventions for proposing amendments to the Constitution of the United States, on application of the legislatures of two-thirds of the States, pursuant to article V of the Constitution.

There are two methods of proposing and ratifying amendments to the U.S. Constitution, and they are set forth in article V:

The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose Amendments to this Constitution, or, on the Application of the Legislatures of two-thirds of the several states, shall call a Convention for proposing Amendments, which in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the Legislatures of three-fourths of the several States, or by Conventions in three-fourths thereof, as the one or the other Mode of Ratification may be proposed by the Congress . . .

James Madison, in explaining the reasons for article V, said:

That useful alterations [in the Constitution] will be suggested by experience, could not but be foreseen. It was requisite therefore that a mode for introducing them should be provided. The mode preferred by the Convention seems to be stamped with every mark of propriety. It guards equally against that extreme facility which would render the Constitution too mutable; and that extreme difficulty which might perpetuate its discovered faults. It moreover enables the general and the state governments to originate the amendment of errors as they may be pointed out by the experience on one side or the other.

In 1861, Abraham Lincoln, in his first inaugural address, remarked:

. . . many worthy and patriotic citizens are desirous of having the National Constitution amended . . . I fully recognize the rightful authority of the people over the whole subject, to be exercised in either of the modes prescribed in the instrument itself; and I should . . . favor rather than oppose a fair opportunity being afforded the people to act upon it. I will venture to add that to me the convention mode seems preferable, in that it allows amendments to originate with the people themselves, instead of only permitting them to take or reject propositions originated by others, not especially chosen for the purpose, and which might not be precisely such as they would wish to either accept or refuse . . .

In 1971, the Senate Judiciary Committee declared:

The Committee believes that the responsibility of Congress under the Constitution is to enact legislation which makes Article V meaningful. This responsibility dictates that legislation implementing the Article should not be formulated with the objective of making the Convention route a dead letter by placing insurmountable procedural obstacles in its way.

A resolution was approved by the House of Delegates of the American Bar Association in August 1973, upon the unanimous recommendation of the ABA Constitutional Convention Study Committee, stating, among other things, that—

1. It is desirable for Congress to establish procedures for amending the Constitution by means of a national constitutional convention.

2. Congress has the power to establish procedures limiting a convention to the subject matter which is stated in the applications received from the state legislatures.

3. Any Congressional legislation dealing with such a process for amending the Constitution should provide for limited judicial review of Congressional determinations concerning a constitutional convention.

4. Delegates to a convention should be elected and representation at the convention should be in conformity with the principles of representative democracy as enunciated by the "one person, one vote" decisions of the Supreme Court.

The ABA report, in its conclusion, said:

Much of the past discussion on the convention method of initiating amendments has taken place concurrently with a lively discussion of the particular issue sought to

be brought before a convention. As a result, the method itself has become clouded by uncertainty and controversy and attempted utilization of it has been viewed by some as not only an assault on the congressional method of initiating amendments but as unleashing a dangerous and radical force in our system. Our two-year study of the subject has led us to conclude that a national constitutional convention can be channeled so as not to be a force of that kind but rather an orderly mechanism of effecting constitutional change when circumstances require its use. The charge of radicalism does a disservice to the ability of the states and people to act responsibly when dealing with the Constitution.

. . . so long as the convention method of proposing amendments is a part of our Constitution, it is proper to establish procedures for its implementation and improper to place unnecessary and unintended obstacles in the way of its use.

The Constitutional Convention Study Committee was composed of two U.S. district court judges, a judge of the Supreme Court of the District of Columbia, a present and former law school dean, two former presidents of State constitutional conventions, a former Deputy Attorney General of the United States, and a practicing lawyer with wide experience in the amending process.

Mr. Speaker, the need for legislation to implement article V is ever-present. Since 1789, almost 400 petitions have been received from State legislatures requesting Congress to call a Constitutional Convention to propose amendments to the Constitution. Every State in the Union, at one time or another, has petitioned Congress for a Constitutional Convention. These State applications have covered a wide range of subjects: For example, slavery, deficit spending, busing, prayer in public schools, apportionment of State legislatures, and revenue sharing. The pressure generated by numerous petitions for a Constitutional Convention is believed to have motivated Congress to propose the 17th amendment providing for the direct election of U.S. Senators, and, in more recent times, to Federal legislation providing for revenue sharing.

The same bill which I introduce today is substantially the same as S. 215 which passed the Senate 84 to 0 on October 19, 1971, and by voice vote as S. 1272 on July 9, 1973.

It concerns itself with: First, applications for a Constitutional Convention; second, transmittal of application; third, effective period of applications; fourth, calling of Constitutional Convention; fifth, delegates; sixth, convening the convention; seventh, procedures of the convention; eighth, proposal of amendments; ninth, approval by the Congress and transmittal to the States for ratification; tenth, ratification of proposed amendments; eleventh, rescission of ratification; twelfth, proclamation of constitutional amendments; thirteenth, effective date of amendments; and fourteenth, judicial review.

Mr. Speaker, it is my belief, just as it was the belief of the Senate Judiciary Committee in 1971, that it is our duty as elected representatives of the people to enact this bill which gives meaning to article V. Article V was placed in the Constitution by its framers for a purpose; we should honor their intention by enacting this bill rather than throwing roadblocks in the path of a Constitutional Convention, thus, in effect, making article V, at least in part, meaningless.

In the future there will be attempts to make use of the convention amendment route. We should, therefore, do our best to answer questions which are being asked today and which will be asked in the future. Let us act now while there is no compelling issue before us, enabling us to perform in an objective, unbiased, and impartial manner, without pressures from widely divergent views.

Mr. Speaker, I ask that the bill be printed in the RECORD, and direct my colleagues to Senator Sam J. Ervin, Jr.'s masterful law review article on this whole subject, which first appeared in March 1968, in the Michigan Law Review and is currently reprinted in the spring 1977 Human Life Review published in New York.

The material follows:

H.R. —

A bill to provide procedures for calling constitutional conventions for proposing amendments to the Constitution of the United States, on application of the legislatures of two-thirds of the States, pursuant to article V of the Constitution

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Constitution Convention Amendment Act."

APPLICATIONS FOR CONSTITUTIONAL CONVENTION

SEC. 2. The legislature of a State, in making application to the Congress for a constitutional convention under article V of the Constitution of the United States, shall adopt a resolution pursuant to this Act stating, in substance, that the legislature requests the calling of a convention for the purpose of proposing one or more amendments to the Constitution of the United States and stating the nature of the amendment or amendments to be proposed.

APPLICATION PROCEDURE

SEC. 3. (a) For the purpose of adopting or rescinding a resolution pursuant to section 2, the State legislature shall follow the rules of procedure that govern the enactment of a statute by that legislature, but without the need for approval of the legislature's action by the governor of the State.

(b) Questions concerning the State legislature procedure and the validity of the adoption of a State resolution cognizable under this Act shall be determinable by the Congress of the United States and its decisions thereon shall be binding on all others, including State and Federal courts.

TRANSMITTAL OF APPLICATIONS

SEC. 4. (a) Within thirty days after the adoption by the legislature of a State of a resolution to apply for the calling of a constitutional convention, the secretary of state of the State, or if there be no such officer, the person who is charged by the State law with such function, shall transmit to the Congress of the United States two copies of the application, one addressed to the President of the Senate, and one to the Speaker of the House of Representatives.

(b) Each copy of the application so made by any State shall contain—

(1) the title of the resolution,

(2) the exact text of the resolution, signed by the presiding officer of each house of the State legislature, and

(3) the date on which the legislature adopted the resolution; and shall be accompanied by a certificate of the secretary of state of the State, or such other person as is charged by the State law with such function, certifying that the application accurately sets for the text of the resolution.

(c) Within ten days after receipt of a copy of any such application, the President of the Senate and Speaker of the House of Representatives shall report to the House of which he is presiding officer, identifying the State making application, the subject of the application, and the number of States then having made application on such subject. The President of the Senate and Speaker of the House of Representatives shall cause copies of such application to be sent to the presiding officer of each House of the legislature of every other State and to each Member of the Senate and House of Representatives of the Congress of the United States.

EFFECTIVE PERIOD OF APPLICATIONS

SEC. 5(a) An application submitted to the Congress by a State pursuant to this Act, unless sooner rescinded by the State legislature, shall remain effective for seven calendar years after the date it is received by the Congress, except that whenever the Congress determines that within a period of seven calendar years two-thirds or more of the several States have each submitted a valid application calling for a constitutional convention on the same subject all such applications shall remain in effect until the Congress has taken action on a concurrent resolution, pursuant to section 8, calling for a constitutional convention.

(b) A State may rescind its application calling for a constitutional convention by adopting and transmitting to the Congress a resolution of rescission in conformity with the procedure specified in sections 3 and 4, except that no such rescission shall be effective as to any valid application made for a constitutional convention upon any subject after the date on which two-thirds or more of the State legislatures have valid applications pending before the Congress seeking amendments on the same subject.

(c) Questions concerning the rescission of a State's application shall be determined solely by the Congress of the United States and its decisions shall be binding on all others, including State and Federal courts.

CALLING OF A CONSTITUTIONAL CONVENTION

SEC. 6(a) It shall be the duty of the Secretary of the Senate and the Clerk of the House of Representatives to maintain a record of all applications received by the President of the Senate and Speaker of the House of Representatives from States for the calling of a constitutional convention upon each subject. Whenever the Secretary or the Clerk has reason to believe that valid applications made by two thirds or more of the States with respect to the same subject are in effect, he shall so report in writing to the officer to whom those applications were transmitted, and such officer thereupon shall announce upon the floor of the House of which he is an officer the substance of such report. Pursuant to such rules as such House may adopt, it shall be the duty of such House to determine whether the recitation contained in any such report is correct. If either House of the Congress determines, upon a consideration of any such report or of a concurrent resolution agreed to by the other House of the Congress, that there are in effect valid applications made by two-thirds or more of the States for the calling of a constitutional convention upon the same subject, it shall be the duty of that House to agree to a concurrent resolution calling for the convening of a Federal constitutional convention upon that subject. Each such concurrent resolution shall (1) designate the place and time of meeting of the convention; (2) set forth the nature of the amendment or amendments for the consideration of which the convention is called; and (3) authorize the appropriation of moneys for the payment of all expenses of the convention, including the compensation

of delegates and employees. A copy of each such concurrent resolution agreed to by both Houses of the Congress shall be transmitted forthwith to the presiding officer of each House of the Legislature of each State.

(b) The convention shall be convened not later than one year after the adoption of the resolution.

DELEGATES

SEC. 7(a) A convention called under this Act shall be composed of as many delegates from each State as it is entitled to Senators and Representatives in Congress. In each State two delegates shall be elected at large and one delegate shall be elected from each Congressional district in the manner provided by State law. Any vacancy occurring in a State delegation shall be filled by appointment by the Governor of that State.

(b) The secretary of state of each State, or, if there be no such officer, the person charged by State law to perform such function shall certify to the Vice President of the United States the name of each delegate elected or appointed by the Governor pursuant to this section.

(c) Delegates shall in all cases, except treason, felony, and breach of the peace, be privileged from arrest during their attendance at a session of the convention, and in going to and returning from the same; and for any speech or debate in the convention they shall not be questioned in any other place.

(d) Each delegate shall receive compensation for each day of service and shall be compensated for traveling and related expenses. Provision shall be made therefore in the concurrent resolution calling the convention. The convention shall fix the compensation of employees of the convention.

CONVENING THE CONVENTION

SEC. 8(a) The Vice President of the United States shall convene the constitutional convention. He shall administer the oath of office of the delegates to the convention and shall preside until the delegates elect a presiding officer who shall preside thereafter. Before taking his seat each delegate shall subscribe an oath not to attempt to change or alter any section, clause or article of the Constitution or propose additions thereto except in conformity with the concurrent resolution calling the convention. Upon the election of permanent officers of the convention, the names of such officers shall be transmitted to the President of the Senate and the Speaker of the House of Representatives by the elected presiding officer of the convention. Further proceedings of the convention shall be conducted in accordance with such rules, not inconsistent with this Act, as the convention may adopt.

(b) The Congress shall appropriate moneys for the payment of all expenses of the convention.

(c) Under such regulations as the President shall prescribe, the Administrator of General Services shall provide such facilities, and each executive department and agency shall provide such information, as the convention may require, upon written request made by the elected presiding officer of the convention.

PROCEDURES OF THE CONVENTION

SEC. 9(a) In voting on any question before the convention, including the proposal of amendments, each delgate shall have one vote.

(b) The convention shall keep a daily verbatim record of its proceedings and publish the same. The votes of the delegates on any question shall be entered on the record.

(c) The convention shall terminate its proceedings within one year after the date of its first meeting unless the period is extended by the Congress by concurrent resolution.

(d) Within thirty days after the termination of the proceedings of the convention, the presiding officer shall transmit to the Archivist of the United States all records of official proceedings of the convention.

PROPOSED OF AMENDMENTS

SEC. 10(a) Except as provided in subsection (b) of this section, a convention called under this Act may propose amendments to the Constitution by a vote of a majority of the total number of delegates to the convention.

(b) No convention called under this Act may propose any amendment or amendments of a general nature different from that stated in the concurrent resolution calling the convention. Questions arising under this subsection shall be determined solely by the Congress of the United States and its decisions shall be binding on all others, including state and Federal courts.

APPROVAL BY THE CONGRESS AND TRANSMITTAL TO THE STATES FOR RATIFICATION

SEC. 11(a) The presiding officer of the convention shall, within thirty days after the termination of its proceedings, submit the exact text of any amendment or amendments agreed upon by the convention to the Congress for approval and transmittal to the several States for their ratification.

(b) The Congress, before the expiration of the first period of three months of continuous session following receipt of any proposed amendment, shall, by concurrent resolution, transmit such proposed amendment to the States for ratification, prescribing the time within which such amendment shall be ratified or deemed inoperative and the manner in which such amendment shall be ratified in accordance with Article V of the Constitution: *Provided*, that, within such period, the Congress may by concurrent resolution, disapprove the submission of the proposed amendment to the States for ratification on the ground that its general nature is different from that stated in the concurrent resolution calling the convention or that the proposal of the amendment by the convention was not in conformity with the provisions of this Act: *Provided* further, that the Congress shall not disapprove the submission of a proposed amendment for ratification by the States because of its substantive provisions.

(c) If, upon the expiration of the period prescribed in the preceding subsection, the Congress has not adopted a concurrent resolution transmitting or disapproving the transmittal of a proposed amendment to the States for ratification, the President of the Senate and the Speaker of the House of Representatives, acting jointly, shall transmit such proposed amendment to the Administrator of General Services for submission to the States. The Administrator of General Services shall transmit exact copies of the same, together with his certification thereof, to the legislatures of the several States.

RATIFICATION OF PROPOSED AMENDMENTS

SEC. 12. (a) Any amendment proposed by the convention and submitted to the States in accordance with the provisions of this Act shall be valid for all intents and purposes as part of the Constitution of the United States when duly ratified by three-fourths of the States in the manner and within the time specified.

(b) Acts of ratification shall be by convention or by State legislative action as the Congress may direct or as specified in subsection (c) of this section. For the purpose of ratifying proposed amendments transmitted to the States pursuant to this Act the State legislatures shall adopt their own rules of procedure. Any State action ratifying a proposed amendment to the Constitution shall be valid without the assent of the Governor of the State.

(c) Any proposed amendment transmitted to the States pursuant to the provisions of section 11(c) of this Act shall be ratified by the legislatures of three-fourths of the several States within seven years of the date of transmittal or be deemed inoperative.

(d) The Secretary of state of the State, or if there be no such officer, the person who is charged by State law with such function, shall transmit a certified copy of the State action ratifying any proposed amendment to the Administrator of General Services.

RESCISSION OF RATIFICATIONS

SEC. 13. (a) Any State may rescind its ratification of a proposed amendment by the same processes by which it ratified the proposed amendment, except that no State may rescind when there are existing valid ratifications of such amendment by three-fourths of the States.

(b) Any State may ratify a proposed amendment even though it previously may have rejected the same proposal.

(c) Questions concerning State ratification or rejection of amendments proposed to the Constitution of the United States shall be determined solely by the Congress of the United States and its decisions shall be binding on all others, including State and Federal courts.

PROCLAMATION OF CONSTITUTIONAL AMENDMENTS

SEC. 14. The Administrator of General Services, when three-fourths of the several States have ratified a proposed amendment to the Constitution of the United States, shall issue a proclamation that the amendment is a part of the Constitution of the United States.

EFFECTIVE DATE OF AMENDMENTS

SEC. 15. An amendment proposed to the Constitution of the United States shall be effective from the date specified therein or, if no date is specified, then on the date on which the last State necessary to constitute three-fourths of the States of the United States, as provided for in article V, has ratified the same.

HOPEFULLY HEW'S SECTION 504 REGULATIONS WILL PROVIDE MORE THAN LIPSERVICE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, last week Joseph Califano, Secretary of the Department of Health, Education, and Welfare, signed the regulation governing section 504 of the Rehabilitation Act of 1973, thus extending basic civil rights to our disabled citizens. The continuing delay in the promulgation of the regulation has been an issue of continuing concern to handicapped Americans and to me and many of my colleagues here on Capitol Hill, and I am pleased that the guidelines for providing the handicapped with access to educational opportunities, transportation, Government programs, and equal employment have at long-last been established.

It is true that the regulation signed last week differs from the proposed regulation that was distributed last January. The changes in language are in part pursuant to the President's request for simpler language in department publications, but they also include changes recommended by the Secretary's task force on section 504. I am currently reviewing these changes in language to insure that the most comprehensive regulation possible is indeed in effect.

At this point, the fact remains that the

disabled represent a disproportionate segment of unemployment statistics, that many federally funded buildings are architecturally inaccessible, that public transportation systems have failed to respond to the needs of handicapped commuters, and that public education systems have not implemented programs to educate the handicapped. It is now the responsibility of HEW to see that the provisions of section 504 are strictly enforced in accordance with the regulation, so that disabled Americans, who have bravely faced so many legal and physical barriers for so many years, will at last be accorded their rights under law. Today I wrote to Secretary Califano urging vigorous enforcement of the new regulations.

Finally, Mr. Speaker, life and our daily experiences teach us that every day can be filled with pleasure and peril and that no one knows when he or she may become physically handicapped. For too long a time we have denied our handicapped brothers and sisters the use of their creativity, genious and potential to the fullest in our society. Hopefully, the new regulations will permit us to reach the goal of allowing them to do so—to which goal we have regrettably to date only given lipservice.

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 10, 1977.

Hon. JOSEPH A. CALIFANO,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.

DEAR JOE: I am delighted that you anticipated your self-imposed deadline and issued the regulations required to implement Section 504 of the Rehabilitation Act of 1973. May I suggest some additional measures that your office can take in pursuing the goal of insuring basic civil rights to our handicapped citizens.

There must be scrupulous enforcement of the new regulations and that can only come about if they are closely monitored and given the same enforcement priorities you have promised with respect to ending discrimination predicated on sex and race. Providers who do not comply with their civil rights responsibilities must suffer the consequent loss of federal funding. I also suggest that the Architectural and Transportation Barriers Compliance Board, heretofore underutilized by HEW, would be an appropriate and useful mechanism to assist in the enforcement of Section 504. Finally, it would make great sense if your own Department became the leader in aggressively complying with the provision of Section 501 of the Rehabilitation Act by seeking out and appointing qualified disabled citizens at all levels of administration within HEW. Your recent appointment of Mr. David Tatel, a visually impaired individual as the Director of HEW Office for Civil Rights, indicates that you have already begun such action, and I simply want to convey my support for and appreciation of your action.

If I can be of assistance in any way, do let me know.

Sincerely,

EDWARD I. KOCH.

THE BOARD OF EDUCATION DID NOT RESPOND TO REQUESTS FOR BUDGETARY INFORMATION

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the schools of our Nation's great cities are in a crisis condition.

The flight of the middle class to the suburbs, escalating costs for welfare and criminal justice, and a shrinking tax base all have made it increasingly difficult to find the funds to effectively deal with the very children who are most in need of educational services.

The situation is perhaps nowhere more evident than in New York City, where a continuing fiscal crisis has forced the layoff of more than 14,000 teachers.

The result has been a 90-minute reduction in the school week, an increase in average class size in junior high and intermediate schools, reduction or elimination of such services as guidance, recreation and cultural programs.

The New York City situation is a microcosm of urban school systems. Across the Nation, parents are increasingly troubled by what they perceive as school systems being run for the economic benefit of teachers, supervisors and support staff rather than for the educational advancement of pupils.

That this perception is not without basis is evidenced in the recent approval by the Emergency Financial Control Board of a new contract between the New York City Board of Education and the United Federation of Teachers.

The new contract grants the system's 48,629 teachers an average increase of $4,189 over a 3-year period at an estimated cost of $250 million—inclusive of COLA and some deferred payments. Under the agreement, during the next 3 years, teachers with 6 years' experience will receive in actual cash in his/her pocket, $3,580 above his/her June 1975 salary level. Payments of "new" productivity cost-of-living adjustments will bring the amount to a maximum of $4,593. Teachers with 15 years experience will receive $3,063 over the same period—$4,076 including productivity COLA—and teachers with an M.A. plus 30 credits, who qualify for the highest increase, will receive $5,242 in cash. In addition, some $98.5 million in deferred payments has again been postponed until the next contract negotiations scheduled for fiscal year 1978.

The chart below indicates the average salary of teachers at various differential wage scales and the number of teachers in that scale as of the December 1976 payroll. Teachers with 6 years' experience are roughly equivalent to those in categories A, B, C, and D. Teachers with 15 years experience in categories E, F, and G, and teachers with an M.A. plus 30 in category.

Differentials based on education	Average salary	No. of teachers	Percent
Pre 1947	$20,350	105	0.21
A. Base	13,482	4,277	8.79
B. Base+promotional differential	17,956	22	0.04
C. BA+30	16,196	1,421	2.92
D. BA+60	17,040	13	0.02
E. MA	17,041	16,166	33.24
F. BA+60+promotional differential	18,292	693	1.42
G. BA+60 on a different salary schedule	18,863	277	0.56
H. MA+30	20,048	25,655	52.75
Total number of teachers	----	48,629	100.00

Note: Some 3,292 of these 48,629 above teachers are assigned to administrative non-instructional duties.

In comparison, New York City firefighters under a recent contract will receive $3,032 in cash over the next 3 years—$4,134 with productivity COLA—and a District Council No. 37 employee earning $16,000 as of July 1, 1974, will receive $2,347 over the same period—$3,369 with productivity COLA.

The immediate consequence of a $250 million salary increase for teachers is that the funds will not be available to reduce the impact of the fiscal crisis on the classroom. Laid-off teachers will not be rehired. New teacher vacancies will not be filled. Class sizes will continue to increase. And reading scores, which dropped from 45.2 percent of pupils reading at or above grade level in 1975 to 42.6 percent in 1976, will continue to decline. Thousands of dedicated teachers will be forced to continue to work in conditions that are unconducive to effective education. The advantages of holding the teachers' increase even to the level of increases of other unions would have had immediate benefits for children and classroom teachers alike. Paying the teachers the same increase as the firefighters would have saved $32 million. Paying teachers the District Council No. 37 increase would have saved $64 million. These savings would have enabled the rehiring and maintaining of 1,219 and 2,438 teachers respectively for the three semesters remaining in the contract.

Meanwhile, New York City is spending nearly $3 billion annually on an education system that almost everyone agrees is doing an unsatisfactory job of educating its million or more students. Why?

That the board of education, an autonomous agency not directly under mayoral control, is badly managed and its spending priorities poorly conceived, is a large part of the reason. An increasingly larger portion of the per pupil expenditures is allocated to non-instructional purposes. The board spends an average of $2,475 per pupil each year. Direct staff support costs average only $1,161 of that amount; $876 accounts for services that support the schools pupils attend; $417 is allocated to administrative costs and debt service. A very dif-

ferent picture emerges when costs per pupil are calculated on an attendance rather than registration basis: Average daily attendance during fiscal year 1975 was 903,207 or only 82.1 percent of registered pupils. On an attendance basis, per pupil costs are: Total cost, $3,104; direct staff, $1,141; additional support, $1,092; and administrative and debt service costs, $508.

No organization that is as top and bottom-heavy as the board of education can deliver services efficiently. While the resources and personnel devoted to classroom instruction have been reduced, supervisory and supportive staffs grow larger every year. Duplication of effort and wasted manpower—much of which exists at the community school board level where former school administrators perform clerical duties, often while still drawing supervisory wages. Nowhere is the misallocation of resources more evident than at the headquarters of the board of education, 110 Livingston Street. More than $1.5 million annually is spent on a board of examiners with 58 full staff members, despite the fact that no teachers have been hired for 2 years. Over 1,000 persons drawing salaries on pedagogic lines are assigned to the board headquarters.

Decisions about how tax dollars are spent on education, however, are no longer the purview only of administrators sequestered in the dark recesses of 110 Livingston Street. Recently, a coalition of 16 major educational and civic organizations concerned about management of the city's schools and budget priorities formed the Educational Priorities Panel. The panel's staff has conducted indepth studies of the board of education budget and analyses of specific coinstructional services, and has documented a pervasive pattern of mismanagement, wasteful practices, and unnecessary expenditures. Among the panel's principal findings are:

That school custodial and maintenance services for the city's schools cost in excess of $10 million annually—an expenditure over which the board of education has virtually no control; 166 custodians made over $30,000 annually; while 15 made over $40,000; total compensation for all over the 1,102 custodians averaged $30,054. The board of education contract permits custodians to hire as staff, members of their own families at full wage rates for maintaining used school space, to purchase capital equipment with city funds and then assume personal ownership of that equipment, and to retain excess income in interest bearing personal savings accounts. The New York City comptroller estimates that the city could save a minimum of $10–$15 million annually if the board were to contract with the private sector for custodial services.

That charges leveled by custodians for use of schools by community groups have forced 350 Cub Scout troops and 145 Girl Scout troops to disband because they could not afford the $108.95 fee. Rather than being managed as a community resource, New York City school buildings have become the private domain of small time entrepreneurs who, like justices of the peace of another era, levy a charge and then share in the proceeds.

That, because of inefficiencies, the board's school lunch program costs the city's taxpayers $35 million per year, over and above the $81.7 million provided by Federal and State subsidies.

The cost averages $1.20 per lunch served—making New York City's public school lunch program the costliest in the Nation. The board of Jewish education provides a kosher lunch to thousands of students daily for $0.80. Other cities manage to provide the equivalent and, in some cases, superior food service programs within the Federal and State subsidies—that the city's community school districts were spending millions annually to lease commercial buildings while their school buildings were seriously underutilized. With space for an additional 111,000 pupils in existing school buildings, an excess of $9 million was spent on leased space.

The Educational Priorities Panel and its staff are to be commended for the work they have done to improve education in the city of New York and in bringing the attention of parents, legislators, and concerned citizens to bear on the board of education.

The Nation, Mr. Speaker, has a stake in the survival of its cities. The cities will not survive, let alone prosper, unless their school systems can produce responsible productive citizens. In this context, I believe the principal mission of our schools must be to teach students, particularly during their initial years, basic reading, writing and mathematical skills which will equip them to occupy productive roles in our society. Regrettably, very few of the students enrolled in our city's public schools will graduate with these skills—and New York City will continue to pay the costs of the failure of the educational system for many years.

Today, the shortage of qualified office and clerical personnel is a major factor in the loss of business and industry in New York. So many companies have had to seek qualified clerical personnel outside of the local labor pool that fully 12 percent—or 122,000 clerical positions—of the private sector office workforce does not reside in New York City. Is it not shocking that our schools are not able to turn out students who can read and write. The implications of this outcome extends to other educational systems as well. Recently, the regents of the State of New York took a giant step forward by raising admission standards for graduates of New York City's high schools to the City University of New York from competence at the eighth grade reading level to ninth grade. Regent Kenneth Clark struck at the heart of the matter when he commented, "What happened to the other 3 years."

Constructive steps can and should be taken to improve the management of public education. The Congress must insure, through the General Accounting Office wherever necessary, that urban education funds are expended to meet the educational needs of children as the first priority.

I believe that the board of education—its budget, educational policy, and operations, must be brought under the direct control of the office of the mayor. While client participation in educational decisionmaking should continue through the community school boards, the educational and budgetary priorities of the board can no longer remain immune from the influence of New York City's highest elected official.

The board of education's attitude toward public oversight and fiscal accountability is best summed up by a caption to a chart which appeared in a New York Times "Week in Review" article about the city's budget: "The board of education did not respond to requests for budgetary information."

This posture can not and must not be tolerated.

LEAVE OF ABSENCE

By unanimous request, leave of absence was granted to:

Mr. MADIGAN (at the request of Mr. RHODES), for May 10, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SAWYER) to review and extend their remarks and include extraneous material:)

Mr. ASHBROOK for 15 minutes, today.

(The following Members (at the request of Ms. OAKAR) to revise and extend their remarks and include extraneous material:)

Mr. AUCOIN, for 5 minutes, today.

Mr. DUNCAN of Oregon, for 5 minutes, today.

Mr. MCHUGH, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. WHITE, for 5 minutes, today.

Mr. DODD, for 5 minutes, today.

Mr. KOCH, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HYDE, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $805.

(The following Members (at the request of Mr. SAWYER) and to include extraneous matter:)

Mr. CONTE.

Mr. GILMAN.

Mr. ABDNOR in three instances.

Mr. WALSH.

Mr. STEIGER.

Mr. ROUSSELOT in two instances.

Mr. WHITEHURST.

Mr. GRASSLEY.

Mr. ANDERSON of Illinois in two instances.

Mr. MICHEL.

Mr. DERWINSKI.

Mr. FRENZEL in two instances.

Mr. MOORHEAD of California.

Mr. O'BRIEN.
Mr. BROYHILL.
Mr. EVANS of Delaware.
Mr. DORNAN.
Mr. ASHBROOK in four instances.
(The following Members (at the request of Ms. OAKAR) and to include extraneous material:)
Mr. MCDONALD.
Mr. OTTINGER.
Mr. TEAGUE.
Mr. MAZZOLI.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. FAUNTROY.
Mr. WEISS in two instances.
Mr. AMBRO.
Mr. SKELTON.
Mr. BEARD of Rhode Island.
Mr. AUCOIN.
Mrs. MEYNER.
Mr. DELANEY.
Mr. FORD of Michigan.
Mr. DOWNEY in two instances.
Mr. RANGEL.
Mr. ROONEY.
Mr. LEVITAS.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 703. An act to improve the administration and operation of the Overseas Citizens Voting Rights Act of 1975, and for other purposes; to the Committee on House Administration.

ADJOURNMENT

Ms. OAKAR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 41 minutes p.m.), the House adjourned until tomorrow, Wednesday, May 11, 1977, at 3 o'clock p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1450. A letter from the Chairman, U.S. Consumer Product Safety Commission, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1451. A letter from the Administrator of General Services, transmitting the annual report of the General Services Administration for 1976, pursuant to section 212 of the Federal Property and Administrative Services Act of 1949, as amended [40 U.S.C. 492]; to the Committee on Government Operations.

1452. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Air Force to offer to sell certain defense services to Iran (Transmittal No. 77-36), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

1453. A letter from the Chairman, U.S. Advisory Commission on Information, transmitting the 28th report of the Commission, pursuant to section 603 of Public Law 402, 80th Congress; to the Committee on International Relations.

1454. A letter from the controller, American Chemical Society, transmitting the society's annual report and audit, covering calendar year 1976, pursuant to section 8 of Public Law 358, 75th Congress, and section 3 of Public Law 88-504; to the Committee on the Judiciary.

1455. A letter from the Federal Cochairman, Pacific Northwest Regional Commission, transmitting the Commission's annual report for fiscal year 1976, pursuant to section 510 of Public Law 89-136; to the Committee on Public Works and Transportation.

1456. A letter from the Secretary of Labor, transmitting the annual report on veterans services by the Department of Labor, covering fiscal year 1976, pursuant to 38 U.S.C. 2007(c); to the Committee on Veterans' Affairs.

1457. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend title IV of the Social Security Act to adjust the amount of income to be disregarded in determining need under the Aid to Families With Dependent Children program and for other purposes; to the Committee on Ways and Means.

1458. A letter from the Board of Trustees, Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, transmitting the 1977 annual report of the Board, pursuant to section 201(c) of the Social Security Act (H. Doc. No. 95-150); to the Committee on Ways and Means and ordered to be printed.

1459. A letter from the Board of Trustees, Federal Hospital Insurance Trust Fund, transmitting the 1977 annual report of the Board, pursuant to section 1817(b) of the Social Security Act (H. Doc. No. 95-151); to the Committee on Ways and Means and ordered to be printed.

1460. A letter from the Board of Trustees, Federal Supplementary Medical Insurance Trust Fund, transmitting the 1977 annual report of the Board, pursuant to section 1841 (b) of the Social Security Act (H. Doc. No. 95-152); jointly, to the Committee on Interstate and Foreign Commerce, and Ways and Means, and ordered to be printed.

1461. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to formalize common international safety requirements for the approval, examination, and inspection of containers within the jurisdiction of the United States and used in international transport, to maintain a high level of safety of human life, to facilitate international container transport, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, and International Relations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MEEDS: Committee on Rules. House Resolution 556. Resolution providing for the consideration of H.R. 6714. A bill to amend the Foreign Assistance Act of 1961 to authorize development assistance programs for fiscal year 1978, to amend the Agricultural Trade Development and Assistance Act of 1954 to make certain changes in the authorities of that act, and for other purposes. (Rept. No. 95-276). Referred to the House Calendar.

Mr. DANIELSON: Committee on the Judiciary. H.R. 1551. A bill granting the consent of Congress to an amendment to the Sabine River Compact entered into by the States of Texas and Louisiana (Rept. No. 95-277). Referred to the House Calendar.

Mr. FLOWERS: Committee on the Judiciary. H. R. 1952. A bill to amend the corporate name of AMVETS (American Veterans of World War II), and for other purposes; with amendment (Rept. No. 95-278). Referred to the House Calendar.

Mr. DANIELSON: Committee on the Judiciary. H.R. 3662. A bill granting the consent of Congress to the Mississippi-Louisiana Bridge construction compact; with amendment (Rept. No. 95-279). Referred to the House Calendar.

Mr. BROOKS: Committee on Government Operations. Report on the Truth in Lending Act: Federal banking agency enforcement and the need for statutory reform, (Rept. No. 95-280). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 1139. A bill to extend through fiscal year 1982 certain child nutrition programs under the National School Lunch Act and the Child Nutrition Act of 1966; with amendment (Rept. 95-281). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SPELLMAN: Committee on Post Office and Civil Service. H.R. 2931. A bill to amend chapter 89 of title 5, United States Code, to establish uniformity in Federal employee health benefits and coverage provided pursuant to contracts made under such chapter by preempting State or local laws pertaining to such benefits and coverage which are inconsistent with such contracts; with amendment (Rept. No. 95-282). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SPELLMAN: Committee on Post Office and Civil Service. H.R. 3447. A bill to amend chapter 83 of title 5, United States Code, to grant an annuitant the right to elect within 1 year after remarriage whether such annuitant's new spouse shall be entitled, if otherwise qualified, to a survivor annuity, and to eliminate the annuity reduction made by an unmarried annuitant to provide a survivor annuity to an individual having an insurable interest in cases where such individual predeceases the annuitant (Rept. No. 95-283). Referred to the Committee on the Whole House on the State of the Union.

Mrs. SPELLMAN: Committee on Post Office and Civil Service. H.R. 4319. A bill to amend subchapter III of chapter 83 of title 5, United States Code, to provide that employees who retire after 5 years of service, in certain instances, may be eligible to retain their life and health insurance benefits, and for other purposes (Rept. No. 95-284). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H.R. 7036. A bill to amend the Renegotiation Act of 1951 to provide that such act shall only be in effect when the President, during a period of national emergency, determines that having the provisions of such Act in effect would be in the best interest of the country; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ANDERSON of California (for himself, Mr. STAGGERS, Mr. DORNAN, Mr. DUNCAN of Oregon, Mr. HEFTEL, Mr. MCCLOSKEY, Mr. MILLER of California, and Mr. RYAN):

H.R. 7037. A bill to amend chapter 44 of title 18 of the United States Code (respect-

ing firearms) to penalize the use of firearms in the commission of any felony and to increase the penalties in certain relating existing provisions; to the Committee on the Judiciary.

By Mr. ANNUNZIO:

H.R. 7038. A bill to provide for the payment of losses incurred as a result of the ban on the use of the chemical Tris in apparel, fabric, yarn or fiber and for other purposes; to the Committee on the Judiciary.

By Mr. BEARD of Rhode Island:

H.R. 7039. A bill to prohibit the denial or abridgement of the right of former criminal offenders to vote in elections for Federal office; to the Committee on the Judiciary.

By Mr. BLOUIN:

H.R. 7040. A bill to authorize reconstruction and new construction of locks and dam 26 on the Mississippi River near Alton, Ill., to authorize the preparation of a master plan for the management of the Upper Mississippi River, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. CAVANAUGH:

H.R. 7041. A bill to rename two lakes which have been completed as part of the Papillion Creek Basin project as the Glenn Cunningham Lake and the Standing Bear Lake; to the Committee on Public Works and Transportation.

By Mr. CORNWELL (for himself, Mr. BRADEMAS, Mr. SHARP, Mr. FITHIAN, and Mr. JACOBS):

H.R. 7042. A bill to terminate the authorization of the Big Pine Dam and Reservoir, Wabash River Basin, Ind.; to the Committee on Public Works and Transportation.

By Mr. DAVIS (for himself, Mr. SPENCE, Mr. HOLLAND, and Mr. JENRETTE:

H.R. 7043. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DUNCAN of Tennessee:

H.R. 7044. A bill to amend title 18 of the United States Code to eliminate racketeering in the sale and distribution of cigarettes, and for other purposes; to the Committee on the Judiciary.

H.R. 7045. A bill to amend title 38, United States Code, to alter the method of computation of certain veterans' non-service-connected disability pensions; to the Committee on Veterans' Affairs.

By Mr. FISHER (for himself and Mr. BENJAMIN):

H.R. 7046. A bill to eliminate the complete immunity from criminal, civil, and administrative jurisdiction currently given to all foreign diplomats and their staffs and to establish the Vienna Convention on Diplomatic Relations as the basis for dipolmatic privileges and immunities in the United States; to the Committee on International Relations.

By Mr. FORD of Michigan (for himself and Mrs. SPELLMAN):

H.R. 7047. A bill to amend the Fair Labor Standards Act of 1938, to require prenotification to affected employees and communities of dislocation of business concerns, to provide assistance (including retraining) to employees who suffer employment loss through the dislocation of business concerns, to business concerns threatened with dislocation, and to affect communities, to prevent Federal support for unjustified dislocation, and for other purposes; jointly, to the Committees on Education and Labor, and Banking, Finance and Urban Affairs.

By Mr. HAMMERSCHMIDT:

H.R. 7048. A bill to amend section 1503(b), title 38, United State Code, in order to allow certain individuals wrongfully precluded from taking advantage of chapter 31 vocational rehabilitation benefits to obtain such benefits; to the Committee on Veterans' Affairs.

By Mr. HUGHES:

H.R. 7049. A bill to amend the Internal Revenue Code of 1954 to allow certain individuals who have attained age 65 or who are disabled a refundable tax credit for property taxes paid by them on their principal residences or for a certain portion of the rent they pay for their principal residences; to the Committee on Ways and Means.

By Mr. KASTENMEIER (for himself, Mr. DRINAN, Mr. ERTEL, Mr. RAILSBACK, Mr. BADILLO, Mr. CLAY, Mr. CONYERS, Mr. FRASER, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. KOCH, Mr. MINETA, Mr. RANGEL, and Mr. STOKES):

H.R. 7050. A bill to amend title 18 of the United States Code to establish a revolving fund for making loans to individuals released from prison; to the Committee on the Judiciary.

By Mr. KASTENMEIER (for himself, Mr. DRINAN, Mr. RAILSBACK, Mr. BADILLO, Mr. CLAY, Mr. CONYERS, Mr. FRASER, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. KOCH, Mr. MIKVA, Mr. MINETA, Mr. RANGEL, Mr. ROYBAL, and Mr. STOKES):

H.R. 7051. A bill to limit use of prison inmates in medical research; to the Committee on the Judiciary.

By Mr. KASTENMEIER (for himself, Mr. ERTEL, Mr. RAILSBACK, Mr. BADILLO, Mr. CLAY, Mr. CONYERS, Mr. FRASER, Mr. HARRINGTON, Mr. HARRIS, Mr. KOCH, Mr. MIKVA, Mr. MILLER of California, Mr. MINETA, Mr. RANGEL, Mr. ROYBAL, Mr. STARK, and Mr. STOKES):

H.R. 7052. A bill to prohibit the denial or abridgement of the right of former criminal offenders to vote in elections for Federal office; to the Committee on the Judiciary.

By Mr. KASTENMEIER (for himself, Mr. DANIELSON, Mr. DRINAN, Mr. BADILLO, Mr. CLAY, Mr. CONYERS, Mr. FRASER, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. KOCH, Mr. MIKVA, Mr. MILLER of California, Mr. MINETA, Mr. NOLAN, Mr. RANGEL, Mr. ROYBAL, Mr. STARK, and Mr. STOKES):

H.R. 7053. A bill to authorize actions for redress in cases involving the violation of the constitutional rights of institutionalized persons; to the Committee on the Judiciary.

By Ms. KEYS (for herself and Mr. HAWKINS):

H.R. 7054. A bill to amend the Internal Revenue Code of 1954 to simplify tax preparation by allowing individuals whose income consists solely of employee compensation and interest to elect to have the Internal Revenue Service compute their income tax liability, and for other purposes; to the Committee on Ways and Means.

By Ms. KEYS (for herself, Mr. WEISS, Mr. GEPHARDT, Mr. PHILLIP BURTON, Mr. BEDELL, Mr. COHEN, Mr. VENTO, Mr. BENJAMIN, and Mrs. HECKLER):

H.R. 7055. A bill to amend the Internal Revenue Code to decrease the limitation on deductions for medical expenses to 2 percent of adjusted gross income, to eliminate the 1-percent limitation on deductions for drugs and medicine and to include the entire deduction for medical insurance within the 2-percent limitation; to the Committee on Ways and Means.

By Mr. LEHMAN (for himself and Mr. LOTT):

H.R. 7056. A bill to provide for a 40-percent reduction of the burden on respondents in the censuses of agriculture, drainage, and irrigation taken in 1979 and thereafter, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MOORHEAD of California:

H.R. 7057. A bill to regulate the issuance and use of social security cards; to the Committee on Ways and Means.

H.R. 7058. A bill to amend the Immigration and Nationality Act and other acts with respect to the employment of illegal aliens, and for other purposes; jointly, to the Committees on Education and Labor, Interstate and Foreign Commerce, the Judiciary, and Ways and Means.

By Mr. RAILSBACK (for himself, Mr. KASTENMEIER, Mr. BAUCUS, Mr. BONIOR, Mr. MILLER of California, Mr. SOLARZ, Mr. STARK, and Mr. STEERS):

H.R. 7059. A bill to regulate lobbying and related activities; to the Committee on the Judiciary.

By Mrs. SMITH of Nebraska (for herself, Mr. ANDERSON of Illinois, Mr. BAUCUS, Mr. BAUMAN, Mr. BEDELL, Mr. CEDERBERG, Mr. CORNWELL, Mr. ENGLISH, Mr. GEPHARDT, Mr. GLICKMAN, Mr. KILDEE, Mr. MITCHELL of New York, Mr. NOLAN, Mr. PATTERSON of California, Mr. ROBINSON, Mr. ROONEY, Mr. SIMON, Mr. SKELTON, Mr. VOLKMER, and Mr. CHARLES WILSON of Texas):

H.R. 7060. A bill to extend the moratorium on post office closings; to the Committee on Post Office and Civil Service.

By Mr. WHALEN (for himself, Mr. SEIBERLING, Ms. SPELLMAN, and Mr. PERKINS):

H.R. 7061. A bill to provide that certain cost-of-living and other increased benefits received under title II of the Social Security Act will not be considered as income for purposes of determining eligibility and the amount of benefits of participants in the food stamp program and for purposes of determining eligibility and the amount of benefits of participants in certain programs concerning surplus agricultural commodities; to the Committee on Agriculture.

H.R. 7062. A bill to provide that social security benefit increases occurring after May 1977, shall not be considered as income or resources for the purposes of determining the eligibility for or amount of assistance which any individual or family is provided under certain Federal housing laws; to the Committee on Banking, Finance and Urban Affairs.

H.R. 7063. A bill to amend title XIX of the Social Security Act to make certain that individuals otherwise eligible for medicaid benefits do not lose such eligibility, or have the amount of such benefits reduced, because of increases in monthly social security benefits; to the Committee on Interstate and Foreign Commerce.

H.R. 7064. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 7065. A bill to amend the Social Security Act to make certain that recipients of aid to families with dependent children and recipients of supplemental security income benefits will not have the amount of such aid or benefits reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

By Mr. WHITE (for himself, and Mr. PRICE):

H.R. 7066. A bill to amend title 10, United States Code, to authorize the use of health maintenance organizations in providing health care; to the Committee on Armed Services.

By Mr. YOUNG of Florida:

H.R. 7067. A bill to amend title 10, United States Code, with respect to crediting certain service of females sworn in as members of telephone operating units, Signal Corps; to the Committee on Armed Services.

By Mr. BEDELL (for himself, Mr. RICHMOND, Mr. BROWN of California, Mr. BALDUS, Mr. OBERSTAR, Mr. OTTINGER, Mr. VOLKMER, Mr. SIMON, Mr. BONIOR, Mr. CONTE, Mr. JEFFORDS, Mr. PATTERSON of California, Mr. LEACH, Mr. BLOUIN, Mr. MINETA, and Mr. BAUCUS):

H.R. 7068. A bill to amend the Internal Revenue Code of 1954 to treat certain income derived by tax-exempt organizations from investments in farmland as unrelated business taxable income; to the Committee on Ways and Means.

By Mr. BURKE of Massachusetts:

H.R. 7069. A bill to amend the Internal Revenue Code of 1954 to equalize the taxation of certain cooperatives; to the Committee on Ways and Means.

By Mrs. COLLINS of Illinois (for herself, Mrs. LLOYD of Tennessee, Ms. HOLTZMAN, Miss JORDAN, Ms. OAKAR, Mrs. BURKE of California, Mrs. BOGGS, Ms. KEYS, Mrs. MEYNER, Mrs. FENWICK, Mrs. SPELLMAN, Mrs. CHISHOLM, Mrs. SCHROEDER, Ms. MIKULSKI, Mr. ADDABBO, Mr. FAUNTROY, Mr. MOAKLEY, Mr. SANTINI, Mr. RODINO, Mr. VENTO, Mr. BALDUS, Mr. FORD of Tennessee, Mr. OTTINGER, Mr. MITCHELL of Maryland, and Mr. LAGOMARSINO):

H.R. 7070. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou tests for the diagnosis of uterine cancer; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mrs. COLLINS of Illinois (for herself, Mr. BLOUIN, Mr. CORMAN, Mr. ROYBAL, Mr. WAXMAN, Mr. FASCELL, Mr. CLAY, Mr. FRENZEL, Mr. STEERS, Mr. RANGEL, Mr. DODD, Mr. BRODHEAD, Mr. DOWNEY, Mr. GILMAN, Mr. MITCHELL of New York, Mr. HANNAFORD, Mr. CORRADA, Mr. STOKES, Mr. CONYERS, Mr. DELLUMS, Mr. HARRINGTON, Mr. JENRETTE, Mr. SOLARZ, Mr. PEPPER, and Mr. OBERSTAR):

H.R. 7071. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou tests for the diagnosis of uterine cancer; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mrs. COLLINS of Illinois (for herself, Mr. MINETA, Mr. ROSENTHAL, Mr. PICKLE, Mr. JACOBS, Mr. BLANCHARD, Mr. HAWKINS, Mr. BONIOR, Mr. KOSTMAYER, Mr. RICHMOND, Mr. MARTIN, Mr. STARK, Mr. CORNWELL, and Mr. BEDELL):

H.R. 7072. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou tests for the diagnosis of uterine cancer; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. DE LA GARZA:

H.R. 7073. A bill to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended; to the Committee on Agriculture.

By Mr. DUNCAN of Oregon (for himself, Mr. ULLMAN, Mr. WEAVER, and Mr. AUCOIN):

H.R. 7074. A bill to provide improved authority for the administration of certain national forest system lands in Oregon; to the Committee on Interior and Insular Affairs.

By Mr. HARRIS (for himself and Mr. OTTINGER):

H.R. 7075. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. MICHEL:

H.R. 7076. A bill to name the Veterans' Administration clinic in the Proctor Hospital in Peoria, Ill., the Roy Lofthouse Memorial Clinic; to the Committee on Veterans' Affairs.

H.R. 7077. A bill to amend the Internal Revenue Code of 1954 with respect to income earned abroad by U.S. citizens living or residing abroad; to the Committee on Ways and Means.

By Mr. PANETTA (for himself, Mr. ANDERSON of California, Mr. BALDUS, Mr. BENJAMIN, Mr. BEVILL, Mr. BONIOR, Mr. CARR, Mr. CORRADA, Mr. DELLUMS, Mr. DERWINSKI, Mr. DOWNEY, Mr. EMERY, Mr. FISHER, Mr. GLICKMAN, Mr. HALL, Mr. HANNAFORD, Mrs. LLOYD of Tennessee, Ms. MIKULSKI, Mr. MILLER of California, Mr. MINETA, Mr. MITCHELL of Maryland):

H.R. 7078. A bill to permit teachers to change employment across State lines without substantial loss of retirement benefits; to the Committee on Education and Labor.

By Mr. ROGERS:

H.R. 7079. A bill to provide for the reform of the administrative and reimbursement procedures currently employed under the medicare and medicaid programs, and for other purposes; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. OBERSTAR (for himself, Mr. WALSH, Mr. STANGELAND, and Mr. LEDERER):

H.J. Res. 453. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

By Mr. ROUSSELOT:

H.J. Res. 454. Joint resolution to authorize the President to issue a proclamation designating the week in November which includes Thanksgiving Day in each year as "National Family Week"; to the Committee on Post Office and Civil Service.

By Mr. HUGHES (for himself and Mr. MILLER of Ohio):

H. Res. 557. Resolution to declare a "state of war" against the dreaded disease, amyotrophic lateral sclerosis; to the Committee on Interstate and Foreign Commerce.

By Mr. KASTENMEIER (for himself, Mr. DRINAN, Mr. BADILLO, Mr. CLAY, Mr. CONYERS, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. KOCH, Mr. MIKVA, Mr. MINETA, Mr. NOLAN, Mr. RANGEL, Mr. ROYBAL, Mr. STARK, and Mr. STOKES):

H. Res. 558. Resolution expressing the sense of the House of Representatives that the U.S. Government should formally record its endorsement of the United Nations Standard Minimum Rules for the Treatment of Prisoners; to the Committee on the Judiciary.

By Mr. ROBINSON:

H. Res. 559. Resolution that Congress move expeditiously to resolve pending issues regarding national telecommunications policy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII,

141. The SPEAKER presented a memorial of the Senate of the State of Washington, relative to the Panama Canal; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURKE of Massachusetts:

H.R. 7080. A bill for the relief of Jose Figueredo; to the Committee on the Judiciary.

By Mr. DELLUMS:

H.R. 7081. A bill for the relief of Klaus Wilhelm Wendel; to the Committee on the Judiciary.

By Mr. FISHER:

H.R. 7082. A bill for the relief of Edward J. Shea; to the Committee on the Judiciary.

By Mr. HARRIS:

H.R. 7083. A bill for the relief of Ho Sun Pak; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

106. By the SPEAKER. Petition of the Chautauqua County Legislature, Mayville, N.Y., relative to full funding of the Rural Development Act; to the Committee on Agriculture.

107. Also, petition of the Belmont Religious Council, Belmont, Mass., relative to human rights; to the Committee on International Relations.

108. Also, petition of the Board of Aldermen, Milford, Conn., relative to low-cost spaying and neutering clinics; to the Committee on Interstate and Foreign Commerce.

109. Also, petition of the city council, Galesburg, Ill., relative to low-cost spaying and neutering clinics; to the Committee on Interstate and Foreign Commerce.

AMENDMENTS

Under clause 6 or rule XXIII, proposed amendments were submitted as follows:

H.R. 6655

By Mr. COHEN:

Page 46, line 13, immediately after the word "otherwise" delete: ", by the end of calendar year 1977".

SENATE—*Tuesday, May 10, 1977*

(Legislative day of Monday, May 9, 1977)

The Senate met at 4 p.m., on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr ANDERSON).

PRAYER

The Reverend Landrum E. Shields, pastor, Witherspoon United Presbyterian Church, Indianapolis, Ind., offered the following prayer:

Let us pray.

Here we are, God, assembled in a spirit of unity especially for those who are inarticulate for themselves.

We are grateful for Thy Lordship over things which come not back—the spoken word, the past life, the lost opportunities.

Move within the dark night of our souls and make every statesman an ambassador of reconciliation and hope.

In this vast and opulent America may we be mindful that we are not up from slavery and oppression, but down from a kingdom of hope and possibility

For we, who are the only hope for Thy kingdom of justice and peace to become a reality use us as instruments and channels, and keep each of us ever from failing Thee Amen and Amen

THE JOURNAL

Mr ROBERT C BYRD Mr President, I ask unanimous consent that the Journal of yesterday, Monday May 9, 1977, be approved

The ACTING PRESIDENT pro tempore Without objection, it is so ordered

Mr BAYH Mr President, will the Senator from West Virginia, our leader, permit the Senator from Indiana to have 2 minutes?

Mr ROBERT C BYRD I am delighted to yield out of my time to the distinguished Senator

Mr BAYH I appreciate the courtesy of our leader

THE REVEREND LANDRUM E SHIELDS

Mr BAYH Mr President, I would like to express my personal appreciation to Dr Elson, the Chaplain of the Senate, for making it possible for all of our Senate colleagues and those who might read the RECORD to share the thoughts and spirit and the articulate expression of good will and hope of Rev Landrum E. Shields, who offered our invocation this morning

Mr President, it gives me a great deal of pleasure to rise at this time and offer my most sincere debt of appreciation to the Reverend Landrum Shields, pastor of the Witherspoon Presbyterian Church, for taking time from his busy schedule in order to share his prayers and best wishes with this body of U.S Senators It is with a great sense of pride that I can say Reverend Shields is not only a very close and dear friend of mine but he is also a very competent and concerned servant of God. He is constantly involved in community affairs, always struggling to help those who are without friends and in need of assistance. For over 20 years, Reverend Shields has offered his guidance and leadership to the rich and the poor, the weak and the strong, blacks, whites, and any group of people or individual who is in need of positive religious guidance.

Reverend Shield's dedication to the Indianapolis community is unparalleled, Mr. President. He has in the past served on the school board for the Indianapolis public schools, he has served on the board of directors of the Indianapolis Pre-School Center, of the National Council of Churches of Christ in the United States of America, of the Indiana Region of the National Council of Christians and Jews, of the Juvenile Services Council, and on the Ministers' Advisory Board of the Christian Theological Seminary. And, finally, it should be pointed out that such a fine minister, father, and individual was appropriately and deservingly named Father of the Year for 1976 by the Greyhound Bus Line Corp

Today, Reverend Shields has offered the same kind of religious guidance to this great deliberative body that he has offered to the members of his church over the past 14 years. Again, let me say, in behalf of the U.S. Senate, and Chaplain Elson, thank you, Reverend Shields, for sharing your time and prayers with us.

ORDER TRANSFERRING MEASURES TO UNANIMOUS-CONSENT CALENDAR

Mr ROBERT C. BYRD. Mr. President, there are two measures on the General Orders Calendar that have been cleared for a passage by unanimous consent. They are Calendar Orders No. 76 and No. 102. I ask that the clerk transfer those measures to the Unanimous-Consent Calendar.

The ACTING PRESIDENT pro tempore They will be so transferred.

COMMITTEE MEETINGS

Mr ROBERT C BYRD. Mr. President, I ask unanimous consent that committees may meet during the session of the Senate today.

Mr BAKER. Mr. President, reserving the right to object, and I will not object, I simply say to my good friend the majority leader that I do not object today and I do not anticipate objecting tomorrow to the committees meeting. But at some point later during consideration of the motion to take up Senate Resolution 5, it may be necessary for me to object.

I do have a notation that I will enter an objection when the request is made, if it is made, on behalf of another Senator on this side of the aisle for the Judiciary Committee meeting tomorrow. Otherwise, I do not contemplate any objection tomorrow, either.

Mr. ROBERT C. BYRD. All right.

Mr. President, for the record again, and for the information of the Judiciary Committee, if that objection is interposed the committee will still have the right to meet for 2 hours following the convening of the Senate tomorrow, if such an objection is interposed, and, as the distinguished minority leader indicated, it may or may not be.

But I think, for the record, the Judiciary Committee should know that.

I have not yet decided what time to convene the Senate tomorrow, but the committee will have ample notice today so that it can make its plans for tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I do not have any further requests at this time, so I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. There is a special order for the Senator from New Mexico.

Mr. BAKER. Mr. President, I intend to yield 5 minutes of my time under the standing order to the distinguished Senator from Alaska (Mr. STEVENS) who is momentarily not on the floor. I would reserve my time under the standing order for that purpose.

Mr. ROBERT C. BYRD. Mr. President, the Senator will have to have unanimous consent to do that. I will not object, but I think we ought to understand that it does take unanimous consent to preserve the Senator's time once we begin with the special orders.

Mr. BAKER. Mr. President, the special orders have not yet begun.

Mr. ROBERT C. BYRD. Mr. President, if the Senator would like, I would be glad to use some of my time on a quorum.

MESSAGE FROM THE HOUSE

A message from the House of Representatives delivered by Mr. Hackney, one of its clerks, announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 5562. An act to authorize the establishment of the Eleanor Roosevelt National Historic Site in the State of New York, and for other purposes;

H.R 6668. An act to amend the Age Discrimination Act of 1975 to extend the date upon which the U.S. Commission on Civil Rights is required to file its report under such act, and for other purposes;

H.R. 6774. An act to make certain technical and miscellaneous amendments to provisions relating to higher education contained in the Education Amendments of 1976, and

H R 6692 An act to extend certain pro-

grams under the Education of the Handicapped Act.

The message also announced that the Speaker has appointed Mr. SIMON as a conferee on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 19) setting forth the congressional budget for the U.S. Government for the fiscal year 1978, vice Mr. MITCHELL of Maryland, resigned.

ORDER TO HOLD MESSAGE ON H.R. 5562 AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the message from the House of Representatives on H.R. 5562 be held at the desk pending further disposition.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE ECONOMIC SUMMIT

Mr. BAKER. Mr. President, the economic summit convening in London has concluded its work; and I think this is an appropriate time for me to make several brief observations concerning that summit.

The history of economic summitry begins at Rambouillet in 1975. Rambouillet was an acknowledgment of the critical importance of the international economic system. Over the last 10 years, the western industrialized democracies have grown more interdependent and have come to realize that no solution to a domestic economic problem can be successfully divorced from the broader international solution to that same problem.

The agenda at Rambouillet provided an in-depth focus on the economic problems which confronted the world at that time.

The Puerto Rico summit began a trend away from concentration on economic problems which London carried still further. It may have been envisioned that the London summit would be devoted to economic matters; but as the summit drew near, more and more issues were added to the agenda. I have not been briefed on results of the summit. Indeed, the results will not be clear for some time. But the nature of the agenda for the summit gives me concern that the leaders had only time for the most cursory discussion of a host of pressing problems. My concern fosters the hope that in the future there will be a tendency away from raising a multiplicity of issues toward greater concentration on a relative few.

Clearly the President set a difficult task for himself at the London summit. First, he had to assure his counterparts that he is capable of providing the steady and wise leadership that the free world has come to expect.

The Europeans have substantial concerns on such diverse issues as economics, nuclear energy, and human rights. The President had to demonstrate competence and leadership on SALT and the Middle East. He had to mediate difficult points of dispute between Greece and Turkey and to further define his policies toward Communist Party participation in a NATO country.

Our alliances with the Western industrialized democracies are strong. There have been disruptions in the last several months which were addressed at the London summit. Considerable progress can be made in each problem area, and I hope a start was made in London. Nevertheless, I am concerned that our willingness to address all problems at one time is not conducive to making real progress in any particular area. I believe that one lesson we will take from the London summit is that when leaders of the free world meet, it is important that some selectivity be exercised in choosing issues that will be considered at the summit. Only through that sort of process can real progress be realized in any area.

Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 5 minutes remaining.

Mr. BAKER. Mr. President, I yield 5 minutes to the distinguished Senator from Alaska.

Mr. STEVENS. I thank the minority leader.

NO PIPELINE ACROSS CANADA

Mr. STEVENS. Mr. President, I wish to comment upon the official report of the Canadian Government on the impact of a pipeline through Canada's northernmost territory. This report speaks of the plaintive helplessness of a native people who are determined to create their own destiny, who are determined to prevent either the Canadian or the American Governments from running roughshod over their lifestyle for the sake of extracting the resource that permits Americans to maintain themselves with consumer goods and creature comforts.

Mr. President, Canada and, ultimately, we in the United States are at crossroads. We are at a point when the expression of the policy on human rights, so eloquently stated by President Carter, must be put to the test.

Yesterday, after 2 years of study, Canadian Justice Thomas Berger recommended to the Prime Minister that Canada itself take a long and introspective look at its own human rights policy. In a report on the construction of a natural gas pipeline in the Mackenzie Delta and across the northern Yukon from Alaska, the route proposed by a consortium called Arctic Gas, Justice Berger pulled no punches in his unequivocal denunciation of the scheme.

"If the Native people are to achieve their goals, no pipeline can be built now," Mr. Justice Berger said. And those goals are quite clear. Justice Berger also said:

> The Native people must be allowed a choice about their own future. If the pipeline is approved before a settlement of claims takes place, the future of the North—and the place of the Native people in the North—will, in effect be decided for them.

Mr. President, this officially mandated study has served notice on the Canadian Government and to the President of the United States, that no pipeline can be built across the Canadian frontier until there is a just settlement of the Canadian Native claims.

Mr. President, permit me to offer some background information about this monumental study, the first of its kind in Canada. According to the Berger report:

> The Euro-Canadian society has refused to take Native culture seriously . Native institutions, values and languages were rejected and ignored or misunderstood and—given the Native peoples' use of land—the Europeans had no difficulty in supposing that Native people possessed no real culture at all
>
> The culture, values and traditions of the Native people amount to a great deal more than crafts and carvings. Their respect for the wisdom of the elders, their concept of family responsibilities, their willingness to share their special relationship with the land—all of these values persist today, although the Native people have been under almost unremitting pressure to abandon them.

Mr. President, this is a Canadian viewpoint of the past Canadian approach toward their natives. According to the report, there is a legacy in Canada, as there once was in the United States, of foisting upon the indigenous people of the nation the European ethic by the nonnative population

In 1974, Prime Minister Trudeau appointed British Columbia Justice Thomas Berger, a respected member of the Canadian court system, to undertake an inquiry to consider the social, environmental, and economic impacts of a gas pipeline and energy corridor across the northern territories of Canada, across a land where four races of people live—Indian, Inuit, Metis, and white—where seven languages are spoken The inquiry was also empowered to recommend terms and conditions that ought to be imposed to protect the people of the north, their environment, and their economy, if the pipeline were to be built.

This was the mandate. It speaks well for the Canadian Prime Minister and for all of Canada to give the Canadian people, native and nonnative, a forum to express their concerns, their desires, and above all their dreams for their future and for their children's future.

The Berger inquiry appropriately defined its parameters within the concept of two distinct views of the Canadian north. One is the north as a frontier, to be conquered, developed, and settled The other as a homeland, a separate and distinct nation within a nation, not contrary to the principles of government as run out of Ottawa, but one which supports the people and supports an age-old way of life.

The question of whether the future of the Canadian north should be determined by the south is raised by the report.

> The Government of Canada has not been satisfied to make such an answer and has established this inquiry to make it plain that the goals, aspirations and preferences of the northern peoples should be fully explored before any decision is taken

The Berger inquiry listened to the evidence of a thousand northerners both

native and nonnative. Justice Berger personally visited 35 communities, every city and town, village, and settlement in the Mackenzie Valley and western arctic. The results of the inquiry speak well for the man, the Prime Minister, and the nation.

The conclusions are clear and I want to discuss some of those recommendations which, although directly related to the peoples of the Delta and Northern Yukon, will have a significant impact on whatever pipeline decision is made by the Canadian Government.

Two pipeline companies, Canadian Arctic Gas Pipeline, Ltd., and Foothills Pipe Lines, Ltd., have proposed pipelines to bring gas from the Arctic along the Mackenzie Valley to consumers in the south Arctic Gas proposed to bring Alaskan gas from Prudhoe Bay via the Northern Yukon, hookup with gas from Mackenzie Delta and deliver it to markets in Canada and the United States Foothills proposed to bring Canadian gas south from the Mackenzie Delta.

Another route proposed by the Alcan group, would pipe gas from Alaska's North Slope down the trans-Alaska pipeline corridor, veer off through the Yukon where there is similar unrest as a result of unsettled Native claims, then follow a similar route as Arctic gas to the United States

Justice Berger painted a bleak picture for Canadians about the prospects of the Arctic Gas proposal In the report he recommended that "no pipeline be built and no energy corridor be established across the Northern Yukon" whether the line from Prudhoe Bay run along the northern coast of Alaska's Arctic National Wildlife Refuge or whether it cut the wildlife refuge in two.

Justice Berger also said he foresaw that if a pipeline is built along the coastal route and energy corridor established then "the Porcupine caribou herd—one of the last great caribou herds in North America—will be reduced to a remnant."

The Canadian Justice also recommended that "a period of 10 years will be required in the Mackenzie Valley and western Arctic to settle Native claims and to establish the new institutions and new programs that a settlement will entail." He has stated categorically "No pipeline should be built until these things have been achieved "

Justice Berger also states that the Arctic Gas members "are obviously having trouble in designing their proposal to deal with "frost heave" of buried refrigerated pipeline and that he is not persuaded that Arctic Gas can meet its construction schedule across the Northern Yukon."

"Given such uncertainties," the report goes on, "it seems to me unreasonable that the Government of Canada should give unqualified approval to a right-of-way or provide financial guarantees to the project without a convincing resolution of these concerns "

Mr. President, it is my conclusion that the Arctic gas proposal is now not a serious alternative to shipping gas from Alaska to the consumers in the Lower 48 We cannot expect the Berger recommendations to be swept under the rug or be ignored either by the Canadian Government or by our own administration. But, while the Arctic gas proposal may be dead, Mr. President, the issue of unsettled Canadian native claims and a pipeline across Canada is not dead, not by any means. The other alternative, that sponsored by Alcan, is now in equally serious trouble as a result of the Berger report.

Justice Berger stated he was in no position to endorse the Alaska Highway route because "* * * an assessment of social and economic impact must still be made and native claims have not been settled."

The Alcan route would run through the area of unsettled Native claims land in the Western and Southern Yukon, an area which Native leaders have told the U.S. Congress in testimony before the House Subcommittee on Public Land, is as volatile as the area addressed by the Berger report.

On March 17, Daniel Johnson, Chairman of the council for Yukon Indians, told the subcommittee that—and I quote:

> The Indian people of the Yukon have never ceded or surrendered their lands and they have never signed a treaty with the Government of Canada There are many areas in Canada which are covered by treaties However, the Yukon is not one of these areas This is why we wish to settle our land claims before there are any other major developments

Mr Johnson then told the committee that the Yukon Indians "insist upon implementing our settlement and obtaining benefit from it before we will consider any pipeline development."

He added that:

> The Yukon will not be swayed from this position We will continue to oppose pipeline construction, and in the event one is authorized before the settlement and implementation of our land claims, we will gather our collective resources and fully utilize these resources in complete opposition to the construction of a pipeline. If this opposition means use of the courts, we will use the courts We also fear that there will be physical protests by many of our people.

Mr. President, these are not words of a people who are going to roll over and play dead while governments determine that a pipeline should be constructed through their lands against their wishes.

Let me call attention to a further statement made by Justice Burger regarding comments made by the Native people who said they would be prepared to give up their lives to stop the pipeline if it were to proceed before there had been a settlement of Native claims. He said and I quote again:

> I have given the most anxious consideration to whether or not I should make any reference in this report to the statements about possible violent reaction to the pipeline if it were built without a just settlement of native claims I have concluded that they cannot be ignored No one who heard them could doubt that they were said in earnest I do not want anyone to think I am predicting insurrection But I am saying there is the real possibility of civil disobedience and civil disorder that if they did occur might well render orderly political evolution of the North impossible.

So, Mr. President, we now know that the threat to impede the construction of a pipeline through Canada to carry Alaska's gas through Canada is real.

Already under way is a similar inquiry into the social impact of the Alcan route on the Yukon natives. A report is due in August. It is a report heavy with significance to the ultimate Canadian decision of whether or not to build a pipeline. It is a report which must be given great weight by the President of the United States and by the Congress.

If the Berger report is any indication of the outcome of the Yukon report, and I believe it may well be, then we in the United States must evaluate carefully the proposals to ship Alaska gas to the Lower 48 through a system that bypasses our friends in the north and their problems. It is time we in the United States consider the stark possibilities that Canada indeed will reject all overland gas line proposals and opt for none of the above, a clear signal that if we are to utilize Alaskan gas, it must be done by the all-Alaska system

Mr. President, it is time to tell Canada that finally, at last, we have received their message. And it is time that we, too, respond with a message of our own to our northern friends in their plight. Canadian native pleas will not go unheeded by our country. The United States must not oppose their expressions for the sake of energy expediency. Our expressed policy of human rights for all the peoples of the world do not stop at the Canadian border, Mr. President.

I thank the Chair.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from New Mexico (Mr. SCHMITT) is recognized for not to exceed 15 minutes.

THE NATIONAL ENERGY PLAN

Mr. SCHMITT. Mr. President, today I wish to discuss further the nature of our national energy challenge and in particular some aspects of the President's program as proposed to us late in April.

Most Americans feel better, I believe, making positive efforts to meet national challenges, whatever they may be. Personally, I also feel much better in so doing. The national energy challenge is no exception.

In addition to Senate Joint Resolution 45, the National Energy Policy Act proposal, which I introduced some weeks ago, I will try to continue to offer positive suggestions as this debate on national energy policy continues.

I will also join my fellow Republicans and others in offering a comprehensive view of the needs of our energy future that will in some ways contrast with the President's proposals.

I realize that there is strong general approval for many aspects of the Pres-

ident's proposals that we have heard of to date with respect to the energy question. However, I feel obligated, as a geologist and as a Senator from the energy State of New Mexico, to offer constructive criticisms of the President's proposals.

Mr. President, the national energy plan sent to us by President Carter on April 29 of this year is extremely disturbing. In analyzing this plan, several inescapable conclusions must be drawn:

First, it is a plan of increasing regulation and taxation and of the loss of personal freedom hurting those most who can least afford it

Second, it is a plan that is negative about American ability to solve problems through personal initiative and national growth.

Third, it is a plan whose underlying assumptions of resources and economic factors are in part erroneous and very dangerous.

Fourth, it is a plan which will increase inflation, reduce productivity and real wages, and increase unemployment.

It would be a disservice to Mr Carter for us to fail to recognize the moral leadership he has shown; to fail to give sincere credit to the effectiveness of his presentations to the American people about the reality and crisis proportions of our energy challenge. He has succeeded where many of us have failed. The Senate must take advantage of the opportunity he has provided in creating this environment for action.

But that action must be positive action. It must be deliberate in substance and in swiftness. Most of all, the foundation upon which we stand to act must be real and secure. That foundation must not be, as the President's plan appears to be, as wishful as "the Emperor's new clothes."

First of all, there has been the assumption that our oil and gas resources are very low. In fact, the evidence available to date, to most people in the profession from which I came, is that the resource base is at least two times, if not three times, higher than estimated by Mr. Schlesinger in his testimony of a few days ago.

It is also assumed that new oil and gas production can be defined by geometric measurements, in particular that is only exists 2.5 miles from the nearest existing well or 1,000 feet below existing well depths. Mr. President, as a geologist, I can assure the Senate that oil and gas occurs as a consequence of much more complex factors than this. New gas or new oil may occur a few feet from previously discovered gas or oil.

The administration's plan assumes that the regulatory environment presently envisioned to exist for the next decade will allow coal production to increase from 600 million to 1 billion tons annually. This is inconsistent with the general pattern of influence of Federal regulations on production in the mining industry during the last decade or so.

The administration plan assumes very high uranium resources relative to those that experts in the field would themselves optimistically forecast. They are high by factors of three or four compared to what will be required in the next few decades. It is possible and highly likely that, if the present conditions continue, in the latter part of this century we will have shortages of 10 percent to 20 percent of the requirements of nuclear plants that will be existing in this country at that time.

The administration's plan assumes that research and development of alternative energy sources and more efficient energy systems will have little effect on our current crisis. Coming from a research and development world, I cannot accept that estimation.

According to Dr. Schlesinger, the administration's plan anticipates a national economic growth rate of 5.2 percent per year on a continuing basis. Over the next decade it is much more likely that the long term growth rate will be closer to 3.5 percent, provided the Congress holds down Federal taxes and spending.

The administration's plan assumes that there will be sufficient incentive for private individuals and institutions to finance the massive number of new energy projects and energy conversion programs. But there is good reason to believe that there will be substantial shortages of investment capital, particularly in view of the plan's proposed taxation policies which would redistribute $50 to $70 billion a year by 1985.

According to Dr. Schlesinger, the administration's plan assumes that unemployment and inflation will be virtually unaffected by an artificial restriction of energy growth rate to 2 percent annually. The combined assumptions of a 5.2 percent annual economic growth rate and a taxation induced 2 percent energy growth rate are startling, to say the least. Our annual economic growth rate since 1950 has been about 3.5 percent. Our energy growth rate since 1950 has been about 3.5 percent. To expect such a large divergence in economic growth rate and energy growth rate to occur in the near future is highly unlikely.

Finally, the administration's plan assumes as its first principle that only government can solve the energy crisis.

On the contrary, our recent history is laced by examples of the Federal Government's inability to solve domestic crises.

Mr. President, the subject of energy will and should dominate this Congress. It should dominate this Congress until our present and future problems are addressed fully. The 95th Congress should be remembered as the first, and most importantly, the last "Energy Congress."

As Senators are aware, Senate Joint Resolution 45 was introduced on April 6, 1977. This resolution would establish specific goals and objectives for a National Energy Policy Act. Soon after its introduction, in his energy speech before Congress, President Carter also suggested a joint resolution as a mechanism to formalize our energy goals and through which our progress in reaching such goals could be measured. I join the President in again recommending this action as the first positive energy step the Congress should take.

Once we have decided where we want to be and what material and economic resources we have at our disposal, it will be much easier to decide how to get there. In this way, we can determine what is substance and what is illusion in the various legislative proposals that the President and others put before us

Mr. President, I shall now continue with the complete text of my prepared remarks.

QUESTIONABLE ASSUMPTIONS MADE IN THE ADMINISTRATION'S ENERGY PLAN

Mr. President, the national energy plan sent to us by President Carter on April 29 of this year is extremely disturbing. In analyzing this plan, several inescapable conclusions must be drawn

First, it is a plan of increasing regulation and taxation and of the loss of personal freedom hurting those most who can least afford it.

Second, it is a plan that is negative about American ability to solve problems through personal initiative and national growth.

Third, it is a plan whose underlying assumptions of resources and economic factors are in part erroneous and very dangerous.

Fourth, it is a plan which will increase inflation, reduce productivity and real wages, and increase unemployment

It would be a disservice to Mr Carter for us to fail to recognize the moral leadership he has shown; to fail to give sincere credit to the effectiveness of his presentations to the American people about the reality and crisis proportions of our energy challenge. He has succeeded where many of us have failed. The Senate must take advantage of the opportunity he has provided in creating this environment for action.

But that action must be positive action. It must be deliberate in substance and in swiftness. Most of all, the foundation upon which we stand to act must be real and secure. That foundation must not be, as the President's plan appears to be, as wishful as "the Emperor's new clothes."

LOW OIL AND GAS RESERVES

According to Dr. Schlesinger's testimony before the Energy and Natural Resources Committee, the administration's plan assumes that the total domestic resource base of crude oil and natural gas is 120 to 150 billion barrels of oil and 600 to 800 trillion cubic feet of natural gas. It further assumes that this amount is either too small to rely upon, too hard to get at or should be saved for posterity.

On the contrary, there is every reason to believe that the domestic resource base is at least twice as large as assumed It is probably larger than 300 billion barrels of oil and 1,500 trillion cubic feet of natural gas. These much larger estimates come logically from a general understanding of the onshore and offshore volumes of rock which have yet to be explored and from the great potential of secondary and tertiary recovery techniques. Given the proper price and regulatory environment, sufficient productive

capacity can be developed to fully utilize those resources until other energy sources are available and oil and gas can actually be saved for posterity.

"NEW" OIL AND GAS DEFINITION

The administration's plan assumes that for price regulation purposes new oil and gas reserves can be defined by fixed dimensions; namely, 2.5 miles from the nearest existing well or 1,000 feet below existing well depths.

On the contrary, oil and gas are found in irregular rock formations governed by complex geologic conditions. It is little short of ludicrous to attempt to use geometry—2.5 miles and 1,000 feet—to define the difference between new and old production. In addition to the uncertainties of position, the rocks in which oil and gas accumulate must be open enough that the oil or gas can flow into wells at economical rates. The production of previously undiscovered or inaccessible oil and gas is dependent entirely on the science and art of geology, the price someone will pay for what you find, and the risk someone is willing to take to look for it. It is not dependent on some bureaucrat's measuring stick.

INCREASING REGULATIONS

The administration's plan assumes that the regulatory environment presently envisioned to exist for the next decade will allow coal production to increase from 600 million to 1 billion tons annually.

On the contrary, a consistent pattern of Federal regulations has restricted the productivity of the mining industry. It is unlikely that the plan's goals can be met when the normal problems of mining are coupled with bureaucratic regulatory enforcement, general regulatory uncertainty, self-defeating OSHA and MESA regulation, indefinite Federal land leasing policy, and monumental transportation problems, all of which we are making worse, not better. Federal Energy Administration and National Coal Association figures indicate that the coal shortages within this regulatory environment will be about 200 million tons annually by 1985, an amount equivalent to stopping the flow of about 2 million barrels of oil per day.

HIGH URANIUM RESOURCES

According to the administration, the plan assumes that the potential resources of uranium are 1.8 to 3.7 million tons of uranium oxide and that this is large enough to fuel all existing and planned conventional nuclear plants for 75 years, perhaps much more. Also, the plan assumes that there is no need to rapidly develop the technology necessary to safely reprocess nuclear fuel in order to recover unused fuel. Nor does the plan see the need to totally examine the economics of breeder reactor systems.

On the contrary, informed and optimistic geologic estimate of domestic uranium potential resources rarely exceed one-third of the maximum amount assumed by the administration. It is estimated that shortages in uranium production will be 10 to 20 percent of the requirements for 250 conventional nuclear reactors by the 1990 to 2000 time period. In addition, our scientific understanding of uranium ore deposits and how to find them is woefully behind our needs; nothing like our understanding of oil, gas, and coal deposits. It, therefore, seems prudent to continue to develop appropriate uranium and thorium based breeder reactor systems and nuclear fuel reprocessing, at least until such time as sufficient uranium reserves are verified and enough cost information is available to warrant a different decision.

LIMITED RESEARCH AND DEVELOPMENT

The administration's plan assumes that research and development of alternative energy sources and more efficient energy systems will have little effect on our current crisis.

On the contrary, most observers, including the administration, agree the most serious consequences of our energy situation will begin some 10 to 15 years from now if we do little or nothing to change our situation. Intensive effort on perhaps five or six carefully focused energy research and development projects can make a major difference in that period of time and will insure energy abundance for our children while protecting their Earth. Accelerated research and development is what Americans do best; we simply cannot afford the defeatist attitude that says nothing will do any good until the year 2000 and therefore we can postpone action. Had we taken this attitude during the 1960's, we would never have become the leading spacefaring nation in the world.

HIGH ECONOMIC GROWTH

According to Dr. Schlesinger, the administration's plan anticipates a national economic growth rate of 5.2 percent per year on a continuing basis. The plan depends on such a growth rate so that Americans can afford higher energy prices because their incomes will be higher.

On the contrary, there are virtually no major economists in the country, including Milton Friedman and Arthur Burns, who would agree that a 5.2 percent growth rate can be sustained. Over the next decade it is much more likely that the long-term growth rate will be closer to 3.5 percent, provided the Congress holds down Federal taxes and spending. The average growth rate since 1950 is 3.5 percent. Unfortunately, it is becoming even harder to maintain even this growth rate because of continued inflation and decreased productivity.

INVESTMENT IN ENERGY PRODUCTION

The administration's plan assumes that there will be sufficient incentive for private individuals and institutions to finance the massive number of new energy projects and energy conversion programs.

On the contrary, there is good reason to believe that there will be substantial shortages of investment capital, particularly in view of the plan's proposed taxation policies which would redistribute $50 to $70 billion a year by 1985. Government has kept energy prices low for 25 years so that the burden of the real cost of energy could be avoided. At the same time, these low prices have discouraged investment. Now, through taxes, the administration proposes to give Americans the necessary pain of higher energy prices without the benefits of private investment in new energy production which can eventually reduce those prices.

If current investment in nonenergy projects remains level the total investment required will be about 20 percent of GNP over the next several decades. This is an extraordinary jump from the 15 percent of GNP figure which has prevailed for many years; we would need equally extraordinary incentives for private investment.

LOW ENERGY GROWTH RATE

According to Dr. Schlesinger, the administration's plan assumes that unemployment and inflation will be virtually unaffected by an artificial restriction of energy growth rate of 2 percent annually. The combined assumptions of a 5.2 percent annual economic growth rate and a taxation induced 2 percent energy growth rate are startling.

On the contrary, it is particularly dangerous to assume that it is possible to rapidly alter the long term, very close relationship between energy growth rate—average of 3.5 percent since 1950—and GNP growth rate. If, as seems likely, there is a reduction in GNP growth rate following a precipitous reduction in energy growth rate, strong pressures toward increased unemployment will develop. In addition, the scale of the plan's proposed taxes and rebates is so large that it cannot be predicted in spite of claims to the contrary. This fact also was noted recently by Chairman Burns.

GOVERNMENT CONTROL

Finally, the administration's plan assumes as its first principle that only Government can solve the energy crisis.

On the contrary, our recent history is laced by examples of the Federal Government's inability to solve domestic crises. The President's recent and successful political campaign was based on Americans' dissatisfaction with big government. Unnecessary or inefficient Government intervention in the private affairs of its citizens and businesses has eroded personal freedom and at the same time, resulted in counterproductive regulations. Federal controls introduced 25 years ago have been successful only in increasing our dependence on foreign oil.

Mr. President, the subject of energy will and should dominate this Congress. It should dominate this Congress until our present and future problems are addressed fully. The 95th Congress should be remembered as the first, and most importantly, the last "Energy Congress."

As you are aware, Senate Joint Resolution 45 was introduced on April 6, 1977. This resolution would establish specific goals and objectives for a national energy policy. Soon after its introduction, in his energy speech before Congress, President Carter also suggested a joint resolution as a mechanism to formalize our energy goals and through which our progress in reaching such goals could be measured. I join with the President in again recommending this action as the first positive energy step the Congress should take.

Once we have decided where we want to be and what material and economic

resources we have at our disposal, it will be much easier to decide how to get there. In this way, we can determine what is substance and what is illusion in the various legislative proposals that the President and others put before us.

Mr. President, I yield the remainder of my time to the Senator from California.

GOLDEN ANNIVERSARY OF THE ACADEMY OF MOTION PICTURE ARTS AND SCIENCES

Mr. HAYAKAWA. Mr. President, I thank the Senator from New Mexico.

I send a resolution to the desk and ask unanimous consent that it be in order to proceed to its immediate consideration.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, may we have some explanation of what this resolution is all about? It has not been cleared with me today.

Mr. HAYAKAWA. I believe it is not controversial and it has been cleared on both sides of the aisle.

Mr. ROBERT C. BYRD. When was the resolution cleared?

Mr. HAYAKAWA. It was cleared, I believe, with Senator CRANSTON. According to my understanding, he has no objection.

Mr. ROBERT C. BYRD. Well, it has not been cleared—has it been cleared with the leadership——

Mr. HAYAKAWA. It has to do with the Academy of Motion Picture Arts and Sciences.

Mr. CRANSTON. Mr. President, if the Senator will yield, I should like to explain that the Senator spoke to me about the resolution, and I have joined in it with him. That was as the Senator from California. I was not clearing it with the leadership on this side of the aisle. I do not think there is anything objectionable to it.

Mr. ROBERT C. BYRD. I wonder if the distinguished Senator would withhold this request until the leadership could have a chance to know what it is all about. I doubt that there will be any objection, but if the Senator were to press it at this point I would have to object and I do not want to.

Would the Senator withhold his resolution and his request? I have no objection to his introducing it, but if he would withhold his request for immediate consideration——

Mr. HAYAKAWA. I will withhold it.

Mr. BAKER. Mr. President, reserving the right to object—and I am not going to object—I am trying to reconstruct in my mind what happened. I was on the floor at the time when this matter was discussed with the distinguished majority whip, and I was under the impression that we had cleared it, so I just wanted to share with my colleagues the misunderstanding that exists here. The junior Senator from California certainly, I am sure, was under the same impression, but I think the majority leader's suggestion is a good one if we could forbear for just a moment while the majority leader has a chance to examine the matter.

Mr. HAYAKAWA. I would be glad to withhold.

Mr. CRANSTON. I would like to make it clear that I am for the resolution, and I join with the Senator in offering it. I thought it was just consulting with the Senator from California and not clearing it with the majority side.

Mr. ROBERT C. BYRD. Mr. President, does the distinguished Senator have any time left under the time that was yielded to him?

The ACTING PRESIDENT pro tempore. Four minutes.

Mr. HAYAKAWA. Mr. President, on May 11, 1927, the Academy of Motion Picture Arts and Sciences was formed to guide the future of the very young industry of film-making in the United States. Over these years the academy has done a superb job.

Very few Americans during these past 50 years have been untouched by the movies. Who has not heard of Hollywood—and "Oscar," her honorary mayor?

We thank the academy for encouraging that talent in all facets of film-making which has made the American motion picture industry the finest and most outstanding in the world.

The academy, by encouraging creativity and nurturing talent, has given us so many wonderful moments on the screen. A teenager named Judy Garland wistfully singing "Somewhere Over the Rainbow"; the dazzling grace of Fred Astaire; that hoofer-turned-tough guy Jimmy Cagney; Gigi suddeny grown up; Bogart listening to "As Time Goes By"; Andy Hardy at the senior prom.

There are so many other moments, hundreds and hundreds of them. The cameras capture the moment forever.

I wish to congratulate the Academy of Motion Picture Arts and Sciences on its golden anniversary and I shall introduce into the RECORD a proclamation noting its many fine achievements.

I thank the Chair.

Mr. SCHMITT. Mr. President, I yield back the remainder of my time.

(Later the following proceedings occurred:)

Mr. ROBERT C. BYRD. Mr. President, if the distinguished Senator from California (Mr. HAYAKAWA) wishes to ask now for unanimous consent that his resolution be immediately considered, I have cleared the matter with the distinguished Senator from Mississippi (Mr. EASTLAND), the chairman of the committee, and the distinguished Senator from Arkansas (Mr. MCCLELLAN), the chairman of the subcommittee.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. BAKER. I am told that the junior Senator from California has been called away from the floor on other business, and I wonder if the majority leader would consider a unanimous-consent request for a brief time to consider the matter tomorrow?

Mr. ROBERT C. BYRD. Yes.

Mr. President, I ask unanimous consent that on tomorrow, following the recognition of the two leaders, under the standing order, Mr. HAYAKAWA be recognized for not to exceed 5 minutes to call up his resolution, and if no objection is heard between now and then, there will be no objection from the majority leader for the immediate consideration of his resolution.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(This concludes proceedings which occurred earlier.)

ORDER FOR RECOGNITION OF SENATOR BARTLETT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the recognition of Mr. HAYAKAWA on tomorrow under the order previously entered, Mr. BARTLETT be recognized for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business not to extend beyond 15 minutes, with statements limited therein to 5 minutes each, without any resolutions coming over under the rule.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE JOINT RESOLUTION 51—THE ROAD TO A BALANCED BUDGET

Mr. HARRY F. BYRD, JR. I am today introducing a Senate joint resolution to amend the Constitution of the United States to require a balanced budget within 3 years of ratification.

President Carter has frequently stated his commitment to achieve a balanced Federal budget by fiscal year 1981, which begins on October 1, 1980. He has just recently reiterated his determination to reach this goal.

I fully support the President in this vital effort.

At the same time, I recognize that it is a most difficult undertaking. The pressures for continued deficit spending are enormous.

I believe that the best way to assure a balanced budget, which is absolutely essential to restoring the economy of the United States to a sound condition, is to build a requirement into the law. Fiscal discipline is in short supply in Washington.

Consider what has been done so far this year.

In January, President Ford submitted a budget recommendation calling for spending $440 billion in the forthcoming fiscal year of 1978, with a deficit of $47 billion.

The following month, President Carter revised that budget proposal to provide for spending of $459 billion and a deficit of $58 billion.

And just last week the Senate approved a budget resolution which sets spending at $459 billion and the deficit at $63 billion.

The budget resolution approved by the Senate calls for spending $50 billion more

than in the current year. Proponents of this budget defend such spending by saying it is below the level of "current policy"—meaning that it is slightly lower than would be the case if all programs were continued at present funding levels, adjusted upward for inflation.

But everyone knows that there are many overlapping, inefficient, wasteful programs operated by the Federal Government.

So long as spending is measured by the yardstick of "current policy," progress toward a balanced budget will be zero.

The central point of the figures I have given concerning the budget for the coming year is that they illustrate the so far irresistible tendency for spending and deficits to grow by leaps and bounds.

During the brief span of 7 years since the beginning of this decade, Federal spending has more than doubled—from $197 billion in 1970 to $408 billion in the current year.

The cumulative deficit for the 4 fiscal years ending next year will be $218 billion, more than triple the combined deficit for the preceding 4 fiscal years—and those 4 years—1971–74—had in turn a total deficit almost double that for the 4 years before them—1967–70.

We cannot go on doubling and tripling the Federal deficit every 4 years.

One result of this policy shows up in the national debt. The debt has more than doubled in the last 10 years, from $341 billion in 1967 to an estimated $700 billion at the end of this year.

And the debt in turn forces the expenditure of $42 billion in interest this year. The burden of debt interest has grown to the point where 21 cents of every individual and corporate income tax dollar goes to pay the interest on the debt.

At the same time, the huge amounts which the Federal Government must borrow to finance its debt are a major drain on the money markets, creating upward pressure on interest rates and tying up funds which otherwise could be used for job-producing expansion in the private sector.

Thus the continued and accelerated deficit spending of the Federal Government fuels the fires of inflation and holds back private economic development.

We need to get the economy of the United States back on a sound basis. If we are to do this, we must follow policies that will inspire confidence in the minds of consumers and business men.

Consumers and business men cannot have confidence in an economy which is burdened with excessive Government spending and plagued with inflation and threats of inflation.

The road to a balanced budget is the only road to permanent recovery for our economy.

And when we achieve a balanced budget, we must turn our attention to reducing the public debt. It is not reasonable to go on forcing American taxpayers to pay $42 billion or more a year just to service the debt.

The legislation which I am proposing today, in addition to requiring a balanced budget, also provides for retirement of the debt over a period of 25 years.

This is the mechanism which I am proposing:

In the first fiscal year after ratification of the constitutional amendment by the States, Federal receipts would have to reach 95 percent of outlays. The following year, receipts would have to be 98 percent of outlays. In the third year, the budget would have to be balanced.

Provision is made for incurring a debt in a national emergency declared by vote of three-fourths of both Houses of the Congress. Any debt incurred in an emergency would have to be retired during the following 5 years.

Beginning with the 5th fiscal year after ratification, receipts would have to exceed outlays by an amount equal to 4 percent of the Federal debt at the beginning of the 5th year. This requirement would continue for 25 years, ending with the retirement of the debt.

The direction indicated in this proposed amendment to our Constitution is the one we must take if we are to avoid economic calamity and build a base for sound progress in the years ahead.

The time is ripe for this proposal. Already the legislatures of 18 States have called for a constitutional convention to frame an amendment to the Constitution requiring a balanced budget.

The Congress must not stand by and wait for the call for a constitutional convention. The action of the States shows that in the field of fiscal policy, as in so many others, the people of this country are ahead of their leaders.

It is time for the leadership—specifically, the Congress of the United States—to catch up, to hear the voice of the people, and to bring our fiscal and economic policies in line with the demands of the future.

Mr. President, I ask unanimous consent that the text of the Senate joint resolution which I am introducing today be printed at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 51

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concuring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid of all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within three years after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. In exercising its powers under article I of the Constitution, and in particular its powers to lay and collect taxes, duties, imposts, and excises and to enact laws making appropriations, the Congress shall assure that the total outlays of the Government during any fiscal year do not exceed the total receipts of the Government during such fiscal year and that the Federal indebtedness is eliminated.

"SEC. 2. During the first fiscal year beginning after the ratification of this article, the total receipts of the Government, not including receipts derived from the issuance of bonds, notes, or other obligations of the United States, shall not be less than 95 per centum of the total outlays, not including any outlays for the redemption of bonds, notes or other obligations of the United States. During the second fiscal year, the total receipts shall not be less than 98 per centum of the total outlays.

"SEC. 3. During the third fiscal year beginning after the ratification of this article and for each succeeding year thereafter, total outlays shall not exceed total receipts.

"SEC. 4. In the case of a national emergency, Congress may determine by a concurrent resolution agreed to by a rollcall vote of three-fourths of all the Members of each House of Congress, that total outlays may exceed total receipts.

"SEC. 5. During the fifth fiscal year beginning after the ratification of this article and for the next twenty-four succeeding fiscal years thereafter, the total receipts of the Government shall exceed outlays by an amount equal to 4 per centum of the Federal indebtedness at the beginning of the fifth fiscal year. The President shall, not later than the thirtieth day after the close of the fifth fiscal year, ascertain the total Federal indebtedness and transmit said total to Congress by special message.

"SEC. 6. Thereafter, whenever the Congress determines under section 4 that an emergency exists and authorizes outlays to exceed receipts, any indebtedness ensuing therefrom shall be extinguished within five fiscal years of being incurred.

"SEC. 7. The Congress shall have power to enforce this article by appropriate legislation."

Mr. HARRY F. BYRD, JR. Mr. President, I also ask unanimous consent that following the text of the resolution, several tables illustrating our present fiscal condition be printed in the RECORD; namely, the record of receipts, outlays and deficits since 1958, and the history of the national debt in the 20th century.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

UNIFIED BUDGET RECEIPTS, OUTLAYS, AND SURPLUS OR DEFICIT FOR FISCAL YEARS 1958–78, INCLUSIVE

[In billions of dollars]

(Prepared by Senator Harry F. Byrd, Jr., of Virginia)

Fiscal year	Receipts	Outlays	Surplus (+) or deficit (−)
1958	79.6	82.6	−3.0
1959	79.2	92.1	−12.9
1960	92.5	92.2	+.3
1961	94.4	97.8	−3.4
1962	99.7	106.8	−7.1
1963	106.6	111.3	−4.7
1964	112.7	118.6	−5.9
1965	116.8	118.4	−1.6
1966	130.8	134.6	−3.8
1967	149.5	158.2	−8.7
1968	153.7	178.8	−25.1
1969	187.8	184.6	+3.2
1970	193.8	196.6	−2.8
1971	188.4	211.4	−23.0
1972	208.6	231.9	−23.3
1973	232.2	247.1	−14.8
1974	264.9	269.6	−4.7
1975	281.0	326.1	−45.1
1976	300.0	366.5	−66.5
Transition quarter	81.8	94.8	−13.0
1977 [1]	359.5	408.2	−48.7
1978 [1]	395.6	458.8	−63.2

[1] Estimated figures.

Sources: 1958–77, Office of Management and Budget; 1978, Senate Budget Committee; May 1977.

The national debt in the 20th century—totals at the end of fiscal years 1970–78

[Rounded to the nearest billion dollars]

1900	1
1901	1
1902	1
1903	1
1904	1
1905	1
1906	1
1907	1
1908	1
1909	1
1910	1
1911	1
1912	1
1913	1
1914	1
1915	1
1916	1
1917	3
1918	12
1919	25
1920	24
1921	24
1922	23
1923	22
1924	21
1925	21
1926	20
1927	19
1928	18
1929	17
1930	16
1931	17
1932	20
1933	23
1934	27
1935	29
1936	34
1937	36
1938	37
1939	40
1940	43
1941	49
1942	72
1943	137
1944	201
1945	259
1946	269
1947	256
1948	251
1949	252
1950	256
1951	254
1952	258
1953	265
1954	271
1955	274
1956	273
1957	272
1958	280
1959	288
1960	291
1961	293
1962	303
1963	311
1964	317
1965	323
1966	329
1967	341
1968	370
1969	367
1970	383
1971	409
1972	437
1973	468
1974	486
1975	544
1976	631
1977[1]	708
1978[1]	800

[1] Estimated figures.

Sources: 1900–76, U.S. Treasury Department; 1977–78, Senate Budget Committee estimates; May 1977.

TRIBUTE TO PAUL MILLER, CHAIRMAN OF THE BOARD, GANNETT NEWSPAPERS

Mr. HARRY F. BYRD, JR. Mr. President, I rise today to salute one of the Nation's outstanding newspaper executives, Paul Miller, chairman of the board of the Gannett Newspapers.

I am prompted to speak in the Senate today because it was last week that Paul Miller retired as chairman of the Associated Press, a position Mr. Miller has held for the past 14 years. He will be succeeded as Associated Press chairman by Jack W. Tarver, publisher of the Atlanta Constitution and Journal.

Paul Miller and the Senator from Virginia have been friends for so long that I cannot remember just when that friendship began. We became closely associated, however, when both of us were elected to the board of directors of the Associated Press in April 1951.

Paul Miller, a native of Oklahoma, has spent his entire life in the newspaper business, beginning his news career as an Associated Press reporter in 1932. He worked in seven AP bureaus before becoming the youngest person ever to serve as chief of the Washington Bureau of the Associated Press.

When the late Frank Gannett of Rochester, N.Y., was looking for a successor as president of his then 12 newspapers he chose the young Associated Press executive, Paul Miller. That was in 1947.

Since then, under Paul Miller's leadership, the Gannett Newspaper organization has expanded through acquisitions until the Gannett Co., now has 72 daily newspapers and shortly will have 73, with the purchase of a newspaper in Shreveport, La.

Paul Miller is somewhat unique in that he is simultaneously a top-notch newsman, an excellent businessman, a superb executive—and with it all an individual of the highest integrity.

Paul Miller is the only AP staffer to rise to the chairmanship of that, the world's largest news gathering organization. In that position, Mr. Miller succeeded Robert McLean, publisher of the Philadelphia Bulletin, who in turn had succeeded the late Frank Noyes, president of the Washington Evening Star.

Mr. Miller was an ideal chairman knowing as he did so intimately the workings of the Associated Press and having held virtually every job in that organization. Coupled with that, he knew intimately the problems and needs of the members of the Associated Press, it being a cooperative of individual newspapers, some 1,600 scattered throughout the United States, and, indeed, the world.

Serving so many newspapers, and of course, radio and television, the Associated Press wields great influence as does the other excellent worldwide news gathering organization, United Press International.

It is vitally important for the well-being of our Nation that the Associated Press remain objective in its gathering and presentation of news.

Paul Miller was dedicated to this objectivity as was the president and general manager, Wes Gallagher, who, likewise, retired last week.

I feel confident that Mr. Tarver, who succeeds Mr. Miller, and Keith Fuller, who succeeds Mr. Gallagher, will continue the dedicated work of their predecessors.

THE CARTER ADMINISTRATION

Mr. GOLDWATER. Mr. President, like most Republicans and many business leaders, I have some grave reservations about the Carter administration, but I must say that I never feel better about it than when it comes under attack by such people as George Meany, Ralph Nader, and the leaders for Americans for Democratic Action. My feeling is that any administration which numbers these knee-jerk liberals among its critics cannot be all bad.

I was especially interested over last weekend to read of the attacks on the Carter administration by spokesmen for the ADA who seemed to be angry with the new President for not rushing pell-mell further down the roads toward state socialism. The particular point which seemed to anger the ADA was President Carter's reported desire to balance of the Federal budget by 1981. Mr. President, I submit that this is one of the most worthwhile objectives any President could ever have. If we do not some time soon come to grips with fiscal irresponsibility and attempt to put our financial house in order the future holds nothing for us but the same kind of fate that is now befalling Great Britain.

One of the ADA spokesmen invoked the time-worn rhetoric of compassion in his complaint that the Carter administration was not increasing our Federal deficits in a vain attempt to do all things for all people by a drastic redistribution of the people's wealth. He implied that the President was trying to "balance the Federal budget on the backs of the poor, the hungry, and the jobless." This is sheer leftist demagoguery of the kind we have heard year in and year out from the liberals as they built an ever heavier burden of Government on the backs of the very people the ADA claims to be trying to help.

Mr. President, I can applaud President Carter's desire to balance the Federal budget. I believe he is now in a position to understand that we cannot help the poor, the hungry, and the jobless by subjecting them to more and more inflation. I believe it is finally sinking in on the President and some of his advisors that the way to attack poverty and joblessness is not through expensive programs which build additional deficits, heavier taxes, and higher prices in the supermarkets and the stores where our low-income citizens must go to purchase the necessities of life.

The ADA and liberals of a like persuasion are attempting to picture the President as a man who is fearful of the American business community and

therefore refuses to use corporate America as a whipping boy on which to blame all of the Nation's problems.

Mr. President, it never ceases to amaze me that men who have studied the problems of Government cannot recognize that the business community is an integral part of our society and the underpinning of our economy. It never seems to occur to the ADA types that without a healthy business community there would be no labor unions, there would be no jobs, there would be no standard of living such as we are fortunate enough to have in these United States. The business community is not the cause of all evil and all hunger and all poverty in this country. It is one of the most important instruments that we can employ in the pursuit of prosperity. Of course, it is an article of faith with the radicals that Big Business can do no good and that Big Government can do no wrong. The radicals have been selling this heresy in the name of human compassion for many years. And what has it gotten us? It has gotten us more government than any individual American taxpayer wants. It has gotten us more regulations than American enterprise can stand. It has gotten us to the very brink of ruinous socialism. And this is after decades of social attempts at solving the Nation's economic and social problems. Over the years we have directed an enormous superstructure of Government without solving our problems. What we have done instead is increase the financial burden on all Americans without a commensurate return in the problem areas.

Mr. President, I am encouraged to find a Democrat President who is not completely devoid of concern for the future and concern for the fiscal integrity of our country. It is also refreshing to find a Democrat President who is not afraid to incur the wrath of the Meanys, the Naders, and the ADA types. I say this in the full realization that in the future, pressure may become too heavy on Mr. Carter and in the recognition of the fact that he can always change his mind and his course. But for the moment, I applaud his efforts to stem the tide of socialism and strive for a balanced budget.

AN OPEN LETTER TO PRESIDENT CARTER BY A CITIZEN OF THE REPUBLIC OF CHINA

Mr. GOLDWATER. Mr. President, as I have previously reported, it was my pleasure during a few days of the Easter recess to have once again visited the free Chinese of the Republic of China. It is interesting that time and again individuals came up to me and inquired about President Carter's stand on human rights. Citizen after citizen asked me how at the same time our Government is so vigorously addressing the issue of human rights in the world, we can be giving the appearance of accepting the respectability and legitimacy of the Communist rulers on the China mainland, which is universally seen as the world's worst abuser of human rights.

Mr. President, some of the questions occurring to citizens of the Republic of China are well presented in a thoughtful letter to President Carter written by Wang Yun-wu. Mr. Wang is a retired senior official of the central Government and a recognized Chinese scholar. So that Americans can get a better understanding of how our statements and actions are perceived in a country which has been among the most loyal ally of the United States, I ask unanimous consent that the letter by Mr. Wang be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AN OPEN LETTER TO PRESIDENT CARTER

FEBRUARY 17, 1977.

President JIMMY CARTER,
The White House,
Washington, D.C.

MR. PRESIDENT: Since your election as President of the United States last November and your assumption of office in January of this year, a good many new vistas have opened up for the people of your country and also for the nations throughout the world.

First, justice and open diplomacy have been proclaimed as the tenets for the conduct of foreign relations.

Secondly, during your election campaign you pleaded for the preservation of the liberty and security of the Republic of China.

Thirdly, you have consistently advocated the maintenance of world peace and the limitation of the use of nuclear armaments.

Fourthly, your decision to curtail energy consumption in the heating of the White House and to restrict the employment of public automobiles by Presidential senior staff members has been deemed praiseworthy.

Fifthly, plans for the resuscitation of national economy and for the reduction of unemployment have been put under way.

Sixthly, for the sake of upholding the respect for and observance of human rights on a world-wide scale, you did not hesitate to condemn acts committed in violation of human rights by the Soviet Union, even when the United States has been conducting negotiations with the Soviet Government.

Seventhly, in order to maintain the national dignity of the United States, you did not hasten to plan a visit to Communist China.

Eighthly, in respect of matters whose importance is often underestimated by others, you have taken the initiative of embarking on courses of action which have constituted examples to the world.

It is needless to enumerate other instances which bespeak the "New Spirit" which you have inculcated in your Administration. While I cannot refrain from deploring the murky and miasmic atmosphere which pervaded the days of Richard M. Nixon, forced out of his office and, likewise, the excessive deference to Party colleagues and personal followers on the part of Gerald Ford, I wish to express my profound respect for you, the new President Jimmy Carter. This is not an act of flattery but an expression of high esteem from the bottom of my heart.

However, less than one month since your assumption of office, your concrete actions cannot but raise serious doubts in my mind. Confucius, our great sage, once said, "Ever since the beginning of the world, man is mortal; a nation cannot survive unless it has faith". Jesus Christ, worshipped by your country and the civilized world, also spared no pains in promoting the idea of faith. Thus the sages of both the East and the West agreed in considering faith as the supreme good, for the obvious reason that without faith as a cardinal rule of conduct between man and man, there is no credibility in human intercourse. One would be constantly on one's defensive against possible dupery and machination. When the worst came to the worst, fraud and subversion would be rampantly practised. The end result would be a state of total anarchy in the world. This is certainly the reverse of what you, Mr. President, have been advocating, namely, the maintenance of world peace and security.

Furthermore, the concept of "law" is no less important than that of "faith". The difference between civilized and uncivilized nations depends upon whether there prevails a rule of law. Article 6 of the United States Constitution lays down that "all treaties made, or which shall be made, under the authority of the United States shall be the supreme law of the land". Consequently the unwarranted violation or abrogation of treaties is tantamount to a violation of the supreme law of the land. The United States has been renowned in the world for its rule of law. You yourself, Mr. President, have often criticized certain other nations for their suppression of human rights and violation of the doctrine of the rule of law. Should it happen that yielding to external pressure, the United States sees fit to abrogate a formal treaty, not only will this act risk the loss of its national dignity for lack of moral courage but also it will constitute a violation of the doctrine for which the United States has hitherto professed the greatest respect.

Mr. President, you have repeatedly denounced bitterly and with abhorence, in your public statements and practical action, such acts as those above-mentioned, namely, the breach of faith and the violation of law. It would be inconceivable that the United States should itself commit these acts, even though its attitudes prima facie might lend themselves to such an inference.

It may have been that certain of your advisers have ventured to suggest such courses of action and you have found yourself obliged to make acommodation to their advice. But your noble intentions, so sincerely declared previously, ought to set at rest any suspicion that the United States will really engage itself in the pursuit of this course. When you first entered upon your duties as President, you urged in your Inaugural Address "a fresh faith" in the "mold and brilliant dream" of the founders of the Nation, who were dedicated to the "quest for freedom'. In connection with foreign relations, you declared the importance of keeping faith with other nations and in domestic matters you advocated the maintenance of law and order. I respectfully submit that the recent happenings which have caused anxiety in many circles are not worthy of your great personality and distinguished performance in public life. I make bold to state some doubts and questions of mine and venture to hope that you will clarify them by word and action for the sake of your good self, your country and the world.

My first question has to do with the reception accorded to Huang Chen, representative of the mainland Communist regime in Washington, who is nothing more than the representative of an unrecognized entity with which the United States has no official relations. He was received by you recently and took part in an interview under the auspices of yourself, the Vice-President and the Secretary of State. The occassion was a solemn one and though the content of the discussions was not disclosed, it did not fail to give rise to misgivings. On the other hand, James Shen, Ambassador of the Republic of China accredited to the United

States and the representative of a faithful ally of the United States, has so far had no direct access to you, Mr. President, or the Secretary of State. He did not get, for a long time, any reply from Under Secretary Philip C. Habib, whom he called upon personally to seek the elucidation of certain doubts. He repeated his visit and his request for elucidation, but to no avail. How can it be explained that an unofficial representative was accorded privileged treatment while the representative of a State maintaining official relations of many years' standing was given a cold shoulder?

My second question concerns the so-called Shanghai Communiqué. It is generally acknowledged that this Communiqué cannot be assimilated to a formal treaty. It is only an ephemeral joint declaration of a former President belonging to a different political party, who was driven out of office in disgrace, and a defunct head of the Chinese Communist regime. It cannot claim any validity as a treaty nor can it be compared to a treaty of alliance with a friendly Power. It does not possess the force of a supreme law of the land. In the course of your election campaign you gave the assurance that maintenance of alliance treaties signified the faithful observance of the rule of law. After your assumption of office, however, you have not given any effective proof to back up your assurance by word and action. On the contrary, you tend to consider the so-called Shanghai Communiqué—in itself of no validity whatsoever—as an authoritative and inflexible precept of conduct.

My third question is why you protest vigorously against the oppression by the Soviet Union of a few intellectuals while at the same time you shut your eyes to the massacre of hundreds of thousands of Chinese by the Maoist regime. Though Mao himself has now died, there has been no end to the massacre, by his successors, of innocent people, witness the innumerable corpses of executed persons floating in the waters along the Hong Kong coast. . . .

The new regime in Communist China is actively continuing the atrocity policy on the mainland and yet your Government is bent upon befriending it. Does this not constitute an encouragement of its ruthless practice in defiance of the fundamental human rights of all peoples?

My fourth question deals with the instability of the Chinese Communist regime as it exists today. As the regime is in a tottering condition, millions of enslaved people are endeavoring to rise up to a man in their effort to recover lost liberty. Your Government, in according privileged treatment to this notoriously unstable regime torn by internal dissension is acting as if it were lending to it the vital support needed to continue the oppression of millions of enslaved people and to encompass the destruction of their life and liberty. This seems to mean that for the sake of the small minority of Communist oppressors, the United States is willing to sacrifice a vast majority of oppressed and enslaved individuals. It is a phenomenon which is decidedly in contradiction to the ideals which inspired the founders of the United States two centuries ago, when they risked their very existence and succeeded in achieving their freedom.

My fifth question relates to the prospect of negotiating with the Communists. During the early stages of the Chinese resistance to Japanese aggression, the Chinese Communists professed ostensibly to support the holy war for Chinese nationalism. They declared that they would obey the Central Government unconditionally and join in the general resistance against the enemy. In reality they only exerted ten per cent of their effort to fight the enemy while they devoted ninety per cent of their effort to fighting the Central Government. They took advantage of the resistance to Japan only in order to strengthen their own power and influence. At that juncture, the United States government officials stationed in China believed mistakenly that these Communists were the agrarian reformers they themselves professed to be, and not truly communists. These officials proved to be the victims of hoodwinking. As soon as the war was over, the signs of rebellion by the Communists became apparent as they lost no time in seizing government offices and machinery and in taking to plundering and depredation wherever they had a chance of doing so.

Later they waged open war against the Central Government in breach of repeated pledges of allegiance. Your Government was deceived by their protestations and finally desisted from granting the Central Government further aid and assistance. The behavior of the Chinese Communists vis-a-vis the Central Government demonstrated an utter lack of credibility. How can the United States now expect the Chinese Communists to keep faith with it in the face of the fact that the Communists had failed to keep faith with their own Government? In a word, the breach of faith has been a favorite trick of the Communists. The United States was credulous enough to take Communist assurances at their face value with the result that the Republic of China encountered grave disasters. The United States was not immune from the consequences of the Communist occupation of the mainland. I cannot understand how the United States can now again repose its faith in the Chinese Communists, who are inveterate breakers of faith, and can adhere rigidly to the so-called Shanghai Communiqué, which is itself not worthy of faithful observance.

Other doubts and questions abound, but those stated above should suffice to compel the serious attention of the United States Government and people.

A Chinese proverb says: "Only men of goodwill can accept frank counsel". My fervent hope is that you, Mr. President, will give careful consideration to my humble message and will clarify my questions by word and action.

Good luck to you, Mr. President.

Yours faithfully

WANG YUN-WU,
A Citizen of the Republic of China.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communications which were referred as indicated:

EC–1287. A letter from the Secretary of Commerce transmitting, pursuant to law, a report on Export Administration covering the second and third quarters of 1976 (with an accompanying report); to the Committee on Banking, Housing, and Urban Affairs.

EC–1288. A letter from the Chairman of the National Transportation Policy Study Commission transmitting, pursuant to law, a copy of the annual report filed with the Office of Management and Budget by the National Transportation Policy Study Commission, in accordance with the Privacy Act (with an accompanying report); to the Committee on Governmental Affairs.

EC–1289. A letter from the Comptroller General of the United States transmitting pursuant to law, a report entitled "Space Shuttle Facility Program: More Definitive Cost Information Needed" (PSAD–77–17) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1290. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Why Improved Navy Planning and Logistic Support for the Mark-48 Torpedo Are Essential" (LCD–76–451) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1291. A report from the Director, Procurement and Systems Acquisition Division, General Accounting Office transmitting, pursuant to law, a questionnaire survey for "Procurement of Practices of Cities Using Federal Grant Funds" (PSAD–77–88); to the Committee on Governmental Affairs.

EC–1292. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Progress and Problems in Treating Alcohol Abusers" (HRD–76–163) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1293. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Controls Over Vocational Rehabilitation Training Services Need Improvement" (HRD–76–167) (with an accompanying report); to the Committee on Govenmental Affairs.

EC–1294. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Government Printing Office Production and Management Controls—Improvement Opportunities" (LCD–77–410) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1295. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Status and Issues Pertaining to the Proposed Development of the Space Telescope Project" (PSAD–77–98) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1296. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "What Defense Says About Issues in Defense Manpower Commission Report—A Summary" (FPCD–77–40) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1297. A letter from the Commissioner of the Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, cases of aliens who have been found admissible to the United States (with accompanying papers); to the Committee on the Judiciary.

EC–1298. A letter from the Commissioner of the Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered in 890 cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised (with accompanying papers); to the Committee on the Judiciary.

EC–1299. A letter from the Commissioner of the Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, 511 reports covering the period April 16 through April 30, 1977, concerning visa petitions which the Service has approved (with accompanying papers); to the Committee on the Judiciary.

EC–1300. A letter from the Administrator of the Rural Electrification Administration transmitting, pursuant to law, approval of and REA insured loan in the amount of $8,469,000 to Central Iowa Power Cooperative of Marion, Iowa, for the financing of certain generation, transmission and headquarters facilities (with an accompanying report); to the Committee on Appropriations.

EC–1301. A letter from the Secretary of Health, Education, and Welfare transmitting, a draft of proposed legislation to amend title IV of the Social Security Act to adjust the amount of income to be disregarded in determining need under the aid to families with dependent children program and for other purposes (with accompanying papers); to the Committee on Finance.

EC–1302. A letter from the Chairman of

the U.S. Advisory Commission on Information transmitting, pursuant to law, the 28th report of the U.S. Advisory Commission on Information, May, 1977 (with an accompanying report); to the Committee on Foreign Relations.

EC–1303. A letter from the Administrator of the U.S. General Services Administration transmitting, pursuant to law, tht General Services Administration's annual report for 1976 (with an accompanying report); to the Committee on Governmental Affairs.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 6668. An act to amend the Age Discrimination Act of 1975 to extend the date upon which the U.S. Commission on Civil Rights is required to file its report under such act, and for other purposes; to the Committee on Human Resources.

BILL PLACED ON THE CALENDAR

The bill (H.R. 6692) to extend certain programs under the Education of the Handicapped Act was read twice by its title and placed on the calendar.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BAYH, from the Committee on the Judiciary:

Annual report from the Subcommittee on Constitutional Amendments, of the Committee on the Judiciary, entitled "Constitutional Amendments Annual Report, 1976" (Rept. No. 95–126).

By Mr. MUSKIE, from the Committee on Environment and Public Works:

With amendments:

S. 252. A bill to amend the Clean Air Act, as amended (Rept. No. 95–127).

By Mr. METCALF, from the Committee on Energy and Natural Resources:

With an amendment:

S. 7. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes (together with additional and minority views) (Rept. No. 95–128).

By Mr. STENNIS, from the Committee on Armed Services:

With an amendment:

H.R. 5970. An act to authorize appropriations during the fiscal year 1978, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes (title amendment) (Rept. No. 95–129).

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation:

With an amendment:

S. 126. A bill to reduce the hazards of earthquakes, and for other purposes (Rept. No. 95–130).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. ANDERSON:

S. 1475. A bill to amend the Internal Revenue Code of 1954 to provide that individuals who marry each other during the taxable year may elect to file income tax returns for that taxable year based on their marital status at the beginning of such year; to the Committee on Finance.

By Mr. SPARKMAN:

S. 1476. A bill for the relief of the estate of Harry Eugene Walker, deceased, formerly of Anniston, Ala.; to the Committee on the Judiciary.

By Mr. WEICKER:

S. 1477. A bill to amend the Civil Rights Act of 1964 to make it an unlawful employment practice to discriminate against individuals who are physically handicapped because of that handicap; to the Committee on Human Resources.

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 1478. A bill to provide improved authority for the administration of certain National Forest System lands in Oregon; to the Committee on Environment and Natural Resources.

By Mr. CHURCH:

S. 1479. A bill to amend the Social Security Act to provide for the coverage of certain drugs under part A of the health insurance program established by title XVIII of such act; to the Committee on Finance.

By Mr. MAGNUSON:

S. 1480. A bill for the relief of Iris Gozart; to the Committee on Finance.

By Mr. BROOKE:

S. 1481. A bill to reorganize the executive branch of the Government to establish a Department of Environment and Natural Resources, and for other purposes; to the Committee on Government Affairs.

By Mr. DOMENICI:

S. 1482. A bill to provide for the recycling of used oil, and for other purposes; to the Committee on Environment and Public Works.

By Mr. HARRY F. BYRD, JR.:

S.J. Res. 51. A joint resolution to amend the Constitution of the United States to provide for balanced budgets and elimination of the Federal indebtedness; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ANDERSON:

S. 1475. A bill to amend the Internal Revenue Code of 1954 to provide that individuals who marry each other during the taxable year may elect to file income tax returns for that taxable year based on their marital status at the beginning of such year; to the Committee on Finance.

Mr. ANDERSON. Mr. President, today I am introducing a bill that makes a simple change in the Federal tax laws. It provides that in a year during which a couple gets married they may choose to file as single persons or as married persons.

All of my colleagues have heard much discussion of the "marriage penalty" which can occur in certain tax brackets under our current law. This bill does not eliminate this penalty, but it would insure in the first year of marriage that a newly wed couple would not pay a premium for having chosen marriage.

Our current law provides that if one is married at any time during the year, then one is considered married for the entire year. Even if someone married on December 31, for tax purposes, that couple was married for 12 months.

In formulating tax law, it is convenient to provide simple rules to avoid complex formulas and other intricate computation devices. Simplicity is generally to be preferred, but in this case I do not believe that simplicity is slighted. The legislation I am sponsoring does not require another line on the Federal income tax form, or an additional calculation in order to permit a newly wed couple, in the first year of marriage, a choice as to their tax status.

This bill will cause a slight loss of revenue to the U.S. Treasury. But the amount is minor. In most cases couples will continue to be taxed as married persons, because this is usually advantageous. Only in a minority of cases will S. 1475 reduce revenues to the Treasury. But it is just those cases that constitute the marriage penalty. To relieve the penalty in the first year of married life seems imminently reasonable to me, and for that reason I am today introducing S. 1475.

Mr. President, I ask unanimous consent that the text of S. 1475 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1475

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (1) of section 143(a) of the Internal Revenue Code of 1954 (relating to general rule for the determination of marital status) is amended to read as follows:

"(1) The determination of whether an individual is married shall be made as of the close of his taxable year, except that if—

"(A) one spouse dies during the taxable year the determination shall be made as of the time of that death, and

"(B) an individual and his spouse were not married to each other at the beginning of the taxable year, then, at the election of the taxpayer and his spouse, the determination shall be made as of the beginning of the taxable year.".

(b) The amendment made by this Act applies with respect to taxable years beginning after December 31, 1977.

By Mr. WEICKER:

S. 1477. A bill to amend the Civil Rights Act of 1964 to make it an unlawful employment practice to discriminate against indivduals who are physically handicapped because of that handicap; to the Committee on Human Resources.

Mr. WEICKER. Mr. President, today I am introducing legislation to make it an unlawful employment practice to discriminate against any individual who is physically handicapped. Specifically, this bill would amend title VII of the Civil Rights Act of 1964 to protect the physically handicapped from job discrimination in both public and private sector employment.

By passing the Civil Rights Act of 1964, the Congress put itself and the Nation on notice that discrimination based on race, color, sex, religion, or national origin would not be tolerated. And, since the enactment of that landmark legislation, many minority groups have made significant progress in achieving equal opportunity in housing, employment, and education. One group, however, not in-

cluded in that legislation—the physically handicapped—continues to be the victims of discrimination, particularly in seeking employment.

Like all Americans, the physically handicapped want to play an integral role in our society. To a large extent, this means having the opportunity to engage in meaningful employment. Through such employment, they derive a sense of self-worth and dignity. Yet, time and time again, they are denied the opportunity to make their contribution to society regardless of their skills or talents.

America's physically handicapped deserve better than being treated like second-class citizens. The handicapped do not want sympathy—they do want opportunity. Knocking down the barriers to equal employment opportunities will allow every American to reach their potential.

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 1478. A bill to provide improved authority for the administration of certain National Forest System lands in Oregon; to the Committee on Environment and Natural Resources.

Mr. HATFIELD. Mr. President, today I am introducing legislation to provide for the management of the Bull Run Reserve in the Mount Hood National Forest in Oregon.

The need for this legislation is brought about by a Federal court case which interprets strictly the 1904 Bull Run Reserve Trespass Act.

In 1892, the Bull Run Reserve was created by President Benjamin Harrison, pursuant to the act of March 3, 1891, which gave the President authority to "set apart and reserve, in any State or territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations." The area includes 137,420 acres of federally owned land and 4,660 acres of privately owned land. The watershed of the Bull Run River consists of approximately 68,000 acres within the reserve. It is this watershed which serves as the source of potable water for the city of Portland and the metropolitan area. Watershed protection was a primary purpose of the reserve when it was created and has always been recognized as such by the managing agency, the U.S. Forest Service.

Unlike other reserves established pursuant to the 1891 act, which became the Nation's national forests, the Bull Run Reserve remains in a special category, because of the Bull Run Reserve Trespass Act, passed in 1904 for the purpose of prohibiting unlawful entry upon the lands within the reserve.

The purpose of this 1904 act was to protect the integrity of the watershed area from grazing and other unauthorized uses.

Since the creation of the reserve and the subsequent Trespass Act, management of the lands within the reserve has reflected the principles of multiple use and sustained yield, which includes timber, recreation, and wildlife management, when consistent with watershed protection. In the case of timber, a sale occurred in 1925 and, by 1958, 180 million board feet of timber had been harvested from the national forest lands within the reserve. Between 1959 and 1976, about 900 million board feet were harvested within the national forest lands in the Bull Run Reserve and about 90 million board feet were harvested on the nearly 4,000 acres of lands owned by the city of Portland within the reserve. This timber sales program has been consistent with the findings of the Solicitor of the Department of Agriculture and by the Comptroller General of the United States, both of whom agreed that entry into the reserve for such purposes was permissible if authorized by the Secretary of Agriculture.

In the case of recreation, legislation was introduced in the 86th Congress to exclude the portions of the reserve outside the watershed area for public recreation use. The Agriculture Department indicated that such legislation was not necessary, because on the basis of previous legal opinions, it had the authority to permit the uses of the resources within the reserve. As a result, the legislation was not passed, and the Forest Service issued an order allowing recreation use of 42,500 acres outside the watershed but within the reserve for recreational purposes.

As a result of these activities, nearly 400 miles of road have been constructed within the reserve, 62 miles of which are open to public use; and other improvements have been made on the lands within the reserve for other purposes. It is essential, Mr. President, when examining the issues relating to management of the Bull Run Reserve, to make the distinction between those lands which are the actual watershed for the Bull Run River, which have been closed to the public except for specifically authorized purposes, and the lands outside the watershed, but still within the reserve. When consistent with the need to maintain excellent water quality within the watershed area, timber harvesting has taken place, although the area has been closed to use by the general public. Outside the watershed, general multiple use—including timber harvesting, recreation, and watershed and wildlife protection—has been the rule since 1959.

In 1973, a lawsuit was filed against the Government contending that the 1904 Trespass Act was being violated by the Forest Service's management policies. The U.S. District Court for the district of Oregon found in favor of the plaintiffs, and in November of 1976 a final judgment and decree was entered. All timber sales and all recreation use within the entire Bull Run Reserve—including the lands outside the watershed—have been terminated.

It is clear, Mr. President, that the court decision, although it may well be justified on the basis of the earlier Trespass Act, is not in the public interest. Outside the watershed, there is absolutely no reason that recreational activities and some timber harvesting cannot take place. These lands ought to be managed under multiple use and sustained yield principles, and had the Congress not been told in 1959 that the Secretary of Agriculture already had the authority to allow for these uses of the nonwatershed lands, it probably would have passed legislation to allow these uses at that time.

Therefore, Mr. President, I am introducing today along with my colleague, Senator BOB PACKWOOD, legislation which would establish a Bull Run Watershed Management Unit within the Mount Hood National Forest, the boundaries of which would exclude the areas outside the watershed. Under this act, those lands outside the watershed would be managed as other national forest lands are managed. The lands within the 95,382-acre unit established by this legislation would be managed for multiple-use purposes "except to the extent that such is found by the Secretary to significantly affect adversely the quantity or quality of the water produced thereon for the use of the city, and other local government units and persons using such water under agreements with the city." This legislation makes it clear that water quality within the watershed is the primary use of the Bull Run Watershed. In addition, these lands would be managed in consultation with the city of Portland. The Bull Run Trespass Act would no longer be necessary and would be repealed.

In addition to the legislation I am introducing today, which is also being introduced in the House of Representatives today by Congressman ROBERT DUNCAN of Oregon, I have been working with Mayor Neil Goldschmidt of Portland, the Portland City Council, and other interested parties on other approaches to this issue. I will continue to work with them in the development of legislation which addresses their concerns.

It is my hope, Mr. President, that this legislation will receive early and careful consideration by the Congress. Without it, an important area within our national forests will be lost to the public, which owns it. In particular, the Lost Creek Nature Trail and Picnic Area, which is the only recreation area in Oregon for handicapped persons, including the blind and those who are confined to wheelchairs, will be closed unless legislation is enacted.

Mr. President, I can say that there is virtually unanimous agreement that the boundaries of the reserve ought to be revised as proposed by this legislation. The opinion concerning use of the lands within the watershed area, which would constitute the management unit created by this legislation, is not unanimous; but through the hearing process, I am confident that any issues surrounding activity within the watershed lands can be resolved. The management of our public forests ought to be undertaken by the management agencies that Congress has established to do the job, rather than the courts. The legislation I am introducing would accomplish this, while recognizing the important values which led to the creation of the Bull Run Reserve in 1892.

Mr. President, I ask unanimous con-

sent that a background report prepared by the Forest Service and the text of the legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REPORT ON EXISTING LAW GOVERNING TRESPASS UPON THE BULL RUN RESERVE, MT. HOOD NATIONAL FOREST CLACKAMAS, HOOD RIVER, AND MULTNOMAH COUNTIES, STATE OF OREGON, DECEMBER 1976

THE BULL RUN RESERVE

The area in Oregon that is commonly referred to as the Bull Run Reserve contains 137,420 acres of Federal owned land and 4,660 acres of private owned land. The Federal land was reserved from the public domain lands of the United States in 1892 and later joined with other reserved lands to become what is now known as the Mt. Hood National Forest, a unit of the National Forest System administered by the Forest Service, U.S. Department of Agriculture. Unlike other forest reserves that were assimilated and renamed as National Forests, the identity of the Bull Run Reserve has been maintained. This has occurred indirectly through the existence of a Federal statute that prohibits unlawful entry upon the lands that were once within the official boundaries of the Bull Run Reserve.

The Bull Run Reserve portion of the Mt. Hood National Forest encompasses approximately 68,000 acres of the watershed of the Bull Run River. This watershed serves as the source of potable water for the Portland metropolitan area. In 1888, and prior to the establishment of the reserve, the City of Portland purchased rights to the water from the Bull Run Water and Power Company. Either the Company or a predecessor in interest appropriated such rights pursuant to a 1866 Federal statute of general application which permitted persons to acquire interests in water sources on public domain lands distinct from the lands themselves.

THE BULL RUN RESERVE TRESPASS ACT

Nature of the Trespass Act

Trespass and entry into the Bull Run Reserve for the purpose of grazing stock is prohibited by 18 U.S.C. 1862, a Federal criminal statute that originated in 1904. The first part of the statute provides that whoever knowingly trespasses upon any part of the reserve or enters thereon for the purpose of grazing livestock shall be subject to a fine and imprisonment.

The second part of the statute states that it shall not apply to forest rangers and other persons employed by the United States to protect the forest, or to Federal and State officers and employees of the water board of the City of Portland, in the discharge of their duties.

To the extent deemed permissible under the statute, through legal opinions by the solicitor of the Department of Agriculture and the Comptroller General of the United States, the Federal owned lands within the Reserve have been administered by the Forest Service for the protection, management and utilization of their water, timber, recreational and wildlife resources in accordance with the laws and regulations applicable to the rest of the Mt. Hood National Forest and all other National Forests.

Background of the Trespass Act

In 1891, Congress enacted a law which authorized the President to reserve public lands bearing forests. Pursuant to that Act, the Federal owned forest lands comprising the Bull Run Reserve were reserved by Presidential Proclamation of June 17, 1892.

This forest reserve was the fifth of the many established pursuant to the Act. It was from these reserves that the great portion of the present National Forest System was created.

The Bull Run forest reserve was set apart in response to a request from the water board of the City of Portland in order that the City's proposed water supply might be protected. The protection afforded by forest reserve status principally amounted to a guarantee that the Federal owned lands would not be sold to private individuals or homesteaded. Homesteading and sale would have likely led to the elimination of much of the forest cover and it was recognized in those times that the water absorption and retention capacities of forest cover were indispensable in mountainous areas for reducing erosion and maintaining desirable conditions of waterflow. Homesteading and sale could have resulted in land use practices that diverted water or caused degradation of water quality.

The 1891 Act which authorized the establishment of forest reserves did not provide any direction on how they were to be administered. Specific authority for the protection, management, and utilization of Bull Run and all other forest reserves was eventually delegated to the Secretary of the Interior by Congress under the Act of June 4, 1897. The Act described the purposes of forest reserves as being to improve and protect the forest within their boundaries, to secure favorable conditions of water flow, and to furnish continuous supplies of timber for the use and necessities of the citizens of the United States. Among other things, the Act authorized the sale of forest reserve timber, provided direction that reserves be protected from fire and depredations, and authorized their occupancy and use under regulations.

Shortly after enactment of the Act of June 4, 1897, the Secretary of the Interior issued rules and regulations for the administration of the forest reserves. Early administration efforts encountered many obstacles. One of the major obstacles was open defiance of the Secretary's rules and regulations. In 1903, the Commissioner of the Department of the Interior agency that administered the forest reserves wrote:

"The grazing question is the most perplexing one with which this office has to deal in connection with forest-reserve administration. Those persons who have been in the habit of ranging their stock upon the lands included within a forest reservation are insistent on continuing the practice after the reserve is established, some of them going to the extent of openly defying all rules and orders from the Department prohibiting grazing therein."

Attempts were made to stop this defiance by criminal prosecutions of the trespassers. However, the United States District Court for southern California ruled in 1900 that the provisions of the 1897 Act which authorized the Secretary to issue rules and regulations and made violations thereof a crime were unconstitutional because they constituted a delegation of legislative power to an administrative officer. Trespass cases were also prosecuted before United States District Courts in northern California, Arizona, Utah, and Washington. All of those courts agreed with the southern California court that the provisions were unconstitutional. Because the government had no opportunity to appeal under existing law, it was not possible to bring any of these cases before a higher court. As a result of the enactment of the Criminal Appeals Act of March 2, 1907, the government was eventually able to bring a trespass case before the Supreme Court. In 1911 the Supreme Court ruled in favor of the government, on the basis that the authority given to make rules and regulations for the occupancy and use of the forest reserves is a constitutional delegation of administrative authority, not a delegation of legislative power.

As a consequence of the Federal District court rulings, the government was left without a reliable legal remedy for protecting the forest reserves from trespass during the period from 1900 to 1911. Its only other recourse was the long and cumbersome process of obtaining court injunctions. In the case of grazing trespass, this was a very inadequate remedy, since most or all of a grazing season might elapse before an injunction could be obtained and served. The Department of Justice recommended that Congress pass a specific trespass act making unauthorized grazing of livestock within forest reserves a criminal offense. Congress did not act on the recommendation.

It can be concluded that the lack of authority in the executive branch of the government to effectively prevent trespass on the forest reserves was of considerable concern to the City of Portland. Their purpose of having the Bull Run watershed closed to settlement in 1892 would have been compromised by uncontrolled grazing and other unauthorized private uses of these lands in 1904. It can be readily understood why the City may have been led to seek a solution like the one that was recommended by the Department of Justice. Likewise, it can be readily understood why a major western city like Portland was successful in getting Congress to enact a special trespass act for the Bull Run Forest Reserve when, at the same time, Congress would not enact such law for general application to all forest reserves.

When viewed in historical perspective, the 1904 Bull Run Forest Reserve Trespass Act strongly appears to have been enacted in reaction to a law enforcement vacuum, and not to have represented substantive conservation policy, or (except in respect to grazing), a deliberate action to broadly limit the application of the administrative authorities available under the Act of June 4, 1897.

PAST ADMINISTRATION OF THE BULL RUN RESERVE

Administration of the Bull Run Forest Reserve, like the administration of all other forest reserves, has been of a progressive nature, evolving from a period when it was necessary to direct the principal effort at protecting forest resources from fires and unauthorized uses to the recent period where emphasis was also placed on the utilization of resources on a sustained-yield basis.

Early period 1892–1930

During the period 1892–1930 Federal administration of the Bull Run Reserve focused on protective measures. A forest fire detection system was developed and maintained. The system included lookout stations, trails, and telephone lines. Between 1909 and 1912, attempts were made to reforest 1,900 acres through seeding. These efforts met with partial success. Approximately 7,500 acres of privately owned land were acquired within the Reserve by exchanging other National Forest lands or timber. In 1925, a 1,816,050 board foot timber sale was made within the Reserve. The sale was located below the City of Portland water supply intake, and was made after a joint field investigation by representatives of the City Water Bureau and the Forest Service. After the enactment of the trespass act in 1904 the reserve was closed to public access and no recreational use occurred.

Transition period 1931–58

By the late 1930's, the protection aspects of National Forest administration were generally established and under control. There was a general feeling developing at that time that more intensive management of the National Forests, and the utilization of their various renewable resources on a sustained-yield basis, would be in the public's interest. These conditions, coupled with a greater need for timber products during World War II and thereafter, resulted in a rather abrupt

expansion of the resource management and utilization aspects of National Forest administration in the 1940's and 1950's.

The substantial timber, recreation, and wildlife resources of the Bull Run Reserve were eventually recognized as being suitable for making important contributions in support of multi-resource and sustained yield management objectives. Such contributions could not be made, however, unless the public (including contractors and their employees) could be allowed within the Reserve. Prior to this period, the protective administration of the Reserve was generally consistent with the most restrictive possible interpretation of the trespass act; i.e., an interpretation that would prohibit public entry under any conditions. Before taking action to expand resource management programs within the Reserve, the Forest Service asked the Solicitor of the Department of Agriculture whether the trespass act prohibited all persons except those specifically mentioned in the act from entering the Reserve and thus precluded the sale of timber or other similar activities. In an opinion dated April 19, 1943, the Solicitor advised that the statute should be construed as prohibiting unauthorized entry. Hence, it was held that other persons could enter the Reserve if they obtained permission from the Secretary of Agriculture. In 1958 this opinion was also rendered by the Comptroller General of the United States. The Comptroller found that permission may be given for persons to enter the Reserve for all multiple use purposes.

Subsequent to the Solicitor's opinion, a moderate-level timber harvesting program was initiated. By 1958, 180 million board feet of timber had been harvested from National Forest lands.

Between 1934 and 1955, 2.5 million board feet of timber were harvested from lands within the Reserve that are owned by the City of Portland.

Recent period 1959–76

The period 1959–76 may be considered as the period when the management of renewable resources within the Reserve was purposely integrated with the management of resources within the rest of the Mt. Hood National Forest. This development acquired impetus in 1959 when the City of Portland and various citizen groups urged that portions of the Reserve be opened for public recreation use. A bill was introduced in the 86th Congress to exclude these portions from the application of the provisions of the trespass act. While not objecting to the bill, the Department of Agriculture reported (on the basis of the previously mentioned legal opinions) that it had ample authority to permit the use of the resources within the Reserve. In August 1959, the Forest Service issued an administrative order permitting the general public to use 42,500 acres of the Reserve for recreational purposes, including hunting and fishing. The lands opened to general public use were located outside the drainage of the Bull Run River. The administrative order did not affect the status of the rest of the Reserve. Any entry upon the remainder without express permission from the Forest Service was still considered to be trespass.

Within the areas opened by the administrative order, 3 campgrounds and 94 miles of trails for recreation use have since been constructed.

During this period, timber harvesting has been conducted throughout the reserve on a sustained yield basis. Approximately 600 million board feet of National Forest timber have been harvested within the drainage of the Bull Run River and 300 million board feet have been harvested outside the drainage. In addition, the City of Portland has made arrangements with the Forest Service to assist them in managing 3,980 acres of City lands for timber utilization purposes. A total of 90 million board feet of timber have been harvested from City lands since 1934.

Approximately 384 miles of road have been constructed within the Reserve. These roads support timber harvesting and fire protection programs. Also, 62 miles of these roads are open to public use.

In addition to the improvements that it has developed, the Forest Service has authorized others to locate improvements on National Forest lands within the Reserve. These include a flume (Portland General Electric Company), 17 miles of powerline corridors (Bonneville Power Administration), a log scaling station (Columbia River Log Scaling Bureau) and roads for access to private lands.

LITIGATION

Lawsuit and trial

In July 1973, a lawsuit was filed against the Supervisor of the Mt. Hood National Forest and other Forest Service officials (Miller et al. v. Mallery et al., U.S. District Court. D. Oregon. Civil No. 73–609) Plaintiffs contended, among other things, that certain actions of the Forest Service in the Bull Run Reserve were in violation of the trespass act. Plaintiffs sought an injunction against timber harvesting and recreation use within the Reserve. The Federal defendants' defense was basically grounded on the argument that Congress meant only to prohibit grazing and entry into the reserve which was not authorized by the Secretary. The Court ruled that recreational use and sustained timber harvesting within the Reserve were prohibited by the trespass act, and that under the act there is a duty to exclude from the Reserve all persons except Federal and State officers and employees of the water board of the City of Portland in the discharge of their duties.

Final judgment and decree

In November 1976 the Court entered a Final Judgment and Decree in favor of plaintiffs. The Court permanently enjoined and prohibited all recreational activities within the Reserve and all future timber sales except such sales as might be required to remove dead, diseased, insect infested, and wind blown trees necessary for the protection of the forest. The Court also appointed a Special Master in perpetuity to overseee Forest Service compliance with the Decree.

SUMMARY AND CONCLUSIONS

The Federal District Court of Oregon has spoken to the issue of what the special trespass act for the Bull Run Reserve means. Execution of the trespass act in accordance with the Court's interpretation will essentially preclude administration of the Reserve for timber and recreational purposes. The trespass act will henceforth clearly take precedence over the Multiple-Use Sustained-Yield Act which directs the Secretary of Agriculture to manage National Forest resources in combinations that will best meet the needs of the American people. Some specific effects of the application of the act are described below:

1. Programmed timber harvesting within the reserve will be reduced by an estimated 97 percent. This will result in an annual $5 million reduction in National Forest timber receipts, $1¼ million of which would have been distributed to counties within the Mt. Hood National Forest for schools and roads. If alternate sources of timber are not available to forest products industries, the reduction could also entail the loss of 250 forest products industry jobs and a payroll of $2.3 million.

2. Recreational use of 44,000 acres for camping, hiking, horseback riding, hunting, fishing, and touring have been terminated. Recreational facilities and improvements, including 3 campgrounds and 71 miles of trails are closed to public use.

3. Approximately 62 miles of roads are closed to public use.

4. The Act has the effect of narrowly restricting the use of Federal lands within the Reserve, whereas no comparable restrictions are imposed by any law upon intermingled non-Federal lands which (for the most part) are clustered around the reservoir and headwork facilities of the City of Portland's water supply system.

The prohibitive and use-denying effects of the Court interpreted meaning of the trespass act requires an evaluation of whether these negative effects are offset by tangible benefits.

The arguments used by those who seek closure of watersheds and reservoirs are commonly based on the proposition that recreation and timber harvesting cause increased water pollution. However, facts support the opposite position that, under responsible and knowledgeable administration, such activities are compatible with the protection of water quality and quantity. Scientific studies have found that recreational use of watersheds has little or no effect on water quality. Likewise, studies have shown that properly conducted timber harvesting operations do not accelerate soil erosion significantly above the normal geologic rates. Research conducted by the U.S. Public Health Service on three watersheds within the States of Oregon and Washington concluded that, within the capability of measurement, the quality of water within a watershed that was closed to the general public was not significantly different from the quality of water within a watershed that was completely open to public use. Such technical evidence is supported by a trend in State policies and practices toward more recreational use of municipal watersheds. Moreover, it is particularly significant that 17 years of intensive resources management by the Forest Service within the Bull Run Reserve has not resulted in any known degradation of the City of Portland's water supply.

Facts and experience point to the conclusion that the trespass act, according to any interpretation has ceased to serve any real or useful purpose. As currently interpreted by the court, the act precludes the most judicious use of the land and causes an unreasonable and unwarranted shelving of National and local assets and opportunities. The public is denied the benefits of its property without valid reasons.

CITED ACTS OF CONGRESS

Protection of Vested Rights to Use of Water. Derived from Act of July 26, 1866, s. 6 (16 Stat. 218) (43 U.S.C. 661).

Creative Act of 1891. Act of March 3, 1891 (26 Stat. 1103; 16 U.S.C. 471).

Organic Administration Act of 1897. Act of June 4, 1897 (30 Stat. 34, as amended; 16 U.S.C. 473 et seq.).

Bull Run Reserve Trespass Act. Derived from Act of April 28, 1904 (33 Stat. 526) (18 U.S.C. 1862).

Criminal Appeals Act of 1907. Act of March 2, 1907, c. 2564 (34 Stat. 1246) now 18 U.S.C. 3731.

Multiple-Use Sustained-Yield Act of 1960. Act of June 12, 1960 (74 Stat. 215, as amended; 16 U.S.C. 528 et seq.).

CITED PRESIDENTIAL PROCLAMATION

Proclamation of June 17, 1892 (27 Stat. 1027).

REFERENCES

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Lee, Roger D., James M. Symons, and Gordon G. Robeck. 1970. Use Level and Water

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USDC. Oregon. Civil No. 37-609. Final Judgment and Decree.

S. 1478

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

PREAMBLE

The Congress finds that the nation and the world are entering a period of scarcity of resources essential to the well-being of our people and of the very elements on which we depend for the production of such resources; that it is vital to the present and future needs of the nation that we nurture and use wisely our resources, restricting our access to all for the benefit of one or more, only for compelling reasons; that management and use of such renewable resources are political questions appropriately to be decided by representative assemblies and that the courts should not be burdened by such responsibilities; that an area of land in the State of Oregon known variously as the Bull Run National Forest and the Bull Run Forest Service is now managed under terms of a federal court decree issued pursuant to turn of the century law which does not appropriately address present and future needs and opportunities for the protection, management and utilization of the renewable resources contained therein.

DESIGNATION OF UNIT

SEC. 1(b) There is hereby established, subject to valid existing rights, a special resources management unit within the Mount Hood National Forest, State of Oregon (hereinafter referred to as the "Unit"), comprising approximately 95,382 acres as depicted on a map dated April 1977 and entitled "Bull Run Watershed Management Unit, Mount Hood National Forest," which is on file and available for public inspection in the offices of the Chief, and the Regional Forester—Pacific Northwest Region, Forest Service, Department of Agriculture, minor adjustments in the boundaries of which may be made from time to time by the Secretary of Agriculture (hereinafter the "Secretary") after consultation with the City of Portland (hereinafter the "City") and appropriate public notice and hearings.

(b) The Unit shall be administered by the Secretary of Agriculture in accordance with the laws, rules, and regulations applicable to National Forest System lands except as otherwise provided by section 2 of this Act.

MANAGEMENT

SEC. 2(a) The renewable resources of the National Forest System lands within the Unit are to be developed and administered by the Secretary in accordance with the principles of multiple use and sustained yield as set forth in the Multiple-Use Sustained Yield Act of 1960 (74 Stat. 215, 16 U.S.C. 538, as amended); except to the extent that such is found by the Secretary to significantly affect adversely the quantity or quality of the water produced thereon for the use of the City, and other local government units and persons using such water under agreements with the City (and the Secretary shall take into consideration the cumulative effect of individually insignificant degradations), in which case the management plan shall be altered to eliminate such adverse effect by application of different techniques or prohibitions of one or more such multiple uses so that the unit is managed so as not to significantly affect adversely the health and safety of the ultimate consumers of such water, *Provided, however,* That use of such water for the production of energy is deemed consistent with the purposes of this Act.

(b) The policy set forth in Subsection (a) shall be attained through the development, maintenance, and periodic revision of land management plans in accordance with procedures set forth in Section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (88 Stat. 477, as amended; 16 U.S.C. 1604), through the maintenance of systems for monitoring and evaluating water quality, and through supporting scientific research as the Secretary may deem necessary after consultation and in coordination with the City. In the development and revision of land management plans for the Unit, the Secretary shall provide for public participation and shall consult and coordinate with appropriate officials and advisors of the City, and shall consider such data and research as the City may collect through its own monitoring systems and scientific efforts, if any. Such plans shall be prepared by an interdisciplinary team; be embodied in appropriate written material, including maps and other descriptive documents; and be available to the public at convenient locations. The initial plan or plans shall be completed as soon as practicable after the enactment of this Act, but not later than September 30, 1979.

(c) The Secretary or his representative shall, upon request, meet at least annually with appropriate officials of the City for the purpose of reviewing planned management programs and assuring that their respective management and operational activities within the Unit are appropriately coordinated. The Secretary is authorized to enter into cooperative agreements with appropriate officials of the City to effectuate activity coordination.

(d) The Secretary is authorized to promulgate regulations for controlling entry into the Unit by persons other than:

(1) employees or contractors of the City engaged in the inspection, maintenance and improvement of the City's facilities;

(2) (i) Federal, State, and local government officers and (ii) employees thereof acting in an official capacity;

(3) Federal, State, and local government permittees and contractors conducting authorized activities;

(4) members of advisory groups formed pursuant to this Act or ordinances of the City in the performance of their official duties.

Provided that no regulation promulgated pursuant to this Subsection shall prohibit ingress and egress to non-Federal lands or to authorized occupancies on, or uses of, Federal lands. Except in emergencies, regulations promulgated pursuant to this Subsection shall be put into effect only after consultation with the City.

EFFECT ON OTHER LAWS

SEC. 3 (a) Nothing in this Act shall terminate any valid lease, permit, contract, patent, right-of-way, or other land use right or authorization existing on the date of approval of this Act.

(b) Nothing in this Act shall in any way affect any law governing appropriation or use of, or Federal right to, water on National Forest System lands; or as expanding or diminishing Federal, State or local jurisdiction, responsibility, interests or rights in water resources development or control.

(c) Section 1862 of Title 18 of the United States Code is hereby repealed.

(d) Except as otherwise provided in Section 3(b) hereof, this act shall take precedence over and supersede all State and local laws dealing with or affecting the subject matter of this Act.

(e) Challenge to actions taken by any governmental unit or official under the provisions of this Act shall not be sustained by any court except upon a showing of arbitrary, unreasonable, capricious or illegal action or an absence of substantial good faith compliance with the procedural provisions hereof substantially prejudicing the rights of an interested party.

By Mr. CHURCH:

S. 1479. A bill to amend the Social Security Act to provide for the coverage of certain drugs under part A of the health insurance program established by title XVIII of such Act; to the Committee on Finance.

EXTENSION OF MEDICARE COVERAGE TO INCLUDE ESSENTIAL OUT-OF-HOSPITAL PRESCRIPTION DRUGS

Mr. CHURCH. Mr. President, on behalf of Senator WILLIAMS and myself, I introduce for appropriate reference a bill to extend medicare coverage to essential out-of-hospital prescription drugs.

Inadequate income in retirement is undoubtedly the No. 1 problem affecting older Americans. An effective income strategy is, therefore, essential to improve the economic well-being of the aged.

But at the same time, it is vitally important to plug up some of the drains upon the elderly's limited income.

Perhaps the classic example is the high cost of health care.

Medicare clearly represents one of the landmark legislative achievements for older Americans.

However, hearings conducted by the Committee on Aging make it abundantly clear that today—12 years after medicare was enacted into law—medical costs represent one of the major worries of the elderly.

Many Americans now believe that medicare pays for almost all of the aged's health care costs. Older Americans, though, know better.

Several crucial gaps in coverage still exist. One of the most serious is out-of-hospital prescription drugs.

As things now stand, medicare is crisis oriented. It provides reasonably good coverage for hospitalization. It covers most prescriptions administered while patients are hospitalized or confined in a nursing home. However, protection is not available for aged and disabled beneficiaries requiring medicines on an outpatient basis.

This gap in coverage must be closed. The bill that we introduce today is designed to broaden medicare coverage to include out-of-hospital prescriptions for crippling or life threatening conditions.

This protection, in my judgment, is not only indispensable for older Americans, but it is also long overdue.

In 1975, the aged's drug expenditures exceeded $2.6 billion, or $118 on a per capita basis. The overwhelming proportion was paid by the elderly themselves.

Private per capita drug and drug sundry costs for older Americans amounted to $102 in fiscal 1975.

Quite often this expenditure falls most heavily upon those who can least afford it—the low-income aged who suffer from chronic conditions.

Prescription drug costs for medicare beneficiaries with chronic conditions are typically about three times as great as the rest of the population.

Drugs and drug sundries account for more than one-fifth of the aged's health care expenditures which are met by private payments.

A recent social security report reveals that the elderly spend more on prescriptions from their own pocketbooks than any other expenditure except nursing home care.

Several distinguished groups—including the White House Conference on Aging, a Presidential Task Force on Aging, the 1971 Social Security Advisory Council, and national senior citizen organizations—have urged that medicare coverage should include essential out-of-hospital drugs.

Some hospital stays are prolonged simply to permit medicare beneficiaries to be reimbursed for their medicines. This practice is clearly wasteful. At the same time, it drives up medical expenditures because institutionalization is the most expensive form of health care.

Mr. President, I consider coverage of essential out-of-hospital prescription drugs to be the top legislative priority for medicare beneficiaries.

For these reasons, I urge prompt and favorable action on this measure.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1479

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 226(c)(1) of the Social Security Act is amended by striking out "and post-hospital home health services" and inserting in lieu thereof "post-hospital home health services, and eligible drugs".

(b) Section 1811 of the Social Security Act is amended by inserting "and eligible drugs" after "related post-hospital services".

(c) Section 1812(a) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and "; and

(3) by adding after paragraph (3) the following new paragraph:

"(4) eligible drugs.".

(d) Section 1813(a) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(4) The reasonable allowance, as defined in section 1813, for eligible drugs furnished an individual pursuant to any one prescription (or each renewal thereof) and purchased by such individual at any one time shall be reduced by an amount equal to the applicable prescription copayment obligation which shall be $1."

(e)(1) Section 1814(a) of the Social Security Act is amended—

(A) by striking out "and" at the end of paragraph (6);

(B) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(C) by inserting after paragraph (7) the following new paragraph:

"(8) with respect to drugs or biologicals furnished pursuant to and requiring (except for insulin) a physician's prescription, such drugs or biologicals are eligible drugs as defined in section 1861(t) and the participating pharmacy (as defined in section 1861(dd)) has such prescription in its possession, or some other record (in the case of insulin) that is satisfactory to the Secretary."

(2) Section 1814(b) of such Act is amended—

(A) by inserting "(1)" after "(b)",

(B) by inserting "(other than a pharmacy)" immediately after "provider of services",

(C) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively,

(D) by redesignating clauses (A) and (B) of paragraph (1) as clauses (i) and (ii), respectively, and

(E) by adding at the end thereof the following new paragraph:

"(2) The amount paid to any participating pharmacy which is a provider of services with respect to eligible drugs for which payment may be made under this part shall, subject to the provisions of section 1813, be the reasonable allowance (as defined in section 1822) with respect to such drugs."

(f) Section 1814 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Limitation on Payment for Eligible Drugs

"(j) Payment may be made under this part for eligible drugs only when such drugs are dispensed by a participating pharmacy; except that payment under this part may be made for eligible drugs dispensed by a physician where the Secretary determines, in accordance with regulations, that such eligible drugs were required in an emergency or that there was no participating pharmacy available in the community, in which case the physician (under regulations prescribed by the Secretary) shall be regarded as a participating pharmacy for purposes of this part with respect to the dispensing of such eligible drugs."

(g) Part A of title XVIII of the Social Security Act is further amended by adding after section 1818 the following new sections:

"MEDICARE FORMULARY COMMITTEE

"SEC. 1819. (a)(1) There is hereby established, within the Department of Health, Education, and Welfare, a Medicare Formulary Committee (hereinafter referred to as the 'Committee'), a majority of whose members shall be physicians and which shall consist of the Commissioner of Food and Drugs and of four individuals (not otherwise in the employ of the Federal Government) who do not have a direct or indirect financial interest in the composition of the Formulary established under this section and who are of recognized professional standing and distinction in the fields of medicine, pharmacology, or pharmacy, to be appointed by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The Chairman of the Committee shall be elected annually from the appointed members thereof, by majority vote of the members of the Committee.

"(2) Each appointed member of the Committee shall hold office for a term of five years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and except that the terms of office of the members first taking office shall expire, as designated by the Secretary at the time of appointment, one at the end of each of the first five years. A member shall not be eligible to serve continuously for more than two terms.

"(b) Appointed members of the Committee, while attending meetings or conferences thereof or otherwise serving on business of the Committee, shall be entitled to receive compensation at rates fixed by the Secretary (but not in excess of the daily rate paid under GS-18 of the General Schedule under section 5332 of title 5, United States Code), including traveltime, and while so serving away from their homes or regular places of business they may be allowed travel expenses, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(c)(1) The Committee is authorized, with the approval of the Secretary, to engage or contract for such technical assistance as may be required to carry out its functions, and the Secretary shall, in addition, make available to the Committee such secretarial, clerical, and other assistance as the Formulary Committee may require to carry out its functions.

"(2) The Secretary shall furnish to the Committee such office space, materials, and equipment as may be necessary for the Formulary Committee to carry out its functions.

"MEDICARE FORMULARY

"SEC. 1820. (a)1() The Committee shall compile, publish, and make available a Medicare Formulary (hereinafter in this title referred to as the 'Formulary').

(2) The Committee shall periodically revise the Formulary and the listing of drugs so as to maintain currency in the contents thereof.

"(b)(1) The Formulary shall contain an alphabetically arranged listing, by established name, of those drug entities within the following therapeutic categories:

"Adrenocorticoids,
"Anti-anginals,
"Anti-arrhythmics,
"Anti-coagulants,
"Anti-convulsants (exceeding phenobarbital),
"Anti-hypertensives,
"Anti-neoplastics,
"Anti-Parkinsonism agents,
"Anti-rheumatics,
"Bronchodilators,
"Cardiotonics,
"Cholinesterase inhibitors,
"Diuretics,
"Gout suppressants,
"Hypoglycemics,
"Miotics,
"Thyroid hormones,
"Tuberculostatics,

which the Committee decides are necessary for individuals using such drugs. The Committee shall exclude from the Formulary any drug entities (or dosage forms and strengths thereof) which the Committee decides are not necessary for proper patient care, taking into account other drug entities (or dosage forms and strengths thereof) which are included in the Formulary.

"(2) Such listing shall include the specific dosage forms and strengths of each drug entity (included in the Formulary in accordance with paragraph (1)) which the Committee decides are necessary for individuals using such drugs.

"(3) Such listing shall include the prices at which the products (in the same dosage form and strength) of such drug entities are generally sold by the suppliers thereof and the limit applicable to such prices under section 1822(b)(1) for purposes of determining the reasonable allowance.

"(4) The Committee may also include in the Formulary, either as a separate part (or parts) thereof or as a supplement (or

supplements) thereto, any or all of the following information:

"(A) A supplemental list or lists, arranged by diagnostic, prophylactic, therapeutic, or other classifications, of the drug entities (and dosage forms and strengths thereof) included in the listing referred to in paragraph (1).

"(B) The proprietary names under which products of a drug entity listed in the Formulary by established names (and dosage form and strength) are sold and the names of each supplier thereof.

"(C) Any other information with respect to eligible drug entities which in the judgment of the Committee would be useful in carrying out the purposes of this part.

"(c) In considering whether a particular drug entity (or strength or dosage form thereof) shall be included in or excluded from the Formulary, the Committee is authorized to obtain (upon request therefor) any record pertaining to the characteristics of such drug entity which is available to any other department, agency, or instrumentality of the Federal Government, and to request suppliers or manufacturers of drugs and other knowledgeable persons or organizations to make available to the Committee information relating to such drug. If any such record or information (or any information contained in such record) is of a confidential nature, the Committee shall respect the confidentiality of such record or information and shall limit its usage thereof to the proper exercise of its authority.

"(d)(1) The Committee shall establish such procedures as it determines to be necessary in its evaluation of the appropriateness of the inclusion in or exclusion from the Formulary, of any drug entity (or dosage form or strength thereof). For purposes of inclusion in or exclusion from the Formulary the principal factors in the determination of the Committee shall be—

"(A) the factor of clinical equivalence in the case of the same dosage forms in the same strengths of the same drug entity, and

"(B) the factor of relative therapeutic value in the case of similar or dissimilar drug entities in the same therapeutic category.

"(2) The Committee, prior to making a final decision to remove from listing in the Formulary any drug entity (or dosage forms or strengths thereof) which is included therein, shall afford a reasonable opportunity for a formal or informal hearing on the matter to any person engaged in manufacturing, preparing, compounding, or processing such drug entity who shows reasonable ground for such a hearing.

"(3) Any person engaged in the manufacture, preparation, compounding, or processing of any drug entity (or dosage forms or strengths thereof) not included in the Formulary which such person believes to possess the requisite qualities to entitle such drug to be included in the Formulatory pursuant to subsection (b) may petition for inclusion of such drug entity and, if such petition is denied by the Formulary Committee, shall, upon request therefor, showing reasonable grounds for a hearing, be afforded a formal or informal hearing on the matter in accordance with rules and procedures established by such Committee.

"LIMITATION ON MEDICARE PAYMENT FOR CHARGES OF PROVIDERS OF SERVICES

"SEC. 1821. (a) Any provider of services as defined in section 1861(u), whose services are otherwise reimbursable, under any program under this Act in which there is Federal financial participation on the basis of 'reasonable cost', shall not be entitled to a professional fee or dispensing charge or reasonable billing allowance as determined pursuant to this part.

"(b) A fee, charge, or billing allowance shall not be payable under this section with respect to any drug entity that (as determined in accordance with regulations) is furnished as an incident to a physician's professional service, and is of a kind commonly furnished in physicians' offices and commonly either rendered without charge or included in the physicians' bills.

"REASONABLE ALLOWANCE FOR ELIGIBLE DRUGS

"SEC. 1822. (a) For purposes of this part, the term 'reasonable allowance' when used in reference to an eligible drug (as defined in subsection (h) of this section) means the following:

"(1) When used with respect to a prescription legend drug entity, in a given dosage form and strength, such term means the lesser of—

"(A) an amount equal to the customary charge at which the participating pharmacy sells or offers such drug entity, in a given dosage form and strength, to the general public, or

"(B) the price determined by the Secretary, in accordance with subsection (b) of this section, plus the professional fee or dispensing charges determined in accordance with subsection (c) of this section.

"(2) When used with respect to insulin such term means the charge not in excess of the reasonable customary price at which the participating pharmacy offers or sells the product to the general public, plus a reasonable billing allowance.

"(b)(1) For purposes of establishing the reasonable allowance in accordance with subsection (a) the price shall be (A) in the case of a drug entity (in any given dosage form and strength) available from and sold by only one supplier, the price at which such drug entity is generally sold (to establishment dispensing drugs), and (B) in any case in which a drug entity (in given dosage form and strength) is available and sold by more than one supplier, only each of the lower prices at which the products of such drug entity are generally sold (and such lower prices shall consist of only those prices of different suppliers sufficient to assure actual and adequate availability of the drug entity, in a given dosage form and strength, at such prices in a region).

"(2) If a particular drug entity (in a given dosage form and strength) in the Formulary is available from more than one supplier, and the product of such drug entity as available from one supplier possesses demonstrated distinct therapeutic advantages over other products of such drug entity as determined by the Committee on the basis of its scientific and professional appraisal of information available to it, including information and other evidence furnished to it by the supplier of such drug entity, then the reasonable allowance for such supplier's drug product shall be based upon the price at which it is generally sold to establishments dispensing drugs.

"(3) If the prescriber, in his handwritten order, has specifically designated a particular product of a drug entity (and dosage form and strength) included in the Formulary by its established name together with the name of the supplier of the final dosage form thereof, the reasonable allowance for such drug product shall be based upon the price at which it is generally sold to establishments dispensing drugs.

"(c)(1) For the purpose of establishing the reasonable allowance (in accordance with subsection (a)), a participating pharmacy, shall, in the form and manner prescribed by the Secretary, file with the Secretary, at such times as he shall specify, a statement of its professional fee or other dispensing charges.

"(2) A participating pharmacy, which has agreed with the Secretary to serve as a provider of services under this part, shall, except for subsection (a)(1)(A), be reimbursed, in addition to any price provided for in subsection (b), the amount of the fee or charges filed in paragraph (1), except that no fee or charges shall exceed the highest fee or charges filed by 75 per centum of participating pharmacies (with such pharmacies classified on the basis of (A) lesser dollar volume of prescriptions and (B) all others) in a census region which were customarily charged to the general public as of June 1, 1975. Such prevailing professional fees or dispensing charges may be modified by the Secretary in accordance with criteria and types of data comparable to those applicable to recognition of increases in reasonable charges for services under section 1842.

"(3) A participating pharmacy shall agree to certify that, whenever such pharmacy is required to submit its usual professional fee or dispensing charge for a prescription, such charge does not exceed its customary charge."

(h) Section 1861(t) of the Social Security Act is amended—

(1) by inserting ", or as are approved by the Formulary Committee" after "for use in such hospital"; and

(2) by adding at the end thereof the following new sentence: "The term 'eligible drug' means a drug or biological which (A) can be self-administered, (B) requires a physician's prescription (except for insulin), (C) is prescribed when the individual requiring such drug is not an inpatient in a hospital or extended care facility, during a period of covered care, (D) is included by strength and dosage forms among the drugs and biologicals approved by the Formulary Committee, (E) is dispensed (except as provided by section 1814(j)), by a pharmacist from a participating pharmacy, and (F) is dispensed in quantities consistent with proper medical practice and reasonable professional discretion."

(i) Section 1861(u) of the Social Security Act is amended by striking out the "home health agency," and inserting in lieu thereof "home health agency, pharmacy,".

(j) Section 1861 of the Social Security Act is further amended by adding at the end thereof the following new subsection:

"Participating Pharmacy

"(dd) The term 'participating pharmacy' means a pharmacy, or other establishment (including the outpatient department of a hospital) providing pharmaceutical services (1) which is licensed as such under the laws of the State (where such State requires such licensure) or which is otherwise lawfully providing pharmaceutical services in which such drug is provided or otherwise dispensed in accordance with this title, (2) which has agreed with the Secretary to act as a provider of services in accordance with the requirements of this section, and which complies with such other requirements as may be established by the Secretary in regulations to assure the proper, economical, and efficient administration of this title, (3) which has agreed to submit, at such frequency and in such form as may be prescribed in regulations, bills for amounts payable under this title for eligible drugs furnished under part A of this title, and (4) which has agreed not to charge beneficiaries under this title any amounts in excess of those allowable under this title with respect to eligible drugs except as is provided under section 1813(a)(4), and except for so much of the charge for a prescription (in the case of a drug product prescribed by a physician, of a drug entity in a strength and dosage form included in the Formulary where the price at which such product is sold by the supplier thereof exceeds the reasonable allowance) as is in excess of the reasonable allowance established for such drug entity in accordance with section 1822."

(k)(1) The first sentence of section 1866(a)(2)(A) of the Social Security Act is

amended by striking out "and (ii)" and inserting in lieu thereof the following: "(ii) the amount of any copayment obligation and excess above the reasonable allowance consistent with section 1861(dd) (4) reasonable allowance consistent with section 1861(dd) (4) and (iii)".

(2) The second sentence of section 1866 (a) (2) (A) of such Act is amended by striking out "clause (ii)" and inserting in lieu thereof "clause (iii)".

(1) The amendments made by this section shall apply with respect to eligible drugs furnished on and after the first day of January 1976.

By Mr. MAGNUSON:

S. 1480. A bill for the relief of Iris Gozart; to the Committee on Finance.

Mr. MAGNUSON. Mr. President, today I introduce a bill that will provide needed disability insurance benefits for Mrs. Iris Gozart. Mrs. Gozart, of Aberdeen, Wash., was tragically stricken with multiple sclerosis 13½ years ago. The financial burden that this has created for her husband is no longer bearable. It is just one more example of the urgent need for a national health insurance plan so that such enormous human suffering that this type of long-term illness causes is not compounded by financial bankruptcy from endless medical bills.

I urge the Congress prompt consideration of this bill.

By Mr. BROOKE:

S. 1481. A bill to reorganize the executive branch of the Government to establish a Department of Environment and Natural Resources, and for other purposes; to the Committee on Government Affairs.

Mr. BROOKE. Mr. President, the full Senate is about to begin consideration of the President's proposal to reorganize his Cabinet by creating a new Department of Energy. I certainly feel such a reorganization of the many energy agencies in our Government to be overdue. Our scattered governmental programs respecting energy use need to be consolidated and managed in a coherent manner. But I have become increasingly concerned that the interests related to resource development may become so powerful when they are consolidated in one place that countervailing considerations about how we should regulate and conserve our natural resources will be overwhelmed. Thus, I believe it is essential that we institutionalize the programs, functions, and concerns which relate to resource conservation. The Energy Department cannot possibly do this. Its chief function will be to oversee the management and development of the resources which our economy will need to consume in the years ahead.

Certainly, we have not had an efficient system for managing our common heritage of natural resources in the past few years. I think it is entirely appropriate that large parts of the Department of the Interior are being taken out of that Department and being put in the Energy Department. The Department of the Interior has been an umbrella for the past decade or so for concerns that compete with one another and which deserved to be heard individually rather than lumped together. Very legitimate debate and conflict over resource management issues has been muted and kept from the public because it was lost in bureaucratic competition between various departments representing different perspectives.

However, the consolidation of the energy functions leaves other natural resource programs scattered around the Government and weakened. For example, ocean-related activities are scattered among six departments. Not only is a wide range and large number of agencies involved in protecting our environment, but they are mainly managed by officials whose status will not be so high and whose powers will not be so broad as those of the new Secretary of Energy. What will remain at the Department of the Interior will essentially be a hodge-podge of resource management functions which in no way will be comprehensive or all inclusive. EPA and the Departments of Commerce, Agriculture and the Army have important resource management functions. Ocean resource management has no single, powerful advocate. Furthermore, even the committees of the Congress are not organized in such a way as to provide balanced and well-organized debate on natural resource management issues. The new Energy Committee in the Senate has no exact counterpart concerned with conservation and environmental protection. After all, the Environment Committee is really the Public Works and Environment Committee and has a great many development issues as primary concerns. Ever since we have considered congressional reorganization in the Senate, I have been discussing these issues with my colleagues on the floor of the Senate and my concern has rather deepened than lessened.

Therefore, Mr. President, I am today filing a bill to create a new Department of Environment and Natural Resources. This legislation assumes that the Department of Energy will have been organized by the time this Department of Environment is considered. Therefore, it mandates the consolidation of those functions which will remain under the Secretary of the Interior once the Department of Energy has been formed, the EPA and the National Oceans and Atmosphere Administration. Other conservation related functions such as the management of wetlands under powers which now are lodged either with the Secretary of Agriculture or the Secretary of the Army, are also transferred to this department.

Mr. President, I believe the creation of the job of Secretary of Environment and Natural Resources will put in the Cabinet of the United States, and therefore, at the side of the President of the United States, an advocate for conservation and thoughtful management of our many nonenergy natural resources such as our land, air, water and oceans. I further believe that putting such an advocate on an equal footing with the Secretary of Energy, who is charged with development responsibilities, as well as with the Secretary of Agriculture, who also is responsible for husbanding and developing other important natural resources, will permit a continuing counterbalance of power and opinion which can only strengthen and invigorate our resource management policies. The principle of charging coequal officials with the responsibility to criticize one another constructively and to work cooperatively, to achieve a balance of interests and powers has been a fundamental principle of the way we organize our Government. In spite of the many difficulties of managing a complicated democracy in which so many private and public interests compete freely, this kind of structure has often been the strongest protection for the wide variety of concerns and the best hope for effective management.

We are fortunate that in the years since the passage of the National Environmental Protection Act many parts of this Government have become engaged in regulating and managing the conservation of our natural resources. Many of these programs were experimental, all of them were new. And numerous existing programs began to realize that there were conservation issues related to their traditional activities. And public pressure was largely responsible for creating a general environmental awareness throughout the Government.

However, the flowering of these concerns at every level and in every sector of our public life has meant that these activities have been scattered and in some ways uncoordinated. It is time that we looked at the broad spectrum of conservation activities in the context of our new national understanding that we have an ecosystem in which our lands, our air, our water and oceans and all our natural resources are so closely interconnected both biologically and politically that programs dealing with one can never be handled in isolation from programs dealing with the others. It is both my basic principal concern that the conservationists viewpoint find clear expression in Government and my management-related concern regarding the efficiency with which our resource management and environmental protection programs are run that leads me to advocate the creation of the Department.

It is the purpose of this legislation that the Secretary of the Environment and Natural Resources become the individual in the Government who is responsible for implementing the purposes of the National Environment Protection Act. He or she is to report annually to the Congress the Nation's progress towards wiser use of our environment. In order to do so the Secretary will have to be responsible for a wide range of now-scattered functions.

I should add, Mr. President, that I myself have been debating for several months about which programs indeed clearly need to be transferred to the new agency. The legislation I am filing today omits two agencies which, after further deliberation the Congress may, in fact, wish to include in the new department. One is the Coast Guard, which lately has assumed a wide variety of regulatory functions aimed at protecting the marine

environment which constitute a significant change from its prior role of a police and life-saving force along our coasts. Another is the Forest Service of the U.S. Department of Agriculture whose functions currently involve both protection of our forests and timber resources and their cultivation for commercial use. Clearly, the functions of both these agencies are also crucial to the wise oversight of public lands and waters. However, the legislation I have written puts the major role for protection of wilderness, forests, and ocean resources under a new Secretary and mandates continuing coordination with the two agencies I have just mentioned. These issues and many others which will doubtless be raised, are ones that I am hopeful both the Congress and the public will debate fully. I must say my mind is open with respect to the exact form of the new agency. I am however, deeply convinced that it must be based on the three principal agencies, Department of the Interior, EPA, and NOAA, which form the central core of the new department.

Mr. President, I believe that the Nation is entering a new era in our awareness of the planet on which we live and the natural system of which the United States as a whole and our people as individuals are part. I see a new ethic of conservation of the precious common property resources God has given us. I see a new awareness that many actions have long lasting, far reaching consequences in our biosphere which impinge on others in a way that the initiator can often never imagine. In a few short years I believe we have gone through a period of social learning and human development which could not have been imagined. I think we have learned as a people, that we are inter-connected, that there is nowhere on the planet or in the solar system to throw anything "away".

We have not incorporated these understandings into our social and political arrangements but we do have time and we do have the ability to do so. I believe the time has come to formalize these concerns at the highest levels of government. The Government itself is steward for a large part of this continent's resources and it has related responsibilities to private holders and users of natural resources as well as to the world. This Government must develop a clearer understanding for itself, for the American people and for the world's people of how competing needs and demands on the world's ecology are going to be accommodated. And, once such policies and perceptions have been fully laid forth, this Government must have an institution which can implement them.

My legislation creating the Department of Environment and Natural Resources institutionalizes the conservation ethic and gives it the clout it deserves. I hope that the attention of the Congress and the Nation can soon be devoted to this vital undertaking.

Mr. President, I ask unanimous consent that a fact sheet on the bill be printed in the RECORD.

There being no objection, the factsheet was ordered to be printed in the RECORD, as follows:

FACTSHEET

Purpose: The Congress recognizes there is a national need to eliminate duplication and improve coordination in the management and regulation of the common environment, property resources and ocean resource heritage of the American people. Also, the Congress declares it essential that the Cabinet of the United States include a Secretary charged with creating and maintaining conditions under which man and nature can exist in productive harmony on land and sea, promoting efforts to prevent and eliminate damage to the environment and biosphere, and enriching the understanding of ecological systems and natural resources important to the Nation. The creation of a Cabinet level Department of Energy makes it especially urgent that a comparable unit of government charged with wise management of commonly-held resources other than energy be created forthwith.

Creation of the new Department: The Department of Environment and Natural Resources shall exercise:

Those powers now in the Department of the Interior which would otherwise remain in the Interior after the creation of a new Department of Energy.

Those powers now in the Environmental Protection Agency.

Those powers now in the National Oceans and Atmosphere Administration.

Those powers in the Department of Commerce related to Coastal Zone Management and Marine Mammal Protection.

Those powers in the Department of the Army and the Department of Agriculture related to wetlands areas, estuaries and offshore structures.

The Department of the Interior, the Environmental Protection Agency and the National Oceans and Atmosphere Administration are abolished.

The Secretary of the Department of Environment and Natural Resources is made primarily responsible for implementation of the National Environmental Policy Act of 1969.

Structures and Functions in the Department of Environment and Natural Resources: In addition to the Secretary, the Congress establishes the offices of:

Deputy Secretary and General Counsel.

Assistant Secretaries for Policy and Administration.

Assistant Secretary for Environmental Science and Research who will plan and coordinate environmental research and development and administer a new office of Energy Development Impact Assessment.

Assistant Secretary for Fish, Wildlife and Recreation who performs functions previously carried out by the counterpart in the Department of the Interior and administers Marine Mammal Protection Act (except parts related to cetaceans).

Assistant Secretary for Land and Water Resources who performs functions previously carried out by the counterpart in the Department of the Interior and administers a new Bureau of Coastal Zone Management.

Assistant Secretary for Oceans who will be responsible for all functions related to conservation and management of ocean resources including regulation of offshore dumping and offshore structures. He/She will also oversee a new Office of Ocean Vessel and Facilities Safety.

Assistant Secretary for Air Quality who shall administer all air quality functions previously performed by EPA.

Assistant Secretary for Water Quality who shall administer all water quality functions previously performed by EPA.

Assistant Secretary for Waste and Hazardous Materials who shall administer all solid waste, toxic substances, pesticides, radiation and noise pollution functions previously performed by EPA.

By Mr. DOMENICI:

S. 1482. A bill to provide for the recycling of used oil, and for other purposes; to the Committee on Environment and Public Works.

NATIONAL OIL RECYCLING ACT

Mr. DOMENICI. Mr. President, today I am reintroducing legislation to promote resource recovery and conservation to preserve and enhance the quality of air, water, and land resources by establishing an effective program to promote the recycling of used oil.

This measure would provide incentives for increasing the use of used oil.

Every year, over 1 billion gallons of used lubricating oil is available for recycling. Yet, according to recent studies, almost half of this amount is indiscriminately disposed of, most of it finding its way into our water systems.

In 1965 there were approximately 150 used oil rerefiners in the United States. Today, there are about 30 remaining. The production of rerefining has also drastically changed, from 300 million gallons in the 1960's to less than 100 million gallons today.

There are several major reasons contributing to the above-mentioned declines, relating primarily to Federal disincentives for the rerefining industry. Probably the action which has had the most effect on the decline in the rerefining industry took place in 1965, when the Excise Tax Reduction Act was enacted. Before this time, there had been a 6-cent-per-gallon tax levied on the manufacturers of lubricating oil which was paid by the first user of that oil. Since rerefiners were not required to pay this tax, they subsequently had a 6-cent-per-gallon competitive edge over oil refiners.

In 1965, however, the Internal Revenue Service ruled that since these funds were to go into the highway trust fund, off-highway users would be refunded the full 6-cent-per-gallon payment on virgin lubricating oils. In addition, IRS refused to allow tax rebates on any virgin oils that were to be blended with rerefined oil to meet user viscosity requirements. As a result, the rerefiner not only lost a 6-cent-per-gallon differential, but was penalized an additional 3 cents per gallon if he used a 50–50 blend of recycled oil with virgin oil.

Also, in 1965, the Federal Trade Commission ruled that all rerefined motor oils produced for sale to the public had to be labeled "previously used," implying an inferior product and having a definite effect on consumer sales.

The rerefining industry has been trying to run comparison tests and set standards in order to evaluate the overall performance records of virgin oils and rerefined oils. Meanwhile, Federal Government policies require that all Government purchases of oil must be new, regardless of the quality of the recycled oil.

Mr. President, the thrust of this bill is to help reestablish a more favorable economic climate for the recovery and rerefining of waste oil. Several approaches are taken which should provide incentive for competent operators to expand existing capacity or to enter the industry

in areas where no rerefining capacity exists now.

As an example, of incentives, the Federal and State governments would be encouraged to use recycled oil for Government contracts and military and nonmilitary users.

Mr. President, I believe that this bill fills an important gap in the current legislative effort to deal with our energy and environmental problems. The "National Oil Recycling Act" will strengthen the rerefining industry and increase the amount of waste oil rerefined. I ask unanimous consent that the bill be printed in its entirety in the RECORD at the conclusion of my remarks.

Mr. President, I also ask unanimous consent that an article which appeared in the Atlanta Journal and Constitution Sunday, April 17, 1977, entitled, "Huge Waste: Oil Down Drain" be printed in the RECORD.

There being no objection, the bill and article were ordered to be printed in the RECORD, as follows:

S. 1482

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Oil Recycling Act".

PURPOSES

SEC. 2. In view of the purposes of the Resource Conservation and Recovery Act of 1976 to promote resource recovery and conservation to preserve and enhance the quality of air, water, and land resources it is the purpose of this Act to establish an effective program to promote the recycling of used oil.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) the term "used oil" means all oil which has through use been contaminated by physical or chemical impurities which have not been removed by subsequent re-refining or other processing;

(2) the term "recycled oil" means used oil which has been re-refined or otherwise processed to remove the physical and chemical contaminants acquired through use, which by itself or when blended with new oil or additives is substantially identical or superior to new oil intended for the same purposes;

(3) the term "new oil" means all oil which has been refined from virgin oil and may or may not contain additives, but has never been used, and does not include used oil or recycled oil;

(4) the term "lubricating oil" means all oil regardless of origin, which—

(A) is suitable for use as a lubricant, or

(B) is sold for use as a lubricant;

(5) the term "hydraulic oil" means all oil which is used primarily to transmit power or pressure, but which may also serve lubricating and other functions;

(6) the term "cutting oil" means all oil which is used primarily in cutting, milling, and machining operations (including forging, drawing, rolling, shearing, punching, and stamping), but which may also serve lubricating and other functions;

(7) the term "fuel oil" means all oil which has been refined, re-refined, or otherwise processed for the purpose of being burned to produce heat;

(8) the term "automotive oil" means all oil, including lubricating oil and hydraulic oil, which is used in automobiles, trucks, buses, motorcycles, and all other motor vehicles which travel on roads and highways;

(9) the term "industrial oil" means all oil exclusive of virgin oil, fuel oil, oils used for cooking and medicinal purposes, and automobile oil, and includes, but is not limited to, lubricating oil, hydraulic oil, and cutting oil when such oils are not automotive oils;

(10) the term "used oil collector" means any person who controls a system which functions to retrieve or collect used oil for sale or transfer to oil recycling facilities, or for other methods or treatment or disposal;

(11) the term "used oil recycler" means any person who re-refines or otherwise processes used oil to remove its physical and chemical contaminants;

(12) the term "treatment" includes any activity or processing that blends used oil with virgin oil, removes contaminants from used oil or in any way changes the physical form or chemical composition of used oil; and

(13) the term "disposal" means the discharge, deposit, injection, dumping, spilling, leaking, or placing of any used oil into the air or on any land or water so that such used oil or any constituent thereof may enter the environment or be emitted into the air or discharged into any waters, including ground waters.

FEDERAL ENCOURAGEMENT OF THE USE OF RECYCLED OIL

SEC. 4. The Administrator of the Environmental Protection Agency, Federal Energy Administration, and the Secretary of Commerce, acting through the National Bureau of Standards, and all procuring agencies of the government, shall act within their authority to encourage the use of recycled oil. Such action shall include, but is not limited to—

(1) procuring recycled automotive and industrial oils for all military and nonmilitary Federal uses, within one year of passage of this act, while, to the maximum extent possible, maintaining satisfactory performance levels;

(2) requiring all persons contracting with the Federal Government to use recycled oil in performing such contracts where available at reasonable price;

(3) educating the Government and private sectors of the economy as to the merits of recycled oil, and the need for its use in order to reduce the drain on the Nation's oil reserves, conserve limited resources, and minimize the treatment or disposal of used oil in ways harmful to the environment;

(4) within one year of the enactment of this section, the General Services Administration, the Department of Defense, and all other Federal agencies shall revise their procurement regulations and specifications to comply with the intent of this section.

STATE REGULATION AND ENCOURAGEMENT

SEC. 5. (a) This Act shall in no way preempt State regulation of recycled oil or used oil disposal whenever such regulation provides for stricter control of recycled oil or used oil than provided for by Federal law.

(b) The States should encourage the use of recycled oil in order to accomplish the purpose of this Act. In order to qualify for Federal grants under section 11 of this Act, a State shall adopt laws, regulations, and administrative machinery which shall provide for, but not be limited to—

(1) requiring that used oil collectors obtain a State permit prior to engaging in used oil collecting activities, and such permits shall require, as a minimum, information pertaining to methods for collecting, storing, transferring treating and disposing of used oil, as well as the identity of used oil sources, purchases, transferees, and disposal sites;

(2) requiring that used oil recyclers obtain a State permit prior to engaging in recycling operations and such permits shall require, as a minimum, information identifying—

(A) the source and quantities of used oil to be acquired for recycling;

(B) the recycling facility's plant size and operating capacity;

(C) the specific recycling technologies to be utilized;

(D) the quantities and grades of recycled oil to be produced; and

(E) the methods of disposing of the waste byproducts;

(3) requiring the State to use recycled oil for all automotive and industrial uses of the State government, and require all parties contracting with the State to use recycled oil in the performance of such contracts;

(4) encouraging the use of recycled oil in retail sales of automobile oil;

(5) prohibiting the use of used oil as fuel oil or for the oiling of State roads, unless such oil has been processed to meet the minimum standards for such uses established by Federal and State pollution control laws; and

(6) educating the public and private sectors of the State as to the merits of recycled oil, and the need for its use in order to reduce the drain on the nation's oil reserves and minimize the treatment and disposal of used oil in ways harmful to the environment.

LABELING OF RECYCLED OIL

SEC. 6. (a) The Administrator of the Environmental Protection Agency shall by rule prescribe labeling standards applicable to containers of new oil, used oil, and recycled oil in order to carry out the purpose of this Act within one year of passage of this Act and consistent with the Resource Conservation and Recovery Act of 1976 and the Energy Policy and Conservation Act. Such labeling standards shall be designed to reduce to the maximum extent practicable environmental hazards and wasteful practices associated with the disposal of such oils after use.

RESTRICTIVE CONTRACTS PROHIBITED

SEC. 7. (a) It shall be unlawful for any person to enter into any contract or agreement where the intent of such contract or agreement is to discourage the recycling of used oil consistent with the label on the container of the used oil.

(b) Violations of subsection (a) are subject to a fine of $50,000 for each violation thereof, or imprisonment for a term not to exceed one year, or both.

RECORDS

SEC. 8. (a) Users of more than one hundred gallons of automotive and industrial lubricating and hydraulic oil per year shall maintain complete records of—

(1) the quantities and types of all lubricating and hydraulic oils purchased;

(2) the quantities and types of all lubricating and hydraulic oils consumed during use; and

(3) the quantities and types of all lubricating and hydraulic oils disposed of after use—

(A) by in-house recycling;

(B) by delivery to or pickup by used oil collectors or used oil recyclers; or

(C) by any other method of treatment or disposal.

(b) Used oil recyclers shall maintain complete records of—

(1) the quantities and types of all used oil acquired;

(2) the quantities and types of all new oil acquired for use in blending recycled oil;

(3) the quantities, types, and sources of sale or other disposal of all recycled oil produced; and

(4) the quantities, types, and places of disposal of all waste byproduct generated in the recycling process.

(c) Used oil collectors shall maintain complete records of—

(1) the quantities and types of used oil collected; and

(2) the quantities and types of used oil—

(A) delivered to recyclers; and

(B) otherwise treated or disposed (including the place of disposal).

(d) Records required to be kept by this section or any other provision of this Act shall be kept in accordance with regulations promulgated by the Secretary of the Treasury, and the Administrator of the Environmental Protection Agency acting jointly.

REPORTS

SEC. 8. The Administrator of the Environmental Protection Agency shall make reports to Congress not later than March 31 of each year, containing, but not limited to, the following information:

(1) the amount of automotive and lubricating and hydraulic oil sold throughout the United States each year;

(2) the amount of used oil recycled each year;

(3) the significance of used oil as a contributor to water pollution and other environmental problems; and

(4) the problems of the oil recycling industry (including new technological requirements and the necessity for tax incentives).

MANDATORY LICENSING

SEC. 9. Whenever the Administrator of the Environmental Protection Agency determines that—

(1) in implementing the provisions of this Act, a United States patent right not otherwise available is necessary to enable any person to comply with this Act;

(2) there are no reasonable alternative methods to accomplish this Act's purposes; and

(3) the unavailability of such patent right may result in a substantial lessening of competition or a tendency to create a monopoly in any line of the Nation's commerce;

the Administrator, through the Attorney General, may so certify to a district court of the United States, which may order the person owning the patent to license it on such reasonable terms as the court, after hearing, may determine.

PENALTIES AND ENFORCEMENT

SEC. 10. (a) Any person violating any provision of this Act which does not provide for specific penalties or punishment thereunder shall upon conviction thereof be guilty of a misdemeanor which shall be punishable by a term of six months in prison for each violation, or a fine of not to exceed $25,000, or both.

(b) It shall be the duty of the Attorney General to prosecute violations of this Act.

GRANTS AND APPROPRIATIONS

SEC. 11. (a) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1975, and for each succeeding fiscal year, $25,000,000 for Grants to the States to assist them in fulfilling the purposes and provisions of this Act. The Administrator of the Environmental Protection Agency shall make allotments to the States, not to exceed 10 cents per capita for any State based on the latest national census, when he has determined that they are in compliance with this Act. The Administrator shall prescribe regulations, pursuant to this Act, governing the expenditure of the allotments within one year of passage of this Act.

(b) There is hereby authorized to be appropriated for the fiscal year ending October 31, 1977 and for each succeeding fiscal year through the fiscal year ending October 31, 1980, $10,000,000 for the demonstration of new processes and technology to be used in the economical and ecological recycling of used oil. The Administrator of the Environmental Protection Agency may make grants of this money, pursuant to regulations and requirements he shall adopt, to private parties, or states, or use this money within the Environmental Protection Agency for the above purposes.

(c) There is hereby authorized to be appropriated for the fiscal year ending October 31, 1977, and for each succeeding year, through the fiscal year ending October 31, 1979, $10,000,000 for the development of reports, standards, and testing methods to implement the provisions of this Act.

AMENDMENTS TO INTERNAL REVENUE CODE

SEC. 12. (a) Subpart B of part III of subchapter A of chapter 32 of the Internal Revenue Code of 1954 (relating to lubricating oil) is amended to read as follows:

"Subpart B—Lubricating, Hydraulic, and Cutting Oils

"Sec. 4091. IMPOSITION OF TAX
"Sec. 4092. Definitions.
"Sec. 4093. Exemption of sales to producers.
"SEC. 4092. IMPOSITION OF TAX

"There is imposed on lubricating, hydraulic, and cutting oils (other than recycled oils) which are sold in the United States by the manufacturer or producer a tax of 6 cents per gallon, to be paid by the manufacturer or producer.

"SEC. 4092. DEFINITIONS.

"(a) CERTAIN VENDEES CONSIDERED MANUFACTURERS OR PRODUCERS.—For the purposes of this subpart, a vendee who purchases lubricating, hydraulic, or cutting oils exempt from tax under section 4093 is considered to be the manufacturer or producer of such oils.

"(b) LUBRICATING OIL.—The term 'lubricating oil' means all oil regardless of origin, which—

"(1) is suitable for use as a lubricant, or

"(2) is sold for use as a lubricant.

"(c) HYDRAULIC OIL.—The term 'hydraulic oil' means all oil which is used primarily to transmit power or pressure, but which may also serve lubricating and other functions.

"(d) CUTTING OIL.—The term 'cutting oil' means all oil which is used primarily in cutting, milling, and machining operations (including forging, drawing, rolling, shearing, punching, and stamping), but which may also serve lubricating and other functions.

"(e) RECYCLED OIL.—The term 'recycled oil' means used oil which has been re-refined, or otherwise processed to remove the physical and chemical contaminants acquired through use, which by itself or when blended with new oil or additives is substantially identical or superior to new oil intended for the same purposes.

"SEC. 4093. EXEMPTION OF SALES TO PRODUCERS

"Under regulations prescribed by the Secretary or his delegate, no tax shall be imposed under this subpart upon lubricating, hydraulic, or cutting oils sold to a manufacturer or producer of such oils for resale by him.".

(b) (1) Section 6424 of such Code (relating to lubricating oil not used in highway motor vehicles) is repealed.

(2) The item relating to section 6424 in the table of sections for subchapter B of chapter 65 of such Code is repealed.

(3) (A) Section 6675(a) is amended by striking out "6424 (relating to highway oil not used in highway motor vehicles),"; and

(B) Sections 7603, 7604, and 7605 are amended by striking out "6424(d)(2)," each place it appears therein.

(c) Section 39 of such Code (relating to certain uses of gasoline, special fuels, and lubricating oil) is amended—

(1) by inserting at the end of subsection (a)(2) the word "and";

(2) by striking out subsection (a)(3);

(3) by redesignating subsection (a)(4) as (a)(3); and

(4) by striking out "6424," and inserting "6424(g)," in subsection (c).

(d) The amendments made by this section apply to lubricating, hydraulic, and cutting oils sold on and after the first day of the first calendar quarter beginning more than thirty days after the date of enactment of this Act.

SEC. 13. Part IV subchapter I of the Internal Revenue Code of 1954 as amendment to add the following:

"Sec. 34(a) General Rule.

"There shall be allowed as a credit against the tax imposed by this chapter the sum of 3 cents for each gallon used of lubricating oil re-refined by a person.

"(b) Regulations. The Secretary or his delegate shall have power to adopt regulations implementing this section.

"(c) Definitions.

"(1) the term 're-refined' means any process which removes all or substantially all of the physical or chemical impurities present in used lubricating oil, and which restores used lubricating oil to its original quality.

"(2) the term 'used lubricating oil' means lubricating oil which has through use been contaminated by physical or chemical impurities which have not been removed by subsequent re-refining or other processing."

EFFECTIVE DATE

SEC. 14. The provisions of this Act, except as otherwise provided, shall be effective after ninety days following the date of enactment of this Act.

CAN BE RECYCLED—HUGE WASTE: OIL DOWN DRAIN

(By Andrew Mollison)

WASHINGTON.—Americans in the average week pour in storm sewers enough used motor oil, fully suitable for recycling, to change the oil in a quarter of a million cars.

A single large chemical plant near Pittsburgh pours 75,000 gallons of used process oil and 50,000 gallons of used lubricating oil annually into a treatment ditch, where half of it becomes hazardous sludge and the rest flows directly into a river.

That same plant incinerates another 10,000 gallons of used oil a year rather than separate it from other waste and sell it for 12 to 15 cents a gallon to recycling collectors.

Similar disposal methods waste over half of the more than one billion gallons of used automotive and industrial oils produced in the U.S. each year.

They form one part of the national mosaic of energy waste that President Carter hopes to shatter in nationwide television appeals this week in unveiling his energy program.

Used oil causes 44 per cent of the oil pollution in American rivers and harbors, according to the American Petroleum Institute.

The additive-packed lubricants dirty the air, contaminate farms and backyards and underground drinking water, clog sewage treatment plants and kill fish and the microorganisms that fish eat.

"It's really dumb," says Michael Willingham, the former Atlantan working on the used oil program at the Federal Energy Administration (FEA). "It is profitable to recycle waste oil, using present technology."

Oil recycling companies—known as re-refiners—could profitably buy waste oil, bathe it in acid and clay to remove the contaminants, add chemicals to restore it to high-quality lubrication standards, and sell it at a profit to factories or utilities or to jobbers serving discount stores.

This would cut the nation's need for expensive foreign crude oil by 35,000 to 50,000 gallons a day.

Instead, the re-refining business is "at its historical low point," admits Duane Ekedahl, Washington representative for the Association of Petroleum Re-refiners. From approximately 160 companies in 1961 and 48 com-

panies in 1971, the re-refining industry has dwindled to only 30 companies.

Instead of processing more than 300 million gallons a year of waste oil, as they did in the early 1960s, the re-refiners process less than 90 million gallons annually.

Changing buying patterns for motor oil played a part in the industry's decline.

Discouraged by poor results from some tests of re-refined motor oil, the Department of Defense in the late 1950s stopped buying such products.

The rest of the federal government—and the vast majority of city and state governments which also use Department of Defense bidding specifications—also stopped buying recycled oil.

Do-it-yourself oil changers, who buy almost half the automotive motor oil in the country (up from 7 per cent in 1961), show little interest in what the Federal Trade Commission insists must be labeled "used oil," although the same product—labeled "re-refined oil"—sells for premium prices in other countries.

Those purchasing switches also hurt the re-refining industry's supply.

Government agencies found it cheaper to dump their used oil, or use it for road or insect spray, rather than to save it for recycling, once they were freed from the usual "closed-loop" contracts under which they sold their used oil to the same company that sold them re-refined oil.

Part of the blame for the supply and demand bind falls on the waste oil industry itself, acknowledged Ekedahl, who says the shrinkage of the industry has since eliminated the shady operators who merely strained and repackaged used oil, rather than treat it properly for recycling.

"There were products that weren't properly re-refined," Ekedahl said. "But today that's a bum rap."

The low quality controls and a suspicion of all outsiders by re-refining entrepreneurs turned off a lot of potential customers and political allies.

This weakened the industry during its attempts, before the Arab oil embargo of 1973–74, to fight federal regulatory, taxing and purchasing decisions that inadvertently lowered the industry's profitability.

The embargo renewed interest in recycling of the waste oil.

But efforts to free the industry from those government-made restrictions have been hampered by a duplication of efforts among several agencies responsible for energy policy, and by budget-trimming decisions to limit funding.

When Willingham was assigned last November to the waste-oil project in the FEA, he found that a how-to-do-it kit for states and localities who want to encourage recycling "had been promised over and over again," but that "the kit that had been prepared . . . didn't answer any of their questions."

He said the FEA kit should be ready by the end of April.

A 1975 law ordered the National Bureau of Standards (NBS) to devise new, cheaper test procedures "for the determination of substantial equivalency of re-refined or otherwise processed used oil."

Donald A. Becker, head of the NBS study, had to scramble for funds redirected from other projects because Congress appropriated no money for it.

Fuel oil is a more acceptable competitive product than are lubricants for the major oil company officials who sit on the NBS oil standards advisory board.

"That could be very important for us," said Ekedahl, who said re-refiners hope that new NBS test standards will open up the possibility of sales to government agencies and environment-conscious industries by the end of the year.

Under another law, passed last year, the Department of Defense must drop its ban next year on recycled products, if they are safe and reliable, even if they cost slightly more than competing products.

"We know that if you do a good job of re-refining and use the proper additives, you will get a product that can be used," said Army chemist Thomas Bowen, who is involved in the tests on 16 selected recycled oils. "Our worry is how do you control quality."

The Commerce Department, the Energy Research and Development Administration and the General Services Administration all have programs to conserve used oil.

And one source in the Treasury Department said it will reconsider a pre-embargo taxing decision that took away a three-cent-per-gallon tax advantage for blended re-refined oil, and impose an excise tax on it that is three cents higher than that for most virgin oil.

ADDITIONAL COSPONSORS

S. 7

At the request of Mr. ROBERT C. BYRD, the Senator from Ohio (Mr. METZENBAUM) was added as a cosponsor of S. 7, the Surface Mining Control and Reclamation Act.

S. 126

At the request of Mr. ROBERT C. BYRD, the Senator from Illinois (Mr. STEVENSON), the Senator from New Mexico (Mr. SCHMITT), the Senator from Michigan (Mr. RIEGLE), the Senator from Montana (Mr. MELCHER), and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of S. 126, to reduce the hazards of earthquakes, and for other purposes.

S. 657

At the request of Mr. FORD, the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 657, the Earth Resources and Environmental Information Systems Act of 1977.

S. 694

At the request of Mr. KENNEDY, the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 694, to adjust the status of Indochinese refugees.

S. 972

At the request of Mr. NELSON, the Senator from Kentucky (Mr. HUDDLESTON) and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of S. 972, to authorize the Small Business Administration to make grants to support the development and operation of small business development centers in order to provide small business with management development, technical information, product planning and development, and domestic international market development.

S. 1034

At the request of Mr. HAYAKAWA, the Senator from Wyoming (Mr. HANSEN) was added as a cosponsor of S. 1034, to provide for a study of the effects of saccharin and for other purposes.

S. 1072

At the request of Mr. ROBERT C. BYRD, the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 1072, the universal voter registration bill.

S. 1273

At the request of Mr. ALLEN, the Senator from Wyoming (Mr. HANSEN) was added as a cosponsor of S. 1273, to authorize the Administrator of General Services to renegotiate certain contracts.

S. 1303

At the request of Mr. NELSON, the Senator from Maine (Mr. HATHAWAY) was added as a cosponsor of S. 1303, the Legal Services Corporation Act Amendments of 1977.

S. 1307

At the request of Mr. THURMOND, the Senator from Arizona (Mr. GOLDWATER), the Senator from North Carolina (Mr. HELMS), and the Senator from Utah (Mr. GARN) were added as cosponsors of S. 1307, to amend title 38 of the United States Code.

S. 1385

At the request of Mr. HELMS, the Senator from Oklahoma (Mr. BARTLETT) was added as a cosponsor of S. 1385, to amend title XVIII of the Social Security Act.

S. 1392

At the request of Mr. RIBICOFF, the Senator from Rhode Island (Mr. PELL) and the Senator from West Virginia (Mr. RANDOLPH) were added as cosponsors of S. 1392, to strengthen and improve the early screening, diagnosis, and treatment program.

S. 1436

At the request of Mr. CASE, the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1436, to authorize the Secretary of Agriculture to prohibit the availability of so-called junk food in food service areas during the time meals are served to children under the Child Nutrition Act of 1966 and the National School Lunch Act.

SENATE RESOLUTION 76

At the request of Mr. HAYAKAWA, the Senator from North Carolina (Mr. HELMS), the Senator from Texas (Mr. TOWER), and the Senator from Nebraska (Mr. CURTIS) were added as cosponsors of Senate Resolution 76, relating to unilateral regulations by the European Economic Community.

SENATE RESOLUTION 117

At the request of Mr. NELSON, the Senator from Hawaii (Mr. MATSUNAGA) was added as a cosponsor of Senate Resolution 117, to designate National Small Business Week.

AMENDMENT NO. 183

At the request of Mr. CULVER, the Senator from Minnesota (Mr. HUMPHREY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from South Dakota (Mr. ABOUREZK), and the Senator from Idaho (Mr. CHURCH) were added as cosponsors of amendment No. 183, intended to be proposed to S. 275, the Food and Ariculture Act of 1977.

SENATE RESOLUTION 166—SUBMISSION OF A RESOLUTION TO PROVIDE FOR THE REORGANIZATION OF ADMINISTRATIVE SERVICES OF THE SENATE

(Referred to the Committee on Rules and Administration.)

Mr. CULVER. Mr. President, I am submitting today with the Senator from Texas (Mr. BENTSEN) and the Senator

from Oregon (Mr. HATFIELD) a resolution creating a coordinated administrative management system for the Senate. This resolution would vest in a single Senate Administrator responsibility for providing support services and facilities, for preparing new budgeting, accounting and auditing systems for the Senate, and for determining priorities for space allocation and utilization. These functions are now scattered among a number of different offices. Consolidation should insure their provision with the greatest efficiency and at the lowest cost. In order to assure that services are provided in a manner both fair and responsive to the needs of Senators, the Administrator would act under the direction of a nine-person Administrative Council, representative of the Senate membership.

The establishment of such a coordinated administrative management system was the principal recommendation of the final report of the Commission on the Operation of the Senate. I had the honor in July of 1975 of proposing that this Commission be established because I believed that the Senate could benefit from an objective, independent analysis by informed, public-spirited citizens. This proposal received the active, bipartisan support of the Senate leadership and in September 1975, a panel of nine outstanding Americans with distinguished backgrounds in business, education, and government service was appointed by Senators Mansfield and Scott.

The Commission's membership included:

Harold E. Hughes, Chairman; former Governor of Iowa and former U.S. Senator;

Archie R. Dykes, Vice Chairman; chancellor, University of Kansas;

Willard L. Boyd, president, University of Iowa;

Robert P. Huefner, director, Institute of Government, University of Utah;

Juanita M. Kreps, then vice president, Duke University, and the current Secretary of Commerce;

Carl E. Sanders, former Governor of Georgia;

William H. Scott, partner, Peat, Marwick & Mitchell, Anchorage, Alaska;

J. Mark Trice, former Secretary of the Senate;

Wilson W. Wyatt, former mayor of Louisville, Ky.

And as ex officio members:

Francis R. Valeo, Secretary of the Senate;

Gerald W. Frank, administrative assistant to Senator MARK HATFIELD.

Vincent Rock was named staff director.

I know that my colleagues would want to join me in expressing appreciation to the Commission members and staff for the energy and careful attention which they brought to their task. I am confident that their efforts will help create a more efficient and productive Senate.

Creation of the Commission represented the first time in its history that the Senate had invited an outside group to examine its internal operations. This review was a logical counterpart to the committee established to reform the Senate committee structure. As an Iowan, I was especially pleased that former Governor and Senator Harold Hughes of our State was chosen as Commission Chairman and that Willard Boyd, president of the University of Iowa, was among its members.

For more than a year, the Commission made a thorough, impartial review of the entire range of Senate operations, from scheduling procedures to techniques of oversight to the use of support agencies such as the Congressional Budget Office. In its final report, the Commission made recommendations for improvements in the utilization of space and time, in the performance of the Senate's responsibilities for oversight and legislation, and in the quality of its communications with the public. I believe that these recommendations offer thoughtful and imaginative suggestions for increasing the ability of this institution to fulfill its constitutional obligations.

One of the key findings of the Commission was that the Senate's administrative management structure was inadequate. At its outset in the 18th century, the Senate could operate in an informal, collegial fashion. As the Nation grew and the pace of history accelerated, its responsibilities and needs similarly expanded and support services to aid Senators were added by a process of accretion. The result is that while the Senate today is of necessity a modern, complex institution, the provision of its administrative services—personnel, accounting, budgeting, office management—is inefficient and disorganized. Responsibility for routine services is often fragmented among different offices. New Senators and their staffs are startled to discover, for example, that office furniture and office equipment are handled by different agencies, and that the bells on clocks and the works on clocks are not repaired by the same shop. Administration of the stationery store rests with an officer of the Senate while a Senate committee must approve each item in its inventory. In some cases, so diffuse is the dispersion of authority that fundamental management requirements are overlooked. An officer of the Senate, an official appointed by the President, and a Senate committee each has control over some aspect of the assignment of space, yet none of these offices or any other can report what space exists for Senators or how it is currently being used. An institutional historian could probably find precedents, perhaps even an arcane logic, to explain how the current division of responsibility came to be, but this would neither justify nor remedy the situation. The essence of that situation was well stated by the Commission in its final report:

> An inadequate administrative structure is one of the Senates most severe problems. . . . Improved administration would greatly facilitate the substantive activities of the Senate.

Mr. President, the resolution which Senators BENTSEN and HATFIELD and I are submitting today is intended to rationalize the administrative management of the Senate. To that end, it is premised upon the two major features of the Commission's recommendation in this area. The first of these is that administrative services should be consolidated under a single Administrator with clear lines of authority and responsibility for initiating modern management systems for personnel, budgeting, accounting, auditing, and similar functions. In addition, the Administrator would reorganize and maintain existing technical and administrative services, monitor services provided jointly to the House and Senate, and establish priorities for the use of space in the Senate office buildings and the Senate wing of the Capitol.

The second principal feature of the Commission's recommendation is that the Administrator should be accountable to the Senate, through a council of Senators, for the performance of his duties. Recognizing that management is an important part of leadership responsibility and that the Committee on Rules and Administration has and should maintain jurisdiction for policy decisions upon which administrative services are based, the Commission urged membership for representatives of these groups. Accordingly, the resolution we introduce today would place on an administrative council the majority and minority leaders, the assistant majority leader, and the chairman and ranking minority member of the Rules Committee. In addition, our resolution acknowledges the importance of administrative management to all Senators and the preponderance in this institution of Senators with relatively little seniority. It does this by assigning four places on the Administrative Council to Senators in their first 12 years of service. Specifically a Democrat and Republican each from Senators in their first term and those in their second term shall be nominated by their peers and elected by the full Senate party membership. I believe that the nine-member council which results will be truly representative of the Senate as a whole.

One additional point which ought to be made very clear is that urging the need for improvements in the system of administrative management in the Senate implies no criticism of any of the Senate officers or other administrators who currently help to manage the Senate's business. My own experience has been one of courteous and capable assistance from the Sergeant-at-Arms, the Secretary of the Senate, and other officials who provide our support services. I am sure that my colleagues feel the same way. In fact, it is a tribute to their abilities and efforts that the Senate has operated as smoothly as it has.

It is evident, too, that the experience and expertise of the current Sergeant-at-Arms, Mr. Hoffman, and Secretary of the Senate, Mr. Kimmitt, will play a vital role in moving to a new management system. The present system has excellent administrative officials operating within a very inadequate management structure. The limitations of a system place very real constraints on what can be accomplished by even the most capable individuals. However, the obverse of this case is equally valid. No system, no matter how carefully designed, will ex-

ceed the quality of the individuals responsible for it.

The changes which the resolution calls for will not be made easily or quickly. There will inevitably be a period of transition and the guidance of the Sergeant-at-Arms and the Secretary of the Senate will be needed to make this transition work. This, of course, is in full keeping with the intent of the Commission on the Operation of the Senate. It suggested, for example, in its final report, that the Secretary of the Senate serve as executive secretary to the Administrative Council. I know from conversations with members of the Commission that they felt strongly that the background and judgment of the Sergeant-at-Arms would be critical in directing any incoming Senate Administrator as he begins his difficult task. I am confident that a working system can be devised which utilizes the abilities of these officers.

We all recognize, Mr. President, that internal management reform lacks the intrinsic public interest and immediacy of other issues which this body considers. It is, however, essential if the Senate is to address those urgent issues in the most capable fashion. I am hopeful that the Senate will be able to act promptly and affirmatively on this resolution.

I ask unanimous consent that the text of the resolution be printed in the RECORD at the conclusion of its sponsors' remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, the Senate of the United States faces a staggering workload which generates ever-increasing pressures on the time of Senators and their staff. In the Senate, to be effective is to be efficient. There is not a Member of this body who can afford the luxury of wasted time or effort.

Each of us, in his own office, devotes a substantial amount of time and energy to the development of efficient administrative procedures. Indeed, the Senate does not confine its zeal for efficiency and economy of operation to its own house. We are constantly exhorting the administration and the bureaucracy to look for ways to eliminate wasteful practice and better serve the public interest.

In focusing our attention on the microcosm of our own offices and the larger world of the Federal bureaucracy, I would submit that we have overlooked certain inefficiencies in the administration of the Senate as a whole. Despite the best efforts of talented and dedicated Senate officers, simple housekeeping tasks—the installation of telephones, hanging pictures, arranging for more modern, space-efficient furniture—tend to become difficult and time consuming. As a result, our attention is diverted from the more pressing business of the Senate.

In many respects, the Senate is administered under a system rooted in the 19th century. True, the system has evolved; we no longer subscribe to the green eye shade and ledger theory of management. But the efficient performance of our work is still handicapped by a series of overlapping, inconsistent, illogical jurisdictions. We lack an ability to plan ahead for future needs, an ability that would be a clear requirement for any successful commercial establishment.

It is no secret that space is at a premium in the Senate. Many of our staff members work under crowded, difficult conditions. We are spending $83 million to expand the Dirksen Office Building, yet no clear priorities for space have been established and publicly reviewed.

The report of the Commission on the operation of the Senate released last year makes a compelling case for administrative reform. It highlights inefficient administrative practices and points out that improved administration would greatly facilitate the substantive activities of the Senate. It is critical of our inability to plan for the future, and it suggests that we pay for services we do not receive.

I want to emphasize that my remarks are not intended to detract in any way from the ability, the initiative, or the dedication of the Secretary of the Senate and the Sergeant at Arms. They are doing the best they can to make a creaky, patched-up apparatus serve the public interest. The Senate has impressive human assets, but is shackled by an antiquated system of administration.

The legislation I am cosponsoring today is not directed at anyone. It will not impinge on the operation of Senators' personal offices. Its sole purpose is to give the Senate the tools to do its job more efficiently by enabling it to utilize the advantages of 20th century administrative practices.

Ours is a simple plan. The resolution would establish a nine-member administrative council, composed of five members of the leadership and four first- and second-term Senators. It would also set up the post of Senate Administrator, thereby identifying a single official charged with ultimately managing all administrative and support services.

The Senate Administrator would be appointed and removed by the Administrative Council. The Administrator would develop plans for reorganizing current administrative functions, developing new budgeting and accounting procedures and auditing systems. The Administrator would provide technical and administrative support services to Senators and committees, determine space use priorities—with the approval of the Administrative Council—and monitor the administration of certain joint services.

It is clear to me that this type of reorganization cannot be accomplished overnight. The success of this reorganization will come through careful preparation and planning. In this regard, I foresee the merit in having a substantial period of transition from our current administrative system to this streamlined system. During this crucial transition period, the newly selected Administrator would benefit from the direction and consultation of the Senate Sergeant at Arms who has taken such a concerned leadership role in improving the services provided by his office. The Sergeant at Arms is in a unique position to provide a sensitivity to the political reality of the Senate as well as a commitment to modern management. Clearly, the Senate should capitalize on the talents of the current Sergeant at Arms in this transition process by placing the new Administrator under his direction.

It is also clear to me that the report of the Commission on the Operation of the Senate was correct in noting the important role to be played by the Secretary of the Senate in this new administrative system. As suggested by the Commission report, the Secretary could also serve as Executive Secretary to the Administrative Council. In this position, the Secretary of the Senate would be able to contribute his valuable experience and expertise to the members of the Administrative Council in assisting them with their work.

In short, Mr. President, I feel that this effort, if taken slowly, with the full and able participation of our current officers of the Senate, will meet the administrative deficiencies identified by the report of the Commission on the Operation of the Senate.

I think the need for reform is apparent. The Senate should be prepared to assess its own operation with the same criteria it applies to other agencies of the Government. The people of the United States have every right to demand the most efficient and effective Senate possible.

I intend to make the resolution a priority item of legislation in this session of Congress, and I believe many of the cosponsors feel the same way. I hope this legislation will receive the prompt and sympathetic consideration of the Senate.

The text of the resolution follows:

S. RES. 166

Resolved, That this Resolution may be cited as the "Senate Administrative Reorganization Resolution of 1977".

DEFINITIONS

SEC. 2. For purposes of this Resolution—

(1) The term "Administrator" means the Administrator of the Senate.

(2) The term "Administrative Office" means the Administrative Office of the Senate established by section 3.

(3) The term "Administrative Council" means the Administrative Council of the Senate established by section 4.

ADMINISTRATIVE OFFICE; ADMINISTRATOR

SEC. 3. (a) There is established an office of the Senate to be known as the "Administrative Office of the Senate". The Administrative Office shall be headed by an Administrator of the Senate who shall be appointed by, and may be removed by, the Administrative Council. The Administrator shall be appointed without regard to political affiliation and solely on the basis of fitness to perform the duties of the Administrator. The Administrator shall receive compensation at an annual rate fixed by the Administrative Council.

(b) With the approval of the Administrative Council, the Administrator shall appoint and fix the compensation of such personnel as may be necessary to carry out the duties and functions of the Administrative Office. All personnel of the Administrative Office

shall be appointed without regard to political affiliation and solely on the basis of fitness to perform their duties. The Administrator shall prescribe the duties and responsibilities of the personnel of the Administrative office, and may delegate to them authority to perform any of the duties, powers, and functions imposed on the Administrative Office or on the Administrator.

(c) In carrying out the duties and functions of the Administrative Office, the Administrator may procure the temporary (not to exceed one year) or intermittent services of experts or consultants or organizations thereof by contract as independent contractors, or, in the case of individual experts or consultants, by employment at rates of pay not in excess of the daily equivalent of the highest rate of pay of a member of the staff of a committee of the Senate.

(d) For a period of not exceeding 12 months following the date of the enactment of this Act, the expenses of the Administrative Office shall be paid from the contingent fund of the Senate in accordance with the paragraph relating to the contingent fund of the Senate under the heading "UNDER LEGISLATIVE" in the Act of October 1, 1888 (28 Stat. 546; 2 U.S.C. 68), and upon vouchers approved by the Administrator, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADMINISTRATIVE COUNCIL

SEC. 4. (a) There is established an Administrative Council of the Senate which shall consist of—

(1) the Majority Leader, Assistant Majority Leader, and Minority Leader of the Senate;

(2) the chairman and ranking minority member of the Committee on Rules and Administration of the Senate;

(3) two Senators who are members of the majority party and two Senators who are members of the minority party, selected as provided in subsection (b).

The Majority Leader shall serve as the chairman of the Administrative Council.

(b)(1) One member of the Administrative Council who is a member of the majority party and one member who is a member of the minority party shall be a Senator, who at the time of his selection, has served in the Senate for less than six years. He shall be nominated by Senators of his party who have served in the Senate for less than six years and shall be elected by all Senators of that party.

(2) One member of the Administrative Council who is a member of the majority party and one member who is a member of the minority party shall be a Senator who, at the time of his election, has served in the Senate for more than six but less than twelve years. He shall be nominated by Senators of his party who have served in the Senate for more than six but less than twelve years and shall be elected by all Senators of that party.

(3) A Senator elected under paragraph (1) may not serve as a member of the Administrative Council elected under such paragraph after he has served in the Senate for six years, and, if he has served as such a member for more than two years, shall not be eligible for election under paragraph (2). A Senator elected under paragraph (2) may not serve as a member of the Administrative Council elected under such paragraph, after he has served in the Senate for twelve years.

(c) A quorum of the Administrative Council shall consist of five members and the concurrence of at least five members shall be necessary for the appointment and removal of the Administrator.

(d) The Administrative Council shall supervise the Administrator, shall review the quarterly reports made by the Administrator pursuant to section 5(e), and may direct the Administrator to identify such problems and carry out such studies as it finds necessary or desirable.

(e) The Administrative Council shall review the plans submitted by the Administrator under sections 5(b)(1) and (2) and the review and recodification submitted by the Administrator under section 5(c) and, after approving such plans and such review and recodification with such modifications as it considers desirable, submit them to the appropriate committees of the Senate.

DUTIES AND FUNCTIONS OF ADMINISTRATOR

SEC. 5. (a) It shall be the duty and function of the Administrator—

(1) to furnish and maintain all administrative and support services and facilities which may hereafter be transferred to, conferred upon, or delegated to him;

(2) upon request, to provide technical services to Senators and Senate committees;

(3) with the approval of the Administrative Council, to determine the priorities of use of space in the Senate office buildings and the Senate wing of the Capitol and assign such space (including office space) for the use of Senators and committees and other offices of the Senate; and

(4) to monitor the administration of those services provided for the Senate which are provided jointly for the Senate and the House of Representatives.

(b) In addition to the duties and functions prescribed by subsection (a), the Administrator shall—

(1) prepare plans for reorganizing the administrative and support services and facilities provided for the Senate and submit such plans to the Administrative Council;

(2) prepare plans for new budgeting, accounting, and auditing systems for the Senate and submit such plans to the Administrative Council; and

(3) engage in such studies and prepare such plans as may be directed by the Administrative Council.

(c) The Administrator shall prepare a general review and a recodification of the laws and rules and standing orders of the Senate relating to the provision of administrative services and facilities for the Senate, and submit such review and recodification to the Administrative Council.

(d) The Administrator shall, at the request of Senators, furnish information with respect to the basis of plans relating to the provision of administrative goods and services.

(e) The Administrator shall develop a system for personnel records, and guidelines for pay, benefits, and conditions of employment, for employees of the Administrative Office and its subdivisions.

(f) The Administrator shall report to the Administrative Council within 15 days after the close of each calendar quarter on the operations of the Administrative Office during such calendar quarter. Such reports shall include information on administrative goals, work underway, and problems encountered.

AMENDMENTS SUBMITTED FOR PRINTING

AMENDMENT OF THE STANDING RULES OF THE SENATE—SENATE RESOLUTION 5

AMENDMENTS NOS. 256, 257, AND 258

(Ordered to be printed and to lie on the table.)

Mr. ROBERT C. BYRD (for himself, Mr. ALLEN, and Mr. HELMS) submitted three amendments intended to be proposed by them jointly to the resolution (S. Res. 5) to amend the Standing Rules of the Senate.

AMENDMENTS NOS. 260 THROUGH 266

(Ordered to be printed and to lie on the table.)

Mr. GRIFFIN (for himself and Mr. BAKER) submitted seven amendments intended to be proposed by them jointly to the resolution (S. Res. 5), supra.

REGULATION OF SURFACE MINING OPERATIONS—S. 7

AMENDMENT NO. 259

(Ordered to be printed and to lie on the table.)

Mr. FORD. Mr. President, the full energy and Natural Resources Committee has approved an amendment to S. 7 that exempts small coal operators from certain provisions of the bill for 30 months following enactment. The committee amendment requires that this extension of time pertains only to operations conducted under a permit issued before the date of enactment of the bill.

A question has been raised as to whether this provision would allow coal operations to split up into smaller subsidiaries, each of which would fall under the small operator definition. The amendment that I now propose would prohibit any such evasion of the intent of the committee amendment. My amendment specifies that the operation must be under a permit granted before May 2, 1977, the date that the full Energy and Natural Resources Committee ordered S. 7 reported.

ENERGY REORGANIZATION ACT—S. 826

AMENDMENT NO. 267

(Ordered to be printed and referred to the Committee on Governmental Affairs.)

Mr. DOMENICI. Mr. President, on behalf of Mr. SCHMITT and myself I am today submitting an amendment to the energy reorganization bill, S. 826. Our amendment is intended to assure that in the formulation of national energy policy due consideration is given to energy programs and plans previously adopted by the individual States.

It is abundantly clear that actions taken at the Federal level in the energy field in particular have a profound effect on the lives of all of our citizens, as well as on the future conduct of the business of State and local government. This is especially true for policy formulation, where national decisions about energy pricing and resource development will have a dramatic impact on individual and regional lifestyles. We are all aware of the impact on individuals of the many energy proposals presently pending before the Congress. Perhaps not so visible are the problems created for the various geographic regions of the country. The "boomtown" phenomenon in energy resource-rich portions

of the country is but one example of this regional impact.

In an effort to foresee and prepare for the twin impacts of growth and energy developments, States have, within the bounds of their own jurisdictional authority, utilized electric utility commissions, natural gas regulatory agencies, and State energy boards to provide a measure of planning and control to this process. These efforts are to be commended, and should not be lightly swept aside, or even worse, ignored, in the formulation and implementation of national policy.

Our amendment is designed to call this concern to the attention of the Secretary of Energy by: First, providing assurance that presently existing areas of State jurisdiction in the energy field are not altered by this legislation; and second, directing that, where practicable, due consideration is given to the needs of those States whose existing programs and plans are in conflict with national policy.

Mr. President, I hope my Senate colleagues will join with Senator SCHMITT and myself in assuring that this amendment becomes a part of the energy reorganization bill.

NOTICE OF HEARINGS

ENERGY AND ECONOMIC IMPACTS OF H.R. 13950

Mr. METCALF. Mr. President, there will be a hearing regarding the ICF, Inc., report entitled "Energy and Economic Impacts of H.R. 13950." This study was completed under contract for the Environmental Protection Agency and the Council on Environmental Quality. The hearing will be held on Wednesday, May 11, at 8:30 a.m. in room 3110, Dirksen Senate Office Building by the Subcommittee on Public Lands and Resources. Inquiries may be directed to Norman Williams, staff member of the Energy and Natural Resources Committee, at 224–5249.

ADVISORY COMMITTEE ON TIMBER SALES PROCEDURES

Mr. METCALF. Mr. President, I wish to announce, for the information of the Senate and the public, the scheduling of a hearing before the Subcommittee on Public Lands and Resources of the Committee on Energy and Natural Resources on S. 1360, a bill to establish an advisory committee on timber sales procedures.

The hearing is scheduled for May 18, 1977, beginning at 9:30 a.m. in room 3110 of the Dirksen Senate Office Building. Anyone who wishes to testify or who desires additional information concerning the hearing should phone Mr. Steven P. Quarles, counsel to the subcommittee, at 224–9894.

TITLE I OF S. 807, SMALL BUSINESS ENERGY RESEARCH INCENTIVES ACT

Mr. NELSON. Mr. President, I wish to announce that the Small Business Committee will hold hearings on title I, Small Business Act amendments, of S. 807, a bill to provide certain assistance to individuals and small business concerns in the areas of solar energy equipment and energy-related inventions. The hearings will be held on May 25 in room 235, Russell Office Building and on May 26, 424 Russell Office Building, beginning each day at 10 a.m. The Senator from New Hampshire (Mr. McINTYRE) will chair. Witnesses will be announced at a later date.

Further information can be obtained from the committee offices, room 424, Russell Office Building, telephone 224–5175.

VETERANS' LEGISLATION

Mr CRANSTON. Mr. President, the Committee on Veterans' Affairs plans to hold public hearings on Wednesday, May 25, to consider S. 247, S. 1414, and S. 129. S. 247 would extend veterans' benefits to members of the Women's Air Forces Service Pilots; S. 1414 would do the same for Signal Corps telephone operators of World War I; and S. 129 would restore recognition of wartime service to certain Filipino veterans of World War II.

The hearings will begin at 9:30 a.m. in room 318 of the Russell Senate Office Building. Persons wishing to testify should notify Mary Sears, associate counsel of the committee at 224–9126, by Tuesday, May 17.

SPECIAL COMMITTEE ON AGING

Mr. CHURCH. Mr. President, the Special Committee on Aging will conduct hearings on May 16, 17, 18 on the subject: "Health Care for Older Americans: the 'Alternatives' Issue."

Senator CHILES will conduct the hearings. Each hearing will begin at 10 a.m., in room 6226.

The hearings are intended to provide material needed to conduct an examination of progress being made in developing so-called alternatives to institutional care and the effectiveness of Federal policy in this area.

Witnesses on May 16 will discuss difficulties in providing noninstitutional care to older persons.

On May 17, testimony will focus on subjects for developing community-based networks of care.

The Department of Health, Education, and Welfare will discuss current policy on alternatives at the May 18 hearing.

SUBCOMMITTEE ON CRIMINAL LAWS AND PROCEDURES

Mr. McCLELLAN. Mr. President, I wish to announce for the information of the Members and the public that the Subcommittee on Criminal Laws and Procedures of the Committee on the Judiciary will hold open hearings on May 18–19, 1977, on S. 1382, a bill to establish criteria for the imposition of the sentence of death. The sole issue on which testimony will be taken during this hearing will be whether the provisions of the bill meet the constitutional requirements of recent Supreme Court decisions.

On May 18, the hearings will be held in room 2228, Dirksen Senate Office Building, and on May 19, in room 1318, Dirksen Senate Office Building. The hearings will commence each day at 10 a.m.

Additional information on the hearings is available from the staff in room 2204, DSOB, telephone AC 202–224–3281.

FOREIGN CURRENCY REPORTS

In accordance with the Mutual Security Act of 1954, as amended, the Secretary of the Senate herewith submits the following additional reports of the several committees of the Senate, concerning the foreign currencies and U.S. dollars utilized during the calendar year 1976 in connection with foreign travel:

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS (AMENDED REPORT) EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1976

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Amount brought forward			$22,342.35		$31,584.39		$571.91		$56,497.26
Birch E. Bayh: Iran	Rial		600.00		1,525.00				2,125.00
Total			22,942.35		33,109.39		571.91		58,622.26

RECAPITULATION

	Amount
Foreign currency (U.S. dollar equivalent), total	$58,622.26

JOHN L. McCLELLAN,
Chairman, Committee on Appropriations.

May 5, 1977.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL, COMMITTEE ON FOREIGN RELATIONS (AMENDED REPORT) EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1976

Name and country	Name of currency	Per diem: Foreign currency	Per diem: U.S. dollar equivalent or U.S. currency	Transportation: Foreign currency	Transportation: U.S. dollar equivalent or U.S. currency	Miscellaneous: Foreign currency	Miscellaneous: U.S. dollar equivalent or U.S. currency	Total: Foreign currency	Total: U.S. dollar equivalent or U.S. currency
Amount brought forward			$90, 228. 69		$123, 017. 32		$1, 971. 12		$215, 217. 13
Constance Freeman:									
Greece	Drachma	2, 045	55. 00	180	5. 00	542	15. 00	2, 767	75. 00
Pakistan	Rupee	3, 517. 5	351. 75			950	95. 00	4, 467. 5	446. 75
India	Rupee	1, 715	192. 00	19	2. 00	700	78. 00	2, 435	272. 00
Philippines	Peso	4, 868. 1	657. 83	951. 50	128. 55	700	94. 57	6, 519. 6	380. 95
Germany	Mark			12, 697. 15	5, 038. 51			12, 697. 15	5, 038. 51
Total			91, 485. 27		128, 191. 28		2, 253. 69		221, 930. 34

RECAPITULATION

	Amount
Foreign currency (U.S. dollar equivalent), total	$221, 930. 34

JOHN SPARKMAN,
Chairman, Committee on Foreign Relations.

Apr. 22, 1977.

ADDITIONAL STATEMENTS

THE FRUSTRATIONS OF THE SMALL BUSINESSMAN

Mr. TALMADGE. Mr. President, there appeared in the May issue of Nation's Business magazine an excellent article on Billy Carter and the "frustrations of the small businessman."

Billy Carter, in a way that has now become familiar to virtually all Americans, speaks out candidly and forcefully against big Government and its overzealous regulatory intrusions into the private sector. As usual, Mr. Carter does not pull any punches. I believe Mr. Carter reflects the frustration and the anger that is felt by millions of Americans today, especially businessmen who are trying to struggle to make a living and to provide badly-needed employment in the face of what increasingly seems to be overwhelming bureaucratic odds.

I bring this article to the attention of the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BILLY CARTER: FRUSTRATIONS OF THE SMALL BUSINESSMAN

William Alton Carter III, businessman, points to a stack of paper on his desk and says, "A lot of what they ask for in those government forms they send out is nobody's damned business."

Billy Carter, outspoken folk hero, points to his Amoco station down the street and wisecracks, "It's a beer joint—we sell gas as a sideline."

The public image of Billy Carter, brother of the President of the United States, is that of a hell-raising, hard-drinking, irreverent yokel. It is an image that he likes to project, but it is not necessarily the real Billy Carter.

SOUND AND SUCCESSFUL

When he assumes the role of William Alton Carter III, businessman, a role seldom captured in television or newspaper accounts, he is a no-nonsense, hard-driving executive.

He has helped propel a small, family-owned farm products enterprise into a thriving multimillion-dollar business. Much of this growth occurred while his older brother, Jimmy, was governor of Georgia or running for President.

"No matter what you read about Billy in the papers, he is a very sound and successful businessman," one of his business associates in Plains, Ga., says.

Billy Carter, who has just turned 40, is a self-made success. He learned the peanut business from the ground up. Unlike his famous brother, he had only a smattering of college. He has had plenty of practical experience, however. He can look at four tons of peanuts on a truck and tell you within 200 pounds what they weigh, and that is something you don't learn from schoolbooks.

PROBLEMS WITH BUREAUCRACY

In many ways, like other businessmen, small and big, Billy Carter is fed up with the Washington bureaucracy as it affects his business. The infectious Carter grin fades when he talks about worker safety and health laws, air pollution edicts, government paperwork, taxes, and unemployment compensation. The expression turns almost grim when welfare is mentioned.

Some of the problems which bother Billy Carter the businessman could be eased by Jimmy the President if the latter carries out some of the promises he made before and after his election.

Speaking of the Occupational Safety and Health Administration, a thorn in the side of most small businessmen, the President said recently: "If I can clean up the mess in OSHA, I can be reelected." The President also has launched an attack on government paperwork.

Billy Carter, who twice ran unsuccessfully for mayor of Plains, population 683, says he rarely discusses affairs of state with his brother.

"The only thing I'll raise hell with him about is agriculture," he says. Hesitating, he tones down his comment. "I won't say raise hell, but I have called Secretary Bergland [Secretary of Agriculture Bob Bergland] a couple of times."

PROBLEMS WITH OSHA

Operating the Carter warehouse, which buys, processes, stores, and markets peanuts and sells fertilizer, lime, and other farm products, has brought Billy Carter into conflict more than once with OSHA and with the federal Environmental Protection Agency. EPA inspectors from time to time have claimed the peanut shelling process has polluted Plains.

The President is well acquainted with Billy Carter's feelings in some of these areas.

"Jimmy knows what trouble I've had with pollution because I raised so much hell at the state level when he was governor," the younger brother asserts. "He knows how much I've had to spend on pollution."

CARTER FARM LEASED

The Carter family interests include the warehouse, in which the President has controlling interest, and Carter Farms, Inc., a 3,061-acre farm outside Plains which is owned jointly by seven members of the Carter family.

Under an agreement signed by President Carter shortly before his inauguration, the farm has been leased and the warehouse will be sold. The President's holdings in both properties have been turned over in trusteeship to Charles Kirbo, an Atlanta lawyer who is a close friend and adviser to the President. Billy Carter's livelihood depends on the family business, and President Carter has asked Mr. Kirbo to keep that in mind in whatever disposition is made of the properties.

Billy Carter told NATION'S BUSINESS he has been given first option to buy the warehouse, which already has attracted several potential buyers.

"I know what the warehouse is worth, so I'm not going to pay a premium for the Carter name," he says. "I've already got the name. In effect, the warehouse will be placed on the open market for sale, and it will be a straight business transaction."

The Carters spent about $1.2 million on warehouse improvements during the past two years, largely involving a new peanut shelling plant with facilities for additional storage.

"We simply could not meet OSHA requirements in the old plant," Billy Carter says.

Jimmy Carter, Annapolis graduate, designed the plant, and Billy Carter, onetime paint salesman and construction worker, supervised construction.

"That's where I got an education," Billy Carter explains. "I worked with the builders from the first day to the last so I could learn every inch of the operation. When it was finished, I trained the workers."

IRKSOME COMPLAINTS

He estimates that 22 percent of the spending on shelling equipment in the new plant—the total came to $800,000—was dictated by OSHA and EPA requirements. Despite that expense, he says, federal inspectors still are on his back with niggling complaints.

Pointing to the top of a grain elevator where the shelling operation starts, he says, "We had to spend $400 for some guardrails up there, but one man might go up there once a year."

At the peak of the processing season, in the fall, the Carter warehouse employs up to 75 men and women. The number of employees has been falling off as more and more labor-saving devices have been installed, and the trend can be expected to continue.

Unfortunately, the victims of the labor-

saving devices are some of the hard-core unemployed in the area.

PROBLEMS WITH MINIMUM WAGE

"Every time the minimum wage goes up, we have to lay off a few more people," Mr. Carter says. "I'd rather give these people jobs, but I have to look at costs."

At one time he had 24 women sorting peanuts by hand. Virtually all have been replaced by a series of electric eyes which sort the peanuts mechanically.

In the peanut shelling plant that was shut down because it could not meet OSHA requirements, there were jobs for about 35 men and women.

"We are doing five times more production in the new plant, and we can get by with 15 people," Mr. Carter says.

Billy Carter hired a student at a nearby school for problem learners to sweep the plant and do other odd jobs.

"I could have given jobs to five or six boys in that school if it weren't for the minimum wage," he comments.

He says he would favor a two-tiered minimum wage system in which teenagers could be hired at a lower rate.

"Actually, I would much prefer some kind of system where we could hire people at a lower figure and gradually raise them to the minimum wage," he says. "That way, we would have a chance to see if they can do the work, or even show up for work, before giving them a regular job.

"I'm really on the spot. Every time the minimum wage goes up, I have to raise my other employees. It's not fair to have your better employees making the same as those who don't put as much into their work."

He pauses a moment and laughs. "You know, I shouldn't be talking like this. Every time I say anything about the minimum wage, I get more hell. Especially from the unions. But I'm going to say it again. A lot of people simply aren't worth the minimum wage."

PROBLEMS WITH WELFARE

Billy Carter is convinced that Washington is to blame for some of the unemployment in this country, not only because of the minimum wage, but because of unrealistic, unsound, and sometimes ridiculous regulations on unemployment compensation and welfare.

"We have a lot of trouble in this area with welfare," he says. "In Sumter County we have as many people administering welfare and related programs as there are in the rest of the county government. Five years ago we had eight people handling welfare; now there are close to 60. They raise hell if people getting welfare go to work.

"Here's a good example of what I mean. I had a man working for me—a big, strapping fellow—who had some kind of chronic leg ulcer. He went to a new doctor who told him he had to stay off the leg for a couple of weeks. They put him on welfare. At that time the work was seasonal, and he was making as much on welfare as by working. That was 15 years ago.

"I see him every once in a while walking down the street. On Saturday afternoon he's drunk and raising hell. I finally complained to the welfare people, and you know what they told me? 'Well, we check him every Thursday afternoon, and he's always there sitting in a chair with his foot propped up.' I got mad. I said, 'Damn it, if I was drawing what you're paying him, I know damned well that one afternoon a week I'd sit there and watch television with my foot propped up when you come in.'

"The trouble with the welfare program is that the more people they have on the payroll the more they hire, and the more they hire the more the director gets."

Billy Carter is no less disenchanted with the way the jobless pay system is operated.

UNEMPLOYMENT PAY ABUSE

"Our unemployment compensation system is so much abused," he complains. "I guess we brought 50 people here from the state employment office this year when the rush season was on. I know of only one man who took a job and stayed on for a few weeks. The only thing most of them want to do is come out here and get us to sign the slip showing they applied for a job. Then they go back home and continue drawing benefits. We operate 60 and 70 hours a week in the rush season, so we had the jobs if people really wanted to work.

"When unemployment was at the highest, I needed a man to run a peanut drying machine. It would have paid $250 to $300 a week. I couldn't hire a single person. They would rather draw $90 in unemployment benefits every week and pick up food stamps at the same time."

FIRING CHALLENGED

Because of the jobless pay system, Billy Carter finds that firing can be as difficult as hiring.

Several times he caught one of his workers sleeping in the warehouse. On one occasion he had to send the man to the hospital, where an examination showed a heavy concentration of alcohol in his bloodstream. After repeated warnings, Mr. Carter let the worker go because, among other reasons, he worked around dangerous machinery.

State unemployment compensation officials objected to the firing, and Mr. Carter's contribution to the jobless pay system was increased as a result.

"I appealed, but the government ruled in the man's favor," Mr. Carter recalls. "They said that I had no proof the man was drunk on the job, that he was probably only sleeping. I even had the hospital report which showed the man's drunken condition."

TAX INSPECTORS CALL

Being the President's brother doesn't discourage visits by federal tax inspectors. Billy Carter interrupted his interview with a NATION'S BUSINESS editor when two Internal Revenue Service officials called at his warehouse office. Later he explains:

"They came to talk about an audit. Said we were selected at random for a complete check—my records, Mother's, the warehouse's, the service station's, Jimmy's, and the farm's. All six of us at one time—and at random.

"When I heard they were coming over, I put the word out in Atlanta that they'd have to get a court order if they wanted to see all these records. That shook 'em up. I won't do it, of course."

NO. 1 PROBLEM: GOVERNMENT

Ask Billy Carter what is the greatest problem the small businessman has to contend with and he answers with one word—government.

"No question about it, government at all levels, but especially at the federal level," he elaborates.

"I'm not going to deny that some of those OSHA and EPA regulations are good. They are. But I'm talking about all the ridiculous regulations we have to put up with.

"The major complaint I have is that 90 percent of the folks they send here to inspect us don't know anything. We have some kids right out of college who don't know a damned thing. I could tell them this [pointing to his bookcase] is a peanut sheller, and they wouldn't know the difference. The trouble is that they don't educate these inspectors before they send them out."

What, he is asked, would make OSHA and EPA more workable? His answer is simple: "A little common sense."

The Carter warehouse at one time ginned cotton for farmers in the area, but gave it up. Cotton ginning, like mechanical peanut shelling, is noisy, a circumstance which brought Billy Carter and OSHA into one of their confrontations.

WORKS MACHINERY HIMSELF

"All of the employees working around the gin had to wear earplugs," he explains. "So I had to do the ginning. You see, as the owner, there was no way I could be made to wear earplugs. There are about 80 electric motors on a cotton gin, and the only way you can tell when there is a problem is to hear it. You can't convince OSHA about things like that.

"I had to put in an expensive wall across the whole new shelling plant to cut down the noise. That wall is completely worthless for anything else."

After the plant was completed, OSHA ordered Billy Carter to install additional toilets as well as hot water in the washrooms.

"Now they're after me to put a couch in the women's washroom in case someone gets sick," he says. "Hell, I don't have room to put in any couches. So I told 'em to go to hell, and I haven't done it yet."

Does Billy Carter believe his brother will succeed in cutting back federal paperwork?

"I sure hope so."

TIME FILLING OUT FORMS

Until the federal government let up somewhat on some forms that had to be filled out and returned to Washington, according to Mr. Carter, his office staff was spending about 15 percent of their time filling them out.

"Some of these quarterly, semi-annual, and annual reports are a three and four-day job," he explains. "Some are almost impossible to fill out. I had some forms that had to be filled out by the 15th of the month, so for five days before the 15th we didn't do a thing but government paperwork."

Billy Carter says that much of the information sought by government agencies should be seen by only one agency, the Internal Revenue Service, if any.

"Take these crop reports and the agricultural census," he says. "A lot of them have to do with my finances. I don't like that information going through 40 government hands. Me, I'm kind of peculiar. I have six or seven bank accounts because I don't like everybody to know how much money I have in the bank.

"When they do these agricultural censuses, you can almost say the hell with everything else for almost a month because it's going to tie you up that long. I have to help the farmers who deal with us. The only place they can get the information to fill out their own census forms is right here. So we have to go through all our back records to satisfy the government. And you can't get out of it because it's required by law."

TAX REBATES—TOO COSTLY

Mr. Carter used to get a rebate from the State of Georgia for taxes he paid on diesel fuel for his tractors that bring in peanuts from the farms. The voluminous paperwork forced him to forgo the rebate.

"The cost of keeping the records and filling out the forms just wasn't worth it," he says. "Every time a tractor filled up with diesel, I had to send a man out to get a record of the transaction. At the end of the month we had to add everything up and fill out a five-page form. If that wasn't enough, the state had somebody down here asking us for proof. I lost about $50 a month, but it wasn't worth fooling with."

Like all businessmen, Billy Carter is hit by paperwork from all sides. In one EPA check of his new plant, inspectors came across a piece of peanut cleaning machinery which fell short of certain pollution control requirements.

"The permit I had to get to put in the controls was so complicated it cost me $200 just

to get the damned thing filled out," he recalls sourly.

Billy Carter has invested much effort in learning about business. That he has learned well is shown by the fact that the warehouse, during the six years he has been responsible for its daily operations, has seen gross sales shoot up from $1 million annually to $5 million.

BUSINESS STARTED IN 1930'S

Billy learned a lot about the business hanging around the warehouse as a child. He was extremely close to his father, Earl, who launched the business in the 1930's, selling fertilizer, lime, and general agricultural supplies, as well as storing peanuts and ginning cotton. When the elder Mr. Carter died, Billy was only 14, and Jimmy was forced to abandon a career in the Navy to return to Plains and take over the farm and warehouse.

Billy Carter, meanwhile, joined the Marines after graduation from Plains High School and spent four years in uniform, serving for a while in the Far East. He was 18 and on leave from Marine boot camp when he married his childhood sweetheart, Sybil, who was 16.

In 1959, when he was discharged, he tried a succession of jobs—construction work, selling paint in Macon—and enrolled for a brief period at Emory University in Atlanta. In 1962 he went to work with Jimmy at the warehouse.

BUSINESS IN GOOD HANDS

"Miss Lillian," as Jimmy's and Billy's mother is affectionately known around Plains, says the family business is in good hands.

"Billy is more popular with the farmers than Jimmy was," she says. "He's more down to earth. Despite what some people think, Billy is just as well read as Jimmy, and he is really smart. He's well loved, especially by the farmers and the newsmen. His only trouble is he cusses too much and drinks too much beer—but not on duty."

David Reeves, assistant manager of the Carter warehouse, says that "Billy knows everything about peanuts He can pick a peanut out of a truck and tell you the moisture content within five percent. Or he can pull a young peanut out of the ground and predict the maturity date within a week."

Ernest Turner, owner of Turner's Hardware and Department Store and chairman of the board of deacons at the Plains Baptist Church, was a partner in the fertilizer portion of the Carter warehouse business for almost 15 years.

Mr. Turner says

"Billy is a smart businessman He is very capable of running the family business. He gets along very well with the farmers and talks their language"

NOT A DEMOCRAT

While it may surprise some readers, Billy Carter does not consider himself a Democrat.

"Basically, I'm not political," he told Nation's Business "Basically, I'm not a Democrat I voted straight Democratic in the last election for the first time in my life. I vote for individuals, not party"

If Billy Carter is impressed by the political achievements of his older brother, he doesn't let on

"Yes, we chat every once in a while," he says. "But I let him call me, I don't call him"

What does he consider his brother's single greatest attribute?

"His determination to be a good President. I said in the beginning that if determination and hard work would get the presidency, he would be President. I was proved right.

"I'm not saying he'll be an extremely popular President, but he'll get things done They said he owes so much to the blacks and the unions that his hands will be tied. I guess you see who's raising the most hell since he got in: the blacks and the unions."

Billy Carter gives Jimmy Carter high marks for his performance so far.

"I think he's doing a good job, although I'm like everybody else—I'm not extremely happy with all his appointments. There's a couple of them I'd like to see fired."

He won't say who.

Although he ran twice for mayor of Plains—losing by six votes in 1972 and 19 last year—Billy Carter concedes he had little chance of winning "because I'd just as soon drink a beer out in the street."

TRANSFORMATION IN PLAINS

Actually, Billy Carter wanted to be mayor because he loves the town dearly.

He is saddened, frustrated, and angry over the sudden emergence of Plains as a tourist mecca.

"Plains has gone from a quiet little town to the biggest junk shop in the United States," he complains.

Virtually every store along block-long Main Street has been converted into a souvenir shop selling cheap mementos, some demeaning to America's first family. Three bus firms hustle tourists past landmark attractions—the homes of Miss Lillian, the President, Billy, and cousin Hugh Carter; Billy Carter's Amoco station; and, of course, the warehouse.

Tourists are pouring into Plains by the hundreds daily, their numbers to swell by the thousands this summer. There are no hotels or motels. Portable toilets have been installed in a small park. Real estate prices are skyrocketing.

BUSINESS HARDER TO RUN

Billy Carter is finding it harder and harder to run his businesses. He has lost his privacy. Tourists cluster around the Amoco station and the warehouse, waiting for a glimpse or an autograph. Visitors sometimes force their way into his office. He rarely goes to the station, once his favorite hangout.

"Sometimes, to conduct business, I have to go to my lawyer's office, or a beer joint down the road, or just jump in my truck and do business with people while we're driving around," Mr. Carter says.

Tourists tramp over his lawn at home. One demanded admittance at 7 a.m. one Sunday to take pictures inside. As a result of threatening letters, the younger of the six Carter children no longer are allowed to move about freely The Carters recently announced they would have to move out of Plains because of fear for the safety of their children. They have bought a house out in the countryside, 19 miles north of the town, and plan to begin living there this summer.

In a quiet way, Billy Carter is trying to diminish the onslaught on the character of Plains. He recently accepted appointment as one of three county assessors.

SELFISH AND UNSELFISH

"I did this for selfish and unselfish reasons," he explains. "Plains is basically a town of widows. Most of the people here are old and on fixed incomes. With land values shooting up the way they are, the taxes on these people's properties will go out of sight."

Mr Carter will, however, have to give up the assessor's job when he moves from Plains.

As an example of the rising value of property in Plains, he says he can get $1,500-a-month rent on a Main Street building he owns that brought only $40 a month three years ago.

Hiring lawyers out of his own pocket, Billy Carter has successfully fought five rezoning cases in which residential properties would have been made available for commercial development

He says he is convinced that, if the junkshop sprawl continues, "it will be impossible for the people who want to live here to stay, and the town will become a major rip-off spot for the tourists."

CIVIC PROJECTS

If he can't halt the proliferation of souvenir stands, he has at least found a way to convert some souvenir sales into civic betterment. For some years he has held a lease on the old Plains railroad depot, where his brother launched his presidential drive, and has used it to store lime and fertilizer. After the election he helped form a group called Plains Civic Projects—he is president and his wife is treasurer—which opened a souvenir shop in the station.

"Billy has insisted that all the profits be used for worthwhile civic projects," says Ralph Cornwell, a retired Sears, Roebuck merchandise manager who now runs the depot shop. "He'd like to take over one of the old buildings, for example, and show historic movies of this area to the tourists."

Mr. Cornwell says he met Billy Carter about 11 years ago, when he moved to Plains.

LIKES TO MAKE MONEY

"I am and still am very impressed with him. When it comes to money, he is a very serious man. And he is quick to accept ideas on how to make money. I remember he was looking for a cotton gin a few years ago, and I told him about one I had heard was for sale in Tampico, Mexico. He was way ahead of me. He had already contacted the Mexican government and was making plans to buy it."

Billy Carter has hired an agent to handle speaking requests and public appearances as well as to ward off scores of promoters who want him to join in ventures exploiting the Carter name.

AT WORK BY SIX

Except for the pressures imposed on him and his family by the hordes of tourists—"we used to get three a year, and two of them had just lost their way"—Billy Carter has resisted the presidential aura that touches all of the Carter clan, and he clings to his old life-style.

He is usually at his office no later than six in the morning He wears blue jeans or other work clothes. When he is not conducting warehouse business, there is always a coterie of good-old-boy friends who drop in for small talk. But he misses his old hangout, the Amoco station.

Washington leaves Billy Carter cold. The White House has no appeal for him. He would not find it difficult to choose between attending one of his brother's state dinners or drinking beer with his buddies.

"When Jimmy was governor I went to only one function," he recalls. "That was when he had a reception for the Vietnam prisoners of war. These things are too stiff. They don't turn me on at all."

Billy Carter sums up his feelings in a few words:

"I don't like to go anywhere if I can't get back the same night."

SHENANDOAH APPLE BLOSSOM FESTIVAL—50TH ANNIVERSARY

Mr. HARRY F. BRYD, JR. Mr. President, the Shenandoah Apple Blossom Festival commemorated on April 30 and May 1 of this year its 50th anniversary.

During the April 30 ceremony, the Reverend Robert W. Koons, pastor of the Grace Lutheran Church, Winchester, delivered a beautiful prayer, which impressed me so much that I want to share it with my colleagues:

Almighty God, we offer thanksgiving for the wonders of your creation—the blossoming, fruitful apple trees; all orchards and

fields, lakes and streams, mountains and seas: the beauty and bounty of it all.

We penitently confess our irreverence for the earth—the pollution of its air and water, the littering of its land, the ravaging of its resources: the wanton destruction of life.

We pray for the humble awareness that we are Your guests on this planet, that we are to care gently and responsibly for all that belongs to You, and especially that we are to safeguard and enhance the life of every human being on the face of the Earth: in the loving Spirit of Your Son Jesus, in whose name we pray. Amen.

HUBERT H. HUMPHREY

Mr. ANDERSON. Mr. President, my Minnesota colleague and good friend, Senator HUBERT HUMPHREY, was honored recently by the American Political Science Association.

The association added one more title to Mr. HUMPHREY's long list of recognitions—honorary fellow of the APSA's congressional fellowship program. Only two other Americans have been so honored in the history of the program.

Mr. President, it is very fitting that Minnesota's senior Senator was recognized in this way. Not only does his record in this great body include one significant legislative accomplishment after another during all his years of Senate service, but Senator HUMPHREY is also a magnificent embodiment of the great spirit of the Senate intended by the framers of the Constitution when they created this house of Congress.

He is vigorous in his approach to the great issues of the day, effective at the legislative interaction that produces progressive and humane law, sophisticated and knowledgeable in the substance and strategy of the Senate's purposes and processes, cognizant and respectful of the division between legislative and executive powers, and determined to make both work well in the interest of the American society. Above all, he is devoted to the people of this country in the letter and spirit of the Constitution's commitment.

Mr. President, the Nation has rarely seen a public official and Member of Congress with the supreme ability and sensitivity of HUBERT H. HUMPHREY. He is both a people's legislator and a legislator's legislator of the first order. The Congress could not better be honored than by the choice of HUBERT HUMPHREY as an honorary fellow by the American Political Science Association.

I respectfully ask unanimous consent to have printed in the RECORD an editorial from the Washington Star of Monday, May 9, 1977, entitled "Tribute to Hubert Humphrey."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRIBUTE TO HUBERT HUMPHREY

Hubert Humphrey didn't make it to the White House and he didn't make it to be majority leader of the Senate. But he keeps demonstrating how unquestionably he has made it to the top in everybody's esteem as a master of the arts of government and as a man to admire.

The latest evidence came the other night when a couple of hundred men and women who have served on the staffs of senators, House members and Congressional committees via the American Political Science Association's Congressional Fellowship program got together to make Sen. Humphrey an honorary Fellow. They've done that for only two other people—former Secretary of State Dean Acheson and D. B. Hardeman, an aide to former House Speaker Sam Rayburn. It was clear that they meant it to say a lot.

When the senator came to the podium, jaunty as ever in spite of the white hair and what his face tells of the illness he has survived, it was easy to see why. All the excitement and sheer fun of American politics were in the jokes about the Fellows who had worked for him—quite a few through the years. All the American zest and optimism that have given our approach to government its creativity were in the talk about political work done and political work still to be done.

It was a very Humphrey speech. No, not that it was too long—what an irony, anyway, that a politician should get in trouble for being too articulate! It was Humphrey in the way the ebullience encompassed a thoughtful man's ideas and a practical man's experience. That American sense of possibility, so different from kill-or-cure utopianism, was as dynamic when he was talking about our country as one that "exposes its limitations" as when he was harking back to his own origins in a poor Dakota farm town and marveling at what he had been able to do.

It would have been an appealing occasion if it had been merely a bit of recognition for a man who's been sick and stood up to important defeats. But it was something more as well. It was a warming of younger hands and hearts at a primordial flame.

CREEPING MARXISM

Mr. HELMS. Mr. President, many of President Carter's political initiatives during his first 100 days in office, we now learn, were suggested in a previously unpublicized 51-page memorandum that was recently made available to the Washington Post.

The memorandum, known as the "Initial Working Paper on Political Strategy," was written in December by Patrick H. Caddell, Mr. Carter's political pollster. It contains a number of policy recommendations to the President, among which is the suggestion that America abandon free enterprise and embark upon a bold new system.

Caddell wrote:

What we require is not stew, composed of bits and pieces of old politics, but a fundamentally new ideology . . . We desperately need an ideological "paradigm" to replace the "free market capitalist" model that we don't really want . . . American society needs some kind of direction.

A stew, yes. That is indeed an apt description of our mixed economy: heavy doses of Government, sprinklings of free enterprise for decoration, marinated in gobbledygook. But one wonders what Chef Caddell has in mind that is more palatable. Some form of socialism? Perhaps fascism? These will give us direction, whether we like it or not. Or maybe a return to the guide system of the preindustrial period.

Whatever Caddell is cooking up for the President, we can be sure it is a recipe for economic disaster; for there is no such thing as an economic system which will allow for more freedom and produce more abundance than the free enterprise system—at least not in this world.

Contrary to Caddell's spurious claims, what is required is not a new ideology but a deeper understanding of our economic system and a greater appreciation of the benefits derived from free enterprise. In my view, an acre in North Carolina is better than a principality in Utopia. Until the Caddells of this world learn this profound but simple truth, we shall continue to suffer the consequences of their delusions.

Marxism, the greatest delusion of our times, continues to attract followers, in spite of its inherent contradictions, its unhistorical view of man and society, and its false promises. And yet, as Prof. William H. Peterson of Campbell College in my State points out in a recent essay on "Thoughts for May Day, 1977," much of the Marxist ideology has already become a basic ingredient of our own economy—or "stew" as Caddell describes it.

Mr. President, I would like to share Dr. Peterson's timely essay with my colleagues, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

THOUGHTS FOR MAY DAY, 1977

(By William H. Peterson, Lundy Professor of Philosophy of Business, Campbell College, Buies Creek, N.C.)

Today is May Day, banner holiday for Communists and Socialists the world over, replete with huge parades, displays of military might, giant pictures of Marx, speeches denouncing capitalism and the decadent West—a propaganda extravaganza trumpeting the triumph of Marxism.

And it is a triumph, if for the West a rather dark one. Consider that Communist nations, from East Germany to the new Socialist Republic of Vietnam, constitute a human Red Sea of some 1.3 billion people, or about one-third of the world's population.

Consider, in addition, another large part of the Marxist world: the noncommunist, nonaligned yet socialist natons where democracy and "human rights" at least substantially still hold—countries like India, Britain, Scandinavia and large parts of South America, Africa and the rest of the world—perhaps around a billion people more.

Clearly the red tide, which only began in the 20th century, is really rolling. True, the tide is not homogeneous; Marxism is not monolithic. Still, over half of the world's population now look, more or less, to Karl Marx, the father of "scientific socialism," as their savior and guiding light, far more people than those who look to Jesus, Mohammed or Buddha. Marxism is overwhelmingly the predominant economic philosophy if not religion of our age. In historical perspective, capitalism is dying.

How did Marx and key Marxists like Lenin and Mao do it—i.e., conquer the world, or at least the lion's share of it? Why are they winning the battle for men's minds?

Insights to the answer can be found in a remarkable if slender 12,000-word tract, *The Communist Manifesto*. This is a sacred text, not unlike the Bible or the Koran, for hundreds of millions of people, and is translated into more than 30 languages. It is also a blueprint for action, a strategy for the Communist millenium. Yet the *Manifesto*, written by Karl Marx and Friedrich Engels, was published 129 years ago in 1848, just weeks before the revolutions that swept central Europe.

Consider its opening line which is just

as true today as it was then: "A spectre is haunting Europe—the spectre of Communism." For today Eastern Europe is enveloped. Tomorrow, Western Europe?

Or consider its view of history as but "the history of class struggles," or how it contends modern capitalism split society "into two great hostile camps, into two great classes directly facing each other: Bourgeoisie (the capitalists) and Proletariat (the workers).

Yet the *Manifesto* concedes: "The bourgeoisie, during its rule of scarce one hundred years, has created more massive and more colossal productive forces than have all preceding generations together."

What's wrong then? Mainly, the reason is the workers don't begin to get their fair share of productive income, which in *Das Kapital* (1867) Marx said is 100% (under his doctrine that labor creates *all* value). Instead, workers are subjected to "callous," "minimum" wages, to "naked, shameless, direct, brutal exploitation." Exploitation is equated with profits; profits are at the expense of wages.

The solution? Simple. It can "be summed up in a single sentence: Abolition of private property." The means are also simple: Revolution, "the forcible overthrow of all existing social conditions."

But—and what a but this is—the workers should first, if they can and where they can, i.e., country by country, "win the battle of democracy." They should use their "political supremacy to wrest, by degrees, all capital from the bourgeoisie, to centralize all instruments of production in the hands of the State, i.e."—and what an i.e this is—"of the proletariat organized as the ruling class." So the workers are advised to seek "despotic inroads on the rights of property."

Little wonder, then, at the triumph of Marxism. In one way or another, in one degree or another, all the ideas set forth in the *Manifesto* (such as "a heavy progressive or graduated income tax") have been variously adopted by governments throughout the world, with confusion if not chaos the frequent result.

In addition, world wars and world inflation have also made despotic inroads on the rights of property."

Marxists also seem to have triumphed by falsifying the relative shares that workers and owners receive in the division of national and corporate income Marxists have long contended that workers get as little as 20% of the income. But what are the facts? In 1976, according to U.S Commerce Department figures, American employees in both the private and public sectors got 76.2% of the national income. The division is even more striking in the case of corporate income. Here workers received 90.1% and owners 9.9% in the two-way, wages-profits split of divisible corporate income in 1976. In other words, the workers get close to the 100% demanded by Marx—but without Marxism and all that it portends

WELFARE REFORM—MYTHS AND FACTS

Mr. RIBICOFF. Mr. President, the more things change the more they stay the same. Five years ago I wrote an article for the Washington Post, Outlook section, on welfare reform. We were in the midst of the battle on the family assistance plan. In that article I attempted to dispel the myths about welfare because I and many others were concerned that welfare reform should be based on facts, not misconceptions.

Five years later the myths still abound. And these myths must be dispelled before a welfare reform plan is enacted.

I am pleased to see that Secretary of HEW, Joe Califano, is attempting to do just that. In his April 27, 1977, remarks before the Washington Press Club, he outlines the myths and tries to set the record straight.

I ask unanimous consent that Mr. Califano's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY JOSEPH A. CALIFANO, JR.

In a few days from now, President Carter will make his first major statement on welfare since his campaign.

In helping the President prepare for this statement, we have combed the country for suggestions and advice about welfare reform. Meetings and hearings were held throughout the Nation. I personally conducted a ten-hour public hearing. I have asked dozens and dozens of people about alternative reform proposals, sat through innumerable briefings, and received hundreds of letters.

I have been surprised and appalled by what I have heard and learned.

I have been surprised at some of the facts about poverty. The gap between the realities of poverty in America and the public perception of the poor population represents one of the major barriers to enactment of effective welfare reform. I have come to appreciate that any welfare reform proposal must rest on excruciatingly difficult choices on which opposing views are often intensely held.

I have also been appalled at the extent to which our present welfare system is anti-work and anti-family I have come to believe that President Carter understated the matter during the campaign when he characterized the present welfare system as a disgraceful mess.

What the welfare debate in this nation needs is blunt talk about real facts.

Past debates about welfare have too often focused on pernicious myths about the poor in America. These myths have been perpetrated and perpetuated by ignorance, by incoherent and demagogic discussion by public officials, and inadequate reporting by the media. It is imperative that the forthcoming national debate on welfare not focus on phony issues, false choices, or unrealistic expectations that have so clouded past discussions.

At the outset, we must work to dispel the myths and misconceptions concerning the poor and needy that have been, in large measure, responsible for the defeat of past reform measures. The real welfare problem may well be, in fact, the widespread lack of public understanding of what the welfare picture really is—a picture that is complex and inconveniently divergent from our conventional wisdom about it.

Five myths have come to distort public understanding of the poor and welfare.

Myth No. 1—The most pernicious and most widespread—is that people are poor because they don't work and don't want to work, that the welfare rolls are replete with lazy loafers.

The facts are quite different.

Nearly 71 percent of the 26 million poor individuals in the nation represent people that we do not normally ask to work: Children and young people under 16, the aged, the severely disabled, students, or mothers with children under six.

Nineteen percent of the poor population work either full-time or part-time. Thus, 90 percent of poor Americans either work full- or part-time, or are people no civilized society would force to work.

Some 8 per cent are women, most of whom have family responsibilities—mothers with children between 6 and 17, or wives.

Only two per cent of the 26 million poor people even resemble the mythical welfare stereotype—non-aged, non-disabled males who do not work. And Census figures indicate that most of this group is between 62 and 64, ill, or looking for work.

The facts are that the vast majority of household heads in poverty are working; that nearly a third work full-time, all year around, and still remain poor. The poor are poor, not because they won't and don't work; but because when they do work, they do not earn enough money to lift them out of poverty.

Myth No. 2 is that most of the poor are poor for life—that they represent a permanent stagnant group. The fact is that the poverty population is extremely fluid—with sizable numbers of people moving in and out of poverty with remarkable frequency. Each year about 7.5 to 10 million people move above the poverty line, and a like number become poor.

Over a six-year period (1967–1972), only 3% of the American population was poor in every one of those six years. More than one-fifth—21 per cent—of the American population were poor in at least one of those six years. So while the poverty percentage of the American population hovered around 11% during that period, in reality about twice that number of Americans—21 per cent—were in poverty for at least one year of that period. Moreover 30% to 40% of those who were poor in any given year are not poor the next year.

Most of the poor are poor, not because of some inherent character flaw or personal failing, but because of events they cannot control. And many of them do, in fact, regain higher incomes and climb back out of poverty.

Myth No. 3 is that the poor are mostly black and non-white. The fact is that 69 per cent of the American poor are white.

Myth No. 4 is that the poor don't know how to spend their money. The evidence we have shows that low-income people spend a somewhat greater proportion—about 88 per cent—of their income on food, clothing, housing, medical care and transportation than do people with higher incomes.

Myth No. 5 is that many welfare families receive payments that are far too high. The fact is that, in 24 states, the combined benefits of AFDC and food stamps total less than three-fourths of the official poverty income level. That level ($5,500 for a family of four in 1975) has increased along with the price level but has not been increased to reflect the changes in consumption patterns which have occurred since 1955.

These five myths distort the welfare debate and obscure the real problems of the current system. There is certainly no need to resort to myths to criticize our present welfare government assistance programs. These programs—presently costing some $40 billion in Federal funds—sorely need overhaul. There is a good deal of truth in the charge that present programs are anti-work, anti-father, and anti-family.

Many Americans are familiar with the man-in-the-house rule which has been so destructive of family life for decades. But to get a sense of how viciously anti-family and anti-work our present welfare system has become, try these two examples:

In Michigan, a two-parent family with two children, with the father working at the minimum wage, has a total income of $5,678 (including earnings, the earned income tax credit, food stamps and less FICA taxes) and has to pay his own medical bills. By contrast, a single parent family of 4, with a non-working mother on welfare, has a total income of $7,161 (including AFDC, food stamps, and the insurance value of Medicaid).

Should that Michigan mother decide to go to work at the minimum wage, her income rises to $9,530 (including earnings, the

earned income tax credit, AFDC food stamps and the insurance value of Medicaid, less FICA taxes).

The quickest way for that working father to increase his family's income under the Michigan welfare system is to leave his family.

Or take a family in Wisconsin where the father can make more money working halftime than full-time. Wisconsin's welfare system covers two-parent families. Thus, a family of four, with the father working halftime at the minimum wage, has a total income of $8,628 (including earnings, the earned income tax credit, AFDC-UF, food stamps, and the insurance value of Medicaid less FICA taxes).

But that father had better not go to work full-time or his income will drop by some $3,000. If he works full-time in Wisconsin at the minimum wage, his income is reduced to $5,691 (including earnings, earned income tax credit, food stamps, and less FICA taxes). He loses his AFDC–UF payments and his medicaid coverage.

As outrageous as these examples are, there are no simple solutions for dealing with welfare. The tradeoffs involved in designing welfare reform are tough, the choices are hard.

How do we set benefits at adequate assistance levels and introduce an overriding incentive to work?

What is the trade-off between fiscal relief and adequate benefits?

How rapidly should benefits be reduced as earnings rise? As the incentive to work increases, the program's cost and coverage rises rapidly.

Who should be eligible?

Which recipients should be required to work? To what degree, if any, should the government compel mothers with small children to work?

Should public jobs be guaranteed? If so, to whom: single, or two-parent, families with children over 6? 12? 16 or 18?

I believe welfare reform is politically possible. But political consensus requires an end to the widespread acceptance of myths about the poor. I hope the vigorous debate in the months ahead will be based on a realistic understanding of poverty in America and on realistic expectations of what government can do to ameliorate poverty's brutal impacts.

As the discussion continues between Congress, the States localities, and the Administration, I believe we can develop a welfare system that is efficient, fair, and compassionate—a system of jobs and assistance in the tradition of President Carter's campaign promises to reform welfare to reflect the good sense and common deceny of the American people.

LABOR, BUSINESS, AND MONEY—A POST-ELECTION ANALYSIS

Mr. LAXALT. Mr. President, organized labor is a political powerhouse. Its track record in recent elections has been most impressive. What is more, in view of recent proposals for public financing of congressional elections, it seems likely that the political pendulum could swing even further in organized labor's direction.

The campaign finance laws of 1974 and 1976 were intended to end the strong influence of special interests over our elections. Yet they have merely succeeded in helping some such interests at the expense of others.

Michael Malbin's "Labor, Business, and Money—A Post-Election Analysis," which appeared recently in the National Journal, is a superb study of this development, telling us both how it happened and providing some suggestions as to what might be done about it. I ask unanimous consent that the text of this article be printed in the RECORD for the information of my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LABOR, BUSINESS, AND MONEY—A POST-ELECTION ANALYSIS

(By Michael J. Malbin)

When Congress amended the campaign finance law in 1974 and 1976, the bills' supporters said they would bring an end to the days when special interests could have undue influence over elections.

It hasn't worked out that way.

The new law has eliminated some of the ways that money can influence politics. But the net result of limiting some contributors has been to increase the power of other big spenders who were permitted to operate as they always did.

The biggest winner was organized labor. The magnitude and sophistication of labor's efforts last year are even more impressive when stacked up against what others could do, particularly on the presidential level. Public financing for the general election campaign shut off private contributions to the two major presidential candidates. Contributions to the national party committees were permitted, but even this was limited. In contrast, labor was able to spend as much as it wanted to in communicating with union members and their families, registering them to vote and getting them to the polls.

While the total spending on these efforts cannot be determined with any precision, a conservative estimate of what they were worth to the ticket of Jimmy Carter and Walter F. Mondale is at least $8.5 million. Uncounted and unreported additional spending almost certainly pushed the total up to or over the $11 million mark, compared with the $21.8 million that the ticket legally was permitted to spend.

By comparison, the top 154 contributors in 1972 to the Committee for the Reelection of the President accounted for only a third of the money that Richard Nixon raised that year.

Some of the provisions of the 1974 and 1976 amendments to the campaign finance law also seemed to be favorable to business, and corporations, in fact, have been forming new political action committees at a remarkable pace in the past two years. But so far, most corporate committees have been cautious and have limited themselves to $500 or $1,000 gifts to incumbent Members of Congress from their own districts or to members of congressional committees that handle legislation important to them. But even if corporations were to give candidates the maximum legal gift of $5,000 per election, they never would match labor's unreported, in-kind contributions. Stockholders almost certainly would sue to prevent massive corporate activities on a par with labor's, even though such activities would not violate the campaign laws.

More important, electoral activities of business suffer from the same liabilities that business faces when it lobbies the government. Businesses often are successful when they concentrate on items that affect them directly, but they tend to dissipate their power when they deal with broader public issues that lack a single "business" point of view around which lobbyists or political action groups can coalesce. Even if there were, a company's specific interests are too important to permit it the luxury of not backing an incumbent because of the broader issues. In this respect, the activities of labor and business simply are not parallel.

Labor and business groups were not the only ones affected by the law, of course. Incumbents, professional fund raisers, ideological purists and wealthy candidates all had their positions enhanced by one or more of its provisions. But these people, even less than those in the business world, have few interests in common.

The net result has been that a law that appeared to be even-handed in theory has proven to be uneven in practice. With the virtual extinction of the individual big giver, a number of different groups appear to be the gainers in terms of political influence. But when the relative positions of these groups are assessed, labor comes out well ahead of the rest.

Labor, not surprisingly, supported the 1974 and 1976 amendments to the campaign finance law. For the future, it supports an extension of public financing to congressional elections and favors universal voter registration. Public financing could leave labor in as dominant a position on congressional elections as it was in 1976 on the presidential. Universal registration would permit labor to divert the resources it now applies to registration to such purposes as beefing up its communications and voter particapation programs. *(For high lights of the campaign finance law, see exhibit 1.)*

LABOR'S EFFORTS

Labor groups contributed $8.2 million to congressional candidates in 1976—an average of $17,500 per district—but that is only a small part of the whole picture.

Members of the labor movement are proud to say that their direct contributions are dwarfed by the rest of their effort, both in terms of the money and the volunteer work involved. "We don't think it's the money that's decisive. It's the services they imply," said Ben Albert, director of public relations for the AFL–CIO's Committee on Political Education (COPE).

But the money is at least a starting point—the necessary condition for labor's massive volunteer network. Victor Riesel, a syndicated labor columnist and frequent critic of labor's power in the electoral process, has asserted that unions spend eight or 10 times as much on political activity as they contribute directly to candidates.

Albert called Riesel "amateurish," but did not dispute his conclusion. He objected specifically to Riesel's failure to break labor's community and "political education" activities into their political and non-political components and to distinguish between the people working on COPE projects who are pure volunteers and those who receive strike benefits or other compensation. When asked for his own estimates, however, Albert refused to give any, saying that bookkeeping complexities made it impossible to do so.

Despite Albert's reticence in coming up with totals, one can identify a few of the bigger parts of the picture. At least four key items have to be included: communications with union members and their families advocating the election or defeat of specific candidates and reported to the Federal Election Commission (FEC), more general communications that escaped the election laws' reporting requirements, registration and voter participation campaigns, and overhead costs.

The 1976 amendments to the campaign finance law provide that a union's communications with its members or a corporation's communications with executive employees and stockholders are not contributions limited by the law. Labor used this exemption to great advantage during the presidential election, where private contributions were prohibited.

Labor legally could have spent its money on communications with the general public. Some labor leaders wanted to do this, but it was rejected. The political advantage of labor's internal communications is that they were but one part of a concerted campaign to convince union members that their vote for Jimmy Carter would make a difference.

Had the message been presented to the public at large without the other parts of the voter participation package, it would have been lost among the rest of the campaign verbiage, opponents said.

More important from a legal standpoint, communications with the general public are permissible under the law only if they are independent of and uncoordinated with the candidate's own activities and only if they are paid by voluntary contributions kept in a separate fund instead of by union dues. To have qualified for these "independent expenditures," labor would have had to sever the intimate ties it had built up with the Carter campaign. This would have damaged the efficacy of the voter participation program and lessened labor's future access to the White House.

By the time the campaign was over, it became difficult to distinguish labor's efforts from those of the Democratic National Committee (DNC) or Carter. COPE research director Mary Zon, for example, was paid by the Carter campaign to serve three days a week as its liaison with labor groups. The DNC's 42-member campaign steering committee included COPE national director Alexander E. Barkan, International Association of Machinists and Aerospace Workers president Floyd E. Smith and United Auto Workers (UAW) president Leonard Woodcock.

This network enabled the DNC and organized labor to target their efforts in a manner that best fit the Carter campaign strategy. It meant that registration efforts could be concentrated in large states that Carter's polls showed to be up for grabs. It also meant that the DNC and labor did not duplicate their efforts. In some key states, labor's registration efforts were almost the only ones in operation.

The only reported expenses in this carefully coordinated effort were the ones associated with direct communications with union members, which were reported only when they were focused on specific candidates. Admonitions to "vote Democratic" did not have to be reported, nor did direct advocacy of a specific candidate if the basic purpose of the communication was not political.

Virtually every newsletter mailed to members in September and October included material praising Carter or criticizing Ford, usually with a picture of Carter on the cover. Almost none of this was reported to the FEC, presumably because the material appeared in regular publications that normally report on union business.

The AFL–CIO did report that six issues of its *Memo from COPE* cost $16,186.59. Since the publication is only one of many that supported Carter during the pre-election period, it can safely be assumed that this figure is only a small fraction of the total cost of labor publications.

The AFL–CIO reported spending $400,558 on all internal communications, $315,982 of which was spent to help Carter. Most of the $289,139 spent by the UAW on internal communications and most of the $120,424 spent by the Communications Workers of America, AFL–CIO, also was spent on behalf of Carter. (See table 1.)

The help that Carter received from labor in this form alone exceeded the sum that Nixon received in 1972 from any single source, with the sole exception of the $2.1 million he got from Chicago insurance millionaire W. Clement Stone. But, since Nixon outspent Carter almost three to one, labors internal communications spending was more important proportionately than Stones gifts to Nixon.

Registration and get-out-the-vote drives were financially and politically more important than internal communications. No hard figures are available of the total costs involved, but COPE and UAW sources say their unions spent about $3 million each on these efforts. By comparison, the DNC's $2 million drive was the biggest one it ever had conducted. Similarly, the Republican National Committee's $3 million vote identification and participation program was its biggest effort to date. (The RNC did not conduct a registration drive.) This means that the nation's two most active union groups spent more to register voters and get them to the polls than the two major political parties combined. And this does not even begin to take into account the similar activities of other unions.

These expenditures are permissible under the law because they supposedly are "nonpartisan." But no one even pretends that they are in effect. By concentrating on its own members in states where the Democratic ticket needed the most help, labor played what probably was a decisive role in Carter's victory.

There have been several estimates that the concerted registration drives conducted by labor, the DNC and some black organization added some eight to 10 million new voters to the polls last year. Of the three, labor's registration efforts are considered to have been the most effective.

COMMUNICATING ON POLITICAL MATTERS

Labor unions and corporations must report how much they spend to communicate with their own members or stockholders and administrative employees if the communications, as their principal purpose, directly advocated the election or defeat of specific candidates.

Following are lists of all unions whose reported communications costs exceeded $10,000 in 1976 and of all organizations that spent on internal communications on behalf of President Ford.

Most of the union spending was on behalf of the Carter-Mondale ticket, and such spending is listed separately. In most instances where unions sent materials to their members advocating the election of more than one candidate, their reports allocated the expenses among the candidates. In a few cases, *National Journal* allocated the spending, based on what appeared to be the common practice.

According to these figures, labor reported spending $26 on behalf of Carter for every dollar anybody spent on behalf of Ford for internal communications, counting only those communications required to be reported.

All reports were filed 30 days after the election except for a few (indicated by asterisks) that were filed 10 days before the election. The Federal Election Commission did not notify groups affected by the reporting requirement until last September. As a result, some spending that falls within the legal requirements may have gone unreported.—Compiled by Sarah Jacobs

TABLE 1

	Total	Carter
Labor for Carter		
AFL–CIO	$400,557.90	$315,981.67
United Auto Workers	289,139.12	240,688.48
Building Construction Trades Department AFL–CIO	177,508.85	41,974.58
Communications Workers of America	120,423.69	106,813.64
Pennsylvania AFL–CIO	101,056.24	9,430.93
Active Ballot Club-Retail Clerks International Association	97,097.98	69,889.97
Ohio AFL–CIO	69,448.00	38,326.00
Michigan AFL–CIO*	45,720.79	------
Indiana AFL–CIO	42,034.16	4,045.98
American Federation of State, County and Municipal Employees	41,014.64	24,170.47
Maryland and D.C. AFL–CIO	34,972.33	3,281.39
New Jersey AFL–CIO*	29,943.00	26,858.00
Texas AFL–CIO	25,196.20	12,946.16
Tennessee State Labor Council*	23,622.42	9,462.61
United Steelworkers of America	23,696.61	15,678.99
Service Employees International Union	$20,556.85	------
California Labor Federation, AFL–CIO	17,850.17	$11,903.52
Colorado COPE	15,269.36	------
Buffalo AFL–CIO Council	14,683.35	6,412.94
International Association of Bridge, Structural and Ornamental Iron Workers*	13,494.05	13,494.05
Machinists Non-Partisan Political League*	13,959.66	7,666.64
South Carolina Labor Council	13,466.28	6,342.97
International Ladies' Garment Workers' Union	12,571.75	5,342.64
Council 13, AFSCME, AFL–CIO	12,567.00	6,283.00
Los Angeles County Federation of Labor, AFL–CIO	12,187.50	3,046.87
Rhode Island AFL–CIO	10,307.37	7,124.00
Cleveland AFL–CIO	10,265.66	7,699.25
Others	187,877.66	63,446.18
Total	1,901,703.40	1,051,897.23

	Total	Ford
Organizations for Ford		
National Rifle Association Institute for Legislative Action	$101,528.57	$13,204.92
Libbey-Owens-Ford Co	13,096.38	13,096.38
Dresser Industries Inc	5,245.00	5,245.00
Cooper Industries Inc	5,079.40	5,079.40
PepsiCo. Inc.*	4,485.15	4,485.15
Total	129,434.50	41,110.85

It generally is accepted among experts analyzing 1976 voter registration patterns that registration efforts by labor and black organizations in Ohio and Texas were instrumental in Carter's victory in those states—and thus, ultimately, in the Electoral College. About 43 per cent of all new registrants in the country were registered in Texas.

Even this is not the whole story of what labor's efforts were worth to Carter in terms of dollars. A substantial part of COPE's $2 million overhead must be attributed to the registration drive and other activities related to the national campaign. It would be safe to attribute $1 million of the overhead to these activities.

To these figures should be added a variety of miscellaneous activities. The National Education Association (NEA), for example, spent more than $250,000 to produce a film that contrasted separate interviews with Carter and President Ford. (NEA expenditures on behalf of Carter exceeded $400,000, according to Robert E. Harman, associate director of government relations.)

If reported spending is combined with figures that the AFL–CIO, UAW and NEA revealed to *National Journal*, the total comes to $8.5 million spent on behalf of the Carter-Mondale ticket. And on top of that is still more unreported communications and registration spending. Since Carter was permitted to spend no more than $21.88 million on his own behalf under the campaign law, by a conservative estimate, labor spent for Carter at least half of what he could spend for himself.

BUSINESS ACTIVITIES

Business groups were not much help to President Ford in the general election. Five organizations spent a total of $41,000 on internal communications to help him and that was about it.

But Ford had the power of incumbency in his favor and was able to take advantage of reduced rates for campaign travel by his White House staff and Cabient officers.

Without a hold on the White House now, Republicans will have to look elsewhere for help. Business's poor track record leaves enough Republicans sufficiently depressed to make them talk about pushing harder for labor support themselves.

The source of the dissatisfaction is not hard to find. Although the campaign law amendments have spurred the growth of corporate poltical action committees, few corporations have done more than act as conduits for contributions that in the past would have been made by individual businessmen to the candidates.

Unlike labor, business had done almost nothing new under the campaign finance law amendments. A *Wall Street Journal* survery of top corporations published on Oct. 27, 1976 revealed only a few examples of corporations that actively encouraged political participation. Joseph Fanelli, president of the Business-Industry Political Action Committee (BIPAC), told the *Journal* that the new laws could place business "on the verge of a political renaissance," but added that the problem "is whether the will is there." But business's problem may go deeper than that. It may be impossible, structurally, for business ever to muster the unity of purpose that other groups have.

Up to this point, business groups have been involved in rather unimaginative direct campaign contributions. Despite pleas from the Republican National Committee for support for Republican challengers in marginal congressional districts held by Democrats, most business money went to incumbents of both parties. In fact, Democrats received about half of the more than $7 million disbursed by the 675 business political action committees operating in 1976.

The activities of the largest business political committees were typical. The Northwestern Officers Trust Account, affiliated with the Chicago and North Western Transportation Co. (C & NW), spent $122,611.76 in 1976. It gave $1,000 each to former Sen. Frank E. Moss, D-Utah, and to Sen. Howard W. Cannon, D-Nev., who both served the committee with jurisdiction over railroad legislation. Most of the account's other pre-election gifts were for $500 to $1,000 each to incumbent Senators and Representatives of both parties from states served by the C&NW railroad.

The Nonpartisan Committee for Good Government, affiliated with the Coca-Cola Co., was even more cautious in the way it spent $85,000 in 1976. Its nonpartisanship extended to writing matching checks to the Republican and Democratic National Committees on three different occasions for a total of $6,000 to each. The Atlanta-based firm also gave $1,000 to the Georgia Republican Party and then balanced it by giving $500 each to two Georgia Democrats, Reps. Andrew Young and John J. Flynt, Jr. Other Democratic recipients in the month before the election were former Sen. John V. Tunney of California ($500), Sen. Daniel Patrick Moynihan of New York ($500), Rep. Nick Joe Rahall II of West Virginia ($250) and Rep. Bruce F. Vento of Minnesota ($250).

In January 1977, the committee gave $500 to $1,000 to each of six incumbents to help them reduce their 1976 campaign deficits. The recipients, all Democrats, were Young, Flynt, Elliott H. Levitas and Doug Barnard of Georgia, Max Baucus of Montana and Jim Mattox of Texas.

Trade association committees typically have more money to give away than corporate committees. But except for the Realtors' PAC, which concentrated on Republicans, most of them sprinkled their money among incumbents from both parties who were in a position to help. Some, such as the dairy and trial lawyers groups, tried to support candidates who had supported their positions in Congress. Others, such as the American Banking Association's BANKPAC, tended to concentrate on incumbents with relevant committee assignments, without regard to political party.

Thus, Sen. Harrison A. Williams Jr., D-N.J., and former Sen. Vance Hartke, D-Ind., were near the top of Common Cause's separate lists of recipients of both labor and business contributions. Williams chairs the full Human Resources Committee and the Banking, Housing and Urban Affairs Subcommittee on Securities. Hartke chaired what was then the Commerce Subcommittee on Surface Transportation.

Some political action committees, such as those affiliated with the American Medical Association and with related state associations, follow no clear pattern in their gifts to incumbents. At a Nov. 15 panel sponsored by the American Enterprise Institute for Public Policy Research, Common Cause executive vice president Fred Wertheimer noted the California Medical Political Action Committee's 1974 contributions to candidates in its state ranging from Reps. John L. Burton and Ronald V. Dellums, on the left of the Democratic Party to Reps. Barry M. Goldwater Jr. and John H. Rousselot, on the Republican Party's right.

"The ideology involved there is an ideology of incumbency," Wertheimer said. "Most people in this country assume that business groups are going to give most of their money to Republicans and labor groups to Democrats. When you look at the figures, it appears as if in 1976, business groups will give about half of their money to Democratic Members of the House of Representatives and the Senate. I think the reason is pretty clear. The money is an investment."

Wertheimer said the only answer is public financing of congressional election. But he did not say how public financing could also limit the importance of the indirect spending used so effectively by labor in the publicly financed presidential election campaign.

PACS AND CONGRESSIONAL CANDIDATES

The table lists the number of political committees that were active in 1976 and the amount of money that they gave to congressional candidates in the 1974 and 1976 elections. It does not reflect contributions made by individuals in the listed areas.

	Currently active committees	New committees since Jan. 1, 1975	Contributions to congressional candidates 1976	Contributions to congressional candidates 1974
Business, professional, agriculture	836	537	$11, 562, 012	$4, 804, 473
Business	675	485	7, 091, 374	2, 506, 946
Health	108	26	2, 694, 910	1, 936, 487
Lawyers	8	7	241, 280	
Agriculture	45	19	1, 534, 447	361, 040
Labor	253	92	$8, 206, 578	$6, 315, 488
Miscellaneous	58	26	1, 299, 928	682, 215
Ideological	19	3	1, 503, 394	723, 410
Total	1, 166	658,	22, 571, 912	12, 525, 586

Note: 1976 figures reflect contributions in 1975 and 1976 through Nov. 22. The 1974 figures reflect contributions from Sept. 1, 1973 through Dec. 31, 1974. Common Cause says the period from January through August 1973 was one of limited group activity.

Source: Common Cause.

RICH MAN, POOR MAN

Business's cautious backing of incumbents in both parties raises problems for challengers who want to mount serious campaigns without depending on labor. With large individual contribtuors ruled out, the three basic sources of large amounts of money are personal wealth ideological groups and direct mail fund-raising.

This year's most expensive House election campaign—the $1 million-plus blockbuster between Republican Robert K. Dornan and Democrat Gary Familian for the California seat vacated by Republican Alphonzo Bell—is a good example of how all of these sources come into play.

The Supreme Court held in *Buckley v. Valeo* that Congress could not constitutionally place a mandatory ceiling on the amount that candidates could spend on their own behalf, although Congress could set such a limit as part of a public financing plan that a candidate is free to accept or reject.

Familian, a Los Angeles plumbing heir, took advantage of the decision to put more than $370,000 of his own money into his $639,000 losing effort. Familian raised more than $30,000 from labor and another $8,000 from various Democratic Party channels, but his own money was the backbone of his campaign.

Familian was not the only person to take advantage of this part of the *Buckley* decision. The record-breaking campaign waged by Sen. H. John Heinz III, R-Pa., was financed almost entirely from more than $2.5

million of the ketchup heir's own money In West Virginia, Rahall spent $236,000 of his own to capture the seat held by former Rep. Ken Hechler, D, and Democrat Cecil (Cec) Heftel used $483,000 of his money in winning Democratic Sen. Spark M. Matsunaga's House seat in Hawaii.

But spending a vast amount of one's own money does not assure election. Cadillac dealer Richard P. Lorber spent more than $680,000 to win a difficult Democrat Senate primary and then lose the general election to John H. Chafee in Rhode Island by a 58-42 per cent vote. Agribusinessman Merlin Karlock, D, put up more than $410,000 to win only 43 per cent of the vote against the incumbent, Rep. George M. O'Brien, in Illinois. And Morgan Maxfield, a conservative Democrat from Missouri, kicked in $275,000 in losing his race for the seat of the late Rep. Jerry Litton. (Litton had spent more than $200,000 of his money on his successful Senate primary campaign before he died in a plane cash.)

Dornan, a former radio broadcaster, could not counter Familian's wealth with money of his own. But his hardline conservation made him a favorite of some people who knew how to overcome this handicap.

On May 5, the Committee for the Survival of a Free Congress loaned $5,000 to Dornan, which it mailed directly to the Richard A. Viguerie Co. in Falls Church, Va. Dornan also received a $5,000 check from the National Conservative Political Action Committee. Both of these multi-candidate committees raise most of their funds through direct mail solicitations by Viguerie, who probably is the nation's most successful conservative direct mail fund raiser.

By the end of Dornan's campaign, he had received $9,375 from the Committee for the Survival of a Free Congress, $9,500 from the National Conservative Political Action Committee and $1,095 from the Committee for Responsible Youth Politics, a smaller committee for whom Viguerie raises funds.

Much of this money was plowed directly back to Viguerie to raise more. Over the course of his primary and general election campaign, Dornan paid $35,710.15 to the Viguerie Co., $46,074.39 to Diversified Mail Marketing and $4,365.35 to the Diversified Printing Co. The $86,149.89 spent with these three Viguerie companies represented approximately one-fifth of Dornan's $400,346.56 in total campaign expenditures.

The expenditures paid off for Dornan as well as for Viguerie. Dornan was able to raise $241,185.25 in contributions from individuals who did not give more than $100 each to his campaign. That is an incredibly high 60 per cent of his total $404,118.58 in receipts.

Individual large contributions gave Dornan $56,303.50—large in absolute terms but a small percentage of his total. Business and professional groups gave him only $13,825 and various Republican committees gave $28,505. The only groups that helped Dornan before his primary were the ideological groups, and they were most responsible for his other fund-raising successes.

The importance of professional fund raisers goes up as the limits on individual contributions go down. Thomas F. McCoy, a Washington-based fund raiser for liberal Democratic candidates, wrote in an unpublished essay: "We are functioning under a system wherein the supporter with financial outreach has supplanted the supporter with personal funds to contribute.

"A banker supporter solicits other bankers and business interests on behalf of a candidate and raises $100,000. Is the candidate less beholden to him than he would be to a donor of the same amount? Take the case of Phil Walden, the president of Capricorn Records, who reportedly raised $100,000 for the Carter campaign from persons in the rock music industry and promoted a series of rock concerts featuring Capricorn record artists that raised over $750,000 Does President Carter owe less to Phil Walden for the money he raised than he would owe to Max Palevsky, Martin Peretz or Clement Stone (who gave large sums to candidates in the past)?"

McCoy said that the only major difference between the fund-raising entrepreneur and the large contributor is that the general public can find out who the large contributor is through a tough disclosure law, but he cannot identify the fund raisers.

McCoy's point is important, but needs to be kept in perspective. His example makes it clear that campaign finance "reform" does not automatically mean more open or more accountable politics. But it also points out the wide variety of people who can act as fund-raising entrepreneurs. As a result, the entrepreneurs are likely to contribute a series of individual favors to candidates without having a systematic impact on politics as a whole. In this respect, therefore, they are not unlike corporate political action committees.

Labor also can be divided internally, especially when it chooses to enter politics before the party nominees are chosen. Unions rarely get involved in congressional primaries, but one or more were active on behalf of virtually every Democratic presidential candidate in 1976. The matching fund form of public financing did not increase the relative power of any of the unions active at that stage, but the spending limits do put a premium on any organization that can provide volunteer assistance, as labor can. However, no single organization or kind of organization was dominant or is likely to be dominant in a multicandidate primary.

Labor also can split over endorsing presidential candidates during a general election, as it did in 1972. But the flat grant public financing system creates a possibility that never existed before. When labor unites behind one candidate, as it did in 1976, a flat-grant system in which private contributions are prohibited leaves it in a position no other groups can match. Little wonder that labor calls the campaign finance experiment a success.

EXHIBIT 1

REGULATING THE CONTRIBUTORS

Campaign contributions by individuals, corporations, labor unions and special-interest groups are regulated by provisions of the Federal Election Campaign Act Amendments of 1974 (88 Stat. 1263) and 1976 (90 Stat. 475). Here is a summary of key provisions:

Individuals may give up to $1,000 per election to a candidate for federal office. Primary, runoff and general elections are considered separate elections, but all presidential primaries are counted as one election. Individuals may give no more than $5,000 in any one year to all candidates for federal office, but independent expenditures on behalf of candidates have no limits.

Multi-candidate committees may give no more than $5,000 per election to a candidate. These committees must have more than 50 members and must support five or more candidates.

Individuals may contribute up to $20,000 per year to a political party; multi-candidate committees may give up to $15,000.

National party committees may contribute $10,000 to each House candidate and $17,500 to each Senate candidate. They also were permitted in 1976 to spend $3.8 million on behalf of the presidential tickets.

Corporations and labor unions may not contribute corporate or union funds to candidates. Under the 1976 amendments, however, they may use these funds to pay for the administrative and fund-raising costs of a separate, voluntary political contributions fund.

Labor unions may spend an unlimited amount of money communicating with their own members. Expenditures for this purpose must be reported to the Federal Election Commission (FEC) only if the main purpose of the communication is to advocate directly the election or defeat of a specific candidate.

Corporations are granted a similar exemption for communications with their administrative personnel and stockholders.

Unions and corporations may spend an unlimited amount for "nonpartisan" registration and voter participation drives directed at a union's members or a corporation's stockholders and administrative personnel. These expenditures need not be reported to the FEC.

AMERICAN SAYS OF WIFE IN RUSSIA: "I'LL WAIT FOREVER"

Mr. HARRY F. BYRD, JR. Mr. President, on May 4, 3 years ago, Prof. Woodford McClellan of the University of Virginia in Charlottesville, married a Soviet citizen in Moscow. Several months later, Professor McClellan had to leave Russia and return to the United States, leaving behind his bride, Irina, in Moscow because the Soviet authorities refused to issue Mrs. McClellan an exit visa.

To this day, despite repeated efforts by our Government to obtain an exit visa for Mrs. McClellan, the Soviets refuse to allow Woodford and Irina McClellan to be reunited.

The Russians typically give no reason for their cruel refusal to keep this man and wife separated. This is ample justification for the United States to continue to vigorously pursue a long overdue resolution of this matter with the Soviet authorities.

I commend to my colleagues an informative article in a recent issue of the National Observer which details at length the McClellans' frustrating experiences.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMERICAN SAYS OF WIFE IN RUSSIA: "I'LL WAIT FOREVER"

(By Richard Egan)

Woodford and Irina McClellan marked their third wedding anniversary last week. There was no celebrating, no anniversary kiss, no exchange of gifts. The McClellans haven't seen each other since Aug. 28, 1974, about 16 weeks after their marriage. And they don't know whether they will ever see each other again.

McClellan, 43, is an American who teaches Russian history at the University of Virginia here. His wife, 38, is a Russian. She barely manages to support herself and her 17-year-old daughter, Elena, by giving private English-language lessons in Moscow, where the McClellans were married on May 4, 1974. Since McClellan left Russia in August 1974, the Russians repeatedly have rejected Mrs. McClellan's efforts to obtain an exit visa to emigrate to the United States. And McClellan, who visited Russia a dozen times between 1960 and 1974 without difficulty, has been turned down several times by the Russians in his attempts to obtain a visa to visit his wife.

OBSCENE LETTERS AND CALLS

The McClellans have no idea why the Russians won't allow Irina McClellan and her

daughter to emigrate or allow her husband to visit her. "It's utterly bizarre," says McClellan. "There's no rational explanation on the surface. State Department officials tell me this is the most baffling case ever. No one can figure it out." He is convinced the KGB, the Soviet secret police, is responsible for the refusal to allow Mrs. McClellan to leave.

And McClellan says the KGB has gone beyond merely rejecting visa applications. His wife has received "threatening and obscene letters and phone calls." He, too, has received "obscene, pornographic material" postmarked in Moscow. And recently, he says, similar material has been sent to Elena, his wife's daughter by a previous marriage.

"SHE'S VERY STRONG"

"It's designed to break my wife's spirit or mine," McClellan says as he sits in his small office here on the University of Virginia "grounds," as the university calls its campus. Books, magazines, and assorted papers clutter the room. On his desk are two photographs—one of his wife, the other of Sigmund Freud. (McClellan says he hopes eventually to write a book about the Soviet attitude toward Freud.)

"The Russians would love nothing better than a propaganda victory: American Professor Denounces Soviet Wife, or something like that. Well, they're not going to get it. They may make us wait a long time. They already have. But I'll never give up and I hope she doesn't. I don't think she will. She's very strong, but she's under an enormous strain."

State Department officials acknowledge that the McClellan case is an unusual one, through the Russians frequently raise difficulties over allowing emigration of Soviet citizens married to foreigners. The average delay is about one year, State Department officials say.

McClellan says he is puzzled about why the Russians would allow him to marry Irina if they had decided not to allow her to leave her homeland. Moreover, after the McClellans were married in a civil ceremony in Moscow, the Russian government, which provides all the housing, assigned them "a spacious apartment on the top floor of a brand-new 14-story building in a rather elegant section of Moscow," he says. "They gave me access to archives, paid all my expenses on a study tour to Leningrad and the Baltic states. Everything was normal. They were acting like any civilized country in the world. As I look back on it, I suppose we could berate ourselves that we were living in a fool's paradise, but who could expect after this normal, decent treatment that we would suddenly be classified as criminals?"

MOTHER WORKED FOR KGB

The McClellans met in August 1972 at a resort in the Caucasus Mountains. McClellan left Russia later that month, returning to see her later in 1972 and in March and July 1973. In December 1973 he went back to Russia for an eight-month stay in an exchange program for college professors.

The Russians made an effort to block the marriage Irina's mother, who formerly had held a low-level job with the KGB, at first refused permission for her daughter to marry, but then relented. Russian authorities can require parental permission for marriage regardless of the age of the person marrying, though they seldom do so, says McClellan. "The obvious, logical, inescapable conclusion is that the KGB decided to apply [the regulation] in our case perhaps because my wife's mother had worked for the KGB."

In December 1972 Irina, then a secretary and translator-interpreter at Moscow's Institute of World Economy and International Relations, was told by her employers that she would be transferred to a lower-status job if she did not break off her relationship with McClellan. She refused to do so, resigned from the institute, and got a job teaching English at a Moscow high school.

"YOU KNOW STATE SECRETS"

Irina applied for an exit visa soon after the marriage. She received no reply until a few days before McClellan left Russia. "The KGB denied the visa," says McClellan. "They told her, 'No, you know state secrets, and we're going to give you a year to clear your mind.'"

The Soviet explanation for denying the visa made no sense to the McClellans. "Irina never had a security clearance and never did secret work," says McClellan. "One of the best proofs of that is that they let us get married. If she had known any significant secrets, they would not have let me go over and see her all those times. It's a Catch-22."

Since that first rejection of Mrs. McClellan's application for a visa, the Soviets no longer cite "state secrets" for turning her down. "They just tell her her case is 'complicated,'" says McClellan.

SHE QUIT HER JOB

Only once did the McClellans have hope that Irina might be allowed to leave—and that hope was cruelly dashed. In March 1975 a woman at OVIR, the Soviet passport office, phoned Mrs. McClellan and told her she could emigrate in three weeks. Mrs. McClellan sold some of her furniture, bought suitcases, and gave the required two weeks' notice of resignation from her job at the Moscow high school.

When she heard no further word from OVIR after three weeks, she went to the OVIR office. A man at OVIR told her the OVIR woman was not authorized to tell Mrs. McClellan she could leave. It was a KGB trick to get Mrs. McClellan to quit her job, McClellan says. "Instead of just firing her from her job, they got her to resign so that they could blame it on her," says McClellan. "She couldn't get her job back, and she's been unable to find regular work since."

McClellan has not sent his wife money because, he says, the Soviet government through taxes and a low exchange rate confiscates 90 per cent of the money remitted. Mrs. McClellan's former husband has been providing support payments for Elena, but can end the payments when she turns 18 on May 26. Elena has been barred from continuing her education beyond high school. "Her mother is considered a criminal under Soviet law—she married a foreigner," say McClellan.

SENATORS SIGN PETITION

The McClellans have sent appeals to Soviet leader Leonid Brezhnev and other top Russian officials. They have received no replies. At least a dozen congressmen have interceded with the Russians on behalf of the McClellans. All to no avail. Last February an interfaith group in Indiana opened a public campaign on behalf of Mrs. McClellan and Dr. Naum Salansky, a scientist from Soviet Lithuania. The group got 7,000 signatures on a petition that was forwarded to the Soviet government. In April Salansky was allowed to leave Russia.

Last week, on the McClellans' third wedding anniversary, the interfaith group, several congressman, and McClellan placed a conference call to Mrs. McClellan. The Russian operator told them there was no answer, though Mrs. McClellan had been expecting a call from her husband. On the same day, a petition signed by 34 senators and asking that Mrs. McClellan be allowed to leave Russia was delivered to the Soviet embassy in Washington, D.C.

McClellan believes his best chance of getting his wife out of Rusisa is through a special appeal by President Carter. But, he says, "I couldn't press the right levers in the Ford Administration that would get a Presidential appeal and I don't seem to be able to press the right levers to get a Presidential appeal now.

"The reason I'm asking for special treatment is that my wife has been singled out for special torment by the Soviets. I frankly think that the highest levels of the American Government have not appreciated the seriousness of this case. If they don't take it more seriously, my wife and I are condemned to be apart forever. There is no guarantee that even an appeal from Mr. Carter to Mr. Brezhnev will free my wife. But if it doesn't at least we'll know that the case is hopeless. My wife could try to rebuild her life. It's been shattered almost beyond repair. As for myself I'll wait for her forever."

THE USE OF THE POLYGRAPH AND OTHER TESTING DEVICES FOR EMPLOYMENT PURPOSES

Mr. BAYH. Mr. President, I would like to submit for the RECORD an excellent article which appeared on May 4, 1977, in the Wall Street Journal. This article concerns the administering of a polygraph test and the adverse effects of that examination upon the life of one individual. For some time now, I have been troubled by the use of polygraphs and polygraph-type equipment by employers in both the Federal and private sector. Polygraphs along with psychological stress evaluators and similar devices are used by employers to screen job applicants and to test for misconduct among employees on the job.

To my mind, the use of these devices for such purposes raises serious questions concerning invasions of privacy. A polygraph examination usually requires an individual to disclose all manner of personal information and frequently forces him to reveal past actions which are completely irrelevant for employment purposes. Many jobs are conditioned upon the individual's willingness to take these tests, entirely eliminating any element of choice. However, even in those instances in which the tests are "voluntary," a burden is placed upon the individual who refuses to comply.

In addition to my concern over the threat to individual privacy posed by these examinations, I am also concerned about the legitimacy or validity of the tests themselves. The evidence to date is far too sketchy and inclusive to be persuasive as to the reliability of any of these testing devices.

For these reasons, as chairman of the newly organized Senate Subcommittee on the Constitution, I plan to conduct a thorough investigation into the use of polygraphs and polygraph-type equipment in the area of employment. In furtherance of this study, I have asked the subcommittee staff to contact various individuals and organizations which might have an interest in this issue with a view toward eventually holding hearings and introducing appropriate legislation.

Mr. President, I feel that this is an area of our national life which would benefit greatly by an airing of current practices and by a gathering of necessary additional information concerning polygraph-type examinations. Any one of us could be affected by the use of poly-

graphs. Therefore, I would like to give notice that the subcommittee staff will be undertaking a study of this issue.

Mr. President, I ask unanimous consent that the Wall Street Journal article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

X PLUS Y EQUALS "Z"

(By Jonathan Kwitny)

I have always suspected lie detectors were unreliable. Now I've had a first-hand experience that seems to confirm that suspicion, and on the basis of it, I don't think I'd want to take a lie detector test, and I sympathize with anyone who's pressured into taking one.

The detectors are probably right most of the time, which is better than guessing. But they are not nearly good enough to depend on in serious matters. Even the polygraph establishment concedes that guilty persons might on occasion fool the detector with well-performed denials. But the establishment insists the detector will never point its accusing needles at a subject who is telling the complete truth.

I have less faith.

About a year ago, I started a clipping file on polygraphs, figuring that when I had enough examples of lie detectors telling lies about innocent people, I would combine them into an article. Until a few weeks ago, all I had was the clipping I started out with.

Peter Reilly, the Connecticut youth who has now been exonerated of the murder of his mother, was subjected to a polygraph test by the Connecticut State Police after his arrest. He flunked it. He was convicted and sent to prison. In preliminary tests, he was judged to be "a textbook reactor"—a perfect subject for the test. Then the lie detector effectively labeled Mr. Reilly a murderer, and he isn't one. After his conviction was overturned by a judge who called it "a grave injustice," the state's attorney, in preparing for a new trial, announced he had come across new evidence that placed Mr. Reilly miles away from the murder scene. All charges were dropped.

Now I have learned that a lie detector apparently has been telling lies in a case involving me and a news source.

Early in 1974, I got a call from a Mr. X, whom I didn't know, but who had read and liked my articles. He said he had a friend, Y, who held a responsible position at Combustion Engineering Inc., a major maker of power plants. Combustion had recently reversed a downtrend in nuclear sales by announcing a flurry of new contracts won in bidding against previously front-running competitors. Consequently, its stock had soared.

TAKING UNUSUAL RISKS

Y had told X—and I subsequently confirmed that directly with Y—that the turnaround followed decisions by Combustion to take unusual contractual risks that hadn't been disclosed to the public. The risks involved, first, allowing power utilities considerable freedom to back out of deals they had made with Combustion with little or no cost to the utility long after contracts were signed, and, second, extending broad warranties that even covered equipment changes required by future changes in government regulations. There was evidence of considerable controversy within Combustion over whether to take these risks.

Experts I interviewed in the industry agreed the contracts were both unusual and risky. And although Combustion maintained that the contracts could be met profitably, I found that Combustion's officers and directors had been heavy sellers of the company's stock in the months after the favorable news of the contracts

When the story was published, trading in Combustion stock was halted. When trading reopened, the price of both the common and the preferred fell to about half what it had been, a quick equity wipeout of about $450 million. The victims included numerous Combustion employes who held stock through an employe investment plan.

Combustion reacted predictably: It set out to find Y.

A lie detector was set up. Some 40 or 50 employes were scheduled to take it. Only half a dozen did. For one thing, I found out about it and did a story for the Journal, which Combustion now agrees was "probably a factor" in the decision to call the tests off. But for another thing, the lie detector already had fingered a possible culprit.

A source at the company told me that management thought it knew who gave me the documents. Afraid of hurting Y, I neither questioned Combustion about this nor tried to reach Y again. Evidently, since lie detectors can't be used in court except by consent, Combustion couldn't fire its traitor in a public show and sue him.

Then, a year ago, I began playing tennis regularly with a prominent figure in the power supply industry who had been fascinated by the Combustion episode. He said that Elno Powell, who recently retired as a senior executive at Combustion, had told him shortly after the lie detector tests that Combustion had identified the culprit and "neutralized" him.

My friend, taken aback by the Godfather-like language, replied, "What did you do, castrate him?" He says Mr. Powell just laughed, and replied, "Something like that." Mr. Powell, interviewed recently, says he doesn't recall the details, or what he meant by "neutralized," but confirms that others at Combustion told him they thought they had found the news source.

Subsequently I got a call from one Charles Puzas, who said he used to work in Combustion's contract department. He was given the lie detector test back in 1974 and was told afterwards that he alone had failed it. Another source at the company says he was told the same thing about Mr. Puzas.

Says Mr. Puzas: "I was singled out as the person who visited you. They brought in special attorneys. They interrogated me. Rumors started circulating throughout the company. My bosses became suspect. My associates, my peers, believed that I was the person. They would not confide in me any longer. I just felt I could not work in that type environment, under those conditions." he says. He began drinking heavily and calls himself an alcoholic. He says his family left him because of it. He says he found another job in the industry, but lost it in a lay-off.

When he first called me he was out of work and sounding desperate. A few days ago he reported he has a new job. But he is getting divorced. He blames all those troubles on the Combustion episode. His estranged wife, to the extent she'll talk at all, tends to confirm what he says.

FLUNKED THE TEST

In several weeks of questions and answers relayed through a public relations staff, Combustion conceded that Mr. Puzas left when he said he did, but the company wouldn't disclose the results of the lie detector test. As for R. J. Hallinan—the Combustion general counsel who Mr. Puzas says told him he flunked the test—the Combustion PR people said Mr. Hallinan "doesn't recall whether he said such a thing or not." And the company said it didn't know whether other persons involved also told Mr. Puzas he flunked, as he says they did.

After numerous requests from Mr. Puzas and me to see the polygraph operator's report, Combustion finally allowed Mr. Puzas to see it in the company's office.

But he says the company would not let him copy it or even take notes. He says that the report clearly indicates he failed the test, though it doesn't quite say so specifically. He says it showed he had "an adverse reaction" to 11 key questions, including whether he knew me, whether he had talked with me and whether he had given me documents. He says it concluded with words to the effect that he "could not be excused from guilt," or some such euphemism.

Faced with Mr. Puzas' account yesterday, Combustion conceded that Mr. Puzas had shown "an adverse reaction" to "several questions"—whether it was 11 or not the PR man wasn't sure—and the company declared that the test was, in the PR man's word, "inconclusive." Combustion still wouldn't elaborate on the test.

Said the PR man, "The specific questions are really immaterial. The test overall was inconclusive. In our mind it was not a matter of excusing someone from guilt, it was a matter of establishing facts and events and the test did not enable us to do that. We do not associate Mr. Puzas departure from the company with that test."

But others, including Mr. Puzas, do.

Lie detector experts will no doubt write in complaining that the polygraph doesn't lie, that a poor operator just messes things up. But there's always going to be an operator interpreting the responses, and there's no sure way to identify a "good" operator—any more than there's a way to tell whether a person is lying about something that only he knows.

In this case, there are three persons who know, with a rare kind of absolute certainty, that any lie detector that accuses Mr. Puzas is framing him. Mr. Puzas knows. The real Y knows. And I know.

When Mr. Puzas first called, he told me he wasn't interested in suing Combustion. He said he merely wanted a letter from me that would clear him. I have made contact with Y and have received his permission to disclose the truth about Mr. Puzas.

So this is the letter. I never heard the name Charles Puzas before he called me up a few weeks ago. I had never talked to him before. He had never supplied me any documents or information before, directly or indirectly. And any detector that says different is lying.

THE NATIONAL DAY OF ROMANIANS

Mr. HAYAKAWA. Mr. President, not many Americans are aware of this day's significance in the history of the Romanian people. May 10 is the traditional National Day of Romanians who acquired nationhood in 1866 when Charles, Prince of Hohenzollern-Sigmaringen was proclaimed Prince of Romania. Eleven years later, that is precisely 100 years ago, the Principality of Romania—until then a vassal of the Sultan—proclaimed her independence by severing the outdated bonds that linked her with the Ottoman Empire.

During all those years and up to the present time, Romanians have cherished and revered the 10th of May as their national holiday, the anniversary of happy and glorious events in their history. It remains the symbol of their permanency and perseverence through woes and hardships to reach the ultimate end of freedom and well being.

The foreign rule which now oppresses the Romanian nation has not been able to uproot the people's attachment to the traditional celebration of the 10th of May. In order to try and alter at least its

significance, official celebrations were shifted from the 10th to the 9th of May, anniversary of the Soviet victory. But, though flags are now hoisted on May 9, Romanians in their captive homeland celebrate in their hearts the following day, awaiting with faith and courage the dawn of new times, when freedom shall be restored to them.

As a Senator from California, whose population includes many persons of Romanian descent, I would like to use this opportunity to extend my congratulations and best wishes to the oppressed people of Romania.

I hope they will always find encouragement in the thought that they are not forgotten in this country and that the United States is and will remain their faithful friend.

NATIONAL SECURITY 1977–2001

Mr. CULVER. Mr. President, Wednesday afternoon of this week and through the day on Thursday, a number of Senators and Congressmen are initiating a bipartisan congressional conference on "U.S. National Security—1977–2001," in room 1202 of the Dirksen Senate Office Building. A "dear colleague" letter has gone out inviting all Members of both Houses to cosponsor this informational discussion and to participate in the sessions to such extent as their schedules will permit.

This conference has been set up in response to a growing demand for an updated, high-level dialog on national defense matters, encompassing all viewpoints.

Because of the extraordinary timeliness of such a discussion—considering the resumption of the SALT talks, the budget resolution, and the defense authorization debate—it was decided that it should be held at the earliest possible date.

The format will bring together 20 of the Nation's leading authorities on national security policy and defense spending for spontaneous, roundtable discussion with Members of Congress.

Moderator of the conference will be our distinguished former colleague, the Honorable Stuart Symington who, because of the unique versatility and length of his Government service, has probably the best overview of national security issues of anyone in recent history.

Among the initiating sponsors of the conference are Senators CRANSTON, NUNN, HUMPHREY, ROTH, BELLMON, HASKELL, BUMPERS, PEARSON, SCHMITT, HART, HOLLINGS, and Congressmen WHALEN, CONYERS, SIMON, FASCELL, and FRASER.

The outside participants include such well-known names as Gerard Smith, Ray Cline, Paul Nitze, Herbert York, Gen. George Keegan, Adm. Gene LaRocque, Bruce Russett, Earl Ravenal, Gen. Daniel Graham, Philip Karber, John Steinbruner, and Fred Warner Neal.

The purpose of the sessions is to make available up-dated information to Congress, the administration, and the public on alternative choices in the defense field.

The invited participants were chosen to represent the best exposition of widely differing opinions in national defense philosophy.

The "1977–2001" theme was chosen because it reflects the fact that we cannot make sound national security judgments on the basis of today and tomorrow. Accelerating technological developments and political changes dictate the imperative of long-range foresight and planning in national security matters.

The forum will run from 2 to 5 p.m. on Wednesday, May 11 and from 9 to 4:30 p.m. on Thursday, May 12. It is open to the press and the public. It is being held with the cooperation of the Council on National Policy Planning which assisted in conducting the Conference on Full Employment in December of 1975, sponsored by the Joint Economic Committee. The purpose of the conference is entirely informational—there will be no resolutions or other group action taken—and full transcripts of the proceedings will be made available to the cosponsoring Congressmen and Senators.

REVERSE DISCRIMINATION: A BRIEF AGAINST IT

Mr. LAXALT. Mr. President, in a recent Gallop poll 83 percent of the Ameriman people expressed their opposition to so-called reverse discrimination. Rejecting the argument that to make up for past discrimination certain groups in our society should now be given preferential treatment, this vast majority of Americans feels that ability, as best that can be determined, should remain the main factor considered.

On September 24, 1975, President Johnson signed Executive Order 11246 requiring affirmative action programs for institutions with 50 or more employees holding Federal contracts of $50,000 or more. The stated intention of this action was to overcome the results of past discrimination and to insure future equity in hiring, salaries, and promotion. In the years since the affirmative action program has been in effect it has become apparent that equity has not been insured but rather that discrimination in new forms has arisen which is equally inconsistent with congressional intent.

So-called affirmative action programs have been defended as a way of remedying past injustices committed against certain social groups. Doubtless, injustices have occurred. However, in my judgment, justice requires the current generation to cease discriminatory activities but not to reverse them. Reversal merely continues rather than repairs injustice.

Mr. President, I am a firm believer in nondiscrimination. So, apparently, are a vast majority of Americans. Yet somehow we have emerged from one type of discrimination only to have another type foisted upon us by the Federal bureaucracy.

Ernest van den Haag in the National Review has thoroughly analyzed this bizarre development. I ask unanimous consent that his article entitled "Reverse Discrimination: A Brief Against It," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REVERSE DISCRIMINATION: A BRIEF AGAINST IT

(By Ernest van den Haag)

"How am I, as Secretary of HEW, ever going to find first-class black doctors, first-class black lawyers, first-class black scientists, first-class women scientists, if these people don't have the chance to get into the best [schools] in the country?"—Joseph A. Califano Jr., *New York Times*, March 18, 1977.

I

On April Fool's Day Mr. Califano wisely fudged these words he had spoken two weeks earlier. However, he still does not understand that reversing discrimination is inconsistent with enforcing equality of opportunity. Preferential admissions to colleges and professional schools are now widely practiced. So is "affirmative action," which is basically analogous to preferential admissions: it applies to hiring, promotion, and employment in general. Persons belonging to selected minorities or under-represented groups (such as women, or blacks) are admitted or hired if they meet scholastic standards which are specially lowered for them. Or, they are given preference over others who have performed as well or better in meeting requirements. This practice, which Secretary Califano endorses, discriminates, in effect, against those who are being displaced in favor of those who displace them. Its legality has been attacked with respect to state institutions. But the Supreme Court, although it heard the DeFunis case (*DeFunis* v. *Odegaard*, 1974), avoided deciding it because DeFunis, who had sued the university, had by that time been admitted and graduated.

Both preferential admissions and affirmative action are meant to discriminate against discrimination, to reduce discrimination by favoring those discriminated against in the past, or elsewhere. Is this reversal morally justifiable? Can it be effective in achieving its purpose?

In the past Oxford and Cambridge gave preference to the sons of great English families even when their qualifications did not justify it. They were preferred because they would exercise power and influence whether admitted or not. It was thought that society would benefit more by educating these students than by educating others who, even if more meritorious, would be likely to exercise less influence on the course of social affairs. The advantage to the universities was expected to be greater as well—a matter that probably did not escape the attention of the admitting authorities. For similar reasons, American universities in the past gave preference to students likely to inherit great wealth. Is a reversal of this pattern required by justice, or is it socially useful, as the old pattern was thought to be? Let me consider the social usefulness before turning to the justice of reversal.

Could society benefit from the preferential admission of the disadvantaged as it might have benefited from the preferential admission of the privileged? Scarcely. There is no reason to believe that members of groups previously discriminated against will exercise disproportionate social power or influence, regardless of higher education denied or received. Hence their preferential admission cannot be justified by reasoning that their education deserves preference because it would be socially more useful than that of the more meritorious.

Preferential admissions might be useful in other respects. If one assumes that society consists of separate communities, each wanting indigenous leaders, preferential admissions (even quotas) might help provide higher education for the requisite number of members of each group. (This was the justification English universities advanced for giv-

ing some preference to potential Indian and African leaders.) But women, or even blacks, do not form segregated political or cultural communities. Where they do, our present policy is to integrate or at least to desegregate them. Although the "melting pot" image of America simplifies and exaggerates, the Swiss paradigm of full geographical and cultural separation is neither feasible nor desirable in the United States. (Anyway, those who desire it can avail themselves of the private colleges exclusively attended by the groups of their choice.) Preferential admission of the previously disadvantaged cannot rest, then, on the social benefit to be gained by educating the independently powerful, or on the need for indigenous leadership.

Another argument for preferential admission conceives of institutions of higher learning and of other non-political institutions as representative bodies, in which all classes, races, sexes, and religions—however well integrated—ought to be represented in proportion to their share of the population, even if admission standards have to differ for each group to secure its proportional representation. Yet educational or business, unlike political, institutions are not meant to be representative. In politics, representativeness, rightly or wrongly, plays a major role, although it is often hard to see who, and what, is represented: the occupational, class, age, and sex ratios of our representative bodies scarcely reflect those of the population. Still, it would be hard for a white man to be elected in Harlem; and political tickets wisely tend to represent important ethnic, religious, or geographical groupings of voters.

However, institutions of higher learning are not political bodies and cannot represent the voters without defeating their function, which is to teach and do research, not to make political decisions. So too with business enterprises: to require representativeness in faculties, or student bodies, is no more justified than to require representativeness in Chinese restaurants, prisons, hospitals, or opera houses. These institutions have non-representative functions which require admission (or confinement) criteria relevant to those functions, regardless of representativeness. So too with graduate or professional schools. We want the most able and gifted to be prepared for the tasks at hand by the most able and gifted, regardless of sex or race. To demand representativeness would be contrary to the social interest which requires the best surgeon, or the best singer, to be educated for his task, not the racially or sexually most representative.

I can find no utilitarian justification, then, for preferential admission of previously under-represented national, racial, or sexual groups. On the contrary, it would be dysfunctional, favoring persons less able to learn and teach than those rejected, and thus causing society to be served by the less able in the professions education prepares for. *Mutatis mutandis*, this applies to non-educational institutions as well. Let me turn now to non-educational institutions as well. Let me turn now to non-utilitarian justifications.

II

Should the preference given the powerful in the past be reversed for the sake of justice? Surely, to do so would shift rather than repair injustice. Injustice would not be reduced, but merely inflicted on a different group. If the preference given the powerful was wrong because it violated equality of individual opportunity and the rule of admission by relevant qualification only, then violation of that rule in favor of a different group, the powerless, would be no less wrong, however generous the reparative intent.

Individual reparations can be justified if the victim of discrimination and the victimizer are individually identifiable. Thus, qualified persons who were not hired because they were discriminated against may be compensated for their loss. There is a case even for collective compensation, if losses are tangible (e.g., racial firings, confiscations, or de-licensings as in Nazi Germany), and if victimizers and victims, though not individually identifiable, are roughly contemporary as groups. Matters become murky, however, if one considers granting compensation to persons not allowed to acquire the qualifications they might have acquired had they been admitted and which might have led to higher incomes than they actually did earn. Unjust losses certainly were suffered, but we cannot know their incidence and size.

Matters become even more murky if the discriminatory rules were imposed over a long period in the distant past. The incidence of the unjustly achieved advantages and of the unjustly imposed disadvantages becomes diffuse and uncertain, as does the liability for both. Moreover, current generations can bear no responsibility for discrimination imposed by generations past, other than to discontinue it. Can today's Italians be held liable for Caesar's invasion of Gaul, or today's Frenchmen for Napoleon's invasion of Germany? Can Polish or Italian workers be held liable for the fate inflicted on American Indians by the colonists or Jewish teachers and students for disabilities imposed on blacks in the past? or contemporary males for past discrimination against women? We are told (Deuteronomy 24:16): "The fathers shall not be put to death for the children, neither shall the children be put to death for the fathers: every man shall be put to death for his own sin." It is a good rule. Those not responsible for it cannot be asked to compensate for the damage. They can only be restrained from causing further losses.

Justice, then, requires the cessation of discriminatory activities, including discrimination in admissions or hiring, but no reversal. Preferental admissions to repair past injustice might "discriminate for" persons who themselves suffered no "discrimination against," at the expense of persons not responsible for past "discrimination against."

The problem of compensation for the present consquences of past injustice cannot be met, then, by preferential admissions. Still, efforts to solve it are demanded by generosity, if not by justice. Some members of the formerly "discriminated against" groups have native abilities which would justify admission to the schools or hiring by the enterprises to which they have applied, had these abilities not remained undeveloped because of unfavorable circumstances co-produced by past discrimination. Colleges and universities may play a role in helping such applicants to overcome hardships, in order to prepare them for (non-preferential) admission. Pre-admission tutoring may be a reasonable effort to offset the present effects of past injustices in which colleges participated, and thus to make amends.

III

Occasionally it is argued that preferential admissions are needed to offset unfairness inherent in the tests which universities and professional schools use to decide on admissions. These tests are thought to discriminate against qualified persons who belong to disadavntaged groups. Actually, they are quite reliable in predicting the likely degree of success in the professional and graduate schools which use them. They measure relevant abilities, regardless of sex or race. Their value is limited: the tests do not measure nonacademic abilities or human characteristics, nor predict the degree of success in activities for which they are not designed. However, though less than perfect, the tests serve well the limited purpose for which they are used. Preferential admissions, far from offsetting unfairness, instead would introduce it by setting aside the objective measurement the tests permit, in favor of racial or sexual privileges.

IV

Sexes and races are not proportionally represented among students admitted to professional and graduate schools, nor among faculties, nor in the ranks of corporations. This has been regarded as evidence of discrimination against the under-represented. Radicals insist that disproportionate representation is unfair even when it does reflect actual differences in abilities, qualifications, or motivations. Others, philosophically more moderate, believe that equal treatment necessarily would lead to proportional representation of all groups. Thus, disproportionate representation eo ipso demonstrates "discrimination against" the under-represented, even if it cannot be verified independently, and preferential admission may become an appropriate remedy.

If one assumes that all relevant aptitudes, talents, and motivations are equally distributed among classes, sexes, nationalities, and races, then over- or under-representation of any one group in desirable activities necessarily indicates unequal treatment. Such an assumption has never been shown to be true. Widespread abilities, e.g., the ability to be a farmer, a janitor, or a clerk, seem to be distributed fairly equally among groups. But the ability to study mathematics or teach it, or to run a major enterprise, is not that widespread. Universities and corporations cannot draw on a number of talented people in each group proportional to the size of the group. And if the members of different groups are not necessarily equally qualified ab initio, objective tests need not lead to proportional representation. Over- or under-representation does not indicate bias any more than proportional representation of groups among admitted candidates indicates unbiased admissions standards. Racist theories notwithstanding, the over-representation of Jews in important professions in Germany, and the consequent under-representation of non-Jewish Germans, did not indicate a discriminatory policy to place the latter at a disadvantage in favor of the former.

V

Is preferential admission of students, or affirmative action in hiring faculty or executives, a suitable remedy for actual or suspected discrimination? Both policies set numerical goals which, when achieved, would make faculties and student bodies, or executive units, reflect the proportions in which women or various racial groups occur, either in the general population, or among candidates with appropriate prior degrees and specializations.

Outside academic institutions, the advantages of using affirmative action to establish equality of opportunity may at times outweigh the disadvantages, when a licensing or admissions board, or an employer, currently discriminates against a group. There is a *prima facie* indication of discrimination if all those admitted, employed, or licensed are white, or male, even though others wish to be, and if 1) no distinctive qualifications are needed for the job or license; or 2) the distinctive qualifications needed can be shown to be possessed by the rejected candidates in substantially the same degree as by the accepted ones; or 3) the relevant qualifications can be tested, yet no suitable tests are used (or the tests used discriminate irrelevantly). In such cases numerical goals help to attain equality of opportunity. Yet they should be abandoned as soon as improper discriminatory practices cease, for numerical goals necessarily reduce the appropriate discriminations in hiring, promotion, firing, or licensing in terms of actual skill, reliability, diligence, etc.

Numerical goals *ipso facto* disregard the distinctive individual qualifications of can-

didates, or reduce the decisive weight they should have in most cases. They certainly cannot be appropriate for educational institutions, where these distinctive qualifications must be paramount. Further, academic institutions can (and do) properly test individual qualifications for admission. Therefore, numerical goals, far from reducing irrelevant discrimination, perpetuate or introduce it into academic institutions by placing more qualified persons at a disadvantage relative to less qualified or equally qualified ones who belong to an under-represented race or sex. (Where individual qualifications, although of decisive importance, are not always objectively testable—e.g., in hiring or promotions—universities and professional schools usually are willing to submit disputes to arbitrators.)

VI

Consider now the effects on persons, rather than institutions. The effect of academic affirmative action, or of preferential admissions, on those discriminated for is likely to be unhelpful. There are three possibilities. First, there is the unqualified law student who was preferentially admitted. He will drop out because of low grades which were predictable from his entrance test. He may be worse off than before.

Second, some preferentially admitted students graduate by dint of preferential grading or undemanding curricula specially fashioned for them. They profit from the credentials obtained. But the group which was to be favored pays a high price: the black college graduate, PhD, or lawyer who graduated because lower standards were applied to him than to his white counterparts is not as competent as they are and will reinforce the prejudice which maintains that blacks are necessarily less competent than whites.

Third, there is the preferentially admitted black student who, despite low entrance scores, actually catches up and does well without preferential grading. Yet he may never know whether he graduated because he was black or because he deserved to. If he does know, others will not; he will suffer from the image perpetuated by his fellow student whose preferential admission was complemented by preferential grading. Similarly, female or black professors hired or promoted because of affirmative action will not know whether they were hired because they were qualified or because they were female or black; nor will others. Those hired because they belong to an under-represented group though they are not the most qualified persons also will perpetuate the image of low competence of the under-represented group—the image that contributed to discrimination against it in the first place.

The persons excluded because of preferential admissions or affirmative action naturally are no less bitter than those who in the past were excluded by discrimination. Since "discrimination for" merely reverses "discrimination against," it cannot but perpetuate the group hostilities of the past. This applies as well to all enterprises which practice reverse discrimination.

There is also an unattractive arbitrariness about the whole procedure. Unless inclusion into the groups discriminated for is determined by sex, it often must be capricious. Puerto Ricans, Spaniards, Argentinans, and Mexicans are all "Spanish surnamed." It is hard to see what else they have in common, or why they should receive different treatment than Portuguese, Brazilians, or Arabs. And it is not obvious that various white "ethnics" suffered less from discrimination than females did. Yet they are not preferentially admitted, or hired, by affirmative action. These remedies, then, are not only counterproductive and unjust most of the time, but also arbitrarily selective. Perhaps this is a minor defect compared to those already mentioned: if an idea is bad, arbitrary application does not make it much worse. Nonetheless the inherent capriciousness of the scheme and the unavoidable arbitrariness in execution are psychologically repulsive.

VII

Affirmative action and preferential admissions were aided and abetted by persons who felt guilty enough about past discrimination to make amends, even at the expense of innocent third persons. Groups which, rightly or wrongly, felt discriminated against in the past also have supported affirmative action and preferential admissions. But in the main these are creatures of the federal bureaucracy and judiciary. The bureaucracy actually gave birth to the illegitimate child; the judiciary adopted and legalized it.

Fears that a bureaucratic monstrosity would be foisted on the country were voiced in Congress during the debate on the Civil Rights Act of 1964. Such fears were laid to rest when the managers of the bill, Senators Joseph Clark and Clifford Case, submitted a memorandum stating:

"There is no requirement in Title VII that an employer maintain a racial balance in his work force. On the contrary, any deliberate attempt to maintain a racial balance, whatever such balance may be, would involve a violation of Title VII because maintaining such a balance would require an employer to hire or refuse to hire on the basis of race. It must be emphasized that discrimination is prohibited as to any individual . . . the question in each case would be whether that individual was discriminated against." [110 *Congressional Record* 7213, April 8, 1964.]

Further, at the behest of the bill's sponsors, the Department of Justice submitted a memorandum stating:

"Finally, it has been asserted that Title VII would impose a requirement for "racial balance." This is incorrect. There is no provision, either in Title VII or in any other part of this bill, that requires or authorizes any federal agency or federal court to require preferential treatment for any individual group for the purpose of achieving racial balance.

"No employer is required to hire an individual because that individual is a Negro. No employer is required to maintain any ratio of Negroes to whites, Jews to gentiles, Italians to English, or women to men." [110 *Congressional Record* 7207, April 8, 1964.]

Despite the clear language of these memoranda, the bureaucracy has perverted the intent of the legislation. Racial balance and the group preferences needed to attain it are prescribed and enforced. The courts have found constitutional arguments to help administrative agencies override the intent of Congress. Bureaucracy has replaced both democracy and common sense. They can be reinstated only when the citizens push Congress and the courts into disciplining and limiting the bureaucracy.

SENATE JOINT RESOLUTION 50—RESOLUTION TO REQUIRE THE FEDERAL GOVERNMENT TO BALANCE THE FEDERAL BUDGET

Mr. THURMOND. Mr. President, I am pleased to join Senator WALLOP, the distinguished junior Senator from Wyoming, as a cosponsor of his resolution (S.J. Res. 50) that would require the Federal Government to balance the Federal budget and eliminate Federal indebtedness.

I would like to commend Senator WALLOP for his efforts to keep this issue before the Senate of the United States. I share the concern of the distinguished Senator from Wyoming over the danger that continued deficit spending poses to the economic stability of the United States. We, as a nation, just cannot continue to spend more than we take in. I believe that it is in the long-run best interest of the United States for us to have a balanced Federal budget.

As we all know, professional economists are continuously debating the pros and cons of deficit financing and its effect on unemployment, interest rates, inflation, capital formation, and State and local government expenditures. From these debates, there are no clear answers. However, I believe that it is clear, even to the laymen, that there is no "free lunch." There will always come a day of reckoning, a day when we must pay up.

In cases when we choose to "deficit finance" a program, we are either paying by inflation or deferring payment to the future. For instance, it is evident that we are today paying for the social programs initiated in the mid-1960's.

Mr. President, this is what bothers me. Inflation redistributes the cost, but it is still paid for just as it would have been with increased taxes. Unfortunately, in most instances, the American citizens do not realize the connection between deficit spending and inflation. Nor do they realize the heavy and unfair burden which borrowing places on future generations.

In my opinion, the Federal Government should operate on a pay-as-you-go basis where we can more closely associate the costs with the benefits. Let us put the choices out in the open and not hide or disguise them with deficit financing. We should not fool ourselves, and more importantly, we have no right to fool our fellow citizens.

Mr. President, I believe that restoring fiscal responsibility to the Federal Government is extremely important to the future of our country, and I am pleased to join the distinguished Senator from Wyoming in sponsoring this resolution.

JOHN ROBSON—A DEDICATED PUBLIC OFFICIAL

Mr. KENNEDY. Mr. President, last week John E. Robson relinquished his post as Chairman of the Civil Aeronautics Board. At a time when Government regulation and those who do the regulating are under furious attack, John Robson gave the regulatory process a new respect.

First, he diligently worked to make airline regulation work at the CAB. His guiding principles were the public interest and a faithful adherence to the statute by which the CAB derives its authority. Under Chairman Robson's tenure, the final nails were hammered into the casket of the route moratorium—a Board policy predating John Robson by which no competitive route applications were set for public hearing despite a statute which required speedy hearings. John Robson's CAB leadership also coincides with a period where low-fare competitive experiments by the airlines were allowed to take root. Both the consumers and the airlines

benefited during this process—the first group through lower-cost air transportation and the second through higher profits. Chairman Robson also paid attention to the nuts and bolts of administering a regulatory agency that was characterized by delay and inaction prior to his arrival in 1975. With little fanfare, Chairman Robson helped initiate a system to monitor and thus speed up the regulatory process—a system that just recently began operating and which promises to bear its sweetest fruit at some future time.

But, John Robson's contributions were more fundamental to the regulatory process than anything I have mentioned so far. Not content to simply administer honestly and creatively the statute Congress has told all CAB Chairmen to administer over the last 39 years, John Robson took the time and interest to reexamine the statute itself—its rationale, its relevance for the last quarter of the 20th century. And, he concluded that Congress should reduce the power of the very agency he was in charge of, he asked us to reduce regulation and rely, instead, on competitive market forces to protect the public and the industry in the foreseeable future. He was not afraid to take the long view and did not shrink from efforts to have the Board, the Congress, and the executive face the larger questions of public air transportation and the proper role of government in a private airline industry.

The consumer, the Congress, and the airline industry owe John Robson a debt of gratitude for his distinguished public service. If all future appointees to regulatory bodies were of similar caliber, intelligence, and dedication, the task of regulatory reform might be substantially complete.

QUESTIONS AND ANSWERS ON DIRECT ELECTION OF THE PRESIDENT

Mr. BAYH. Mr. President, there continues to be overwhelming popular support for the proposed constitutional amendment to abolish the electoral college and provide for direct popular election of the President and Vice President. On March 7, 1977, I inserted in the CONGRESSIONAL RECORD the report of the most recent Gallup poll. Eighty-four percent of the American people responding with an opinion in that poll supported a constitutional amendment for direct popular election of the President.

The support for this long-needed reform is bipartisan. It has been embraced by liberals and conservatives alike and by an overwhelming majority of the people in every region of the country. Among the organizations which have taken a strong position in support of the direct election amendment are the American Bar Association, Chamber of Commerce of the United States, AFL-CIO, UAW, League of Women Voters of the United States, and Common Cause. A number of other national organizations also have endorsed direct election, including the American Federation of Teachers, the National Small Business Association and the National Federation of Independent Business. Recently I was advised that the American Society for Public Administration adopted a resolution in support of Senate Joint Resolution 1, the direct election amendment.

The direct election amendment has been studied thoroughly by members of the Senate Judiciary Committee during the past several months and it has been the subject of widespread public discussion. Indeed that public discussion has been continuing for many years. A number of years ago I prepared a list of the 10 most frequently asked questions about direct election of the President and the answers to those questions. Recently the League of Women Voters of the United States worked with the staff of the Senate Judiciary Subcommittee on the Constitution in updating those questions and answers.

Mr. President, we in the Senate owe a debt of gratitude to the League of Women Voters. Their study of direct election has been characteristically thorough and thoughtful. I would like to share with the Senate and insert in the CONGRESSIONAL RECORD the questions and answers on direct election of the President on which I have been pleased to cooperate with the League of Women Voters.

I ask unanimous consent that the questions and answers be printed in the RECORD.

There being no objection, the questions and answers were ordered to be printed in the RECORD, as follows:

QUESTIONS AND ANSWERS ON DIRECT ELECTION OF THE PRESIDENT

Question 1. Would direct popular election weaken the two-party system?

Answer. Whatever the historical reasons for the initial appearance of two parties on the American political scene, most political scientists are agreed that its continued existence is due mostly to the fact that in the United States political contests are decided in single-member districts. In other words, in an election there is but one prize to be won. The electoral mechanics of the single member district, in terms of its effect on the party system, are such that they tend to force factions to combine in order to be certain of capturing a popular vote plurality and victory. Since direct popular election would not affect the nature of the Presidency, and it would remain a single member office, there is little likelihood of direct election splintering the parties.

Conversely, the simplest way to splinter the parties would be to offer a share of power to factions in proportion to their relative strengths. Direct popular election, unlike other proposed changes in how we elect our Presidents, would avoid the prospect of multiple parties by offering only one prize, thus maintaining the incentive to coalesce around the two major parties.

In addition, S.J. Res. 1 proposes a 40 percent plurality requirement as a further safeguard against a proliferation of the parties. The 40 percent requirement would encourage potential splinter groups to continue to operate within the framework of the two party system, since no minor party could reasonably hope to win 40 percent of the total popular vote. At present, it should be pointed out, third parties are encouraged to enter close Presidential contests in the hope of playing a balance of power role—as in 1948 and again in 1968. In S.J. Res. 1, in the unlikely event of a runoff, only the two top vote-getters would participate, which would discourage minor parties from entering the contest, since it is highly improbable that they would be among the top two.

If splinter parties were to survive under direct popular election, it would become necessary for them to expand their political base and become, in effect, national parties. Traditionally, political organizations are based on state and local foundations. For a party to have true viability, it must be able to compete for county sheriff, commissioner, mayor, congressman and governor, as well as for the Presidency.

Direct popular vote can actually strengthen meaningful grass roots political organization. Under the present system, there is little incentive to increase the margin of victory or decrease the margin of defeat in any given state, because a candidate receives the state's entire electoral vote whether the popular vote margin is one vote or one million. In an election by direct popular vote, every precinct committee-man in each party would know that every extra vote registered and cast would actually count in the national total. This system would in reality increase the incentive to vote and strengthen meaningful political activity.

Question 2. What effect, if any, would direct popular election have on our federal system of government?

Answer. Direct popular election is perfectly consistent with the constitutional principle of federalism, which recognizes the dual existence of the states and the national government as separate entities. The Presidency, within this constitutional framework, is a national office, and the President, in fact as well as in theory, is the Chief Executive of all the people. Therefore, the choice of a President should rest with all of the people.

As former Senator Mike Mansfield pointed out in a statement urging the abolition of the electoral college:

The Federal System is not strengthened through an antiquated device which has not worked as it was intended to work when it was included in the Constitution and which, if anything, has become a divisive force in the Federal System by pitting groups of states against groups of states. As I see the Federal System in contemporary practice, the House of Representatives is the key to the protection of district interests just as the Senate is the key to the protection of State interests.

These instrumentalities, and particularly the Senate, and the principal constitutional safeguards of the Federal System, but the Presidency has evolved, out of necessity, into the principal political office . . . for safeguarding the interests of all the people in the states. And since such is the case . . . the Presidency should be subject to the direct and equal control of all the people.

Question 3. How would direct popular election affect the distribution of political power between large states and small states and between urban voters and rural voters?

Answer. Some spokesmen for urban America have claimed that we should retain the present electoral system because it represents "the only effective hold on power that the urban population centers have in the federal government today." On the other hand, some spokesmen for rural America have stated that the present electoral vote formula, which entitles each state to as many electoral votes as it has Senators and Representatives, inflates the voting power of the citizens of the smaller states. Such is the dichotomy of the large state-small state argument. In all fairness, both sides of this argument are theoretically correct.

The ratio of electoral votes to population indicates that the smaller states have a mathematical voting advantage under the present vote formula embodied in Article II

of the Constitution This theoretical advantage, however, is offset by the effects of the unit rule. Under the unit rule, all of the state's electoral votes are awarded to the candidate who wins a popular vote plurality—regardless of whether the plurality is one vote or a million votes The consequence of this "winner-take-all" system is that Presidential campaigns and political power are concentrated in the large, closely contested urban states, where entire state blocs of electoral votes can be won by the narrowest of margins. The campaign strategists are keenly aware that the candidate who carries the eleven most populous states and the District of Columbia is elected President even if he is soundly defeated in the remaining thirty-nine states. In those elections where the large electoral vote states divide evenly, the mathematical advantage of the small states can become an effective advantage In those elections where the large electoral vote states gravitate towards the same candidate, the practical advantage of the unit rule for the large states becomes self-evident

Direct popular election's greatest merit is the fact that it eliminates all of the weighted factors in the election process. Regardless of the statistics of any given election, the direct popular vote removes any political advantage that urban groups or rural groups may find in the present system Under direct election, the unit of voting is the individual vote. Each vote would count the same regardless of where it is cast Therefore, it is the individual who would benefit from direct popular election

There can be no denying that a community or a state with large numbers of residents would have greater political impact under a popular vote plan than a less populous neighbor. But under direct popular vote each community the same size would have the same influence on the electoral process This is not the case under the present electoral college system Today's political campaigners stop in Oakland, California and ignore Omaha, Nebraska, of similar size The reason is California's large electoral vote.

Under direct popular election each vote counts the same; communities of one thousand, ten thousand or five hundred thousand people will have the same effect on the outcome of the election as any other community the same size—whether in a large state or a small one.

Question 4. Would popular election produce delayed results, and lead to uncertainty because of recounts?

Answer. The vote counting mechanics of direct popular election would be exactly the same as those now used in statewide elections for Governors and United States Senators The separate states would have the primary responsibility. The essential requirements of an accurate and speedy vote count have been met in thousands of direct elections throughout the United States In New York and California millions of popular votes are cast and tabulated without difficulty There is no reason why similar requirements cannot be met in the election of the President In fact with the ever-increasing use of mechanical vote counting devices, the whole election process is likely to become more streamlined

In any close election, regardless of the system used, a recount is a possibility The pertinent question here is, would the chances of a recount be greater, or increase the uncertainty of final outcome to a greater degree under direct election than is the case today under the electoral college system

Those concerned with a popular vote recount envision a recount of 70 million votes starting at vote one and proceeding to vote 70 million. A more realistic procedure would give each state the responsibility of conducting its own recount. Of course Congress would have to establish the regulations governing this procedure, including the criteria which would have to be met to qualify a state for a recount. Then all of the states granted a recount would proceed to recount their votes during the same time interval. Thus, from a practical standpoint, the time required for a popular vote recount under direct election would be the time required to recount the votes in one state.

How does this compare with the recount problem under the electoral college system? Clearly, the possibility of a recount exists under the present system whenever the electoral vote tally is likely to be close—particularly where the change of a few popular votes in one of the major states can change a large bloc of electoral votes from one candidate to another

In 1960, a recount was conducted in Hawaii, and whereas Nixon had been adjudged the winner in the initial return, Kennedy was determined the final victor by the recount The final outcome in Hawaii was not forthcoming until the last part of December

Question 5 What about the incentive for fraud under direct popular vote?

Answer Opponents argue that direct popular election will increase the temptation for widespread voting fraud. In truth, however, it is the present system that encourages voting irregularities because a handful of fraudulently procured popular votes can determine the outcome of a large bloc of electoral votes Who can forget Illinois in 1960, where charges and counter-charges of a stolen election were freely exchanged? Under direct election, fraud—if it did occur would affect only the actual number of popular votes involved. It would not, as under the present system, produce a distorted statewide result.

Question 6 Will direct popular election mean federal control and regulation in each precinct?

Answer Under the provisions of S.J. Res. 1, the places and manner of holding elections and regulations governing inclusion on the ballot would be prescribed, in the first instance, by state legislatures subject to a reserve power in Congress. The primary responsibility would be with the states. The reserve power would be used only in cases where there had been arbitrary state action excluding major party candidates or abuses such as the constant changing of polling places in an attempt to deny the ballot. This procedure parallels the provisions of Article I, Section 4 of the Constitution, governing the election of Representatives and Senators.

S J Res 1 specifies that qualifications for voting in Presidential elections should be the same as those for voting in Congressional elections The qualifications for voting for members of Congress, as spelled out in Article I, Section 2 of the Constitution, are actually set by state law, since they are tied to the qualifications necessary to vote for members of the "most numerous branch of the state legislature" In the event that at some later date the disparity in age and residency requirements among states would present a significant problem, the power is reserved for Congress to seek uniformity in these two areas But the major thrust of S J Res 1 is to permit the states to set the qualifications for voting in Presidential elections and also to run the election process, as is now the case in Federal elections which choose Senators and Representatives to serve in the Congress of the United States.

Answer A 1977 Gallup poll revealed that 84 percent of the people who responded with an opinion favored a constitutional amendment for direct election Regional statistics are

Midwest 87 percent
South 79 percent
East 80 percent
West 85 perecnt

An impressive number of national organizations have carefully reviewed the electoral question and declared their support for the direct election plan. Among these are the American Bar Association, the U.S. Chamber of Commerce, the AFL-CIO, the United Auto Workers, the National Federation of Independent Business, the National Small Business Association.

The direct election amendment passed the House overwhelmingly in 1969 but became enmeshed in a Senate filibuster and was never voted on in the Senate.

Question 8. Under the direct popular election, won't the ten largest states be able to dictate the outcome?

Answer. Only if we make the unrealistic assumption that every voter in the ten largest states will vote for the same candidate. This has never happened. In fact, the large states are precisely those where election results are the most evenly divided.

Question 9. Would either the district plan or the proportional plan correct the flaws in the present system?

Answer. In terms of more accurately reflecting the popular will, the district plan represents no improvement over the present system. In effect, it merely shifts the "winner-take-all" formula and its attendant inequities from fifty statewide elections to electoral districts. In 1952, for example, the district system would have so distorted the popular will that President Eisenhower's 55.1 percent of the popular vote would have produced 70.6 percent of the electoral vote. Or, to use another example, President Johnson's 61.8 percent of the popular vote in 1964 would have given him 86.6 percent of the electoral vote under the district plan. It is important to remember that these distortions are built into the district plan and could easily produce a President who was not the first choice of the American people.

The glaring inequities that can result from the district plan are clearly illustrated by comparing the returns from the First and Fifteenth Congressional Districts in Illinois in 1964. President Johnson carried the First District by a 167,458 popular vote margin. Senator Goldwater, in contrast, won the Fifteenth District by only 71 votes. Under the district plan, both candidates would have received one electoral vote. The main defect of the district system, then, is that it completely discounts the size of the vote and the margin of victory. The winner is not necessarily the candidate with the most votes.

The proportional plan, it is true, would provide us with a more accurate reflection of the popular vote than either the present system or the district plan, but it still could not guarantee the election of the popular choice. A computer study revealed, for example, that a Presidential election decided by 500,000 votes (in 1968 the margin was 499,704) had a 25 percent chance of backfiring under the proportional plan and producing a minority President.

Under very easily imagined circumstances, the proportional plan could produce exactly the kind of result we find so unsatisfactory in the present system. If one candidate won most of his or her electoral votes in the small, safe states, and the large states were fairly evenly divided, the popular vote winner likely would be the electoral vote loser. In fact, this is exactly what would have happened in 1896 had the proportional system been in effect for the McKinley-Bryan race. McKinley captured 51.1 percent of the popular vote, and Bryan 46.7 percent of the nationwide total. By dividing each state's electoral vote proportionally, however, Bryan would have emerged as President.

The proportional plan, in addition, would have the very undesirable effect of stressing the values of one party states and rewarding states with low voter turnouts. In the 1968 Presidential election, for example, President Nixon captured 43 percent of the popular

vote in Virginia. Under the proportional plan he would have received 5.2 electoral votes. Vice President Humphrey won 43 percent of the popular vote in Missouri, a state with the same number of electoral votes as Virginia. Humphrey's 43 percent of the Missouri vote, therefore, would have likewise provided 5.2 electoral votes. However, it only required 590,315 popular votes to produce Nixon's electoral votes in Virginia, while Humphrey's 5.2 electoral votes were based on 791,444 popular votes—a difference of 201,129 popular votes.

The only system which guarantees that the President will be the candidate who receives the most votes is the direct popular election proposal.

Question 10. What is the purpose of the 40% run-off provision of S.J. Res. 1? Doesn't this increase the chance of a Presidential run-off?

Answer. Quite the contrary. The purpose of the 40 percent provision is to minimize the chances of a run-off and strengthen the traditional two party system of our political structure. To have true viability, a minority party must seek to affect the outcome of the election by preventing either major party from winning in the first election. To accomplish this goal under a 40 percent provision, a minority party would have to capture at least 20 percent of the popular vote. However, if a majority of the popular vote was required to win, even a relatively insignificant splinter party could prevent a final decision in the event of a closely divided popular vote between the two major parties.

We are searching for a system that has the maximum amount of credibility and certainty. Americans have become accustomed to accepting the credibility of a President who received less than a majority of the popular vote (i.e. Nixon, Kennedy, Truman, Wilson). But reason would dictate that there is a floor of nationwide support below which a President's credentials would be seriously questioned. Forty percent of the popular vote seems, historically, to represent a reasonable line of demarcation. In fact, only one President in history received less than 40 percent of the popular vote. In 1860 Abraham Lincoln received only 39.76 percent of the popular vote, but his name was omitted from the ballot in 10 states.

Thus, it would seem that the 40 percent popular vote level meets the necessary minimum of national support required for presidential credibility. In addition, the chance of an election producing results in which one of the candidates received less than this figure, thus necessitating a run-off, is relatively remote.

ROMANIAN INDEPENDENCE DAY

Mr. CASE. Mr. President, I congratulate all Americans of Romanian descent on the occasion of the 100th anniversary of the achievement of Romanian independence and the founding of the independent kingdom of Romania. On May 10, 1877, Romania—along with her ally, Russia—fought for the independence it had already proclaimed from the Ottoman Empire and defeated the Turks on the battlefield. The Congress of Berlin in 1878, confirmed Romanian independence and on May 10, 1881, Charles I was crowned the first King of Romania. After World War II, however, Romania fell under the dominance of the Soviet Union, and so the country has once again lost her freedom.

Romania is one of the 35 participating countries in the Helsinki agreement of 1975 and, as a member of the Commission on Security and Cooperation in Europe—otherwise known as the Helsinki Commission—I am particularly concerned with the problem of Romanian implementation of their promises, especially in the area of human rights. In connection with this, I am heartened to hear that the Manchester Guardian reports the Romanian Government has already released the writer, Paul Goma, and is going to grant amnesty to 28,000 people, including dissidents, to mark the 100th anniversary of Romanian independence. I hope that this information is correct.

Last month, the Senate, in showing its concern and friendship for the people of Romania, approved legislation authorizing $20 million to assist victims of the recent earthquake in Romania.

Once again, let me extend my best wishes today to all Romanian-Americans and let us all work together so that Romanians, wherever they are, will be free to practice their religious, cultural, and political rights as they see fit.

THE LETHAL DILEMMA

Mr. SPARKMAN. Mr. President, on May 2, Senator CHURCH made a provocative speech at the Massachusetts Institute of Technology, entitled "Arms, Energy, and the Atom." In view of the importance of having a full and thorough public dialog on nuclear energy policy, I ask unanimous consent to have Senator CHURCH's speech printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ARMS, ENERGY, AND THE ATOM: THE LETHAL DILEMMA

(By Senator FRANK CHURCH)

The terms of reference given to me for this lecture were that I should speak on any aspect of change and security, subject only to the request that I do so within the time frame of possible development over the next two decades. In his letter of invitation, your President, Jerry Wiesner, put it thusly: "A central and new factor in the present world situation is that the exploitation of science and technology has so accelerated the rate of change of man's condition that our traditional means for dealing with political, economic, social and military change are no longer adequate to the task."

This statement well describes the nuclear weapons proliferation dilemma. For here we have a classic case study of human technology outpacing our political capacity to tame the very atom which may either bestow energy salvation or lead us to destruction. That is the issue I wish to discuss with you today.

I do so with trepidation. For me to discuss the complexities of nuclear technology at M.I.T. is rather like my going to Mayo's to give a lecture on open heart surgery. Still, public policy, even in the most technical of fields, must ultimately be decided by elected officials. Every member of Congress must, therefore, do the best he can to grope with such subjects and communicate his conclusions to the public, at large.

The Administration's nuclear energy strategy has four major elements: (1) defer indefinitely nuclear fuel reprocessing; (2) restructure our nuclear breeder program by deactivating the ongoing effort to bring about its commercialization; (3) fund research and development in alternative fuel cycles "which do not involve direct access to materials usable in nuclear weapons"; and (4) increase substantially the number of conventional nuclear power plants (the light water reactors), together with our uranium enrichment capacity to fuel them both at home and abroad. In effect, by deferring nuclear fuel reprocessing and the introduction of the breeder, the Administration is attempting to avoid entering the plutonium stage of nuclear energy development. Plutonium, it is felt, increases the danger of nuclear weapons proliferation to an unacceptable level of risk. By our unilateral renunciation of plutonium-based breeder reactors and our offer to other nations of a guaranteed supply of enriched uranium to fuel their conventional reactors, the Administration hopes to set an example which others will follow.

However well-intentioned, I am convinced that the Administration's nuclear energy policy is a formula for nuclear isolationism. It will reduce—not enhance—U.S. influence in shaping worldwide nuclear policy. Thus, instead of advancing the control of nuclear weapons proliferation, our self-imposed restraint runs the grave risk of leaving an international vacuum, which is an invitation to nuclear anarchy.

I believe the Administration proposal is flawed for at least two reasons:

First, it does not take sufficient account of the energy vulnerability of countries lacking our resource base. The United States still produces nearly 60% of its oil needs, although imports have grown to alarming proportions. Moreover, we have massive coal reserves, oil shale potential and large domestic uranium deposits. But other industrialized nations like France, West Germany and Japan, and most developing countries, are not so fortunate.

These energy-deficit countries have also been traumatized by the 600% rise in the price of oil mandated by the OPEC cartel since October of 1973. During the past three years, the 13 oil exporting nations of OPEC have accumulated payments surpluses of $150 billion. The interest alone on the consumer debt brought about by these huge surpluses amounts to as much as the oil importers were paying for the oil itself before 1970. And the debt keeps mounting. Presently, the OPEC governments are taking in about $45 billion more each year than they can buy back in imports. Britain and Italy, borrowing to pay for the oil ran out of private credit last year. Portugal, Spain, Greece and Turkey are heading into trouble now, with Belgium, Denmark, and Finland not far behind. France, practicing austerity, is still able to borrow privately. But efforts to stimulate the French economy before next year's critical election will undoubtedly lift its import bill.

The breeder program is the only technology now on the horizon which holds out the promise of relieving Europe and Japan of an unremitting dependence upon foreign-held fuel supplies. The singular advantage of the breeder is that future models, on the basis of known technology, should produce more fuel than they consume. A breeder program makes possible the use of the otherwise worthless uranium 238 (which comprises 99.3 percent of natural uranium), and this becomes a potential fuel resource of incalculable value. Indeed, the United States already has in storage tons of tailings containing purified uranium 238 which, if used in a breeder program, could produce an electrical equivalent five times larger than all the oil in the Middle East!

Neither the governments in Western Europe nor Japan are going to remain bound in an energy straitjacket if they have a chance to achieve, through the breeder program, eventual energy independence. John Anderson, the energy specialist for the Washington Post, after a trip to major European capitals, concluded:

"The major European powers have already gone a very long way in their commitment to the development of plutonium breeder reactors France and Britain have both had experimental breeders running since the 1960's. Germany has one in operation now, and there's another under construction in Italy. As for the much bigger commercial breeders, France has now decided to go ahead with the world's first- the 1200 megawatt Superphoenix. A 1300 megawatt breeder is under design in Britain.

"But they won't be competitive, in economic terms, unless they are widely used There is going to be fierce pressure on European governments to export these machines, to help pay for the enormous development costs. The German sale of the plutonium reprocessing plant to Brazil isn't the last of these cases It's more likely to be only the first."

The second flaw in the Administration's program is that it fails to offer a satisfactory substitute for the world's diminishing supply of oil. According to a CIA study made public recently, global oil supplies will begin to fall short of world demand by 1985, a few short years away! In the face of this dire forecast, the Administration hopes to persuade other nations to stick with conventional reactors and agree to "one-use-only" of the enriched uranium with which they are run. Such a "throw-away" policy involves burying the used fuel rods with the unspent uranium and newly-created plutonium still inside, after they are removed from a nuclear power plant.

Inasmuch as the spent fuel rods can be reprocessed and recycled through the reactors again (adding 30% to the energy originally produced), and since the plutonium manufactured by the fission process could fuel the breeder (thus assuring the world an ample energy source for generations to come), the Administration's plan is viable only if the supply of natural uranium were virtually, unlimited.

This, of course, is anything but the case The Administration relies upon a Ford Foundation study which assumes that there will be far more recoverable uranium found in this country than intensive exploration has indicated. The Ford study estimates a 3 7 million ton reserve figure But a series of studies by federal agencies, including one conducted by the National Academy of Sciences, have concluded that the known and probable reserves of uranium in this country total about 1.8 million tons. Such a quantity would provide only one-half of the nuclear energy production required by the United States alone between now and the end of the century. Even if the Ford Foundation prediction proved true, it is still apparent that the United States would be unable to produce, from its own natural uranium deposits, a sufficient supply of enriched uranium to meet our own needs and those of our foreign customers, besides We ask, in effect, that by abandoning the breeder, they exchange one depleting source of fuel, oil, for another, natural uranium. How can we expect them to do it?

Moreover, recent disclosures have shown that the foreign uranium production market may be susceptible to cartelization by a few producers Prices have jumped to OPEC-type levels, so much so that the Westinghouse Corporation is now enmeshed in litigation which endangers its solvency as it was forced to renege on uranium supply contracts which had assumed relatively stable prices. In short, it is unrealistic to believe that other fuel-deficient governments are going to confine themselves to multi-billion dollar conventional reactor programs, while relying upon a future supply of natural uranium which is unsure in quantity and susceptible to drastic price manipulation

So we should not be surprised that oil-deficit nations are even now turning in the opposite direction, toward protectionist energy policies

A Brazilian Government white paper on nuclear energy summed up this sentiment:

'Recent historical developments have demonstrated the dangers of relying heavily on external sources for the satisfaction of the basic input needs of the economy . . . To avoid what happened in the case of oil—it was imperative that the solution in the case of nuclear energy be one that enabled the country to reach the indispensable autarky in the medium term.

'In other words, it was not acceptable to replace one form of dependence for another—the economic growth of the country, or its mere subsistence, cannot be dependent upon 'third countries' decisions as to prices and supplies of essential fuels."

Like it or not, in the post-OPEC world the breeder reactor has become the symbol of the nationalistic drive for energy independence. If there was any doubt on this score, surely it must have been dispelled by the April 23 West German Government announcement approving a four-year, $2.7 billion program of energy research, focusing on nuclear-power and plutonium-based reactors.

As against the energy potential of the breeder program and the reprocessing stage which is a necessary preliminary to the breeder, the Administration has cited the danger of nuclear weapons proliferation. It is important, therefore, to try to understand precisely what that danger is. Halting nuclear energy short of the plutonium stage will not eliminate the risk of proliferation. As the Ford Foundation study observes, the requirements for making nuclear weapons can be reduced to three:

1 Uranium,
2 Trained Personnel; and
3 Facilities to produce enriched uranium or plutonium from the natural uranium.

While uranium is unevenly distributed and most countries are dependent on imports, relatively little is needed to manufacture a bomb Indeed, India obtained the requisite amounts from the imported fuel for its research reactor Most of the technology necessary for a weapons program is readily available to scientists and engineers. The Ford study acknowledged that a weapons program is certainly within the capabilities of developed countries, and of many developing countries And, although a very large investment has so far been required for uranium enrichment, new methods on a much smaller scale are in various stages of development. Today, it is easily within the means of any of a dozen advanced non-nuclear states to build a centrifuge plant adequate for a modest weapons program.

As Representative Mike McCormack noted in a recent article in the Washington Post:

"The reason that weapons have not been made from commercial nuclear power plant fuel is that it is much cheaper and simpler to make nuclear weapons from natural uranium using facilities designed and built exclusively for that purpose Trying to divert nuclear power plant fuel into weapons production is the most expensive, clumsy, dangerous and inefficient way for any nation to make a weapon."

For these reasons, I believe that our energy policy must feature the reprocessing of spent fuel in the near future, accompanied by the research and development necessary to enable us, by the early 1990's, to place on the market some form of breeder technology. At the same time, I believe that this country must take the lead in strengthening and extending existing institutions like the International Atomic Energy Agency. We must do what we fell short of doing in the 1950's and '60's, namely, devise an international framework which will enable all non-weapons states to meet their genuine energy needs with nuclear power, while minimizing the risk of nuclear weapons proliferation.

The problem now, as I see it, is to devise an effective system of international controls. If we begin by laying down an American commandment: "Thou shalt not have access to nuclear reprocessing or possess breeder reactors," not only will we fail, but we will exacerbate nationalistic passions and lose the opportunity to build upon the embryonic international institutions which now exist.

Almost 25 years ago, the United States admitted that we could not prevent other countries from acquiring and developing nuclear technology. In his "Atoms-for-Peace" address to the United Nations on December 8, 1953, President Eisenhower outlined a new American policy based upon the recognition of this truth. He proposed the creation of a new organization under the UN to assist countries in developing nuclear energy for peaceful purposes. Recipients of this assistance were to agree to international inspection, in order to prevent diversion of materials for weapons use. As the world leader in nuclear technology, the United States sought to influence the peaceful development of this vast new energy source while, at the same time, restricting its use in building weapons arsenals.

So we took the lead in the creation of the International Atomic Energy Agency (IAEA). Ever since, the IAEA, with our strong support, has furnished technical assistance and materials to participating countries and has developed and administered a system of safeguards. Meanwhile, the United States, carrying out its commitments under the IAEA Statute and the Treaty on the Non-proliferation of Nuclear Weapons, has helped other countries acquire, research and power reactors. We have been the world's major supplier of nuclear materials, equipment, technology and training. But the infant system of international inspection and control that we fathered has not kept pace with the growing need.

I would, therefore, suggest that we abandon any new and demonstrably futile attempt to contain the flow of nuclear technology and try instead to channel it in directions that will provide adequate supplies of energy while minimizing the potential for making nuclear weapons. We should aim toward eventual international ownership and control of the fuel cycle necessary to sustain commercial reactors in all non-weapons states. Regional uranium-enrichment and reprocessing plants should be established under the auspices of the IAEA. This agency should own all the nuclear fuel in its global system, be responsible for the fuel's security, and accountable for its use. Fuel elements could be leased to the participating nations on the condition that the spent rods would be returned, and that each reactor in which they are inserted would be subject to IAEA inspection.

No plutonium or other weapons material would ever be produced in a form which could be used for weapons fabrication; the fuel would be blended with other materials to make it unworkable for bomb construction. For example, the reprocessing would produce only blended uranium and plutonium, usable for fuel elements, but unworkable in a weapon.

Fuel fabricating facilities would be built immediately adjacent to the chemical separation plant, as would a facility for classification of all their waste for deep burial. New fuel elements could be slightly irradiated as a last step before being shipped from the facility. Thus, they would require the same heavy shielding that is necessary to return irradiated fuel elements from a nuclear plant.

Such a system of international supply and control would not only provide maximum protection against diverting fuel to weapons but would meet the legitimate demands of the non-weapons states for an assured supply of nuclear fuel at a fair price. Just as the American Government now sells enriched uranium to commercial reactors in this country, the IAEA could make its fuel available to participating states at cost.

The system I have described would also furnish the best insurance against terrorists. By dealing only in irradiated fuel, it would be necessary to steal at least one, and perhaps several, 50-ton shipping casks, in order to obtain enough material to make a single weapon. Furthermore, it would be necessary to extract the weapons material from the hot fuel rods, a feat requiring elaborate facilities. This should reduce the potential for elicit diversion for weapons material virtually to zero.

I do not underestimate the formidable task of establishing such a global system. But while we work in that direction, our national policies should constitute the example of how such a system might work. In this regard, I agree with Congressman Mike McCormack, the Chairman of the House Science and Technology Subcommittee, who recently observed:

"Of course no system is perfect or foolproof. It should be obvious, however, that this nation and the world can have the energy required for economic stability and a high degree of nuclear security as well.

"If some nation decides that, in spite of all the attendant problems, it is determined to obtain nuclear weapons, then it will obviously be much easier to make the weapons outside the fuel cycle, as was done by India. This could be done secretly today, regardless of any restraints the United States places on its own energy programs. It is more likely to happen if the United States does not provide leadership for a workable program to assure adequate controls and supplies of energy.

"Above all else, this nation must lead, and from a credible position. The other nations of the world do not believe that we can provide them with nuclear fuel unless we have a breeder program and unless we recycle and process our fuel."

BEAM WEAPON THREAT

Mr. GOLDWATER. Mr. President, an editorial appearing in the May 2 issue of Aviation Week and Space Technology has caused a great deal of concern and interest from not just the scientific and military communities, but from the general public at large. The editorial, written by Robert Hotz, is entitled "Beam Weapon Threat," and describes in as much detail as can be gathered the development of the laser beam as a weapon by the Soviets. Naturally, the United States has been working on this concept for a long time, but it has only recently come to our attention that the Soviets have also been in this field and have made advances that should be of concern to all Americans. I ask unanimous consent that this editorial and an article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BEAM WEAPON THREAT

(By Robert Hotz)

The Soviet Union has achieved a technical breakthrough in high-energy physics application that may soon provide it with a directed-energy beam weapon capable of neutralizing the entire United States ballistic missile force and checkmating this country's strategic doctrine.

These developments are described in detail in this issue by Aviation Week & Space Technology Military Editor Clarence A. Robinson, Jr., in the story beginning on page 16. There are those in the official intelligence bureaucracy who will challenge our judgment in printing these facts on those Watergate-worn grounds of "national interest." We have been following this story for more than a year and have in fact refrained from printing it earlier because of what were then legitimate matters of intelligence security. But those considerations no longer exist.

The hard proof of eight successful Soviet tests of directed-energy beam weapon technology gives new and overriding urgency to bring these developments into the public domain and rip the veil of intelligence secrecy so that this whole matter of vital national urgency and survival will finally be brought to the attention of the President of these United States, the Congress and the citizens of this republic whose future is at risk. In all of the previous four years that these Soviet developments have been known to the official intelligence community, they have been stifled by a conspiracy of skepticism and silence and never once penetrated to the highest decision-making councils of this country.

TECHNOLOGY LEAP VERIFIED

The incredible story of how the Soviets leap-frogged a generation of high-energy physics technology and developed a workable experimental model of a directed-energy beam weapon now has been largely verified by the successive Soviet tests at Semipalatinsk and Azgir and the brilliant work of a small group of extremely young physcists in this country. The fact that this country still has a chance of avoiding a crippling technological surprise that could render its entire strategic missile force ineffective is due to the courageous, dogged and perceptive work of a handful of U.S. Air Force intelligence specialists who polarized around the leadership of Maj. Gen. George Keegan, Jr., recently retired chief of Air Force intelligence (AW&ST Mar. 28, p. 38).

We do not suggest any formal conspiracy to suppress the mounting evidence of a massive Soviet research, development and industrial push aimed at the goal of an anti-ICBM directed-energy beam weapon. Rather it was a combination of smug American assurance that the Soviets were simply not capable of out-reaching us in any technological race and the intellectual arrogance of elderly scientists who through the ages have spent their twilight years proving that the next generation of breakthroughs is "impossible."

In modern times, we have the continuing examples of Dr. Vannevar Bush, who thundered that the ICBM was a technical impossibility, and the assortment of scientists in the Eisenhower era who firmly believed that manned spaceflight should be abandoned because the human system could not survive its rigors. It was a similar group of high-energy physicists, some heavy with Nobel laurels, who encouraged the natural technical illiteracy of the Central Intelligence Agency to discount the steadily growing stream of Soviet developments and to lead the bitter intramural battles that suppressed the evidence from higher government councils for crucial years.

There is still considerable debate over the real significance of the Soviet tests at Semipalatinsk and Azgir and how long it will take the Soviets to translate their experimental developments into a usable weapon. But there is no longer much doubt among top-level U.S. high-energy physicists that it is feasible to develop a directed-energy beam device.

INITIAL SKEPTICISM OVERCOME

There also is an element in the Pentagon that can visualize the eventual Soviet deployment of the directed-energy beam weapon as the end game of an intricate chess exercise that began with the 1972 negotiation of the anti-ballistic missile treaty, which effectively stopped not only U.S. deployment of an anti-ICBM system but also most of its significant on-going research and development. The hypothesis for this chess game, which ends in the early 1980s with the triumphant Soviet shout of "check and mate," involves the U.S. finding its strategic deterrent ballistic missile force stripped of any defensive system, with the Soviets using their anti-ICBM directed-energy beam weapon to negate any U.S. retaliation and strong civil defense shield to minimize damage from the few warheads that might penetrate.

The race to perfect directed-energy weapons is a reality. Despite initial skepticism, the U.S. scientific community now is pressuring for accelerated efforts in this area.

It is absolutely essential that the remaining chapters of this debate be conducted in public where every American citizen, from President Jimmy Carter on down, is aware of the elements that will determine this nation's future. It is far too important an issue to be cloaked in the obscure bureaucratic infighting of the intelligence community.

It could be a fatal error for this country to continue to put its major strategic reliance on a single type weapon for which an effective counter is already looming on the technical horizon.

SOVIETS PUSH FOR BEAM WEAPON

(By Clarence A. Robinson, Jr.)

WASHINGTON.—Soviet Union is developing a charged-particle beam device designed to destroy U.S. intercontinental and submarine-launched ballistic missile nuclear warheads. Development tests are being conducted at a facility in Soviet Central Asia.

The Soviets also are exploring another facet of beam weapons technology and preparing to test a spaceborne hydrogen fluoride high-energy laser designed for a satellite killer role. U.S. officials have coined the term directed-energy weapons in referring to both beam weapons and high-energy lasers.

A charged-particle beam weapon forcuses and projects atomic particles at the speed of light which could be directed from ground-based sites into space to intercept and neutralize reentry vehicles, according to U.S. officials. Both the USSR and the U.S. also are investigating the concept of placing charged-particle beam devices on spacecraft to intercept missile warheads in space. This method would avoid problems with propagating the beam through the earth's atmosphere.

Because of a controversy with in the U.S. intelligence community, the details of Soviet directed-energy weapons have not been made available to the President or to the National Security Council.

Recent events have persuaded a number of U.S. analysts that directed-energy weapons are nearing prototype testing in the Soviet Union. They include:

Detection of large amounts of gaseous hydrogen with traces of tritium in the upper atmosphere. The USAF/TRW Block 647 defense support system early warning satellite with scanning radiation detectors and infrared sensors has been used to determine that on seven occasions since November, 1975, tests that may be related to development of a charged-particle beam device have been carried out in a facility at Semipalatinsk.

Ground testing of a small hydrogen fluoride high-energy laser and detection of preparations to launch the device on board a spacecraft. Some U.S. officials believe the test

of the antisatellite-laser may be related to recent Soviet activities on a manned Salyut space station.

Test of a new, far more powerful fusion-pulsed magnetohydrodynamic generator to provide power for a charged-particle beam system at Azgir in Kazakhstan near the Caspian Sea. The experiment took place late last year in an underground chamber in an area of natural salt dome formations in the desert near Azgir and was monitored by the TRW early warning satellite stationed over the Indian Ocean.

New test site at Azgir under the direct control of the Soviet national air defense force (PVO Strany), commanded by Marshal of the Soviet Army General P. F. Batitskiy. Since the PVO Strany would be responsible for deploying a beam weapon to counter U.S. ICBM warheads, Marshal Batitskiy's role indicates a near-term weapons application for these experiments, U.S. officials believe.

Point-by-point verification by a team of U.S.-physicists and engineers working under USAF sponsorship that the Soviets had achieved a level of success in each of seven areas of high-energy physics necessary to develop a beam weapon.

Shifts in position by a number of experienced high-energy physicists, who earlier discounted the Soviet capability to develop the technology for a charged-particle beam device. There is now grudging admisson that the USSR is involved in a program that could produce such a weapon.

Recent revelations by Soviet physicist Leonid I. Rudakov during a tour last summer of U.S. fusion laboratories that the USSR can convert electron beam energy to compress fusionable material to release maximum fusion energy. Much of the data outlined by Rudakov during his visit to the Lawrence Livermore Laboratory has since been labeled top secret by the Defense Dept. and the Energy Research and Development Administration, but it gave a clue to U.S. scientists that the USSR is far ahead of the U.S. in controlled fusion by inertial confinement (compression of small pellets of thermal nuclear fuel) and weapons based on that technology.

Pattern of activity in the USSR, including deployment of large over-the-horizon radars in northern Russia to detect and track U.S. ICBM reentry vehicles, development and deployment of precision mechanical/phased-array antiballistic missile radars and massive efforts aimed at civil defense.

There is little doubt within the U.S. scientific or intelligence communities that the Soviets are involved in developing high-energy technology components that could be used to produce a charged-particle beam weapon, but there is a great difference of opinion among officials over whether such a device is now being constructed or tested in the USSR.

In increasing numbers, U.S. officials are coming to a conclusion that a decisive turn in the balance of strategic power is in the making, which could tip that balance heavily in the Soviets' favor through charged-particle beam development, and the development of energetic strategic laser weapons.

Most of the controversy centers on what tests are being conducted in an unusual research facility about 35 mi. south of the city of Semipalatinsk.

In the face of mounting evidence of Soviet efforts aimed at developing a charged-particle beam weapon for anti-ballistic missile defense, the Air Force's Scientific Technical Intelligence Committee (STIC) has scheduled a fall meeting to review new data.

The Semipalatinsk facility where beam weapons tests are taking place has been under observation by the U.S. for about 10 years. The central building at the facility is believed by some officials to contain a collective accelerator, electron injectors and power stores.

The building is 200 ft. wide and 700 ft. long, with walls of reinforced concrete 10 ft. thick. The entire facility, with its associated support equipment, is estimated to have cost $500 million.

The test site is at the southern edge of the Semipalatinsk nuclear test area, and it is separated from other test facilities. It is surrounded by a series of security fences.

The total amount invested by the USSR in the test project for the 10 years' work there is estimated at $3 billion by U.S. analysts.

The U.S. used high-resolution photographic reconnaissance satellites to watch as the Soviet technicians had four holes dug through solid granite formations not far from the main large building at the facility. Mine heads were constructed over each opening, and frames were built over the holes. As tons of rock were removed, a large underground chamber was built deep inside the rock formation.

In a nearby building, huge extremely thick steel gores were manufactured. The building has since been removed. These steel segments were parts of a large sphere estimated to be about 18 meters (57.8 ft.) in diameter. Enough gores for two complete spheres were constructed. U.S. officials believe the spheres are needed to capture and store energy from nuclear-driven explosives or pulse-power generators. The steel gores are believed by some officials to be among the earliest clues as to what might be taking place at the facility.

The components were moved to the nearby mine heads and lowered into the chamber.

Some other U.S. physicists believe the steel gores are designed for underground storage of unused nuclear fuel for a magnetohydrodynamic or closed cycle gas core fission process needed to power beam weapons or for storing waste products from the fission process.

One of the major problems in gaining acceptance of the concept within the U.S. scientific community was to convince high-energy physics experts that the Russians might be using nuclear explosive generators as a power source to drive accelerators capable of producing high intensity proton beams of killing potential.

Initially, some U.S. physicists believed there was no method the Soviets could use to weld together the steel gores of the spheres to provide a vessel strong enough to withstand pressures likely to occur in the nuclear explosive fission process, particularly when the steel to be welded was extremely thick. U.S. officials later discovered that the Russians invented a process called flux welding and had been using it for years in producing pressure spheres. The flux welding process, according to some U.S. officials, makes the bonded material weld as strong as, or stronger than, the steel walls.

U.S. officials, scientists and engineers queried said that the technologies that can be applied to produce a beam weapon include:

Explosive or pulsed power generation through either fission or fusion to achieve peak pulses of power.

Giant capacitors capable of storing extremely high levels of power for fractions of a second.

Electron injectors capable of generating high-energy pulse streams of electrons at high velocities. This is critical to producing some types of beam weapons.

Collective accelerator to generate electron pulse streams or hot gas plasma necessary to accelerate other subatomic particles at high velocities.

Flux compression to convert energy from explosive generators to energy to produce the electron beam.

Switching necessary to store the energy from the generators in large capacitors.

Development of pressurized line needed to transfer the pulses from the generators to power stores. The lines must be cryogenically cooled because of the extreme power levels involved.

For several years, Air Force Maj. Gen. George J. Keegan, who until his recent retirement headed USAF's intelligence activities, has been trying to convince the Central Intelligence Agency and a number of top U.S. high-energy physicists that the Soviets are developing a charged-particle beam weapon for use in an antiballistic missile role.

Evidence was gathered by Air Force intelligence from a variety of sources, including early warning and high resolution reconnaissance satellites, published USSR papers on high-energy physics and visits between Soviet and Free World physicists. In contacts with scientists deeply involved in developing components necessary for beam weapon application in both the USSR and the U.S., data was gleaned that clearly showed the Russians to be years ahead of the U.S. in most areas of technology, one U.S. physicist said. He added that it became increasingly clear that the Soviets were making a concerted effort to develop the technology in each area so that, if it was pulled together, a beam weapon and possibly related laser weapons could result.

All of the evidence that Gen. Keegan and his small team gathered about Soviet designs on charged-particle beams was presented to the CIA and its Nuclear Intelligence Board, which has so far rejected their conclusion that beam weapons development is evident.

Most of the evidence had been gathered over a four-year period and involved the entire spectrum of facilities for test and experimentation, research laboratories, power generation, electron injection, collective acceleration and beam propagation—all areas where the Soviet Union has outpaced the U.S., according to a U.S. official.

Some scientists and engineers refused to accept information that the installation at Semipalatinsk had anything to do with beam-generation tests or that levels of energy required for these experiments could be attained. And even if somehow the energy could be generated, it could not be harnessed for beam application, they said.

ENERGY LEVELS REQUIRED

Typical levels of energy required for use with a beam weapon are 10^{12} joules per pulse, with the energy of a particle of the beam from 1 to 100 giga electron volts. It is these levels of energy required that still cause some skepticism among high-energy physicists.

"Keegan refused to accept CIA's evaluation of the USAF intelligence data," one U.S. official said. "So, he systematically set about acquiring talented young physicists to analyze the information and to probe the basic physics of the problem—an area in which U.S. scientists were notably deficient."

One scientist in particular, a USAF civilian employe at Wright-Patterson AFB, Ohio, was influential in providing Gen. Keegan with an assessment of the information, which said that it appeared the facility at Semipalatinsk was being developed for use for nuclear power generation related to beam weapon work. His assessment was made very early in the observation of the facility, long before atmospheric data of possible beam weapons testing was obtained.

"These young physicists gathered to his cause by George (Gen. Keegan) were a very sharp group of young turks, and some have

since gone on to gain stature within the high-energy physics crowd," one official said.

It was anticipated by Gen. Keegan and his advisers that the USSR would be forced to vent gaseous hydrogen from the experiments at Semipalatinsk and that early warning satellites could detect it.

UNDERGROUND TESTING

Liquid hydrogen in large amounts is believed by some officials to be utilized to cushion the nuclear explosive generator sphere and for cryogenic pumping of large drift tubes nearly a kilometer in length through which the beams are propagated for underground testing. In both cases, large amounts of gaseous hydrogen are formed and released into the atmosphere, probably carrying large amounts of nuclear debris or radioactive tritium that can be exploded at altitude and dispersed to avoid harming the people below, according to some U.S. scientists.

"Explosions of such gaseous hydrogen discharges are now being detected with regularity from Soviet experiment," a U.S. official said, "and scientific studies of the gas releases and explosions have confirmed their source as being near the Semipalatinsk facility."

USAF intelligence developed an acronym—PNUT—to refer to the test area at Semipalatinsk. The letter P is for possible, and the other letters stand for nuclear underground test. The CIA still refers to the site as URDF-3—unidentified research and development facility three.

In recent public pronouncements, Gen. Keegan has taken the CIA to task for having rejected Air Force intelligence information about Soviet beam weapon development. He also has spoken bitterly about a number of top U.S. physicists who refuse to accept even the possibility that the Soviets are involved in beam weapon development. Most of the physicists who would not accept the data were older members of the scientific community who had been involved in research and development from the early day of a project called Seesaw.

PROJECT ABANDONED

The U.S. attempted unsuccessfully to develop a charged-particle beam device under the project code named Seesaw. It was funded by the Defense Dept.'s Advanced Research Projects Agency but abandoned after several years.

A number of influential U.S. physicists sought to discredit Gen. Keegan's evidence about Soviet beam development. The general attitude within the scientific community was that, if the U.S. could not successfully produce the technology to have a beam weapon, the Russians certainly could not. "It was the original not-invented-here attitude," one U.S. physicist said

There were about 20 hypotheses advanced by these physicists and the CIA's Nuclear Intelligence Board as to what the facility at Semipalatinsk was being used for by the USSR. One theory was that it was a supersonic ramjet test site and another was that it was a nuclear reactor test site for commercial aplications. That was based on the layout, which resembled some reactors in the USSR.

"There is now no doubt that there is dumping of energy taking place at the site with burning of large hydrogen flames," one official said. "What bothered the Nuclear Intelligence Board at first was that it was hard to imagine that some seven technologies critical to the weapons concept could be perfected there within the time frame presented and not be detected by us.

"In each case, the Air Force was able to disprove the theories advanced, at least to USAF satisfaction," one U.S. official said. "But along the way Keegan became an outcast within CIA and the Defense Intelligence Agency. This was despite the fact that many times in the past it turned out that his intelligence information proved correct when it was not accepted at first. He [Keegan] made some great intelligence breakthroughs," another official said.

As evidence of Soviet intent mounted, the Air Force convened a munitions panel of its Scientific Advisory Board to examine the problem. The panel met at Livermore Laboratory for three days to study the data of Gen. Keegan and his technologists. Some members of that panel also were involved in the Seesaw project before it was halted.

"The panel of experts rejected virtually all of the Air Force's hypotheses. In an emotional meeting, they denigrated all suggestions of nuclear explosion generation, power storage, power transmission and collective acceleration," an official explained. "The bottom line was that the panel said there is no way to control or stabilize such a beam if a weapon is produced. The net result is that evidence about possible beam weapons development was rejected."

Later, some of the same physicists who rejected the charged-particle beam data realized the Soviets had made progress in many separate areas of required technology for beam weapon application. Some physicists involved sought funding from the National Science Foundation and Energy Research and Development Administration for nuclear power and beam generation studies, one official said.

In an effort to prove that USAF intelligence estimates were correct, Gen. Keegan and his young physicists set about trying to prove Soviet technology exists in areas necessary for beam weapons.

THEORETICAL BLOCKS ISOLATED

After isolating the theoretical roadblocks identified by the Scientific Advisory Board's munitions panel, the physicists, along with several new groups recruited by Gen. Keegan, went to work exploring possible USSR technologies.

Within a few months the team, under the direction of a young Air Force physicist, found that all the munitions panel's objections could be overcome "and had already been solved in the Soviet Union. Several breakthroughs in high-energy physics were involved," an official said.

Explosive generation was solved in the USSR by Soviet academicians Andrei Terletsky, who was once a KGB agent in Sweden, and Andrei Sakharov, who was instrumental in developing the Soviet hydrogen bomb and is now a dissident.

Soviet physicist Rudakov visited the U.S. in July, 1976, and outlined his major advances in electron beam fusion. ERDA immediately tried to cover up the ideas he presented at Livermore in response to a taunt by a Western scientist. It was all considered highly secret in the U.S. and "those seated there had to sit with their mouths open and not respond to Rudakov's outline," one U.S. physicist said.

"His idea startled the U.S. physics community by its magnitude—transforming laser and electron beams to soft X-rays to compress fusion fuel at low energy levels. This is a real scientific breakthrough,' 'the physicist said, "and could allow them to produce large amounts of fusion power to be used in producing energy for a beam weapon." Rudakov had such good results in using relativistic electron beams to achieve fusion that he now is developing a $55-million machine funded for this purpose in Russia called Angara 5, a physicist added.

Gen. Keegan and his physics team quickly determined that the next problem to be resolved was flux compression needed to convert energy from explosive generation to electrical energy to power an accelerator.

"Through open sources they learned that the Soviets had long since solved that problem," one expert said.

U.S. scientists meeting at Livermore objected and said that power pulses generated could not be conducted over known cabling without burning it up until Gen. Keegan's reserachers discovered that pressurized gas lines invented in the U.S. years earlier by ITT and General Electric were available and in use by the U.S.S.R.

RECONNAISSANCE DATA

Pipes at the Semipalatinsk site leading from the underground chamber were spotted by reconnaissance satellite, but they were discounted by the CIA and munitions panel as being there for another application, possibly to exhaust supersonic ramjets. Photographs from satellites also revealed a number of tank cars near the test site loaded with liquid hydrogen. USAF intelligence officials believed it was being used by the Soviets for cryogenic pumping of beam drift tubes. This was considered impossible by U.S. scientists because they believe liquid hydrogen is too volatile and dangerous for cryogenic use. Again, however papers have been published in the U.S.S.R. on the subject, and liquid hydrogen has been used for years for that purpose, one official said.

Officials believe that cabling leading from the underground granite chamber at Semipalatinsk carries power from a fission explosive generator to nearby transformers where it is stepped up. The power is cabled into giant capacitors inside one end of the large thick-walled building, they believe. Along the 700-ft. side are located the electron injector gun and the collective accelerator, according to their theory. The power is fed into them to produce a proton beam. The beam is bent at an angle by magnetic mirrors and propelled near the speed of light along the drift tubes running underground about a kilometer, they believe, and the drift tubes are evacuated to simulate operating the beam in space and are used for beam propagation testing.

At one time, there were five concentric rings constructed around the building about 5 km. (3.1 mi) apart. At each 5 deg. of arc, a vertical sensor was placed. At first, U.S. analysts believed this arrangement was to monitor movement of gaseous hydrogen clouds. The geometry was so precise, however, that some believed the sensors were located to measure beam impact or for beam tracking.

Storing energy to manage its flow was the next area of technology that Gen. Keegan and his scientists investigated. They discovered that the Soviets had solved the problem earlier by using large water capacitors to store energy. Dense fields of energy/electricity can be stored using pressurized water as a dielectric with pressure to 100 atmospheres. This is considered another breakthrough by U.S. physicists, because the U.S.S.R. can store 40 times the density of energy that can be stored in the Free World, one official explained. "This technology is now being developed in the U.S.," he added, after it was completely verified under a contract with the Defense Nuclear Agency.

For the past 15 years there has been an open and free exchange between the U.S. and the USSR in the high-energy physics area, one U.S. physicist explained. That exchange is related mostly to projects for nuclear power generation for commercial application, but by its very nature, the development of energy or offshoots of the technology has application to the beam weapons field, the official said.

"This is a field where to our knowledge there are few secrets. We go freely to their [USSR] laboratories and have few doors barred to us," a U.S. high-energy physicist said, "and the same thing is true for them in this country." This does not apply to lab-

oratories where weapons development is being carried out.

Gen. Keegan's scientific team set out to prove the feasibility in another area of Soviet technology required for beam weapons use—switching. Switching the energy from its storage capacitors to the electron injector is a major element required for the weapon to function, according to U.S. experts.

A small U.S. company has devised a breakthrough in switching technology, a U.S. scientist explained, and has patented it. Theoretical feasibility has now been fully established, the scientist added.

The electron injector was the next area of investigation on which the team focused its attention. For this to be successful, several engineers have explained, a generator is needed to provide a steady stream of rapidly pulsed plasma of 100 million electron volts per pulse at levels of 10 megajoules/sec.

"This is pure Buck Rogers to the physicists at Livermore Laboratory, who refused to accept that the Soviets could accomplish it," one U.S. official said. U.S. scientists since have been able to confirm that Soviet high-energy institutes long ago solved problems of electron injection that place them years ahead of U.S. technology. "At the Institute of High-Energy Physics in Novosibirsk, U.S. scientists have found generator technology that, when scaled up, can be used as an electron injector." Such equipment is now being exported to the U.S. for commercial use. The Soviet technology involved is at least 10 years ahead of anything under development in the U.S.

CIA CHIEF INFORMED

In 1975, Gen. Keegan disclosed his findings on Soviet technology related to beam weapons development to William Colby, then head of the CIA, and to a number of its nuclear scientific advisers.

"On the strength of Keegan's information that the Soviets were on the verge of developing a weapon to neutralize our ICBMs and SLMBs, Colby directed the formal convening of the CIA's Nuclear Intelligence Panel to consider the disclosures," according to a U.S. official.

In a final meeting last year with the panel, Gen. Keegan and his associates presented evidence over a three-day period to the panel. The panel went into executive session to study the data and then wrote its report. No copy of the report was ever presented to USAF intelligence.

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon such notification from the Department of Defense the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the Record the four notifications I have just received.

There being no objection, the notifications were ordered to be printed in the RECORD, as follows:

[Transmittal No. 77-29]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: United Kingdom.

(ii) Total Estimated Value: Major defense equipment* $83.3 million; other, 35.7 million; total, $119.0 million.

(iii) Description of Articles or Services Offered: One-thousand seven-hundred and nine (1,709) AIM-9L SIDEWINDER missiles and spare parts.

(iv) Military Department: Navy.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid: None.

(vi) Date Report Delivered to Congress: May 6, 1977.

[Transmittal No. 77-32]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Saudi Arabia.

(ii) Total Estimated Value: Major Defense Equipment,* $53.7 million; other, none; total, $53.7 million.

(iii) Description of Articles or Services Offered: Thirty-four (34) line items of small arms, mortar and howitzer ammunition.

(iv) Military Department: Army.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid: None.

(vi) Date Report Delivered to Congress: May 6, 1977.

[Transmittal No. 77-33]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Saudi Arabia.

(ii) Total Estimated Value: Major Defense Equipment,* none; other, $34.5 million; total, $34.5 million.

(iii) Description of Articles or Services Offered: Procurement of the second increment of the Coordinated Shore Base Material Allowance List (COSMAL) to support shore communications stations, and ships sold to Saudi Arabia under Foreign Military Sales cases.

(iv) Military Department: Navy.

(v) Sales Commisison, Fee, etc. Paid, Offered or Agreed to be Paid: None.

(vi) Date Report Delivered to Congress: May 6, 1977.

[Transmittal No. 77-34]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Greece.

(ii) Total Estimated Value: Major Defense Equipment,* $9.9 million; other, 3.8 million; total, $13.7 million.

(iii) Description of Articles or Services Offered: Eighty-two (82) TOW launchers, one-thousand four-hundred ninety-four (1,494) missiles, four-hundred (400) practice missiles, eleven (11) training sets, eight-two (82) mounting kits, auxiliary equipment and spare parts.

(iv) Military Department: Army.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid: None.

(vi) Date Report Delivered to Congress: May 6, 1977.

* As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

REACTION TO THE PRESIDENT'S ENERGY MESSAGE

Mr. NELSON. Mr. President, the most important thing to note about the President's energy message is that we finally have a President who recognizes that we are confronted with a major energy crisis. For years, resource experts have warned us of the coming resource crunch and for all of those years nobody read their literature and nobody heard their voices.

Finally we have a President who hears them, understands what they are saying, and knows they are right. His two major speeches in 1 week show that he means to provide the necessary leadership and that he understands that the success or failure of his program will turn on the extent of public education, public understanding, and public consent.

The President of the United States is our most important educator, and President Carter understands that role. His two speeches have dramatically escalated the public dialog on the energy issue. This is the vital first step toward meaningful action by the Congress and the country. Yet, we still have a long, long way to go to achieve the necessary public understanding. Opinion polls show that a significant number of people still doubt that an extremely serious problem exists. Nevertheless, the hard evidence overwhelmingly shows that we had better start coming to grips with the energy issue quickly or the situation is going to go from bad to worse to disastrous. We still have time to make rational decisions. We can still manage successfully our energy situation if we move with deliberation, but it will become unmanageable if we do not.

This is what the President is telling us. If we mean to do what serves the long-term interests of the country, there will be sacrifices and it will not be painless. If we do anything meaningful, there will be some disruption in the lives and works of everything and everybody. If we do nothing, the disruption will be major, all pervasive, unpredictable, and probably uncontrollable.

The real question is not whether the President is asking too much of the American people, but rather, is he asking enough?

For the first time, we have leadership from the White House on energy. The President's package is a substantial step in the right direction.

First, President Carter has set the correct goals:

The reduction of our 5 percent annual energy growth rate over the next decade to about 2 percent per year.

The reduction of 1985 petroleum demand for imports by 10 million barrels per day to 6 million barrels per day. Today, for example, our petroleum consumption equals pre-embargo levels. Petroleum demand for 1976 was 4.9 percent higher than 1975, 2.4 percent higher than 1974, and only 0.3 percent less than the record high 1973 level. During January, because of the cold weather, consumption exceeded for the first time 20 million barrels per day, 10.3 percent above January 1976, and 14.1 percent above January 1975. For 1 week during last winter, we imported more than 50 percent of the oil we consumed. Our normal consumption runs between 16 and 18 million barrels per day with more than 40 percent coming from imports and over

25 percent of the imports coming directly from OPEC.

The reduction of gasoline consumption by 10 percent below projected 1985 demand. Under the mandatory fuel economy performance program adopted by the Congress in 1975 and endorsed by the President, by 1985 we will use less gasoline than we are now. The New York Times estimates that by 1985 when the new car fleet must average 27.5 miles per gallon, gasoline consumption will be reduced 29.4 million gallons per day over projected demand. Current consumption averages 273.7 million gallons per day, or rughly 47 percent of all petroleum consumed.

The President's final goal, the insulation of 90 percent of our residential and commercial buildings over the next ten years, is also right on target.

Second, President Carter is absolutely correct in making conservation the keystone of this Nation's energy program. Conservation will allow us to reduce demand, increase efficiency, and buy time, allowing us to develop additional sources of energy, such as solar, as well as to expand domestic coal production. Changes in lifestyle will have to be made, sacrifices are inevitable, but we really have no other choice. We must either modify the way we live or our continued waste of energy will create an economic disaster at some point in the not too distant future.

Third, prudent stewardship of the environment and a sensible resource development plan is an integral part of President Carter's approach. It is a policy calling for the rational development of new domestic sources of energy, balanced with ecological protection.

We must use greater amounts of coal. We must work to meet the President's objective of boosting production from the current level of 400 million tons per year to over 1 billion tons per year. Coal is our most plentiful finite energy resource. We must mine more of it in strict compliance with a new and tough Federal strip mine control bill. We must burn the coal, replacing oil and natural gas as boiler fuels for industry and large commercial and business firms. However, it should be used pursuant to the Clean Air Act standards that protect public health and the environment.

Fouth, the President has called for massive research and development efforts into renewable sources of energy. He has called for a rather substantial expansion of Federal funding for the development of clean energy from coal, while at the same time he has cut the atomic energy research budget. Moveover, in evaluting the long-term energy problems that face us, in deciding what mix of conservation, coal, solar, and nuclear power will provide energy for the next century, President Carter has decided to slow the pace and reduce the emphasis placed on atomic power by the last two administrations. As an important first step toward implementing this decision, the President has decided that the breeder reactor will be scrapped. The President also indefinitely deferred programs for nuclear fuel reprocessing and the use of plutonium as a reactor fuel. Atomic energy plant safety and operating procedures will be tightened. The Energy Research and Development Administration's atomic waste disposal program will undergo an intensive review.

The President's goals: conservation, sensible development of coal, prudent management of our environment, and new energy research and development are all essential. The President has presented a strong, farsighted, progressive program to the country. On the whole, it deserves our active and strong support.

I do, however, have several reservations about four components of the program presented to the Congress on April 20.

First, the President has proposed a tax on gas guzzlers and a tax rebate to purchasers of cars that exceed minimum Federal fuel economy performance standards. The tax in model year 1978 for cars achieving less than 12.5 miles per gallon would be $449. This tax would increase to $2,488 by 1985 for the most wasteful models. Rebates for 1978 would be $47 and theoretically rise to $493 in 1985 on cars averaging better than 39 miles per gallon. The money for the rebates will be furnished from revenues collected from the Federal excise tax on fuel inefficient models. If, as expected, there is a large shift to fuel efficient cars it is likely that the rebates under the White House proposal will be insignificant.

It seems to me that if the purpose of the gas guzzler tax is to discourage the purchase of fuel inefficient cars, then the tax is too low. Furthermore, the tax rebates for those purchasing fuel efficient cars should be eliminated. We will all be making personal sacrifices as part of a national campaign to solve the energy crisis. People who purchase cars that obtain mileage that exceeds Federal minimum standards will not only be acting in the national interest, but they will be acting in their own vested economic interest as well. They should not be rewarded for "doing the right thing," especially if the right thing will be of some direct economic benefit to them. Consequently, there are two alternatives to this aspect of the President's proposal that should be explored: Increasing the tax to such a level to discourage purchases and shift people to fuel efficient cars, or accelerating the compliance timetable and increasing fuel economy performance standards contained in the 1976 legislation.

Second, the standby gasoline tax slated for introduction in 1979, if consumption goals for 1978 are exceeded, will probably not work as currently drafted. A 5 cent tax per gallon, per year, over a 10-year period, a total increase in the Federal excise tax of 50 cents per gallon in a decade, is unlikely to significantly reduce consumer demand, but it may be a necessary tool if gas consumption is rapidly escalating in 1979. If, in fact, the gas tax must be used, a workable rebate plan must be designed to protect the poor and those who must drive substantial distances to work. If, nonetheless, the tax is implemented, it should only be returned to low-income people, the working poor, the elderly, people living on fixed incomes, citizens who will be adversely affected by any increase, not returned to everyone as the President has suggested. This whole idea should be reevaluated, a more workable rebate formula should be developed. Additionally, the merits and problems of a rationing system utilizing a white market should be explored. Under this latter proposal, everyone would be issued a basic allocation of gasoline coupons. Extra coupons could then be purchased at a substantially higher price.

Third, the proposed tax credit for people to insulate and weatherize their homes is at least questionable and should be carefully evaluated. The President is proposing to encourage, with direct help from the Treasury, a program that is likely to be implemented by homeowners simply after reviewing the merits of the question. People ought to realize that insulation is the single most important factor effecting home heating and cooling costs; that it is efficient and pays for itself in a relatively short period of time. If the public understands the benefits, a subsidy probably is not necessary.

There is no question that insulation is one of the most cost-effective energy conservation measures. It also has the quickest payback in terms of savings on projected utility bills. According to the Wisconsin Office of State Planning and Energy, the average cost of insulating a typical ceiling in the State is $300 to $450. At current prices, this action alone will save between 15 to 30 percent on a resident's fuel bill. At current prices, the payback is 4 to 5 years. As energy prices continue to rise, and they certainly will rise, the payback will be more quick.

Fourth, oil and gas pricing. The President has proposed allowing the price of oil to rise to the world market level, the OPEC controlled level, in three annual stages by imposing additional Federal excise taxes. New natural gas and gas from expired contracts would be linked to the OPEC oil price on a Btu basis by use of additional excise tax. I am opposed to any measure that would allow a foreign cartel, OPEC in this case, to set our oil and gas prices. While such a mechanism, using excise taxation to raise energy prices, will prevent the public from being gouged by the oil industry, the tax rebate scheme to refund the excise tax to low income and needy citizens is not well thought out and deserves more work.

On balance, there is much more "good" than "bad" in the President's program. In addition to the basic goals detailed by the President, there is a great deal in his program that deserves the support of the American people and the Congress.

President Carter has endorsed and recommended expanding a program I sponsored three years ago as chairman of the Poverty Subcommittee, a program to winterize the homes of low income people. Under the President's proposal, funding for the Community Services Administration's—CSA—winterization program will be increased to $130 million in fiscal year 1978 and $200 million in fiscal year 1979 and fiscal year 1980. The program's current budget is $55 million.

According to the Federal Energy Administration, nationally there are over 6 million low-income homes that require

improvement in weatherization. The National Bureau of Standards—NBS—estimates that the cost of weatherization materials—insulation, weather stripping, storm windows—ranges from $900 in Pennsylvania to $100 in southern California. Here in Wisconsin, the State Office of Planning and Energy projects the average cost of weatherization, primarily insulation, at $125 to $250 per home, excluding labor. The National Bureau of Standards estimates the national average cost of making an average size home totally energy efficient, including labor, at $1,300.

The CSA program has been very successful here in Wisconsin. By the close of fiscal year 1976, a total of 4,344 households had received weatherization aid.

If the level of funding recommended by the President is continued over the next 6 or 7 years, the vast majority of low income homes in this country can be greatly improved.

Although it is difficult to exactly calculate what increased insulation means in terms of actual consumer savings, the National Bureau of Standards estimates that for a 1,000 square foot, two-story home, consuming fuel at 40 cents a gallon, where weatherization improvements have been made, the first year savings would be $110 or 275 gallons of fuel oil. NBS estimates that proper insulation and weatherization would cut fuel consumption by more than 50 percent.

The administration has also endorsed a recommendation I made several years ago concerning the need for independent verification of oil and gas industry estimates of reserves. The American Gas Association and the American Petroleum Institute should no longer be the sole repository of energy information that will help shape future nationwide decisions. President Carter has proposed a program very similar to the program outlined in my Energy Information Act legislation.

To aid rural citizens, the President has also proposed that the Secretary of Agriculture implement a rural home winterization program in cooperation with the rural electrical cooperatives across this Nation. Long-term low interest loans would be made available from FHA.

Important reforms in the area of utility rates are contained in the administration's package. The White House has proposed inverting the rate structure, in other words, making people who use more energy to pay more for it. Now, bulk users oftentimes receive cheaper rates while homeowners who conserve and use less energy are charged more per unit of energy consumed. Moreover, peak-load pricing will be allowed. Under this plan, people who use energy during peak demand periods when energy is expensive to produce would pay more. Energy used when demand was low would be less expensive. Finally, in the pricing area, the President recommends that in terms of higher natural gas prices, the more expensive new gas should be allocated to industrial and commercial users while the lower priced older gas be reserved for homeowners, small businesses, and essential government services.

In the area of future research and development, the President has made some very wise decisions. First and foremost, he proposes a rather substantial increase in funding for the development of clean uses of coal. Federal money, in terms of loan guarantees and grants, will be used to encourage new technological development. In terms of nuclear energy, the President has recommended that the breeder reactor program be scrapped, the contracts for equipment canceled, and construction immediately halted.

In evaluating the President's proposal, we in the Congres must look beyond our districts and States; we must look beyond party lines and partisan philosophy; we must look to the health and welfare of the Nation.

The attack by the vested interests on the President's proposal has already started. The automobile industry is against the tax on gas guzzlers. The oil and gas industry complain that the program will not provide enough incentives to stimulate new production. Consumer organizations complain about the pricing policy. Just about everyone has questions about the gasoline tax. In fact, almost every major economic group has attacked a part of the President's recommendation. And, last but not least, the Republican leadership in the Congress has attacked the President's proposal, but they admit they have no alternative.

The answer to the crisis will involve sacrifice. The Congress must insure that the required sacrifices are shared equitably. And, to the extent necessary to meet the goals established by the President, we should all be willing to modify our lifestyles. We will either deal with this problem or the crisis will deal decisively and disastrously with us. There is no painless solution. We face an important challenge. Only by working together can we, as a nation, come out of this crisis strong.

IMPROVING THE FIGHT AGAINST WHITE COLLAR CRIME

Mr. HEINZ. Mr. President, one of the fundamental principles of our democratic system of government is equal justice under law. No concept speaks more directly to our basic notions of fairness than that which demands that all citizens—regardless of race, sex, national origin, or economic status—share identical protections and be subject to the same liabilities before the bar of justice.

The principle of equal justice under law is undermined when we fail to fight white collar crime with the same vigor we apply to other forms of lawlessness. When a law breaker is not prosecuted or "gets off easy" simply because he enjoys a position of power in our society, public confidence in our system of justice is inevitably and properly diminished. When certain crimes are not subject to the full weight of law enforcement only because they tend to be committed through high-level deviousness rather than other and more blatantly violent means, the public is victimized and our principles are compromised.

Clearly, the need for a strong and effective fight against white collar crime goes beyond principle. We cannot afford to watch idly while price-fixers steal millions of dollars from American consumers, and for that reason I support the use of full criminal sanctions against those who violate our antitrust laws. When public officials abuse their public trust, or when unscrupulous operators conspire to defraud the Government, the people suffer and the perpetrators must be punished.

Mr. President, Richard L. Thornburgh recently wrote a perspective critique of our current efforts to fight white collar crime. Mr. Thornburgh, who recently served as Assistant Attorney General in charge of the Criminal Division at the Justice Department, points out some shortcomings in our law enforcement efforts and provides some prescriptions for change.

I ask unanimous consent that Mr. Thornburgh's article, which originally appeared in the Philadelphia Inquirer, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Philadelphia Inquirer, Apr. 5, 1977]

START TO FIGHT WHITE COLLAR CRIME

(By Richard L. Thornburgh)

During his campaign last year, President Carter stated with some passion that he saw "no reason why big shot crooks should go free while the poor ones go to jail." Law enforcement officials echo such sentiments but know that, without more than rhetoric, the multibillion-dollar costs of white collar crime will continue to escalate.

There can be no substitute in this area of law enforcement, as in any other, for the "nuts and bolts" of adequate manpower, tools and sanctions to carry out an effective crime fighting program. All are lacking today.

"Crime in the suites" as Ralph Nader has labeled this type of criminal conduct, is characterized by sophisticated and complex schemes concealing fraud and corruption behind facades of respectability. Thus, successful white collar investigations and prosecutions are not the product of break-down-the-door-and-seize-the-evidence tactics. Most often they result from a lengthy and painstaking "paper chase," involving a careful review of tax, business and banking records by skilled and experienced personnel seeking touchstones to illegal payments, usually in cash.

Past deficiencies in the "nuts and bolts" of these law enforcement efforts must be addressed on a priority basis if the public expectation of containment of white collar crime is to be realized.

Unlike street crime, crime in the suites" cannot be combatted by simply hiring more police and more prosecutors. Of far greater importance than the quantity of the manpower utilized is its quality, particularly those with sharpened pencils and an accountants' eye for detail.

At the federal level, the FBI has recognized and begun to cope with its inadequate inventory of agents equipped with necessary accounting and auditing expertise to handle these cases.

Other areas require attention. For example, more skilled and aggressive internal inspection and enforcement efforts must be mounted by executive branch and independent agencies if program fraud in housing, medicare, medicaid, and welfare benefits are to be dug out effectively

Finally, a "merit" approach to the retention and appointment of experienced United States attorneys and their assistants will augur well for skilled prospective efforts in the white collar area where affluent defend-

ants can usually hire the best defense lawyers the private bar can offer.

Because most white collar cases do involve a "paper chase," it is vitally important that certain legislative proposals now before the Congress be examined closely for their effect on crime-fighting efforts.

Already on the books are provisions of the 1976 Tax Reform Act which severely limit the participation of the IRS in white collar investigations and prosecutions. Up for consideration in the 95th Congress are similar bills to restrict grand jury access to bank statements, credit records, and other financial data.

Each of these restrictions purports to provide so-called "privacy" safeguards, but all far exceed protections found by the Supreme Court to be constitutionally required.

Make no mistake. These extra-constitutional guarantees of "privacy" can be accomplished only at the expense of a drastic reduction in the effectiveness of white collar enforcement efforts. One hopes that Congress will weight the trade-offs carefully in this area before enacting legislation which tie the hands of investigators, prosecutors and grand juries.

One of the most controversial issues in the white collar crime area is that of sentencing. Jail sentences have a strong deterrent potential in white collar offenses.

More often than not, however, the white collar offender has escaped lightly, often on grounds that his social and economic disgrace is "punishment enough." Such a view should be resisted.

Guidelines for seeking jail sentences in price-fixing offenses have already been enunciated by antitrust prosecutors and pending legislative proposals would mandate even-handed and stiff sentencing practices for all white collar offenses.

The end result should be, in the words of one federal district court judge, to seek to insure that "courts are collar blind as well as color blind" when it comes to dispensing justice.

Only by a realization of the above can concern over white collar crime and its depredations be translated into effective action. This opportunity should surely not be missed by the Carter administration.

THE IMPENDING MINERAL CRISES

Mr. STEVENS. Mr. President, the United States is a great producer of minerals and mineral materials for use in its economy. However, over the years much of the public lands in the United States have been slowly closed to mineral entry. In my home State of Alaska, a vast majority of public lands are closed to the operation of the general mining laws under specific Federal withdrawals. By doing this, the Nation is deprived of vast quantities of minerals which we are then forced to import from foreign sources.

The exposition of the problem that this closure has caused was recently published in the Alaska Miner, the journal of the Alaska Miners Association. I commend this article to all Members of the Senate and ask that they consider the impact described by the withdrawals throughout the Nation. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE IMPENDING MINERAL CRISES: WHAT IS IT AND WHAT DOES IT MEAN?

By Wallace McGreggor, President of NW Miners Association

In a society grown to enjoy and expect abundance, the thought of shortages is intolerable. Our concept of living and our way of life depend upon the ready availability of a broad range of raw materials, for which our society has an enormous appetite and without which it could not be sustained.

Were it not for the fact that there are widely held misconceptions about the source and well-spring of our abundance, we could be justified in a confidence that the vast outpouring of the American cornucopia would not soon be diminished.

Such misconceptions, however, have bred mistrust and we find it fashionable for politicians at all levels of government to cast a jaundiced eye at anything mining or mining development-related. In recent years the mining industry has been overwhelmed by legislation which has disregarded the finite and unique qualities of mineral deposits in prioritizing domestic land usage, and which has denied the realities of economics in conservation and the maximizing of our resource utilization.

The U.S. has never been a nation totally self sufficient in its natural resources. We have had major deposits of a great many of the more important commodities, but we have always had to rely to some degree on foreign sources for some raw materials. For the major part of two centuries, however, our dependence on foreign supplies was minimal and with the exception of war years there was little concern for the certainty of supply at prices dictated by the balance of world supply and demand.

Times have changed, however, and for many of the traditional basic raw materials absolutely essential to our way of life, the U.S. is, or is rapidly becoming a have-not nation . . . a have-not nation under circumstances where the supply of a growing number of commodities are becoming increasingly uncertain not for reasons of world resource shortages, but for reasons of political instability and potential international cartel action.

Net imports of non-fuel raw materials in 1975 rose to 21% of domestic consumption—up drastically from 10% of domestic consumption as recently as 1973. If such figures don't seem disconcerting, consider the fact that the rise is a radical departure from our historical pattern of important dependence and stems from a quadrupling of imports over the most recent three-year period.

The aluminum industry, at one time totally self-sufficient, now imports almost all of the raw materials required to produce aluminum.

The U.S., once self-sufficient in potash, will, in the current year, import an estimated 60% of its needs from Saskatchewan, Canada. The U.S. used to be self-sufficient in iron ore. Today we import 30% of our iron ore and steel needs. The U.S. has had no domestic production of chromite ore since 1961. In addition to chromium, the U.S. imported in 1975 better than 90% of its needs for Columbium, Mica, Strontium, Manganese, Cobalt and Tantalum.

This year the U.S. will depend upon imports for more than one-half of the requirements for seven of the thirteen basic raw materials needed in any industrialized society—Aluminum, Chromium, Manganese, Nickel, Potash, Tin and Zinc. By 1985, the Department of the Interior predicts that the U.S. will also depend upon imports for more than half of its iron, lead and tungsten. In the foreseeable future, imports may have to augment the U.S. needs for copper and even sulphur. Only the 13th mineral, Phospate, is in abundant domestic supply.

A growing dependence on foreign supplies of natural resources under present government policies is an obvious fact of U.S. life. Whether we can continue to control our destiny as we move to even greater dependence is a moot question.

A look at chromium, a commodity without which there would be no stainless steel industry, reveals some of the more disconcerting facets of the problem we face and illustrates how confused political thinking and the mixing of ideological objectives and raw material policy are working to our detriment.

Significantly, most of the world chromium is produced in three countries: Rhodesia, South Africa and Russia. With the U.N. embargo on Rhodesian chromium a few years ago, the U.S. was forced to buy chromium from Russia. X-Ray and spectrographic analysis, however, revealed that the chromite that the U.S. was buying from Russia originated in Rhodesia. When the U.S. complained, the Russians simply turned to selling chromite of Russian origin to the U.S. while keeping the Rhodesian chromite for their own internal use. The Russians bought the Rhodesian chromite at a fraction of its former world price because Rhodesia had no other buyer and then tripled the selling price to the U.S. because the U.S. had lost its source of supply.

Now, of course, with the political stability of Rhodesia and South Africa threatened, the possibility of a disruption of African chromite production looms large.

Think for a moment about the contribution that the U.S. makes to the world's food supply. Our agricultural success is sustained by a heavy reliance on fertilizer, three of the four essentials of which—nitrogen, sulphur and potash—we are dependent directly or indirectly on imports for supply. Only phosphorus, in the form of phosphates, is in abundant domestic supply. Nitrogen from ammonia is produced primarily from natural gas which is in dwindling domestic supply. We can and almost certainly will have to turn to coal as an alternative source, but the cost of ammonia will escalate substantially.

Although some sulphur is still exported, on balance the U.S. is becoming an importer from Canada, Mexico and the Caribbean.

As an example, we are heavily dependent upon Canada for our potash requirements, but no longer is there comfort in a dependence upon our good friends to the north in light of the trend toward nationalization in some of the provinces, notably in Saskatchewan, where the socialist government there has asserted its rights to take over the potash industry on its own terms, terms that are totally unfair and will result in the takeover of properties at a fraction of their true value.

Who would have thought even a few years ago, that the mining industry would be faced with expropriation in Canada. Nationalization is a trend of the times that is no longer limited to the developing countries. Increasingly the mining industry in finding it necessary to deal with foreign governments, rather than with private companies, governments that, in many instances, are unfriendly in their stance toward the U.S. and the free enterprise system.

Over the past ten years there has been a quickening pace in world-wide expropriations of private mining operations, Zaire, the former Belgian Congo, expropriated its copper industry in 1967. Peru and Zambia took over the copper metal mines of their countries in 1970. Chile seized the Anaconda, Kennecott and other properties in 1971. Guyana expropriated its bauxite mines in 1971. Early in 1974 Jamaica arbitrarily raised taxes on bauxite production from $1.60 a ton to $11.00 per ton. Such exorbitant taxation

is little different than outright expropriation without compensation for property rights. In 1974, Venezuela nationalized not only its oil industry but also the iron mining Steel. Peru took similar action against Marcona in 1975. The trend is alarming because no longer is there any moral compunction about acts of expropriation. No longer does that U.S. industry have the backing of the U.S. Government in protecting the property rights of U.S. citizens in foreign countries.

The effect of such circumstances has been to severely undermine the security of the U. S. with regard "to assured foreign sources of mineral supplies. Mineral resources upon which we have become dependent are no longer under the control of organizations with an allegiance to the U.S. The presence of U.S. mining concerns as a major force in world-wide exploration is being contracted out of necessity to the relative safety of a dwindling area of the globe. The benefit of expanding world-wide exploration effort drawing upon the expertise and capital of U.S. industry is being lost.

Each of these factors, moreover, contributes to the likelihood of the creation of successful commodity cartels which could restrict supplies and raise prices on some imported commodities at any time. Seeing the success of the OPEC operation, third-world nations are now seeking opportunities to use their mineral wealth not necessarily for the logical purpose of enhancing their economic position, but for achieving political ends. The major copper-producing countries of Chile, Peru, Zambia and Zaire have formed the Intergovernmental Council of Copper-Exporting Countries in the hope that they might emulate OPEC nations by controlling the world copper market.

The situation in aluminum is quite tenuous for the U.S. with regard to cartel action. Jamaica and Surinam are the source of about two-thirds of the aluminum used in the U.S. An alliance between these two countries and Guyana in the formation of an aluminum cartel could conceivably exercise considerable control over the U.S. aluminum industry. To the degree that Jamaica was able to unilaterally increase its taxes on bauxite exports by almost 700% just two years ago, control is already being exercised.

But the aluminum industry is a case in point of the alternatives open to the U.S. in developing substitute sources of raw material. Bauxite, the ore of aluminum, is the product of weathering which results in a natural concentration of the Alumina content. At its highest degree of concentration, the Alumina content exceeds 70% of the mineral bauxite and is the obvious reason as to why bauxite is the most economic to process. However, there are other sources of Alumina of which the U.S. has enormous resources measured in hundreds of billions of tons. Not only are there high Alumina clay deposits, but there are crystalline rocks such as Anorthosite and Cyanite for which the technology for conversion to aluminum we understand has been developed though at a higher cost than conventional bauxite reduction.

The most baffling of the problems we face in dealing with foreseeable mineral shortages are those of government policies which accentuate and even create the probability of shortages. Many years ago the government established stockpiles of strategic minerals. The high point of the stockpiling for most metals was in 1965, since which time the government has been selling most commodities for reasons that are not understood. A political purpose must exist, though obviously at variance with national security objectives for which they were intended. Even though we have been totally dependent upon foreign sources for chromite for the past fifteen years, the government is selling off our chromium stockpile and now has it down to less than four times our estimated consumption for the present year. In nickel, the government drew its stockpile down to zero in 1972; the strategic stockpile of aluminum has been drawn down to eight months of domestic consumption. For each of these commodities, we are presently almost totally dependent upon foreign sources for supply. Years of lead time would be required to develop substitute domestic resources.

While there is no doubt that American mining and metallurgical industries possess the requisite technology to reduce our growing national dependence, the lack of a coherent national minerals policy makes the job impossible to accomplish. Not only is industry uncertain as to what it can do, but there is an underlying anti-business sentiment in much of the congressional efforts to shift more power to the Federal government.

The examples of how restrictive measures imposed by the government are slowing down the historical growth rate of the U.S. mining industry are legend. The government's land use policies have closed over two-thirds of the federal domain to mineral entry. Various existing laws governing air and water purity all have direct detrimental impacts on our present mining and smelting operations not to mention our ability to develop new resources. Pending changes in the Clean Air Act of 1970 would designate extensive regions where existing air quality conditions could not be down-graded, many areas where the discovery and development of new mineral resources are most likely to occur. In separate legislation congress recently passed a bill to ban mining in Death Valley, an area of major known deposits of Borax and Talc. Were it not for the exceptional efforts of the Alaska delegation, the same bill would have closed to mining the one nickel deposit of presently known potential economic development in the United States, a deposit located at Glacier Bay, Alaska.

The U.S. national tendency to give preference to social priorities which restrain the use of American mineral resources necessitates the reliance on world markets for supplies of ores that might, under other circumstances, be produced from domestic sources at comparable or even lower costs. Thus, principally for political reasons our minerals supply picture is tenuous. I am afraid that only when we have experienced mineral shortages will Congress come to grips with the problems that it is creating.

We can be sure that any crisis in mineral availability will directly affect each of us. Depending upon the severity of such a crisis, our standard of living will suffer, and to some degree, your and my way of life will have been altered.

HOW MUCH OF ALASKA SHOULD BE LOCKED UP?

Mr. STEVENS. Mr. President, between now and the end of this Congress, you will hear many comments from me regarding the future of Alaska's public lands. This Congress more than any other will have a great impact on the future of these lands and on the future of the State in general. It is not surprising in a State the size of Alaska that the role the land plays is great. Alaskans traditionally use the lands in their States more than citizens use public lands in the other States and are very concerned that the Congress make the best decision regarding the future of these lands.

However, this is not merely an Alaskan issue. The future of the entire Nation is involved and slowly there is developing an awareness throughout the country that we must act carefully and judiciously to insure the proper use of Alaska's lands. Indicative of this developing awareness is a recent editorial concerning the future of Alaska's d–2 lands in the Seattle Times. These lands, as you know, are approximately 80 million acres of public lands withdrawn for study as potential additions to the national parks, forest, and wild and scenic river systems. This Congress will make a decision concerning the future of these lands and the Seattle Times asked the basic question related to this important issue; "How Much of Alaska Should be Locked Up?"

I commend this article to Members of the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Seattle Times, Apr. 17, 1977]

HOW MUCH OF ALASKA SHOULD BE LOCKED UP?

Congressional hearings in Washington, D.C. open this week on an issue that overshadows even the Alaska oil pipeline in terms of long-range importance to the 49th state.

Environmentalist groups all across the country are calling it their "issue of the decade." Others call it the "greatest subdivision in history."

At issue are the so-called "D2 lands," in reference to Section D2 of the Alaska Native Claims Settlement Act of 1971. The act, which granted 40 million acres of Alaska land to natives in return for access to pipeline-corridor properties, established a commitment to reserve millions of other acres for public use.

The key question: How many millions?

Several bills are before Congress to answer this question in varying ways. But the immediate focus of attention is on the so-called "Alaska Coalition Bill," whose chief sponsor is the powerful chairman of the House Interior Committee, Representative Morris K. Udall, Arizona Democrat.

The popular designation of Udall's measure is a misnomer. It has very little to do with any coalition within Alaska, but represents an attempt by environmental extremists who live far from the 49th state to prescribe Alaska's future.

The bill—combined with existing parks, wildlife refuges, and scenic rivers—would lock up 146.6 million acres in Alaska's wilderness-preservation system.

That is larger than the combined area of New Jersey, Connecticut, Massachusetts, Hawaii, Delaware, Maryland, Vermont, West Virginia, New Hampshire, Maine, Indiana, South Carolina and Kentucky!

In that vast area extending into every major geographical segment of the state, all economic development other than tourism (largely of the backpack variety) would be banned.

Most of Alaska's rich mineral resources, including an estimated 130 billion tons of coal and many strategic minerals in short supply, would go untapped.

The unlimited potential of Alaska food and fiber resources would go largely unrealized. And the state's road and rail system would be limited for the most part to the existing skeleton network.

In other words, Alaska's economic development would be permanently stunted.

No one seriously concerned with this issue suggests that additional millions of acres, beyond the 32 million so classified, should not be set aside for single-purpose (scenery and wildlife) use.

But the Udall bill represents an altogether unreasonable over-reach that is contrary not

only to Alaska's interest, but to that of a nation increasingly and dangerously dependent on the import of strategic raw materials from abroad.

The hearings opening this week are before an Alaska-lands subcommittee under the chairmanship of Representative John F. Seiberling, Ohio Democrat. The hearings will be continued later in other cities, including Seattle June 20.

Our hope is that out of the hearings will emerge common-sense legislation that endorses multiple use, as opposed to the single-use concept, for a reasonable part of America's northern storehouse of resources.

THE MIDDLE EAST

Mr. JAVITS. Mr. President, last week marked the 29th anniversary of the independence of the State of Israel. Through the years, Israel has survived five wars with its Arab neighbors. Despite this, Israel has developed and prospered into a modern and advanced nation.

In marking Israel's anniversary, the American Israel Public Affairs Committee—AIPAC—held a dinner during its 18th Annual Policy Conference here in Washington. Attended by many Members of Congress and hundreds of community leaders from all over the country, one of the guest speakers at this dinner was our colleague from Kansas, Senator ROBERT DOLE.

In a wide-ranging speech, Senator DOLE painted a hopeful but realistic picture of the situation in the Middle East and of Israel's special relationship with our own country. Mr. President, I ask unanimous consent that the full text of Senator DOLE's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR BOB DOLE

It is a pleasure to participate in this Annual Policy Conference of the American Israel Public Affairs Committee coinciding with Israel's 29th year of independence. I respect the fine work which AIPAC does in Washington.

I speak for many of my colleagues when I say that the information provided by AIPAC has been most helpful in our efforts to understand the current situation in the Middle East.

SIX YEARS AGO

Six years ago, in April of 1971, I appeared at your dinner commemorating Israel's 23rd anniversary. On that occasion, I stated:

"We seek more than the continuation of an uneasy truce—of an armed truce subject to erupt into open warfare without a moment's notice.

"For the millions of Arab and Israeli children growing up in the tensions and hostilities of today, we hope for a future free of strife. Such a future must be built on more than guns and planes—though we must never forget the importance of military security.

"Such a future must be built on a genuine, lasting settlement of the basic differences that divide the contending parties in the Mideast. Obviously, this kind of settlement should not and will not be imposed from the outside. The idea of a rigid 'agreement' engineered by the great powers and inflicted on Israel and the Arab states is neither ethical nor practical. It would not be a just peace, and it would not be a lasting peace, by its very nature."

I cannot stand here this evening and assure you that Israel need no longer fear for its existence, and that a settlement between Arabs and Jews has been reached. I can say, however, that I believe we have made progress towards an Arab-Israeli settlement and that peace in the Middle East is possible if it is based on provisions which include:

The opportunity for Israel to preserve itself in the midst of hostile Arab states;

The maintenance of a balance of power between Israel and the Arab states;

And the satisfaction of the just aspirations for peace shared by all the people of the Middle East.

NO ALTERNATIVE TO SURVIVAL

The first step towards a durable peace in the Middle East is the acceptance of the sovereignty of the State of Israel by the Arab world, the PLO included. This has been, is now, and must always be the cornerstone of U.S. policy in the Middle East. There can be no substitute, no alternative, to Israel's survival.

Israel lives today because it has been able to maintain itself against those who have tried to destroy it. The Israeli's have made great personal and economic sacrifices to create a viable state in an area that has never before known such prosperity. In a very real way, Israel today is a democratic oasis, a model other nations would do well to emulate. The incredible sacrifices of the Israeli people combined with the record of the Israeli nation have given Israel the right to something far greater than mere survival.

Israel lives today despite United Nations resolutions and the preferences of some of the great powers. The United Nations, in fact, has proven to be a hindrance to peace in the Middle East with its condemnation of Zionism as racist—a position rightfully criticized by Ambassador Scranton—and by its publication of reports which seem to question Israel's legal right to exist. In condemming the report of the United Nations Committee on the Exercise of the Inalienable Rights of the Palestinian People—which questioned, retroactively, the legality of the 1947 partition—Ambassador Scranton called the report "unfair", "senseless" and "totally devoid of balance". By catering to the PLO, the United Nations has only strengthened its intransigence. The PLO has never rescinded the major points of the National Covenant of 1968 which called for an "armed struggle against the Zionist presence". Given earlier United Nations positions, it is no coincidence that as late as last March, the PLO reaffirmed its commitment to that armed struggle.

DEFENSIBLE BORDERS

A second step toward a durable peace is the recognition of Israel's need for defensible borders. Israel and its neighbors are entitled to negotiated borders which are secure and defensible. The primary issue is not how far Israel must withdraw but how to guarantee the Israeli people that they are in a position to defend themselves should their enemies choose to attack.

A third step towards peace in the Middle East is the lifting of the Arab boycott. The boycott interferes with international trade. It threatens guarantees of equal rights and equal protection. Fighting the boycott is an American concern. The boycott draws its strength from avarice and its energy from fear. It must be met decisively, for it has been demonstrated repeatedly that where resistance is highest, boycott enforcement is weakest.

Senator Church and I agree that any nation has the right to initiate a primary boycott or an embargo against any other nation. We further agree that no nation has the right to demand compliance with a secondary or a tertiary boycott from American firms. For that reason, I support legislation which would make it illegal for an American company to participate in a boycott of Israel or of other firms doing business with Israel as a condition of doing business with Arab countries. Such legislation, however, must be far stronger than the Administration is presently willing to support. I am disappointed in Mr. Carter's willingness to quickly back down from a stronger position held during the recent campaign.

A fourth condition for peace is an equitable agreement on the future of Jerusalem. It was to Jerusalem that the ancient prophets strode and toward Jerusalem that 2,000 years of Jewish prayers were sent. Never again should Jews be barred from their holy places as they were from 1949 until 1967.

MUST BE MORE THAN A TRUCE

I believe all of these conditions can be met if the United States realizes that Israel cannot be expected to accept a "peace" which is little more than a temporary truce.

A meaningful settlement must be a resolution of grievances which leads to normal relations. The United States must consider the achievement of normal relations to be the first requirement. Peace cannot be merely a military armistice. It must be political, cultural and economic as well, if it is to endure.

Normalized relations, phased in gradually, tied to limited withdrawals, provide the best means of building a peace. Each step will be a test of Arab intentions. Each movement towards reconciliation will strengthen the drive for peace, encouraging pragmatism and good faith. Each achievement along the way will show that nations at peace live as partners, not as adversaries.

Another area of concern which I share with Jewish Americans is the future of Soviet Jews. As a member of the Commission on Security and Cooperation in Europe, which is monitoring Soviet compliance with the Helsinki Final Act, I am very much aware of the conditions which exist in the Soviet Union for all minority groups. The Jews, however, are subject to an especially brutal environment. They are denied the right to practice their religion. They are discriminated against on the job, in educational institutions and in their daily lives. They are not permitted to leave. Those who wish to emigrate abroad are subject to all manner of harassment including demotion, job loss, military conscription, and denunciations at public meetings. Those who speak out against such oppression as did Anatole Sharansky—are arrested.

It has been very frustrating for me—as I know it has been for you—to watch these events unfold and to feel powerless to influence them. But as frustrated and as powerless as we may feel, we must continue to speak out against these injustices. We must continue to act on behalf of the oppressed whenever we can.

In January of 1971, when the Soviets sentenced two Jews to death for allegedly hijacking an airplane, I introduced a resolution in the Senate asking the Soviets to commute those sentences. The following day the sentences were commuted.

Who can say the Senate Resolution had any impact?

Who can say it did not?

The following December, when Silva Zalmeson was dying of tuberculosis in Siberia, I introduced another Senate Resolution—requesting that she be brought out of Siberia and given medical attention. What the immediate results were, I do not know. Happily, she is out of Siberia, out of Russia, and at home in Israel.

ANATOLE SHARANSKY

More recently, I signed a letter to Comrade Brezhnev protesting the arrest of Anatole

Sharansky and requesting his release. I met with Mrs. Sharansky when she was in Washington, and I assured her of my continued support of her husband's efforts to leave the Soviet Union.

At the request of Jewish Americans in Kansas, I have now sent two letters to Ambassador Dobrynin requesting that the Yakir family be allowed to emigrate to Israel.

Finally, in an effort to obtain first hand information on human rights violations in Eastern Europe, I have formed an advisory council of leading ethnic Americans who are intimately familiar with conditions in that part of the world. I am proud to say that an outstanding member of that Council is the Washington representative of the National Conference of Soviet Jewry.

NEVER GIVE UP

I cannot be certain that any of my efforts will have an impact. But I do know that my efforts, your efforts, the efforts of countless other Americans who are concerned about human rights will, sooner or later, have an impact. We will continue to be frustrated, but we must never give up.

American-Israeli friendship is no accident. It is a product of our shared values. We are both democracies. We are both pioneer states. We have both opened our doors to the oppressed. We have both shown a passion for freedom and we have both gone to war to protect it.

There are few true democracies left in the world today, but Israel is one of them. There are few allies upon whom the United States can count, but Israel is one of them. There are few nations who share our ideals, but Israel is one of them.

By aiding Israel, we remain true to our founding principles. By strengthening Israel, we strengthen the cause of human freedom and dignity. Six years ago, at your organization's earlier dinner, I concluded my remarks with those words which are just as relevant and vital today:

"Israel must and shall survive as a free nation. But beyond bare survival, let us work for the day when a generation of Arab and Israeli children can be born into a world at peace—a world in which old enmities and injustices no longer poison the chances for peaceful development and cooperation."

I am proud to have had the opportunity to address your organization tonight because I feel your aim—that of continued American-Israeli friendship and cooperation—is a noble one. In conclusion, I would like to quote Theodore Herzl who said: "If you will it, it is no fable."

THE URANIUM CARTEL

Mr. METZENBAUM. Mr. President, as a member of the Senate Antitrust and Monopolies Subcommittee, I have just attended 3 days of hearings on the status of our antitrust laws. Quite frankly, the prognosis is dim. It seems our antitrust laws have been ineffective in combating anticompetitive practices which continue to cost consumers billions of dollars and result in the inefficient use of our limited resources. Time and time again, we have seen grave abuses of the marketplace by those who produce our energy resources.

Sunday's Washington Post highlighted a new area where energy producers, allegedly through their foreign subsidiaries, have subverted our antitrust laws—the uranium, or "yellowcake," cartel. The effect of this cartel has been devastating—the world price for yellowcake rose from $6 a pound to $41, causing at least one middleman—Westinghouse Electric Corp.—to cancel its contracts with many public utilities. In the article, William Greider raises some critical questions concerning our antitrust laws:

What is the reach of U.S. antitrust laws? Both Canada and Australia enacted new laws last year, prohibiting their uranium companies from supplying documents in response to the shower of U.S. subpenas, a matter of national sovereignty, they argued.

On the other hand, in an age where multinational firms are astride all national borders, how much impact do U.S. antitrust laws really have, if a company can accomplish through its foreign subsidiary whatever it is prevented from doing inside America's borders.

Because of the importance of the questions that Mr. Greider raises in his article, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

URANIUM CARTEL STIRS QUESTIONS OF ENERGY POLICY

(By William Greider)

The yellowcake cartel began with modest ambitions for multi-national profit.

An international "producers' club," as they called themselves, would bring stability and higher prices to the world trade in yellowcake, the raw uranium which fuels nuclear power plants.

The club—encouraged by the governments of Canada, Australia and South Africa, inspired by major producers based in France and Great Britain—set out in 1972 to rig bids and drive prices upward, according to its own secret records. It divided the market outside the United States, assigning percentages to its members. It put the squeeze on "middlemen" competitors who do not own their own uranium mines.

But this foreign-based cartel succeeded so spectacularly in achieving its goal that the matter is now a billion-dollar legal hassle in U.S. courts—and a potential time bomb which could alter the American political debate over future energy supplies.

While the public was worrying over OPEC's rising oil prices, the world price for yellowcake rose even more drastically—from $6 a pound to $41. The U.S. market price became fixed to the world price. And one middleman—the Westinghouse Electric Corporation—was staggered by the consequences.

Westinghouse, unable to fill its uranium-supply contracts to the public utilities which buy its nuclear reactors, canceled them. Now some 17 utilities are suing for damages which, theoretically, could exceed a billion dollars.

In turn, Westinghouse is suing the 29 multi-national companies which it claims were part of the yellowcake cartel. The Justice Department has a grand jury exploring the matter in search of criminal violations of the U.S. antitrust laws. A House oversight subcommittee is pouring over hundreds of secret corporate documents which it had subpoenaed for its own investigation.

Each issue involves complex economic arguments over who hurt whom. Some analysts contend, for instance, that the cartel had little impact on uranium prices, that yellowcake was driven up by supply shortages and the zoom in OPEC oil prices. Others believe that oil showed yellowcake how it could be done.

But what turned this foreign-based cartel into an American controversy is this: some of the alleged participants are American companies, operating through their foreign subsidiaries. One was Gulf Oil, which is still cleaning up its corporate image from the scandal of its illegal $5 million political slush fund.

Now, if Westinghouse's allegations are substantiated, Gulf has another black eye coming—the spectacle of the nation's eighth-largest corporation using, through its Canadian subsidiary, the leverage of an international cartel to cripple the nation's 20th largest corporation.

To make the drama richer, both Gulf and Westinghouse are based in Pittsburgh. Their top executives drink together at Duquesne Club, and Jerry McAfee, the new board chairman brought in to clean up Gulf's image, was president of Gulf Canada when the cartel manipulations were arranged. Westinghouse, for that matter, is in a peculiar role as "victim," since it has had its own share of price-fixing scandals in the past.

Gulf does not deny that it participated in the cartel, but insists it did nothing to violate U.S. laws. "Participation in the cartel," a company spokesman in Pittsburgh said, "was through our Canadian subsidiary at the stipulation of the Canadian government. It was the Canadian government which said, if you're going to be a producer, you are going to have to participate."

In the various layers of litigation, however, Westinghouse has introduced corporate documents from Gulf files to argue that Gulf, among others, was a willing partner and that it helped block Westinghouse from the uranium purchases it needed. Other U.S. defendants include Kerr-McGee, the nation's largest uranium producer, and Getty Oil and Utah International.

Gulf attempted last week in U.S. District Court in Washington to block the subpena of its records by Rep. John E. Moss, (D-Calif.) Commerce subcommittee. The House panel won. The still-secret records are said to include detailed inquiries from nervous managers in Gulf's Canadian subsidiary asking the home office to assure them that they were not getting themselves in trouble.

The broader questions raised by the case go in several directions, any one of which could jeopardize the Carter administration's energy blueprint. For instance:

Is the world price of uranium still subject to manipulation by a global cartel? If so, that could add another argument against rapid development of nuclear power in the United States, a development implicit in President Carter's energy plans.

Westinghouse insists the cartel is still in place, but went underground after prices soared, no longer needed to arrange rigged bidding. The government of Canada announced last fall that it withdrew from the "informal marketing arrangements" in 1975.

One market analyst dubbed the cartel "UPEC," and suggested that future increases in uranium prices are possible. Others argue that the cartel was formed mainly in retaliation against the U.S. embargo which closed the American market to foreign producers. Now that the U.S. embargo is being phased out, a foreign cartel has no further purpose. At the moment, in fact, some Europeans are fuming about the possibility of an American-led cartel in the future.

What is the reach of U.S. antitrust laws? Both Canada and Australia enacted new laws last year, prohibiting their uranium companies from supplying documents in response to the shower of U.S. subpoenas. A matter of national sovereignty, they argued.

On the other hand, in an age when multinational firms are astride all national borders, how much impact do U.S. antitrust laws really have, if a company can accomplish through its foreign subsidiary whatever it is prevented from doing inside America's borders?

Finally, in terms of current political sentiment, the yellowcake cartel may provoke more congressional interest in questions of

who controls energy resources—the issue of the oil industry's major acquisitions in uranium and coal and other fuel sources.

The cartel, by no stretch of the facts, could be blamed on Big Oil, but some in the industry fear that Gulf's prominent role will become a cautionary tale of how oil domination of other resources threatens the future.

"It's a perfect case," said one oil industry source, "to prove that you can't trust the oil companies."

In the courtroom, where scores of lawyers are arguing over reams of confidential documents from Gulf and other corporations, things are getting a bit nasty.

Gulf has filed a motion in the antitrust suit in Chicago asking that Westinghouse's law firm—Kirkland & Ellis—be disqualified because it did a private study for the American Petroleum Institute in Washington which gave it access to the private commercial secrets of oil companies, including Gulf. The study was on "horizontal divestiture"—the antitrust question of whether the oil industry has too large a share of competiting fuels like uranium.

On the merits of its allegations, Westinghouse won something of a moral victory in a Pittsburgh case which it settled with a local utilities company. The state judge, I. Martin Wekselman, listened to much of the antitrust evidence against Gulf and the other cartel participants and observed in his settlement order:

"There was persuasive evidence that both the price and supply of uranium were drastically affected by a number of interrelated contingencies, including a conspiracy among United States and foreign uranium producers to fix prices, to allocate markets and to eliminate competition from intermediaries in the uranium market such as Westinghouse . . ."

The "club" arrangements, strangely enough, were first publicized in detail last year by environmentalists—who are as opposed to nuclear-power manufacturers like Westinghouse as they are to uranium miners like Gulf. Documents leaked or stolen from the Mary Kathleen mines in Australia were turned over to Friends of the Earth, which made them public.

Those secret papers, plus others subpoenaed by Westinghouse in the lawsuits, depict a rather formal organization with by-laws and marketing rules and fines for members who broke them. The "club" jumped around the Western World with regular meetings in Paris and Johannesburg and London and other commercial centers.

"A leader and a runner-up will be selected by the secretary in consultation with the committee," the operating rules stated. ". . . The leader would have the right to go to the appropriate minimum price then applicable . . . The runner-up would have the right to go to the minimum price plus 8c/lb . . . All 'other producers' would have the right to go to the minimum price plus 15c/lb . . ."

The details floating around the world were then assigned to different "leaders" as, for example, a 1972 letter from a British executive outlined to his Australian affiliate:

"It has also been agreed that the Australians and Nufcor [a South African company] will work out a scheme whereby they will be leading in regard to a quotation for Taiwan; the French and Nufcor will make similar arrangements for a quotation in Yugoslavia. I would like to mention that this does not mean we will not be quoting and it will still mean that we have to pursue it actively, but there is very little chance of our getting any of this business. . ."

The question of what induced yellowcake prices to multiply in 1974 and 1975 is a jungle of cause-and-effect arguments. What is much clearer from the documents that have surfaced so far is that the cartel members, including Gulf, saw Westinghouse as a rival—and acted to head it off in the world uranium market.

At a "club" meeting in Cannes in the summer of 1972, the representatives were warned that three Swedish utilities were dickering with Westinghouse for their future uranium supply and perhaps gambling that the club arrangements would break down.

"The club," according to minutes of the meeting, "could well be in for a 'war of nerves.' "

At the meeting, the "club" agreed upon rules for how to handle uranium bids from reactor manufacturers like Westinghouse, setting the price higher and reserving the right to make a competing quotation to the eventual buyer. A Gulf Canada man was not present at Cannes, but a copy of the minutes turned up in the home-office files and Gulf was already being assessed dues to support the "club" headquarters in Paris.

Late in 1972 Westinghouse did conclude a deal to supply uranium to the Swedish companies, depending on an Australian mine for its supply. Don Hunter, an official of Gulf's General Atomic in San Diego, wrote the following internal report in March, 1973:

"We have learned that Westinghouse has submitted a joint venture with Queensland Mines for approval of the Australian government. If this arrangement is approved, Westinghouse will be provided with up to 2 million pounds per year from 1975 to 1980 and 600,000 pounds per year post-1980 . . . The proposed venture is approximately three months away from fruition and if it develops would provide Westinghouse with a potential source for U.S. reactor sales. It would also provide a source for their substantial foreign shortage.

"We will work with GMCL [Gulf Minerals Canada Ltd.] to try to put pressure on the Australians to block the proposed arrangement."

The Australian government did cancel Westinghouse's venture a few months later. Westinghouse contends it was part of the cartel activities. Others point out that the newly elected labor government in Australia was waging its own campaign against mineral exploitation by foreign corporations and did not need any prompting from Gulf Oil.

In any case, the private records of the cartel continued to mention Westinghouse as an adversary. Minutes of the eighth session of the "operating committee" held in London in October, 1973, reviewed dealings with "middlemen," and reported:

"Westinghouse: Nufcor received from Westinghouse a proposal to buy at 25 per cent below club prices and declined it."

A new pricing schedule was discussed and the minutes noted:

"This new line of price will be proposed to the next policy committee, but will be applied immediately unless there is formal opposition by anyone of the groups. In particular it will be applied to . . . Westinghouse" and two European suppliers.

A month later in Las Palmas, the operating committee met again and the draft minutes included this item:

"Negotiations with middlemen. It was agreed that nobody would enter into serious discussions with Westinghouse before coming back to the club."

Albert L. Bethel, the Westinghouse vice president in charge of uranium resources, testified before the Moss subcommittee on how Westinghouse came up short:

". . . During the latter part of 1973 and during 1974 we were making attempts to consummate large purchases of uranium, multimillion-pound lots. Late in 1973, we went out for proposals for supply and we got no bids. We went out again in June of 1974, July of 1974, and again we got no firm quotations. During 1975 we made several bids for parcels that were on the market and were unsuccessful. We bid what we thought was a reasonable price and got no takers."

Westinghouse's version is that all of its experts had predicted an ample market in uranium and stable prices, far into the future. Others claim that Westinghouse took risks—selling uranium without secure sources of supply—and it got burned when the 1974 oil crisis, among other things, sent the prices soaring.

Whatever caused the yellowcake inflation, "club" members did reach their original goal. As one British member put it: "improving uranium prices although selling lesser quantities."

HAPPY NEW YEAR, AMERICA

Mr. DOMENICI. Mr. President, I rise today to urge my colleagues to join me in wishing the American taxpayer a Happy New Year. Some of them may wonder why I am doing this on May 9th, which, as everyone knows, is well into the year.

The reason, Mr. President, is that according to the calculations of the Tax Foundation, May 5th was the first day of 1977 that the average taxpayer actually begins to earn some money for his or her own use. For the 4 months and 4 days before then, the average American taxpayer has been working to earn the money required to pay his or her taxes, Federal, State, and local.

For those who would prefer not to think of this situation in terms of days, months, and year, let us talk about it in terms of minutes and hours per day. Again, according to the Tax Foundation, the average American taxpayer with an 8 hour work day works the first 2 hours and 42 minutes just to pay his taxes. Payment of Federal taxes requires 1 hour and 44 minutes with 58 minutes required for payment of State and local taxes. It is startling to realize that the Federal tax rates we have imposed on the American people take more of their productive efforts than required to pay for food—1 hour and 8 minutes—or pay for housing—1 hour and 30 minutes. That is incredible.

We had an opportunity here in the Senate recently to give the American people a little New Year's gift. We could have made their New Year come a little earlier, perhaps as early as April 15 when they must have their tax returns filed. We could have accomplished that significant reduction in the period they work for Government simply by permanently reducing the tax rate for individual taxpayers. Unfortunately, Mr. President, we ducked out of that opportunity by muttering something about the sanctity of future tax reform and because the President evidently wants Americans to keep working for Government for 4 months and 4 days a year until he gets around to checking into whether that may be too long.

So, I hope my colleagues, particularly those who voted to kill the permanent tax reduction initiative, will join me in wishing the average American taxpayer a Happy and Prosperous New Year. I just hope that after the smoke clears from the tax reform hassle we will go through, the average American taxpayer will not be having to wait till July of every year to quit working for Government.

Mr. President, I ask unanimous consent to have an article entitled "It Takes

4 Months Of Work On Taxes" printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IT TAKES 4 MONTHS OF WORK ON TAXES

NEW YORK, May 4.—If you're an average taxpayer working eight hours a day, you have been laboring since Jan. 1 just to pay your federal, state and local taxes.

Thursday you start working for yourself.

According to the Tax Foundation, Inc., the average taxpayer has to work 2 hours and 42 minutes a day just to pay his taxes—or 4 months and 4 days for 1977.

The foundation said that, according to revised figures, an 8-hour-a-day worker labors 1 hour and 44 minutes to pay his federal taxes, and 58 minutes to pay his state and local taxes.

In comparison, a worker labors 1 hour and 8 minutes a day to pay for food and tobacco, 1 hour and 30 minutes for housing and home operation, and 25 minutes for clothing.

THE PUBLIC USE OF PRIVATE INTEREST

Mr. DOMENICI. Mr. President, the complex interrelationship between Government, citizens, and private industry form one of the most critical aspects of public policy decisionmaking. During the past 30 years we have seen public policy made, to all intents and purposes, by relying on a "carrot-and-stick" approach where the Federal Government acts as rewarder, punisher, and regulator of behavior. We have seen an extraordinary proliferation of regulators, bureaus, regulations, and lawsuits as Government goes about the business of trying to be all things to all people and, to do all things, it seemed, to all people.

I wrote many months ago, in the Wall Street Journal, of the need to restructure and reorder Federal Government activity. I wrote then that a top priority for decisionmakers was to determine just what the Federal Government ought to do and what the Federal Government ought not to do. It was my contention then, and still is, that we have sadly neglected using the marketplace, and its forces, as tools for changing society and reaching new goals for our Nation. I also argued for wholesale "swapping" of programs between the States and the Federal Government.

I believe that we have made steps, tentative though they may be, in that direction. Senator HENRY BELLMON and myself have tried to introduce legislation in the fields of education and nutritional aid that at least stay the trend toward centralization of all answers in Government. But, I would be the first to admit that the wholesale move toward using market forces to determine policy and direction looms far, far away, and has not been addressed in any forward way.

One thing impresses me more than at any other time, however—the answers we seek will require a fundamental reordering of legislative and executive branch "conventional wisdom." Intervention by Government on a massive scale can no longer be considered the "sine qua non" of good public policy. Indeed, it can be argued that the kneejerk response that demands a Government answer for every problem, an answer imposed from without, may be the first sign that the response is inadequate or, worse, irrelevant, to the dilemma confronted.

Keeping in mind the complexity of the problems involved, and realizing the forces once in motion yield reluctantly, if at all, I still would suggest that the vital marketplace system of this Nation, with all of its dynamics and advantages, has been grossly underused by national policymakers. In this regard, I read with great interest an article in the May 1977 issue of Harper's, entitled "The Public Use of Private Interest." The author of this article is Charles L. Schultze, President Carter's chairman of the Council of Economic Advisers.

I am not at all sure that Mr. Schultze, for all his brilliance and experience, has confronted sufficiently one essential sociological feature of the American landscape—the rise of expectations created by Government action in a wide number of fields and by promises of Government action, and some immediate "benefit" to the citizen, by Government leaders. This rising tide of expectations, as one of Mr. Schultze's colleagues wrote last year, has created many of the political problems that we now face when we attempt to restructure programs.

However, as an outline of alternatives to present almost autonomic Government intervention Mr. Schultze's article is informative and stimulating. Since this Nation must confront the apparent failure of Government intervention, by itself, as sufficient response to societal problems, I believe that articles such as this one are critical. Mr. Schultze's article is not the first in what promises to be a lengthy debate on the extent and appropriateness of Government intervention in the private sector, but it is certainly a welcome sign that a member of this administration questions publicly what has been for decades the conventional wisdom of many of his colleagues.

I ask unanimous consent, Mr. President, that Charles Schultze's article, "The Public Use of Private Interest," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE PUBLIC USE OF PRIVATE INTEREST

(By Charles L. Schultze)

(During the 1960s the belief took hold that some kind of federal budgetary program or federal regulatory agency could be designed to deal with almost any social or economic problem. Now it is widely recognized that most federal programs do not work well, and consist principally of "throwing money at problems." The rash of new regulatory mechanisms established in recent years—for pollution control, industrial health and safety, and consumer product quality and safety—have begun to generate resentment against excessive red tape. Yet a large majority of the public still believes that the federal government has responsibility for ensuring a decent income for the poor, seeing that jobs are available for those wanting work, and controlling inflation.

(Conservatives argue that recently adopted social interventions have been a mistake. Not only is there a general sense of malaise that government is performing its new tasks ineffectively, but a growing body of objective evidence suggests that this perception is correct. The liberal argument holds that there is nothing inherently wrong in the recent trend of interventionism, and that most of these problems could be straightened out by reforming election laws, undertaking more thorough policy analyses, and devoting more money to underfunded programs.

(In what follows, Charles L. Schultze, now chairman of the Council of Economic Advisers, argues that this polarity of viewpoints offers little help in dealing with reality. Mr. Schultze sets forth a number of conditions to determine when and how, or if at all, government should intervene. Specifically, he takes issue with the established methods of our society in dealing with what we perceive as a market failure, and hence a reason for government intervention or collective action, and offers various suggestions for alternative approaches.)

THE GROWTH OF REGULATION

In 1930, some 8 percent of the gross national income was spent by federal, state, and local governments for purposes other than national defense and foreign affairs. Except for the spread of publicly provided elementary and secondary education, this fraction had not grown substantially since the Civil War. In the next thirty years, however, the proportion of national income spent for the domestic programs of government rose to 13.5 percent. Today, only sixteen years later, such expenditures amount to 24 percent of gross national income. Interest on the debt and cash transfers for direct income support to individuals now make up one-third of those expenditures. The remainder, however, represents some form of government delivery of goods and services or provision of subsidies. The fraction of national income taken for these purposes by the federal government itself was less than 1 percent of national income in 1930, but grew to 4 percent by 1960 and then to 8 percent by 1976.

The growth of federal regulatory activities has been even more striking. Even as late as the middle 1950s there were only four areas in which the federal government had a major regulatory responsibility: antitrust, financial institutions, transportation, and communications. In 1976, there were seventy-seven federal agencies engaged in regulating some aspect of private activity.

Until perhaps fifteen or twenty years ago, most federal activities in the domestic sphere were confined to a few broad areas: providing cash income under Social Security programs for which eligibility was fairly easily determined; undertaking basic investments in a few sectors of the economy, principally highways, water resources, and high-rise public housing; regulating a selected list of industries for the alleged purpose of controlling monopoly or preventing certain abuses; and a series of housekeeping activities, such as running the Post Office, the national parks, the merchant seamen's hospitals, and the air navigation system. But in a short space of twenty years the very nature of federal activity has changed radically toward much more complex and difficult objectives. The newer programs are different, and the older ones have taken on more ambitious goals. In the field of energy and environmental policy the generally accepted objectives of national policy imply a staggeringly complex and interlocking set of actions directly affecting the production and consumption decision of every citizen and every business firm.

In a society which relies on private enterprise and market incentives to carry out most productive activity, there is a critical choice to be made beyond the question of whether or not to intervene. Should intervention be carried out principally by grafting a specific command-and-control module onto the private enterprise incentive-oriented system, usually in the form of a regulatory apparatus, or should it be undertaken by modifying the

informational flow, institutional structure, or incentive pattern of that private system? Neither approach is universally appropriate to every situation. But our political system almost always chooses the command-and-control response and seldom tries the other alternatives. What follows is an analysis of the reasons for this bias, an estimate of its costs and consequences, and suggested areas in which the alternative of institution-building, incentive, and information would be superior.

THE STANDARD PATTERN OF SOCIAL INTERVENTION

The term *social* (or *collective*) *intervention* assumes a good deal. It implies the rebuttable presumption that the desirable mode of carrying out economic and social activities is through a network of private and voluntary arrangements—called, for short, "the private market." A theory of social intervention is thus concerned with defining the conditions under which that presumption is indeed rebuttable.

We think of the public sector as intervening in the private and not vice versa; though in most societies throughout history (and in many today) the presumption ran the other way. With only a little facetiousness Lenin's New Economic Policy of the early 1920s and the current attempts to introduce profitlike calculations into Eastern European economies might be labeled "private intervention into the collective system." But in the United States, reform movements and interventionist policies seldom have questioned the "rebuttable presumption" approach. The strong populist streak which runs through U.S. reformist history, and is still reflected in political rhetoric, always had small businessmen and family farmers high on its list of heroes. Populism sought to help its heroes with cheap money and by breaking up or regulating monopolies, not by nationalizing them. Even the Tennessee Valley Authority was sold as a "yardstick" for privately owned utilities, not as the first step toward public ownership.

The rebuttable presumption approach is also an implicit philosophical underpinning of modern welfare economics. The theory of social intervention for purposes of microefficiency (as distinct from income redistribution) is built upon three pillars; an analysis of the formal characteristics of an efficient economic system (Pareto optimality); a specification of the conditions under which a decentralized market system with private ownership of property will duplicate those characteristics (the duality conditions); and an identification of the particular situations in which existing private markets do not or cannot meet those conditions (market failure).

The rebuttable presumption hypothesis, however, has provided little guidance for the social intervention that has actually occurred, except to rule out nationalization of industry as an acceptable solution. There is little connection between the rebuttable presumption approach as worked out by modern welfare theory and its application to social legislation. Once a political battle to intervene has been won in some broad area—environmental control, reduction of industrial accidents, or standards for nursing homes and day-care centers—the extent and scope of the resulting social controls are seldom grounded in a specific analysis of where and to what extent the private market fails to meet acceptable standards. Similarly, there is seldom any attempt to design techniques of intervention which preserve some of the virtues of the free market. The usual instruments of social control do not involve the use of incentives, the creation of market analogues, or the promotion of competitive institutions. Apart from income-maintenance programs, the techniques of intervention are pretty well confined to centralized regulatory bodies, governmental delivery of free services, and categorical grants to subordinate units of government.

To some extent political action and economic theory treat the actual instruments of social intervention as a series of black boxes. One first identifies a market failure—environmental pollution or industrial accidents or a mismatch between jobs and people in the labor market. If the political system can generate a consensus that some form of social intervention is called for, the job is turned over to the black box. Within the box a group of presumably omniscient and disinterested bureaucrats determine what is to be done and issue the necessary directives. It is ironic, indeed, that a society whose citizens absorb the praises of the market's libertarian and economic virtues almost with their mother's milk, and an economics profession which cut its teeth on demonstrating how a decentralized incentive system can produce socially desirable outcomes, should give such short shrift to the same concepts when it comes to forging tools for collective action.

The power of economic incentives to generate steadily improving efficiency we acknowledge and employ to bring us whitewall tires, cosmetics, and television sets. But when it comes to something really important like education, we eschew incentives completely. We would find it amusing if someone suggested that the best way to reduce labor input per unit of production would be to set up an agency specifying labor input in detail for each industry. But that is precisely how we are going about trying to reduce environmental damages and industrial accidents.

VIRTUES OF THE MARKET

Quite apart from their maximizing characteristics, as elaborated in formal economic theory, the buyer-seller relationships of the marketplace have substantial advantages as a form of social organization. In the first place, social relationships in the market are a form of unanimous consent arrangement. When dealing with each other in a buy-sell transaction, individuals can act voluntarily on the basis of mutual advantage to both parties. Organizing large-scale social activity through the other alternative open to a free society—democratic majoritarian politics—necessarily implies that in each particular decision there will be some minority that disapproves. Everything else being equal, unanimous consent arrangements are much more attractive politically than any other alternative. Obviously everything else is not always equal. If the income distribution is grossly unfair, the concept of voluntary decisions and unanimous consent is a charade—the coercion of economic necessity is not less real for being economic instead of political. But I am not trying to make the point that the unfettered market is always superior, rather that its buy-sell arrangements have a major social advantage. In designing techniques for collective intervention, the gains from preserving some or all of these arrangements should be given significant weight. Occasions to do so come up all the time: If government is to give assistance to higher education, should it do so through aid to individual students who can then "buy" education where they choose, or should it be through direct subsidies to colleges and universities? Should federal manpower training subsidies principally take the form, as they do now, of grants to training institutions or to manpower training vouchers to individuals, in the manner of the GI Bill of Rights? Should the federal government stipulate in detail safety regulations for each industrial workplace or should it put a stiff price on industrial accidents (e.g., by a tax on injury rates) and let individual firms decide how to respond in order to reduce their tax bill? To say that the principle of voluntary decisions should be given weight does not mean it should be the sole criterion. But precisely because the legitimate occasions for social intervention will surely increase as time goes on, the desirability of preserving and expanding the role of choice takes on added importance. Marketlike arrangements not only minimize the need for coercion as a means of social organization, they also reduce the need for compassion, patriotism, brotherly love, and cultural solidarity as motivating forces behind social improvement.

Learning how to harness the "base" motive of material self-interest to promote the common good was perhaps the most important social invention mankind has yet made. Turning silk into a silk purse is no great shakes, but converting a sow's ear into a silk purse does indeed partake of the miraculous. In the abstract we accept that view, but sometimes in discussing the specifics of social intervention we are loath to apply it. If I want industry to cut down on pollution, indignant tirades about social responsibility can't hold a candle to schemes which reduce the profits of firms who pollute. If I want drivers to economize on gasoline usage, advertising appeals to patriotism, reminders of the energy crisis, and "Dont be fuelish" slogans cannot match the effect of higher prices at the gas pumps. In most cases the prerequisite for social gains is the identification not of villains and heroes but of the defects in the incentive system which drive ordinary decent citizens into doing things contrary to the common good. There is indeed a role for "preaching" as a means of creating a political and cultural situation in which consensus can be reached on social intervention. Cleaning up the environment will only be achieved as environmental quality takes a higher place in the value system of most citizens. But when it comes to the specifics of getting the job done, preaching, indignation, and villain identification get in the way of results.

A second advantage of the market as an organizing principle for social activity is that it reduces the need for hard-to-get information. We think it a major problem that educational research has failed to come up with any evidence which convincingly tells us what will make Johnny read better. We have been unable to determine the production function for education—the relationship among teacher-pupil ratios, curricula, and facilities on the one hand and educational results on the other. There are a number of reasons for this failure, but chief among them is our inability to define and measure either inputs or results satisfactorily.

The more complicated and extensive the nature of social intervention, and the more it seeks to change individual behavior, the more difficult it becomes to acquire the necessary information at a central level. It is relatively easy to set up a system of payroll records from which to determine Social Security benefits. Doing something about the delivery structure of medical care or controlling industrial accidents require a much more complex system of information-gathering. Obviously, on the basis of informational economies, one does not rush out and recommend that education be turned over to the private market and sold like toothpaste, or that simple effluent charges displace all pollution-control regulations. But, where feasible, building some freedom of choice into social programs does provide substantial advantages, either in generating explicit information for policy-makers about the desirability of alternative outcomes or in bypassing the need for certain types of information altogether.

A third advantage of the market as a means of social organization is its "devil-take-the-hindmost" approach to questions of individual equity. At first blush this is an outrageous statement, worthy of the coldest heart among the nineteenth-century Benthamites. And obviously I have stated the

point in a way more designed to catch the eye than to be precise.

In any except a completely stagnant society, an efficient use of resources requires constant change. Consumer states, production technologies, locational advantages, and resource availabilities are always in flux. From the standpoint of static efficiency, the more completely and rapidly the economy shifts production to meet changes in tastes, resource availability, or locational advantages the greater the efficiency. From a dynamic standpoint, the greater the advances in technology and the faster they are adopted, the greater the efficiency. While these changes on balance generate gains for society in the form of higher living standards, almost every one of them causes a loss of income to some firms and individuals, often temporary and for only a few, but sometimes long-lasting and for large numbers. The introduction of a new technology in a particular firm may displace a handful of skilled workers who, after a period of unemployment, find equivalent jobs elsewhere. Or a shoe factory in a one-plant community may close, permanently lowering the income of middle-aged skilled workers, local merchants, and property owners. Both of these types of income losses may occur in an economy running at full employment; both types of losses are even greater in a recession. Under the social arrangements of the private market, those who may suffer losses are not usually able to stand in the way of change. As a consequence, efficiency-creating changes are not seriously impeded.

There are three ways in which society can deal with these income losses: (1) Prevent the particular changes from taking place, thereby making the question moot; (2) Make it up to the losers either with monetary payments (compensation) or with offsetting changes that improve the losers' welfare (log-rolling); (3) Don't compensate for each change, but through the tax and transfer system try to make sure that the cumulative result of all the changes is an income distribution that meets society's standards of fairness and equity.

Our society employs substantially different standards and values when dealing with losses associated with market efficiency and when faced with the possibility of losses through government actions. We are rather chary in dealing with losses by preventing efficiency-creating moves in the marketplace but very prone to use this technique when it comes to collective actions. Over the years the American political system has developed a set of formal and informal rules about losses associated with political decisions. First, we tend to subject political decisions to the rule "Do not direct harm." We can let harm occur as the second- and third-order consequences of political action, or through sheer inaction, but we cannot be seen to cause harm to anyone as the direct consequence of collective actions. The rule is far from absolute, and exceptions abound. But it does strongly influence policy. The specific application of the rule is handled, in a limited sphere of cases, by monetary compensations, as, for example, in the taking of private property for a highway. Unemployment compensation is another example. But most usually the prevention of loss is sought by trying to design collective action to avoid it in the first place.

Dealing with the problem of losses which an emphasis on efficiency necessarily raises is, of course, one of the stickiest social issues. There is absolutely nothing in either economic or political theory which argues that efficiency considerations should always take precedence. And sometimes there is no way to avoid unconscionably large losses to some particular group except by avoiding or at least moderating changes otherwise called for by efficiency considerations. Nevertheless, when it comes to the design of instruments for collective intervention, we place far too much stress on avoiding efficient solutions, and far too little stress on compensation and general income-distribution measures as loss-avoidance techniques.

The final virtue of marketlike arrangements is their potential ability to direct innovation into socially desirable directions. While the formal economic theory of the market stresses its static efficiency characteristics—its ability to get the most out of existing resources and technology—what is far more important is its apparent capacity to stimulate and take advantage of advancing technology. Living standards in modern Western countries are, by order of magnitude, superior to those of the early seventeenth century. Had the triumph of the market meant only a more efficient use of the technologies and resources then available, the gains in living standards would have been minuscule by comparison. What made the difference was the stimulation and harnessing of new technologies and resources.

It is not simply that market incentives and the price system stimulate new technologies in general, but that they tend to direct invention toward conserving those resources which are scarce. Agricultural technology for grain production in the United States developed in the direction of using much land (which was abundant) and little labor (which was scarce). It developed differently in Europe and Japan where land is far less plentiful relative to labor. More generally, most economic analysis of the nature of inventions suggests that they tend to occur in very rough conformity with economic needs and scarcities as signaled by prices and profitability. The corollary to these propositions is that where prices give the wrong signal—that is, do not reflect true economic scarcity—technology responds accordingly. Pollution is a classic case. For hundreds of years, environmental quality was treated as a free resource. The market, responding with marvelous efficiency to that signal, proceeded to develop technology which made maximum use of the air and water as "free" sinks for waste products, and paid no attention to the development of technologies which reduced pollution per unit of output. Automobile engines were designed for speed, acceleration, and low production costs, to the accompaniment of smog-creating emissions. Steel mills, coking plants, and paper mills were built to economize on labor and other costs, while using, and fouling, incredible volumes of air and water. This was in sharp contrast to the case of another resource—labor: labor is expensive; business firms must pay for it, at ever-increasing real wages. As a consequence, over the past century, the amount of labor per unit of output has been halved every fifteen years.

From a long-range standpoint, the effectiveness of social intervention in a number of important areas critically depends on paying attention to this lesson. Much of the economic literature on pollution control, for example, stresses the role of economic incentives to achieve static efficiency in control measures—that is, using existing technology in a way which reaches environmental goals at least cost. In the long run, however, the future of society is going to hinge in an important way on the discovery and adoption of ever-improving technology to reduce the environmental consequences of increasing production. If, for example, we assume that per capita living standards in the United States improve from now on at only one-half the rate of the past century, the GNP 100 years from now will still increase more than threefold. Median family income, now about $14,000, will equal about $55,000. Only if the amount of pollution per unit of output is cut by two-thirds can we maintain current environmental performance, much less improve it—even with the assumption that the rate of economic growth is halved. There is simply no way such reductions can be achieved unless the direction of technological change is shifted to minimize pollution.

The problem of environmental quality permeates most of the production and consumption aspects of the economy. Hence the discovery and adoption of pollution-reducing technology will have to be equally pervasive. Unlike the space program or the Manhattan Project, it is not a task that central direction can accomplish well. Rather the institutions and incentives of society have to be modified for a steady long-run effort. Reducing pollution has to become a paying proposition rather than a set of regulations to be fought and delayed.

Congestion in central cities, chemical threats to health, sharply rising medical costs, and the pressure of economic growth on scarce natural resources are other problem areas in which some form of social intervention already exists and in which the avoidance of long-term problems depends especially on the response of technological development to social needs. The point is not that the unfettered market can deal with these problems. Indeed, the problems arise because the market as it is now structured does not work well. But in designing the techniques of social intervention, the historically demonstrated power of marketlike incentives to influence the pace and direction of technological change warrants every effort to install such incentives in our social programs.

THE CAUSES OF MARKET FAILURE

Within the sphere of activities not excluded from the market by considerations of liberty and dignity, there remains a large number of situations in which the free-enterprise private market as we now know it does not produce efficient results. Where the deviations are serious, a prima facie case arises for collective intervention on grounds of efficiency alone. Paradoxically, most of these situations occur where the existing private-enterprise system itself does not make a proper market for some important output or input.

Where the market process fails, too much or too little of some particular output will be produced. We get too little environmental quality, or too many industrial accidents, or too much traffic congestion. Society can go about dealing with market failure in two quite different ways. It can try to isolate the causes of the failure and restore, as nearly as possible, an efficient market process. Or it can take matters completely into its own hands, supplant the market process, and directly determine the outputs it wants. In other words, social intervention can be *process-oriented*, seeking to correct the faulty process, or *output-oriented*, seeking to bypass the process and determine outputs directly by regulation or other device.

Regardless of the circumstances, however, social intervention has almost always been output-oriented, giving short shrift to the process-oriented alternative. And this has been a costly bias. It has taxed, well beyond its limit, the ability of government to make complex output decisions. And it has stretched thin the delicate fabric of political consensus by unnecessarily widening the scope of activities it must cover.

The structure of the private-enterprise system and the efficiency with which it operates depend in an important way on the contents of our system of property and contract laws. The free-enterprise system in this respect carries the label "made by government." How efficiently that system works at any point in time is strongly conditioned by how well the structure of property laws matches the underlying technological and economic realities. If those realities change, and property laws do not, there is bound to be trouble.

There is a second basic proposition which underlies an identification and analysis of

market failure. To be an efficient instrument for society, a private market must be so organized that buyers and sellers realize *all* the benefits and pay *all* the costs of each transaction. Another way to state the same requirement is that the price paid by the buyer and the costs incurred by the seller in each private transaction reflect the full value and the full cost of that transaction not only to them, but to society as a whole. My decision to drive to work will reflect my own balancing of the benefits I receive from auto transportation against the money and time costs I thereby incur. But if streets are already congested, the addition of my car to the traffic will lengthen the time it takes everyone else to commute and will impose real costs on society that I did not take into account in my own decision. There will be more auto commuting than is truly efficient.

As a very rough-and-ready generalization, the body of laws governing property rights and liabilities is likely to yield inefficient results principally when dealing with the side effects of private market transactions. The problem is not that side effects exist, but that the benefits they confer or the costs they impose are often not reflected in the prices and costs which guide private decisions. In some cases the side effects are confined to the parties making the transaction, as in the case of many consumer product defects or job-related injuries. But often the side effects impose costs (or confer benefits) on large numbers of people who were not parties to the transaction. Air and water pollution from industrial production cause damage over wide areas to people who had no part in the production or purchase of the goods being produced. Auto commuters on congested streets create traffic delays for each other with no transactions involved. To the extent that an educated population makes for a better citizenry, my decision to send my children to college generates side effects by way of social benefits to the whole population.

Where side effects are confined to the particular parties in a transaction, proper specification of the laws governing private property can sometimes insure that a side effect is properly reflected in the private accounting of costs and benefits. Where this is possible, establishing some continuing mechanism of social intervention is unnecessary. Individual buy-and-sell arrangements can efficiently reflect social values. The introduction of workmen's compensation laws, for example, shifted the prima facie liability for work-related injuries to employers—that is, the injured worker did not have to prove negligence in court in order to collect damages. The intent of the shift was to make it more probable that employers would face the true social costs of their choices about how to organize production, and thus, for the sake of increasing their own profits, act to reduce such costs.

In many cases, however, the very nature of the situation is such that merely redefining property rights will not deal with the problem; markets cannot be organized by purely private efforts, or, if so, only at great cost. This is sometimes true even when the side effects are confined to the parties making a transaction. It is almost universally true where large numbers of other parties are involved.

There are essentially four sets of factors, the existence of which leads to market failure and also limits the range of corrective action available to society: high transaction costs; high information costs; large uncertainty; and, finally, what economists call the "free rider" problem. They are often present in combination.

Transaction costs: Markets are not costless. There are expenses of money, time, and effort in setting and collecting prices. Sometimes transaction costs are virtually infinite—there is no conceivable way that a market can be formed to deal with side effects. Sometimes transaction costs, while not infinite, exceed the benefits which a market could otherwise confer, and so it doesn't pay to set one up. Very often the existence of transaction cost forces us to organize markets in less than an ideal way; the scope and nature of the transaction costs strongly limit the range of effective social intervention.

Traffic congestion provides a good example of all of these situations. The decisions of individual drivers to commute through crowded downtown streets creates costly side effects—each decision to drive imposes delay costs on other drivers. Could the law be changed to create property rights in the side effects: I would have to buy "rights" to drive from other drivers on whom my decisions would impose delay? Obviously not. There is no conceivable way in which the tens of thousands of drivers could mutually calculate bids and offers, transfer net balances of payments, and monitor and enforce agreements. Could local governments establish a quasimarket—set up a schedule of congestion tolls and charge each driver according to the time of day and the degree of congestion along the particular streets he travels? While ingenious schemes have been suggested, involving radar and computerized billing, the costs of setting up such quasi-markets would seem to rule them out. What about stiff parking fees downtown, or the sale by government of monthly downtown auto permits? Those who value their daily auto trip highly would be willing to pay; others would use mass transit. Congestion could be reduced for both groups. The transaction costs of such a scheme would be much lower, but the prices charged would lose some of their relationship to the particular circumstances causing congestion. My contribution to congestion varies according to when I drive and along what streets—the parking fee or commuting permit charges me a price which is only the roughest sort of approximation to that contribution. Hence, the resulting scheme will not be ideally efficient. Nevertheless, it may (or may not) lead to a more efficient result than the two polar opposites—do nothing, or forbid the use of certain areas to private automobiles.

Uncertainty and information costs: It is easier to treat the problems of uncertainty and information costs together since it is through information that we can, at least sometimes, reduce uncertainty. Market transactions cannot be an efficient method of organizing human actvity unless both the buyer and the seller know and understand the full costs and benefits to them of the transactions they undertake, including any side effects which impinge on their own welfare. If, for example, the legal principle of *caveat emptor* prevails, consumers are responsible for judging the reliability and safety of the products they buy. If, at reasonable costs in time, money, and mental effort, they can acquire and interpret information about the quality of products, then more reliable and safer brands will command a premium over less reliable and dangerous products. The premium will reflect consumer judgments about the value to them of reliability and safety. Producers in turn will find it profitable to push reliability and safety up to the point where the costs of doing so begin to exceed the premium—in short, an efficient outcome will be assured.

There is sometimes a dilemma in the public provision of consumer information. In the case of hazards which are highly complicated, the provision of technically complete but neutral information may not be very helpful. Evaluating the significance of the hazard on the basis of new information may itself require more technical ability and judgment and a larger amount of time than it is reasonable to expect from most consumers. Government could then regulate the safety characteristics of such products, almost always causing the price to be higher. And in some cases a ban on certain types of products may be imposed, which is equivalent to charging an infinitely high price. In such situations the single risk-evaluation of a governmental body is substituted for the diverse judgments of millions of consumers.

The temptation to overregulate is great, and should be resisted. Quite apart from safety features, there are a host of product characteristics—performance, reliability, durability—which often depend upon highly technical factors. Consumer information about such characteristics, as it is usually acquired, is most often casual and imperfect, and in the case of durable goods cannot be acquired by repetitive trial and error. Market demand and product price differentials therefore do not reflect evaluations based on perfect information. If the mere existence of market imperfection is allowed to become the occasion for regulation, then we would have to regulate every characteristic of every durable product. But the benefits of potentially superior information which a regular can bring to bear have to be balanced against the inability of monolithic regulatory judgments to match the diverse preferences of individuals and by the inevitable sluggishness with which regulators adapt to changing circumstances. Where the potential harms from a product feature are great and where the technical difficulty of evaluating information is very high, then regulation may be the best alternative, despite its inefficiencies. But in all cases we should compare an imperfect market with an imperfect regulatory scheme, not with some ideal and omniscient abstraction.

The "free rider" problem: Where the side effects of private transactions have a common impact on many people—for example, the discharge of sulfur into the atmosphere from coal-burning utilities—the possibility of purely private action is severely limited. In theory, if the rights to the use of the clean air were assigned by law to the polluter, those affected might band together and pay the polluter to reduce the emissions. But any one individual would enjoy the benefits of reduced pollution whether he paid his share of the cost or not. He could be a "free rider" on the efforts of everyone else. How could cost shares be decided and enforced? Without the coercive power of government, purely voluntary arrangements could not be successful. Conversely, if the rights were assigned to those affected by pollution so that the polluter had to buy rights to emit sulfur, how would agreement be reached on the appropriate size of the payments and the sharing out of the proceeds? Purely voluntary action implies unanimous consent.

We do undertake some actions of this nature by unanimous consent arrangements. The implicit neighborhood agreement that no one mows the lawn on Sunday morning is one such arrangement. But as a means of dealing with important and widespread side effects of private transactions, voluntary arrangements would quickly break down.

THE INADEQUATE RESPONSE TO MARKET FAILURE

Usually, when a specific problem has been singled out for public action, there has been little attempt to isolate the particular causes of market failure and deal with them in a way which preserves as many as possible of the elements of voluntary choice and private incentives in the affected area. Rather, intervention typically takes the form of substituting a centralized command-and-control approach to decisionmaking over a far broader area than is necessary to deal with the specific market failure in question. It is impossible to provide an overall measurement of the mismatch between the occasions for in-

tervention and the forms which intervention has actually taken. But several broad traits have characterized public policy: the effort to affect private activity by regulation and state and local governments by detailed grant programs.

One very broad class of market failure stems from the inability of the unaided private market to put a price on important side effects of economic transactions and so to subject them to the efficiency calculus which balances costs against gains. As we saw, changes in property laws cannot usually create an ideal pricing structure for side effects, given the complicated situations in which many of them occur. Hence, in each specific case we have to balance the less than perfect efficiency of an artificially created pricing structure against the less than perfect efficiency of a regulatory or other nonpricing approach. The virtually universal characteristic of public policy in these circumstances is to *start* from the conclusion that regulation is the obvious answer; the pricing alternative is literally never considered.

Precisely because environmental problems are so pervasive, they illustrate the entire gamut of situations, ranging from those in which environmental side effects can reasonably be priced to those in which information or transaction costs make pricing ineffective or excessively expensive. Effective policy must take account of the fact that in almost every industry and every situation there are alternative ways to reduce pollution that vary widely in effectiveness and cost. Nationally, the difference between efficient and inefficient control programs can, over a ten-year period, mount into the hundreds of billions of dollars. Policy must also operate in a world of imperfect knowledge in which the relative cost and effectiveness of various abatement techniques and the effect of pollutants on the environment are subject to great uncertainty. Policy must deal both with situations where targets and deadlines can and ought to be adjusted depending on costs and other circumstances, and with cases of potentially fatal toxic chemicals where little flexibility is possible. And, finally, policy should avoid prematurely locking the nation into uniform technological choices that discourage a continuing search for better control methods.

THE EXAMPLE OF WATER POLLUTION

Let us examine, by way of example, the nation's program to control water pollution. Prior to 1972, national strategy was based on a four-stage process: federal approval of state-established water-quality standards; state implementation plans, requiring industrial firms and municipalities along a river basin to reduce pollution discharges so as to meet the standards; federal grants-in-aid for the construction of municipal waste-treatment plants; and court enforcement against firms or municipalities whose failure to act caused a breach of water-quality standards.

For a host of reasons this approach failed, mainly because, on a river basin with many firms and municipalities, it is impossible to pinpoint the blame for a breach of water-quality standards, especially given the rules of evidence in judicial proceedings. The 1972 Water Pollution Control Act Amendments adopted a drastically new approach. The law required the Environmental Protection Agency to develop specific effluent limits on water-borne pollutants for each type of industrial process, and to issue permits to every industrial firm based on those limits. By 1977 the effluent limits are to be consistent with the use of "the best practicable control methods"; by 1983 tighter limits based on "best available technology" are to be enforced.

In carrying out these objectives EPA is directed to take into account "the age of equipment and facilities involved, the process employed, the engineering aspects of the application of various types of control techniques, process changes, nonwater-quality environmental impacts (including energy requirements) and such other factors as the Administrator deems appropriate." In addition, EPA must consider what is "economically achievable."

There are 62,000 point sources of water pollution in the United States, of which 9,000 are major sources, with huge variation among them in the factors that EPA is supposed to consider—industrial processes, age of equipment, economic situation, and so forth. EPA is therefore required to amend its effluent regulations in some detail. In any given situation there is usually a broad range of possibilities available for pollution reduction—changing the type of raw material used, altering the production itself, modifying the characteristics of the product, treating the wastes before they emerge from the end of the pipe, or sending the pollution through the sewer system and paying to have them treated at the municipal waste-treatment plant. Selecting the appropriate effluent limitation for each firm, in a way that will produce an efficient and effective overall strategy, depends on balancing these possibilities against their respective costs, taking into account the particular economic circumstances confronting each firm. To do this for 62,000 point sources of pollution demands omniscience from EPA.

By mid-1976 EPA had promulgated or was in the process of developing some 492 different effluent guidelines, and had issued 45,000 individual plant permits. Given the language of the act, there is substantial room for legal challenges. In April 1976 EPA withdrew all its guidelines for organic chemicals because of a court challenge. Requests for administrative hearings are pending for more than one-tenth of all the industrial permits issued. Moreover, while the law foresaw state governments taking over the permit programs, after EPA approval and with EPA monitoring, only twenty-seven states have done so, and, according to EPA, prospects for more doing so are very dim. Finally, an analysis of the program by the General Accounting Office based on a sample review found that most permits issued were not based on the final guidelines and, in any event, firms were not adhering to the conditions of the permits.

In effect, the current law sets up a central agency to determine a detailed control strategy for every polluting source, balancing environmental gains against economic costs. Difficult as this is in a static context, it is dwarfed by the continuing problem of keeping the guidelines up to date in the light of economic growth and technological change. And the very nature of the controls works in the direction of discouraging pollution-reducing technological change. The 1983 criteria bases effluent limits on "best available technology." But what firm will sponsor research or undertake experimentation to develop a new means of reducing pollution still further, if its very availability will generate new and more stringent regulations?

The entire approach provides strong and positive incentives for polluters to use the legal system to delay progress toward effective cleanup. It forces a central control agency to make thousands of decisions based on detailed considerations it cannot possibly know and, even less, keep up with over time. And most important, it provides absolutely no incentives to firms and municipalities to channel technological innovation toward the efficient reduction of pollution.

It is possible, on the other hand, to use an effluent charge to put a common price on each of the major forms of water pollutants. If the polluting side effects of industrial activity were priced, several consequences would follow. Depending on the size of the effluent charge, firms would have incentives to reduce pollution in order to increase their own profits, or to avoid losses. The higher the charge, the greater the reduction; hence, the fee could be adjusted to achieve any desired set of water-quality standards. Firms with low costs of reducing pollution would reduce their waste discharges by more than firms with high costs of production, which is precisely what is needed to achieve any given environmental standard at the lowest national cost. Even when the standards were met, firms would still have incentives to look for ways of reducing pollution still further because they would be paying a fee on whatever residual pollutants remained. And again, most important, there would be strong incentives throughout industry for the continuing development of new technology of a pollution-reducing character.

Effluent charges are by no means the sole answer. Enough studies have been carried out on river basins to provide guidance on the magnitude of effluent charges needed to achieve particular water quality standards. But since we have had no experience with them they would have to be introduced gradually—you can't create a large new market overnight. Regulations are already in force and they cannot simply be junked—effluent charges would have to supplement the regulations at first, not replace them. Moreover, as we have stressed earlier, some exotic and highly dangerous chemical discharges will always have to be controlled by regulations rather than incentive. After all the qualifications, however, the potential role for an incentive-oriented approach is very large, and its absence very costly.

FEDERAL GRANT PROGRAMS

In the fiscal year 1976, the federal government provided some $60 billion in grants-in-aid to state and local governments. Of that amount, $23 billion went for welfare, Medicaid, and other forms of payments to individuals; there was $14 billion in general revenue-sharing or broad bloc grants with few federal strings attached; and $10 billion went for three large capital grants—highways, mass transit, and waste-treatment plants. The remaining $13 billion was devoted to a very large number of relatively narrow categorical grants, under which the federal government specifies in some detail how the funds shall be used. Two kinds of problems characterize many of these categorical grants, both reflecting a lack of correspondence between the nature of the grant and the "market" failure it was supposed to correct.

The first problem arises from a failure to distinguish between two quite different social objectives. Starting about fifteen years ago, the federal government began to take on responsibility for assuring that the poor and the disadvantaged had access to certain critical services—health care, manpower training, day care, and the like. In many cases, existing institutions were very unsuited to the delivery of such services in poor urban or rural neighborhoods, and in other cases no institutions existed at all. Hence, it was necessary not only to provide the poor with financial resources to purchase such services, but also to create or improve the institutions which deliver them. In virtually all cases, the same grant was used for both purposes. In poor inner-city areas, where private physicians are scarce, neighborhood health centers are an attempt to provide a more attractive and effective alternative to the outpatient clinics of large city hospitals. Through grants, the federal government furnishes the operating funds for such centers, and their services are made available without charge to inner-city residents. But in doing so the program runs into major difficulties. In the first place, since the services are free (or require minimal fees), only the poor or near-poor are allowed to use them. This tends to create a two-class medi-

cal system. Second, the health centers do not have to stand the test of consumer acceptance—obviously, if they charge nothing they will be preferred to other sources of medical-care delivery that do charge. The federal government thus not only supports the initial establishment of such centers, but is permanently committed to supplying the annual operating funds, and hence to exerting continuing oversight.

If, on the other hand, the two objectives were recognized as being different, a more reasonable approach could be followed. Removing financial barriers to medical care for the poor could be accomplished by a system of medical insurance for the poor, either as a reform of the current Medicaid program or as part of a broader national health-insurance system. In turn, after providing the seed money to help new institutions like neighborhood health centers get started, the federal government could gradually withdraw the operating funds and require the institutions to charge fees covering costs. This would be no hardship on the poor, since their medical bills would be covered by federally supported insurance. But the neighborhood health centers would then have to stand the test of the marketplace, since potential clients would be able to choose whether to use the centers or to buy their medical care elsewhere. It would not be necessary to limit the centers' services to the poor, since everyone would be paying fees covering costs.

At least on an experimental basis, similar principles could be applied in other areas. If vouchers for manpower-training programs were available to eligible recipients, government-sponsored and private training programs could compete for clientele. A similar approach could be applied to day-care centers. The same principle suggests concentrating federal support for higher education on direct assistance to students rather than on subsidies to colleges.

FAILURE TO CONSIDER INCENTIVE PROBLEMS

Across a wide range of areas, social intervention often fails, not because it relies unnecessarily on regulation or other command-and-control devices, but because in other ways it ignores the role of properly structured economic incentives for achieving social goals. Sometimes this takes the form of social programs which themselves set up perverse and antisocial incentives. Sometimes it takes the form of failing to recognize how existing institutions channel private economic activity in the wrong direction.

Distorted pricing and incentives play a major role in creating urban problems. Virtually every city has a long-range development plan. But every one of them is imposed on a structure of investment incentives which invariably frustrates the objectives of the plan. We have already seen the congestion consequences of failure to charge motorists the full social costs of their commuting. Most cities set prices on sewer and water services which do not properly reflect the cost of installing sewer and water lines for new developments. Leapfrogging and urban sprawl are in effect subsidized, since longer lines carry no higher charges than close-in services. Profits from buying and holding land for speculation are taxed at capital gains rates, which are far lower than the normal tax rates paid on ordinary income from property improvements. Scarce entrepreneurial talent is channeled into land speculation. The after-tax gains from a combination of buying land and then securing favorable variances in the zoning code are much greater than from the socially desirable alternative of investing in property improvements under existing zoning. Given a limited access to capital, the investor in inner-city residential property gets a high return by extensive purchases of older property to hold, with improvements, against land-price escalation and capital-gains taxation. Applying the same funds to property improvements would yield income in the form of rents which are taxed at the higher tax rates of ordinary income.

One cannot prove the existence of a behavioral law or tendency simply by reciting examples. And yet I think it is clear that we do limit the politically acceptable techniques for social intervention to a few predetermined approaches, and usually block out of our vision that class of alternatives which uses marketlike principles to achieve social objectives.

We try to specify in detail the particular actions that generate social efficiency and then command their performance. But in complex areas of human behavior, neither our imagination nor our commands are up to the task. We often see the causes of market failure at superficial levels—a physical shortage of mass-transit facilities, municipal treatment plants, or local health clinics—and, instead of dealing with the root behavioral problem, try to build over it with construction grants. Instead of widening the area of individual choice for the poor and the disadvantaged by financial and institutional arrangements which give them alternative opportunities in day care, manpower training, health facilities, and the like, we tie the financing and the institutions together in a way which minimizes their range of choice. Consistently, where social problems arise because of distorted private incentives, we try to impose a solution without remedying the incentive structure. And, equally consistently, the power of that incentive structure defeats us.

If I am right that we tend to intervene in ways that are systematically biased in certain directions, then by definition the problem is not one of random error, or incompetence of legislators and administrators. There must be some underlying reasons in the structure of our beliefs or our political systems for us to act the way we do.

SELF-INTEREST AND SOCIAL ACTION

The bias in the American political system, to intervene through direct determination of outputs by regulation and other forms of centralized bureaucracy, is deep-seated. There are, I think, several major causes of that bias, none of which can be changed by some simple modification of the political process.

If one accepts the views of James Buchanan and some of his colleagues in the public-choice school of political economy, only a radical constitutional revision that severely restricts the scope of allowable social intervention can deal with the problem. His is a very deterministic view—people vote only their pocketbooks, are exceedingly myopic about their own long-run interests, and inevitably end up voting for excessive government and output-oriented intervention. Normative economics, which tries to spell out some "desirable" course of action to correct market failures, is quite irrelevant in view of the way voters actually behave.

In my judgment, this picture of the political process is far too narrow. People and legislators do vote their self-interest, particularly on matters which affect them starkly and directly. But they also have some views about the public good, quite apart from immediate effects upon themselves. People who vote against gun control and for a large defense budget, capital punishment, and balanced budgets at all times are not simply trying to maximize their own economic gains.

Politics can be, in some part at least, a creative process, not simply a deterministic response to the myopic self-interest of majorities or special-interest groups. There is still room for normative economic judgments, based on an analyses of market failure. Trying to discern the underlying causes for the output-oriented bias of existing social intervention can be a worthwhile task as the first step in an active political process.

There is virtually no act of social intervention which does not impose losses on some people. Pollution control will reduce profits for some firms, in most cases temporarily, but in particular instances permanently. Should outmoded transportation regulations be removed, the resulting reshuffling of the transportation system would bring losses to firms which were protected under the old system and to some communities whose value as shipping centers was sustained by artificially rigged transport rates.

An efficient social action will generate gains that exceed losses. In theory, therefore, the gainers from efficient social intervention could fully compensate the losers and still come out ahead. With no losers and some net gainers, the political obstacles to efficient intervention would be minimized. The potentially divisive struggle over income distribution could be divorced from the problem of efficiency. The difficulties of designing efficient instruments of social intervention would be solely technical in nature. While technical problems could still be formidable, and in the face of uncertainty require some nice judgments, a major roadblock to efficient social intervention would be removed.

In fact, of course, it is impossible in most situations to identify gainers and losers, to measure the size of their gains and losses, and to devise means of transferring income from gainers to losers by means which themselves do not interfere with efficiency. If a steel company responds to pollution controls by closing down some of its other coke ovens and building a new coke-oven complex, workers in the coke oven that were closed will have to find new jobs. If, after only a short period of searching, they find jobs at undiminished wages, and at nearby locations, their losses are small. But suppose they find employment only at lower wages, or only after incurring the expense of commuting fifty miles a day? How do we identify the short- and long-term losses when the outcome is likely to be different from each worker? What about the loss in tax revenue and retail trade in a one-factory community? And suppose the steel company shifts its purchase of coking coal from Kentucky mines to Pennsylvania mines?

Sometimes it is the problem of identifying the gainers and their gains which take center stage. Decontrolling domestic oil prices, and letting them move to equality with world oil prices, would promote efficiency. Imports are the residual source of oil supply. With domestic prices held below the world market as they are now, domestic consumption of petroleum is encouraged. Consumers currently make decisions based on the blended market price of oil, about $10 a barrel, but each added barrel of consumption costs the nation $14 to import, a $4 loss on every added barrel. Setting prices free to seek world market levels, however, would create a huge windfall to domestic producers with low-cost wells. If we knew the costs of production at each well, we could levy a tax well by well that still provided a generous return while capturing the windfall. But we cannot devise such a precisely calibrated tax. And without precise calibration, excessive taxes on high-cost wells would discourage domestic production and exploration. The upshot is that policies designed to promote an efficient energy program become hopelessly enmeshed in quarrels about income distribution.

Even if we had reached some broad political consensus on "fair shares" and an appropriate overall income distribution, and had installed a system of progressive taxes and transfer payments to achieve it, efficiency

measures would still be plagued by income distribution problems The overall distribution measures might ensure, for example, that no one would fall below the poverty line, and that generous unemployment compensation would be available for those temporarily out of work. But what about the fifty-year-old employee in a paper factory earning $15,000 per year, who is forced to settle for an $8,000-a-year job as a result of an environmental decision that shut his factory down? Or the owner of a small trucking company whose lifetime savings are destroyed when the transportation regulations that protected his firm from widespread competition are removed? Establishing a reasonably egalitarian distribution of income by income classes does not eliminate severe losses or sharp gains to individuals as a consequence of social and measures to improve efficiency.

DO NO DIRECT HARM

Incomes and property values are constantly being created and destroyed in the normal course of the economic changes that characterize a dynamic economy. But social attitudes toward losses are much more rigid when it comes to losses directly imposed by government action. The rule of "Do no direct harm" is a powerful force in shaping the nature of social intervention.

We put few obstacles in the way of a market-generated shift of industry to the South or the substitution of synthetic fibers for New England woolens, events which generate large losses to individuals, firms, and communities. But we find it extraordinarily difficult to close a military base or a post office. We have elaborate procedures for changing zoning regulations and provide case-by-case adjudication where losses in property values may occur. But movements of private industry that destroy property values occur at will. When we intervene through regulation, we try to write the regulations and provide administrative discretion to take care of as much individual variation in circumstances as possible, so as to prevent harm that can be immediately imputed to the regulation. Such regulations then grow at an exponential pace as experience in a far-flung economy steadily generates thousands of specific problems. More importantly, efficient ways of achieving results are often precluded because of a fear of some direct losses.

Any change brings losses to some. And however much we try to avoid large direct losses, there are always indirect losses as the effects of various policies work their way through the economy. But the extent of governmental moves to improve efficiency is sharply constrained, and the design of those moves importantly limited by attempts to follow the "Do no direct harm" rule. Because incentive-oriented approaches to social intervention rely on decentralized reactions to prices, they seem to remove from government the control of case-by-case results. If nothing else, this would make legislators nervous. They would have to forego the opportunity to hedge their programs about with all sorts of adjudication procedures drawn up to take care of specific losses. They would also forfeit the opportunity to second-guess administrators and to provide services for constituents through intervention in administrative decisions.

In the abstract there may seem to be no logic in our schizoid view of losses—allowable for purposes of efficiency in private markets, much less permissible for government actions. In fact, there is a historical rationale for our attitudes. The constitutional structures of most Western democracies arose as a response not to political anarchy but to the excessive power of monarchs. In the process, governmental power was not simply transferred from monarch to parliament or congress, but hedged about with safeguards. Protecting the rights of individuals in their property, as well as in their persons, against the arbitrary exercise of power by government was a dominant concern not only in framing constitutions and bills of rights, but in designing any subsequent legislation which conferred particular powers upon government. That economic change might impose severe losses on specific individuals was a fact of life, as were hurricanes and floods. Until the Great Depression they were not usually the subject of politics. What was to be prevented was the imposition of losses by government.

Where government was called upon to act, it was natural, in this environment, to write laws that specified the allowable actions in detail. And, as the complexity of the situations to be regulated grew, regulations were increasingly accompanied by various adjudicatory provisions, quasijudicial bodies, administrative hearings, and other devices to adjust governmental actions to individual circumstances. Making law is still considered the province of lawyers. Some 55 to 60 percent of the members of the United States Senate and the House of Representatives have a legal background. Legal training necessarily, and quite rightly, concentrates on the specification of rights and duties in law and judicial precedent and on the case-by-case adjudication of individual situations in the light of the law and the precedents. When society decides that the social behavior ought to be changed, the lawyer goes about the task by setting forth the particular rights and duties of the parties involved, including the rights and duties of government. By the very nature of the process, the protection of individual equities is a large consideration. A market approach, on the other hand, stresses not rights and duties but incentives. People or firms act in certain ways because their self-interest dictates doing so, given the existing set of incentives. Changes in social behavior can be accomplished by modifying the incentives that induce people to act. Individual equities are not a principal concern.

Where market failures can be handled by changes in the laws concerning property—for example, through improvements in the assignment of liability for side effects—the rights-and-duties approach is an efficient one. But carrying over the rights-and-duties approach to situations which demand much more complex forms of social intervention tends to produce output-oriented legislation—detailed regulation of outcomes accompanied by adjudicatory procedures to handle individual cases. In an age when government was not expected to intervene significantly in the marketplace, the problem was not very significant. But as both economic circumstances and public attitudes have changed to bring about a much wider sphere of social intervention, the carry-over of the legal approach takes on much greater importance.

Paradoxically, therefore, the historical development has come full circle. The underlying principle that government shall do no direct harm and the legislative technique of carefully specifying rights and duties was—in part, at least—an outgrowth of the movement to limit the power of government. But by applying the principle and the technique to situations in which social intervention must be pervasive and continuing, we have ended up extending the sphere of detailed governmental control far beyond what is necessary to accomplish the objectives we seek.

In the attempt to follow the "Do no direct harm" principle, we have also begun to transfer more and more decisions about individual economic equities from the market to the government. Regulations, however detailed, cannot be written to cover all the individual situations that arise. The prevention of direct harms is pursued by incorporating some broad standards of "fairness" in the legislation and providing individual rights of access to administrative hearing bodies and the courts for purposes of adjusting the regulations to individual circumstances. The legislation which gives EPA the task of setting detailed effluent limits also requires the EPA administrator to determine what is "economically achievable" and to take into account such things as "the age of equipment and facilities" (which necessarily varies from one firm to another). The determination of specific outcomes, and the fortunes of particular firms and communities, begins to be made on a case-by-case basis by the specific decisions of regulators, by administrative hearing panels, and by the courts—often by all three in sequence.

The application of general rules to individual circumstances through judicial interpretation is a vital and necessary part of governance. But too much of a good thing spoils the whole process. The toughest challenge to the political consensus necessary to keep a free society together arises when society itself has to make explicit decisions about the fate of particular groups and local communities. A large part of those kinds of decisions are now made by the market; government is not to blame for the outcome. Each economic change that produces efficiency does not have to be weighed on the scales against individual equities. As the volume of such decisions to be made by government grows, the strain put upon the political fabric grows at least proportionately. Every decision imposes a felt loss, either on those who want the regulation enforced rigorously or those who suffer its consequences. And the fact of loss can be directly attributed to a specific government decision. The result is probably that we get the worst of both worlds—many efficient moves are avoided because of the fear of being blamed for losses, while the anger and frustration over the losses that inevitably do occur are directly focused on an identifiable governmental decision.

A second consequence of our current approach is that more and more economic decisions are made neither by the Executive nor the Legislative branches of government, but by individual judges. In determining, case by case, whether particular regulatory decisions are compatible with the standards set forth in the legislation, the courts must determine what is an "economically achievable" effluent limitation or what variation in limitations should be allowed for the "age of equipment and facilities." The exceedingly complicated calculus of comparing benefits and costs, which the market and its feedback mechanisms carry out, is supplanted only in part by central regulatory bodies with their staffs of technical experts. It is also replaced by the decisions of countless individual judges, struggling under rapidly growing workloads. To deal with these cases, the courts have little technical assistance and must rely upon technical content of adversary briefs. As a means of adjudicating matters of personal and property rights, the adversary process has major advantages. But it is a poor replacement for making highly complex economic policy.

There are, in summary, solid grounds for the historical emphasis on "Do no direct harm" as a principle and the specifications of rights and duties as a technique in spelling out the legitimate role of government. But its application to the newer forms of social intervention required by an increasingly interdependent society yields an output-oriented, command-and-control approach to social intervention which is not only inefficient, but productive of far more intrusive government than is necessary.

CHANGING ATTITUDES

Replacing current command-and-control techniques with marketlike instruments will have to be done gradually. But not much thought has been given to the design of dynamic strategies which, step by step, mesh a slowly decreasing reliance on regulations with a cautiously increasing use of market instruments. Insofar as economists are concerned, let us not cast too much blame upon politicians for refusing to accept our marvelous instruments of efficiency.

When new forms of social intervention are being considered, we start with a more or less clean blackboard. We don't have to erase an existing maze of command-and-control laws. But a different kind of problem then confronts us—impatience. Major political initiatives only come after the public has been persuaded that an important problem exists. Pubilc interest groups concerned with the problem begin to convince more and more people that something must be done. The issue is taken up on the political hustings by candidates and parties. A sense of urgency develops. After a sharp struggle, enough opposition is overcome to put together an effective majority. After the public has been persuaded that a "critical" problem exists, it is exceedingly hard to put before them a ten-year plan for gradually developing a new market structure. The inevitable response is to enact highly ambitious legislation stipulating sharp and immediate results, and then to erode the regulations piecemeal with postponements and loopholes as the inevitable problems develop. The very rhetoric and political process that gets us to the point where something can be done often puts us in a position where what is done is done poorly. This line of thought points to a more general set of political difficulties that hinder efficient and effective social action.

The American political system has been a marvelously effective tool for providing both freedom and governance. Its institutions have been well suited for generating the compromises and accommodations about major issues of national policy needed in a large and heterogeneous society. But those institutions were particularly designed to settle issues of large value conflicts.

As the areas for social intervention have become more complicated, however, and particularly as social intervention is required to influence the decisions of millions of individuals and business firms, the critical questions increasingly involve choices which have a much lower ideological and ethical content. Issues will still, of course, arise where for economic or social reasons we may want deliberately to move some area of decision-making completely out of the market and into the sphere of specified rights and duties. And the necessity will remain to form political battle lines around the very real question of whether or not to intervene. We cannot abandon the standard techniques and institutions for forming consensus and negotiating compromises among groups with widely different values. But how does an ingrained political process, which stresses value adjustments, come to grips with a world in which the critical decisions are increasingly ones of chcosing among highly complicated alternatives? And, to make it even more difficult, how do we adapt when the very political techniques which themselves move society toward a decision make it difficult to pursue workable techniques of intervention? Identifying heroes and villains, imputing values to technical choices, stressing the urgency of every problem, promising speedy results, and offering easily understandable solutions which specify outputs and rights—all of these are the common techniques of the political process whereby consensus is formed and action taken.

There is no obvious answer to this dilemma. The suggestion that the political debate be confined to ends while technicians and experts design the means, once the ends have been decided, is facile and naive. Ends cannot be separated from means. The two cannot and should not be separated. In the real world they are inextricably joined—we formulate our ends only as we debate and consider the particular means of satisfying them. No electorate or politician can afford to turn over the crucial question of how social intervention is to be designed to supposedly apolitical experts.

There is no instrumental solution to the dilemma. The only available course is a steady maturing of both the electorate and political leaders. How to intervene, when we choose to do so, is ultimately a political issue. I am convinced that the economic and social forces which flow from growth and affluence will continue to throw up problems and attitudes which call for intervention of a very complex order. How we handle those questions will not only determine the success we have in meeting particular problems, but cumulatively will strongly influence the political and social fabric of our society. Even if it were politically possible—which it is not—we cannot handle the dilemma by abjuring any further extension of interventionist policies. But equally, we cannot afford to go on imposing command-and-control solutions over an ever-widening sphere of social and economic activity. I believe—indeed I have no choice but to believe—that the American people can intelligently deal with issues when they are drawn in hues more subtle than black and white. Indeed, the political winds of the last few years can be read as a sign that the electorate is somewhat ahead of many of its political leaders. The voters are not disillusioned with government per se. But they are fed up with simple answers to complicated problems. They are ready, I think, for a more realistic political dialogue. Almost two centuries ago the arguments for the ratification of the Constitution were laid out in the Federalist Papers—perhaps the most sophisticated effort at political pamphleteering in history. Surely today's voters can accept the same high level of political argument as the farmers, mechanics, and politicians of the eighteenth-century colonies.

ARKANSAS FAMILY OF FOUR WINS $10,000 IN "FOOD SELF-SUFFICIENCY" CONTEST

Mr. BUMPERS. Mr. President, an Arkansas family, Dr. and Mrs. Dan Taylor of Parthenon, Ark., were named winners of the Mother Earth News "food self-sufficiency" contest for getting electricity from batteries charged by wood-fed steam generators. I want to take this opportunity to congratulate this family for their achievement.

We pay lipservice to individual initiative but rarely is it rewarded. I want my colleagues to be aware of this modern-day "Swiss Family Robinson" and recognize their accomplishments.

Arkansas is known as the "land of opportunity," but the Taylor family has demonstrated that opportunity is a goal for which one works. It does not come easily. The Taylor family has created their opportunities through their own hard work. It is a lesson from which all of us can learn.

Mr. President, I ask unanimous consent to have the article from the Arkansas Gazette announcing the award printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARKANSAS FAMILY OF FOUR WINS $10,000 IN "FOOD SELF-SUFFICIENCY" CONTEST

JASPER.—Dr. and Mrs. Dan Taylor of near Parthenon (Newton County) and their two teenaged sons have been named winners of the $10,000 Mother Earth News "food self-sufficiency" contest for getting electricity from batteries charged by wood-fed steam generators.

They farm their 100 acres with oxen. "We raise our own fruit, vegetables, poultry, rabbits, beef, pork, milk and eggs," Dr. Taylor, 45, a former chemical engineer for Exxon Corporation, said.

"We butcher the meat we eat, can part of our surplus summer garden produce for the winter and use either the sun or wood fire to dry the rest.

"What little food we buy— some salt, sugar and vinegar for canning and a bit of baking powder and yeast for the bread and wine we make—is paid for with surplus from the farm.

"We tried farming with a tractor first, but we found it impossible to operate such a piece of equipment in our rough woodland and on the small patches of ground we farm," Dr. Taylor said, so the family went back to one of man's earliest forms of farm power—two oxen.

SOLAR OVEN USED

On the other technological extreme, they do much of their heavy cooking in a solar-heated oven.

Mrs. Mary Lou Taylor, a former high school English teacher, said, "We cook yeast bread, pan bread, potatoes, meats and a dozen other things in that solar oven and they all come out tasting better than when they're prepared in a regular stove. And think of all the time and work we save every time we don't have to cut wood for the preparation of a meal."

In a telephone interview from the farm Tuesday, Dr. Taylor said the prize money for placing first among 287 entries would be "invested in projects we have in the future." The family is "still working on the electrical system" powered by steam generators.

"Yesterday we washed clothes with the steam generator and we'll keep expanding on that," he added.

The family came to Parthenon in the late winter of 1973. Both Dr. and Mrs. Taylor are graduates of Rice University and Dr. Taylor received his doctorate in chemical engineering from Texas A. and M. University after four years in the Navy. He taught at South Dakota School of Mines, then worked as senior engineer at the Exxon Corporation operation at Baytown, Tex. He then taught for six years at the University of Puerto Rico.

LOOKING FOR PRIVACY

Then they drove through the United States, looking for "a place where we could have some privacy, a place we felt we could support ourselves." The Taylors and their sons, Mark, now 18, and Brad, now 17, chose the Arkansas Ozarks. Brad attends Jasper High School.

"The price of land in Northwest Arkansas had a lot to do with it," Dr. Taylor said. "At that time it was something we could afford and we love it here. It's beautiful country."

He said the neighbors had not "wildly accepted our ideas."

"Their standard response is 'We've never seen nothing like that before,'" he said. "We're kind of a curiosity to them."

The couple's parents "think it's a little bit crazy to abandon a $20,000-a-year income to go to zero income," Dr. Taylor said, but "they come to visit us all the time."

The families may have a point. He explained, "When you do the calculations, I

could buy groceries with 500 hours of work each year, about 20 per cent of my income. Now the four of us work about 5,000 hours a year just to produce our food. In that sense our food costs us now about 10 times what it used to cost.

"The benefit is that we know we put a minimum load on the environment and get to live and do the things we want to do. It's being a part of the environment and not just drawing from it and consuming."

"I'm not an earth-shattering end-of-the worlder," Dr. Taylor said, but he does predict that unless patterns change "energy is going to get shorter and shorter and prices will go higher and higher."

The Taylor family is featured in the May/June issue of Mother Earth News, a Henderson, N.C., bimonthly magazine with a circulation of 325,000, which emphasizes how-to-do-it articles for back-to-the-land-type farmers.

ARMS, ENERGY AND THE ATOM: THE LETHAL DILEMMA

Mr. CHURCH. Mr. President, last week, participating in its lecture series on World Change and World Security, I spoke at the Massachusetts Institute of Technology. I was asked to discuss a problem crucial to world security during the next two decades. There can be little doubt that the question of nuclear energy and weapons proliferation will have to be dealt with during this period, and even now demands our urgent attention.

Accordingly, I ask unanimous consent that my address, entitled "Arms, Energy and the Atom: the Lethal Dilemma," be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ARMS, ENERGY AND THE ATOM: THE LETHAL DILEMMA

(By Senator FRANK CHURCH)

The terms of reference given to me for this lecture were that I should speak on any aspect of change and security, subject only to the request that I do so within the time frame of possible developments over the next two decades. In his letter of invitation, your President, Jerry Wiesner, put it thusly: "A central and new factor in the present world situation is that the exploitation of science and technology has so accelerated the rate of change of man's condition that our traditional means for dealing with political, economic, social and military change are no longer adequate to the task.

This statement well describes the nuclear weapons proliferation dilemma. For here we have a classic case study of human technology outpacing our political capacity to tame the very atom which may either bestow energy salvation or lead us to destruction. That is the issue I wish to discuss with you today.

I do so with trepidation. For me to discuss the complexities of nuclear technology at M.I.T. is rather like my going to Mayo's to give a lecture on open heart surgery. Still, public policy, even in the most technical of fields, must ultimately be decided by elected officials. Every member of Congress must, therefore, do the best he can to grope with such subjects and communicate his conclusions to the public, at large.

The Administration's nuclear energy strategy has four major elements: (1) defer indefinitely nuclear fuel reprocessing; (2) restructure our nuclear breeder program by deactivating the ongoing effort to bring about its commercialization; (3) fund research and development in alternative fuel cycles "which do not involve direct access to materials usable in nuclear weapons"; and (4) increase substantially the number of conventional nuclear power plants (the light water reactors), together with our uranium enrichment capacity to fuel them both at home and abroad. In effect, by deferring nuclear fuel reprocessing and the introduction of the breeder, the Administration is attempting to avoid entering the plutonium stage of nuclear energy development. Plutonium, it is felt, increases the danger of nuclear weapons proliferation to an unacceptable level of risk. By our unilateral renunciation of plutonium-based breeder reactors and our offer to other nations of a guaranteed supply of enriched uranium to fuel their conventional reactors, the Administration hopes to set an example which others will follow.

However well-intentioned, I am convinced that the Administration's nuclear energy policy is a formula for nuclear isolationism. It will reduce—not enhance—U.S. influence in shaping worldwide nuclear policy. Thus, instead of advancing the control of nuclear weapons proliferation, our self-imposed restraint runs the grave risk of leaving an international vacuum, which is an invitation to nuclear anarchy.

I believe the Administration proposal is flawed for at least two reasons:

First, it does not take sufficient account of the energy vulnerability of countries lacking our resource base. The United States still produces nearly 60 percent of its oil needs, although imports have grown to alarming proportions. Moreover, we have massive coal reserves, oil shale potential and large domestic uranium deposits. But other industrialized nations like France, West Germany and Japan, and most developing countries, are not so fortunate.

These energy-deficit countries have also been traumatized by the 600 percent rise in the price of oil mandated by the OPEC cartel since October of 1973. During the past three years, the 13 oil exporting nations of OPEC have accumulated payments surpluses of $150 billion. The interest alone on the consumer debt brought about by these huge surpluses amounts to as much as the oil importers were paying for the oil itself before 1970. And the debt keeps mounting. Presently, the OPEC governments are taking in about $45 billion more each year than they can buy back in imports. Britain and Italy, borrowing to pay for the oil, ran out of private credit last year. Portugal, Spain, Greece and Turkey are heading into trouble now, with Belgium, Denmark, and Finland not far behind. France practicing austerity, is still able to borrow privately. But efforts to stimulate the French economy before next year's critical election will undoubtedly lift its import bill.

The breeder program is the only technology now on the horizon which holds out the promise of relieving Europe and Japan of an unremitting dependence upon foreign-held fuel supplies. The singular advantage of the breeder is that future models, on the basis of known technology, should produce more fuel than they consume. A breeder program makes possible the use of the otherwise worthless uranium 238 (which comprises 99.3 percent of natural uranium), and this becomes a potential fuel resource of incalculable value. Indeed, the United tSates already has in storage tons of tailings containing purified uranium 238 which, if used in a breeder program, could produce an electrical equivalent five times larger than all the oil in the Middle East!

Neither the governments in Western Europe nor Japan are going to remain bound in an energy straitjacket if they have a chance to achieve, through the breeder program, eventual energy independence. John Anderson, the energy specialist for the Washington Post, after a trip to major European capitals, concluded:

"The major European powers have already gone a very long way in their commitment to the development of plutonium breeder reactors. France and Britain have both had experimental breeders running since the 1960's. Germany has one in operation now, and there's another under construction in Italy. As for the much bigger commercial breeders, France has now decided to go ahead with the world's first—the 1200 megawatt Superphoenix. A 1300 megawatt breeder is under design in Britain.

"But they won't be competitive, in economic terms, unless they are widely used. There is going to be fierce pressure on European governments to export these machines, to help pay for the enormous development costs. The German sale of the plutonium reprocessing plant to Brazil isn't the last of these cases. It's more likely to be only the first."

The second flaw in the Administration's program is that it fails to offer a satisfactory substitute for the world's diminishing supply of oil. According to a CIA study made public recently, global oil supplies will begin to fall short of world demand by 1985, a few short years away.

In the face of this dire forecast, the Administration hopes to persuade other nations to stick with conventional reactors and agree to "one-use-only" of the enriched uranium with which they are run. Such a "throw-away" policy involves burying the used fuels rods with the unspent uranium and newly-created plutonium still inside, after they are removed from a nuclear power plant.

Inasmuch as the spent fuel rods can be reprocessed and recycled through the reactors again (adding 30 percent to the energy originally produced), and since the plutonium manufactured by the fission process could fuel the breeder (thus assuring the world an ample energy source for generattions to come), the Administration's plan is viable only if the supply of natural uranium were virtually unlimited.

This, of course, is anything but the case. The Administration relies upon a Ford Foundation study which assumes that there will be far more recoverable uranium found in this country than intensive exploration has indicated. The Ford study estimates a 3.7 million ton reserve figure. But a series of studies by federal agencies, including one conducted by the National Academy of Sciences, have concluded that the known and probable reserves of uranium in this country total about 1.8 millions tons. Such a quantity would provide only one-half of the nuclear energy production required by the United States alone between now and the end of the century. Even if the Ford Foundation prediction proved true, it is still apparent that the United States would be unable to produce, from its own natural uranium deposits, a sufficient supply of enriched uranium to meet our own needs and those of our foreign customers besides. We ask, in effect, that by abandoning the breeder, they exchange one depleting source of fuel, oil, for another, natural uranium. How can we expect them to do it?

Moreover, recent disclosures have shown that the foreign uranium production market may be susceptible to cartelization by a few producers. Prices have jumped to OPEC-type levels, so much so that the Westinghouse Corporation is now enmeshed in litigation which endangers its solvency as it was forced to renege on uranium supply contracts which had assumed relatively stable prices. In short, it is unrealistic to believe that other fuel-deficient governments are going to confine themselves to mutli-billion dollar conventional reactor programs, while delving upon a future supply of natural uranium which is unsure in quantity and suspectible to drastic price manipulation.

So we should not be surprised that oil-deficit nations are even now turning in the opposite direction, toward protectionist energy policies.

A Brazilian Government white paper on nuclear energy summed up this sentiment:

"Recent historical developments have demonstrated the dangers of relying heavily on external sources for the satisfaction of the basic input needs of the economy. . . . To avoid what happened in the case of oil—it was imperative that the solution in the case of nuclear energy be one that enabled the country to reach the indispensable autargy in the medium term.

"In other words, it was not acceptable to replace one form of dependence for another—the economic growth of the country, or its mere subsistence, cannot be dependent upon third countries' decisions as to prices and supplies of essential fuels."

Like it or not, in the post-OPEC world the breeder reactor has become the symbol of the nationalistic drive for energy independence. If there was any doubt on this score, surely it must have been dispelled by the April 23 West German Government announcement approving a four-year, $2.7 billion program of energy research, focusing on nuclear-power and plutonium-based reactors.

As against the energy potential of the breeder program and the reprocessing stage which is a necessary preliminary to the breeder, the Administration has cited the danger of nuclear weapons proliferation. It is important, therefore, to try to understand precisely what that danger is. Halting nuclear energy short of the plutonium stage will not eliminate the risk of proliferation. As the Ford Foundation study observes, the requirements for making nuclear weapons can be reduced to three:

1. Uranium,
2. Trained Personnel, and
3. Facilities to produce enriched uranium or plutonium from the natural uranium.

While uranium is unevenly distributed and most countries are dependent on imports, relatively little is needed to manufacture a bomb. Indeed, India obtained the requisite amounts from the imported fuel for its research reactor. Most of the technology necessary for a weapons program is readily available to scientists and engineers. The Ford study acknowledged that a weapons program is certainly within the capabilities of developed countries, and of many developing countries. And, although a very large investment has so far been required for uranium enrichment, new methods on a much smaller scale are in various stages of development. Today, it is easily within the means of any of a dozen advanced non-nuclear states to build a centrifuge plant adequate for a modest weapons program.

As Representative Mike McCormack noted in a recent article in The Washington Post:

"The reason that weapons have not been made from commercial nuclear power plant fuel is that it is much cheaper and simpler to make nuclear weapons from natural uranium using facilities designed and built exclusively for that purpose. Trying to divert nuclear power plant fuel into weapons production is the most expensive, clumsy, dangerous and inefficient way for any nation to make a weapon."

For these reasons, I believe that our energy policy must feature the reprocessing of spent fuel in the near future, accompanied by the research and development necessary to enable us, by the early 1990's, to place on the market some form of breeder technology. At the same time, I believe that this country must take the lead in strengthening and extending existing institutions like the International Atomic Energy Agency. We must do what we fell short of doing in the 1950's and '60's, namely, devise an international framework which will enable all non-weapons states to meet their genuine energy needs with nuclear power, while minimizing the risk of nuclear weapons proliferation.

The problem now, as I see it, is to devise an effective system of international controls. If we begin by laying down an American commandment: "Thou shalt not have access to nuclear reprocessing or possess breeder reactors," not only will we fail, but we will exacerbate nationalistic passions and lose the opportunity to build upon the embryonic international institutions which now exist.

Almost 25 years ago, the United States admitted that we could not prevent other countries from acquiring and developing nuclear technology. In his "Atoms-for-Peace" address to the United Nations on December 8, 1953, President Eisenhower outlined a new American policy based upon the recognition of this truth. He proposed the creation of a new organization under the UN to assist countries in developing nuclear energy for peaceful purposes. Recipients of this assistance were to agree to international inspection, in order to prevent diversion of materials for weapons use. As the world leader in nuclear technology, the United States sought to influence the peaceful development of this vast new energy source while, at the same time, restricting its use in building weapons arsenals.

So we took the lead in the creation of the International Atomic Energy Agency (IAEA). Ever since, the IAEA, with our strong support, has furnished technical assistance and materials to participating countries and has developed and administered a system of safeguards. Meanwhile, the United States, carrying out its commitments under the IAEA Statute and the Treaty on the Non-proliferation of Nuclear Weapons, has helped other countries acquire, research and power reactors. We have been the world's major supplier of nuclear materials, equipment, technology and training. But the infant system of international inspection and control that we fathered has not kept pace with the growing need.

I would, therefore, suggest that we abandon any new and demonstrably futile attempt to contain the flow of nuclear technology and try instead to channel it in directions that will provide adequate supplies of energy while minimizing the potential for making nuclear weapons. We should aim toward eventual international ownership and control of the fuel cycle necessary to sustain commercial reactors in all non-weapons states. Regional uranium-enrichment and reprocessing plants should be established under the auspices of the IAEA. This agency should own all the nuclear fuel in its global system, be responsible for the fuel's security, and accountable for its use. Fuel elements could be leased to the participating nations on the condition that the spent rods would be returned, and that each reactor in which they are inserted would be subject to IAEA inspection.

No plutonium or other weapons material would ever be produced in a form which could be used for weapons fabrication; the fuel would be blended with other materials to make it unworkable for bomb construction. For example, the reprocessing would produce only blended uranium and plutonium, usable for fuel elements, but unworkable in a weapon.

Fuel fabricating facilities would be built immediately adjacent to the chemical separation plant, as would a facility for glassification of all their waste for deep burial. New fuel elements could be slightly irradiated as a last step before being shipped from the facility. Thus, they would require the same heavy shielding that is necessary to return irradiated fuel elements from a nuclear power plant.

Such a system of international supply and control would not only provide maximum protection against diverting fuel to weapons but would meet the legitimate demands of the non-weapons states for an assured supply of nuclear fuel at a fair price. Just as the American Government now sells enriched uranium to commercial reactors in this country, the IAEA could make its fuel available to participating states at cost.

The system I have described would also furnish the best insurance against terrorists. By dealing only in irradiated fuel, it would be necessary to steal at least one, and perhaps several, 50-ton shipping casks, in order to obtain enough material to make a single weapon. Furthermore, it would be necessary to extract the weapons material from the hot fuel rods, a feat requiring elaborate facilities. This should reduce the potential for illicit diversion for weapons material virtually to zero.

I do not underestimate the formidable task of establishing such a global system. But while we work in that direction, our national policies should constitute the example of how such a system might work. In this regard, I agree with Congressman Mike McCormack, the Chairman of the House Science and Technology Subcommittee, who recently observed:

"Of course no system is perfect or foolproof. It should be obvious, however, that this nation and the world can have the energy required for economic stability and a high degree of nuclear security as well.

"If some nation decides that, in spite of all the attendant problems, it is determined to obtain nuclear weapons, then it will obviously be much easier to make the weapons outside the fuel cycle, as was done by India. This could be done secretly today, regardless of any restraints the United States places on its own energy programs. It is more likely to happen if the United States does not provide leadership for a workable program to assure adequate controls and supplies of energy.

"Above all else, this nation must lead, and from a credible position. The other nations of the world do not believe that we can provide them with nuclear fuel unless we have a breeder program and unless we recycle and reprocess our fuel."

PRESIDENT CARTER'S PROPOSALS ON SOCIAL SECURITY FINANCING

Mr. CHURCH. Mr. President, the social security system affects the lives of almost every American family in one form or another.

More than 33 million persons now receive cash benefits.

Approximately 104 million individuals will work in covered employment this year. In return, they will build future retirement, disability, and survivor protection for themselves and their families.

These facts underscore the importance of social security. They also make it imperative that it be built upon a sound financial and policy base.

As chairman of the Senate Committee on Aging, I consider legislation to restore the financial integrity of social security to be one of my priority goals.

I am pleased, therefore, that President Carter has made this a high priority for his administration.

His new recommendations to reduce the short-term and long-range actuarial deficits confronting social security merit prompt and thoughtful congressional consideration.

I strongly support his propsal to cor-

rect a technical flaw which makes the social security cost-of-living adjustment mechanism sensitive to high rates of inflation. This change, which is called "decoupling," would reduce the long-range actuarial deficit by about one-half.

His innovative countercyclical general revenue proposal to compensate the social security system for lost revenues during recessions would use general revenues to replace payroll tax receipts lost when unemployment exceeds 6 percent. This would help make social security less vulnerable to economic downturns.

I am especially pleased that the President does not propose immediate payroll tax rate increases for today's workers, as did the Ford administration. A rate increase now, it seems to me, would retard our economic recovery. Moreover, it would fall heavily on low- and moderate-income wage earners—individuals who now find it difficult to make ends meet.

President Carter's overall thrust of raising revenue by boosting the wage base in the future and reducing unemployment is a far more equitable way to improve the financing of social security than the Ford administration's proposed tax rate hike. Under this approach only about one of seven workers would have their future taxes increased, compared with today's scheduled rate and wage base rises. However, these individuals would receive improved retirement, disability, and survivor protection for themselves and their families. Under the Ford proposal, they would receive nothing in return for their increased payroll taxes.

I recognize that some features of President Carter's six-point plan to meet the short-term deficit may ignite opposition from the business community, particularly the removal of the wage-base ceiling for employers by 1981.

In addition, some measures will be spelled out in greater detail, such as the new eligibility test for dependent benefits to meet the requirements of recent Supreme Court decisions.

But on balance, the President's proposals represent a well-thought-out approach to strengthen the financing of social security. Some changes, I am sure, must be made. However, his approach presents a solid foundation for the Congress to begin work.

I look forward to working with President Carter in restoring the financial integrity of social security.

I am also hopeful that my proposal to reestablish the Social Security Administration as an independent, nonpolitical agency outside the Department of Health, Education, and Welfare can be enacted promptly. This measure, which is already sponsored by 23 Senators, has strong bipartisan support. It would not only improve the administration of social security but would also help to protect it from being exploited for narrow, partisan advantage. Together with the President's initiatives, it would do much to restore the public confidence essential for a strong social security system.

(This concludes additional statements submitted today.)

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

AMENDMENT OF THE STANDING RULES OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, has morning business been closed?

The ACTING PRESIDENT pro tempore. It has.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. President, what is the pending business before the Senate?

The ACTING PRESIDENT pro tempore. The clerk will state the pending motion.

The legislative clerk read as follows:

A motion to proceed to the consideration of the resolution (S. Res. 5) to amend the Standing Rules of the Senate.

The Senate resumed with the consideration of the motion.

Mr. ROBERT C. BYRD. Mr. President, after listening yesterday to the expressions of concern that were stated by Senator JAVITS, Senator GRIFFIN, Senator BAKER, and others regarding the possibility that under Senate Resolution 5 a minority might be deprived of the opportunity to call up amendments, or might be deprived of recognition by a majority acting arbitrarily and in collusion with the Chair, and also the suggestion that motions to amend the Journal should be allowed some time for debate, I indicated at that time that an effort would be made to devise some language that would meet those objections and assure all Senators that under cloture, if Senate Resolution 5 is adopted by the Senate, a minority would be assured of recognition and assured of adequate opportunity to call up amendments, and that debate on a motion to correct the Journal would be provided for.

Following the recess of the Senate on yesterday, I discussed this matter with the Parliamentarians. I contacted my distinguished friend, the very able Senator from Alabama (Mr. ALLEN), and asked that he give the matter some consideration overnight, and this morning he contacted me and indicated that he had some suggestions in mind. I indicated to him that I had thought about the matter overnight and I had some thoughts in mind also.

So we sat down with the Parliamentarian, the Assistant Parliamentarian, and the Parliamentarian emeritus of the Senate, and devised some language which, in the combined judgment of the five of us—the three Parliamentarians, the distinguished Senator from Alabama, and myself—adequately met the objections that were raised during the debate yesterday by some of our friends on the other side of the aisle.

I consequently contacted the distinguished minority leader and asked if he and Senator GRIFFIN, and Senator JAVITS would find it possible to meet with us, inasmuch as the language that had been worked out was intended to address itself, in the main, to the objections that had been raised by those three Senators.

So we met, my proposed modifications were presented to them, and they took them under consideration. They are still considering the proposed modifications, and I should think that they have every right to expect some additional time to consider those modifications. I do not wish to press the matter by offering a motion today to invoke cloture at the time provided under the present cloture rule; so I am not going to submit any cloture motion today. I feel that they are entitled to additional time to consider those modifications even before I present a cloture motion, which may or may not be adopted once it is presented.

For the record, Mr. President, I should like to state what these modifications would entail.

One of the modifications would provide for 10 minutes of debate, to be divided equally between the majority leader or his designee and the mover of a motion to correct the Journal. That would appear to be ample time to explain an inaccuracy in the proceedings of the preceding day. So that proposal has been put into the form of an amendment. I submit the amendment for printing, and ask unanimous consent that it be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD's amendment (No. 256) is as follows:

AMENDMENT No. 256

On page 6, line 1, strike all after the word "privileged" and insert in lieu thereof the following: ", shall be confined to an accurate description of the proceedings of the preceding day, and debate thereon shall be limited to ten minutes to be equally divided and controlled between the mover thereof and the Majority Leader or his designee."

Mr. ROBERT C. BYRD. Mr. President, I cannot conceive of a situation in which the majority, working with the Presiding Officer, would deny recognition to a member of the minority, whether it be a partisan minority or otherwise. To do that would bring down the universal criticism of the country upon the majority party or upon the majority on a given question, and upon the Presiding Officer who is a member of the majority party. A majority leader worthy of the title of majority leader would not lend himself to that kind of scheme, to deprive any minority, once cloture is invoked, from calling up its amendments and from getting recognition.

So, to disregard the present majority leader, I cannot conceive of any majority leader at any time who would not defend a minority, once cloture is invoked, and do everything within his power to see that that minority was not treated arbitrarily in the recognition of Senators and in the calling up of amendments.

I say, Mr. President, while I do not discount the sincerity of those who make the objections, I simply cannot conceive of the objections being of substance from a practical standpoint.

Nevertheless, I certainly want to bend over backwards in making every effort that is reasonable adequately to protect a minority in that regard.

So, the language was worked out among Mr. ALLEN, the two Parliamentarians, and the Parliamentarian Emeritus and myself to do this. It, in essence, would accomplish the desired goal in this fashion:

The first 10 hours of debate after cloture has been invoked would be equally divided and controlled by the majority and the minority leader or their designee, so that any Senator on either side of the aisle or on either side of the question, would be assured of recognition. The minority leader would have 300 minutes under his control—5 hours. The majority leader would have 300 minutes under his control—5 hours.

So there is no way that a member of a minority would be deprived of an opportunity to call up his amendment and get a vote thereon. Any time yielded by a leader or his designee to a Senator, up to 30 minutes, would not be charged against the 30 minutes to which a Senator would be limited under the provisions of Senate Resolution 5.

In other words, if the distinguished Senator from Michigan were to seek recognition, he would be recognized by the Chair. If he were not, the minority leader or his designee would be recognized. The minority leader, or his designee, could yield up to 30 minutes of time to the Senator from Michigan without any of that 30 minutes being charged to the 30 minutes which the Senator from Michigan would have under the resolution. If the minority leader yielded 45 minutes to the Senator from Michigan, 15 minutes of that time, then, would be charged against the 30 minutes which the Senator from Michigan would have under the resolution.

As to the time for rollcall votes and quorum call votes, let us say the distinguished Senator from Michigan wanted a rollcall vote on his amendment and he could not get the support of a fifth of the Senators present and he needed to put in a quorum to get the yeas and nays. He would suggest the absence of a quorum. The time for the quorum call would not be charged against the 5 hours of the minority leader, and the time for the rollcall vote on the amendment by the Senator from Michigan would not be charged against the 5 hours of either leader. The time would be charged against the overall 50 hours.

So 600 minutes after cloture is invoked would be guaranteed for Senators on both sides of the aisle and Senators on both sides of the question, to be recognized, call up amendments, and have votes thereon; and I venture to say that, in nearly all instances, that amount of time alone would be ample to resolve the questions on serious amendments after cloture.

Additionally, during that 10 hours of controlled time, the majority leader or his designee or the minority leader or his designee would be recognized alternately; first one, then the other—which again, would assure fairness in recognition of the majority and minority.

In order to meet the suggestion that, once the 10 hours had expired, it would be possible for a majority to call up an amendment and just hog the time and run out the 50 hours, tie up the Senate in quorum calls and rollcalls on frivolous, tactical maneuvers and so on, thus depriving a minority of any further opportunity to call up any amendment, the following language has been added: "After the expiration of the 10 hours' controlled time, time for debate on any amendment or debatable motion shall be limited to 1 hour." That will assure Senators that there could in no way develop a situation in which a majority would gang up on a minority and not let the minority have opportunity to call up additional amendments.

Mr. President, I feel that this is a workable, reasonable, fair approach. I am happy to have had the assistance of the Senator from Alabama and the Parliamentarians in working together to develop this language to meet what I think was a sincere concern. It is one which could, conceivably, come to fruition, but one which I seriously doubt, practically speaking, would ever develop. Nevertheless, conceding that it could develop, and conceding that it could develop at least in some degree, if not to the total degree that has been expressed, this new language adequately protects a minority. It assures a minority of getting recognition, assures it of an opportunity to call up amendments, and assures it that the majority cannot act arbitrarily in depriving it of such opportunity.

Another modification which I have offered to make would strike all through and including the word "designees," on line 18 of page 4. Under the resolution as it was reported by the Committee on Rules, after cloture is invoked, a nondebatable motion would be in order to further reduce the time from 50 hours down to a floor of 24 hours. Such a motion would require a constitutional two-thirds vote. That language is left untouched by my proposed modifications.

The language of Senate Resolution 5, however, as reported also provides that after the lapse of 24 hours of consideration, any remaining time could be further reduced, but to not less than 2 hours, by the adoption of a nondebatable motion by a constitutional two-thirds.

I have offered to drop the second proviso dealing with reducing the time to 2 hours.

The legislation on page 6 and embodied in section 3 deals with rulings by the Presiding Officer that no business has been transacted following a quorum or following a rollcall vote on which a quorum is shown to have voted.

Under the provisions of Senate Resolution 5, no appeal would lie against such a ruling if the Chair is supported by the entries in the Journal book or by the official reporter's transcript.

I have offered to drop that language. It was never, I would say, so vital an issue that I would be willing to come to blows about it. There arise instances once in a blue moon when it might be useful, but I have offered to delete that from the resolution.

So, Mr. President, in essence, this, as I have described it, is the import of the various modifications I have suggested.

I, therefore, ask unanimous consent, Mr. President, to offer the amendments and I ask unanimous consent that they be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments, No. 257 and No. 258, are as follows:

On page 4, beginning with the word "at", on line 11, strike all through and including the word "designees," on line 18.

On page 4, between lines 20 and 21, insert the following paragraph: "The first ten hours of debate after cloture has been invoked shall be equally divided between the Majority Leader and the Minority Leader or their designees, and any time yielded by a leader or his designee to a Senator up to 30 minutes shall not be charged against the 30 minutes to which a Senator is limited under the provisions of this rule; and provided that amendments which are in order may be called up by any Senator to whom time is yielded, and the time expended in roll calls thereon or on quorum calls shall not be charged against such ten hours of controlled time. During such ten-hour period, the Majority Leader or his designee and the Minority Leader or his designee shall be recognized alternately for the yielding of time. After the expiration of the ten hours controlled time, time for debate on any amendment or debatable motion shall be limited to one hour."

On page 6, strike section 3.

Mr. ROBERT C. BYRD. Mr. President, I hope that all Senators—and I will not deprive the distinguished minority leader of the floor much longer—will examine the language of these proposed modifications as they will appear in the RECORD of today.

I hope, while no Senator will be perfectly satisfied with the proposed modifications, that all Senators would strive to accommodate whatever concerns may remain to early action on the motion to proceed and action on the resolution itself.

I think it has been demonstrated that there needs to be a change in the Senate rule to deal with the situation following the invoking of cloture.

It is not the desire of this majority leader to make it possible for any majority to be arbitrary, but I believe that the Senate has a responsibility to expedite the business of the people. I believe that that responsibility does not lie alone with the majority party. I believe that the responsibility to expedite the business of the people lies with both parties in the Senate.

It is in that spirit that I offered the resolution and have offered some modifications to the language as reported by the Rules Committee, of which I am a member.

I do not know what the Senate will finally do in regard to this matter. But I do commend the modifications that I have submitted in the RECORD to the attention of all Senators. I hope that they will study them and that we may proceed within a reasonable period of time to act on them.

Mr. BAKER. Mr. President, I take this opportunity to extend my thanks to the distinguished majority leader for his efforts to find and reconcile our different points of view on this measure.

I also sit on the Rules Committee. I recall the disagreement that we had on certain aspects and provisions of this

bill at the time of the hearings and markup, and certain modifications that were made with the majority's acquiescence in the course of that consideration.

The bill was then reported and, on yesterday, I found it necessary to object to its immediate consideration. The majority leader moved that we proceed to the consideration of the measure and that, of course, is the business that the Senate has before it now.

On yesterday, I expressed my hope we could find a common ground for the reconciliation of the remaining issues in dispute between us, reciting then as I recite now that the original concept had been for the reduction of the time for debate from 100 hours as it presently reads to 50 hours, with 1 hour to a Senator.

It was then changed to 50 hours with a half hour for a Senator. I was happy for that change.

I also expressed, as did the distinguished Senator from Michigan and the distinguished Senator from New York, our concern that another change in Senate Resolution 5 would have a similar exclusionary effect, that is, the change in the rule that says that the 50 hours is not time for debate, but is time for consideration of the measure.

So even though it is proposed to reduce the time from 100 hours to 50 hours and time for a Senator from 1 hour to 30 minutes, while that ought to go around, 30 minutes for 100 Senators equals 50 hours, it does not if we consider we must charge the time for rollcalls, quorum calls, and other measures and matters, to that 50 hours, as well. So we are right back where we started and may end up with only a small fraction of the Senators having any time at all to speak.

I agree with the distinguished majority leader when he observes that this is extremely unlikely. But it is one of the responsibilities of the leader of the minority, and anybody in the Senate, to be concerned for what is possible as well as what is likely.

It is possible that could occur. It is possible that with the change in the rule as proposed in Senate Resolution 5, so that there be 50 hours for consideration of the measure as distinguished from 50 hours for debate, that some of my Members on this side might not get any time at all.

So I have to be and I am concerned about that.

Today, as my colleague, the distinguished majority leader, has already pointed out, there was a meeting in his office. I was privileged to attend that meeting, along with the Senator from Michigan and the Senator from New York, to discuss further possibilities of accommodation. At that meeting, the suggestions were made which the majority leader has now sent to the desk for printing and for inclusion in the RECORD, dealing with the fears that I continued to express yesterday and then again today.

For example, I think that the proviso for 10 hours of debate, equally divided between the majority leader and the minority leader, is a step forward and does meet in part my concern that Republicans might be frozen out. But it does not meet the whole concern; because, as the majority leader states, while the time for quorum calls and rollcalls is not charged against the 10 hours, it still is charged against the 50 hours. We still might not have time for members of the minority—I agree that it is unlikely, but it is possible— to say anything at all during the 50 hours permitted under rule XXII, as proposed to be amended by Senate Resolution 5.

Mr. President, the other proposals made by the majority leader today are all steps in the right direction. I believe that the proposal for 10 minutes to debate proposed changes in the Journal, the elimination of the 2-hour rule, and the possible elimination of the nonappealable rulings of the Chair are all steps in the right direction.

However, two things of principal concern to me remain and still must be dealt with, in my view.

One is the elimination of the postcloture possibility, by rollcall votes, by quorum calls, by other devices; that either the 10 hours equally divided between the majority leader and the minority leader, or the 50 hours of total available postcloture time, might be used up before any or a significant number of Senators on the minority side of an issue, or on the minority side of the aisle, have a chance to be heard. That is the first concern.

The second concern has to do with whether or not a Senator can have an amendment called up and dealt with. Nothing is more fundamental, it seems to me, than the right of a Senator to submit and to require action by the Senate on his amendment or proposal or bill or resolution.

Under Senate Resolution 5, as I interpret it, if the time is otherwise consumed and there are amendments at the desk and no time remains, there is no way for a Member of the Senate to be assured that his amendment will be presented, even without debate, and considered by the Senate. That is a substantial departure from rule XXII as it now exists.

So, Mr. President, my two principal concerns were and are: First, the question of making such that every Member of the Senate, majority and minority—party or issue—has an opportunity to be heard at least on some limited basis; second, that every Member of the Senate has an opportunity to obtain a vote on any amendment that is at the desk and qualified under rule XXII of the Standing Rules of the Senate.

I may say, in all candor, that I would not have suggested that rule XXII be changed to reduce the time to 50 hours, but I cannot honestly say that I am greatly disturbed by that. It would not be my preference that the time for each Senator be reduced from 1 hour, as it presently is stated in rule XXII, to 30 minutes. That would not be my preference, but I would not be greatly distressed by it. However, Mr. President, I am greatly concerned for the nature of the Senate, for the fundamental obligations of our representation in this body, for the rights of the minority, whether it is a partisan minority or an issue minority, to be heard, if we tinker with those two provisions, if we change the existing rule so that there is no longer a guarantee that every Senator can be heard for a brief time, postcloture, and change rule XXII so that every amendment at the desk which is otherwise qualified cannot at least get its day in court, its opportunity to be voted up or down.

Those two issues still remain and greatly concern me.

Mr. President, once again I commend the majority leader for his efforts to negotiate a satisfactory solution to this matter. He has been forthcoming and generous. He has been considerate in trying to work a compromise in this situation, and I can understand his concern. He is primarily responsible for ordering the business of the Senate and it does become a burdensome responsibility to try to move the legislation that is before this body.

However, Mr. President, I cannot in all candor say that the advice given me by the majority of Republicans, when they received the proposals of the majority leader, that they wished to consider it further, that they wished to think this through clearly and fully before they made a final decision, was wrong. I do not think it was wrong. I think the changes are so fundamental and so sweeping that that is the very least that would be expected on my side of the aisle.

I am surprised and pleased that the majority leader has forgone his opportunity to file a cloture motion today. I was under the impression that he might. I am glad he did not. It does give us a little extra time to consider the matter.

In the same spirit, I intend today, with Senator GRIFFIN, to ask a little later for consent to have certain amendments printed and included in the RECORD, which would state a remedy for the fears that I have tried to express here today.

I am sure that my friend, the majority leader, understands the necessity for my concern in this respect and for my caution. I am sure he understands that we have tried, as he has tried, diligently to find solutions. We have not found them yet, and we will continue to examine the matter for the time being.

Mr. GOLDWATER. Mr. President, I rise not to discuss any of the legal parts of this approach, because I am not a lawyer. I will leave that to my friends who are.

Yesterday, I asked the majority leader whether he knew how much of the 100 hours for each cloture had been used. He said that he did not know, and I find that nobody really knows.

I inquired of the Library of Congress, and their trouble in figuring out the answer to the question I asked is that so many times we have had a two-track system that it is difficult for them to break it down. I think it can be broken down, and they have volunteered to do it when they have the time.

However, the figures I have put to-

gether—which I will leave for the RECORD—indicate to me, a lay Member of the Senate, that there is no great need to change rule XXII in the way we are attempting to change it.

In all the years I have been in the Senate, I have resisted changes in rule XXII, but I have lived to see that it has not made a great deal of difference. However, this change is in a little different direction from that which we lived through before. This change is to speed up things.

If there is one thing that the Library of Congress discussion shows, it is that we have done very well with cloture. From 1947 through 1976, the period for which I have figures, we had 69 cases of cloture being invoked. The longest period of discussion involving the calling for cloture was 40 days, which was on the civil rights bill, back in 1960.

However, I recall that a number of years ago—I cannot recall the exact date—when we first began to attack the military authorization bill, we spent the better part of 3 months discussing that matter on the floor of the Senate—not entirely, but it was the better part of that time—and it never was put to cloture.

I find, for example, Mr. President, that days "debated after the last cloture vote"—and this is on measures requiring two successful cloture votes—the total for "days debated after the last cloture vote" represents the days debated after the second successful cloture vote.

So to show you how fast we have moved, we have not even required 1 day to take care of those matters.

The longest period of time we have been in cloture that I can find is again on civil rights after cloture had been invoked when we were in session for 19 days. So the longest we spent before invoking cloture again were 40 days on the civil rights movement of the same years I have discussed.

So I am led to believe, Mr. President, as a lay Member, we really do not need a change in the present rule XXII. If I felt it would help expedite the business of the Senate, I might see it differently. I am not as inclined to fear the 30 minutes versus the 1 hour because I have never, to my memory, used more than a few minutes of the hour allowed to me.

I think by the time we invoke cloture the Senate has a pretty good idea of what is going to happen. Those who are looking defeat in the eye have come to accept it. Those who are experiencing the thrills of victory are already experiencing them, and I do not think it makes that much difference.

I would question really seriously whether we need in the name of speeding up the changing of rule XXII, and with no disrespect meant to any Member of this body or any Member of the majority leadership or the minority leadership, here we have been in session this week 2 days and we have not cast a vote.

Now it is great to come in at 4 o'clock, because it allows us time to do committee work. But with this recently computerized, reoriented committee system we cannot get as much work done as we used to. I find myself flipping a nickel each morning to see which one of four committees or subcommittees I will attend.

While the extension of time during which we cannot sit as a subcommittee, because of objection to unanimous consent, has been somewhat alleviated by the 4 o'clock time, nevertheless, we come in at 4 o'clock, and it is now 5:30, and we have not passed a measure. There are measures on the calendar—we were told by the majority leader that two would be considered today, and I have an interest in one of them, but that is not important. We can wait.

It seems to me we waste too much time on the Senate floor. If we could alleviate in some way the unnecessary rollcall votes we have on every subject known to man, if we could establish a procedure on the floor when business would be transacted one, two, three, instead of one, two, and a long dash, and three and three long dashes and four, I think we could get the business done.

But, in spite of all those things, I see no reason for the leadership of this body to feel they are not doing their jobs because we do pass legislation. We pass a lot of legislation. We have lots of periods of argument, and the fact that it now takes us 12 months a year to do our job compared to the 3 or 4 months when I first came here indicates only one thing, that the country is growing, that the problems of the country are growing, that our relationship with the world is far, far more intimate than it used to be; that things we do and say on the Senate floor have a far greater bearing on the peace of the world than anything that was said in the United States 25 or 30 years ago.

So, Mr. President, I have spoken my little bit on this matter this evening.

I ask unanimous consent that this paper given to me by the Library of Congress entitled "Filibuster and Cloture Related Delays in the Senate, 1947–76" be printed at this point in my remarks.

I might say the author of this paper was Paul S. Rundquist, analyst, Government Division, and it was done on February 28, 1977.

I yield the floor.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

FILIBUSTER AND CLOTURE RELATED DELAYS IN THE SENATE, 1947–76 [1]

Measure	Days before Senate	Date 1st debated	Date last debated	Number of cloture votes	Number successful	Days debated after last cloture vote
Poll tax, H.R. 29	5	July 29, 1948	Aug. 4, 1948	0	0	----------
Rule XXII, S. Res. 15	15	Feb. 28, 1949	Mar. 17, 1949	0	0	----------
Fair employment, S. 1728	12	May 10, 1950	July 12, 1950	1	0	2
Tidelands oil, S.J. Res. 13	25	Apr. 1, 1953	May 5, 1953	0	0	----------
Atomic energy bill, S. 3690, H.R. 9757	12	June 15, 1954	July 27, 1954	1	0	1
Civil rights, H.R. 6127	23	July 8, 1957	Aug. 7, 1957	0	0	----------
Civil rights, H.R. 8315, H.R. 8601	40	Feb. 15, 1960	Apr. 8, 1960	1	0	19
Rule XXII, S. Res. 4	3	Sept. 16, 1961	Sept. 19, 1961	1	0	0
Literacy test, H.R. 1361/S. 2750, H.R. 10788	15	Apr. 17, 1962	May 15, 1962	2	0	1
Communications satellite, H.R. 11040	21	June 14, 1962	Aug. 17, 1962	1	1	3
Rule XXII, S. Res. 9/S. Res. 10	18	Jan. 14, 1963	Feb. 17, 1963	1	0	0
Civil rights, H.R. 7152	83	Mar. 9, 1963	June 19, 1963	1	1	8
Reapportionment	26	July 31, 1964	Sept. 24, 1964	1	0	9
Voting rights, S. 1564	26	Apr. 13, 1965	May 26, 1965	1	1	1
Right to work, H.R. 77	9	Oct. 1, 1965	Oct. 12, 1965	1	0	1
Do	15	Jan. 24, 1966	Feb. 10, 1966	2	0	0
Civil rights, H.R. 14765	9	Sept. 7, 1966	Sept. 19, 1966	2	0	0
Higher education, District of Columbia home rule, H.R. 14644	2	Oct. 7, 1966	Oct. 10, 1966	1	0	0
Rule XXII	8	Jan. 11, 1967	Jan. 24, 1967	1	0	0
Tax bill/campaign financing, H.R. 6950	20	Apr. 3, 1967	May 9, 1967	0	0	----------
Civil rights/open housing, H.R. 2516	34	Jan. 18, 1968	Mar. 11, 1968	4	1	5
Fortas nomination	6	Sept. 24, 1968	Oct. 1, 1968	1	0	0
Rule XXII	12	Jan. 9, 1969	Jan. 29, 1969	2	0	1
Haynsworth nomination	7	Nov. 13, 1969	Nov. 21, 1969	0	0	----------
Electoral college S.J. Res. 1	16	Sept. 2, 1970	Sept. 29, 1970	2	0	0
Cooper-Church amendment, H.R. 15628/S. 3429	34	May 13, 1970	June 30, 1960	0	0	----------
SST conference report, H.R. 17755	7	Dec. 16, 1970	Dec. 29, 1970	2	0	1
Family assistance, H.R. 17550	8	----do----------	----------do----------	0	0	----------
Rule XXII	30	Jan. 25, 1971	Mar. 9, 1971	4	0	0
Rehnquist nomination	5	Dec. 6, 1971	Dec. 10, 1971	1	0	0
Military draft, H.R. 6531	32	May 6, 1971	June 24, 1971	1	1	1
Lockheed loan, S. 2308	9	July 21, 1971	Aug. 2, 1971	3	3	1
Military draft conference report, H.R. 6531	8	Aug. 5, 1971	Sept. 21, 1971	1	1	0
Equal employment, S. 2515	23	Jan. 19, 1972	Feb. 22, 1972	3	1	0
Soviet arms pact, S. Res. 241	9	Aug. 11, 1972	Sept. 4, 1972	1	1	0
Consumer Agency, S. 3970	10	Sept. 21, 1972	Oct. 5, 1972	3	0	0
School busing, H.R. 13195	5	Oct. 6, 1972	Oct. 12, 1972	3	0	0

Footnotes at end of table.

FILIBUSTER AND CLOTURE RELATED DELAYS IN THE SENATE, 1947–76 [1]—Continued

Measure	Days before Senate	Date 1st debated	Date last debated	Number of cloture votes	Number successful	Days debated after last cloture vote
Voter registration, S. 352	10	Apr. 10, 1973	May 9, 1973	3	0	0
Campaign financing/debt ceiling, H.R. 11104	4	Nov. 30, 1973	Dec. 3, 1973	2	0	0
Rhodesian chrome, S. 1868	8	Dec. 7, 1973	Dec. 18, 1973	2	0	3
Legal services, H.R. 7824	9	Dec. 10, 1973	Jan. 31, 1973	3	1	1
Genocide treaty	4	Jan. 1, 1974	Jan. 6, 1974	2	0	0
Government pay S. Res. 293	5	Feb. 28, 1974	Mar. 6, 1974	1	1	0
Campaign financing, S. 3044	5	Mar. 26, 1974	Apr. 11, 1974	2	1	2
Debt ceiling	10	June 13, 1974	June 26, 1974	3	0	0
Consumer protection, S. 707	17	July 16, 1974	Sept. 19, 1974	4	0	0
Export-Import Bank conference report, H.R. 15977	4	Nov. 26, 1974	Dec. 4, 1974	2	0	0
Trade reform, H.R. 10710	4	Dec. 5, 1974	Dec. 13, 1974	1	1	0
Supplemental appropriations H.R. 16900	5	Dec. 10, 1974	Dec. 14, 1974	1	1	0
Export-Import 2d conference report	3	Dec. 12, 1974	do	1	1	0
Social services, H.R. 17045	2	Dec. 14, 1974	Dec. 17, 1974	1	1	0
Upholstery duties, H.R. 421	2	do	do	1	1	0
Rule XXII	14	Jan. 14, 1975	Mar. 7, 1975	2	2	0
Railroad reorganization, S. 281	5	Feb. 21, 1975	Feb. 26, 1975	1	1	0
Tax reduction, H.R. 2166	3	Mar. 18, 1975	Mar. 21, 1975	2	1	0
Consumer Agency, S. 200	7	May 6, 1975	May 15, 1975	1	1	2
Personal committee staff, S. Res. 60	4	June 9, 1975	June 12, 1975	1	1	1
New Hampshire Senate contest, S. Res. 116	24	June 12, 1975	July 30, 1975	6	0	7
Voting rights, H.R. 6219	4	July 21, 1975	July 24, 1975	2	2	1
Oil prices, S. Res. 145	6	July 23, 1975	July 31, 1975	1	0	1
Labor appropriations/busing, H.R. 8069	9	Sept. 16, 1975	Sept. 26, 1975	2	1	2
Common site picketing, H.R. 5900	10	Nov. 6, 1975	Nov. 19, 1975	3	2	1
Rail services, S. 2718	2	Dec. 2, 1975	Dec. 4, 1975	1	1	0
Intergovernmental aid, H.R. 10481	3	Dec. 3, 1975	Dec. 5, 1975	1	1	0
Rice production, H.R. 8529	5	Jan. 28, 1976	Feb. 3, 1976	1	1	0
Antitrust bill, H.R. 8532	14	May 25, 1976	Sept. 8, 1976	2	2	2
Civil rights attorney fees, S. 2278	7	Sept. 21, 1976	Sept. 29, 1976	1	1	4

[1] Source: Congressional Record, Daily Digest. "Days Before Senate" includes only those days in which the specific measure was actually considered by the Senate. Excluded are days when the Senate was not in session, or when the measure was passed over for consideration of another measure. On measures requiring 2 successful cloture votes, the total for "days debated after last cloture vote" represents the days debated after the 2d successful cloture vote.

The PRESIDING OFFICER (Mr. FORD). The Senator from Michigan.

Mr. GRIFFIN. Mr. President, I would add to the discussion and say to the distinguished majority leader that when I left the meeting this morning and went to the policy meeting of the Republican Senators, while I was not ready to accept his proposals as presented, I must say I was inclined to try to go as far as possible.

I would say, however, that the more I listened to the discussion and the debate of my colleagues, the more I realized that the concern is not just the concern of a minority in the Senate. What we are really tampering with, what we are really doing here with the changes that are proposed in Senate Resolution 5, is to erode the rights of individual Senators in this body, and the individual Senators can be on this side of the aisle or on that side of the aisle. It is a very basic change, I suggest, as far as the institution itself is concerned.

Let me emphasize this point: Under rule XXII, as it stands today, each individual Senator in this body after cloture is invoked has a right to speak for 1 hour. He does not have to get permission from the majority leader or the minority leader or seek the sufferance of any Member: he has a right to speak for 1 hour if he so chooses.

If the proposals in Senate Resolution 5 are adopted, even as now modified by the distinguished majority leader, a single individual Senator would have no right to any particular amount of time after cloture was invoked. He might get 30 minutes, if there were not too many rollcalls and too many quorum calls which decreased the total amount of time available. He might get part of the 5 hours, that are proposed to be reserved to the minority or to the majority, at the sufferance of the majority or minority leaders, but he has nothing as a matter of right as an individual Senator in this body. His rights as a Senator have been substantially altered.

Now under the rules as they stand today, each Senator, if he puts his amendment at the desk before cloture is voted, has a right to vote on that amendment. That is a very precious right of each individual Senator, and he does not have to get the permission of any leader on either side of the aisle.

If these amendments and Senate Resolution 5 were adopted he would not have such a right. So his prerogatives as an individual Senator would be substantially eroded.

Without doubt this institution is unique because of the importance and power of each individual Senator. I well recall the time when, as a relatively new and freshman Senator, I decided that I opposed the nomination of Mr. Fortas to be the Chief Justice of the United States. My minority leader did not agree with me. He was on the other side. The majority leader was on the other side. I was in the minority of a minority, and yet as a single Senator exercising his rights and using the rules I was able to carry on a discussion for a considerable period of time.

While some will disagree, I think that the ultimate purpose was a good purpose, and that the country is better off today because the right and the power of a single Senator was exercised. There will not be that same opportunity, and the power of a single Senator will not be the same, but will be significantly diminished if Senate Resolution 5 is adopted, even as modified.

I concede, as the minority leader has, that the changes proposed by the distinguished majority leader would be an improvement, but still, to this Senator, it would be moving in the wrong direction to adopt Senate Resolution 5. So I am even stronger in my opposition today than I was yesterday.

I yield the floor.

Mr. ROBERT C. BYRD. Mr. President, it has been said that the power of a single Senator would never be the same if Senate Resolution 5 is adopted. When formerly a constitutional two-thirds vote was required, the same argument was made when it was changed to two-thirds of those present and voting. The same argument was made when it moved from two-thirds present and voting to three-fifths of those present and voting.

So, one can make the argument, but that does not justify a single Senator using his power to tie up the Senate interminably and to delay the business of the people. There comes a time when a majority of the Senate is entitled to work its will. It is not the power of a Senator that is so much involved here as it is the ability of the Senate, which is larger than its 100 component parts, to work its will in transacting the people's business.

It has been said that under Senate Resolution 5 a Senator would not have as a matter of right the ability to speak for an hour, and that he would not have as a matter of right the offering of an amendment.

Mr. President, once cloture is invoked every Senator gives up certain rights, if that term is appropriate, that he possesses at other times. For example, once cloture is invoked under the present rule every Senator gives up the right to offer a nongermane amendment. He normally has the right to speak as long as he can stand on his feet, but this right is taken from him by the invoking of cloture. So once three-fifths of Senators who are chosen and sworn manifest their will to bring a matter to a close, that vote indicates that every Senator here has to ad-

just himself to the changed circumstance that has been brought about by the invoking of cloture.

So, perhaps he loses a right or privilege when cloture is invoked in any event and under any cloture rule. One can express concern that in a hypothetical situation, if Senate Resolution 5 is adopted, a Senator might be deprived by an arbitrary majority working with the Chair of being recognized or of calling up an amendment and having it voted upon. Mr. President, that simply is not realistic. Senators would have 600 minutes, half of which would be under the control of the majority leader and half of which would be under the control of the minority leader or their designees. This would assure members of a minority that they are going to have the opportunity for recognition and for calling up amendments. After that 10 hours has expired, a time limitation of 1 hour on any amendment further assures Members that they will have an opportunity to call up amendments, because this provision would preclude a situation in which one amendment would be before the Senate over a period of many, many hours thus consuming the remaining time within the 50-hour time limit. No Member would have to go to his leader and ask for a "right" to get a vote or a "right" to call up his amendment. One can put it in that context, but that, I think, is a statement without merit.

I welcome the suggestions that will be presented by Mr. GRIFFIN and Mr. BAKER in the form of amendments. I wish to have the opportunity to consider those amendments, and I am glad that they are going to propose such amendments and have them printed. I would hope that the Senate would take a look at those amendments and that the Senate would proceed to the consideration of Senate Resolution 5 so that the Senate can debate those amendments and vote on them. If it is the will of the Senate that any amendment by Mr. GRIFFIN, any amendment by Mr. BAKER, or by any other Senator should be adopted to this resolution, so be it. So, I would be delighted to see the Senate proceed to the consideration of Senate Resolution 5, hopefully, in the very near future, so that all Senators would have the opportunity of offering whatever amendments they wish to offer and to get a vote thereon.

It is within the purview of every Senator in this body to offer amendments to this measure, and it is certainly within the abilities of every Senator in this body to offer amendments that might improve upon the legislation that has been reported from the committee. So I would hope that Senators would offer amendments and then that we could proceed to consider Senate Resolution 5, let the Senate work its will thereon, and go on to other things.

I shall not keep the distinguished Senator from North Carolina standing on his feet long. I simply say this, that the modifications that I have presented today as having been worked out by the distinguished Senator from Alabama and myself, and the Parliamentarian, Assistant Parliamentarian, and Parliamentarian Emeritus are realistic approaches to dealing with the expressed concerns of Senators.

I believe that if one looks at the situation realistically, one would have to agree that from a pragmatic standpoint these modifications are going to guarantee Senators ample time for debate and the calling up of serious amendments.

There would come a time, at the end of the 50 hours, it is true, when amendments at the desk and not pending could not be called up. But after 50 hours, and with a time limit on any amendment after the first 10 hours of controlled time, it is pretty inconceivable to me that there are going to be any amendments left at the desk, especially when we consider that the resolution provides at least an additional 24 hours before a motion to invoke cloture can be entered on a substantive matter.

So there are 24 additional hours, and then there is the day on which the cloture motion is introduced, even if it is introduced immediately after those first 24 hours have expired. Then there is a second day after the cloture motion is entered, and 1 hour on the third day in which Senators may offer amendments to the measure and have them voted on.

So there are not only the 50 hours after cloture, but there are those many hours that precede the invoking of cloture. Moreover, if cloture fails, then the whole procedure has to start over again.

I beg the Senator's pardon; I yield to the Senator from North Carolina or I yield the floor, whichever he prefers.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. MORGAN. Mr. President, I rise to express my concern about the proposed rule change, and express my appreciation to my colleagues on both sides of the issue for their discussion of this very important issue.

I must say in all fairness, Mr. President, that I have had somewhat of a saddened feeling, as I listened to the discussion of these rules, that if these rules changes are adopted, even with the amendments offered this afternoon, unless they are more meaningful than I could determine from listening to the reading of them, we will have seen this body pass from a great deliberative body—the only deliberative body of its kind left in the whole world—to just another parliamentary body.

I know it is true, Mr. President, that at times it is difficult to have endless hours spent on the floor in debate in what appears to be a waste of time. But on the other hand, Mr. President, it affords to all of us and to all the people of America, I think, some assurance that somewhere in this Congress, and especially in the Senate, our voices can be and will be heard.

It is said that these rules changes do not apply unless cloture is first invoked. One of the first things I learned in the Senate after I came here 2 years ago, Mr. President, was that quite often cloture is invoked with almost no substantive debate on the issues of a bill before it is invoked.

I found that out when the distinguished Senator from New York (Mr. JAVITS) raised a point of order on an amendment which I had thought had merit, but, because I had not heard the bill debated before cloture was invoked, I was not cognizant or aware of the need for that amendment. I will grant you that I should have been, had my staff been as alert and well prepared as they should have been, or had I been.

The facts of life in the Senate are that with so many pending issues, we quite often cannot get around to these important things until the time is crucial. I am disturbed at the mere fact that there are so many possibilities which could exclude an individual Senator from having his voice heard.

Our distinguished majority leader, in whom I have a great deal of confidence, said that he could not conceive of a majority leader depriving a Member of a minority, whether it is a minority on the issue or a minority partywise, of the right to be heard or to call up a motion. I think maybe I have seen such an occasion happen in the Senate, in the heat of debate, when passions were running high.

I am reminded of a comment of Jefferson that I read some time ago. I cannot recall exactly where I read it, but it went something like this. Jefferson said:

> When dealing with the affairs of government, place no future confidence in man, but tie him down with the Constitution.

He was alluding, of course, to the constitutional debate that took place before the adoption and ratification of the Constitution. I would apply that same principle to say that in dealing with the right of individual Senators to engage in free and open discussions and debates, let us not entrust it to individual Members of the Senate, who may be acting from the best of motives but also in the heat of debate and in the heat of passion, but let us tie those rights down with the rules.

I shudder at the thought, Mr. President, of having no opportunity to question the corrections of the rules. As I understood the proposed amendment offered this afternoon by unanimous consent, if a motion is made to correct the Journal, there shall be 10 minutes of debate divided between the person making the motion and the majority leader.

I would hate to rise on the floor of the Senate with a sincere and honest question about the correctness of the Journal, and have either the majority leader or the person making the motion yield me one-half minute or 1 minute to express my concern about that. I do not believe that time is that much of the essence on the floor of the Senate.

I think all of us, in fairness, would have to admit that the greatest abuses that have taken place over the unlimited debate rule in the Senate have come from civil rights legislation. While I was not a party to any of those debates, as I recall—I do not know where I stood on the Voting Rights Act—I think we all would concede that a vast majority of those debates are behind us.

But I did participate for some 2 or 3 weeks, with the permission of the very distinguished late Senator from Michigan, Mr. Hart, in the debate on the antitrust bill, and I was one of those who

voted for cloture and assisted in the debate during the many hours of debate on that measure. As I recall, there were something like 73 motions or amendments made and debated by the opponents.

Mr. President, after several days of debate on that bill, as strongly as I was for the bill and as strongly as I am for it now, I concede that it came out a far better piece of legislation than it was when it was commenced. It came out a piece of legislation that the President signed into law. Had it not been hammered out with hours and hours of debate on the floor of the Senate, I suspect that the will of the majority of us—and I was in the majority in that particular case—would have enacted a bill which would have had many, many fallacies in it, which probably would have led to a veto.

I say, Mr. President, with the vast majority of really controversial issues behind us, I really see no need for changing these rules. If we are going to change them, then let us try to change them after full and complete debate, with Members of the Senate being informed. This presents a great frustration.

Some time ago I was vitally interested in an issue that was going to be pending before the Senate. I discussed with my staff how we could get across our message to the Members of the Senate. I told them that I was firmly convinced that if I could get a majority of the Members of the Senate in their chairs in the Senate Chamber for 15 minutes, I could prevail with my point of view. But I was just as satisfied that that would have been impossible, for, except on a few occasions at night, when we have had extended debate, we have not seen that many Members of the Senate here, willing and ready to listen to the arguments of any Senator.

Then we discussed how to communicate with my fellow Senators. We said, "Let us write a 'Dear Colleague' letter." To those who are not familiar with it, this is the one standard device by which we are supposed to be able to communicate our views to our fellow Senators. But we all know, as a matter of fact, that those "Dear Colleague" letters arrive so frequently and in such large numbers that, even though they are from our colleagues in the Senate, we quite often do not have the time to read them or, many times, do not see them.

So we were absolutely stymied as to how we could get across to Members of the Senate our point of view. Finally, in desperation, I wrote a letter and stood on the floor of the Senate and handed it to as many as I could, and for those I could not hand it to, I put it on their desk. After the Senate debate was over and the amendment had been voted on—fortunately, we prevailed. I do not think my letter would have made much difference one way or the other. But I looked around and over half of the letters that had been put on the desks of the Senators had not been opened.

That is what disturbs me about the rules of the Senate. If I had not been here this afternoon and yesterday afternoon for a short period of time, I would not, probably, have realized what I think may be the dire consequences of this rule. I have to confess that I probably would not have been here this afternoon if my physical condition had permitted me to be elsewhere.

Mr. President, I have no hopes of prevailing upon anyone to change his vote, except to say that, with civil rights back of us—and that was a big bugaboo in the unlimited debate situation—let us give it another session of Congress to see how it works. Let us not preside over the enactment of Senate Resolution 5, which, in effect, will, I think, in all seriousness, eliminate the Senate, once and for all, as the most deliberative body in the whole world.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from North Carolina, the State in which I was born, and the motto of which is "To be rather than to seem," makes a very compelling and persuasive argument. I just have two things that I would like to say in response, however.

One is that the Senator from West Virginia is just as interested in maintaining the integrity of the position in our constitutional system that the Senate was intended to hold as is any Senator. I respect the Senator from North Carolina for his viewpoint and for the concerns that he has expressed with respect to the role of the Senate and the possible impact upon that role that the adoption of Senate Resolution 5 would have. Mr. President, I think the Senate does have the responsibility of being a deliberative body and, under its rules, that it is an appellation that has been attached to the Senate of the United States. It is a deliberative body, and has sometimes been called the greatest deliberative body in the world.

But there comes a time, Mr. President, when the Senate is not acting in a deliberative way. It is not acting deliberately. It is not deliberating. It ties itself up in timewasting wrangles. When it reaches that point, then I think it renders injury to its image and does an injury to its appropriate role. I have seen it reach that point at least a few times in my 19 years here.

In this respect, Mr. President, I feel that Senate Resolution 5 would have an impact. I think it would prevent the Senate from too often presenting the image of something far different from a deliberative body.

It is not the intent of the author of Senate Resolution 5 and it is not the intent of Senate Resolution 5, to take away from the Senate its appropriate role of deliberating. But there does come a time when the Senate is not deliberative and when it inflicts wounds upon itself, and when it is not acting to duly expedite the business of the people. It is those instances to which the resolution is directed. Its intent is to avoid and, hopefully, preclude such situations to a considerable degree after cloture is invoked.

It should have the effect of making the Senate more truly deliberative. The adoption of this resolution is not going to make this body a second House of Representatives. Nobody is going to move the previous question. There is going to be ample time for Senators to speak and offer amendments after cloture, and, as I say, they would have at least some additional time prior to the invoking of cloture to call up serious amendments and to contribute serious debate.

I have never seen a time following the invoking of cloture when even a majority of the Members of the Senate utilized the 1 hour that is available to them. I have no record before me, but I doubt if there has ever been a time, after cloture has been invoked, that one-third of the Members of the Senate have utilized their full 1 hour.

I doubt, Mr. President, that there has ever been a time following invoking of cloture that even one-fourth of the Members of the Senate have used their full 1 hour.

As a matter of fact, it is probably the case in most instances following the invoking of cloture that a majority of Senators have not used even 1 minute of their hour under the rule.

So, while in theory, I suppose, one could fear for the future role of the Senate in saying that Senators could be deprived of an opportunity after cloture to offer amendments and get votes thereon, I say that, from a practical standpoint and based on the experience that we have before us, Senators would have ample time under the resolution, especially as it would be modified by my amendments, to contribute to serious debate, call up worthwhile amendments, and get votes thereon.

The second thing I would say has reference to the distinguished Senator from North Carolina's statement regarding the corrections of the Journal.

As I say, he makes a very compelling argument as to the limit of 10 minutes for debate on correcting the Journal. He has indicated that he would not want to have to ask for a minute or 2 minutes, or whatever it might be, for debate in that regard.

Mr. President, I think the history of this body will show that there have been very, very, very few occasions in which the Journal has been "corrected" of an inaccuracy in the proceedings of the preceding day.

For the most part, the so-called "correction" of the Journal has consisted, over the years, of frivolous efforts to delay the action of the Senate, and generally one when the Senate is involved in a cloture situation—either preceding the invoking of cloture or following the invoking of cloture. For example: Inserting the Lord's Prayer as a "correction" in the Journal when, as a matter of fact, the Lord's Prayer was not uttered during the proceedings of the preceding day.

Now, that is not a "correction" of the Journal. By a correction of the Journal is meant just that—to correct an inaccuracy in the Journal with respect to the proceedings of the preceding day.

Nobody would object to correcting an inaccuracy in the Journal, and 10 minutes would be ample time to cite a true inaccuracy in the proceedings of the preceding day. Every Member of the Senate, no matter what the situation may be—post cloture, precloture, or absolutely

without thought of cloture—every Senator would want the Journal to be correct, and if more time were required than 10 minutes to be absolutely sure that the inaccuracy was appropriately corrected, there would be no problem in getting additional time by unanimous consent.

Nobody wants to avoid correcting the Journal, but it can be shown that the so-called "corrections" of the Journal have usually occurred in an effort to delay the work of the Senate and not in reality to cure inaccuracies in the Journal of proceedings of the preceding day.

It is because of the fact that the maneuver can be used, when there is no actual inaccuracy to be corrected, to delay Senate business that I have included the provision in Senate Resolution 5.

I assure the distinguished Senator from North Carolina that where there is, indeed, an inaccuracy which ought to be corrected—and which we all have a responsibility to see is corrected—that situation will not prove to be a problem.

Mr. MORGAN. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER (Mr. SASSER). The Senator from North Carolina.

Mr. MORGAN. That could only be done by unanimous consent, could it not?

Mr. ROBERT C. BYRD. No.

Mr. MORGAN. The time could be extended without unanimous consent?

Mr. ROBERT C. BYRD. No, the time could not be extended without unanimous consent, but what I am saying is that I am sure no Senator would object to additional time it were necessary. I cannot conceive of more than 10 minutes being necessary for a Senator to point out an inaccuracy in the previous day's Journal and nobody is going to object to that inaccuracy being corrected.

Mr. MORGAN. I say to the Senator that what appears to me to be a real inaccuracy might not appear to be an inaccuracy to one of the opponents who would object and then we would be limited by that 5 minutes.

Mr. ROBERT C. BYRD. Well, I respect the Senator for his position and for his argument. But I have to say as to the history, as far as I know anything about the history of correcting the Journal, I have discussed this with the Parliamentarian, I have discussed it with individuals who have made it the work of a lifetime to study and record the experiences and the history of the Senate, and I have not found one yet who would not say that, for the most part, the "corrections" of the Journal have, indeed, not been serious efforts to correct a true inaccuracy in the Journal of the proceedings of the preceding day. In most instances, there was no inaccuracy to correct.

I want to see any inaccuracy corrected. But the Senate Resolution 5 language is only to discourage efforts to delay the actions of the Senate rather than to correct a true inaccuracy in the RECORD.

Mr. HART. Will the Senator yield for a unanimous-consent request?

Mr. ROBERT C. BYRD. Yes, I yield.

Mr. HART. I thank the majority leader.

REQUEST FOR JOINT REFERRAL

Mr. HART. Mr. President, I am introducing today a bill which will amend the Public Works and Economic Development Act which will establish a comprehensive program to provide financial and technical assistance to States, local governments, and Indian tribes, to control the effects of rapid energy development.

I ask unanimous consent that the bill be referred to both the Committee on Environment and Public Works and the Committee on Governmental Affairs, and that, if and when one of those committees reports the bill, the other committee has not to exceed 45 calendar days to report the bill or be discharged from its consideration.

I note, Mr. President, that this request meets with the approval of both the chairmen and ranking members of the Governmental Affairs Committee and the Environment and Public Works Committee.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, did I understand the distinguished Senator to say that this request had been cleared with the chairmen and ranking minority members of the appropriate committees?

Mr. HART. Of both committees, that is correct.

Mr. ROBERT C. BYRD. Of both committees.

Mr. BAKER. Mr. President, reserving the right to object, may I have a moment? Will the distinguished Senator from Colorado withhold his request for a moment? I have not been advised of the agreement.

Do I correctly understand that the Senator has cleared it with the ranking member of the Environment and Public Works Committee?

Mr. HART. That is correct—and the ranking member of the Governmental Affairs Committee.

Mr. BAKER. Mr. President, before the request is acted upon, I wonder whether I may suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Mr. President, will the Senator withhold his request?

Mr. HART I withhold the request.

ORDER FOR RECESS UNTIL TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 12 noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE STANDING RULES OF THE SENATE

The Senate continued with the consideration of the motion to proceed to the consideration of the resolution (S. Res. 5) to amend the Standing Rules of the Senate.

Mr. ALLEN. Mr. President, first, I commend the distinguished majority leader for his conciliatory approach with respect to his efforts to amend the rules in the manner set forth in Senate Resolution 5.

The two apprehensions I had when it seemed that an effort was to be made to further amend Senate rule XXII were that an effort would be made to lower the number of Senators required to invoke cloture from the present 60 Senators to possibly three-fifths of a quorum present; that an effort would be made to amend the rules by majority vote, as was done 2 years ago.

The distinguished majority leader, in his effort to amend the rules, as provided by Senate Resolution 5, is not seeking to do either of these things because of the apprehension of the Senator from Alabama. I do not believe that the right of Senators who favor free and open debate in the Senate will be damaged greatly by the adoption of Senate Resolution 5; and as the resolution is now drafted, it is my intention to vote for the resolution, if it comes up for a vote.

Mr. President, I commend the majority leader for the amendments he has filed—they will be printed and will be on the desk of each Senator tomorrow—having to do with seeking to assure that every Senator would have a right to speak after cloture had been invoked and that every Senator would have the right to call up his amendment or amendments after cloture had been invoked.

At the request of the majority leader, in seeking to allay the fears of those who felt that someone might be cut off after the invoking of cloture, I did participate in the drafting of a suggested amendment that, to my mind, from a practical point of view, does guarantee that every Senator will have a right to speak, that every Senator will have a right to call up his amendment or amendments.

There was some thought by some Senators that the proponents of the measure, after cloture had been invoked, might monopolize all the time and that, therefore, every Senator would not be given an opportunity to call up an amendment or an opportunity to be heard.

Mr. President, I have participated in quite a number of extended discussions on the floor of the Senate. The problem is not that we are limited by the 1 hour accorded to each Senator under the present rule. The problem is getting the Senators to use that time. The distinguished Senator from North Carolina (Mr. HELMS) is here, and he, too, has participated in a number of extended discussions on the floor of the Senate. He and I have used our hour sparingly, over a period of quite a few hours, using a few minutes at a time, on many occasions. We always had an opportunity to use our hour, and from time to time we would importune other Senators to use their time. But it becomes somewhat difficult late at night to get Senators to use their time. So I really do not believe that the 50 hours is going to handicap the Senators who desire free and open debate.

I see measures coming down the pike in the coming weeks that are going to be subjected to full discussion on the floor of the Senate. I imagine that the Senator from Alabama and the Senator from North Carolina will discuss some of these measures. I do not believe we are going

to be inhibited a great deal by this 50-hour rule, because, at the request of the Senator from Alabama, the distinguished majority leader agreed to a provision—and it is in Senate Resolution 5—that a cloture motion could not be filed until the matter as to which cloture is to be involved has been pending before the Senate for 24 hours. That is a departure from the practice in the past, when, on many occasions, a cloture motion was filed literally within seconds after the matter came before the Senate.

As I have pointed out on the floor of the Senate, some of these cloture votes never would have taken place if we had had that 24-hour cooling-off period under the present rule. But with a cloture motion filed simultaneously with the matter being laid before the Senate, what could one do but discuss the matter? With a 24-hour cooling-off period, I anticipate that fewer cloture motions will be filed. No such motion will be filed unless it seems definite that there is to be extended debate with reference to the measure.

The way in which this amendment which the distinguished majority leader has presented would guarantee to every Senator an opportunity to call up an amendment and to speak would be that the first 10 hours after cloture had been invoked would be divided equally between the majority leader and the minority leader or their designees.

The Presiding Officer would recognize the leaders alternately so that—and it is provided in the amendment—any Senator on being recognized can call up an amendment. Then when that amendment is disposed of, the other leader would be recognized, and he could yield the time to anyone he saw fit.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield at that point?

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. Does not the Senator agree that in a practical situation in most instances it really would not be the majority and minority leaders——

Mr. ALLEN. No.

Mr. ROBERT C. BYRD. It would be our designees, the chairmen and the ranking members of the committees.

Mr. ALLEN. Yes, or the leader of the opposition to the bill

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. I think that is the reason the word "designees" is inserted.

So the opposite sides of the question would be recognized alternately, and a Senator might use only 5 minutes and then call up his amendment and, of course, it would be 15 minutes for a rollcall, and that is not counted against the 10 hours, nor is a quorum call.

So there would be 5 hours on each side of debate only. The other, the quorum calls and the rollcalls, would come out of the 50 hours, but not the 10 hours.

The leaders or the Senators in control of the time could yield up to 30 minutes to a Senator and that would not be charged against his 30 minutes to which he is limited under Senate Resolution 5.

So the practical effect would be that these 10 hours of debate time in all likelihood would take 20 or 25 hours to consume on account of the quorum calls and the rollcalls. But that then would give every Senator with this 5 hours of controlled time on each side an opportunity to bring up his amendment and, obviously, they would have some sort of priority on the amendments to bring up the important amendments first.

So I feel that those of us who are going to want to discuss some of these issues later, after cloture has been invoked, are not going to be inhibited a great deal. A 50-hour limit would take some 5 days, I would think, of debate, plus the 2 days prior to invoking cloture and the 1 day prior to presenting the cloture motion, which would leave approximately 8 days of discussion. Very few filibusters have lasted longer than that.

I have agreed to support this resolution as it now pends in the Senate and, as I say, I have done so because it does not contain or the effort to pass this does not have the two features that gave me cause for alarm, and that is the reduction of the 60-vote requirement and the seeking to pass a resolution by majority vote, as was done outside the rules 2 years ago.

So I feel I will be given all the rights I need as an average Senator on the floor to fully discuss this matter after cloture has been invoked. I believe every other Senator will have ample opportunity.

I do not favor any amendment of rule XXII. As I say, I would like to go back to the situation that prevailed in the 93d Congress, but, if the rules are to be amended, I believe the distinguished majority leader has adopted a very reasonable approach.

Actually, with the lapse of time it would seem there is no approach with respect to the amendment of rule XXII other than a reasonable approach. It looks to the Senator from Alabama that much of the steam has gone out of the effort to amend rule XXII. Where are the zealots in the Senate who were here 2 years ago breathing fire and brimstone seeking to cut down the number of votes required for invoking cloture? They are not here.

I wonder if this really, the absence of a drive to amend the rules, I am just wondering if that is not something of an endorsement of the efforts made by the Senator from Alabama and the Senator from North Carolina in the past to slow down some of this legislation that in the past has sped through the Senate? So apparently there is not too much of a zealous hard-driving approach to amend the Senate rules. So nobody is too strong for radical revision. I think that is certainly very commendable on the part of the Members of the Senate.

All in all, I do not see that the rights of those who seek to carry on an educational campaign here in the Senate with respect to a measure are being greatly diluted. If they were being diluted a great deal, well, you can rest assured the Senator from Alabama would have his say.

I might say further I stated in the Rules Committee when this resolution was being considered that if an effort is made to make it easier to invoke cloture or to further restrict the right of the Senators to speak, the Senator from Alabama would seek as best he could to prevent the adoption of the resolution. Further, if any of my colleagues disagreed with me on this being a reasonable approach, if an approach has to be taken, if they disagreed with me on that and desired to discuss this matter at length I would certainly support that effort by voting against cloture every time the issue comes up for a vote.

I do not believe the distinguished majority leader is proposing something here that is unreasonable, and I do not believe it is depriving any Senator of an opportunity to have his say on the Senate floor, have his amendment considered, have his amendment voted on. If I thought it deprived anybody of that right, I would certainly be speaking against the resolution.

In view of all the circumstances, I do not feel this resolution is going to harm any Senator who wishes to make a full discussion of the issue here on the Senate floor.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator from Alabama for his correct analysis of the measure and the modifications that have been offered.

I appreciate his support of the language of the resolution, and I appreciate his helpfulness in devising the language of the amendments which I have offered.

I ask unanimous consent that the distinguished Senator's name, the name of the Senator from Alabama, be attached to the amendments that I have offered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the name of the distinguished Senator from North Carolina (Mr. HELMS) be added to those same amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Alabama has said that he believes there is an absence of a drive to change the rules, that the "steam" has gone out of the desire to change the rules. It may appear, Mr. President, that that is the case. I would say, however, that this year there has been no filibuster. There may be one getting under way now, but thus far there have been no filibusters and things have been rather quiescent.

But as the distinguished and very able Senator from Alabama has also said, there are some measures coming down the pike that will receive considerable attention and debate, and when those times come I would imagine that we will see a little more steam than may be manifesting itself as of this moment.

It is my sincere desire that we not see the kind of steam that would develop that would force this Senate 2 years from now to resort to an effort, to which I have never yet lent my support, of changing the rules at the beginning of the session on the premise that the Senate is not a continuing body and that at the beginning of each new Congress it may adopt new rules by majority cloture.

That effort has been made and it can be made again, and it may very well be made again.

I have seen that effort possess considerable steam. I have not, however, proposed to go that way. But I do not say today that I would never support that approach. I have changed my viewpoints on more matters than one since I came to this body. When I first came to the body I said that I would never, never vote for cloture. Well, I have learned that one should never say "never." So I do not know what my position would be 2 years from today. But I do not want to see that situation come about.

And it is in a sincere effort to avoid that route, that I have endeavored to bring about what I feel is a realistic, fair, and necessary change in the rules. It is a fair approach. It is a reasonable approach. As the distinguished Senator from Alabama says, it does not impinge much, if any, on Senators who sincerely attempt to soberly debate a matter and offer worthwhile and good amendments and get votes on them.

But what it does do, even if amended as I have suggested, is provide a light at the end of the tunnel. It says that at a given point down the road the Senate will finally vote up or down, but in the meantime there may be quorum calls, rollcall votes, the reading of amendments, appeals from the ruling of the Chair, votes on rulings, votes to reconsider, votes to table the motion to reconsider—all of these things, which can otherwise tie up the Senate and stretch out the time interminably, will be running down the clock. I would bet that the Senator from Alabama, the Senator from North Carolina, and I, if we were ever to join forces in this body, we could, if we were so determined, tie up this Senate on any measure for 6 months, after cloture had been invoked. I am confident that we could do it. The 3 of us could stand against the 97 others and, not because of my position as majority leader but as a Senator from West Virginia, the 3 of us could tie up this Senate for weeks upon weeks, and we could do great damage to the Senate, and to ourselves, but I dare say that would be the last time 3 Senators could ever do it.

Mr. President, I repeat, the rules change that I am supporting here is a very reasonable and realistic one. It does not intend to impinge upon the fair and reasonable deliberations of the Senate or upon the reasonable rights of Senators to debate and offer amendments. But it does say that once the Senate has invoked cloture—it does not say the Senate will ever invoke cloture—but it says that once cloture is invoked there will be a certain day of final judgment somewhere down the road, 50 hours away, when the Senate will vote up or down.

That is all I want. I just want to provide assurance that three or a handful of Senators cannot delay this Senate to the extent that we miss the hoped-for October adjournment date, or that we "deliberate" to the extent that we are no longer deliberating, but are impinging upon the right of the Senate to work its will finally on a measure on which cloture has been invoked.

ORDER THAT H.R. 6774 BE HELD AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 6774, to make certain technical and miscellaneous amendments to provisions relating to higher education contained in the Education Amendments of 1976, be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 167—AUTHORIZING THE PRINTING OF A REPORT

Mr. ROBERT C. BYRD. Mr. President, Mr. RIBICOFF asked me to submit a Senate resolution on behalf of himself and Mr. BAKER, authorizing the printing of the report entitled "Senate Delegation Report on American Foreign Policy and Nonproliferation Interests in the Middle East," and ask for its immediate consideration on behalf of Mr. RIBICOFF. I, therefore, do that at this time.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 167) authorizing the printing of the report entitled "Senate Delegation Report on American Foreign Policy and Non-Proliferation Interests in the Middle East."

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The resolution was agreed to as follows:

Resolved, That the report entitled "Senate Delegation Report on American Foreign Policy and Non-Proliferation Interests in the Middle East" be printed as a Senate document, and that three thousand additional copies of such document be printed.

COMMITTEE MEETINGS

Mr. ROBERT C. BYRD. Mr. President, I believe there was a request for a committee to be authorized to meet at a certain time on Friday. The Human Resources Committee wishes permission to meet on Friday from 11 a.m. to 2 p.m.

Mr. BAKER. Mr. President, I may be able to agree to that later. I respectfully report that I cannot agree to it today.

Mr. ROBERT C. BYRD. All right. Mr. President, I shall try again tomorrow, after the distinguished minority leader has an opportunity to explore the possibilities.

Mr. President, I yield the floor.

Mr. BAKER. Mr. President could I inquire of the majority leader about the schedule for tomorrow? As I understand him, he has previously asked for and been given an order for the Senate to convene at 12 o'clock; is that correct?

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. As I recall also, committees are cleared to meet tomorrow during the session of the Senate except the Committee on the Judiciary. I would ask if that is the status of the matter.

Mr. ROBERT C. BYRD. I do not believe I have made such a request.

The PRESIDING OFFICER. It has not been requested as yet.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate tomorrow.

Mr. BAKER. Mr. President, reserving my right to object, if the majority leader would revise that request to exclude the Committee on the Judiciary, I would have no objection to it.

Mr. ROBERT C. BYRD. Mr. President, I so revise the request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, this would mean, however, that, notwithstanding the objection, the Committee on the Judiciary can meet during the morning, of course, when the Senate is not in session, and during the session of the Senate tomorrow until 2 o'clock p.m.

The PRESIDING OFFICER. The Senator is correct.

RECESS UNTIL 12 NOON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 6:53 p.m. the Senate recessed until tomorrow, Wednesday, May 11, 1977, at 12 noon.

EXTENSIONS OF REMARKS

A TRIBUTE TO FRED WILBUR

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. CONTE. Mr. Speaker, this coming Saturday night, on May 14, 1977, Troop 5 of Greenfield, Mass. will honor Mr. Fred Wilbur, a man who has given over 50 years of his life to all phases of the Boy Scout movement. Fred will be honored by his many friends, coworkers, fellow Scouters, and family at a testimonial dinner in order to celebrate his many years of service and achievement to young boys and the community.

It is fitting that this recognition be extended to Fred Wilbur. For years he has given untiringly of himself to the boys who have been members of his various Boy Scout troops. These boys and young men all came to realize that it was their good fortune and privilege to share Scouting with Fred. For he did not just give of his time, he gave of himself.

Mr. Speaker, Fred is well known for the time which he has personally made available to boys who were in trouble, who needed help in some way, or who turned to him as a substitute father. He

has always been ready and willing to pitch in and do what he could, and this commitment has directly affected the lives of literally thousands of youngsters. Boys knew that he cared, and they knew that if they had a problem Fred would listen and do all he could to help. Through his service to the community in this way, it is probably impossible to even estimate all of the good that this one man has done.

Fred Wilbur's involvement with the Scouting movement began only 6 years after it was founded in the United States. Becoming a Boy Scout in November of 1916, he joined Troop 1 of Greenfield. He earned the highest rank of the Boy Scouts in 1926, when he became an Eagle Scout. At the same time he became the first scoutmaster of Troop 32 of Richmond, Va., where he had moved in 1919.

After returning to Greenfield, he became associated with Troop 5 for the first time in 1941 as a member of the troop committee. He then assumed the position of scoutmaster less than a year later in 1941. Fred held the scoutmaster's post until 1951, at which time he was named district commissioner for Franklin County. Three years later, in 1954, he accepted the office of council commissioner for the Hampshire-Franklin County area.

Mr. Wilbur became scoutmaster of Troop 5 once again in 1958. During the course of the next several years, Fred not only undertook the duties of Troop 5, but served as scoutmaster of Troops 1 and 68 at times when both were without a leader. He continued his able direction of Troop 5 until 1970, at which time he relinquished the post of scoutmaster so that a younger man could serve.

Mr. Speaker, during this long and illustrious career in Scouting, Fred Wilbur has been honored in many ways by his grateful peers and friends. But of all of these honors, none speaks higher than the silver beaver award. Fred was presented a silver beaver in 1954 by the Hampshire-Franklin County Council for distinguished service to boyhood. This honor, the highest which the council can present, was a testament to the very fine mark which Fred Wilbur has made in Scouting and in his community.

Even after 50 years in Scouting, Fred still remains very much involved. Last summer he served as the senior camp commissioner at the Chesterfield Scout Reservation, and he hopes to continue in the same post in the coming summer. Surely few of us can point to any greater dedication anywhere than that which Fred has demonstrated in the Boy Scout program. As a result, the testimonial dinner to be held for Mr. Wilbur this Saturday night in Greenfield is both fitting and richly deserved.

I congratulate Fred Wilbur for his 50 years of fine service.

AFFIRMATIVE ACTION

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, May 10, 1977

Mr. HARRY F. BYRD, JR. Mr. President, Thomas Sowell, of the Center for Advanced Study in the Behavioral Sciences at Stanford, a black, recently summarized the affirmative action controversy in these words, "Tests are not unfair. Life is unfair, and tests measure the results."

Mr. Sowell is not alone in his concern over trends toward white paternalism and reverse bias. In fact, a recent poll conducted by George Gallup establishes that nonwhites oppose affirmative action programs by a margin of 2½ to 1.

Nationally, 83 percent of the American people opposed reverse discrimination, whereas only 10 percent favored it. This should give pause to those who would advocate discrimination in order to alleviate discrimination.

Mr. President, I ask unanimous consent that Dr. Gallup's study be printed in the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

MAJORITY REJECTS "REVERSE DISCRIMINATION"

"The American people, by an overwhelming majority, believe that ability, as determined by examination, and not preferential treatment to correct past discrimination, should be the main consideration in selecting applicants for jobs or students for college admission.

"The issue of 'affirmative action'—described by its critics as 'reverse discrimination'—will come before the U.S. Supreme Court this fall.

"Even non-whites and women, who have most to gain by affirmative action, vote for making ability, as determined by tests, the main consideration in filling places in industry and in college.

"Overall the public votes 8 to 1 in favor of ability. Non-whites vote more than 2 to 1 on the same side; women vote almost as men do—8 to 1—for objective criteria.

"The question asked to determine attitudes toward affirmative action in hiring and education:

" 'Some people say that to make up for past discrimination, women and members of minority groups should be given preferential treatment in getting jobs and places in college. Others say that ability, as determined by test scores, should be the main consideration. Which point of view comes closest to how you feel on this matter?'

"Rarely is public opinion, particularly on such a controversial issue, as united as it is over this question. Not a single population group supports affirmative action. Attitudes are fairly uniform from region to region and among all age groups. Some differences do exist by education, but all groups back objective data such as test scores as the main qualification in jobs and education.

"The national results as well as the findings by important population groups:

SHOULD WOMEN AND MINORITIES BE GIVEN PREFERENTIAL TREATMENT IN JOBS, EDUCATION?

[In percent]

	Yes, should be compensated	No, ability should be determinant	No opinion
National	10	83	7
Men	10	84	6
Women	11	82	7
Whites	8	86	6
Nonwhites	27	64	9
College	10	84	6
High school	8	87	5
Grade school	18	70	12
East	11	83	6
Midwest	9	84	7
South	12	82	6
West	9	85	6
Under 30 yr	11	83	6
30 to 49 yr	10	84	6
50 yr and older	9	83	8

VA SETS EXAMPLE IN EMPLOYMENT OF THE HANDICAPPED

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. TEAGUE. Mr. Speaker, in conjunction with my survey of the Federal departments and their affirmative action programs in employing the handicapped, I am pleased to bring to your attention, today, the report of the U.S. Veterans' Administration.

The Veterans' Administration has not only exercised its responsibility and excelled in its employment of disabled veterans; but has managed to recruit and retain a high level of handicapped civilians—approximately twice the national, Federal-wide employment average. More than 1 in every 10 of the VA's employees have some disability.

With the appointment of the exceptional new Administrator of Veterans' Affairs, the Honorable Max Cleland, and the example he sets as a capable public servant, I trust the employment record of the Veterans' Administration in these areas will continue to excel and, under his leadership, move upward during this administration.

I commend the employment record of the Veterans' Administration and the following report to the attention of my colleagues and the several other Federal departments and agencies as an example to follow:

WASHINGTON, D.C.,
April 22, 1977.

Hon. OLIN E. TEAGUE,
Chairman, Committee on Science and Technology, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: As the Administrator of Veterans Affairs, I am deeply concerned that disabled veterans and other handicapped individuals be accorded full employment opportunities not only within the VA itself, but throughout the public and private sectors as well.

We are happy, therefore, to provide you with the best available information in response to your several questions about employment of handicapped individuals in the Veterans Administration. The responses are sequenced in accordance with the numbers of your questions.

(1) The current VA affirmative action program plans covering both headquarters-level and field station-level requirements are contained in VA Circular 00–76–12. Enclosed are copies of this circular and the supplement which extended its expiration date to June 30, 1977. (See enclosures 1 and 2.)

(2) The latest available data show that as of December 31, 1976, the VA employed 12,499 individuals with reported handicaps. (The categories of reportable handicaps have just been expanded from the 17 in effect on December 31, 1976, to 58. Because data under this expanded handicap coding system will not be available for some time, all of the figures cited in this letter are as of December 31, 1976.)

It is also noteworthy that the VA employed 14,520 disabled veterans. Of these disabled veterans, 4,122 are included among the 12,499 employes reported as handicapped. The disabling conditions of the remaining 10,398 disabled veterans were not covered by any of the 17 handicap categories then in effect.

Handicapped individuals and disabled veterans taken together numbered 22,897; this

amounts to more than one in every ten of VA's 222,567 employees.

(3), (4), and (5) As the listing on enclosure 3 shows, all 17 types of handicaps recorded by Federal agencies were represented within the VA work force. The handicap category with the highest number of VA employees—more than 3,000—was deformity or impaired function of the lower extremity or back another five categories each include more than 1,000 employees.

We cannot give any authoritative basis for why some handicap categories are represented in greater numbers than others. The VA does not prohibit the employment consideration of persons with any category of handicap. Rather, the principle under which VA operates is one of selective placement which encourages the matching of each handicapped individual with a suitable position. We expect that this approach will continue to foster the successful employment of individuals with a wide range of disabilities.

(6) Handicapped employees were employed in nearly all of VA's more than 300 occupational series. All VA positions are considered open to qualified handicapped individuals.

(7) Efforts to remove existing architectural barriers from VA buildings and to ensure that new VA construction is barrier-free are helpful in making the VA's work environment accessible to handicapped individuals. In addition, job site modifications are made to accommodate the needs of individual handicapped employees when appropriate. Examples of the aids which have been provided to handicapped employees include Braille reference books for blind individuals, telephones with amplifiers and special sight signals for deaf and hearing-impaired persons, tape recorders for those with impaired writing functions, etc.

In addition to the above, we are providing you with a copy of two recent VA issuances which cover VA's employment of handicapped persons and are closely related to the questions in your letter. (See enclosures 4 and 5.)

We hope that you find this information helpful.

Sincerely,

MAX CLELAND,
Administrator.

Data as of December 31, 1976

Handicap category:	Number of VA employees
Amputation—1 major extremity	470
Amputation—2 or more major extremities	90
Deformity or impaired function—upper extremity	1,128
Deformity or impaired function—lower extremity or back	3,054
Vision—one eye only	1,111
No usable vision	223
Hearing aid required	492
No usable hearing	261
No usable hearing with speech malfunction	108
Normal hearing with speech malfunction	59
Tuberculosis—inactive pulmonary	1,393
Organic heart disease (compensated) valvular, arrhythmia, arteriosclerosis, healed coronary lesions	1,429
Diabetes—controlled	1,213
Epilepsy—adequately controlled	304
History of emotional or behavioral problems requiring special placement effort	585
Mentally retarded	426
Mentally restored	153

THE BUREAUCRATIC TANGLE

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mrs. MEYNER. Mr. Speaker, governmental regulation of the private sector is a concept that is deeply imbedded in American history. Legislative attempts to unravel the bureaucratic tangle are equally ensconced in our history. The 1960's represents the decade of regulation, while in the 1970's we are witnessing numerous attempts to dismantle the regulatory structure. I do not quarrel with the fact that the efficient management of the Nation requires a reasonable level of governmental intervention. Certainly, the regulation of private industry has promoted many important social and economic objectives. However, I do contend that our present regulatory structure is an outdated and inefficient one. It becomes more and more outdated and inefficient the longer it exists.

While the President has repeatedly stressed his desire to reorganize the Federal bureaucracy, I am afraid that, like the welfare system, the problem is almost too massive to control. After months of work, members of the "President's Reorganization Project" have compiled a list of departments, agencies, commissions, boards, committees, and various other organizational units of Government. The list, which was recently published in the Washington Post, is an exhaustive one, but is probably not complete. Perhaps even more astounding than the length and breadth of this report, is the fact that it is the first document of its type. There simply is not one single list of the units of the Federal bureaucracy. While I would like to submit this material for the RECORD, I have been informed that the estimated cost of publishing the list would be $1,610. Therefore, I refer my colleagues to the "Outlook Section" of the Sunday, May 8, 1977, Washington Post for this graphic illustration of the size and unmanageability of the Federal Government. For those who wish to see the 1,179 Federal advisory committees which have not been included in the list, I refer them to the "Fifth Annual Report of the President on Federal Advisory Committees." While I do not wish to prematurely judge the value of these committees, I must admit that I would appreciate an explanation of the duties and activities of committees such as the Industry Sector Advisory Committee on Photographic Equipment and Supplies for Multinational Trade Negotiations, or the panel on school capacity for problem solving. I urge my colleagues to carefully study this material so that they may instantaneously distinguish the Cardiovascular and Renal Advisory Committee from the cardiovascular and renal study section.

Mr. Speaker, this is not a laughing matter. Governmental regulation is an albatross around the necks of the private sector, and has grown to proportions that are too large to allow effective oversight by either the Congress or the President. I am in total support of the President's wishes to reorganize the Federal Government and I pledge to support him in this endeavor. However, I am concerned that by allowing appropriations for these extraneous committees in the fiscal year 1978, we are encouraging the continuation of the massive bureaucracy. While I would prefer a comprehensive approach to the elimination and consolidation of the bureaucratic structure, I do believe that we should attack the problem immediately by those avenues we possess. Therefore, I plan on continuing my study of the bureaucracy and I may offer a series of amendments during the consideration of the fiscal year 1978 authorization and appropriation bills to abolish, consolidate, or revise a number of advisory committees. I believe that this approach is fair to both the taxpayer and the department officials. I would hope that my colleagues also scrutinize the available material and join me in unraveling the bureaucratic tangle.

A TRIBUTE TO MARY LASKER

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. BRADEMAS. Mr. Speaker, one of the outstanding citizens of our country is Mrs. Albert D. Lasker. Her efforts in the fields of medicine, art, and the beautification of the environment are manifold, imaginative, and generous.

On May 2, 1977, the World Rehabilitation Fund honored Mary Lasker at a dinner in New York.

In tribute to Mrs. Lasker, the World Rehabilitation Fund is establishing the Mary Lasker Fund to bring to rehabilitation personnel in underdeveloped nations training, equipment, supplies, and consultative services in modern rehabilitation medicine.

Mr. Speaker, as chairman of the subcommittee in the House of Representatives with jurisdiction over measures that affect the arts, rehabilitation of the handicapped, and environmental education—and as Mrs. Lasker's friend—I am personally aware of the remarkable contributions of this extraordinary woman to achievement in all these fields.

Mr. Speaker, at this point in the RECORD I insert the text of the tribute paid by the World Rehabilitation Fund on May 5, 1977, to Mary Lasker:

MRS. ALBERT D. LASKER

Physical rehabilitation, medical research against cancer, heart diseases, mental illness and other major killers and cripplers of the human race are among the chief fields to which Mrs. Albert D. Lasker has brought her energy, imagination and devotion. As a private citizen, she has continuously urged the feedral government to appropriate increased funds for medical research against major killing and crippling diseases.

Mrs. Lasker is President of the Albert and Mary Lasker Foundation—a field of public education and promotion of medical research, public health and other areas of human wel-

fare. Since 1944, Albert Lasker Awards have been given annually to honor and encourage physicians and scientists for outstanding achievements in the fields of medical research and public health administration. The history of medicine of the last 30 years was made by the men who have won Lasker Awards in this period.

Widely travelled in this country and in Europe, Mrs. Lasker carries her interest in medicine, art, gardens and public plantings wherever she goes.

Mrs. Lasker has received eight honorary degrees, and in 1969 she received the Medal of Freedom Award—the highest civilian award an American citizen can receive. She is a member of the French Legion of Honor and has also received the Cross of the Office of the Legion of Honor.

Mrs. Lasker conceived and was a founder of the World Rehabilitation Fund, providing the impetus through which Dr. Howard A. Rusk (three time Lasker Award recipient) and his colleagues have helped disabled people throughout the world rebuild their crippled bodies and regain their self-esteem. An indefatigable supporter of the Fund, Mrs. Lasker's activities have helped to bring over a million artificial limbs and braces to the underprivileged of underdeveloped countries, along with the regenerative benefits of modern rehabilitation medicine. Through the World Rehabilitation Fund's programs of direct services and professional training for over 5,000 physicians, hundreds of thousands of disabled men, women and children have found satisfying and productive lives.

For her unique contribution to the betterment of life in the United States and abroad, for all those without arms and legs, for those who are paralyzed or disabled, the World Rehabilitation Fund is establishing:

THE MARY LASKER FUND

to bring personnel in underdeveloped nations training, equipment, supplies, and consultative services in modern rehabilitation medicine.

TAKEN FOR GRANTED

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. ABDNOR. Mr. Speaker, I have little to add to an excellent editorial from the Belle Fourche, S. Dak. Daily Post. It states very well why South Dakotans want a realistic farm program, and why it is in the best interests of the Nation for Congress to enact one. I commend the Post's comments to the attention of my colleagues:

PRODUCE MORE

"Mr. Abercrombie Deepthinker yesterday called upon the American farmer to produce more if he is to feed an increasingly hungry world."

You can bet that on any given week, somewhere in this country, some person of stature is going to make that statement.

It would seem to be a fairly safe statement, but we are sick of hearing it, because it's really not fair. They not only want the American farmer to do the work, they want him to pay the bill.

We've talked about this before, but we can't help bringing the matter up again, because we keep hearing how the American farmer is supposed to feed the world.

What they are saying, in effect, is that the American farmer can produce all the way to the poor house.

The theory should be that if the American farmer produces more he should be rewarded accordingly. That, however, is theory. If the American farmer produces more he is actually going to wind up with less. That's fact.

Look at the livestock business. The American farmer and rancher has produced like mad, only to have the price of his product drop to the point where his production system is basically not an economic one in the face of rising costs. If it looks as if he may be on the way to getting a better return, imports are stepped up to prevent it.

The American farmer produces a bumper crop of wheat and the market goes to hell.

The corn fields of America's breadbasket turn out a super crop of corn and the reward is lower prices.

While the American farmer is being told to produce more, congress comes up with farm legislation that inhibits increased production.

Frankly, dear people, we've been lucky that the farmer has not taken the matter into his own handle. With a little organization he could reduce his crop production to the point where he could make much more by producing much less. If you don't think that system works, look at the price of coffee.

We shudder at the thought that the American farmer may yet get tired of being taken for granted. He may yet get his belly full of the warped priorities in this country. Housing costs, for example, have escalated to the point where for many families keeping a roof over their heads requires half of their income, while keeping them fed and nourished takes about 17%.

We know that people would like to keep it that way, but how can they expect it to stay that way if they fail to recognize that the people who produce that food are also entitled to participate in growth and prosperity.

"The American farmer must produce more if he is to feed a hungry world." We hope the next person who says that, also adds that the American farmer should receive an appropriate incentive to produce more.

OUR SENIOR CITIZENS

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. MOORHEAD of California. Mr. Speaker, there are those of us who look to our senior citizens for guidance and wisdom. Others, however, look to our senior citizens as easy prey, making them victims of street crimes, rape, burglary, bunco, and other forms of violence more than any other age group in the country. May is Senior Citizens Month and it would seem, therefore, a timely occasion to call attention to a group of action-oriented senior citizens in Pasadena, Calif., who make up the Community Resource Involvement Council—better known as CRIC.

Sponsored by the southern California region of the National Conference of Christians and Jews in cooperation with the Pasadena Police Department, these senior citizens have taken the attitude that the better informed one is in crime prevention techniques, the more one's chances are reduced of becoming a victim.

The National Conference of Christians and Jews and the Pasadena Police Department provide guidance and training in special crime prevention techniques to the members of CRIC. Following an orientation and training period, CRIC members distribute informational material provided by the police department to other senior citizens in an effort to educate their neighbors in ways of protecting property, making them alert for suspicious or unusual activity and encouraging them to report same to the police. CRIC develops and makes presentations through a speakers bureau to senior citizens groups and works with commercial establishments in an effort to make the businessman aware of the senior's needs as they relate to crime prevention. An example of this is asking for better protection of seniors in parking lots. Another segment of CRIC works closely with the electronic and print media, encouraging the media to accentuate senior citizen crime prevention information. CRIC's victim assistance team acts as a support system for seniors who have actually been victimized by crime. Coordinated by Fuller Theological Seminary's Graduate School of Psychology, the team helps seniors fill out forms, get medical aid, housing, and in general, sees the victim through the trauma of it all—even staying with the victim if necessary until a relative or friend arrives.

The Community Resource Involvement Council has been working hard for more than a year in Pasadena. It is hoped that CRIC will continue its crime prevention activities with the guidance and training provided by the NCCJ and Pasadena Police Department. If more and more older persons can be reminded to stay alert, learn ways of avoiding crime, and cooperate in neighborhood watch programs, the joint efforts of citizenry and law enforcement can have a major impact in the prevention and resolution of crimes against a very valuable segment of our society—our senior citizens.

OUR AMERICA

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. EVANS of Delaware. Mr. Speaker, one of my constituents, C. M. Cox, has written a poem about America. In this day of cynicism, it is a comfort to find a patriotic American, who is not ashamed to give voice to his feeling toward his country. I wish to share these with my colleagues:

OUR AMERICA

(By C. M. Cox)

Come, Ye Sons and Daughters
of the U.S.A.
Stand Up and Be Counted
What Have You to Say?

For This Land We Call America,
A precious jewel to See
Entrusted to Us By Others,
Just Like You and Me.

Will We Cherish This Treasure,
A Birthright That Set Men Free?
If So Stand Up and Be Counted.
Join the Millions Who Agree.

Don't You Hear the Bells, a-Tolling,
Don't You Hear the Voices Cry?

Put On Your Cloak of Honor,
Hold Old Glory Way Up High.

Wake Up, Ye Sons and Daughters
Come Sing a Marching Song,
Too Long Have We Been Sleeping;
The Night Has Been Too Long.

Listen to the Bells, a-Tolling
Listen, to the Voices Cry
We Must Not Lose Our Freedom,
See our Forests and Rivers Die.

To Make Our Land More Beautiful to See,
Plant Flowers Or a Tree
Don't Sit Around Upon the Hill
In Careless Apathy.

When You're Driving On the Highways,
Or Traveling Along Parks and Streams,
Don't Be One Who Mars Their Beauty,
Be One Who Keeps Them Clean.

Wake Up Ye Sons and Daughters,
Come Sing a Marching Song,
Too Long Have We Been Sleeping
And The Night Has Been Too Long.

Listen to the Bells, a-Tolling,
Hear the Voices Cry,
Save Our Eagles, Our Mighty Symbol,
Don't Let Them Vanish From the Sky.

Stand Up and Be Counted,
One For All, and All For One,
Remember the Many Battles Won
By So Many of Our Sons.

Put On Our Cloak of Honor,
And March With Those Who Cry,
We'll Be Worthy of Our Trust and Honor,
America, We'll Purify.

March With Those Who Cherish Freedom,
Join the Voices Who Cry.
We Don't Want to Lose Our Freedom,
See Our Forests and Rivers Die.

Then Give Thanks to our Maker
For All the Joys to See,
Yes, America the Beautiful,
You Mean So Much to Me.

ROMANIAN INDEPENDENCE DAY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. DERWINSKI. Mr. Speaker, the 10th of May is the Romanian commemoration of their declaration of independence. This year's commemoration is of great significance for the Romanian people as it marks the 100th anniversary of the most glorious and happy event in their history.

On May 10, 1866, the people of Romania ended a long period of domestic turmoil by proclaiming Charles, Prince of Hohenzollern-Sigmaringen of the Prussian royal family, as the Bucharest Prince of their country. Thus, Romania became a principality and obtained her first constitution and introduced parliamentary government.

Later, on May 10, 1881, Charles I was crowned King of Romania. The country prospered for more than six decades, contributing significantly to the peace and stability of the Balkans and Eastern Europe.

But, most important and noteworthy, on May 10, 1877, the Romanian people proclaimed their independence. They won their freedom, which they announced in the turmoil of the Russo-Turkish War. The Romanian army defeated Turkish forces and effectively freed itself from the Ottoman Empire.

This independence was affirmed by the Treaty of San Stefano and recognized internationally by the Treaty of Berlin of 1878. Ironically, it was with the aid of Russia that liberty was gained in 1877–78 as it would be to and through Russia that liberty would be lost at the end of World War II. Romania, under the leadership of King Michael, was forcibly seized by the Russian armies.

The 10th of May remains a symbol of the happy and glorious events in history of Romania. It is my hope that the determined spirit of the Romanian people will lead them once again to true independence.

HUMAN RIGHTS POLICY

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. ANDERSON of Illinois. Mr. Speaker, Secretary of State Vance has made a valuable contribution to the current discussion of human rights considerations in American foreign policy in his Law Day speech to the University of Georgia's Law School on April 30, 1977. The Secretary reiterated the resolve of the administration "to make the advancement of human rights a central part of our foreign policy," but emphasized that "our human rights policy must be understood in order to be effective." To that end, his speech has significantly increased American and international understanding of this administration's human rights policy.

Secretary Vance has defined "human rights" to include: first, the right to be free from government violation of the integrity of the person; second, the right to the fulfillment of such vital human needs as food, shelter, health care, and education; and third, the right to enjoy civil and political liberties. The Secretary reminded his audience of President Carter's U.N. remarks in which he said that, since all signatories of the U.N. Charter have pledged themselves to observe and respect human rights, "no member of the United Nations can claim that mistreatment of its citizens is solely its own business."

Perhaps the central question addressed in the Secretary's speech was just how the United States would go about applying its human rights policy. In this regard, I think Secretary Vance has enunciated a prudent and realistic policy. To quote from his speech:

> In pursuing a human rights policy, we must keep in mind the limits of our power and of our wisdom. A sure formula for defeat of our goals would be a rigid, hubristic attempt to impose our values on others. A doctrinaire plan of action would be as damaging as indifference. We must be realistic. Our country can only achieve our objectives if we shape what we do to the case in hand.

The Secretary went on to indicate what questions will be considered by the administration in determining how to respond in each situation. These questions include the nature of the case confronting us—the kind of violations, their extent, whether they constitute a pattern, whether there is a trend toward or away from concern for human rights, the degree of control and responsibility of the government involved, and whether independent, outside investigation is permitted. The second set of questions involve the prospects for effective U.S. action, that is, whether our action will be useful in promoting the overall cause of human rights or whether it will make matters worse. And the third set of questions involve maintaining a sense of perspective—whether we have steered away from the self-righteous and strident, whether we have been sensitive to genuine security interests, whether we have considered all the rights at stake such as how our actions will affect "the hungry and poor who bear no responsibility for the abuses of the government."

Secretary Vance went on to indicate that our emphasis will be on the positive and constructive in promoting human rights. In his words:

> If we are determined to act, the means available range from quiet diplomacy in its many forms through public pronouncements to withholding of assistance. Whenever possible, we will use positive steps of encouragement and inducement. Our strong support will go to countries that are working to improve the human conditions.

The Secretary stressed the need for "informed and careful judgment" and warned that "no mechanistic formula produces an automatic answer."

Secretary Vance concluded his speech by underscoring the need for realism in our expectations of the administration's human rights policy:

> We can nourish no illusions that a call to the banner of human rights will bring sudden transformations in authoritarian societies. We are embarked on a long journey. But our faith in the dignity of the individual encourages us to believe that people in every society, according to their own traditions, will in time give their own expression to this fundamental aspiration.

Mr. Speaker, because Secretary Vance's speech is one of the most comprehensive and coherent explanations I have read to date of the Carter administration's human rights policy, I want to commend it to the reading of my colleagues and insert it at this point in the RECORD. The speech follows:

HUMAN RIGHTS POLICY

(By Secretary Cyrus R. Vance on Law Day before the University of Georgia's Law School)

Dean Beaird, students, faculty and alumni of the University of Georgia Law School, distinguished guests: I am delighted to be here with you on Law Day. And I am honored by the presence of my friend Dean Rusk, a distinguished member of your faculty.

I speak today about the resolve of this Administration to make the advancement of human rights a central part of our foreign policy.

Many here today have long been advocates of human rights within our own society. And throughout our Nation that struggle for civil rights continues.

In the early years of our civil rights movement, many Americans treated the issue as a "Southern" problem. They were wrong. It was and is a problem for all of us. Now,

as a Nation, we must not make a comparable mistake. Protection of human rights is a challenge for all countries, not just for a few.

Our human rights policy must be understood in order to be effective. So today I want to set forth the substance of that policy and the results we hope to achieve.

Our concern for human rights is built upon ancient values. It looks with hope to a world in which liberty is not just a great cause but the common condition. In the past it may have seemed sufficient to put our name to international documents that spoke loftily of human rights. That is not enough. We will go to work, alongside other people and governments, to protect and enhance the dignity of the individual.

Let me define what we mean by "human rights."

First, there is the right to be free from governmental violation of the integrity of the person. Such violations include torture; cruel, inhuman, or degrading treatment or punishment; and arbitrary arrest or imprisonment. And they include denial of fair public trial, and invasion of the home.

Second, there is the right to the fulfillment ot such vital needs as food, shelter, health care, and education. We recognize that the fulfillment of this right will depend, in part, upon the stage of a nation's economic development. But we also know that this right can be violated by a Government's action or inaction—for example, through corrupt official processes which divert resources to an elite at the expense of the needy, or through indifference to the plight of the poor.

Third, there is the right to enjoy civil and political liberities—freedom of thought, of religion, of assembly; freedom of speech; freedom of the press; freedom of movement both within and outside one's own country; freedom to take part in government.

Our policy is to promote all these rights. They are all recognized in the Universal Declaration of Human Rights, a basic document which the United States helped fashion and which the United Nations approved in 1948. There may be disagreement on the priorities these rights deserve, but I believe that, with work, all of these rights can become complementary and mutually reinforcing.

The philosophy of our human rights policy is revolutionary in the intellectual sense, reflecting our Nation's origin and progressive values. As Archibald MacLeish wrote during our Bicentennial a year ago, "The cause of human liberty is now the one great revolutionary cause. . . ."

President Carter put it this way in his speech before the United Nations:

". . . All the signatories of the United Nations Charter have pledged themselves to observe and to respect basic human rights. Thus, no member of the United Nations can claim that mistreatment of its citizens is solely its own business. Equally, no member can avoid its responsibilities to review and to speak when torture or unwarranted deprivation occurs in any part of the world. . . .

Since 1945 international practice has confirmed that a nation's obligations to respect human rights is a matter of concern in international law.

Our obligation under the UN Charter is written into our own legislation. For example, our Foreign Assistance Act now reads: "A principal goal of the foreign policy of the United States is to promote the increased observance of internationally recognized human rights by all countries." In these ways our policy is in keeping with our tradition, our international obligations, and our laws.

In pursuing a human rights policy, we must always keep in mind the limits of our power and of our wisdom. A sure formula for defeat of our goals would be a rigid, hubristic attempt to impose our values on others. A doctrinaire plan of action would be as damaging as indifference.

We must be realistic. Our country can only achieve our objectives if we shape what we do to the case at hand. In each instance we will consider these questions as we determine whether and how to act:

First, we will ask ourselves, what is the nature of the case that confronts us? For example, what kind of violations or deprivations are there? What is their extent? Is there a pattern to the violations? If so, is the trend toward concern for human rights or away from it? What is the degree of control and responsibility of the Government involved? And, finally, is the Government willing to permit independent, outside investigation?

A second set of questions concerns the prospects for effective action. Will our action be useful in promoting the overall cause of human rights? Will it actually improve the specific conditions at hand? Or will it be likely to make things worse instead? Is the country involved receptive to our interest and efforts? Will others work with us, including official and private international organizations dedicated to furthering human rights? Finally does our sense of values and decency demand that we speak out or take action anyway, even though there is only a remote chance of making our influence felt?

We will ask a third set of questions in order to maintain a sense of perspective. Have we steered away from the self-righteous and strident, remembering that our own record is not unblemished? Have we been sensitive to genuine security interests, realizing that outbreak of armed conflict or terrorism could in itself pose a serious threat to human rights? Have we considered all the rights at stake? If, for instance, we reduce aid to a Government which violates the political rights of its citizens, do we not risk penalizing the hungry and poor who bear no responsibility for the abuses of their Government?

If we are determined to act, the means available range from quiet diplomacy in its many forms through public pronouncements to withholding of assistance. Whenever possible, we will use positive steps of encouragement and inducement. Our strong support will go to countries that are working to improve the human condition. We will always try to act in concert with other countries through international bodies.

In the end a decision whether and how to act in the cause of human rights is a matter for informed and careful judgment. No mechanistic formula produces an automatic answer.

It is not our purpose to intervene in the internal affairs of other countries, but as the President has emphasized, no member of the United Nations can claim that violation of internationally protected human rights is solely its own affair. It is our purpose to shape our policies in accord with our beliefs and to state them without stridency or apology when we think it is desirable to do so.

Our policy is to be applied within our own society as well as abroad. We welcome constructive criticism at the same time as we offer it.

No one should suppose that we are working in a vacuum. We place great weight on joining with others in the cause of human rights. The UN system is central to this cooperative endeavor. That is why the President stressed the pursuit of human rights in his speech before the General Assembly last month. That is why he is calling for U.S. ratification of four important human rights covenants and conventions, and why we are trying to strengthen the human rights machinery within the United Nations.

And that is an important reason why we have moved to comply with UN sanctions against Rhodesia. In one of our first acts, this Administration sought and achieved repeal of the Byrd amendment, which had placed us in violation of these sanctions and thus in violation of international law. We are supporting other diplomatic efforts within the United Nations to promote basic civil and political rights in Namibia and throughout southern Africa.

Regional organizations also play a central role in promoting human rights. The President has announced that the United States will sign and seek Senate approval of the American Convention on Human Rights. We will continue to work to strengthen the machinery of the Inter-American Commission on Human Rights. This will include efforts to schedule regular visits to all members of the Organization of American States, annual debates on human rights conditions, and the expansion of the inter-American educational program on human rights.

The United States is seeking increased consultation with other nations for joint programs on economic assistance and more general efforts to promote human rights. We are working to assure that our efforts reach out to all, with particular sensitivity to the problems of women.

We will meet in Belgrade later this year to review implementation of the Final Act of the Conference on Security and Cooperation in Europe—the so-called Helsinki conference. We will take this occasion to work for progress there on important human issues: family reunification, binational marriages, travel for personal and professional reasons, and freer access to information.

The United States looks to use of economic assistance—whether bilateral or through international financial institutions—as a means to foster basic human rights.

We have proposed a 20 percent increase in U.S. foreign economic assistance for Fiscal Year 1978.

We are expanding the program of the Agency for International Development for "new initiatives in human rights" as a complement to present efforts to get the benefits of our aid to those most in need abroad.

The programs of the U.S. Information Agency and the State Department's Bureau of Educational and Cultural Affairs stress support for law in society, a free press, freedom of communication, an open educational system, and respect for ethnic diversity.

This Administration's human rights policy has been framed in collaboration and consultation with Congress and private organizations. We have taken steps to assure firsthand contact, consultation, and observation when members of Congress travel abroad to review human rights conditions.

We are implementing current laws that bring human rights considerations directly into our decisions in several international financial institutions. At the same time, we are working with the Congress to find the most effective way to fulfill our parallel commitment to international cooperation in economic development.

In accordance with human rights provisions of legislation governing our security assistance programs, we recently announced cuts in military aid to several countries.

Outside the Government, there is much that can be done. We welcome the efforts of individual American citizens and private organizations—such as religious, humanitarian, and professional groups—to work for human rights with commitments of time, money, and compassion.

All these initiatives to further human rights abroad would have a hollow ring if we were not prepared to improve our own performance at home. So we have removed all restrictions on our citizens' travel abroad and are proceeding with plans to liberalize our visa policies.

We support legislation and administrative action to expand our refugee and asylum policies and to permit more victims of repressive regimes to enter the United States. During the last year, the United States spent some $475 million on assistance to refugees around the world, and we accepted 31,000 refugees for permanent resettlement in this country.

What results can we expect from all these efforts?

We may justifiably seek a rapid end to such gross violations as those cited in our law: ". . . torture, or cruel, inhuman or degrading treatment or punishment, or prolonged detention without charges. . . ." Just last week our Ambassador at the United Nations, Andrew Young, suggested a series of new ways to confront the practice of torture around the world.

The promotion of other human rights is a broader challenge. The results may be slower in coming but are no less worth pursuing, and we intend to let other countries know where we stand.

We recognize that many nations of the world are organized on authoritarian rather than democratic principles—some large and powerful, others struggling to raise the lives of their people above bare subsistence levels. We can nourish no illusions that a call to the banner of human rights will bring sudden transformation in authoritarian societies.

We are embarked on a long journey. But our faith in the dignity of the individual encourages us to believe that people in every society, according to their own traditions, will in time give their own expression to this fundamental aspiration.

Our belief is strengthened by the way the Helsinki principles and the UN Declaration of Human Rights have found resonance in the hearts of people of many countries. Our task is to sustain this faith by our example and our encouragement.

In his inaugural address, three months ago, President Carter said: "Because we are free, we can never be indifferent to the fate of freedom elsewhere." Again, at a meeting of the Organization of American States two weeks ago, he said: "You will find this country . . . eager to stand beside those nations which respect human rights and which promote democratic ideals."

We seek these goals because they are right, and because we too will benefit. Our own well-being, and even our security, are enhanced in a world that shares common freedoms and in which prosperity and economic justice create the conditions for peace. And let us remember that we always risk paying a serious price when we become identified with repression.

Nations, like individuals, limit their potential when they limit their goals. The American people understand this. I am confident they will support foreign policies that reflect our traditional values. To offer less is to define America in ways we should not accept.

America fought for freedom in 1776 and in two World Wars. We have offered haven to the oppressed. Millions have come to our shores in times of trouble. In time of devastation abroad, we have shared our resources.

Our encouragement and inspiration to other nations and other peoples have never been limited to the power of our military or the bounty of our economy. They have been lifted up by the message of our Revolution, the message of individual human freedom. That message has been our great national asset in times past. So it should be again.

COLLAPSE OF EXECUTIVE PRIVILEGE REVEALS FRAUD POTENTIAL OF H.R. 5400

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. FRENZEL. Mr. Speaker, last week, Deputy Attorney General Flaherty made the first executive privilege claim by the Carter administration. The information he refused to give the Senate Rules Committee, and which had been refused a House Member 30 days prior, was a Justice Department memorandum. It stated that H.R. 5400, the voting day registration bill, has "an enormous potential for fraud."

Somewhere in the administration, clearer heads prevailed the next morning. The memorandum was sent to the Senate Rules Committee and the House Administration Committee.

The memorandum does come down hard on the fraud question. Worse, it contradicts the Attorney General's congressional testimony. Worst of all, it indicates that the Attorney General's testimony was prepared in the White House.

The total effect of the overnight executive privilege and the 30-day minicoverup is to raise doubts about the independence of the Justice Department, and to exacerbate already serious concerns about the fraud potential of H.R. 5400.

The memorandum follows:

COMMENTS ON H.R. 5400 TESTIMONY BY ATTORNEY GENERAL

At your request, we have reviewed the testimony which the White House has apparently suggested that the Attorney General give before the House Administration Committee on April 6 during hearings on H.R. 5400. This bill is the Administration's proposal to do away with pre-election registration requirements which the vast majority of the 50 states presently impose as a prerequisite to the exercise of the federal franchise, and substitute in their place a system permitting otherwise locally-eligible electors to register at the polls on the day of an election.

I. THE BILL

We emphasize at the outset that this Division has not had any input into this bill. We have not even seen a copy of the bill, and our comments thereon have never been sought.

The proposed legislation, from sources available to us, would appear to supercede state and local voter registration procedures with a uniform procedure applicable to all contests for Federal office. The Federal procedure under H.R. 5400 would permit an individual who is otherwise qualified to vote under the state law to register to vote at the polls on the day of an election. To prevent abuses of this relaxed registration procedure, H.R. 5400 would create a new Federal felony to punish those who wilfully or fraudulently cast ballots under its provisions, add a level of administrative sanctions to be enforced by the Federal Election Commission, and permit local poll officials to require electors seeking the franchise by virtue of these relaxed provisions either to produce some identification before being permitted to vote, or to execute affidavits attesting to the fact that they meet local voting requirements.

If these preconditions are met, H.R. 5400 would require local voting officials to extend the federal franchise notwithstanding an elector's failure to comply with state registration laws.

II. THE PROPOSED TESTIMONY

The testimony which it is suggested the Attorney General give on this bill is highly comendatory of its purpose of facilitating the exercise of the franchise, critical of present state registration laws as "outmoded and unnecessary", and strongly in favor of H.R. 5400's enactment.

III. DISCUSSION

Personally, based on our enforcement experience in the election law field, I do not share these observations and conclusions. I oppose the concept embodied in H.R. 5400 as a dangerous relaxation of what precious few safeguards presently exist against abuse of the franchise. Most certainly, I would not recommend that the Attorney General support this legislation in the proposed glowing terms without expressing some caveats based on enforcement experience.

A. Function of preregistration

Voter registration statutes presently on the books of the vast majority of the states usually require that a prospective voter present himself at the appropriate registration office at least 30 days prior to the election in which he wishes to vote, and there provide pertinent data concerning himself and his residence in the election district. He is also customarily required to provide information about where he may have been registered to vote previously to enable the prior registration to be purged before the new one becomes effective, and to provide a sample of his signature which can be used at the polls during the election as a control to assure that the registrant and the person who seeks to vote in his name are the same person.

These requirements serve at least two critical functions in preserving the integrity of our elective system:

First, the fact that a prospective voter is required to appear in person and to provide pertinent information about his qualification to vote at least 30 days before an election provides local election officials with ample time to check the veracity of his claim to the franchise to assure the previous registrations he may have had are voided before the election takes place. This in turn insures that a registrant is indeed qualified to vote in the place where he is seeking the franchise, and that he is permitted only to vote in that one place. Secondly, by providing for a "control" sample of the registrant's signature, registration laws enable many states to protect themselves against vote fraud by additionally requiring a voter to sign a roster at the polling station itself. The signature which the registrant executes on election day at the polls can easily be checked against the control on his permanent voter registration card, which in many places is the sole viable method of insuring that the person seeking to vote is indeed the same person whose registration the local election board has previously approved and accepted.

B. Effect of repeal of preregistration laws

Abolition of pre-election registration will, for all intents and purposes, prevent the states from protecting themselves against individuals who may seek to vote at several locations where they are known (a factor which becomes all the more critical with the continuing increase in the mobility of our population), as well as prevent them from assuring that a voter is indeed qualified to vote before he casts his ballot. At the same time, the elimination of the "control" signature which usually appears on a voter regis-

tration card will deprive precinct officials of an objective standard by which to judge the qualifications of persons presenting themselves to vote, while at the same time making proof of election fraud in a criminal case substantially more difficult.

In this latter regard, this Division has had substantial experience over the years in prosecuting election fraud cases under applicable Federal statutes presently on the books. This in turn has demonstrated to us graphically the importance of having a pre-registration and verified "control" signature against which to compare the signature of individuals presenting themselves to vote at the polls on election day. On the basis of such comparisons, 25 election officials have been indicted during thet past few weeks in the Eastern District of Louisiana for forging the signatures of "no-shows" on the election day rosters which Louisiana law requires voters sign before they obtain a ballot. Similar comparisons between "controls" and the signatures appearing on election day rosters have long been used as the principal method of proving election fraud cases in Chicago, Illinois.

C. H.R. 5400's alternative safeguards

In the place of the protection which pre-election registration provides as a guard against election fraud, H.R. 5400 offers four purported safeguards. We feel that all are inadequate.

The requirement that persons seeking to vote without prior registration, produce some form of identification at the polls, or perhaps swear to the factual predicate for the franchise under local law, is essentially meaningless. Even with the pre-election registration which most states require today, election fraud is widespread in both State and Federal elections. With the stakes as high as the power of the elective offices in dispute, it would not be unreasonable that those bent on corrupting the system would be able to find false identification, and would be willing to lie on whatever affidavits they are asked to sign. Moreover, once possessed with what we suggest is easily obtained false identification, a person could successfully wander from precinct to precinct and cast as many ballots as he dares on election day, with election officials being powerless to stop him provided he was willing to execute the required affidavit. Even assuming that subsequent inquiry was able to establish that such an individual used the relaxed procedures accorded by H.R. 5400 to defraud his fellow citizens of an election fairly conducted on the "one man-one vote" principle, the fradulent votes would have already have been cast and the damage done, to the detriment of the precious balance on which our democratic elective system is based.

The addition of a new Federal felony which specifically provides for fairly serious penalties for those persons who would seek to abuse the lenient provisions of H.R. 5400 are of little foreseeable help. Federal law presently contains numerous statutes, most of which are felonies, directed at protecting the system against voter fraud. Under 13 U.S.C. 241, it is a ten year felony to conspire to stuff ballot boxes or to commit other varieties of election frauds directed at depriving the public of a fair and impartial election, *U.S.* v. *Classic*, 313 U.S. 299 (1941). This Section has recently been extended to include election frauds directed at corrupting only State or local elections, where the defendants involved are themselves election officials of some sort, *U.S.* v. *Anderson*, 481 F.2d 685 (4th Cir., 1974). Under 18 U.S.C. 242 it is a misdemeanor to deprive the electorate of a fairly-conducted election under color of official right; under 42 U.S.C. 1973 (1)(c), it is a 5 year felony to provide certain types of false information concerning one's residence to a voter registrar for the purpose of qualifying to vote in an election where Federal candidates will be on the ballot; and under 42 U.S.C. 1973(1)(e), which was enacted last year, it is a 5 year felony to vote more than once in an election where there are Federal candidates on the ballot. This impressive stable of statutes has been the source of numerous prosecutions lately, especially in states like Illinois and Louisiana where State laws require voters not only to pre-register but also to sign rosters at the polls. At the present time, the Criminal Division has active investigations involving this sort of offense before grand juries in Tennessee, Illinois, Louisiana, and Virginia. Complaints involving isolated instances of fraudulent registrations and multiple votes have been so numerous since 42 U.S.C. 1973 (1)(c) and 1973(1)(e) were enacted that the Division has had to routinely defer such matters to the States, all of which to our knowledge have their own extensive and intricate network of criminal statutes which seek to protect against election irregularities. Clearly if all of these statutes, many of which carry substantial penalties, have been unsuccessful in deterring those bent on corrupting the elective system through vote fraud, one more such statute will not help much. Quite the contrary, our not insubstantial experience in this area has demonstrated that the type of person who is most apt to commit election fraud feels that he is "above" the system, that he will not be caught or punished and is thus not deterred in the slightest by the presence on the books of facially awesome criminal statutes.

IV. THE FEDERAL ELECTION COMMISSION DOES NOT BELONG IN THE ENFORCEMENT MACHINERY OF LEGISLATION UNDER H.R. 5400

I feel that anyone who seeks to corrupt our Democratic system in this manner should be subject to nothing short of criminal prosecution. Also, I have reservations as to whether the subject of ballot security and election fraud falls logically within the FEC's present mandate over the financial disclosure provisions of the Federal Election Campaign Act. Moreover, the FEC's small and underfinanced staff is singularly ill-equipped to take on the awesome responsibilities for the preservation of ballot security which H.R. 5400 contemplates for it. And finally, the parallel civil and criminal proceedings which are bound to arise from the efforts of FEC and this Division to simultaneously fulfill our respective enforcement mandates under the Act are bound to create conflicts which will prove detrimental to overall law enforcement in this critical area.

V. CONCLUSION

While we naturally support the fundamental objective of making it easier for citizens to exercise their federal franchise, we would have preferred that a method be devised which would minimize the opportunity for electoral fraud while at the same time maximizing the opportunity for citizen participation in the electoral process. If we had more opportunity for consideration of the general concept and, particularly H.R. 5400, presumably we could make some more constructive comments. Having received this package yesterday afternoon without even a copy of the bill, we have done our best to indicate some of our concerns. I assume that the Administration as a matter of policy is going to support the concept embodied in H.R. 5400. However, if the attorney general testifies or this bill, he should, in my judgment, qualify his support thereof with the caveat that despite the favorable experience in several states, the experience of the Criminal Division in enforcing the federal election laws indicates that there is a tremendous potential for fraud in H.R. 5400.

REPORT ON QUESTIONNAIRE RESULTS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. FORD of Michigan. Mr. Speaker, I am pleased to share with you and our colleagues here in the House the results of my 13th annual questionnaire survey of my constituents in Michigan's 15th Congressional District.

Copies of the questionnaire were sent in late February to each of the more than 170,000 homes in the district. The percentage results I am reporting today represent the tabulation of the first 8,000 questionnaires returned. These tabulations were done by volunteer workers in my district office.

In the following summary, I am repeating each question as it appeared on the questionnaire, followed by the percentage response to each question:

1. Economists differ on the most effective means of reducing unemployment and revitalizing the economy, without creating more inflation. Some favor Federal spending on public works programs to create jobs Others would emphasize a one-time tax rebate. Which would you favor?

	Percent
(a) Public Works Employment	63
(b) A One-Time Tax Rebate	37

2. The unusually cold winter has again demonstrated the dependence of our economy on petroleum products, and particularly on imported foreign oil. It is obvious that we must reduce our energy consumption, or face even more serious problems in the near future. How would you reduce consumption?

	Percent
(a) Ration petroleum products	33
(b) Remove all price controls	22
(c) Increase taxes on gasoline and oil	10
(d) Other	35

3. The United States now imports nearly half its petroleum, but even foreign sources will be exhausted in the next few decades. It is apparent that a massive attempt must be made to find new and efficient energy sources. Which do you prefer?

	Percent
(a) Nuclear energy	18
(b) Solar energy	40
(c) Wind energy	12
(d) Geo-Thermal energy	9
(e) Hydro (water) energy	13
(f) Other	8

4. Congress again this year will consider legislation to create a National Health Insurance Program, to provide complete health care for everyone. It would be financed through a payroll tax like Social Security, but not connected in any way with the Social Security Program. Some would prefer to provide such insurance only for catastrophic health problems, while others would leave health insurance entirely in the hands of private companies. Which would you prefer?

	Percent
(a) National Health Insurance for everyone	40
(b) Federal Insurance for Catastrophic Illness	23
(c) Let Private Companies Provide Insurance	31
(d) Other	6

5. President Carter has indicated that he may recognize the Government of Vietnam,

and drop our fight to block admission of Vietnam to the United Nations. How do you feel?

	Percent
(a) Recognize the present Vietnamese Government	24
(b) Permit Vietnam to enter the United Nations	23
(c) Neither	53

6. Four years ago, the Selective Service System was ended, and the United States turned to voluntary enlistment, rather than the draft, to fill the ranks of our Armed Services. Today, there is talk of returning to the draft system, or compulsory military service. Which would you prefer?

	Percent
(a) Return to the Draft system	38
(b) Continue voluntary enlistment	50
(c) Other	12

7. President Carter recently announced a general amnesty for those who evaded the draft during the Vietnam War. How do you feel about this amnesty plan?

	Percent
(a) Agree	27
(b) Disagree	62
(c) Uncertain	11

8. Do you think amnesty should also be granted to those who deserted from the Armed Forces, rather than fight in Vietnam?

	Percent
(a) Agree	21
(b) Disagree	68
(c) Uncertain	11

9. Congress is considering a Federal Budget of nearly $440 billion. Congress will be considering proposals to increase or decrease this budget in various areas. In which of the following areas would you reduce the Federal budget?

	Percent
(a) Foreign Aid	81
(b) Welfare Programs	65
(c) Space Exploration	45
(d) Military Spending	30
(e) Jobs & Training Programs	12
(f) Other	11
(g) Education	7
(h) Fighting Crime & Drugs	6
(i) Health Programs	6
(j) Senior Citizens	3
(k) Energy Research	2

10. In which of the following areas would you increase the Federal Budget?

	Percent
(a) Energy Research	56
(b) Fighting Crime and Drugs	55
(c) Senior Citizens	45
(d) Education	36
(e) Health Research	35
(f) Health	35
(g) Jobs and Training Program	35
(h) Military Spending	14
(i) Space Exploration	9
(j) Other	4
(k) Welfare Programs	2
(l) Foreign Aid	001

11. To conclude this questionnaire, what do you consider the single most important problem facing our nation today?

	Percent
(a) Crime	44
(b) Energy	40
(c) Drugs	32
(d) Inflation	27
(e) Unemployment	26
(f) Welfare	9
(g) Health Care	7
(h) Education	6

Mr. Speaker, this annual survey is one of the most valuable projects available to Members of Congress to obtain an insight into the thinking of their constituents.

Many of those who responded to my poll took the time to write notes on the questionnaires or send accompanying letters, amplifying their views and commenting on issues not covered in the questionnaire.

The survey results, Mr. Speaker, represent a cross-section of my constituents, who I believe are fairly typical of America. My district is largely suburban, is part of a large metropolitan area, and embraces 21 communities.

I believe the results of my poll offer a good insight into the thinking of middle America, and I commend it to the attention of our colleagues.

ONE-HUNDREDTH ANNIVERSARY OF ROMANIAN INDEPENDENCE DAY

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. DELANEY. Mr. Speaker, I would like to take this opportunity to commemorate the glorious occasion of the 100th anniversary of the declaration of Romania's independence. One century ago today, the freedom-loving people of Romania cast off the last vestiges of Ottoman Turk subjugation and declared their homeland a free and sovereign state.

For the next six decades the Romanian people enjoyed a prosperous period of economic growth along with civil liberties and political self-determination. During this era they saw their country develop some of its great domestic wealth, such as oil, wheat, and timber, while simultaneously playing an important role in the international politics of Europe.

Tragically, however, with the end of World War II came the dawn of a new dark age of terror and oppression for the people of Romania. Ironically, as czarist Russia had been instrumental in helping them achieve freedom 70 years earlier, it was now Communist Russia which fastened the new yoke upon Romania, and it was the cruelest one by far—Communist totalitarianism. The scenario was all too familiar to the countries of Eastern Europe at that time. First the Soviets demanded the formation of a new "representative" government including Communists at high levels, despite the virtual nonexistence of a Communist Party in Romania at the time. Next came the forced resignation of the king, and finally the complete domination of the government by the Communist Party. All accomplished under threat of military action by the Soviets. All facetiously perpetrated in the name of establishing a new people's "republic."

Despite their tragic betrayal, the Romanian people today remain strong willed and determined to be free. Very slowly they are making headway against the flood of Communist control which has inundated their native land. Increased control of the government by Romanians rather than the Soviets, insistence on more recognition of various aspects of their colorful culture, and increasing political, economic, and cultural contact with the West helps make the hope of true freedom in the future more a goal than a dream. Thus, on the 100th anniversary of their independence day, we extend to all Romanians and American-born Romanians our best wishes, and salute their valiant spirit.

CHARITABLE GIVING IN THE HOUSE: A CALL FOR IMPROVEMENT

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. ANDERSON of Illinois. Mr. Speaker, on May 4, 1977, the gentleman from Virginia (Mr. FISHER) and I sent out a "Dear Colleague" letter seeking cosponsors on our resolution to permit voluntary payroll deductions for House employees' contributions to the Combined Federal Campaign, CFC—the Capital area's Federal Government charity drive for the United Way and other voluntary health and welfare agencies. We opened our letter by saying—

> Because the honor of the House is involved, we would like to have 100% cosponsorship of our resolution.

As past House chairmen for the CFC drives in 1975 and 1976 respectively, Congressman FISHER and I have become painfully aware that, as we put it in our letter—

> House participation and giving levels in CFC in past years have been abysmal if not scandalous.

I recently asked the CFC to prepare for me a detailed comparative analysis of how congressional giving to CFC has stacked up against that of the Federal Government employees overall, and each branch individually. These statistics bear out our assessment of the disgraceful charitable giving performance of House and Senate employees. In 1975, only 9 percent of the House employees gave anything to the CFC drive while the overall participation rate for Federal employees in the Capital area was 77 percent. And while the average House contribution was $24.53, the average gift of all Federal employees was $35.96. In 1976, our performance was even poorer, mainly because the drive took place in the middle of the fall campaign. Only 5 percent of House employees gave in that year with an average gift of $23.76. The participation rate for all Federal Government employees was 75 percent in 1976, and the average gift was $37.93.

We have no illusions that permitting employees to have their contributions deducted from their monthly paychecks will automatically boost House participation and giving levels. But at the same time, the evidence does seem clear that this system, in effect since 1961 in the

executive branch, has been a factor in the vastly better performance of that branch which registered an 80 percent participation level last year and an average gift of $37.50. The CFC notes that while the average gift by cash or check was $18 in 1976, the average contribution through payroll deductions was $60.

Mr. Speaker, I think these facts do confirm our judgment that the honor of the House is involved in our participation in the CFC drive and that something must be done to improve on our charitable performance and restore coequality between the branches of our Federal Government. We think a voluntary payroll withholding system will induce more employees to give more and urge the House Administration Committee to take immediate action on our House Resolution 12 to establish such a system.

At this point in the RECORD I include the information provided me by CFC on charitable giving in the Federal Government over the years. I urge my colleagues to examine this data and join with us as cosponsors of House Resolution 12 which we will be reintroducing on Wednesday, May 18. The CFC analysis follows:

TABLE 1.—COMBINED FEDERAL CAMPAIGN: SUPPORT FROM STAFF OF U.S. CONGRESS

Year	Number of employees	Number of contributions	Percent of participation	Dollars raised	Dollars per employee	Dollars per contribution
1970	14,000	238	2.0	$7,744	$0.55	$32.53
1971	14,000	419	3.0	10,745	.77	25.64
1972	14,000	377	3.0	7,447	.53	19.75
1973	14,609	316	2.0	6,004	.41	19.00
1974:						
House	9,000	331	4.0	8,139	0.90	24.59
Senate	5,000	30	.6	803	0.16	26.76
Total	14,000	361	3.0	8,942	0.64	24.77
1975:						
House	9,000	779	9.0	$19,110	$2.12	$24.53
Senate	5,000	502	10.0	11,218	2.24	22.03
Total	14,000	1,281	9.0	30,328	2.17	23.69
1976:						
House	9,000	440	5.0	10,455	1.16	23.76
Senate	5,000	343	7.0	6,699	1.32	19.53
Total	14,000	783	6.0	17,154	1.23	21.91

TABLE 2.—COMBINED FEDERAL CAMPAIGN: TOTAL SUPPORT, NATIONAL CAPITAL AREA

Year	Number of employees	Number of contributions	Percent of participation	Dollars raised	Dollars per employee	Dollars per contribution
1970	350,000	305,376	87	$8,647,962	$24.70	$28.32
1971	350,000	305,195	87	9,203,247	26.29	30.09
1972	350,000	293,821	84	9,124,574	26.07	32.24
1973	350,000	289,938	83	9,436,258	26.96	32.53
1974	350,000	279,172	80	$9,792,947	$27.97	$35.07
1975	350,000	270,574	77	9,734,393	27.81	35.96
1976	350,000	263,392	75	9,990,225	28.54	37.93

TABLE 3.—COMBINED FEDERAL CAMPAIGN: ANALYSIS OF GIVING, FALL 1976 CAMPAIGN

Unit	Number of employees	Number of contributions	Percent of participation	Dollars raised	Dollars per employee	Dollars per contribution
Architect of Capital	1,757	532	30	$3,594	$2.05	$6.76
General Accounting Office	2,962	2,242	76	155,204	52.40	69.23
Government Printing Office	7,857	4,772	61	164,445	20.93	34.46
Library of Congress	4,344	1,868	43	93,997	21.64	50.32
Subtotal	16,947	9,414	56	417,241	24.62	44.32
House Staff	9,000	440	5	10,455	1.16	23.76
Senate Staff	5,000	343	7	$6,699	$1.32	$19.53
Subtotal	14,000	783	6	17,154	1.23	21.91
Legislative total	30,920	10,197	33	434,396	14.05	42.60
Judicial total	1,341	645	48	34,013	25.36	52.73
Executive total	317,739	253,943	80	9,521,816	29.97	37.50
CFC total	350,000	264,785	75	9,990,225	28.54	[1] 37.93

[1] In the fall 1976 CFC the average gift by payroll deduction was $60; the average gift by cash or check was $18.

MAYOR R. J. ROPER

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. SKELTON. Mr. Speaker, there are many sorts of monuments which a person can create in his or her lifetime—monuments of stone or of paper; palaces, pyramids, or poetry. For a public servant, the greatest monument is a long, productive career. It is for that reason that I ask the House's attention to note the career of R. J. Roper, mayor of the community of Sugar Creek, Mo., for 36 years.

Rudy Roper became mayor of Sugar Creek in 1941. Since then, he has served 18 consecutive 2-year terms and, just recently, he was elected without opposition to a 19th term. He has the longest tenure of any mayor in the State of Missouri and possibly in the whole of the United States.

During his years in office, Mayor Roper has presided over many changes in the community of Sugar Creek. Major accomplishments in that time include extension and enlargement of the city's water distribution system, extension of the sanitary sewer system, and construction of district sewers, storm sewer improvements, purchase of park property and major park improvements including shelter houses and one of the first well-lighted ball parks, construction of a municipal swimming pool, construction of two modern buildings to house city offices and the police and fire departments, and establishment of a citywide refuse collection system.

Throughout his years in office, Mayor Roper has shown the kind of vision necessary to keep pace with a rapidly changing world. His steady hand at the helm has brought Sugar Creek through a turbulent era. This is his monument and it will endure as long as the community does.

THE PROBLEM OF FERAL BURROS

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. WHITEHURST. Mr. Speaker, I regret that it is not possible to reprint comic strips in the RECORD, because I would like to share with my colleagues the current "Mark Trail" series in the Washington Post. In it, Mr. Ed Dodd, the author, who is a well-known conservationist, is dealing with the problem of the feral burros in a balanced, accurate way.

Since the series itself cannot be reprinted, let me simply take this occasion to urge my colleagues to find the occasion to read "Mark Trail;" Mr. Dodd has done an outstanding job of clarifying the situation.

Thank you, Mr. Speaker.

MINING CONTROL AND RECLAMATION ACT OF 1977

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. DOWNEY. Mr. Speaker, on Friday, April 29, as a member of the Board of Visitors of the U.S. Military Academy I was at West Point for the annual meeting of the members.

But, I want to make clear what my vote would have been on April 29 if more pressing business had not prevented me from attending the House session that day.

I believe that a national energy policy can go hand in hand with a rational environmental policy. Therefore I support the Mining Control and Reclamation Act of 1977. I also support the amendment offered by my colleague Congressman BAUCUS which will provide added safeguards for the fragile water system of the West by prohibiting surface mining within an alluvial valley in the West.

I represent a district in Long Island where I doubt electric consumers know what a terrible price the people of Appalachia and other regions of the country have to pay to mine the coal which keeps our lights on. The Mining Control and Reclamation Act is a signal to those who mine our coal that Congress considers that price too high.

DISCRIMINATION AGAINST FATHERS

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Ms. HOLTZMAN. Mr. Speaker, on April 26 the Supreme Court, in the case of Fiallo against Bell, upheld the constitutionality of sections 101(b)(1)(D) and 101(b)(2) of the Immigration and Nationality Act, two provisions which blatantly discriminate against the fathers of illegitimate children.

These sections of the Immigration Act permit an illegitimate child to be brought into the United States by its mother or even by an unrelated stepmother with special preference immigration status. The child cannot, however, be brought in by its natural father, even when its mother has died or abandoned it. Similarly, an illegitimate child who is a U.S. citizen may bring its mother or stepmother into the United States, but not its father.

In upholding these sections, the Court declared that Congress has virtually unlimited latitude in setting admission requirements for aliens, including ones that are discriminatory.

This unfortunate decision makes it all the more important that Congress remedy this discrimination. I have introduced a bill, H.R. 409, which addresses this problem, and should be enacted as promptly as possible.

As I noted when I introduced this bill, a father can have a strong and loving relationship with his children regardless of whether he is married to the mother of those children. To pretend otherwise is nonsense.

Although the Supreme Court refused to acknowledge the rights of fathers, I am confident that my colleagues in the House will no longer accept the discriminatory stereotypes which sections 101(b)(1)(D) and 101(b)(2) of the Immigration Act reflect.

MEDICARE-MEDICAID ADMINISTRATIVE AND REIMBURSEMENT REFORM ACT

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. ROGERS. Mr. Speaker, I am introducing today the Medicare-Medicaid Administrative and Reimbursement Reform Act of 1977. Members will recognize this legislation as a bill developed and originally introduced by Senator TALMADGE of the Senate Finance Committee. The bill that has come to be so closely identified with him surely must be considered as one of the major proposals in the field of hospital reimbursement reform. As such, it was my feeling that this legislation should be available to Members of the House as we undertake our own deliberations on appropriate ways to deal with the alarming problem of increases in hospital costs and other health expenditures. Members are aware that this week the Health Subcommittees of the Interstate and Foreign Commerce Committee and the Ways and Means Committee are holding joint hearings on H.R. 6575, the administration's proposal for an approach to provide a transitional solution to this problem while more permanent reforms are under consideration. Clearly the Talmadge approach deserves—and will receive—careful consideration as well, both as an alternative short-term approach and as a model for a longer term solution.

The Medicare-Medicaid Administrative and Reimbursement Reform Act contains a number of other provisions beyond those relating to reform of medicare and medicaid hospital reimbursement practices, including an experimental program to pay for the closing and conversion of underutilized facilities, establishment of a closer tie between the payments of the financing programs and decisions by health service agencies, proposals to increase the assignment rate among physicians participating in medicare, provision of authority to the Federal Government to certify long-term care facilities participating in medicaid, and establishment of specific performance criteria for State medicaid agencies, among others. I am attaching a summary of the bill explaining these and other provisions in greater detail.

Introduction of this measure, of course, does not represent endorsement of each and every provision contained in the bill. However, it clearly contains much of significance. The Talmadge bill can claim recognition as one of the major proposals to change our current health care financing programs introduced to date in the Congress. I am pleased to cosponsor its introduction in the House.

The material follows:

SUMMARY: MEDICARE-MEDICAID ADMINISTRATIVE AND REIMBURSEMENT REFORM

I. HOSPITAL REIMBURSEMENT REFORM

Sec. 2. Criteria for Determining Cost of Hospital Services:

This section of the bill would establish a new method of reimbursement for routine operating costs for hospitals under the Medicare and Medicaid programs. The new mechanism, to be phased in by FY 1981, would provide for incentive reimbursement—rewarding hospitals whose routine operating costs are below average, and penalizing hospitals whose routine operating costs are substantially above average. The Secretary of HEW would be directed to develop comparable approaches to paying for the costs of other hospital departments.

Operation of Reimbursement Mechanism.—Comparisons among institutions would be facilitated by:

Classifying hospitals in groups, by bed size and type of hospital, or other categories found to be appropriate;

Establishing an accounting and uniform cost reporting system;

Limiting the incentive reimbursement system to routine operating costs (for example, routine nursing, administrative, maintenance, supply, and food costs), and excluding cost elements such as costs of capital, costs of education and training programs, malpractice insurance, etc. Such costs would continue to be reimbursed under current law; and

Adjusting routine operating costs to take into account the effect of area wage differences.

A per diem rate for routine operating costs would be determined for each hospital by:

Calculating the average per diem routine operating costs within each group of hospitals under the classification system; and

Determining the per diem rate for each hospital in the group by adjusting the personnel cost component of the average to reflect the difference in wages in effect in each hospital's area compared with average wages in effect in all of the areas in which the hospitals are located.

Hospitals whose actual routine operating costs fell below their payment rate would receive one-half of the difference between their cost and their payment rate, with the bonus payment limited to five percent of their payment rate. Hospitals whose actual costs exceeded their payment rate, but were no more than 120 percent of that rate, would be paid their actual costs. Those with costs above 120 percent of their payment rate would have their reimbursement limited to that amount. The payment rate could be adjusted to take into account any wage and price changes, subject to certain limits, actually taking place after determination of the rate.

Exceptions Procedures.—Provision is made for a hospital to demonstrate that its unusually high routine costs are caused by (1) underutilization of beds or facilities, but only where such beds or facilities are necessary to meet the needs of an underserved area, or (2) an unusual patient mix which results in a greater intensity of routine care. To the extent that such additional costs could be justified, they would be excluded from the reimbursement criteria provided for in the bill.

If the Secretary is satisfied that a State hospital reimbursement system results in lower aggregate payments to hospitals in a State than the system established by the bill, then payments to hospitals in that State could be based on the State system.

Phasing in of Reimbursement System.—The bill provides for a phasing-in to per-

mit orderly implementation and to allow ample opportunity for hospitals to make appropriate professional and administrative decisions. FY 1978 cost data would be used in developing a listing of payment rates for FY 1980 on an advisory and informational basis only. This would permit hospitals to become familiar with the new methodology. FY 1979 data, based on the accounting and uniform reporting system, would be used in determining the payment rates to be fully effective in FY 1981.

Report and Further Development by the Secretary.—Subsequently, the Secretary could develop and submit to the Congress comparable approaches to paying for the costs of other hospital departments such as radiology, laboratory, etc., and for payment to skilled nursing facilities.

Sec. 3. Payments to Promote Closing and Conversion of Underutilized Facilities:

This section provides for including in hospital reasonable cost payment, reimbursement for capital and increased operating costs associated with the closing down or conversion to approved use of underutilized bed capacity or services in nonprofit short-term hospitals, (limited to increased operating costs in for-profit short-term hospitals). This would include costs which might not be otherwise reimbursable, because of payment "ceilings" such as severance pay, "mothballing" and related expense. In addition, payments could be continued for reasonable cost capital allowances in the form of depreciation or interest on debt which would ordinarily be applied toward payment of debt actually outstanding and incurred in connection with the terminated beds. In the case of complete closing down of a hospital, payments would continue toward repayment of any debt, to the extent previously recognized by the program, and actually outstanding.

Appropriate safeguards are to be developed to forestall any abuse or speculation. During the first two years not more than 50 hospitals could be paid these transitional allowances in order to permit full development of procedures and safeguards. This limited application will also provide Congress with an opportunity to assess the effectiveness and economic effect of this approach in encouraging hospitals to close or modify excess and costly capacity without suffering financial penalty.

Sec. 4. Federal Participation in Hospital Capital Expenditures:

Changes are made in the current law limitations on Medicare and Medicaid payments related to certain hospital capital expenditures. These changes link the procedure to the new health planning law, and require that the designated planning agency approve capital expenditures in excess of $100,000 as a condition to Medicare and Medicaid reimbursement for capital and direct operating costs associated with those expenditures. A special procedure is established for proposed capital expenditures in metropolitan areas which include more than one State or jurisdiction. All States or jurisdictions in the area must approve the expenditure, or it would be considered disapproved for purposes of reimbursement subject to review by the Secretary.

II. PRACTITIONER REIMBURSEMENT REFORMS

Sec. 10. Agreements of Physicians to Accept Assignment of Claims:

Under the bill there would be "participating" physicians, a concept employed by many Blue Shield plans.

A "participating" physician is an M.D. or D.O. who voluntarily and by formal agreement agrees to accept the Medicare reasonable charge determination on an assignment basis, as the full billing amount for all services to all Medicare patients. Agreements would be cancellable or concluded on the basis of 30 days' notice "Non-participating" physicians could continue to elect to use the assignment method of billing on a claim-by-claim basis, as under present law.

In the case of a participating physician: (1) the Secretary would establish appropriate procedures and forms whereby such physician may submit his claims on one of various simplified bases and these claims would be given priority handling by the Part B agent.

An "administrative cost-savings allowance" of $1 per eligible patient would be payable to a participating physician covering all services provided and billed for with respect to an eligible patient which were included in a multiple billing listing. Two separate allowances would not be made for billing on two listings of items ordinarily included in a single visit of service, nor for different services which were provided to the same patient within a seven-day period.

With respect to inpatient or outpatient hospital care, the administrative allowances would be payable only in the case of: (1) a surgeon or anesthesiologist, or (2) attending physician or consultant whose principal office and place of practice outside the hospital, and where in the case of (1) and (2) such physicians ordinarily bill and collect directly for their services.

No administrative allowance would be payable in the case of claims solely for laboratory tests and X-rays undertaken outside of the office of the billing physician.

As an example of how this would operate, take the case of a physician who does not accept assignments today and whose routine office visit charge is $10. If he became a "participating" physician, he would receive an extra $1 allowance for that visit plus probably save at least another $1 in billing, collection and office paperwork costs. In effect, his net practice income would increase by 20 percent as a result of "participation". The physicians with the lowest charges (often those in rural or ghetto areas) would benefit proportionately most from participation, as the cost-savings allowance and the office cost cutting would represent a greater percentage of their charges.

Sec. 11. Criteria for Determining Reasonable Charge for Physicians' Services:

Medicare presently allows a new doctor to establish his customary charge at not greater than the 50th percentile of prevailing charges in the locality. The bill would permit new physicians in localities with low fee levels to go in at the 75th percentile (rather than the 50th) as a means of encouraging doctors to move into low-fee, physician shortage areas.

Medicare utilizes more than 200 different "localities" throughout the country for purposes of determining Part B "reasonable" charges. In some States there are as many as 15 different localities. This has led to irrational disparities in areas of the same State in the prevailing charges for the same service. For example, the prevailing charge under Medicare was $450 in Los Angeles for a hemorrhoidectomy but only $280 in San Francisco for the same procedure. Additionally, under present law, all prevailing charges are annually adjusted upward by a fixed percentage to reflect changes in the costs of practice and wage levels. The effect of present law is to further widen the dollar gap between prevailing charges in different localities.

A section of the bill would require calculation of Statewide prevailing charges (in any State with more than one locality) in addition to the locality prevailing charges. To the extent that any prevailing charge in a locality was more than one-third higher than the Statewide average charge for a given service, it would not be automatically increased each year. This provision would not reduce any prevailing charges currently in effect—it would operate, to the extent given charges exceed the Statewide average by more than one-third—to preclude raising them.

Sec. 12. Hospital Associated Physicians:

Another section preserves the eligibility of radiologists, pathologists and anesthesiologists to be paid by Medicare and Medicaid on a fee-for-service basis for patient care services which they personally perform or personally direct. The bill provides that reimbursement for the portion of his services which the physician may perform for the hospital as an executive, educator, or supervisor would be paid on a basis related to what would be paid in the case of a salaried physician performing similar work for an institution. Percentage or lease arrangements would ordinarily not be recognized for Medicare and Medicaid reimbursement purposes. These provisions were developed with the help of representatives of the American College of Radiology and the American Society of Anesthesiologists. This section will avoid excessive payment to some physicians for services which they do not personally provide.

The provision in present law which permits 100 percent payment for inpatient radiology and pathology tests, instead of 80 percent as is the case with all other physician services under Medicare, would be restricted to physicians who agree to become "participating physicians."

Sec. 13. Payment for Certain Antigens under Part B of Medicare:

Present law would be amended to provide that allergists might be paid directly for preparation of a reasonable supply of antigens which would be dispensed or administered by another physician. This is designed to deal with the situation where a doctor refers his patient to an allergist who may then prepare a supply of antigens for the referring doctor's use. Today, the allergist has to be paid by the referring physician.

Sec. 14. Payments on Behalf of Deceased Individuals:

A technical change would permit payment by Medicare on the basis of a non-receipted bill for care directly to the spouse or other legal representative of a deceased Medicare beneficiary. Under present law, Medicare can only pay where the physician accepts an assignment or where the family has actually paid the bill. Where a physician refuses an assignment, families have encountered difficulty in raising sufficient cash to pay the bill in order to be eligible for payment by Medicare.

Sec. 15. Use of Approved Relative Value Schedules:

The bill authorizes the Secretary to approve the use of terminology systems and relative value schedules by physicians in billing Medicare, Medicaid, and for other purposes. The purpose of this amendment is to establish a common language to describe the kinds of services that are covered under public and private health benefit plans and to provide for a more rational basis for evaluating the reasonableness of fees.

III. LONG-TERM CARE REFORMS

Sec. 20. Hospital Providers of Long-Term Care Services:

The bill includes a provision to make better and more flexible use of underutilized hospital beds in rural areas by providing for a simplified cost reimbursement formula which avoids the current requirement for separate patient placement within the facility and separate cost finding.

Sec. 21. Reimbursement Rates under Medicaid for Skilled Nursing Facilities and Intermediate Care Facilities:

This section would allow States to include a reasonable profit in determining reimbursement on a cost-related basis.

Sec. 22. Medicaid Certification and Approval of Skilled Nursing Facilities:

The bill includes a section comparable to an amendment approved by the Finance Committee and Senate in 1972 which would make the Secretary of HEW the final certifying officer for skilled nursing and intermediate care facilities. Today, the Secretary has

such authority with respect to skilled nursing facilities participating under Medicare only, or both Medicare and Medicaid, but not where they participate only under Medicaid. The principal purpose of this provision is to assure more uniform application of health and safety standards and timely termination of facilities with serious deficiencies.

Sec. 23. Visits Away from Institution by Patients of Skilled Nursing or Intermediate Care Facilities:

The bill would prohibit the Secretary from imposing numerical limits on the number of home visits which might be made by skilled nursing home or intermediate care patients. Questions as to the appropriateness of the extent of such visits are matters for professional review rather than absolute numbers.

IV. ADMINISTRATIVE REFORMS

Sec. 30. Establishment of Health Care Financing Administration:

The bill combines the Medicare, Medicaid, Office of Long Term Care, and Bureau of Quality Assurance agencies into a single Administration for Health Care Financing headed by an Assistant Secretary. Medicare would continue to use the Social Security computer and District office systems. This is designed to promote uniform policy-making and enhanced accountability.

Sec. 31. State Medicaid Administration:

Specific performance criteria would be established with respect to State administration of Medicaid. These would require timely determination and redeterminations of eligibility; prompt payment of proper claims; effective review of those providing services and the services provided; and timely development and submission of program operating data. The Secretary would review, on-site, each State's compliance, with the Comptroller-General certifying the methodology used by the Secretary. Deficiencies would be required to be corrected within periods not exceeding six months. At Federal expense, States would be provided any necessary technical or professional assistance they requested to improve their systems or correct deficiencies. Graded penalties relating to Federal matching for administrative costs would be assessed for uncorrected deficiencies. All review reports and findings would be made available to Governors and State legislatures on a routine basis.

Sec. 32. Regulation of the Secretary:

A minimum period of 60 days would be required for comment on proposed HEW regulations with respect to the Social Security Act, except for those of an urgent nature.

Except where specifically provided otherwise, final regulations would be required to be issued within one year of enactment of this bill.

Sec. 33. Repeal of Section 1867:

The Health Insurance Benefits Advisory Council (HIBAC) would be terminated.

V. MISCELLANEOUS REFORMS

Sec. 40. Procedure for Determining Reasonable Cost and Reasonable Charge:

Reimbursement to contractors, employees or related organizations, consultants, or subcontractors at any tier would not be recognized where compensation or payments (in whole or part, in cash or kind) were based upon percentage arrangements. This would include payment of commissions and/or finders' fees and lease or rental arrangements on a percentage basis. This would also include management or other service contracts or provision of services by collateral suppliers such as pharmacies, laboratories, etc. The percentage prohibition would flow both ways either from the supplier or service agency back to the provider or organization or from the original provider or organization to the supplier or service agency.

Sec. 41. Ambulance Service:

Today, Medicare will pay for the ambulance service only to a hospital if it is the nearest participating institution with adequate facilities. A problem has arisen in that sometimes the nearest hospital doesn't have a staff member qualified to undertake the care (i.e., no neurosurgeon where neurosurgery is involved). A provision in the bill would cover ambulance service to more distant hospitals where the nearer hospitals do not have staff qualified to undertake the care required.

Sec. 42. Grants to Regional Pediatric Pulmonary Centers:

A section of the bill incorporates an authorization of up to $5 million annually for the support of pediatric pulmonary centers. This is identical with an amendment approved by the Senate in 1972, but which was not acted upon by the House.

Sec. 43. Waiver of Human Experimentation Provision for Purposes of Cost Sharing:

Under current law, State Medicaid programs may impose nominal cost-sharing requirements on Medicaid eligibles. Recently, some cost sharing provisions have been challenged as violations of the Human Experimentation statute. These challenges would have the effect of nullifying the intent of cost-sharing under Medicaid. The bill would exempt the Medicaid cost-sharing provisions from the Human Experimentation statute.

Sec. 44. Disclosure of Aggregate Payments to Physicians:

The bill would prohibit the release of the names of physicians who have been paid large amounts for treating Medicare patients. Similar information on Medicaid payments could be relased by a State if it choose to do so. While lists of highly paid physicians are useful to the administering agencies in identifying possible program abusers, they also serve to unjustifiably embarrass honest physicians who have a large number of elderly patients.

Sec. 45. Denial of Medicaid Eligibility for Intentionally Disposing of Assets:

The bill would allow States to deny Medicaid benefits for up to a year in the case of persons who give away their property to relatives in order to reduce their resources to the eligibility level.

BUREAUCRATIC BUMBLING BURRIES BEATTY

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. SANTINI. Mr. Speaker, as many of you know, I have been a consistent advocate of the multiple-use concept for our public lands. This is an attitude and conviction shared by most Nevadans; 87 percent of Nevada is federally owned. Every new Federal regulation or change in the public land law usually has an influence on either the lifestyles or livelihoods of our Silver State residents.

Nevadans are never reluctant to voice their displeasure about the bureaucratic agencies that impact or influence their daily lives. Usually this frustration is expressed in the form of a letter to their lone representative in the Congress.

Not long ago, I received a most original epistle of exasperation from a Nevadan living in the Bullfrog Mining District in Beatty, Nev. The original form and the imaginative content should be shared.

The following is Effie Siedentopf Spicer's poetic protest:

EFFIE SIEDENTOPF SPICER'S POETIC PROTEST

It looks to me like bureaucrats are laughing up their sleeve
While patting us upon the head and listening to our peeves.
They've used "divide and conquor", an art as old as time,
Now listen, all Nevadans, to the message of this rhyme.

We all agree on something, and that's our public lands,
No matter what our lives may hold, we have a problem on our hands.
We fit all categories out here, from A to Z,
But multi-use in concept of our lands is what we plea.

This latest scheme by number, N-one-six-oh-nine-five,
Hidden from the public because it would deprive
The miner and the rancher, who have the most to lose,
But don't you think that everyone should have the right to choose?

The military wants our land, "This has been an easy show"
The BLM says, "Take it, the public doesn't have to know.
We've kept them all so busy with our set-up hearings, asking
For all the input they could muster, now they think they're basking."

"We've listened to their griping and their protests and their reason,
We've read their letters pile by pile since last year's Christmas season,
Now the last extension's past, and we can do our thing,
It's time the public listened to the message that we'll bring."

If anybody does find out and make a scene about it,
We'll say he's just a rebel, unpatriotic as he shouts it.
We'll say he doesn't care about the safety of our skies,
We'll never mention that he's lost his right to his free enterprise.

"We'll cry how hard we tried and failed, there's nothing we can do,
We have them bogged with dialogue, they'll forget it all in a day or two.
We'll just go about our realm, making regulations by the score.
They'll be so surpressed they'll just give up, we have won the war."

Now that's the end of conversations that we all know did take place,
Somehow it's connected to their desire to end Nevada's production base.
They forgot they're paper people, knowing not the art of work.
Can you see them with a shovel? No! Callouses they shirk.

Now you may be asking, "Just what are we to do?"
We want our public lands the same, just the way we're used to.
Everyone who wants, can work. Remember all your history?
You've never fought a war before? This one could be blistery.

Get out your pen, or dial the phone, protest the secret meetings.
Demand they listen to you, or we'll all get eviction greetings.
Don't sit back and wait for action, don't play right into their hands.
Insist they read the constitution, and play fair with public lands.

Stop and think of what you need, no longer will be filled.
If N-one-six-oh-nine-five goes thru, your independence will be stilled.

Tell them that the military has enough of our domain,
Remind them that our dear Nevada open multi-concept use must remain.

FOUR MYTHS ABOUT WORLD HUNGER

HON. THOMAS J. DOWNEY
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. DOWNEY. Mr. Speaker, yesterday's Washington Post carried an excellent article on world hunger. The article suggests that the public's perception of this very real problem may, itself, be one of the roadblocks standing in the way of efforts to adequately feed the world population.

Mr. Speaker, I include this thoughtful article in the RECORD:

FOUR MYTHS ABOUT WORLD HUNGER

(By Frances Moore Lappe and Joseph Collins)

Learning often begins with unlearning. Several years' research on world food problems has helped us see through four pervasive myths that keep most Americans paralyzed by guilt and fear. These myths prevented us from grasping how hunger is generated and that basic food self-reliance is possible for every country in the world.

Myth one: People are hungry because of scarcity—both of food and of agricultural resources. They are hungry because populations exceed the limited amount of food-producing resources.

Can scarcity seriously be considered the cause of hunger when even in the "food crisis" of the early 1970s there was plenty to go around—enough in grains alone to provide everyone with 3,000 calories a day and ample protein?

Such global estimates mean little, we are told; what matters is the food available for each person in the "hungry countries." We found, however, that in countries accounting for 86 per cent of the total population of the underdeveloped world, food production has kept pace with and often exceeded the growth in population during the last 20 years.

The very countries that most of us think of as food-deficient and import-dependent are themselves major agricultural exporters. Forty per cent of all agricultural imports into the United States, itself one of the world's top three agricultural importers, come from countries of supposed scarcity. In 1973, 36 of the 40 nations classified by the United Nations as being most seriously affected by inflated world food prices actually exported agricultural goods to the United States.

Agricultural exports from the Sahelian countries dramatically increased during the early 1970s, in the face of drought and widespread hunger. Still, a U.N. Food and Agriculture Organization survey, squelched by displeased aid-seeking governments, documented that every Sahelian country, with the possible exception of mineral-rich Mauritania, actually produced enough grain to feed its total population, even during the worst drought year. So, while many went hungry, it was not because of scarcity of agricultural production or even of food.

And what of land scarcity? Several authoritative studies agree that only 44 percent of the world's cultivatable land is actually being cropped. Many landowners who hold land as an investment, not as a source of their food, leave vast amounts unplanted. In Colombia the largest landholders, in control of 70 per cent of the agricultural land, planted only 6 per cent in 1960. But it was in assessing *what* is grown that we came to understand the true magnitude of the waste of land needed by hungry people. In Central American and Caribbean countries, where as many as 70 per cent of the children are undernourished, at least half of the agricultural land, often the best land, is made to produce crops for export, not food for the local people.

If "too many people" were the cause of hunger, we should expect to find more hungry people in countries with greater density of people per agricultural acre. We can find no such correlation. In China, for example, 80 per cent more people live from each cultivated acre than in India. Yet today, in what was once called the "land of famine," no one starves. Country-by-country investigations, even of the so-called basket cases like Bangladesh, led us to believe that in fact there may well be no country without adequate agricultural resources to feed its population.

Neither the size of today's population nor population growth is now the cause of hunger. But it is self-evident that continuing to grow at current rates would seriously undercut the future well-being of all of us. This self-evident truth should add even greater urgency to the search for the *real* causes of rapid population growth. And these causes—the insecurity and poverty of the majority caused by the monopolization of food resources by the few—are the same as the real causes of hunger.

Myth Two: The solution to the hunger problem is to produce more food.

Diagnosing the cause of hunger as scarcity inevitably leads to thinking that greater production itself will solve the problem. Thus, for at least 30 years, governments, international agencies and multinational corporations have promoted greater production through "modernization"—large-scale irrigation, chemical fertilizers, pesticides, machinery and the seeds that give higher yields if they receive such inputs.

But when a new agricultural technology enters a system shot through with inequalities, it profits only those who already have some combination of land, money, credit "worthiness" and political influence. This fact alone has excluded most rural people and all the world's hungry.

Once agriculture becomes a speculative investment in which sheer control of the basic inputs ensures financial success, a catastrophic chain of events is sent into motion. Competition for land sends land values soaring. Higher rents drive tenants and sharecroppers into the ranks of the landless who now makes up the majority in many countries. With their increased profits, the powerful buy out small farmers. Large commercial operators, taking advantage of government credits and subsidies, mechanize to avoid labor "management problems." Many made landless by the production focus, finding ever fewer agricultural jobs, join the hopeless search for work in urban areas.

To be cut out of production is to be cut out of consumption. The observation of a 36-cent-a-day agricultural laborer in Bihar, India, confirms this truth: "If you don't own any land, you never get enough to eat, even if the land is producing well."

Indeed, in many countries more food per person is being produced, yet many are more hungry. This is not a theoretical point. Study after study around the world documents a consistent pattern: the retrogression of much of the rural population even as production advances. One extensive, just completed study of seven Asian countries containing 70 per cent of the rural population of the non-socialist underdeveloped world concludes that "the increase in poverty [of 20 to 80 per cent of the rural population] has been associated not with a fall but with a rise in cereal production per head."

Ignoring the social roots of hunger and focusing instead on production increases has taken us backward, not forward. The real obstacle to people feeding themselves is that they do not have control over productive resources. People who know they control their resources will, through their ingenuity and labor, make them ever more productive. The Chinese experience shows that people are a country's most underutilized resource. Human energy, properly motivated and organized, has transformed deserts into granaries.

The reality is that democratic redistribution of control over agricultural resources has historically been shown to result in dramatic production advances in countries as different as Japan, Taiwan, China and Egypt; moreover, it is the only guarantee that the hungry will eat.

Myth three: An underdeveloped country's best hope for development is to export crops in which it has a natural advantage and use the earnings to import food and industrial goods.

There is nothing natural about concentrating on a few, largely low-nutrition crops. The same land that grows cocoa, tea and sugar could grow an incredible diversity of nutritious crops. Nor is there any advantage. Reliance on a limited number of crops generates economic as well as political vulnerability.

Among the many flaws in the natural advantage theory, the most serious is that the people who benefit from the foreign exchange earned by the agricultural exports are not the people who work to produce those exported crops and who need food. Even when part of the foreign exchange earned is used to import food, it is generally not the needed staples but items to satisfy the tastes of the better-off urban classes. In Senegal, the choice land is used to grow peanuts and vegetables for export to Europe. Much of the foreign exchange earned is spent to import wheat for foreign-owned mills that turn out flour for French-style bread for the urban dwellers.

Indeed, the very success of export agriculture can further undermine the welfare of the poor. When world commodity prices go up, self-provisioning farmers may be pushed off the land by cash crop producers seeking to profit on the higher commodity prices. An increase in the world price of a commodity can actually mean less income for the plantation worker or the peasant producer. When the price of sugar on the world market increased several-fold a few years ago, the real wage of a cane cutter in the Dominican Republic actually fell to less than it was 19 years earlier. A nominal increase in the wage of the cane cutter did not compensate for the inflation set off by the sugar boom.

Governments fixated on agricultural exports suppress labor reforms they believe would make their exports uncompetitive. Furthermore, in countries such as the Philippines, governments exempt land producing for export from land reform, and thereby not only maintain the poverty of the rural landless but further undercut food production as growers shift to export crops to avoid redistribution.

By contrast, food self-reliant policies would measure success in terms of the welfare of the people, not export income. Food self-reliance is not isolationist. But trade would become an organic outgrowth of development, not the fragile hinge on which survival hangs. Clearly, no country can hope to "win" in international trade as long as its people's very survival depends on selling one or two products. Once the basic needs are being met, however, trade will no longer

be at the cost of the food well-being of the people, as evidenced by countries such as Cuba and China.

Myth Four: Hunger is a contest between the Rich World and the Poor World.

Terms like "hungry world" and "poor world" make us think of uniformly hungry masses, while in reality hunger afflicts the lower rungs in both so-called developed and underdeveloped countries. Worse still, the "rich world" versus "poor world" scenario makes the hungry appear as a threat to the majority in countries like our own. In truth, however, the problems of the hungry will never be addressed until the majority in the United States can see that the hungry abroad are their allies, not their enemies.

The poor majority in underdeveloped countries and ordinary Americans are linked through a common threat: the tightening of control over the most basic human need—food—both within countries and on a global scale. The very process of increasing concentration of control over land and all other productive resources that we have identified as a direct cause of hunger in underdeveloped countries is going on right here at home. Only 5.5 per cent of all farms in the United States have come to operate over one-half of all land in farms. The resulting landlessness and joblessness in rural America are at the root of much of the persistent hunger in the midst of agricultural bounty. In food manufacturing, the top four firms in any given food line control, on the average, over half of the market. In 1972, the Federal Trade Commission staff calculated that such oligopolies in 13 food lines cost consumers $2.1 billion in overcharges. For the 1 out of 10 Americans who must spend 69 per cent of all income on food, such inflated prices mean undernutrition.

Many of these same oligopolistic corporations are now expanding their operations into underdeveloped countries. Multinational agribusiness is busily creating a Global Farm to serve a Global Supermarket. Finding production sites in underdeveloped countries, where land and labor can cost as little as 10 per cent of stateside costs, large food corporations are shifting production of high-value items—vegetables, fruits, flowers and meat—out of the industrial countries. They find ready partners in foreign elites who, given the increasing impoverishment of much of the local population, face a stagnated internal market for their production.

In the Global Supermarket the poorest in the Philippines, Colombia and Senegal must reach for food on the same shelf as hundreds of millions of consumers around the world. Every item has a price and that price is determined by what the Global Supermarket's better-off customers are willing to pay. And the sad reality is that even Fido and Felix in countries like the United States can outbid the world's hungry. Consumers in the industrial countries unwittingly become a suction force, diverting food resources in the underdeveloped countries away from local needs.

And the significance for us? In our country, farmers and workers are losing their jobs as agribusiness roams abroad. The United States imports annually between $9 billion and $10 billion in agricultural products, two-thirds of which compete directly with what farms grow here. Moreover, a Global Farm gives the U.S. government further rationale for supporting political and economic structures abroad that block hungry people from growing food for themselves. Nor should we conclude that consumers here get cheaper food. Studies show that lower production costs for food oligopolies on foreign soil do not get passed on to consumers.

The Global Supermarket is the type of interdependence no one needs. "Interdependence" in a world of extreme power inequalities becomes a smokescreen for the usurpation of food resources by the few for the few.

MAY NEWSLETTER

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. AMBRO. Mr. Speaker, I will soon be sending the following newsletter to my constituents in New York's Third Congressional District on Long Island and would like to share its contents with my colleagues.

I would like to draw your attention in particular to the story about my mobile congressional office which has received an extremely favorable reaction among my constituents:

CONGRESSMAN JEROME A. AMBRO: REPORTS FROM WASHINGTON

MOBILE OFFICE ROLLS INTO SERVICE

WASHINGTON.—Believing that more can be done to increase public involvement in his Long Island district office operations, Congressman Jerome A. Ambro has enlisted the use of a specially-equipped van as a mobile office that, hopefully, will encourage his constituents to utilize the services of his local staff and facilities.

"There seems to be a reluctance to approach Congressional offices for assistance and information, much of which is readily available," Ambro explained. "I think some of that reluctance may be overcome by putting my office on wheels and rolling it right into those communities I serve in Congress," he said.

The 22-feet-long, air-conditioned van, staffed by a full-time member of Ambro's district office, will travel a circuit throughout the Third Congressional District from Glen Cove through Oyster Bay, Plainview, Syosset, Farmingdale into the Massapequas and up to Huntington, Melville and East Northport. It will remain at each location for several hours daily.

District residents will soon be receiving a tentative schedule which may be amended as areas of light and heavy activity and interest are identified.

The van is equipped with regular office furniture and contains informational guides and brochures on a variety of federal programs, including Social Security and veterans' benefits.

The staff member in the van is an experienced caseworker who spent almost two years in Washington winding his way through the federal maze. His job is to provide district residents with assistance with problems that develop with the federal government and its agencies. "We're not miracle workers," Ambro said, "but we often can work our way quickly through the bureaucracy and get fast results."

Cases which cannot be resolved quickly will be assigned to the Washington office where close contact with the particular federal agency involved usually gets results in a short time.

The mobile office concept is designed to extend the partnership in government, to provide easy access to decision-makers, to assist citizens with problems and to break through the bureaucracy.

The district's community newspapers will be informed as to when the mobile office will be in local areas. Small postcards also will be sent occasionally, announcing dates and places the van will be at a fixed location in your community.

MONORAILS—PIE IN THE SKY? MAYBE NOT

Because of his often expressed concern about the lack of coordination between the Department of Transportation and related agencies (UMTA, FAA, etc.) and research, development and demonstration programs in transportation, Congressman Ambro was asked to chair hearings in this area last month. He focused the four-day hearings on the need for a better integrated approach to the subject.

Ambro serves on the Surface Transportation Subcommittee on the Public Works Committee as well as the Transportation Research and Development Subcommittee of the Science and Technology Committee.

Through informal contacts with subcommittee chairmen and his former Congressional colleague Transportation Secretary Brock Adams, Ambro has begun a campaign to promote better, more flexible, door-to-door mass transportation methods.

The central theme of the hearings was the lack of concerted effort by the federal government for the deployment of new modes of transit, for which technology exists. Witnesses described great resistance to that development by state and local governments, industry, labor unions and a variety of vested interests.

"Instead of incessantly promoting new highways and conventional bus systems, why can't we move forward with monorails, air cushion vehicles, hydrofoils, magnetic trains, electric jitneys, starr cars and the like," Ambro asked. 'Pie in the sky'? Maybe not."

The transportation situation on Long Island was frequently used as an example of the need for non-conventional transit systems.

LOCAL DEFENSE INDUSTRY ESCAPES BUDGET AXE

Long Island's two major weapons systems, Fairchild's A–10 anti-tank Air Force attack plane and Grumman's F–14 Navy fighter-interceptor, went untouched in President Carter's initial request for a $2.8-billion defense cut, preserving thousands of jobs locally.

Both firms are headquartered in the Third Congressional District. Production of the A–10 and the F–14 employs thousands of Long Islanders and contributes hundreds of millions of dollars annually to the local economy.

More than 5,000 Grumman employees living in the Third District earn an estimated $94.3-million annually. Fairchild has a $65-million Long Island payroll. Both firms receive about 90% of their work in government contracts.

Constant controversies surround these weapons systems vis-a-vis competing planes produced in other parts of the country.

One very important aspect of any Congressman's job is to lobby in behalf of those federal programs important to his district. In our case, that means protecting both the A–10 and the F–14 from Congressional pirates who would channel military programs away from Long Island and into their districts in California, Texas and Missouri.

In 1975, Congressman Ambro was asked to lead a floor fight against St. Louis' F–18, a direct competitor to the F–14. That opposition to the Missouri plane was interpreted by some, unfamiliar with the background, as an anti-defense position.

The fact that the A–10 and F–14 survived the first round of budget cuts indicates that the White House and Pentagon, at least at this point, share our confidence in the intrinsic value of these planes to our national security.

L.I. OFFICES

Congressman Ambro has District Offices in both Nassau and Suffolk Counties in addition to the mobile office. They are located in:

The Nassau Building, Rm. 308, Third Floor, 7600 Jericho Turnpike, Woodbury, N.Y. 11797, (516) 364–2177.

The New Yorker Building, Rm. 420, Fourth Floor, 755 New York Avenue, Huntington, N.Y. 11743, (516) 673–9050.

Both offices are open Monday through Fri-

day from 9 a.m. to 5 p.m. and are staffed by full-time professionals.

AMENDMENT TO STEER ISABELLE TO L.I. LAB

Construction of Project Isabelle,* an unprecedented U.S. high-energy physics research effort, may begin next year at the Brookhaven Laboratory in Upton, L.I.

Isabelle will provide answers to the secrets of the atom, the proton and matter generally. It will contribute to our nation's search for alternative energy resources and help maintain U.S. primacy in the world of pure scientific research, a field in which the Europeans and the Japanese have made great strides recently.

Its total projected costs will be $150,000,000 and, as a result of a proposed amendment to an energy bill by Congressman Ambro, would be built at the Brookhaven site. In addition to its great scientific value, Isabelle is expected to provide hundreds of jobs for our local construction trades.

Late last year, Long Island lost an $80-million linear reactor because of a political decision that worked against New York. That loss came on the heels of Long Island's withdrawal from competition for the $70-million U.S. Solar Energy Research Institute for want of a contractor-manager.

Along with Congressman Pike, Downey, Wydler and the support of the entire, 39-member New York State Delegation, Ambro is hopeful Isabelle will ultimately go to Long Island.

Laying the groundwork for the amendment has required a great deal of time and effort by Ambro and his staff. The next newsletter will outline the progress of the Isabelle amendment to the budget authorization for the U.S. Energy Research and Development Administration as it winds its way through the legislative process.

SALT VS. RIGHTS A STANDOFF?

There is a very legitimate concern over the fact that the Soviet Union has been attempting, in the past few years, to gain a military weapons systems advantage over the United States, and a political extension of its influence in Africa and Asia.

The SALT talks are geared to restoring military balance, to stopping the arms race, to cutting back on the production and proliferation of nuclear weapons.

Speaking out on human rights, on the other hand, is the core of our foreign policy message. It cannot be linked to the Soviet buildup or the SALT talks.

Respect for human rights and individual liberties are bedrock principles upon which this Republic was founded. World events have never shaken this nation's commitment to those principles or weakened our determination to defend them in any international forum.

The United States must reassert itself as the advocate for globalwide human rights while continuing to be the protector of the free world against Soviet domination, the leading protagonist for both arms reduction and the end to nuclear weapons—a neat trick, but at last we've started.

PROGRESS REPORT

Committee Assignments.—Congressman Ambro has retained his major committee assignments in the 95th Congress, moving up in seniority on each of the important panels. He will continue serving on the House Science and Technology Committee, which deals with energy and the environment, and the Public Works and Transportation Committee where he is the ranking New York majority member.

Credits for College (Tuition).—Tax credits for up to 50% of the cost of higher education to a maximum of $1,500 annually would be given to parents of college students, under terms of an Ambro bill now before the House Ways and Means Committee. Taxpayers and their spouses could also receive a similar credit for the cost of their own education, according to the legislation.

Senior Citizens Bill.—Legislation that will give Long Island's Senior Citizens major tax breaks for a portion of their housing costs was introduced by Congressman Ambro on the first day of the new Congress. The bill, the Senior Citizens Property Tax Relief Act, will permit Older Americans to choose a federal income tax credit for 50% of their property taxes or 20% of their annual rent (the estimated amount that represents property taxes paid by their landlord).

SW Sewer Relief.—The New York Regional EPA Offices recently released an additional $33-million in federal funds to help defray skyrocketing construction costs for the Southwest Sewer District. The sewer project, the subject of a Congressional hearing chaired by Ambro last September on Long Island, is in line for at least $70-million more in federal assistance.

Free Publications.—The following free publications are available by writing to Congressman Ambro at 1313 Longworth H.O.B., Washington, D.C. 20515:

Money-Saving Main Dishes. Recipies and cooking tips for economical main meals. 48 pp.

Infant Care. Health and hygiene guide for those critical first weeks of baby's life. 72 pp.

Your Child from 1 to 6. A highly-informative, 98-page pamphlet of child-rearing advice for the formative years before grade school.

*Intersecting Storage Accelerator.

DO NOT BLAME WHEAT FARMERS

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. ABDNOR. Mr. Speaker, the facts cited in this article from Today's Farmer speak for themselves. They also speak to the need for adequate target prices and loan rates in the farm bill we will soon be considering on the House floor.

It is easy to blame farm prices for the size of the grocery bill. But today, as in previous years, the farmer gets only a small portion of the grocery dollar. The rest goes to the processing, packaging, transportation and selling. These are claiming an ever-bigger part of the food dollar, but you never hear about these in media comments on food costs.

The article follows:

IF WHEAT WERE FREE

Three years ago, wheat was selling for about $6 per bushel. A one-pound loaf of bread was selling for 32.5 cents.

At that time, you may recall, the American Bakers Association—in an attempt to blame higher prices on farm prices—was predicting $1-a-loaf bread. Although the prediction was almost baseless, consumers were alarmed. Grain export embargoes followed.

In the light of what has happened since, the rhetoric of three years ago should not be forgotten.

Wheat now is selling for about $2.50 per bushel. So the price of bread should be lower, right? But not so.

Average price of a one-pound loaf of bread is 35.4 cents, according to the latest USDA report. That's 2.9 cents higher than when wheat was selling for $6 per bushel.

The value of wheat in that loaf of bread now is only 3.3 cents. So if farmers were to give their wheat to bakers—if wheat were free—the price of bread would now be almost the same as it was three years ago when wheat was selling for $6.

Meanwhile—even with higher costs for labor, equipment, energy and transportation—many baking firms are showing record earnings. And farmers, alone, bear the burden of curbing bread price inflation.—Today's Farmer

A MAN TO WATCH

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. RANGEL. Mr. Speaker, in 1958, St. Phillip's Church which is in my district and is one of the oldest and largest Episcopal churches in the country acquired a new minister. That minister. Rev. M. Moran Weston, initiated and continues to develop innovative changes in the Harlem community. Like the great Martin Luther King, Jr., he has a dream. That dream is "to bring God into life." However, according to Reverend Weston "you cannot bring God in life without improving it." It is that improvement he is now seeking.

This outstanding clergyman has developed projects for the elderly, low- and middle-income people, and even one providing a variety of services for youths and preschool children. Last night his friends and associates paid tribute to him at a dinner in New York. As his Representative in Congress I would like to pay tribute to him by saying thank you and keep up the good work.

An article appeared today in the New York Times describing the outstanding contributions of this clergyman. For that reason I would like to share with my colleagues the article delineating Dr. Weston's accomplishments.

The article follows:

MINISTER HAILED FOR EFFORT TO IMPROVE LIFE IN HARLEM

(By Charlayne Hunter-Gault)

When the Rev. Dr. M. Morgan Weston first went to St. Philip's Church in Harlem—one of the oldest and largest Episcopal churches in the country—the streets were always heavily strewn with unsightly litter that built up between sanitation pickups.

One of the first projects the new rector undertook was to organize the maintenance men from nearby tenements to sweep the streets in front of their buildings.

At that time—1958—The New York Herald Tribune predicted that Dr. Weston, an economist and a third-generation Episcopal minister, would be a "Man to Watch."

The Trib did not survive, but its prediction came true. Over the next 19 years, as friends and associates recalled last night at a dinner in Dr. Weston's honor, he continued to organize. He became a quiet, powerful force in the black community, who, as one Harlem minister recalled, took "quite literally the biblical injunction 'by His works shall ye know Him.'"

Not only is much of the litter gone, but so is a lot of the despair suffered by the tenants who lived in the neighborhood's rundown, overcrowded tenements.

A SOURCE OF HOPE

Much of their hope lies in projects Dr. Weston has initiated. They include senior house, a $6.4 million 200-unit apartment

house for the elderly; St. Philip's on the Park, a $10.4 million 260-unit low- and moderate-income building, and a $2.5 million community center providing a variety of services for youths and preschool children.

The housing units were developed with Federal and private funds and private housing for more than 1,300 people. The community center, which offers hot meals, tutoring, supervised recreation and other services, was built solely with private funds.

For Dr. Weston, a tall and distinguished man in his 60's with a deceptively soft manner, a major part of a minister's mission is to "bring God into life."

"And you cannot bring God into life without improving it," he said.

Dr. Weston added that the financial resources available were not adequate "nor is the awareness of understanding of the level on which these resources are needed."

"With respect to the symptoms of the erosion of black life in Harlem," Dr. Weston went on, "the problem has increased catastrophically."

"Yet," he said, "we expect too much of people living under conditions which are inadequately understood, even by the people of good will. The policy makers look at statistics, not people."

ALLAN R. IDE—MAN OF THE YEAR

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. ANDERSON of California. Mr. Speaker, on June 11, 1977, the City of Hope will present its annual Man of the Year award to a person who has been a good friend for many years. Allan Ide, a man whose success in life has only been matched by his generosity and service to his community, is truly a deserving recipient of this honor.

Allan was born in San Pedro, Calif., on May 8, 1917. San Pedro is a town that is proud of its multifaceted ethnic heritage, and Allan Ide certainly reflects that background as his parents had arrived from Sweden earlier in the century.

For most of his life, Allan has been connected with the waterfront, starting his career in port operations in 1937. He enlisted in the Seabees at the beginning of World War II, as 3d class petty officer and instructor of rigging, winch driving, stowing and discharging of cargoes, wire and rope splicing. He was stationed in Williamsburg, Va., and Port Hueneme, Calif., before he was sent to the Pacific theater as chief boatswain's mate, later rising to chief warrant boatswain. After being transferred back to the Seabees base in Rhode Island, Allan completed officer's training school and eventually became officer in charge of the Stevedore Training School at Port Hueneme, Calif. Following the conclusion of World War II, he was honorably discharged from the Navy.

After spending some time in the building trade business between 1948 and 1952, Allan returned to the waterfront, working for the Associated Banning Co. in Port Hueneme until he returned to Los Angeles in 1955. He was sent to Stockton in 1960 and placed in charge of the Stockton Stevedore Co., which was owned by Associated Banning. Allan Ide was promoted to vice president of Associated Banning Co. in 1964 and was transferred to San Francisco.

When the Metropolitan Stevedore Co. bought Associated Banning in 1967, Allan was asked to serve as executive vice president as the new ownership recognized his talent and ability. Ide has been an innovative force in the stevedore industry, having designed new equipment and holding several patents. In perfecting operational techniques and plans, he has been responsible for increased efficiency throughout the cargo handling industry. In July 1974 Allan Ide reached his present position—president of the Metropolitan Stevedore Co.—working once again in the Los Angeles-Long Beach Harbor complex.

Allan Ide's professional career shows him to be a man of rare energy, ability, and leadership, and those qualities are also reflected in the many community activities with which he has been involved. He has served as an executive for fundraising activities for many organizations such as the American Red Cross and the City of Hope. A "Pacesetter" for the United Way, Inc., of Long Beach; Ide is also a past director and executive committee member for Goodwill Industries, and former member of the board of directors for the Visiting Nurses Service of Long Beach.

Currently, Allan Ide works on various committees for the National Conference of Christians and Jews, serves on the Advance Gift Committee for the Young Men's Christian Association, the advisory board of the Boys Club of Wilmington, and is a member of the board for the American Cancer Society.

In addition, Allan is a member of the President's Advisory Council, California State University at Long Beach; a member of the board of trustees for the Long Beach Community Hospital; and belongs to the Foreign and International Trade Task Force and the Long Beach Chamber of Commerce.

Allan's leadership in the cargo handling industry is demonstrated by his position on the board of directors of the Master Contracting Stevedore Association of the Pacific Coast, he is a past president of the National Maritime Safety Association and now serves on the board of governors, and is chairman of the Coast Safety Committee.

Mr. Speaker, in the years I have known Allan Ide he has always impressed me with his outstanding strength of character. He has enjoyed a highly successful career, and through his many activities Allan Ide has made our community a better place to live.

My wife, Lee, joins me in expressing our warmest congratulations to Allan as he is named "Man of the Year." The City of Hope has once again made an excellent selection in honoring a person who has demonstrated outstanding community leadership.

We would also like to express our congratulations to Allan's lovely wife, Blanche, and their children Regina, Allane, and Marlyc, who must all be justly proud of the recognition Allan is about to receive.

MILITARY PENSIONS

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. ROUSSELOT. Mr. Speaker, there has been a great deal of controversy in recent months over the issue of military pensions and pay for retired armed services personnel. Much of the discussion has centered around an Associated Press story which appeared in the January 25 edition of the Los Angeles Times. The Times article portrayed a slightly tilted view of the military's pension program and corresponding costs. In fact, the article only tells part of the story.

A constituent of mine, Lt. Col. William C. Strickler, retired, has brought to my attention an article by Col. Minter L. Wilson, Jr., editor of the Retired Officers magazine, March 1977, which refutes the Associated Press/Los Angeles Times allegations. Inasmuch as this issue of military retirement and Government pensions will be considered by Congress in the coming months, I am submitting both the Associated Press/Los Angeles Times story and the Retired Officers rebuttal and urge that my colleagues read them and take the varying views under reconsideration:

INTELLECTUAL DISHONESTY

(By Col. Minter L. Wilson, Jr., USA, Retired)

Recent articles on military retirement sent out over the Associated Press wire, together with a shorter story in the Sunday supplement, Parade, have raised a storm of protest among our members. Most characterized the wording as deliberately misleading and slanted—a vendetta against the military and military retirees. They believe the stories to be full of partial truths as well as outright errors. We agree.

TROA PROTESTS

TROA's telegram (not yet answered) to the Washington Bureau Chief and the AP President in New York read:

"We protest AP's intellectually dishonest story 'Military Pensions' by Brooks Jackson which moved on the wire at 10:10 EST today.

"The story is unworthy of the good name of the Associated Press. Not only does the author compare retired pay costs (not pensions) of military retirees from all the armed services to active pay costs for the Army alone, but also he fails to recognize in any way that those military retirees earned their retired pay. That pay was part of the total compensation package earned over their productive years which for most covered three wars—WW II, Korea, and Vietnam.

"At this late date, to imply, as the writer does, that each retiree is drawing an unjustifiably huge amount is ridiculous. Your readers should know that the average retired pay of all military retirees is $6,648 annually—not much above the official poverty level. And the military retiree pays taxes, too.

"The obvious bias of your story is too much. We request you set the record straight."

SETTING THE RECORD STRAIGHT

Since AP officials have not yet seen fit to set the record straight, what are the facts?

First, those stories appear to have been based on a U.S. Civil Service news release of November 2, 1976. The AP moved them over their wires on January 24 and 25, 1977—twelve weeks after the basic news release. That is not precipitate action and should have given adequate time for research. It

seemed strange to us that AP's Pentagon correspondent hadn't written the stories. Perhaps he would have brought too much expertise to the job—even managed to bring some balance to the picture presented.

PARADE'S STRANGE REASONING

The Parade material seems to be based largely on a Harpers magazine (Dec. '76) article by Rep. Les Aspin (D-Wis). As is usual in Aspin's "destroy by press release" style, the "facts" are selected to give the desired effect. In this case, Parade editors did nothing to give balance to his prejudiced views. They merely compounded the problem by providing poor perspective for the figures used.

Consider this example. As of June 30, 1976 (latest available data) there were 1,096,184 military personnel receiving retired or retainer pay. Parade mentioned that, but forgot to tell you 751,244 were enlisted persons. That is 69 percent enlisted, 31 percent officer. Yet, Parade chose to focus on an officer (a recently retired colonel whose retired pay is obviously considerably higher than the $6,648 average) and suggest to its readers that once the officer retires he should somehow be restricted in the freedom all Americans enjoy (out of the military service) to work where and for whom they please. The Parade editors obviously don't believe a military retiree should be allowed to work for the federal, state, or municipal governments, regardless of the expertise they bring to the job.

In their view, we deduce, Congress should pass laws which prevent government retirees from working for any other level of government because they might qualify before they die for a second retirement income. They forgot to mention—or possibly they do not know—military retired pay is not only deferred compensation earned over 20, 30 or more years arduous service, but is also retainer pay which keeps the retiree subject to the Uniform Code of Military Justice and recall to active duty at any time.

There is no logical reason why the military retiree should be deprived of retired pay or restricted in his quest for a job to better support his family and community.

Parade repeats the ludicrous Aspinism that the "current armed forces pension plan will cost the American taxpayer $34 billion a year by the year 2000." To be factual, they could have added that Aspin's annual salary of $57,500, based on the same five percent inflation factor, will be almost $200,000 annually. Or, your $5,000 automobile will cost about $17,000. And, an Army private would be making $25,356.

Absurd? You bet! Given certain assumptions, the figures don't lie, but the politician surely does manipulate them to his own ends. And the journalist who should put them in perspective for you fails. Worse yet, he doesn't even try.

THE AP STORIES

Returning to the Associated Press stories, let's consider why they were so objectionable.

It would be proper to recognize at the start that the logic in paying the military person a fair salary is at least as compelling as for politicians or anyone else. From time to time, that compensation needs to be reviewed to insure that it continues to be based on conditions today and is designed to attract quality men and women to make the sacrifices necessary in the defense of the United States in the future.

These AP stories failed to recognize that simple truth. As with so many press accounts, the negative aspects were emphasized. Service people readily recognize the errors, omissions and distortions, but what is the effect on the public? Too many, not knowing any better, become resentful of the "military."

PARTIAL TRUTHS AND OUTRIGHT ERRORS

AP reports military "retirees—about half in their late 30's and early 40's—can legally receive full pension checks and full pay for their civilian federal jobs." The Dual Compensation Act of 1964 provides that *regular* officers who are civilian employees of the U.S. government currently forfeit 50 percent of all retired pay above the first $4,045. Enlisted men and *reserve* officers are exempt from those provisions. In addition, the unfortunate wording of the AP statement projects the untrue inference that half the retirees holding federal jobs are in their late 30's and 40's. The fact is only 28 percent are under 45 years of age.

By selective omission of pertinent facts, AP manages to imply that most military personnel voluntarily retire after 20 years service, regardless of age. To be objective, AP should have mentioned that only one of every ten individuals who enter the military service ever reach retirement eligibility. Not only is the military career more hazardous than the civilian occupation, but it also demands a unique degree of dedication to duty even above self and family. Few are able and willing to stay in service, despite the possibility of early retirement. Consider, too, that many who have served honorably are forced out early—some prior to retirement eligibility—victims of the "up or out" policy which is designed to keep only the best leaders. Others, having served 20 or more years, are retired involuntarily to keep the ranks filled with young, vigorous personnel.

Serious factual inaccuracies were repeated by AP in stating that the military retiree "gets from 50 to 70 percent of salary as pension." Military retired pay is computed on *base* pay, not on salary. The military equivalent of salary for purposes of compensation comparison is Regular Military Compensation (RMC). RMC is defined in law as the sum of basic pay plus quarters allowance plus subsistence allowance plus federal tax differential. For retirement at 20 years service, military retired pay is between 33 and 40 percent (depending on grade) of RMC. The maximum possible retired pay for 30 or more years service is between 49 and 61 percent of RMC. Therefore, the range of retired pay as a percentage of "salary" is 33 to 61 percent—not AP's 50 to 70 percent.

In contrast, to AP's statement that "many private pensions provide less than half final salary as a pension," we must point out that the *typical* private pension plan provides the retiring employee with more than half his salary. The further statement that "most private pensions (are) generally smaller than the military stipend" is a generalization which is unsupported by available data.

AP points out that "the annual cost of all military pensions has grown almost 10-fold since 1962, to $8.2 billion, while the entire defense budget has not quite doubled." Since there is no explanation, many people incorrectly assume some sinister reason. It wouldn't have taxed AP's staff unduly to have pointed out four things: (1) In recent years, funds authorized for repair or modernization of existing weapon systems, for procurement of new weapons, and for research and development, have been limited, thus automatically making personnel costs, including that for retired pay, a proportionately larger percentage of the overall budget; (2) Use of 1962 data provides a distorted base because the 1962 retired population (313,436) largely reflects the abnormally small standing forces maintained prior to World War II; (3) Since 1962, the Consumer Price Index has more than doubled; (4) The present number of retirees, while increasing will be essentially stable into the forseeable future.

MORE AP DISTORTIONS

"Military retirement includes free medical care when space available in military facilities, or free health insurance when it isn't" says AP, forgetting that money and doctors for military facilities have been chronically short in recent years and that the "free" health insurance is not free. The retiree pays the first $100 in charges for family per fiscal year and 25 percent of allowable inpatient and outpatient costs thereafter. In most cases, doctor and hospital fees are higher than allowable charges under the Civilian Health and Medical Program of the Uniformed Services. In addition, no reimbursement is granted for an increasing number of treatments. So the typical retiree pays substantially more than AP alleges.

"Free travel when space is available on military transport" sounds great! It is on occasion. But how many have waited days for that elusive "space," only to have to return home disappointed? Or, waited weeks overseas only to return via commercial means? Some have the time, patience, and money to wait, many don't.

"They (military members) make no cash contribution to their pensions." Since the trend in the private sector is towards noncontributory retirement systems, AP could have easily added that this is in line with the 1975 Bankers Trust Study of Corporate Pension Plans which reveals that 75 percent of private plans do not require employee contributions.

AP asserts "the costs of military pensions have grown rapidly because they are pegged to active-duty pay, which has been increased to attract an all-volunteer force." What are the facts? The increases in pay to prepare for the all-volunteer force were primarily for lower grade officer and enlisted personnel—i.e., the pay grades from which members do not retire. Until Congress set aside the system in June 1958, retired pay was "pegged to active-duty pay" and recomputed each time there was a pay raise for the active forces. Since October 1963, retired pay has been adjusted as the CPI rose. The result is a system of 15 different retired pay scales in which persons of the same grade and service receive as much as 50 percent less than later retirees. Understandably, those on the short end are bitter.

There are other "facts" which could be cited to illustrate the intellectual dishonesty of the Parade and AP stories—to reinforce that a new low in incompetent and unfactual reporting has been reached. Additional light on these matters is shed in the "Washington Scene" column on pages 14–17 ("An Observation on Proposed Military Retirement Changes) and "Benefit Erosion," pages 48–50.

GRAVY TRAIN?

For the life of us, we can't find the gravy train. If there really is one, why aren't all those unemployed flocking to the recruiting stations. We do not argue that military retirement is a "bum rap." It isn't. But it is earned through long, hard hours and years of demanding, dirty and dangerous work. Nothing the serviceman or woman gets is "free."

The individual who elects a military career accepts its unique conditions—both good and bad. These include frequent separations from family, sometimes for extended periods; inconvenient moves resulting in financial loss as well as moves at inopportune times; substandard housing; and a host of other items too numerous to mention. But one more item must be listed. That is the willingness to make any sacrifice to include laying down one's life if called upon.

Military retirees fulfilled the provisions of their contract stipulated by the American people through the United States Congress.

Military retirees have nothing to apologize for.

At the very time President Carter has granted amnesty to those who refused to serve their country in time of war, it is a gross paradox that some short-sighted persons would suggest the American people renege on the benefits promised those who served their nation faithfully.

Now is the propitious time for our civilian leadership to reafirm their faith in the men and women who have chosen the military career. It is they who should be in the forefront in setting and keeping the record straight.

RUNDOWN OF "LOSSES" IN PAY AND BENEFITS

Washington—The "losses" in military pay and benefits—actual and predicted—have been subject of numerous reports by the services and military associations.

The following rundown, though not released, has been circulated in the Pentagon.

Some of the abbreviations refer to:

USAFI—U.S. Armed Forces Institute, a correspondence study program.

SBR Program—Selective reenlistment bonus for critical skills.

RMA—Retirement modernization act, the DoD plan for overhauling the retired pay system.

MILITARY BENEFITS AND PAY REDUCTIONS (SINCE FISCAL YEAR 1973)

Date	Item	Sponsor	Impact
Fiscal year 1973	CHAMPUS benefits	OSD	Eliminated certain previously provided care.
January 1973	Shipment of foreign POV's	Congress	Eliminated entitlement increased $400–$600 cost per vehicle to member.
November 1973	USAFI	do	Program eliminated. Member cost $50.
Fiscal year 1974	Reduced medical support	OSD /services	Increased medical cost to member (CHAMPUS).
June 1974	Savings deposit program		Eliminated (loss of 10-percent interest source).
July 1974	Regular reenlistment bonus	OSD/Congress	Up to $2,000 loss to some members.
October 1974	Education/commissioning program for EM	Congress	Eliminated funds. EM must pay at least part of cost.
December 1974	Lump-sum reenlistment bonus	OMB	Lump sum payment eliminated. $5,000 bonus equates to $3,790 over 6 yr with inflation.
January 1976	Travel pay on reenlistment	Congress	Lost for immediate reenlistment. Average $110 per member.
July 1975	Shortage speciality pay	do	Pro pay eliminated for most skills.
Fiscal year 1975	SRB program	OSD	Skills reduced.
October 1975	5-percent pay cap	OMB	Loss of purchasing power—raise less than inflation and the recommended 8-plus percent.
1976	Leave sellback	OSD/Congress	Limit to 60 days in career and loss of allowance entitlements.
1976	Disability retirement tax exemption	Congress	Reduces retired pay for some members.
1976	Pay raise reallocation	OSD/OMB	Reduction in future retirement base, 1.2 percent in 1976.
1976	1-percent kicker to CPI retired pay adjustment	do	Eliminated.
1976	Reduced pay raise (4.83 percent)	OMB	Adjustment mechanism changed which reduced pay raise from 8-plus percent level.
1976	CHAMPUS—Reimburse on 75th not 90th percentile	OSD	Increased cost to patient when doctors refuse to participate.
1977	GI bill	Congress	Current program terminated. New program contributory.

BENEFITS AND REDUCTIONS UNDER CONSIDERATION

1974–75	Retirement program	OSD/OMB	Reduction in retired standard of living expectation.
1975–77	RMA pay raise reallocation, Representative Aspin	Congress	
1974–77	Pay caps	OMB	Further purchasing power reduction.
1977	Salary system	OMB/Congress	Perceived pay and benefit reduction based on past OSD.
1977	Sales and excise taxes on PX/commissary sales	Advisory Commission on Intergovernmental Relations.	Monetary loss to members.
1977	Further reduction medical support	OSD	Increased medical cost to member.

MILITARY PENSION COST TO EXCEED ARMY'S PAYROLL

(By Brooks Jackson)

WASHINGTON.—The Pentagon will pay more to retired military personnel this year than the Army pays to all active-duty soldiers.

This growing pension expense is more than the Air Force has budgeted this year to buy planes and missiles. And it is more than this year's Navy budget for shipbuilding.

Since 1962, the total defense budget has almost doubled, rising from $51.1 billion to this year's $100.1 billion. But the cost of military pensions has grown nearly tenfold to $8.23 billion.

In 1962, military pensions amounted to 1.7% of the Defense Department budget. For 1977 the figure is 8.2%.

In the next fiscal year, the cost will probably reach $9 billion, and it will be pushing $10 billion in the year after that.

Unless the system is changed, the annual pension cost could exceed $30 billion by the year 2000, according to an estimate by the General Accounting Office. That estimate is based on holding inflation to 5% a year.

The cost of military pensions has grown rapidly because the pensions are pegged to active-duty pay, which has been increased to attract an all-volunteer force.

In addition, the number of military pensioners has more than doubled since before the Vietnam war. Now, more than 1 million persons are receiving pensions, and the number is expected to increase to 1.3 million by 1980.

This year's $8.23 billion pension cost exceeds the $8.19 billion budgeted for pay, allowances and travel for all Army personnel, the $6 19 billion for Navy shipbuilding and the $7.92 billion for Air Force missile and aircraft procurement.

The military pension system is more generous than the federal government's civilian retirement system, and all major private pension plans.

Today, a typical career E–7 sergeant retires at age 41 after 22 years of service. He or she would draw $534 a month for life. A typical career lieutenant colonel would retire after 25 years of service at age 46, and would draw retirement pay of $1,282 a month.

Military retirement includes free medical care when space is available in military facilities, and free health insurance when it is not. It includes shopping privileges in cut-rate commissaries and free travel on military transport when space is available.

Military retirees are covered by Social Security and draw those benefits in addition to their pensions when they reach age 65, for men, 62 for women.

Military personnel make no cash contributions to their pensions, which are automatically protected against inflation.

Calls for change in the system are coming from several directions, including the Pentagon itself. None of the proposals calls for cutting payments to those already retired, and military lobbying groups generally oppose reducing benefits of future retirees.

"If you start cutting back on our benefits, how about cutting back on some of the others? said Robert B. Laurents of the National Assn. for Uniformed Services, a group representing active and retired military personnel. He said the cost of the Social Security system and other pensions was rising too. "We object to being singled out," he said.

But budget pressures are forcing a new look at the military benefits. One of President Carter's budget advisers, Barry M. Blechman, estimated last year that $2 billion to $3 billion could be saved each year by cutting military pensions to bring them more in line with the civil service retirement system.

Carter has pledged multibillion-dollar savings in the Pentagon budget, and Defense Secretary Harold Brown has said pensions will be among the items examined for possible savings.

The Pentagon has proposed changing the system to encourage 30-year military careers. Currently the average career officer retires after 25 years, enlisted personnel after 22.

The Pentagon proposal would reduce the pensions for those serving less than 30 years. It would also trim military pensions by half of the amount of any Social Security payments received.

Last year the blue-ribbon Defense Manpower Commission proposed granting military pensions after 30 years in noncombat jobs or after 20 years in combat jobs. Currently, a file clerk and a front-line soldier get equal credit toward retirement.

Rep. Les Aspin (D-Wis), a former Defense Department economist who is now among the leading critics of military waste, has proposed deferring pension payments until age 55 or later, depending on length of service, for voluntary retirements.

For forced retirements, both Aspin and the Pentagon would continue to pay immediate pensions, although Aspin's plans would cut those pensions by $1 for every $2 the retiree earns in a civilian job.

EX-FELON VOTING RIGHTS BILL

HON. EDWARD P. BEARD

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. BEARD of Rhode Island. Mr. Speaker, I am introducing a bill today

that would restore voting rights to ex-felons in Federal elections. This matter has been a subject of comment and controversy over a period of many years and I think that the time has come for definite and positive action on a right that has been too long denied for those who have paid their debt to society in full.

This bill would authorize the States to make provisions for all ex-offenders to participate in the direct vote of Federal officials during general, runoff, or primary elections.

This bill would erase a serious defect in our system of justice. If a person has completed the period of confinement, paid all fines, and satisfied all other penalties, then he should be able to exercise his vote. And, the bill provides for men and women on parole to vote also.

The right to vote is fundamental in our society. Once a person has paid his debt, there is no justification for shutting him out from full citizenship.

REMEMBER THE CITIES

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. WEISS. Mr. Speaker, despite declarations to the contrary, the urban crisis is not over. In fact, it has intensified in many ways as the economic problems of our country are felt most acutely in our cities.

In New York City, for example, unemployment has remained consistently well above the national average for the past few years. More than 10 percent of New York's workforce cannot find jobs.

The housing stock of our Nation's largest city is rapidly decaying, with abandonment each year claiming thousands of structurally sound units.

New York's extensive mass transit system is sinking into dilapidation. The fares increase steadily as service precipitously declines.

America's cities have repeatedly been assured that the Federal Government is aware of their needs and that help will soon be forthcoming. But our urban population now questions whether these promises were intended as serious pledges of assistance. The people of the cities wait in vain for action to supercede words.

An article by James Weighart in the May 4 New York Daily News aptly and eloquently catalogs urban America's unmet needs and calls on President Carter to make his economic and legislative programs more responsive to the more than 100 million Americans who live in urban areas.

Mr. Weighart's analysis is a compelling one that should prompt us to take immediate, remedial action. I wholeheartedly commend it to your attention. Its text follows:

HEY, JIMMY, REMEMBER US, THE CITIES?

(By James Wieghart)

WASHINGTON.—President Carter has shown little sign that he intends to repay the city-dwellers who voted for him in droves in hopes that he would reverse the tide of urban decay that threatens to overwhelm most of the large central cities in the North and East.

The latest sign of Carter's less than red-hot commitment to the cities was his welfare reform message Monday, in which he deferred for four years any meaningful action to federalize the welfare burden that is crushing many of the big cities.

But this was no surprise in view of Carter's earlier decision to delay for at least several years—perhaps until his second term—a comprehensive national health insurance program, and his flimsy $15 billion economic stimulus package for this fiscal year. Instead of focusing on jobs, the package was largely made up of tax breaks for individuals and business, and he dropped more than $11 billion of this when he withheld the ill-fated $50 tax rebate plan.

The lack of urgent concern for the problems of the cities was also reflected in Carter's energy plan. Although the energy package will go part of the way toward curbing the enormous waste in oil and gasoline that goes on in this wacky automobile culture of ours by jacking up fuel prices so high that only the rich will be able to indulge themselves, it does little or nothing to spur a change in lifestyle that will eventually be required as oil reserves are depleted.

Thanks to the auto mistique and billions of dollars in federal spending for interstate highways, middle-class housing subsidies and the creation of dozens of federal tax shelters and loopholes, Americans are now so dispersed in suburbia, exurbia and rural areas that they need several cars per family just to get to work and school and the shopping center. Public transportation is not even a feasible alternative for most of them because of the low density dispersal of housing.

Any sensible, long-term energy package should have included incentives not only to lure people back to the cities, but also to rehabilitate substandard housing and build new housing so that they would have a decent place to live when they got there.

It may be still too early in Carter's term to rule out all hope that he may yet come up with some bold and imaginative programs to help put the financially pressed cities back on their feet again. Treasury Secretary W. Michael Blumenthal continues to voice public support for creation of a national urban development bank that would help cities finance rehabilitation and new construction. And Carter has expressed interest in stepping up youth employment programs, although he clearly favors a gradual approach.

But despite the administration's continued lip service to press for full employment and to support youth job programs and to provide financial help to troubled cities, the money sought for such efforts has been modest to say the least. In fact, the most influential Carter Administration official in the area of finances—Budget Director Bert Lance—makes no bones about his conviction that holding down inflation and achieving a balanced budget by 1980 (coincidentally, a presidential election year) are the top priorities as far as he is concerned. Lance is convinced that the best way to reduce unemployment and lay a firm foundation for full economic recovery is through restoring confidence in the private sector, not through increased federal spending.

Thus, Lance is opposed to any massive increase in federal spending for youth employment or public jobs programs. Instead, he favors federal exhortation or tax incentives as the best means of getting the private sector to create new jobs for the unemployed. Federal job programs, he says, merely make the recipients dependent on the government instead of creating permanent employment. When the federal program ends, the jobs end and the worker is right back where he started, jobless and once more on the street.

Sensible as this may sound to the business community, which, after all, benefits from a large pool of unemployed from which to choose, it is not very reassuring to those looking for work. There are now more than 7 million persons looking for work who cannot get jobs, half of them youngsters from 16 to 24 years of age. In addition there are millions of others unemployed who have given up even looking for jobs, either through frustration or lack of motivation. A disproportionate number of these are young men and women who have never held a full-time job.

CENTURIAN BUSINESSES AND INDUSTRIES HONORED

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. WALSH. Mr. Speaker, it is my pleasure today to pay tribute to 46 businesses and industries being honored at a luncheon of the Greater Syracuse Chamber of Commerce for being "centurian" members of the central New York business community.

Each of these firms, whose founding dates as far back as 1825, has unquestionably demonstrated its faith in the economic climate of central New York and the Finger Lakes region. Each has faced some boom years; each has faced some very difficult years. But in weathering the cycles, each has become an important part of the economic backbone of the area.

It gives me great pleasure to acknowledge their individual and collective contribution to the community, not only in a business sense, but also in terms of the civic leadership each has provided over the years.

The list of those being honored, by founding date, are:

	Date
Chapman Lumber Company	1825
The Post-Standard	1829
Gere & Stohrer Inc	1839
Syracuse Herald-Journal	1839
Frazer and Jones	1845
Connecticut Mutual Life Insurance Co	1848
Bowen, Perry & Fobes Inc	1849
Niagara Mohawk Power Corp	1849
Church & Dwight Co., Inc	1849
Syracuse Savings Bank	1849
Thomas Talbott & Sons	1859
Merchants National Bank	1850
Powers Drug Co	1854
The Onondaga Savings Bank	1855
Will & Baumer Candle Co., Inc	1855
Syracuse China Corp	1871
Hiscock, Lee, Rogers, Henley & Barclay	1858
Massachusetts Mutual Life Insurance Co	1859
H. J. Howe, Inc	1860
Yackel and Rupp, Inc	1864
Dey Brothers, Inc	1877
Greenleaf Funeral Home	1865
Syracuse Lithographing Co	1865
Auer & Company	1865
J. & F. B. Garrett Co	1866
Armour and Company	1867
J. F. Friedel Paper Box Co	1867
Charles Hubbard Son & Co., Inc	1867
Tip Top Bakers	1867
The Borden Company	1868
F. H. Ebeling Company	1868
First Trust & Deposit Company	1869

Sherwood Inn	1807
King and King Architects	1868
St. Joseph's Hospital	1869
Syracuse University	1870
P. Drescher Co., Inc	1870
Marsellus Casket Co., Inc	1872
Dun and Bradstreet, Inc	1872
Equitable Life Assurance Society of United States	1875
Edward Joy Co	1875
Lipe Rollway Corp	1875
Oberdorfer Foundries, Inc	1875
Crucible Steel Co. of America	1876
John Deere Co	1876
McKesson and Robbins, Inc	1866

POLITICAL DEFECTOR BLASTS VIET REPRESSION

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. McDONALD. Mr. Speaker, the cry against our involvement in Southeast Asia was to "stop the war" or "stop the killing" in years past. But neither the killing nor the fighting stopped when the United States retreated from Southeast Asia. We were always told that all that was needed in South Vietnam was to get rid of the "oppressive Thieu regime" and all would be well. We were further told that a "third force," neither Communist nor part of the "Thieu clique," could solve all the problems of South Vietnam if the United States would just permit it. So now we have the spectacle of a prominent member of this so-called "third force" emerging to tell there are things worse than Thieu, there are the Communists who are even more oppressive. He also tells us of 200,000 people in prison. He further suggests that the Vietnamese now could use more guns with which to throw out the Communists and that our intervention was right. The article from the Christian Science Monitor of May 4, 1977, follows for the consideration of my colleagues:

POLITICAL DEFECTOR BLASTS VIET REPRESSION

(By David Tharp)

TOKYO.—A representative to Communist Vietnam's National Assembly charges that fundamental human rights do not exist in his country, that 200,000 political prisoners are held, and that armed resistance to Communist rule still continues.

Nguyen Cong Hoan, elected to the assembly from Phu Khanh Province and his secretary, Tran Quang Hiep, secretly escaped from Vietnam aboard a small motorboat with Tran Van Thung and Tran Van Son, former opposition politicians.

An anti-American leader of the "peace bloc" under the regime of President Nguyen Van Thieu, Mr. Hoan had opposed U.S. intervention in Vietnam. He had welcomed the Communists as liberators at the fall of the Saigon government in April, 1975, and was selected by the Vietnamese Communist Party as a representative to the Hanoi assembly in April, 1976.

ONLY RIGHT: TO AGREE

As one of the 5 percent of non-Communist Party members in the 280-seat assembly, Mr. Hoan served on the Cultural and Education Committee, but the only power he had was to raise his hand to agree with party policies. He said he "agonized" over the decision to leave his wife and four children behind in Vietnam so that he could speak out against the present regime.

"I realized that the Communists were worse than I had imagined," he said.

"In Vietnam today the fundamental human rights are not guaranteed. No freedom of religion, speech, or movement. In a word, there is no freedom at all, except the freedom to obey the orders of the Communist Party, otherwise you will be put into prison."

"Reeducation," Mr. Hoan continued, means simply to be in prison. The 1973 Paris agreement stipulated that the Hanoi government would not punish officers and employees of the Saigon regime, but he told of 200,000 former military men and civilians being kept in prison camps throughout Vietnam.

CAMBODIAN COMPARISONS

"When the Khmer Rouge took over in Cambodia, they killed their opposition immediately. . . . The Vietnamese Communists are wiser. They compiled lists, classified people according to their importance, and sent them to different camps. Those who are killed are killed secretly."

"The Communists sent nearly all senior officers and high-ranking officials of the Saigon regime to the large prisons in Ha Bac Province near the Chinese frontier," he said.

Prisoners do hard labor. Mr. Son described some of his duties as cleaning toilets for Communist cadres and cutting trees in the jungle near his "reeducation" camp.

Food was minimal. "We were given 200 grams of rice a day with some salt. Once a week we had some vegetables, and dried fish perhaps once a month," Mr. Son said. "We had no meat and worked eight hours a day. There was no political indoctrination."

FOOD AS A WEAPON

Mr. Son and Mr. Hoan described the lack of food not as a matter of shortages but as a means of breaking down resistance.

All religious publications have been stopped. In former Roman Catholic schools throughout the South teachers must present Marxist-Leninist lectures, the two men said.

Admission to universities and technical schools is reserved strictly for students whose parents did not serve the Saigon government in any capacity. Increased segregation in high school admissions will start this year, Mr. Hoan added.

Newspaper articles strictly follow the party line, and when ordinary Vietnamese meet foreign journalists, they must speak through an official interpreter, even though the Vietnamese may be fluent in the language used by the newsman, said Mr. Hoan.

NEWSPAPERS SILENT ON VISIT

No Vietnamese paper carried news of the recent mission on men listed as missing in action sent to Vietnam by President Carter, Mr. Hoan said.

He said he had no complaints about the hard work necessary to reconstruct Vietnam after 30 years of war.

"We wanted peace because people had suffered from war and political oppression under the old social institution. But now we realize we lost a precious thing—freedom," he said. "The American intervention was right. Just the manner was wrong. They supported a weak government."

Mr. Hoan said he now thinks many Vietnamese are prepared to accept another war to sweep out the Communists.

He said the biggest ammunition dump at Ling Binh, the former U.S. Army headquarters near Saigon, was blown up March 19 by resisters to Communist rule.

The blast lasted four hours and shook all of Saigon. You should see the faces of the Saigonese when they hear explosions and gunfire now; they break out in smiles."

Mr. Hoan is applying for asylum in the United States. He said he would ask Americans to enlist international political help to free the southern Vietnamese. He also wanted weapons, food, and medical supplies for anti-Communist guerrilla bands.

"If there were free elections in Vietnam today, sponsored under the United Nations, the Vietnamese would overwhelmingly reject the Communists," he predicted.

CONCERNING THE INDICTMENT OF FBI AGENT JOHN J. KEARNEY

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. KOCH. Mr. Speaker, I am sure that many of our colleagues have received letters, both pro and con, concerning the Justice Department's involvement in the indictment of FBI Agent John J. Kearney. In response to constituent inquiries, I asked the Congressional Research Service to provide me with a background memorandum on the issues involved in the indictment. Because of the complexities involved in this matter, I thought it would be of benefit to all our colleagues to have this memorandum inserted in the RECORD so that each Member can examine the issues involved. The text of the memorandum follows:

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., May 4, 1977.

To: Honorable Edward Koch.
From: American Law Division.
Subject: Issues Raised by Indictments for Wiretapping and Mail Opening by FBI Personnel Prior to 1973.

In response to your inquiry and our subsequent telephone conversation we are enclosing a report prepared on the issues raised by indictment of FBI personnel for wiretapping and mail opening prior to 1973. You will note that because the case is still pending and because a number of critical facts are as yet unknown, no definitive judgment can be made with respect to the availability of various defenses. We are also enclosing a copy of *United States* v. *Erlichman*, 546 F. 2d 910 (D.C. Cir. 1976); *United States* v. *Barker*, 546 F. 2d 940 (D.C. Cir. 1976) and the Justice Department Report on its decision to forego prosecution for the CIA mail cover operation which ended in 1973.

CHARLES DOYLE,
Legislative Attorney.

ISSUES RAISED BY INDICTMENTS FOR WIRETAPPING AND MAIL OPENING BY FBI PERSONNEL PRIOR TO 1973

On April 7, 1977, the Department of Justice announced that John J. Kearney had been indicated on two counts of conspiracy,[1] two

[1] 18 U.S.C. § 371. Conspiracy to commit offense or to defraud United States. If two or more persons conspire either to commit any offense against the United States, or to defraud the United States, or any agency thereof in any manner or for any purpose, and one or more of such persons do any act to effect the object of the conspiracy, each shall be fined not more than $10,000 or imprisoned not more than five years, or both.

counts of obstruction of correspondence[2] and one count of unlawful wiretapping.[3] The indictments charged that Mr. Kearney while an FBI agent in New York City conspired, directed and assisted in the interception of wire communications and the opening of mail from August, 1970 to June, 1972 in connection with FBI attempts to locate and apprehend Weatherman fugitives. While the press release is silent on the question, no warrant was apparently ever issued authorizing such activity.

(3) Nothing contained in this chapter or in section 605 of the Communications Act of 1934 (48 Stat. 1143; 47 U.S.C. 605) shall limit the constitutional power of the President to take such measures as he deems necessary to protect the Nation against actual or potential attack or other hostile acts of a foreign power, to obtain foreign intelligence information deemed essential to the security of the United States, or to protect national security information from foreign intelligence activities. Nor shall anything contained in this chapter be deemed to limit the constitutional power of the President to take such measures as he deems necessary to protect the United States against the overthrow of the Government by force or other unlawful means, or against any other clear and present danger to the structure or existence of the Government. The contents of any wire or oral communication intercepted by authority of the Presidet in the exercise of the foregoing powers may be received in evidence in any trial hearing, or other proceeding only where such interception was reasonable, and shall not be otherwise used or disclosed except as is necessary to implement that power.

It has been suggested that prosecution of these similar indictments would be unfair and/or subject to a complete defense because (1) of the unsettled state of the law at the time, (2) of the policy or absence of policy of the Department of Justice at the time, (3) of the absence of a requisite specific intent, and/or (4) because of the Department of Justice's determination not to prosecute similarly situated personnel of the CIA.

On February 18, 1976, the Department of Justice announced that it would not prosecute former CIA Director Richard Helms for authorizing a 1971 break-in conducted as part of a national security investigation. The reason given was the difficulty of prosecuting a case under 18 U.S.C. § 241 (conspiracy to violate civil rights) where the accused could claim the absence of the requisite specific intent to deprive civil rights based on his authority to protect intelligence sources from unauthorized disclosure, press release reprinted in *United States* v. *Barker*, 546 F. 2d 940, 951n. 36 (D.C. Cir. 1976).

On January 17, 1977 the Department released its report on investigations and prosecutions with respect to CIA mail opening from 1953 to 1973. The report concluded that CIA personnel associated with mail openings from 1953 to 1973 should not be prosecuted. Several reasons were offered for this determination: (1) During the period that the mail was opened there were grounds for believing that this was legally permissible as part of a foreign intelligence gathering operation. (2) While the operation may well have been known to officials at the highest levels there was apparently little clarification of the law or direction of subordinates from these officials. (3) Institutional changes and developments in the law could better assure there would be no repetition of the activities than prosecutions which might well fail. (4) There were serious questions as to whether the evidence would support convictions.

Under common law, federal statutes and the Constitution, the Executive Branch acting through the Department of Justice is vested with prosecutorial discretion, *United States* v. *Cox*, 342 F. 2d 167 (5th Cir. 1965); *Newman* v. *United States*, 382 F. 2d 479 (D.C. Cir. 1967; *Inmates of Attica Correctional Facility* v. *Rockefeller*, 477 F. 2d 375 (2d Cir. 1973). It decides when to initiate and when to terminate a prosecution. A unilateral determination not to prosecute is within its discretion. Subject to constitutional restrictions such as double jeopardy and statutory limitations such as the statute of limitations, such a determination may be unilaterally changed and prosecution initiated. Likewise, the determination not to prosecute a particular individual or group will not ordinarily preclude the prosecution of similarly situated individuals or groups unless selection for prosecution is based on race, religion or some like motivation, *Oyler* v. *Boles*, 368 U.S. 488 (1962); *United States* v. *Smith*, 523 F. 2d 771 (5th Cir. 1975); *United States* v. *Bell*, 506 F. 2d 207 (D.C. Cir. 1974). Finally, a decision not to prosecute for certain violations is no impediment to prosecution for other indictable charges, *Minkin* v. *United States*, 383 F. 2d 427 (9th Cir. 1967); *United States* v. *Jones*, 527 F. 2d 817 (D.C. Cir. 1975). Thus, as a matter of law, earlier announcements of the Justice Department of its intention to decline prosecution of certain CIA personnel would not, in and of itself, bar subsequent prosecution of either the CIA personnel or of similarly situated FBI personnel for violation of these statutes or other applicable provisions of law. Of course, the Department might consider the factors which led to the original determinations of continued validity. Moreover, those factors and adherence to the decision to forego prosecutions of CIA personnel might present strong arguments in favor of a like determination in the case of similarly situated FBI personnel on policy grounds. However, there may be important distinctions between the two groups of potential defendants which influence a different prosecutorial determination for each.

The possible defenses with respect to mistake of law and mistake of fact are more difficult. In order to understand them it is necessary to appreciate the confusion that surrounds the law of search and seizure, wiretapping and national security. From 1928 and for almost forty years the interception of telephone conversations was not considered a search or seizure within the meaning of the Fourth Amendment, see *Olmstead* v. *United States*, 277 U.S. 438 (1928); *Berger* v. *New York*, 388 U.S. 41 (1967), unless the tap was accomplished by some trespass on private property. However, from 1934 to 1968 provisions of the Communications Act outlawed wiretapping when accompanied by disclosure of the intercepted conversation, 42 U.S.C. § 605 (1964). During much of this period the Department of Justice maintained that Government wiretapping and internal use of the results was not outlawed since there was no requisite disclosure, i.e., Department of Justice wiretapped and there was no disclosure outside the Department. Moreover, for most of this period there was an ever broadening use of wiretaps for national security purposes in spite of the language of the Communications Act which was subsequently held not to bar such activities, *United States* v. *Butenko* 494 F. 2d 593 (3d Cir. 1974). The list contained in 18 U.S.C. § 2511(3) reflected what some believed where the boundaries of permissible warrantless interception under the Communications Act and the 1967 interpretations of the Fourth Amendment.

On June 19, 1972, the Supreme Court rejected the Government's contention that warrantless wiretaps could be utilized against purely domestic threats to national security, *United States* v. *United States District Court*, 407 U.S. 297 (1972). The question of whether warrantless interceptions are constitutionally and statutorily permissible when conducted under the President's authority to conduct foreign affairs and as Commander-in-Chief is still unclear, compare *United States* v. *Butenko*, *supra*, with *Zweibon* v. *Mitchell*, 516 F. 2d 594 (D.C. Cir. 1975).

These facts suggest the possibility of a mistake of law defense in Mr. Kearney's case. Ordinarily, ignorance or mistake of the law is no defense to a criminal charge, *United States* v. *International Minerals & Chemical Corp.*, 402 U.S. 558 (1971). However, there may be at least two exceptions to this general rule. The defense may exist in connection with an offense which is not *malum in se* and the accused reasonably relied on a mistaken pronouncement of the law by a court or executive officer empowered to interpret or enforce the law, *United States* v. *Mancuso*, 139 F. 2d 90 (3d Cir. 1943); *Cox* v. *Louisiana*, 379 U.S. 59 (1965). A defense may also exist where the offense requires a specific intent which the accused could not have if mistaken as to the lawfulness of his act. Of course, no recourse to the defense need be made if there is a statutory defense.

Mr. Kearney has been indicted for violation of 18 U.S.C. § 2511(1)(a). Section 2511 (3) provides that section 2511(1)(a), *inter alia*, shall not be construed as limiting the constitutional authority of the President (1) "to protect the Nation against actual or potential attack or other hostile acts of a foreign power," (2) "to obtain foreign intelligence information deemed essential to the security of the United States," (3) "to protect national security information from foreign intelligence activities," and (4) "to protect the United States against the overthrow of the Government by force or other unlawful means, or against any other clear and present danger to the structure or existence of the Government." In order to establish section 2511(3) as a defense in a particular case it would have to be shown that (a) the President had the constitutional power to act and (b) that he exercised that power. In *United States* v. *United States District Court*, the Supreme Court held that the President might not constitutionally order the warrantless interception of the conversations in connection with purely domestic threats to national security. The question of whether he might issue such an order where foreign involvement was concerned is as yet unclear as noted earlier. Whether the President or some permissible delegate authorized the interceptions in Mr. Kearney's case as part of an operation involving a foreign government is unclear. If not, then section 2511 (3) can only be used as part of a mistake of law defense to a charge under section 2511 (1)(a). Assuming that some Department of Justice official with authority to interpret or enforce the law had advised Mr. Kearney

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[2] 18 U.S.C. § 1702. Obstruction of correspondence. Whoever takes any letter, postal card, or package out of any post office or any authorized depository for mail matter, or from any letter or mail carrier, or which has been in any post office or authorized depository, or in the custody of any letter or mail carrier, before it has been delivered to the person to whom it was directed, with design to obstruct the correspondence, or to pry into the business or secrets of another, or opens, secrets, embezzles, or destroys the same, shall be fined not more than $2,000 or imprisoned not more than five years, or both.

[3] 18 U.S.C. § 2511. Interception and disclosure of wire or oral communications prohibited—

(1) Except as other specifically provided in this chapter any person who—

(a) willfully intercepts, endeavors to intercept, or procures any other person to intercept, any wire . . . communication; . . . shall be fined not more than $10,000 or imprisoned not more than five years, or both.

* * * * *

prior to June 19, 1972 that section 2511(3) and the general case law with respect to the powers of the President as principal agent for foreign affairs and Commander-in-Chief permitted the use of wiretapping against purely domestic threats to national security, the defense of mistake of law may have some vitality. However, even under these facts there are some difficulties. The mistake of law defense even under these circumstances requires a reasonable, good faith reliance. Yet, from January, 1971, the only case law squarely on point repudiated such a theory, see *United States* v. *Sinclair*, 321 F. Supp. 1074 (E.D. Mich. 1971); *United States* v. *United States District Court*, 444 F. 2d 651 (6th Cir. 1971). On the other hand, under such circumstances, Mr. Kearney might find support in *United States* v. *Ehrlichman*, 546 F. 2d 910 (1976) and *United States* v. *Barker*, 546 F. 2d 940 (D.C. Cir. 1976) (Enclosed).

A similar analysis might be applied to 18 U.S.C. § 1702. That section contains no provision comparable to section 2511(3) but there is some indication that what "is required to establish a prima facie violation of section 1702 is a showing that (a) that defendant opened mail in postal channels with 'design to obstruct the correspondence, or to pry into the business or secrets of another' and (b) *the defendant lacked lawful authority to do so.*" Department of Justice Report at 23 (emphasis added) citing *United States* v. *McCready*, 11 F. 229, 236 (W.D. Tenn. 1882). Here too the question of whether Mr. Kearney had lawful authority may turn on facts that are unavailable or upon establishing a defense of mistake of law which may prove difficult. However, in the case of 1702 there is definite authority to suggest that a specific intent is required, *United States* v. *Brown*, 425 F. 2d 1172 (9th Cir. 1970), and although the Justice Department suggests that this is not the better view it would give added strength to any assertion on Mr. Kearney's part that his reasonable view of authority prior to *United States* v. *United States District Court* bars conviction.

Of course the failure of possible defenses as a legal matter does not mean the facts might not suggest that as a policy matter prosecution should have been foregone. The CIA mail covers and break-ins which the Department has declined to prosecute are analogous to Mr. Kearney's case in a number of respects. They may differ in one important respect, the CIA activities seem more clearly directed at foreign activities or foreign threats to national security. However, prior to 1972 the Justice Department contended that this was not a meaningful distinction and Mr. Kearney's activities apparently ceased at approximately the same time as the Supreme Court's repudiation of this position.

CHARLES DOYLE,
Legislative Attorney.

REV. JESSE JACKSON ON THE URBAN SCHOOL CRISIS

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. O'BRIEN. Mr. Speaker, Rev. Jesse L. Jackson is founder and president of Operation PUSH, a Chicago-based organization dedicated to inspiring blacks to greater self-help efforts. A close associate of the late Rev. Martin Luther King, Jr., Reverend Jackson headed Operation Breadbasket, a successful economic mobilization drive during the 1960's.

When Jesse Jackson speaks, he is worth listening to.

I wish to commend to the attention of my colleagues in the Congress a recent essay by Reverend Jackson entitled "Urban Schools: Institutionalizing Mediocrity," in the Washington Post for April 27, 1977:

URBAN SCHOOLS: INSTITUTIONALIZING MEDIOCRITY

(By Jesse L. Jackson)

It's the age of the one-way guarantee. Guaranteed income. Guaranteed employment. Guaranteed health care. Guaranteed benefits. Guaranteed admission. Guaranteed everything.

Except one thing. What about guaranteed production? Ask that, and you get an outraged reply: "That's guaranteed performance, guaranteed measurements! That's discriminatory!"

Nowhere is the suggestion drawing more blood than in American public education, where the guarantee of performance doesn't extend even to producing high school graduates who can read and write.

The trend, especially in urban centers, is for public education to get out of the education business. Public education's identity crisis is so severe that as it has locked out the communities and children who need education the most.

Today' big education story is not what's happening in the classrooms but the struggle of public-schools-as-employment-agencies v. public-schools-as-education-agencies.

Guess who's winning.

It's happening everywhere, but the most ludicrous and cruel examples are in big cities, where teachers and administrators are most powerful, where budgets are biggest and the children the least educated.

Consider Chicago. Its school budget is just over a billion dollars—$1.05 billion to operate a system serving a half million children, a majority of them black, who attend classes in more than 600 buildings operated and staffed by 40,000 employees, only 26,000 of them classroom teachers.

Eighty per cent of the budget pays salaries. So it's easy to guess what Chicago schools do best: They pay well, they employ well, and because of union power and contractual guarantees, they've institutionalized mediocrity. Needless to say, there's not much money or imagination left over for education. An employee's or teacher's ultimate reward is based on seniority and tenacity rather than service and proficiency.

If cities like Chicago don't survive, neither will America. The people we must depend on to rebuild them are the people who live in them. It's their children who will make the final difference, but not if they are not educated first.

The Chicago campus of the University of Illinois admits young men and women who are in the upper half of their high school graduating classes, whether the schools are in cushy suburbs or the inner city. To its horror, the university found that many of its Chicago high school graduates (remember, they're the upper half) can't read above the eighth-grade level.

My organization, Operation PUSH, arranged the testing of one Chicago high school sophomore, to see what he knows compared with others around the country. We found he was reading below the third-grade level. Among other things, he thinks that George Washington is the man who discovered America. His mother was alarmed, school officials were embarrassed but no one could be held accountable—no one had guaranteed he'd learn. Unless he drops out, he most likely will graduate in two years.

Young men and women like these are being falsely certified. They are functionally illiterate, but they are being passed off to the world—and themselves—as functionally literate. What meaning does a diploma have if the person who has it can't read, can't count, can't reason, can't get a job and can't understand that he's been violated?

There's a conceit in education today that holds you don't train hands, you train heads. The idea is that you train hands only if they don't have heads. So schools like Chicago's go through a mindless charade of preparing people to go to college—even though they can't teach them to read.

Yet who ever met a bricklayer who didn't have a functional grasp of basic algebra and geometry? If the cities are to be rebuilt, don't we need bricklayers? And plumbers, plasterers, glazers and carpenters?

Non-educational forces have gained a stranglehold on the education industry. The people in control have only a secondary interest in kids. Face it: The interest of the organized—teachers, principals, janitors, office workers—is protective. It's only the unorganized—children and parents—who are in jeopardy. There is no children's and parents' association with power that has as its principal job the protection of children.

It's not clear who made the mess: some living, some dead, some rich, some poor. It is clear who must accept the challenge: us—all of us. Pain and sacrifice must necessarily accomplish change and the cure. We must be willing to pay the price to achieve the noble end of saving our children.

Educational interest must seize the power in the education industry. Some combination of massive parental organization and media must be forged to create a new day in American education.

FARM PRODUCTION AND THE LAND

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. GRASSLEY. Mr. Speaker, even those of us who own farms sometimes do not realize how fragile our food production system is in the United States. Unless farmers receive an ample return for their investment, they cannot afford to produce our food and fiber. To insure that farmers do receive a good return, we must keep our agricultural export markets open.

An article in the November 1976 edition of Land O'Lakes Mirror, "Something To Tell the City Folks: Five Acres Between You and Starvation," gives a good, broad overview of the farmer's financial concerns:

SOMETHING TO TELL THE CITY FOLKS: FIVE ACRES BETWEEN YOU AND STARVATION

Our country is blessed with a good agricultural climate, ample resources distributed from one end of the nation to the other, and a large acreage of good farmland.

But these assets are finite—they are not growing. Population is.

If we are going to maintain our affluence—or increase it—we must somehow make our farm acreage more productive to keep up with the growth in population and demand.

Our agricultural assets are in the hands of farmers. It is up to them to take care of these valuable resources and make them more productive. The key to the success of meeting the demand of future populations for food and fiber is in their hands.

There is just over a billion acres of farmland in the United States. That is an average of 5 acres per person. So, each of us depends on 5 acres of land for our food and some of our clothing and lumber.

How much is 5 acres? Well, the playing boundaries of a football field cover just over an acre. So, 5 acres is slightly less than five football fields. But the 5 acres you depend on aren't all flat and suited to be cultivated for growing crops. Just over two of the football fields—2.2 acres—are cropland.

It takes 37 gallons of fuel and 185 kilowatts of electricity to produce the food and fiber on your 5 acres of farmland. Any interruption of this flow of fuel and power can affect your food supply.

Your 5 acres has a one-fifth interest in a beef cow, and a one-nineteenth interest in a dairy cow. Somebody must take care of those animals. It is important to you that the person who is tending those animals sees that he can make some money doing it, or else you will be the one who suffers from a restricted supply of meat, milk, cheese and other dairy items.

A farmer has to spend many long hours working on that 5 acres to produce your food and fiber. It's hard work and takes a lot of skill. It is important to you that he has enough incentive to do it, and do it well.

A farmer has an investment of $2,294 in physical assets in that average 5 acres that grows your food and fiber. The farmer has made the investment because he wants to make a profit taking care of that investment and the 5 acres. For this, you, as an average consumer, would pay the farmer $427.54 last year. He gets about 40 cents out of each dollar you spend for farm-produced food.

The farmer used that $427.54 to pay $353.17 in production expenses. That left $74.37 for the farmer who took care of the 5 acres, and who took care of the one-fifth interest in the beef cow and the one-nineteenth interest in the dairy cow.

How much is $74.37. Well, a 3.5 percent return on the $2,294 investment in physical assets made on your behalf is $80.29. So, the farmer who was looking after your average 5 acres of land didn't get back quite 3.5 percent cash on his investment—and he threw in his labor. If you put $2,294 in a savings account—where there is no risk—you'd be rightfully upset if you didn't receive at least a 5-percent return of $114.70 on your investment at the end of a year.

Since you depend on that 5 acres to sustain your life, you have a big stake in seeing that the farmer tending your 5 acres has the equipment, supplies, and know-how, and the incentive to do the job.

You need to be concerned, then, as to whether the farmer taking the risk on your 5 acres of land is going to be able to maintain the fertility of his soil and invest in the mechanization and new techniques necessary to maintain your food supply. He's doing it well now, but as the population grows, you will have to share part of your 5 acres with other people.

Fifty years ago there was an average of more than 10 acres of cropland per person in the United States. Thirty years ago it had declined to 8 acres, 15 years ago to 6.5 acres, and now to 5 acres.

If you take a close look at your 5-acre share of farmland you'll notice that about 0.45 acre is used to produce for our export markets. (In fiscal 1976, almost one out of every three harvested acres was used for export, making the quoted 0.45 acres erroneous for this period of time.)

The farmer's efficiency is so great that he can produce on these 5 acres about 3 times as much wheat as you can eat, twice as much rice, about 40 percent more cotton and soybeans than you can use, and a fourth more feed grains than it takes to feed the livestock and poultry producing your meat, milk, and eggs.

Since you can't use all the food the farmer raises on your 5 acres, the farmer looks for an export market overseas. If he can't find a market, he will have to cut back production. That's bad for you, because the more the farmer cuts back his production, the higher his costs per bushel and bale will go—and your food and fiber will cost you more. So the export market for the 0.45 acre helps hold down your food costs.

As long as the farmer can produce more than you need and can find export markets, then it's good news here and overseas. Although other countries are less efficient in agriculture, many do produce things you need—petroleum and minerals, bananas and coffee than we don't grow, cameras, small cars, motorcycles, TV sets, radios, clothing, and many consumer items that they often can produce more cheaply than we can.

These countries are happy to sell you their goods and use the money to buy the extra food and fiber the farmer produces on your 5 acres. Our total farm exports also make jobs for a half million nonfarm people. The money earned from farm exports strengthens the dollar in international trade, allowing you to get more for your dollar when you buy imports. Stronger dollars also hold down inflation.

The 0.45 acre that is growing exports on the 5 acres is not a "cushion" to take care of your own increasing food needs in the years ahead. The largest increases in population will take place elsewhere around the world. Other people already depend on that export acreage for their daily bread. They will look increasingly to us in years ahead, putting more pressure on the 5 acres growing your food and fiber.

Your future needs for fuel and minerals and consumer goods from overseas also will grow. We now pay for much of it from the favorable balance that we have in agricultural trade. We exported $12 billion more food than we imported last year. We will have an equal or growing need in future years to sell farm products in order to get the exchange to buy vitally needed imported items.

Food, then, is more than just the key to your affluence up to now. It will become much more important in years ahead. The critical problem of meeting expanding food needs is one that you share with all others. The outcome will center on what happens as the farmer tends the 5 acres of cropland that grows your food and fiber.—Adapted from "The Secret of Affluence," a pamphlet by the USDA.

The average 5 acres of U.S. farmland include:

2.12 acres—grassland and pasture.
0.53 acre—woodland.
0.41 acre—crop pasture.
0.09 acre—idle.
0.13 acre—farmstead and roads.
1.27 acres—crops for U.S. market.
0.45 acre—crops for export.

ARMY SECRETARY ALEXANDER: "THIS IS A QUALITY ARMY"

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. STEIGER. Mr. Speaker, as he assumed the position of Secretary of the Army Clifford Alexander found the military under sharp attack from its traditional critics. To his credit, and to the Nation's benefit, he did not retreat in the face of their unfounded criticisms.

As mentioned in my May 2 extension of remarks, Secretary Alexander evaluated the criticisms and checked the facts. The facts show that all-volunteer army is a bargain for taxpayers and that it has improved the quality of our military force while reducing the turbulence the draft brought with it.

In a speech to the National Association of Media Women, on April 15, Secretary Alexander gave some of his perceptions of today's Army's pluses and minuses. "This is a quality Army," said Cliff Alexander. He described those now serving in the Army as "energetic, physically fit, and competent in performing their mission. I would commend to those who would criticize the Volunteer Army such trips to the field. Look for yourselves. Talk to those who command, and then reach your conclusions."

"Today's Army is," Secretary Alexander said, "better disciplined, confident of their skills, with a strong sense of their mission." This is not to say he is unaware of the Army's problems. He acknowledges those problems, but emphasizes that unjust criticisms have caused the real problems to be obscured in the eyes of many.

It is good that we have as head of today's Army a man who sees past the illegitimate carpings and who takes a realistic view of just where the Army stands. I hope those who read the RECORD will give thoughtful attention to the Alexander speech, which follows:

It's a pleasure to be here in Chicago, and to see so many old friends again. I would like to talk this evening about an issue that's been getting a good deal of attention in the media lately, as well as on Capitol Hill. That issue is whether America needs to return to a draft, or whether the All Volunteer Force is working and can continue to work in the years ahead.

Let me tell you at the outset that I am a strong advocate of the Volunteer Army. I favor free choice over coercion, and I don't believe the draft was ever equitable in spreading the obligation of military service.

I have only recently started grappling with some of the problems we face in making sure the Volunteer Army continues to meet our national security needs—and there are some problems, that is clear. We should focus on solving those real problems. We should not succumb to the myths that seem to have grown up around our four-year old venture with the All Volunteer Force, and give up on a concept that has worked well so far for the Active Forces and has enormous promise.

One such myth is that the cost of a volunteer force has driven up defense spending to the point where manpower costs are now about 60 percent of the Army budget. From that follows the fear that inevitable future increases will either put a squeeze on our ability to develop, buy and operate necessary equipment within reasonable constraints on defense spending, or will force us to spend unacceptable amounts in total on our military establishment.

Well, let's look at that one for a moment. First of all, in our FY 78 budget request, pay and allowances for the active and Reserve components of the Army total only about 30 cents of each Army budget dollar. Civilian personnel costs make up another 17 cents, and other personnel related costs, mainly retirement pay, account for about 11 cents. That's where the total of about 60 percent comes from. I think this helps to start putting military pay costs into perspective. It helps, too, to remember that most of the pay increases that have brought military pay and allowances to the level they are at today occurred well before the advent of the volunteer force: In 1971 when the Congress de-

cided to make military pay more equitable in relation to civilian pay levels.

If we returned to the draft tomorrow, I don't think anyone would seriously argue that we should start paying our soldiers less. There are not yet any definitive studies on what the total savings might be under a new draft. But when the dollar costs of operating a draft are weighed against the savings in recruitment costs, and the myriad effects on the way we train, assign, and promote our soldiers are thrown into the equation, we might well find the draft a more expensive way of meeting our needs than the volunteer force. Remember, the Volunteer Army has built into it important efficiencies which we would lose under a return to the draft for active service. The volunteer force, with its longer tours of duty, means that at any given time we have a smaller fraction of our total strength in what might be called "overhead" status—trainees and students, people on their way into and out of the Army, to and from new assignments.

Some have questioned the "motivation" of those who join a Volunteer Army. They say young people are escaping unhappy home lives, overcrowded slums or doing it just to make a buck. The critics go on to say that love of country is waning as a motive for joining the Army. Well, there are almost as many reasons for volunteering for the Army as there are volunteers. Whatever those reasons—and I have no skills as a mind reader to list them—all the reasons for joining the Army miss the point.

The point is, what is the quality of the soldier. The answer is clear. This is a quality Army. Young men and women, if they did not focus on it when they joined, come to appreciate the significance of the service they are providing their country. They work hard—often on lonely, sometimes foreign fields. They take their training and their missions seriously. They are well motivated and we should take pride in what they are doing for their country and for themselves.

People should remember that during the history of this Nation, most of the time we have relied on a volunteer Army. A draft was rejected in the early 1800s. It was instituted for two years during the Civil War—again for a few years during World War I and ended in 1919. In 1940 the draft was reinstituted, ended in 1947, and revised in 1948 to end most recently in the early part of this decade. It is clear, therefore, that volunteer service is more a part of our history than conscription.

Fortunately, we're finding today that there are enough young men and young women who want to be soldiers that, with some hard work, we can meet our needs in the active component. We are having trouble keeping our reserve forces up to strength; but today's active Army is, according to the commanders with whom I've talked, the best motivated, best trained and most skilled they have seen—ready to make the daily personal sacrifices that military life entails, and recently to make the ultimate personal sacrifice that combat may require if it ever comes to that.

Since becoming Secretary of the Army, I have had the opportunity to visit with the leaders of the Army who command our soldiers in the field. General Vessey, who commands our troops in Korea, says his soldiers are the best he has seen in over 30 years of service. General Blanchard, who commands the American Army in Europe, states that he, too, finds this to be the best Army he has seen. Recently, in Panama, I saw firsthand our troops in the 193d Infantry Brigade, commanded by General Richardson. As I traveled through the jungle, along the roads, and across open fields, I talked to the individuals who make up today's Army. They were energetic, physically fit and competent in performing their mission. I would commend to those who would criticize the Volunteer Army such trips to the field. Look to yourselves. Talk to those who command, and then reach your conclusions about the quality of the Volunteer Army.

Further, there is a host of statistics that underline the success in the active force since the beginning of the Volunteer Army. These statistics are not merely numbers. They show a rapid diminution of problems that have plagued the Army in the past. Some examples are as follows: in 1974, 108 out of each 1,000 soldiers went AWOL; in 1976 it was down to 56 per 1,000. In 1974, 33 soldiers per 1,000 deserted; in 1976 only 14. In 1974, 25 soldiers per 1,000 were court-martialed; in 1976 only 11. In 1974, 28 soldiers per 1,000 were separated under less than honorable conditions; in 1976 22 per 1,000 were so separated.

This positive statistical trend reflects an Army that is better disciplined, confident of their skills, with a strong sense of their mission. It is not an Army without problems. No amalgamation of close to 800,000 people would be without problems. Nor is it an Army that can't be better. It can and will be.

If the Volunteer Army is not inherently more costly than a largely conscripted army, and if it is performing well, why are so many people apparently ready to believe the worst, to magnify its every problem? I'm not sure I know the answer to that. Perhaps part of it is the fear that a corps of professional soldiers will drive us into military adventures abroad. But this spectre is absurd. It ignores the very existence of civilian control. It also would imply that draftees set policy and that their presence in large numbers would somehow influence that policy. I think anyone who has been a draftee, or knows one, knows that draftees rarely attain policy making positions in the armed forces.

There is another factor, whether voiced or left unspoken, that makes many people wary of the Volunteer Army and ready to give it up at the first sign of difficulty. That is the growing proportion of minorities in the Army. We hear voiced the belief that too large a minority representation means a disproportionate burden on a segment of our society already disadvantaged. Left unvoiced are less noble sentiments. One, born of racism, is that an Army that recruits too many Blacks portends an Army of lower quality.

As for the "quality" argument, it hardly merits a response. Suffice it to say that the first-term dropout rate among Blacks is within a percentage point of the rate for whites.

Whatever it is within society makes Black youngsters and other minorities perceive better opportunity in the Army than in civilian life is the same something that prompts lack of confidence in, or fears of, an Army too Black, too Puerto Rican, too Mexican American . . . and that something is racism.

Society must focus not on the 27 percent of its soldiers who are Black or other minorities, but on the 40 percent unemployment rates among minority teenagers which make the prospects of military service more attractive. And when something is finally done about these conditions, when the residue of past and present discrimination is washed away, so too can be those guilty or paranoid fears of growing hordes of minority ex-servicemen, trained in the arts of killing and roaming the streets of our cities.

If there are proportionally more Blacks—or any other ethnic minorities—in the Army by free choice than there are in the population at large, so be it. To try and control this proportion would be at best paternalistic: for the whole concept of a volunteer army is predicated on the assumption that individuals take on the risk and responsibility of military life by their own free will. And at worst, such an effort to control representation would be downright discrimination; for what we would be doing would be denying people an opportunity that might not exist elsewhere.

After we move beyond some of the imagined concerns expressed about today's Volunteer Army we can devote more public attention to the significant problems it faces today. Unfortunately, there is a shortage of people volunteering for the reserve components.

In the past this has been true of both the Army Reserve and the National Guard, but over the last three months there have been encouraging signs in National Guard recruiting. Army Reserve figures, however, have not shown the same encouraging upturn experienced in Guard recruiting.

Under today's total Army concept the Reserve, the National Guard, and the active Army are all significant parts of our ready forces. Active and immediate attention is being given to methods of attracting more volunteers to the Reserves. The search for these methods will need creativity and input from society as a whole.

Another issue that may affect the flow of available young men and women for the future Volunteer Army is the projected diminishing number of 17–21 year olds in the years ahead. The Army faces this problem just as do other institutions in the society. Also, while we would hope that there will be a significant decrease in overall unemployment for teenagers, black and white, if this significant decrease takes place it will necessarily cut down somewhat on potential recruits. These issues, and possible solutions, are receiving our close attention.

Can we keep the Army an attractive place to serve while maintaining it as an efficient and effective force? It has been part of the U.S. Army tradition that soldiers complain. It used to be about KP. During basic training it's that hard-nose drill sergeant. During maneuvers it's the mud—the bugs—the hours—the chow. That kind of complaining hasn't changed much I understand—and personally I'm glad for it.

The American soldier of yesterday and today is high spirited and raised in the tradition of an open society. Gripes are aired. So when someone tells you that soldiers are complaining about something—ask them "so what else is new?"

The soldiers of today, just as yesterday, do not let those complaints get in the way of their mission. They understand and take orders. They are exposed to risks involving their lives and they, more than anyone, understand the need for strict obedience to orders.

Members of our Army realize they must be able to operate the complex equipment that is an integral part of their mission and you will be happy to know they are the most highly trained technical Army this Nation has seen.

Yes, this is the Volunteer Army. With rare exceptions, it is ready to perform its mission. It is made up of men and women who, like you and I, care deeply about preserving the fundamental principles of freedom, free expression and a society governed by equitable laws.

It is a quality Army, this Army that is protecting those principles. It is staffed by people well qualified to do their jobs. As Secretary of the Army, I will do my utmost to make it an even greater army, and to keep it an attractive place to serve for the young men and women who fulfill its mission.

TRIBUTE TO DR. HAROLD WILKIE

HON. RICHARD L. OTTINGER
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. OTTINGER. Mr. Speaker, I would like to take this opportunity to pay tribute to a most extraordinary individual

from White Plains, N.Y.—Dr. Harold Wilkie. Dr. Wilkie directs the Healing Community and has brought hope and rehabilitation to thousands. Despite this full time load, Dr. Wilkie still manages to be an active member of the Ridgeview Church community as well as an inspiration to the city as a whole. Recently an article on Dr. Wilkie appeared in the Reporter Dispatch and I would like to share this with my colleagues at this time:

HEALING COMMUNITY TRIES CONQUERING ALIENATION

(By Shirley Friedman)

Trying to get alientated members of society back into the mainstream of community life is the aim of an organization known as the Healing Community. It is also the guiding force in the life of its director, Dr. Harold H. Wilkie of White Plains, who has worked for this cause as a minister, author, chaplain and world-wide lecturer.

Daily, Dr. Wilkie drives a car, writes, types, dials a telephone and commutes to his office in New York. What makes all this unusual is that Dr. Wilkie was born without arms, and while this is considered a handicap by most people, he has proven that with proper training a disabled person can function as well as any other person.

This is the message Dr Wilkie and the Healing Community are trying to convey to churches, synagogues and voluntary agencies in the community, which serve as healing and rehabilitation agents. In pilot projects in St. Louis, a congregant of the Ethical Culture Society has built ramps in several churches and synagogues so that people in wheel chairs can attend services. Another church there is working with the aged

In San Francisco, four churches are sponsoring a half-way house for Vietnam war veterans. A synagogue there is helping to rehabilitate patients released from mental hospitals. In Indianapolis, the Second Presbyterian Church is advising battering parents and teaching their procedures to other groups.

Mrs. Louise Ransom of Bronxville is a member of the Board of Directors of the Healing Community and Dr Roger W Johnson, pastor of the Scarsdale Congregational Church, is the chairperson of the group

An old friend of Dr Wilkie's, Dr Johnson is well acquainted with Dr Wilkie's work during his 20 years as Director of the United Church's agency responsible for national programming for 9,000 ministers One of the ministers that Dr Wilkie has counseled and advised is his friend, Dr Andrew Young, U.S. Ambassador to the United Nations

Dr. Wilkie has been a minister in a Chicago suburban parish, a campus pastor at the University of Missouri, and a hospital chaplain for the armed forces and the Veterans Administration He is the immediate past chairman of the General Commission on Chaplains and Armed Forces Personnel in Washington. A former vice president of the National Easter Seal Society, he still is an active board member

Recently, Dr Wilkie was the keynote speaker at a Rotarian Dinner in Chicago, kicking off the chapter's rehabilitation aid program.

He sums up the three influences that motivated him to a useful and rewarding life First, his Rousseau inspired parents who brought him up on a farm in Missouri He was never treated differently from his siblings and he knew they expected him to pull his own weight around the farm They never allowed him to think that there was anything he couldn't do and there was no question that he would do it.

Second, his peers. After being rejected from the local school because the teacher thought he would distract the other students Dr Wilkie's father persisted until he found a one-room school that would accept him. He had to walk through woods, run through a pasture, dodging a bull, and ford three streams with the other children. In ball games, he caught the ball differently, but he had to follow the rest of the rules of the game.

Third, his church, which was totally acceptive. They welomed him and gave him a chance to express himself. Dr. Wilkie says he feels that their willingness and approval gave him the chance to live up to his abilities.

Dr. Wilkie's wife, Margaret, is a psychotherapist at the New York Gestalt Center for Psychotherapy and Training. They have five sons: a minister, a physicist, a musician, a teacher and a college student.

Through the Healing Community, Dr. Wilkie has set an example to those who are different. He hopes that the three major faiths and their congregants "will change Pope John the XXIII concept of 'open the windows' to open the doors to the disabled."

HOW CAN A CONSUMER CZAR REPRESENT US ALL?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. ASHBROOK. Mr. Speaker, the Committee on Government Operations has once again reported out a bill to establish an Agency for Consumer Protection. This bill should be defeated.

I have consistently opposed the creation of such an agency. It would add one more costly layer of bureaucracy onto the backs of the taxpayers. It would also mean further harassment of our Nation's businessmen in the name of some undefined concept, the "consumer interest".

The problem of trying to represent something as ambiguous as the consumer interest is explored by Leon Jaworski, former Special Watergate Prosecutor. In a letter to the Committee on Government Operations, Jaworski asks who are the new agency's constituents?

They are called "consumers" as if there were a difference between a "consumer" and a "person". In fact, there is none. The agency will ostensibly represent the interest of every man, woman and child in this nation.

This leads to the question of how the interest of the people will be determined in a given matter. There are no criteria in the bill for defining that interest, nor could there be.

Definition of the national interest is the most difficult and most fundamental objective of the government; and ultimate responsibility for its accomplishment is placed by the Constitution upon the elected members of Congress and the President. I have severe reservations about the delegation of so broad and basic a role to one unelected official.

Simply put, a consumer czar could not represent us all. Following is Jaworski's letter as it appeared in the May 6 edition of the Washington Star.

CAN A CONSUMER CZAR REPRESENT US ALL?

(By Leon Jaworski)

My years of law practice, both as a private and public citizen, have taught me that the stability and effectiveness of government depend upon balance among its institutions. Political power inadequately confined creates imbalance and invites abuse. The new Agency for Consumer Protection would be vested with authority so broad that it could easily be turned to the political advantage of those who control it. There are no checks sufficient to harness that authority.

The ACP would be charged to "protect" and to represent" the "interests of consumers" in nearly every activity of our federal complex. The legislation would grant its administrator the right to appear before agencies and departments of government, the right to collect information by compulsory process from within and without government, the right to sue the government in federal court, and the right to speak from any platform—all on behalf of the "consumer interest" which he "represents."

Let us consider the implications of this authority. We must first inquire who are the new agency's constituents. They are called "consumers" as if there were a difference between a "consumer" and a "person." In fact, there is none. The agency will ostensibly represent the interest of every man, woman and child in this nation.

This leads to the question of how the interest of the people will be determined in a given matter. There are no criteria in the bill for defining that interest, nor could there be. Definition of the national interest is the most difficult and most fundamental objective of government; and ultimate responsibility for its accomplishment is placed by the Constitution upon the elected members of Congress and the President. I have severe reservations about the delegation of so broad and basic a role to one unelected official.

The administrator would be empowered to appear before executive and independent departments and agencies, before the courts, before committees of Congress, and before any individual or entity outside the government to express the national interest as he defines it.

More importantly, there is no effective check against abuse of that authority by the elected branches. The bill contains no provision for a term of office or for the circumstances under which the administrator may be removed. These factors indicate congressional intent that he be subject to removal at the discretion of the President and therefore that he would be within the President's control.

On the other hand, the agency is empowered to sue executive departments and agencies, implying that the administrator would be independent from the President. Given that the power to sue executive departments is a keystone of the legislation, I assume that the administrator would not, in fact, be subject to control by the President.

This conclusion is buttressed by the ability of the administrator to intervene and sue in the context of independent agency activity. Were he subject to the control of the President, his actions before independent agencies might constitute improper executive interference. If the ACP were to function as it is conceived in the bill, the power of the administrator could not be checked by the President.

Neither could Congress nor the judiciary provide an effective balance against the activities of the agency, so long as it remained within its practically limitless statutory authority. Congress could theoretically abolish the agency or limit its appropriation, but in practice would probably not do so. As the designated representative of all consumer interests, the administrator would have a far greater opportunity to influence public opinion than most members of Congress

I do not care to speculate that any person would use the new agency as a vehicle to distort the political process for personal gain or for any other reason. I need not do so to prove my point. Power would be vested in the administrator of the new agency that could be wrongfully manipulated.

That alone is sufficient to justify laying the concept to rest once and for all. It is contrary to the most fundamental of our demo-

cratic principles to vest in one unelected person the authority to represent, legally and politically, the interests of all of the people.

ANDREW YOUNG, U.S. AMBASSADOR TO THE U.N.

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, May 9, 1977

Mr. CLAY. Mr. Speaker, Ambassador Andrew Young has introduced to the United States and to the world a foreign entity in the annals of world politics. That element is total and complete honesty.

His candor and open discussion of vital issues has been enormously unsettling to those who would prefer the "business as usual" approach. Ambassador Young has shown that he does not intend to conduct the business of this country toward the undeveloped nations "as usual." Ambiguities, deception, and imperialism are out. Clarity, honesty, and self-determination are in.

We can hope that the Andy Young style will catch on and future international relations will be handled in accordance with the rules of true statesmanship. That he has the blessings and support of President Carter gives us the opportunity to initiate the badly needed confidence in the political arena of world affairs.

Mr. Speaker, I would like to share the April 25, 1977, weekly column of my colleague, the Honorable AUGUSTUS F. HAWKINS of California:

MR. AMBASSADOR ANDREW YOUNG

Remember Daniel P. Moynihan? In case you don't remember—he was that loud, blunt, caustic-speaking, sarcastic, undiplomatic U.S. Ambassador to the United Nations, appointed by former President Richard Milhous Nixon.

He brought notoriety and noise to that previously quiet, subdued post.

He criticized the Russians, the Chinese, the Arabs and the Africans, and was cheered on by Americans.

He defended Israel; he sometimes applauded the rightwing positions of governments that should have long ago been on our non-support, "hit" list. For these gestures he got roses and gardenias.

It was rumored that Kissinger didn't like him. In numerous showdowns with Kissinger and other State Department types, Moynihan was supported by both Presidents Nixon and Ford.

Now we have another man in the White House, and another U.S. Ambassador to the U.N., the former Congressman from Georgia, Andrew Young.

If you don't recognize the name—Andy Young—then you haven't been watching TV, listening to the radio, or reading your local newspaper.

He's not quite a household word yet, but he is on the tongue of a lot of Americans these days.

And like it or not when Andy Young says something he gets quoted. Sometimes he's mis-quoted, but whatever, his name is news, and so are his views.

In style he's different from Moynihan. He's outspoken, true enough, but he's polite, tactful, courteous, temperate, careful and considerate of the words he uses.

His tone is friendly. He's not hostile or overly agressive.

He describes himself as President Carter's point man and was recently quoted as saying that the President remarked to him awhile back, "I hope you're going to stick with me. It gets kind of rough out there. I don't intend to shut up and I hope you wouldn't let them intimidate you either".

So far, the President has been a firm public supporter of Andy Young's style. A case in point is Ambassador Young's view that Cuba has had a stabilizing influence in Angola.

The President says he agrees with Mr. Young's position on this issue.

How long can Andy Young continue making foreign policy pronouncements in the public arena, which seem at variance with what is called "official policy", without getting his hands slapped, seems moot at this point. Nevertheless, it is a serious question raised by many experts in the foreign affairs community.

But this is a different ballgame now, and maybe some of the old rules inherent in the usual State Department secrecy bag, are no longer useful tools.

One thing is certainly obvious, Africa has gained stature since Mr. Young assumed his Ambassadorship. Not only has the status of this continent improved, but the serious questions regarding Africa's new world role have taken on significant meaning. So much so, that President Carter has assigned Vice President Mondale as the leader of the Administration's study on African policy.

Andy Young's typical response to Mondale's important task was that, "There's enough work there for anyone who wants to do it".

To me, Andy Young is a breath of fresh air, needed in these days of hush-hush overseas diplomacy.

I can hardly wait to read my morning newspaper nowadays, to see what other telling points Mr. Young raises on issues that ought to be public.

Right-on Andy!

ENERGY AND RURAL AMERICA

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. ABDNOR. Mr. Speaker, South Dakotans, like other Americans, are concerned over our Nation's energy problems. And, like other Americans they are ready to do their part in relieving the situation. They are concerned, however, that their unique situation of living in an area where the lack of public transportation and the distances between communities providing vital services make private automobile use mandatory, may result in disparities in establishing equity, and that the tiny minority of the population living in rural America may be called upon to shoulder an undue share of the energy burden.

The view from rural America is stated in two editorials which I commend to the attention of my colleagues:

[From the Timber Lake (S. Dak.) Topic, Apr. 28, 1977]

IT SEEMS TO ME

(By Mary Byington)

If President Carter has his way, driving any kind of a gasoline-powered four-wheeled vehicle is going to get mighty expensive.

We can think of reasons why increased taxes on gasoline would be unfair. It would be unfair to people in places like western South Dakota, where there is a lot of distance between farms, ranches and towns. It would be unfair to people who work in cities, and have to compute from their homes to work. We can also think of some good such taxes would do in cutting gasoline consumption. It would be an added incentive for city workers to either form more car pools, or use mass transit systems. It might make farm people program their work so that fewer trips are made. And hopefully, it would cut down a lot of the unnecessary driving that goes up and down Main street every evening.

The perfect (?) solution to the gasoline crisis is get a horse! Just think, if we went back to horse and buggy days, farmers would have a market for all the grain they are raising, and the price of feed grains, especially oats, would go up. Not only would horses furnish power, but they would also furnish some of the fertilizer we need. A lot was lost when automobiles and tractors took the place of horses!

Seriously, though, a lot of people are casting about for solutions to the energy crunch. Some cities are experimenting with methane gas derived from their garbage to supply power. Experiments are underway, too, to harness the sun and wind for power.

The most promising substitute, and one that farmers should boost, is grain alcohol for fuel. Some places are using it, but it's still a little expensive—over $1.00 a gallon. Using a renewable resource, such as grain, is the most sensible thing to do. American farmers have proven they can raise the grain if it's needed.

If the Wheat Commission hasn't already done so, they should direct more of their funds to fuel source research.

President Carter has asked the Congress to tax gas guzzlers, and perhaps offer rebates to economy cars. He would like to discourage big cars, and have everybody driving bugs.

We look for someone, in the not too distant future, to come up with a carburetor that will cut down on gasoline consumption. There really is no need for big, high-powered engines, now that the speed limit is 55 miles per hour. Instead of abandoning large cars, auto manufacturers will no doubt come up with smaller, more efficient engines. It's high time!

[From the McLaughlin (S. Dak.) Messenger, April 1977]

THE ENERGY PLAN

President Jimmy Carter last week outlined his proposals for energy. It is up to congress to decide what form these proposals will take in law.

Carter generally seeks to force conservation of energy by using taxes to make gas and oil expensive. His theory is fuel will cost so much people will cut down on its use.

We doubt if it will work out that way in the long run. The price of non-essentials like tobacco and alcoholic drinks have been pushed up and up by taxes and people keep right on using them. There has been no dramatic drop in the use of coffee although the cost of that product has risen astoundingly in the last year.

It is more likely people will continue to use the same amount of gas but will pay more for it. It will be a regressive form of tax because it will hurt the people with low incomes while it will not be such a burden to those who have a lot of money. Both have to use fuel to get to their jobs, churches, schools and stores.

For some time the Hate Business people have been putting penalties on the oil producing companies. They have discouraged exploration by cutting down on tax incentives for exploration. We are now paying the fiddler for those policies to the tune of fuel shortages.

England, on the other hand, has encour-

aged exploration. They have now found huge quantities of oil under the North Sea and drilling to put it to use. They expect not only to fill their own needs in a matter of a few years but to have enough left over to export.

Increased production of power is the most feasible long-range solution.

Efforts can be increased to develop heat and power from the wind and sun. We are going to have to use more coal and spend more money to restore the environment once that coal is mined. Alternate ways may be found to power cars, such as electricity. Our surplus grain might be turned into alcohol to be used as fuel or as an additive to stretch the petroleum fuels.

We are fearful the proposals of the president will simply mean people are going to spend more money. This contributes to inflation and the demands on the government printing presses to crank out more dollars.

HELPING THE 1 MILLION AMERICANS IN PUBLIC INSTITUTIONS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. KOCH. Mr. Speaker, I wanted to bring to the attention of my colleagues an editorial which appeared in the New York Times this past Sunday concerning legislation introduced by my friend and colleague ROBERT KASTENMEIER. The bill, H.R. 2439, would give the Justice Department the authority to initiate suits against institutions which display a pattern of denying institutionalized persons their civil rights. I am a cosponsor of H.R. 2439 and wanted to bring the legislation and the Times endorsement to the attention of our colleagues. The editorial follows:

STATES' RIGHTS VERSUS VICTIMS' RIGHTS

Imagine (and these are real-life cases, typifying conditions in several states) having a relative in a public mental hospital and learning he had been subjected to electric shock treatment 800 times. Or imagine being held with others for two weeks in a cell without windows, bed or toilet and trying to sleep on that floor. If you were lucky, you might find a lawyer or public interest group to bring suit. If society was lucky, that suit would not only address the individual case but also be broad enough to force the cleansing of the whole snakepit. But why should minimal decency depend on luck at all?

There are one million Americans in public institutions—jails and prisons and homes and hospitals for children, the retarded, the elderly. They are, in a way, the most vulnerable Americans. Why can they not be systematically protected against electrodes or cockroaches or rape?

Creating such protection is the aim of a proposal, now pending in Congress, by Representative Robert Kastenmeier of Wisconsin The bill raises interesting and difficult questions of victims' rights versus states' rights, of further extending the "imperial judiciary." Nonetheless, it has won clear support from the Carter Administration; it deserves enactment.

Recognizing that private suits against barbaric conditions are chancy, the Kastenmeier proposal would employ the Justice Department as the agent of reform The department's authority to initiate suits against institutional abuses is now questionable The bill would give it clear legislative authority to do so—against abuses that fall into a broad, repeated "pattern or practice."

It is not easy to oppose legislation that seems so humane and sensible. But the National Association of Attorneys General feels obliged to fight, nonetheless. It argues that enactment would lend Congressional endorsement to a trend that disturbs the state attorneys general deeply: the growing intrusion of Federal courts in state affairs.

The abstract argument is that this trend runs counter to states' rights. The practical argument is that Federal judges are ordering states to spend millions, a judgment that should be left with state legislatures. How can a judge, the argument goes, balance the competing claims of a prison, say, with those of a state program for the handicapped, or against air pollution?

There is some appeal in these contentions. By ordering expensive reforms in an offending institution, a Federal judge is compelling a state to cut spending for something else, or to raise taxes. But there are other—overriding—considerations. However poor a state's purse and however precious its autonomy, it still must subscribe to the Constitution of the United States. And to our reading, that document says with majestic clarity that there are some powers—like practicing, or condoning brutality—that a state may not retain; there are some economies—like depriving the feeble-minded of care—that a state may not demand.

It is not as though Federal courts have intruded blithely into the business of blameless states. On the contrary, they appear to have done so with the greatest reluctance. David Bazelon, chief judge of the United States Court of Appeals for the District of Columbia, applies this question as his test of whether a situation justifies intervention by Federal authorities: "Does it make you sick?"

Nor are the remedies imposed by the courts unreasonable and excessive. When Governor Wallace of Alabama asserted that court-ordered reforms of the state prison system had created a "hotel atmosphere," here is how, in part, District Judge Frank Johnson responded: "The elimination of conditions that will permit maggots in a patient's wound for over a month before his death does not constitute creation of a hotel atmosphere."

The Kastenmeier bill should arouse no concern in a state that maintains minimal standards in its institutions. It will have already accepted the state responsibilities that must go with state rights.

CONSERVING ENERGY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. MAZZOLI. Mr. Speaker, the President has called on all of us to save energy, and experts agree that conservation is a necessary part of our energy program.

I would like to share with my colleagues this April 10, 1977, article from the Washington Post, which contains many practical suggestions for saving energy:

THE BEST ENERGY POLICY WASTE NOT WANT NOT

(By Lee Schipper)

We are bombarded with ingenious new ideas to create energy The cold fact is that, for the next quarter century, the best way to produce more energy is to conserve it.

If we in the United States fully utilize all the known methods to use energy more efficiently there is no doubt that energy needs wil. grow very slowly rising by the year 2000 to only 50 per cent greater than today. Compared to industry and government forecasts of a few years back, this represents a saving of the energy equivalent of around 30 million barrels of oil per day.

The flawed Nixon-Ford reaction to the 1973 oil embargo and price increase, encouraged by energy producers, was virtually to ignore conservation and to concentrate on finding ways to increase energy production. Certainly, we must boost production of oil and gas and find new ways to dig and burn coal without pollution. And we must proceed with research into nuclear energy, geothermal energy and synthetic fuels.

No matter what we do, however, energy production costs will rise steadily for the rest of the century. It becomes increasingly cheaper—and, generally, cleaner and less risky—to save rather than find new resources.

Unfortunately, we are often given a false view of energy conservation by energy companies and even by some politicians. We are told that conservation means sacrifice and curtailment of human activities. It does not. It means more effective use of energy and our other resources—in other words, doing better, not doing without.

The Swedish example is instructive. For every dollar of gross national product the Swedes use only two-thirds as much energy as we do. Various factors are involved in that dramatic contrast, but certainly energy efficiency is a major element.

Thus, autos in Sweden average 24 miles per gallon, as opposed to less than 14 gallons in the United States. In part at least, that is a result of tax policy—there is a 60 cent a gallon tax on gas and a weight-related tax on new cars.

In producing raw materials, Sweden generally uses less energy per ton than we do. This is not accidental but the result of installation of modern equipment and use of heat recovery techniques.

The interaction of high energy costs and informed policy in construction is striking. Space heating in Sweden is twice as efficient as in the United States. To put it another way, a home in Sweden requires only slightly more heat than a similarly-sized dwelling in San Francisco, despite the great differences in climate. Insulation, solid construction and other weatherization practices make the savings possible.

Again, this is not accidental. Sweden's mortgage law of 1957 gave homeowners and builders access to extra investment for energy saving features in homes; tough building codes assure that few sloppy buildings are built; inspections that include use of infrared leak-seeking cameras, as well as training programs for homeowners and apartment and building managers, assure that the system is efficiently run.

Nearly a billion dollars is available over several years in the form of government grants or loans towards energy conservation in public and private buildings and in industry. This amount is ten times greater than the sums tappable for conservation here.

Most other industrialized nations have also begun major energy conservation programs, revising demand forecasts downward considerably. This despite the fact that even now they are generally more efficient users of energy than the United States, despite the fact that they have many unsatisfied demands for autos, appliances and homes.

OUR LEAKY HOMES

What about our own prospects?

Today 22 percent of our energy goes to homes. This winter's cold wave should have reminded us that many American homes are leaky. Most of the leaks, fortunately can be plugged. Adding insulation, especially to the millions of bare attics, would save at least 30 percent of the energy which goes to heat our homes. Thermostat setbacks to 65 degrees by day, 58 by night, would save another 20 per cent; weather-

stripping and storm windows would further decrease the energy loss.

Our use of hot water within the home can also be rationalized. The methods are now available: insulation kits that fit over the jacket of water heaters, temperature setbacks to 120 degrees, installation of inexpensive flow restrictors on hot water faucets.

Obviously, the possibilities are even greater in new homes. Recent research, as well as the example of homes actually built, suggest that it would be easy in mild climates to cut heating needs by one-half and possible to reduce requirements by three-quarters. The sample homes are less drafty than conventional homes. They are better insulated at slightly higher cost, but that investment is offset by reduction in the size of heating-cooling units and lower fuel bills.

New appliances can also help. Microwave ovens use less energy than conventional electric cooking, and a new generation of kitchen gadgets—such as the hamburger cooker—save energy by heating only the food, not the oven or the entire kitchen.

A redesigned frost-free refrigerator, studies show, could use half the electricity required by comparable models today. True, the purchase price would be 10 to 15 per cent higher, but the extra investment could be won back through savings in electricity bills in the space of a few years. Even now, efficient models can be bought at no more cost.

Suppose that consumers ignore the more efficient refrigerators. Nationwide, by 1990, the utility companies would have to build at least eight large power plants at greater expense and there would be inevitable further costs—construction of transmission lines, fuel use, maintenance costs, pollution.

There is some hope in the fact that government agencies, consumer organizations and even utilities are beginning to provide consumers with information on the "life cycle" cost of operating appliances and even homes. If consumers can be convinced to take these total costs into account, they and the nation will earn handsome dividends.

Solar heaters, too, can save money in an era of rising energy costs. Solar water heating is particularly attractive today, except where controlled fuel prices are low.

But some architects and engineers have pointed out that, if we would design our homes with care in the first place, we could use the sun to eliminate perhaps as much as 80 to 90 per cent of the heating/cooling cost.

The trick is in "passive" solar conditioning. Large masses of insulation or concrete will absorb solar radiation through south-facing windows in the winter daylight hours and re-radiate this stored heat during the evening hours; shades and overhangs over the windows will prevent the sunlight from entering the building during the warmer months. Carefully planted deciduous trees would provide shade in summer; in winter, with the trees bare, the sun would filter into windows and walls.

The prospects for such "passive" solar homes are so bright that the addition of an active solar collector system—including pipes, water storage and pumps—may prove unnecessary or even uneconomic. Whatever remaining space heating and air conditioning would be needed could be supplied by relatively minute quantities of fuel or power.

In overall terms, if we tap both conventional and new creative resources, we should be able to reduce energy use in existing homes by 20 per cent by 1985. And within a few years, most new homes should require 40 to 50 per cent less energy than comparable homes of today.

COMMON SENSE

Even greater savings are possible in commerce buildings, for many of them were carelessly designed in a period of cheap energy. Experience demonstrates that it is possible to reduce energy costs in existing buildings by 25 per cent with little additional equipment. New business structures, if properly designed, will require half or less the energy previously thought necessary. The new California State Office Building in Sacramento, as architecture professor Edward Dean of the Berkeley faculty put it, "will substitute common sense, new technology and good design for 80 per cent of the energy otherwise required."

Take the case of daylighting. At the Lawrence Berkeley Lab., Prof. A. Rosenfeld employs Mylar strips on the upper edges of venetian blinds. The Mylar reflects sunlight onto the ceilings of each perimeter room, replacing great quantities of lights, which in turn would have required air conditioning for heat removal.

Windows of existing and new buildings can be shaded so that little sunlight leaks in during the warm months (except for that permitted for daylighting), while maximum sunlighting and, therefore, heat capture are assured in the winter when the sun is low. It is such ideas, dormant for years when energy was unimportant, that make the conservation potential so attractive.

Innovations of this nature also lower construction costs because they eliminate the waste in climate control systems. Overall, by proper design, we should within a few years be able to reduce the energy costs in existing buildings by 25 to 33 per cent. In new buildings, the savings could range anywhere from 33 to 80 per cent.

INDUSTRIAL HOUSEKEEPING

Industry uses 42 per cent of our energy today. Most of that energy provides heat, not power, and so possibilities for immediate savings are easy to spot—waste heat, steam leaks, missing furnace insulation, oven doors carelessly left open, badly tuned boilers. In the past the low cost of energy enabled most firms to forget good housekeeping. Higher fuel costs should assure that industry will reduce the energy requirements of existing equipment by 10 to 15 per cent in the foreseeable future.

Potential improvements in effectiveness are much greater because of the simple fact that use of heat in most industries is so inefficient. Indeed, research by the Thermoelectron Co., of Waltham, Mass., indicates that in most costs industrial heat use is less than 20 per cent efficient. The company's scientists believe great savings are possible, through the use of new design and technology, in the process industries which use the largest percentage of our industrial energy: papermaking, oil refining, steel and aluminum, chemicals, cement making. These conservation practices will lower costs. Indeed, in the past, industry continually lowered energy requirements while increasing productivity.

Thermodynamics, the science of energy use, is still insufficiently appreciated in industry. Charles Berg, former chief engineer with the Federal Power Commission, contends that many processes considered efficient are really wasteful. In many metal fabrication processes, for example, the material is constantly heated, cooled and reheated. Berg argues that there is an urgent need for increased research in basic industrial processes.

The very notion of waste heat is under attack. What happens to the hot gases that emerge from today's high temperature furnaces and ovens? Though it is true that more and more factories use the exhaust to heat incoming air or materials, most gases are vented to the atmosphere, wasted. And yet high temperature heat is a resource—it can make steam to run electrical generating equipment, it can be piped for low temperature heat use, it can even be sold to surrounding communities for use in home heating, a standard practice in Sweden.

The most important of these heat-using processes is called cogeneration, meaning the simultaneous creation of electricity and usable heat. Though largely neglected in the United States, this combined cycle process, engineers believe, can generate electricity and heat with four-fifths to three-quarters as much fuel as when the heat and electricity are produced separately.

The Thermoelectron firm, which has installed cogeneration equipment in many countries, may be considered an interested party, but there is reason to respect its view that at least a quarter of the nation's electrical needs could be generated "by recovering waste heat and by using combined cycles (cogeneration)." A study directed by Dow Chemical points to another advantage, noting that use of cogeneration would save billions of dollars in capital outlays. But electric utilities have shown considerable resistance to this more efficient competition from industry.

Overall, there is no reason why American factories should not be able to institute energy savings of 10 to 20 per cent by 1985 and 20 to 50 per cent by the year 2000. Smaller savings should be possible in construction, agriculture and energy extraction itself.

THE GAS-GUZZLERS

Transportation uses 25 per cent of our energy, and automobiles alone consume half of this.

The possibilities for conservation are obvious. Trucks can be redesigned to reduce wind resistance and rolling friction and to utilize more effective engines. By the 1980s, long-haul trucks should require 20 per cent less energy than today's models. Small trucks, while not as significant in the full picture as highway rigs, can make even greater proportionate savings; inefficient, high horsepower models should be replaced by lighter models with four-cylinder gas engines or diesel motors.

Moreover, changes in freight handling procedures should assure that trucks are more fully utilized. The simplest but perhaps most important change would be to permit interstate trucks to carry full loads in both directions rather than return home empty.

Strangely enough, today's commercial aircraft fleet suffers from similar problems—inefficient motors, designs which increase wind resistance and, worst of all, under-utilization. An example of what can be done when necessity demands is the fact that, since the 1973 crisis, the percentage of occupied seats in commercial planes has risen to the point where we are saving at least 5 per cent of the energy required to move people.

New designs should reduce airline energy use even further. By the 1990s we should have airliners requiring only 80 per cent as much fuel per passenger as today's models.

What of the automobile? We can double the mileage of our auto fleet with only a slight increase in the cost of new cars. In the longer run even greater increases are possible. Since most cars run with more empty than full seats, smaller cars seem acceptable in theory.

Incentive is important to improving the efficiency of autos, especially to meet the 27.5 MPG target mandated for Detroit by Congress. Whether consumers actually buy the right proportion of small cars that satisfy the standards depends on whether Congress will enact both a gasoline tax, affecting existing cars and driving in general, and a tax on the weight or horsepower of new cars.

The existing law tries to force Detroit to think small while consumers are tempted to buy large. Changing habits with taxes may be uncomfortable in the short run, and Detroit will resist, but the long run savings are too great to ignore.

Surprisingly, mass transit does not figure prominently in energy conservation scenarios in the near future. Only in the long run, when properly designed transit systems stim-

ulate careful suburban growth mated to revitalized central cities, will transit make an important dent on travel—and energy use.

To summarize, prospects for conservation in transport use of energy are great. Auto fuel use should soon begin to decline. It is realistic to believe that the projections—made before the 1973 crisis—of auto fuel use in the year 2000 can be reduced by at least 40 percent and perhaps as much as 60 percent. The very volume of travel will grow more slowly than in the past.

It is clear that the overall potential for reduction of energy needs to perform key tasks—production, space conditioning and transportation—can be enormous in the medium and long term. Modification of existing buildings and factories and smaller automobiles will have the first impact (during the next five years) while replacement of inefficient appliances, industrial plant and buildings goes on at a slower rate but begins to add up to larger savings in the 1980's. Many who have looked closely at the uses of energy see a reduction of nearly 40 per cent of the energy used per unit of activity compared with the projections offered by the Bureau of Mines a few years back. Since these results will not appear immediately, however, Congress, the President and the American people will have to be patient.

It is neither reasonable nor necessary to expect people to give up basic conveniences. But small adjustments in behavior patterns—turning thermostats down in winter, shutting curtains at night, generally exerting more care in energy use at home, at work, on the road—will result in considerable savings.

And gradual, evolutionary changes in American lifestyles can have an energy-saving impact. To give but one example, careful urban and land-use planning could have a tremendous effect by permitting us to live nearer to work and services and by providing the patterns of living and community necessary if mass transit is to increase its share of passenger traffic.

But issues of urban planning, mass transit, railroads versus trucks, urban sprawl vs. high density apartment living, while they affect energy needs enormously, must not be decided solely on the basis of their energy impacts. Thus, should we remove the tax deduction for mortgage interest payments solely because this subsidizes single family homes over apartment dwellings and encourages greater use of autos and heating?

Clearly, the Carter administration decisions on energy must take into account the broader questions of lifestyles and national goals.

At the same time, it is evident that, with education, government and business leadership, and a consensus on the reality of the energy problem, it is likely that Americans might reduce energy needs at least 10 per cent below the savings offered by technical means alone, over the next few decades. In the long run the changes could be even bigger.

THE OBSTACLES

Nature's laws, our technological capacity, our intellectual ingenuity, the adaptability of our people—none of these stands in the way of energy conservation. What then, is delaying realistic conservation policy and action?

Perhaps the greatest obstacle is the myth of cheap energy. The cost of adding one barrel of oil or any other form of energy to our supply is considerably greater today than what we charge ourselves when we use that energy. This is what economists call the difference between the "marginal cost" (of new supply) and the "average cost" (of all existing supply) If we were to take the higher "marginal costs" into full account, the resulting rise in prices would be dramatic—and, doubtless, so would our conservation effort.

But price controls and most utility rate structures for electricity and gas do not yet allow us to practice "marginal cost" pricing Therefore, it is crucial that political leaders and the public recognize that our energy prices are unrealistically low, that in a sense we live in a fool's paradise.

The picture is also distorted by our national refusal or inability to include the social and environmental costs of energy in pricing. Deep-mined coal may be cheap and it is often used inefficiently, but the taxpayer carries the burden of black-lung rehabilitation for the coal miners who dig that coal. Strip-mining, auto pollution, industrial emissions, nuclear risks also have their unpaid costs.

There are other pricing distortions. Utilities now are campaigning to increase the tax credit when they invest their income in new capacity. This would amount to a subsidy. The oil and gas depletion allowance is also a subsidy. But homeowners who take the trouble or insulate their dwellings do not receive similar tax credits. Thus, the government rewards production and inhibits thrift.

Another barrier to conservation is the stance of many important industries. Some oil companies and electricity producers persistently misrepresent energy needs and conservation prospects. The auto industry drags its heels and one of its top leaders recently blasted the idea of a tax on gas-guzzling cars.

Some in industry like to tell us that the "free market" will handle our problems. But the market is not and cannot be free—the federal government has subsidized energy in some areas, held the price down by controls in others, regulated the activities of energy producers to protect the environment and the public.

THE ACTIONS NEEDED

What can be done? It is clearly in the national interest for the government to step in with enlightened regulations, a flow of helpful information and direct aid. Some of the required steps are obvious:

Efficiency standards for cars, trucks, appliances and buildings are needed, because the producer pays little attention to operating costs and the buyer usually is concerned only with the purchase price. Intervention here will, it goes without saying, increase the overall efficiency of the economy.

Consumers and small businessmen often have difficulty raising capital at low rates for improvements. Banks and, indeed, utility companies should be encouraged to assist in the financing of energy efficiency, for measures such as insulation and double-glazing represent low risks with high payoffs.

Tax incentives would encourage businessmen and consumers to take conservation steps. Action here is urgently needed because, as one insulation firm executive put it, "uncertainty is deadly. People are waiting for a firm policy before they decide what to do."

Standards for new factories are probably unnecessary since, in the nature of things, plant designers must take long-term energy costs into account—their products would be too costly if they did not. But it is clear that government must utilize progressive regulations to encourage auto producers, utilities and manufacturers to avoid waste in new products and in existing plants.

Rising costs will hit the poor hardest. The national government must provide a buffer for that section of the population in the form of direct cash aid and financial help and advice in conservation measures.

But we cannot delude ourselves by maintaining the fiction of low energy prices for all consumers. The public must be made aware of the rising real cost of energy by means of gradual and predictable increases in energy prices. Knowing what to expect, businessmen and consumers could plan accordingly.

Such realistic price increases, however, should not result in undue windfalls for energy producers. The answer, a virtual necessity, is a tax on energy. The tax would have to be large, increasing over a period of years to as much as $6 per barrel of oil. This would work out to about $1 per thousand cubic feet of gas, $25 per ton of coal, 1 cent per kilowatt hour of electricity.

This would bring enormous sums of money into the government, sums that would have to be returned to the economy immediately. Refunds could take place by reducing other taxes, especially more regressive ones like sales taxes. Some of the funds could go directly to aid low-income consumers, or provide funds for energy conservation loans and extension services. Or all the money could simply be rebated directly to consumers.

What is important is that we raise the cost of energy relative to other resources or goods and services without removing anything from the economy. The alternative is to allow the energy producers, or OPEC, to extract higher energy prices or run the risk of either sudden or gradual supply shortfalls. The faster the demand grows, the more the real cost of production rises. The imposition of a tax could slow this escalation. Ultimately, we own our own domestic resources: We may be selling them off too cheaply.

Is energy really scarce? Pronouncements from industry, consumerists and even environmentalists which quote only amounts of fuel in the ground are of little meaning. We need to take into account the cost of these supplies, extraction technology and the environmental risks as well. Moreover, the argument that some producers are "holding back" supplies is not important in the long run; the quantities involved are too small to make much of a difference. Given all the uncertainties in future supplies and costs, however, it is far better to hedge our bets with conservation today, especially against threats of embargos or cruel winters.

HELPING THE ECONOMY

There is no logical reason to fear that the slower growth of energy consumption will drag down the overall growth of the economy. An interim report of an ongoing National Academy of Sciences energy study had this to say: "There exists substantial technological leeway, over the long term, in the amount of energy required for a given rate of growth of GNP and employment."

Conservation will allow us to save tens of billions of dollars of energy-related investments and expenditures. These sums could be funneled into the rest of the economy, which produces considerably more employment per dollar invested or spent. For example, efforts to build better homes and save energy in factories inevitably will result in increased demand for construction labor. On the other hand, without the benefits of significant conservation, consumers and businessmen will have to sacrifice increasing shares of present and future income to pay for more expensive and underutilized energy. Thus, conservation is a boon to employment and the economy as a whole.

Is conservation sacrifice, as the administration is fond of murmering? Not if we acknowledge that energy is scarce and appreciate the economic benefits of more effective use. Not if we take into account reduced risks to national security and the environment. Not if we take into account the downward pressure on energy prices that conservation exerts. Not if we value reducing our imports of oil and gas.

Conservation is not always easy, but it demands less "sacrifice" than pushing for "too much energy supply, too soon," as Berkeley Prof. John Holdren warns.

At today's unrealistic price, it is clear, we do indeed waste more energy than we import If we utilize all the possibilities for improving energy use in the long run, much of our projected energy needs will become superfluous. But reducing waste entails a strong commitment to investment, adaptation and,

most important, careful thought. As Kenneth Boulding, former president of the American Economic Association, put it: "Conservation is just thinking before using energy."

THE NEED FOR ADEQUATE FIRE PROTECTION IN DISTRICT OF COLUMBIA

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. FAUNTROY. Mr. Speaker, last week, I inserted into the RECORD, a statement which reflected the need for adequate fire protection in Washington, D.C. A firefighter for the District of Columbia, Mr. Albert Kirchner, also testified to the need at the recent House hearings, and I wish to share with my colleagues his revealing statement.

The statement follows:

PREPARED STATEMENT OF ALBERT G. KIRCHNER, JR., BEFORE THE SUBCOMMITTEE ON THE DISTRICT OF COLUMBIA APPROPRIATIONS COMMITTEE, U.S. HOUSE OF REPRESENTATIVES

I am Albert Kirchner, a member of the International Association of Fire Chiefs, the National Fire Protection Association, and the International Association of Fire Fighters. I have been in the fire service for ten years, serving in paid and volunteer capacities, civilian and military, in four states and the District of Columbia. I am a graduate student in public administration at The American University, and a professional firefighter assigned to Truck Company Number 2 of the District of Columbia Fire Department. I am not here today as an agent or representative of the Fire Department. Rather, I have come to express the "grass roots" point of view of the firefighter who must witness the tragic outcome of reduced funding and false economy in providing fire protection for the nation's capital. I am certain that my own feelings of helplessness, disappointment and defeat, are shared by each of my fellow firefighters as we watch the department's capabilities, proudly developed over a 100 year period, stripped away by budget cuts, inflation and rapid technological and social change in our culture. I am here to solicit your interest in funding the Fire Department so that it can grow beyond that which is eaten up by inflation and allow it to respond adequately to the dynamics of our society that makes our job increasingly difficult to accomplish.

SOUND POLICY AND PROFESSIONAL JUDGMENT

Each of us present in this room today can appreciate the awesome and eerie responsibility of the Fire Chief and his staff. He cannot "staff up" or order supplies ahead of time for the next catastrophe; he has no idea of what the demand rate for his department's services will be even two hours from now. However, by means of careful analysis and good professional judgment, he is able to strike a balance between the level of risk that the community can assume and the financial burden he must place upon these same citizens. Once this has been established, it is the Fire Chief's job to manage and maintain the Fire Department in a state of readiness to meet that assumed risk.

At the turn of the century, after many cities had been brought to rubble by conflagrations, the National Board of Fire Underwriters (now called the Insurance Services Office of the American Insurance Association) developed guidelines to define levels of fire protection, to formulate insurance rates as well as to assist fire chiefs in the nation's cities. These guidelines, known as "The Grading Schedule for Municipal Fire Departments," serve as the blueprint for our fire defenses in the District of Columbia. The underlying considerations used in developing the principles set forth in the Grading Schedule are still valid and correct today in older cities such as Washington. According to these standards, the D.C. Fire Department holds a Class 1 rating, the highest, which is enjoyed by only three other cities. As a result, the city's residents and business community are able to have the best possible fire insurance rates.

Using the Grading Schedule as a measuring stick, the department has, in the past, been able to deliver effective service with conservation budget requests, while still maintaining its Class 1 rating. In the last ten years, however, a multitude of social and technological phenomena created sudden problems to challenge the best minds in the nation's fire service, including Washington's. Staggering increases in false alarms and waves of criminally-motivated arson fires stunned and confused fire protection efforts, while technologically advanced "skin and frame" building construction, together with the massive shift to plastic interior furnishings, were questioning the effectiveness of time-honored strategies and tactics of fire prevention and control. As the Fire Department attempted to meet these new demands through training, research and management efforts, programs of uncontrolled spending elsewhere in the city government were quickly leading to financial crisis.

FIREHOUSE ROULETTE AND CITIZEN OUTCRY

Already down to bare essentials for operating funds, the Fire Department's budget was cut to an unquestionably inadequate level. This reduction forced the department to economize in one final area: firefighting operations. A rotational plan was devised that put as many as five units out of service during a tour of duty. It didn't take long for a fire fatality to occur 550 feet from the front door of a closed-down engine company. Ten more people died under similar circumstances. There was a citizen outcry; the press labeled the rotation plan "firehouse roulette"; community and business groups spoke out; press conferences were held; and a special citizen's group (Concerned Citizens for Fire Protection) was formed to address this issue alone. Firefighters were heartwarmed by the community support; they tried harder and took on the additional work load without complaint. They still could not beat the odds with a stacked deck. Response distances were still longer, and company teamwork was eroded by the use of personnel from out-of-service companies sent to fill in vacancies that should have been filled by "new hires."

The Mayor finally responded, half-heartedly, with reprogrammed funds. The new allotment was not enough to return the department to full strength. With the additional funds, and a cutback in a different service area, Fire Department officials were able to guarantee the operation of all engine and ladder-truck companies throughout the city. The catch was that two of the elite Rescue Squads would be permanently disbanded, and cross-manned with a parent engine company. Realizing the inherent dangers of this plan, fire officials switched an additional engine company to the cross-manning plan. This involved nothing more than parking the reserve rescue vehicle at a firehouse, and telling the members of the engine company to jump on whichever type of unit was called for.

This plan is still in effect today because of a questionable set of priorities of city officials, pretending to be economy-minded. Here is what this latest patchwork plan does for those who live and work in Washington: First, it splits up two of our finest firefighting units. Rescue Squads exist as elite units in many United States cities. They represent a concentration point of talent and ability within a fire department. For example, when the New York Fire Department found out that they had registered male nurses in their ranks, it was a natural to assign them to a rescue company; the same is true in Chicago with their diving teams, assigned to the squads. Rescue squads not only carry the diversity of specialized skills of their members; they also transport a vast array of sophisticated tools and equipment for jacking, shoring, cutting, and extricating. It is important to have the capability of these men and machines together as a unit. The second fault in this plan lies in the availability time of each component, engine or rescue squad, of these cross-manned units. In order to have the rescue capabilities where they are needed most, the disbanded squads remained in the same stations that they ran out of as independent units, and were cross-manned with the engine companies in those firehouses. These engine companies, however, were also very busy, handling a high volume of "nickel and dime" runs such as false alarms, trash and abandoned automobile fires. Consequently, the cross-manning with the rescue squad frequently saw the rescue vehicle left behind, unmanned and unavailable for another rescue emergency. The cross-manning plan has greatly compromised the rescue service in this city. Concern is growing that the plan may not be adequate for a major emergency, particularly involving the Metro subway system.

RETURN FULL FUNDING FOR FIRE PROTECTION

I can not blame the Fire Chief or his staff for this current state of affairs. A special Task Force was organized to study the problem. It consisted of our best educated, most talented and experienced officers. All members of the department were solicited for their ideas and suggestions. The union was called upon for input. Collectively, the department has done its best to accomplish its mission with insufficient resources. Nothing more can be done without adequate funding. The citizens, workers, and visitors of Washington deserve better—they have had it in the past.

WILLIAM ALTON CARTER III, CALL YOUR BROTHER

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. MICHEL. Mr. Speaker, Nation's Business recently published an interview with Mr. William Alton Carter III, a Georgia businessman. Mr. Carter, whose family peanut business has prospered under his guidance, offers his views on everything from the evils of the minimum wage laws to stupidity of some of the rules of the Occupational Health and Safety Administration—OSHA. Mr. Carter's brother is currently employed by the U.S. Government. It is my hope that William Alton Carter's gems of wisdom about the minimum wage and other matters come to his brother's attention. At this point I would like to insert "Billy Carter: Frustrations of a Small Businessman" into the RECORD:

BILLY CARTER: FRUSTRATIONS OF THE SMALL BUSINESSMAN

William Alton Carter III, businessman, points to a stack of paper on his desk and

says, "A lot of what they ask for in those government forms they send out is nobody's damned business."

Billy Carter, outspoken folk hero, points to his Amoco station down the street and wisecracks, "It's a beer joint—we sell gas as a sideline."

The public image of Billy Carter, brother of the President of the United States, is that of a hell-raising, hard-drinking, irreverent yokel. It is an image that he likes to project, but it is not necessarily the real Billy Carter.

SOUND AND SUCCESSFUL

When he assumes the role of William Alton Carter III, businessman, a role seldom captured in television or newspaper accounts, he is a no-nonsense, hard-driving executive.

He has helped propel a small, family-owned farm products enterprise into a thriving multimillion-dollar business. Much of this growth occurred while his older brother, Jimmy, was governor of Georgia or running for President.

"No matter what you read about Billy in the papers, he is a very sound and successful businessman," one of his business associates in Plains, Ga., says.

Billy Carter, who has just turned 40, is a self-made success. He learned the peanut business from the ground up. Unlike his famous brother, he had only a smattering of college. He has had plenty of practical experience, however. He can look at four tons of peanuts on a truck and tell you within 200 pounds what they weigh, and that is something you don't learn from schoolbooks.

PROBLEMS WITH BUREAUCRACY

In many ways, like other businessmen, small and big, Billy Carter is fed up with the Washington bureaucracy as it affects his business. The infectious Carter grin fades when he talks about worker safety and health laws, air pollution edicts, government paperwork, taxes, and unemployment compensation. The expression turns almost grim when welfare is mentioned.

Some of the problems which bother Billy Carter the businessman could be eased by Jimmy the President if the latter carries out some of the promises he made before and after his election.

Speaking of the Occupational Safety and Health Administration, a thorn in the side of most small businessmen, the President said recently "If I can clean up the mess in OSHA, I can be reelected." The President also has launched an attack on government paperwork.

Billy Carter, who twice ran unsuccessfully for mayor of Plains, population 683, says he rarely discusses affairs of state with his brother.

"The only thing I'll raise hell with him about is agriculture," he says. Hesitating, he tones down his comment. "I won't say raise hell, but I have called Secretary Bergland [Secretary of Agriculture Bob Bergland] a couple of times."

PROBLEMS WITH OSHA

Operating the Carter warehouse, which buys, processes, stores, and markets peanuts and sells fertilizer, lime, and other farm products, has brought Billy Carter into conflict more than once with OSHA and with the federal Environmental Protection Agency. EPA inspectors from time to time have claimed the peanut shelling process has polluted Plains.

The President is well acquainted with Billy Carter's feelings in some of these areas.

"Jimmy knows what trouble I've had with pollution because I raised so much hell at the state level when he was governor," the younger brother assets. "He knows how much I've had to spend on pollution."

CARTER FARM LEASED

The Carter family interests include the warehouse, in which the President has controlling interest, and Carter Farms, Inc., a 3,061-acre farm outside Plains which is owned jointly by seven members of the Carter family.

Under an agreement signed by President Carter shortly before his inauguration, the farm has been leased and the warehouse will be sold. The President's holdings in both properties have been turned over in trusteeship to Charles Kirbo, an Atlanta lawyer who is a close friend and adviser to the President. Billy Carter's livelihood depends on the family business, and President Carter has asked Mr. Kirbo to keep that in mind in whatever disposition is made of the properties.

Billy Carter told NATION'S BUSINESS he has been given first option to buy the warehouse, which already has attracted several potential buyers.

"I know what the warehouse is worth, so I'm not going to pay a premium for the Carter name," he says. "I've already got the name. In effect, the warehouse will be placed on the open market for sale, and it will be a straight business transaction."

The Carters spent about $1.2 million on warehouse improvements during the past two years, largely involving a new peanut shelling plant with facilities for additional storage.

"We simply could not meet OSHA requirements in the old plant," Billy Carter says.

Jimmy Carter, Annapolis graduate, designed the plant, and Billy Carter, onetime paint salesman and construction worker, supervised construction.

"That's where I got an education," Billy Carter explains. "I worked with the builders from the first day to the last so I could learn every inch of the operation. When it was finished, I trained the workers."

IRKSOME COMPLAINTS

He estimates that 22 percent of the spending on shelling equipment in the new plant—the total came to $800,000—was dictated by OSHA and EPA requirements. Despite that expense, he says, federal inspectors still are on his back with niggling complaints.

Pointing to the top of a grain elevator where the shelling operation starts, he says, "We had to spend $400 for some guardrails up there, but one man might go up there once a year."

At the peak of the processing season, in the fall, the Carter warehouse employs up to 75 men and women. The number of employees has been falling off as more and more labor-saving devices have been installed and the trend can be expected to continue.

Unfortunately, the victims of the labor-saving devices are some of the hard-core unemployed in the area.

PROBLEMS WITH MINIMUM WAGE

"Every time the minimum wage goes up, we have to lay off a few more people," Mr. Carter says. "I'd rather give these people jobs, but I have to look at costs."

At one time he had 24 women sorting peanuts by hand. Virtually all have been replaced by a series of electric eyes which sort the peanuts mechanically.

In the peanut shelling plant that was shut down because it could not meet OSHA requirements, there were jobs for about 35 men and women.

"We are doing five times more production in the new plant, and we can get by with 15 people," Mr. Carter says.

Billy Carter hired a student at a nearby school for problem learners to sweep the plant and do other odd jobs.

"I could have given jobs to five of six boys in that school if it weren't for the minimum wage," he comments.

He says he would favor a two-tiered minimum wage system in which teenagers could be hired at a lower rate.

"Actually, I would much prefer some kind of system where we could hire people at a lower figure and gradually raise them to the minimum wage," he says. "That way, we would have a chance to see if they can do the work, or even show up for work, before giving them a regular job.

"I'm really on the spot. Every time the minimum wage goes up, I have to raise my other employees. It's not fair to have your better employees making the same as those who don't put as much into their work."

He pauses a moment and laughs. "You know, I shouldn't be talking like this. Every time I say anything about the minimum wage, I get more hell. Especially from the unions. But I'm going to say it again. A lot of people simply aren't worth the minimum wage."

PROBLEMS WITH WELFARE

Billy Carter is convinced that Washington is to blame for some of the unemployment in this country, not only because of the minimum wage, but because of unrealistic, unsound, and sometimes ridiculous regulations on unemployment compensation and welfare.

"We have a lot of trouble in this area with welfare," he says. "In Sumter County we have as many people administering welfare and related programs as there are in the rest of the county government. Five years ago we had eight people handling welfare; now there are close to 60. They raise hell if people getting welfare go to work.

"Here's a good example of what I mean. I had a man working for me—a big, strapping fellow—who had some kind of chronic leg ulcer. He went to a new doctor who told him he had to stay off the leg for a couple of weeks. They put him on welfare. At that time the work was seasonal, and he was making as much on welfare as by working. That was 15 years ago.

"I see him every once in a while walking down the street. On Saturday afternoon he's drunk and raising hell. I finally complained to the welfare people, and you know what they told me? 'Well, we check him every Thursday afternoon, and he's always there sitting in a chair with his foot propped up.' I got mad. I said, 'Damn it, if I was drawing what you're paying him, I know damned well that one afternoon a week I'd sit there and watch television with my foot propped up when you come in.'

"The trouble with the welfare program is that the more people they have on the payroll the more they hire, and the more they hire the more the director gets."

Billy Carter is no less disenchanted with the way the jobless pay system is operated.

UNEMPLOYMENT PAY ABUSE

"Our unemployment compensation system is so much abused," he complains. "I guess we brought 50 people here from the state employment office this year when the rush season was on. I know of only one man who took a job and stayed on for a few weeks. The only thing most of them want to do is come out here and get us to sign the slip showing they applied for a job. Then they go back home and continue drawing benefits. We operate 60 and 70 hours a week in the rush season, so we had the jobs if people really wanted to work.

"When unemployment was at the highest, I needed a man to run a peanut drying machine. It would have paid $250 to $300 a week. I couldn't hire a single person. They would rather draw $90 in unemployment benefits every week and pick up food stamps at the same time."

FIRING CHALLENGED

Because of the jobless pay system, Billy Carter finds that firing can be as difficult as hiring.

Several times he caught one of his workers sleeping in the warehouse. On one occasion he had to send the man to the hospital, where an examination showed a heavy concentration of alcohol in his bloodstream. After re-

peated warnings, Mr. Carter let the worker go because, among other reasons, he worked around dangerous machinery.

State unemployment compensation officials objected to the firing, and Mr. Carter's contribution to the jobless pay system was increased as a result.

"I appealed, but the government ruled in the man's favor," Mr. Carter recalls. "They said that I had no proof the man was drunk on the job, that he was probably only sleeping. I even had the hospital report which showed the man's drunken condition."

TAX INSPECTORS CALL

Being the President's brother doesn't discourage visits by federal tax inspectors. Billy Carter interrupted his interview with a Nation's Business editor when two Internal Revenue Service officials called at his warehouse office. Later he explains:

"They came to talk about an audit. Said we were selected at random for a complete check—my records, Mother's, the warehouse's, the service station's, Jimmy's, and the farm's. All six of us at one time—and at random.

"When I heard they were coming over, I put out the word in Atlanta that they'd have to get a court order if they wanted to see all these records. That shook 'em up. I won't do it, of course."

NO. 1 PROBLEM: GOVERNMENT

Ask Billy Carter what is the greatest problem the small businessman has to contend with and he answers with one word—government.

"No question about it, government at all levels, but especially at the federal level," he elaborates.

"I'm not going to deny that some of those OSHA and EPA regulations are good. They are. But I'm talking about all the ridiculous regulations we have to put up with.

"The major complaint I have is that 90 percent of the folks they send here to inspect us don't know anything. We have some kids right out of college who don't know a damned thing. I could tell them this [pointing to his bookcase] is a peanut sheller, and they wouldn't know the difference. The trouble is that they don't educate these inspectors before they send them out."

What, he is asked, would make OSHA and EPA more workable? His answer is simple: "A little common sense."

The Carter warehouse at one time ginned cotton for farmers in the area, but gave it up. Cotton ginning, like mechanical peanut shelling, is noisy, a circumstance which brought Billy Carter and OSHA into one of their confrontations.

WORKS MACHINERY HIMSELF

"All of the employees working around the gin had to wear earplugs," he explains. "So I had to do the ginning. You see, as the owner, there was no way I could be made to wear earplugs. There are about 80 electric motors on a cotton gin, and the only way you can tell when there is a problem is to hear it. You can't convince OSHA about things like that.

"I had to put in an expensive wall across the whole new shelling plant to cut down the noise. That wall is completely worthless for anything else."

After the plant was completed, OSHA ordered Billy Carter to install additional toilets as well as hot water in the washrooms.

"Now they're after me to put a couch in the women's washroom in case someone get's sick," he says. "Hell, I don't have room to put in any couches. So I told 'em to go to hell, and I haven't done it yet."

Does Billy Carter believe his brother will succeed in cutting back federal paperwork?

"I sure hope so."

TIME FILLING OUT FORMS

Until the federal government let up somewhat on some forms that had to be filled out and returned to Washington, according to Mr. Carter, his office staff was spending about 15 percent of their time filling them out.

"Some of these quarterly, semi-annual, and annual reports are a three and four-day job," he explains. "Some are almost impossible to fill out. I had some forms that had to be filled out by the 15th of the month, so for five days before the 15th we didn't do a thing but government paperwork."

Billy Carter says that much of the information sought by government agencies should be seen by only one agency, the Internal Revenue Service, if any.

"Take these crop reports and the agriculture census," he says. "A lot of them have to do with my finances. I don't like that information going through 40 government hands. Me, I'm kind of peculiar. I have six or seven bank accounts because I don't like everybody to know how much money I have in the bank.

"When they do these agricultural censuses, you can almost say the hell with everything else for almost a month because it's going to tie you up that long. I have to help the farmers who deal with us. The only place they can get the information to fill out their own census forms is right here. So we have to go through all our back records to satisfy the government. And you can't get out of it because it's required by law."

TAX REBATES—TOO COSTLY

Mr. Carter used to get a rebate from the State of Georgia for taxes he paid on diesel fuel for his tractors that bring in peanuts from the farms. The voluminous paperwork forced him to forgo the rebate.

"The cost of keeping the records and filling out the forms just wasn't worth it," he says. "Every time a tractor filled up with diesel, I had to send a man out to get a record of the transaction. At the end of the month we had to add everything up and fill out a five-page form. If that wasn't enough, the state had somebody down here asking us for proof. I lost about $50 a month, but it wasn't worth fooling with."

Like all businessmen, Billy Carter is hit by paperwork from all sides. In one EPA check of his new plant, inspectors came across a piece of peanut cleaning machinery which fell short of certain pollution control requirements.

"The permit I had to get to put in the controls was so complicated it cost me $200 just to get the damned thing filled out," he recalls sourly.

Billy Carter has invested much effort in learning about business. That he has learned well is shown by the fact that the warehouse, during the six years he has been responsible for its daily operations, has seen gross sales shoot up from $1 million annually to $5 million.

BUSINESS STARTED IN 1930'S

Billy learned a lot about the business hanging around the warehouse as a child. He was extremely close to his father, Earl, who launched the business in the 1930's, selling fertilizer, lime, and general agricultural supplies, as well as storing peanuts and ginning cotton. When the elder Mr. Carter died, Billy was only 14, and Jimmy was forced to abandon a career in the Navy to return to Plains and take over the farm and warehouse.

Billy Carter, meanwhile, joined the Marines after graduation from Plains High School and spent four years in uniform, serving for a while in the Far East. He was 18 and on leave from Marine boot camp when he married his childhood sweetheart, Sybil, who was 16.

In 1959, when he was discharged, he tried a succession of jobs—construction work, selling paint in Macon—and enrolled for a brief period at Emory University in Atlanta. In 1962 he went to work with Jimmy at the warehouse.

BUSINESS IN GOOD HANDS

"Miss Lillian," as Jimmy's and Billy's mother is affectionately known around Plains, says the family business is in good hands.

"Billy is more popular with the farmers than Jimmy was," she says. "He's more down to earth. Despite what some people think, Billy is just as well read as Jimmy, and he is really smart. He's well loved, especially by the farmers and the newsmen. His only trouble is he cusses too much and drinks too much beer—but not on duty."

David Reeves, assistant manager of the Carter warehouse, says that "Billy knows everything about peanuts. He can pick a peanut out of a truck and tell you the moisture content within five percent. Or he can pull a young peanut out of the ground and predict the maturity date within a week."

Ernest Turner, owner of Turner's Hardware and Department Store and chairman of the board of deacons at the Plains Baptist Church, was a partner in the fertilizer portion of the Carter warehouse business for almost 15 years.

Mr. Turner says:

"Billy is a smart businessman. He is very capable of running the family business. He gets along very well with the farmers and talks their language."

NOT A DEMOCRAT

While it may surprise some readers, Billy Carter does not consider himself a Democrat.

"Basically, I'm not political," he told NATION'S BUSINESS. "Basically, I'm not a Democrat. I voted straight Democratic in the last election for the first time in my life. I vote for individuals, not party."

If Billy Carter is impressed by the political achievements of his older brother, he doesn't let on.

"Yes, we chat every once in a while," he says. "But I let him call me; I don't call him."

What does he consider his brother's single greatest attribute?

"His determination to be a good President. I said in the beginning that if determination and hard work would get the presidency, he would be President. I was proved right.

"I'm not saying he'll be an extremely popular President, but he'll get things done. They said he owes so much to the blacks and the unions that his hands will be tied. I guess you see who's raising the most hell since he got in: the blacks and the unions."

Billy Carter gives Jimmy Carter high marks for his performance so far.

"I think he's doing a good job, although I'm like everybody else—I'm not extremely happy with all his appointments. There's a couple of them I'd like to see fired."

He won't say who.

Although he ran twice for mayor of Plains—losing by six votes in 1972 and 19 last year—Billy Carter concedes he had little chance of winning "because I'd just as soon drink a beer out in the street."

TRANSFORMATION IN PLAINS

Actually, Billy Carter wanted to be mayor because he loves the town dearly.

He is saddened, frustrated, and angry over the suddent emergence of Plains as a tourist mecca.

"Plains has gone from a quiet little town to the biggest junk shop in the United States," he complains.

Virtually every store along block-long Main Street has been converted into a souvenir shop selling cheap mementos, some demeaning to America's first family. Three bus firms hustle tourists past landmark attractions—the homes of Miss Lillian, the President, Billy, and cousin Hugh Carter; Billy Carter's Amoco station; and, of course, the warehouse.

Tourists are pouring into Plains by the hundreds daily, their numbers to swell by the thousands this summer. There are no

hotels or motels. Portable toilets have been installed in a small park. Real estate prices are skyrocketing.

BUSINESS HARDER TO RUN

Billy Carter is finding it harder and harder to run his businesses. He has lost his privacy. Tourists cluster around the Amoco station and the warehouse, waiting for a glimpse or an autograph. Visitors sometimes force their way into his office. He rarely goes to the station, once his favorite hangout.

"Sometimes, to conduct business, I have to go to my lawyer's office, or a beer joint down the road, or just jump in my truck and do business with people while we're driving around," Mr. Carter says.

Tourists tramp over his lawn at home. One demanded admittance at 7 a.m. one Sunday to take pictures inside. As a result of threatening letters, the younger of the six Carter children no longer are allowed to move about freely. The Carters recently announced they would have to move out of Plains because of fear for the safety of their children. They have bought a house out in the countryside, 19 miles north of the town, and plan to begin living there this summer.

In a quiet way, Billy Carter is trying to diminish the onslaught on the character of Plains. He recently accepted appointment as one of three county assessors.

SELFISH AND UNSELFISH

"I did this for selfish and unselfish reasons," he explains. "Plains is basically a town of widows. Most of the people here are old and on fixed incomes. With land values shooting up the way they are, the taxes on these people's properties will go out of sight."

Mr. Carter will, however, have to give up the assessor's job when he moves from Plains.

As an example of the rising value of property in Plains, he says he can get $1,500-a-month rent on a Main Street building he owns that brought only $40 a month three years ago.

Hiring lawyers out of his own pocket, Billy Carter has successfully fought five rezoning cases in which residential properties would have been made available for commercial development.

He says he is convinced that, if the junk-shop sprawl continues, "it will be impossible for the people who want to live here to stay, and the town will become a major rip-off spot for the tourists."

CIVIC PROJECTS

If he can't halt the proliferation of souvenir stands, he has at least found a way to convert some souvenir sales into civic betterment. For some years he has held a lease on the old Plains railroad depot, where his brother launched his presidential drive, and has used it to store lime and fertilizer. After the election he helped form a group called Plains Civic Projects—he is president and his wife is treasurer—which opened a souvenir shop in the station.

"Billy has insisted that all the profits be used for worthwhile civic projects," says Ralph Cornwell, a retired Sears, Roebuck merchandise manager who now runs the depot shop. "He'd like to take over one of the old buildings, for example, and show historic movies of this area to the tourists."

Mr. Cornwell says he met Billy Carter about 11 years ago, when he moved to Plains.

LIKES TO MAKE MONEY

"I was and still am very impressed with him. When it comes to money, he is a very serious man. And he is quick to accept ideas on how to make money. I remember he was looking for a cotton gin a few years ago, and I told him about one I had heard was for sale in Tampico, Mexico. He was way ahead of me. He had already contacted the Mexican government and was making plans to buy it."

Billy Carter has hired an agent to handle speaking requests and public appearances as well as to ward off scores of promoters who want him to join in ventures exploiting the Carter name.

AT WORK BY SIX

Except for the pressures imposed on him and his family by the hordes of tourists—"we used to get three a year, and two of them had just lost their way"—Billy Carter has resisted the presidential aura that touches all of the Carter clan, and he clings to his old life-style.

He is usually at his office no later than six in the morning. He wears blue jeans or other work clothes. When he is not conducting warehouse business, there is always a coterie of good-old-boy friends who drop in for small talk. But he misses his old hangout, the Amoco station.

Washington leaves Billy Carter cold. The White House has no appeal for him. He would not find it difficult to choose between attending one of his brother's state dinners or drinking beer with his buddies.

"When Jimmy was governor I went to only one function," he recalls. "That was when he had a reception for the Vietnam prisoners of war. These things are too stiff. They don't turn me on at all."

Billy Carter sums up his feelings in a few words:

"I don't like to go anywhere if I can't get back the same night."

FORMER SPECIAL PROSECUTOR JAWORSKI'S OPPOSITION TO AN AGENCY FOR CONSUMER PROTECTION

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. LEVITAS. Mr. Speaker, we are shortly going to be asked to consider once again a bill to establish an Agency for Consumer Protection.

In the last Congress, both the House and Senate passed such a measure which was never sent to the White House because President Ford has promised to veto it, justifiably so. Such an agency would have added one more executive agency to our Government, already overburdened and encumbered with hundreds of ineffectual agencies, bureaus, and commissions. Worse still, it would itself be a public deception. The proponents of this Agency allow people to think that this new Agency will cure their consumer complaints when, in fact, the Agency as constituted in H.R. 6805 would do no such thing. It is not even intended to resolve consumer complaints and is not capable of doing so in any event.

It would, however, create an agency that would have extensive powers and no accountability. H.R. 6805's ACP would be responsible neither to the legislature, nor to the President.

The dangers of such unlimited authority have been brilliantly expressed by a renowned expert in the field of governmental abuses, former Special Prosecutor Leon Jaworski. I am including a copy of his letter to the Committee on Government Operations on this subject and I commend it to the reading of the Members of this body for their consideration:

FULBRIGHT & JAWORSKI,
Houston, Tex., April 27, 1977.

Re H.R. 6118; Consumer Protection Act of 1977.

Hon. JACK BROOKS,
Chairman, Committee on Government Operations, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing, in lieu of a personal appearance, to present my views on the bill H.R. 6118. I respectfully ask that this letter be placed in the record of proceedings before your Committee on the bill.

I have reservations about many of the provisions of H.R. 6118, most of which have been addressed by others. I wish to concentrate in this letter on a matter of particular concern—the potential for disruption of our political system that the bill creates.

My years of law practice, both as a private and public citizen, have taught me that the stability and effectiveness of government depends upon balance among its institutions. Political power inadequately confined creates imbalance and invites abuse. The new Agency for Consumer Protection, as it is called in the bill, would be vested with authority so broad that it could easily be turned to the political advantage of those who control it. There are no checks sufficient to harness that authority. Under these circumstances, creation of the new agency is unwise.

The Agency for Consumer Protection would be charged to "protect" and to "represent" the "interests of consumers" in nearly every activity of our federal complex. The legislation would grant its administrator the right to appear before agencies and departments of government, the right to collect information by compulsory process from within and without government, the right to sue the government in federal court, and the right to speak from any platform—all on behalf of the "consumer interest" which he "represents."

Let us consider the implications of this authority. To do so, we must first inquire who are the new agency's constituents. They are called "consumers" as if there were a difference between a "consumer" and a "person." In fact, of course, there is none. The agency will ostensibly represent the interest of every man, woman and child in this nation.

This conclusion leads to the question of how the interest of the people will be determined in any given matter. There are no criteria in the bill for defining that interest, nor could there be. Definition of the national interest is the most difficult and most fundamental objective of government; and ultimate responsibility for its accomplishment is placed by the Constitution upon the elected Members of Congress and the President. I have severe reservations about the delegation of so broad and basic a role to one unelected official.

I hope that you will carefully consider the implications of this extraordinary authority. The administrator would be empowered to appear before executive and independent departments and agencies, before the courts, before committees of Congress, and before any individual or entity outside the government to express the national interest as he defines it. The political authority inherent in such an assignment is literally enormous.

More importantly, there is no effective check against abuse of that authority by the elected branches. The bill contains no provision for a term of office or for the circumstances under which the administrator may be removed. These factors indicate congressional intent that he be subject to removal at the discretion of the President and therefore that he would be within the President's control.

On the other hand, the agency is empowered to sue executive departments and agencies, implying that the administrator

would be independent from the President. Given that the power to sue executive departments is a keystone of the legislation, I assume that the administrator would not, in fact, be subject to control by the President.* This conclusion is buttressed by the ability of the administrator to intervene and sue in the context of independent agency activity. Were he subject to the control of the President, his actions before independent agencies might constitute improper executive interference. If the Agency for Consumer Protection were to function as it is conceived in the bill, the power of the administrator could not be checked by the President.

Neither could Congress nor the judiciary provide an effective balance against the activities of the agency, so long as it remained within its practically limitless statutory authority. Congress could theoretically abolish the agency or limit its appropriation, but in practice would probably not do so. As the designated representative of all consumer interests, the administrator would have a far greater opportunity to influence public opinion than most Members of Congress. I would expect the agency to make the argument that its mandate could not be carried out without substantially greater appropriations. Given the administrator's public platform and his designated status as the representative of all consumers, it is not unlikely that he would prevail. For these reasons, I am skeptical as well about the "sunset provision" contained in Section 23 of the bill.

I do not care to speculate that any person would use the new agency as a vehicle to distort the political process for personal gain or for any other reason. I need not do so to prove my point. Power would be vested in the administrator of the new agency that could be wrongfully manipulated. That alone is sufficient to justify laying the concept to rest once and for all. It is contrary to the most fundamental of our democratic principles to vest in one unelected person the authority to represent, legally and politically, the interests of all of the people.

I do not mean to concentrate on the negative. There are positive aspects to the bill, particularly its purpose, which is to make the processes of government more responsive to the needs of citizens. I applaud that goal, but cannot understand why the least desirable alternative to achieve it has been selected.

The creation of additional bureaucracy may have been more acceptable to the nation in the earlier years of this decade. It is apparent, however, that consumers now want less government for their "protection." The vote on this legislation has become increasingly negative to a point at which a shift of five votes in the House would have defeated it in the 94th Congress. Moreover, we have recently elected a new President who is pledged to halt the continued growth of government and to reorganize its existing functions along more efficient lines. I respectfully submit that he and the Congress should work together for the accomplishment of that goal, and not delegate the task to an unelected official with inordinate authority.

I regret that the scheduling of proceedings on H.R. 6118 was such that I was unable to appear personally to discuss my convictions on the bill in greater detail. If the proceedings are reopened, I would be pleased to do so. Furthermore, I stand willing to amplify the views expressed herein and to answer any questions that you may have.

In closing, I wish to make clear my interest and that of my firm in this legislation. We have, for several years, participated voluntarily with other members of the business community in an attempt to demonstrate why the consumer protection agency concept should be abandoned. We shall continue to do so. Our services in preparing for anticipated oral testimony before your Committee and the preparation of this letter will be compensated by the Business Roundtable, an organization of businessmen. Under the terms of our agreement with Business Roundtable, the views expressed herein are my own. The contents of this letter have not been reviewed or discussed with anyone outside our firm.

Sincerely yours,

LEON JAWORSKI.

*See *United States* v. *Nixon*, 418 U.S. 683 (1974).

IN OPPOSITION TO VIETNAM'S DEMANDS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. GILMAN. Mr. Speaker, President Carter's Vietnam negotiators announced last week that the United States would not veto Vietnam's admission to the United Nations, and that progress had been made towards normalizing relations between the United States and the Socialist Republic of Vietnam. The Carter administration also indicated that following normalization of relations, the United States would lift its trade embargo of Vietnam.

As a member of the House Select Committee on Missing Persons in Southeast Asia, I spared no effort in a variety of fora to articulate my deep, abiding concern that the Vietnamese Government acknowledge, by way of a "sincere" accounting, our Nation's right to learn the fate of those members of our armed services listed as missing in action. The administration's announcement that it would not bar Hanoi from the United Nations and that it intends to effect a normalization of relations with Vietnam is incredible and astonishing. I am amazed at the naivete of the administration's perceptions of a complete accounting on our MIA's. It is inconceivable that the administration is ready to accede to extraordinary demands made by the Vietnamese in return for promises from Hanoi that they will intensify their efforts to provide information concerning Americans listed as missing in action in the Vietnam war.

Mr. Speaker, I will be introducing legislation tomorrow to underscore opposition to the substance of and direction which the administration's negotiations with Vietnam are taking. This concurrent resolution, to which Senate Concurrent Resolution 5, introduced by Senator ROBERT GRIFFIN of Michigan is a companion bill, would: First, continue to oppose membership in the United Nations of the Socialist Republic of Vietnam; and second, continue to deny diplomatic recognition to the Socialist Republic of Vietnam. These two provisions would guide our negotiations with the Vietnamese until such time that Vietnam provided us with a satisfactory accounting for those Americans still missing in action and unaccounted for in the territory under its control.

There can be no understating the exigency surrounding passage of this resolution which seeks to assure for the United States only the minimum justice due it according to transcendent humantarian precepts of equity. Mr. Speaker, I have in mind the obligation of the Vietnamese Government to provide us with a full and complete accounting of our MIA's.

Permit me to remind my colleagues of two unequivocal statements made in September 1976 by President Carter, then a Presidential candidate. On September 19, 1976, he assured the American people that he would "not normalize relations with the Vietnam Government" until he was "convinced that they have made a complete accounting for those who are missing in action." On September 30, 1976, Mr. Carter stated:

> We will account for the MIA/POW's before we re-establish any relationshps with Vietnam, and you can depend on that.

Upon assuming office, President Carter in March 1977, was quoted by the Washington Post as stating that he "would aggressively move to admit Vietnam to the United Nations and also to normalize relationships with them" if "we are convinced as a result of the negotiations and other actions on the part of the Vietnamese that they are acting in good faith."

Recent pronouncements by U.S. negotiators indicate that President Carter has been so "convinced." Mr. Speaker, I regret to say that I am not so easily convinced and assured by the recent Vietnamese declarations of "good faith" and "intentions" to provide us with a complete accounting of our servicemen missing in action. In past and current negotiations, the Vietnamese have evinced a marked concern for moving with considerable celerity in gaining admission to the United Nations, securing U.S. economic assistance, and in normalizing relations with the United States. Yet there is no firm, convincing evidence that they intend to act as expeditiously in providing us with more than but the exiguous amount of information that they have conveyed, concerning our missing servicemen.

In a March 27, 1977, essay appearing in the Wall Street Journal, Allan W. Cameron, the distinguished associate dean of the Fletcher School of Law and Diplomacy at Tufts University, urged that "We go slow in dealing with Vietnam." Dean Cameron maintains that:

> The Vietnamese have refused to provide information about U.S. Servicemen killed or missing in action. Rather, they ghoulishly propose to trade that information (and they have more than they admit) for aid, recognition, and acceptance.

Furthermore, concerning this information on our MIA's, Cameron asseverates:

> The U.S. should not beg, or buy that which should be given out of minimal human concern.

I concur unequivocally with Dean Cameron's well-reasoned conclusion that we "go slow" in dealing with Vietnam.

To those, for example, who urge that we attach no preconditions to our abstention from barring Vietnam's admission to the United Nations, I can only reply that our concern for a full accounting of our MIA's should not be categorized as a "precondition"; but equated instead with what should be considered but the most minimal of obligations incumbent upon the Vietnamese as dictated by long-standing principles of international decency.

We have been told further that U.S. antagonism toward Vietnam is "counterproductive"; that American vetoes of Vietnam's admission to the U.N. may create, what one reporter has described as "widespread sympathy for Hanoi." Mr. Speaker, in light of the spirit and the letter of the U.N. Charter, any such sympathy is egregious and undeniably misplaced.

The refusal of the Socialist Republic of Vietnam to cooperate in providing all pertinent information concerning our missing servicemen is a flagrant violation of those humanitarian principles embodied in the United Nations Charter. For example, Vietnam's intransigence directly conflicts with a U.N. General Assembly Resolution of 1974, adopted by a vote of 95 to 0, which calls upon parties to armed conflicts to provide just the type of information and assistance that the United States is seeking concerning its MIA's.

The Woodcock Commission, appointed by President Carter to visit Southeast Asia in March 1977 and to seek help from the Vietnamese in obtaining an accounting of missing Americans in that region, received only the remains of 12 servicemen (11 American and 1 Vietnamese) and a plethora of promises—contingent upon American concessions at the bargaining table—of future assistance in locating other MIA's.

Mr. Speaker, permit me to refer my colleagues to the remarks of Huang Hua, China's chief representative to the United Nations. Explaining China's veto in 1972 of the admission of Bangladesh to the U.N., Mr. Huang asserted,

> Empty promises are not enough. . . . Applicants for membership have to show their willingness to abide by the obligations contained in the [U.N.] Charter.

Vietnam's current, gross disregard for its moral responsibility for accounting for our MIA's lends little credence to the argument that its prospective embrasure of principles contained in the UN Charter will be any different than it is now. That is, there is little in the way of past or present evidence that once admitted to the UN, Vietnam will release all the information it now holds concerning our MIA's. If France's experience with Vietnam in securing information about French servicemen missing since hostilities of over 20 years ago is a harbinger of what awaits the United States, then we must recognize Vietnamese tactical intransigence for what it really is.

Mr. Speaker, last week on May 4, I expressed my deep-seated opposition to the administration's decision to accede to Vietnamese demands. I indicated that in the 18 months since I traveled to Hanoi with the House Select Committee on Missing in Action, and was assured of extensive Vietnamese efforts to provide information on our MIA's, we have seen little substantive Vietnamese accomplishment along these lines. My colleagues demonstrated their clear understanding of this situation by overwhelmingly approving, by a vote of 266 to 131, an amendment to the Foreign Relations Authorization Act fiscal year 1978, barring "any reparations, aid, or any other form of payment to the Socialist Republic of Vietnam." The Washington Post correctly reported passage of this amendment as "reflecting widespread congressional opposition to any U.S. aid to Vietnam."

As concerns Vietnam's reprehensible exploitation of the MIA issue, and Vietnam's admission to the UN, the Christian Science Monitor submitted the following well thought out and succinct scenario:

> If the U.S. does not veto its [Vietnam's] UN membership, it will be throwing away a bargaining card and Hanoi will then insist on using the issue in the bilateral talks, where it will seek to trade money for people.

Mr. Speaker, I urge my colleagues to support this important, timely measure. We must provide the administration with tangible evidence that Vietnam's admission to the UN and normalization of relations are not ineluctable in nature. I request that the full text of this resolution be inserted at this point in the RECORD.

The resolution follows:

H. CON. RES. —

> Concurrent resolution expressing the sense of the Congress that the United States should deny diplomatic recognition to the Socialist Republic of Vietnam, and oppose its membership in the United Nations, until such country makes a full accounting of Americans unaccounted for and missing in action in areas under its control
>
> Whereas approximately two thousand three hundred Americans remain missing or unaccounted for in Indochina, despite extensive efforts of the United States Government to secure an accounting;
>
> Whereas on numerous occasions representatives of the Socialist Republic of Vietnam have acknowledged that they possess additional information pertaining to American servicemen and civilians listed as missing in action in Indochina, and the existence of such information is confirmed by the United States intelligence agencies;
>
> Whereas the heinous refusal of the Socialist Republic of Vietnam to provide detailed information on the fate of these men has caused untold suffering for their relatives and friends;
>
> Whereas the refusal of the Socialist Republic of Vietnam to cooperate in this matter is a flagrant violation of humanitarian principles embodied in the Charter of the United Nations, and directly conflicts with the resolution adopted by the United Nations General Assembly on November 6, 1974, by a vote of ninety-five to zero, which called upon "parties to armed conflicts, regardless of their character or location, during and after the end of hostilities and in accordance with the Geneva Convention of 1949, to take such action as may be within their power to help locate and mark the graves of the dead, to facilitate the disinterment and the return of remains, if requested by their families, and to provide information about those who are missing in action"; and
>
> Whereas article 8(b) of the 1973 Paris Agreement on Ending the War and Restoring Peace in Vietnam provided that: "The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action . . . and to take any such other measures as may be required to get information about those still considered missing in action": Now, therefore, be it
>
> *Resolved by the Senate (the House of Representatives concurring)*, That it is the sense of the Congress of the United States that, until such time as the Socialist Republic of Vietnam cooperates in securing a satisfactory accounting for those Americans missing in action and unaccounted for in the territory under its control, the United States should—
>
> (1) continue to oppose membership in the United Nations of the Socialist Republic of Vietnam; and
>
> (2) continue to deny diplomatic recognition to the Socialist Republic of Vietnam.

FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1978

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. ASHBROOK. Mr. Speaker, on April 27, I voted against House Concurrent Resolution 195, the first concurrent resolution on the budget for fiscal year 1978. I did so because I believed the excessive spending levels proposed in that resolution were totally unacceptable. It would have authorized more than $466 billion in budget outlays and a 1 year deficit of over $68 billion.

When this legislation went down to a smashing defeat, the message should have been clear to everyone: We must reduce Federal spending and move toward balancing the budget. The Budget Committee, however, apparently thinks otherwise. After making only a few minor changes—plus one unjustifiable reduction in the defense category—the Budget Committee has thrown the resolution back onto the floor.

The new resolution recommends approximately $464 billion in budget outlays—over $50 billion more than proposed in the first budget resolution only 1 year ago. It offers a deficit of over $66 billion, almost $16 billion more than the budget resolution last year. This would push the overall public debt to $792 billion.

Further massive doses of deficit spending will add to the inflationary

pressures on our economy. After an extended down-turn in the rate of inflation, retail, and wholesale prices are again starting to skyrocket. Additional irresponsible Government spending could make the situation far worse.

According to nationally syndicated columnist George F. Will:

It is implausible to think that we can avoid another surge of inflation . . . The key figure is $138.8 billion. That is the sum the government will borrow this fiscal year and next to finance the budget deficit and the borrowing by the many agencies whose borrowing activities do not appear in the budget.

Such high levels of Federal borrowing will crowd private borrowers out of the market. This means higher interest rates. It also means that money for business expansions and house mortgages dries up.

As George F. Will goes on to state:

The administration seems to believe that all this public-sector borrowing can be done without detriment to private borrowing because demand for private loans has been slack. But the administration's stimulus program is one reason why there will be so much deficit and borrowing. And the purpose of that stimulus is to stimulate private sector activity, especially borrowing for job-creating investment.

In summary, the excessive Federal spending in House Concurrent Resolution 214 will add to inflation and dry up investment capital. It will damage rather than stimulate our economy, and it will help prevent the creation of meaningful jobs in the private sector.

Arthur Burns, Chairman of the Board of Governors of the Federal Reserve System, has described the deficits—inflation—recession chain of events which our Nation has fallen into. Speaking before the Budget Committee, Burns said the following:

The inflation that has plagued the American economy since the mid-1960's is a complex phenomenon, and it is by no means solely the product of budgetary practices. But there can be little doubt that the chronic reaching of the Federal Government for both financial and real resources has been a major contributory element in inflation—indeed, the dominant one in my judgement. The Federal Government was a party—rather than the counterweight it should have been—to the demand pressures that began building up in the mid-sixties and that culminated in the speculative distortions of the 1973–74 period. Inflation, by my assessment, not only sowed the seeds of the recession that ensued; it also is the basic explanation—precisely because it became so virulent—of why the recession that followed was so severe.

It is time that we brought a halt to the reckless deficit spending that has created and fueled our problems of inflation and unemployment. House Concurrent Resolution 214, like its predecessor, should have been rejected. That the majority party was able to work a deal with its members and reverse their votes comes as no surprise. The American people are the losers in this retreat of Democratic members who switched their votes.

WHY GOVERNMENT SHOULD STAY OUT OF STEEL PRICING

HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. ROONEY. Mr. Speaker, in light of the recent price adjustments announced by the steel industry, it seems appropriate to bring to the attention of my colleagues an article from the January 1977 issue of Nation's Business by Edward D. Bickford, former senior vice president of Bethlehem Steel Corp.

In the article, Mr. Bickford expresses grave concern with Government intervention in steel pricing when, he contends, "if market forces are left alone, they determine price levels that work to the benefit of both the industry and the overall national economy."

The events of the recent price increase situation offer evidence of voluntary efforts by this industry to check inflationary trends. I think my colleagues will agree, after reading this article, that Mr. Bickford's very thoughtful appraisal of pricing through politics merits our careful consideration.

Mr. Bickford's article follows:

WHY GOVERNMENT SHOULD STAY OUT OF STEEL PRICING

(By Edward D. Bickford)

Steelmaking is among the most competitive of all American industries.

There are more than 90 domestic companies. They include such well-known names as U.S. Steel, Bethlehem, National, Republic, Armco, Jones & Laughlin, Inland, Lykes-Youngstown, Wheeling-Pittsburgh, and Kaiser.

In addition, the industry must compete with imports from foreign producers that are either operated directly by home governments or enjoy subsidies and other governmental assistance.

Finally, there is vigorous competition from producers of other materials, particularly aluminum and plastic.

WIDESPREAD MISCONCEPTION

Despite these competitive forces within and without the industry, there is a widespread misconception that steel prices are somehow set by big domestic producers without regard to the laws of supply and demand.

Unfortunately, this misconception is held not only by many people in the media and academia, but also by some officials in the highest reaches of our federal government.

As a result, the government has intervened in steel pricing policies a number of times in recent years—from the historic clash between the industry and President Kennedy in 1962 to the Council on Wage and Price Stability. investigation of steel prices ordered last year after President Ford was disturbed by a modest increase which some steel companies had announced.

It is apparent that the Carter administration will likewise lean toward intervention in steel pricing. President-elect Carter and Vice President-elect Mondale have expressed disapproval of a recent six percent increase in sheet steel prices.

Such government interference, which also has included jawboning by Presidents Johnson and Nixon, is based on the theory that government officials with little or no experience in steelmaking are better qualified to determine price policy than individuals who have been in the business all their working lives.

The theory is dead wrong. If market forces are left alone, they determine price levels that work to the benefit of both the industry and the overall national economy. I have seen this proven repeatedly during my own long experience in the industry, which has included many years as a senior executive responsible for price policies at Bethlehem Steel.

A HINDRANCE, NOT A HELP

Let me offer one good example of what government incursions into the private sector can do.

The Arab oil embargo of 1973–74 produced a sudden demand for sharply increased coal production. Opening new mines or reopening old ones required installation of steel plates attached to mine ceilings and walls to prevent them from collapsing. The plates are held up with roof bolts, which Bethlehem makes.

At the time, we were losing money on these bolts because of price controls. But the coal industry was under pressure from the government to increase production, and we were under pressure from the coal industry to supply large quantities of bolts in a hurry. We agreed to expand production of the bolts if a price increase was approved. We applied for an increase and were backed by members of Congress from coal-producing states. Given the urgency of the situation and the backing we had, we did not anticipate problems.

We found to our dismay that the red tape involved was virtually insurmountable. The bolts were a relatively insignificant part of our steel production, but it was a case of the old story, "For want of a nail . . . the battle was lost."

After waiting six months for a decision from Washington, we had no choice but to go out of the mine roof bolt business. We were losing too much money. We told the government of our plans—there was no bluff involved. Then, finally, our application for a price increase was approved, and we not only continued but expanded production of roof bolts. The government involvement had done nothing but make the problem worse by delaying that expansion.

HOW STEEL IS PRICED

Government either cannot or will not accept the fact that free market forces not only make better decisions for society but make them faster.

This is particularly true in the case of steel.

Any price determination in our free economy has a basic formula: cost plus reasonable profit. This is not so in socialized industries abroad, where the profit motive is practically nonexistent. In such industries, prices will vary enormously in relation to market conditions—there will be substantial premiums in time of tight supply and suicidally low prices in time of excess supply. The primary motivation is employment at any cost. Sooner or later, the taxpayer has to underwrite the losses.

In the American steel industry, the method used in arriving at a mill product base price is fundamentally the same as the methods used in pricing any commodity where severe competition exists. The primary ingredients are:

1. Product cost.
2. Reasonable profit.
3. The market—specifically, demand and anticipated volume as well as location of that volume.
4. The identity and location of domestic competitive manufacturers and your analysis of their costs and capacities. You, of course, review the extent of imports from foreign

plants but, because of their pricing policies and government direction, you cannot always try to match their prices unless you are interested in ultimate bankruptcy.

5. The effect of competitive materials such as plastics and aluminum.

6. The reaction you expect from competitors in your industry and in industries offering substitutes for your product.

7. The reaction of the federal government.

8. Intuition, which is related to extensive experience.

A SCIENTIFIC ART

Let there be no misunderstanding—pricing is a scientific art and not the result of off-the-top-of-your-head decision-making.

Once a price has been established and you want either to raise or lower that price, you go through the same analytical exercises. Some of the above eight factors will weigh more heavily than others, depending on the problem and the circumstances.

It is obvious that the most important ingredient is your actual cost. In the steel industry, all major producers have similar contracts with the steelworkers union, and employment represents about 45 percent of total cost. The company that, over a period of time, has poured any available capital into modernization of its equipment—and thereby has confidence that its cost is at least as low as any of its competitors'—is in a very strong position when it comes to pricing decisions. Not to keep abreast of fast-changing technological developments could ultimately end up in strangulation.

The steel business of necessity is very complicated to any stranger. It is both labor-intensive and capital-intensive. It starts with minerals in the ground (ore, coal, and limestone) and ends with a wide variety of steel mill products tailor-made for many purposes.

THE PRICE CONTROL DISASTER

Experience in any endeavor from sports to politics is a major ingredient of success. Therefore, how can politicans and theorists with no experience whatsoever in steel take it upon themselves to make judgments of great impact on our industry and yet expect us to remain healthy? If, as they so frequently say, steel is of such great importance to our country's economy, how can they afford for us to be unhealthy? We need enormous amounts of capital, and to get the capital we must be free from government interference.

I can recall that in December, 1951, while in Washington working for the government, I got into a breakfast discussion with an associate and two lawyers from the Office of Price Control that lasted almost two hours. Steel labor negotiations were in process, and the lawyers contended that the steel industry could give labor an increase of 40 cents per hour and not have to raise the price of steel one cent. They were sincere in their belief, no matter how foolish that belief sounds. It is not untypical of bureaucratic thinking—bureaucrats don't have to meet payrolls or pay dividends.

National price and wage controls in a free enterprise system have never worked. It is like keeping the lid on a pressure cooker while the fire continues to burn underneath—at some point in time, the lid will blow off. Such has been our experience under controls in the years after World War II, the period after the Korean War, or in the early 1970's.

LOOK AT THE RECORD

Whenever prices of any product or service are controlled by political expediency, those who are the target might as well throw in the towel. Look at the bankrupt railroads and the predicaments of the airlines and the Postal Service.

And look at the record of the British Steel Corp., nationalized and operated by the British government. The company lost $528 million in the fiscal year ending in March, 1976. British Steel Corp. has an annual capacity to produce approximately 25 million net tons. Therefore, if the steel industry in the United States had the same relative experience, the loss would be approximately $3.4 billion. That is quite a bill for taxpayers to underwrite. When an industry is free-enterprise, it is not a burden, but a contributor to the tax bill.

In steel, the importance of volume is obvious both as to pricing and profits. It is my belief that had we not broken out of the last round of controls when we did, but were still regulated by the federal government, the steel industry in this country would by now be either nationalized or bankrupt. Furthermore, the industry would not be as modern as it is nor have the capacity the country needs.

Pricing by political expediency, whether through jawboning or law, is the end of free enterprise. Bureaucratic control just does not work that efficiently or progressively, and—worst of all—it lacks both initiative and competitiveness.

A REMINDER IN THE WEATHER

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. DORNAN. Mr. Speaker, Washington in the month of May usually conjures up images of warm days, girls in cotton dresses, picnics on the Capitol lawn and feeding the squirrels. But the last few days have turned that image inside-out. Temperatures have dipped to the 30's at night and have barely made it over 50° during the day. The chilly days have brought back memories of the near-Siberian winter from which we have just recovered. Where is the spring we all deserve after the frostbite of January and February?

It seems to be a cruel joke played by the Cosmic Deceiver.

There is, however, one possible outcome of this cold snap which would make it all worthwhile. That outcome would be the realization on the part of certain Members of this body that the spring is not going to last forever. There is going to be another winter: another winter of cold, heating bills, shortages of heating fuel, and an over-supply of Federal regulation of the energy industries.

During the past few winters, many of my colleagues have kept warm by talking about the energy shortage. Nothing has been done to increase production of the fuel needed to keep their constituents warm. It seems that debate on the issue of underproduction and cost disincentives winds down just about the time the dogwood bloom. If the weather is warm, the debate ends and the problem lies dormant until November and falling temperatures return.

But falling temperatures returned a little earlier than expected this year bringing with them a reminder that the Congress has done nothing to fill America's need for more fuel. There is a lot of talk about conservation but little about production. Conserving may save our resources but it does not keep the American public warm. But warm is what the public demands to be—and can be if this Congress and the administration act to increase production of the natural resources which lie beneath our country.

Unfortunately, the President's recent energy message is the same old line that has been echoing in this Chamber for many a winter. While it is commendable that the President has brought the American Public to the realization that there really is a short term energy crisis, many aspects of his program seem to demonstrate a basic misunderstanding of the causes and potential solutions to that crisis. The Carter package concentrates almost exclusively on the demand side of the equation, and in so doing may predestine serious economic consequences for our Nation.

Coping wtih the energy crisis will require more than conservation. There is no doubt that we must conserve. However, while conserving, we must also make it possible for the free enterprise system to function in a fashion which will encourage the development of additional supplies. We know that supplies of oil and natural gas have been particularly price elastic. That is to say, that when there were price incentives, supplies increased. When price incentives disappeared, supplies tended to dwindle.

Perhaps the best example of this is to be found in our recent experience with natural gas supplies. There is little doubt that the past winter's natural gas shortages were the result of 20 years of Government interference with the market. From the initial court decision in the Phillips case, commentators predicted the advent of shortages of supply. To anyone with the most rudimentary grasp of economics, such an occurrence was inevitable. The Federal Power Commission was pricing interstate gas at an unrealistically low level. This artificially low price encouraged overconsumption. At the same time, the price controls limited the incentives for exploration and development of new wells. Is it not obvious that such policies must necessarily lead to shortages? When you encourage consumption and discourage production, no other result is possible. Statistics on natural gas production bear this thesis out.

Due to price controls, additions to reserves in 1973 were less than one-third of the amount of gas consumed in that year. Nor was this an aberrant example. During the period between 1967 and 1973, total natural gas reserves dropped from a 15-year supply to a 10-year supply. In fact, by 1972 natural gas production had actually begun to decline in absolute terms.

While our supplies of natural gas were diminishing, numerous studies were being conducted which all indicated that supplies could be increased if only price controls were lifted. For example, studies by the Government Accounting Office and studies conducted with the MacAvoy and Pindyck Econometric Models clearly

demonstrated that the only way to produce sufficient natural gas supplies was to decontrol prices. Estimates have placed the potential increase in natural gas supplies resulting from decontrol at 12 trillion cubic feet. This is the equivalent to 750,000 barrels of precious oil each day. If that were imported oil, it could result in a savings to the consumer of as much as $3 billion in balance of trade payments during the first year. Further, consumers will suffer without decontol due to the additional costs for other fuels they must purchase to replace natural gas which is not being produced. A study by Zinder Associates indicates that this replacement cost could run as much as $8.2 billion annually.

And what does the Carter administration propose? More controls. It is not enough that the interstate market has been distorted through bureaucratic meddling, now they want to interfere with the intrastate market as well. There can be little doubt that the eventual result of such interference with the intrastate market as well. There can be little doubt that the eventual result of such interference will be further curtailment of supply.

Another manifestation of the Carter administration's neglect of supply considerations is evident in their policy toward nuclear development. We know that Great Britain, France, West Germany, and the Soviet Union are all proceeding apace with the development of the liquid metal fast breeder reactor. Whether the United States chooses to develop this potential energy source or not, there will be a day in the not too distant future when it becomes a very important part of the world's energy economy. The only question is whether or not the United States will have this source available. In buckling under to the assault of environmentalists' doomsday fantasies of terrorists lurking on every corner with atomic bombs in their pockets and of massive deaths resulting from plutonium poisoning, the President has ignored a large body of scientific evidence which indicates that management of nuclear wastes is both feasible and within the parameters of currently available technology. Further, discarding for the moment the breeder reactor, he should at least have taken notice of the recent findings of the Mitre Corp. study which indicates that the health and environmental hazards resulting from massive conversion to coal are at least the equal to those resulting from the proliferation of conventional light water reactors. To call for a go slow on development of these energy facilities simply does not make sense.

We must inject reason into the energy debate. Coping with this crisis requires consideration of the economics, as well as the environmental consequences of our energy policies. Granted, there may be those who would opt for starvation in a pristine environment, but the bulk of the American populace does not fall into that category. If only we will allow the market to function free of needless interference, our Nation will solve its dilemma and maintain its economic strength. However, if we ignore the economic consequences of our actions, we can look forward to economic dislocations of a magnitude as yet unexperienced.

LEGAL SERVICES CORPORATION NULLIFIES CONGRESSIONAL INTENT

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. ASHBROOK. Mr. Speaker, during the 93d Congress legislation was adopted to establish an independent Legal Services Corporation. One of the most hotly debated issues was that of backup centers. These centers were actively involved in class-action suits and social change such as busing, welfare rights, and prison reform. Political agitation was their trademark rather than legal aid for the poor.

After lengthy debate, we adopted the Green amendment. The intent of this amendment was to prohibit the funding by grant or contract of all the activities of backup centers including the litigating activity.

Despite the clear meaning of the Green amendment, however, the Legal Services Corporation has continued to fund backup centers. And these centers have continued their social activism. Following is an article from Barron's that discusses how the Legal Services Corporation has nullified the intent of Congress on the matter of backup centers.

BAR SINISTER—PART II: HOW THE LEGAL SERVICES CORP. THWARTS THE WILL OF CONGRESS

(By Shirley Scheibla)

WASHINGTON.—When Congress created the Legal Services Corp. (LSC) in 1974, it "abolished" so-called back-up law centers because they led the push for class action suits and social change. Specializing in areas like welfare and housing, such bodies not only act on their own but also assist other local poverty law centers throughout the country. Yet today 13 of the original 17 are getting more LSC money than ever and still doing business at the same old doctrinaire stand.

Of the remaining four, the corporation has taken over the functions and some of the activist personnel. Indeed, it's spending more than twice as much on them as for the other 13. At least one of the four is getting more federal money than ever before, but now it comes from the Department of Health, Education & Welfare.

LSC is vigorously promoting legal services by other government agencies, notably VISTA and the Community Services Administration. (The latter succeeded the Office of Economic Opportunity.) One reason is that they can engage in activities for which the LSC Act prohibits corporation funding.

LAUNCHED COSTLY STUDY

As noted last week, Congress has been lavish in appropriating money for LSC, but to date has failed to scrutinize its activities. Ultimately, however, the lawmakers will have to take a hard look. As required by the LSC Act, the Corporation has launched a $1.9 million study to explore various ways and means of providing legal services for the poor. They include judicare, prepaid legal insurance, contracts with private law firms and vouchers. By July, it is slated to make recommendations to the President and Congress. The ultimate choice will be a major one.

After passage of the LSC Act in July 1974, President Ford took a year to nominate the members of the board. Then five of his initial choices ran into such virulent opposition that they bowed out. (They include former Representative Edith Green, once head of the Education Subcommittee of the House Education and Labor Committee, a Democrat and no conservative, but a critic of the Legal Services Program.) As a result, the 11-member board has no outspoken critics of the program. It has only two members, who by any stretch of the imagination, could be viewed as tolerably conservative: J. Melville Broughton Jr., a former prosecuting attorney for the city of Raleigh, N.C., and Marlow W. Cook, former Republican Senator from Kentucky.

As part of the act creating the Corporation, Congress approved the Green Amendment. When Representative Green introduced it, she said it outlawed the back-up centers. Right after a Senate-House conference agreed on the bill, Rep. Carl Perkins, manager of the Conference Report in the House, announced that the conference had accepted the Green Amendment "lock, stock and barrel." Congressman Albert Quie, manager of the bill on the Republican side, declared: "This bill cannot be interpreted to permit the Corporation to make any grant or contract for the purposes and programs carried out under the so-called back-up centers. . . . The language of the bill itself will not permit that interpretation."

CONGRESSIONAL INTEREST

Whenever controversy arises involving interpretation of a statute, the custom is to rely on the record prior to passage to determine Congressional intent. The remarks of Green, Perkins and Quie seem to establish that intent without question.

Nevertheless, LSC paid a Chicago attorney, Alexander Polikoff, $134,513 to do a study on back-up centers. Polikoff heads a public interest law firm called Business and Professional Men for the Public Interest. He argued that the LSC Act means that training and technical assistance, research and clearinghouse information must be handled by LSC itself and not by back-up centers. He then concluded that the back-up centers could engage in other activities. In a shorter study, done without charge, the Washington law firm of Hogan and Hartsen reached a similar conclusion.

Thomas Ehrlich, who heads of Corporation, asked Mrs. Green for comment. In February 1976, she wrote that the Hogan and Hartsen interpretation was wrong. She added: "It ignores the entire controversy over back-up centers; it ignores the legislative history; it ignores the Congressional intent."

Mrs. Green subsequently came to Washington to address LSC's board. She emphasized that the Congressional statements which LSC had cited to indicate intent were made after passage of the law. She specifically challenged reliance on statements by Representatives Shirley Chisholm (D., N.Y.) and William A. Steiger (R., Wis.), who, she said, were not even on the floor on July 16, 1974, during the debate on the LSC Act. Instead, according to Mrs. Green, their remarks were inserted after passage, but appeared as though they had been made on the floor prior to the vote.

Mrs. Green also told the directors about a remarkable occurrence a couple of days earlier, when the Senate voted on the same law. It convened at 1:50 p.m. and balloted at 2

p.m., leaving precisely 10 minutes for debate. But, according to the Congressional Record, the debate covered 30 pages of fine print and included remarks by 10 Senators. Evidently the lawmakers inserted their remarks after passage of the law to make it look as if they had been made beforehand.

The deceptive "debaters" included Senators James Abourezk (D., S.D.), Alan Cranston (D., Calif.), the late Philip A. Hart (D., Mich.), Harold E. Hughes (D., Iowa), Edward M. Kennedy (D., Mass.), Charles McC. Mathias (R., Md.), (now Vice President) Walter Mondale (D., Minn.), John C. Stennis (D., Miss.), John V. Tunney (D., Calif.) and Harrison A. Williams (D., N.J.). Nevertheless, Mrs. Green failed to persuade the majority of the directors.

CONTRACTS OUTSTANDING

The board also defeated a motion by members Rodolfo Montejano and Marshall J. Breger which would have allowed LSC to disapprove any receipt of funds from any source by back-up centers for activities inconsistent with the LSC Act. LSC now has contracts outstanding in the amount of $4,281,963 with 13 back-up centers. On or before July 1, it is expected to renew these for $4,315,326 more.

That accounts for all but four of the original 17 back-up centers. One of these, the National Clearinghouse for Legal Services, still publishes the Clearinghouse Review in Chicago with the same staff, but now it officially comes under LSC supervision.

LSC created the Office of Program Support, budgeted at $7.1 million to take over the activities of the other three. One of the Legal Services Training Program of Catholic University. According to the Polikoff study, the LSC grant for the Program was administered as part of the Law School budget. LSC's official biography of Executive Vice President E. Clinton Bamberger Jr. indicates that his last job before joining LSC was dean of the Law School at Catholic University.

Another is the Management Assistance Project of the National Legal Aid and Defender Association. Bamberger formerly headed the NLADA. So did Revius A. Ortique Jr., a member of LSC's board of directors.

DOING VERY WELL

The last of the quartet of back-up centers is doing very well indeed. William Fry, director of the National Paralegal Institute, told Barron's that it has obtained $388,000 in grants from the Department of Health, Education & Welfare. That's more than the $332,000 it enjoyed from LSC. Moreover, the Institute continues to work with LSC-funded law centers which have access to state money.

Now, according to Fry, the Institute is working with LSC in "a major presentation to the American Bar Association on paralegals." He says that a written report has been submitted to the ABA Committee on Legal Aid and Indigent Defendants and that in February the Institute and LSC will make a verbal presentation. Fry adds that the Institute is working closely with Catherine Day-Jermany, currently director of paralegal affairs at LSC and former director of training for the Institute.

Ehrlich already has established within LSC the Research Institute on Legal Assistance, with a budget of $250,000 for fiscal 1977. As its head, he named Alan Houseman, former director of the Michigan Legal Services Assistance Program, funded by OEO. In an article in Human Events, published on Dec. 8, 1973, Howard Phillips, former OEO director, called Houseman "a leader of the leftist National Lawyers Guild."

SOLICITING PROPOSALS

LSC is soliciting proposals from prospective fellows for LSC-funded studies in several areas which Houseman wants to explore. They include the effects on the poor of administrative and hearing processes, housing tribunals and small claims courts. What are the other 13 back-up centers doing? Schedule A of the contract for the Legal Action Support Project of the Bureau of Social Service Research Inc., which became effective last July 16, says that, among other things: "The Project will, on behalf of eligible clients, assist Legal Services Program personnel in their participation in administrative proceedings, including rule making, and in legislative proceedings."

In other words it plans to engage in lobbying. But it said it would do so only upon request of a government agency, legislative body, committee or a member thereof. Still, devoting approximately 20% of its total professional effort to "administrative and legislative representation," seems a far cry from the Congressional aim of obtaining legal services for poor people. The contract stipulated that only 5% of total professional effort would be devoted to "general client counseling and representation."

In its report to LSC for the quarter ended Oct. 15, the Project said it "prepared a report which demonstrated why many able-bodied persons remain unemployed for prolonged periods of time despite diligent efforts to find work." Despite a ban on LSC-funded research, the document was used to assist the Legal Aid Service Multonomah Bar Association of Portland Ore., an LSC grantee, in a class action seeking welfare for the able-bodied.

The Project also apparently did research to aid an LSC-funded law center, the Appalachian Research and Defense Fund of Kentucky. The Fund went before the Kentucky Public Services Commission to oppose a pending electric utility rate increase. The Project said it "reviewed the Kentucky Power Company's testimony and suggested to the (Fund) attorney specific lines of inquiry appropriate for future interrogatories. With reference to selected counties in the eastern portion of the state, we obtained data on social and economic characteristics of residents, prepared tabulations on mobile home families below the poverty line and furnished reference articles and bibliographies on electric utility rate structures."

In addition, two spokesmen for the Project participated last summer in the Consumer Advocate's Workshop on Electric Utility Rate Proceedings, sponsored by the National Consumer Information Center in Washington. The Center was founded by Howard University law students and is funded by Community Services Administration.

FOOD STAMP PROGRAM

As further evidence of social advocacy, rather than service to individual indigent clients, the Project said it is trying to document inadequate coverage for the food stamp program in order to help Alaska Legal Services (an LSC-funded law center), which "is contemplating a challenge to the Food Stamp Program's allegedly inadequate outreach effort in the state."

The Project argues that such activities are legal, provided they are "directly connected to requests from LSC-funded attorneys who seek our assistance in regard to their representations of specific eligible clients."

This stance squares with what Bamberger told Barron's: "Now back-up centers can only do work for clients; they have to have a client. . . .We can't provide high quality legal service without having specialists."

SCHOOL DESEGREGATION SUITS

The law says that no Corporation funds may be used for school desegregation suits. Yet in a recent report to LSC, the (back-up) Center for Law and Education made clear that it is participating in such cases. For instance, it said that Eric E. Van Loon and Robert Pressman of the Center, along with other attorneys, filed an appeal on Oct. 18, 1976, in a Boston school desegregation case which earlier led to a District Court placing South Boston High School in receivership.

Observing that the unit dated back to 1972, we asked Ehrlich what happens to cases which were pending at the time of passage of the LSC Act. He replied that he has written all law centers that if an LSC-funded attorney is in the midst of a case involving an activity prohibited by the Act, he is obliged to try to transfer it to competent counsel. "If he is not able to do so, then, under the standards of professional responsibility, he has to continue the case but not take any more like it," Ehrlich declared. What about appealing prohibited cases? "Responsibility to the client is the most important consideration of all, and that includes responsibility to appeal."

In a report to LSC dated Oct. 31, 1976, the National Housing Law Project (a backup center) said it has spent a significant amount of time coordinating more than 40 suits involving operating subsidies by the Department of Housing and Urban/Development (HUD). It said it was co-counsel with the (LSC-funded) Western Center on Law and Poverty in the Underwood case, in which the U.S. Supreme Court stayed a District Court order for HUD to pay operating subsidies. (It lost).

After noting its participation in several other lawsuits involving HUD, the Project reported that its director is vice president of the board of directors of the Housing Assistance Council, funded by HUD. It also said the Project prepared a background paper on redlining and disinvestment under contract to HUD's Office of Fair Housing and Equal Opportunity. We asked Robert Elliott, former HUD general counsel, if this constituted a conflict of interest. He said it might be poor judgment, but was not illegal.

The Native American Rights Fund/Indian Law Support Center is involved in the cases aimed at giving part of the country back to the Indians, discussed last week. In its latest quarterly report to LSC, it said it is helping South Dakota Legal Services (funded by LSC) to prosecute a case involving the rights of prisoners.

The Center also reported that it has helped four attorneys from the (LSC funded) Seattle Legal Services, which keeps them on two Indian reservations to serve as general counsel to the tribe. It didn't explain how a whole tribe qualified for such help.

NEW ECONOMIC THOUGHT

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1977

Mr. BROYHILL. Mr. Speaker, yesterday's Wall Street Journal carried on its editorial page an article by the distinguished scholar, Mr. Irving Kristol, of the American Enterprise Institute.

This article takes note of a growing school of economic thought which is the theoretical basis behind the minority's efforts to unleash our Nation's productive capacity by means of a substantial reduction in individual income taxes.

My good friend and colleague, Congressman JACK KEMP, is recognized by Mr. Kristol for his efforts to bring this new school of economic thought to the public's attention.

I am placing this article in the RECORD so that my colleagues will have the op-

portunity to read this thought provoking editorial:

[From the Wall Street Journal, May 9, 1977]

TOWARD A "NEW" ECONOMICS?

(By Irving Kristol)

"We do not dance even yet to a new tune. But change is in the air. We hear but indistinctly what were once the clearest and most distinguishable voices which have ever instructed political mankind."

So wrote John Maynard Keynes in 1926, in a book called "The End of Laissez-Faire." He was pointing to the intellectual impotence of the prevailing economic orthodoxy, which seemed less and less capable of explaining what was happening to the economic universe, and quite incapable of providing a coherent set of economic policies which statesmen could look to with confidence. And, of course, he was predicting—with a prescience matched only by his self-assurance—the emergence of a new economics, what we today call Keynesian or neo-Keynesian economics, to replace the old.

It all came to pass as he foretold. During the next 50 years, Keynesianism established itself as the new economic orthodoxy Even conservative politicians eventually were to be heard saying cheerfully, "We are all Keynesians now."

But the number of politicians saying it has, in the past five years, dwindled remarkably. For the Keynesian orthodoxy itself is showing clear signs of sclerosis, even senility, and is well on the way to suffering the fate of its predecessor. It cannot explain the key economic phenomenon of our time, "stagflation," i.e., the coexistence of inflation and unemployment. And the "stimuli" it recommends mysteriously fail to stimulate, but only enfeeble.

In desperation, Keynesian economists are now beginning to recommend that we consider seriously the virtues of wage and price controls. Well, for such advice we don't need economists. Politicians have always been able to think up such "cures" for themselves.

THE "CLASSICAL" ECONOMICS

The "classical" economics which Keynes challenged really had no theory of economic policy. Its major contributions were in the area of microeconomics—specifically, the rational allocation of scarce resources—and its work in this area is of enduring validity. As for the economy as a whole, the "classical" tradition assumed that equilibrium at a high level of employment was a "natural" and potentially steady state. It could not convincingly explain recessions or depressions, and its advice to governments consisted of little more than keeping the budget in balance and letting things follow their natural course. Good advice, on the whole—but not for all seasons.

Keynes perceived this deficiency even before the Great Depression made it obvious to everyone, and he spent a decade developing a new theory to correct it. This involved the creation of "macroeconomics" as an independent field of economic theory, in which efforts were made to explain the general level of economic activity by establishing the "proper" relations of aggregate demand to other aggregates (e.g., GNP, national income, etc.).

At the heart of his own "general theory" was the proposition that a modern economy was naturally unstable, because it had an inherent tendency toward a deficiency in aggregate demand—or, to put it another way, once full employment is reached, people's propensity to save tended to outweigh their tendency to invest. The maintenance of high demand, therefore, became the central object of economic policy, regardless of its unbalancing effect on the budget.

And economic policy consisted of government's manipulation of fiscal and monetary affairs—"fine tuning," we have come to call it—to achieve a level of demand that would ensure full employment and prosperity.

That Keynes was a giant in the history of economic theory is beyond question. "Macroeconomics" is here to stay and will remain his permanent testament, as will governmental responsibility for the level of employment. But, with every passing year, his limitations have also become more apparent.

For instance, his extraordinarily cavalier attitude toward budget deficits—"deficits don't matter," as his leading disciple put it—may have soothed the consciences (and quickened the appetites) of politicians, but it never did make any obvious economic sense. Why should a nation's debt be a different economic species from a family's debt? The only visible difference is that a nation can pass on its indebtedness to future generations, while parents have no such right vis-a-vis their children. But does that make it any less real or burdensome? A "psychohistorian" might wonder whether the fact that Keynes himself was childless might have had something to do with shaping this attitude.

Similarly, a cultural historian might properly wonder to what degree the fact that Keynes was a charter member of the "Bloomsbury circle"—a group of talented upper-class aesthetes—had a bearing on his faith in government's ability to "manage" the economy. His masterwork, "The General Theory of Employment, Interest, and Money," reveals a frank disdain for the traditional bourgeois virtues (thrift, industry, diligence) and for the bourgeoisie as a class. There is also a strong implication that ordinary people are just too short-sighted to make capitalism work, and that they needed the likes of John Maynard Keynes to manage the system for them.

None of this would matter much if his policy prescriptions worked. But they don't. Financing those "unimportant" budgetary deficits turns out to cause inflation. And to the degree that the deficits give rise to heavier taxation, the economy stagnates. It also turns out that the effectiveness of governmental stimulus to the demand side of the economy, accompanied by governmental stifling of the supply side (through taxation), only works if everyone is under the spell of a "money illusion"—i.e., if they notice only the increased number of dollars in hand, and fail to observe that each dollar has lost some of its purchasing power. But the people are cleverer than Keynes thought. They do make the requisite observation; they demand that their purchasing power be maintained; and inflation swells from a ripple to a wave to an oceanic storm.

THE "MONETARIST" SCHOOL

In response to this crisis in the theory of economic policy, a "new" economics is beginning to emerge. Based on the critique of Keynesianism by the "monetarist" school, as further developed (in a rather heterodox way) in the work of such economists as Robert Mundell and Arthur Laffer, and as vigorously publicized by Jude Wanniski of The Wall Street Journal and Congressman Jack Kemp (R., N.Y.), it is still in an embryonic condition and the world has not yet taken much notice of it. To requote Keynes: "We do not dance even yet to a new tune. But change is in the air."

One uses the inverted commas around that term "new" because, in truth, much of the "new" economics is very old—as old as Adam Smith, say. Its focus is on economic growth, rather than on economic equilibrium or disequilibrium, and it sees such growth arising from a free response (e.g., investment, hard work, etc.) to the economic incentives of a free market.

It does retain the Keynesian macroeconomic apparatus for diagnostic purposes, but its inclination is "conservative" rather than "liberal"—i.e., it believes that only the private sector can bring us sustained economic growth, and that whatever tasks one might wish to assign to the public sector, economic growth cannot be one of them.

This "new" economics is sometimes described, rather cumbersomely, as "supply-side fiscal policy." (There is also an international monetary aspect which a critic has called, not inaccurately, "global monetarism"—but that is another story.) It arises in opposition to the Keynesian notion that an increase in demand, by itself, will increase supply and therefore accelerate economic growth. The "new" economics asserts that an increase in demand, where the natural incentives to economic growth are stifled, will result simply in inflation. It is only an increase in *productivity*, which converts latent into actual demand by bringing commodities (old and new) to market at prices people can afford, that generates economic growth.

At the moment, and under existing circumstances, the major emphasis by far of the "new" economics is on the need for a substantial, across-the-board cut in tax rates, because it is the high level of tax rates that is stifling incentives to growth. This has caused some concern and confusion among Republican Congressmen, and business executives too, who sense a continuation of the Keynesian unconcern with budget deficits. But the "new" economics is all in favor of balanced budgets—only it believes that, to achieve such a goal, temporary imbalances may be required. Its emphasis on tax-cutting flows from its conviction that this will, through economic growth, eventually lead to a balanced budget.

SUBSTANTIAL TAX CUT

Simply to reduce government expenditures, in a depressed economy, creates too many problems. (And a ruthless dismantling of the welfare state is, in any case, unthinkable.) It is only a substantial tax cut that will, in time, permit us to reduce the *relative* size of the public sector by an expansion of the private sector.

This is a highly simplified and much foreshortened version of a set of economic ideas that is beginning to reshape our thinking on economic policy. Its political appeal to conservatives is obvious (just as the political appeal of Keynesianism to liberals was obvious) and helps explain the recent willingness of congressional Republicans to vote in favor of a permanent tax cut despite the state of the budget. They were not "playing politics," as some critics claimed. They were acting on an economic theory which, if only dimly understood, was nevertheless persuasive. After all, as Congressman Kemp has pointed out, all that Republicans were urging is a tax cut similar to the Kennedy tax program of 1963—also made in the face of a deficit. And it worked: The deficit soon declined, employment went up.

It is hard to overestimate the importance of the fact that, for the first time in half a century, it is the economic philosophy of conservatives that is showing signs of intellectual vigor, while the economic philosophy of liberalism keeps tying itself into ever more elaborate knots. As some sage once observed: You can't beat a horse with no horse. Conservatives, who believe in limited government and a strong private sector, may be in the process of acquiring a horse.

U.N. AMBASSADOR ANDREW YOUNG

HON. LOUIS STOKES

IN THE HOUSE OF REPRESENTATIVES

OF OHIO

Monday, May 9, 1977

Mr. STOKES. Mr. Speaker, it is an honor for me to join with the members

of the Congressional Black Caucus today, to pay tribute to our distinguished colleague and friend, Andrew Young.

Mr. Speaker, the newly appointed Ambassador to the United Nations is truly the man of the hour. At the request of President Carter, he has willingly taken on the awesome responsibility of leading the U.S. delegation to this forum of international diplomacy.

As you well know, many of Andy's friends and colleagues urged him not to accept the Ambassadorial post. They sincerely felt that his value to the American people and, in particular, to black Americans, lay in his continuation of his congressional responsibilities. Mr. Speaker, we know that Andy weighed the issue carefully and courageously chose to cast his lot in the arena of international affairs.

I, for one, Mr. Speaker, am both heartened and encouraged by Andy's bold step. The United States is in dire need of a sensitive and intuitive negotiator who can see beyond the bureaucratic "status quo," and a statesman who is less concerned with the pomp and circumstance of his influential position and more concerned with getting the job done.

Each day, Congress makes legislative decisions that impact on the nations of the world. It is therefore essential that we know and implicitly trust the people who represent us on the international front. The rift between the developing and developed nations of the world is of enormous importance in the shifting axis of the international social and economic order. America's disregard and, at times, open contempt for Third World needs and priorities is in dire need of improvement. We can no longer remain an island of affluence in a sea of poverty and overwhelming human need.

Moreover, the conflict in Southeast Asia has been replaced with a burgeoning crisis on the African continent where the struggle for liberation and equality in Southern Africa has grave implications for East/West stability and world peace.

Mr. Speaker, into the midst of these and other conflicts, Ambassador Young has brought to play a refreshing brand of diplomacy, and incisive wit and a charismatic appeal which will serve him well in sensitive negotiations. Yet, Mr. Speaker, individuality is apparently not considered a virtue by the more conservative elements of our State Department or by the foreign policy "experts" in the news media. In the wake of Ambassador Young's appointment the vituperations from the media and rumor mongers has been virtually unprecedented. Mr. Speaker, never let it be said that the media strives for balanced coverage. For even our former U.N. representative, Daniel Patrick Moynihan, who received wide notoriety for his caustic comments on world leaders and Third World initiatives, was not the recipient of the vicious, supercilious attacks leveled against Ambassador Young.

Mr. Speaker, our former colleague has borne the brunt of these attacks admirably. But my colleagues and I cannot stand idly by and allow the Ambassador to stand alone before the purveyors of ill will. The time has come, Mr. Speaker, to serve notice on Ambassador Young's detractors. For each attack, there will be a concerted counteroffensive by my colleagues and I and the millions of American people who trust and support Andrew Young. I can assure you that they will never succeed in bringing this courageous American and statesman to his knees.

Mr. Speaker, I can also assure you that the caucus and the American people do not stand alone in our opinions. All over the developing world, political leaders and citizens have taken heart that Ambassador Young's appointment may finally signal U.S. policy concessions toward the nonalined nations. On the African Continent, he has immeasurably raised America's credibility. Some leaders have even expressed the opinion that Ambassador Young may outstrip former Secretary of State Kissinger at the negotiation table.

At this time, Mr. Speaker, I ask my distinguished colleagues in the House to join with the members of the Congressional Black Caucus in a show of support for Ambassador Andrew Young. Those of you who know the man, know of his impressive track record in past endeavors. Years ago, when Andy received the call to the ministry, he did not turn his back. When black people, torn by racial strife and injustice, called for his assistance in the civil rights movement, he gallantly committed his life to the task. When the people of Atlanta rose up and elected him as their Representative to the U.S. Congress, the first black Congressman from the postreconstruction South, he accepted with quiet zeal and proceeded to forge new legislative initiatives in the Nation's Capital. And, Mr. Speaker, when Jimmy Carter asked his friend to help him win the Presidency, the Georgia Congressman's persistent efforts and unswerving devotion afforded President Carter a stunning victory which will go down in the annals of political history.

Now Andy stands at the threshold of his greatest challenge. The political future of the entire world hangs at a precarious balance. We need a man with the courage, confidence, and guts to meet this weighty challenge. Mr. Speaker, as you can well see from our show of support on the floor of the House of Representatives today, we have no doubts that Ambassador Andrew Young is that man.

SENATE—*Wednesday, May 11, 1977*

(Legislative day of Monday, May 9, 1977)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by Hon. GAYLORD NELSON, a Senator from the State of Wisconsin.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray:

O Lord of today and of every day, in whom we live and move and have our being, we pray for an endowment of Thy grace, not for 1 day but for a whole life of service. Deliver us from the pursuit of power or lust for luxury. Grant us grace and love to seek first Thy kingdom and that righteousness which exalts a nation. Judge us not by the quantity of our activities but by the quality of our living. And to Thee shall be all the glory and thanksgiving. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 11, 1977.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. GAYLORD NELSON, a Senator from the State of Wisconsin, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. NELSON thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of yesterday, May 10, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

UNANIMOUS-CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, two measures on the Unanimous-Consent Calendar are ready for consideration. I ask unanimous consent that the Senate proceed to the consideration of Calendar Order Nos. 76 and, after that, 102.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ELIGIBILITY FOR AIRCRAFT REGISTRATION

The Senate proceeded to consider the bill (H.R. 735) to amend the Federal Aviation Act of 1958 relating to eligibility for aircraft registration, which had been reported from the Committee on Com-

merce, Science, and Transportation, with an amendment.

Mr. GOLDWATER. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. GOLDWATER. Mr. President, the only interest I have in this bill, and I shall certainly not object to it, is that it was offered by my son in the House of Representatives. It is not very often that a father in the Senate can be present to vote on a bill offered by his son. I have some reason to be proud of him on this, because it is a long-needed piece of legislation.

I thank the majority leader.

Mr. ROBERT C. BYRD. Mr. President, I congratulate both the father and the son. They are both entitled to congratulations.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk read as follows:

On page 2, line 1, following "United States," insert 'or a corporation lawfully organized and doing business under the laws of the United States or any State thereof".

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

UP AMENDMENT NO. 200

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. MAGNUSON, I submit an amendment which I understand has been agreed to.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. BYRD) on behalf of Mr. MAGNUSON, proposes unprinted amendment No. 200.

On page 2, line 3, insert after the word "thereof" the words "so long as such aircraft is based or primarily used in the United States" and strike the words "such aircraft".

Mr. ROBERT C. BYRD. Mr. President, this amendment is designed to clarify the Secretary of Transportation's powers to condition registration of an aircraft on reasonable inspection by FAA personnel in the United States. The FAA might otherwise have to send personnel abroad to inspect an aircraft registered in the United States to assure compliance with U.S. requirements. Testimony received by the Committee on Commerce, Science, and Transportation on the bill indicated that this would not pose a problem, since all those testifying desired to use business aircraft in the United States primarily.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time

The bill was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–96), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE AND BRIEF DESCRIPTION

The purpose of H.R. 735, as reported, is to permit citizens of foreign countries who have been lawfully admitted for permanent residence in the United States, and corporations lawfully organized and doing business under the laws of the United States or any State thereof, to register aircraft in the United States.

BACKGROUND AND NEED

Under present law, persons not citizens of the United States cannot register aircraft in the United States. Section 501(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1401) makes it unlawful for any person to operate or navigate any aircraft eligible for registration if such aircraft is not registered by its owner, or to operate or navigate within the United States any aircraft not eligible for registration. Section 501(b) limits eligibility to (1) those aircraft owned by a citizen of the United States, (2) those aircraft not registered under the laws of any foreign country, and (3) those aircraft of the Federal Government, or of a State, Territory, or possession of the United States, or the District of Columbia, or of a political subdivision thereof. A "citizen of the United States" is defined as (1) an individual who is a citizen of the United States or one of its possessions, or (2) a partnership of which each member is such an individual, or (3) a corporation or association created under the laws of the United States or a State thereof of which the president and two-thirds or more of the board of directors and other managing officers thereof are such individuals and in which at least 75 percent of the voting interest is owned or controlled by persons who are citizens of the United States or one of its possessions.

These definitions currently require individual citizens of foreign countries who have been lawfully admitted for permanent residence in the United States and corporations owned or controlled by individuals or corporations of other countries to either lease aircraft from individuals or corporations eligible for registration or to own and operate an aircraft in the United States while maintaining its registry in a foreign country. Leasing increases the cost of aircraft use, and registration in a foreign country presents numerous problems, including maintaining the aircraft to foreign standards while it is based in the United States.

A foreign national can own and operate an aircraft within the United States provided it is registered in another country and provided that person complies with any permits, orders or regulations issued by the Civil Aeronautics Board pursuant to section 1108(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1508(b)). This has not been a satisfactory solution for permanent residents of the United States or corporations not meeting the above described requirements who wish to base their aircraft here. This is either because the aircraft must be maintained in accordance with the airworthiness requirements of the country of registry, including periodic maintenance and inspection, or because the aircraft must be leased from an individual or corporation meeting the above described requirements at substantial additional cost. It is often difficult, if not impracticable, for a foreign national to contract with qualified mechanics and repair stations in the United States in order to meet the particular requirements of the country of registry. Furthermore, the leasing of aircraft imposes costs which appear to have no benefit to the United States and tend to discourage the acquisition of aircraft for personal or business use.

With respect to airman licensing there is no parallel problem. A foreign national can obtain a U.S. pilot license and a Federal Communications Commission permit to operate radio transmitters aboard aircraft. The anomaly of the present law is that a foreign national or company can legally fly a U.S. registered aircraft in the United States, but is prevented from owning an aircraft of U.S. registry. Furthermore, aircraft leasing offers all the same indicia of control over the aircraft as ownership, but at substantial additional cost.

EXPLANATION OF THE BILL

As reported, the bill would extend the eligibility to register aircraft in the United States to citizens of foreign countries who have been lawfully admitted for permanent residence in the United States, or to corporations lawfully organized and doing business under the laws of the United States or a State thereof, provided, as is the present case, the aircraft is not registered under the laws of any foreign country. If a foreign national loses his or her status as a resident alien, or if a corporate entity ceases to be subject to the laws of the State in which it is incorporated or ceases to lawfully conduct business operations in the United States, the aircraft would no longer be eligible for registration, thus subjecting the certificate of registration to suspension or revocation by the Secretary of Transportation pursuant to section 501(e) of the Federal Aviation Act of 1958 (49 U.S.C. 1401(e)).

COMMITTEE CONSIDERATION

H.R. 735 passed the House of Representatives on February 22, 1977. After considering comments filed with the Committee in response to an invitation to comment on the bill as passed by the House, the Committee, on April 5th, ordered the bill reported by voice vote with an amendment expanding eligibility for registration from individuals admitted for permanent residence to both such individuals and corporations lawfully organized and doing business under the laws of the United States.

ESTIMATED COSTS

The Committee estimates that implementation of H.R. 735, as reported, will result in no additional cost to the Federal Government. Pursuant to section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has submitted the following cost estimate to the Committee:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., April 7, 1977.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce, Science and Transportation, U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed H.R. 735, a bill to amend the Federal Aviation Act of 1958 relating to eligibility for aircraft registration.

Based on this review, it appears that no additional cost to the Government would be incurred as a result of enactment of this bill.

Sincerely,

ALICE M. RIVLIN,
Director.

REGULATORY IMPACT STATEMENT

Implementation of H.R. 735, as reported, will lessen Federal regulation to the extent that individuals admitted for permanent residence in the United States and corporations lawfully organized and doing business under the laws of the United States will be permitted to register aircraft in the United States. Under present law, such individuals and corporations must lease aircraft from eligible individuals or companies at additional cost, or register them under the laws of a foreign country and maintain them to the standards of that country even though the aircraft is based in the United States. This lessening of regulation will result in

cost savings to affected individuals and companies. The bill as reported will not affect the personal privacy of the individuals affected, nor should its implementation require additional paperwork.

COAL CONVERSION

The Senate proceeded to consider the bill (S. 1468) to amend the Energy Supply and Environmental Coordination Act of 1974.

Mr. JACKSON. Mr. President, the measure before us, S. 1468, is important to the future of Federal efforts to foster greater coal utilization. The measure would extend for 6 months the Federal coal conversion program under section 2 of the Energy Supply and Environmental Coordination Act of 1974.

Senate approval of this bill will permit the committee the time necessary for full consideration of proposals for broader coal conversion authorities currently pending before the committee. Evaluation of these proposals can proceed without disruption of the present coal conversion program.

The committee, through the efforts of the senior Senator from Colorado (Mr. HASKELL), chairman of the Subcommittee on Energy Production and Supply, is currently concluding hearings on coal conversion legislation. This extension will provide the committee with the additional time necessary to conclude these proceedings.

Mr. President, natural gas shortages last winter dramatized our need to conserve natural gas for higher priority uses than the generation of electricity or steam. Our country's dwindling resources of gaseous fuels must be conserved for residential and small commercial users. In addition, natural gas must be conserved for essential industrial feedstock and process uses for which there is no feasible substitute.

Similarly domestic petroleum supplies are becoming increasingly limited. Like natural gas they must be conserved in the long term for higher priority uses than the generation of electricity or steam. For example, our country's extensive transportation system relies on liquid fuels. Without adequate petroleum to meet the needs of transportation, our general economy will suffer.

However, limited natural gas and oil resources can be conserved by the substitution of coal, our country's most abundant energy resource, for oil and natural gas in the generation of electricity and steam. Moreover, this must be undertaken consistent with environmental policies for the protection of public health and welfare. To the extent that available technologies for the control of sulfur oxides and particulates are inadequate to meet these Federal minimum standards, there should be an expanded Federal demonstration program.

Mr. President, control technologies for sulfur oxides and particulates must be assured which are reliable, cost-effective and environmentally sound. Extensive experience exists in Japan with the control of sulfur oxides that has not been fully transferred to the United States. The last survey of these developments was in 1972 by a Federal interagency team. For this reason on May 4, 1977, I wrote the Administrator of the Environmental Protection Agency, Douglas M. Costle, requesting that an interagency task force be created to evaluate Japanese developments.

I ask unanimous consent that the text of the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE ON
ENERGY AND NATURAL RESOURCES,
Washington, D.C., May 4, 1977.

Hon. DOUGLAS M. COSTLE,
Administrator, Environmental Protection Agency, Washington, D.C.

DEAR MR. ADMINISTRATOR: If the United States is to be successful in the formulation and implementation of a comprehensive National Energy Policy then we must assure greater coal utilization consistent with environmental policies. Technologies for the control of sulfur oxides and particulates must be assured, which are reliable, cost-effective, and environmentally sound.

Extensive experience exists in Japan with the use of sulfur oxide control technologies. This letter, as we discussed, is to request that an interagency task force be created to evaluate the status in Japan of technologies for the control of sulfur oxides. The last such review was conducted in August, 1972, by the U.S. Government interagency team.

As you are aware, the Committee and the Congress are now considering legislation to foster greater coal utilization.

Your favorable consideration of early action on this request thus would be appreciated.

Sincerely,

HENRY M. JACKSON,
Chairman.

Mr. JACKSON. Mr. President, greater coal utilization consistent with environmental policies can be accomplished provided our country is willing to make the capital investment. Where the costs are excessive or where the environmental effects are unacceptable, then alternative energy strategies will be required which are acceptable. But the issue is not energy versus the environment, also involved are issues of national security, conservation of natural gas and oil, balance of payments, and full employment.

The principal legislative proposal before the committee is S. 977, the Coal Utilization Act of 1977, which I introduced on March 10, 1977. The Coal Utilization Act incorporates provisions from S. 273, as introduced by the Senator from West Virginia (Mr. RANDOLPH). This measure reflects the extensive deliberations during the 94th Congress before the Senate's national fuels and energy policy study.

The Coal Utilization Act would require electric utilities and industrial installations with the capability to use coal to obtain a permit to use natural gas or petroleum. This represents a reversal of the burden of proof for the present coal conversion program. In addition, S. 977 extends the mandatory character of Federal coal conversion programs to other existing electric powerplants and industrial installations.

The measure also draws on S. 257 to authorize loan guarantees and low-interest loans. These two economic incentives are available for the procurement of the air pollution control equipment needed by existing facilities in order to convert to coal.

Alternative economic incentives to effect coal conversion are proposed in the National Energy Act. While less extensive regulatory authority has been proposed by the administration, greater reliance on economic incentives is recommended.

In order to enable committee members to better understand this new proposal and how it compares to S. 977, additional testimony is scheduled for May 25 on coal conversion. The proposed extension contained in S. 1468 will permit the committee time for full consideration of the various proposed legislative measures pending before the committee.

The committee thus recommends that the bill pass.

COAL CONVERSION

Mr. HASKELL. Mr. President, the Subcommittee on Energy Production and Supply has completed 4 days of hearings on legislation to foster greater coal utilization consistent with environmental policies. Testimony has been received from Federal and State government officials, representatives of the affected public utility and industrial users, coal industry spokesmen, and environmentalists.

The principal bills before the subcommittee were S. 977, the Coal Utilization Act of 1977, as introduced by Senator JACKSON and cosponsored by Senators FORD, HUDDLESTON, HUMPHREY, and RANDOLPH; and S. 273, the Natural Gas and Petroleum Conservation and Coal Utilization Act of 1977, as introduced by Senator RANDOLPH and cosponsored by Senators HUMPHREY, HUDDLESTON, and JACKSON. Subsequent to these hearings we received the coal conversion proposals contained in President Carter's national energy plan.

Our record dramatizes the fact that as America's natural gas supplies dwindle, and petroleum becomes increasingly more expensive, greater coal utilization must play a significant role in the Nations' quest for energy self-sufficiency. For many years natural gas and petroleum have served as inexpensive, and seemingly inexhaustible supplies of energy. Natural gas shortages this winter and the oil embargo of 1973 have dramatized the need to conserve these valuable fuels for higher priority uses than the generation of electricity and steam.

Greater coal utilization must play a significant role in our country's quest for greater energy self-sufficiency. Energy conservation can significantly reduce the rate of growth in energy consumption and foster the more efficient use of our Nation's nonrenewable energy sources, such as natural gas and petroleum. Until renewable energy sources such as solar and geothermal energy are able to achieve the levels of supply that they promise for the future, greater coal utilization will remain the principal alternative other than nuclear power for the generation of electricity and steam. For this reason, it is essential that we assure, and indeed insist on, the environmentally acceptable production and utilization of coal.

Experience with the Energy Supply and Environmental Coordination Act has shown that, in many cases, significant consumer cost savings can be achieved through the conversion of existing facilities from petroleum to coal.

On March 21, the Administrator of the Federal Energy Administration, John O'Leary, outlined the present Federal coal conversion program and reviewed the extensive delays that are occurring between the issuance of coal conversion orders and the actual use of coal. Mr. O'Leary stated:

> . . . from the beginning of the current process until coal is actually burned, it could take from two to eight years. Nearly three years of operation with this program have led us to conclude that there are many problems . . .

In order to expedite implementation of this program the administration supported, in the words of Mr. O'Leary:

> The strengthening and expansion of current authorities and the establishment of clear guidelines and ground rules to all current and potential new users of oil and gas.

Administrator O'Leary also stated that the conversion concept must be harmonized with clean air legislation and strip-mining bills, but noted that technological advances are needed.

Representatives of the electric utility industry testified that substantial economic and technical problems must be overcome prior to conversion. They advocated trade-offs between industry and environmental interests, noting that proposed new, more stringent environmental restraints will seriously hinder any coal conversion program.

According to the Federal Energy Administration there are potential savings of $3.6 billion per year in operating costs by existing and new electric powerplants. The accompanying reductions in oil consumption would be 613 million barrels per year. In addition, natural gas consumption would be reduced by 115 billion cubic feet per year. The resultant demand for coal would be increased by approximately 163 million tons per year.

In the industrial sector, annual operating cost savings for existing and new installations potentially are $4.3 billion. The accompanying increase in coal demand would be about 199 million tons per year. The resultant oil savings would be 703 million barrels per year. The natural gas savings would be 355 billion cubic feet per year.

Achievement of these cost savings and reduced levels of oil and natural gas consumption will depend upon the ability of the affected installations to obtain adequate coal supplies. In addition the affected facilities must install the necessary equipment to meet applicable environmental requirements.

However, if coal conversion is to be a national policy then the costs of such a program should be shared evenly by all Americans. The President is right on target with his call for coal conversion. I do have some reservations about the tax mechanism the administration has proposed to bring about that change.

A system of taxation prior to, and rebates during, conversion would place a burden unfairly on certain utilities and their customers and on certain industries and their stockholders. Some utilities and industries will suffer more than others just be virtue of location. Others have only recently completed court-ordered conversion from coal to gas and oil, at tremendous cost, and will now be faced with going back to coal use.

I quickly concede that in a nation of 210 million people there is no such thing as a burden shared equally. But we can recognize inequity and do our best to overcome it. Making outright grants to those who must convert to coal, money from general revenues, will at least guarantee that the costs of coal conversion will be shared by all Americans.

Continuing its investigation the Subcommittee on Energy Production and Supply is scheduled May 25, to receive further testimony from Federal and State Government representatives. The hearings will concentrate on the coal conversion provisions contained in the National Energy Act compared to Coal Utilization Act.

I have invited James Schlesinger, White House Energy Adviser, and Douglas Costle, Administrator of the Environmental Protection Agency.

The committee is proceeding on coal conversion legislation with an accelerated schedule. This is possible because of the extensive legislative effort by Senator RANDOLPH during the 94th Congress. However, the energy and environmental issues being addressed are intricate. Because of their broad implication for our country it is imperative that their interrelationship be carefully examined.

For this reason the subcommittee recommends a 6-month extension of the authority of the Federal Energy Administration to issue coal conversion orders pursuant to section 2 of the Energy Supply and Environmental Coordination Act. The present authority expires on June 30, 1977.

Mr. President, this extension will provide the committee time for full consideration of relevant coal legislation currently pending before the committee.

The committee, in open public session on April 20, 1977, approved the measure by a unanimous vote of a quorum present. The committee recommends that the bill pass.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-123), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE MEASURE

The purpose of the legislation is to extend for 6 months from June 30, 1977, until December 31, 1977, the authority for the Federal Energy Administration to issue coal conversion orders pursuant to section 2 of the Energy Supply and Environmental Coordination Act of 1974, as amended.

BACKGROUND AND NEED

The present authority for coal conversion orders expires on June 30, 1977. This committee bill would extend until December 31, 1977 (for 6 months) the present authority in order to permit time for full consideration of relevant coal legislation currently pending before the committee, including a measure proposed by the executive branch. This extension would permit time for full consideration of these legislative proposals without disruption of the present coal conversion program.

LEGISLATIVE HISTORY

S. 977, the Coal Utilization Act of 1977, was introduced by Senator Jackson, Senator Ford, Senator Huddleston, Senator Humphrey, and Senator Randolph on March 10, 1977. Other legislative proposals affecting coal conversion are S. 273 and S. 272. In addition coal conversion provisions are contained in the National Energy Act, proposed by the administration. Hearings on these measures are currently in process.

During these hearings a 6-month extension of the present coal conversion program was recommended by the Federal Energy Administrator John O'Leary, in testimony on March 21, 1977. This committee bill being introduced, as reported unanimously by the committee on April 20, 1977, provides the requested extension.

COMMITTEE RECOMMENDATIONS

The Committee on Energy and Natural Resources, in open public session on April 20, 1977, by unanimous vote of a quorum present recommends that the Senate pass the committee bill described herein.

SECTION-BY-SECTION ANALYSIS

Section 1. The intent of the section is clear.

Section 2. The intent of the section is clear.

COST AND BUDGETARY CONSIDERATIONS

The Federal Energy Administration has already requested appropriations for fiscal year 1978 for this program as part of the appropriation request for general programs of the agency. In the committee's judgment an additional authorization and appropriation is not required at this time.

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., May 4, 1977.

Hon. HENRY M. JACKSON,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Suite 3106, Dirksen Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed the Energy Supply and Environmental Coordination Extension Act of 1977, as reported by the Senate Committee on Energy and Natural Resources.

Based on this review, it appears that no additional cost to the Government would be incurred as a result of enactment of this bill.

Sincerely,

ALICE M. RIVLIN,
Director.

REGULATORY IMPACT EVALUATION

In compliance with paragraph 5 of rule XXIX of the Standing Rules of the Senate the committee makes the following evaluation of the regulatory impact which would be incurred in carrying out the committee bill.

The measure does not expand authorities contained in section 2 of the Energy Supply and Environmental Coordination Act. Additional paperwork beyond that required by existing law would not result from enactment. Rather the work done to date by the Federal Energy Administration would be preserved. Moreover, the need to update materials as a result of a temporary lapse in authority would be avoided.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Energy Supply and Environmental Coordination Extension Act of 1977".

SEC. 2. Section 2(f) of the Energy Supply and Environmental Coordination Act of 1974, as amended, is amended in paragraph (1) thereof, by striking out "June 30, 1977," and inserting in lieu thereof "December 31, 1977,".

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider, en bloc, the votes by which the bills were passed.

The ACTING PRESIDENT pro tempore. Without objection, the motion is in order. The question is on agreeing to the motion.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

APPOINTMENTS BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, appoints the Senator from New Jersey (Mr. WILLIAMS) and the Senator from New York (Mr. JAVITS) to the 63d Conference of the International Labor Organization, ILO, to be held in Geneva, Switzerland, June 1 through June 22, 1977.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Senator from Tennessee is recognized.

Mr. BAKER. Mr. President, I yield my time under the standing order to the distinguished Senator from Oklahoma (Mr. BARTLETT).

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma is recognized.

THE PACIFIC ANALOGY TO THE DEFENSE DILEMMA OF WESTERN EUROPE

Mr. BARTLETT. Mr. President, on January 24, 1977, Senator SAM NUNN of Georgia and I reported to the Armed Services Committee on our recent tour of NATO facilities in Western Europe.

In brief, the report NATO and the new Soviet threat noted that the Soviet Union has attained strategic nuclear parity with the United States, has made substantial advances in their tactical nuclear capability, and has achieved conventional superiority. The report concluded that these and other military initiatives of the Soviet Union and its Warsaw Pact Allies have dramatically altered the military balance which has existed between Eastern Europe and the NATO alliance of the West, enabling the Warsaw Pact to launch an intensive blitzkreig attack with only a few days warning. This startling reduction in warning time from a few weeks to a few days forces NATO and the United States to restructure and strengthen our military forces.

While the NATO alliance is certainly unique in the many characteristics of its defense posture relative to the Warsaw Pact, there are certain aspects of the NATO defense dilemma which can and should be viewed in a global perspective. Foremost among these: First, the erosion of nuclear capability as a deterrent to nonnuclear aggression; and, second, the free world's reliance on diplomatic initiatives toward "détente" as an alternative to military preparedness.

Beyond Western Europe and NATO, these developments suggest the possibility of equally grave implications for another of the free world's most valued alliances—the alliance of mutual cooperation and security between the United States of America and Japan.

On January 19, 1960, the signing of this treaty signaled the completion of a remarkable transformation in the relations between the United States and Japan. A decade and a half before, competing interests in the Pacific region brought the United States and Japan together as mortal enemies. With the signing of the treaty of mutual cooperation and security between the United States of America and Japan, these nations joined together in an alliance of common interests in the Pacific, an alliance for peace and prosperity in this region of the world.

Recognizing that our world can change radically in so brief a period of time, surely we cannot ignore the changing events of the last decade and a half since the inception of this treaty.

Throughout the history of the security alliance that began to take form in the United States-Japan security treaty of 1951, Japan has relied upon the "nuclear umbrella" of the United States for shelter from the threat of nuclear aggression. Certainly from the cold war years through the late 1960's the nuclear superiority of the United States was looked upon as the final guarantor of peace worldwide. Our nuclear capability has been explicitly relied upon as a deterrent to aggression, nuclear and nonnuclear, in Western Europe. Because our American conventional forces were considered inadequate to defeat or deter a Soviet conventional attack on Japan, they served simply as a nuclear tripwire. Nonetheless, our nuclear superiority, gave rise to a casual, perhaps even dangerously inattentive attitude by both nations in regards to Japan's self-defense capability.

Now as we are beginning to learn in Western Europe, the sense of security derived from nuclear superiority may be unfounded, the strategies predicated upon nuclear superiority can be rendered obsolete by tactical nuclear and strategic nuclear parity and the conventional superiority of our adversaries. Without question it is in the best interests of both the United States and Japan and the stability of the Western Pacific for the United States to continue to provide for the nuclear defense of Japan.

However, we must place this singular aspect of our security alliance in the perspective of a world increasingly threatened by nonnuclear conflict. No longer can the nuclear umbrella excuse an indifferent attitude toward conventional defense preparedness.

While the military achievements of the Soviet Union and its Communist allies have to some degree eroded the credibility of free world security alliances, the United States own diplomatic initiatives of the early to mid-1970's have also undermined these alliances. Nowhere is this more clearly evident than in the U.S. relations toward Asia.

In the shadow of what was to be known as the "emerging structure of peace"—the improvement of relations with China, détente with the Soviet Union—our security alliance with Japan was further deemphasized.

In a recent paper, an official for policy planning at the U.S. Embassy in Tokyo, Martin Weinstein, characterized the United States-Japan alliance in the wake of these diplomatic pressures.

> The alliance continues in its present state largely as a consequence of inertia, the fortunate absence of outstanding strategic or economic issues, and the Japanese Government's belief that it has no choice but to tolerate an alliance in which it continues to treat the United States as indispensable even though the United States does not reciprocate this treatment on all issues. These are not the kind of ties that are likely to permit the alliance to perform vigorously or to withstand future stress.

Clearly the task before the United States and Japan is to reassess our defense alliance, not in the context of promises and false perceptions of the past, but in the reality of the world today—a world in which that "new structure of peace" has become increasingly elusive and threats of military conflict are clearly present to both Japan and the United States. It appears likely that Japan and the United States working cooperatively together will remain viable in the Western Pacific; separately each will fail.

Let us begin by examining the treaty provisions which sought to make this document viable in a changing world, in both good times and bad. Let us assess the extent to which the two partners in this alliance have fulfilled these commitments to date and the challenges we face in fulfilling them in the future.

The preamble to the treaty states that the two parties recognize "that they have the inherent right of individual or collective self-defense . . ." Article III states further that "the parties individually and in cooperation with each other, by means of continuous and effective self-help and mutual aid will maintain and develop, subject to their constitutional provisions, their capacities to resist armed attack."

Unfortunately, there has been a great reluctance in Japan to update its self-defense capabilities in response to changing conditions, even though it is clear that the negotiators of the 1960 treaty recognized that there exists in a sovereign state an inherent right and need to provide for its own defense.

Certainly the United States has contributed greatly to Japan's reluctance to create a strong defense both by assuming a major role in her defense and continuing to accept her minor role. Nevertheless, the first responsibility of every government is to protect its citizens and their rights in a hostile world.

For a variety of reasons, including some questions concerning U.S. policy on the subject, the Japanese have failed to follow this basic tenet as acknowledged in the preamble to the treaty which says that the two parties have "the inherent right of individual or collective self-defense as affirmed in the charter of the United Nations."

No doubt it has been reassuring for the second largest industrial nation of the free world—Japan—to have the largest such nation—the United States—extend its nuclear defense protection, provide a large share of its conventional defenses, and, in addition, commit herself to defend Japan if she is attacked.

For the last 17 years, many in Japan have been saying "nothing could be better"—and certainly there has been real logic to that conclusion. However, today, nothing could be worse for Japan and also the United States than to continue to neglect the need for a balanced mutual military contribution.

There may still exist considerable sentiment in Japan to be a neutral, independent, unarmed nation. Adm. Arleigh Burke of the U.S. Navy said in Tokyo in 1968—

> But those of us who have had military experience know a country cannot be at the same time both unarmed and neutral. If your wonderful country desires to play a neutral role, then it must be armed. This will take a lot of time and a lot of money.

We know too well that an absence of military capability does not insure against war but instead invites aggression. For a nation to remain purposely weak militarily, denying itself the ability to resist aggression, is neither a sign of wisdom nor self-control, but a sign of wishful thinking and outdated perceptions of the surrounding world.

As Admiral Burke has stated—

> National power may be measured by a nation's military power, economic power, and the moral fiber of the people. National power is the multiplication, not the addition of these fundamentals, if any one of them is weak then the national power is weak. If any one of them is zero, then the national power is zero.

Japan's economic power is surely beyond question. However, in terms of military strength and the will of its people to protect their national interests, Japan is incapable of guaranteeing its own security.

Japan's proposed defense budget for fiscal 1977 suggests that Japan either does not realize, or does not take seriously the disparity between its material contribution to defense and that of other free world nations. The Japanese Government's proposed national budget for fiscal 1977 shows an overall increase of 17.4 percent. But defense spending in fiscal 1977 will increase by only 11.8 percent, barely enough to stay ahead of inflation. Moreover, Japan's defense spending, as a percentage of the national budget, continues to decline from 6.2 percent last year to 5.9 percent this coming year—the lowest percentage of the national budget since the self-defense forces were established.

In suggesting that Japan consider a greater material commitment to defense, let us make clear that we are not advocating what some might term the "rearmament of Japan," but merely the pursuit of a credible, independently viable self-defense capability.

Japan may not be sufficiently aware that American public sentiment since the sixties has increasingly favored the withdrawal of American forces from the Far East. This prospect has recently been bolstered by President Carter's proposal for gradual troop withdrawals from South Korea.

Though this opinion is most frequently called neoisolationist, I believe it more reasonable to say that Americans have become opposed to bearing a disproportionately large share of the military, economic, social, and political burdens of the free world, with less than pro rata help from many friendly nations. Japan must realize that the will of the American people to provide for our own defense interests, and beyond that the defense interests of our allies, is also being severely tested.

Still there is more to Japan's problem than equity between friendly allies. Allies are necessary and helpful, but they cannot be used as a crutch—nor can they for the long pull, assume basic defense responsibilities of another nation, nor can they always control their own actons in a world increasingly threatened by the relentless expansion of Soviet offensive military might.

It is foolish for the United States to maintain, and naive for Japan to believe, that the United States can alone provide the conventional air, land, and sea firepower sufficient to serve as a deterrent to conventional aggression against Japan.

Particularly in regard to the reduced U.S. naval capability vis-a-vis the Soviets, serious questions are raised as to whether the United States can defend Japan in time and in the manner Japan may expect if a substantial effort is launched against Japan. The United States—regardless of its good intent, may not be able to prevent destruction or conquest of Japan without a lot more help by forces in being than Japan is now furnishing.

I believe the case for a more credible self-defense capability in Japan is made even more compelling by certain stipulations of our defense alliance, as stated in articles V and VI of our Treaty of Mutual Cooperation and Security.

Article V of the treaty states that "Each party recognizes that an armed attack against either party in the territories under the administration of Japan would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional provision and processes." It is clear under this article of the treaty that the United States is committed to the defense of Japan if she is attacked.

Is it in the best interests of the United States to continue such an expensive and risky commitment to a very good friend unless that nation is willing to pull its fair share of the load? I think this is a very important question.

While article V of the treaty commits the United States to help defend Japan in the event of armed aggression against her, the reverse is not true. Japan is not committed to help defend against armed aggression the U.S. interests anywhere outside "the territories under the administration of Japan"—even in the Western Pacific.

If indeed such an armed attack against the United States were to occur, the security of Japan would certainly be in jeopardy.

Do the defense obligations of the present mutual security pact treaty with Japan provide the de facto mutual defense commitments that are in the best interests of the United States?

Article VI of the treaty provides that Japan grant to the United States the use of bases, facilities, and areas in Japan as a contribution to the security of Japan and also to maintain international peace and security in the Far East. However, such use is constrained by the requirement of prior consultation and—presumably—approval from Japanese officials.

Although the prior consultation and presumable approval provision is understandable from Japan's point of view, it is a potentially disabling condition for the United States. It is obviously not beneficial to this country, nor does it seem reasonable that Japan expects the United States to provide and support forces partly for Japan's protection and simultaneously dictate how those forces are to be supported and used outside of the "territories under the administration of Japan."

As we are seeing in Western Europe, advances in the overall military capability of our adversaries and the evolution of new military technology and new military strategies cannot be ignored, nor go unanswered if a credible deterrent to aggression is to be preserved.

The relationship between our allies and adversaries elsewhere in the world has been similarly altered by many of these same developments, including, as I mentioned earlier, the erosion of nuclear capability as a deterrent to nonnuclear aggression and our unjustified faith in diplomatic initiatives as an alternative to military preparedness.

In the case of Japan, unlike that of the NATO countries, a response to these changes in order to maintain a credible deterrent to aggression has not been restrained for economic reasons. To the contrary, adverse military and political developments have gone unanswered largely because of Japan's own perception of its defense treaty with the United States and blind acceptance of the status quo by the United States.

I believe the United States and Japan must now acknowledge the deficiencies of our mutual defense posture, and strive toward a posture which is relevant to the world of today and responsive to the evergrowing threat to our mutual security. For the United States, this will require our continued, unwavering dedication to the peace and prosperity of our valued and indispensable ally. The United States must be convinced that Japan's self-defense capability is sufficient to underpin our military commitment to Japan, and thus establish that

this commitment remains in the U.S. best interest.

For Japan, the task ahead must begin with a thorough and candid reassessment of its treaty obligations of self-help and self-defense as stated in the preamble and throughout the Treaty of Mutual Cooperation and Security. Japan must also reexamine the treaty with respect to article V and the special unreciprocal obligations for the defense of Japan by the United States, and article VI and the special restrictions placed upon the U.S. access to Japan's bases and facilities when in the pursuit of peace and security elsewhere in the Far East.

Japan must realize that these treaty provisions in particular, convenient as they may have been to Japan's interests, further underscore the obligation for individual, independent, self-defense initiatives, and for greater participation by Japan in the defense of other free world allies in its region of the world.

Mr. President, I yield the remainder of my time to the distinguished Senator from California.

Mr. HAYAKAWA subsequently said: Mr. President, I wish to associate myself with the remarks about the defense of Japan as stated by the distinguished Senator from Oklahoma.

(The following proceedings occurred during the presentation of Mr. BARTLETT'S preceding remarks:)

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. BARTLETT. Mr. President, it is my understanding that I have——

Mr. ROBERT C. BYRD. Mr. President, I have some time under the order.

The ACTING PRESIDENT pro tempore. The Senator has 3 minutes.

Mr. ROBERT C. BYRD. Mr. President, I yield my 3 minutes to the distinguished Senator from Oklahoma.

Mr. BARTLETT. It was my understanding, Mr. President, I had 15 minutes on my own.

The ACTING PRESIDENT pro tempore. The Senator has 15 minutes on his own following the Senator from California (Mr. HAYAKAWA).

Mr. BAKER. Mr. President, I see the Senator from California is on the floor. While he is here and the distinguished majority leader is on his feet, I wonder if the Senator from Oklahoma might finish his remarks, and I ask unanimous consent that the time of the Senator from Oklahoma might be consumed at this time.

Mr. ROBERT C. BYRD. Yes, without prejudice.

Mr. BAKER. Without prejudice to the rights of the Senator from California

The ACTING PRESIDENT pro tempore. That would just reverse the order.

Is there objection?

Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, I would like these remarks to be at the end of my remarks. But I apologize to the Senator from California. It was my understanding that my order was the first order. That is why I proceeded. So I apologize to the distinguished Senator from California.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma has 17 minutes.

Mr. BARTLETT. I thank the respective Senators.

(This concludes the proceedings that occurred during the presentation of Mr. BARTLETT'S remarks.)

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Senator from California (Mr. HAYAKAWA) is recognized on his own order for 5 minutes, and the Senator has an additional 2 minutes.

GOLDEN ANNIVERSARY OF THE ACADEMY OF MOTION PICTURE ARTS AND SCIENCES

Mr. HAYAKAWA. Mr. President, I send to the desk a resolution and I ask unanimous consent that it be in order to proceed to its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will state the resolution by title.

The legislative clerk read as follows:

Mr. HAYAKAWA for himsef and Mr. CRANSTON proposes a resolution (S. Res. 168) to honor the Academy of Motion Picture Arts and Sciences on its 50th Anniversary.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object—and I will not object—this matter was brought before the Senate yesterday by the distinguished Senator from California. At that time I had not secured clearance from Senator EASTLAND and Senator MCCLELLAN, the chairman of the Committee on the Judiciary and the chairman of the subcommittee, respectively, but I have that clearance now and, therefore, I have no objections.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the resolution.

Mr. HAYAKAWA. Mr. President, on May 11, 1927, the Academy of Motion Picture Arts and Sciences was formed to guide the future of the very young industry of film making in the United States. Over these years the academy has done a superb job.

Very few Americans during these past 50 years have been untouched by the movies. Who has not heard of Hollywood—and "Oscar," her honorary mayor?

We thank the academy for encouraging that talent in all facets of filmmaking which has made the American motion picture industry the finest in the world.

The academy, by encouraging creativity and nurturing talent, has given us so many wonderful moments on the screen: A teenager named Judy Garland wistfully singing "Somewhere Over the Rainbow"; the dazzling grace of Fred Astaire; that hoofer turned tough guy, Jimmy Cagney; Gigi suddenly grown up; Bogart listening to "As Time Goes By"; Andy Hardy at the senior prom.

There are so many other moments that cameras capture the moment forever.

I wish to congratulate the Academy of Motion Picture Arts and Sciences on its golden anniversary by introducing into the RECORD at this point a proclamation noting its many fine achievements.

Mr. President, may I read the resolution?

The ACTING PRESIDENT pro tempore. The Senator may read the resolution.

Mr. HAYAKAWA. I thank the Chair.

S. RES. 168

To honor the Academy of Motion Picture Arts and Sciences on its fiftieth anniversary

Whereas, the Academy of Motion Picture Arts and Sciences was organized on May 11, 1927, to advance the art and science of motion pictures and to coordinate the creative leadership in the motion picture industry;

Whereas, the Academy of Motion Picture Arts and Sciences is the paramount film-related professional honorary organization in the world;

Whereas, the motion picture industry contributes to the cultural growth of the United States;

Whereas, the Oscar is the internationally recognized symbol of excellence in motion picture production;

Whereas, the motion picture industry encourages international good will through films; and

Whereas, the Academy of Motion Picture Arts and Sciences provides many services to the motion picture industry and the general public, including, the Margaret Herrick Library, a visiting artist program which arranges for motion picture professionals to lecture at campuses throughout the country, the Academy Players Directory and the Screen Achievement Records Bulletin, the annual student film awards, an internship program which allows film students to work with professional moviemakers, exhibits and film retrospectives, and the annual Oscar presentations which recognize achievement in the motion picture industry: Now, therefore, be it

Resolved, That on the fiftieth anniversary of the founding of the Academy of Motion Picture Arts and Sciences, May 11, 1977, the United States Senate congratulates the Academy for its past achievements, and sends its best wishes for the future.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the Academy of Motion Picture Arts and Sciences.

I thank the Chair.

Mr. CRANSTON. Mr. President, I am most pleased to join with my distinguished colleague from California (Mr. HAYAKAWA) as an original cosponsor of his resolution congratulating the Academy of Motion Picture Arts and Sciences on its 50th anniversary today.

The academy, founded on May 11, 1927, is best known to the American public for its annual awards of excellence in the motion picture arts and sciences—the internationally known Oscar awards.

Through its Oscar awards, the academy has encouraged the development of high standards in acting, directing and screenwriting. It also has given recognition to the technical arts and skills so vital to the making of a successful film. In doing so, the academy has been instrumental in fostering the growth of a permanent pool of technical skills in

film making, based largely in southern California.

A film can be shot anywhere in the world. But only Hollywood, Calif., possesses the wealth of technical competence to turn that raw footage into a viewable film for the enjoyment of audiences. The development of technical film making capability is a major accomplishment of the academy and is the reason why Hollywood remains the film capital of the world.

Therefore, Mr. President, in honoring the Academy of Motion Picture Arts and Sciences on its 50th anniversary today, we are honoring the many men and women of great professional skill and art who are, in fact, the film industry of the United States.

It has been a pleasure, Mr. President, to share with my colleague this opportunity to acknowledge the contributions of the academy to the art of film making in the United States. May it continue to flourish.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution (S. Res. 168), together with its preamble, was agreed to.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond 15 minutes, with statements limited therein to 5 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Is there morning business?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

At 12:06 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that:

The House disagrees to the amendments of the Senate to the bill (H.R. 5840) to amend the Export Administration Act of 1969 in order to extend the authorities of that act and improve the administration of export controls under that act, and to strengthen the anti-boycott provisions of that act; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. ZABLOCKI, Mr. FASCELL, Mr. ROSENTHAL, Mr. HAMILTON, Mr. BINGHAM, Mr. RYAN, Mr. SOLARZ, Mr. BROOMFIELD, Mr. BUCHANAN, and Mr. WHALEN were appointed managers of the conference on the part of the House.

The House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 2817. An act to provide for certain additions to the Tinicum National Environmental Center;

H.R. 6205. An act to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Atlantic Tunas Convention Act of 1975; and

H.R. 6206. An act to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Commercial Fisheries Research and Development Act of 1964.

The Speaker has appointed the following as members of the National Commission on Unemployment Compensation: Ms. OAKAR, on the part of the House; and Mr. Richard Crossier, Holden, Mass., and Mr. Edward Sullivan, Belmont, Mass., from private life.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communications which were referred as indicated:

EC–1304. A letter from the Architect of the Capitol transmitting, pursuant to law, a report of all expenditures during the period October 1, 1976 through March 31, 1977, from moneys appropriated to the Architect of the Capitol (with an accompanying report); ordered to lie on the table and to be printed.

EC–1305. A letter from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on rescissions and deferrals for May 1977 (with an accompanying report); jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Foreign Relations, Commerce, Science, and Transportation, Armed Services, Environment and Public Works, Energy and Natural Resources, Human Resources, the Judiciary, Agriculture, Nutrition, and Forestry, Finance, Governmental Affairs, Banking, Housing, and Urban Affairs, and the Select Committee on Small Busines, and ordered to be printed.

EC–1306. A letter from the Secretary of Agriculture transmitting a draft of proposed legislation to amend the National School Lunch Act and the Child Nutrition Act of 1966 to revise and extend the summer food service program for children, to revise the nonfood assistance program, and for other purposes (with accompanying papers); to the Committee on Agriculture, Nutrition, and Forestry.

EC–1307. A letter from the Acting Assistant Secretary of Defense, Manpower, Reserve Affairs, and Logistics, transmitting, pursuant to law, the third annual report on the Defense Industrial Reserve for the calendar year 1976 (with an accompanying report); to the Committee on Armed Services.

EC–1308. A letter from the Acting Administrator of the National Aeronautics and Space Administration transmitting, pursuant to law, a report listing information with respect to contracts negotiated by NASA for the period July 1, 1976 through December 31, 1976 (with an accompanying report); to the Committee on Commerce, Science, and Transportation.

EC–1309. A letter from the Secretary of Transportation transmitting a draft of proposed legislation to formalize common international safety requirements for the approval, examination, and inspection of containers, within the jurisdiction of the United States and used in international transport, to maintain a high level of safety of human life, to facilitate international container transport, and for other purposes (with accompanying papers); to the Committee on Commerce, Science, and Transportation.

EC–1310. A letter from the Chairman of the United States International Trade Commission transmitting a draft of proposed legislation to provide authorization of appropriations for the United States International Trade Commission for fiscal year 1979 (with accompanying papers); to the Committee on Finance.

EC–1311. A letter from the Chairman of the U.S. Consumer Product Safety Commission transmitting, pursuant to law, a report on a proposed new system of records, in accordance with the Privacy Act (with an accompanying report); to the Committee on Governmental Affairs.

EC–1312. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Delays in Setting Workplace Standards for Cancer-Causing and Other Dangerous Substances" (HRD–77–71) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1313. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Domestic Resettlement of Indochinese Refugees—Struggle for Self-Reliance" (HRD–77–35) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1314. A letter from the Secretary of Labor transmitting, pursuant to law, the annual report summarizing the progress made in fiscal year 1976 by the Department of Labor and its affiliated State employment service agencies in providing employment and job training counseling and placement services for eligible veterans (with an accompanying report); to the Committee on Veterans Affairs.

EC–1315. A letter from the Chairman of the Foreign Claims Settlement Commission of the United States transmitting, pursuant to law, the annual report of the activities of the Commission for the period beginning January 1, 1976, and ending December 31, 1976 (with an accompanying report).

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that an annual report from the Foreign Claims Settlement Commission of the United States be referred jointly to the Committees on Foreign Relations and Energy and Natural Resources.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PETITIONS

The ACTING PRESIDENT pro tempore laid before the Senate the following petitions which were referred as indicated:

POM–173. House Resolution No. 377 adopted by the House of Representatives of the State of Hawaii and House Concurrent Resolution No. 56 adopted by the Legislature of the State of Hawaii requesting the U.S. Congress to enact legislation to compensate or to make reparation to Hawaiians for damages suffered by them at the time of annexation; to the Committee on Energy and Natural Resources:

"HOUSE RESOLUTION NO. 377

"Whereas, by the Great Mahele of 1848, all the lands in the Hawaiian Kingdom were divided and distributed to wit: One-third (⅓) for the public called "Public Lands"; One-third (⅓) for the King for his use, designated as "Crown Lands"; and One-third (⅓) to the Chiefs; and

"Whereas, prior to the reign of Kamehameha V the Crown Lands were considered to be the private domain of the King, and he could sell, mortgage or otherwise deal with

such land as his private property without any limitation; and

"Whereas, during his reign, King Kamehameha V declared Crown Lands to be inalienable, and it appears that it was so regarded and thereafter, King Lunalilo, King Kalakaua and Queen Liliuokalani were deemed to have been only entitled to use of the income from the Crown Lands; and

"Whereas, upon the abdication of the throne by Queen Liliuokalani, the Crown Lands were deemed to be part of the public land of the Hawaiian Republic; and upon the annexation of Hawaii by the United States of America, crown lands thereby became part of Public Lands of the United States of America; and

"Whereas, it appears that person or persons who were or should be entitled to the Crown Lands were deprived of their property or property rights in the Crown Lands; and

"Whereas, Aborigine or Native Hawaiians were deprived of certain property or property rights upon the annexation of these islands by the United States of America; now, therefore,

"Be it resolved by the House of Representatives of the Ninth Legislature, State of Hawaii, Regular Session of 1977, that the Congress of the United States of America be respectfully requested to enact legislation to compensate the family or families who would be considered to be the highest among the chiefs and would have been considered the presumptive heirs to the throne and the Hawaiian Kingdom for the Crown Lands so taken and damages suffered, and the aborigine or Native Hawaiians for damages suffered by them at the time of the Annexation of the Hawaiian Islands to the United States of America; and

"Be it further resolved that the Congress of the United States of America be respectfully requested to amend Senate Joint Resolution No. 4 entitled, "Hawaiian Aboriginal Claims Settlement Study" now pending, by specifically including therein all Crown Land claims and authorizing direct grants of payment as compensation for settlement of Crown Land claims; and

"Be it further resolved that duly certified copies of this Resolution be transmitted to the President of the United States of America; the Vice-President of the United States of America; the President Pro-temp of the Senate of the Congress of the United States of America; the Speaker of the House of Representatives of the Congress of the United States of America; to the Chairman of the Interior and Insular Affairs Committee of the Senate of the Congress of the United States of America; to the Chairman of the Interior and Insular Affairs Committee of the House of Representatives of the Congress of the United States of America; to the Honorable Daniel K. Inouye, and Honorable Spark M. Matsunaga, senators from the State of Hawaii and to Honorable Daniel K. Akaka and Honorable Cecil Heftel, representatives from the State of Hawaii of its United States of America."

"HOUSE CONCURRENT RESOLUTION

"Whereas, by the Great Mahele of 1848, all the lands in the Hawaiian Kingdom were divided and distributed to wit: One-third (⅓) for the public called "Public Lands"; One-third (⅓) for the King for his use, designated as "Crown Lands"; and One-third (⅓) to the Chiefs; and

"Whereas, prior to the reign of Kamehameha V the Crown Lands were considered to be the private domain of the King, and he could sell, mortgage or otherwise deal with such land as his private property without any limitation; and

"Whereas, during his reign, King Kamehameha V declared Crown Lands to be inalienable, and it appears that it was so regarded and thereafter, King Lunalilo, King Kalakaua and Queen Liliuokalani were deemed to have been only entitled to use of the income from the Crown Lands; and

"Whereas, upon the abdication of the throne by Queen Liliuokalani, the Crown Lands were deemed to be part of the public land of the Hawaiian Republic; and upon the annexation of Hawaii by the United States of America, crown lands thereby became part Public Lands of the United States of America; and

"Whereas, it appears that person or persons who were or should be entitled to the Crown Lands were deprived of their property or property rights in the Crown Lands; and

"And, whereas, Aborigine or Native Hawaiians were deprived of certain property or property rights upon the annexation of these islands by the United States of America; now, therefore,

"Be it resolved by the House of Representatives of the Ninth Legislature, State of Hawaii at the Regular Session of 1977, the Senate concurring that the Congress of the United States of America be respectfully requested to enact legislation to compensate the Aborigine or Native Hawaiians for damages suffered by them at the time of the Annexation of the Hawaiian Islands to the United States of America; and

"Be it further resolved that the Congress of the United States of America be respectfully requested to amend Senate Joint Resolution No. 4 entitled, "Hawaiian Aboriginal Claims Settlement Study" now pending, by specifically including therein all Crown Land claims and authorizing direct grants of payment as compensation for settlement of Crown Land claims; and

"Be it further resolved that duly certified copies of this Concurrent Resolution be transmitted to the President of the United States of America; the Vice-President of the United States of America; the President Protemp of the Senate of the Congress of the United States of America; the Speaker of the House of Representatives of the Congress of the United States of America; to the Chairman of the Interior and Insular Affairs Committee of the Senate of the Congress of the United States of America; to the Chairman of the Interior and Insular Affairs Committee of the House of Representatives of the Congress of the United States of America; to the Honorable Daniel K. Inouye, and Honorable Spark M. Matsunaga, senators from the State of Hawaii and to Honorable Daniel K. Akaka and Honorable Cecil Heftel, representatives from the State of Hawaii of its United States of America."

POM–174. Senate Resolution No. 109 adopted by the Senate of the State of Hawaii requesting the Congress of the United States and the President of the United States to implement the recommendations of the National Conference of State Legislatures relating to the AFDC Quality Control Program; to the Committee on Finance:

"SENATE RESOLUTION No. 109

"Whereas, in August, 1975, the Department of Health, Education, and Welfare issued regulations which provided for reductions in federal payments for administrative errors in excess of certain tolerance levels established in the regulations; and

"Whereas, these tolerance levels are three per cent for payments to ineligible recipients and five per cent for overpayments to eligible recipients; and

"Whereas, an 'overpayment' is defined as any payment in excess of $5 of the amount that should have been paid; and

"Whereas, however, while a five per cent tolerance level for underpayments was also established, no sanctions were mandated; and

"Whereas, beginning with the July–September 1975 quarter, the Department of Health, Education, and Welfare (DHEW) began reducing federal Aid to Families with Dependent Children (AFDC) payments to states in excess of the tolerance levels; and

"Whereas, in response, several states filed suit against DHEW claiming that no statutory basis exists for the imposition of these penalties, that the three and five per cent tolerance levels were not selected on the basis of any empirical data and are unreasonably low, and that the regulations by-pass procedures established by the Social Security Act for reducing AFDC matching funds; and

"Whereas, on May 14, 1976, a United States District Court in Washington, D.C., declared DHEW's regulations to be arbitrary and capricious and enjoined the Department from enforcing the regulations; and

"Whereas, the declaratory judgment in favor of the states flowed from the judge's conviction that the DHEW provided no evidence that the three and five per cent tolerance levels were reasonable; and

"Whereas, the judgment, however, did not declare that the disallowance of federal financial participation based on ineligibility because of payment levels is inconsistent with DHEW's regulatory authority; and

"Whereas, based upon careful review of the facts related to the court ruling, the Intergovernmental Relations Committee of the National Conference of State Legislatures has presented the following recommendations to the Congress of the United States and to the Administration as follows: (1) there should be a nationwide quality control system developed as a management tool which will allow elected officials, program managers, and the public to reliably and validly know the accuracy of both eligibility and payment systems at regularly recurring intervals; (2) the basic principles of this nationwide quality control system should be applied not only to AFDC but to SSI, Medical Assistance, and the Food Stamp program as well; (3) in reporting and categorizing errors, the quality control system should: (A) differentiate between procedural errors (those which if corrected, would not have altered payment levels) and payment errors, (B) differentiate between those errors which are the result of failing to meet a specific federal mandate and those which result from failing to meet optional requirements imposed by the state, (C) differentiate between agency and client errors in all categories, (D) report all categories of errors both as a per cent of cases and as a per cent of payments; (4) additional administrative standards should not be mandated by the federal government without prior consultation with states and localities and until there is clear evidence of their cost effectiveness; (5) no national performance levels should be established at this time; instead, all states should be required to develop periodic corrective action plans, acceptable to DHEW and geared to the individual conditions of each state including the state's specific targets for error reduction; and (6) sanctions, if necessary, should be applied only through the existing compliance procedure and only in those instances where a state refuses to propose an acceptable corrective action plan or fails to appropriately implement the actions in the agreed-upon plan; and

"Whereas, the Senate of the State of Hawaii concurs with and indorses the recommendations submitted by the Intergovernmental Relations Committee of the National Conference of State Legislatures; now, therefore,

"Be it resolved by the Senate of the Ninth Legislature of the State of Hawaii, Regular Session of 1977, that it urges the Congress of the United States and the President of the United States to accept the recommendations presented by the Intergovernmental Relations Committee of the National Conference of State Legislatures and direct the necessary actions for implementation of the recommendations without delay; and

"Be it further resolved that certified copies of this Resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, the Majority Leader of the United States Senate, the Majority Leader of the United States House of Representatives, and to each member of Hawaii's delegation to the United States Congress."

POM–175. Senate Resolution No. 77 adopted by the Senate of the State of Hawaii requesting the President of the United States to take action to protect the domestic sugar industry; to the Committee on Finance:

"SENATE RESOLUTION NO. 77

"Whereas, the sugar program of the United States, first established by the Jones-Costigan Act of 1934, had a three-fold purpose: (1) to protect the welfare of those engaged in producing and processing domestic crops, (2) to provide consumers with ample sugar supplies at reasonable prices, and (3) to maintain a sound and healthy sugar industry in the United States; and

"Whereas, during the 40 years of its existence, the United States Sugar Act has effectively achieved its major goals and in particular the objective of stabilization of prices to the satisfaction of all concerned; and

"Whereas, in December of 1974, Congress allowed the Sugar Act to expire, and this precipitated, and was a major contributor to, the current critical situation of the sugar industry; and

"Whereas, the United States market is the dumping ground for surplus world sugar and is being sold by foreign governments at less than what it is being sold in their own countries; and

"Whereas, the Sugar Act insured Hawaii's sugar industry with a reasonable rate of return in a guaranteed market; thus protecting sugar industry from competition with cheaply produced, government subsidized foreign sugar; and

"Whereas, the demise of the Sugar Act in cheaply produced, government subsidized placing stability in the market place; and

"Whereas, the Nation's 22 sugar-producing states are sustaining severe and potentially crippling losses at the present price levels for sugar; and

"Whereas, at present, nearly all sugar producers in the country are losing money on every ton of sugar produced, a situation which cannot long be tolerated if this country is to retain a viable domestic sugar industry; and

"Whereas, the diminution of the United States sugar-producing industry will mean increased dependence upon imported foreign sugar and the concomitant likelihood of high prices as a result of reduced competition in the market place; and

"Whereas, Hawaii's sugar industry was the third largest contributor to the State's economy; and

"Whereas, Governor Ariyoshi of Hawaii in his testimony to the United States International Trade Commission projected the following unemployment rates for the outer island counties if sugar were to cease operation: Hawaii—38.7%; Maui—37.6%; and Kauai—55.2%; and

"Whereas, such conditions must be avoided; and

"Whereas, here in Hawaii, our Nation's 50th State, the sugar industry, since its first commercial planting in 1835 has provided the economic foundation for the growth and expansion of our islands' economy; and

"Whereas, both industry and government in Hawaii have made extraordinary efforts to develop other industries including agricultural crops of various kinds, especially in those areas where there have been recent shutdowns of sugar plantations only to come to the grim realization that there is nothing else that can be produced in Hawaii that can provide even a significant fraction of the economic worth which sugar represents; now, therefore,

"Be it resolved by the Senate of the Ninth Legislature of the State of Hawaii, Regular Session of 1977, that it respectfully urges the President of the United States to take such remedial action as he may deem appropriate to alleviate the present serious situation of the sugar producers in the State of Hawaii."

POM–176. A resolution adopted by the Association of Trial Lawyers of America-Puerto Rico Chapter supporting and endorsing unconditionally the 1977 Omnibus Bill; to the Committee on the Judiciary.

POM–177. A concurrent resolution adopted by the General Assembly of the State of South Carolina memorializing Congress to reject any efforts to subordinate the Veterans Administration Health Care Program to the Department of Health, Education, and Welfare or any other Federal agency and to reject any efforts to diminish the integrity of the programs administered by the Veterans Administration; to the Committee on Veterans Affairs:

"CONCURRENT RESOLUTION 177

"Whereas, there is a continual debate concerning national health insurance; and

"Whereas, some social planners and others have suggested using the one hundred seventy-one hospitals, two hundred seventeen outpatient clinics, eighty-six nursing homes and sixteen domiciliaries of the Veterans Administration's health care system as a nucleus for a national health care program; and

"Whereas, Veterans Administration medical care programs and facilities are designed specifically for the needs of veterans, particularly those with service-connected or service-related injuries; and

"Whereas, the veterans of our nation have valiantly earned special hospitalization privileges and rights contained in Title 38 of the United States Code; and

"Whereas, these privileges and rights now appear to be in jeopardy unless such takeover is vigorously opposed. Now, therefore,

"Be it resolved by the House of Representatives, the Senate concurring:

"That the members of the General Assembly of South Carolina hereby memorialize the Congress of the United States to reject any legislative, administrative or any other effort to subordinate Veterans Administration health care programs to the Department of Health, Education and Welfare or any other agency and to reject any legislative, administrative or any other effort to dismember, dismantle or diminish in any way the integrity and independence of the Veterans Administration system.

"Be it further resolved copies of this resolution be forwarded to the President of the United States, to the Clerks of the United States Senate and House of Representatives and to each member of Congress from South Carolina."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs:

Without amendment:

S. 853. A bill to extend the Defense Production Act of 1950, as amended (Rept. No. 95–131).

By Mr. MUSKIE, from the Committee on the Budget:

Without amendment:

S. Res. 165. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1279 (Rept. No. 95–132).

S. Res. 163. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 11, a bill to provide for the appointment of additional district court judges, and for other purposes (Rept. No. 95–133).

By Mr. ROBERT C. BYRD (for Mr. METCALF), from the Committee on Energy and Natural Resources:

Without amendment:

S. Res. 169. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 7. Referred to the Committee on the Budget.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. RIBICOFF, from the Committee on Governmental Affairs:

Manuel D. Plotkin, of Illinois, to be Director of the Census.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 2817. An act to provide for certain additions to the Tinicum National Environmental Center; to the Committee on Environment and Public Works.

H.R. 6205. An act to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Atlantic Tunas Convention Act of 1975; to the Committee on Commerce, Science, and Transportation.

H.R. 6206. An act to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Commercial Fisheries Research and Development Act of 1964; to the Committee on Commerce, Science, and Transportation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. NELSON:

S. 1483. A bill to amend the Federal Trade Commission Act (15 U.S.C. 45) to prohibit the ownership or control of soft drink bottling or canning establishments by national manufacturers of soft drink syrups or concentrates under certain circumstances; to the Committee on the Judiciary.

By Mr. PROXMIRE:

S. 1484. A bill for the relief of Michael Bruce Holland; to the Committee on the Judiciary.

By Mr. BARTLETT (for himself and Mr. BELLMON):

S. 1485. A bill to amend the Internal Revenue Code of 1954 to exempt certain organizations from private foundation status; to the Committee on Finance.

By Mr. BELLMON:

S. 1486. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for services furnished by physician extenders, nurse practitioners, and clinical staff of community mental health centers; to the Committee on Finance.

By Mr. BELLMON (for himself and Mr. ANDERSON):

S. 1487. A bill to eliminate racketeering in the sale and distribution of cigarettes, and for other purposes; to the Committee on the Judiciary.

By Mr. TOWER:

S. 1488. A bill to provide for monitoring of soil moisture in drought-prone areas, to provide information thereon and accelerate financial and technical assistance to lessen impact of drought on farming and ranching operations; and

S. 1489. A bill to amend the Soil Conservation and Domestic Allotment Act to prevent soil erosion during a drought emergency; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. CHILES (for himself, and Mr. PERCY, and Mr. HEINZ):

S. 1490. A bill to authorize the Administrator of General Services to enter into multiyear leases through use of the automatic data processing fund without obligating the total anticipated payments to be made under such leases; to the Committee on Governmental Affairs.

By Mr. PERCY (for himself, Mr. CHILES, and Mr. HEINZ):

S. 1491. A bill to authorize procurement of janitorial, protective, trash removal, and similar services for periods not exceeding four years; to the Committee on Governmental Affairs.

By Mr. MAGNUSON (for himself and Mr. LONG) (by request):

S. 1492. A bill to amend the Mineral Leasing Act of 1920 and the Interstate Commerce Act, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HART:

S. 1493. A bill to amend the Public Works and Economic Development Act to establish a comprehensive program to provide financial and technical assistance to States, local governments, and Indian tribes to manage impacts caused by energy development, and for other purposes; jointly, by unanimous consent, to the Committee on Environment and Public Works and the Committee on Governmental Affairs.

By Mr. PELL:

S. 1494. A bill to secure the rights of blind persons; to the Committee on the Judiciary.

By Mr. PACKWOOD (for himself, Mr. BELLMON, Mr. CASE, Mr. CHAFEE, Mr. DOMENICI, Mr. DURKIN, Mr. GRAVEL, Mr. HART, Mr. HATHAWAY, Mr. JAVITS, Mr. LEAHY, Mr. PELL, Mr. RIBICOFF, Mr. SARBANES, Mr. STAFFORD, Mr. STEVENSON, and Mr. THURMOND):

S. 1495. A bill to authorize the Secretary of Transportation to make grants for the construction of bikeways; to the Committee on Environment and Public Works.

By Mr. EASTLAND (for himself, Mr. THURMOND, and Mr. STEVENS):

S. 1496. A bill to amend title 18, United States Code, to make a crime the willful destruction or interference with the Trans-Alaska Pipeline System; to the Committee on the Judiciary.

By Mr. WILLIAMS:

S. 1497. A bill to incorporate the United States Coastal Cadets; to the Committee on the Judiciary.

S. 1498. A bill to prohibit the sale of children in interstate and foreign commerce; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

S. 1499. A bill to amend the Child Abuse Prevention and Treatment Act to prohibit the sexual exploitation of children and the transportation and dissemination of photographs or films depicting such exploitation; to the Committee on the Judiciary.

By Mr. DECONCINI:

S.J. Res. 52. A joint resolution authorizing and requesting the President to issue a proclamation designating the second week of March of each year as "National Children's Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. NELSON:

S. 1483. A bill to amend the Federal Trade Commission Act (15 U.S.C. 45) to prohibit the ownership or control of soft drink bottling or canning establishments by national manufacturers of soft drink sirups or concentrates under certain circumstances; to the Committee on the Judiciary.

SOFT DRINK ANTI-MONOPOLY ACT

Mr. NELSON. Mr. President, I introduce for appropriate reference the Soft Drink Anti-Monopoly Act. This proposed legislation is designed to end the alarming trend toward ownership of soft drink bottling plants by manufacturers of national-brand soft drink sirups, and to restore balanced and responsible competition to this major American industry.

The bill would amend the Federal Trade Commission Act by adding a provision to prohibit manufacturers of soft drink sirups or concentrates sold nationwide from licensing or otherwise permitting companies in which they have an ownership interest, or themselves, to bottle, can, distribute, or sell the finished soft drinks made from those sirups or concentrates. Six months after the bill became law, national sirup manufacturers would have to present to the Federal Trade Commission—FTC—a plan showing how they would divest their captive-plant interests.

The process of separation would have to be completed by January 1, 1979. A national manufacturer would be able to obtain an exemption from the requirements of this proposed law only if it could make a convincing showing to the FTC that a particular captive bottling or canning plant was licensed only because no independent bottler or canner was available to take the license in the areas served by the captive plant. The showing would have to be made anew every 5 years; otherwise, the exemption would expire. A $10,000-a-day fine would provide the "teeth" for this proposal.

The major national manufacturers of the soft drink sirups would be covered by this bill, that is, those which produce their own sirups or concentrates and whose total sales and intracompany transfers of soft drink sirups or concentrates amount to more than $30 million annually. Thus, regional and smaller sirup and bottling companies, which cater to limited areas and which lack the market power of the highly integrated national manufacturers of sirups and concentrates, would be exempt from the requirements of the legislation.

It is the premise of this proposed legislation that communities and consumers are better served by large numbers of independent soft drink bottling companies than by a limited number of captive bottling plants. It is the aim of the legislation to free virtually all plants licensed to bottle national brand soft drinks from ownership by their licensors. It is my hope not only that the recent rapid decline in the number of small bottling companies would thereby be slowed and perhaps even reversed, but also that a responsible competitive climate within the soft drink bottling industry would be restored.

Locally owned soft drink bottling plants have long been an important class of small business enterprise in America. In the 1950's there were about 7,000 such plants and most of them were owned by independent business people and predominantly local investors, not by the national sirup manufacturers. The number now is under 2,300.

Today the trend is for the national manufacturers to dominate large markets and squeeze out small businesses there. For example, Pepsico, Inc., currently bottles and distributes to about one-quarter of the U.S. population through its wholly owned bottling plants. The Coca-Cola Co.'s captive plants serve about 14 percent of the U.S. population.

Presently over 50 sirup companies, about 35 of which operate nationwide, license almost 2,300 bottling plants. About 2,000 of these plants are small businesses employing fewer than 100 persons.

The bottling plants distribute soft drink products through supermarkets, other stores and vending machines around the country. This business is marked by intense competition and the selling of more than 150 brands of beverages.

The advantages of the captive bottling plant are well known. It does not necessarily have to show a regular profit in its own operation, if that operation is increasing sirup sales of the parent sufficiently to make overall company profits attractive. Also, the captive bottler has the advantage of its parent's deep purse, which it is not reluctant to use. Both of these facts account for the conditions which lead to unfair and predatory competitive practices by the bottling plants owned by the sirup manufacturers.

In public investigations conducted in Wisconsin by our State department of agriculture, it has been found that national sirup companies engage in such specific unfair practices as selling below cost, offering discriminatory discounts to large-volume accounts, and providing expensive promotional aids—such as refrigeraters or coolers—to secure special accounts or shelf space in stores. These expensive predatory activities help the national sirup companies to dominate the market and to drive the small independent bottler out of business. To help reduce these abuses, the State of Wisconsin recently adopted regulatory controls on unfair trade practices in this industry. While these regulations certainly improved the climate of competiton in Wisconsin, they are by no means the ultimate solution nor do they offer any help for bottlers in other parts of the Nation.

The loss of independent bottlers means that fewer brands of beverages are available to consumers, that prices have a tendency to rise without adequate market restraints, and barriers are erected to distribution of new beverages. In short, while the national sirup companies

and large supermarket chains benefit from the vertical integration of the soft drink industry and the resulting predatory pricing activity and other unfair trade practices, the consumer rarely sees the long-range benefits. Instead, consumers ultimately foot the bill for below-cost selling and expensive promotional aids.

The threat of extinction for the small bottling concerns provides the background for this legislation. In recent months, an increasing number of smaller and regional soft drink bottlers have become convinced that the vertical integration of the national sirup manufacturers lies at the root of the industry's ills. That growing perception provides a solid political foundation for this proposed legislation.

Until now, another facet of the problem has been getting the attention in Congress and industry circles alike. Because of the intensity of interbrand competition, it has been the practice in the industry for many years to avoid intrabrand competition through exclusive licensing. That is, a sirup manufacturer licenses one and only one bottler to serve specified customer classes in specified geographic areas. That practice is currently under challenge in a group of companion cases brought by the Federal Trade Commission against the eight largest sirup manufacturers and some of their licensees.

Proposed legislation which would expressly authorize exclusive territorial licensing in the soft drink industry—and thereby moot the pending FTC cases—was offered in both the 93d and 94th Congresses but failed of enactment.

The bill introduced today takes a different approach to improving the competitive climate in the soft drink industry, by attacking the root problem. That problem is vertical integration. While this bill could stand alone, it also could be added to and complement the exclusive territory legislation. In that connection, it is interesting to note that in at least one of the pending FTC cases, an agreement was reached between counsel for the independent bottler intervenors and counsel for the respondent sirup manufacturer—the Coca-Cola Co.—to link divestiture of captive bottling plants to the ending of exclusive territories, should the FTC staff position on the illegality of exclusive territories ultimately prevail.

Certainly in the wide open interbrand and intrabrand competition that would follow the elimination of territorial exclusivity for licensed soft drink brands, the vertically integrated large bottling plant would have an even more pronounced advantage than in the present situation. In fact, if exclusive territories were to be held illegal, even more small bottlers than now would face direct competition with national manufacturers. These small, locally owned firms could be forced out of business if caught in the crossfire of unbridled competition between rival captive plants.

Despite individual State initiatives in limiting trade abuses, such as the new rules in Wisconsin, vertical integration of this industry must be recognized as a national problem. Thus, prompt Federal legislative action is essential if there is to be a halt in the decline of the independent bottling company and fair competition. With these concerns in mind, divestiture of bottling and canning operations by national syrup manufacturers is seen as the best means of restoring competitive balance to the bottling industry, saving the small bottling business and providing consumers with the long-term fruits of effective competition.

If Congress fails to act to protect the independent bottler, hundreds more family enterprises throughout the Nation will fall victim to the oligopolistic practices of the national syrup manufacturers. If that occurs, consumers may find that the now familiar wide variety of beverages is no longer available in their neighborhoods and that prices for popular beverages would be subject to the unchecked whim of the national syrup manufacturers. Clearly, prompt legislative relief is necessary.

For that reason, I hope that the Soft Drink Anti-Monopoly Act receives prompt and careful consideration.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point exhibit 1, containing specific information about the most important national syrup manufacturers and their captive bottling operations. I also ask to have printed in the RECORD exhibit 2, a stipulation entered into by the Coca-Cola Co. In this document, Coca-Cola states a willingness to accept vertical divestiture along with a mandated end of exclusive territorial licensing, should that be ordered, as long as other national syrup manufacturers are similarly treated. Finally, I ask unanimous consent to have printed in the RECORD, following the stipulation, the text of the bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1483

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5(a) of the Federal Trade Commission Act (15 U.S.C. 45) is amended by insertion of a new subsection (3) as follows:

"(3)(A). After the effective date of this subsection, it shall be unlawful for any national manufacturer of soft drink syrup to license or otherwise permit any company in which it has any direct or indirect ownership interest, or itself, to bottle or can beverages made from its soft drink syrup or to distribute or sell such beverages, except as provided herein.

"(B). Within six months after the date of enactment of this subsection, each national manufacturer of soft drink syrup shall present to the Federal Trade Commission a plan for divestiture of its interest in any soft drink bottling or canning or distribution establishment; *provided, however,* that upon a convincing showing made to the Federal Trade Commission that no other bottling, canning or distribution establishment is available to bottle or can beverages made from its soft drink syrup or to distribute or sell such beverages in a given locality, then the national manufacturer of a soft drink syrup may be authorized by the Federal Trade Commission to license or otherwise permit any company in which it has a direct or indirect ownership interest, or itself, to bottle or can beverages made from its soft drink syrup, or to distribute or to sell its finished soft drink products for a period not to exceed five years, at which time a renewal of said license or other arrangement may be issued only after the Federal Trade Commission reviews an updated convincing showing and grants a renewal of the authorization.

"(C). Violation of this subsection shall result in a fine of not more than $10,000 for each day that the unlawful license or other arrangement is in effect or said direct or indirect ownership interest is retained.

"(D). For purposes of this subsection, a 'national manufacturer of a soft drink syrup' shall be defined as a person (1) who produces or authorizes the production of one or more types of syrups or concentrated substances which after further processing are designed for consumption by the public as a non-alcoholic, carbonated beverage; and (2) whose gross sales and intra-company transfers of soft drink syrups or concentrated substances throughout the United States exceed $30,000,000 annually.

"(E). The effective date of paragraphs (A), (C), (D), and (E) of this subsection (3) shall be January 1, 1979. The effective date of paragraphs (B) and (F) shall be the date of enactment.

"(F). This subsecton may be cited as the 'Soft Drink Anti-Monopoly Act'."

EXHIBIT 1

CAPTIVE BOTTLING PLANTS

The following statistics appeared in the record before the Federal Trade Commission in Docket No. 8855, one of the most complete compendiums of information regarding the soft drink industry. An initial decision by Administrative Law Judge Joseph P. Dufresne was filed on October 3, 1975.

1. According to Judge Dufresne, the Coca-Cola Company in 1971 had eight bottling subsidiaries which operated 27 bottling plants, serving 14 percent of the United States population. The bottling subsidiaries of Coca-Cola include:

The Coca-Cola Company of New England (serving Boston, Braintree, Worcester, Lynn, Fall River, Massachusetts and Providence, Rhode Island).

The Coca-Cola Bottling Company of Baltimore.

The Coca-Cola Bottling Company of Ohio (serving Columbus, Toledo and Sandusky)

The Coca-Cola Bottling Company of Michigan (serving Grand Rapids, Flint, Lansing and Traverse City).

The Coca-Cola Bottling Company of Wisconsin (serving Milwaukee, Green Bay and Oshkosh).

The Coca-Cola Bottling Company of Illinois (serving Chicago and Gary, Indiana).

The Coca-Cola Bottling Company of California (serving San Francisco, Oakland and San Jose).

The Pacific Coca-Cola Bottling Company (serving Seattle-Tacoma, Washington and Portland, Oregon).

At the same time the Coca Cola Company operated canning facilities in Nashua, New Park, Georgia; Columbus, Ohio; near Chicago, Illinois; and San Leandro (San Francisco), California. In 1974, 42 percent of the canning volume of Coca-Cola products was produced by these subsidiaries.

2. In 1971, Pepsico, Inc., had 25 bottling and canning plants which served one-quarter of the United States population and included, among other areas, the following:

Boston, Massachusetts.
New London, Connecticut.
Dallas-Houston, Texas.
Los Angeles, California.
Las Vegas, Nevada.
Milwaukee, Wisconsin.
New York, New York.
Jersey City, New Jersey.
Orlando, Florida.

Philadelphia-Pittsburgh, Pennsylvania.
Detroit, Michigan.
Providence, Rhode Island.
Phoenix, Arizona.
Chattanooga, Tennessee.
Puerto Rico.
St. Louis, Missouri (since sold).

3. According to other pleadings in the docket, the Royal Crown Cola Company manufactures and sells soft drinks in the following markets:

Columbus, LaGrange and Thomaston, Georgia.
Birmingham, Montgomery, Alexander City and Opelika, Alabama.
Florida.
Hot Springs and Marianna, Arkansas.
Honolulu, Hawaii.
Chicago, Kankakee and Springfield, Illinois.
Richmond, Virginia.
Como, Mississippi.
St. Louis, Missouri.
Greeneville, North Carolina.
Memphis, Tennessee.

Royal Crown recently announced acquisition of new captive plants to serve San Antonio, Houston and Dallas, Texas.

In 1976 alone, Dr. Pepper Co., Inc., announced plans to acquire the Dr. Pepper Bottling Co. of Southern California (which serves an area of 11 million people) and Houston's Union Bottling Works, Inc., (serving 2 million people in southwest Texas) and to build plants in the Dallas-Fort Worth, Texas area.

EXHIBIT 2

STIPULATION No. 10

It is hereby stipulated and agreed by and among counsel for each and every respondent, and counsel for each and every undersigned intervenor that:

In the event that an order should be entered in this proceeding ordering the respondents to cease and desist from limiting, allocating, or restricting the territories in which independently-owned bottlers licensed by respondents may sell carbonated, flavored soft drinks, none of the respondents or undersigned intervenors objects to the inclusion in that order of (1) a requirement that The Coca-Cola Company divest itself of all the soft drink bottling and canning facilities now operated by any of its presently wholly-owned subsidiaries, or terminate the operation of said plants, and (2) an injunction against The Coca-Cola Company, its affiliates and subsidiaries, enjoining them against engaging, directly or indirectly, in the bottling, canning, or distributing of carbonated, flavored soft drinks in the United States for a period of ten years[1] after the date of divestiture of the last plant to be divested by The Coca-Cola Company or the date on which The Coca-Cola Company is no longer operating any of said plants *provided* that (1) the other seven manufacturers of nationally branded soft drink syrups against whom the Commission now has complaints pending and their subsidiaries and affiliates are required by the Federal Trade Commission, in Docket Nos. 8853, 8854, 8856, 8857, 8858, 8859 and 8877, to divest and do divest all their bottling and canning facilities and are similarly restricted in their bottling, canning and distributing operations and (2) adequate and reliable quantities of Coca-Cola in cans will be readily and economically available to all bottlers of Coca-Cola immediately after the divestiture by The Coca-Cola Company of its canning plants.

The Coca-Cola Company objects to any action by the Commission that would have the effect of preventing or hindering The Coca-Cola Company from engaging in the bottling, canning or distributing of carbonated, flavored soft drinks in the United States unless the other said seven manufacturers of nationally branded soft drink syrups are similarly restricted from engaging in those businesses.

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[1] The undersigned intervenors reserve their right to urge the Commission that a longer injunction is necessary and appropriate.

By Mr. BARTLETT (for himself and Mr. BELLMON):

S. 1485. A bill to amend the Internal Revenue Code of 1954 to exempt certain organizations from private foundation status; to the Committee on Finance.

Mr. BARTLETT. Mr. President, I introduce a bill to amend the Internal Revenue Code of 1954 to exempt certain charitable organizations from classification as a private foundation. This bill is a counterpart of S. 3342, which I introduced in the 94th Congress.

Under existing law, a charitable organization is presumed to be a private foundation unless it is excepted from such classification under the definitions of "public charities" found in section 509 of the code. In the ordinary case, an organization supported by its endowment, and not public contributions, is a private foundation unless its purposes and activities cause it to be characterized as a church, hospital, school, medical research organization, or a support organization for any of the foregoing types of public charities. Churches, schools, and similar institutions are classified by law as public charities and not private foundations, even though they may receive no contributions from the public.

If an organization is carrying on proper charitable activities and is operated, supervised, or controlled by or in connection with a public charity, or a social welfare organization described in section 501(c)(4) of the code, or a labor or similar organization described in section 501(c)(5) of the code, or a business league or similar organization described in section 501(c)(6) of the code, it is also excluded from private foundation classification regardless of its sources of support. As I understand it, the exception from foundation classification for these support organizations is justified by the public nature of the parent or controlling organization and the closeness of the relationship between the parent organization and the charitable organization. The parent organizations in control have been presumed to be responsive to the public interest so the controlled or supporting organization enjoys the same presumption in law as to its inherent public nature.

Since the publication of Rev. Rul. 55–495, C.B. 1955–2, 259, the Internal Revenue Service has recognized that under appropriate circumstances, a fraternal society may be exempt from Federal income tax as a "social welfare" organization described in section 501(c)(4). This ruling was issued to allow exemption under section 501(c)(4) because the organization described therein was performing fraternal, charitable, and benevolent activities which, when carried on both for the members of the society and for the public, met the standards prescribed by appropriate income tax regulations. Ordinarily, fraternal societies are exempt from Federal income tax under section 501(c)(8) or section 501(c)(10) of the code where, among other things, they operate under the lodge system. In Rev. Rul. 55–495, the fraternal society did not operate under the lodge system and accordingly could not be exempt under section 501(c)(8). Granting exempt status under section 501(c)(4) for the fraternal benefit society in question assisted the organization, because it was performing sufficient social welfare activities to preserve its income tax exemption. It has been a recognized principle of tax law that, depending upon relevant facts and circumstances, a not-for-profit benevolent organization may be described in more than one of the subsections of section 501(c) and the overlapping exempt status provided several grounds for exemption if there was a question under any one particular section of 501(c). It has generally been thought that these provisions are not mutually exclusive unless there was a clear congressional intention to set forth certain conditions as to one classification of exempt organizations which would not be treated as applicable for another set of exempt organizations.

For example, the largest range of overlap can be found with respect to section 501(c)(3) organizations. The income tax regulations under section 501(c)(3) hold that if a section 501(c)(3) organization engages in substantial lobbying activities, it will remain exempt from Federal income tax as an organization described in section 501(c)(4); the penalty in that situation is not loss of income tax exemption, but loss of deductible status for contributions for Federal income, estate, and gift taxes.

In 1975, the Internal Revenue Service issued Rev. Rul. 75–199, C.B. 1975–1, 160, and revoked Rev. Rul. 55–495, but for reasons not relevant here. The revocation action, however, created numerous questions about the status of fraternal societies which did not provide the insurance benefits described in Rev. Rul. 75–199. Many of these section 501(c)(4) fraternal societies have controlled charitable organizations and the revocation of Rev. Rul. 55–495 leaves the status of these controlled charitable organizations under the private foundation rules in question.

I recognize that under certain circumstances a fraternal benefit society, because of its lack of a true community interest and social welfare activities, could not be considered as a social welfare organization. For example, if a small fraternal benefit society simply operated as a mutual insurance company, the insurance of which was available only to the limited membership, then it is highly doubtful, consistent with the reasoning of Rev. Rul. 75–199, that such organization could qualify for social welfare status. However, where it operated under the lodge system, it could qualify for exempt status under section 501(c)(8).

In my opinion, it is wrong to differentiate between charities controlled

by fraternal benefit societies, whether described in section 501(c)(8) or section 501(c)(4), and charities controlled by labor unions and trade associations. Neither type of controlled organizations should be subject to the private foundation rules contained in chapter 42 of the Internal Revenue Code. The reason is that the public's interest in protecting the administration and properties of such charities does not require that those taxes be applied because the organizations in control are themselves sufficiently public to protect and preserve the assets of the charity from any untoward intrusion. The abuses presented to the Congress in 1969 in the family foundation area have never been found in these types of publicly supervised and publicly controlled charities. Fraternal charities often provide direct services to the public such as orphanages, old age homes, or scholarship plans. The Congress found, in 1969, that the discretionary, grant-making foundation, controlled by a family, often was subject to undue influence by family members who saw the foundation as their own instrument for the perpetuation of family wealth. My bill would clearly establish, without regard to the published rulings of the Internal Revenue Service, the right of fraternal charities to be excluded from the foundation excise taxes. By so doing, our Federal tax laws would not discriminate against fraternal charities in the manner they seem to do today.

In the 93d Congress, the Treasury Department, in a letter signed by the Assistant Secretary for Tax Policy, supported enactment of basically the same bill we introduce today. Oral and written testimony was received during the general tax reform hearings of 1973 by the Committee on Ways and Means of the House of Representatives. Additional statements were taken in support of the bill before the Subcommittee on Foundations of the Committee on Finance. This bill would be of tremendous assistance to a number of masonic charities organized throughout the United States, including masonic charities located in Louisiana and Oklahoma. In particular, the Oklahoma masons, because of the Sand Springs Home, Sand Springs, Okla., support enactment of this provision, because the Sand Springs Home's charitable activities are impeded by the morass of the private foundation rules. The Sand Springs Home is an orphanage and widows' colony created in 1908, whose original endowment continues to provide the support for the conduct of its charities. The orphanage accepts appointees from the Oklahoma District Court and files accountings with the district court on the assets and/or income of the children in its care. Masons from the Grand Lodge of the Masons of Oklahoma, a fraternal society, exercise effective controls over the Sand Springs Home, because only masons who are selected by the masonic grand master may sit on the board of trustees of the Sand Springs Home. A majority of the Sand Springs Home Board of Trustees are former grand masters of the Oklahoma Masonic Lodge and all the trustees are members of the Oklahoma Grand Lodge.

I urge my colleagues in the Senate to give this bill favorable consideration in this Congress to clarify the status of all masonic and fraternal charities, including Sand Springs Home.

By Mr. BELLMON:

S. 1486. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for services furnished by physician extenders, nurse practitioners, and clinical staff of community mental health centers; to the Committee on Finance.

Mr. BELLMON. Mr. President, I am introducing a bill today which can have a great impact on the rising cost of medical services and at the same time expand health care to all Americans. This bill amends title XVIII of the Social Security Act to authorize the Social Security Administration to make payments under the supplementary medical insurance program for services furnished by physician's assistants, nurse practitioners, and clinical staff of community mental health centers.

In recent years, Congress has actively promoted the training and deployment of physician's assistants and nurse practitioners as a means of improving both the quality and accessibility of medical care. The Comprehensive Health Manpower Training Act of 1970 allowed for the development of 42 physician's assistant training programs whose graduates would assist physicians by providing routine medical and health care services in underserved areas. The Health Professions Educational Assistance Act of 1976 authorized continuation of Federal support for physician's assistant programs.

The physician's assistant concept has been successful in addressing three major issues confronting the Nation's health care system:

First. A reduction in cost.

Second. An improvement in accessibility.

Third. The delivery of high quality health care.

Sixty percent of physician's assistants are in communities of less than 50,000 population. For example, in Oklahoma 62 percent of program graduates are in communities of less than 25,000.

Significant numbers of physician's assistants are working in inner-city areas.

The cost of training a physician's assistant is less than 25 percent of the cost required to produce a physician. A physician's assistant can provide 2.6 years of equivalent services before a physician, who simultaneously began his medical education, can begin practice.

Authorities have shown very significant reductions in hospitalizations through the use of ambulatory care clinics staffed by physician's assistants.

The value of physician's assistants in bringing health care services to our citizens has been proven beyond doubt. Yet, under present law, these vital services do not qualify for reimbursement under the supplementary medical insurance program.

Mr. President, there are many areas in this country which will not support a licensed physician. This bill provides incentives for relocation of physician's assistants and nurse practitioners into health scarcity areas.

Many physicians will not employ these highly trained individuals, although there are many benefits to be gained, for the simple reason that their services are not reimbursable.

It is my strong conviction that physician's assistants and nurse practitioners are the answer to many of America's health problems. The current policy of nonreimbursement has had a negative impact on health care delivery in this Nation, especially in areas of greatest need.

Mr. President, I hope the provisions of this bill will be enacted into law, thereby providing a cost-effective, practical method of meeting many of our country's health needs.

By Mr. BELLMON (for himself and Mr. ANDERSON):

S. 1487. A bill to eliminate racketeering in the sale and distribution of cigarettes, and for other purposes; to the Committee on the Judiciary.

Mr. BELLMON. Mr. President, today I am introducing legislation for myself and the Senator from Minnesota (Mr. ANDERSON), which is intended to help eliminate racketeering in the sale and distribution of cigarettes. If enacted, this legislation would sharply expand the Federal role in the fight against cigarette bootlegging which has become a major source of income to organized crime. The annual profits realized by organized crime through cigarette bootlegging are depriving the States of much-needed revenue which would otherwise be collected through the various cigarette tax laws applicable to each State. Consequently, Mr. President, this legislation is twofold in nature; it will facilitate a crackdown on organized crime in its efforts at cigarette bootlegging thereby allowing the States to recover their rightful revenue from the sale of cigarettes.

Mr. President, there is such widespread traffic of cigarettes moving through interstate commerce that the States are not adequately able to stop the movement or sale of such cigarettes in violation of their tax laws through the exercise of their police power. Figures released by the Multi-State Tax Commission in a press release of May 5, 1977, indicate that States are losing in the neighborhood of $330 million per year through the racketeering of cigarettes. The interstate nature of cigarette smuggling places individual States at too great a disadvantage to handle these problems effectively. Further, Mr. President, there is a very clear relationship between the flow of cigarettes into interstate commerce to be sold in violation of State laws and the rise of racketeering in the United States. Organized crime has realized tremendous annual profits from the sale of such cigarettes in violation of State laws and there is considerable evidence that these profits have been channeled into other illicit and illegal activities. This week's edition of Time maga-

zine, May 16, 1977, estimates that organized crime receives net revenues of $800 million annually from cigarette bootlegging. This is a huge sum of money Mr. President, which is being generated contrary to the tax laws of the States. If there is to be an effective law enforcement effort against cigarette smuggling, there must be an expanded Federal role in the fight against cigarette bootlegging, particularly in view of the interstate nature of the crime. This legislation is addressed to that very need. I am convinced that if enacted, this bill will provide a timely solution to a serious organized crime problem as well as providing relief to many cities and States.

As contained in this legislation, Mr. President, the term "contraband cigarettes" means a quantity in excess of 20,000 cigarettes which bear no evidence of the payment of applicable State cigarette taxes in the State where they are found. Accordingly this legislation would make it unlawful to ship, transport, receive, or possess contraband cigarettes. In addition, it would be unlawful to knowingly make any false statement or representation with respect to the information required by this legislation to be kept in the records of a cigarette dealer. It is this section of the act, recordkeeping and reporting, that will prove to be the most beneficial tool for law enforcement officials in tracing contraband cigarettes.

Pursuant to this legislation, the Secretary of the Treasury is authorized to promulgate regulations which will require each dealer to maintain records of shipment, receipt, sale, or other disposition of cigarettes. This legislation would further require that dealers make records available for inspection at all reasonable time, as well as submitting to the Secretary reports and information with respect to such records and the contents thereof as shall be prescribed. Additionally, Mr. President, the Secretary would be authorized to enter during business hours the premises—including places of storage—of any dealer in cigarettes for the purpose of inspecting or examining any, first, records or documents required to be kept by the dealer, and second, any cigarettes kept or stored by the dealer at such premises.

Mr. President, if the above stated provisions of this legislation are not complied with, a person would be sentenced to pay a fine of not more than $10,000, or to be imprisoned for not more than 2 years, or both. This penalty would serve as a deterrent to many who would consider dealing in contraband cigarettes.

Finally, Mr. President, I should point out that this legislation is not intended to affect the concurrent jurisdiction of a State to enact and enforce State cigarette tax laws, to provide for the confiscation of cigarettes and other property seized in violation of such laws, or to provide penalties for the violation of such laws. It is very clearly stated in the legislation that nothing in this bill is to be construed to limit the powers of the State enacting such laws. This legislation is simply intended to assist the States in the elimination of cigarette smuggling.

Mr. President, the cover story of this week's Time magazine proclaims, "The Mafia, Big, Bad and Booming." One area of commerce in which organized crime is booming is that of cigarette bootlegging. Congress must act to eliminate this illegal activity. The legislation I am introducing today would provide a means for preventing cigarette tax evasion through illegal interstate transportation of cigarettes as well as combating organized crime elements engaged in such activities.

In conclusion, Mr. President, I would like to point out that this legislation is supported by the National Association of Tax Administrators, the National Tobacco Tax Association, the Advisory Commission on Intergovernmental Relations, and officials of the National Association of Tobacco Distributors. I am hopeful this body will be equally supportive of this legislation so that we might begin the task of combating cigarette bootlegging.

Mr. President, I ask unanimous consent that the bill and a copy of the article from Time magazine be printed in the RECORD.

There being no objection, the bill and article were ordered to be printed in the RECORD, as follows:

S. 1487

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

STATEMENT OF FINDINGS AND PURPOSE

SECTION 1. (a) The Congress finds that—

(1) there is a widespread traffic in cigarettes moving in or otherwise affecting interstate or foreign commerce, and that the States are not adequately able to stop the movement into and sale of such cigarettes in violation of their tax laws through the exercise of their police power;

(2) there is a causal relationship between the flow of cigarettes into interstate commerce to be sold in violation of State laws and the rise of racketeering in the United States;

(3) organized crime has realized hundreds of millions of dollars annually in profits from the sale of such cigarettes in violation of State laws, and has channeled such profits into other illicit activities;

(4) a sharply expanded Federal role in the fight against cigarette smuggling is essential if there is to be an effective law enforcement effort against cigarette smuggling, since the interstate nature of the crime places individual States at too great a disadvantage to handle these problems effectively;

(5) certain records maintained by dealers in cigarettes will have a high degree of usefulness in criminal, tax, and regulatory investigations.

(b) It is the purpose of this Act to provide a timely solution to a serious organized crime problem and to help provide relief to many cities and States.

SEC. 2. Title 18, United States Code, is amended by inserting immediately after chapter 59 thereof the following new chapter:

Chapter 60.—CIGARETTE TRAFFIC

"Sec.
"1285. Definitions.
"1286. Unlawful acts.
"1287. Recordkeeping and Reporting.
"1288. Penalties.
"1289. Effect on State law.
"1290. Enforcement and Regulations.

"§ 1285. Definitions

"As used in this chapter—

"(a) the term 'cigarette' means—

"(1) any roll of tobacco wrapped in paper or in any substance not containing tobacco, and

"(2) any roll of tobacco wrapped in any substance containing tobacco which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in paragraph (1).

"(b) the term 'contraband cigarettes' means a quantity in excess of twenty thousand cigarettes, bearing no evidence of the payment of applicable State cigarette taxes in the State where they are found, and which are in the possession of any person other than

(1) a person holding a permit issued pursuant to chapter 52 of title 26, United States Code, as a manufacturer of tobacco products or as an export warehouse proprietor, or a person operating a customs bonded warehouse pursuant to 19 U.S.C. §§ 1311 or 1555, or an agent of such person; (2) a common or contract carrier: *Provided, however,* That the cigarettes are designated as such on the bill of lading or freight bill; (3) a person licensed or otherwise authorized by the State where the cigarettes are found to deal in cigarettes and to account for and pay applicable cigarette taxes imposed by such State; or (4) an officer, employee, or other agent of the United States, or its departments and wholly owned instrumentalities, or of any State or any department, agency, or political subdivision thereof, having possession of cigarettes in connection with the performance of his official duties.

"(C) the term 'common or contract carrier' means a carrier holding a certificate of convenience or necessity or equivalent operating authority from a regulatory agency of the United States or of any State or the District of Columbia.

"(D) the term 'State' means any State, or the District of Columbia, which requires a stamp, impression, or other indication to be placed on packages or other containers of cigarettes to evidence payment of cigarette taxes.

"(E) the term 'dealer' means any person who sells or distributes in any manner any quantity of cigarettes in excess of 20,000 in a single transaction.

"(F) the term 'Secretary' means the Secretary of the Treasury or his delegate.

"(G) the term 'person' means any individual, corporation, company, association, firm, partnership, society, or joint stock company.

"§ 1286. Unlawful acts.

"(A) It shall be unlawful to ship, transport, receive, or possess contraband cigarettes.

"(B) It shall be unlawful to knowingly make any false statement or representation with respect to the information required by this chapter to be kept in the records of a dealer.

"§ 1287. Recordkeeping and Reporting.

"Each dealer shall maintain such records of shipment, receipt, sale, or other disposition of cigarettes at such place, for such period, and in such form as the Secretary may by regulations prescribe. Dealers shall make such records available for inspection at all reasonable times, and shall submit to the Secretary such reports and information with respect to such records and the contents thereof as he shall by regulations prescribe. The Secretary may enter during business hours the premises (including places of storage) of any dealer in cigarettes for the purpose of inspecting or examinng (1) any records or documents required to be kept by the dealer, and (2) any cigarettes kept or stored by the dealer at such premises.

"§ 1288. Penalties.

"(a) Whoever violates any provision of this chapter or regulations promulgated thereunder shall be sentenced to pay a fine of not more than $10,000, or to be imprisoned for not more than two years, or both.

"(b) Any contraband cigarettes involved

in any violation of the provisions of this chapter shall be subject to seizure and forfeiture, and all provisions of the Internal Revenue Code of 1954 relating to the seizure, forfeiture, and disposition of firearms, as defined in section 5845(a) of that Code, shall, so far as applicable, extend to seizures and forfeitures under the provisions of this chapter.

"§ 1289. Effect on State law.

"Nothing in this chapter shall be construed to affect the concurrent jurisdiction of a State to enact and enforce State cigarette tax laws, to provide for the confiscation of cigarettes and other property seized in violation of such laws, and to provide penalties for the violation of such laws.

"§ 1290. Enforcement and regulations.

"The Secretary shall enforce the provisions of this chapter and may prescribe such rules and regulations as he deems reasonable necessary to carry out the provisions of this chapter."

SEC. 3. (a) Except as provided in subsection (b), the provisions of chapter 60 of title 18, United States Code, shall take effect on the first day of the first month which begins more than 120 days after enactment.

(b) The following sections of chapter 60 title 18, United States Code, shall take effect on the date of enactment of this Act: Sections 1285, 1286(a), 1288, 1289, and 1290.

SEC. 4. The title analysis of title 18, United States Code, is amended by inserting immediately below the item relating to chapter 59 the following:

"60. Cigarette Traffic..... 1285."

SEC. 5. (a) Section 1(b) of the Act of August 9, 1939, c. 618, 53 Stat. 1291, as amended by (1) striking out "or" at the end of paragraph 2, (2) striking out the period at the end of paragraph 3 and inserting in lieu thereof "; or", and (3) adding after paragraph 3 the following new paragraph 4 to read as follows:

"(4) Any cigarettes, with respect to which there has been committed any violation of any provision of chapter 60 of title 18 or any regulation issued pursuant thereto."

(b) Section 7 of the Act of August 9, 1939, c. 618, 53 Stat. 1291, as amended (49 U.S.C. § 787), is amended by (1) striking out "and" at the end of subsection (e), (2) striking out the period at the end of subsection (f) and inserting in lieu thereof "; and, (3) adding after subsection (f) the following new subsection (g) to read as follows:

"(g) The term 'cigarettes' means 'contraband cigarettes' as now or hereafter defined in section 1285(b) of title 18."

THE MAFIA BIG, BAD, AND BOOMING

New Orleans Mafia Boss Carlos Marcello has doubled his force of bodyguards and shipped his family to a safe haven out of state. New York Don Aniello Dellacroce confuses his enemies by sometimes having a look-alike impersonate him in public. James ("the Weasel") Fratianno, a high-level mobster in San Francisco, rarely goes anywhere without two hulking companions. Other Mafia chieftains start their cars by remote control just in case bombs are wired to the ignitions.

Fear has always been a palpable part of life at the top in the Mafia, an almost feudal society in which men rise by murder and treachery and can never feel secure. But these are days of even greater tension than usual. The crime organization is going through one of its most crucial internal struggles since Prohibition, when the fight for control led to the bloody Castellammarese War (named for the Sicilian town of Castellammare del Golfo, birthplace of many of the leading thugs). Only when the smoke cleared from that battle and a nationwide commission of Mafia dons was set up to coordinate criminal operations did the closed brotherhood, which was imported by Sicilian immigrants in the 1860s, begin dominating the American underworld.

The present turmoil is centered in New York City, where ex-Mafia Executioner Dellacroce is struggling with Drug King Carmine Galante over leadership of the city's five crime clans. Mafiosi from coast to coast will look on the winner as the don with the most "respect," the *capo di tutti capi* (translation: boss of bosses); in a word, the Godfather. The loser may wind up dead.

The unrest within the Mafia—and the effect this has on all levels of organized crime—reaches far beyond the sidewalks and back alleys of New York. In Chicago, young toughs who are fighting over lucrative jobs in the organization have produced the worst intramural bloodbath since Al Capone seized control in the 1920s. The toll since December 1973: 21 dead. Observes Peter Vaira, chief of the Justice Department's anti-Mafia strike force in the city: "The younger faction wants more power and a bigger piece of the action. There will be more killings." At the same time, mobsters from New York and Chicago are invading California, shouldering aside the state's aging dons and grabbing a large share of the West's lucrative rackets.

Two developments have caused the underworld upheaval:

(1) The death last fall of New York Don Carlos Gambino, who as *capo di tutti capi* had brought a measure of peace to the nation's Mafia families through guile, diplomacy and strong-arm discipline. His elborate funeral marked the end of an era, for he was the last of the graybeard Godfathers who dominated the Mafia in the 1950s and 1960s. The others are either in their graves or living in expensive Sunbelt retirement homes in Florida, Arizona and Palm Springs, Calif.

(2) A revolt by vicious young mobsters outside of New York against many of the remaining Mob elders, who had been spooked by repeated federal investigations from the 1950s until the early 1970s. For fear of letting in undercover agents, the old dons "closed the books" in 1965—that is, they stopped admitting new members. To keep a low public profile, they put the brakes on their men. To evade police wiretaps, they operated furtively from phone booths. Things got so bad that a boss would rather leave his bodyguards at home than go out without a pocketful of change for the phone. The dons also began exchanging messages by courier, which sometimes slowed decision making so much that routine matters—like minor jurisdictional disputes between families—could take a month to settle. Hunkering down with hoards amounting to millions of dollars, the old dons could afford to advise Young Turks to wait for their share of the wealth. "Be patient. Your time will come," the late Chicago Mob boss Sam ("Momo") Giancana used to tell Anthony Spilotro, an ambitious associate.

For the Mafia, and indeed for all organized crime, that time may well be right now. Business has seldom been better. As during Prohibition, big-time criminals profit by providing goods and services that are either downright illicit or, where legal, are handled by people who are highly vulnerable to underworld pressures. The Mafia now dominates the manufacture and distribution of pornographic books, magazines and movies, a business that has doubled in a decade to $2.2 billion a year. It has become heavily involved in bootleg cigarettes and coffee. Most of the Mob's mainstay businesses are doing better than ever: gambling, loan-sharking, narcotics, hijacking, extortion and labor racketeering. No one outside the tight-knit Mafia organization knows the full extent of its operations, but estimates culled from a variety of law enforcement agencies suggest that the Mafia takes in at least $48 billion in annual gross revenues and nets an incredible $25 billion or so in untaxed profits. By contrast, Exxon, the largest industrial corporation in the U.S., reported sales of $51.6 billion and net profits of $2.6 billion in 1976.

The criminals plow lots of their profits back into their rackets or, even more ominously, into a wide range of legitimate businesses that affect Americans' lives from cradle (diaper services) to grave (funeral parlors). Increasing amounts of Mob money are pouring into real estate, construction companies, liquor stores, meat-packing companies, trucking firms, hotels, bars, restaurants, laundries and vending machines. Indeed, no facet of U.S. commercial life is safe from Mafia infiltration in the form of investment offers—often handled through lawyers or front men, of course. Justice Department officials believe that the Mafia may own as many as 10,000 legitimate firms, which generate annual profits estimated at $12 billion.

In addition to the sums that Americans pay directly for the mobsters' wares, there are substantial hidden charges. Chicago authorities estimate that because of Mob operations, the average citizen pays an additional 2¢ on the dollar for also everything he purchases on the legal market—the passed-along business costs of extra theft insurance, additional security forces and outright extortion.

Organized crime flourishes in part because of a peculiar moral obtuseness—or anger at taxhappy authorities—on the part of many Americans. Extraordinary numbers of otherwise honest people see little harm in patronizing discount cigarette vendors and neighborhood bookmakers, in buying "hot" merchandise at bargain prices, even in using the expensive and illegal services of loan sharks. The cut-rate cigarettes are a way of beating the state out of its own very substantial tax cut; the bookie is merely a private entrepreneur trying to survive in competition with state-run betting operations; the loan shark's 20%-a-week bite seems almost reasonable to a businessman who must raise cash fast but cannot qualify for a loan at a bank. Abetting this ethical blind spot are the romanticized accounts of the Mafia in novels and movies. Says Stephen Schiller, executive director of the Chicago crime commission: "The public doesn't realize how bad these people are. The Mob makes for good talk. We have made these bums folk heroes." Adds Ralph Salerno, formerly the New York City police department's leading Mafia expert: "America has come over to them. We've accepted the Godfather syndrome." In addition, dramatic changes in American moral attitudes—the new sexual permissiveness, relaxed concern over marijuana and cocaine, and the drive to legalize gambling—create an ever-increasing appetite for organized crime's services. On almost any given day, newspaper headlines attest graphically to the size and variety of that appetite. Last week, for example, two organized crime figures and seven associates were indicted in Detroit on charges of luring rich businessmen to sex and gambling parties and then extorting large sums of money from them—in one case, more than $200,000. In Manhattan that same night, police raided a luxurious casino near Rockefeller Center, equipped with crystal chandeliers, thick red carpets and six blackjack tables that were being used by more than 80 well-heeled customers.

Organized criminals react like any big businessmen: when they see customer potential they go after it. The potential is reflected to some extent in the statistics for legal gambling. In the last decade, gross wagering revenues have tripled in Nevada's casinos, to nearly $1.2 billion. Americans in 44 states last year legally gambled $18.5 billion—in lotteries and on horse and dog races; ten years earlier, when only 32 states allowed gambling, the total was about $6 billion.

While law enforcement officials know the identity of the major mobsters and the na-

ture of their crimes, turning up enough hard evidence to put them in prison is often impossible. The Mafia's reputation for vengeance frightens may victims, witnesses and potential informers into not cooperating with authorities. To make matters even easier for the Mob, the growing public concern over street violence has prompted city and state police to concentrate less of their limited resources on organized crime. Federal strike forces, made up of investigators from several Government law enforcement agencies, were established as front-line squads in the fight against big-time criminals in 18 cities. But after ten years of efforts and the expenditure of $800 million, a General Accounting Office study concluded in March that "organized crime is still flourishing." Most of the strike forces are now being disbanded. Because of abuses, the Government has also lost two of its best weapons: virtually unrestrained bugging and wiretapping, which once provided 80% of the information about Mob activities, and easy access to hoodlums' tax returns.

For all of its impact on American life, the Mafia is a remarkably small organization As reckoned by the FBI, the Mafia numbers about 5,000 "made men," or members. All are of Italian ancestry, most with roots in Sicily. Of course, the nationwide number of mobsters involved in organized crime is far higher and knows no ethnic limits. Rednecks dominate the Georgia underworld. Blacks and Hispanics run most of the rackets in their neighborhoods. Jews, Greeks, Chinese and Irish Americans all help swell the totals.

Then why does the Mafia attract so much attention? Many Italian Americans complain that the notoriety is excessive, and damaging to millions of law-abiding citizens; to assuage their sensibilities, the Justice Department has stopped referring to the Mafia by name. No matter what the organization is called, it dominates much of American crime. Many nonmember gangsters are allied to it, usually kicking back a share of their take to the dons; some criminologists estimate that at least 50,000 hoods can be considered confederates of the Mafia. The Mafia is by far the best organized criminal group in the U.S. and the only one with a national structure: 26 families—five of them in New York City*—of from 20 to 1,000 "button men," or soldiers.

The familiar Mafia lore that has become commonplace knowledge through movies and fiction is essentially true. All the made men are bound by a loyalty oath of blood and fire. They are divided into *regimes,* or squads, under the command of *caporegimes,* or lieutenants, who in turn take their orders from the clan's dons. Years ago, the don was both a prince of crime and social arbiter among Italians in his territory. But the breakup of the old Italian neighborhoods has stripped away his social functions—and any romanticism that might have surrounded him. Today he is no more than a hoodlum who has reached the top by outwitting, frightening, maiming or killing his rivals. Says Schiller: "We are dealing here with brutality and inhumanity beyond belief."

The Mafia is overseen nationally—but loosely—by the Commission, a dozen or so dons who usually, but not always, defer to the dominant boss in New York because he controls the most men and rackets. He may not get his hand kissed as often as Marlon Brando and Al Pacino did in the *Godfather* films, but he is first among equals. Since Gambino's death, two New York dons have been competing for his crown as *capo di tutti capi.* They are:

Chunky, balding Carmine Galante, 67, who has spent nearly half his life in prison for bootlegging, gambling, narcotics trafficking, extortion, assault and homicide. Known to associates as "Lillo" and "the Cigar," he has an unrivaled reputation for ruthlessness. During his latest term in prison, 15 years at Lewisburg federal penitentiary, even the guards feared him. Says a Mafia defector: "If you don't jump when he says to, there's no second chance." Comparing Galante with Gambino, New York Mafia Expert Salerno says: "If someone got out of line, Gambino would say, 'Lean on him a little,' and then six months later, 'Lean on him again.' Galante would say, 'Hit him.' "

After being paroled in 1974, Galante took over control of the Mafia family once run by Joseph ("Joe Bananas") Bonanno, who retired to Tucson, Ariz., in 1964. At first, Interim Boss Philip Rastelli was unwilling to step aside. Gunmen killed his stepson, James Fernandes, on a Brooklyn street. Rastelli got the message. Since becoming boss, Galante has pushed his underlings deeper into drug importing and distribution, long one of the family's most profitable enterprises. He has begun re-establishing the family's Southeast Asian connection, broken by federal narcotics agents six years ago. One sign of his success is the white Asian heroin that has begun reaching New York to compete with the more common Mexican brown.

Graying, grandfatherly Aniello Dellacroce (translation: "little lamb of the Cross"), who has spent only six of his 62 years in prison for attempted burglary, assault and tax evasion. He was long Gambino's underboss and chief peacemaker. As befits an ex-assassin for Albert Anastasia's Murder, Inc., Dellacroce settled disputes between rival clans by a direct method: having troublemakers eradicated. He took over the Gambino family soon after his release from prison last December after serving 4½ years for tax evasion and contempt of court.

Fond of disguises, Dellacroce sometimes dons a priest's cassock and goes about as Father O'Neill (a play on his often mispronounced first name). Father O'Neill will commiserate with policemen on the beat about their hard lot. Dellacroce enjoys tormenting the authorities. Once he arranged to have the bodies of two murder victims dumped in the parking lot of a Manhattan police station. When he and his bodyguards discovered two policemen tapping his phone, they forced the wiretappers, at gunpoint, to chew and swallow some of their tapes. When Dellacroce learned that his line was again being tapped, he ordered his men to make false comments on the phone about "the mayor's end" and "the greedy chief." The eavesdroppers soon disconnected the tap.

Dellacroce makes his money from loansharking and gambling. He is now moving his aides and muscle into Atlantic City, where legal casino gambling is expected to be the salvation of the moribund resort and possibly the source of a bonanza for the Mob. By legalizing casino gambling in Atlantic City, New Jersey has given New York and Pennsylvania a strong incentive to follow suit—a situation the Mob relishes.

In Atlantic City, Gambino family members are scouting hotels that are up for sale and have invested in some bars and pizza parlors. U.S. Attorney Jonathan Goldstein expects increased Mob involvement in Atlantic City service industries: linen supply, liquor distribution and the like. The Gambino men are pushing aside local gangsters who work for Angelo Bruno, Philadelphia's ailing and unimposing Mafia don. Had Bruno been stronger, the invasion might not have occurred. To mollify Bruno, the New Yorkers are willing to toss his people some Atlantic City scraps—services like garbage hauling, vending machines and pest control.

When the Godfather contest was joined after Gambino's death, Galante and Dellacroce adopted sharply contrasting tactics. Galante roams the country openly, accompanied by bodyguards and sometimes by his attractive daughter Nina, 21. A few weeks ago, two federal agents lost him at New York's Kennedy Airport. As the agents frantically scanned the crowd, one of them nudged his companion and whispered: "Wow! Get a load of that chick!" The other agent recognized Nina, and they were soon on Galante's trail again. Agents have followed Galante to Disneyland and to Hawaii. He stays so visible that, in a flurry of stories two months ago, New York newspapers concluded that he had already become the new *capo di tutti capi* (Time, March 7).

It was a hasty anointment, one that failed to reckon with the cunning of Dellacroce. In contrast to Galante, he dropped out of sight. But he recruited one or more look-alike stand-ins to appear publicly in his place. He will have a double either check in at a New York hospital, to create the impression that he is sick, or relax outside the Dellacroce vacation home on Key Largo, thus setting off rumors that he has retired. The real Dellacroce, meanwhile, is running things from his discreet haunts in Lower Manhattan and Brooklyn.

Time has learned that the Galante-Dellacroce conflict is ranging from Manhattan to Canada. The first casualties were two Galante spies discovered among Dellacroce's followers. The Little Lamb acted quickly to get rid of the black sheep; their bodies have not been found. Next, Dellacroce sent gunmen to Harlem to shoot a number of heroin dealers—then spread the word that Galante had ordered the hits. Dellacroce's goal was to disrupt Galante's connections with black Narcotics King Leroy ("Nicky") Barnes. Federal agents arrested Barnes on March 16, confiscating $1 million worth of heroin (he was released on $300,000 bail, which he raised by pledging $1.25 million worth of property that he owns in Pontiac, Mich.)

The evening that Barnes was arrested, Dellacroce Confidant Guido ("Dolls") DeCurtis was shot to death on Manhattan's East 28th Street in full view of passersby and a policeman. The officer arrested a suspect, Canadian Joseph Djaija, 26. Some law enforcement officials believe DeCurtis was killed because of a private quarrel over gambling rights in the Astoria section of Queens. But Dellacroce was suspicious and sent henchmen to Montreal, an important link in Galante's narcotics network. The avengers pushed around several Galante associates but found no proof that he had ordered DeCurtis' murder.

Besides gunfire, Dellacroce has loosed a propaganda fusillade against his rival. He complains to associates that the splashy publicity given to Galante's trips and narcotics deals draws too much attention to the Mafia and thus is bad for business. Eventually, he is expected to argue before the Commission that Galante is a troublemaker who cannot do business quietly and is therefore unqualified for Mafia leadership.

Galante may have an edge in the quarrel, partly because of his forceful personality. Says New York Police Lieutenant Remo Franceschini: "He has people supporting him right across the U.S. Dellacroce is a little provincial. His base has always been Little Italy, and I don't think he has the will or the intellect to control a large group of men."

Some mobsters have tried to win Galante's favor by turning over their businesses to him at distress-sale prices. In one deal, he scooped up the betting and loan-shark rackets in Pennsylvania Station, which net at least $500,000 a year. Other mobsters, including some nominally under Dellacroce, sold Ga-

*New York's families are still named for the men who ran them in the 1950s and '60s, though all are either dead or retired. The clans and their current leaders: Bonanno family (headed by Carmine Galante), Colombo family (Thomas DiBella), Gambino family (Aniello Dellacroce), Genovese family (Frank Tieri) and Lucchese family (Anthony Corallo).

lante a number of Manhattan sweatshops in which black and Hispanic women, many working at less than $3 an hour (the union scale is $4.81), stitch garments that are sold in legitimate clothing stores across the country. Authorities estimate the take from one of Galante's new shops at $100,000 a year.

Should Galante and Dellacroce destroy each other, waiting in the wings is Anthony ("Tony Ducks") Corallo, 64, who earned his nickname by beating almost every rap against him, including grand larceny, possession of narcotics and bribery of public officials. Imprisoned for extortion on one of the few occasions when he failed to duck the prosecutors, Corallo lost control of his family to one Andimo Pappadio. He regained it last September by arranging—with Galante's help—for Pappadio's murder.

A remote candidate to become New York's crime czar is Galante's former boss, Joseph Bonanno. His age (71) works against his ambitions. So did the murder in February of Frank ("Bomp") Bompensiero, who was Bonano's chief ally on the West Coast—and an FBI informer. Bomp was one of the 20 people who have been executed over the past two years by professional hit men armed with silencer-equipped .22-cal. pistols (TIME, April 18).

A different sort of generational struggle is going on in Chicago, where the 250-member Mob, known as the Outfit, is still nominally in the hands of Anthony ("Big Tuna") Accardo, 71. He spends most of his time at his $126,000 condominium in Palm Springs, leaving day-to-day operations in the hands of Underboss Joseph Aiuppa, 69, nicknamed "Doves" because he once slaughtered hundreds of the birds while hunting in Kansas. But Aiuppa's grip is shaky—some authorities say he has no executive ability—and eager young thugs are on the warpath against the old guard. So far, they have not gone after Accardo or Aiuppa but have settled for promotion by gunfire to the Outfit's middle and upper echelons.

A few of the war's 21 victims over the past 3½ years have been police informants and potential prosecution witnesses. But most have been mobsters. Among those killed were Sam Giancana, who abdicated as the Outfit's leader in 1965, and Richard Cain, an ex-cop who served as a top aide to Giancana. The latest to die was top Triggerman Charles (Chuck) Nicoleti, 62, an Accardo protégé. He caught three .38-cal. slugs in the head on March 29 while sitting in his blue Oldsmobile sedan outside the Golden Horns Restaurant in suburban Northlake. For good measure, the assassins fire-bombed his car.

Among the Chicago Mob's rising stars is James ("Turk") Torello, 46, a native of Cicero, Al Capone's old base. According to the FBI, Torello did so well as an executioner for Giancana that he was given several West Side bookmaking rings in the early 1960s. Moving swiftly into other neighborhoods, Torello now supervises all of the Outfit's gambling operations. He lives modestly in Cicero with his wife "Doodles"

Torello revels in the sadistic side of his work. An FBI wiretap once recorded him plotting in Miami to murder a Chicago union boss by taking him out to sea in a powerboat, slitting his throat, chopping up his body and feeding the pieces to the sharks. The FBI intervened. Another FBI wiretap overheard Torello telling how he had hung William Jackson, a 350-lb. loan shark, on a meat hook and tortured him with an electric prod. "He was on that thing for three days before he croaked," Torello said excitedly. "He was floppin' around on that hook. We tossed water on him to give the prod a better charge, and he's screamin' . . ."

Despite the bloodletting in Chicago, the Outfit has been rapidly expanding its Western operations. Although free-lance Mafiosi and other big-time criminals have operated in California since the heyday of Bugsy Siegel in the 1940s, the only important criminal clan was Jack Dragna's family in Los Angeles. When Dragna's nephew Louis turned down a chance to become boss in 1974—he was promptly dubbed "the Reluctant Prince"—the Outfit and New York's Gambino clan made an extraordinary agreement to exploit the West together. Frank Bompensiero, *consigliere* (chief adviser) of the fading Dragna family, outlined the arrangement to the FBI before he was executed.

The Chicago and New York gangsters gave the task of enforcing the West Coast realignment to an intimidating trio of very mean thugs: Chicagoan Tony Spilotro, Brooklyn-born Mike Rizzitello and San Francisco's James Fratianno. "Animals," an FBI agent calls them. "Those guys are dangerous enough when the Mob keeps them in check. But when their keepers unsnap the leash, a lot of people are going to get hurt."

Fratianno, 62, is believed by police to have made up to 16 hits as the Mob's West Coast executioner. When the Gambino and Chicago mobsters decided in 1975 to move into the West, they tapped Fratianno as their point man. With their blessing, he recruited Rizzitello, now 50, a handsome stickup artist who migrated to Los Angeles in the early 1960s because he wanted an easy racket and the respect that he had never got from the hoodlums back home. Both were a long time coming, but now he is rising quickly in influence and power. Says a West Coast lawman: "Rizzitello sounds like he is the boss and running things."

Rizzitello helped the Mafia take over 80% of the $100 million-a-year Los Angeles pornography business. His approach is not sophisticated. In January, for example, he extracted $20,000 from a porno film company simply by proclaiming: "Los Angeles is our town. You can't operate here unless we're in." He has ranged north to San Francisco, working with Teamsters on shakedowns of employers. But Rizzitello may soon be taken off the streets for up to three years. He is scheduled to be sentenced May 23 for a penny-ante crime—fraudulently collecting $21,780 on a false insurance claim that his business-supply firm had been burglarized.

Spilotro, 38, learned his trade at the knee of Felix Alderisio, lord high executioner of the Chicago Mob in the 1950s and 1960s. Spilotro has been tried for killing an informer with an ice pick (he was acquitted) and suspected by the FBI of eliminating Mafia foes with bombs and bullets. He went to Las Vegas about five years ago and by 1975 was overseeing the Outfit's operations in the city. Stocky and short (5 ft. 4 in.), he came on as a swaggering, street-wise punk. Introduced to a federal agent one day at the Las Vegas airport, Spilotro looked him coldly in the eye, stuck out his forefinger and moved his thumb up and down like the hammer of a gun.

Nevada authorities are investigating Spilotro for his alleged involvement in skimming* millions from the slot machines of the Stardust casino. FBI agents meanwhile are investigating Detroit gansters who, working through fronts, are said to own 24% of the Aladdin Casino and virtually to control its operation. A court affidavit disclosing the probe was the first official word of Mob holdings in a Las Vegas casino since Nevada authorities supposedly ran them out of town about ten years ago.

Spilotro, who operates from his modest, $55,000 stucco house, also watches over the Chicago Mob's investments in Las Vegas casinos and controls loansharking, narcotics and prostitution along the Strip. Says a Justice Department official: "Spilotro has become the most powerful man in Las Vegas, next to Moe Dalitz [a legendary mobster on the Strip]. Spilotro takes a cut of all illegal activities of any consequence." He spends much of his time traveling by private jet on Mob business in California, where he has helped Fratianno and Rizzitello guide new Mob investments in narcotics trafficking, bookmaking, loan-sharking and extortion from legitimate businessmen as well as from illegal Mexican immigrants who work in garment-manufacturing firms owned by the mobsters. The Eastern and Midwestern hoodlums have run into stiff competition from entrenched indigenous gangs in at least one field—narcotics. This is still largely in the hands of the so-called Mexican Mafia, the *Nuestra Familia*, the Black Guerrilla Army and other independents.

Despite the dangers of life in the Mafia, Mob recruiters find no shortage of eager applicants. To replenish the ranks, depleted during the years of intense federal pressure, Mafia clans across the country reopened their membership books in 1975. Since then scores of new soldiers have signed up. Among them were a number of "greenies," immigrant gunmen from Sicily.

What motivates someone to enlist? A Mafia defector summed it up for Time: "Money, power, recognition and respect." Most grew up in slums, where the neighborhood's most visibly successful men were connected with the Mob. Says Chicago Police Commander William Hanhardt: "The man with the big money and a fancy car is a man of prestige. It's something to aim for." There are practical benefits to membership: protection from competition, easy access to skilled lawyers and, if a Mafioso is jailed, financial support for his family.

A new soldier starts at the bottom, breaking in as a senior thug's driver, bodyguard or shylock debt collector. He earns about $20,000 a year, in the form of cash from his boss, a salary from a phantom job in a Mob-infiltrated business or a share in the proceeds of a racket. If his superior approves, the new man can start some minor enterprise of his own—loan-sharking, bookmaking, labor racketeering. If he demonstrates a taste for violence, business acumen and organizational skill, he will rise rapidly.

For some hoodlums, the ultimate goal is to become a boss and enjoy the feudal respect and tribute paid all dons by their soldiers. Says Manhattan District Attorney Robert Morgenthau: "Power is as important to these people as money."

An ironic fact of life in the Mafia is that its mobsters always have money problems. For one thing, the tidal wave of cash from the rackets, mostly in small bills, is difficult to handle. The Gambino family solves this by paying friendly bank employees to exchange small bills for big ones that can be transported easily in satchel-size bundles.

Last month New York's Chemical Bank was fined $225,000 and fired 25 employees after pleading guilty to a charge of failing to report $8.5 million in hundreds of all-cash transactions. But a felony count specifically charging the bank with laundering $1 million in illicit funds was dropped.

If wealthy mobsters live like millionaires, Internal Revenue Service agents can ask discomfiting questions. Some Mafiosi have large sums in secret bank accounts overseas, most notably in Switzerland and Liechtenstein, as nest eggs in case they ever have to flee abroad. Other mobsters keep their escape money in bank safe-deposit boxes or hiding places called "traps." Anthony ("Fat Tony") Salerno, a gambler and loan shark who was indicted last week on charges of running a $10 million-a-year numbers of operation in Manhattan, used to keep more than $1 million in small bills packed in shoe boxes stacked from floor to ceiling in a closet of his apartment on West End Avenue.

Successful Mafia men have several gambits for laundering enough cash to live exceedingly well by most Americans' standards, if

*Which means siphoning off funds to avoid paying taxes on them.

not like the jet-set multimillionaires that their net worth would enable them to be. Some pass money to very cooperative bankers, who lend it back. Others own legal businesses with large cash flows—bars, pizza parlors, restaurants, jukebox companies or vending-machine firms. No matter how poorly the business may do, its books show huge profits because the mobsters is pumping in the rackets money, thereby converting it into cash that can be spent openly. Other Mafiosi have no-show jobs, with either their own firms or companies run by businessmen who owe them favors; they are paid large salaries with money that originally came from rackets. The Mafia defector interviewed by Time drew a $50,000 salary from a travel business in 1968 and $30,000 from his share of a legitimate finance company, enabling him to have an $80,000 house, two Lincoln Continentals for himself and a Ford for his wife, horses for his children and the use of a $112,000 yacht owned by his firm.

His life-style was typical; so, too was the rigid insulation of his family from his life in the rackets. At home, a Mafioso cultivates the image of a solid, churchgoing, charity-supporting citizen. On the job, he keeps up a flashy front by wineing and dining associates at expensive restaurants and resorts. Nearly every important Mob figure sports a well-kept mistress at gangster affairs. The dichotomy of Mafia life was nowhere seen better than a flashy Manhattan restaurant where mobsters used to entertain their wives and children on Sunday afternoons and return in the evening with their girl friends.

For all their washday efforts, top Mafiosi can never launder more than a fraction of their illegal earnings. Thus a valued member of each clan is the "money mover," who specializes in finding ways of putting Mob money to work. Loan-sharking is a favorite because of its quick and huge returns. California officials estimate that Chicago mobsters have invested $50 million in Palm Springs bars, restaurants, hotels and real estate. As the Mafia defector said: "Money layin' around in your pocket don't do nothin' but get wrinkles."

Some mobster money ends up in the pockets of the high-priced lawyers who keep them out of jail. Carlo Gambino's cousin Joseph Gambino, 47, entered the U.S. illegally in 1957, was ordered deported to Italy in 1967 and has used ten years of legal maneuvers to keep from returning to his homeland. Last week he was charged with extortion and strong-arm tactics in an attempt to take over most of the private trash-collection business in The Bronx.

Although several notorious gangsters are being prosecuted, pressure on organized crime has eased considerably in the past few years because of disarray among federal law enforcement agencies, notably the FBI, IRS and Drug Enforcement Administration. They are still suffering from the backlash against the civil rights violations committed by some overzealous agents in the 1960s and early 1970s. In addition, the FBI has not yet settled down from the inevitable turmoil that followed the death of Director J. Edgar Hoover in 1972; its parent, the Justice Department, has been disoriented by a revolving door at the top: five chiefs since 1972.

During those years, an attempt at a broad-scale attack on organized crime by the federal strike forces broke down because of internal rivalries. Says William Aronwald, former leader of the strike force in New York: "Cooperation among agencies is the exception rather than the rule." But without joint efforts by law enforcement agencies at all levels of government, Aronwald and other investigators fear, organized crime can never be attacked successfully. He adds: "You've got to be ballsy. You've got to be aggressive. You can't wait until they come to you." A successful assault will probably require:

Concentrating more money and manpower on fighting the Mob. According to a study by G. Robert Blakely, director of the Cornell Institute on Organized Crime, all levels of government employ only 400 lawyers who specialize in organized crime. Says he: "The Mafia now has more lawyers than we have."

Permitting easier bugging and wiretapping of known members of organized crime. The courts now require investigators to demonstrate that a specific crime has probably been committed. If the eavesdropping does not turn up enough evidence and the suspects are not promptly indicted, they must be informed about the bugs or taps.

Enacting stronger legislation. The Carter Administrator last week moved in this direction by proposing laws that would prohibit the laundering of Mob money, tighten loan-sharking statutes and provide stiff prison sentences for operating racketeering syndicates. The proposals, however, do not solve the central problem: the very difficulty of proving charges of money-washing, loan-sharking and running illegal rackets.

Giving convicted racketeers longer prison sentences. The GAO study found that over a four-year period, 52% of the sentences imposed on organized criminals by federal courts involved fines but no imprisonment and only 20% were for jail terms of two years or more. One reason: many judges feel that the mobsters' crimes, except the killings of each other, are nonviolent and thus less serious than, say, mugging. When jailed, mobsters are generally model prisoners and, with their high-priced legal help, win paroles more easily than the average convict.

Above all, there must be an end to Americans' tolerance for any kind of organized crime. Romantic notion about the dons and winking acceptance of their goods and services create an atmosphere that helps the Mob to flourish. Without a profound shift in public attitudes, even the most aggressive law enforcement drive against the Mafia and organized crime has scant chance of permanently cutting into their activities, let alone putting them out of business.

THE GODMOTHERS

They live quietly in the exclusive suburbs of River Forest and the Hamptons. There may be a ranch house in Palm Springs or a Miami condominium as well. They can afford the best of everything, but they have almost nowhere to go, few pleasant ways to pass the time. Their husbands are often away on business, or in jail, or calling on their mistresses. The wives are isolated not only by bodyguards but also by ignorance of the details of their husbands' business activities. The men's workday deeds are not discussed at dinner.

Today most Mafia wives are native Americans, but their marriages reflect the old-country values of silence and obedience. Family bonds have weakened, but neither the generation gap nor the suburban Diaspora has dissolved them. Fathers may bankroll their sons in a legitimate business or pay their way through medical school. "But if the sons don't have the brains," says an investigator, "they are given work in the Mob. The sons don't become plumbers or factory workers. That wouldn't look right." Many of the daughters go to college, but only a few seek careers, most marry early.

The Mafia's code limits social activities. " 'Made' guys [Mafiosi] don't like their wives to mingle with the wives of other 'made' guys," says a former Mob lieutenant, "because they might reveal something about each other. The only thing wives go to is wakes, weddings and funerals."

Detroit *News* Reporter Shelley Eichenhorn interviewed for Time the wives of three middle- to high-level Mafiosi. Her report:

These women live suspended in contradictions, tree-lined Grosse Pointe streets and prison cells, handmade lace and machine guns, family portraits and FBI mug shots. They disbelieve the ugly headlines about their men, and they bristle at the stereotype of themselves as provincial peasant wives who never leave the nursery or their knees.

"They're not vulgar or bold-acting," says one Grosse Pointer. 'They are mother and grandmother types—and good ones. Take Mrs. Anthony Giacalone [wife of a top Mafia figure in Detroit's ruling family], she's a quiet, lovely lady. Why, she even contributed $20 to the March of Dimes."

Mafia wives rarely unburden themselves to friends, and sometimes not even to their parish priests. Says a Grosse Pointe priest: "One woman's husband is in prison. She doesn't want to be asked how he is. The subject is never introduced. Her man is away; she misses the father of her children."

When Mass is over, one top-ranking Mafia wife returns home where a plaque proclaims her Madonna of the Kitchen. A housekeeper is here today only because the wife is ill. She makes a point of saying that she cares for her own house. It is a matter of pride. "We live a quiet life. It is not our intention to be noticed," she says. "I'm happiest sometimes when they leave my name off the list of charity contributors."

Sundays, her family gathers in the living room. There are shelves of family pictures, and a wall plaque reads: God Bless Our Family. Five children and three grandchildren say grace. The head chair is for their father; he is in prison.

Across the city in a gracious colonial home, another Mafia wife speaks with pride of her husband, a graduate of a prestigious university who served honorably in the Army. A recent family portrait hangs above the fireplace. Her husband is not in the picture; he is serving a five-year term.

"The worst thing I had to face was the day my husband went to prison," says the wife, a pleasant, stylish blonde. "For him, the worst day came when his kids were kicked out of a private Grosse Pointe club.

"I'm so sick of the Italian image of the uneducated housewife. The women I know give their time to charities and hospitals. They don't get in the papers. They don't do it for that. I feel for the Watergate wives. I admire them for standing by their husbands. I uphold that.

"They have taken my husband out of my home for no reason. Others are murderers. and they walk the streets."

Most of the wives are totally untouched by the violence that pervades their husbands' lives. Not Jeanne Randazzo. Her husband Frank and two other men were shot to death last summer in the basement of the Randazzos' modest home on the east side of Detroit. The gunman, a government informer named Ernie Kanakis, was acquitted on the ground of self-defense; he told a jury that the others had tried to kill him with ice picks.

"Life is nothing," says Jeannie. "Life is a vaporous smoke. On the night Frank was killed, he said, 'Don't cook, we'll go out to dinner.' He took a shower like he always did, and we went to dinner with my son and daughter. After dinner, about 8:45 p.m., Frank said he had to see someone who was buying our '74 Cadillac. He said to wait for him at the Golden Coach Restaurant. When he didn't come back by 10 p.m., my son said, 'If I know Dad, he fell asleep in front of the TV set.'

"So we went home. I couldn't get in my own house because of the police and the neighbors. The bodies were still in the basement. I had to move in with my mother for three days while the police cleaned up."

In the Randazzo parlor, red and white checkered bows brighten dried-flower arrangements left over from Frank Randazzo's funeral. "We were married 37 years," says Mrs. Randazzo, wiping tears from behind black-rimmed glasses. "Before you know it, it's goodbye."

By Mr. TOWER:

S. 1488. A bill to provide for monitoring of soil moisture in drought-prone areas, to provide information thereon and accelerate financial and technical assistance to lessen impact of drought on farming and ranching operations; and

S. 1489. A bill to amend the Soil Conservation and Domestic Allotment Act to prevent soil erosion during a drought emergency; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. TOWER. Mr. President, I am introducing today two bills which will both help to prevent the worst consequences of drought in the United States and remedy those which cannot be planned for or prevented.

It is essential that the Department of Agriculture be able to better predict drought occurrence and warn farmers and ranchers of its imminence. Although the rudimentary machinery is in place within USDA, the program does not work satisfactorily, as we can all attest from our recent experience in the West.

My bill would correct this deficiency by directing the Secretary of Agriculture, through the Soil Conservation Service, to monitor soil moisture, rural water supplies, and other drought-related indices in drought-prone areas to provide information for making decisions about early actions which can be taken by both Government and landowners to minimize the adverse effects of drought.

This bill would also accelerate the soil conservation program by helping farmers to implement those measures which lessen the potential and the impact of drought. Without such measures, we are in jeopardy in this country of losing our present ability to feed and clothe the Nation.

The second bill, Mr. President, would authorize assistance on a matching basis for weather modification measures, when these remedial efforts are needed and desired by local conservation districts. The bill does not authorize the Federal Government to undertake such weather modification work on its own or without the request of local soil conservation districts. The power to plan or implement these efforts to modify weather patterns and precipitation will remain at the local level.

Mr. President, I think this last provision is very important. Weather modification to relieve drought areas remains a controversial alternative. It is still as much an art as it is a science, and the decision to implement such procedures is one which is appropriately a local initiative.

It is also important, however, that the Department of Agriculture expend appropriate efforts to assist those farmers and ranchers in an area to take these steps, should they be deemed desirable. My bill, if enacted, would provide up to 80 percent of the cost of weather modification work, with the remaining share paid by the conservation district or combination of districts that request assistance.

The cost of both bills is relatively low. In the case of the weather modification assistance bill, $5 million is authorized for each fiscal year through September 30, 1980.

Mr. President, drought is a long-term disaster, a gradual depletion of resources which saps the vigor of the Nation's agricultural sector. By helping to prevent, to plan for, or end drought-related disasters, we can in some measure insure continued vitality of the farm sector. I know each of my colleagues is concerned with that goal, and I would hope they would view these two bills as viable steps in that direction.

Mr. President, I ask unanimous consent that the two bills I have introduced today to alleviate drought disaster be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1488

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Drought Disaster Warning and Assistance Act of 1977".

SEC. 2. The Secretary of Agriculture, through the Soil Conservation Service, is directed under existing authorities to monitor soil moisture, rural water supplies, and other drought-related indicators in drought-prone areas in order to provide information for making decisions about early actions which can be taken by Federal, State, and local governments and landowners or land users to minimize the effects of drought.

SEC. 3. The Secretary is further directed to accelerate financial and technical assistance to farmers and ranchers and to develop and help implement those additional conservation techniques or measures that will lessen the impact of a drought on their operations, thus assuring a continued supply of food and fiber for the Nation.

SEC. 4. Such measures on irrigated lands shall include but not be limited to irrigation system change or reorganization, land leveling, ditch lining or piping, water flow control structures, and water re-use systems; provided that such measures are planned and implemented to provide improved water quality including salinity control; further technical assistance will include information on the capability of soils to produce food and fiber under drought conditions while maintaining a soil conservation program to reduce wind and water erosion; further assistance will be accelerated to local organizations in cooperation with states or other Federal agencies to develop water resources plans which would lessen the effects of recurring droughts.

SEC. 5. There is authorized to be appropriated such sums as are required to carry out the provisions of this Act.

S. 1489

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Drought Emergency Relief Act of 1977".

SEC. 2. The Soil Conservation and Domestic Allotment Act is amended by including therein the following:

"(a) DEFINITIONS—As used in this amendment—

"(1) 'Drought' shall mean that which exists whenever the Secretary of Agriculture (hereafter referred to as the Secretary), pursuant to the request of the Governor of a State, declares that severe economic loss is imminent unless an adequate amount of precipitation occurs in the affected area in time to prevent or lessen said economic loss.

"(2) 'District' shall mean a conservation district as constituted under State law in accordance with the provisions of section 8(b) of the Soil Conservation and Domestic Allotment Act having for its prime purposes the conservation of soil, water, and related resources.

"(3) 'Weather modification' shall mean any activity performed with the intention of producing artificial changes in the composition, behavior, or dynamics of the atmosphere.

"(4) 'State' shall include the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, and any territory or insular possession of the United States.

"(5) The term 'Governor' means the chief executive of any State.

"(b) (1) Pursuant to the request of a Governor, the Secretary is hereby authorized to declare a state of drought to exist in those areas designated by the Governor in the Governor's request to the Secretary.

"(2) Whenever a drought is declared as in section 2(b) (1) within a district or combination of districts, the officials of the district or combination of districts may make application to the Secretary for financial assistance for weather modification purposes.

"(3) Upon such a request from a district or combination of districts, as in section 2(b) (2) the Secretary, through the Soil Conservation Service, shall make financial assistance available to the district or combination of districts for the purpose of assisting and initiating weather modification measures recommended by the district designed to alleviate the drought condition. The total amount of such financial assistance provided by the Secretary to meet a drought shall equal 80 per centum of the total cost of the weather modification program during that period of implementing such drought alleviation or prevention program.

"(c) The remaining portion (20 per centum) of the cost of the weather modification described in section 2(b) (3), shall be borne by the district or combination of districts in which a drought has been declared, such money being raised by the district or combination of districts as the officials of the district or combination of districts may prescribe within the limits of the State laws which initiated the district.

"(d) Funds shall be made available by the Secretary to a district or combination of districts when the district or combination of districts are declared to be in a state of drought as defined in section 2(a) (1) and after the district or combination of districts have raised the required local funding as prescribed in section 2(c)."

SEC. 3. (a) The Secretary is hereby authorized to transfer and utilize for the purpose of section 2(b) (3) any funds included in the Agricultural and Related Agencies Appropriations Act for fiscal year 1977. This transfer and utilization of funds shall not exceed $5,000,000 for the fiscal year ending September 30, 1977, these funds to remain available until expended.

(b) The funds transferred and utilized in section 3(a) may be replaced at the request of the Secretary in a future supplemental appropriation.

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this amendment, not to exceed $5,000,000 for the fiscal year ending September 30, 1978, and $5,000,000 for the fiscal year ending September 30, 1979, and $5,000,000 for the fiscal year ending September 30, 1980, all funds to remain available until expended.

By Mr. CHILES (for himself, Mr. PERCY, and Mr. HEINZ):

S. 1490. A bill to authorize the Administrator of General Services to enter into multiyear leases through use of the automatic data processing fund without obligating the total anticipated payments

to be made under such leases; to the Committee on Governmental Affairs.

Mr. CHILES. Mr. President, today I join with Senator PERCY and Senator HEINZ in introducing a bill to save up to $150 million a year in Federal leasing of automatic data processing equipment.

As an amendment to section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759), this new subsection (H) authorizes the Administrator of General Services to enter into multiyear leases through the use of the automatic data processing fund without obligating the total anticipated payments to be made under such leases.

In each of the last two Congresses, the Senate passed bills identical to this one, but in each instance, Congress adjourned before the House could take action. This time around, both Senator PERCY and I are looking forward to working with Senator HEINZ to enact this legislation into law.

In this period of economic stress, it is our obligation to initiate and encourage efficient and conscientious spending in our Federal agencies. Wasteful spending practices are today outrageous. This bill is one part of a broad campaign to overhaul the Government's antiquated system for spending $70 billion a year in the purchase of goods and services.

This legislation was recommended by the Commission on Government Procurement and supported by the General Acounting Office in a report entitled "Multiyear Leasing and Governmentwide Purchase of Automatic Data Processing Equipment and Results in Significant Savings"—B–115369—of May 7, 1974. As GAO concluded in that report:

Almost all of the $390 million that the government spent to rent ADP equipment in fiscal year 1969 was for short-term rentals . . . generally the most costly acquisition method.

Furthermore, GAO discovered:

Since many agencies do not seek competition before renewing leases under schedule contracts, there is no assurance that the Government is leasing a major part of its ADP equipment at the lowest possible cost.

Most manufacturers and suppliers offer discounts under multiyear leases. Since most Government leased ADP equipment is for 3 or more years, GAO concluded that the rental of the equipment under multiyear leasing would be the most efficient use of the limited funds available for such equipment.

It is essential that competitive proposals be solicited for initial lease, purchase, or renewal of ADP equipment as well as software, maintenance, related equipment, supplies and services. Competition should not be limited to manufacturers, but should include the proposals of third-party sources and nonmanufacturing businesses.

Presently, GSA has authority to enter into multiyear leases, payment of which comes from a revolving fund established by section 111(c) of the Property Act. But under 31 U.S.C. 665(a):

No officer or employee of the United States shall make or authorize an expenditure—in excess of the amount available therein.

Accordingly, the amount payable for the entire period of the multiyear lease must not be obligated from the fund at the time of contracting. However, as GAO recommended, this legislation would authorize GSA to enter into lease agreements without immediately obligating the total anticipated payment, but rather than cash balances of the ADP fund be maintained in such amounts as is necessary for cash disbursements of payments.

In an August 20, 1973, letter to the President of the Senate, Arthur Sampson, Administrator of GSA, stated:

A GAO comparison of multiyear versus short-term rental rate for 1,066 systems in the government's inventory of June 1969 indicated possible savings of $70 million under 3-year leases and $155 million under 5-year leases.

I ask unanimous consent that the bill and some pertinent descriptive material be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1490

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759) is amended by adding at the end thereof the following:

"(h) Notwithstanding any other provision of law, the Administrator is authorized to enter into multiyear contracts under this section financed through the fund and may incur or authorize obligations in excess of the amount available in the fund, except that (1) the amount of unfunded obligations incurred during any fiscal year shall not exceed the amount specified in an appropriation Act for that fiscal year, (2) the cash balances of the fund shall be maintained in such amounts as are necessary at any time for cash disbursements to be made from the fund, and (3) the term for the performance of any such contract shall not exceed ten years.

"(i) As used in this section, automatic data processing equipment also includes, but is not limited to, hardware, software, maintenance, related equipment and supplies, and related services."

EXCERPTS FROM REPORT

PURPOSE

This bill amends section 111 of the Federal Property and Administrative Services Act of 1949, 79 Stat. 1127, as amended (40 U.S.C. 759) by adding two new subsections (h) and (i). These subsections would permit the Administrator of the General Services Administration (GSA) to enter into multiyear leases (not to exceed ten years) of automatic data processing (ADP) equipment at amounts in excess of what is available in the fund, provided the amount of unfunded obligations authorized is not needed and the balances of the fund are maintained in such amounts as are necessary at any time for cash disbursements to be made therefrom. Thus, the United States Government, the world's largest user of ADP equipment, would be able to take advantage of multiyear lease savings that are available to any private business. The bill also clarifies that the authority to enter into multiyear leases of automatic data processing equipment extends to collateral maintenance, software and other kinds of supplies and services that normally flow with ADP equipment acquisition.

NEED FOR THE LEGISLATION

The Government is expending $35 to $75 million more for installed computer equipment under short-term leases than it would under firm-term multiyear leases. Millions of dollars of additional savings are possible through the use of multiyear contracting for new equipment and maintenance services associated with long-term leases. S. 2785 would permit the Government to obtain better terms, more effective competition and, in short, operate in the marketplace in a manner comparable to commercial lessees of automatic data processing equipment.

Presently, GSA has multiyear leasing authority for acquisition of automatic data processing equipment through the ADP Fund. However, since, under 31 U.S.C. 665(a), "No officer or employee of the United States shall make or authorize an expenditure—in excess of the amount available therein;" the amount payable for the entire period of the multiyear lease must be obligated from the fund at the time of contracting. This provision severely limits the use of the ADP Fund for multiyear leasing; therefore, GSA and other Federal agencies are generally forced to enter into short-term leases, or long-term leases with termination rights. Both of these types of leases are considerably more expensive than firm-term multiyear leases.

* * * * *

ANALYSIS OF THE BILL

The bill amends section 111 of the Federal Property and Administrative Services Act of 1949 by adding two subsections.

Subsection (h) would enable GSA to enter into multiyear leases at amounts in excess of what is available in the ADP Fund. Restrictions are placed on this authority to enable Congress to maintain visibility and control over the Fund. An additional provision limits the terms for performance of multiyear leases placed under the authority of this subsection to ten years.

Following is a further elaboration on each of the above three elements of subsection (h):

Firm-term multiyear leases

GSA's authority to execute firm-term multiyear leases for automatic data processing equipment is severely restricted because governing laws require obligation of the total cost for the entire period of the lease at the time of contracting. These laws provide, in part, that:

"No officer or employee of the United States shall make or authorize an expenditure from or create or authorize an obligation under any appropriation or fund in excess of the amount available therein; nor shall any such officer or employee involve the Government in any contract or other obligation, for the payment of money for any purpose, in advance of appropriations made for such purpose unless such contract or obligation is authorized by law. (31 U.S.C. 665(a)).

"No contract or purchase on behalf of the United States shall be made, unless the same is authorized by law or is under an appropriation adequate to its fulfillment," . . . (41 U.S.C. 11)

Subsection (h) would remove this restriction, thereby permitting GSA to use firm-term multiyear leases rather than short-term rentals of one year or less.

During the hearings on S. 2785 the Computer and Business Equipment Manufacturers Association (CBEMA) representative cautioned that if the Government applies the authority of this bill in such a manner as to conflict with normal commercial operations, then countercosts would arise which would offset the advantages of true multiyear leasing. He pointed out that in return for payment of a lesser sum over a specific number of years, the ADP vendor expects a long-term commitment of cash flow which

can be discounted by a bank or used as collateral for a loan. The Committee took the position that the objective of the bill is to gain for the Government the same benefits that are available to the private sector from multiyear contracts. Accordingly, the Committee desires the Government's use of multiyear contracting to be consistent with normal commercial practice. The Committee expects GSA to use a multiyear contract that is, in fact, a marketplace mechanism.

Another point that arose during the hearings was whether the multiyear contracting authority should be extended to user agencies. CBEMA suggested that S. 2785 is unnecessarily restrictive in limiting multiyear leasing to GSA's ADP Fund. After a thorough evaluation of this suggestion, the Committee determined that the CBEMA objective of maximizing use of the multiyear authority could best be accomplished within the framework of Public Law 89-306 that established GSA as the focal point for ADP management within the executive branch.

The approach adopted in S. 2785 of establishing the ADP Fund as the single source of funding for multiyear ADP contracts has a number of advantages:

GSA can consider the useful life of ADP equipment to the Government as a whole. Individual agencies, either from annual appropriations or from revolving funds, would only be able to commit funds for their individual needs.

The provision in the bill that, "the amount of unfunded obligations incurred during any fiscal year shall not exceed the amount specified in an appropriation Act for that fiscal year," assures congressional control over these expenditures. Broadening the bill to authorize other agencies, through annual appropriations or revolving funds, to contract on a multiyear basis would diffuse accountability to such a point that Congress could lose a great measure of fiscal control.

By funding all firm-term multiyear contracts through the ADP Fund (including those procurements delegated to other agencies), single payment discounts from vendors of 2 to 4 percent annually are expected.

One source of ADP funding to interface with the market and its supporting financial institutions would enhance the Government's bargaining position for the acquisition of ADP equipment.

The concept in S. 2785 of the ADP Fund serving as the single source of funding for multiyear ADP contracts is entirely consistent with the responsibilities assigned to GSA by Public Law 89-306. Senate Report 89-938, pertaining to this law, discussed the need for the Fund and GSA's operation of the Fund in these terms:

The Fund would afford an effective means of attaining economic acquisition of Government ADP equipment.

Were all ADP purchase and lease money in "one pocket," the Government would be in a stronger bargaining position in dealing with the manufacturers.

But the most compelling need for the revolving fund is in establishing the single puchaser concept in Government ADP acquisition.

Essentially, all Federal agencies would lease equipment from the GSA revolving fund.

By proper use of the authority conveyed in the Brooks bill, as amended by S. 2785, all of the above advantages can be realized, while maximizing use of the multiyear contracting authority. It will also be possible to use selectively, the capabilities for ADP procurement that exist within the user agencies. The procedure to be employed by GSA in implementing S. 2785, is explained in the Agency's letter of April 5, 1974. It should be noted that in recent years GSA has delegated approximately 81 percent of the ADP procurements to user agencies (in terms of dollar value).

Under the GSA procedure, when a procurement delegation is made to an agency to enter into a firm-term multiyear lease without full obligation of funds, the authority to cite and obligate the ADP Fund will also be delegated. The Fund then would underwrite the contract and make payments to the vendor, and the user agency would reimburse the Fund from annual appropriations.

To insure that there is no legal impediment to GSA delegating an agency authority to cite and obligate the Fund, the General Accounting Office was asked for an opinion. GAO confirmed that there is no prohibition against this practice, as long as GSA maintains adequate overall supervision of Federal agencies procurement of ADP equipment and provided the amount of unfunded obligations authorized is not exceeded and that there is sufficient balance in the ADP Fund to make required cash disbursements.

ADP fund

Use of the Fund, as prescribed by S. 2785, is consistent with the principles of congressional visibility and control as set forth in the Senate's budget reform legislation (S. 1541, as amended). The provisions in the bill that (1) the amount of unfunded obligations incurred during any fiscal year shall not exceed the amount specified in an appropriation Act for that fiscal year, and (2) the cash balances of the Fund shall be maintained in such amounts as are necessary at any time nor cash disbursements to be made from the Fund, will enable Congress to exercise control over the amounts that may be obligated for ADP leasing. These restrictions conform to the requirements established in Public Law 89-306 for operation of the ADP Fund.

Contract term

The limitation of ten years on the term for the performance of a multiyear lease provides an essential control but permits flexibility in the negotiation of multiyear leases. One reason for selecting ten years is that the current life of ADP systems is eight to ten years. Another reason is that it corresponds to GSA's contracting authority in the telecommunications area. The fact that multiyear contracts may cover up to ten years does not alter the requirement that multiyear leases are to be justified on a case-by-case basis as the most cost-effective method of acquiring needed ADP equipment.

Subsection (i) was included in the bill to make it clear that the authority in subsection (h) applies to more than leases for hardware. Software development, related equipment, maintenance, supplies, and services may also be procured by firm-term multiyear contracts. The description of automatic data processing equipment in subsection (i) is compatible with the General Accounting Office interpretation of automatic data processing equipment as it is used in the Brooks bill.

Mr. PERCY. Mr. President, along with Mr. CHILES and Mr. HEINZ I am introducing legislation to amend section 111 of the Federal Property and Administrative Services Act of 1949, 79 Stat. 1127, as amended (40 U.S.C. 759). This legislation would permit the Administrator of the General Services Administration to enter into multiyear leases of automatic data processing equipment through the use of the automatic data processing fund, provided cash balances of the fund are maintained in such amounts as are necessary at any time for cash disbursements to be made therefrom.

This bill was originally recommended by the General Accounting Office in a report to the Congress entitled "Multiyear Leasing and Government-Wide Purchasing of Automatic Data Processing Equipment Should Result in Significant Savings." In this report, released April 30, 1971, GAO states that—

> The rental of equipment under multiyear leases, as an alternative to short-term rentals, has become essential if the Government is to make maximum use of its limited funds for acquiring ADP equipment.

As a result of this report and my own study of the subject, I introduced S. 2785 on December 6, 1973. This bill passed the Senate on September 19, 1974, but no action was taken in the House.

The bill which Senators CHILES and HEINZ are introducing with me today is identical to that bill, and to S. 1260, which Senator CHILES introduced during the 94th Congress. S. 1260 also passed the Senate, but never reached a vote in the House.

I appeared as a witness last year in hearings on S. 1260, and I told the Subcommittee on Federal Spending Practices that "for us in Government to assume that we only live year to year and thereby cannot commit ourselves in such a way to take into account the economies that are available to us is perfectly ridiculous." The United States is the world's largest user of ADP equipment, yet it is currently unable to take advantage of multiyear lease savings that are available to any private user. Each year which passes without this bill becoming law costs the American taxpayer significant amounts of money which could be used for more constructive purposes.

The General Services Administration estimates that the passage of this legislation could result in savings of $150 million over the next 5 years, and up to $50 million annually thereafter. Over the past 2 years, Senator CHILES has led a commendable effort to increase efficiency in Government by overhauling antiquated Federal spending practices. I firmly believe that this legislation takes an important step in that direction.

Section 111 of the Federal Property Act, which this bill would amend, authorizes and directs the Administrator of GSA to:

> Coordinate and provide for the economic and efficient purchase, leasing and maintenance of automatic data processing equipment by Federal agencies.

In my opinion, which is shared and substantiated by GAO and GSA, this bill truly does make such leasing of ADP equipment "economic and efficient." Accordingly, I urge its expeditious adoption.

By Mr. PERCY (for himself, Mr. CHILES, and Mr. HEINZ):

S. 1491. A bill to authorize procurement of janitorial, protective, trash re-

moval, and similar services for periods not exceeding 4 years; to the Committee on Governmental Affairs.

Mr. PERCY. Mr. President, I am today introducing legislation along with Mr. CHILES and Mr. HEINZ which would authorize procurement of janitorial, protective, trash removal, and similar services for periods not exceeding 5 years.

This legislation is similar to S. 3635, which was introduced last year by Senator CHILES, Senator WEICKER, and myself, and it is consistent with other legislation I have sponsored to allow for significant cost savings by providing for longer term contracting authority. By initiating such multiyear contracts, both administrative expenses and actual costs can be reduced.

Currently, GSA has 390 janitorial services contracts in 440 buildings. These 440 buildings represent 17 percent of the Government-owned and GSA-leased buildings. However, since these buildings average over 125,000 square feet of space, they represent over 34 percent of all GSA-managed space. Additionally, there are approximately 2,000 trash removal and similar contracts in an estimated 2,200 buildings, or 85 percent of the Government-owned and GSA-leased-operated buildings. All of these contracts are currently limited to a maximum length of 1 year, necessiating higher contract costs as well as yearly costs associated with annual bid invitations, advertising, bid evaluation, and contract awards.

GSA has submitted anticipated savings of $1.5 million annually on 3-year contracts and $1.63 million annually on 4-year contracts. Since this legislation authorizes contracts of up to 5 years, it is estimated that annual savings will be in excess of both these figures. Furthermore, successful experience resulting from this legislation can ultimately lead to further savings by extending contract authority in other areas.

I commend this legislation to the attention of my colleagues, and I hope that we will move quickly toward its adoption.

Mr. HEINZ. Mr. President, I am proud to join with Senators PERCY and CHILES in introducing two bills to make the procurement of services by the Federal Government more efficient and less costly.

The introduction of these two bills shows our continuing commitment to and interest in reforming Federal spending practices. Even though these two bills cover only narrow areas of Federal spending, I believe that they are important for two reasons. First, significant savings will accrue to the Government. And, second, these two bills will demonstrate the sizeable potential for cutting down on Federal spending.

Presently, there is a 1-year limitation on contracts for the procurement of janitorial, protective, trash removal, and similar services. One of our bills would authorize multiyear contracts for these services, so long as such contracts did not exceed 5 years. This longer contracting period would allow for greater economy and efficiency in the servicing of federally owned and leased properties.

The advantage of permitting multiyear contracting for janitorial, protective, trash and similar services is that administrative costs can be significantly reduced. Administrative costs are greatly reduced because there is no yearly bidding, advertising, and evaluating of bids. Instead of incurring these expenses each year, it would not be necessary to repeat the expensive contract-awarding costs as frequently.

Additionally, productivity would be increased as a result of this legislation. Each year after a contract is awarded, there is a lag in productivity while the contractor begins to build and recruit the necessary labor force necessary to perform the contract. With our bill this problem would not occur each year as it does today.

The potential savings for the Federal Government if this legislation is enacted are quite significant. The General Services Administration alone contracts for janitorial, protective, trash removal, and similar services at an annual cost of $70 million. The Office of Federal Procurement Policy estimates that a $12 to $14 million savings could be anticipated annually.

Our second bill would amend section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759). Enactment of this legislation would authorize the Administrator of General Services to enter into multiyear leases for periods not exceeding 10 years for the procurement of automatic data processing equipment.

This proposed legislation would also promote greater economic and efficient spending by the Federal Government. This bill could save the Federal Government up to $150 million in leasing of automatic data processing equipment.

This legislation was recommended by the Commission on Government Procurement and supported by the General Accounting Office. In a report entitled "Multiyear Leasing and Government-wide Purchase of Automatic Data Processing Equipment and Results in Significant Savings"—B–115369, May 7, 1974—the General Accounting Office concluded:

> Almost all of the $390 million that the government spent to rent ADP equipment in fiscal year 1969 was for short-term rentals . . . generally the most costly acquisition method.

In a 1971 report the General Accounting Office reported that the Federal Government is the world's largest user of automatic data processing equipment, and yet it is unable to take advantage of multiyear savings that are available to any private business. The Federal Government is losing millions of dollars in savings because of the technical way the laws are written, and this bill would correct that problem.

Presently, GSA has multiyear leasing authority for acquisition of automatic data processing equipment through the automatic data processing fund. However, since, under 31 United States Code 665(a), "No officer or employee of the United States shall make or authorize an expenditure—in excess of the amount available therein;" the amount payable for the entire period of the multiyear lease must be obligated from the fund at the time of contracting. This provision severely limits the use of the automatic data processing fund for multiyear leasing. Therefore, Federal agencies are generally forced to enter into short-term leases, or long-term leases with termination rights. Both of these leases are more expensive than firm-term multi-year leases.

Enactment of this legislation would make it possible for the Federal Government to begin to enjoy millions of dollars of savings that have been available to private business for years by enabling GSA to enter into multiyear leases at amounts in excess of what is available in the automatic data processing fund. This bill would permit the Federal Government to benefit from better terms and to operate in the marketplace in a manner comparable to private businesses purchasing automatic data processing equipment.

Mr. CHILES. Mr. President, today, I join with my distinguished colleagues, the senior Senator from Illinois and the junior Senator from Pennsylvania, in introducing a bill to authorize the procurement of janitorial, protective, trash removal and similar services for periods not to exceed 5 years.

I am introducing this legislation to show our continuing commitment to reform Federal spending practices and to carry forward the work of the Commission on Government Procurement.

The enactment of Public Law 93–400, which created the Office of Federal Procurement Policy in 1974, was the necessary first step to reform the Federal acquisition system.

The Federal Acquisition Act, a bill I introduced last month, represents another sweeping reform of Federal contracting. By consolidating the present jumble of procurement statutes into a modern, streamlined law which emphasizes innovation and competition, the Federal Acquisition Act promises to save billions of taxpayer dollars and eliminate mountains of paperwork.

I feel it is appropriate, however, to place this more narrow piece of legislation before the Senate to demonstrate the vast potential for economizing on Federal spending—up to $14 million a year in this case of janitorial services alone.

Under present law, there is a 1-year limitation on contracts for such services. This legislation would allow for greater economy and efficiency in the operation of federally owned and leased properties by authorizing contracts for these and similar services to extend for periods not to exceed 5 years.

Many administrative expenses could be reduced by using multiyear contracting: the costs incurred in yearly bid invitations, advertising, bid evaluations, and contract awards would be eliminated.

Productivity would be enhanced as a result of this proposed legislation. At the

beginning of a contract period, there is a need to recruit a labor force and to establish an effective organization, which often results in less productivity initially. With a multiyear contract, however, this problem would not reoccur at the beginning of each year. In like manner, individual contractors could attract more responsible employees who would be better able to serve the Federal Government. Further, the longer contract period would generate savings by allowing for amortization of costs over a longer term which in turn would result in lower bid prices to the Federal Government. The General Services Administration alone contracts for these services at an annual cost of $70 million. If the proposed legislation were enacted, the OFPP estimates a $12 to $14 million savings could be anticipated annually. By enacting this legislation, we in Congress can demonstrate our continuing determination to make Federal spending practices more efficient and to save the tax dollars of our citizens.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1491

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. That subsection 201(a) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 481), is amended by adding after the word "years" in paragraph (3) the words "and that contracts for janitorial, protective, trash removal, and similar services in federally owned and leased properties may be made for periods not exceeding five years: *Provided,* That the wage rates and fringe benefits applicable to contracts for such janitorial, protective, trash removal, and similar services shall be subject to revision annually in accordance with regulations and procedures of the Department of Labor; and".

SEC. 2. That section 2306 of title 10 of the United States Code, as amended, is further amended by adding the following subsection (h) at the end thereof:

"(h) The head of an agency may enter into contracts for janitorial, protective, trash removal, and similar services in federally owned and leased properties for periods not exceeding four years: *Provided,* That the wage rates and fringe benefits applicable to contracts for such janitorial, protective, trash removal, and similar services shall be subject to revision annually in accordance with regulations and procedures of the Department of Labor.".

By Mr. MAGNUSON (for himself and Mr. LONG) (by request):

S. 1492. A bill to amend the Mineral Leasing Act of 1920 and the Interstate Commerce Act, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. MAGNUSON. Mr. President, there has been a great deal of discussion in recent years over the proper Federal regulatory and funding role in the field of transportation. No subject has raised this issue more clearly than the construction of coal slurry pipelines. Those advocating the construction of coal slurry pipelines, allege that they would provide substantial public benefits, primarily in the form of lower transportation costs for coal. On the other hand, those who favor moving coal by other modes of transportation point out the possible secondary impact of slurry pipelines on the rest of our transportation system, and also point out the many difficult environmental problems—particularly the use of scarce water—that surround the coal slurry pipeline issue.

As most of my colleagues are aware, the railroads and water carriers currently transport over 90 percent of the coal moved in this country. The railroads are particularly distressed at the prospect of losing what may be their first opportunity to substantially increase traffic in many years, and have refused permission to cross their rights-of-way to those interested in constructing slurry pipeline systems. A method needs to be created by the Government to resolve these controversies in a fair and equitable manner in order to assure that the public receives the benefits of new innovations in transportation and at the same time is protected against piecemeal considerations of major transportation initiatives which do not take into account the possible effects of coal slurry pipelines on other modes of transport. This is a complex question involving considerations of energy used in transportation and other effects on the transportation system as well. Additionally, there needs to be a way to assure coal slurry pipeline operators that they may construct pipeline systems without regard to the wishes of railroads over whose rights-of-way they may need to cross once it is determined that the construction of such a system is in the public interest.

I am introducing legislation today in order to provide a means for resolving these disputes in a manner that will assure fair consideration of all the interests involved in the implementation of any slurry pipeline proposal that is determined to be in the public interest. It is far too late for any of us here in the Senate to believe that we can make major transportation funding or regulatory decisions in a vacuum. Major transportation decisions with respect to one mode of transportation inevitably effect other modes. In order to produce a transportation system that best serves the public interest, we need to comprehensively consider these complex questions in a wholistic manner.

Mr. President, I ask unanimous consent that the text of the Coal Transportation Act of 1977 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1492

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Coal Transportation Act of 1977".

FINDINGS

SEC. 2. The Congress finds and declares the following:

(1) The increased use of domestic coal to create electrical and other forms of energy would promote the national interest through the conservation of oil and natural gas resources.

(2) The use of domestic coal resources may, in special situations, be facilitated by the construction of pipelines to transport coal from the mine to the consumer.

(3) Coal pipelines are single purpose, high volume facilities, the development of which may be detrimental to common carrier services provided by other modes of transportation for all classes of traffic. Coal pipelines may also adversely affect the present abilities of other carriers to make coal deliveries to destinations throughout the country. For these reasons, the national interest in conserving oil and gas through increased use of coal may be impaired by coal pipeline construction unless appropriate regulation is provided. Accordingly, all coal pipelines operating in interstate commerce should be subject to the requirements of part I of the Interstate Commerce Act, whether or not they meet common law standards of common carriage.

(4) Consistent with usual carrier practice, the entitlement of coal pipelines to acquire rights-of-way should be determined under State law. Neither the designation of coal pipelines as common carriers nor the certification of an operation by the Interstate Commerce Commission shall be construed to constitute a finding or evidence that such coal pipelines are impressed with the public interest or that they are otherwise entitled to exercise any condemnation authority.

(5) Right-of-way conflicts between coal pipelines and railroads and other common carriers subject to Federal regulation should be resolved only by Federal regulatory authority, consistent with the purposes of this Act, but only after (A) certification to operate as provided under the Interstate Commerce Act, as amended by this Act, and (B) acquisition of all required rights-of-way over private and public lands.

RIGHTS-OF-WAY ON FEDERAL LANDS

SEC. 3. Subsection 28(a) of the Mineral Leasing Act of February 25, 1920, as amended by the Act of November 16, 1973 (87 Stat. 567), is further amended by inserting the word "coal" between "natural gas," and "synthetic".

APPLICABILITY OF INTERSTATE COMMERCE ACT; DEFINITION

SEC. 4. (a) Section 1(1)(b) of the Interstate Commerce Act (49 U.S.C. 1(1)(b)) is amended by inserting ", and coal," immediately after "oil".

(b) Section 1(3)(a) of the Interstate Commerce Act (49 U.S.C. 1(3)(a)) is amended by adding at the end thereof the following new sentence: "The term 'common carrier by coal pipeline' as used in this part means any pipeline carrier of coal which is in interstate commerce, whether or not such carrier would have been considered a common carrier under the common law.".

PARITY IN RATE-MAKING PROCEDURES

SEC. 5. (a) Section 1(5)(a) of the Interstate Commerce Act (49 U.S.C. 1(5)(a)) is amended by inserting immediately after the first sentence thereof the following new sentence: "Charges for the transportation of coal which are based in whole or in part on a long-term commitment of all or a portion of a shipper's traffic are presumptively unlawful when employed by any common carrier by coal pipeline unless such charges have been finally approved by the Commission for use by common carriers by railroad.".

(b) The last sentence of section 1(5)(a) of the Interstate Commerce Act (49 U.S.C. 1(5)(a)) is amended by striking out "provisions" and inserting in lieu thereof "first sentence".

PROHIBITION ON TRANSPORTATION OF CERTAIN COAL

SEC. 6. Section 1(8) of the Interstate Commerce Act (49 U.S.C. 1(8)) is amended by inserting "(a)" immediately after "(8)" and by adding at the end thereof the following new subdivision:

"(b) After the date of enactment of the Coal Transportation Act of 1977, it shall be unlawful for any common carrier by coal pipeline subject to this part to transport from any State, Territory, or the District of Columbia, to any other State, Territory, or the District of Columbia, or to any foreign country, any coal mined, or produced by it or under its authority, or which it may own in whole or in part, or in which it may have any interest, direct or indirect."

FEEDER AND DISTRIBUTION LINES

SEC. 7. Section 1(9) of the Interstate Commerce Act is amended by inserting "(a)" immediately after "(9)" and by adding at the end thereof the following new subdivision:

"(b) Any common carrier by coal pipeline subject to this part, upon application of any party tendering interstate traffic for transportation, shall construct, maintain, and operate upon reasonable terms a feeder or distribution line constructed to connect with its coal pipeline, where such connection is reasonably practicable and can be put in with safety and will furnish sufficient business to justify its construction and maintenance. Such feeder or distribution line, at the option of the party applying therefor, shall include any facilities necessary for the delivery of coal to such party in a form and condition suitable for use as fuel without further processing or treatment. If any such common carrier by coal pipeline fails to install and operate any such feeder or distribution line upon application in writing by any party, such party may submit a complaint to the Commission in accordance with section 13 of this part. The Commission—

"(i) shall hear and investigate such complaint;

"(ii) shall make a determination with respect to the safety and practicability of such feeder or distribution line and the justification and reasonable compensation for such line; and

"(iii) may issue an order, in accordance with section 15 of this part, directing such common carrier to comply with the provisions of this section in accordance with such order.

Such order shall be enforced as hereinafter provided for the enforcement of all other orders by the Commission, other than orders for the payment of money.".

CERTIFICATION

SEC. 8. (a) The first sentence of section 1(18)(a) of the Interstate Commerce Act (49 U.S.C. 1(18)(a)) is amended to read as follows: "No common carrier by railroad or common carrier by coal pipeline subject to this part shall—

"(i) undertake the extension of any of its lines of railroad or the construction of any additional line of railroad, or the construction or extension of any coal pipeline;

"(ii) acquire or operate any such extension or any such new or additional line of railroad or coal pipeline;

"(iii) engage in transportation over, or by means of, any such new, extended, or additional line of railroad or coal pipeline,

unless such new, extension, or additional line of railroad or coal pipeline is described in and covered by a certificate which is issued by the Commission and which declares that the present or future public convenience and necessity require the construction and operation of such new, extended or additional line of railroad or coal pipeline."

(b) The last sentence of section 1(18)(a) of the Interstate Commerce Act (49 U.S.C. 1(18)(a)) is amended by striking out "extended" in subclause (A) thereof and inserting in lieu thereof "new, extended,".

EXTENSION OF LINES

SEC. 9. The first sentence of section 1(18)(c) of the Interstate Commerce Act (49 U.S.C. 1(18)(c)) is amended—

(1) by striking out "carrier by railroad" and inserting in lieu thereof "common carrier by railroad or common carrier by coal pipeline"; or

(2) by inserting "or its coal pipelines" immediately after "of railroad".

ABANDONMENT

SEC. 10. Section 1 of the Interstate Commerce Act is amended by adding at the end thereof the following new paragraph:

"(19(a) No common carrier by coal pipeline subject to this part shall abandon all or any portion of an existing pipeline, or the operation thereof, unless such abandonment is described in and covered by a certificate which is issued by the Commission and which declares that the present or future public convenience and necessity require or permit such abandonment.

"(b) The application for and issuance of any certificate of abandonment under this paragraph shall be in accordance with such rules and regulations with respect to form and content of an application, hearings, and other matters as the Commission may from time to time prescribe. The provisions of this part shall apply to all proceedings with respect to any such certificate.

"(c) Whenever a common carrier by coal pipeline submits to the Commission an application for a certificate of abandonment under this paragraph, such carrier shall attach to such application an affidavit certifying that notice of such application has been—

"(i) sent by certified mail to the chief executive officer of each State which would be directly affected by the proposed abandonment;

"(ii) published for three consecutive weeks in a newspaper of general circulation in each county in which all or any portion of the coal pipeline proposed to be abandoned is located; and

"(iii) mailed, to the extent practicable, to all shippers who have made significant use (as determined by the Commission in its discretion) of such coal pipeline during the 12-month period immediately preceding the submission of such application.

"(d) The notice required under subdivision (c) of this paragraph shall include—

"(i) an accurate and understandable summary of the common carrier's application for a certificate of abandonment, together with the reasons therefor; and

"(ii) a statement indicating that each interested person is entitled to recommend to the Commission that it approve, disapprove, or take any other specified action with respect to such application.

"(e) Upon receipt of an application for a certificate of abandonment under this paragraph, the Commission may—

"(i) issue such certificate as requested in such application;

"(ii) refuse to issue such certificate,

"(iii) issue such certificate for a portion or portions of a line of coal pipeline described in the application; or

"(iv) issue such certificate for partial exercise only of the right or privilege of abandonment. The Commission may attach to the issuance of such certificate such terms and conditions as in its judgment the public convenience and necessity may require.

"(f) After the issuance of a certificate to a common carrier by coal pipeline under this paragraph, such common carrier may, without securing approval other than such certificate, comply with the terms and conditions contained in, or attached to the issuance of, such certificate, and proceed with the abandonment covered by such certificate.

"(g) Any abandonment which is contrary to any provision of this paragraph may be enjoined by an appropriate district court of the United States in a civil action commenced and maintained by the United States, the Commission, the attorney general or the transportation regulatory agency of any affected State or area, or any party in interest. Such district court may impose a civil penalty of not to exceed $5,000 on any person who knowingly authorizes, consents to, or permits any violation of this section.".

SECURITIES OF CARRIERS

SEC. 11. Section 20a(1) of the Interstate Commerce Act (49 U.S.C. 20a(1)) is amended by inserting immediately before the period at the end thereof the following: "or a common carrier by coal pipeline which is subject to this part, or any corporation organized for the purpose of engaging in transportation by coal pipeline subject to this part".

CROSSING OF LANDS AND RIGHTS-OF-WAY OF OTHER CARRIERS

SEC. 12. The Interstate Commerce Act (49 U.S.C. 1 et seq.) is amended by redesignating section 29 thereof as section 30 and by inserting immediately after section 28 the following new section:

"SEC. 29. (a) Whenever any common carrier by coal pipeline which holds a current and valid certificate of public convenience and necessity issued under section 1(18) of this part cannot acquire by negotiation the right to construct, operate, and maintain its coal pipeline under or across the lands or right-of-way of any other carrier subject to this Act, it may petition the Commission for an order directing such other carrier to grant the required easement.

"(b) The Commission may issue an order directing a carrier to grant an easement to a petitioning common carrier by coal pipeline if, after consultation with the Administrator of the Federal Energy Administration, the Administrator of the Environmental Protection Agency, and other appropriate Federal, State, and local officials, the Commission finds that granting such easement—

"(1) is in the national interest;

"(2) is consistent with the national transportation policy, as set forth in this Act; and

"(3) is consistent with Federal, State, and local laws relating to the protection of the environment.

"(c) In making the findings required by subsection (b) of this section with respect to a proposed easement, the Commission shall consider and make independent findings with respect to the extent to which the granting of such easement—

"(1) would help meet national needs for coal utilization without impairing transportation on a nationwide basis, considering, among other matters, alternate routes or means of transportation of coal and the relative cost of such alternative routes or means;

"(2) would expedite the transportation of coal by the petitioning common carrier by coal pipeline;

"(3) would involve disruption to the environment, as compared with disruption from other routes or modes of transportation or other methods of utilization of the coal resources involved; and

"(4) considers the balance between the energy needs of the area to be benefited by the coal pipeline and the water requirements and other impacts on the area from which the coal is to be transported.

The finding of the Commission as to whether a proposed easement is in the national interest shall be based on the record as a whole, taking into consideration each of the criteria set forth in this subsection.

"(d) The Commission shall have exclusive jurisdiction to hear and consider evidence with respect to the granting of easements under this section. A certificate of public convenience and necessity held by the petitioning common carrier by coal pipeline shall be presumptive evidence of the need for the facility but not as to the necessity for any particular crossing.

"(e) When the Commission has entered an order requiring the grant of a crossing right, the entitlement of the grantor to damages from the common carrier by coal pipeline and the extent of such damages shall be heard and determined in the district court of the United States for the district in which such proposed crossing is located. Damage awards shall include any loss of net earning capacity of the owner, lessee, or licensee of the property to be crossed foreseeably resulting from the employment of the certificate and the crossing authority held by such common carrier.".

TRANSFERS, MERGERS, AND ACQUISITIONS

SEC. 13. (a) The Interstate Commerce Act (49 U.S.C. 1 et seq.) is amended by inserting immediately after section 5b the following new section

"COAL PIPELINE TRANSFER, MERGER, AND ACQUISITION TRANSACTIONS

"SEC. 5c. (a) Any common carrier by coal pipeline subject to this part shall, prior to—

"(1) transferring any coal pipeline or other property to any person;

"(2) consolidating or merging its properties with the properties of another common carrier by coal pipeline;

"(3) purchasing, leasing, or contracting to operate any properties of another common carrier by coal pipeline; or

"(4) acquiring control of another common carrier by coal pipeline through ownership of its stock or otherwise,

submit an application to the Commission requesting the approval and authorization of the Commission, pursuant to subsection (b) of this section, to carry out such transaction. No such common carrier shall enter into any transaction described in the preceding sentence in the absence of such approval and authorization. For purposes of this subsection, the term 'control' has the meaning given such term under section 1(3)(b) of this part.

"(b) Upon receipt of an application setting forth a proposed transaction pursuant to subsection (a) of this section, the Commission shall determine, after an opportunity for an agency hearing on the record, whether such transaction is consistent with the public interest. If the Commission determines that, subject to such terms and conditions and such modifications as it finds just and reasonable, such transaction is consistent with the public interest, the Commission shall enter an order approving and authorizing such transaction, upon such terms and conditions and with such modifications.

"(c) In making its determination with respect to a proposed transaction under subsection (b) of this section, the Commission shall give weight to the following considerations, among others:

"(1) The effect of the proposed transaction upon adequate transportation service to the public.

"(2) The effect upon the public interest of the inclusion, or failure to include, other coal pipelines located in the area involved in the proposed transaction.

"(3) The total fixed charges resulting from the proposed transaction.

"(4) The interests of the common carrier employees affected.".

(b) Section 1(3)(B) of the Interstate Commerce Act (49 U.S.C. 1(3)(b)) is amended by striking out "section 5," and inserting in lieu thereof "section 1(8)(b), 5, 5c,".

REGULATION OF COMMON CARRIERS OF COAL BY PIPELINE

SEC. 14. The Interstate Commerce Act (49 U.S.C. 1 et seq.) is amended by redesignating section 30, as redesignated by this Act, as section 33, and by inserting immediately after section 29, as added by this Act, the following new sections:

"ANTITRUST REVIEW OF CERTIFICATION

"SEC. 30. (a) The Commission shall not issue any certificate of public convenience and necessity to a common carrier by coal pipeline under section 1(18) of this part unless it has received the advice of the Attorney General of the United States and the Federal Trade Commission that such action would not adversely affect competition, restrain trade, further monopolization, or otherwise create or maintain a situation in contravention of the antitrust laws. The actual or prospective employment of any contract commonly referred to as a through-put contract or a take or pay contract, or any other tariff or ratemaking procedure which may not lawfully be employed by other modes of coal transportation, shall be presumed to affect competition adversely and unlawfully. The execution or initiation by a common carrier by coal pipeline of any such contract, tariff, or procedure following the issuance of a certificate of public convenience and necessity to such common carrier shall require revocation of such certificate upon complaint of the Attorney General or an affected party to the district court of the United States for any district in which such common carrier is authorized to do business.

"(2) Nothing in this section shall be construed to bar the Attorney General or the Federal Trade Commission from challenging any anticompetitive situation involved in the operation of a coal pipeline.

"(3) Nothing contained in this section shall be construed to impair, amend, broaden, or modify any of the antitrust laws.

"(c) As used in this section, the term 'antitrust laws' includes—

"(1) the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies', approved July 2, 1890 (15 U.S.C. 1 et seq.);

"(2) the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914 (15 U.S.C. 12 et seq.);

"(3) the Federal Trade Commission Act (15 U.S.C. 41 et seq.);

"(4) sections 73 and 74 of the Act entitled 'An Act to reduce taxation, to provide revenue for the Government, and for other purposes', approved August 27, 1894 (15 U.S.C. 8 and 9); and

"(5) the Act of June 19, 1936, chapter 502 (15 U.S.C. 13, 13a, 13b, and 21a).

"ENFORCEMENT, PENALTIES, AND JUDICIAL REVIEW

"SEC. 31. (a) At the request of the Commission, the Attorney General may institute a civil action in the district court of the United States for the district in which the affected operation is located, for a restraining order, injunction, or other appropriate remedy to enforce any provision of section 1(8)(b), section 1(18), or section 5c of this part, or any regulation or order issued under the authority of any such section.

"(b) If any common carrier by coal pipeline fails to comply with any provision of section 1(8)(b), section 1(18), or section 5c of this part, or any regulation or order issued under the authority of any such section, after notice of such failure and expiration of any period allowed for corrective action, such common carrier shall be liable for a civil penalty of not more than $5,000 for each day of the continuance of such failure. The Commission may assess and collect any such penalty.

"(c) Any person who knowingly and willfully violates any provision of section 1(8)(b), section 1(18), or section 5c of this part, or any regulation or order issued under the authority of any such section, or makes any false statement, representation, or certification in any application, record, plan, or other document filed or required to be maintained under any such section shall, upon conviction, be punished by a fine of not more than $10,000, or by imprisonment for not more than six months, or both.

"(d) Whenever a common carrier by coal pipeline violates any provision of section 1(8)(b), section 1(18), or section 5c of this part, or any regulation or order issued under the authority of any such section, any director, officer, or agent of such common carrier who authorized, ordered, or carried out such violation shall be subject to the same fine or imprisonment as provided for in subsection (c) of this section.

"(c) In any case involving a violation of section 5c of this Act, the Commission may—

"(1) order all parties to any merger or consolidation entered into in violation of such section 5c to take such steps as may be necessary to dissolve such merger or consolidation;

"(2) order any person acquiring any property, or any ownership interest in any property, in violation of such section 5c to divest itself of such property or ownership interest; and

"(3) issue such other orders as may be necessary to dissolve or set aside any transaction entered into in violation of such section 5c.

"(f) Petitions for judicial review shall be filed in the court of appeals of the United States for the circuit in which the coal pipeline originates.

"UNDERGROUND CONSTRUCTION OF COAL PIPELINES

"SEC. 32. All coal pipelines subject to this Act shall, to the maximum extent practicable, consistent with environmental protection, safety, and good engineering and technological practices, be located underground."

PIPELINE SAFETY

SEC. 15. The Secretary of Transportation shall, not later than 120 days after the date of enactment of this Act, prescribe such regulations as may be necessary and appropriate to apply the provisions of the Natural Gas Pipeline Safety Act of 1968 to coal pipeline facilities and the transportation of coal by pipeline. Such regulations shall include provisions—

(1) for subjecting coal pipeline facilities and the transportation of coal pipeline to the minimum Federal safety standards established pursuant to section 3 of such Act; or

(2) in appropriate cases, for applying the State certification and agreements procedure set forth in section 5 of such Act to such facilities and transportation.

CONSTRUCTION OF LAW

SEC. 16. Nothing in this Act shall be construed—

(1) as affecting in any way any existing law governing appropriation, use, or diversion of water, or any Federal, State, or private right to water;

(2) as expanding or diminishing Federal or State jurisdiction, responsibility, or interest in water resources development or control;

(3) as displacing, superseding, limiting, or modifying any interstate compact or the jurisdiction or responsibility of any legally established joint or common agency of two or more States or two or more States and the Federal Government;

(4) as superseding, modifying, or repealing, except as specifically set forth in this Act, existing laws applicable to the various Federal agencies which are authorized to develop

or participate in the development of water resources or to exercise licensing or regulatory functions in relation to water resources; or

(5) as granting a right to the use of water to a coal pipeline holding a certificate of convenience and necessity issued pursuant to section 1(18) of the Interstate Commerce Act, or as superseding State laws or regulations governing the acquisition and administration of water rights so as to excuse the holder of such a certification from complying with State law in acquiring a right-of-way to any water necessary for its coal pipeline project; nor shall any water right derived from Federal law, including but not limited to a reserved water right, be utilized as a source of water for a coal pipeline project without the consent of Congress.

By Mr. HART:

S. 1493. A bill to amend the Public Works and Economic Development Act to establish a comprehensive program to provide financial and technical assistance to States, local governments, and Indian tribes to manage impacts caused by energy development, and for other purposes; jointly, by unanimous consent, to the Committee on Environment and Public Works and the Committee on Governmental Affairs.

Mr. HART. Mr. President, today I am reintroducing the Inland Energy Development Impact Assistance Act, a bill which will establish a comprehensive program to provide both technical and financial assistance to States, local governments, and Indian tribes as they attempt to manage and control the adverse effect of energy development activities.

The unwanted side effects of mineral and energy production in this country—massive increases in demand for social services, public facilities and housing, environmental degradation, and less tangible effects such as uncontrollable increases in the incidence of crime and mental health problems—have plagued affected "boom" communities throughout this Nation's history. With our present need to increase domestic energy production, this problem can only get worse.

A good example of these adverse impacts can be found in Craig, Colo., which, until a few years ago, was a stable argricultural community. Today, Craig is a burgeoning boomtown. Its population has increased over 200 percent in the last 7 years, and the energy development, originally seen as an immense economic opportunity, now threatens the town's social, economic, and environmental foundations.

Presently, any community like Craig, faced with the threat of rapid growth as a result of energy development activity, has no place to go for help. The town's officials must spend months, even years, wandering through the maze of Federal agencies to find assistance. What they inevitably find is a handful of miscellaneous programs which may offer limited assistance—perhaps for housing, law enforcement, or sewage needs—but which are not geared to the special needs of an energy boomtown. The result is that the community goes to battle for its existence armed only with a few programs provided by agencies which have little or no knowledge of what the problems really are.

But, energy impacts are not solely a Colorado or a western problem. They can and will occur anywhere energy development swiftly overtakes a community. A single project—whether mining, processing, or transportation—can, almost overnight, bring thousands of new residents into a community. Thousands more may be involved with secondary services and industries, and the end result is often that the community's population may double or triple in such a short period of time that the necessary services and facilities cannot expand quickly enough to meet the demand. The result is chaos.

But, Mr. President, there is nothing inevitable about this situation. Even in light of the administration's intention to accelerate U.S. energy production, the historical pattern of social disruption need not necessarily accompany development. What is desperately needed is planning, financial, and technical assistance to set up a schedule for orderly development and to provide the community the preliminary financing necessary to expand its services before the crisis occurs and until the development activity starts to generate local revenues.

Legislation was signed into law last year to provide this sort of assistance to coastal States. The Inland Energy Development Impact Assistance Act, which I am reintroducing today, takes the second logical step by providing this assistance to those States—a large majority—not covered by the Coastal Zone Management Act, as amended last year.

There are those who will ask why it is the responsibility of the Federal Government to help solve the boomtown problem. There are several answers.

First, while the problems are local in nature, and actions to solve the problems must be taken by the affected communities, only the Federal Government has the capability to marshal and make available the technical and financial resources necessary for this task.

Second, and more specifically, much of the energy development now anticipated to occur in this country will occur either on Federal lands, or as a result of Federal encouragement and incentives, ranging from loan guarantees to research and demonstration grants. Recently the President proposed an effort to expand U.S. energy production, and pointed out that there are no acceptable alternatives to such a course of action. I agree with him, but to the extent that the Federal Government is able to influence development decisions, local communities will lose control over their own future. For this reason, it is imperative that the Federal Government take on the additional responsibility to provide technical assistance and loans to help impacted communities meet financial demands which occur long before the development activity starts to pay its own way.

Mr. President, the Inland Energy Development Impact Assistance Act will form the Federal-State-local partnership which is crucial to finding local solutions to the boomtown problem by:

First. Requiring the Secretary of Commerce to coordinate all existing applicable Federal assistance programs;

Second. Insuring that all Federal agencies responsible for energy production inform the Department of Commerce of any potential development activities well in advance of the actual development, to allow for local preparation;

Third. Making planning grants available to any affected State so that an accurate assessment of future needs can be made, and methods to meet those needs developed;

Fourth. Making Federal loans and loan guarantees available to those areas whose financial resources are not great enough to successfully expand public services or implement growth management plans; and

Five. Making emergency grants to those communities already experiencing an impact crisis due to unplanned energy development and uncontrolled growth.

In summary, this bill falls upon all levels of Government to do what each does best to solve the energy impact problem. The responsibility for planning and day-to-day management of the situation is left where it belongs—at the State and local level. It is here that hard decisions on the type of growth to be permitted must be made. Once that decision is made, however, the Federal Government should help provide both the technical help necessary for achieving local goals, and the front-end financing for the orderly development of community services and facilities.

Mr. President, the Western States, and particularly Colorado, have made significant progress towards finding a solution to the boomtown problem. Detailed studies have been undertaken, and plans made for the future. What remains is for the Federal Government to take on its share of the responsibility, as is proposed in the "Inland Energy Development Impact Assistance Act."

I ask unanimous consent that a letter from Gov. Thomas Judge of Montana, chairman of the Western Governors' Regional Energy Policy Office, to Dr James Schlesinger, an article from the March edition of Planning magazine entitled "Here's What Should Be Done About the Energy-Boom Towns" and the text of the "Inland Energy Development Impact Assistance Act," be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1493

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Inland Energy Development Impact Assistance Act of 1977."

SEC. 2. The Public Works and Economic Development Act of 1965 is amended by adding the following new title:

"INLAND ENERGY DEVELOPMENT IMPACT ASSISTANCE ACT OF 1977

"FINDINGS AND PURPOSES

"SEC. 1101. (a) The Congress finds that—

"(1) In order to achieve the national goal of greater energy self-sufficiency through a balanced program of increased domestic energy production, conservation of energy, and greater reliance on renewable energy resources, the Nation's energy resources must be developed in a manner consistent with

environmental protection and the preservation of the quality of life through sound policies of land use, fiscal planning, and growth management.

"(2) Since a substantial portion of the Nation's domestic energy resources will be developed on Federal land or as a result of Federal incentives or policies encouraging such development for the national benefit, and since the communities in the affected areas will be called upon to provide the full range of municipal facilities and services for the incoming population several years prior to the availability of revenues from new economic activity, it is appropriate for the Federal Government to assist State and local governments and Indian tribes by assuring timely front-end financing and sufficient funds for planning and growth management.

"(3) Such assistance should allow maximum flexibility and discretion to State and local governments and Indian tribes to respond to specific local needs but should also encourage growth management policies which conserve agricultural land, water, recreational, and wildlife resources, minimize energy use and increase reliance on renewable energy resources in new development and public facilities, protect the quality of life and the natural environment, minimize inflation through sound fiscal planning, and provide for diversified State, regional, and local economies.

"(4) Such assistance should include technical assistance to State and local governments and Indian tribes where needed, and should also strengthen and develop the capability at the State and local level for long-term production, measurement, analysis, and growth management.

"(5) Such an assistance program should facilitate the development of the capability at the Federal level to forecast and analyze long-term energy development, growth, and the factors which increase or mitigate socioeconomic impacts of growth; and clearly identify the comparative total project cost of alternative energy sources, including their environmental and socioeconomic costs.

"(6) In order to avoid duplication of effort, jurisdictional conflicts, and proliferation of bureaucracy, the program should consolidate all Federal efforts to assist State and local governments and Indian tribes to manage energy-related growth and Federal efforts to forecast and analyze energy-related growth within one Federal agency.

"(7) Any Federal agency responsible for approving an application for energy development activity located on Federal lands, utilizing Federal incentives, or developed under a grant from the Federal government should be assured that means exist to adequately plan for and provide the necessary new public facilities and services prior to the approval of such application.

"(b) The purpose of this Act is to establish a comprehensive energy development impact assistance program in the Department of Commerce to provide grants, loans, loan guarantees, and technical assistance to assist States and local governments and Indian tribes in the sound management of growth and other energy-related impacts, consistent with the policies of environmental protection, preservation of the quality in life, conservation of energy and other natural resources, greater reliance on renewable energy resources, and sound fiscal management as expressed herein.

"DEFINITIONS

"SEC. 1102. As used in this Act, the term—

"(1) "Energy resources" means anv natural resource which occurs (A) in lands in which the mineral interest therein is held in trust by the United States for the benefit of an Indian tribe, or (B) in lands in which the United States owns the energy resources in its entirety, or (C) developed as a result of Federal incentives including but not limited to, tax incentives, loan guarantees, or Federal contracts for research and demonstration or for energy supply and such term includes, but is not limited to, coal, oil and gas, oil shale, coal gasification and liquefaction, tar sands, biomass and other synthetic fuel sources, uranium, solar, geothermal steam, and associated geothermal resources as defined in the Geothermal Steam Act of 1970 (30 U.S.C. 1101(c)), and other renewable energy resources, but such term does not include resources which occur in the Outer Continental Shelf Lands Act (43 U.S.C. 1131 (a)).

"(2) "Energy development activity" means any activity, equipment, or facility which is or will be used primarily in the development, production, conversion, storage, processing, or transportation, of any energy resource. Such term includes, but is not limited to (A) electric generating plants; (B) petroleum refineries and associated facilities; (C) gasification plants; (D) facilities used for the transportation, conversion, treatment, transfer, or storage of liquefied natural gas; (E) uranium enrichment or nuclear fuel processing facilities; (F) oil and gas facilities, including assembly plants, storage depots, tank farms, crew and supply bases, and refining complexes; (G) pipelines and transmission facilities; and (H) terminals which are associated with any of the foregoing. Such terms does not include coastal energy activities as defined in the Coastal Zone Management Act of 1972.

"(3) "Additional direct employment" means the net increase in employment by firms conducting development, extractive, or onsite processing activities related to energy resources; and by firms offering specialized services to other firms conducting such activities.

"(4) "Public facilities and public services" means facilities or services which are financed, in whole or in part, by any State or political subdivision thereof, including, but not limited to, highways and secondary roads, parking, mass transit, parks and recreational facilities, governmental administration, fire and police protection, water supply, waste collection and treatment (including drainage), schools and education, and hospitals and health care. Such term may also include any other facility or service so financed which the Secretary finds is necessary to support increased population.

"(5) "Fund" means the Inland Energy Impact Fund established by section 1114 of this Act.

"(6) "Secretary" means the Secretary of the Department of Commerce.

"(7) "State" means any of the several States of the United States, the District of Columbia, Guam, the Commonwealth of Puerto Rico, the Virgin Islands, and any other territory or possession of the United States.

"(8) "Governor" means the chief executive officer of a State.

"(9) "Indian tribe" means an Indian tribe as defined in section 4 of Public Law 93-638 with the exception of Alaska Native villages.

"(10) "Chairman" means the chairman of an Indian tribe or tribal council or the chief executive of an Indian tribe.

"(11) "Local government" means any political subdivision of a State, or any special entity created by a State or a political subdivision which (in whole or in part) is located in, or has authority over the impacted area and which (A) has authority to levy taxes, or to establish and collect user fees, or (B) provides any public facility or public service which is financed in whole or in part by taxes or user fees. The term includes, but is not limited to any town, township, parish, borough, village, or other general purpose political subdivision of the State or any special unit or district of the foregoing of the State.

"(12) "State agency" means the public corporate body authorized under State law to provide or assist in the provision of public facilities.

"(13) "Technical assistance" means associated expertise relating to, but, not limited to, finances, legal matters, public facilities, land use, wildlife management, environmental protection, growth management, Government administration required to assist State and local government and Indian tribes in the preparation of the growth management plan and, any other expertise the Secretary finds will aid in the management of energy related growth.

"(14) "Impact crises" means those adverse conditions to be determined by the Secretary which have already been caused by rapid population growth associated with on-going energy development and which require the provision of additional necessary public facilities and services.

"(15) "Impact region" means the geographical boundaries within which energy development activity is planned to take place as designated by the Governor or chairman and approved by the Secretary. In those cases in which the proposed development and impact or population growth are anticipated to be located in different political jurisdictions within a State, the impact region shall be drawn to include both the energy development and area of impact. Impacted areas may be designated according to the discretion of the Governor or chairman provided that they do not overlap.

"(16) "Growth management plan" means that plan described in section 1104(b).

"(17) "Growth monitoring system" means that system required by section 1104(b)(5).

"INLAND ENERGY IMPACT PROGRAM

"SEC. 1103. (a) There is hereby established in the Department of Commerce an Inland Energy Development Impact Program (hereinafter referred to in this Act as the "program"). The Secretary shall administer and coordinate the program. Such program shall provide financial and technical assistance to meet the needs of impacted States, local governments, and Indian tribes resulting from energy development activities. Such assistance shall be in the form of:

"(1) technical assistance;

"(2) grants to the States and Indian tribes for developing a growth management plan and a growth monitoring plan as set forth in section 1104 of this Act;

"(3) loans and loan guarantees to States, Indian tribes, and local governments, for the provision and operation of new public facilities and services which may be required as a result of energy development activities, as set forth in section 1105 of this Act; and

"(4) grants to States, Indian tribes, and local governments experiencing an impact crisis as set forth in section 1106 of this Act,

"(b) In administering the program, the Secretary shall establish appropriate working arrangements with the chief executive officers of the several States, and agency heads of Federal agencies, including, but not limited to, the Department of Agriculture, the Environmental Protection Agency, the Federal Energy Administration, the Energy Research and Development Administration, the Department of the Interior, the Department of Housing and Urban Development, the Department of Labor, and the Department of the Treasury, to coordinate, expedite, and improve the availability of programs and services which can provide assistance to States, local governments, and Indian tribes impacted by growth associated with energy development activities, and shall report to Congress and the President within 120 days of the enactment of this Act the procedures

to be used to establish and continue such working arrangements.

"(c) Within six months of the date of enactment of this Act, the Secretary shall develop procedures which:

"(1) require any Federal agency receiving an application for approval of an energy development activity (A) located on Federal lands, (B) utilizing Federal incentives, or (C) developed under a grant from the Federal Government, to inform the Secretary not later than one month after the receipt of such application;

"(2) notify and inform the Governor of the affected State and the chairman of the affected Indian tribe not later than one month after receiving notification of the proposed development of the financial and technical assistance available under the provisions of this Act for mitigating the impacts caused by energy development activity; and

"(3) allow the Governor or the chairman, after receiving such notification from the Secretary to request planning grants for preparation of a growth management plan. Any such request shall be accompanied by a brief analysis of the anticipated social, economic, and environmental impacts of the proposed development activity, and such other information as the Secretary may deem necessary to determine the amount of planning assistance to be provided. Such planning grants shall be made to a Governor or chairman as soon as practicable, but not later than the time of the Federal approval of any use of Federal land, Federal incentive for development, or contract or grant for the development of energy resources, or not less than one year prior to the commencement of the construction of any major facility associated with the energy development activity, whichever is earlier.

"(d) To the extent that Federal funds are available under, or pursuant to, any other law with respect to providing for public facilities and services—

"(1) the Secretary shall administer this Act on the basis that financial assistance provided by this program shall be in addition to and not in lieu of any Federal funds which any State, Indian tribe, or unit of local government may obtain under any other law; and

"(2) the Secretary shall provide under this Act such services as may be necessary to assist States, Indian tribes, and units of local government in applying for assistance, under or pursuant to other laws, to meet impacts caused by energy development activities.

"PLANNING GRANTS

"SEC. 1104. (a) The Secretary shall provide grants from the Fund to the States and Indian tribes for up to 100 per centum of the cost of planning, growth management, regional coordination between and among different political subdivisions impacted by energy development, interagency coordination, technical assistance, and other governmental activities necessary for the preparation of a growth management plan. Grants shall not exceed $500,000 for any one designated impact region.

"(b) The growth management plan shall include, but not be limited to, the following:

"(1) a regional plan specifying the impact region as designated by the Governor or chairman where energy development activity is anticipated, the associated need for new or expanded public facilities and public services, the affected State agencies and political jurisdictions, and the means to be utilized in directing growth, including but not limited to zoning, land use ordinances, or similar administrative measures;

"(2) a fiscal management plan which formulates the means by which financial obligations are expected to be met, including the specific measures to be taken to assure that the costs of providing impact assistance are reflected in the costs of developing those energy resources;

"(3) plans for engineering feasibility studies, design studies for major new and additional public facilities and estimated costs, and estimated demand for and costs of expected additional public services;

"(4) an environmental plan identifying anticipated damage to the natural environment to result from the development of energy resources, including but not limited to soil erosion, water salinity, air pollution, water pollution, destruction of wildlife habitat, and planned mitigation measures;

"(5) a growth monitoring system to monitor energy-related growth and associated costs and to project anticipated growth in the impact region, on a continuing basis; and

"(6) a schedule of implementation which outlines when growth management policies are to be implemented relative to the schedule of energy development activities.

"(c) The growth management plan shall be revised biennially to reflect differences between anticipated and actual growth and needs.

"LOAN AND LOAN GUARANTEES

"SEC. 1105. (a) The Secretary shall provide financial assistance in the form of loans or loan guarantees from the Fund to States and Indian tribes for the provisions and operation of needed public facilities and public services not later than one month after the submission to the Secretary of a completed growth management plan prepared and adopted by the State, local government, or Indian tribe. If the Secretary deems the growth management plan to be incomplete, the Governor or chairman of an Indian tribe must be so notified as soon as practicable, but not later than one month following the receipt of the plan.

"(b) Such financial assistance shall be provided based on a formula established by regulations which the Secretary shall promulgate and, from time to time, revise, after consultation with the Governors, chairmen, units of local governments, and affected Federal agencies. The formula shall include, but not be limted to, the following factors:

"(1) the total population growth within the State or Indian reservation, or unit of local government projected to result from additional direct employment in development, extraction, or processing of energy resources;

"(2) a standardized unit cost of providing public facilities eligible under this Act, as determined by the Secretary;

"(3) regional differences in the costs of construction;

"(4) a factor relating the need for additional public facilities and services to the rate of population growth occurring in the impact area and caused by the activities in the development, extraction, or processing of energy resources;

"(5) the need for temporary facilities resulting from the extent to which the size of the temporary construction force for energy development activity exceeds the anticipated permanent work force;

"(6) the additional costs of a new community in those areas in which there are no existing communities suitably located, in order to protect the environment or quality of life in the area or conserve land or water;

"(7) a factor related to the annual increase in the cost of construction; and

"(8) other funds for planning or development assistance available to each applicant under State or Federal law.

"(c) The Secretary is authorized to increase an allotment for any State or Indian tribe under this section as may be required by the modification of the growth management plan.

"EMERGENCY GRANTS

"SEC. 1106. (a) The Secretary shall provide under the program emergency financial and technical assistance to States, local governments, or Indian tribes experiencing an impact crises resulting from energy development initiated within a five year period preceding the date of enactment of this Act. At the request of a Governor or chairman, the Secretary may provide a unit of local government with emergency financial and associated technical assistance for managing current adverse social, economic, or environmental impacts caused by energy development activities, except that such assistance shall—

"(1) be in accordance with sound growth management processes promoted by this Act;

"(2) shall be provided as part of a more comprehensive growth management process to be initiated as soon as practicable after the receipt of initial assistance; and

"(3) shall only be provided until the local government can comply with the provisions for the development of a growth management plan set forth in section 1104 of this Act or for eighteen months after the assistance is first received, whichever is earlier.

"(b) The Secretary shall administer loans, loan guarantees, and grants of the same type as otherwise provided in this Act for the purpose of providing emergency financial assistance to States, local governments, and Indian tribes experiencing an impact crisis, except that, upon finding that credit is otherwise unavailable on reasonable terms and there is no reasonable assurance of repayment, the Secretary is authorized to provide grants of up to 100 per centum of the costs of emergency financial assistance.

"USE OF IMPACT ASSISTANCE

"SEC. 1107. (a) The Governor of a State or chairman of an Indian tribe receiving an allotment of financial assistance under this Act shall determine the jurisdictions that will receive such assistance. The Governor may designate the State, a State agency, or any unit of local government to receive assistance directly from the Fund. If the State or State agency receives such assistance from the Fund, such assistance may be used in any combination of direct expenditures by the State or State agency, and grants, loans, and loan guarantees from the State or State agency to units of local government. Any allotted assistance not drawn upon within three years of its allotment shall revert to the Fund, except that the Secretary may extend the period of availability if he determines that delays in the exploitation of energy resources warrant such an extension. No State or State agency shall retain more than 5 per centum of the allotted assistance for its own purposes.

"(b) The Secretary is authorized to provide from the Fund to States, units of local government, and Indian tribes additional grants of up to 50 per centum to be utilized for public facilities and public services which significantly contribute to the national goals of greater energy conservation, enhanced utilization of renewable energy resources, and the preservation of natural resources. The Secretary shall devise criteria for awarding these grants. Such criteria shall include, but not be limited to improved energy conservation and the use of solar energy in public buildings, the acquisition of open space, parks or recreational areas, and the acquisition of wildlife sanctuaries: *Provided*, That the purchase or construction of such facilities is integrated into the growth management plan.

"(c) Notwithstanding any other provision of law, financial assistance under this Act may be used to provide the non-Federal share of the aggregate cost of any project or program otherwise funded by the Federal Government which requires a non-Federal share for such project or program; except that, such project or program provides planning or public facilities otherwise eligible for assistance under this Act.

"(d) The Governor of any State receiving

assistance from the Fund or any State in which units of local government are receiving such assistance and the chairman of any Indian tribe receiving such assistance shall certify each year that the proceeds are being used for the provision of public facilities consistent with the adoption of the growth management plan required.

"(e) The allotment of Federal impact assistance for the provision of public facilities shall be calculated as part of the process for planning and preparation of the growth management plan and shall be recalculated at the time of approval of any subsequent revisions of such plan, except that such energy development activities must have received any other Federal, State, and local review or approval which is required by Federal, State, or local law or regulations and which are determined by the Secretary to be essential to the timely conduct of such activities.

"NON-FEDERAL ENERGY RESOURCES

"SEC. 1108. Development of resources which do not qualify under the definitions in section 3 may be eligible for the assistance provided under this Act at the request of the Governor or chairman: *Provided*, That the energy development activity meets requirements for non-Federal participation to be developed by the Secretary based on the amount of activity and the impact on the State unit of local government, or Indian tribe. In order to qualify for assistance under this Act, all energy development activities must comply with Federal regulations governing mining of energy resources on Federal lands and, where more stringent, applicable State laws.

"LOAN TERMS

"SEC. 1109. (a) No loan or loan guarantee made under this Act shall be extended unless the Secretary finds that credit is not otherwise available on reasonable terms and that there is reasonable assurance of repayment. No guarantee shall be extended without the approval of the Secretary of the Treasury.

"(b) Loans made from the Fund shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration current market yields on municipal bonds but not less than (1) a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, plus (2) an allowance adequate in the judgment of the Secretary of the Treasury to cover administrative costs and probable losses under the program, except that amounts forgiven under subsection (g) of this section shall not be taken into account in determining such an allowance.

"(c) Loans shall not be guaranteed if they bear interest or other charges that the Secretary of the Treasury determines to be excessive, taking into account the range of rates for similar loans and the risks assumed by the United States. The Secretary of the Treasury shall charge and collect fees in amounts sufficient in his judgment to cover administrative costs and probable losses on guaranteed loans.

"(d) The interest paid on any obligation which is guaranteed under this Act, and received by the purchaser thereof (or the purchaser's successor in interest), shall be included in gross income for the purpose of chapter 1 of the Internal Revenue Code of 1954, as amended; but the Secretary may pay out of the Fund not more than such portion of the interest on such obligations as exceeds the amount of interest that would be due at the rate determined for direct loans in subsection (b).

"(e) Loans made or guaranteed shall be repaid as determined by the Secretary: *Provided*, That the amortization period shall not exceed twenty years.

"(f) In the event the borrower is unable to pay principal and interest when due, the Secretary is authorized to:

"(1) Modify appropriately the terms and conditions of such loan or guarantee;

"(2) refinance such loan;

"(3) make a supplemental loan to such State, Indian tribe, or local government, the proceeds of which shall be applied to the payment of principal and interest due under such loan or guarantee; or

"(4) make a grant to such state, Indian tribe, or local government, the proceeds of which shall be applied to the payment of principal and interest due under such loan or guarantee.

"(g) If the Secretary has taken action under paragraph (f) and finds that further action under paragraph (f) will not enable such State, Indian tribe, or local government to meet, within a reasonable time, its obligations under such loan or guarantee, the Secretary is authorized to forgive part or all of the principal of, and interest on, any loan made from the Fund or to pay part or all the outstanding principal of, and interest on, any obligation guaranteed by the Fund: *Provided*, That the Secretary receives adequate assurances that the borrower has made every reasonable effort, including increasing its tax effort, to meet its obligations under the provisions of this Act: *Provided further*, That the Secretary determines that the forgiveness of any obligation would be an appropriate recognition of any current and reasonably foreseeable future inability of the borrower to repay.

"(h) In connection with any loan made or guaranteed under this Act, the Secretary may require the State, Indian tribe, or unit of local government to provide such security as he deems appropriate. The Secretary may take such steps as he deems necessary to levy upon any collateral against which the United States has a security interest pursuant to this section to enforce any claim and obtain full satisfaction therefor the United States may have against the State, Indian tribe, or unit of local government pursuant to this Act.

"ACCOUNTING

"SEC. 1110. Recipients of financial assistance under this Act shall keep such records as the Secretary shall prescribe by regulation, including records which fully disclose the disposition of the proceeds of such assistance, the total cost of the provision of public facilities for which such assistance was used and such other records as the Secretary may require to facilitate an effective audit. The Secretary and the Comptroller General of the United States or their duly authorized representatives shall have access, for the purposes of audit, to such records.

"NONDISCRIMINATION

"SEC. 1111. No person in the United States shall on the grounds of race, color, religion, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this Act.

"ENFORCEMENT

"SEC. 1112. Whenever the Secretary determines that a State, Indian tribe, or unit of local government which is a recipient of assistance from the Fund has failed to comply with the requirements of this Act or an applicable regulation, he shall notify the Governor of such State, chairman of such Indian tribe, or chief executive of such unit of local government of the noncompliance and shall request the Governor, chairman, or chief executive officer to secure compliance. If within a reasonable period the Governor, chairman, or chief executive officer fails or refuses to secure compliance, the Secretary is authorized to: (1) withdraw all or part of any outstanding allotments of financial assistance under this Act to the State or Indian tribe, (2) withhold all or part of any additional allotments of assistance under this Act that would otherwise be made, and (3) request the Attorney General to bring a civil action in a United States district court for such relief as may be appropriate, including but not limited to an action to recover the amount of assistance furnished under this Act which was not expended in accordance with this Act, or for mandatory or injunctive relief. Notwithstanding any other provision of law, Acts making appropriations may provide for the withholding of any payments from the United States to the State, Indian tribe, or unit of local government which may be or may become due pursuant to any law and offset the amount of such withheld payments against any claim the Secretary may have against the State, Indian tribe, or unit of local government pursuant to this Act.

"RESIDUAL REFUNDS

"SEC. 1113. Before approving any grants, loans, or loan guarantees under the provisions of this Act, the Secretary shall require the State, Indian tribe, or local government to provide adequate assurance of its ability to return to the United States any amounts which are not expended in accord with the purposes and requirements of this Act.

"FUND

"SEC. 1114. (a) There is hereby created within the Treasury an Inland Energy Impact Fund which shall be available to the Secretary without fiscal year limitation as a revolving fund for the purpose of this Act. The total of any expenses, grants, loans made, or loans guaranteed from the Fund in any fiscal year shall not exceed limitations specified in appropriation Acts, except that renewals of loans or extensions or maturities, or other refinancing of existing loans made or guaranteed under this Act (other than increases in principal amounts) shall not count as additional loans under these limitations.

"(b)(1) All amounts received by the Secretary as interest payments or repayment of principal on loans, fees, and any other moneys, property, or assets derived from operations, in connection with this Act shall be deposited in the Fund.

"(2) All grants, loans, expenses, including reimbursements to other Government accounts, and repayments pursuant to operations of the Secretary under this Act shall be paid from the Fund. If at any time the Secretary determines that moneys in the Fund exceed the present and any reasonably prospective future requirements of the Fund, such excess shall be transferred to the general fund of the Treasury. All moneys in the Fund on October 1, 1988, and all amounts subsequently received under this Act shall be deposited in the general fund of the Treasury.

"AUTHORIZATION

"SEC. 1115. There are authorized to be appropriated:

"(1) such sums, not to exceed $25,000,000 for each of the fiscal years ending September 30, 1978, and September 30, 1979, as may be necessary for emergency financial assistance under section 1106 of this Act, and

"(2) to the fund to remain available until September 30, 1988, such sums as may be necessary to the operation of this Act, not to exceed $1,000,000,000.

"INTERSTATE AND INTRASTATE COORDINATION

"SEC. 1116. (a) States are encouraged to give high priority (1) to coordinate impact planning, policies, and programs in contiguous interstate regions; (2) to developing and implementing unified impact policies in such regions including the sharing of new

public revenues derived from energy development for the management and mitigation of impact and the standardization of growth regulations; and (3) to develop and implement methods of intrastate coordination among different political subdivisions within a State for the purpose of sharing new public revenues from energy development and standardizing growth policies and regulations. The Secretary is authorized to make annual grants to the States of up to 90 per centum of the cost of such coordination, study, planning, and implementation for the first year and 50 per centum for each year thereafter.

"(b) The consent of the Congress is hereby given to two or more States to negotiate and enter into agreements or compacts, not in conflict with any law or treaty of the United States, for (1) developing and administering coordinated impact planning, policies, and programs, and (2) establishing such agencies, joint or otherwise, as the States may deem desirable for making effective such agreements and compacts. Such agreements or compacts shall be binding and obligatory upon any State or party thereto if ratified by Congress.

"(c) Each executive instrumentality which is established by an interstate agreement or compact pursuant to this section is encouraged to establish a Federal-State consultation procedure for the identification, examination, and cooperative resolution of mutual problems with respect to energy development. The Secretary, the Secretary of the Interior, the Chairman of the Council on Environmental Quality, and the Administrator of the Environmental Protection Agency, the Administrator of the Federal Energy Administration, the Administrator of the Energy Research and Development Administration, or their designated representatives, are authorized and directed to participate ex officio on behalf of the Federal Government, whenever any such Federal-State consultation is requested by such an instrumentality.

"(d) Prior to establishment of an interstate agreement or compact pursuant to this section, the Secretary is authorized to make grants to a multistate instrumentality or to a group of States for the purpose of creating temporary ad hoc planning and coordinating entities to—

"(1) coordinate impact planning, policies, and programs in contiguous interstate areas;

"(2) study, plan, and/or implement unified impact policies in such interstate areas; and

"(3) provide a vehicle for communication with Federal officials with regard to Federal activities affecting the coastal zone of such interstate areas.

The amount of such grants shall not exceed 90 per centum of the cost of creating and maintaining such an entity for one year. The Federal officials specified in subsection (c) of this section, or their designated representatives, are authorized and directed to participate ex officio on behalf of the Federal Government, upon the request of the parties to such ad hoc planning and coordinating entities. This subsection shall expire at the close of the five-year period beginning on the effective date of this section.

"LABOR STANDARDS

"SEC. 1117. All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with funds received under this Act shall be paid wages or rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5). The Secretary of Labor shall have, with respect to labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276(c)).

"REGULATIONS

"SEC. 1118. The Secretary is authorized to promulgate rules and regulations as he determines are necessary to carry out this Act.

"ADMINISTRATION

"SEC. 1119. The provisions of this Act shall be administered by the Secretary or his delegate without the employment of additional officers or employees of the Federal Government."

STATE OF MONTANA,
OFFICE OF THE GOVERNOR,
Helena, April 13, 1977.

Dr. JAMES R. SCHLESINGER,
Assistant to the President,
The White House,
Washington, D.C.

DEAR DR. SCHLESINGER: As Chairman of the Western Governors' Regional Energy Policy Office, I write to express several fundamental concerns we have concerning negative social and economic impacts on our citizens of energy resource development in the West. We believe that mitigation of these impacts will enhance development of these resources. We believe:

(1) Any decision to develop site-specific federal energy resources should incorporate consideration of the costs of the full range of the social and economic consequences as a part of the decision.

(2) Any federal decision to proceed with development of site-specific federal energy resources should trigger a simultaneous action to implement solutions to social and economic negative impacts. Such solutions should be timely, provided in a manner recognizing the demographic, institutional, and legal differences between states and should allow for the concurrence of the governor of each affected state as to the adequacy of such determination.

(3) All unusual costs of the negative social and economic impacts should be passed on to the ultimate consumer of the energy resources. Costs considered unusual are those creating a financial burden to local government that would require an increase in local general taxing levels over and above the highest taxing level in any of the previous five years immediately prior to the onset of such energy activities.

(4) Federal financial grants should be provided to local governments impacted by such activities to pay for community public facilities and services that can be identified as additional costs necessitated because of the activity and which cannot be passed on to the ultimate consumer of the energy resource. Such federal assistance would be provided only with the concurrence of the governor of each affected state.

(5) Congressional designation of a single federal lead agency as the primary point of contact by the state and local governments is necessary to assure coordination of the numerous federal domestic assistance programs provided by several federal departments and agencies.

Governors Castro of Arizona, Lamm of Colorado, Exon of Nebraska, Apodaca of New Mexico, Kneip of South Dakota, and Matheson of Utah join me in expressing these views.

Best regards.

Sincerely,

THOMAS L. JUDGE,
Chairman, Western Governors' Regional Energy Policy Office.

HERE'S WHAT SHOULD BE DONE ABOUT THE ENERGY-BOOM TOWNS

(By Lawrence O. Houstoun, Jr.)

No aspect of the confused energy development situation of the past four years rivals the problems of the communities and areas that are economically, fiscally, and environmentally impacted by energy booms. A recent Bureau of Mines study indicates that 200 noncoastal counties in the 22 states west of the Mississippi are currently impacted or will be within 10 years by power plant construction, coal and uranium mining, and other energy development activities. While no comparable data are available, it would be a good guess that there are another 50 to 75 such counties in the eastern half of the country. This article suggests certain measures that all levels of government should consider in dealing with this immensely complex problem of managing growth in areas where the county population growth rate may exceed 20 percent annually.

The people of Kemmerer, Wyoming, have firsthand experience with the problem of boom-town development. Kemmerer's roads and sidewalks had deteriorated even before the boom came. Its water system leaks. Its sewage treatment plant has long malfunctioned. Kemmerer's voluntary governing body now finds it can't keep the town's road equipment in repair or meet many other obligations because it can't pay wages competitive with the strip-mining and housing construction industries. Nor can it afford to hire a town manager, even a part-time one. Kemmerer is assumed to be fully empowered to deal with local problems. But as a practical matter, no one in Kemmerer knows how to do the paperwork necessary to get federal aid or to be able to participate in the Bureau of Land Management's environmental assessment process, which can serve as an early warning of impending coal-based booms.

Kemmerer's response to the boom has been to annex whatever outlying subdivisions are built, without the faintest idea as to whether annexation will help or hurt its tax situation or service capability now or in the future.

So, while everyone in Kemmerer is aware of the problem of too-rapid growth, no one has been able to do much about it. And this situation is being duplicated across the West, wherever strip mining or other energy-related activity has been introduced.

But I believe that some things can be done to help towns like Kemmerer. Help can come from four levels of government: local, areawide (regional), state, and federal. The most important of these is the state.

State responsibility and authority to act in boom areas are both great and essential. Because the state retains control over the authority and limitations of local governments, it can make available new, boom-related taxes, require or authorize cooperation among local governments, and determine what issues must be taken into consideration in the course of local decision making. Montana, for example, requires local governments to consider the fiscal implications of all new ordinances.

Moreover, many states regulate and therefore can influence the timing and location of power plants and mineral extraction industries. In the West, water supply regulation is a complex and vital growth-shaping tool that has yet to be applied systematically to population forecasting and growth management in energy-boom areas. In addition, the states have, after some 20 years of federal 701 comprehensive planning grants, fairly strong analytical capacity in their statewide planning units, a resource that can not only guide state investments but also help shape strong regional growth policies and planning processes.

The specific—and extraordinary—arrangements to be applied to growth management in boom areas will depend primarily on state leadership. In many instances, state staff may be needed to design an areawide plan-

ning organization (APO) appropriate to the geographic, economic, and political scale of the boom.

A special effort also should be made to develop citizen awareness of the multijurisdictional implications of the impending boom. Taxpayers in one county might benefit from increased tax revenues caused by the boom, for example; but certain municipalities and school districts may be faced with increased service burdens at the same time. The possible types of assistance available from state, federal, and private sources and the realities of the terms and timing of such assistance should be discussed in public forums, along with the contribution that planning and impact analysis can make in mitigating the boom and managing and balancing the growth.

The temptation immediately to throw money at boom problems should be avoided. State (and federal) officials need to recognize that ill-conceived investment in the kinds of infrastructure that ultimately will be required—roads, water and sewer systems, schools—often induce growth themselves. To minimize both the immediate adverse impacts and the long-term costs, state (and federal) aid for growth-related infrastructure development should be coordinated with areawide growth policies. The initial state and federal investments, therefore, should be in those areas—planning and management assistance—that will improve government's capability to produce such policies.

The urgency of the boom phenomenon is such as to warrant two small limitations on local autonomy. The first is that all municipalities, counties, and special districts (including school districts) should be required to participate in areawide planning and to support, financially a single, unified areawide planning organization.

Second, these jurisdictions should be required to submit to the APO all plans produced under state enabling legislation, applications for state and federal aid, annual budgets, and proposed changes in zoning and building codes for review and comment as to their conformity with areawide growth management policies.

State law establishing areawide planning organizations should specify that APOs will produce growth policies and growth management objectives that are usable by the participating jurisdictions as well as impact analyses—including consideration of costs, revenues, bonding positions, and service levels—of alternative growth policies.

All development-related planning conducted by state or substate planning districts—such as those for transportation, water and air quality, solid waste disposal, open space, housing, and economic development—should by law be based on these common growth policies.

The often irrational distribution of tax revenues and public expenditures related to the energy boom may require enactment of joint powers legislation to permit the pooling of tax ratables. A state tax on mineral extraction or power plant licensing may be distributed to affected local governments. Unfortunately, such aid is often too late in coming.

State permit systems should be used as a tool to support the state's overall growth management objectives.

Because the most disruptive community problems result from short-term, labor-intensive construction work, prudent state policy would require that housing and related amenities be provided by responsible companies to accommodate the construction work force and their families.

State governments should maintain an awareness—through the environmental assessment process and other devices—of the probable location, scale, timing, and nature of prospective booms. Having the state serve as the eyes and ears for affected communities can result in a year or two of lead time for planning.

Those are some suggestions for the states. What can be done at the area-wide level?

Boom impacts almost never can be contained within a single local jurisdiction. Spillovers are the rule, not the exception. In boom areas, where private development proceeds at a rate that overwhelms government's ability to keep pace, locally centered and functionally autonomous planning invites fiscal disaster, roaring inflation, and social costs ranging from increased crime and marital stress to higher energy costs and the backlash of voters.

If the state government assures the proper organizational arrangements and authority, the APO role can be strong. The most common objection to a significant role for APO's is the reluctance of local officials to accept any limitation on their authority. Developing an appropriate structure for local government representation is an essential early step. In boom areas, an effort should be made to include special-purpose districts as well as general governments in the APO. Fostering a sense of regional identity and recognition of common problems is an equally important early step.

The APO should be in a position to influence federal assistance and guide federal actions, serving as the federal A–95 clearinghouse and as the planning entity for all the relevant federal aid programs like solid waste and water quality management. The APO also must be able to produce areawide growth policies and keep them up to date.

One of the most important tasks for APOs is fiscal impact analysis. Fiscal impact analysis permits the calculation of costs, revenues, tax rates, and other fiscal consequences of a project on the budgets of local governments. It can be a valuable tool in minimizing risks of "development roulette." It can, for example, help decision makers determine each jurisdiction's potential for absorbing growth. It also can help local officials determine the location, timing, and type of residential and commercial developments so as to provide the greatest assurance that each will pay its way in terms of given service levels.

Finally, fiscal impact analysis can be useful in determining the most favorable form and location of development from the consumers' point of view. The wage levels available to pay housing, transportation, and tax costs are among the most reliable of all data in energy-boom areas. Developments can therefore be better planned so as to minimize some of the built-in costs associated with new projects.

The third type of jurisdiction involved in regulating booms is the local government itself. Local governments, however small and frail they may seem in the face of new and massive economic forces, remain the principal mechanism for controlling the boom.

Because local responsibilities are not different in kind in boom and non-boom areas, less attention will be devoted to them here. Suffice it to say that the imbalance between limited local capacity and the massive and areawide character of energy booms is such that all other levels of government must alter their methods substantially in order to enable local governments to cope.

Finally, we come to the federal role. Thus far, the federal response to the western boom problem has been segmented. In part, it includes the amended Mineral Leasing Act, which provides some additional financial assistance to states for community needs. But no governmentwide policies affecting energy-boom areas have been put into effect, although there is considerable potential for improving the way in which the various federal agencies do or do not relate to these problems.

One of these is the federal environmental impact statement. This whole process can provide an early warning that a boom is pending. Greater involvement of state, areawide, and local officials in the EIS process and more specific notification to governors and local officials of the probable eventualities are two ways the federal government could accelerate and improve care and local response.

Useful boom-related studies also have been done by Wyoming and other states using the dwindling federal comprehensive planning assistance (701) funds. Although Mineral Leasing Act amendments now authorize the use of leasing royalties for planning, no special point has been made of this change and little is expected. Nor is it clear that APOs are eligible to receive Mineral Leasing Act funds for planning or that any state would allocate funds to them.

Community development block grants may be used for local planning, but this presupposes that these small communities can prepare an application and meet statutory tests unrelated to boom problems and that the federal government will choose to fund them. Planning funds are needed in advance of the boom, and it is in the federal interest to assure their availability.

Federal funds theoretically are available for capital grants from the flexible block grants and EPA water quality improvement programs. But these often are not available for thinly populated, rapid-growth areas with little sophistication in grantsmanship. Federal financial aid for infrastructure should be conditioned on adequate planning and should be made available before the boom hits. HUD has agreed to make Wyoming the block grant applicant on behalf of its small towns. In all probability, however, priority use of existing federal programs will not prove adequate, suggesting the need for additional legislation to assure front-end planning and capital grants.

Another problem is that town managers and planners rarely are available to teach elected and appointed officials the intricacies of growth management, suggesting the need for a substantial investment in the special governmental know-how so urgently needed in boom areas.

These, then, are among the actions I would recommend that government at several levels should be taking to control the adverse effects of energy-related development in the West. For those seeking one-shot nostrums like a new federal financial assistance program, this list of responsibilities must seem distressingly complex. We won't solve the boomtown problem with more money alone. Pouring in federal or state aid sometimes can prove as mischievous as it is remedial, occasionally requiring higher levels of investment to compensate for a problem caused in part by the growth stimulated by the previous financial injection.

But it is possible to distinguish between wise and foolish development decisions, especially if responsible public officials and concerned citizens take the necessary actions to plan for more rational growth. Perhaps then we can avoid situations like that in Kemmerer and other western boom towns.

Mr. HART. Mr. President, I ask unanimous consent that the bill I have introduced be referred to both the Committee on Environment and Public Works and the Committee on Governmental Affairs, jointly.

Mr. President, this request meets with the approval of both the chairmen and ranking members of the Governmental

Affairs Committee and the Environment and Public Works Committee, as well as the leadership on both sides of the aisle.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

By Mr. PELL:

S. 1494. A bill to secure the rights of blind persons; to the Committee on the Judiciary.

Mr. PELL. Mr. President, today I am introducing legislation to assure to our Nation's blind and visually handicapped individuals the full civil rights which are necessary for them to pursue independent and productive lives and careers. It is a sad fact that blind Americans still suffer from discrimination in the areas of transportation, housing, and public accommodations, and that these discriminatory practices can severely limit the independence of a blind or visually handicapped individual, in some cases posing more of a handicap than the blindness itself.

This legislation was first proposed to me by a distinguished Rhode Island activist for human rights, the late Albert Piccolo, whose poignant letter so clearly stated the facts of life with which so many blind persons have to contend:

This legislation would undoubtedly prevent the frustration, disappointment, and discouragement which quite frequently is the result of our efforts to obtain employment, to secure adequate housing, to gain admission to colleges and technical schools, and to use the various means of transportation and public accommodations. These cherished privileges which are taken for granted by most citizens, if denied to us, can cause unnecessary hardship, a lack of opportunity, and an inability to travel freely and independently.

With the passing of Mr. Piccolo, this endeavor has been championed by a distinguished Rhode Island optometrist who is now himself blind, Dr. Hayvis Woolf, whose concern on behalf of this bill has been deep and steady.

This legislation would simply guarantee visually handicapped individuals an equal right with everybody else to use these services. Without access to routine transportation services, without access to hotels and to equal housing opportunities, and without access to restaurants or business establishments, even the most talented sighted person would suffer in the world of business and commerce. To have a visual handicap and then to be subjected to these forms of discrimination, is to be faced with the most pernicious impediments against personal success.

This legislation also calls upon the President to proclaim a "National White Cane Safety Day" each year to bring pedestrian safety to the public's attention.

I am hopeful that in this year of the White House Conference on Handicapped Individuals, all of us will be more aware of the importance of removing every barrier to the self-realizations of each handicapped person, and that this legislation will be fully considered by the Senate in that light and perspective.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1494

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Bill of Rights of the Blind Act".

POLICY FINDINGS

SEC. 2. The Congress hereby finds and declares that the denial to blind persons of equal access to places or facilities of public accommodation and transportation, to business establishments, and to housing has the effect of impairing the interstate commerce of the United States, both by obstructing the free flow of goods and persons and by preventing blind persons from achieving their maximum potential independence and productivity. To remedy this inequitable and unproductive condition, it is the policy and purpose of this Act to utilize the full authority of the United States Government to secure the civil rights of blind persons from unfair discrimination in accommodations, transportation, business, and housing.

PROHIBITIONS

SEC. 3. (a) No common carrier by air, rail, water, or motor vehicle, or other mode of public transportation, engaged in or affecting interstate or foreign commerce, shall refuse to accept as a passenger any person because of such person's blindness, or because of such person's use of a dog guide or other guidance instrumentality, nor shall any such blind person be required to pay an additional or special fee for the transport of such dog guide or other guidance instrumentality.

(b) No owner or operator of any place of public accommodation, as defined by section 201(b) of the Civil Rights Act of 1964 (42 U.S.C. 2000a(b)), or of any public facility or building covered by title III of such Act, or of any facility or building belonging to the United States or its territories, or the District of Columbia, shall refuse to admit or serve any person because of such person's blindness, or because of such person's use of a dog guide or other guidance instrumentality, nor shall any such blind person be required to pay an additional or special fee for the admission of such dog guide or other guidance instrumentality to such place of public accommodation or to such public facility or building.

(c) No owner or operator of any housing facility or accommodation subject to the provisions of title VIII of the Act of April 11, 1968 (82 Stat. 81; 42 U.S.C. 3601 et seq.), shall refuse to admit any person, as a tenant or otherwise, because of such person's blindness, or because of such person's use of a dog guide or other guidance instrumentality, nor shall any such blind person be required to pay an additional or specal fee, other than a security deposit for damages, for the admission of such dog guide or other guidance instrumentality.

(d) In addition, no person shall engage in any subterfuge, device, or covert strategy for the purpose of achieving indirectly any of the forms of discrimination prohibited by subsections (a), (b), and (c).

WHITE CANE SAFETY DAY

SEC. 4. The President of the United States shall take suitable notice of October 15 as White Cane Safety Day. He shall issue a proclamation in which—

(1) he comments upon the significance of the white cane;

(2) he calls upon the citizens of the Nation to observe the provisions of the white cane law and to take precautions necessary to the safety of the disabled;

(3) he reminds the citizens of the Nation of the policies with respect to the disabled herein declared and urges the citizens to cooperate in giving effect to them;

(4) he emphasizes the need of the citizens to be aware of the presence of disabled persons in the community and to keep safe and functional for the disabled the streets, highways, sidewalks, walkways, public buildings, public facilities, other public places, places of public accommodation, amusement, and resort, and other places to which the public is invited, and to offer assistance to disabled persons upon appropriate occasions.

SANCTIONS

SEC. 5. (a) Any person, firm, corporation, or association who shall violate the provisions of this Act shall be liable to the blind person or persons involved for damages caused thereby, for punitive damages not to exceed $10,000, for each violation, and for reasonable attorneys' fees and other costs of litigation. In determining the extent to which punitive damages shall be imposed the court shall consider the extent to which the offense is part of an ongoing, repeated, or intentional practice, the extent to which such blind person is thereby deprived of the opportunity to lead a full and productive life, the number of persons adversely affected, and such other factors as the court may deem relevant.

(b) Suits for damages or other legal, equitable, or declaratory relief may be maintained in the appropriate United States district court without regard to the amount in controversy or to the diversity of citizenship of the parties. No such action shall be brought later than three years after the date of occurrence of the violation.

(c) Nothing in this Act shall be construed to supersede the laws of any State or territory, or of the District of Columbia. No person shall recover under this Act for harms resulting from actions or conduct which constitute violations of this Act, if recovery has been had under the laws of any State or territory, or of the District of Columbia, relating to discrimination on the basis of blindness, for the same actions or conduct.

(d) It shall be a defense to a claim under this Act that—

(1) the claimant, at the time he sought entry, access, or service, did not have his guide dog or other guidance instrumentality under reasonable control; or

(2) that the claimant was disorderly, abusive, intoxicated, or was excluded from entry, access, or service for other good and substantial reasons not in conflict with the policies and purposes of this Act.

DEFINITIONS

SEC. 6. As used in this Act, the term—

(1) "blind person" means a person whose central visual acuity does not exceed 20/200 in the better eye, with corrective lenses, as measured by the Snellen test, or a central visual acuity greater than 20/200 but with a limitation in the field of vision such that the widest diameter of the visual field subtends an angle not greater than twenty degrees;

(2) "dog guide" means a dog which is fitted with a special harness or collar suitable as an aid to the mobility of a blind person, which has been specifically and adequately trained to serve blind persons, and which is in use by a blind person as an aid to his personal travel, movement, or safety; and

(3) "other guidance instrumentality" means an animal or device specifically and adequately trained or designed for use by blind persons as an aid to personal travel, movement, or safety.

By Mr. PACKWOOD (for himself, Mr. BELLMON, Mr. CASE, Mr. CHAFEE, Mr. DOMENICI, Mr. DURKIN, Mr. GRAVEL, Mr. HART, Mr. HATHAWAY, Mr. JAVITS, Mr. LEAHY, Mr. PELL, Mr. RIBICOFF, Mr. SARBANES, Mr. STAFFORD, Mr. STEVENSON, and Mr. THURMOND):

S. 1495. A bill to authorize the Secretary of Transportation to make grants for the construction of bikeways; to the Committee on Environment and Public Works.

THE BIKEWAY TRANSPORTATION ACT OF 1977

Mr. PACKWOOD. Mr. President, last year, Congress appropriated approximately $51 for each car, truck, and bus in the United States for the improvement of our Nation's highways. We spend $7 billion annually on these machines which pollute the air, clog our streets, and have been the primary reason for the energy crisis and our dependence on foreign nations for fuel.

On the other hand, we provided for the expenditure of an amount equivalent to only 12½ cents per bicycle to encourage their use. One would think the Congress is trying to encourage the use of automobiles and discourage the use of bicycles. We will spend in 1978 as much on the reconstruction of the highway between Key West and Key Largo, Fla., as we did last year on bicycle paths and other bike facilities in the entire Nation.

Bicycles create no pollution. They use no energy. They improve the fitness of the cyclist. They reduce rush hour traffic. They are enjoyable to ride. At no time in our past has there been a more appropriate time to encourage the use of bicycles. This is the era of urban bicycle use and Congress needs to provide some leadership in its encouragement.

After we were able to appropriate $6 million last year for bikeway demonstration projects nearly 500 applications for money came in from all 50 States. This figure should have an impact on every Senator. It means that an average State had 10 bikeway projects that it wanted funded. We were only able to provide money for 41 projects, so each State still has an average of 9 projects that local governments feel are deserving bikeway construction or improvements.

Today I propose that we spend $45 million, or 55 cents per bicycle, on an expanded version of this demonstration project. This money should develop bikeways for both commuting and recreational uses. It should emphasize safety. Bikeways need to be built for transportation purposes because bikes are no longer just the toys of children. The clear increase in bicycle use and ownership has been in the 18 to 45 age category. If you look at bicycle racks near any significant urban employment center you will note that they are usually crowded beyond capacity.

Under my proposal, the money would come from two sources. Half would be appropriated from the highway trust fund and the other half would be appropriated from the U.S. Treasury. In the past, an amount of money in the trust fund has been made available for use by State and local governments for bikeways, but there has never been a guarantee that the money would be so used. The $45 million I propose would be used for bikeways only. In order to insure the commitment of any project by the local government, the Federal Government will contribute 80 percent of the funding for any one project. The rest must be provided by the State or local government.

If we appropriate this $45 million it would still only provide for the construction of roughly one-third of the bikeway projects applied for last year. We would still only be funding the best possible projects. And, of course, the best ideas for bikeways are just now being developed. These ideas include converting abandoned railroad tracks and stations to bikeways and stop-off centers, using towpaths next to old transportation canals, or the rights-of-way of irrigation and drainage canals. San Marco, Calif., needs money to provide tricycles to a senior citizen community center. Other communities are putting bikeways adjacent to urban streams. We now have a coast-to-coast bikeway from Astoria, Oreg., to Washington, D.C. Even urban buses are developing the means to quickly hookup and detach bicycles at specified stops. Washington's Metro subway hopes to provide extensive bicycle lockup facilities at several of its stations.

These and other creative proposals can be funded by the passage of this relatively modest expenditure of money. I ask that each Senator investigate the projects proposed in his State and that he support this plan to encourage an alternative transportation system.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1495

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Bikeway Transportation Act of 1977".

SEC. 2. For the purpose of this Act, the term—

(1) "Secretary" means the Secretary of Transportation;

(2) "bikeway" means a bicycle lane or path, a bicycle traffic control device, a shelter or a parking or a support facility to serve bicycles and persons using bicycles;

(3) "urban territory" means an area so designated by the Bureau of the Census within boundaries to be fixed by responsible State and local officials in cooperation with each other, subject to approval by the Secretary. Such boundaries shall, as a minimum, encompass the area of each urban territory within a State as designated by the Bureau of the Census; and

(4) "State" means any of the fifty States, the District of Columbia, or Puerto Rico.

SEC. 3. (a) The Secretary is authorized to make grants to States and to municipalities wholly or partly within urban territories for projects for the construction of bikeways. Such bikeways shall be for commuting and for recreational purposes. Such bikeways shall be located in urban territories or shall connect such areas with other urban territories or national, State or local parks, seashores or recreational areas.

(b) The Federal share of any project for the construction of a bikeway shall be 80 per centum of the total cost of such project. The remaining 20 per centum of such cost shall be paid by the grantee.

(c) No grant shall be made under authority of this Act unless such bikeway project is in accordance with a continuing comprehensive transportation planning process carried on cooperatively by States and local communities in accordance with section 134 of title 23, of the United States Code.

(d) The Secretary shall establish by regulation, construction standards for bikeway projects for which grants are authorized by this Act, and shall establish by regulation such other requirements as may be necessary to carry out this Act.

SEC. 4. Grants made under this Act shall be in addition to, and not in lieu of, any sums available for bicycle projects under section 217 of title 23, United States Code.

SEC. 5. There is authorized to be appropriated to the Secretary to carry out this Act, $22,500,000 per fiscal year out of the Highway Trust Fund, and $22,500,000 per fiscal year out of any other money in the Treasury not otherwise appropriated.

By Mr. WILLIAMS:

S. 1497. A bill to incorporate the U.S. Coastal Cadets; to the Committee on the Judiciary.

Mr. WILLIAMS. Mr. President, I am pleased to introduce a measure which is designed to provide a Federal charter to a most deserving organization, the U.S. Coastal Cadets. I have worked closely with officials of this organization and know of their dedication to the young people they lead and represent, and of their determination to make their program a model of highest esteem for the cadets.

The U.S. Coastal Cadets was established in 1969, and incorporated in the State of New Jersey in 1970. It is a nonprofit, educational organization designed to provide youngsters, both boys and girls, with a working knowledge of subjects related to the maritime services. There are approximately 2,000 young people around the country presently involved in the program, with participation rapidly growing and expanding.

The USCC has three different fields of study which a cadet may choose to follow. They are the naval sea, naval aviation, and marine detachments. Each of these fields is designed to give a cadet a well-rounded program. Since its establishment, the USCC has sent youngsters to the naval firefighting school and has aided boaters and participated in rescue efforts in and around the water, particularly the waters of New Jersey and New York.

The U.S. Coastal Cadets has training units operating in Monmouth, Middlesex, Union, Hudson, and Bergen Counties in the State of New Jersey. It also has units formed and operating in the States of California, Missouri, New York, Florida, Texas, Pennsylvania, and the New England States. I have been contacted by leaders of the organizations in those States, urging expeditious consideration of this legislation.

Mr. President, the U.S. Coastal Cadets is in the midst of an extensive expansion program in New Jersey and throughout the country. Because of this rapid

growth, officials of the program are in need of educational materials and training equipment in order that they may continue to provide the cadets with proper training. A congressional charter would make this commendable organization eligible for the Federal surplus equipment they are anxious to acquire.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1497

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That John Vidnanski, Jr., Perth Amboy, New Jersey; Lloyd Pennell, Rahway, New Jersey; Matthew S. Piekarski, Perth Amboy, New Jersey; William J. O'Neill, Carteret, New Jersey; Joseph Russo, Winfield, New Jersey; and their successors, are hereby created and declared to be a body corporate by the name of the "United States Coastal Cadets", a nonprofit corporation, (hereafter in this Act referred to as the "corporation") and by such name shall be known and have perpetual succession and the powers and limitations contained in this Act.

SEC. 2. The persons named in the first section of this Act are authorized to complete the organization of the corporation by the selection of officers and employees, the adoption of a constitution and bylaws, not inconsistent with this Act, and the doing of such other acts as may be necessary for such purpose.

SEC. 3. The object and purposes of the corporation shall be to uphold and defend the Constitution of the United States, to set up basic training units in the State of New Jersey and the other 49 States in the United States of America, and to educate and encourage boys and girls beginning at the age of 12 years to develop interests and engage in seamanship and to further the common interest of its members in related areas.

SEC. 4. The corporation shall have the power—

(1) to hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of real estate;

(2) to contract and be contracted with, borrow money and issue notes and mortgages;

(3) to sue and be sued, complain and defend in any court of competent jurisdiction;

(4) to adopt, alter, and use a corporate seal;

(5) to take and hold gifts, legacies, and devices which will further the corporate purposes;

(6) to adopt, amend, and alter a constitution and bylaws, not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;

(7) to charge and collect membership dues, subscription fees, and receive contributions or grants of money or property to be devoted to the carrying out of its purposes;

(8) to establish, regulate, and maintain offices for the conduct of the affairs of the corporation;

(9) to publish a magazine or other publications;

(10) to adopt emblems and badges; and

(11) to do any and all lawful acts and things necessary or desirable in carrying out the objects and purposes of the corporation.

SEC. 5. Eligibility for membership in the corporation and the rights, privileges, and designation of classes of members shall be as set forth in the constitution and bylaws of the corporation.

SEC. 6. (a) The principal office of the corporation shall be located in Elizabeth, New Jersey, or in such other place as may be determined by the corporation; but the activities of the corporation shall not be confined to that place, but may be conducted through the various States, District of Columbia, and territories and possessions of the United States.

(b) The corporation shall maintain at all times in the District of Columbia a designated agent authorized to accept service of process for the corporation. Service upon, or notice mailed to the business address of, such agent, shall be deemed notice to or service upon the corporation.

SEC. 7. The corporation and its regional districts and local branches shall have the sole and exclusive right to use in carrying out its purposes the name "United States Coastal Cadets". Nothing in this section shall be construed to interfere or conflict with established or vested rights.

SEC. 8. (a) No part of the income or assets of the corporation shall inure to any of its members or officers as such, or be distributed to them during the life of the corporation or upon its dissolution or final liquidation. Nothing in this subsection, however, shall be construed to prevent the payment of compensation to officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors of the corporation.

(b) The corporation shall not make loans or advances to its members, officers, directors, or employees. Any director who votes for or assents to the making of such a loan or advance and any officer who participates in the making of such a loan or advance, shall be jointly and severally liable to the coporation for the amount of such loan until the repayment thereof.

SEC. 9. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

SEC. 10. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its national convention and board of directors. All books and records of the corporation may be inspected by any member, or his agent or attorney, for any proper purpose, at any reasonable time.

SEC. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101) is amended by adding at the end thereof the following:

"(50) United States Coastal Cadets.".

SEC. 12. Upon dissolution or final liquidation of the corporation, after discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets of the corporation may be distributed in accordance with the determination of the board of directors and in compliance with this Act and all other Federal and State laws applicable thereto.

SEC. 13. The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

SEC. 14. The corporation and its officers and directors as such shall not contribute to or otherwise support or assist any political party or candidate for public office.

SEC. 15. The corporation may acquire the assets of the United States Coastal Cadets, a corporation organized under the laws of the State of New Jersey, upon discharging or satisfactorily providing for the payment and discharge of all of the liability of such corporation organized under the laws of such State and upon complying with all laws of the State of New Jersey applicable thereto.

SEC. 16. The right to alter, amend or repeal this Act is expressly reserved to the Congress.

By Mr. WILLIAMS:

S. 1498. A bill to prohibit the sale of children in interstate and foreign commerce; to the Committee on the Judiciary.

ADOPTION PROTECTION ACT OF 1977

Mr. WILLIAMS. Mr. President, I am today introducing legislation that would amend title 18 of the United States Code for the purpose of prohibiting the sale of adoptable children in interstate and foreign commerce.

The thought of selling children is completely abhorrent. What I find even more shocking and objectionable, however, is that this practice has developed into a flourishing enterprise that reaches into every area of the United States, and which has, in recent years, become international in scope. It is this interstate and international aspect of the problem which makes Federal action necessary.

The black market of baby selling exists primarily for the benefit of a small but active number of individuals, including unscrupulous unlicensed adoption brokers who are willing to exploit the emotions and uncertainties of their clients. Unwed mothers, confused and uninformed, are cajoled and misled into giving up their newly born children for sale. The misfortunes, fears, hopes, and frustrations of couples who have been unable to adopt children through legitimate adoption agencies are played upon until the couple, in desperation, is willing to pay almost any price for aid in securing a child. The greatest and most tragic victim is the child sold. The broker involved in this sort of transaction is seldom concerned with the qualifications of the prospective parents for adopting a child. More importantly, the broker rarely provides a reliable and complete medical history from the mother, possibly concealing serious diseases which could cause permanent harm if not treated promptly. The motive of those involved in the black market is not humanitarian concern for the natural mother and prospective parents. The motive is one of personal profit.

The methods employed in obtaining a baby for sale fit into a recurring pattern. A pregnant woman, usually an unwed teen, is contacted by an adoption broker or referred to him by contacts in abortion clinics and private medical practices. She is offered the concealment of her pregnancy and a promise for a good home for her child. In the last 3 months of her pregnancy she is brought to a city on the east coast. She is provided with food, shelter, and an allowance, often allowing her to live in a degree of luxury she has never before encountered. All expenses connected with the delivery are paid by the "baby broker." After the birth a surrender agreement is signed and the child is transferred to the previously selected parents. If the mother should attempt to extricate herself from the arrangement, she is threatened with the prospect of reimbursing the broker for all the expenses incurred over the past few months. This type of pressure almost invariably results in the surrender of the child.

For his role in providing the prospective parents with a child the broker receives what is referred to as a finder fee. This fee, varying in amount, has been known to range as high as $40,000. As in most commodity markets, and we must remember that these children are indeed being treated as commodities, the price is determined by the economic forces of supply and demand. I cannot imagine a clearer and more concise indictment of the immorality of the tragic practice of selling children than this. We are not dealing with the sale of goods and services in this black market; we are dealing with the sale of human life and the future course that life will take. We are witnessing the sale of an individual's identity. We must not allow it to continue.

I believe that Federal action in this matter is warranted and urgently needed. The regular transporting of women and babies between States and across national boundaries makes this black market sale an interstate crime. Agencies of individual States are not capable of conducting the necessary investigations into the majority of cases involving other States and countries. It has been pointed out that in cases involving the importation of women from foreign countries to give up their babies, the State Department, Immigration, and others may hesitate to commit their resources because there has been no violation of existing Federal law. Lack of Federal action in the past has contributed greatly to the freedom of those engaging in the sale of children to continue and expand their activity in this area. The legislation that I am introducing today is intended to provide the needed Federal action which until now has been nonexistent.

The thrust of this proposal is to prohibit the adoption of any child through arrangements that have not been made through licensed agencies and individuals, but rather have been accomplished by the use of barter and coercion.

Mr. President, these newly born infants are defenseless in this matter which will decide the direction their lives will take. They are the future, and must be protected. We must protect them.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1498

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Adoption Protection Act of 1977".

SEC. 2. Title 18 of the United States Code is amended by inserting immediately after chapter 119 the following:

"Chapter 120.—PLACEMENT OF CHILDREN FOR PERMANENT CARE OR ADOPTION IN INTERSTATE COMMERCE

"Sec.
"2521. Definitions.
"2522. Placing or causing the placement of a child for compensation.

"§ 2521. Definitions.

"As used in this chapter the term—

"(1) 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States;

"(2) 'child' means any individual who has not attained the age of 16 at the time such child is placed for permanent care or adoption; and

"(3) 'permanent care' means that a child is receiving a majority of his support for a period of not less than one year by any person who is not a parent, grandparent, sibling, aunt, uncle, guardian or a person authorized by law to provide such support or to place children for adoption.

"§ 2522. Placing or causing the placement of a child for compensation.

"(a) Except as provided in subsections (c) and (d) any person who, directly or indirectly, knowingly solicits, provides, or receives anything of monetary value or the promise of anything of monetary value for seeking or causing to place, placing, or arranging to place any child for permanent care or adoption shall be fined not more than $15,000 or imprisoned not more than 10 years, or both.

"(b) The provisions of subsection (a) shall apply in cases in which the child (including the 'in utero' child) is transported in interstate or foreign commerce.

"(c) The provisions of subsection (a) shall not apply to any person who is the parent, guardian, or person seeking to adopt or provide permanent care for a child, or a person authorized by law to place children for adoption if the monetary value solicited or received is—

"(1) not unreasonable (as determined by a court of competent jurisdiction), and

"(2) solicited or received solely for services provided in connection with the placement or adoption.

"(d) The provisions of subsection (a) shall not apply to any person who provides legal services which are solely in connection with the preparation and execution of documents relating to the placement or adoption if the monetary value solicited or received is not unreasonable (as determined by a court of competent jurisdiction).".

SEC. 3. The tables of chapters for part 1 of title 18 of the United States Code and for such title are each amended by inserting immediately after item 119 the following new item:

"120. Placement of Children for Permanent Care or Adoption in Interstate Commerce-------- 2521".

By Mr. MATSUNAGA:

S. 1499. A bill to amend the Child Abuse Prevention and Treatment Act to prohibit the sexual exploitation of children and the transportation and dissemination of photographs or films depicting such exploitation; to the Committee on the Judiciary.

Mr. MATSUNAGA. Mr. President, I am today introducing an amended version of the Child Exploitation Prevention Act. This bill, like S. 1040 introduced earlier by the distinguished Senator from Delaware (Mr. ROTH), would impose criminal penalties on those who photograph, or permit to be photographed, children under 16 years of age, performing or simulating certain proscribed sexual acts. Also subject to criminal penalties would be those who transport and disseminate pornographic material involving children through interstate or foreign commerce. My bill is identical to S. 1040, except for the penalties imposed. I am proposing that the fines for permitting and actually photographing on one hand, and for transporting and disseminating materials on the other, be equalized and that in both cases the minimum-maximum sentences be not less than 1 year and not more than 5 years.

I proposed equalized fines because the person who permits the child to engage in sexual activity or who actually photographs the child is no more an exploiter than the person who transports or sells pornographic materials utilizing children. The production of child pornography is a single transaction—from the adult—in some cases the parent—who permits a child to be photographed, to the dealer who by stocking the material for sale encourages such photography. In fact, it is in the porno market that the profits are made and our laws should punish equally all those who seek to exploit children in any manner.

The use of children in pornographic literature has grown from the greed of porno peddlers to have an edge on the competition—a purely economic motivation. Nothing will reduce the number of sex entrepreneurs faster than the possibility of criminal prosecution, along with conviction made almost certain by the specific language of the statute and the attendant publicity. In fact, a recent article in the Philadelphia Inquirer reported that a child-porno distributor withdrew a widely known child magazine from distribution "because of the public controversy" and his fear of getting involved. The proposed criminal statute will bring this perverse activity even more into the public eye. Child exploiters are out to make money. The threat of a felony conviction should be enough to force many of these exploiters out of the child-porno business. And for those offenders who decide to risk it, a year in prison, or a $5,000 fine, or both, plus an inexpungible criminal record will serve as just punishment.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1499

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child Exploitation Prevention Act".

SEC. 2. The Child Abuse Prevention and Treatment Act (Public Law 93-247, 88 Stat. 4) is amended by inserting at the end thereof the following new sections:

"SEXUAL EXPLOITATION OF CHILDREN

"SEC. 8. SEXUAL ABUSE OF CHILDREN.—(a) Any individual who causes or knowingly permits a child to engage in a prohibited sexual act or in the simulation of such an act shall be punished as provided under subsection (c) if such individual knows, has reason to know, or intends—

"(1) that such act may be photographed or filmed; and

"(2) that any photograph or film depicting such act may be transported, shipped, or mailed through interstate commerce or foreign commerce or may affect interstate commerce or foreign commerce.

"(b) Any individual who photographs or films a child engaging in a prohibited sexual act or in the simulation of such an act shall be punished as provided under subsection (c)

if such individual knows, has reason to know, or intends that any photograph or film made by such individual depicting such act may be transported, shipped, or mailed through interstate commerce or foreign commerce or may affect interstate commerce or foreign commerce.

"(c) Any individual who violates subsection (a) or (b) shall be fined not less than $5,000 nor more than $25,000 or imprisoned not less than one year nor more than five years, or both.

"TRANSPORTATION AND DISSEMINATION OF CERTAIN PHOTOGRAPHS AND FILMS

"SEC. 9. (a) Any individual who—

"(1) knowingly transports, ships, or mails through, or in such a manner as to affect, interstate commerce or foreign commerce any photograph or film depicting a child engaging in a prohibited sexual act or in the simulation of such an act; or

"(2) receives for the purpose of selling or sells any photograph or film which has been transported, shipped, or mailed through, or in such a manner as to affect interstate commerce or foreign commerce, and which depicts a child engaging in prohibited sexual act or in the simulation of such an act, shall be punished as provided under subsection (b).

"(b) Any individual who violates subsection (a) shall be fined not less than $5,000 nor more than $25,000 or imprisoned not less than one year nor more than five years, or both.

"DEFINITIONS

"SEC. 10. For purposes of this chapter:

"(1) The term 'child' means any individual who has not attained age sixteen.

"(2) The term 'prohibited sexual act' means—

"(A) sexual intercourse;
"(B) anal intercourse;
"(C) masturbation;
"(D) bestiality;
"(E) sadism;
"(F) masochism;
"(G) fellatio;
"(H) cunnilingus;
"(I) any other sexual activity; or
"(J) nudity; if such nudity is to be depicted for the purpose of sexual stimulation or gratification of any individual who may view such depiction.".

By Mr. DECONCINI:

S.J. Res. 52. A joint resolution authorizing and requesting the President to issue a proclamation designating the second week of March of each year as "National Children's Week"; to the Committee on the Judiciary.

NATIONAL CHILDREN'S WEEK

Mr. DECONCINI. Mr. President, we celebrate and honor many activities and persons during the year. The joint resolution I am introducing asks the President to designate the second week in March as "National Children's Week."

Children are our most precious national resource. They are for us as individuals an expression of love and a commitment to the future. This is a time, unfortunately, when family values seem to be on the decline; and a time when families themselves lack the stability of past generations.

No resolution passed by the Congress can change these things. But the Congress can overtly demonstrate its commitment to the family and to children. It can recognize, as we do as individuals, that children represent joy and love. It can also recognize that children are central to the family and that the family is the basis for any stable society.

I ask unanimous consent, Mr. President, to have the text of my resolution printed in the RECORD, and I urge my colleagues to join with me in reaffirming the importance of children and family life.

The beautiful words embodied in the resolution were written by a constituent from Tempe, Ariz., Marian Lancaster.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 52

Whereas the children of our nation represent the hope and promise for the future of the United States;

Whereas children provide joy and inspiration to all people and contribute to the beauty and meaning of life; and

Whereas the love and affection given to children helps individuals to love others: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the second week of March of each year as "National Children's Week" and calling upon the people of the United States and interested groups and organizations to observe such week with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS

S. 263

At the request of Mr. MAGNUSON, the Senator from New Mexico (Mr. SCHMITT) was added as a cosponsor of S. 263, to provide for interim regulatory reform as to certain independent agencies.

S. 717

At the request of Mr. WILLIAMS, the Senator from Ohio (Mr. METZENBAUM) was added as a cosponsor of S. 717, the Federal Mine Safety and Health Amendments Act of 1977.

S. 818

At the request of Mr. WILLIAMS, the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of S. 818, to end the use of the Steel-jaw, leg-hold trap.

S. 926

At the request of Mr. CLARK, the Senator from Hawaii (Mr. MATSUNAGA) has been added as a cosponsor of S. 926, to provide for the public financing of primary and general elections for the U.S. Senate.

S. 1014

At the request of Mr. DOMENICI, the Senator from Montana (Mr. MELCHER), and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of S. 1014, a bill to amend the Internal Revenue Code of 1954 to provide a tax credit or deduction to individuals who maintain within their homes a dependent aged 65 or older.

S. 1313

At the request of Mr. PROXMIRE, the Senator from Ohio (Mr. METZENBAUM) was added as a cosponsor of S. 1313, a bill relating to certain cost overruns.

S. 1320

At the request of Mr. STONE, the Senator from Kentucky (Mr. FORD), the Senator from Montana (Mr. METCALF), and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 1320, a bill to amend the Federal Election Campaign Act of 1971 with respect to the filing of reports with State officers.

SENATE RESOLUTION 169—ORIGINAL RESOLUTION REPORTED RELATING TO THE CONSIDERATION OF S. 7

(Referred to the Committee on the Budget.)

Mr. ROBERT C. BYRD. Mr. President, at the request of Mr. METCALF, and on behalf of the Committee on Energy and Natural Resources, I report an original resolution with respect to the consideration of S. 7.

The ACTING PRESIDENT pro tempore. The resolution will be received and printed; and, without objection, will be printed in the RECORD at this point.

The resolution is as follows:

S. RES. 169

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 7, a bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface mining operations, and the acquisition and reclamation of abandoned mines and for other purposes. Such waiver is necessary to allow for authorization of FY 1977 funds for use by the Secretary of the Interior to assist State regulatory agencies to improve their enforcement capabilities in line with the requirements of the interim implementation program established in the Act.

SENATE CONCURRENT RESOLUTION 23—SUBMISSION OF A CONCURRENT RESOLUTION PROPOSING WORLD CONFERENCE ON ENERGY AND CRITICAL MATERIAL RESOURCES

(Referred to the Committee on Foreign Relations.)

Mr. WILLIAMS (for himself, Mr. HUMPHREY, and Mr. PELL) submitted the following concurrent resolution:

S. CON. RES. 23

Whereas the United States is becoming increasingly dependent upon foreign energy and material resources for its economic survival which presents increasing challenges to overall United States national security and domestic economic interests;

Whereas many other nations have been seriously affected by the recent disruptions of the world energy trading system, and by the awareness that the material resources of this planet are not only limited, but are approaching dangerously low levels of reserves in many instances;

Whereas growing energy demands have resulted in increasing reliance on nuclear power throughout the world with concurrent proliferation of nuclear materials and equipment which pose environmental risks and increase the likelihood of nuclear weapons development by nations that do not now have nuclear weapons;

Whereas the United States long run energy and resource security should include efforts to protect the United States from violent disruptions in the international trading system and to develop international agreements which would improve the relia-

bility of that trading system and international strategies and activities which can insure adequate sources of energy and vital material resources at reasonable prices;

Whereas the cost of research and development for increased supplies of energy and critical material resources may be reduced significantly by establishing cooperative international research, development, and conservation mechanisms and by intensifying efforts to discover and develop abundant and economical alternative sources of supply;

Whereas, professional, trade, labor, consumer, manufacturing, research, environmental, educational and other non-governmental organizations, institutions, and individuals have valuable expertise which has the potential to assist in resolving the energy and critical material resource problems now facing our nation and the world;

Whereas, there has yet to be any effective global conference held to formulate international agreements to resolve the multitude of problems in the energy and critical material resource fields and to develop international planning mechanisms, institutions and systems to deal with these issues of vital interest throughout the world. Now, therefore, be it

Resolved by the Senate (The House of Representatives concurring), That the President of the United States is requested to take such action as may be necessary to propose a World Conference on Energy and Critical Material Resources in order to provide an opportunity for all nations to consider international energy and critical material resource problems, to provide for maximum involvement by non-governmental participants, and to establish ongoing international systems to coordinate, evaluate, recommend and implement various energy and critical material resource alternatives and policy options. Such proposal should include—

(1) recommendations for conducting, prior to the conference, a series of workshops for both government and non-government participants for the purpose of considering:

(a) the environmental and economic cost and benefits of current levels of and projections for energy and critical material resource consumption;

(b) the problems facing the international community as a result of the proliferation of nuclear weapons development capabilities;

(c) methods of assuring equitable access to the world's energy and material resources by all nations of the world;

(d) the policy options available for developing these resources; and

(e) the adequacy of current and proposed international cooperative efforts in the field of energy and critical material resources;

(2) the recommendation that the Conference have as its objective the adoption and implementation of comprehensive international agreements to enhance the effectiveness of existing international systems, arrangements and institutions and, where necessary, to develop new international systems, arrangements and institutions, for the purpose of;

(a) providing a clearinghouse for the collection of energy and critical resource information;

(b) strengthening safeguards against proliferation of nuclear weapons capabilities;

(c) creating a center for the analysis of international energy and critical material resource planning and policy, and;

(d) establishing and coordinating energy and critical material resources research and development programs.

Mr. WILLIAMS. Mr. President, today I am submitting a resolution calling on our Government to propose a World Conference on Energy and Critical Material Resources.

Today our Nation faces an ever-growing threat. It is a threat to our national security, our standard of living, and our ability to improve the quality of life for our citizens. It has not dissipated now that predawn trips to gasoline lines are seemingly distant memories. The grim reality is that this threat becomes more ominous every day, as the United States becomes increasingly dependent upon foreign sources for its energy and other critical material needs.

In regard to national energy security, most energy experts agree that we are in a far more precarious position today than we were at the time of the oil embargo in 1973. Today, after a major energy crisis and the proposals of Project Independence, we find that our imports of all petroleum products have increased to over 50 percent of the total supply in recent months.

It is particularly disconcerting that OPEC-enforced increases in crude oil prices have had far-reaching and disruptive impact on our own economic stability. The 1973–74 embargo and the ensuing higher prices resulted in a loss of about 500,000 jobs and approximately $20 billion in our gross national product. The fourfold increase in OPEC oil prices had a tremendous inflationary impact upon our economy. There was an outflow of about $34 billion in 1976 to pay for imported oil, or $160 for each American, 11 times that in 1972. Three years after the supposed end of the crisis the American people continue to face the economic burdens it caused. Even more ominous is the recognition that due to our increased dependence on energy imports, another interruption of our energy supply would be far more disruptive to our economy than the disruption of 1973–74.

It is equally alarming to see that during this critical period domestic oil production has reached its lowest level in 10 years. The average production rate in 1973 of crude oil and condensate was 9.2 million barrels per day. The current level is reportedly only 8.1 million barrels per day. This reduction will significantly offset the anticipated relief to be brought by the estimated 1.2 million barrels a day we hope will be provided by the Alaskan pipeline upon completion this year. Even the possible realization of an additional 2 million barrels a day from the development of the Outer Continental Shelf will not be sufficient to guarantee independence from foreign oil sources in the near future. It is rapidly becoming evident that as long as our Nation has a high dependency upon petroleum to meet its energy demands, it will also be forced to rely upon oil imports and be a major participant in the international energy trading system.

DOMESTIC ISSUES AND INITIATIVES FOR ENERGY SUFFICIENCY

Two important policies that the United States has attempted to implement as a result of the energy crisis are the development of alternate energy resources and a commitment to increased energy conservation. Both are clearly necessary, but the progress toward reducing dependence on foreign energy sources has been very disappointing.

The potential for energy conservation in the United States is very clear. In 1960, the U.S. annual consumption of energy was 247 million Btu's per capita. By 1973, a peak consumption rate of 359 million Btu's per capita had been reached. This was followed by a period of short term conservation, necessitated by the energy being coupled with our domestic recession, and leading to a temporary decline in consumption. In 1975, per capita energy consumption was down to 335 million Btu's. Last year, however, saw a 1.8 percent growth in energy consumed—344 million Btu's per capita. It has been projected that by the end of 1977 we will hit the previous peak of 359 million Btu's. I might also add that our current consumption rate is more than double that of other large industrial nations.

Our Nation consumes about 33 percent of the world's energy supply. Our large consumption and its relationship to our productive capacity clearly indicate some of the difficulties the United States will face in its pursuit of energy sufficiency. Much of this consumption of energy is unnecessary, and often wasteful. The new administration and Congress have the opportunity, perhaps here as nowhere else, to provide positive leadership to the American people in creating a national energy conservation ethic. By creating an energy conservation ethic, we can both reduce our current energy consumption and provide for an orderly assessment of the direction of our energy development program. This would begin a process of thoughtfully weighing our energy options and accurately evaluating how realistic and hazardous the current pursuit of energy sources actually is. As a first step, forceful conservation policies can insure that the enormous rate of additional consumption will decrease in a manner that will not seriously affect our economic stability. However, conservation alone will not be adequate to provide for our future energy needs.

Concurrently, the development of alternate and additional energy resources must be continued and expanded, with constant surveillance of their environmental and economical impact. Coal, the most frequently cited alternative, lies in reserves that could reportedly meet energy needs for several hundreds years at the current rate of consumption. Although the development of our coal resources is critically important, the unfortunate technical facts regarding its use suggest that it also cannot completely solve our future energy problems. The processes of coal extraction and conversion are highly expensive, and their possible adverse effects on the environment could be tremendously costly to society in the long run.

We must also realize that the coal reserves may not last as long as has been forecast. The President's Council on Environmental Quality has estimated that only 30 percent of the coal we extract actually reaches the final user. The rest is exhausted in processing, transportation, conversion to electricity, and electrical leakage. As final demand increases, the quantity of coal exhausted in meeting that demand will also rise. Available coal reserves will be more rapidly depleted, and the problem of finding other sources will still be unsolved. A growth rate of energy consumption of only 7 percent annually would mean doubling energy use every 10 years. This would quickly shorten the time that coal could meet our national energy needs.

The possibility of increasing our Nation's nuclear energy dependency has also been presented as a solution to the problem of energy self-sufficiency. However, it appears that even if all necessary safeguards are implemented, and the critical environmental and safety issues are finally resolved, nuclear energy will not be a panacea. The Symposium on the Exploration of Uranium Ore Deposits held in Vienna in April 1976, found that expected nuclear power production until the end of this century will require an estimated 4 million short tons of uranium. To meet this demand, discoveries of new uranium deposits will have to rise from the current average of 80,000 short tons per year to about 300,000 short tons per year by 1990, and to almost double that in the following decade. At best nuclear power could supply half of our electricity by 2000, which would represent about one-fourth of our total national energy input.

Our own domestic reserves of uranium are limited in supply. While the element itself is relatively common in some parts of the Earth's crust, future availability of processed uranium for commercial use will depend heavily on its price, currently over $40 a pound and increasing. If the United States irrevocably commits itself to nuclear energy, we may be required because of the rising worldwide demand for energy to accept some dependency on foreign supply at increased prices.

Other potential sources of energy are now being investigated; among them are nuclear fusion, solar and wind energy, biological energy conversion, and development and use of geothermal resources. The costs of such research will be high, but it is clear that they are necessary. In addition, the capital investment for these technologies will remain very expensive. However, without an adequate energy supply that the alternatives could provide, the United States will find itself confronted with a serious threat to its economic base, and the imposition of severe hardships on the lives of its citizens.

THE THREAT OF NUCLEAR PROLIFERATION

Another critical nuclear energy problem has arisen because of the significant increase in the export of nuclear materials and technology throughout the world. At the present time Iran, South Korea, Brazil, Argentina, and several other developing nations are in the process of investing several billions of dollars in nuclear development. The number of nations which export is growing and competition to sell nuclear technology is increasing. In addition, as more facilities for the full nuclear cycle are being exported, commercial competition will reduce the ability of any individual exporting nation to impose safety and accountability standards on purchasers, and at the same time, the potential of importing nations to produce nuclear weapons will increase rapidly.

The dangers inherent in nuclear proliferation were prominently demonstrated by India's nuclear detonation in 1974. Since the Indian detonation several other nations have been seeking to purchase full fuel cycle facilities in addition to reactors. Either fuel reprocessing plants or uranium enrichment plants are needed by many of these nations to develop the high grade materials which can be used in nuclear weapons.

The nuclear exporting nations have realized that cooperation is essential to limit the spread of nuclear weapons options to several more nations. This widespread realization led to the United States initiating the 1975 London meetings of the major nuclear exporting countries which resulted in an agreement that International Atomic Energy Agency—IAEA—safeguards would be applied to all future export transactions. The problem with the safeguards system, as with any international commitment, is that the restraints on abuses are purely political commitments. It is entirely conceivable that nations with nuclear technology could renounce the safeguards agreement and develop nuclear weapons.

In improving upon the existing limited consensus to inhibit the spread of nuclear weapons, a wide range of national interests must be considered. Then, the limited consensus on safeguards must be expanded to include controls on the export of nuclear fuel facilities themselves.

A World Conference on Energy and Critical Material Resources must place special emphasis on the critical issue of nuclear proliferation. The national economic interests of nuclear suppliers and users must be addressed realistically. There is only a little time left to accommodate the suppliers' and purchasers' common economic interests in a manner that effectively protects against the likelihood of nuclear weapons development spreading throughout the world.

U.S. COMMODITY DEPENDENCE

One significant aspect of the energy shortage has been the increased recognition that this planet offers a finite supply of material resources, which are being consumed at ever-growing rates. As the most advanced industrial nation, the United States depends upon these commodity supplies to a greater extent than any other nation in the world. The ability to meet its material resource demands is of crucial importance to continuing the Nation's economic expansion and sustaining our customary standard of living. Again, as in the case of energy, the prospects for complete self-sufficiency are increasingly bleak.

The United States currently depends upon imports for more than half of our supply of six basic raw materials; bauxite, chromium, manganese, tin, tungsten, and zinc. Although in some cases unlikely, embargoes or unilateral increases in the prices of these commodities would have the devastating effects upon our domestic economy similar to those that accompanied the recent OPEC-enforced measures. There seems to be a growing tendency to price resources in relation to the social aspirations of the exporting nation rather than in relation to the cost of production. The possibility of a series of individual commodity cartels being formed is an alarming one, and it would be in the best interests of the United States to adopt policies that would discourage their realization. The most desirable means of accomplishing this would be through a process of international cooperation, rather than a system of intensified national competition.

The problems of material commodities will soon reach crisis level if forecasted population and consumption trends are correct. Conservative estimates put global population at nearly 15 billion within the next century. Such growth will undoubtedly place enormous strains on many nations, and on the ability of those nations to provide their citizens with the necessities of life. Continuous population growth will require increased economic growth for the mere preservation of present standards of living to avoid the threats of internal disorder and political upheaval. This increased economic growth will be dependent upon the availability of resource reserves in an open trading system. Numerous studies have shown that many of these reserves are at critically low levels, and that increased depletion will exhaust resources even sooner. Therefore, it is of paramount importance for the United States to undertake coherent and coordinated steps to provide for its future resource needs. The need for domestic and international initiatives by this Nation is imperative if we are to avoid future disruptions. The international arrangements designed to cope with price instability, shortages, and structural problems must reflect the importing nations' interests in access to supplies and a predictable investment environment, as well as the exporting nations' interests in access to markets and stability in export earnings.

THE INTERNATIONAL NATURE OF ENERGY AND MATERIAL RESOURCE REQUIREMENTS

The United States is not alone; its future access to external supplies of fuel and resources depends upon the plight of many other nations around the world. The disruptions of the international energy marketing system have actually had more severe economic, social, and political impacts on many other countries. Indeed, much of the current international economic instability may be traced directly to the imposition of the oil embargo and subsequent crude oil price increases. As a result, developed and developing nations alike have launched desperate searches for the energy and resource security that is necessary for economic growth. In the process, they have also begun to realize that as a rule independent economic growth is not feasi-

ble. A new awareness is emerging from the realities of interdependence, that national interests can often be advanced most effectively by meeting common challenges through a cooperative effort. We have already seen this awareness manifest itself in international cooperative efforts in the areas of environment, food, population, and trade.

The limited energy and resource reserves are scattered unevenly throughout the globe, often to be found within the boundaries of nations lacking the capital and technological ability necessary for their development. Prudence demands that we formulate an international strategy for long-range decisions on responsible resource development and distribution. During the course of this process, we must consider the particular situations of the nations of the developing world, where a great deal of the Earth's raw materials are to be found. The developed nations, through their technology and capital, can make contributions which expand the availability of resource supplies and reduce the opportunity for cartel activities.

It is clear that the overwhelming majority of the imminent problems of energy and critical commodities are interrelated and international in scope. It is also alarming that there has not been a comprehensive discussion of these issues in a truly worldwide forum. This is the reason I am introducing this resolution calling for a World Conference on Energy and Critical Material Resources.

The unique opportunities available to the United States as a result of international cooperation in this critical area are obvious. The costs of energy and material resource research and development will be fantastically high; a decision on the part of the United States and other affected nations to bear the burden of these costs independently could lead to exorbitant budget burdens, duplication of effort, and needless waste. For example, it is estimated that if we were to rely on coal gasification to meet the projected shortages of natural gas by 1985, the capital cost alone would be $200 billion. A joint effort in developing technological innovations would reduce the U.S. share of the initial costs, yet allow our Nation to share with other nations the many advantages advanced technology could provide. The costs of technology development and the benefits it can produce make joint efforts a very attractive approach. In any event, even if we do "go it alone," the likely result would be that the U.S. research costs would eventually subsidize programs for other countries who will add to our technology.

Other important aspects of global cooperation in the energy and resource fields are the long-range benefits that such an effort would provide the United States. The formulation of a mutually beneficial strategy for international research, development, and allocation could result in the energy and commodity security which is so vitally important to continued economic growth.

Furthermore, international cooperation could result in a reasonable stabilization of energy and commodity price levels. Arbitrary and politically motivated price increases would be discouraged by the increased number of suppliers and availability of vital resources and by the firm international resolve to seek new sources of supply. One isolated price increase would not necessarily lead to a series of increases in other resource areas and the tendency toward imbalances in the international trading system, and strife in the world's economies would be greatly inhibited.

Finally, a better stabilization of prices coupled with the development of alternate energy sources, could have a positive effect on the United States' export market. Improving the developed and developing nations' domestic sources of energy could alleviate the burdens of the huge deficits in their balance of payments caused by importation of foreign oil and allow them to spend more on the technology which we are in the best position to provide.

There have been modest international initiatives taken in the areas of energy and resource development since the energy crisis in 1974. Unfortunately, however, those measures that have been undertaken were either inadequate or too restrictive to provide the needed cooperation and coordination.

INTERNATIONAL CONFERENCES AND PROGRAMS

The United Nations has long been involved in energy and commodity research and development. At least five international agencies have substantial programs underway in these fields. These include: the International Atomic Energy Agency—IAEA; the U.N. Educational, Scientific, and Cultural Organization—UNESCO; the U.N. Environmental Program—UNEP; the U.N. Conference on Trade and Development—UNCTAD; and the World Meteorological Organization—WMO. Present international activity regarding energy and commodity problems is diverse, but it is also lacking central coordination. Its system has failed to provide a global focal point for energy and critical resource studies, planning, evaluation, and establishment of priorities. This lack of direction has prevented the formulation and implementation of the overall multilateral strategy needed to combat the problems we face.

Other attempts have been made at joint cooperation, but they, too, have been inadequate because of their structures and composition and uncertain objectives. Bilateral and regional agreements have been made which exclude major sectors of the international community, and which are limited in scope. For example, the European Economic Community has agreed to seek closer ties with the Arab nations. These new ties will seek to include the exchange of oil for technology and capital goods. However, they do not reduce the EEC's dependence on foreign oil imports, or aid significantly in the development of alternate sources.

There have been a number of international meetings dealing with energy and resource problems since 1974; all have suffered from major shortcomings which have seriously affected their long-term effectiveness. The Sixth Special Session of the United Nations met in April 1974, to consider the problems of population, food, poverty, arms, energy, and the world monetary system. The Third World nations at the session expressed their desire to discuss the energy situation and its relationship with the problems of raw materials, development, and monetary reform. However, no followup was made on the issues presented.

The Washington Energy Conference of February 1974 was called by the United States for the purpose of forming an oil consumer organization to confront and counteract OPEC. Other nations in attendance preferred a more conciliatory approach; therefore no such organization was created. This Conference did, however, lead to the creation in November 1974 of the International Energy Agency—IEA—under the auspices of the Organization for Economic Cooperation and Development—OECD. The limited membership of the IEA makes it inappropriate as a global forum since it is primarily a United States-European organization without representation from the developing states of the Communist-bloc nations. These nations must be included if an effective global effort is to be launched. The centrally planned economies comprising the Council of Mutual Economic Assistance—COMECON—for example, account for 20 percent of total world output of energy production. In the last 4 years, trade between the OPEC and COMECON nations has increased fourfold. Continued economic interaction between these nations will require more encompassing agreements on energy and resource planning.

Another attempt at an international cooperative effort was made in Paris during April 1975. Representatives of the oil-producing nations and the Third World met with representatives of the developed nations to discuss the formation of a permanent international organization dealing with energy and other related matters. That Conference quickly broke down; partly because of U.S. insistence that the discussions be limited to energy. The United States later changed its position on that limitation, resulting in the Conference on International Economic Cooperation—CIEC—held in December 1975. This unique conference has brought together 27 nations, representing the three crucial elements in global economic planning: the Industrial Developed Nations of the OECD; the newly rich oil producing nations of OPEC; and the developing nations of Africa, Asia, and Latin America.

Although stalled as a result of our Presidential elections, the CIEC negotiations have been moving for over a year now, and they may very well set the pace for much of our future international economic policy. The Conference has divided into four subgroups dealing with raw materials, development, international financing, and energy. I believe that a World Conference such as I propose would complement the work of the energy and raw materials commissions of the CIEC, and provide a valuable impetus to that entire conference.

One of the problems with the CIEC meetings is that it offers limited representation for the developing states, and no representation at all for the COMECON nations, thereby clouding its global nature and perhaps limiting the potential application of its results.

In light of the history of inadequate efforts I believe it is imperative for the United States to propose a World Conference on Energy and Critical Material Resources that would deal with these problems in a truly international forum. The expressed intent and purpose of this Conference should not only be the collective consideration of energy and material resource problems of common concern, but to actually set in motion the agreements necessary to solve these problems, and to provide for the equitable, and judicious use of the available resources on this planet. The Conference should not be seen as merely an international airing of official positions; it should serve as a foundation for ongoing mechanisms to develop and distribute the precious resources of our world.

While dealing with immediate problems such as resource shortages and price increases, the Conference must also concern itself with long-range needs and planning. In the process of this planning it should strengthen international systems for the research and development of energy and critical resources. There should be included among the functions of this system a clearinghouse for energy and resource information; a center for analysis of international policy and planning; an office of research and development and conservation of resource and energy sources and alternatives. The United States should also propose a series of multilateral workshops preceding the Conference to provide the Conference participants with sufficient prior understanding to provide the foundation for agreements to be adopted at the Conference. Topics for these workshops would include: the international environmental and economic costs and benefits of nuclear power development; the location and characteristics of renewable and nonrenewable energy and critical material sources, and the policy options involved in developing them; the ongoing mechanisms which will be required to implement the policy decisions made by the Conference.

EFFECTIVENESS OF INTERNATIONAL ORGANIZATIONS

In advocating an international strategy with ongoing international institutions to implement it, I am very concerned about the recent Senate study that pointed out the serious problems the United States now faces in participating in international organizations. The increasing use of international forums for political actions have severely reduced their effectiveness in several instances. A leading cause of the challenges being presented to the United States is the low priority our foreign policy has accorded international organizations in the past. The failure of a sustained American diplomatic effort to insure the effectiveness of international organizations has encouraged some nations to believe that they can take any political actions with no consequences. With a vigorous diplomatic effort, the United States can counter the excesses of nations which would abuse the purposes of the international organizations to which we belong. Such an effort is long overdue.

Involvement in these organizations does provide the United States with the opportunity to resolve the important problems that exist in an interdependent world. The World Conference on Energy and Critical Material Resources would be an ideal forum to begin a dedicated and imaginative foreign policy effort to improve the effectiveness of these institutions. It is in the long-range interests of the United States and the other nations which participate to be sure that international organizations are pursuing their legitimate objectives efficiently.

PRIVATE ORGANIZATIONAL PARTICIPATION

An important part of any World Energy and Critical Resources Conference should be the participation of the individuals and private organizations concerned with this area. At each of the past major international conferences, there has been organized a parallel conference for nongovernmental organizations or "NGO's" from around the world. These NGO conferences, often called forums, provide a nonofficial meeting ground for some of the world's most respected academic and citizen leaders to discuss the issues at hand.

An example of the kind of nongovernmental talent available is that which exists in the U.S. National Committee, World Energy Conference. The USNC was organized over 50 years ago, and today it includes representatives of industry, technical societies, educational institutions, and the general public. This organization provides a valuable forum for those interested in energy policy, energy technology, and energy use in the United States and throughout the world. Through relationships with other national committees of 72 nations, this organization has close contact with those involved in energy issues around the globe.

I would envision a NGO forum, meeting alongside the World Conference, which would include, in addition to major academic leaders, leaders from labor, civic, environmental, foreign affairs, consumer, and business groups from many countries. I am convinced that such a NGO forum would lead the way for the conference to come to grips with the energy problems we are all facing. Further, it would be of great assistance in promoting a consensus on the recommendations made within the nations that participate.

CONCLUSION

Every nation is concerned about protecting its own national security and economic well-being. One of the greatest threats to the national and economic security is in the possible disintegration of international order. Power politics and wasteful duplications of effort must be supplanted by effective international mechanisms of rational decisionmaking and an equitable distribution of the burdens and benefits of meeting these challenges now facing us. Political leaders throughout the world are under enormous pressure to promise short-term domestic benefits and try to place the costs on other nations, on future generations, and on the environment. The Earth, the air, the seas, and posterity have no political representation. But our failure to act wisely now will increase the likelihood of catastrophic impacts on this planet and our society in the future.

A coordinated international program to solve these common global problems is infinitely preferable to sporadic, uneconomical and self-defeating efforts on a national level. Our faith in our Nation and in our ability to cooperate in areas of mutual need makes it imperative that we take the initiative to promote the survival with dignity of human beings on this planet.

AMENDMENTS SUBMITTED FOR PRINTING

APPOINTMENT OF ADDITIONAL JUDGES—S. 11

AMENDMENT NO. 268

(Ordered to be printed and to lie on the table.)

Mr. HUMPHREY (for himself and Mr. ANDERSON) submitted an amendment intended to be proposed by them jointly to the bill (S. 11) to provide for the appointment of additional district court judges, and for other purposes.

CLEAN AIR ACT AMENDMENTS OF 1977—S. 252

AMENDMENT NO. 269

(Ordered to be printed and to lie on the table.)

Mr. CANNON. Mr. President, on behalf of myself and my distinguished colleague, Senator LAXALT, I submit an amendment which we intend to propose to S. 252, the Clean Air Act amendments, and I ask unanimous consent that the text of the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 269

Insert after line 1, p. 10.

Provided, That existing nonferrous smelters which have no continuous sulfur emission controls may be authorized on a case by case basis to employ enforceable intermittent emission reduction strategies for not more than two periods not to exceed five years each to avoid cessation of smelter operations.

NOTICES OF HEARINGS

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. PROXMIRE. Mr. President, I wish to announce that the Committee on Banking, Housing and Urban Affairs will hold hearings on S. 71, S. 73, S. 895, and S. 1433. These bills would increase the supervisory powers available to the financial regulatory agencies, proscribe interlocking directors among financial institutions, increase the authority of the FDIC over State insured nonmember banks in limited circumstances, and proscribe revolving door employment practices at the financial regulatory agencies. The hearings will be held on Tuesday, May 24 and Wednesday, May 25 at 10 a.m. in room 5300, Dirksen Senate Office Building.

INVESTMENT OF PUBLIC MONEYS BY THE SECRETARY OF THE TREASURY

Mr. PROXMIRE. Mr. President, I wish to announce that the Committee on Banking, Housing, and Urban Affairs will hold a hearing on H.R. 5675, a bill to authorize the Secretary of the Treas-

ury to invest public moneys, and for other purposes.

The hearing will be held on Monday, June 6, 1977. It will begin at 10 a.m., room 5302, Dirksen Senate Office Building.

Anyone who wishes further information regarding this hearing should contact Elinor Bachrach, room 5300, Dirksen Senate Office Building, 202–224–7391.

TREATIES

Mr. SPARKMAN. Mr. President, on April 28 I announced that hearings had been scheduled on a number of treaties by the Committee on Foreign Relations.

At the request of the administration, we have made three changes in that schedule: First, the hearings on the Vienna Convention on the Law of Treaties, Ex. L. 92–1, will be held on July 12 rather than June 7. Second, hearings on the transit pipeline treaty with Canada and the protocol of amendment to the Rio Treaty, Ex. F, 95–1 and Ex. J, 94–1, respectively, will be held on June 7 rather than July 12. Third, hearings on the three human rights covenants, which had been scheduled for June 21 and 22, have been postponed to an as yet undetermined date.

In addition, the committee has scheduled hearings on five tax treaties on July 19 and 20. These treaties are the Convention with Israel, Ex. C, 94–2; the Convention with Egypt, Ex. D, 94–2; the Convention with the United Kingdom, Ex. K, 94–2; the Convention with the Republic of Korea, Ex. P, 94–2; the Protocol to the 1975 Income Tax Convention with the United Kingdom, Ex. Q, 94–2; and the Convention with the Republic of the Philippines, Ex. C, 95–1.

Any person who wishes to testify on any of these treaties should notify the chief clerk of the committee, Abner Kendrick.

ADMINISTRATION OF THE NATIONAL PARK SYSTEM

Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate and the public, the scheduling of a public hearing before the Parks and Recreation Subcommittee of the Senate Energy and Natural Resources Committee.

The hearing is scheduled for June 8, 1977, beginning at 10 a.m., in room 3110 of the Dirksen Senate Office Building. Testimony is invited regarding S. 975, a bill to improve the administration of the national park system.

For further information regarding the hearings you may wish to contact Mr. Thomas Williams of the subcommittee staff on extension 47145. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Parks and Recreation Subcommittee, room 3106 Dirksen Senate Office Building, Washington, D.C. 20510.

NOMINATION OF ADRIAN PAUL WINKEL TO BE HIGH COMMISSIONER OF THE TRUST TERRITORY OF THE PACIFIC ISLANDS

Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate and the public, the scheduling of a public hearing before the Committee on Energy and Natural Resources on the nomination of Adrian Paul Winkel to be High Commissioner of the Trust Territory of the Pacific Islands.

The hearing is scheduled for May 16, beginning at 10 a.m. in room 3110, Dirksen Senate Office Building.

For further information regarding the hearing you may wish to contact Mr. James P. Beirne of the committee staff on extension 224–9894. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Committee on Energy and Natural Resources, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

ADDITIONAL STATEMENTS

THE EFFECTIVENESS OF FOOD STAMPS FOR THE ELDERLY

Mr. MELCHER. Mr. President, on April 18 and 19, I chaired hearings of the Special Committee on Aging on "The Effectiveness of Food Stamps for the Elderly." We heard witnesses from the Department of Agriculture, National Aging Organizations, elderly consumers of stamps, interest groups, and Members of the Senate present their views on what we could do to help the elderly participate in the food stamp program.

The fact clearly demonstrated is that the elderly simply do not participate in the food stamp program to the degree that should be expected. We learned that of the 17.3 million food stamp participants only about 6 percent are elderly and we wanted to know why that was so. One of the reasons that was repeated time and again was that the program was just too complicated. All the redtape discouraged the elderly from applying. Related to the redtape problem is the fact that elderly people applying for food stamps had to go to other offices to apply for other service programs. That obviously involved travel that can be particularly hard on older people. And, we also found that more than 40 percent of elderly participants are certified eligible for stamps for less than 9 months at a stretch.

To come to grips with these most-often-mentioned problems, Senator CHURCH and I introduced a bill, S. 1272. That bill basically does three things. First, it eliminates the purchase price of food stamps. With the elderly trying to get along on such tight budgets it was our view, a view shared by the White House, that whatever we could do to help keep extra cash in the pockets of the elderly would be to their benefit.

Eliminating the purchase price would work like this: people now eligible for $50 worth of food stamps might have to pay $38 to get them. Under the new arrangement, people could hang on to that $38 and instead would receive $12 worth of food stamps. I am very pleased that this provision for all food stamp participants was agreed to by the Senate Agriculture Committee and is now included in the food stamp reform proposals that will be coming to the floor shortly.

Our bill also had two other provisions. For one thing, it would allow households with one or more elderly people, but no wage earners, to be certified for 1 year without returning to the welfare office. As a member of the Agriculture Committee, I offered that provision as an amendment to the President's food stamp proposals, and the committee accepted it. We do not see any good reason for shuttling the elderly in and out of the food stamp office for recertification when one certification a year can help ease the burdens they now have to endure in order to participate in the program.

One other feature of the bill Senator CHURCH and I introduced makes it possible for SSI and social security beneficiaries to apply for food stamps at the social security office. We wanted that provision to be made a required feature of the Food Stamp Act. The Agriculture Committee approved the idea, but did not make it mandatory. We are very hopeful, however, that a good testing of this proposal will show that it is workable, sensible, and worthy of becoming a permanent part of the food stamp program.

The Aging Committee's hearings on food stamps have clearly paid some dividends. But those hearings revealed another problem. They showed that the rural elderly very often just are not aware of the existence of the food stamp program. I am sorry to say that despite the expert witnesses who appeared before the committee, a good solution to this problem of outreach did not materialize. But, I believe it is so serious a problem that I offered, and the Senate Agriculture Committee accepted, an amendment to provide for test projects to discover better ways to tell more elderly people in rural areas about the food stamp program, how it can help them, and what people have to do in order to qualify.

The bill that will come to the floor will include these and other provisions to make food stamps a more effective program for the elderly. We have eliminated itemized deductions and replaced them with a standard deduction. We have provided a way to deal with rising fuel costs by providing another deduction of up to $75 for shelter costs. Moreover, we have made it clear that the dependent care deduction in the bill will apply to dependents regardless of age.

The Aging Committee hearings on food stamps played a major role in promoting amendments aimed at improving the food stamp program for the elderly. I am pleased we were able to accomplish what we have and I know that Senator CHURCH and my other colleagues on the committee will continue to be alert to suggestions to make food stamps a more fair and effective resource to the elderly of this country.

SPEAKER O'NEILL: MAN OF DECISION

Mr. PERCY. Mr. President, THOMAS "TIP" O'NEILL, Speaker of the House of Representatives, is proving to be one of the strongest and most outspoken Speakers in the Nation's history.

The Speaker is a man of decision. He has shown this characteristic most recently in response to the energy crisis

as the House has started the job of considering President Carter's energy proposals.

TIP O'NEILL's endorsement of the Alliance To Save Energy—a private, nonprofit, nonpartisan organization founded earlier this year by Senator HUMPHREY and me—exemplifies his ability to take the lead in responding to the Nation's needs. He serves as honorary chairman of the organization's board of advisers as does the Honorable JOHN RHODES; I appreciate their support and look forward to their assistance.

The Speaker has taken an active part in recruiting House Members to endorse the goals of the alliance and join in the task of implementing a grassroots effort to conserve energy. We are grateful for their support.

Sunday's edition of the Chicago Tribune magazine, May 8, 1977, featured an excellent profile of Speaker O'NEILL titled "When 'TIP' O'NEILL Talks, People Listen," by the very able journalist Harry Kelly of the Tribune's Washington bureau.

I ask unanimous consent that the article on the Speaker and the list of House Members supporting the alliance be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WHEN "TIP" O'NEILL TALKS, PEOPLE LISTEN

(By Harry Kelly)

Thomas "Tip" O'Neill, speaker of the U.S. House of Representatives, comes through his office door with the majestic waddle of a boss bear. He is the kind of old-fashioned politician who goes to wakes and talks to the women in the supermarket, drinks at the VFW, and knows the names of the sons as well as the grandfathers. He has a comfortable manner that suggests cigars, good whisky, laughter and Irish songs, and poker games and back-room deals. He came up the long way in a tough racket. He is one of the boys and looks it.

O'Neill knows, too, that he is a standout in a crowd. There is a true story that gets better with the telling about how O'Neill was hailed by a young, good-looking man at an airport. The young man said, "Hey, Tip O." When he got only a blank stare in reply, the young man said, "Obviously you don't recognize me."

Tip replied: "I'm sorry, but don't feel bad. Everybody knows me. . . . I weigh 280 pounds. I have a bulbous nose, cabbage ears, unruly hair. . . . What's your name?"

"Robert Redford," the young man replied.

On this day, O'Neill is already half an hour behind schedule. His meeting with the Democratic whips, his lieutenants, ran long. The telephones are ringing off their hooks on his secretaries' desks. In 45 minutes he must work in an interview, another meeting, and his daily news conference before greeting the president of Mexico. A female correspondent from Boston Public Television is following him around taking down every word. Old pals are waiting for "just one minute" of the Speaker's time. And O'Neill is as cool as a glacier. He takes one step at a time.

At 64, when most men are waiting for the gold watch, Tip O'Neill has, as speaker of the House, a job that some practical politicians believe is the second most powerful in Washington.

His friends—and they are many—tell a story about O'Neill and a banker. It goes a long way toward defining what kind of politician he is, with that old pol's mixture of compassion and toughness and lovely Irish blackmail.

One day a banker from O'Neill's hometown of Cambridge dropped in on him. He wanted his photograph taken with the next speaker of the House. That kind of picture always looks nice next to the stuffed marlin, to show friendship with power.

During the chitchat, O'Neill asked the banker, "How is Mary McHugh?"

The banker paused. "I don't think I know any Mary McHugh. Should I?"

"She spent most of her life working in your bank," replied O'Neill. "But the last time I saw her she was afraid she was going to get fired because of her age."

"Well," the banker acknowledged, "we are having quite a turnover."

Now O'Neill sits in his office, listening to the telling of the story by someone else. He fills the chair. He overflows it, like a fifth of Jack Daniels being poured into a teacup. He looks at you with pale blue eyes under a thatch of white hair. His eyes are neutral, with a touch of an old pol's suspicion. But the eyes begin to warm as he recalls the incident.

"That's a true story," he says, sounding mildly surprised, as if he didn't think anyone else knew. He takes up the telling himself. He has a deep, gruff voice. It is a street voice, full of Boston and Cambridge. But without the Kennedy prep-school accents. As writer Jimmy Breslin observed, O'Neill comes from a part of Cambridge where people don't go to Harvard.

The bank Mary (not her real name) had worked in was being taken over by a new operation and, says O'Neill, "Mary wasn't their style." But she was liked, "had a sympathetic heart," and "knew everybody's mortgage in North Cambridge."

So, O'Neill continued, "I just said to him (the banker), 'Lookit, all Mary and I have to do is walk down the street. She's 64, and you're going to let her go. And that new bank across the street,' I said, 'if they were to hire her, you know we could have a run on your bank like you never saw.' He just smiled and got the massage." Mary stayed.

O'Neill has been called, without spite, "the ultimate Boston Irish politician." In many ways, he is the ultimate big city politician, the second generation of those who came from the wrong side of the tracks or the back of the yards, bustling and dealing, to run the politics of cities such as Boston, Chicago, New York, and Philadelphia.

In the shorthand of a headline, he was once described as the bridge between "the last hurrah and the new breed."

But there's still a lot of hurrah in Tip.

"Thank God for the New England Brick Company—they brought all the O'Neills to Boston during the potato famine," O'Neill likes to say.

Four brothers—Michael, Patrick, William, and John—came over from the old country to work at the company's Cambridge yards in 1843. "I always say I'm grateful my grandfather (Patrick) didn't miss the boat that brought him over to the New England Brick Yards."

Martin Nolan of the Boston Globe, a Tip O'Neill specialist, wrote: "His boyhood in Cambridge was lived in a particular Irish shell of resentment against the outside world, especially against Yankees and especially against Republicans."

In those days, the Yankees, the Wasps were the "haves," and the Irish were the "have nots," and for those hanging around "Berry's Corner," life centered on sports, politics, and the Catholic Church. One who used to be a "corner guy" with Tip recalled, "My mother always thought he'd be a bishop in the church."

Tip's father was political. He was on the city council. Later he was sewer and water commissioner with control of 1,700 jobs. At 16, Tip was ringing doorbells for Al Smith. He saw the first Catholic nominated for the presidency defeated largely because of his religion.

When he was 21, a senior at Boston College, O'Neill ran for the city council and lost by 150 votes. He learned a lesson from a neighbor, Mrs. O'Brien. "She came up to me on the street and said 'Tip. I'm going to vote for you even though you never asked me to.'

"I said, 'Mrs. O'Brien, I've been shoveling your walk and mowing your grass ever since I can remember. I didn't think I had to ask you to vote for me.'

" 'Tip,' she told me, 'I always like to be asked just like everybody else.' "

Having learned not to take anyone for granted, he got in the insurance business, was elected to the Massachusetts legislature in 1936, and became its first Democratic speaker in 1948. "When I became speaker of the House in Massachusetts, I dumped all those rebellious Democrats who had been playing footsie with the Republicans," said O'Neill. "I knew who they were and I let them know and I bounced them off those committees."

And that raises the issue of O'Neill's legendary and ferocious partisanship. Rep. John J. Rhodes, the House Republican leader, wrote in his book about Congress: "Thomas P. O'Neill, Jr. is one of the most affable men I know. He is great fun to be around at a social occasion. He is also the most partisan man I have known—so partisan that for him the word Republican is a red flag waved beneath the nose of a feisty bull."

President Carter found that out, too, when he made a couple of Republican appointments. The speaker was "upset."

"Tip is a Democrat with a capital D as well as a small d," says an admirer. "He believes a change of power means a housecleaning. Get them out! What's a change with the same old people? He doesn't understand Democrats hiring Republicans. I don't either. He's old-fashioned in that way.

"Oh, I'm a partisan Democrat, make no mistake about that," says O'Neill. "You know, the Republicans take over and automatically the new broom sweeps clean. Everybody goes out the window. But when the Democrats take over, they become very sympathetic of heart. . . .

"I feel as though we ought to follow the same, the exact same policy that the Republicans have followed. I was the first Democratic speaker ever to be elected in Massachusetts, and when Chris Herter (a Republican who later became secretary of state) was speaker of the House, the things that he did."

His eyebrows rise, and his voice takes on an edge of outrage, like a maiden describing a scene in an X-rated movie. "I can remember he gave the Democratic caucus an hour to discuss a resolution and get back on the floor," recalls O'Neill. "And when we weren't back by 2 o'clock he just banged the gavel and they put the resolution through. That was their style."

John F. Kennedy was elected from O'Neill's district, and so was Boston's "Boss" Mayor James Curley, who served time in prison for wartime contract frauds. "Curley used to come and sit around my office when he was old and had no place to go," O'Neill once reminisced to a reporter.

But O'Neill got the back of Curley's hand in 1948 when he stood up for a group of young mavericks who wanted to challenge Curley's slate for the national convention. The story was that Curley sent money over to buy off the mutiny. But O'Neill said no one would touch it. That angered Curley. He told O'Neill, who was on his slate, "I'm going to take your name off and I'm going to run a Chinaman and beat your ass off."

Curley ran a man from Chinatown. O'Neill didn't get to the convention.

Some people say politicians as sharp as O'Neill are born, not made, just as basketball players are born to be 7 feet tall with twinkletoes. In any event, they are not made in heaven.

Luck and the vulnerability of politicians had a hand in O'Neill's success. He could

have stood in line forever and never got further than the Massachusetts legislature. But O'Neill, with a foot in both the new era and the old, also helped himself.

When John Kennedy was elected to the Senate in 1952, O'Neill was elected to take his place in the House. Sam Rayburn of Texas, the last of the really strong speakers, was speaker then. Gaunt, pale John McCormack of Boston was leader, or No. 2. He took his fellow Irishman, O'Neill, under his wing. When Rayburn left, everyone moved up a chair. Still, with McCormack as speaker, Carl Albert as leader, and Hale Boggs of Louisiana as whip, O'Neill looked as if he would spend the rest of his life on the Rules Committee.

Then the House entered the period of visible corruption. John McCormack's assistant, Martin Sweig and friend, lobbyist Nathan Voloshen, were indicted for using the speaker's office to win favors for Voloshen's clients. Both went to prison. McCormack retired. Everyone moved up a chair again. O'Neill backed Boggs in the contest for the leader's job, and Boggs chose O'Neill as whip.

Boggs, handsome and articulate, seemed certain to be speaker. Although a federal grand jury in Maryland looked into his affairs, and he charged he was being wiretapped by the FBI, nothing came of it. But he was presumed dead when a small plane he was flying in disappeared in a flight over the Alaska coast. Everyone moved up again. O'Neill was leader, No. 2, next in succession.

Carl Albert had been a Rhodes scholar who looked, it was said, like a "sad Teddy Bear." He was not as successful a speaker as some had hoped. But then times were changing. It was harder to be a good speaker. And there were the scandals.

Albert had an assistant, Sook Nai Park Thomson (known as Suzi) who had come to Washington from South Korea. She was known for throwing parties for congressmen. She was sometimes escorted by South Korean diplomats identified as intelligence officials.

Last year it was disclosed that Suzi Thomson had had an affair with Rep. Robert Leggett (D., Cal.), a member of the Armed Services Committee. Leggett was reported to be under investigation to learn if he had received bribes from the Koreans to influence his support. Leggett said he had not.

Then Liz Ray became an overnight sensation. She charged that Rep. Wayne Hays (D., Ohio), a power in Congress, had her on the payroll just to provide sex. Two other secretaries made similar charges against congressmen.

There were a lot of stories about "Sex in Washington," Capitol Hill "Yes Girls," and "The House Is Not a Home." It was not much fun being speaker. At 68, Carl Albert decided to retire, saying, "There are other things I want to do while I am young enough to do them."

By now O'Neill was in an almost unchallengeable position. He had been campaigning for the speakership for five years. He had campaigned across the country for Democratic congressional candidates. From lobbyists, special interest groups, and unions he collected a $140,000 political war chest that he called the Thomas P. O'Neill Jr. Congress Fund. He used it to make contributions to 182 Democrats running for office. There is no better way to win friends. Nor is there anything illegal about it.

O'Neill may be a caricature of the old political operator with his shamble, his caution, his map-of-Ireland face, his cigar, and his back-slapping affability. But he was the first of the House Democratic leaders to abandon the position of Lyndon Johnson on the Viet Nam War. He was the first, too, to call for Nixon's resignation.

His children, his two daughters and three sons, helped him change his mind on the war. And O'Neill, as Jimmy Breslin reported in "How the Good Guys Finally Won," was the first of the Democratic leaders to smell impeachment, to gauge how much trouble Richard Nixon was really in.

Breslin tells how O'Neill worked on Rep. Dan Rostenkowski (D., Chicago), a friend who usually went to dinner with O'Neill once or twice a week at Duke Zeibert's or Paul Young's. Rostenkowski wasn't crazy about impeachment.

Breslin reported an O'Neill-Rostenkowski encounter this way: " 'Danny, old pal, did you see this poll yet?' Tip O'Neill said.

" 'What poll?' Rostenkowski grumbled. He despises polls, but he is supposed to ask about a poll because he is in politics.

" 'It shows that we could pick up as many as 80 seats the way it's going now,' O'Neill said.

" 'Whew.'

" 'And it shows here that there is no way for a congressman in an urban district to win an election against anybody if he doesn't vote for impeachment.'

" 'Where does it show that?'

" 'Here, look. Only 7 percent of the Democrats will vote for a congressman who is against impeachment. That means a Republican could beat a Democrat in a city if the Republican is for impeachment and the Democrat is against it. Can you imagine that? Say, that's right. You represent a city, don't you, Danny?' "

"Tip O'Neill has very sensitive antennae," says a congressional aide. "He's quick at picking up vibrations. Maybe because of his district. He has the universities, Harvard, the working-class Irish and Italians, some of the suburbs, and Beacon Hill and the Back Bay. One hell of a cross section. When Tip finds out the way the troops are heading, he hurries like hell to get out in front of them."

O'Neill is expected, at least by his friends, to be more assertive than McCormack or Albert were. And O'Neill intends to be. "I think the speaker of the House should be like the Massachusetts speaker, all powerful," says O'Neill. "He should appoint committee chairmen and remove them from power if they stray from the party line. He should be answerable only to the caucus, which can remove him at any time. And I'd throw the seniority system out on its ear."

But things are different from when Sam Rayburn was speaker. Rayburn used to say, "If you want to get along, go along." Mr. Sam made his power felt through the committee chairmen, and the committee chairmen ran the House like the barons ran England. Now the committee chairmen have lost much of their power. If one gets too autocratic, the other members will gang up and strip him of his job. The speaker may be more powerful than ever, if he wants to be. But he still can't operate the way Mr. Sam did, O'Neill says.

"The ball game is completely different," says O'Neill. "Mainly the ethics of politics. Sam Rayburn would call up the head of Internal Revenue and say, 'I want you up here at 3 o'clock this afternoon.' And then he'd say, 'Joe so and so, who is a leading Democrat in such and such a community, he's having Internal Revenue problems.' And he'd say, 'You know, just let me say this to you: It's been pending for a couple of years and, like little drops of rain, the Chinese theory, it's starting to wear him down. Now either bring this civil or you can bring it criminal, and if its been around for a couple of years, I can't see why it should be brought criminal. Now I want action on this by 5 o'clock tonight.'

"Or he'd call up the Army Engineers and he'd say, "Tip O'Neill's running for re-election and you've got an overall general fund, and I want the Alewife Brook drained and I want it cleaned and I want a barge up there within 48 hours and get it there!' "—O'Neill's voice had hardened, and you could almost see Mr. Sam's mean, Texas eyes—"and they'd do it."

"Today," adds O'Neill, "I wouldn't call the Internal Revenue for myself. You can't push department heads around."

He did, however, call the former secretary of housing and urban development, Carla Hills, on behalf of a big Democratic contributor, James P. Wilmot. O'Neill asked Hills to hurry up on a decision on $2.2 million in rent subsidies Wilmot wanted. O'Neill said he would have done the same for any businessman.

"I think I have a right and an obligation when a substantial businessman comes and says an inequity is being done, to call the department head and ask that it be looked into," O'Neill told a reporter at the time. "I don't pressure people. I open the door."

O'Neill likes to play cards and golf. But anyone with half an eye can see he eats, sleeps, and drinks politics, at least for five days a week. Until recently, O'Neill stayed in Washington during the week and commuted home to see his wife, Mildred, his high-school sweetheart. Millie didn't like Washington very much. She thought it was a bit formal. "Mom's a tough woman with all kinds of love," said her son, Thomas III, 31, Massachusetts' lieutenant governor. "She literally brought us up."

But now the kids are grown up. In addition to Thomas, there are Rosemary, 33, a State Department information officer; Susan, 29, an organizer for the National Association of Government Employees; Christopher, 27, a lawyer; and Michael, 24, a stockbroker.

Now that Millie is joining Tip in a condominium in nearby Bethesda, Md., Washington's own Odd Couple is breaking up. It was a partnership that had a longer run than Tony Randall and Jack Klugman, TV's Felix and Oscar. For 24 years, since they arrived as freshman Democrats from Massachusetts, O'Neill and Rep. Edward P. Boland shared a three-room apartment in Washington.

"He was meticulous . . . neat as a pin," the speaker said of Boland. "Eddie would spring-clean the place. Scrub floors, do the laundry. I'd come home at night and drop my coat over a chair, and Eddie would whisk it up and hang it in the closet. Eddie would get up at 6:30 in the morning, shower and shave, and then he'd tell me, 'OK, big fellow, it's your turn.' Then he'd open all the windows, air the beds for 10 or 15 minutes, shake the sheets and blankets out, and make the beds."

Boland would pour orange juice from a carton. O'Neill would make the instant coffee, and they would drive to the Capitol, where they could get a real breakfast in the dining room.

The refrigerator in the Boland-O'Neill "crash pad" contained nothing more than beer, cigars, orange juice, and Fresca. "We never cooked a meal in there once, never," says O'Neill. They didn't know how.

But that didn't help O'Neill's waistline. He says he has lost "at least 1,000 pounds over the past few years." One year, when his weight neared 290, O'Neill, who is 6 feet 2, joined a Weight Watchers club.

At the first meeting he found he was the only man in the club. He stayed.

On a night out in January with Millie and a few friends, including Boston Globe columnist Mike Barnicle, Tip found what it was like having the wife in town. Becoming speaker didn't necessarily enhance his power.

Outside the 1789 Restaurant in Georgetown, not wanting to end the night, Tip growled, "Hey, whadda you say?" to Billy Morrissey, J. Joseph Maloney, and Leo Diehl. "Let's go next door for a couple of drinks."

There wasn't a murmur of dissent. O'Neill said to his wife, "Millie, I guess we'll go next door for a while and have a couple with the boys."

"No, you won't, Tom," Millie replied. "Come on. I'm taking you home right now."

As O'Neill likes to say, "All I can tell you, she's the speaker of my house."

HOUSE MEMBERS SUPPORTING ALLIANCE TO SAVE ENERGY

Joseph Addabbo, Daniel K. Akaka, Clifford R. Allen, Jerome A. Ambro, Frank Annunzio, James Bingham, Edward Boland, David Bonior, John Brademas, George E. Brown.

John Buchanan, Jr., Robert M. Carr, Tim Lee Carter, Elford A. Cederberg, James Cleveland, William S. Cohen, Tom Corcoran, David L. Cornwell, Larry Coughlin, Robert F. Drinan.

Robert W. Edgar, Don Edwards, David F. Emery, John Erlenborn, Allen Ertel, Dante Fascell, Hamilton Fish, Jr., Walter Flowers, Bill Frenzel, Richard A. Gephardt.

B. A. Gillman, Dan Glickman, Bill Goodling, Albert A. Gore, Jr., Mark W. Hannaford, Augustus F. Hawkins, Bill Heffner, Cecil Heftel, Jerry Huckaby, William J. Hughes, James M. Jeffords.

Harold T Johnson, Richard Kelley, Delbert L. Latta, Robert Leggett, Norman F. Lent, Elliott Levitas, Jim Maddox, Edward Madigan, Romano Mazzoli, Robert McClory.

Matthew F. McHugh, Barbara Mikulski, Gillespie V. Montgomery, Austin J. Murphy, John Murphy, Morgan F. Murphy, Henry Nowak, James L. Oberstar, Leon E. Panetta, Edward Patten.

Claude Pepper, Shirley N. Pettis, Otis G. Pike, Joel Pritchard, Albert H. Quie, Nick J Rahall, Matthew J. Rinaldo, Benjamin S. Rosenthal, Edward R. Roybal, Phillip R. Sharp.

Stephen J. Solarz, Gladys Noon Spellman, Floyd Spence, Jim Guy Tucker, Al Ullman, Lionel Van Deerlin, Doug Walgren, Robert Walker, Wesley W. Watkins, Jim Weaver.

Bob Wilson, Charles Wilson, Lester L. Wolff, John Wydler, Larry Winn, Jr., William G. Whitehurst.

YOUTH CAMP SAFETY

Mr. RIBICOFF. Mr. President, shortly after the 95th Congress convened I introduced S. 258, the Children and Youth Camp Safety Act of 1977. This measure seeks to remove those conditions which lead to the many tragic deaths and accidents occuring each summer at camps throughout the Nation. It is aimed at providing some meaningful protection for the approximately 8 million youngsters who attend an estimated 10,000 summer camps each year and to provide their parents with some peace of mind.

As most of my colleagues know, I have devoted over 10 years to the effort to achieve substantive youth camp safety standards. Unfortunately, comprehensive legislation has yet to be enacted by both Houses of Congress. The House Education and Labor Committee has recently cleared legislation similar to S. 258 and I am hopeful that the Senate Human Resources Committee will soon follow suit.

My deep interest in the issue of youth camp safety was originally sparked by Mr. Mitchell Kurman of Westport, Conn. In August 1965 Mr. Kurman's 15-year-old son, David, was drowned on a canoeing trip in Maine while attending summer camp. David's needless and tragic death could have been avoided had there been proper supervision by a trained instructor.

Last Sunday's New York Times carried a very timely article about Mitch Kurman and his crusade to have camp safety standards developed on a uniform basis and applied throughout the country. I ask unanimous consent that this article be printed in the RECORD.

Connecticut campers are fortunate that our State has had camp safety regulations for some 8 years. These regulations cover health care, safety and staffing and are aimed at promoting safe and healthy camping. Connecticut also has a Camp Safety Advisory Council which reviews a camp inspection program and advises on policy. The spring 1977 issue of the Connecticut Health Bulletin contains a very informative article on Connecticut's camp safety regulations and program and I ask unanimous consent that it also be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, May 8, 1977]

CRUSADER FOR CAMP SAFETY

(By Murray Ilison)

Mitch Kurman would rather go fishing on weekends as he used to do with his 15-year-old son, David, but he can't because he is driven by the memory of a personal tragedy. Nearly 12 years ago his son was drowned on a canoeing trip in Maine while attending a summer camp.

Mr. Kurman has termed his son's death needless and senseless, first because the canoe trip was taken on a raging, boulder-strewn river and, second, because none of the canoers was equipped with life-preservers.

From the time of David's death, the 56-year-old Westport father has been embarked on a relentless crusade to impose safety regulations on what he sees as a wantonly resistant camping industry across the country.

Since that day in August 1965 when he and his wife, Betty, learned of their son's death, Mr. Kurman has succeeded in pressuring for laws in Connecticut, New York, Massachusetts, New Hampshire and Maine requiring that small boats be equipped with life-preservers. But his consuming passion in the last decade has been campaigning for passage by Congress of a bill known as the Federal Youth Camp Safety Act, which camp lobbyists have succeeded in killing year after year.

The bill is once more before the House of Representatives in Washington, and Representative Ronald A. Sarasin, Republican from Connecticut's Fifth District, has announced that he will again seek its adoption. Mr. Sarasin, a cosponsor of such legislation in the last two Congresses, helped get the measure through the House last year, but it died in the Senate.

Mr. Sarasin, a member of the House Education and Labor subcommittee that is responsible for the bill, has said that evidence presented before his subcommittee in previous years has indicated that more than 250,000 young people sustain injuries while attending summer camps each year and that most of these accidents are preventable.

A recent announcement from Representative Sarasin's office in Washington said, "While a few states, including Connecticut, have adopted strong and effective youth camp safety programs, most still have not done so."

The goading force behind what limited improvements have taken place in camp safety and in seeking to promote it ever more widely is Mitch Kurman. Interviewed in his modest, colonial white-frame house where he and his wife have raised two grown daughters, Mr. Kurman—a short, somewhat stubby man—has at first an unimposing presence. But as he talks to a visitor, losing no time in recalling in detail the circumstances of his son's death and the experience he has had since then, he impresses the listener with his seemingly limitless inner strength and his sense of terrible urgency.

Mitch Kurman is a traveling sales representative for a wholesale furniture manufacturer and spends much of his time on the road. But where some other traveling salesmen may spend their off-hours over drinks in a bar, Mr. Kurman spends his visiting local politicians, legislators and newspaper editorial offices, where he may dump an armload of letters, leaflets, clippings and photographs all relating to deaths and injuries suffered by young people in summer camps. Mr. Kurman concedes that in some places he has become known as something of a pest, albeit a well-intentioned one, and if he has made some enemies he has also made friends.

Mr. Kurman says that more than eight million young people between the ages of 5 and 16 attend summer camps each year and that of the estimated 250,000 who are injured annually most require hospitalization of a day and a half or longer.

He says that his studies have shown that there are about 100 fatal camp accidents a year and that "most of these occur on waterfront areas." The second most frequent area of fatal accidents is in transportation to and from camps and on campsites, he says. Drivers of camp vehicles frequently have no licenses, he says.

"If 100 kids were killed all at once," Mr. Kurman observed, "there would be a national furor, but because five are killed here and one is killed there and so on, it's not considered important."

Mr. Kruman says he is appalled by what he sees as willful and even ferocious opposition to a bill whose purpose is to protect the lives and safety of children entrusted by parents to the care of those who operate summer camps. In this connection, he quotes a supporter of his who has said in effect, "You can get laws passed to save fish and birds and wildlife but you can't get a law passed to protect our kids in summer camps."

According to Mr. Kruman, a study conducted by the Federal Department of Health, Education and Welfare in 1974 found that 45 states had no regulations governing the hiring of camp personnel or of how out-of-camp trips should be conducted regarding matters of vehicle condition, adequate leadership and safety measures; 24 states were found to have no regulation governing personal-health qualifications and first-aid measures, and 17 states had no regulations covering the safety aspects of their programs.

Like himself before his son's death plunged him into his one-man camp-safety crusade, Mr. Kurman says, most parents have no idea of what dangers may confront their children in many summer camps. Among these dangers he lists inadequate and poorly trained personnel, inadequate and improperly maintained equipment, inadequate or nonexistent medical care and facilities, lack of proper supervision, poor hygiene and low-quality food.

Parents are frequently misled by what he terms the "slick brochures" they receive from camp operators. In some cases, he says, the brochures have no actual relationship to the camps they purportedly describe. In this connection, he cited an instance of camp promoters who allegedly devise their brochure with photographs and descriptions listed from a number of other camp brochures.

Mr. Kurman says that certain evangelical religious groups that have summer camps of their own are among the most bitter and influential opponents of Federal camp safety legislation. He reached into a box overflowing with documents of various kinds and fished one out that he said had been distributed to Sunday School children with instructions that they pass it on to their parents. This leaflet headed "Urgent," charged in part: "The Youth Camp Safety Act will deal a death-blow to youth and our nation."

"The bill," the leaflet went on to say, "will close many youth camps and Vacation Bible Schools by putting their control under the Department of Health, Education and Welfare. The eventual total control of all youth in the U.S.A. by socialistic, communistic, satanic Federal Government will be the end result."

Mr. Kurman says that messages such as this generate mail to Congressmen from irate parents fearful of Federal controls. And many Congressmen themselves may be opposed to the spread of "big government" in favor of leaving to the states the entire matter of camp-safety legislation.

"My hobbies are fishing and gardening," Mr. Kurman says, "but I haven't had any time for them since my son's death and I'm determined to win this fight for a national youth camp safety bill.

"I feel personally that the camps—and there are many good ones—are being hurt by not actively fighting to get this legislation, which would be for their own benefit."

THE ROLE OF THE STATE DEPARTMENT OF HEALTH IN SAFEGUARDING HEALTH AND SAFETY IN YOUTH CAMPS

(By David C. Wiggin, M.S. P.E., Paula Pendleton, B.S., R.S., Director, and Sanitarian, Environmental Health Services Division)

As many as 60,000 children under 16 years old attended Connecticut's youth camps during the year 1976. The health and safety of this large group of young people while in the camping environment has been a concern of the state department of health for generations. For many years prior to 1969, the department inspected residential camps for compliance with the sanitation requirements of the public health code.

Then in 1969 the Connecticut General Assembly initiated the licensing of all youth camps, including day camps as well as residential camps, and broadened the scope of regulations from sanitation only to include health care, safety and staffing. These requirements are now listed in public health code Sec. 19–13–B27a. As part of the effort to construct an effective program to promote safe and healthy camping, a Camp Safety Advisory Council was established. This group reviews the camp inspection program and advises on policy.

In 1976 the camps covered by the youth camp surveillance program included 113 residential camps and 136 day camps. Of these 73 were operated for profit and 176 were nonprofit based, including sponsorship such as Boy and Girl Scout, YMCA, YWCA and churches.

CAMP SANITATION

The list of factors which the department examined in camps prior to 1969 hinged primarily on physical environmental matters. Special consideration was given water supply, sewage disposal, food service, sleeping quarters, toilets, handwashing and shower facilities.

HEALTH CARE

With regard to "health care," what should parents, relatives, friends or campers expect at a youth camp in Connecticut in 1977? First of all, every youth camp has a camp physician licensed in Connecticut, either in camp or on-call. His responsibility is to supervise the health care of the campers, to be available for emergency calls, to prepare standing orders, to review and sign the daily health log at least weekly. There is also a qualified person in camp in charge of the health care unit: a physician, registered nurse, licensed practical nurse or person certified in Red Cross Standard First Aid and Personal Safety or equivalent. All health care personnel must also be certified in cardiopulmonary resuscitation. Of the 113 residential camps, 4 have a physician in camp, 111 have registered nurses, 8 have licensed practical nurses, 49 have certified first aiders, and 6 have certified emergency medical technicians.

General medical records are not reported to the state health department, but deaths and overnight hospital stays must be reported. Records for the year 1976, for example, showed there were 23 instances where campers were hospitalized for a day or more; 2 were due to falls from a horse, 9 were participants in running, active games, gymnasium etc., 2 were in the swimming and boating area, 1 involved an eye injury from the backfire of a B.B. gun, 3 others included a broken leg from a hayride fall, burned hands from a campfire, a possible snake bite, and there were 6 illnesses other than accidental injury.

TRAINED LEADERS ACCENT SAFE METHODS

Every parent can be assured that the management of each youth camp in Connecticut has taken adequate safety precautions to protect the campers against accidents, and they will be properly cared for if and when accidental injury occurs. Each youth camp has a Water Safety Instructor to supervise the waterfront activities. This is a key person in the safety program, for swimming and boating are among the most popular activities in most youth camps.

Safety experts say that the best protection against accidental drowning is learning to swim. Camps have the heavy burden of screening, testing and teaching campers the swimming skills, and many children start as non-swimmers. The stringent requirements insisted on by department inspectors on waterfront safety practices are fully justified. In spite of good faith performance by camp staff members, accidental drownings can and do occur. In 1970 there were two camp drownings and one in 1973.

Qualified staff is also required for other special sporting activities, such as riflery, archery, and horseback riding. In the past year, 34 camps provided riflery, 94 provided archery, and 38 provided horseback riding.

STAFFING

The key to effective staffing is an experienced, mature camp director. The state health department in reviewing applications for camp licensure, checks the educational as well as camping experience background of the proposed director. It is urged that parents meet the camp director prior to signing up their children for camp, to discuss camping programs and specialties and the camp's attitudes and objectives. Many larger camps also have assistant directors and program directors. The code requires an adequate number of counselors, at least 16 years old.

There must be a ratio of staff, exclusive of cooks, clerical and maintenace persons, in residential camps, of at least one person over age sixteen to six campers under age eight, and one to eight campers eight years and older. In day camps the ratio must be at least one staff person over age sixteen to nine campers under age six, and one to twelve campers age six years and older.

HOW PARENTS CAN HELP

Parents can help the camp staff by completely filling out and sending application forms and health records prior to their child's first day at camp. Health records of both staff and campers are required by the state health department to be on file at camp. Personal data should include expected first and last days at camp, who shall be notified in case of emergency, and a physical examination or health status certification with mention of any disabilities, signed by a physician.

Information which should be included are any allergies, especially to plants or insect stings, and the most recent date of inoculations, especially tetanus. If a child has medications which must be administered during the stay at camp, the medications should be of the individual prescription type, clearly labeled with directions and given to the person in charge of health care at camp. Do not assume that a child will take medications as he or she should. Parents are also asked to refrain from sending large amounts of "goodies" or "favorite treats" to children at residential camps. Children tend to hide, hoard, and forget these until the counselor finds an insect infestation in the cabin.

A parent may give general permission for local trips including shopping, theatre, state parks and walks near camp, but specific written permission from the parent should be required for all distant or overnight trips, especially for hazardous operations such as rock climbing and white water canoeing. The camp is required to keep a file for tripping, including permission, purpose of trip, itinerary, and qualifications of staff leadership.

YEAR ROUND PROGRAM

The department's activities in the camping program runs year round. November is usually the month that applications for licensure are sent out to previously licensed camps. New camps call the office for information and an application. Applications come into the office from December into the beginning of summer, where they are then reviewed and licensed if the camp sponsor fulfills the requirements. Sponsors or organizations not fulfilling the requirements on the application are notified of the deficiencies and such problems are corrected.

Particular emphasis is put on specific information needed on the directors' qualifications as to training and administrative experience at a camp, and the number of years in that capacity; details in addition include the camps' name, location, size, type, and duration. The camp application also must be signed by the camp physician who has agreed to be responsible for the health of the campers. All applications for licensure must be submitted thirty days prior to anticipated opening date. If it is a new camp, a preliminary inspection must be conducted prior to licensing. The facility is inspected structurally, a drinking water sample is taken for anslysis and administrative records are reviewed. A preliminary inspection prior to licensing may also be required if there were violations at the time of the previous reinspection. Complete staff is not usually at the camp at the time of the preliminary inspection.

INSPECTION UNANNOUNCED

The department policy is to inspect each licensed camp in the month of July. The inspector arrives at a camp unannounced and meets the director or his responsible designated agent. They review corrections that have been made on last year's violations and check the camp license, which must be prominently displayed. The inspector then is supplied with information, documents and materials necessary to fill out the inspection form. Such information and documents would include medical records on all staff and campers, waterfront and sport personnel, the most recent water analysis, a letter of understanding with the nearest hospital for emergency medical care, attendance, and tripping.

REVIEWING THE HEALTH SERVICES UNIT

The inspector, accompanied by either the director or a senior staff member, tours the complete camp. The infirmary is visited. If a person in charge of health care is a doctor, registered nurse, or licensed practical nurse, his or her license is checked. They must be licensed in this state and have an up to date license. Red Cross or other first aid personnel in the health unit must have current certification. Health records and log of cases signed weekly by the physician are checked as well as recent standing orders from the physician. The health lodge is inspected for refrigeration, hot water, isolation facilities, bed capacity, and telephone with posted numbers.

An emergency vehicle must be assigned for transporting emergencies to the hospital and be currently safety checked. Medications are checked. Prescription drugs must be under lock. Common kinds of violations

in medical care regulations found on the first inspection include non-current license or certification of personnel, emergency vehicles without safety stickers, and the presence of prescription or controlled type drugs at the camp other than those covered by individuals' prescriptions.

SAFE WATER, ADEQUATE SEWAGE DISPOSAL?

The drinking water supply is investigated at the camp. The source, whether public or private, is described. Wells or springs must be identified as to location, depth, diameter, construction, treatment, pumping rate and any possible source of pollution. A water analysis should be presented to the inspector indicating the potable water is satisfactory. Drinking fountains, and any non-potable supply are also inspected.

Sewage disposal must be checked as well as water supply. Toilet facilities at camps range from earthen pit privies to flush toilets. The facilities are inspected for cleanliness, ventilation, screening, lighting and for being in good repair. The inspector checks out and describes on the report, the type of sewage disposal system and frequency of cleaning of toilets if the camp has flush toilets. If privies are used, the wastes must be pumped and disposed of in a sanitary manner. The handwashing and shower facilities are also checked for being well maintained. Common deficiencies uncovered in water and sewage topic areas include incomplete information on wells or springs, and unscreened privies.

Refuse should be stored without hazard or nuisance. It should be collected regularly and disposed of in a sanitary manner. The inspector checks to see that the garbage barrels or dumpsters fulfill code requirements under the fiytight and rodent-proof provisions.

CAMP FOOD SERVICES

One of the most important disease-prevention roles of the department's inspection program is in the attention given the area of food handling. Food service arrangements in youth camps are held to the same sanitary standards as are restaurants and school cafeterias throughout the state. The same report forms with point rating factors are used, as detailed in the Connecticut Public Health Code Sec. 19–13–B42.

The inspection process is always a mixture of education and surveillance. When covering the food service area, for example, the inspector is accompanied by the supervisor of that function or another responsible person in food service. Inspectors investigate two main areas of concern, the sources of food, and protection of food after it is on the premises until it is consumed or disposed of.

Camps must obtain food from an approved source and such food must be properly labeled. The inspector makes sure that food items are adequately protected during storage, preparation, display and transportation. Family style service is common in camping situations. In this respect, quantities should be limited to what will be consumed. Leftovers on the table must be discarded because potentially hazardous foods support rapid bacterial growth.

A common violation which inspectors ask camps to correct involves food containers, boxes, bags, or cases stored on the floor because of a lack of sufficient shelves and cupboards.

Toxic items must be stored separately from food and paper goods. Labels are always needed on toxic items. Otherwise accidents can happen such as a camper mistaking laundry detergent for a powdered drink and ingesting the detergent. This is where the posted emergency phone numbers, including that of the nearest poison control center, are utilized.

Crucial to a continuing safe level of food service management is the knowledge and attitude of all food handlers. The mere presence of excellent, modern kitchen equipment cannot assure safe conditions if the food service staff is careless or disregards the rule, for example, that prohibits workers with infected hands from serving in a food preparation area. The inspector makes use of the contact with food service staff to teach good hygienic practices and encourage habits of personal neatness and cleanliness.

The inspector checks equipment and utensils for cleanliness, design, construction, installation and maintenance. He reviews the quality of housekeeping, and the premises for cleanliness, alert for signs of insect or rodent harborage. All outer openings are checked by the inspector to see if they are protected against entrance of rodents or insects.

SLEEPING ARRANGEMENTS

If the camp is a residential type camp, sleeping quarters, whether cabins or tents, are inspected. Beds should have proper spacing and be arranged head to toe. Campers should be cautioned to keep open fires and lighting fixtures away from the immediate area of the tent. Tent materials are a known fire hazard and great care is stressed. New tenting material is now being produced with a fire retardent within the cloth and should be checked periodically.

SWIMMING AND BOATING SAFETY

The pool or waterfront is a major point of interest to the camp inspector. All licensed camps with swimming and boating must provide a Red Cross Water Safety Instructor. Extra lifeguards are recommended. Items the inspector looks for include: one entrance, so the guard can maintain crowd control, a buddy board tag system, set procedures understood in advance in case of emergency, and an adequate number and types of rescue equipment. The waterfront and location of guards are described on the inspection form by the inspectors. If boat craft are available on the waterfront, a buddy board is advisable. Life preservers should be available to each person in a boat. All life preservers should be Coast Guard approved and tested periodically.

Additional information must be obtained by the inspector if the swimming facilities include a pool. Information requested would include type, construction, condition, clarity, type of filter, type of chlorinator, pH reading and chlorine residual. A pH reading should be between 7.2 and 7.8 and an acceptable free chlorine residual reading would fall between 0.4 to 1.0 p.p.m. Common violations found at a waterfront or pool that call for correction include less than adequate numbers and types of rescue equipment, and a pH or chlorine residual reading not within optimal limits.

MINIMIZING RISKS IN SPORTS

Sports areas are checked by the inspector for any hazards. Rifle ranges should have instructors with National Rifle Association certification. The range should be flagged and backstops provided at targets such as a dirt bank. Brass should be counted and equipment kept under lock when not in use. Archery ranges should also be flagged and provided with a backstop such as baled hay. Equipment again should be under lock when not in use. Instructors should be specially trained and experienced. Horseback riding should have an instructor with experience and training. The camp inspector checks the maintenance of the horse, equipment, and riding ring. Common violations in sports areas that have to be corrected are: inadequate maintenance of equipment, experience and training certification of instructors, and equipment not under lock. Other safety areas inspected include pesticide and gasoline storage and flammable solvents in art and craft buildings.

CORRECTIVE PROCEDURES

After the inspection is fully completed, the inspector leaves a copy of a summary report with the director including a list of code violations. Copies of the report are sent to the camp organization and town director of health. Major violations incurred such as a nurse registered outside of Connecticut, an overflowing septic system, or a recurring violation must be corrected immediately with a response being sent to the environmental health services division within two weeks.

All licensed camps are inspected by the deadline date of August 1st. Reinspections are conducted during the month of August, camps with major violations being reinspected first. Tabulation of data is completed at the end of the summer and submitted to the State Camp Safety Advisory Council in October. New guidelines and regulations are promulgated during the winter for the second council meeting in March, before the following camping season commences.

In summary, the youth camp program is an on going program year round, with major emphasis during the summer months between June and September, when six regular departmental sanitarians and an additional force of six summer camp inspectors are utilized. Since the beginning of the licensing program, initiated by the late Dr. Harold Barrett, the quality of youth camping in the capacities of health and safety have improved to the benefit of campers, camps, and parents.

SIX-DAY DELIVERY OF MAIL

Mr. MATHIAS. Mr. President, on April 18, the Report of the Commission on Postal Service was issued. According to that report, five of the seven Commissioners recommended that the frequency of delivery of mail be reduced from 6 days a week to 5 days a week. The report states that the majority recommended this change "to reduce the rate at which postal costs increase hereby reducing the pressures for postal rate increases or more appropriations."

Commissioners James H. Rademacher and Paul J. Krebs dissented from this view. In that dissent they stated:

Five of our colleagues recommend that the delivery of mail be reduced from 6 days a week to 5 days a week, and the level of public service appropriations for each fiscal year be fixed at 10 percent of the prior fiscal year's operating expenses. We dissent and urge the President and Congress to retain 6-day-a-week delivery and set the appropriations level at 13 percent of operating expenses to cover the costs of maintaining present delivery standards.

The Commission conducted no research on the impact of reducing deliveries to five days a week. We do know, however, from testimony presented at our hearings, that in rural areas farmers rely on delivery of agricultural reports to keep them abreast of market developments. We also heard from senior citizens on their need and reliance on the mails as a primary source of contact with other people.

The recommendation of the majority will result in the elimination of 20,000 jobs through attrition. The Commission should not be recommending that jobs be abolished at the time when the United States has high unemployment. This recommendation comes at a time when Congress is expressing a different policy in passing a $23.5 billion appropriations bill to increase employment.

Elsewhere in its report the Commission recommends substantial elimination of processing of mail at night. Reducing deliveries to five times a week, coupled with virtual elimination of night processing of mail, compounds the delays and results in unacceptable levels of service.

To maintain the present 6-day delivery standard, we urge that the percentage of the public service appropriations be increased to 13 percent of the prior year's operating expenses. This slight increase in public ap-

propriations recommended by the majority of the Commission is a small amount to pay to maintain our present standard of delivery service.

Mr. President, those are important considerations. This is a time when we should be talking about creating and saving jobs, not eliminating them, and discussing how we can improve, not reduce, mail service. I urge my colleagues to give every consideration to maintaining a mail delivery schedule of 6 days.

THE RELATIONSHIP BETWEEN DOMESTIC AND INTERNATIONAL FOOD POLICY

Mr. HUMPHREY. Mr. President, I know of no subject that is more complex than food policy. Food policy has both a domestic and an international edge. Economists disagree with each other as to the proper approach, as do politicians, political scientists, and others. What we do in food policy here in the United States has ramification throughout the world.

I have seen very few clear discussions of food policy. Most are fraught with the biases of the author or fail to consider possible alternative analyses or interpretations. One exception is a recent speech by Howard W. Hjort, Director of Agricultural Economics at the Department of Agriculture. Mr. Hjort, who is a Montana wheat farmer, made his comments before the USDA's International Food Policy Issues Conference here in Washington on April 28.

Mr. Hjort's comments describe the role of the United States in the world food economy. A number of other food export nations have nationalized marketing systems, and can manipulate their prices to gain a comparative advantage over the United States in the marketing of foodstuffs. As Mr. Hjort points out, movement toward international agreements might change our traditional role as the residual supplier of food for the world.

Food policy must be carefully weighed for its effects on producers, consumers, foreign markets and food aid. The policies we adopt must be reviewed constantly, to assess their relevance to a changing environment. For example, our policies, for better or worse, are bound to initiate a chain reaction from both our friends and enemies.

The setting of food policy becomes a meaningless exercise unless it is established within a framework of objectives. And those objectives must fit within the goals of a nation.

The objectives of our food policy, as Mr. Hjort sees them, are as follows:

First. To moderate extreme swings in prices;

Second. To maintain and expand our markets;

Third. To expand farm income; and

Fourth. To increase food security in poor countries.

There are, as Mr. Hjort points out, a whole host of tools and alternative policy approaches that must be considered in formulating and executing our food policy. Mr. Hjort has delineated these in a very fair and systematic manner, a manner which elucidates the complexities involved and the consequences that are likely to occur to any policy adopted.

This speech comes at a particularly relevant time. As my colleagues in the Senate know, the Committee on Agriculture, Nutrition, and Forestry is currently marking up the omnibus farm bill. While Mr. Hjort did not directly address this legislation, his comments provide a very useful background framework for understanding these complex issues as deliberations continue.

Mr. President, I ask unanimous consent that the text of Mr. Hjort's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE RELATIONSHIP BETWEEN DOMESTIC AND INTERNATIONAL FOOD POLICY

During my previous tenure at USDA, agricultural economists and policy markers were largely preoccupied with excess supplies. This posed a domestic dilemma: How could we hold farm surpluses down while keeping farm prices up?

It was not until the 1970's when shortfalls in world agricultural production, the large increase in U.S. agricultural exports and the skyrocketing of prices changed the concerns about our agricultural problems and policies. It became immediately clear that what happens in the rest of the world has extremely important consequences for the United States.

Our farm sector today is highly dependent on what happens in international markets. Agricultural exports are now contributing substantially to farm income. Roughly one-fourth of the cash receipts of farmers now comes from exports. Farm exports have also led to surpluses of as much as $12 billion in our balance of agricultural trade, which have helped pay for costly petroleum imports.

The other side of the ledger, however, is also important. Associated with the surge in commercial farm exports was a reduction in supplies available for domestic use, which in turn led to much higher food prices. Food aid shipments were also curtailed at a time when developing countries needed them the most.

As we have become more dependent on foreign markets as a source of income, so have the importing countries of the world become more dependent on the United States as a source of supply. During the 1970's the United States accounted for about 90 percent of the increase in world wheat exports and for about 80 percent of the increase in coarse grain exports. The U.S. now supplies about 44 percent of world wheat exports, about 55 percent of the coarse grain exports, three-fourths of the soybean exports and one-quarter of the world cotton exports. We have also been the world's main donor of food aid, accounting for about 60 percent of total world food aid during the 1970's compared with about 90% during the 1960's.

World agriculture always is in state of imbalance. This year food grain supplies are excessive, feed grain supplies are slightly in excess of market requirements, oilseed supplies are inadequate, cotton supplies tight, sugar supplies excessive, coffee and cocoa supplies inadequate, and meat supplies still abundant.

A major development this year is that we may see a replenishment of our depleted grain stocks. Because of record world grain crops in 1976, world carryover stocks may increase by as much as 50 million tons and reach their highest level since the early 1970's. U.S. stocks, particularly wheat, are also expected to increase dramatically. Grain prices have weakened from their previous highs and this is having a dampening impact on the incomes of farmers; however, the reverse is true of soybeans with minimal supplies expected at the end of the current season.

The experience of the last few years has given rise to concern that widely fluctuating trade and price levels could be a recurring phenomenon causing all sorts of havoc for farmers, consumers, government planners, and food aid recipients.

In order for the United States to develop appropriate policies to deal with fluctuating trade and price levels, the causes of these impacts must be identified. In large part, these impacts have been caused by the effect of weather on agricultural production and by policy changes in particular countries. In recent years, we have seen how a few countries relied on world markets as a buffer, instead of cutting back on consumption or depending on their own reserves, thus shifting a large part of the adjustment process to others, primarily the United States. This was particularly true of the Soviet Union which has accounted for a very large part of the variation in world production and trade levels, particularly for wheat. Policies of other countries also contributed to the instability, notably the European Community's policy of insulating its agriculture from world markets, Canada's and Australia's policy of varying their export prices, and Japan's policy of subsidizing consumers.

The United States not only has been forced to bear the brunt of the adjustment burden in periods of tight supplies, it also bears it during periods of abundant supplies. This is now evident in world wheat markets, where our market share is being eroded by the other wheat exporters. These countries rely on marketing boards which have complete authority to sell when, where and at almost whatever prices they choose. These marketing boards have a whole array of competitive tactics which include special subsidies, quality discounts and "flat" pricing.

The merchandising of U.S. grain, on the other hand, is handled by private enterprises which must compete with the monopoly power of marketing boards. The open marketing system in the United States generously provides price signals to the whole world. Such information is effectively used by our competitors to adjust their own marketing practices to gain the advantage in world markets. As a result the United States may build up stocks, or be forced to take acreage out of production.

INTERNATIONAL AND DOMESTIC IMPACTS OF U.S. POLICY

I have just argued that it is the policies of other countries that the United States should be concerned with. While this is true, it neglects the important relationship between our own domestic and international policies. Our policies are a double edged sword. Policies aimed at international problems invariably have domestic impacts, while policies aimed primarily at domestic problems have international impacts. With the present transition in policy, these relationships need to be reviewed. Some examples of the relationships that concern me are:

The relationship between our domestic support prices and our competitive position in world markets. If price support levels are set above world equilibrium prices our market share and in turn farm income will suffer;

The relationship between the level of stocks to future domestic and world food prices and growth in markets. Inadequate stocks, high and erratic prices reduce the rate of growth in demand for our farm products;

The relationship between export controls used to stabilize domestic prices and long-run growth in exports. The periodic use of export controls is likely to lead to loss of markets as importing countries reduce their dependence on U.S. supplies by encouraging

domestic production or purchasing elsewhere;

The relationship between a generous food aid policy and domestic food prices. Given a tight domestic supply situation, an increase in food aid shipments potentially leads to higher domestic prices; and

The relationship between export growth, budget outlays, and domestic food prices. Maximizing exports may lead to large budget outlays for export subsidy payments at one extreme and reduced domestic supplies and higher prices at the other.

It is essential that these relationships be taken into account in establishing U.S. domestic and international food policies.

We are now faced with the job of doing just that—establishing new policies on a number of key issues. These issues fall into three major categories I've already alluded to: instability in supplies and prices of basic foodstuffs, maintenance and growth of markets for agricultural products, and food security for low income countries.

THE POLICY OBJECTIVES

In order to develop policies that speak to these issues it is necessary to look closely at our domestic and international objectives. Our overall goal is to achieve stable economic growth, a high level of employment and a low rate in inflation. By my count there are four specific objectives within agriculture which, if met, would help achieve this goal.

The first objective would be to moderate extreme swings in prices. For the United States, feed grain prices are especially important since major surges in feed grain prices can lead to adjustments in the livestock sector which, in later periods, impact on consumer food prices and the general level of inflation. Wheat prices, on the other hand, tend to be more important internationally since wheat makes up a larger proportion of total consumption in the rest of the world.

The second objective would be maintenance and expansion of agricultural markets. We should seek new commercial markets in the developing world, stable and expanding markets in the centrally planned world, and more liberalized markets in the developed world. A third objective tied closely to the first two is the expansion of farm income with a reduction in its year to year volatility.

Finally, from a humanitarian perspective, we want to help increase food security and overall production levels in low income countries. The U.S. will need to meet its fair share of the critical food needs of the poorest countries.

It is evident that we are faced with a multiple set of objectives in which the maximization of any one objective could jeopardize the achievement of other objectives. Thus the trade-offs between objectives will need to be fully analyzed so that there is a reasonable degree of success in achieving our overall goal of stable economic growth.

POLICY TOOLS

In pursuing our objectives, there is a diverse set of policy instruments available to Government. The question I would like to raise, is have we sufficiently evaluated the tools we have at hand and fully utilized those tools capable of meeting our objectives?

The policy tools fall into two categories. Tools which have a primary domestic focus include: (1) nonrecourse loans and target prices, (2) storage incentives, (3) supply control measures, and (4) trade management tools, including subsidies, tariffs, licensing and export controls. Tools with a primary international focus, which require cooperation of other nations, include: (1) bilateral trade arrangements, (2) multilateral trade or commodity agreements, including trade liberalization, (3) food aid, and (4) financial assistance.

The challenge is to design an integrated package that uses these tools to achieve all of our objectives. In designing such a package, the relationships and primary and secondary impacts of the use of these domestic and international policy tools must be taken into account.

ALTERNATIVE POLICY APPROACHES

For your consideration, I would like to suggest three basic policy strategies which incorporate the policy tools I've listed. These possible approaches fall into the general categories of being either unilateral, bilateral, or multilateral. A fourth strategy is a mixture of these, but I will leave this one up to your imagination in the interest of time.

Unilateral approach

The unilateral or go-it-alone approach would not depend on negotiations or cumbersome agreements. Under this option there would be several ways of combining the available policy tools.

The important issue is how well does this strategy meet our objectives on price instability, trade, farm income growth, and food security.

On the stability question the major issue is whether at the extremes the Government should intervene to manage trade flows and production levels or rely on reserve stocks as the principal policy tool.

We have seen in prior years the on again-off again hand of Government in using trade controls, set-aside, and export subsidies. These tools were usually applied in an ad hoc manner to resolve crisis situations. In an effort to minimize some of the apparent conflicts in the use of policies to meet objectives, this Administration has already decided that one major element of its policy will be a farmer-held reserve to help reduce the extremes in domestic and world commodity prices. This type of reserve scheme will help assure that supplies are available to meet domestic and international commitments. It will permit farmers to gain the benefits from future price increases, and it will provide safeguards for consumers and the national economy against sudden surges in food expenditures and rekindled inflation.

We have established this reserve unilaterally; however, only as a partial, positive step leading to the development of an international system of reserves. We have indicated to the international community that world reserves must be a cooperative and participative venture, that the United States will not be the granary of the world.

If we should approach the problems unilaterally, the question of what to do about the objective of maintenance or expansion of our markets, particularly in times of abundant supplies is to my mind unresolved. In order to prevent loss of markets and at the same time protect domestic farm income, we could be forced to resort to export subsidies to compete with other exporters. The principal question here is whether or not the use of export subsidies actually results in any net economic benefit for the United States, particularly if the other exporters are willing to follow our lead. If the answer is no, then we might have to reduce our expectations of meeting some of our trade objectives under the unilateral option.

The question of food security under the unilateral approach I suppose would mean the giving of food aid to the voluntary agencies for distribution to the neediest counties. There would be real limitations on the amount of food that these agencies could handle, so it is unlikely that this approach by itself would meet our food security objectives.

On balance, the unilateral option has limitations. It is appealing to those who do not put much faith in international agreements. However, bilateral and mutilateral options may hold more promise for they could lead to more orderly and, for us, less costly trade and food security arrangements.

Bilateral approach

At present, the United States has several bilateral trade arrangements which include two East European countries, the Soviet Union, Japan, Israel and Taiwan. The objective of these arrangements is to offer assurance of supplies to importing countries in return for access to a particular share of a country's market over time. Other grain exporting countries have used bilateral agreements to help stabilize their share of world markets. The question that we need to answer is, "How well do bilateral agreements meet our domestic and international objectives?"

It has been claimed that the use of bilateral agreements can lead to increased market stability. The example of the U.S.-Soviet agreement is often used. However, whether or not such an agreement successfully insulates the U.S. domestic market depends largely on how other exporters react to unusually large Soviet purchase intentions. If the other exporters divert their exports from other buyers to the Soviets and then these buyers turn to the United States, the bilateral agreement, by itself, would not be effective in protecting the U.S. market. Furthermore, if we went too far in overcommitting supplies to bilateral agreements, given the uncertainties of weather, the choice would be on one hand not to honor those commitments, or on the other hand accept the severe domestic price consequences when supplies were tight.

For the United States the issue is even more complicated, since grain marketing is handled by private enterprises and not the Government. The crucial question is how would the Government guarantee that forward supply commitment would be met. One option is to stand back of these commitments with a grain reserve. The other option would be a rationing scheme, where those countries with bilateral agreement would have first choice on available export supplies. This approach, however, could lead other countries, which did not have or want bilateral agreements, to seek alternative sources of supply.

Bilateral agreements, given the above limitations, however, may be an effective tool for gaining a competitive trade advantage in particular country markets. They also could be an effective tool in meeting food security objectives in low income countries. This could be done through our food aid program, which would tie a multi-year food aid commitment to a commitment by recipient countries to encourage local food production. As countries moved through the development process the bilateral food aid agreements could be converted to multi-year commercial agreements.

Multilateral approach

Multilateral approaches toward meeting our objectives could reduce the cost of going-it-alone and enlarge the benefits to the world. At present there are a number of international initiatives going on which are closely related to our domestic and international objectives on prices, trade, and food security. What can the United States do to turn these discussions into productive negotiations for the advancement of our objectives?

On the instability issue, discussions have been going on in the International Wheat Council (IWC) on developing a new wheat agreement with possible provisions for grain reserves. However, the U.S. proposal, made by the previous Administration, for an international system of grain reserves oper-

ated by quantitiative indicators, has been rejected by other IWC members. These countries apparently want to negotiate an agreement that includes provisions for both prices and quantities. The implementation of our new farmer held reserve program related to a price based mechanism may enhance the development of an international reserves system. However, the specific details of linking national reserves to an international system have not been resolved and will need further attention if productive negotiations are to result.

In another forum the developing countries are seeking to implement an integrated commodity program in which commodity buffer stocks would be financed by a common fund, in order to increase the level and reduce the volatility of their foreign exchange earnings. In a positive gesture the United States has recently said it will agree to a common fund approach to the financing of commodity stocks after individual commodity agreements are made. I have as yet not seen a definitive study on the UNCTAD proposals and their impact on the trade and stability problem. It is too soon to tell whether this program will meet any of our objectives or the developing countries' objectives. I would urge further study of these proposals.

The other major international thrust is the multilateral trade negotiations. For some time these negotiations have been hung up on procedural issues. Progress in the MTN in reducing agricultural trade barriers could have important implications for the United States if, in that process, we can gain greater access to markets. It could also mean a wider sharing of the adjustment process in times of future shortages and surpluses, and reduce the degree of price instability in the United States. Thus, through trade liberalization it would be possible to make progress in meeting several of our objectives.

In addition to the possible multilateral approaches I've just discussed, there are other options that should be evaluated in terms of meeting our objectives. There are many types of possible cooperation with various combinations of exporting and importing countries dealing with different kinds of commodities. There may be useful consultative agreements, buffer stock agreements, market sharing agreements and specialized agreements on trade and food aid to meet the needs of the developing countries. We should be innovative in our approach to international cooperation and should not let past successes and failures limit our view of the potentials for solving problems.

I have talked about the relationships between domestic and international food policies, the objectives of these policies, the policy tools we have available, and possible ways to combine these tools into an effective and comprehensive food policy. The task before us now is to evaluate each of these possible approaches and combinations of approaches in terms of their costs and benefits and their primary and secondary impacts on the domestic and world economy, so that policy makers can choose the right strategy. I hope this conference and follow-up efforts will help us in defining an overall food policy for the United States.

THE NEED FOR REGULATORY REFORM

Mr. PERCY. Mr. President, on May 3, Dr. Richard L. Lesher, president of the U.S. Chamber of Commerce, delivered a perceptive address to the 65th annual chamber of commerce meeting. His remarks were entitled "The Philosophy of Regulation in a Free Society."

With rapid-fire examples, Dr. Lesher demonstrates the cost to society of Government regulation:

Standard Oil of Indiana employs people at a cost of $3 million a year just to comply with Federal Energy Agency rules.

It costs Eli Lilly $15 million to prepare the 27,000 government forms and reports it must submit every year. That adds about fifty cents to the cost of every prescription produced by that company.

Goodyear has to spend $30 million a year on government regulations . . .

And last, but not least, there is the small businessman who complains that OSHA and EPA requirements added 22% to the cost of new processing equipment he just added . . . to his peanut warehouse . . . in Plains, Georgia.

The litany seems endless. Mr. President, I ask unanimous consent that the full text of Dr. Lesher's address be printed at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PERCY. Mr. President, it was Frank Lloyd Wright who labeled Government "a kind of gangsterism." While somewhat overstated, fewer and fewer people find themselves in substantial disagreement.

The responsibility—and mandate—for reform rests with us. Government's leaders created today's regulatory system and it is up to us to reform it to fit today's needs.

The Regulatory Reform Act of 1977, S. 600, is an attempt to do just that. It establishes a discipline and an agenda for careful reform. It provides for a joint Presidential-congressional effort to relieve the consumer of the burden of unneeded regulation. Reform attention will be turned first to question the need for any regulation at all in a particular area. Where regulation is needed, S. 600 asks how much, and what forms it should take. A sunset provision of the legislation makes this reform difficult to smother.

After carefully reviewing this important legislation, the U.S. Chamber of Commerce has come out in favor of it. In a recent letter to me, Dr. Lesher informed me of his organization's full support of the agenda and sunset provision as embodied in S. 600. I welcome the chamber's assistance in helping to accomplish comprehensive and meaningful reform of the regulatory process so that, 10 years from now, Dr. Lesher will not have to deliver the same speech.

It will not be easy. Real achievements seldom are. But systematic reform is a mandate which we would be foolhardy to ignore.

Mr. President, I ask unanimous consent that Dr. Lesher's letter to me on behalf of the U. S. Chamber of Commerce be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CHAMBER OF COMMERCE OF THE
UNITED STATES OF AMERICA,
Washington, D.C.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for sending me a copy of your Regulatory Reform Act of 1977 (S. 600). While keeping within the scope of S. 2812 submitted in the 94th Congress, it represents an important improvement on a very significant piece of legislation.

The National Chamber, as a backer of the concept of regulatory reform, found much in your earlier bill, S. 2812, such as the agenda, that could be useful in advancing reform.

In our testimony before the Senate Government Operations Committee last year, we identified some problems concerning the sunset discipline. We have since re-examined the sunset concept and now feel that we can support it fully. In particular, the reduced severity of the sunset discipline seems to provide the necessary controls, while not sacrificing the protection of health and safety.

There is one new point that I particularly applaud—the requirement that there be a second and additional cycle of reform. This would ensure that the regulators continue to be concerned with their actions after they have conducted the reform mandated by this bill.

The National Chamber continues its strong support of regulatory reform. We will be backing it through our various informational and educational programs. Please do not hesitate to call upon us for any assistance on this subject.

Sincerely,

RICHARD L. LESHER.

EXHIBIT 1

THE PHILOSOPHY OF REGULATION IN A FREE SOCIETY

We meet here today to discuss the topic of regulation. It is—to paraphrase Dickens—the best of times and the worst of times for that.

It is the worst of times because our government is larger, more costly and more pervasive than it has ever been.

It is the best of times because there is now a widespread cynicism about the ability of government to control the smallest details of our lives.

Running against "Washington" was popular in the last election. Indeed, that's how President Carter gained office.

Since that election, many of our legislators have reverted to the tired, old mode of behavior: Tax-tax, spend-spend. As Lowell Harriss put it, "the candidate who uses his own money to buy votes is called corrupt, the one who promises to use someone else's money is called a liberal."

But the President himself still seems sincere about his promises to reform and reorganize the Federal Government. I believe he is going to make an honest effort.

That being the case, we should give some thought to how to help him. What degree of regulation is essential? How much more than that is desirable? And what mechanisms are best suited to the accomplishment of the essential and the desirable?

These questions touch upon very old and very basic problems of political philosophy. Liberty is ever at war with order. And as many great thinkers have pointed out, the tyranny of the majority can be as oppressive as the tyranny of the few.

Nowhere is this danger more evident than in disputes over that freedom we exercise more than most: Our economic freedom.

At one pole is the Adam Smith-Milton Friedman philosophy: That the object of government is the maintenance of order, the protection of property, the enforcement of contracts, and the neutral arbitration of disputes between free citizens—citizens who are presumed responsible for their own welfare.

At the other pole is the paternalistic philosophy: That government must protect man from exploitation by his fellow man and also from the consequences of his own bad judgment.

The problem with this latter philosophy is not its ends, which are admirable. The problem is means. The paternalists are always in the position of substituting the judgement of

one person for that of another. This process of substitution moves the decision-making power farther and farther away from those most directly affected by the decision. Make no mistake about it, each time this happens we have lost one more degree of freedom.

In theory, this "distance" between the regulators and the regulated should lead to impartiality and "justice." In practice, however, it leads to regulators who are indifferent to conditions in the real world. It also builds up an enormous "overhead"—the cost of supporting an ever-larger, decreasingly efficient decision-making apparatus.

As the paternalistic government grows, it gets more obstructive and less responsive. Thus, it becomes progressively more difficult for what's left of the private sector to function efficiently. With slower growth in the private sector, a higher proportion of private sector income must go to finance the public sector. This loss further weakens the private sector. It is a vicious circle, one that increasingly looks like Great Britain, as it is today.

The process should not come as a surprise. We have had plenty of warning. Nearly all of the Founding Fathers knew there is more to fear from government oppression than from the excesses of the private sector.

As Jefferson said, "The natural progress of things is for liberty to yield and government to gain ground."

Perhaps their vision was especially clear because they had just freed themselves from the same kind of bureaucratic burden we now carry.

When you think about it, it's striking the parallels between the issues that bother us today and those that troubled our colonial ancestors.

They were angered by high taxes, suffering from inflation, resentful of "big government" and "big business," outraged by abuse of government authority.

One of the British practices that most upset the colonists was the issuance of "writs of assistance." These were general search warrants. They permitted agents of the government to break into homes on "fishing expeditions."

Today, "writs of assistance" are issued by Congress to the regulatory bureaucracy. For example, agents of the Occupational Safety and Health Administration can raid a business anytime they want—without warning, and without a search warrant.

And who can fail to appreciate—in this day and age—the complaint in the Declaration of Independence that the King "has erected a multitude of new offices, and sent hither swarms of officers to harass our people, and eat out their substance"?

The businessmen of 1775—like the business people of today—were frustrated by excessive government regulation. As one colonial New England merchant put it, "Men of war, cutters, marines with their bayonets fixed, judges of the admiralty, collectors, comptrollers, searchers, tide waiters, land waiters, with a whole catalogue of pimps, are sent hither not to protect our trade but to distress it."

"Not to protect our trade, but to distress it."

I'm not sure what "land waiters" and "tide waiters" were, but if OSHA gets a copy of this speech, we'll probably find out.

What have we done, since we won our freedom, to correct these problems?

For 127 years we grew and prospered with no personal income tax. Since 1913 we have seen a steadily growing tax imposed on the earnings of the American people, and there has been an even larger concentration of centralized power over the people.

During the last 60 years the federal government has become increasingly involved in business. Today it runs directly some 19,000 commercial and industrial enterprises in its civilian branches alone.

Indirectly, it is beginning to run much more than that, through the comparative new mechanisms of, first, "economic," and then "social" regulation.

From 1970 to 1975, no less than seven major new federal regulatory agencies were created. During this same—brief—period, the regulatory environment was changed by enactment of 30 important new laws. Thirty major changes in five years!

In 1936, the Federal Register's text of new rules ran 2,411 pages. By 1970, it had reached 20,000 pages. Now, it is well over 60,000 pages.

You may recall that one of President Carter's early orders to his agency and department heads was that they read, personally, all the regulations published under their authority. Ironically, he had to cancel that order. He had to cancel it because his cabinet members found it to be physically impossible to read them and still have time left to do their jobs.

All of this wouldn't be so hard to take if we were really getting something for our money. But take a look at just what we are getting for our money and you turn pale. Here are some choice examples of recent federal expenditures:

$6,000 to study the Indian Whistling Duck.

$46,000 for a dictionary on witchcraft.

$69,000 on the long-term storage of acorns.

$84,000 to learn why people fall in love.

$500,000 to find out why monkeys clench their teeth.

Please don't ask me why—or how.

Those are just the petty expenditures. Get into the excesses of the environmental protection movement and you make the big time.

The snail darter—a small fish—has stalled a $116 million dam in Tennessee.

The Furbish lousewort—a useless weed—blocks a $600 million hydroelectric project in Maine.

The soft-shelled clam has halted a $2 billion nuclear power plant in New Hampshire.

And a $3.5 billion coal-fired power plant in Utah was sacrifiecd on the altar of the black-footed ferret and the kangaroo rat.

I suggest there is something seriously wrong with the value-system of a society that puts the needs of its human population behind the comfort of snail darters, Furbish louseworts, soft-shelled clams and kangaroo rats.

Doesn't it boggle your mind—four major energy facilities being held up for petty reasons while the President reminds us of the energy crisis?

The rules themselves—and their enforcement—are often as nonsensical as the expenditures.

Pity the poor Navaho Indian who was ordered to install a two-way intercom in his mine . . . even though he works it alone.

He's as perplexed as the Portland employer who was told that 15% of his two secretaries and one bookkeeper must be of minority extraction. Fifteen percent of three people!

Then there's the small businessman who was fined for having too many fire extinguishers. That's right, too many.

In Chicago, they confiscated a batch of rubber squeeze toys . . . for squeaking too loudly.

The head of a meatpacking operation recalls being ordered by one federal agency to put an opening in a conveyor line, and being ordered to close it by another federal agency. "We have been told by various federal agencies," he says, "to provide smooth and rough floors in the same area, salt and not salt the same area, paint and not paint the same area, and so on."

So far, no one in the bureaucracy has tried to make his horse a consul but I expect it any day now.

I had a letter the other day from a writer who asked me to explain the contradictions of the government. He said, "I understand there is a move to legalize marijuana while at the same time they are outlawing saccharin!"

This bizarre behavior is certainly reminiscent of the eccentricities of history's mad kings and emperors. And yet it occurs—with increasing frequency—right here in the democratic, middle-class U.S.A.

The excesses of the bureaucracy are amusing, but the pernicious effects of these excesses are no laughing matter.

We are losing both our privacy and our freedom of choice.

We are encouraging dependence and discouraging initiative.

We are stifling innovation.

And we are imposing a crushing burden on the consumer, through the hidden costs of regulation that are—of necessity—passed along in prices.

Some examples:

Standard Oil of Indiana employs 100 people at a cost of $3 million a year just to comply with Federal Energy Agency rules.

It costs Eli Lilly $15 million to prepare the 27,000 government forms and reports it must submit every year. That adds about fifty cents to the cost of every prescription produced by that company.

Goodyear has to spend $30 million a year on government regulations . . . enough to pay 3,400 workers in Akron their regular wages for a full 12 months. And we wonder why we have unemployment.

And last, but not least, there's the small businessman who complains that OSHA and EPA requirements added 22% to the cost of new processing equipment he just added . . . to his peanut warehouse . . . in Plains, Georgia.

Estimates of the total consumer cost of government red tape vary widely. But the educated guesses usually run between $700 and $2,000 a year, for each and every man, woman and child in the country.

Who—I would like to know—is "protecting" the consumer from this? The government's efforts at consumer protection remind me of the elephant who stepped on the quail, then tried to help her out . . . by sitting on her eggs to keep them warm.

In the words of Bert Lance, "We consistently talk about 'wages' and 'prices' being the causes of inflation. (But) the most serious perpetrator of all is government itself."

With such refreshing common sense coming from the director of the Office of Management and Budget, there may be grounds for hope. Hope, at least, of stemming the tide.

Obviously we cannot abolish all regulation. That is neither possible nor desirable.

The frequency allocation function of the Federal Communications Commission is a perfect example of the type of regulation that is essential. If frequencies were not allocated, the electro-magnetic spectrum would be equally useless to all.

But to admit the need for the function is not to say that we have found the most efficient way to perform it. As Casey Stengel said, "In many areas we have too strong a weakness." There is much that we can do—and must do—to reform the regulatory process.

We have submitted to President Carter—at his request—some specific, detailed suggestions for reducing the paperwork burden on the private sector. The major recommendations are two: First, split the Office of Management and Budget into two subdivisions, a budget office and a management office. The management office would help control red tape. And second, require a "paperwork impact statement" for all new bills and regulations.

In addition to these changes, we suggested some "common sense" procedural reforms:

The persons to be affected should have a chance to comment on proposed reporting requirements.

There should be a process through which burdensome requirements can be appealed.

Agencies should have to give their reasons for disregarding comments.

Proposed forms should be pilot tested on a representative group before use.

Sufficient time should be allowed to respond to a brand new report.

Forms should contain a clear explanation of the purpose of the request, and the penalty—if any—for noncompliance.

The smallest businesses should be exempted from frequently recurring information requests.

Finally, we recommended that the Federal Government reimburse businesses for the cost of providing information, when it is not collected for the specific benefit of the businesses affected. Thus, the costs would be visible and subject to the disciplines of the budgetary process, rather than a hidden tax on certain businesses and their customers.

These limited measures should be relatively easy to implement, and they would help.

But in truth, much more fundamental, sweeping changes are needed in both the objectives of regulation and the methods. Because of this need, we salute the President's recognition of the problem and his interest in the executive reorganization and regulatory reform. And we stand ready to give him what assistance we can.

As a further contribution to this cause, I urge consideration of the following guidelines for both objectives and methods.

The objectives of intelligent regulation should be:

1. To promote maximum freedom of choice for the consumer, not limit it.

2. To promote competition, not reduce it.

3. To help consumers make informed decisions, not to make decisions for them.

4. To produce a net benefit—a net benefit—for the consumer. Too often we fail to compare costs with results.

To accomplish these objectives, I recommend the following methodology:

1. Regulation should specify objectives, not prescribe methods.

2. Regulation should offer incentives, not rely exclusively on penalties.

3. Regulation should use the market mechanism, not substitute for it.

Ladies and gentlemen, it is time to regain control of our government, before that government gains complete control over us. I have to wonder how much longer we are going to permit this to go on.

As the late Walter Lippmann wrote, 40 years ago.

"In a free society the state does not administer the affairs of men. It administers justice among men who conduct their own affairs."

WHY NOT TAKE A CHANCE ON FREEDOM?

Mr. PROXMIRE. Mr. President, earlier today I testified at the oversight hearings on television broadcast policies being conducted by the Subcommittee on Communications of the Senate Committee on Commerce, Science, and Transportation.

The theme of my remark was, "Why not take a chance on freedom?"

I was invited to participate because I have introduced a bill—known as S. 22, the First Amendment Clarification Act of 1977—which would give full meaning to our first amendment's guarantee of freedom of the press by abolishing the so-called fairness doctrine, equal time rule, and other restrictions on broadcasters.

Today's oversight hearing was not an appropriate forum for a discussion of that bill. But I was pleased to have the opportunity to touch briefly on some of the major considerations that have convinced me that broadcasters should be on an equal footing with publishers regarding first amendment rights.

Mr. President, so that all my colleagues may have the chance to read the full text of my testimony, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR WILLIAM PROXMIRE

Mr. Chairman, I commend you for holding these oversight hearings on the broadcast industry.

As you know, I introduced in 1975—and again this year—a bill to give full meaning to our First Amendment's guarantee of freedom of the press by abolishing the so-called fairness doctrine, equal time rule, and other restrictions on broadcasters.

Today's oversight hearing is not an appropriate forum for a discussion of that bill, which is known as S.22, the First Amendment Clarification Act of 1977. I hope to appear before you at some later date to make a presentation of that kind.

But I would like to take this opportunity to touch briefly on some of the major considerations that have convinced me that broadcasters should be on an equal footing with publishers regarding First Amendment rights.

FIRST AMENDMENT: 24 PERCENT EFFECTIVE

The First Amendment forbids the Congress from passing any laws that might diminish our right to have a free press.

But, unfortunately, Congress has passed a law that does just that. And the executive and judicial branches have supported that law.

I refer, of course, to the Communications Act, which has abridged the rights of a part of the free press.

Not everyone recognizes that broadcasting is a part of the press. If they did, there would be little to argue about. The need to maintain the freedom of the printed press has, in general, not been attacked.

Other means of mass communication—newspapers, magazines, pamphlets, books, and motion pictures—have kept their free press rights. But not broadcasting.

This would be a grave omission under any circumstances. But broadcasting—radio and television—is the preferred source of news for 76 per cent of the American people. Yet, because of the fairness doctrine, equal time rule, and other governmental controls, broadcasters are second-class citizens when it comes to First Amendment rights.

In practical terms, this means that our First Amendment is only about 24 per cent effective when it comes to freedom of the press. Obviously, we can and must do better.

Denying broadcasters their First Amendment rights is wrong for many reasons. I wish I had time to discuss them all. But in the minutes that remain, I want to concentrate on three of the most important of these reasons.

First of all, this denial is unnecessary. Second, it is self-defeating. And third, it is dangerous. I shall consider each of these, in turn, in the remarks that follow.

UNNECESSARY DENIAL: IF NEWSPAPERS, WHY NOT BROADCASTERS

More and better professionalism has been demonstrated in recent years in broadcast journalism. Professionalism means that there is less bias in news coverage, that contrasting opinions are aired when it comes to editorializing, and that opinion and news are clearly separated.

But isn't that what the fairness doctrine seeks? Unfortunately, it has not worked that way. Rather, the fairness doctrine has stifled professionalism.

On the other hand, newspapers, operating without government regulation and with full constitutional freedom, have improved vastly in fairness, objectivity, accuracy, and relevance.

About 30 years ago I started to write my Harvard Ph.D. dissertation on developing standards to evaluate the political content of newspapers in the United States. I never finished that undertaking. But in the course of my research, I determined that newspapers had improved enormously over the past 100 years, thanks largely to the atmosphere of freedom permitted by the First Amendment.

Broadcasters deserve that same opportunity to be free. And if they get it, broadcasters will demonstrate, as newspapers have done, that it is not necessary to "deny freedom" in order to "gain fairness."

We know, of course, that newspapers, down through the years, have not always been fair.

These front page headlines from editions of the San Francisco Examiner in 1898 remind us all of yellow journalism at its worst. "The Spirit of War Pervades the Breasts of All Americans." "M'Kinley Pursues His Laggard Policy and Still Fears to Deal With Spain."

I might point out, too, that I grew up with the Chicago Tribune. That was the newspaper I read regularly as a youngster, being raised in the Chicago area. The Tribune was, during those years, often marked by biased and subjective reporting. But today, with its op-ed page and other features, the Chicago Tribune is a fair and objective newspaper.

But let's contrast this with, for example, what appeared in the April 29, 1977, edition of the solidly conservative Wall Street Journal. Now we all know that particular newspaper favors a tax break for business. But what headline did it carry on page 12 that day? "Business Doesn't Need a Tax Break." And what followed was an article espousing that position by liberal economist Lester Thurow.

Clearly, newspapers have come a long way. Today, many newspapers carry op-ed pages. Today, most newspaper editors try to make their news columns unbiased and informative. And when an error is made, it is usually corrected. In fact, more and more newspapers are clearly labeling corrections—and they are doing it voluntarily.

In what other ways have newspapers become more fair and unbiased? Here's how:

For one thing, by expanding their coverage. There was a time—not too long ago—when we could not read stories about environmental and health hazards, such as those caused by insecticides, food additives, and other previously arcane chemicals.

There was a time, too, when we did not see stories about social concerns, such as crime-ridden neighborhoods, venereal diseases, old age, population growth, race relations, and school curricula.

Women's rights, it is true, have been reported on since long before the Bloomer Girls. But now we get searching reports on what women's rights really mean.

The list is endless. But fair coverage means that problems, advances, and experimentation in areas of life affecting all of us are covered in all their aspects.

Nearly all newspapers police their advertising, watching for misleading ads and refusing to run them, even though it means lost revenue.

What about big advertisers trying to influence an editor, threatening to pull their ads

unless some news is left uncovered? That abuse is almost unheard of these days. I suspect the reason is that enough fearless editors and publishers have stood up to such advertisers to discourage attempts of this kind.

Errors and excesses can still be found on the pages of today's newspapers. I concede that. But the fact remains that the press, overall, acts responsibly.

The press of this country has accomplished what it has because it has not been controlled by the government. There are no licenses. There are few restraints, other than those dealing with libel and obscenity, and the press wants to live with those.

Responsible, professional newspaper journalism has risen out of necessity: to satisfy demanding readers.

And, of course, it has also come about through the need to compete with the nearly instantaneous delivery of news by radio and television.

But what would happen if we had something like an FCC for newspapers? The First Amendment Committee of the National Association of Broadcasters has recently speculated on this possibility by producing a newspaper—dated 1984—with the ominous headline, "Congress creates Newspaper Commission."

Let us never seriously contemplate the establishment of a Federal Newspaper Commission. Newspapers have become responsible and professional voluntarily. Fairness has not been imposed by government fiat.

Yet, television and radio broadcasters have the FCC and its fairness doctrine to contend with. By law, they must be fair.

Newspapers are fair without goevrnment control. And I maintain that radio and television would also be fair without government control.

Simply put, again, it is not necessary to "deny freedom" in order to "gain fairness."

SELF-DEFEATING DENIAL: CONTROVERSY AVOIDED

Denying broadcasters their First Amendment rights is also wrong because it is self-defeating.

Under the fairness doctrine, for example, broadcasters are required to (1) devote a reasonable amount of time to the discussion of controversial issues and (2) afford reasonable opportunities for opposing viewpoints.

This sounds fine. But, in actual operation, the fairness doctrine has not stimulated the free expression of diverse ideas. Rather, it has had the opposite effect. It has promoted the "sameness" of ideas. Stations avoid the airing of controversial issues because they fear a challenge to their license renewal or expensive litigation resulting from a fairness complaint.

NBC's problems in airing two television documentaries help to illustrate the point.

In 1972, NBC broadcast a documentary entitled, "Pensions: The Broken Promise," which dealt with corporate pension plans and how they often do not keep faith with the workers they are intended to benefit.

The airing of the program led to the filing of a fairness doctrine complaint with the FCC.

NBC claimed in defending itself that the subject of private pension plans was not controversial because as far as it knew the subject had not been dealt with previously on network television.

Accuracy in Media, Inc., complained that contrasting viewpoints were not aired on the program.

The FCC rejected AIM's allegation of distortion but did decide that NBC had violated the fairness doctrine. It then ordered the network to broadcast balancing material.

NBC said that it had done a fair job and had no intention of giving the subject more air time.

Before moving on to what happened in the courts, I should point out a "Catch 22" aspect of this situation. I do so because it is but one example of the nightmare of complexities that accompanies the attempt to administer the fairness doctrine. Had NBC devoted more time to the subject, giving additional viewpoints, there would have been no issue before the FCC. So in order to prove its point, to test the matter in the courts, NBC could air no more shows on the subject without making its case moot.

Now back to the courts. A three-judge panel of the District of Columbia Court of Appeals ruled in favor of NBC, saying that this country needs investigative reporting. Subsequent court actions left this ruling intact.

What is the lesson of the "Pensions" case? It is this. The fairness doctrine can interfere with journalistic discretion, particularly in investigative reporting.

Just think of the implications if the court had decided the other way. Such a ruling would have meant that Government could, in the words of fairness doctrine analyst, Fred Friendly, "substitute its judgment for that of the network as to what issue was involved in a broadcast documentary and order that more air time be given to elements that the journalist never thought central to the story."

The end result would be to restrict broadcast efforts at investigative reporting because of the difficulty in airing any program that took a point of view or was controversial.

But wait a minute, you might say. There's no problem here. NBC won its case. It was home free and clear. There is no lingering "after-effect."

True? Not necessarily. Let's look at how NBC reportedly agonized over its 1975 television documentary on handguns entitled, "A Shooting Gallery Called America?"

According to New York Times writer John J. O'Connor, complaints from the public even before the program was shown caused a rewriting of the script to avoid fairness doctrine complaints to the FCC after the fact.

And O'Connor further reports, this documentary on a controversial issue of public importance—gun control—drew little response from a national television audience of about 10 million (381 complaints out of the 441 letters received in the two weeks after the show) because it failed to take a stand.

If O'Connor is right, then this is a good example of the chilling effect on journalism caused by governmental control of broadcasting.

I believe NBC executives should not have felt the hot breath of the FCC and its fairness doctrine on the backs of their necks. For if O'Connor is correct, the existence of the fairness doctrine indirectly restrained the producers of "Shooting Gallery."

And if O'Connor is right, if NBC news executives ordered a new script for the "Shooting Gallery" because of the fairness doctrine, I wonder if it was because of the time and expense NBC went through before the FCC and the courts in the wake of its 1972 documentary on "Pensions: The Broken Promise?" I do not know the answer to that question. But it is more than rhetorical.

I firmly believe that broadcast journalists would not be chilled into blandness and sameness if it were not for governmental controls as exercised through the FCC's fairness doctrine.

I believe that without the fairness doctrine there would be more, not less, programming of controversial issues.

Restrictions like the fairness doctrine are, in my view, self-defeating. Their proponents want diversity of ideas and the presentation of controversial and contrasting points of view. What they promote, instead, is sameness, blandness, timidity, and conformity. The American people are the losers.

DANGEROUS DENIAL: THE TYRANNY OF GOVERNMENT

Denying broadcasters their First Amendment rights is wrong for a final reason. It is dangerous.

Letting Government be the final arbiter of "fairness," for example, confers immense power. This is especially true when that same Government decides on the granting of broadcast licenses.

Three examples from the recent past remind us how the power of Government—although often exercised in the name of "fairness"—can amount to the tyranny of Government.

These examples all involve past Presidents of the United States. The President, of course, is the head of Government, the same Government that controls broadcasters through the Federal Communications Commission.

In recalling the stories that follow, it is important to remember, too, that the President himself appoints the members of the FCC and designates who shall be Chairman.

My first example comes from the Nixon Administration. Relevant episodes from that period are still fresh in our minds. I need only cite some of them briefly here.

FCC Chairman Dean Burch called CBS President Frank Stanton in November 1969 to request a transcript of that network's news analysis after a Nixon address the night before.

Vice President Agnew made his famous Des Moines speech nine days later blasting the network's news coverage and reminding them that they held licenses at the pleasure of the FCC.

CBS President Stanton reported that there were a number of White House phone calls over the succeeding three years conveying displeasure with news broadcasts.

There was a memo of September 1970 from Charles Colson to H.R. Haldeman proposing that the White House get a ruling from the FCC on the "role of the President, when he uses TV." This, Colson argued, would have "an inhibiting impact on the networks."

There was, too, the December 1972 Indianapolis speech by Clay T. Whitehead, director of the White House's Office of Telecommunications Policy, condemning the "ideological plugola" and "elitist gossip" of network news.

And there was, finally, President Nixon on tape telling Haldeman that, "The main thing is the Post is going to have damnable, damnable problems out of this one. They have a television station. . . . And they are going to have to get it renewed."

But this is not a partisan matter. Fred Friendly has reported that the Kennedy and Johnson Administrations, with financial backing from the Democratic National Committee, used the fairness doctrine to subdue right-wing radio commentators who were critical of Administration goals.

These clandestine campaigns, which reportedly began in 1963, were also meant to inhibit stations from carrying commentary supporting Senator Barry Goldwater, who was then a prospective Presidential candidate.

Friendly reported that both the Kennedy and Johnson Administrations maintained professionally-staffed organizations that monitored stations carrying right-wing commentary and then demanded time for reply under the fairness doctrine.

Such demands for air time, which the stations would have to provide at no cost, were regarded by many broadcasters as harassments that they chose to avoid. As a result, they either dropped the commentaries or diluted them. This, according to Friendly, was exactly what the White House had in mind.

What do these three examples of the abuse of government power tell us?

It is wrong to deny broadcasters their First Amendment rights because a free press—and that should include free broadcasters—is needed to protect us all from the tyranny of government power.

WHY NOT TAKE A CHANCE ON FREEDOM?

What I have been saying today can be reduced to this simple thought—why not take a chance on freedom?

If it's power we're concerned about, and we should be, the power of the electronic media is as a pygmy compared to the power of government.

Recently, U.S. News & World Report surveyed the leading citizens of this country in business, labor, the universities, the newspapers and the government as to who were the people who ran America.

Where did the electronic media rate?

The only person from the media who was rated in the 10 most influential Americans was Walter Cronkite and he was a distant ninth. In fact, Cronkite was the only electronic media person in the 30 most influential Americans.

Who are the most influential? The answer is emphatic.

It's government. Eight of the top 10 persons who run America were government officials.

By denying the electronic media their full First Amendment rights, we give the big guy—government—more power and from the less influential—the media—we take it away.

To those who would claim that it is safer to take a chance on Government than a chance on freedom and a free press, there are two clear rebuttals.

First, Governments traditionally have gathered more and more power unto themselves without regard to the liberties of their citizens. Europe and South America and Asia are replete with such examples. And we in this country can cite some near-misses, the most recent being, of course, what we have come to know by the shorthand term of Watergate.

And second, it is easy for a government, with its power to give jobs and favors, to present a solid front in controlling information about itself. But it is impossible, with members of a free press competing among themselves, to conspire to suppress information about government or anything else. As Jefferson once said, whoever heard of a newspaper suppressing a government?

Freedom of the press can be abused by individual reports, papers, magazines, broadcasters, or broadcasting stations. But, with competition—the drive to be best, to be first with the news, to make money—there is little or no danger of all elements of the press forming a clique or cabal to take over the Government, or—and most important—to deceive the citizens, their customers.

As long as the Government is kept from the neck of the press by the First Amendment, the public should be informed. And that is why the First Amendment was written the way it was—as a direct prohibition against governmental interference with five basic freedoms· Of religion, of speech, of press, of assembly, or redress.

Let us not brush away the wisdom of the men who wrote the Constitution and its Bill of Rights.

But it is easy to do that. Look at what the Government has done already through abridging the freedom of the press by imposing controls over the content of radio and television broadcasts.

If there is any risk in the belief that, in Jefferson's words, " the people . . . may safely be trusted to hear everything true and false, and to form a correct judgment"—and there is—then it is the risk inherent in any free society But a free society is not the safest way of life. It is only the best.

HOW SECURE IS A PIPELINE THROUGH CANADA?

Mr. STEVENS. Mr. President, yesterday, in a speech on the floor, I outlined for my colleagues some of the rather startling recommendations of the Berger Commission, an inquiry that the Canadian Government authorized to study the impact on the Canadian Natives if an overland gasline route were chosen.

That inquiry stated in no uncertain terms that no trans-Canada pipeline should be constructed through the Northern Yukon or through the Northwest Territory until 10 years after a Native Claims settlement is reached.

Today, in a full page ad in the Wall Street Journal, one of America's most distinguished diplomats and statesmen, Walter Annenberg, former Ambassador to Great Britain, and currently publisher of TV Guide, raised serious questions about any overland route across Canada for the shipment of Alaska's natural gas to the "Lower 48."

Without further comment on the views as expressed by former Ambassador Annenberg, I respectfully ask unanimous consent to have printed in the RECORD the text of the ad from the Wall Street Journal which will appear in the May 14 TV Guide.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

HOW SECURE IS A PIPELINE THROUGH CANADA?

(By Walter H. Annenberg)

Apparently the Federal Power Commission is not aware of Canada's burgeoning nationalism, a nationalism that started as a commendable effort to encourage distinctive Canadian culture and resulted in economic war against American business.

Publications based in the United States have been all but banned in Canada by laws specifically designed to make it impossible for them to operate there. American broadcasters are harassed by regulations and practices that can be described only as acts of an unfriendly nation.

Yet when the Federal Power Commission (FPC) had to decide whether to bring Alaskan gas to the 48 lower states via a pipeline across Canada or in tankers, it opted for the Canadian pipeline. Reportedly, the decision was influenced by the assertion that the pipeline would be less environmentally damaging than the sea route.

Such a parochial approach is unworthy of the FPC's responsibility to the citizens of this country. It is, in view of the Canadian government's determination to separate itself from the United States, at very least shortsighted. We are placing one of our energy lifelines under direct control of a less-than-friendly government. Should the trend of Canadian nationalism continue in its present direction, the FPC would be helping place in the hands of an unfriendly power a gun to hold against the heads of American citizens.

How unfriendly is the Canadian government? I speak from personal experience, which is why I am taking the rather unusual step of speaking out in this space on a subject that only peripherally concerns television. It is an experience I shared with other American publishers when the Canadian Parliament passed an act making it illegal for Canadian advertisers to deduct advertising in American-owned magazines as a legitimate business expense. This act effectively cut off Canadian advertising to American publications directed to the Canadian audience. TV Guide was fortunate to find a distinguished young French-Canadian executive who organized a group to buy our eight Canadian editions. Time magazine simply discontinued its Canadian edition. Reader's Digest has had to develop a device, including substantial Canadian ownership, to continue publishing there.

American television has felt similar blows. Although Canadians have clearly shown their preference for American programs, Canadian regulations provide that 60 per cent of the programs carried by the government-controlled Canadian Broadcasting Corporation (CBC) and by the other two networks must be Canadian. Most of Canada's population live close to the American border and can receive American stations as well as Canadian ones, thus they can watch an American network show from a station in, say, Buffalo, or from a station in Toronto that carries the same show via CBC.

CBC, however, insists in many cases that the network show be made available to its audience several days before the show is broadcast by the American network. This unfair advantage prompts Canadians to watch the Toronto station rather than Buffalo's.

Cable systems are quite important in Canada, one reason being the Canadians are so fond of American programming. This bothers the government in Ottawa, which doesn't like the idea of its citizens' being exposed to so much American television culture—and so many American commercials. It therefore encouraged cable systems there to drop some commercials from the American programs and substitute Canadian promotions. Most cable systems are doing this (a few used to drop in Canadian commercials occasionally), but the furor from American broadcasters was so great that new cable systems don't have to delete American commercials.

In limiting tax-deductible expenses, American law restricts the number of conventions an American company may hold, and the number of convention trips an individual may take, outside the U.S. This has reduced Canadian income from conventions and the Canadians want the restrictions lifted. American broadcasters suggested that such a change be contingent upon a Canadian promise to stop harassing them, but neither the Canadians nor Congress would go along.

How much Canadian harboring of draft dodgers and deserters during the Vietnam War period has contributed toward the anti-American attitude there is not measurable. But the anti-Americanism is evident, especially in government action and government-sanctioned actions. It should be possible to encourage Canadian contributions to the arts and a unique Canadian culture without using the United States as a scapegoat.

It is obviously to be hoped that the current Canadian attitude toward the United States, at least the attitude of the Canadian government, will give way to the friendly cooperation and interchange that once existed between our two nations. At this point, however, that is only a hope and we cannot dismiss the possibility—however remote—that matters will get worse instead of better.

That is the possibility that makes it imperative to act with extreme caution in the matter of planning to bring vital natural gas from Alaskan fields to the lower states. President Carter is to make the final decision by Dec. 1 concerning the means to make available Alaska's Prudhoe Bay reserve of some 20 trillion cubic feet of gas, enough to provide 5 percent of our consumption for 25 years. Two pipeline routes now favored by the FPC would each cost about $6.7 billion.

A third route involves a pipeline from Prudhoe Bay south to the Alaskan coast and then having the gas—by then liquefied—transported by tanker to West Coast ports.

The all-pipeline routes, environmentalists and the FPC say, are more reliable and less environmentally damaging.

The FPC and the environmentalists may have studied the matter carefully, but it is evident from the naive conclusion they reached that they gave little if any deliberation to the serious and immediate problem of the political situation in Canada and that nation's growing antagonism—well-displayed antagonism—toward the United States.

Unless there is a clear and immediate danger to the environment, or there is some recent development that makes tankers carrying liquified gas—as they have done safely for many years—suddenly less reliable than they always have been, we believe the FPC recommendation to the President should be considered.

We already have an oil pipeline crossing Alaska to ports where the oil is to be shipped south. Why not a gas transportation system paralleling that?

Whatever Canada's real—or imagined—differences with the United States, every effort must be made to regain our former friendly, easy relationship. Until that goal is reached, however, the United States cannot permit itself to be vulnerable to the whims of a government that has acted less than responsibly toward us.

Our safest course would seem to be the prudent one, and that is the course that avoids placing 5 per cent of our natural gas supply under what amounts to foreign control.

OUR TWO-TIER UNEMPLOYMENT PROBLEM

Mr. HUMPHREY. Mr. President, I was certainly heartened by the statistics last Friday from the Department of Labor showing that U.S. unemployment is going down. Before we take too much satisfaction from this, however, I think we have to take a closer look.

As Commissioner Shiskin noted, we are developing a "two-tiered" level of unemployment where teenagers, part-time workers, and minority groups are not fully sharing the gains made by other groups in the work force. In fact, the data shows that some groups, such as black women and teenagers, actually suffer higher unemployment today than they did at the beginning of this year.

To me, this clearly demonstrates that we cannot rely on a general resurgence of the economy to solve our unemployment problems. We need a remedy targeted on the problem areas, particularly youth and minority groups.

Along with other Congressmen and Senators, I have introduced legislation specifically aimed at solving these structural unemployment problems. The two-tiered nature of our unemployment problem makes enactment of the Full Employment and Balanced Growth Act of 1977, the Humphrey-Hawkins bill, an even more obvious necessity than it has been in the past.

Mr. President, I ask unanimous consent that Commissioner Shiskin's discussion of the two-tier employment problem, be printed in the RECORD.

There being no objection, the discussion was ordered to be printed in the RECORD, as follows:

STATEMENT OF JULIUS SHISKIN

Mr. Chairman and Members of the Committee: I wish to offer the Joint Economic Committee a few brief comments to supplement our press release, The Employment Situation, issued this morning at 10 a.m.

The economy completed the 25th month of the current economic expansion in April with another sharp rise in employment and aggregate hours and a further decline in unemployment.

The labor force increased by 220,000 in April; employment rose by 550,000; and unemployment declined by 330,000.

Over the past 6 months, employment has risen by 2.3 million, an average of 380,000 per month; this compares with virtually no job growth during the previous six months. Unemployment has declined by nearly a full point since last October. Over the same period, other measures of economic performance have also improved substantially, including real GNP, industrial production, real retail sales, and real personal income (adjusted for transfer payments). Recent rises in the index of leading indicators suggest that expansion will continue in the months immediately ahead.

The decline in unemployment was not only substantial, but also widespread. With only an exception here and there, all economic, demographic, industry and occupational groups participated. Long-term unemployment also continued to drop. Even at the reduced rate, however, total unemployment remains at an unprecedented high level for this stage of economic expansion.

Total employment reached 90 million jobs, with increases of more than one-half million in March and again in April. Nonagricultural employment also expanded vigorously, and during the past two months there has been substantial growth in manufacturing and construction employment. Aggregate hours rose again, both in the total private economy and in manufacturing. The employment-population ratio continued to advance toward its all-time high in early 1974.

During the past two JEC hearings on The Employment Situation, there was considerable discussion of a two-tier pattern of unemployment, with younger workers taking one path—that of continuing high unemployment—and experienced workers taking another path—that of fairly strong decline. Empirical evidence BLS has assembled on this matter confirms the existence of such a dual pattern.

Since May 1975, the total unemployment rate has declined by 2 percentage points, or 22 percent. At the same time, there has been a much larger decline in the rate for job losers—experienced workers who have been laid off or terminated from their jobs—about 40 percent. On the other hand, there has been little change for everybody else—new entrants, re-entrants and job leavers—who are mostly teenagers and women.

The pattern also is evident—though not so clearly—in unemployment statistics by age. Thus, there has been a sharp drop in the unemployment rate for men and women 20 and over (26 percent) but a much smaller decline in the unemployment rate for teenagers, about 12 percent.

This pattern shows up again in divergent trends of full-time workers and part-time workers, with a decline of 25 percent for full-time workers since the beginning of the current expansion in the spring of 1975, and a decline of only 7 percent in the rate for those seeking part-time jobs.

It seems clear from these figures that substantial declines, more consistent with improvements in other sectors of the economy, have taken place among experienced, adult employees, while little improvement has taken place among younger persons and those seeking part-time jobs.

In the 3 previous periods of recovery (1971–73, 1961–63, 1958–61) the cyclical declines in the unemployment rates for adult workers also was greater than the decline in the rate for teenagers. Thus the present cyclical patterns appear to be typical. However, the declines for both age categories in the earlier expansions were greater and faster than in the current expansion.

In response to a request by Chairman Bolling, I am adding a few comments about recent developments in prices.

Recent fluctuations in prices are much more similar to those that took place prior to 1973 than those during the 1973–74 bulge.

The Wholesale Price Index showed a sharp drop in the rate of increase in late 1974 and early 1975 following the great bulge in 1973 and 1974. Over the past six months or so, the rates of increase in the components of the WPI, which include farm products and processed foods, have risen; however, the annual rate of increase in the wholesale prices of industrial commodities has fluctuated around a flat trend of 7 percent or so for about 2 years.

Following about two years of decline, the rate of increase in the Consumer Price Index has turned up during the past few months. This upturn is evident in all the major components.

While, on balance, most prices have risen in recent months, at this time the increases do not resemble those that took place during the rapid inflation of 1973–74.

INFORMATIONAL NOTE

Preliminary data to be released by the BLS next week show that the share of the consumption dollar going to automobile-related expenditures increased more between the early 60's and 70's than any other component, and much more rapidly than for the previous decade. Housing increased its share by a small amount, but the shares going to food at home and clothing continued their historical declines. The release will compare the results of nationwide surveys of consumer expenditures conducted by the government in 1960–61 and 1972–73.

My colleagues and I shall now try to answer your questions.

MOVE TOWARD AIRLINE REGULATORY REFORM ACCELERATES

Mr. PERCY. Mr. President, on April 26, 1977, Senator HOWARD W. CANNON, our dedicated, energetic, and creative colleague from Nevada, spoke on airline regulation before the Aero Club of Washington. His remarks, as chairman of the Aviation Subcommittee of the Senate Committee on Commerce, Science, and Transportation, represent a significant and farsighted statement on aviation policy in the United States.

The speech details in concrete and readily understandable terms the need for less Government regulation of the commercial airline industry. I agree with the comment by Senator CANNON that—

Protection of narrow competitive interests is a luxury we can no longer indulge. It is wasteful, it is inefficient, it is expensive. In the long run, it serves neither the airlines nor the public.

Senator CANNON should be particularly commended for his statement that, during the transition period proposed in the reform legislation, the Civil Aeronautics Board, CAB, should be expected to award new applications for innovative services, such as those filed recently for new service out of Midway Airport in Chicago.

When I testified several weeks ago on behalf of S. 689—the Cannon-Kennedy bill which I am cosponsoring—I noted the urgent need to approve the applications of several new carriers to institute service to as many as 14 cities from Midway Airport at fares up to 50 percent below current fares. I am pleased that

Senator CANNON agrees with my position that expeditious approval of these applications would bring tremendous economic benefits to the residents of Metropolitan Chicago, as well as throughout the Midwest. In expressing firm, continued support for competing, innovative service, and the procompetition and substantive entry provisions of S. 689, Senator CANNON has performed a service to the public which will redound to the ultimate financial well-being of the carriers.

Although I agree with most of his remarks, I take exception to a few specific points. First, I believe that fare reductions should be permitted to go beyond the 25 to 35 percent Senator CANNON suggests. Currently, Texas International is offering fares at 50 percent of regular coach fares, and the Midway applicants are proposing even more substantial cuts. I would hope, therefore, that significant fare reductions would not be limited. In the Midway case, a 53-percent fare reduction might well be viewed as critically important to putting Midway back on the Chicago aviation map. Such a fare would draw a sufficient number of new passengers to make the service economically feasible.

Second, I wonder if across-the-board protection of the routes of smaller carriers over those of the larger carriers might be discriminatory and anticompetitive. Admittedly, Senator CANNON has proposed protection of smaller carrier routes as only a transition mechanism. But perhaps the idea should be reexamined to make certain that route monopolies, whether by smaller or larger carriers, are not permanently frozen into any new legislation. Smaller carriers seem to do quite well when competing with larger carriers and may not—certainly not in every instance and perhaps not in most—need special attention or protection.

Third, in the area of entry, it is difficult to understand why an applicant for new service during the first 3 years of this act should be required to affirmatively demonstrate that its application is consistent with the public convenience and necessity. Senator CANNON suggests that, after 3 years, the burden of proof that the applicant is not serving the public interest be shifted to the opponents of the application. I would only urge that this provision become effective with the enactment of this legislation or perhaps within a year thereof instead of 3 years, if it is felt that a transition period is needed.

Additionally, I submit for the RECORD an article that appeared in the April 1977 issue of Miami magazine on Air Florida—an intrastate carrier. Almost all of the attention to low-fare, innovative intrastate service has focused on California and Texas. Yet, Air Florida is now beginning to provide low-fare service to millions of Floridians. It is known as the "grandpa line," because it carries so many elderly citizens who otherwise could not afford to fly to visit their children and grandchildren.

For example, between Miami and Jacksonville, the Air Florida fare of $38 one way is $9 cheaper than other carriers, and the after 7 p.m. fare of $20 is $19 less than—almost half-price of—that charged by CAB-certificated carriers. In January 1977, Air Florida carried 6,000 passengers between Miami and Jacksonville. The carrier notes that half of those passengers were new air travelers who previously used ground transportation or did not travel at all. The intrastate experience in Florida, as well as in Texas and California, offers a preview of the types of innovations that could be expected with less Government regulation of the airline industry.

Mr. President, I ask unanimous consent that the speech of Senator HOWARD W. CANNON and the Miami magazine article, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR HOWARD W. CANNON

SOME PERSONAL OBSERVATIONS

In sitting through nearly three weeks of hearings on the airline industry, I was struck by the near unanimity among airline chief executives in opposition to any significant change in the aviation regulatory structure and surprised by the shrill tone of the predictions that doom and Armageddon would befall us if regulatory changes were made in the present system. It is a bit astonishing to one who has been a close observer of the airline business over the years having heard countless times of the evils of CAB regulation, to hear the litany switch to predictions that the sky will fall if we tamper with a statute that is, like Jack Benny, 39 years old.

In fact the Federal Aviation Act in the past few weeks has been sanctified and annointed so often and so profusely that I have begun to have the feeling that Moses brought it down from the mountain as footnotes to the Ten Commandments. God forgive any mere mortal if he should even murmur that this venerable old law may be in need of having its cobwebs swept away.

It was amusing and ironic that the CAB's most vociferous and consistent critic, the champion of free enterprise, Bud Maytag of National, said after reviewing the Cannon-Kennedy bill, that he was falling in love with the CAB.

But the dinosaur of the month award went to Al Casey of American. Casey apparently thinks American can't do what it does best without total governmental regulation and control of all facets of the business including scheduling.

It is interesting that businessmen usually decry governmental intervention and regulation of business activities except in cases where such governmental interference gives them a competitive advantage or an opportunity to be lazy and rest on their oars. Businessmen in the airline industry have said loud and clear that they want as little free enterprise as possible.

The principles of American free enterprise—innovation, price competition and the opportunity to build the better mouse trap should not be outlawed in the airline business simply because the regulatory system for 39 years has discouraged such enterprise.

However, when public policy makers suggest changes in the way the game is played in order to encourage innovation and competitive forces, the din from the industry and its workers, apparently stampeded by management, is deafening.

Take as an example a quote from our hearings:

"Both bills permit unrestricted entry by any carrier into any market, causing a fundamental shift in the nature of the system which we believe would be bad for the public, bad for both scheduled and supplemental air carriers, harmful to shippers, and detrimental to the smooth working of the American economy . . . Enactment of such legislation could spell the beginning of the end of the Nation's air transportation system as we know it today."

Are those familiar refrains? Are those the prophesies of doomsday from one of the witnesses from the airline industry testifying on regulatory reform? No, they are not. Those are the words of Paul Ignatius of the Air Transport Association on May 15, 1974, testifying on a bill which would have permitted more liberal rules for inclusive tour charters.

Despite that shrill and erroneous prediction, the CAB did exactly what the bill would have done and authorized single stop inclusive tour charters. Evidence of the past two years has conclusively demonstrated that this concept has been a bonanza for the airlines, the traveling public, the tour operators and the tourism industry. And of course, the biggest beneficiary in the industry has been that company that pays 25 percent of Mr. Ignatius' salary, United Airlines, which incidentally was the first air carrier to support the concept of less regulation.

THE MYTHS ABOUT DEREGULATION

In the course of the hearings before the committee, a host of myths were voiced in an attempt to turn attention from the real issues involved. The most outrageous of these myths is that we will have an unsafe airline system if regulatory reform is adopted. Of course, nothing could be further from the truth. However, those who wish to divert attention from the imperfections of present regulation have cleverly seized on an idea to scare the public with the fear that regulatory reform will cause airplanes to fall out of the sky. The answer to that is quite simply, hogwash.

First of all, entry to the business, as is the case today, will be open only to operators who the Board finds fit, willing and able. That means fly-by-night operators, poorly financed speculators and those with past safety problems need not apply. Second, there will be no change whatsoever in the manner in which the FAA regulates the safety practices of the airline industry. The same stringent operating standards of Part 121 of the FAR's will apply to all operators whether new or old. And third, most of the new entry into the passenger business will come from experienced airline people who, in the past, have been kept from joining the club.

Another myth that is tops on the hit parade is that air service to small communities is going to decline further or disappear altogether. Of course this comes from the same airline executives whose companies have been leaving small communities steadily for the past ten years. And this in spite of the testimony of the nation's largest operator of small community air service, United Airlines, who has said it has no plans, under a new regulatory structure, to abandon service to the small towns it serves. In fact, United has recently told me that it plans to introduce 737 Jet service into two small towns in my state, Elko and Ely and cancel a long-standing wet lease with Frontier which has been providing service with Convairs.

It was amusing to note that the President of the one carrier that doesn't serve any small communities, TWA, was the most outspoken in protecting small community interests.

The fact is that air service to small town America will be improved by bringing commuter air carriers fully into the system under legislation I am developing in cooperation with Senator Pearson. The commuters are today's specialists in local air service. I'll have more to say about this issue in a few moments.

The third totally unfounded myth is that thousands or tens of thousands of employees

in the airline industry will lose their jobs with enactment of legislation on regulatory reform. This is sheer nonsense, voiced by executives of companies who don't want to face the challenge of changing the hoary and unimaginative way they have always done business. It is also parroted by the chieftains of the labor movement who have enjoyed, over the years, a built-in incentive, provided by regulatory protection, to seek and attain bargaining achievements, frequently out of line with employee productivity. When the average airline pilot in the United States flies only 45 or 50 hours a month when the law says he can fly 80, and sometimes at salaries exceeding $80,000 per year, it is hard not to perceive the inefficiencies the regulatory structure has built into the system.

The plain fact is that employment in the industry is bound to rise under a system which places more emphasis on competition and innovation. New jobs will be created by the stimulation of lower fares in some markets as passengers leave their automobiles for airplanes as they have in Texas. Efficient and innovative companies will be rewarded in a regulatory system emphasizing competition and they will grow and prosper creating the need for additional employees.

While it is certainly true that dislocations may occur as economic conditions change and as market forces operate, such dislocations are very real and prevalent in the present system. One need only count the thousands of employees laid off during the early and mid 70's to understand that employment in the airline industry fluctuates greatly with changes in the economy. And labor, particularly those employed by the less efficient airlines, must sharpen its pencil at the bargaining table to ensure that its demands are in line with productivity needs. Airlines cannot be efficient and innovative when hamstrung by work rules and restrictions, the type of which have pushed many railroads into bankruptcy.

A final myth worth discarding is that airline fares will go up rather than down with regulatory reform. Those peddling this myth are as guilty as those who say that deregulation will result in lower fares. Neither, in my judgment, is right. First, air fares like all other goods and services in our economy will rise as the general costs of doing business rises. Five years from now airline fares will doubtless be higher than they are today. However, that is not to say that a change in the regulatory structure will not bring downward pressure on prices. I think it most certainly will. It is even happening today in isolated situations under the present system of rigid price controls.

The experience with PSA and Southwest shows that innovative pricing coupled with efficient operations in markets with significant traffic density can produce lower cost service to the public. That type of operation is not possible in every market—perhaps not even in the majority of markets in the United States. But a regulatory system which does not even permit the public to benefit from such services when they may be made available is not serving the people or the industry well.

I am convinced that enormous opportunities for more efficient and price-conscious airline services exist, which will be of great benefit to the public and to the industry. But under the highly exclusionary and inefficient policy mandates of the present act, as administered by the CAB, these benefits will not materialize.

NOW, WHERE DO WE GO FROM HERE?

After three weeks of hearings, I'm convinced that unless regulatory changes are made soon, the airline industry will go the way of the railroads. A system that over the long run discourages, ignores, or penalizes efficiency, will dry up investment, promote wasteful practices, lead to higher costs and ultimately destroy that which we are all seeking to preserve—a profitable, privately-owned airline system.

We have all heard the tiresome rhetoric that today's airline system is the finest the world has ever known. While that is undoubtedly true, it is also irrelevant. It probably could have been said a half-century ago, that the United States had the best railroad system in the world. Restrictive, iron-clad, and unfair regulatory policies strangled that industry to death. And I submit that present airline regulation is headed down the same path.

The trouble signs are all too obvious: A rapidly aging airline fleet that is showing its age in higher than necessary fuel consumption and limited ability to add more seats. A paucity of new investment, either equity or debt, except in a few firms that have, so far, bucked the trend. Declining employee productivity which is driving unit costs up faster than is necessary, and most important, a lack of long-term profitability. While none of us can predict the future with unerring accuracy, it seems that given the present regulatory climate and structure, all the signs point to severe problems in the years ahead.

It has been popular in recent weeks to paint this examination of regulatory policy as a drive to deregulate the airline industry and allow free market forces to determine the extent of and the quality of airline service.

However, the plain fact is that no responsible voice in this exercise is advocating deregulation of the airline industry. On the contrary, regulation should and will be preserved while at the same time being redirected. There will not be free entry into the system, pricing will not be decontrolled and the order and facilitation which characterizes today's airline system will not be destroyed.

But the structure of the system will be changed so that every operator, whether he be an existing airline or a newcomer to the business, will feel the pressure of competition and innovation. And such pressure will reorient the system toward efficiency with rewards for those who perform well and penalties for those who don't. The system will not be structured to prop up the least efficient, as it is today, nor will it continue to bar those who might have a better idea.

In the coming weeks I plan to develop a new legislative proposal toward those ends. The bill that I introduced earlier this year along with Senator Kennedy has much to recommend it. However, evidence from the hearings indicates that sound policy also requires significant changes.

The key to my new proposal will be a greater emphasis on transition and moderation during the first few years as the airlines and the Board adapt to a more competitive system.

In the area of entry, for example, for the first three years an applicant for new authority will be required to demonstrate that such authority is consistent with the public convenience and necessity. After a three year period the burden of showing that an application for new authority is not consistent with the public convenience and necessity will be on those opposing such an application.

Nonetheless from the enactment date forward, P C & N will be defined in such a way so that a proposal which provides for innovative service options, more efficient and less costly methods of operation or services at significantly lower fares would undoubtedly be approved by the Board.

During this transition I would expect to see the Board award new authority such as that filed for in the Midway Airport applications.

I remain of the view that in a move toward less regulation and more market-place-oriented decision making, existing airlines including the supplementals and the large intrastate operators in California and Texas, should be able to more or less automatically add to their systems in a modest amount each year. For existing scheduled carriers this will provide an opportunity to rationalize their route structures without long and drawn out route proceedings. This discretionary route entry authority will, however be limited and restricted with appropirate safeguards. For example, the present provision in my bill which allows the smaller carriers to add as many as four new routes a year may be excessive. In keeping with a gradual transition to a more competitive system this number will be reduced. In addition, I am seriously considering a proposal which would further protect the smaller carriers by permitting them to protect all but one route a year from discretionary entry of other carriers. This protection would be phased out after three years. Again, in keeping with a gradual approach to new competition, I will not support a plan to eliminate all route restrictions at the present time. Removal of such restrictions would create vast new authority and could well be excessive unless phased in over time. I will however propose that all current closed door restrictions be limited.

In the area of all-cargo authority, testimony developed during the course of our hearings has been convincing. All of the evidence suggests that regulation of entry and rates has had a depressing effect on the development of all-cargo services. These operations should be open to any entrant on the showing of fitness, willingness and ability only. A free market system should promote the development of nation-wide all cargo services as have been proposed by Flying Tiger and Federal Express. With the market place serving as a price restraint mechanism, and with the pressure from competing modes, there is no longer a need to regulate rates except to ensure that they are not unjustly discriminatory or unduly preferential or prejudicial. The time has come to abandon the attempts to regulate the cargo business in the same manner as we regulate the passenger system. I'm convinced it hasn't worked, it won't work, and the shipping public has been the loser.

In the areas of mergers, agreements and anti-trust immunity, I believe the airlines have made a strong case that the Board should retain basic authority in this area. While I doubt that removing the anti-trust immunity for agreements would result in their being declared unlawful, the opportunity for litigious mischief is apparent.

If such litigation acted as a barrier toward establishing agreements which serve the traveling public, then the system is the loser. I will however propose tough new standards under which agreements may be judged so as to protect the public from patently anti-competitive agreements such as pooling or capacity fixing agreements.

Under a regulatory system which emphasizes competitive market forces, the airlines must be given the opportunity to raise and lower their fares in relation to market conditions. The extent to which fares need be controlled is directly related to the ability of competitors to enter the market or the threat of entry into the market.

During a transition to a more competitive system there needs to be greater regulation of air fares by the Board than would be the case when a more competitive system is fully developed. Particularly in the area of fare increases, the public needs the protection from unwarranted fare increases which might result from less regulation if a meaningful competitive threat is absent. Accordingly, a pricing zone of reasonableness should not extend upward above 10 percent a year. As a

practical matter carrier costs are not increasing that quickly anyway. However, to avoid the opportunity for price gouging in monopoly markets which are not of sufficient size to support competition, price control on the upward side is warranted. Even with price control however, the Board should grant carriers fare increases based on anticipated future cost increases.

In markets where the 10 percent upward flexibility is not appropriate, a mechanism could be established whereby the carriers could submit, in advance, their prospective cost increases and obtain advance approval of fare increases which take into account rising costs in the future. On the downward side, the direct cost test used in S. 689 is not practical. It would create administrative difficulties as the Board would have to determine, on a route-by-route basis, what direct costs were. It is preferable to use a percentage figure on the down side below which a carrier could reduce his fares but subject to CAB suspension. I am considering a figure in the 25 to 35 percent range.

Any air carrier should be allowed to exit a market after reasonable notice to the Board and to the affected communities. Such a period might be six months with the possibility of extension for 6 months. If the Board has determined that the community losing certificated air service is entitled to government supported air service, the Board should be obligated to certificate, by limited certificate, a commuter air carrier to provide the service on a subsidy-eligible basis. The policy should also provide that after a transitional period of perhaps five years, the subsidy system should be entirely constructed on the basis of costs associated with the operation of commuter type aircraft and in line with the general cost patterns of the commuter airlines. This may result in some of the locals entirely leaving the subsidized air service system, and others returning to the business of operating small aircraft. The result will be that small communities will probably get more frequent and timely air service—with smaller planes— and the government's subsidy costs will decline significantly.

The legislation I have broadly outlined here today will not be popular in many quarters. The less-efficient members of the airline industry will attack it on the basis that business-as-usual will no longer be the rule of the day. Some of the largest airlines may not like it because it will mitigate against further economic concentration in the industry and provide more incentives for the small airlines than the large. The smallest carriers may cry that it doesn't adequately protect them from competition from the larger carriers.

But protection of narrow competitive interests is a luxury we can no longer indulge. It is wasteful, it is inefficient, it is expensive. In the long run, it serves neither the airlines nor the public.

Passing this legislation will be a tough job. But I will not shirk from the task. While uncertainty for us all lies ahead as we move toward a more competitive airline system, there is no doubt in my mind that failure to pass leigslation such as that which I have described will provide even more uncertainty and in the end, the chaos, disarray and huge public bailouts which are now characteristic of the nation's railroad system.

I appreciate this opportunity to appear before you today to discuss this issue of vital importance to us all. Thank you very much.

[From Miami magazine, April 1977]

IT LOOKS LIKE TAKEOFF TIME AT AIR FLORIDA

Air Florida, a Miami-based Florida airline, began service in 1972 as an intrastate carrier, authorized by the state Public Service Commission to establish routes and fares between destinations within the state.

Despite plans to begin as a jet aircraft line, Air Florida operated with propjet (propeller) planes until last December when introduction of Boeing 727 service triggered large increases in schedules and in passenger use. This February, Air Florida carried in excess of 17,000 passengers and on one Sunday set a company record of 97 per cent sold seats out of its total capacity for the day.

As of now, Air Florida may not sell connecting tickets or have its own sold in conjunction with interstate airlines, nor may it exchange baggage with them. A bill before the United States Congress would amend Civil Aeronautics Board (CAB) regulations to permit such exchanges known as "interlining."

After four years of losses, viewed by management as part of the risk of giving birth to a new airline, Air Florida shows a market increase and the company is negotiating for five DC–9 jets, three targeted to arrive in 1977 and two in 1978.

Board Chairman and Chief Operating Officer Eli Timoner, who has already proved his mettle by building a successful candy business and a successful floor products and snowmobile manufacturing firm, sees Air Florida's success as a certainty, considering the records of intrastate lines in California and Texas. In those states, with low fares and thoughtful scheduling Southwest of Texas and PSA of California have become remarkably busy. They are, in essence, flying buses, and have replaced, to a substantial degree, heavy loads of what probably would otherwise be ground traffic between major cities in their states. Timoner hopes to emulate their service and success and to prove, as they have, that air travel can be inexpensive, safe and part of a state's economic development mix.

"Tell 'em we'll fly them," said Air Florida chairman Eli Timoner. 'We'll take Indian beads if necessary."

Some Dade County employees needed to get to Tallahassee, so they reserved space on Air Florida. Dade County uses Eastern "Flite-Checks" to pay for employees' travel. But Air Florida is an intrastate line and it has no "interline" agreements with the big trunk carriers such as Eastern. "We can take the Flite-Checks," Timoner said. "The question is whether Eastern can redeem them."

But Timoner's fashion, as he says, is to "live and suffer for every passenger." He wasn't about to forfeit county passengers to another carrier. It's typical of the Air Florida operation that such a problem at the ticket counter would find its way to the desk of the board chairman. With 10 passengers in the balance, Timoner launched a series of quick telephone calls, told the county its credit was good with Air Florida, promised credit cards, pinned down the reservations and turned to the next order of business. The next business happened to be an upcoming board of directors' meeting involving new stockholders and a $1.5 million financing shot-in-the-arm for the fledgling line, now entering its fifth year.

As for the county, Miami-Tallahassee at $47 one-way is $9 cheaper by Air Florida than any other line and at the pleasure fare of $25 is $31 cheaper than others. In fact, Air Florida low-cost flights run a few cents cheaper than bus fare on the Miami-Tallahassee, Miami-Jacksonville and Miami-Tampa turnarounds.

Indeed, low fares and convenient schedules, plus jet equipment, explain why a well-run intrastate operation can look forward to the prosperity in Florida enjoyed by successful intrastates in Texas and California. Their service tends to generate air passengers from a previously non-flying public rather than luring passengers from existing trunk lines that make in-state short hauls as part of their interstate services.

As it obtained new financing and laid firm plans to add three DC–9 jets this year and two more in 1978, Air Florida scored 111 per cent passenger increase in February 1977 over the same month in 1976. On February 27, a Sunday, Air Florida flew 971 passengers in its 1,003 available seats, a 97 percent load factor. Traffic continues to increase with the Boeing 727 Air Florida uses in operation about nine hours each day.

Of more significance is another statistic—average passengers per flight—Timoner watches with the intensity of a parent measuring the temperature of a convalescing child. In February, Air Florida carried an average of 51 passengers per flight, up seven per flight from January. With the line's mix of fares, a 60-passenger average per flight marks a cash-flow break-even point. Timoner predicted a 55 average in March and the 60 breakthrough in April. The mix now includes flights on the 727 and on Air Florida's two Lockheed Electras. Additional jets available will provide, and serve to fill, more seats. The uninitiated passenger seems to prefer jets these days.

In January, Air Florida carried 17,200 passengers, 102 per cent more than January, 1976. A record 9,595 flew between Tampa and Miami, a route served by seven major trunk lines as well: Eastern, Delta, National, Northwest, Braniff, United and TWA.

Flights to Jacksonville began December 16, 1976 with five daily round trips, a business-hours fare of $38 and a "pleasure" fare (departing Jacksonville at 9 p.m. with a stop in Tallahassee) of $20. The evening and weekend pleasure fares chop 58 per cent off other carriers' coach fares. The $20 fare works out to 4.8 cents per mile for the passenger, an economy difficult to achieve even in one's private automobile.

Passengers tell flight attendants: "This is the first time it's made sense for me to visit my grandchildren in Miami . . . I can afford to take the trip and the time now . . ." And things like that. Timoner monitors communications from passengers and letters of commendation are running nine to one over complaints. "They call us 'the grandpa line!'"

Getting the airline to this point hasn't been easy, and the battles seem never to end. Florida's Miami-Jacksonville-Tallahassee run (MIA–JAX–TLH) is not yet approved by the Florida Public Service Commission for the JAX–TLH leg. Timoner's application for service was forced into a hearing by objections from Charter Air, a taxi service using small aircraft (Cessna 402) carrying about 12 passengers and charging $45 one way. Hearings have been concluded and Air Florida expects a favorable ruling about April 1. Air Florida proposes a $30 ticket one-way for daytime schedules, with morning and evening roundtrips to permit travelers to spend a working day at either end and return home, avoiding an overnight stop. The pleasure fare will be $15 one way. National also serves this route with a 2 p.m. JAX–TLH flight and a 3 p.m. TLH–JAX flight daily for $33 one way.

Prices and schedules build traffic, in Air Florida's opinion. Timoner wants businessmen to use his planes at schedules so frequent and convenient travel will cause barely an interruption in the day's activities. Air Florida's second jet, when it arrives, will go on full-route service but the third he plans to use to start a shuttle service between Miami and Tampa. "Out on the even hours, back on the odd hours, or something like that," he says, "so the businessman knows there's a flight and a schedule and doesn't even have to call us up. He just comes to the airport."

Lower fares and schedules timed to Florida cities as destinations, rather than as way stops toward more distant destination cities, seem to work. In January of this year 12,000 passengers (estimated) flew JAX–MIA on all carriers. CAB figures show that the historical market average for January is 9,000. Air Florida carried 6,000. Timoner assumes that 50 per cent of Air Florida's traffic was gen-

erated from the existing market and the other half, 3,000, consisted of new air travelers created out of people who would otherwise have used ground transportation or not have traveled at all. Because of Florida's geography and her farflung urban centers. Timoner thinks Air Florida can build—as have Texas and California carriers—on the theory of one-day turnarounds, flexible schedules, prices.

As he moved to get Air Florida into the air, and later to bring in more capital and increase jet availabilities, Timoner kept in mind the Texas Southwest and PSA (California) models. PSA's fare between Los Angeles and San Francisco is $18.75. That's a 338-mile trip. Low coach fares for interstate—meaning CAB-regulated—carriers for comparable distances, for example New York-Pittsburgh, are $37.96 for 335 miles; or Chicago-Minneapolis, 339 miles, $38.89. A recent congressional report from a subcommittee headed by Sen. Edward Kennedy asserts that intrastate fares run 50–70 per cent of CAB-regulated fares for approximately the same distances and kinds of routes.

Sen. Kennedy is sponsoring a bill to reduce the degree of CAB power to regulate fares and routes. President Jimmy Carter last month stated he favors considerable deregulation of air routes and tariffs. Much of the evidence pushing Senate and White House leadership in the direction of unfettered air competition arises from comparisons of nonregulated rates with regulated ones. All this suggests further to Timoner and his colleagues opportunities for schedules within Florida that will generate add-on business for Air Florida without impacting seriously on the business of the trunklines.

His experience suggests that the big trunk lines (Eastern, National, Delta, etc.) and the growing regional services (Piedmont, Southern, Allegheny, etc.) will be helped, not hurt, by this short-haul service. He gives such examples as this: a long-haul carrier taking people from Miami to Houston might be overbooked on the Miami-Tampa leg and thus lose the long-haul passenger; by increasing traffic to major airports from outlying cities, more passengers can use long haul service more conveniently; Air Florida will not be affected in its schedules by bad weather 1,000 miles from Florida and so can remove short-haul pressures from major trunks when their planes are grounded in New York or Boston or Chicago.

Look at the TLH–JAX route. Highway department origin and destination studies show that 5,900 vehicles per day including trucks use the route. Estimating one of every three vehicles as a truck, Timoner figures that 4,000 people a day drive the distance in cars. National now carries a total of 14,000 passengers a year on its one flight each day each way. In one year, if granted the route by the PSC, Air Florida expects to boost total air passengers to 60,000 per year. His model, again, comes from Texas where air passengers increased from 300,000 a year to 1,000,000 a year between Dallas and Houston after Southwest started service, and where formerly 10 per cent of all travel between the two cities was by air and now 33 per cent of all travel is by air. Timoner makes a strong case for conservation of fuel resources out of these figures, too. But the big lines haven't convinced themselves that Air Florida is going to be all that great a buddy to share the skies with. Reactions to Air Florida have been mixed. Eastern supplies maintenance for Air Florida jets. Other firms supply ground services in Miami but Air Florida supplies its own in Tallahassee and Orlando (McCoy Field).

Eastern's economists disagree that Southwest and PSA prove the value of deregulation at the federal level or the viability of intrastate low fares. PSA faces difficult financial problems, according to Dr. Morton Erlich, Eastern vice president, and Southwest in Texas enjoys monopoly use of Dallas' Love Field, the "old" airport close in to the city, while other carriers use mammoth Dallas-Fort Worth airport, which means extensive ground transport before flying. To Eastern's thinking, their experience is not transferable to Florida.

Whether Air Florida provides "relief" to the trunk lines on short flights depends on traffic. "We have no crystal clear data on that and it's hard to translate what we know into a positive or negative position," Dr. Erlich commented. He said that Eastern has elected not to attempt to match fares with Air Florida because it thinks there isn't enough traffic to justify the change, "If Air Florida thinks it can profit from this relatively small market, it has every opportunity to try. But the jury is still out on that one and we note that Air Florida's regular fare trips are rather lightly traveled."

Erlich noted that Air Florida recently received approval for a $5 increase in its Orlando fares but considers on that route the line is more in competition with the bus than with other air carriers. Timoner regards himself as much in compeition with ground transport on all his routes as with the big airlines.

When Air Florida began flights into McCoy (Orlando) its planes loaded and unloaded in a cargo area and three buses were required to take passengers from the apron to the terminal. Air Florida built a temporary facility at McCoy. Now permanent, this facility is near gates which other airlines won't permit Air Florida to use, except for Delta. Trouble is, the Air Florida counter is about as far from Delta's gate as you can get without leaving the terminal altogether. In Jacksonville, Air Florida fought for counter space in the bright new airport, finally subleasing space from United. However, all the jetways (the telescoping covered ramp connecting waiting space directly to aircraft) are leased to other carriers so Air Florida took space without a jetway despite the fact that unused ones stand idle elsewhere. This means Air Florida passengers must walk down to ground level and then climb stairs to the airplane: no big deal, of course, but not quite what experienced passengers are used to. There was limited space in Tallahassee so Air Florida started in a kiosk near the baggage area. Now, the airport will build space in the terminal to replace a temporary counter now in the main lobby, though passengers will still drop their luggage on a baggage truck at the street entrance.

In Dade County, Timoner found cooperation excellent, the airport administration and staff cooperative. "They recognized the need and they like to see traffic build up," he said.

How can an intrastate carrier offer lower fares? If Air Florida can cut rates, why can't others? President Carter and the Kennedy committee think all rates can come down in response to competition and that such frills as movies, meals, ticketing by computer, champagne and so forth add only a few dollars to each ticket on high-volume routes. The carriers respond, according to testimony before Sen. Kennedy's committee, that offering a wide range of schedules, maintaining service to smaller cities that produce low volumes of passengers and in general providing a flexible and useful national air transport system all cost money and that the system iself would be seriously damaged if price became the single determinant in their operations.

Indeed, if the total costs of operating a major airline were allocated on a seat-mile basis there would be no way a relatively short flight could produce breakeven. If a major line by some fluke consistently handled a high number of short flight tickets and a low number of long flight tickets, it could face disaster.

The intrastates keep prices down through low overhead, relatively simple ticket selling and scheduling services and by buying maintenance and ground services as needed instead of having to capitalize and administer such services at a satisfactory level whether or not they are utilized fully. With shorter hauls they can generate more flexible schedules and with lower prices create traffic from people who never before considered flying available to them. The intrastate carrier does need a higher load factor for breakeven. If everyone flew Air Florida only on its low fare (pleasure fare) flights, the line would require about a 75 per cent load-factor break-even. But within its total mix of flights, when its additional jets are in service, the line can break even at about or under 50 per cent. Some of the trunk lines can break even at under 50 per cent load, but most require a mid-50s percentage load within their total mix of flight lengths and ticket prices to cover their operating costs.

Timoner, convinced he has a favorable deal for the public, expects full utility for the new equipment now on the way. He has been disappointed before with jet aircraft promised but not delivered. Air Florida was supposed to have started with jets but when leased aircraft were not delivered turned to the faithful, comfortable Lockheed Electra, a propjet. Somehow, in this age of flying, people do not accept propeller-driven aircraft with the same confidence as they do jets. No explanation for that—it is merely one of the public perceptions concerning flying that you're up against when you run an airline.

Air Florida people share the high morale that comes with being an underdog starting to assert itself. The line has 140 employees. It is into the airline game of pretty stewardesses and new uniform designs. Everyone wants to know the daily count of seats sold and advance reservations booked. The board of directors in early March authorized a committee to write and adopt a profit-sharing plan modeled on Southwest's Air Florida's Offices in the Atrium complex just off NW 36 Street bustle. People move about purposefully. The easy informality and enthusiasm of a rally headed for victory comes through. Carol Gersten, University of Georgia journalism graduate and public relations officer of the company, moves in and out of Timoner's office, and that of general manager Ted Griffin, without regard to protocol. Dennis Merola, reservations manager, dashes in unannounced to tell Timorner that a particular problem has been straightened out. Merola studied airline management at Miami-Dade Community College and his total work experience is with Air Florida. While Merola and Timoner chat about how they will handle someone's credit or what's happening on the telephones, the company's comptroller emerges from an office adjacent to Timoner's with some tidbit of information or another.

Timoner works in a double office that is carpeted and draped in a businesslike manner but is hardly a designers' dream. His office is furnished for work, not show. One room contains his desk, where he rarely sits. It opens to another with a large table surrounded by chairs and bearing an assortment of advertising proofs, pictures of airplanes and various reports. The boss sits first one place then another. He confers at the table, then at the desk. His secretary, June Roy, fields his calls, finds reports, responds to visitors and with relative calm matches the Timoner style of switching from one subject to another and one caller to another with aplomb. The chairman is not a shouter. His voice remains soft, his instructions simple and clear, his confidence in his associates obvious as the day's work proceeds through routine and crises.

Something's working. On Dec. 1, 1976, Merola's forces handled 700–800 calls a day and placed 300 reservations. By March 1, 1977, calls were up to 2,500 per day producing 1,250 to 1,500 reservations.

Air Florida is approved also for so-called commercial operations. It may carry passengers whose fares are paid by a third party, such as groups flying to Bahamas casinos. So, on weekends, an Air Florida craft may journey to Freeport or somewhere else and add to the cash flow Timoner needs as he grooms his birds toward profitability.

When space is available, Air Florida carries employees of other airlines anywhere on the schedule for $8. The generosity is not reciprocated at this time. No discounts and no freebies. "We aren't really another airline to them," Timoner smiles.

At Miami International Airport on a Sunday night, Timoner stopped by the Air Florida counter on his way home (Gables Estates) from an afternoon at the office. "Are you selling tickets out there?" he was asked on the phone. "No," he said. "I'm emptying ashtrays, sweeping up and watching us fill up flights . . . four full ones today. How else do you expect to get an airline off the ground?"

The line's new financing and new advisors brighten that light at the end of the tunnel and cheer Timoner's spirit. It was not always thus. The startup has been rough and only the unflagging confidence born of absolute conviction could have survived some of the blows.

Losses since 1973 come to half a million annually. In 1976, net losses were $671,000 on operating revenues of $2.8 million. Timoner watched traffic decline in 1974–75 from 155,256 passengers in '74 to 138,648 in '75. Revenues were up because of fare increases, but expenses increased because of fuel and service raises. In 1976, passengers declined again to 101,466, about 27 per cent, and expenses went up again. Interest went up, selling and general administrative expenses went up and the Florida Sales Tax department completed an audit that resulted in a $140,000 assessment.

So what's going to turn all this around, other than Timoner's personal dedication and convictions?

For one thing, jets. Jet service started only in December 1976. The 727 lifted spirits in the company as well as a lot of Florida people. Now, more jets are on the way. Another 727 was expected early this year but DC–9s will go on the line instead.

For another, schedules. Air Florida builds its scheduling around getting Floridians someplace in the morning in time for a day's activities and getting them back again in the evening. Its pleasure fares fly early enough in the evenings and on weekends to avoid classification as "red-eye specials," the after-midnight low-fare flights of the major carriers.

Down the line, perhaps, a change in federal regulations that would permit Air Florida to "interline," which means to write tickets and have tickets written for it by other airlines so that Air Florida could be used in conjunction with flights outside Florida. This would also permit passengers cancelled on another line, because of weather or overbooking, to use their tickets on Air Florida without having to buy a new one and wait for a refund on the original. Florida's Congressional delegation has introduced a bill to allow Florida intrastate lines to accept tickets and baggage from other carriers and Timoner pushes a petition which, when signatures mount, will be forwarded to Florida's congressmen. The House already has passed such a bill applicable to California.

And, for more optimism, new money. In December, Air Florida signed with a group of investors for a private placement of 3,000,000 shares of the company's $.50 par value common stock at par price. This means the infusion of $1.5 million of new capital during early 1977 and also guaranteed interim bank loans.

The new capital will finance the transition to a pure jet fleet and handle financing of earlier loans and two series of convertible debentures, one at 9 and a quarter per cent and the other at 11 per cent.

As for the airline's long-range goal, let Timoner say it:

"Air Florida is dedicated to providing the public with the best air service at the lowest possible cost. We have now embarked on a total program to introduce Air Florida as a new jet airline. We have new, lower fares, increased scheduling to new and existing markets; we're featuring new hostess uniforms, instant ticketing, carry-on baggage and other services to make Air Florida more convenient and affordable. Air Florida's future plan is to expand this improved jet service to the major population centers throughout our state . . . we believe that Air Florida will be the true catalyst in the economic development of commerce between Florida's cities and for greater utilization of Florida's unequalled recreation facilities by Floridians and visitors within our state."

NATIONAL CONSUMER COOPERATIVE BANK ACT

Mr. PROXMIRE. Mr. President, I was very pleased to see that the proposed National Consumer Cooperative Bank Act is moving forward in the other body. The legislation has been reported by the House Banking Committee, and apparently stands an excellent chance of passage by the full House.

Cooperatives are a very useful form of enterprise that provide jobs and housing for moderate income people and reasonably priced goods for consumers. Farm co-ops have had enormous success, in part because the Congress had the wisdom several decades ago to provide a central banking facility for them. Although there have been successful retail co-ops and housing co-ops, the consumer co-op movement has not grown as rapidly in the United States as in other Western countries, in large part because of a lack of capital and a lack of adequate management expertise.

The proposed National Consumer Cooperative Bank Act would help provide both. An expansion of consumer co-ops of all kinds—including those providing consumer goods, services such as health care and auto repair, producer co-ops, and of course co-op housing would be ideally suited for this period of inflation and belt-tightening. All of these enterprises would be eligible for loans by the proposed bank system.

Although I have serious reservations about the inflationary impact of new Federal spending programs, I view the legislation introduced by my friend, the Senator from New Hampshire, as an anti-inflationary measure. It is a loan program, not a handout, and the initial equity capital to be subscribed by the Treasury over a period of 4 years would be gradually bought out by participating co-ops, on the model of the farm credit banks. Thus, the initial public contribution would be reimbursed over time.

The legislation was considered by the Senate Banking Committee last session, and action was postponed because of questions about whether the bank should be on budget. As a matter of fiscal responsibility, I believe that it must be on budget, and I am pleased to note that the House Banking Committee has reported it on that basis. I also note that the House Banking Committee has cut the original bill in half, and that action also may well be prudent. I can assure my colleagues that we will give this useful measure prompt consideration once it has been approved by the other body.

I ask unanimous consent that two articles from the American Banker and the Washington Evening Star be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD as follows:

[From the American Banker, May 6, 1977]

HOUSE BANKING CLEARS CONSUMER COOPERATIVE BANK BY 24–11 VOTE

(By Lynn Conover)

WASHINGTON.—The House Banking, Finance and Urban Affairs Committee Thursday approved 24–11, legislation creating a national consumer cooperative bank.

The final bill was a scaled-down version representing a compromise between Congress and the Administration, which had advocated a two year pilot program instead.

The committee had turned down Wednesday an effort by one Republican member and one Democrat to offer the Administration's position in bill form.

The move by Reps. J. William Stanton, Ohio, the committee's ranking Republican, and John J. LaFalce, D., N.Y. was defeated 17–23.

"It's a piddling substitute," commented Rep. Parren J. Mitchell, D., Md., a strong supporter of the national consumer co-op bank concept.

Working against a May 15 budget deadline, the committee instead agreed to a substitute offered by Rep. Fernand J. St Germain, D., R.I., a sponsor of the original legislation.

The bill approved Thursday would create a cooperative bank patterned after Farm Credit System lenders such as the Bank for Cooperatives.

The Federal government would provide the bank $500 million over a five year period. The original bill would have provided $1 billion to the bank over four years.

The Treasury Department had told a House subcommittee last week that it should hold off passage of the co-op bill until completion of a proposed two-year pilot lending project for cooperatives.

"We must have more evidence concerning the need for, and cost-effectiveness of creating a consumer cooperative bank," an agency witness declared.

However, Rep. St Germain took issue with the Treasury stance, saying it did not represent the real judgment of the Administration. Several members of the Administration previously endorsed the concept.

The co-op bank is strongly supported by labor, consumer and cooperative groups which charge that traditional lenders have neglected lending to cooperatives.

Under the legislation, the bank would be run by a 13-member Board nominated by the President and approved by the Senate. Seven members would be chosen from among several Federal agencies and the remaining six would be from outside the government, with experience in co-ops.

Credit unions and mutual savings banks and savings and loan associations are specifically excluded from being eligible to borrow from the bank.

"An eligible cooperative is an organization chartered or operated on a cooperative, not-for-profit basis for producing or furnishing goods, services or facilities, primarily for the benefit of its members or voting stockholders who are ultimate consumers," the bill states.

[From The Washington Evening Star, May 5, 1977]

CONSUMER COOPERATIVE BANK BILL ADVANCES IN SCALED-DOWN VERSION

(By John Holusha)

The House Banking Committee, over administration opposition, has approved a bill that could pump up to $5 billion into cooperatively owned alternatives to commercial food stores, housing and other businesses and services.

The committee approved a scaled-back version of the bill to establish a National Consumer Cooperative Bank, which would lend to neighborhood cooperatives. The bill calls for capitalization of $100 million for the bank next year and up to $400 million more in succeeding years.

In addition, the bank would be entitled to borrow up to 10 times its capitalization.

As originally written, and as passed by the committee last year, the bank would have had a capitalization of $1 billion, with a twentyfold borrowing power, plus another $250 million for a special program aimed at poor city areas.

It was reduced in scope after Treasury Department official Roger Altman said the administration opposed creation of a new agency and additional spending until the credit problems of coops are better known.

However, as approved today by a 25–11 vote, the bill is still considerably more than the two-year, $20 million pilot program suggested by Altman.

It could conceivably be the first veto decision faced by President Carter, since the bill has broad support, with more than 100 cosponsors in the House and more than 30 in the Senate.

The cooperative bank bill is one of the major objectives of consumer, housing and labor groups, who contend cooperative organizations have been starved for financing by commercial lenders. In the words of a principal sponsor, Rep. Fernand St Germain, D-R.I., "the bank is a recognition that commercial banks . . . have, for the most part, red-lined cooperatives at the loan window without regard to credit-worthiness."

Ralph Nader has termed the bank bill one of the most important in the current Congress and I. W. Abel, head of the AFL–CIO Industrial Union Department called it "one of the great legislative innovations of the 1970s."

It is almost uniformly opposed by retailers and financial organizations, who contend the bank would be a subsidy to tax-exempt competitiors.

Consumer cooperatives range from small neighborhood groups that buy food in bulk from wholesalers, bypassing local food stores, to the Berkeley Cooperative, which has 28 stores and had a sales volume of $78 million last year.

Co-ops exist for a variety of enterprises, with some of the more successful in retailing and health care.

Sponsors of the bill noted that despite the official administration opposition, Vice President Walter Mondale was one of the sponsors of the Senate bill last year and that his wife, Joan, belonged to a food co-op.

They also pointed out that the opposition seems centered in the Treasury Department, since previous strong sponsors of the bill, including consumer advocate Carol Tucker Foreman and Geno Baroni, now occupy high positions in other departments.

The bill's plan is patterned after the highly successful Farm Credit System, whose Bank for Cooperatives has assisted in the development of producer co-ops. All the government capital in these organizations has been repaid and the coop bank bill for urban locations includes a similar payback provision.

Banking committee aides noted that President Carter's father served on the board of directors of a rural electrification coop backed by the Farm Credit System.

The current bill would entrust the operation of the Co-op Bank to ACTION, an independent agency encompassing a variety of foreign and domestic self-help bureaus. The earlier version would have established a separate agency to manage the bank and assist local co-op groups.

Mr. McINTYRE. Mr. President, I thank the Senator from Wisconsin for his support.

As he knows, this legislation has the endorsement of a wide range of consumer, labor, farm, co-op, and public interest organizations and was the subject of extensive hearings last session. As the principal sponsor of the bill, I plan additional hearings in the Financial Institutions Subcommittee as soon as we get House passage. The conventional banking institutions of this country, unfortunately, have not been very receptive to financing cooperative organizations. Just as the farm co-ops needed their own banking system in order to flourish, consumer co-ops will receive the same kind of stimulus from the proposed consumer co-op banks. As a loan program, it will have negligible costs to the taxpayer, and great benefits for the consumer.

I am very gratified that the chairman of the Banking Committee has promised early and sympathetic consideration of this measure once it has cleared the House, and I am hopeful that we can pass this bill by a wide margin.

SOCIAL SECURITY FUNDING

Mr. DOLE. Mr. President, when it was first established, the social security system was designed to give working contributors a way of insuring against loss of income in their retirement years. It was never intended to be a general public pension or welfare program. But benefits have been increased and more people covered far beyond what the payments of their generation would finance. The Social Security Trust Fund is being drained faster than the payroll taxes are coming in.

Consequently, there is both a short-run financing problem and a more drastic long-range question. Our immediate concern must be how to keep the fund solvent over the next few years. Looking ahead into the next century, when there will be more retirees and proportionately fewer wage-earning workers, the program will either have to be revised or new sources of financing found.

SLIGHT PAYROLL TAX INCREASE NECESSARY

I believe we should reinforce the fund and calm any fears about its financial integrity by providing for a slight increase in the payroll tax rate—whatever is necessary to meet the short-term obligations. It would be wrong to remove the ceiling over the amount of annual wages taxed. The payroll tax already takes a big bite out of the paychecks of middle-income earners. More than half the work force now pays more in social security taxes than in income taxes. Under current plan, the wage base—or annual wages subject to social security tax withholding—increases automatically as average wages of all workers go up. Buffeted by inflation, middle-class families cannot be made to bear a still greater share of the social security financing load for the retired generation. Applying the tax on employers to total payrolls—without limitation—would be equally ill-advised. By adding to business costs, prices would go up still further and some employers would be forced to eliminate jobs. So it would simultaneously cause more unemployment and higher prices.

GENERAL REVENUE FUNDING COULD JEOPARDIZE STABILITY

I do not favor the mixture of funds from the general Federal Treasury with the Social Security Trust Fund. During their working years, Americans have been willing to pay into the fund to help support those who are retired because the system was viewed as an insurance and not a welfare program. A decision now to convert social security into a guaranteed annual income scheme for the entire elderly population would be a serious mistake that could jeopardize the stability of the program. Our workers have been generous with their support of social security because they believed their contributions were being put aside and the Government was acting as trustee. A gigantic income maintenance system financed partly by payroll taxes and partly by general revenues would be unacceptable to the American people. The President's proposal to dip into general tax revenues whenever the unemployment rate is over 6 percent would be only the opening wedge. Once the general revenue financing precedent was set, there would be no stopping the siphoning of more and more resources from the Treasury to replenish the trust fund.

Basic decisions affecting the long-term future direction of social security should be made only after the American people have thoroughly considered what they want the program to be in the 21st century. That reassessment should begin immediately. But in the meantime, we are not ready to make the necessary choices on a matter so vital to unborn generations.

CARING FOR THE RETARDED IN THE COMMUNITY

Mr. HUMPHREY. Mr. President, whenever I go back to Minnesota, I renew contact with the important events in my community, and the concerns of my constitutents. These are truly valuable sessions. Sometimes they are heartwarming, as well.

One such occasion was the dedication, last Saturday, of an outstanding facility for the severely handicapped. This new complex, Homeward Bound, represents the collaboration of private and public sector resources to meet the needs of retarded children with compassion and

conscience. Homeward Bound provides the best of care in an easily accessible community setting. It will house 60 children, in four seperate homes, that permit a maximum of personal attention. These children are severely handicapped. But they are not being consigned to lives without hope or joy.

The commitment to their welfare represented by this home in New Hope, Minn., has a message that is valid in the national context as well. For that reason, I would like to share the remarks I addressed to the fine group of persons assembled to dedicate completion of the facility.

My purpose was to summarize very briefly some of the developments that are earning for the 1970's the title of the era of civil rights for the handicapped. I also outlined what I believe to be the principles that must guide our continuing efforts to integrate the handicapped, including the mentally retarded, into our national life.

Mr. President, I ask unanimous consent that my remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR HUBERT H. HUMPHREY

It is very good to be back with you. It has been my privilege to be identified with the progress of this fine institution. I helped inaugurate its fund drive. I broke ground for the construction.

And now I have the great satisfaction of seeing a vision materialize and Homeward Bound become a reality that brings hope and comfort to the parents and families of the chilldren to whom it is dedicated.

Most important, it provides these severely handicapped children with a wholesome and agreeable environment and treatment and training of the highest quality.

Although this achievement reflects this community's sense of responsibility and commitment, it is not an isolated event. It reflects a growing national concern for the well-being and development of this Nation's handicapped citizens.

In a short span of years, we have seen a revolution in the treatment and the public attitude toward the retarded.

The retarded once were seen as a family affliction or disgrace to be hidden from public view. Little thought was given to their own feelings, needs and rights. The potential of the retarded for development was underestimated and ignored.

Too often, large institutions grouped together persons of all ages with widely differing needs, and could provide little better than custodial care.

Whatever our intellectual endowment, there is a universal trait of human nature.

We all tend to respond to the expectations of others and of society. To dismiss the learning capabilities of the retarded is a self-fulfilling prophecy.

Curiosity that is not stimulated turns to apathy. Skills that are not exercised die away. Disadvantages too often are compounded by the arbitrary limits of a negative self-image and a sense of defeat.

Fortunately, the approach to retardation has changed dramatically. We no longer believe that institutions exist to segregate the retarded from their relatives and society, and to do little else. As the focus shifts from custodial care to development, there is a corresponding shift from despair to hope; and from public indifference to active and supportive concern.

It is true that resources remain limited. We still are a Nation of private wealth and public poverty.

But we now are committed under public policy to provide retarded persons the least restrictive environment possible. We have pledged to integrate the retarded into the community wherever it will help them live happier, more meaningful and more productive lives.

We believe that where institutional care is necessary, it should be accessible to community activities and services, and to visits from families and volunteers.

Moreover, there is encouraging progress in our methods to prevent and to treat retardation.

As we better distinguish the causal factors—such as birth injury, heredity, metabolism or environment—we can respond with more effective treatment.

Many cases can be helped by early detection; others can profit by new techniques of education and vocational training. Home-like living arrangements can help develop normal social and functional skills.

The crucial step has been taken. New steps should be progressively easier as we build a record of success that provides its own human and economic justification.

The United States Congress has gone resolutely on record in support of enabling the retarded to live their lives as close as possible to a normal life, with all its challenges and satisfactions.

For the retarded, and other handicapped, the progress of the 1970's is comparable to the great civil rights breakthrough for black Americans in the 60's.

The 94th Congress enacted major legislation in the areas of developmental disabilities, education of the handicapped, vocational rehabilitation and mental health.

The Developmental Disabilities Act provides support to state efforts to plan, coordinate and implement programs for developmentally disabled, a high proportion of whom are the retarded. To qualify for aid, states must submit plans for both deinstitutionalization and institutional reform.

Another very significant feature of this legislation is the inclusion of a Bill of Rights, which asserts the right of the mentally retarded to appropriate treatment and services. And it backs up those rights with the demand that a specific system be devised to protect and advocate those rights.

Another legislative step, with revolutionary potential for the welfare of the retarded, was passage of the Education for All Handicapped Children Act. Under this law, in order to be eligible for federal aid a state must provide a free and appropriate public education for all handicapped children by September, 1980. And priority attention must be given to the most severely handicapped.

For the less severely handicapped who are able to learn work skills, and even to become self-supporting and contributing members of the community, the Rehabilitation Act of 1973, as amended, provides important support for training programs. But this law also mandates priority attention for those with the most severe handicaps.

One measure of the impact of this law is the increasing number of severely disabled being served in this nation's rehabilitation programs, including sheltered workshops. In the past, these people had little hope of achieving the sense of purpose, satisfaction and self-respect that comes with successfully performing a useful and productive task.

Many of the severely handicapped cannot hope to earn a decent wage based on productivity alone. I have introduced a proposal to provide wage supplements that will reward the efforts of long-term workers in sheltered workshops with a living wage. I sincerely hope that Congress will enact this measure.

As you may know, federally financed programs are now subject to the prohibition against discrimination in section 504 of the Rehabilitation Act. This will open doors and widen opportunities available to the retarded in education, jobs, health care and public services. Only recently, after years of study and revision, the Secretary of HEW has issued the regulations to implement this provision of the law.

But I do not want to dwell today on changes in the law. Not that they are unimportant. Legislation may not always change attitudes, but it does change behavior. I have noticed that the two have a very high correlation.

What I want to emphasize today are those changes of heart, and changes in attitude, that will make our society a more humane and civilized environment for the disabled.

Curiously enough, when the stigma is removed from a physical or mental handicap, a fresh breeze of creativity stirs.

It is as if scales fall from our eyes, and we begin to see the fallacies in a lot of conventional thinking, and to dare to think beyond care and treatment, to prevention and cure of retardation.

I stay in touch with many spokesmen for the handicapped, so I very frankly confess that I find food for thought in their views.

I am particularly impressed by an exciting prophecy of the National Association of Retarded Citizens that has come to my attention.

The theme is that the effort to incorporate the retarded in the mainstream of community living has been successful. If its objectives are not universally realized, they are at least accepted in principle.

So, the association has identified a new goal for the future, and that is to seek a *cure* for retardation. It is pointed out that a whole series of new developments removes this ambition from the realm of fantasy or science fiction, and puts it in the area of attainable national goals.

The hope for cures is based on achievements in regenerating nervous systems that have been damaged, and on experiments in controlling the automatic nervous process. It is built upon advances in metabolic chemistry and in our understanding of basic cell machinery.

Hope and promise also result from our growing knowledge of the role of nutrition, microsurgical techniques, and even prenatal intervention.

But despite the rapidly expanding horizons of science, the persons who are afflicted with an illness or a handicap *now* must have the best attention, training and care available to our present state of knowledge. This is important.

We should not praise only those who are making remarkable progress toward future solutions. We should also express our deep respect for pragmatic people who are willing to move forward one step at a time.

Homeward Bound is a tribute to the new spirit and the high hopes of the 70's for the retarded. All of you who devoted time, effort and resources to constructing this exemplary institution understand that action is better than dreams. And, best of all, is the action that is impelled by a dream.

THE MILITARY RETIREMENT OF COL. WARREN H. ABERNATHY, U.S. ARMY RESERVE

Mr. THURMOND. Mr. President, on May 31, 1977, Col. Warren H. Abernathy, U.S. Army Reserve, will be retired from the Army after 34 years of dedicated and faithful service.

Colonel Abernathy served as an infantry noncommissioned officer in World War II, including participation in the Battle of the Bulge. He was commis-

sioned a second lieutenant on June 28, 1945.

Mr. President, after World War II, Colonel Abernathy continued his military service in the U.S. Army Reserve. For the past 11 years, he has held several key positions with the 360th Civil Affairs Brigade in Columbia, S.C. He has been the deputy commander of the 360th for the past 4 years.

Colonel Abernathy graduated from the University of South Carolina in 1948. During his Army Reserve service, he completed many Army schools, including the Infantry Officers' Course, Civil Affairs Schools, Command and General Staff College and the Industrial College of the Armed Forces.

As deputy commander of the 360th Civil Affairs Brigade, Colonel Abernathy helped direct the execution of the unit's operations. Under the leadership of the commander and deputy commander, the 360th Brigade participated in an outstanding manner in several major command post exercises—CPX—and field training exercises — FTX — and Army training tests—ATT. Colonel Abernathy played a major role in winning approval for the unit to undertake a civil defense assistance program for the Office of Civil Preparedness of South Carolina.

This radical and innovative departure from the unit's normal mission required the deputy commander to help reorganize the unit and its training program. The results of the first year's work, as stated by the Governor of South Carolina and the regional Civil Defense Director, "were an outstanding accomplishment and will serve as a landmark in the U.S. Army Reserve support to State governments."

Mr. President, Colonel Abernathy is also an outstanding leader in civilian endeavors. He served as president of the Spartanburg Life Underwriters and the Spartanburg Optimist Club. He previously served as a deacon in his church, as well as a member of its finance committee. He was president of his Sunday school class for many years.

For the past 27 years, Mr. Abernathy has served as a member of my staff. When I was Governor of South Carolina, he was my administrative assistant. Since my election to the Senate in 1954, Mr. Abernathy has been my chief State assistant in South Carolina.

As I stated on a previous occasion, "Warren Abernathy is a born leader who has continually grown in ability and capacity to accomplish difficult and detailed tasks with a minimum of guidance and supervision. He is a mature individual especially adapted at handling a wide variety of sensitive and confidential matters with outstanding results. His trust and loyalty are beyond reproach. As my State assistant, he continuously demonstrates an exceptional command and organizational ability. He is a complete man tested in the field and fully capable of assuming greater responsibility and authority."

Mr. President, on April 30, 1977, Colonel Abernathy was awarded the Meritorious Service Medal by the Army at a retirement ceremony at Fort Jackson, S.C., in recognition of his distinguished service and outstanding contribution to the readiness of the 360th Civil Affairs Brigade. On May 2, 1977, the State newspaper in Columbia, S.C., published a news story about the military retirement ceremony in honor of Colonel Abernathy and the award of the Meritorious Service Medal for his outstanding contribution to the U.S. Army Reserve.

Mr. President, I ask unanimous consent for the citation for the Meritorious Service Medal awarded on April 30, 1977, and for the news story in the State on May 2, 1977, to be printed in the RECORD.

There being no objection, the citation and article were ordered to be printed in the RECORD, as follows:

CITATION

The Meritorious Service Medal to Col. Warren Henry Abernathy, 249-16-0205, Civil Affairs, U.S. Army Reserve for outstanding meritorius service during the period 27 September 1973 to 1 May 1977 by his performance as Deputy Commander of the HHC, 360th Civil Affairs Brigade. Colonel Abernathy's exemplary leadership and staff coordination abilities have added materially to the performance of this Brigade. The outstanding accomplishments and national recognition received by this command are exemplified by the receipt of the Reserve Officers Association's Large Unit Award for the training year 1974–75. Because of his unusual facility to communicate with superiors and subordinates alike he has been able to perform his duties with professionalism and merit. Colonel Abernathy's truly outstanding performance of duty reflects great credit upon himself, the 360th Civil Affairs Brigade, the 120th United States Army Reserve Command and the United States Army Reserve.

COL. WARREN H. ABERNATHY ENDS LONG MILITARY CAREER

Col. Warren H. Abernathy of Spartanburg, state secretary to U.S. Sen. Strom Thurmond, R–S.C., ended a 34-year military career over the weekend when he retired from the 30th Civil Affairs Brigade of Columbia.

He was presented the Meritorious Service Medal by Col. Peter D. Hyman, 360th commander.

Abernathy was drafted into the army while attending Wofford College during World War II. He was commissioned in France in 1945 shortly after participating in the Battle of the Bulge with the 36th Division.

He was graduated from the University of South Carolina in 1948 and became the administrative assistant to then-Governor Thurmond. After a period in the insurance business, he rejoined Thurmond in 1955 after the latter was elected to the U.S. Senate and has served as state (home) secretary ever since.

His Army Reserve career began with the 108th Division (Training) and he transferred in 1966 to the 360th, which was organized by Thurmond while governor in 1950, and served as deputy commander for the past four years.

He and Mrs. Abernathy have a daughter, who teaches at Brookland-Cayce High, and a son, who is a student at USC.

IN PRAISE OF CAPITALISM

Mr. RANDOLPH. Mr. President, at a time when capitalism is under attack in many parts of the world and from some quarters in our country, it is a welcome change for someone to come to its defense.

Such an endorsement of the system is stressed in an article by Dr. Perry E. Gresham, president emeritus of Bethany College in West Virginia. It was originally written for "The Freeman" and reprinted in part in the current issue of the Weirton Steel (W. Va.) Employees Bulletin.

Dr. Gresham is an able educator and I have valued him as counsellor and friend. I commend for your attention his thoughts and ask unanimous consent that the text of the excerpted article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN PRAISE OF CAPITALISM

The word "capitalism" has fallen into disrepute, asserts Dr. Perry E. Gresham, and as a form of political economy, is misunderstood. In an article in *The Freeman,* Dr. Gresham, President Emeritus of Bethany College, calls for a renewal of "this simple, reasonable, versatile and open system . . . which worked, is working, and will work if freed from the fetters of limitless state intervention." Following are excerpts from Dr. Gresham's article, "*Think Twice Before You Disparage Capitalism.*"

What is the nature of a political and economic system which has made the poor people of America more prosperous than the rich of many countries operating under State control? Here are my paragraphs in praise of capitalism.

Capitalism is the one system of political economy which works, has worked and, given a chance, will continue to work. The alternative system is socialism. Socialism is seductive in theory, but tends toward tyranny and serfdom in practice.

Capitalism was not born with *The Wealth of Nations,* nor will it die with *Das Kapital.* It is as old as history and as new as a paper route for a small boy. Capitalism is a point of view and a way of life. Its principles apply whether or not they are understood, approved and cherished.

Capitalism is no relic of Colonial America. It has the genius of freedom to change with the times and to meet the challenges of big industries, big unions, and big government if it can free itself from the restraints of interest-group intervention which eventuates in needless government expansion and spending. Let the market work, and the ambition of each individual will serve the common good of society.

LIMITED GOVERNMENT BEST

Capitalism recognizes the potential tyranny of any government. The government is made for man; not man for the government. Therefore, government should be limited in size and function, lest free individuals lose their identity, become wards of the State.

Capitalism denies the naive and mystic faith in the State to control wages and prices. A fair price is the amount agreed upon by the buyer and seller. Competition in a free market is far more trustworthy than any government administrator. The government is a worthy defense against force and fraud, but the market is much better at protecting against monopoly, inflation, soaring prices, depressed wages and the problems of scarcity. Capitalism works to the advantage of consumer and worker alike.

Capitalism believes that every person deserves an opportunity. "All men are created equal" in terms of opportunity, but people are not equal nor should they be. How dull a world in which nobody could outrun anybody! Competition is a good thing no matter how much people try to avoid it. Equality and liberty are contradictory. Capitalism chooses liberty!

Capitalism is color-blind. Black, brown, yellow, red and white are alike in the market place. A person is regarded for his ability rather than his race. Economic rewards in the market place, like honor and acclaim on the

playing field, are proportionate to performance. The person who has the most skill, ability and ingenuity to produce is paid accordingly by the people who value and need his goods and services.

Capitalism is a belief that nobody is wise enough and knows enough to control the lives of other people. When each person buys, sells, consumes, produces, saves, and spends at will, what Leonard Read calls "the miracle of the market" enables everyone to benefit.

Capitalism respects the market as the only effective and fair means of allocating scarce goods. A free market responds to shortages and spurs production by rising prices. Arbitrary controls merely accept and keep the shortages. When rising prices inspire human ingenuity to invent and produce, the goods return and prices fall.

Capitalism derives its name from the fact that capital is essential to the success of any venture whether it involves an individual, a corporation, or a nation-state. Capital is formed by thrift.

MORAL STRENGTH NEEDED

Capitalism is a natural ally of religion. The Judeo-Christian doctrines of stewardship and vocation are reflected in a free market economy. Churches and synagogues can be free and thriving with capitalism. When the churches falter, the moral strength of capitalism is diminished.

Capitalism depends on the family for much of its social and moral strength. When the family disintegrates, the capitalist order falls into confusion and disarray. The motive power for the pursuit of life, liberty and property is in the filial and parental love of a home with its dimensions of ancestry and posterity.

Work is a privilege and a virtue under capitalism. Leisure is honored, but idleness is suspect. The idea that work is a scourge and a curse has no place in the climate of capitalism.

Capitalism holds profits derived from risk and investment to be as honorable as wages or rent. Dividends paid to those who invest capital in an enterprise are as worthy as interest paid to a depositor in a savings bank. The idea abroad that risk capital is unproductive is patently false.

Capitalism encourages invention, innovation, technological advance. Creativity cannot be legislated. Only free people can bring significant discovery to society. Thomas A. Edison was not commissioned by the government.

The renewal of capitalism could be the renewal of America. Nothing could be more radical, more timely, or more beneficial to the responsible and trustworthy common people who are now beguiled by the soft and seductive promises of the new socialism.

No political and economic system is perfect. Plato's *Republic* was in heaven—not on earth. If people were all generous and good, any system would work. Since people are self-centered, they are more free and happy in a system which allows the avarice and aggressiveness of each to serve the best interest of all. Capitalism is such a system. It is modestly effective even in chains. The time has come for daring people to release it and let us once more startle the world with the initiative and productivity of free people!

THE RIGHT TO FINANCIAL PRIVACY ACT—S. 1460

Mr. GARN. Mr. President, I am pleased to join in sponsoring the Right to Financial Privacy Act to amend the Bank Secrecy Act to provide limitations on the Government's power to obtain access to bank and credit card records of American citizens.

The bill will protect the fundamental right to have one's financial records held by banks and credit card issuers to be treated confidentially. It also calls for a review by Congress of the recordkeeping provisions of the Bank Secrecy Act to determine whether the costs in terms of individual privacy and the burden upon the record holders is justified by increased law enforcement.

When the Bank Secrecy Act was proceeding through Congress a few lone voices including those of the American Civil Liberties Union were raised in protest that the proposal would result in an invasion of the privacy of individuals and would be burdensome. The testimony of banker's groups was discounted on the basis that they were merely concerned about recordkeeping costs and were ignoring the social interest in the prevention of crime. Unfortunately, broad powers were given to the Federal Government to effectively surveil the commercial bank accounts of at least 100 million people without any procedural safeguards. Nor was consideration given to the recordkeeping costs which would eventually be passed on to the depositors and borrowers.

The purpose of the bill is to protect the confidential relationship between banks and credit card issuers and their customers. It also limits the authority of the Secretary of Treasury under the Bank Secrecy Act to require retention of records for supervisory purposes and the monitoring of foreign or domestic currency movements. Under the bill, the financial records of a customer may be disclosed only if the disclosure is authorized by the customer or if it is pursuant to a search warrant, administrative summons, or judicial subpena which has been served on the customer as well as the record holder. The customer is given standing to contest the process in a court of competent jurisdiction. A court may grant an agency a subpena with a 90-day delay of delivery of notice to the customer upon a finding that notification would jeopardize a continuing investigation of a serious crime. The record holder would be reimbursed by the U.S. Government for the cost of the production of records required by its agencies. Exempted from the disclosure restrictions are: Internal Revenue Service summons, grand jury subpenas, statistical data, supervisory data, tax data, records used in the prosecution of a crime, and records disclosed under the provisions of the Fair Credit Reporting Act. There are both criminal and civil sanctions.

This bill will give Congress an opportunity to determine whether in light of the experience under the act since 1971, the benefits in terms of law enforcement justify the recordkeeping burden. It is equally important that Congress promply act on the provisions contained in the bill to provide safeguards against the unauthorized disclosure of financial records required to be retained under the Bank Secrecy Act.

NATIONAL SCIENCE FOUNDATION AUTHORIZATION ACT OF 1978

Mr. CRANSTON. Mr. President, on May 5, the Senate passed the National Science Foundation Authorization Act of 1978, H.R. 4991. I support that bill as reported from the Senate Committee on Human Resources. The distinguished Senator from Massachusetts (Mr. KENNEDY) has authored a bill that will provide the National Science Foundation with a level of financial support fully adequate for that agency to carry out its mandate.

That mandate is an important one not only to the Nation's current scientific endeavors, but to the future of those endeavors. The National Science Foundation's primary responsibility is to advance scientific progress in the United States. This is achieved through NSF support of both basic scientific research in all the scientific fields and by supporting applied scientific research where that research can have the greatest impact on improving technology and economic productivity.

In addition, the NSF has the primary responsibility within the Federal Government for strengthening science education in order to insure the Nation has sufficient scientists to conduct the highest quality of scientific research and to improve the effectiveness of science education now and in the future.

Eighty-seven percent of the NSF program is performed by colleges and universities. The overall U.S. basic research effort relies heavily on the support provided through these institutions, and the effectiveness of our college and university systems in broadening scientific knowledge depends substantially on the assistance provided them by the National Science Foundation.

There are a few specific provisions in the committee bill which I would like to mention at this time.

First, I am delighted that the bill provides for the authorization of the appropriation of $20 million in fiscal year 1978 and $30 million in fiscal year 1979 for earthquake engineering research. The administration had recommended an identical amount for fiscal year 1978 in its bill.

I am also pleased that there is a projected fiscal year 1979 increase in the authorization of appropriations for science education programs, particularly science education resources improvement. Part of this increase is due to the anticipated reemphasis of the comprehensive assistance to undergraduate science education—CAUSE—program in fiscal year 1979. The committee report suggests that this program be subjected to a careful analysis in fiscal year 1978 with the expectation that analysis would provide a basis for a strengthened CAUSE program in fiscal year 1979. I am confident an analysis of this program will show that it has great merit and has been of tremendous value to undergraduate institutions in enabling them to scrutinize their programs, determine their deficiencies, and develop curriculums to correct any deficiencies and improve these programs. However, I am concerned that the suggested ceiling for fiscal year 1978 on CAUSE may be too low and may result in severe hardships for some schools which have undergone intense self-evaluation in the hopes

of instituting improved science education programs in fiscal year 1978. I am gratified by the reassurances given by the distinguished Senator from Massachusetts (Mr. KENNEDY) that full attention will be given in conference to the effects of such a ceiling on undergraduate science education programs.

I am also concerned that a provision in the bill as reported from committee that would seek to insure that researchers in the industrial sector are permitted to compete for grants for basic research on an equal basis with researchers in the academic sector, might seriously impact on the ability of our educational institutions to maintain the level of scientific endeavor and achievement necessary to support education programs of superior quality.

This provision in the bill, as reported, has its basis in a request made by the Senate committee in its report which accompanied the National Science Foundation authorization last year which suggested a task force be assembled by the National Science Foundation to review the role of scientific research in nonacademic institutions with particular attention to National Science Foundation programs and policies relating to private industry. A wide range of industrial and academic experts was consulted, and four major recommendations were made relating to the funding policies of the Foundation. The task force recommended that the Foundation:

First. Continue to place major emphasis on providing adequate long-term support to the most creative research workers;

Second. Expand the support of cooperative research projects in both basic and applied research among researchers in private profit-seeking industrial laboratories and universities;

Third. Develop a sabbatical or fellowship program to allow faculty members to spend 1 or 2 years working in an industrial environment and industrial research workers to work in a university for similar lengths of time;

Fourth. Allow researchers in industry to compete on an equal basis with researchers for basic research funds.

Mr. President, in November 1976, the National Science Board reviewed the task force report and acknowledged the first three recommendations. The Board, however, adopted a resolution to strike recommendation No. 4; that is, it voted to retain special criteria for all grants to private profit-seeking organizations.

The task force explanation of the intent of recommendation No. 4 indicates a departure from the current NSF policy established and followed by the National Science Board since the 1960's.

The task force report states:

This recommendation proposes opening to the profit-making sector the competition for basic research funds under the same criteria as those required of the academic community. The special criteria which currently must be met by unsolicited proposals for support of basic research by industrial organizations are:

(a) The project is of special concern from a national point of view and shows promise of solving an important scientific problem;

(b) Unique resources are available in industry for the work; or

(c) The project proposed is outstandingly meritorious.

Implementation of this recommendation requires only that the above criteria be deleted.

It should be noted that the criteria for selection of basic research projects are those established by the NSB for Scientific Research Project Support. The primary emphasis is "overwhelmingly upon the criteria of intrinsic scientific merit." Opening the competition to researchers from profit-seeking organizations would require their adherence to the other criteria and policies detailed in "Grants for Scientific Research" (NSF 3-12).

I believe the Board's action in moving to strike recommendation No. 4 showed the Board's intention to maintain the general policy that "noneducational institutions would be excluded from the NSF research competition." Appendix 3 of the NSF December 1976 "A Report on Research in Industry: Holes of the Government and the National Science Foundation," stated the underlying rationale for this policy reflected the limitations of available funds, the value of training scientists in research projects at educational institutions, and the possible conflict of interest of profit seeking institutions, and the general recognition that public funds should not go to private persons without substantial assurances of public benefit.

Mr. President, caution is required before making a major change in Federal policy affecting basic research support for universities and colleges. The special criteria proposed to be deleted have applied for a substantial number of years to National Science Foundation grants to persons in private industry. These criteria were established by the National Science Board to carry out the primary role of the National Science Foundation in the national research and development effort to strengthen the total science capability of the Nation through support of fundamental research of the highest quality. Because the academic environment is the unique source of new scientists and engineers in basic research the Board felt that the most important role for the National Science Foundation was to assure the support necessary to enhance the potential of basic science disciplines in academic institutions to enhance their ability to train scientists for the future. However, in recognition of the value to the national scientific effort of basic research conducted by private industry, the National Science Foundation has supported limited research in the private sector, but only under conditions where it meets one or more of three special criteria, that is, shows promise of solving an important scientific problem, unique resources are available in industry for the work, or the proposal is outstandingly meritorious.

I do not believe that implementation of the fourth recommendation of the task force should occur at the expense of university supported research which relies heavily on Federal support. The availability of that support for basic research in the universities has served as an inducement to young scientists to remain at such institutions and to retain the strength of the institutions' training capacity and scientific capability. The special budget analysis for fiscal year 1978 for research and development indicates that only 12 percent of all Federal research and development expenditures are given to universities and colleges; and that only 6 percent represents basic and applied research other than medical research. However, the Federal awards represent two-thirds of the research and development budgets of these institutions. A significant reduction in the amount awarded to universities and colleges would have a severe impact on the stability of university science programs and their training potential.

Mr. President, I recognize private industry can be a source of important research breakthroughs, and urge greater efforts to develop cooperative research programs among researchers in industrial laboratories and in universities.

Private industry and academic researchers alike should be subject to a standard of excellence based on scientific merit, the technical adequacy of the researcher and his institutional base, criteria relating to utility or relevance, and criteria relating to future and long-term scientific potential. I fully support continued implementation of existing NSF policies which call for cost sharing and with NSF patent policy which requires that the Government receive royalty-free licenses and the right to require licensing of others on reasonable terms.

S. 855 also directs the National Science Foundation to increase support for cooperative research projects involving researchers from the industrial and academic sectors and to make fellowships available to enable academic researchers to spend up to 2 years in an industrial environment and to allow industrial researchers to spend up to 2 years in an academic environment.

It is our view that these programs should be carried out under the basic research budget recommended by the committee—a budget which is 12.4 percent above the fiscal year 1977 level—without imposing any significant restrictions on the availability of basic research support to university-based scientists and engineers.

It is our intention to monitor the impact of this change in policy on the strength of the Nation's basic research effort and on colleges and universities whose researchers have made such an outstanding contribution to the advancement of science over the 27-year history of the Foundation. It is not our intent that this new policy erode the strength of academic scientific research, and the National Science Foundation is expected to guard against such erosion.

Mr. President, we recognize the potential competition between academic and industrial organizations for the services of researchers who have proven themselves successful in obtaining National Science Foundation funding for their research projects. The committee thus expressed its expectation that the Foundation will guard against industrial "raiding" of academic research staffs based on an assumption that the Foundation funds automatically will follow the researcher.

The committee also emphasized that research funds allocated to industrial-based research should not be used to displace or substitute for private funding support of existing research efforts. NSF support should be limited to new research efforts which would not and could not be undertaken without that support.

Mr. President, I feel these few reservations should be brought to the attention of the Senate. However, I believe that it is important to approve the bill as reported from committee so that the authorizations of appropriations can be enacted in time for the Appropriations Committee to have the benefit of the thinking of the authorizing committee.

TRIBUTE TO FATHER HESBURGH

Mr. HUMPHREY. Mr. President, there appeared in the May 2 issue of Time magazine a splendid article about one of our great Americans—the Reverend Father Theodore Hesburgh, president of the University of Notre Dame.

The article speaks for itself. Those of us who have been privileged to share in the friendship and fellowship of Father Ted Hesburgh are, indeed, fortunate. Just to know him is to enrich your life. To work with him is to experience a renewal of spirit. This good man has given so much not only to our country, but to all of mankind. He is an inspiration in a time when cynicism, suspicion, doubt, and despair seem to claim so many of our fellow human beings. The life and the work, the spirit and the faith of Ted Hesburgh are an inspiration to all of us. We are deeply indebted to him for lifting our eyes to what can be and what ought to be while recognizing what is and what should not be.

I ask unanimous consent that the article about Father Ted Hesburgh be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRINCE OF PRIESTS, WITHOUT A NICKEL

(In 1952 Father Theodore Hesburgh, then only 35, was appointed president of the University of Notre Dame. Over the following quarter-century—a longer term than that of any other major university president—he has changed the school profoundly and become one of the most influential figures in the country. As Notre Dame prepared for its 25th graduation of the Hesburgh era, Time Correspondent Robert Ajemian talked with the priest and wrote this report:)

The familiar Roman collar had been pulled off and hung up with the black jacket. It was well past midnight and Father Hesburgh was still working through the piles of mail in his old, high-ceilinged office. He routinely stays up until 3 or 4 o'clock in the morning.

Traces of his fame are all around him. On the walls and tables of the big room are autographed photos of a younger Ted Hesburgh standing comfortably beside Popes and Presidents. His hair is less black now and his heavy jaw fuller, but he still has the handsome black-Irish looks of his mother. There is an inscribed silver plate from Jackie Kennedy and an emerald-studded ring from Pope Paul. He has become a virtual prince among priests. The sound of a Beethoven recording, a gift from the president of RCA, plays softly in the background.

MONASTIC LIFE

On the other hand, Hesburgh for all his years at Notre Dame has continued to sleep on the same iron cot in his tiny room at nearby Corby Hall. The shelves of his outer office are stacked with cans of orange juice and Campbell soup, a sharp reminder of his monastic life. His rickety hot plate sits on the counter. It is the mark of an asceticism that Ted Hesburgh seems to impose on himself—almost as though he felt a need to reassure himself that he still is a priest. "After all these years, I haven't got a nickel in the world," he says, "and I like that."

Hesburgh's batch of mail touched on the widely contrasting aspects of his life—appealing to the simple pastor as well as to the clerical entrepreneur. There was a letter from Cardinal Franz Koenig of Vienna congratulating Hesburgh on his recent elevation to the chairmanship of the Rockefeller Foundation. A woman friend in terrible emotional trouble begged for help. Teddy Kollek, the mayor of Jerusalem, wanted Hesburgh to fly over and help stop the rapid development of high-rise buildings. There was a hopeful note from the freshman class asking if Hesburgh would attend their formal dance. Another letter told him that the Chinese Communists, who generally view priests as only slightly more admirable than locusts, were interested in inviting him to China.

Hesburgh searched for one letter in particular, a reply from Alexander Solzhenitsyn, who had been offered a Notre Dame degree this year. He finally found it: a polite no. Hesburgh was disappointed—but he had already landed his friend Jimmy Carter as the commencement speaker. The graduation ceremony will be a deliberate show of support for Carter on human rights, one of Hesburgh's passions. Hesburgh will award degrees to Bishop Donal Lamont, who was ousted from Rhodesia; Stephen Cardinal Kim, who has fought against government repression in South Korea; and Paul Cardinal Arnes, who has spoken out against human rights violations in Brazil.

When Hesburgh took over the university in 1952, Notre Dame was best known for football and dedicated to the production of believing Catholics. In those days students had to attend Mass three times a week or face disciplinary reprisals. Notre Dame boys were even advised to pray before dates with girls at nearby St. Mary's. Outside lecturers were picked for orthodoxy more than for probing intellect.

Hesburgh, who had been a prison priest as well as a chaplain for the armed forces—and was no great lover of football—soon began changing all that. He steered Notre Dame away from the control of the church and into the hands of a lay board of trustees. It was a painful and uncommon achievement, which freed the school from a burdensome authority and historically redefined Catholic higher education in the U.S. At the same time, Hesburgh struggled to retain the moral quality of his school. "We stress values here," he says. "American universities have become obsessed with objectivity. They turn out highly competent but morally neutral people." Hesburgh upgraded the quality of faculty and curriculum, and in 1972 instituted his second dramatic reform: Notre Dame became co-ed.

Almost from the beginning, the priest made a remarkable impression on the Establishment. He began getting invitations to join more and more of America's powerful private foundations and Government commissions. At times he was considered simply "the necessary Catholic," but Hesburgh eagerly accepted the chance to make himself heard. Eisenhower named him to the Civil Rights Commission in 1957. He became a member of the Carnegie Commission on higher education, later accepted a place on the board of David Rockefeller's Chase Manhattan Bank. The Vatican appointed him representative to the International Atomic Energy Agency.

He did not always accept. When Lyndon Johnson asked him to take over the space program in 1964, Hesburgh declined. "I couldn't see a Catholic priest handing out $6 billion in contracts." He similarly turned down Richard Nixon's offer in 1969 to head the poverty program. His priesthood always had to be reckoned with. Says he: "I didn't want to become some sort of Cardinal Richelieu."

OVER THE ANDES

Nonetheless, the clergyman became irresistibly more and more involved in power and politics. He was soon crisscrossing the globe, logging as many as 150,000 miles a year. His messages often included lines like "I am writing this from over the Andes." Back home, his spectacular travels were at first greeted with pride and then, as the years passed, a certain amount sniping. A campus statue of Moses, with hand pointed skyward, inspired the gag: "There goes Hesburgh."

No matter that he was a place dropper, Hesburgh had the ear of the elite. He remembers waiting for Lyndon Johnson outside the Oval Office late one evening with his civil rights team until Johnson, looking limp, ushered them in. Johnson was so exhausted he lay down on a couch, gathered the group around him like visitors to a sickbed and kept his eyes fastened on the ceiling as Hesburgh outlined the difficult goals. Johnson accepted all of them.

Hesburgh's advice was often blunt. He once told Richard Nixon, with whom he developed a special closeness, that young people were scornful of the President. He urged Nixon to end the draft and allow 18-year-olds to vote. When Hesburgh's civil rights commission sharply criticized Nixon, the President's patience ran out. A White House secretary soon called Hesburgh and demanded that he resign by 6 o'clock the same day.

Carter offered Hesburgh a job working in the State Department for Cyrus Vance, but Hesburgh again held back. Of all the political leaders he has encountered, Hesburgh says that he finds Carter by far the most forthright. When Carter told him during the election that he was worried about Catholic support, Hesburgh reassured him. Then he offered a typically direct piece of advice: "I don't think people like to hear a man yakking about religion all the time."

Hesburgh is a fascinating, if exhausting, conversationalist, with strong opinions on an enormous range of subjects. Racism is the world's biggest problem, in Hesburgh's mind, although he is hopeful because he finds young people round the world much less prejudiced than their parents. It shows up, he says, in their confessions. "They feel worse about their sins of omission than they used to." Today's theologians, on the other hand, bother Hesburgh. "They have no faith," he says. "They teach theology like a science. They're not believers themselves. At least the scientists do believe in a chemistry table or the speed of light." Hesburgh worries about educators too. "We've got a bunch of faint fellows who don't want to make educational waves. The '60's took a terrific toll. We lost a whole generation of university presidents. Only King Brewster [of Yale] and I survived."

BIG MISTAKE

On some of the moral issues that confront his students, Hesburgh is fairly traditional. He is opposed to young people living together before they marry. "I think the girls get shortchanged," he says. "Some of these young people get so jaded they can't ever settle down with anybody." He is proud of some statistics indicating that 93% of the marriages of Notre Dame alumni hold together. Although he is against abortion, he believes that the Vatican encyclical forbid-

ding artificial contraceptives was a big mistake. He supports more work on a reliable method of determining the ovulation cycle. He ends up sounding ambivalent on celibacy. "I don't recommend it for everybody," he says with a shrug. "It's not easy, but it's right for me. For some priest on the Amazon, it might not be. After all, priests in the Middle Ages lived with women, and all the Apostles were married."

Hesburgh sounds more confident on the subject of happiness. "It can only come," he says, "from giving at least a corner of yourself to others. People today are so egocentric. God help the person who goes through life doing nothing for someone else. He's doomed." He finds that young people today are less ambitious than a generation ago, duller than in the '60s but more eager to find some meaning in their lives. Hesburgh keeps a close rein on his own ambitions, even as he enjoys the trappings of success, smoking a Cuban cigar and sipping a Grand Marnier. Ambition among churchmen, says Hesburgh, is corrosive: "I've seen it ruin so many."

Hesburgh the outer man seems unfailingly optimistic. Close friends say they never find him in a bad mood. But his is a calling where true feelings are often submerged. For all his heartiness, the inner Hesburgh seldom surfaces. "I think he's probably a lonely man who makes up for it by work and talk," says a colleague. Hesburgh laughs at this. He says his religion protects him from loneliness. While he says Mass every day, whether in a Moscow hotel room or at the South Pole, he seldom quotes the Bible in conversation. He is not a scholar or even especially profound. "Ted is a doer," says one close friend, "not a tormented intellectual seeking some kind of truth."

Though he is popularly viewed as a kind of Catholic Mr. Chips, Hesburgh is now held in such awe by Notre Dame students that they seldom deal personally with him. Student Body President Mike Gassman says he would not dare interrupt the president with ordinary school problems because "he's too important now." Another student says, "Father Ted is usually too busy playing world savior." Both of them are swift to add, however, they think Hesburgh is the main force behind Notre Dame's stress on values.

Even as Hesburgh buries himself in his work, no one really understands what drives him. Is it his need for prestige or power, or is it his need to keep building for the greater glory of his God? His answer is just to keep working. He turns 60 this month and has no plans to retire. Instead, he announced a week ago that Notre Dame is undertaking the largest fund-raising drive in its history: $130 million. "Show me the top ten endowments," says Hesburgh, "and I'll show you the top ten schools in the country." Notre Dame's campaign will lift it close to the top ten, but everybody knows in the long run that will not be good enough for Ted Hesburgh.

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the RECORD the notification I have just received.

There being no objection, the notification was ordered to be printed in the RECORD, as follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., May 10, 1977.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith, Transmittal No. 77-36, concerning the Department of the Air Force's proposed Letter of Offer to Iran for supply support, not major defense equipment, as defined in the International Traffic in Arms Regulations (ITAR), estimated to cost $125.0 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF.

TRANSMITTAL NO. 77-36: NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS REPORT CONTROL ACT

(i) Prospective Purchaser: Iran.

(ii) Total Estimated Value: Major Defense Equipment * $0.0; other 125.0 million; total $125.0 million.

(iii) Description of Articles or Services Offered: Supply Support Arrangement (SSA) for annual requirements for spare parts for Iranian Air Force equipment.

(iv) Military Department: Air Force.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid: None.

(vi) Date Report Delivered to Congress: May 10, 1977.

THE GENOCIDE CONVENTION: A SIGNAL TO THE REST OF THE WORLD

Mr. PROXMIRE. Mr. President, in the world of international politics, symbolism can be all important. What a nation does or does not do can often influence the decisions and behavior of friendly and rival nations. This concept has been accepted by international relations experts and policymakers for as long as international relationships have been necessary.

For almost 30 years the U.S. Senate has failed to ratify the Genocide Convention, despite the endorsement of every American President since Harry Truman. One cannot help but wonder what our inaction indicates to the rest of the world.

If one recalls the sequence of events in the pre-World War II years, it is strikingly apparent what American inaction meant to the flow of world history. Adolf Hitler did not set out to conquer Europe immediately after assuming power in Germany. He first tested the waters, taking this piece of territory, then that piece of territory. He slowly moved into the process of eradicating the Jews. He put his plans and strategies into motion only after seeing the inaction and lack of response from both sides of the Atlantic.

It is not a pretty thought to consider, Mr. President, but it is a thought forcefully put forth in a book by Arthur D. Morse entitled "While 6 Million Died: A Chronicle of American Apathy." It is difficult even to conceive of any American action providing support to Hitler's horrible crimes, but I am afraid our inaction, our failure to swiftly condemn the acts of Hitler, may have added momentum to his plans.

Mr. President, I do not want our Nation to make that possible mistake again. We must ratify the Genocide Convention to put the United States on the side it belongs, to indicate to the rest of the world that we abhor genocidal acts and will provide no support to their perpetrators.

FARM DEBT AND FARM PRICES

Mr. HUMPHREY. Mr. President, there is a crisis in the countryside. The crisis has been depicted in a recent USDA survey of the financial status of farmers in nine States. The survey demonstrates the accelerating credit problems of America's farmers. According to this report, a growing number of farmers are reaching the limit of their credit capacity. A sizeable number, in fact, are faced with immediate financial disaster.

I would like to share with my colleagues an editorial from the May 5 issue of the Mankato, Minn., Free Press. In my view, this editorial accurately analyzes this credit problem. The issue is simple: Farm prices simply are not keeping pace with operating and other costs. From 1972 to 1975, farmers achieved long overdue good levels of income. But the past 2 years have marked a serious downturn. Prices that farmers receive are falling, yet the cost of operating a farm—machinery, credit, land, energy, and so forth—stay at record high levels.

Our family farms are being hit hard. Increasingly, the only option left to them is to sell out to limit their losses.

There is no question in my mind that America must continue to value the family farm. It is a highly efficient form of agricultural production. And it is highly important to maintain diversity in American agriculture.

I recently introduced the Farm Security Act of 1977 (S. 598), the purpose of which is to help young farmers gain access to credit. A similar State program has worked admirably with rather limited resources in Minnesota. While we need to look for ways to strengthen programs for young farmers, we also need to explore options to enhance the credit capacity for other producers as well.

Credit is not a new problem in American agriculture. It is a problem that is as old as farming itself. As producers seek to improve their efficiency in the production of food, we must continue to seek new ways to shape public policy toward agriculture in a manner that capitalizes on the strength of this vital industry.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

* As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

DEBT AND PRICES: WHY FARMERS GRIPE

First the good news: The U.S. Department of Agriculture surveyed 20 per cent of the nation's farms in mid-March, in nine states (Minnesota, Montana, Texas, North Dakota, South Dakota, Colorado, Nebraska, Kansas and Oklahoma)—570,000 farms in all. And now, with release of the study's results. Minnesota's farmer are seen to be in clearly better financial shape than those in any of the other states surveyed.

Now the bad news. Despite healthy financial circumstances on a relative basis for Minnesota farmers, 18 per cent of them will have to refinance loans, sell property to make ends meet, or not be able to meet loan obligations at all.

The cause is simply stated: farm prices.

Comparing "worst case" statistics against "best case" figure may have some consolation to Minnesota agriculture. In Oklahoma (the worst-off of the nine states surveyed), only 47 per cent of the farmers will this year face no farm credit problem, compared to 82 per cent in Minnesota (the best-off of the nine states studied). Nearly 40 per cent of Oklahoma's farmers expect to have to refinance loans or sell farmland parcels to stay above the red ink line, compared to 15 per cent in Minnesota. And 13 per cent of Oklahoma's farmers will be unable to repay bank loans, compared to only 3 per cent in such straits in Minnesota.

Small comfort is to be gained from parochial feelings of "We lucked out," however, for it is in the nine-state averages that the across-the-board severity of the problem is seen most graphically: Whereas 67 per cent of the farmers in all nine states will be able to meet debt obligations to lenders, 27 per cent will have to refinance or sell property, and 6 per cent will not be able to repay. These are dismal figures.

And how many of that fortunate 67 per cent will just be scraping by into solvency, just making ends meet, just able to repay loans, with little left over for anything else? Farmers gripe a lot—about the weather, about Washington, about price supports, about the cost of fuel and fertilizer; but they are also a proud, individualistic group. And thus one has to wonder how many of that 67 per cent who predicted no repayment difficulty for themselves were being optimistic, or at the very least, unwilling to commit themselves to an attitude of hardship-pleading on a government questionnaire.

Yes, farmers gripe a lot. They have seen niggardly price support increases tossed their way by the administration. And they now see the Senate trying to up the ante to figures more in keeping with farm operational cost realities, but with an explicitly stated threat from President Carter to veto any price support bill that exceeds the ceilings his administration has set.

We think farmers would prefer acceptable prices to welfare or to CETA jobs-retraining because of failure of the family farm. If support—financial and moral—comes in at any level from the federal government, it should come in early, to address the major problem of inadequate prices. After-the-fact assistance, when all is lost, is the kind of thing that makes farmers gripe a lot, especially about Washington. For they know help must come when and where they need it, not when it doesn't matter any more.

CONFEREES REACH AGREEMENT ON FIRST CONCURRENT BUDGET RESOLUTION

Mr. MUSKIE. Mr. President, I am pleased to report to the Senate that the conferees on Senate Concurrent Resolution 19, the first concurrent resolution on the Federal budget for fiscal 1978, have reached agreement. The conference report appears on the House side in today's RECORD. I hope the Senate can consider this matter on Friday, May 13 in order to meet the statutory deadline of the Budget Act.

Mr. President, I wish to commend the conferees on the Senate and House sides for their exemplary cooperation in reaching a compromise today. I am very pleased to report that the overwhelming majority of the conferees have endorsed this agreement and we are confident of the adoption of this resolution in both Houses of the Congress. I would note Mr. President that this has been a bipartisan effort with all members of the conference working diligently to achieve the best possible solution in the interest of preserving and promoting the congressional budget process.

ADDRESS TO NEW AMERICANS

Mr. HELMS. Mr. President, one week ago today, in my home town of Raleigh, N.C., a fine group of men and women officially became American citizens. The oath of citizenship was administered by the Honorable Frank Dupree, judge of the eastern district of my State.

Immediately afterwards, an eloquent welcome to these new American citizens was extended by Rev. W. W. Finlator, pastor of Pullen Memorial Baptist Church in Raleigh. Bill Finlator is a longtime friend of mine; and in addition to his vigorous ministry he is well-known for his willingness to speak out on various issues, and sometimes controversial ones.

I do not always agree with Bill Finlator, Mr. President, nor he with me. But I respect him always, even when we most strongly disagree. In the instance of his remarks to the new citizens last week, I wholeheartedly applaud not only his eloquence, but the substance of his message as well.

Mr. President, I ask unanimous consent that the text of Mr. Finlator's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

ADDRESS TO NEW AMERICANS

(By Rev. W. W. Finlator)

Judge Dupree, I thank your Honor for the high privilege of this court to extend to these friends our heart-felt welcome and congratulations.

My Fellow Americans, you need no reminder from me that this is an awesome and dramatic moment. You have of your own free will and volition just accepted in reverence and deep seriousness the rights and the responsibilities of plenary citizenship in the United States of America. You have just renounced all former allegiance to the land where your fathers died. You have forsworn all loyalty and obeisance to every sovereignty save that of this nation. You have committed yourselves to the forgetting of that which lies behind and to the reaching forth to that which lies before. And by this very act you have become as truly Americans as we who were born Americans!

The oath of allegiance you have taken is essentially the same as that administered to political leaders when they assume office in the United States. Your solemn and sacred vow is to uphold and defend the Constitution of the United States. You have not pledged allegiance to the American Way of Life, nor to the American high standard of living, nor to the economic system of free enterprise, nor to the ethos of Middle America, nor to the ethics of America civil religion—however good these things have proved to be to most Americans. But they are not the sum and scope, the heart and soul, of America, nor are you required, in becoming citizens of this nation, to vow any loyalty thereto. But you *have* given your pledge and promise to uphold and defend the Constitution of the United States and the Bill of Rights and that is what makes you true Americans. Please always remember this.

And remember also that in abjuring your former citizenship you are not turning your back on the traditions and the heritage and the treasures of your past. All of that must remain bone of your bone and flesh of your flesh and blood of your blood as the wine must forever taste of its grapes. Naturalization does not mean homogenization. Becoming American does not require amnesia. There never has been, and there never should be, a melting pot to brew some bland concoction of undifferentiated humanity in this land. We need your total commitment to justice and equity and freedom under the Constitution but we also need the variety and enrichment and beauty of the culture and faith that produced you, and the measure of your loyalty to that will determine the measure of your loyalty to your new nation.

But most of all we need your full and joyous participation in helping us to realize the dream that is America. For America is both an achievement and a process. We can never claim that we have become, that we have fully arrived. We have set before us the high task of turning a vision into a reality. And we are less a finished product than an unfinished symphony. We dare never forget the warning of our Founding Fathers that eternal vigilance is the price of our liberties.

So your oath today, your pledge of allegiance, means that you are to help us make this indeed a land in which everyone is born free and equal, where government shall be of the people and for the people and by the people, where day by day we experience what President Lincoln once called a new birth of freedom, where the strong gladly bear the infirmities of the weak, and where we have bound ourselves into an indissoluble union whose purpose is to insure justice and promote the general welfare and secure the blessings of liberty to ourselves and to our children.

Welcome to the vision and the venture that is America!

IN PRAISE OF RILEY L. B. YEE, A PUBLIC SERVANT OF THE HIGHEST ORDER

Mr. MATSUNAGA. Mr. President, I wish to take this opportunity to extend my congratulations and best wishes to Mr. Riley L. B. Yee upon his recent retirement from the State of Hawaii Commission on Aging.

For more than 30 years, Riley L. B. Yee has served the great State of Hawaii with much pride and true dedication. Throughout his years of productive service with the State Commission on Aging, as well as with other, numerous community, civic, and State agencies, Riley L. B. Yee has consistently demonstrated his genuine concern for and warm compassion to the problems and needs of the elderly and the handicapped who require greater attention and better care.

I have long admired Riley Yee's total commitment and unfailing, vigorous efforts to improve the coordination and effectiveness of local and State programs and services designed to suit the needs of

Hawaii's senior population. During my chairmanship of a subcommittee in the House Select Committee on Aging, I found Riley Yee's assistance and views on issues and concerns in the field of aging and the elderly most helpful. It is my hope that his interest and involvement in improving the lot of the senior citizens in Hawaii and across the Nation will be maintained.

Echoing the appreciation of Hawaii's senior citizens and the State Commission on Aging, I offer my warmest "Mahalo" and congratulations to Riley L. B. Yee, a public servant of the highest order.

Mr. President, in recognition of his outstanding service I ask unanimous consent that the resolution adopted by the State of Hawaii Commission on Aging honoring Mr. Riley L. B. Yee, be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION No. 52

Whereas, Mr. Riley L. B. Yee has been an employee of the State Commission on Aging since July 1, 1969, and the State of Hawaii since January 1, 1948;

Whereas, Mr. Riley L. B. Yee came to the State Commission on Aging with the polish and know-how acquired through many years of experience, and has been stable, productive, and very dependable throughout his employment at the Commission;

Whereas, Mr. Riley L. B. Yee has played a key role in developing and nurturing the growth of the grants management program of the State Commission on Aging, starting from the simplistic procedures of the early 1970's to the present sophisticated methods for Title III of the Older Americans Act, as amended;

Whereas, Mr. Riley L. B. Yee was the Director of Rehabilitation at Leahi Hospital for 20 years, prior to coming to the State of Hawaii Commission on Aging;

Whereas, Mr. Riley L. B. Yee served as a Special Vocational Consultant to the Bureau of Hearings and Appeals of the Social Security Administration from 1962 to 1969;

Whereas, Mr. Riley L. B. Yee unselfishly dedicated his free time during his active career towards community service and leadership as President of the Hawaii Rehabilitation Association; State Chapter of the National Rehabilitation Association; President of the Oahu Tuberculosis and Health Association; Chairman of the Advisory Council for Adult Education, Department of Education, State of Hawaii; and Chairman of the Special Events and Awards Committee of the Governor's Committee on Employment of the Handicapped;

Whereas, Mr. Riley L. B. Yee is a true gentleman, with patience and understanding for the shortcomings of others, attested to by the many comments received from various people and agencies dealing with the State Commission on Aging;

Whereas, Mr. Riley L. B. Yee has faithfully served the State of Hawaii for a total of more than 30 years and now has found it fit to retire;

Whereas, Mr. Riley L. B. Yee will be sorely missed by the staff and the members of the State Commission on Aging and by all others who have worked with him;

Whereas, the staff and members of the State Commission on Aging wish to bestow honor and gratitude to Mr. Riley L. B. Yee for work well done; now therefore, be it

Resolved, That the State Commission on Aging does hereby extend its congratulations to Mr. Riley L. B. Yee and honor him for the many years of dedicated service he has given to the State Commission on Aging, the State of Hawaii, and the general community; and be it further

Resolved, That true copies of this resolution be forwarded to Mr. Riley L. B. Yee, Governor George R. Ariyoshi, members of the Senate and House of Representatives of the State Legislature, members of Hawaii's Congressional delegation, the Federal Administration on Aging, and other interested parties.

THE CARTER ADMINISTRATION'S SOCIAL SECURITY PROPOSALS

Mr. KENNEDY. Mr. President, I welcome the Carter administration's responsible and progressive proposals for dealing with a problem that must be solved—the financial difficulties of the social security system.

Obviously, there are a variety of possible approaches to this complex issue. Perhaps Congress can improve on the details of the Carter proposals. But I believe the administration has avoided some of the most serious objections that have plagued past efforts, such as the Ford administration's unwise proposal in 1976 for an immediate increase in the payroll tax rate, which would have heavily burdened low and middle income workers.

I have long supported a general revenue contribution to social security as a way of easing the burden of the regressive payroll tax and dealing with the shortfall in the trust funds caused by the severe recession and slow recovery of recent years. By adopting this approach the Carter administration has taken an important and long overdue step toward a more equitable method of financing the social security system.

According to economists, both the employer's and the employee's share of the payroll tax is borne by workers. It is a fallacy to argue that the tax will come out of business profits, or that it discriminates unfairly against business. The approach taken by the administration is simply a way of healing the system and preventing future deficits, without the imbalance that would occur in the current benefit structure if the past 50–50 ratio of the employer's and employee's share were to be retained.

I do have some concern over where the general revenues will come from to pay the social security contributions, especially in light of the administration's concern for a balanced budget in the future. But the first general revenue allocation will be only about $3 billion and will not be made until 1979. Thus, the amount involved is modest and will have no serious immediate impact on our current problems of inflation or unemployment. The program is gradual, and it is also well designed to solve the social security problem, without producing a setback to the current national economic recovery and without making the current payroll tax more regressive.

In recent months, there has been too much scare talk about these problems. The social security system is sound, and both Congress and the administration are determined to keep it that way. There are shortrun and longrun challenges we have to face. The proposals of the Carter administration are a major step toward a responsible and fair solution. They deserve a better reception than they have received so far, and I hope that Congress will act quickly on them.

(This concludes additional statements submitted today.)

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

AMENDMENT OF THE STANDING RULES OF THE SENATE

The ACTING PRESIDENT pro tempore. The clerk will state the pending motion.

The legislative clerk read as follows:

A motion to proceed to the consideration of the resolution (S. Res. 5) to amend the Standing Rules of the Senate.

The Senate continued with the consideration of the motion.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum Call No. 17 Leg.]

Allen	Ford	Mathias
Anderson	Griffin	McGovern
Baker	Hart	Nelson
Bellmon	Hayakawa	Sparkman
Byrd, Robert C.	Helms	Stone
Cranston	Lugar	Wallop

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia (Mr. ROBERT C. BYRD) to direct the Sergeant at Arms to request the attendance of absent Senators. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Delaware (Mr. BIDEN), the Senator from Arkansas (Mr. BUMPERS), the Senator from Iowa (Mr. CULVER), the Senator from Arizona (Mr. DECONCINI), the Senator from New Hampshire (Mr. DURKIN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Maine (Mr. HATHAWAY), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washing-

ton (Mr. MAGNUSON), the Senator from North Carolina (Mr. MORGAN), the Senator from Michigan (Mr. RIEGLE), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Missouri (Mr. DANFORTH), the Senator from New Mexico (Mr. DOMENICI), the Senator from Michigan (Mr. GRIFFIN), and the Senator from Kansas (Mr. PEARSON) are necessarily absent.

The result was announced—yeas 75, nays 7, as follows:

[Rollcall Vote No. 141 Leg.]

YEAS—75

Allen	Hansen	Nelson
Anderson	Hart	Nunn
Baker	Haskell	Packwood
Bartlett	Hatch	Pell
Bayh	Hatfield	Percy
Bellmon	Hayakawa	Proxmire
Bentsen	Heinz	Randolph
Brooke	Helms	Ribicoff
Burdick	Hollings	Roth
Byrd, Harry F., Jr.	Humphrey	Sarbanes
	Jackson	Sasser
Byrd, Robert C.	Javits	Schmitt
Cannon	Laxalt	Schweiker
Case	Leahy	Scott
Chafee	Long	Sparkman
Chiles	Lugar	Stafford
Church	Mathias	Stevens
Clark	Matsunaga	Stevenson
Cranston	McClellan	Stone
Curtis	McClure	Thurmond
Dole	McGovern	Tower
Eagleton	McIntyre	Wallop
Ford	Melcher	Young
Garn	Metzenbaum	Zorinsky
Glenn	Moynihan	
Gravel	Muskie	

NAYS—7

Goldwater	Metcalf	Weicker
Huddleston	Stennis	
Johnston	Talmadge	

NOT VOTING—18

Abourezk	Domenici	Kennedy
Biden	Durkin	Magnuson
Bumpers	Eastland	Morgan
Culver	Griffin	Pearson
Danforth	Hathaway	Riegle
DeConcini	Inouye	Williams

So the motion was agreed to.

The PRESIDING OFFICER (Mr. MELCHER). With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

Mr. JAVITS. Mr. President, I ask unanimous consent that during the debate on Senate Resolution 5, Chuck Warren and Barbara Washburn of my staff may have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ROBERT C. BYRD. Mr. President, it is not my intention to offer a cloture motion at this time on the motion to proceed. I may or may not offer such a motion today. I am not, by making this parliamentary inquiry, indicating that I am going to offer the motion today.

I preface the parliamentary inquiry by reading a paragraph from section 2 of rule XXII:

> And if that question—
>
> The question being whether or not the debate will be brought to a close—
>
> shall be decided in the affirmative by three-fifths of the Senators duly chosen and sworn—except on a measure or motion to amend the Senate rules, in which case the necessary affirmative vote shall be two-thirds of the Senators present and voting—then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

My question is this: In view of the fact that the language excepts from the three-fifths requirement on the motion to invoke cloture only a measure or motion to amend the Senate rules—in which case, the necessary affirmative vote shall be two-thirds—would it not then logically result that, on a motion to take up a measure or motion to amend the Senate rules, a vote by a three-fifths majority on the motion to invoke cloture would indeed invoke cloture?

The PRESIDING OFFICER. In response to the Senator's parliamentary inquiry, the Chair will state that since the pertinent provision of rule XXII was amended a little over 2 years ago, there have been no precedents on this point, and the legislative history of the measure that so amended the rule at that time is silent on the question. Therefore, the language of the rule itself, as amended, is all we have and that language states:

> And if that question shall be decided in the affirmative by three-fifths of the Senators duly chosen and sworn—except on a measure or motion to amend the Senate rules, in which case the necessary affirmative vote shall be two-thirds of the Senators present and voting. . . .

The exception made is on a measure or motion to amend the Senate rules, which does not include a motion to proceed to a measure to amend the Senate rules. Cloture on the pending motion would be invoked by an affirmative vote of 60 Senators—three-fifths.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. BAKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The minority leader will state his parliamentary inquiry.

Mr. BAKER. Mr. President, am I correct in assuming that the statement just made by the Chair in response to the parliamentary inquiry of the distinguished majority leader is in the nature of advice and is the opinion of the occupant of the chair and is not a ruling on the measure at hand?

The PRESIDING OFFICER. That is correct.

Mr. BAKER. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAKER. Am I correct then in assuming that notwithstanding the opinion just stated by the Chair it is not necessarily binding on any future occupant of the chair?

The PRESIDING OFFICER. That is also correct.

Mr. BAKER. Mr. President, I propound one further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAKER. That is, that having stated the opinion of the Chair on this matter and further stated that it is not a ruling on the matter at hand, that the opinion of the Chair is not appealable at this point?

The PRESIDING OFFICER. That is also correct.

Mr. BAKER. So the status of things at this point is that the response to the parliamentary inquiry of the distinguished majority leader is advisory in nature and that if a similar ruling is made at the time of the announcement of a vote on some future cloture motion filed against and voted on with respect to the motion to take up, then a parliamentary inquiry or a point of order could be made against that announcement if it were the same and an appeal taken from that ruling at that time?

The PRESIDING OFFICER. The Senator is absolutely correct.

Mr. BAKER. So the right to appeal from the ruling of the Chair in that regard at that time is unimpaired by this advisory statement today?

The PRESIDING OFFICER. That is correct.

Mr. BAKER. I thank the Chair.

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Kansas will state it.

Mr. DOLE. If cloture were invoked on a motion to proceed, then would we move to amend the rules or would there be another cloture motion?

The PRESIDING OFFICER. Then the measure would be before the Senate and would be wholly debatable.

Mr. DOLE. Then on that measure, it would take two-thirds?

The PRESIDING OFFICER. On that measure, amending the rule, it would take two-thirds of those present and voting, and a quorum, of course, must be present.

Mr. BAKER. Mr. President, this is in the nature of a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAKER. I state now that it is the opinion of the Senator from Tennessee that that is not the correct ruling on this issue and, since it is not an appealable ruling at this time, I will not proceed further except to say that if the Senate is confronted with a ruling on that basis, it is my intention to discuss the matter further and appeal such ruling.

The PRESIDING OFFICER. The Chair appreciates the comments of the distinguished minority leader.

Mr. ROBERT C. BYRD. Mr. President, I commend the Chair for the response to the parliamentary inquiry which I made earlier.

In my judgment, the opinion of the Chair is correct. I think that any fair and realistic interpretation of the reading of the very clear language expressed in the section of the rule which I read, would have to conclude that inasmuch as the language does not mention a motion to proceed to take up a motion to amend, the two-thirds requirement does not apply to a motion to proceed.

The language specifically states, "and if that question"—in other words, the question on the motion to close debate—"shall be decided in the affirmative by

three-fifths of the Senators duly chosen and sworn, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of."

There is one exception to the three-fifths requirement, and that is as follows: "except on a measure or motion to amend the Senate rules, in which case the necessary affirmative vote shall be two-thirds of the Senators present and voting."

The motion before the Senate today is a motion to proceed to the consideration of a measure to amend the Senate rules. The language of section 2 of Rule XXII which I have read does not direct itself to a motion to proceed. It only directs itself to the measure—to wit, in this instance, a resolution—to the measure to amend, or to a motion to amend.

The motion presently pending before the Senate is a motion to proceed.

If one is to interpret a motion to proceed as a motion to amend, then what we would have now before the Senate is a motion to amend, and cloture could be applied directly thereto.

But to get to a motion or measure to amend, one has, first, to adopt the motion to proceed. That motion to proceed is excluded from the exception in the paragraph which I read.

In section 3 of rule XXII, the following language is found:

> The provisions of the last paragraph of rule VIII (prohibiting debate on motions made before 2 o'clock) shall not apply to any motion to proceed to the consideration of any motion, resolution, or proposal to change any of the Standing Rules of the Senate.

What is being talked about there is the general rule that motions to proceed to consider during the morning hour are not debatable. But section 3 says that a motion to proceed during the morning hour to the consideration of any motion, resolution, or proposal to change the rules of the Senate, shall not be subject to that general rule that precludes debate.

So a motion to proceed to take up a motion to change the rules, if made during the morning hour, is debatable.

What I am saying is this: Senate rule XXII is very specific in section 3 in directing its attention to a motion to proceed. But in section 2, the fact that measures and motions to amend the Senate rules are specifically referred to, specifically mentioned, and a motion to proceed is excluded from any mention, can only mean that a motion to proceed is not under the two-thirds requirement for cloture, and needs only three-fifths.

So, Mr. President, I again commend the Chair. The language is clear. It is not ambiguous. It specifically refers to a measure or motion to amend the rules as falling within the exception. It says nothing about a motion to proceed to take up a motion to amend the rules.

Mr. BAKER. Mr. President, I do not intend to debate this issue at this time, because, as the Chair has correctly pointed out, the opinion of the Chair, given in response to the parliamentary inquiry, is advisory only and could not be appealed from, in any event. But I have an idea, as I also said earlier, that the Senate will have to face the interpretation of this rule. No doubt it will come up, if the ruling is the same, when I appeal or someone else appeals from the ruling of the Chair, if that is the ruling of the Chair. I am sure the Chair would submit that for the consideration of the Senate, as the rules require.

I think the Senate should give careful attention to this matter. Not only is the measure before us important—that is, the determination of the future of the course of debate and the range of opportunities available to each Senator to express his point of view and to proceed to the consideration of his amendments and measures—not only is the substance of that resolution important, but also, the precedent, the history, and the interpretation we make of this relatively new provision of rule XXII is important, and the Senate can decide that.

I, too, commend the occupant of the chair for pointing out that this is a matter of first impression, that there is no precedent, that there is nothing to go by in the legislative history. I asume that is so. I have not yet researched the legislative history. But the Senate must determine the issue on the basis of the language before it.

It is interesting to me, however, that this provision says that the three-fifths vote will obtain except on a motion or measure to amend the rules. A measure to amend the rules, I assume, would be a bill or a resolution. That is what we ordinarily think of as a measure. I do not know what a motion to amend the rules is, unless it is a motion to proceed to the consideration of a measure to amend the rules.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. ROBERT C. BYRD. A motion to amend the rules is simple: For example, I could move that rule XXII be amended in such and such a way. I could then ask unanimous consent to proceed to the immediate consideration of that motion. In the event that I had previously given 1 day's notice and a Senator were to object to the immediate consideration of it, my motion to amend the rules would appear the next day on the Calendar of Resolutions and Motions over under the rule. That would be a motion to amend.

Mr. BAKER. That is one interpretation with which I do not happen to agree.

Mr. ROBERT C. BYRD. I daresay that the Chair would agree.

Mr. BAKER. I am not sure that the Chair would.

Mr. ROBERT C. BYRD. Why does not the Senator ask the Chair?

Mr. BAKER. Why do I not let the majority leader have that opportunity a little later? Right now, I will continue with my remarks.

The point is that the rule, itself, does not provide a definition for what a motion to amend the rules may be, or a resolution to amend the rules. In the ordinary and routine parlance of the Senate, it seems to me that a motion to proceed to the consideration of a resolution to amend the rules fits squarely into the dual language of that provision of the rules.

Mr. President, once again it is up to the Senate to decide this. It is up to 100 Senators, not up to the occupant of the chair or the majority leader or the minority leader. It is up to 100 Senators to decide whether or not we can do by indirection what the rules says we cannot do directly, and that is to obtain cloture on a motion to change the rules by three-fifths of the Senators. It runs directly contrary to the intentment of this provision of rule XXII, which is that cloture can be obtained against a motion to proceed to the consideration of the rule change on three-fifths, when clearly, in my view, rule XXII provides that it takes two-thirds of the Senators present and voting in order to invoke cloture against a rules change.

Mr. President, I have conferred at length with the distinguished majority leader and with the distinguished Parliamentarian on this matter. It is no betrayal of confidence to point out that this matter has been discussed at great length, and today I have heard interpretations on both sides of this issue. So clearly it is before us.

First, I was advised by the Parliamentarian that it took two-thirds. Today, I understand the Parliamentarian has advised the Chair that it takes three-fifths. That is certainly the prerogative of the Parliamentarian. But I make the point only to underscore the fact that the matter is not free of any conflict or misunderstanding.

So, Mr. President, there is no appeal to be made today. There is no vote to be taken today. But I assure my colleagues that I think this is a matter of extraordinary importance to the Senate, in the determination of the effectiveness, the determination of the scope and extent, and the determination of the efficacy of rule XXII.

If we were going to change the rules on the three-fifths, we should have said that. I do not think we said that. If the ruling of which the Chair advised us today were to be given in respect to a point of order against the announcement of the result of a cloture vote, I would hope that the Senate would sustain an appeal from that ruling.

Mr. ROBERT C. BYRD. Mr. President, I can understand the position that is taken by the distinguished minority leader. I disagree with it completely. I agree 100 percent with the response of the Chair to the parliamentary inquiry. If cloture should be invoked on the pending motion to proceed, and the Chair so declares, by 60 votes, of course an appeal would lie. I recognize that as being within the rules of the Senate and within the rights of any Senator to appeal. So far as I am concerned, I would be willing to discuss that appeal before offering a motion to table it.

In the final analysis, it will be up to the Senate to sustain the ruling of the Chair or to reject it. But I say that the Chair is on solid ground, by any fair and reasonable interpretation of the language, which is clear and unambiguous. I would be prepared to argue in support of the Chair's ruling at such time as there is a ruling. If the authors of the language had meant to include a motion to proceed to take up a motion to amend the rules, it would clearly have so stated. In-

stead, any reference to a motion to proceed was clearly omitted.

It refers to a measure or motion to amend the rules. But to get to a measure to amend the rules, or to get to a motion to amend the rules, one first must proceed to take it up, and he proceeds either by unanimous consent or by motion.

In this case, I had asked unanimous consent to proceed to take up the resolution to amend the rules, and that unanimous-consent request was objected to. I thereupon moved to proceed to take up the measure to amend.

One cannot have it both ways. If the pending motion to proceed is the same as a motion to amend, then a motion to amend the rules is right now before the Senate, and if I were to offer a cloture motion on it then, if that were the correct interpretation, I could argue that my cloture motion goes to a motion to amend.

Obviously, that argument would have no foundation in fact. So there is a difference between a motion to proceed and a motion to amend.

The adoption of the pending motion to proceed to Senate Resolution 5 would bring Senate Resolution 5 before the Senate for debate. Senate Resolution 5 is what amends the rules. The pending motion to proceed does not amend anything.

Mr. President, I again commend the Chair, and if, indeed, the situation ever arises that the Chair rules that cloture has been invoked by a vote of 60 Senators on a motion to proceed to a measure or motion to amend the rules, I will certainly be happy to do all I can to support that ruling.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. Mr. President, this is a moot question, of course, but we do not seem to have a great deal to consider this afternoon, and I think that I could join in this discussion.

I certainly am going to vote against cloture if a cloture motion is filed and voted on, and would continue to support the right of those who wish to debate this issue, and would under no circumstances vote to end the debate.

I think a somewhat analogous situation to this would be the case of a constitutional amendment which requires a two-thirds vote of each House to be submitted to the States, yet amendments to that constitutional amendment can be adopted by a majority vote.

So just because the end issue requires one particular vote does not indicate that all issues which must be decided as a condition precedent to considering the main issue have to be decided by the same vote.

So it is quite obvious to me and, I believe, this was the advice I gave the distinguished Senator from Tennessee, that this motion to proceed could be clotured with a vote of 60 of the Senators.

It has been the position of the Senator from Alabama on appeals from the Chair that irrespective of how the decision might affect the issue, as the Senator from Alabama sees it, to support the Chair when he thinks the Chair is right and to oppose the Chair when he feels he is wrong.

Possibly other Senators follow a different rule and vote on appeals on the basis of which side would suit their opinion best.

So in the event—and I hope it does not come to pass because I hope it will remain a moot issue—that 60 votes are cast for a cloture motion to bring to an end debate on a motion to proceed, but fewer than two-thirds so vote, it would be the judgment of the Senator from Alabama that cloture would have been involved and, of course, on appeal the Senator from Alabama would vote to sustain the Chair.

I hope the issue does not arise, but if it does arise I really hope the Senator from Tennessee will not appeal because it is quite clear that this is not an amendment of the rules. It is merely a motion to proceed to a resolution seeking to amend the rules.

Furthermore, I would feel that some Senators are going to vote to proceed to the consideration of the measure feeling that the measure ought to come up before the Senate. I am not going to vote to force it to come up before the Senate, but some Senators will say,

We ought to decide it on the basic and fundamental issue.

So I believe we are going to have more votes on the motion to proceed than we are going to have to have on the fundamental issue.

Since the fundamental issue, the amendment of the rules, requires a two-thirds vote, I would hope that even if 60 votes are obtained on this preliminary motion that there would be no appeal and that we would go on to the main issue.

It seems very clear under the rules that all that is excepted out from the three-fifths requirement is the vote on the main issue, that is, amending the Senate rules.

So we have some time yet before this matter does come up. But I hope there will be no appeal from the decision of the Chair if this matter does come to fruition and a ruling is made because I really believe that might prejudice the main issue, the main issue being whether this debate shall end and, as I have said it repeatedly, I am going to vote in such a way as to seek to allow the debate to go on and on. But I do hope there will be no appeal from the ruling of the Chair in this area.

The PRESIDING OFFICER. The Chair appreciates the remarks of the distinguished Senator from Alabama and notes that the distinguished Senator is a great student of the rules, and his opinion is well taken and very much appreciated.

The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, in the language of the rule, rule III of the Standing Rules, paragraph 1, where the words "unanimous consent" occur, I move to strike the following semicolon and insert the words "or by majority vote on a nondebatable motion," and I ask unanimous consent for the immediate consideration of my motion.

Mr. BAKER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Does that motion now go on the calendar of resolutions and motions over under the rule?

The PRESIDING OFFICER. Under rule XL, no motion to amend any rule shall be in order except on 1 day's notice in writing. The motion is not in order.

Mr. ROBERT C. BYRD. Mr. President, a motion to amend is in order because I gave notice on January 4 when I introduced Senate Resolution 5, which included language to suspend the reading of the Journal by majority vote on a motion without debate. That in itself constituted the notice required under the rule.

Mr. ALLEN. Mr. President, under the rules I request that the motion be put in writing before it is considered.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Alabama makes a valid request.

The PRESIDING OFFICER. The Senator has the right to have the motion put in writing.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, while we are waiting, I ask unanimous consent that there be an extension of the period for routine morning business of not to exceed 20 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOTION NO. 1—MOTION IN WRITING TO AMEND SENATE RULE III

Mr. ROBERT C. BYRD. Mr. President, I submit a motion in writing, and ask for its immediate consideration.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The motion will be stated.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD) moves as follows:

MOTION NO. 1

I move that the Senate Rules be amended as follows:

Amend rule III by striking out all after the words "unless by unanimous consent" and insert "or on motion decided without debate. Motions to correct the Journal shall

be privileged and proceeded with until disposed of and shall be confined to an accurate description of the proceedings of the preceding day."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the motion?

Mr. BAKER. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator from Tennessee, the minority leader, reserves the right to object.

Mr. BAKER. Mr. President, a parliamentary inquiry. Are we in the morning hour?

The PRESIDING OFFICER. The Senator is correct; we are in morning business.

Mr. ROBERT C. BYRD. Mr. President, I object to the immediate consideration of the motion.

The PRESIDING OFFICER. Objection is heard. The motion will go over, under the rule.

Mr. BAKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. BAKER. Notwithstanding that the matter is framed as a motion on the demand of the Senator from Alabama that it be reduced to writing, does it take on the character and form of a resolution, under the rules and precedents of the Senate?

The PRESIDING OFFICER. It is treated the same way.

Mr. BAKER. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAKER. Are there precedents in the proceedings of the Senate for considering motions which have been reduced to writing as resolutions within the meaning of the Senate rules?

The PRESIDING OFFICER. Yes, there are precedents. The Senator will note the heading on page 10 of the Calendar, "Resolutions and Motions Over, Under the Rule."

Mr. BAKER. According to the rules and precedents of the Senate, then, after this motion is reduced to writing, notwithstanding that it is characterized as a motion, is it not in fact a resolution?

The PRESIDING OFFICER. It is a motion, but it has the same effect as a resolution if agreed to.

Mr. BAKER. I thank the Chair.

Mr. ROBERT C. BYRD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The majority leader will state his parliamentary inquiry.

Mr. ROBERT C. BYRD. The motion will appear on the Calendar of Resolutions and Motions Over, Under the Rule on tomorrow, will it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. And, Mr. President, it qualifies as a motion, does it not?

The PRESIDING OFFICER. It qualifies as a motion; the Senator is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. BAKER. Mr. President, does it also qualify as a resolution?

The PRESIDING OFFICER. If it is agreed to, it will be a resolution—that is, it will have the same effect as a resolution if agreed to.

Mr. BAKER. Mr. President, is there a unanimous-consent order entered that nothing come over under the rules for tomorrow?

The PRESIDING OFFICER. No, not at this point.

Mr. BAKER. I thank the Chair.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business?

If not, morning business is closed.

AMENDMENT OF THE STANDING RULES OF THE SENATE

The Senate continued with the consideration of the motion to proceed to the consideration of the resolution (S. Res. 5) to amend the Standing Rules of the Senate.

The PRESIDING OFFICER. The question recurs on the pending motion.

Mr. STEVENS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Alaska will state the parliamentary inquiry.

Mr. STEVENS. What is the effect of the motion of the Senator from West Virginia when it comes over under the rule tomorrow in regard to pending business?

The PRESIDING OFFICER. If the Senate adjourns tonight and we complete morning business while we are still in the morning hour, the Chair, under the rule and the precedent, will have to start laying before the Senate the measures on the calendar coming over under the rule in the order which they appear.

Mr. STEVENS. Is the Senator from Alaska correct in understanding, then, that the effect of carrying this motion over under the rule will be to displace the pending business tomorrow?

The PRESIDING OFFICER. It will only be possible until the hour of 2 o'clock, still providing that the Senate adjourns.

Mr. STEVENS. And we resume consideration of the pending business?

Mr. BAKER. Mr. President, a parliamentary inquiry: If we do, in fact, adjourn, today, will the motion of the distinguished majority leader expire at that point?

The PRESIDING OFFICER. Yes, the Senator is correct. The motion will die if we adojurn.

The question is on agreeing to the motion.

Mr. ROBERT C. BYRD. Mr. President, what is the motion before the Senate?

The PRESIDING OFFICER. The clerk will state the pending motion.

The legislative clerk read as follows:

Motion to proceed to consideration of Senate Resolution 5 to amend the standing rules of the Senate.

Mr. ROBERT C. BYRD. Mr. President, the Chair's response that the motion would die has reference to the pending motion.

The PRESIDING OFFICER. That is correct.

Mr. ROBERT C. BYRD. It does not have reference to the motion which I submitted, on which I asked unanimous consent for its immediate consideration and then objected to on my own. That motion now goes on the Calendar of Resolutions and Motions Over, Under the Rule.

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. And that motion will not come over, may I say, until the preceding five resolutions have come over under the rule, and they will not come over under the rule except at the close of morning business, following an adjournment of the Senate, and then only if the morning hour has not expired.

Mr. President, may I say also that no motion would be in order to proceed to consider any resolution or motion over, under the rule. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

I withhold my suggestion.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, the issue facing this body at the moment is purely and simply this: Will rule XXII of the Senate be further changed in a manner to emasculate the protection accorded small States and minority viewpoints by altering the procedure on extended debates? I say absolutely no.

I appreciate the distinguished majority leader and his approach to this particular rule and his desire to conciliate, his desire to try to resolve difficulties between the differing factions in this matter, and I have deep and great respect for him.

From 1917 until 2 years ago, Senate rule XXII protected the right of extended debate by requiring the votes of two-thirds of the Senators present and voting to invoke cloture, or shut off debate. Extended debate, often called a filibuster, has always been one of the major differences between the House of Representatives and the Senate of the United States. Resort to the extended debate has been made over the years by Senators of all persuasion, liberal and conservative. It has been cherished as a vital protection of minority viewpoints against the will of a majority, particularly an intolerant majority which is impatient to act. Historically, one of the minority interests which have been protected have been the interests of small States. In the House, where population determines representation, small States are often overwhelmed by sheer numbers. This has been offset in the Senate, where each State has equal representation. At this point in time, many true interests are in the minority.

When the 94th Congress was organizing in January 1975, the cloture rule was attacked by many who claimed that extended debate was often used to block social, economic, consumer, and reform legislation. After 7 weeks, those who pressed for change obtained it. During the 94th Congress, obtaining cloture required a vote of 60 Senators—rather than the 67 required previously, if 100 Senators had been present and voting.

By way of illustration, the attempt to legalize secondary boycotts in the construction industry, through common situs picketing in the 94th Congress would have been killed in the Senate under the old rules on the vote which lost the filibuster under the new rules, and would never have come to the floor.

Proponents of further restricting extended debate again cite the need to expedite the legislative process.

I say that further encroachments on rule XXII which maintain minority rights, including the traditional rights of smaller States, will be trampled by any more changes.

The Senate, it seems to me, is a continuing body, always retaining a two-thirds membership. Its rules are continuing from Congress to Congress and are changed only pursuant to those rules. All precedent is to that effect.

The Senate is the only legislative body in the world with the right of extended debate. It is designed for careful and deliberate debate, and its history is filled with examples of the minority wisely tempering the haste of an overly zealous majority. If the Senate should now allow 60 of its Members to gag the other 40, the advocates of cloture would not rest until 51 of them could silence the remaining 49. Or, even worse, as few as 26 Senators constituting a majority of a quorum could gag the other 74.

Extended debate is needed in the Senate because it protects the rights of the minority. It slows down, on occasion, the hurried enactment of legislation in the Congress. Few cases exist where the interests of the country have been jeopardized by delay. In most cases, the country had benefited by delay and further consideration. Extended debate, it seems to me, also gives the country an opportunity to come abreast of what is happening in Congress. There is no meaningful debate in the House of Representatives, so that when a bill comes to the Senate it should be subjected, when necessary, to the closest scrutiny.

Efforts should be made to reach compromises on controversial legislation. The ability to compromise on legislation can exist only if there is the right of extended debate.

Extended debate in the Senate is a protection against big government getting bigger, as protection against a mushrooming Federal bureaucracy.

It is one of the few protections that we really have, and it is one of the few great rights that we have in the Senate.

There are a number of rights in the Senate, but the right to be able to have extended debate is one that I want to protect, that I want to preserve, and that I want to fight for.

(At this point, Mr. GLENN assumed the Chair.)

Mr. HATCH. Mr. President, rule XXII serves a vital need in our democracy. Liberals and conservatives should preserve this tool.

There are many examples where the determined opposition of a minority has effectively forestalled objectionable legislation. It is doubtful that any legislation which would arouse the stubborn opposition of one-third of the Senate, or that could be stopped by simply threatening a delay, could necessarily be very effective legislation. After all, ours is a Government by consent; and its powers are divided so that what is legislated might not be administered, might not be funded, or might not be supported by the courts. Our task is to anticipate and reconcile conflicting pressures in this society as we formulate its laws.

The presence of rule XXII guarantees that both sides are aware of the necessity of producing the logic, the argument, the accord, the compromise, and the accommodation that ultimately produces sound, useful legislation.

Why was the two-thirds majority necessary to overrule? Why not a simple majority? Or if not that, why not three-fifths majority? Why permit a tyranny of a minority? These are not new questions. Up until 1917 the Senate had no instrument by which debate could be terminated. But in 1917 the Senate approved a rule by which two-thirds of those present and voting could stop discussion. In 1949 the rule was changed to call for two-thirds of the entire membership of the Senate, but in 1959, the rule reverted back to two-thirds of those present and voting.

The rule of a simple majority is by no means a basic concept in our democracy. Our judicial system rests on trial by jury, but nowhere at the lower court level do we find guilt or innocence determined by majority rule. If swift justice is desired, majority rule would be the instrument. But the Founding Fathers knew that if one iota of uncertainty remained, the benefit of the doubt should go to the minority view. Ratification of treaties requires a two-thirds vote of the Senators present, as does impeachment. The consequences of what nearly happened during the reconstruction period must be recalled, when but for one vote, President Andrew Johnson would have been removed from office. Expelling a Member of Congress also requires a two-thirds vote. To override a Presidential veto requires a two-thirds vote and an amendment to the Constitution requires the support of a two-thirds vote of both Houses of Congress, followed by acceptance of three-fourths of the States. In each of these instances a two-thirds or greater majority has been required—all to guard against any but the wisest and most temperate decisions. The American form of government evidences the greatest respect for minority opinion. The making of any law should not be impervious to the strongly held will of the minority. A simple majority vote is not an infallible indication of wisdom and right. Much is heard about the tyranny of one-third, but one should be just as fearful of the tyranny of the majority.

In spite of rule XXII historic social legislation has been enacted, including civil rights acts and medicare.

Democracy is a slow and deliberate process. It requires patience and tolerance for opposing views. But when in the passions of the moment these virtues do not dominate, unlimited debate becomes a necessary instrument in the arsenal for defending the rights of the minority.

Rule XXII is sometimes characterized as a procedural rule rather than a substantive rule. But the word "procedural" must not be allowed to downgrade the importance of the rule. It is procedural in the sense that the Constitution itself was a set of procedural rules. It was of such importance that it could dictate the environment of the Senate.

If ever the Senate is reduced to the point where a substantial minority of its Members could not stand on the floor of the Senate and speak their opinions, the Senate will lose its value as a unique institution in our system of government and the liberties of all Americans will be imperiled.

I think we are in danger of that particular problem right now because when we talk about reducing the hours down to 50 hours and then having those reduced by quorum calls and rollcall votes, we are asking for problems that really consist of denying each Senator his right to speak his piece before the Senate, his right to debate, his right to file amendments, germane amendments, at that time. I think we can have problems like we really do not deserve in the Senate.

So some of these, obviously, create great alarm in me.

Unlike the House of Representatives, the membership of the Senate is not renewed in its entirety every 2 years. Instead, the terms of only one-third of its membership expires every 2 years. Moreover, unlike the House of Representatives, the Senate does not have to contend with problems that accompanied a large membership. This tolerance of individuality and, therefore, of minorities is a considerable prize. The protection of the rights of the minority is, after all, the primary reason for the existence of the Senate and is as precious an element of democratic government as is the fulfillment of the will of the majority.

One of the striking features of our Government is the difference that exists between the House of Representatives and the Senate. Representation in the House is determined on the basis of population and a majority of its Members could thus truly be said to represent a majority of the people on any particular matter before that body.

In the Senate, however, each State is entitled to an equal number of Senators, regardless of the population of the State, and each Senator is entitled to one vote.

A brief look at the history of the Senate shows that the Senate continued de facto from Congress to Congress. Seldom, if ever, had there been an occasion in recent years when a third of the Senators in 2 years had been new to this body, as was permitted by the Constitution.

The Senate should not be beguiled by the contention of proponents of a three-fifths rule that they are willing to stop there. They would continue to chop the dog's tail inch by inch. Before the Senate now is another modification. Very few of the advocates of the 60-percent rule would stop at this point and fight to resist any further reduction in the number. It seems to me that the decision before the Senate is clear. It is not over the right to debate, for that right under existing rules is limited. Nor is it the Senate's inability to act at all, for a majority which is truly determined in their pursuits cannot fail eventually to achieve their ends. It is instead the power of the minority

to reflect a proportional share of its views upon the legislative result that is at stake in this debate.

Mr. President, one of the things I have appreciated very much is the commitment of our distinguished majority leader on the floor of the Senate to maintain the three-fifths vote with regard to cloture. I have deep respect for him. He has been abundantly fair to me personally and I think to everybody in the Senate since I have been here.

I suspect that with his kind of leadership we should be able to maintain that role. But I am concerned that maybe we are making some mistakes here, that maybe these mistakes are of great moment, that maybe, instead of having expedited procedures, instead of having simplified approaches in the Senate, what we are going to do is stop debate, that we are going to deter a strong minority and, ultimately, that we are going to hurt the Senate and hurt this country.

I had lunch with one of the great Americans the other evening. This man was one of the advisers to FDR. He told me—and I think this is true and I think it is important—that the majority should never be more than five members in majority. The reason is because a strong minority will create a great majority. If we have a great minority, we are going to be able to have a greater majority because the refinement that comes from extended debate and from knowing that on any given issue we can have that extended debate have made America great.

I think it is pretty important for us to realize that.

I am standing here now because of the depth of feeling I have that we have to maintain that system and in this particular role as presently constituted we have that particular benefit to the minority.

Unfortunately, we have a much greater majority advantage than five excessive Members. We have 62 Members of the majority party. On any given issue they can do almost anything they desire to do, especially since the vote only requires 60 at this particular point.

Of course, a rule change requires 67.

But I think that, since we do not have that close alinement between minority and majority, we should not tamper with this rule at this time. I think it is a detriment to the debate and I think it is a detriment to the Senate. I think of some of the great issues that are about to come before this body and how important it is going to be to have extended debate and not to cut off debate: The repeal of 14(b) of the Taft-Hartley Act, the right-to-work laws, the right to make a choice, whether we belong to a union or whether we do not, in this society.

That is a choice we have to cherish.

They want to do away with that rule, and I think many freedoms would be done away with if they can. I do not think they can.

If these rules are tampered with continually, sooner or later we are going to lose some freedoms in this society we otherwise might not have had because of the strong minority point of view and the refinements that came from people who worked to refine our legislative process.

I look at some of the other demands of labor. Keep in mind that my background was as a Democrat, in my youth—in fact, almost up to the time I finished law school. My background was as a young union man who entered into an apprenticeship after my 16th birthday. I worked in the construction field for a year and became a journeyman lather. I became a foreman on construction jobs and became a member of the AFL–CIO.

I have deep respect for the good accomplishments of organized labor. But I found that the big labor union bosses really are not fighting and working for the men.

Let me list some of the things that can happen if we do not have extended debate—if we do not have people here who fight to refine our laws and fight for an effective legislative program in our society.

In terms of the repeal of 14(b), which I have mentioned, common situs is going to rear its ugly head, as it has for the past 16 years. People wonder why organized labor would fight for common situs picketing, which is going to create all union or all nonunion people on a construction site. Nonunion people, it is said, have an advantage, because they will work holidays, weekends—many other reasons why they have competitive advantage. It was thought that they could get common situs picketing through because of the overwhelming majority in Congress, even though, on its face, it seemed to be detrimental to the average union construction worker. The next step was to repeal 14(b) of the Taft-Hartley Act; and with the right-to-work laws, it could put another chink in the armor; so that we ultimately would come to what they want, and that is mandatory union labor throughout our society.

Why do I say that? Right now there is a bill in the House, H.R. 77, which says, among other things, that it will do away with the secret ballot and the determination of the collective bargaining agent in any given election process conducted by the National Labor Relations Board. If only 55 percent of those men—either through peer group pressure or other pressure—sign a card stating that they want a union, that is the election. Imagine what that will do for America—or against America, in this case. It will hurt our country. If 55 percent of the men in any given unit about to be organized will sign a card saying that they would like a union and that becomes the election, without a secret ballot election, we are not going to have the freedoms we have today, and we will have the next step—mandatory unionization throughout our society.

I am not against unionization, but I think it should be fair. People should have a choice as to whether or not they want a union. They never will have a choice if this measure is agreed to.

There is the matter of mandatory collective bargaining in the public sector. In othe words, they want to organize public employment throughout the State, local, and Federal governments, so that the taxpayers never can rectify any situations in those units of government. They want to have compulsory arbitration and the right to strike by municipal, State, and Federal Government employees. Imagine the crippling effect to this society if that occurs.

Everybody in this society should be concerned about having filibusters, extended debate, the right to hear both sides, the right to have it continue, and the right to refine legislation.

After all, what is so bad about requiring, in a piece of legislation that is hotly contested, that it be good enough to obtain 60 votes in favor of it? What is so tough about that in such hotly contested legislation? What is wrong with it? In fact, I find a great deal of value in it, because sometimes in doing that we make the compromises, we make the refinements, we make the decisions and the determinations and the changes that are essential to that great legislation, rather than having it done by an overwhelming majority—sometimes an arrogant majority.

Think in terms of some other labor law legislation. I am just choosing one area. They want to repeal the Hatch Act. It may seem a little strange, since my name is Senator HATCH, to be fighting for the Hatch Act. That was enacted years ago, at the behest of a Democratic Senator named Carl Hatch, from New Mexico. That act prevents political pressure being brought upon Federal Government workers. Now they want to do away with that—and why? So that they can utilize Federal workers to reinforce the already overwhelming majority they have in our society and to bring pressure and to see that they make donations and to see all the other things we have seen in the ward-heel politics of the large cities of our country, time after time.

In addition, according to the Secretary of Labor, according to all his Under Secretaries, according to everybody at the Labor Department—because there is really only one point of view there—they want to reinforce the Davis-Bacon Act, which provides that on any Federal construction site where $2,000 or more of Federal tax moneys are being utilized, they have to pay the highest available union wage rates, even though the people in that area are used to working for less.

That is merely because the big labor boys want that, in this day and age, and that has cost the American taxpayer between $50 billion and $150 billion, depending upon one's perspective, during the last 30 years, the lifetime of that bill. Now they even want to reinforce that, so that we can pay more taxes.

Look at the minimum wage. If the minimum wage goes to $3 an hour, it is going to hurt every small business in America. They already are in a great deal of difficulty—hiring young people, training them, giving them responsibilities and opportunities to grow. If we have a $3 minimum wage, we are going to have problems all over America and inflation is going to increase.

Now they also want indexing. Indexing means that every time we have inflation,

the minimum wage automatically goes up in proportion to the inflation. It is not only incredible; it is something that is going to hurt this country immeasurably.

At the time of its enactment, the minimum wage law served a purpose, and that was that there should be a wage floor. But the floor and the slavish devotion we have had to it for the number of years since its inception have diminished jobs for youth all over our society, to the extent that 50 percent of our young blacks are unemployed today, 20 to 50 percent of other minority youth are unemployed, and we have problems in this country that are unbelievable.

The majority has been given the credit for being the party of the people. When it comes right down to it, I find that every time the minimum wage argument comes up, they are right there, to spend more; they are right there, to spend more; they are right there, to enact more. When the appropriation bills come up, they just spend everything they want to spend—and more and more and more, until we are being taxed to death in our society today.

If you do not think we are being taxed to death directly, then consider the indirect taxes we all are paying. To be frank, it is one segment of society that is causing almost all of this in our society. If we do not solve the unemployment problem among our youth, we are going to have problems throughout our society that we never before have seen. To have 50 percent of our young men and women unemployed, in this day and age, regardless of which group they come from, is unthinkable. It is unacceptable to me. It is a cancer on our society that is going to rise up and create more rebellion than we have had in the past, if we do not solve it.

The problem is that we have the same old ideas we have had for 41 of the last 45 years, many of which have ruined this country in the past.

Our national debt is approaching $800 billion, as I see it. We have a $2 trillion to $4 trillion unfunded debt in the social security program, a $3 billion or $4 billion unfunded debt in the pension program. This Government is $6 trillion in debt, and nobody seems to care, and we come to this floor and spend more and more. Nobody seems to care. One would think that we would start paying attention.

James Callaghan stood up in the British Parliament and said that we no longer can spend our way out of a slump, if that ever did work—a thorough denunciation of Keynesian economics, if I have ever heard it.

Then he said profits are a good thing and, finally, he said wages have to be kept down to competitive levels if England is going to survive.

The Chancellor of the Exchequer comes over here and he says: "I am not a Keynesian," because John Maynard Keynes believed in deficit financing of government spending. Is that not amazing, because some people say we are 20 years behind England? I am telling you we are not 20 years behind England; we are 8 to 12 years behind England, and if we do not do something about it we are going to be in that same incredible mess they are in right now, and they are hoping and praying the North Sea oil will bring them out of that mess.

I can tell right now it is not going to do it because of the problems they have had that we seem to ignore because we are walking right down the very same pathways they have already gone. We have historical perspective. We are ignoring history and, in the process, we are hurting this country.

If we do not watch it, this country is going to be just like England, and others in this world are going to walk right over us. The fact of the matter is there is no excuse for it because it is the greatest country in the world, the greatest system in the world, has the greatest resources in the world, the greatest leadership in the world, the greatest Senate in the world, and maybe we are about to lose some of that greatness because of some of the changes in the rules, changes in the rules which, to me, at least the one or two that really are the change—some of the others we are glad to change because they are basically technical changes—but one or two of the rules really are going to make a difference as to whether or not we can refine this legislation, whether or not we can really have and are going to have a minority point of view in this society.

Remember sometimes the shoe fitting works the other way, and I think it is important that we maintain these heralded traditions.

Last, but not least, I might just mention that, continuing my little short consideration, some of the labor problems we are being faced with and which are trying to be foisted upon us in our society today, problems which really have hurt our society and have really hurt every union man in America, and union men are starting to feel it, and in recent polls taken by the Roper organization we are finding even the majority of the union people do not think big union leaders are doing right by them—that is a fact.

As I go around the country many union men, I find, are pretty fed up to hear the way some of these rules and regulations are foisted on us in the name of helping society and it really does not help society.

Talk about the Federal deficits, do you really understand that every man, woman, and child owes on the unfunded debt right now $30,600 per person? We have to pay off that debt in the future because of the lack of restraint and irresponsibility of our legislative bodies here in the U.S. Government.

We are even in danger of having that worse if we have a tyrannical majority that can work its will any time it wants to and changes the traditional heralded rules in the Senate, and I think it is time we kind of stand up against it.

I remember with regard to mandatory unionization of the public sector, a businessman coming to me and saying:

Senator, you know, we had a problem in our particular plant in the East.

He owned this plant, and he said:

The Teamsters struck that plant and they started to create havoc and to create difficulty, and they even threatened the plant, to burn it down and to destroy it, and they would call on the telephone and tell the executives' wives they were going to kill their children if they did not capitulate.

Of course, hardly any union man in our society would act like that, but these people are doing it.

What happened was that the police never seemed to do anything about it. There was almost a riot at or near the plantsite by the Teamsters.

This businessman was in England, and he called back to the chief of police, and he said to the chief of police, "My God, they are rioting, they are threatening to ruin our plant, threatening to destroy it, which means loss of jobs, and they are threatening the wives of executives. What are you going to do about it?"

The chief said, "Nothing, because we belong to the Teamsters Union."

These kinds of things are worrisome to me as a former union member who believes in the union movement, who believes it has done many services in the early days but now is leading us down the primrose path of Keynesian economics, and I am one who believes that with changes like this we will have changes foisted on us that will hurt America and not create a strong minority point of view and the right of a minority to debate and to express its particular beliefs and will.

Last but not least, I think you can talk about just two other things. There is a great movement in our country today to unionize the military. There are many people in this society who believe that is a very wise thing, mostly union leaders. I can tell you this is not very wise, and I can tell you this: I will stand on the floor of the Senate and filibuster that as long as I possibly can, and I hope we will have some rules by which we can filibuster, and we are not stripped of them because of a tyrannical majority's desire of this or any other kind.

I look at this or other pieces of legislation that are about to come before this Senate. Take, for instance, the Agency for Consumer Advocacy. It sounds good, does it not? The problem is they are going to create another bureaucratic agency of the Federal Government to start dominating our lives by legislating against our agencies of government and by judicially interferring with other agencies of Government. If that is not going to create havoc I do not know what is.

All I am saying is I think they treat us consumers in America as if we are all stupid, and we are not stupid. The American housewife is the greatest consumer advocate in the history of this country. She will walk 2 miles to return a rotten apple, and we do not need to be told every step of the way where we are going.

If you want to have problems in America now, in addition to those we already have—we are all overregulated to death. We have agencies upon agencies; we have 3,000 different agencies, bureaus, and commissions in this society all dominating every aspect of our lives—if you want to have real problems just have the Agency for Consumer Advocacy.

Every citizen of this country ought to be writing to this body and saying, "We do not want that." Let us start believing in the American citizens and in the American consumers. We do not have to be told every step of the way what we should buy and what we should select.

We are the smartest Nation, the most intelligent people; we have more going for us than anybody in this world, and we are about to lose it because of overfederalization of our society and of our lives.

I think we have to do something about it, and I think this particular rules change, it seems to me, is an important place, an important time, to stand up against. I think not only Republicans but Democrats ought to stand up for no more stripping of the rules, no more losing opportunities for debate, no more cutting down on the opportunities to file amendments, no more taking away the right to speak on the floor of the Senate. I think if we will do this we will all be better off for it. I certainly am going to work the very hardest I can to try to maintain the liberties that really we in the Senate deserve and the people of this country so much need and deserve also.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I rise to lend my support to our distinguished colleagues, Senator BAKER and Senator GRIFFIN, who, as Republican members of the Rules Committee, have so ably pointed out the dangers embodied in Senate Resolution 5.

I share their concern over this measure, because, in my mind, there is no doubt that Senate Resolution 5 further erodes free and open debate in the Senate and further restricts the rights of the minority even though it only involves postcloture procedure.

Mr. President, I understand that the distinguished majority leader has pledged to resist any additional efforts to reduce the 60-vote requirement to invoke cloture and has pledged that he will not seek to amend the rules except in compliance with the rules. I commend the distinguished majority leader for his position on these matters.

The issues at hand, however, are just as important to preserve the minority's right to full debate. If the minority gives on the issues raised in Senate Resolution 5, it will be a step toward majority cloture and more restricted debate. Even though the majority leader has given his pledge on amending the rules and on the 60-vote cloture requirement, others are not bound by that pledge.

Mr. President, I predict that if this resolution is agreed to, at the beginning of the next Congress the appetites of those who favor more restricted debate will be increased, and we will be called upon to fight the battle of majority cloture at that time.

Briefly, Mr. President, I want to examine the major provisions of Senate Resolution 5.

The first provision which concerns me is the 50-hour limitation on debate. As I read the resolution, after cloture is invoked, no Senator may speak more than one-half hour on the measure or related issues. Maximum debate after cloture would be limited to a total of 50 hours—compared to the current rule which allows each Senator 1 hour for a total of 100 hours—on a motion adopted by a two-thirds vote of the Senators chosen and sworn, the 50 hours may be reduced or extended. If the Senate votes to reduce the time below 50 hours, and 24 of the 50 hours are expanded, the time limit can be further reduced to not less than 2 hours by a two-thirds vote of those Senators chosen and sworn. The allotted time below 24 hours is then controlled by party leaders. The 50 hours will be inclusive. Votes and quorum calls will not be counted against an individual Senator's time, but will be charged against the 50-hour total. The 50 hours may be allocated on a first-come-first-served basis.

Now, Mr. President, let me express my concern about this provision. The time between the invoking of cloture and the vote on final passage would be cut by half and, under some circumstances, more than half. All legislative tactics used during this time would be charged against the 50-hour total, thus reducing each Senator's time. It is possible that several Senators could use their full 30 minutes, interspersed or followed by votes, quorum calls, or other legislative tactics. As a result, Senators still waiting to speak may have less than 30 minutes, and those at the end of the schedule could find themselves with little or no time because the 50 hours had expired.

A second provision which concerns me deals with calling up amendments. Once cloture has been invoked and the 50-hour limitation is in effect:

> The Senate shall proceed, without any further debate on any question, to vote on the final disposition thereof to the exclusion of all amendments not then actually pending before the Senate at that time and to the exclusion of all motions, except a motion to table, to recommit, or to reconsider and one quorum call on demand to establish the presence of a quorum (and motions required to establish a quorum) immediately before the final vote begins.

This, too, tends to restrict debate.

A third provision involves motions to correct the Senate Journal. They would not be debatable and must be confined to an accurate description of the previous day's proceedings in the Senate. Again, debate is restricted.

Fourth, quorum calls would be restricted in that no appeal could be made from the ruling of the Chair that no business had been transacted since the last quorum call if the minute book or the transcript of debate supports the ruling. This limitation would also apply to a ruling on a point of order immediately following a vote by which the presence of a quorum was established and no business has intervened. I know of no similar situation where a ruling of the Chair is unappealable, and I seriously question this proposed procedure.

Mr. President, I would call to the attention of my colleagues the section entitled "Appeals Not in Order" on page 100 of Senate Procedure. It reads as follows:

> Appeals cannot be taken: (1) from an opinion expressed by the Chair in response to a parliamentary inquiry; (2) from a decision of the Chair as to recognition of Senators; (3) or from a ruling that a Senator, who having declined to yield, could not be taken from the floor by a parliamentary inquiry; or (4) from the action of the Chair in submitting a point of order to the Senate for its decision thereon.
>
> An appeal from a decision of the Chair is not in order after business has intervened.
>
> An appeal will not lie as long as a Senator refuses to yield since he may not be interrupted or taken off the floor against his will.
>
> It is not in order in the absence of a quorum to take an appeal from the decision of the Chair.

Mr. President, these are inane, uncontroversial types of situations which differ sharply from the proposed amendment to the rules. I believe such an amendment will put the Chair in an uncomfortable situation, as the debate around cloture and subsequent motions are often heated and controversial.

Fifth, no cloture motion may be presented covering any pending question unless 24 hours have elapsed since the Senate began consideration of the measure. Mr. President, this is one redeeming factor in the resolution, and I would support this provision as it would allow greater debate.

A final limitation would allow Senators to offer a nondebatable motion to dispense with the reading of an amendment or a report when the amendment or report has been identified by the clerk and is available to Senators in printed form.

The essence of this resolution is to further restrict debate. It is but another link in a chain of events which will lead us down the road toward a greater loss of minority rights in the Senate. Therefore, Mr. President, I must oppose Senate Resolution 5.

In order to put this matter in proper perspective, Mr. President, I shall now examine some scholarly articles written on the subject of free debate in the Senate.

The first article I would like to call to the attention of my colleagues was written by the late Senator Richard B. Russell. He argued forcefully in favor of free debate, and all of the arguments he advanced, while they must be considered in historical context, are applicable today in our effort to prevent a further erosion of minority rights.

Senator Russell's article appeared in the March 15, 1964, issue of the New York Times Magazine and is entitled "Russell Defends the Filibuster."

Mr. President, the article reads:

> For the greater part of our history, the right of full and free debate in the United

States Senate has stood as a vital safeguard over the right of the minority to protest against legislation it believes to be injurious or oppressive.

Since 1841, there have been no fewer than 53 occasions on which Senators have exercised the right of extended debate—popularly known as the filibuster—to oppose some measure that was counter to deeply held convictions.

The first filibuster about which much is known occurred in 1841 in opposition to a bill to remove the Senate printers. Most subsequent filibusters have involved more substantive questions.

In 1863, an unsuccessful filibuster was conducted against a bill involving President Lincoln's wartime suspension of the writ of habeas corpus. More successful was the prolonged debate in 1890 that resulted in the defeat of the "Force Bill," which would have provided Federal supervision of elections. Two other celebrated filibusters were the 28-day battle by Senator Robert La Follette, the elder, against the Vreeland-Aldrich Emergency Currency Act in 1908, and the bitter fight in 1917 that blocked President Wilson's armed-ship bill.

In more recent years, Senate liberals resorted to the filibuster in their opposition in 1953 to the so-called tidelands-oil bill of the Eisenhower Administration and to the communications-satellite bill sponsored by President Kennedy in 1962. Southern Senators have exercised the same parliamentary tactic in opposing so-called civil-rights bills during the past two decades.

The issues that have generated prolonged debates or filibusters (the term used often depends on which side of the question one is on) cover a vast range of economic, political, and constitutional conflicts. The filibuster is not the exclusive weapon of any philosophy, party or section; distinguished Senators of both parties, representing every shade of political thought and every area of the country, have taken part on occasion in extended debates in support of a minority position.

Some of the towering giants of the Senate have been the most eloquent champions of the right of full and free debate in that body. These men—and they include many of the greatest liberals as well as conservatives of this century—believed that limitation of free speech in the Senate—gag rule—would undermine the rights and liberties of all Americans.

The late Senator Eugene Millikin of Colorado, a leading and enlightened spokesman of the Republican party of a decade ago, looked upon freedom of debate in the Senate as an important check on the excesses of an unbridled majority. In a Senate speech in opposition to one of the periodic attempts to gag the Senate, Senator Millikin declared:

"The majority of any party in power would find the suppression of free speech a convenient method of expediting what it considered useful and urgent legislation.

"It is always annoying to have errors exposed, and it would not be long before a majority of one decided that for political purposes it should retain the illusion of infallibility by preventing exposure here of its errors. And then it would not be long until corrupt and even ominous legislation might be shepherded through this chamber in enforced silence."

Senator Millikin, of course, was an eminent conservative. But his position on this issue was the same as that held generally by the great school of liberals that held sway in the Senate during an earlier part of this century. Men like William Borah, Robert La Follette and George Norris were outspoken in support of the filibuster as a perfectly valid parliamentary device for the protection of the just rights of the minority.

La Follette, particularly, was an ardent advocate of unfettered debate in the Senate. He once summed up his position in this ringing statement: "Believing that I stand for democracy, for liberties of the people of this country, and for the perpetuation of our free institutions, I shall stand while I am a member of this body against any closure that denies free and unlimited debate. Sir, the moment that the majority imposes the restriction contained in the pending rule, that moment you will have dealt a blow to liberty, you will have broken down one of the greatest weapons against wrong and oppression that the members of this body possess."

The present rule of the Senate that allows a high degree of freedom of debate—as will be seen later, it is not absolute—is the natural outgrowth of the peculiar position that the Senate occupies under our constitutional system. Indeed, the right of an individual Senator to insist on full discussion of any question or issue is the essential element which distinguishes the Senate as the greatest deliberative body yet devised.

The unique characteristic and composition of the Senate grew out of one of the most violent controversies to confront the Constitutional Conventon of 1787. In fact, the composition of the Senate was the rock that, for a time, threatened to wreck the Convention.

(At this point, Mr. DECONCINI assumed the chair).

Mr. THURMOND (reading):

In the Convention, the smaller states of the Confederation were determined that they would not be overwhelmed by the sheer force of numbers involved in the representation based on population as was prescribed for the House of Representatives. Delegates from the smaller states wanted assurance that the individual laws, interests and customs prevailing in their states would not be placed in jeopardy through the surrender of a great amount of their sovereignty to the new union of states.

Under the compromise fashioned by the founding fathers, every state regardless of size, population or wealth was accorded equal representation in the Senate. Indeed, such great stress was placed on this principle of equal representation in the Senate that the framers included in the Constitution a provision that no state could be deprived of representation in the upper chamber without its consent. This is the only section of the Constitution that can be changed only by the unanimous consent of the states.

The Senate lies at the very heart of the careful division of powers and the delicate system of checks and balances that form the buttress for our constitutional form of government. It is the forum of the states in which each stands on an equal footing with the others.

The principle of equality of representation is protected by the rules of the Senate that enable a Senator from the smallest and poorest state to speak with the same voice and authority as a Senator from the largest or wealthiest state. If the constant campaign to allow a majority to gag freedom of debate in the Senate should succeed, the cherished principle of equal representation would be greatly weakened. In my judgment, such a gag rule would throw the entire system of checks and balances dangerously out of kilter; it would reduce the Senate to little more than an ineffective appendage to the House of Representatives.

Under gag rule, Senators would serve little other purpose than to act, in effect, as additional members of their state's delegation to the House of Representatives. For once the Senate yields the right of its members to express themselves fully, it undoubtedly would be only a matter of time before Senators would find themselves begging for the privilege of speaking for five minutes—as can and does happen under the rules of the House.

It also is probable that the loss of freedom of debate in the Senate would be followed by an attempt to abolish the Senate's time-honored right of amendment, the other principal characteristic that distinguishes the Senate, in Gladstone's description, as "the most remarkable of all the inventions of modern politics."

The right of free speech in the Senate is particularly important because the Senate is the only institution of the Federal system in which the smaller states exercise an equal influence over the conduct of the affairs of the nation. This is obvious from the makeup of our political and governmental system. It is an elemental fact of political life that the small states are at a disadvantage when it comes to the nomination and election of a President.

As a practical matter, the parties usually look to the larger and pivotal states for their Presidential timber. The last President of the United States who was elected from one of the smaller states of the union was Franklin Pierce of New Hampshire in 1852.

Through the composition of the electoral college, the smaller states have a somewhat larger voice in the Presidential election itself than in the nominating conventions. Yet it is possible for as few as 12 of the most populous states to elect a President even in the face of the solid opposition of the remaining 38 states.

The smaller states labor under an even greater handicap with respect to their relative strength in the House of Representatives. The Congressmen from the nine largest states could, by voting as a bloc, pass any bill they might desire, even if it would affect adversely the remaining 41 states and be opposed to a man by every Representative from those states.

I believe few rational thinkers would maintain seriously that, under our system of government, the will of the numerical majority should prevail absolutely and at all times. Certainly this was not the intent of the founding fathers—and it is not what the Constitution provides.

Ours is a country of diverse interests as among the several states and the various sections. What may be good for the people of Maine is not necessarily good for the people of California, and what may be right for the people of Georgia may not be right for the people of Hawaii.

The Senate of the United States is the last bastion within our Federal system wherein the rights of the states and the rights of the minorities are protected. Without freedom of debate in the Senate, the United States eventually will go the way of the unlimited democracies; we will reach the stage where a misguided majority can destroy the liberties and rights of individual citizens in the name of some currently popular cause.

It should not be forgotten by those who would suppress and gag freedom of debate, that popular opinion can be a fickle instrument. Causes that may be popular today may very quickly sink into a sea of unpopularity, as the "noble experiment" of prohibition demonstrated. Those who find themselves on the majority side of an issue today may find themselves cast in the minority position tomorrow.

It is surely conceivable, and perhaps probable, that the day will come when, through some fluke of public emotion, the Senate is in the hands of the zealots of the left or the right. Those who shout for giving "the majority its way at once" should ponder the consequences of this if the Senate should come under the control of political extremists of whatever brand.

I cannot, therefore, escape the conclusion

that those who advocate restricting the rights of the minority by curtailing freedom of speech in the Senate may be sowing the seeds of their own downfall on some future question of burning national interest.

An untrammeled Senate exercising free and full debate has served this nation well for 175 years. I do not know of a single piece of legislation vital to the welfare of the country that has been killed by a filibuster. But many bad and vicious bills have been delayed, modified and sometimes defeated because a Senator or group of Senators possessed the courage and the conviction to talk and talk until they were able to expose the harmful and injurious provisions—even if it meant flying in the teeth of an impatient and wrathful majority.

I would be the last to deny that there have been abuses of freedom of debate in the Senate. There also have been abuses of freedom of speech, freedom of the press and all other constitutional guarantees. It is an abuse when the press, radio and television raise the cry of "filibuster" rather than report to the country the valid arguments and position of the minority.

Though few fair-minded persons would deny that there have been abuses in the constitutional freedoms enjoyed by all Americans, none would advocate striking these basic guarantees from the Constitution. By the same token, freedom of debate in the Senate should not be destroyed on the pretext that it is sometimes abused.

The present rules of the Senate are wholly adequate to prevent unjustified obstruction of the work of the Senate and the passage of vital legislation. Cloture can be invoked to stop debate on any matter before the Senate by a vote of two-thirds of the members present and voting.

In recent years, a determined campaign has been waged to discredit the right of full debate in the Senate—and thereby to discredit the Senate as an institution of government—through the specious charge that the Senate is the "graveyard" for civil-rights legislation. This charge is utterly absurd and without foundation on its face. Both the civil-rights acts of 1957 and 1960—which have been hailed endlessly by their proponents as the only legislation of this type to pass Congress since Reconstruction—were approved by the Senate after prolonged debate and discussion. Opponents of the legislation were criticized in both years for "filibustering."

In 1957 and 1960, the opponents directed their speeches specifically to the issues and questions raised by the legislation. They spoke at length, it is true, but their speeches contained facts and arguments as to why the minority thought the legislation to be in conflict with the best interests of the country and with the Constitution.

It should be recalled that fewer than 20 Senators voted against final passage of both these bills—a number woefully inadequate to have prevented cloture had two-thirds of the Senate desired to close debate.

The plain fact is that a majority of the Senate was not thwarted on these occasions because of determined opposition by a minority of Senators. In 1960, there were almost 30 roll-call votes on various phases of the bill—including final passage—which were decided one way or another by a majority. These votes included an attempt to invoke cloture which failed by a vote of 42 yeas to 53 nays—well below even a majority.

It is true, of course, that the action of a majority with respect to the civil-rights bills may not have satisfied either the dedicated advocates or opponents of this type of legislation. But the point is that a majority of the Senate was able to work its will and was able to pass the legislation within the existing rules of debate.

Indeed, these rules have enabled the Senate to function as a legislative body without serious detriment to the welfare of the United States throughout our history. They have enabled the Senate to discourage and prevent excesses by the temporary majority of the moment that may seek drastic change for selfish or partisan gain.

Freedom of debate in the Senate, so long as it is preserved, serves as a protection of the fundamental rights and liberties for which men for thousands of years have fought, sacrificed and died.

Mr. President, a second and equally scholarly article appeared in the May 1958 issue of the American Mercury entitled, "No Gag on Our Senate," and written by the distinguished senior Senator from Georgia (Mr. TALMADGE). Mr. President, I shall now quote excerpts from that excellent article:

Any proposal for further limiting debate in the United States Senate is a matter of grave consequence which, by its very nature, demands that it not be acted upon capriciously or without the benefit of thorough study and full consideration of all its ramifications.

The Senate of the United States, as an instrumentality of the States and their citizens, is the property of every American and does not belong to the individuals who transiently occupy the seats in its chamber. Individual Senators have no *proprietary rights* in the operation of the Senate, except as they act as creatures of the will of their states and constituents.

There is only one conclusion which can be drawn logically and dispassionately concerning the efforts of those who persist in their efforts to change Rule XXII. Their onslaught to stifle freedom of speech on the floor of the Senate is an attack not only on the Senate itself but also on the stature, prerequisites and prerogatives of each senator, international affairs and every other responsibility incident to senatorship. It is an attack which seeks to destroy the constitutional balance of federal and state power and to deal a death blow to the states as political entities.

Those now attempting to make cloture easier, and thus ultimately destroy freedom of debate in the Senate, complain that Standing Rule XXII in its application thwarts the wishes of the majority. However, authoritative observers of the American legislative process hold that a determined majority of Senators can find ways of passing any measure it desires without resorting to changing the very character and complexion of the Senate itself.

The ultimate objective of opponents of free debate in the Senate is cloture by a simple majority vote of senators *present at any given time*. Adoption of such a rule would make it possible for 25 out of 96 senators, a majority of a quorum, *to impose gag rule*.

Our wise founding fathers were aware that the excesses of democracy can be as fearful in their consequences as the excesses of totalitarianism. To safeguard against both extremes they gave us our *republican* form of government, with its delicately contrived system of checks and balances of which freedom of debate in the Senate is at least an implied, if not actual, part. Through the medium of free debate, the Senate thus provides the machinery by which all measures affecting the lives, fortunes and honor of the American people in *every* state can be put to the critical test of unhurried examination by the collective intellect of a body expressly created as *one* of our governmental checks and balances.

If minority rights are trampled in the Senate, there is only one remaining remedy available to those who do not happen to be with the majority; affiliation with a multiplicity of splinter parties. No greater catastrophe could befall our country than such enforced destruction of the two-party system and substitution of a countless number of political parties (as in France). Under such circumstances a small militant minority, exercising the balance of power, could be catapulted into a position of leadership where it would inflict great harm on Constitutional government and democratic processes.

Jefferson wrote in his Manual of Parliamentary Procedure: "The rules of the Senate which allow full freedom of debate are designed for protection of the minority, and this design is in part of the warp and woof of our Constitution. *You cannot remove it without damaging the whole fabric.*

During the last quarter of a century we have seen an unending encroachment on the powers of Congress by both the Executive and Judicial Branches. One by one its powers and the prerogatives of its members have been dissipated either by delegation or acquiescence. Congressional powers over the purse, over patronage, over the budget, over trade, over war powers and all other phases of government operation have slipped away or have been greatly reduced. It is time to reverse this trend. The proper place to start is by refusing to surrender the right of freedom of speech on the floor of the Senate.

We must not lose sight of a few simple facts about the origin and composition of the Senate. It is impossible to apply to the Senate, with any degree of accuracy, the principle of *popular* majority rule as we usually consider it. The very composition of the United States Senate where *all* States are equally represented, each having two votes, prevents such an application. It is possible for various combinations of 40 Senators to represent anywhere from 20 to 80 percent of the population of the nation.

All of the great injustices of history have been committed in the name of unchecked and unbridled "majority rule". The late Senator James A. Reed of Missouri, in one of the most forceful speeches ever delivered before the Senate, observed with great truth: "The *majority* crucified Jesus Christ; the *majority* burned the Christians at the stake; the *majority* established slavery; the *majority* jeered when Columbus said the world was round; the *majority* threw him into a dungeon for having discovered a new world; the *majority* cut off the ears of John Pym because he dared advocate the liberty of the press."

Have we forgotten that everyone at one time or another, belongs to a minority? Have we lost sight of the unchanging truth that unbridled majority sway, without proper restraint, is mob rule? Are our memories so short that we have forgotten the maxim that free government, by destroying dissenting opinion, thereby destroys itself?

With unlimited debate in the United States Senate, all Americans have the assurance that no act jeopardizing their rights will ever be proposed without *some* member of the Senate having the *opportunity to resist it and to warn the nation of its consequences.*

Mr. President, I would now like to read a letter written by Senator Sam Ervin on preserving the Senate's tradition of free speech. This was written to the editor of the New York Times, and is dated January 28, 1971:

USEFUL FUNCTION OF THE FILIBUSTER

Your Jan. 27 editorial concerning the current debate on Senate Rule 22 [filibuster rule], misrepresents the nature of Vice President Agnew's decision not to rule on the constitutionality of the Senate's rules and belittles one of the most significant debates in which the Senate is likely to be engaged in this year.

On Jan. 26, in reply to a parliamentary inquiry, the Vice President in his capacity as President of the Senate said: "In response to any point of order as to the constitutionality of the procedure or as to whether or not the Senate is a continuing body which involves a constitutional question, the Chair, under the uniform precedents of the Senate, will submit the same to the Senate for decision."

You called this "a significant departure from the decisions of his recent predecessors." Nothing could be further from the truth. While several Vice Presidents have issued "advisory opinions" concerning the relationship of Rule 22 to attempts to change that rule, only once has a Vice President attempted to usurp the Senate's constitutional power to determine the constitutionality of its procedures. That was in January, 1969, and Vice President Humphrey was promptly overruled by the Senate. The precedent is perfectly clear—as to the constitutionality of its rules, only the Senate itself has the power to decide.

More alarming than this careless error of fact was your description of the current Senate debate on Rule 22 as a "pointless filibuster." The Times obviously assumes that there is only one side to this issue and that there are no contrary arguments which deserve consideration. This attitude illustrates perfectly the danger that Rule 22 is designed to prevent. Unbridled majority rule inevitably becomes arrogant in the certainty of its own wisdom and disdainful of any other viewpoint.

Your apparent willingness to confer upon any majority sole title to universal truth and wisdom is particularly surprising to me. The unparalleled caution which characterized the Senate's consideration of President Nixon's Supreme Court nominations, the "extended debate" over our country's policies in Southeast Asia, and the refusal of certain Senators to acquiesce in the conference report on SST appropriations are only a few instances in which the cause you supported depended upon the threat of "extended debate" under Rule 22. Even a cursory examination of the history of the last Congress demonstrates the dangers of undiluted majoritarianism and the value of careful deliberation in the legislative process. Certainly this history requires at the least that the present Senate give more than a passing glance to a proposal which would threaten its deliberative character.

I am confident that what your editorial describes as a "pointless filibuster" will point out the wisdom of preserving the Senate's great tradition of free speech. Furthermore, I am also confident that the Senate, unlike The Times, will exercise great thoughtfulness and care as it resolves the important issues raised in this debate.

SAM J. ERVIN, Jr.,
Chairman, Senate Subcommittee on Constitutional Rights, Washington, Jan. 28, 1971.

Mr. President, I would now like to read what some famous Americans have said about freedom of debate in the Senate:

STATEMENTS OUTSIDE THE CONGRESS IN OPPOSITION TO DRASTIC FORMS OF SENATE CLOTURE

AMERICAN FEDERATION OF LABOR

The weekly news service of the Federation asserted on November 20, 1925, that the mild "Senate rules [relative to cloture] . . . permit the public to become acquainted with matters of vital interest to them." (Quoted in the New York Times. November 21, 1925, p. 2)

CHARLES A. BEARD

"Denunciations of delays (occasioned by filibustering) have often been renewed; but the Senate has been obdurate and not without reason . . . liberty of debate in [the Senate] acts as a salutary check on the administration, gives the minority the right to be heard, and assures at least one open forum in the country for the free consideration of issues which might otherwise be smothered." (American Government and Politics, 9th ed., New York, 1945, p. 135.)

SILAS BENT

". . . there [is no] need to limit the wordage output through alteration of the Senate rules. Vice-President Dawes has never unlimbered his sharp tongue in a cause more ill-considered than his campaign to limit debate in the upper house. Unlimited debate is a rampart erected against popular hysteria, the resistance to which is a Constitutional obligation of the Senate. The rules under which this body proceeds were engendered by its function. It is the last citadel of minority opinion and the surrogate of weaker states. That is why a Nevada voter has, in effect, seven times as much power when he speaks through the voice of his Senator as a New York voter. That was why the Senate, less subject than the House to popular clamor, was set up as a barrier to Executive aggression. When the Senate rejects a Charles Beecher Warren, or compels a President to dismiss members already admitted to his Cabinet, as it has done in recent years, it is not arrogating to itself powers outside its province. It is there for just such contingencies." ("In Praise of the Senate," the Outlook, March 14, 1928, p. 413.)

HAROLD BRAYMAN

"The Senate, by the freedom of its rules, gives a chance for progressive thought to make suggestions, debate them as long as it wishes, force a vote upon them, and compel members to stand up and say yes or no. The House rules are such that any except machine-made proposals have very little chance of ever rising from the ground. If they do rise their flights are short and usually end in a crash in some committee room so far removed that the sound of the impact is not even heard." ("In Defense of the Senate," Outlook and Independent, January 15, 1930, p. 89.)

C. F. BYRNS

"Democracy should function so as to protect the rights of the minority as well as to carry out the will of the majority. If those two objectives seem at times to be directly opposed, then they are directly opposed. Yet each is necessary at times. This was one of the times when the right of a Senator to talk as long as he likes has been used to accomplish an excellent end.

"If anyone thinks the Southern Senators who have fought so long against the Fair Employment Practice Commission bill were not truly representative of their people, then he is mistaken. Recently, Senator Harry Byrd, of Virginia, one of the southern filibusterers, sent telegrams to governors of all southern States and asked whether they felt their Senators reflected the views of their people. Without exception the replies asserted that the people of their States were opposed to FEPC and commended the stand of their Senators." "A Filibuster Defeated a Congressional Mistake," Fort Smith (Arkansas) Times Record, as reprinted in the Congressional Record (daily edition), February 22, 1946, Appendix, p. A974.)

JOSEPH P. CHAMBERLAIN

"The persistent refusal of the Senate to cut down the right of debate or amendment of its members shows the prevailing opinion in that body in favor of individual freedom, and the failure of all popular efforts to bring pressure to bear upon the senators to change their rules indicates that there is no overwhelming popular opinion against the exercise of the right of free expression of opinion in the Senate. While the power is frequently abused for selfish purposes, it probably could not, in the long run, prevent the passage of legislation for which there was a widespread and insistent public demand. Senators will get restive under the public indignation which is expressed against do-nothing sessions. A successful filibuster against an important bill usually indicates a strong opinion, popular as well as senatorial, against it, which may develop into a prevailing opinion, if time enough can be taken to let the arguments against it have wide circulation among the interested public. . . .

"Even under the worst of conditions, the filibuster does not prevent the Senate from grinding out a large grist of legislation. Vice-President Dawes, the determined enemy of the filibuster, pointed this out, suggesting, furthermore, that lack of effective cloture, 'contributes to multiplicity of laws,' but causes failure of important bills or their amendment.

"'A filibuster which threatens essential interests can be met by the cloture rule. Such a situation will not arise frequently, and the ordinary filibuster will have less chance now that the short session is abolished. A filibuster by a small minority can now be more easily taken care of by the usual procedure of continuing night sessions, which would have a tendency to wear out the filibustering group. The filibuster will nevertheless remain important as a means of securing a compromise on a bill, where there is a strong minority in opposition. On the whole it is probably wiser to allow the Senate its freedom to filibuster with the checks at present existing, than to bring it under such strict discipline as the House of Representatives." (Legislative Processes: National and State, New York and London, 1936, pp. 183–184.)

N. D. COCHRAN

"Mr. Dawes [Charles G.] is leading a fight to fool the people of the United States into making the Senate surrender its constitutional power into the hands of a political party machine. . . . An organized campaign is on to discredit the United States Senate, with Vice-President Dawes as chief spokesman.

"My belief is that the purpose is to strengthen the executive branch of the Government at the expense of the legislative.

"If the Dawes scheme works and the Senate ceases to be a check on Presidential power, future Presidents will be dictators." (In the Washington News, as quoted by the Literary Digest, May 9, 1925, p. 15.)

NORMAN H. DAVIS

"I quite agree . . . that it would be most ill-advised to stifle debate in the Senate by the adoption of the cloture rules of the House. Those who advocate such a measure on the ground that it would facilitate legislation and establish the rule of the majority seem to overlook the fact that a minority of Senators may represent States with a majority of the population of the United States, and that the Senators of the respective States were never intended to be the direct representatives of the people of the nation. We already have too much centralization of power.

"Under the present rules of the Senate, a minority bloc may retard legislative action, but it cannot prevent it. Under the cloture rule, a still smaller bloc, dominating the so-called majority, could force legislation through without discussion. Instead of making our Senators rubber stamps, and increasing the facilities for passing ill-digested laws, the people should encourage the best-equipped citizens to serve them, and to pass fewer and better laws for the benefit of the people, and the nation as a whole." (The Searchlight on Congress, June 1925, p. 13.)

ARTHUR WALLACE DUNN

"Every successful filibuster has the support of public opinion and could not succeed

without such endorsement. Filibustering in the Senate has been too infrequent for the public good. If a determined minority of sane and conservative Senators had more often exercised the privilege of unlimited debate to defeat measures sponsored by a majority, the country would be better off and there would have been less iniquitous and unenforceable legislation on the statute books. Majorities for bad legislation are often obtained by clamorous organizations and noisy propaganda. . . .

"Filibusters never have defeated nor can they defeat a measure which the people want. In the very nature of things filibusters must fail when directed against bills which have been decreed as essential. The most notable instance bearing out this statement occurred in 1893, when a prolonged filibuster collapsed under pressure of public opinion; this was the filibuster against the bill to repeal the Silver Purchase Act, which provided that the Government should buy 4,500,000 ounces of the metal every month and coin 4,500,000 silver dollars.

"President Cleveland called Congress in extra session in August, 1893, for the express purpose of repealing the Silver Purchase Act. All attention was focused upon the Senate when it became apparent that a filibuster had been organized to defeat the repeal. It soon developed that there was a determined majority in the Senate for the repealing bill. Under such conditions the minority was compelled to surrender. . . .

"Filibusters against river-and-harbor legislation have frequently been successful; at least four such bills have been defeated by filibusters, sometimes conducted by one man, or half a dozen men. Although there is always a majority of Senators in favor of river-and-harbor bills, their interest is not so great that they will defeat important supply bills and other necessary measures in order to force an extra session. Never has any harm followed the defeat of river-and-harbor bills.

". . . The filibuster has proved itself, of too much value to be sacrificed. It should remain as one of the most useful unwritten rules of the United States Senate." ("The Filibuster Defended," *The American Review of Reviews*, December 1925, pp. 634–638.)

JOHN T. FLYNN

"The filibuster has been used by all parties—both Democratic and Republican—and by the ablest and most high-minded men in the Senate. It is a device, however, not to be used lightly, as the men who engage in it must incur the risk of bringing down on their heads a certain odium which men in public life cannot afford to invite. It can be attempted, therefore, only when the senators who use it believe some great injustice is to be committed and when there is a considerable public opinion behind the cause to give it moral support. It has been used in good causes and has been successful in preventing very vicious legislation in more than one instance. It has, of course, also been used in some bad causes. . . .

"Through the years . . . the Senate has struggled to deal with the problem of the filibuster, and has introduced a number of wise restrictions which makes it now extremely difficult. And this is proper. Critics have a way of calling every extended debate in the Senate a filibuster. This, of course, is not true. Measures of the weightiest importance come before the Senate and senators at intervals insist upon a complete and thorough airing of these issues. Champ Clark . . . once expressed the opinion that speeches never change votes. This is perhaps true. But he was forced to admit later what is very well known, that while they do not change votes on the final disposition of the bill save in rare instances, they do have a profound effect upon the bill through amendments. Debates on amendments to a bill frequently change votes on important details of the bill, and many a bill emerges from the debate a far better and more workable and enforcible measure than it was when it reached the floor. It would be also truthful to say that it sometimes emerges a worse bill. Senators, therefore, will probably never consent—and I believe them to be right—to that kind of limitation of debate which is essential in the House because of its great numbers.

"In debating these grave questions, the Senate is doing no more than boards of directors of corporations or faculties of colleges and men everywhere concerned with important decisions. They discuss them. And always the proponents of a bill which is thus held up and sometimes threatened with dilution or defeat begin an outcry against discussion and call it filibuster. They forget that the opposite of a filibuster is the railroading process." (Meet Your Congress, New York, 1944, pp. 112–115.)

LYNN HAINES

"Instead of curing minority influence . . . cloture [that is, the strict variety, such as that which prevails in the House of Representatives] would establish a regime of 'leadership' so small in number that it could hardly be called a minority. The result would be a little coterie of bosses, with absolute dominance in every direction.

"Of course, under cloture, filibustering would be stopped. So would all real deliberation be destroyed, utterly and inevitably. . . .

"Cloture always has, and always will, mean just that—absolute and arbitrary bossism in the hands of the smallest possible number.

"And invariably the real dominance would originate with 'the powers that be' in executive circles.

"All legislative independence would disappear in exact accordance with the diminishment of deliberation. There would be a machine; it would be an administration machine. The power of the legislative bosses would be a puppet, pawnish power, having its source in and about the presidency.

"The 'one or two Senators to be seen' about legislation would be all-powerful because of their relations with the White House.

"The mechanics of it are exceedingly simple.

"Cloture is the foundation of machine rule. With that foundation established, one or two or three bosses can easily attain and exercise supremacy. They can accomplish the most arbitrary minority rule.

"The party caucus can be used, employing the vicious principle of control through a majority of a majority, which means a minority of the whole membership.

"A dozen different kinds of coercion are available. The 'leaders' are in a position 'to take care of' subservient members with local legislation; patronage favors would abound for those who proved 'faithful.'

"The ABC of Cloture, then, means Absolute Boss Control of the National Legislature, through a machine manipulated from the outside by such political or economic interests as may be dominant in the administrative field.

"Were that to be accomplished, which it will not be, our whole structure of representative government would be weakened perhaps irreparably." (The ABC of Cloture for the Senate," the Searchlight on Congress, May 1925, p. 6.)

Mr. President, quoting George H. Haynes:

That the Senate will so amend its rules as to permit cloture upon the vote of a mere majority of those present, as in the House, is to the last degree improbable. Reluctance to make such a change is mainly due to a sincere conviction on the part of Senators (and of many outside the Senate who have studied most closely the working of our system of government) that cloture thus applied would "destroy the deliberative function of the Senate, annihilating the very reason for its existence, and making it automatically, a mere annex of the House of Representatives. It was the intent of the framers of the Constitution to secure from the Senate a different point of view, a more matured judgment than that of the House. To those ends the longer term, the more advanced age, the smaller numbers, the equal representation were all expected to conduce. What is sorely needed in Congress is seldom greater speed but always more thorough consideration in lawmaking. Cloture by a vote of a chance majority in the Senate would have brought many a decision which would have accorded ill with the sober second thought of the American people. . . . In these days of weakened party discipline, the temporary majority that group combination may today give upon a pending measure may by no means indicate a responsible majority's conviction that the measure is wise. Nor is it safe to assume that in blocking a given piece of legislation a small minority or even a single Senator is "thwarting the will of the majority of the Senate." (The Senate of the United States, Vol. 1, Boston, 1938, p. 419.)

ROBERT LUCE

The very mild and moderate form of cloture adopted by the Senate will permit the majority in that body to assume responsibility in time of crisis, and threatens no great harm to minorities. After all, it is in large part a question of degree. Somewhere between the extreme contentions of majority rule and minority right is a point where dangers balance. If the Senate has discovered that point, so much the better. Whether the House has been successful in like discovery is not even yet clear, though almost a score of years have passed since Mr. Reed put forth his famous rules. There is grave reason to fear that a lessening of sense of responsibility has accompanied the limitation of debate, throwing too much of the burden of decision on the Senate. (Legislative Procedure, Boston and New York, 1922, p. 301.)

FREDERIC A. OGG AND RAY P. ORMON

Not even so vigorous a critic as Mr. Dawes . . . could stir up much response either at Washington or throughout the country, and no early change in practice appears probable. The weight of argument, indeed, is by no means entirely on one side of the question. Quite to the contrary, senators and others who honestly believe the existing lack of restraint to be on the whole advantageous bring forward a number of contentions, all of considerable validity: (1) that under the rules as they stand, the Senate (as Mr. Dawes was obliged to concede) gets through with a very creditable amount of business—in five recent Congresses, for example, passing 182 more bills and resolutions than did the House; (2) that the present oft-used device of "unanimous consent," by which the members agree in advance to limit speeches on a given measure after a certain day and to take a vote at a specified hour, serves all necessary purposes, being in truth itself a species of closure; (3) that by far the greater portion of the measures killed by filibuster are not wanted by the country and are never revived, a good illustration being the ship subsidy bill sponsored by President Harding in 1922; and (4) that the vigorous protests against filibustering sometimes voiced on the Senate floor come usually from members whose pet projects have suffered, but who, with circumstances reversed, would themselves stand quite ready to launch or aid a filibustering effort. (Introduction to American Government, 7th ed., New York and London, p. 313.)

LINDSAY ROGERS

The necessity of some agency in the congressional system which will keep legislation

of vicarious parentage from being rushed to the statute books is the more immediate because of the separation of powers, and because no definite groups of individuals stand sponsors for a particular proposal . . . with responsibility divided and confused, the check which is on occasion exerted by senatorial obstructionists is of great value and ought not to be given up. If filibustering senators have no justification for their course, they will speedily be hoist with their own petard. . . . Its [the Senate's] collective judgment on legislation cannot fail to be superior to the judgment of the House which too frequently represents no more than the hasty opinion of a few leaders. . . .

But it is as a critic of the executive that the Senate does its most valuable work. Here complete freedom of debate and the absence of closure except as a real emergency measure are more indispensable than in respect of legislation. Criticisms of the Senate because time is wasted, irrelevant and extreme talk is indulged in, and logrolling is prevalent, overlook the fact that scrutiny of administration—a normal function of legislative assemblies—can only in the United States be scrutiny by the Senate. Fixed terms and executive irresponsibility make the need for this scrutiny more urgent. The role of the American Senate, in short, is a paradoxical but convincing justification of the bicameral theory. (The American Senate, New York, 1926, pp. 247–248, 256.)

ADLAI E. STEVENSON, (VICE-PRESIDENT OF THE UNITED STATES)

It must not be forgotten that the rules governing this body are founded deep in human experience; that they are the result of centuries of tireless effort in legislative hall, to conserve, to render stable and secure, the rights and liberties which have been achieved by conflict. By its rules the Senate wisely fixes the limits to its own power. Of those who clamor against the Senate, and its methods of procedure, it may be truly said: 'They know not what they do.' In this Chamber alone are preserved, without restraint, two essentials of wise legislation and of good government—the right of amendment and of debate. Great evils often result from hasty legislation; rarely from the delay which follows full discussion and deliberation. In my humble judgment, the historic Senate—preserving the unrestricted right of amendment and of debate, maintaining intact the time-honored parliamentary methods and amenities which unfailingly secure action after deliberation—possesses in our scheme of government a value which cannot be measured by words.' (Farewell Address to the Senate, as reported in the Congressional Record, Vol 29, pt. 3, March 3, 1897, p. 2932.)

OASWALD GARRISON VILLARD

Debate [in the House of Representatives] can be and is limited; a steering committee of the majority outlines the parliamentary procedure, special rules for expediting legislation are easily passed—and, as a result, little important legislation originates in the House and what does is likely to be rewritten in the Senate. Undoubtedly there are still able and honest men in the House, but it is now so organized that it offers few if any inducements for a political career . . . .

No, the more I see of the Senate the more I respect it—even those whose political views I wholly abhor—and my feeling is shared by many of the journalists in Washington. The Senate is the one place where they get hope and encouragement, where they can learn, where, there is some color, some life, some vigor, some truth-telling, some hope of substantial achievement and much independence. They say frankly that if the Senate is reduced to the rank of the House they would wish to quit their jobs. They know, if 'Charley' Dawes in his pitiful ineffectiveness does not, that under Rule 22 of the Senate, on motion of sixteen Senators and by a two-thirds vote, debate can be shut off. They so value open debate of the Senate that they would unanimously vote against Dawes if the alternative were restricted talking and control by a little group of insiders—as used to be the case in the days of the 'giants,' before the rise of insurgency. They believed that if the House rules were to be clamped on the Senate it, too, would sink to the zero point. ("In Defense of the Senate," *The Nation*, March 25, 1925, pp. 314–315.)

CARL J. FRIEDRICH

The drama of the filibustering senator, though often arousing indignation, helps the citizen to appreciate the implications and significance of new legislation. The consequences of the lack of such contact between the government and the citizen is very apparent in totalitarian regimes. A great many measures of the government, which may intrinsically be necessary, meet with sullen indifference, if not hostility, from the people merely because they are not understood. (Constitutional Government and Democracy: Theory and Practice in Europe and America, Boston, etc., 146, pp. 415–416.)

Mr. President, I have some other quotes here, concerning rule XXII of the Senate rules. They were sent out to all Senators by former Senator Sam J. Ervin, Jr.

QUOTES CONCERNING RULE XXII OF THE UNITED STATES SENATE RULES

". . . the filibuster under the present rules of the Senate conforms with the essential spirit of the American Constitution, and it is one of the very strongest practical guarantees we have for preserving the rights which are in the Constitution."—Walter Lippmann, "The Essential Lippmann."

"Of those who clamor against the Senate, and its methods of procedure, it may truly be said: 'They know not what they do.' In this chamber alone are preserved, without restraint, two essentials of wise legislation and of good government—the right of amendment and of debate. Great evils often result from hasty legislation; rarely from the delay which follows full discussion and deliberation. In my humble judgment, the historic Senate—preserving the unrestricted right of amendment and of debate, maintaining intact the time-honored parliamentary methods and amenities which unfailingly secure atcion after deliberation—possesses in our scheme of government a value which cannot be measured by words."—Adlai E. Stevenson, Vice President of the United States, speech upon leaving office.

"Unlimited debate is a rarity among national legislatures, and the glory of the United States Senate."—Professor Raymond Wolfinger, "Readings on Congress."

". . . as the much vaunted separation of powers now exists, unrestricted debate in the Senate is the only check upon presidential and party autocracy. The devices that the framers of the Constitution so meticulously set up would be ineffective without the safeguard of senatorial minority action. . . . Abolish closure and the Senate will gradually sink to the level of the House of Representatives where there is less deliberation and debate than in any other legislative assembly."—Professor Lindsay Rodgers, "The American Senate."

"Obviously, the Senators, who are 100 well-educated, well-informed, and rather 'liberal' men . . . see something exceedingly valuable to their corporate and individual status in the privilege of unrestrained debate. That value is the right to resist in a most public manner policies that a President desires . . . (In the Senate) the notorious filibuster stands as an insufferable bar to presidential ambitions."—Professor Alfred de Grazia, "Republic in Crisis."

"The Senate's opportunity for open and unrestricted discussion and its simple, comparatively unencumbered forms of procedure, unquestionably enable it to fulfill with very considerable success its high functions as a chamber of revision."—Woodrow Wilson, in his doctoral thesis, "Congressional Government," written impartially before he was stricken by "presidential ambitions."

"As those who mock the Institution . . . might recall that the public is not always right all at once and that it is perhaps not too bad to have one place in which matters can be examined at leisure, even if a leisure uncomfortably prolonged. Those who denounce the filibuster . . . might recall that the weapon has more than one blade and that today's pleading minority could become tomorrow's arrogant majority."—William S. White, "Citadel."

"If I were to teach again a course in government, I would say if you really want to know the kind of manners and rules of conduct that you ought to have to assure the meaning of the First Amendment, particularly, as it comes to free speech, and the rights to redress for your grievances, the freedom of the press, the freedom to assemble . . . the Senate of the United States represents that in its fullest measure. And in that alone, it's worthwhile. If nothing else, that would make it a very worthwhile American institution."—Hubert Humphrey, U.S. Senator and Former Vice President, NBC–TV Interview, January, 1971.

"Many of the wise men who have served in the Senate have come to believe that it is important that there should be one place in the legislative journey where the opportunity for discussion is unfettered. They have found that this has not in the end prevented any decisions persistently wanted by the people, but on the other hand has stood in the way of much action that the country has come to conclude would have been unwise."—Honorable Robert Luce, "Congress: An Explanation."

"The ability of any Senator to speak for as long as he chooses is one of the most sacred of the institutions of the Senate and distinguishes it quite sharply from the House of Representatives, or, indeed, any other legislative body in the world."—Professor Lewis Froman, Jr., "The Congressional Process."

"If ever the free institutions of America are destroyed, that event may be attributed to the omnipotence of the majority. . . . Of all the political institutions, the legislature is the one that is most easily swayed by the will of the majority. . . . I am not so much alarmed at the excessive liberty which reigns in that country as at the inadequate securities which one finds there against tyranny."—Alexis De Tocqueville, "Democracy in America."

"The most significant difference . . . between the House of Representatives and the Senate is to be found in the provisions of limited debate in the House and unlimited debate in the Senate."—Professor Ernst Fraenkel, Free University of Berlin, "American System of Government."

Mr. President, there is so much to say on this subject, but I shall, in just a few moments, relinquish the floor and let somebody else express himself on this subject. I shall continue at another time.

Finally, Mr. Preident, I point out that the arguments I have raised in favor of free debate are germane to a discussion of Senate Resolution 5. It is my considered opinion that unless we defeat the move to further restrict debate now, we will face the more ominous threat of an effort to bring about majority cloture.

Mr. President, I just say in closing that the Senate has been known, throughout the history of this Nation, as

a great deliberative body. If we take steps to erode further the power of this body, if we take further steps to downgrade the Senate as we know it and as it has functioned throughout this country's history, we are going to make a great mistake.

Mr. President, I hope the Senators will think carefully over this matter before they vote any amendment to the rules that will weaken the so-called filibuster rule or that will weaken the power of a Senator. I repeat what I said a few moments ago, that no important measure has ever been defeated in the Senate, because of the filibuster. The Senate has defeated bad legislation. The filibuster has helped to do it. We hope that the power and strength now provided in the rules of this body can be retained.

I think it would be unreasonable to adopt the changes that have been suggested here, especially some of them. I hope the Members of this body will give most careful consideration before making any changes in the present rules of the Senate. We wish to keep this the greatest deliberative body in the world.

I yield the floor.

ORDER OF BUSINESS

(The following proceedings occurred during the presentation of Mr. THURMOND's remarks and are printed at this point in the RECORD by unanimous consent.)

Mr. PROXMIRE. Mr. President, will the Senator from South Carolina yield for 1 minute in order that I may bring up a matter involving the appointment of conferees, without losing his right to the floor?

Mr. THURMOND. Mr. President, I ask unanimous consent that I may yield to the able and distinguished Senator from Wisconsin without losing my right to the floor, and with the understanding that his matter will be printed in the RECORD after my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE EXPORT ADMINISTRATION ACT

Mr. PROXMIRE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 5840.

The PRESIDING OFFICER (Mr. DECONCINI) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 5840) to amend the Export Administration Act of 1969 in order to extend the authorities of that act and improve the administration of export controls under that act, and to strengthen the antiboycott provisions of that act, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. PROXMIRE. I move that the Senate insist upon its amendments and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Messrs. PROXMIRE, SPARKMAN, WILLIAMS, MCINTYRE, CRANSTON, STEVENSON, BROOKE, TOWER, GARN, and HEINZ conferees on the part of the Senate.

Mr. PROXMIRE. Mr. President, I wish to make it clear that the Senator from Illinois (Mr. STEVENSON) who has handled this bill in committee and on the floor, is agreeable to the conferees that have been appointed by the Chair.

There have been some differences of opinion between Senator STEVENSON and myself, but that has been resolved now. This has also been cleared with the Senator from Massachusetts (Mr. BROOKE), who is the ranking minority member of the Committee on Banking, Housing, and Urban Affairs.

Mr. President, I thank my good friend from South Carolina for so graciously yielding.

(This concludes the proceedings which occurred during Mr. THURMOND's remarks.)

ORDER OF BUSINESS

(The following proceedings occurred during the subsequent remarks of Mr. CHAFEE and are printed at this point in the RECORD by unanimous consent:)

Mr. SPARKMAN. Will the Senator yield briefly?

Mr. CHAFEE. Caught in full flight, I am delighted to yield to the distinguished Senator from Alabama.

Mr. SPARKMAN. This is for a unanimous-consent request.

ADDITIONAL DEPARTMENT OF STATE AUTHORIZATIONS, 1977

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 79.

The PRESIDING OFFICER. The bill will be stated by title.

The second assistant legislative clerk read as follows:

A bill (H.R. 5040) to authorize additional appropriations for the Department of State for fiscal year 1977.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

There being no objection, the Senate proceeded to consider the bill (H.R. 5040) which had been reported from the Committee on Foreign Relations with amendments, as follows:

On page 2, beginning with line 2, strike out through and including line 8, and insert in lieu thereof:

SEC. 2. Section 3 of the Act entitled "An Act to provide certain basic authority for the Department of State", approved on August 1, 1956 (22 U.S.C. 2670), is amended by—

(1) striking out "and" at the end of subsection (h);

(2) striking out the period at the end of subsection (i) and inserting in lieu thereof a semicolon and "and"; and

(3) inserting at the end thereof the following new subsection:

"(j) provide emergency medical attention and dietary supplements, and other emergency assistance, for United States citizens incarcerated abroad who are unable to obtain such services otherwise, such assistance to be provided on a reimbursable basis to the extent feasible.".

On page 4, beginning with line 11, strike out through and including line 13, and insert in lieu thereof:

"The Chairman or Vice Chairman of the House delegation shall be a Member from the International Relations Committee, and the Chairman or Vice Chairman of the Senate delegation shall be a Member from the Foreign Relations Committee.".

On page 5, line 5, following the semicolon, strike all through and including line 7, and insert in lieu thereof:

"The Chairman or Vice Chairman of the House delegation shall be a Member from the International Relations Committee, and the Chairman or Vice Chairman of the Senate delegation shall be a Member from the Foreign Relations Committee.".

On page 6, line 1, following the semicolon, strike all through and including line 3, and insert in lieu thereof:

"The Chairman or Vice Chairman of the House delegation shall be a Member from the International Relations Committee, and the Chairman or Vice Chairman of the Senate delegation shall be a Member from the Foreign Relations Committee.".

On page 7, beginning with line 7, strike through and including page 8, line 9, and insert in lieu thereof:

(3) Such Act is further amended by adding at the end thereof the following new sections:

"SEC. 4. Senate delegates to each conference of the Interparliamentary Union, and to all other parliamentary conferences, shall be designated by the President of the Senate upon recommendations of the majority and minority leaders of the Senate. For each such conference, the President of the Senate shall designate the Chairman and the Vice Chairman of the Senate delegation, at least one of whom shall be a member of the Committee on Foreign Relations. Not fewer than two Senators designated to be in the Senate delegation to each conference of the Interparliamentary Union shall be members of the Committee on Foreign Relations.

"SEC. 5. After December 31, 1977, the executive secretary of the American group of the Interparliamentary Union shall be an officer or employee of the Senate or the House of Representatives and shall be appointed—

"(1) by the Chairman of the Senate delegation for service during odd-numbered Congresses; and

"(2) by the Chairman of the House delegation for service during even-numbered Congresses.

"SEC. 6. The certificate of the Chairman of the respective delegation to the Interparliamentary Union (or the certificate of the executive secretary of the American group if the Chairman delegates such authority to him) shall be final and conclusive upon the accounting officers in the auditing of all accounts of the House and Senate delegations to the Interparliamentary Union.".

"(4) The second sentence of the nineteenth undesignated paragraph under the general heading "DEPARTMENT OF STATE" in title I of the Third Deficiency Appropriation Act, fiscal year 1937 (22 U.S.C. 276b) is deleted.

INTERNATIONAL AGREEMENTS

SEC. 5. (a) Section 112b, title I, United States Code, is amended by adding at the end the following: "Any department or agency of the United States Government which enters into any international agreement on behalf of the United States shall transmit to the Department of State the text of such agreement not later than twenty days after such agreement has been signed.".

(b) The second sentence of such section is amended by deleting the words "Foreign Affairs" and inserting in lieu thereof the words "International Relations".

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the amendments be agreed to en bloc and that the bill as thus amended be considered original text for the purpose of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 201

Mr. SPARKMAN. Mr. President, I have an unprinted amendment at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alabama (Mr. SPARKMAN) proposes an unprinted amendment No. 201.

The amendment is as follows:

On page 4, line 5 insert immediately after "'International Relations'" a comma and the following: "and by inserting 'upon recommendations of the majority and minority leaders of the Senate' immediately after 'President of the Senate'".

On page 4, line 16, insert immediately after the "and" a comma and the following: "unless the President of the Senate, upon the recommendation of the Majority Leader, determines otherwise,".

On page 4, line 25, insert immediately after "Relations'" a comma and the following: "and by inserting 'upon recommendations of the majority and minority leaders of the Senate' immediately after 'President of the Senate'".

On page 5, line 10, insert immediately after the "and" a comma and the following: "unless the President of the Senate, upon the recommendation of the Majority Leader, determines otherwise,".

On page 5, line 23, insert immediately after "House'" a comma and the following: "and by inserting 'upon recommendations of the majority and minority leaders of the Senate' immediately after 'President of the Senate'".

On page 5, line 24, strike out all after "(3)" and insert in lieu thereof the following: "by striking out in the third sentence 'five' and inserting in lieu thereof 'seven'; and".

On page 6, line 6, insert immediately after the "and" a comma and the following: "unless the President of the Senate, upon the recommendation of the Majority Leader, determines otherwise".

On page 8, line 16, beginning with "For" strike out all through the period in line 19 and insert in lieu thereof the following: "Unless the President of the Senate, upon the recommendation of the Majority Leader, determines otherwise, the Chairman or Vice Chairman of the Senate delegation shall be a Member from the Foreign Relations Committee."

On page 9, line 3, insert "upon recommendations of the Majority and Minority leaders of the Senate" immediately after "Senate delegation".

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama.

The amendment was agreed to.

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–99), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The principal purpose of H.R. 5040 is to authorize $89,500,000 in supplemental fiscal year 1977 appropriations for the Department of State for three purposes:

(1) payment of UNESCO arrearages for calendar years 1975 and 1976, and partial payment of the UNESCO assessment for calendar year 1977;

(2) assistance for Soviet and Indochinese refugees; and

(3) construction of additional housing for the U.S. Mission in Cairo.

The bill also authorizes the Secretary of State to use appropriated funds for emergency assistance to American citizens incarcerated abroad (on a reimbursable basis when possible), makes certain technical changes in the basic laws authorizing U.S. participation in four interparliamentary groups, and amends the Case Act to facilitate compliance with its requirement that all international agreements be transmitted to Congress.

COMMITTEE ACTION

On March 21, 1977, the International Operations Subcommittee met in open session to receive testimony on the State Department's fiscal year 1977 supplemental requests. Principal State Department witnesses were Richard M. Moose, Deputy Under Secretary for Management; John M. Thomas, Assistant Secretary for Administration; Charles William Maynes, Assistant Secretary-designate for International Organization Affairs; and Patricia Derian, Coordinator-designate for Human Rights and Humanitarian Affairs. In addition, the Subcommittee heard testimony from Arnold Beichman, representing the Committee for an Effective UNESCO; and Sarah Power, representing the U.S. National Commission for UNESCO.

On March 25, having been passed by the House, H.R. 5040 was received by the Senate and referred to the Committee on Foreign Relations.

On April 1, the Subcommittee on International Operations met in open session and voted unanimously to report the bill favorably to the full Committee with amendments. Voting in favor were Senators McGovern, Pell, Biden, and Percy.

On April 19, the full committee met in open session, agreed to further amend the bill, and ordered, by voice vote without dissent, that the bill be reported favorably as amended.

SECTION-BY-SECTION ANALYSIS

Section 1.—The first part of this section amends the Foreign Relations Authorization Act, Fiscal Year 1977, to increase the authorization for "International Organizations and Conferences" so as to provide $60 million to pay United States dues and assessments to the United Nations Educational, Scientific and Cultural Organization for calendar years 1975–76 and part of the assessment for calendar year 1977. A contribution of $60 million will meet the following dues and assessments:

Calendar year 1975 dues	$19,472,499
Calendar year 1976 dues	19,472,500
Calendar years 1975–76 UNESCO supplemental	1,775,000
Increase in working capital fund	2,200,000
Total assessment, 1975–76	42,919,999
Tax equalization adjustment 1975–77	410,000
Calendar year 1977 dues (approximately one-half)	16,874,961
Credits from prior year surpluses	−204,900
Total authorization	60,000,000

The current arrearage resulted from Congressional action, taken in December 1974, which suspended further payments to UNESCO "until the President certifies that such Organization has (1) adopted policies which are fully consistent with its educational, scientific and cultural objectives, and (2) has taken concrete steps to correct its recent actions of a primarily political character." The specific cause of this Congressional measure was the 18th UNESCO General Conference, which had resulted in:

denial of Israel's request for assignment to UNESCO's European region (leaving it the only major member not assigned to a region);

suspension of technical assistance to Israel because of alleged damage to Muslim monuments resulting from archeological excavations in Jerusalem; and

criticism of Israeli educational and cultural policies for the occupied Arab territories.

After the cut-off, and in anticipation of the 1976 UNESCO General Conference in Nairobi, the State Department reportedly focused considerable diplomatic effort on achieving a reversal of UNESCO's anti-Israeli activity and also on blocking UNESCO passage of a Soviet-inspired declaration endorsing state control of information media. At least partially as a result of this effort, certain progress was made at the 19th General Conference: Israel was assigned to the European region, and action on the mass media declaration was postponed until the next General Conference in 1978. On matters relating to Jerusalem and the occupied territories, however, the Conference essentially reconfirmed its 1974 resolution.

Following the Nairobi Conference, President Ford sent to Congress the certification necessary for a resumption of funding; and the full $97.4 million necessary to cover U.S. payments through 1978 was placed in the President's budget: $69.3 million in fiscal year 1977 supplemental to cover assessments for 1975–1977, and $28.2 million in the regular fiscal year 1978 authorization request to cover the 1978 assessment. After assuming office, President Carter's Administration reaffirmed these requests.

While the $60 million provided in this bill would not meet the Administration's full request, it would provide for U.S. payments to be brought up to date through the middle of calendar year 1977. The Committee intends to continue to watch UNESCO activities closely, and will consider the question of further payments to UNESCO in connection with the fiscal year 1978 State Department authorization request.

The second part of this section amends the Foreign Relations Authorization Act, fiscal year 1977, to provide a supplemental authorization of $18,725,000 in the "Migration and Refugee Assistance" account: $11,325,000 for aid to Soviet and East European refugees not settling in Israel, and $7,400,000 for the Indochinese Refugee Program administered by the United Nations High Commissioner for Refugees.

The need for additional funds for Soviet and East European refugees arises from the increasing number of such refugees who are choosing not to go to Israel. These refugees cannot be assisted from the special appropriation for Soviet and East European refugee assistance because, by Congressional stipulation, those funds are limited to refugees going to Israel. In 1973, of the 35,000 refugees leaving the Soviet Union, only 2,000 chose resettlement in countries other than Israel. In 1977, however, from a total projected movement of 18,000 refugees from the Soviet Union, current trends indicate that as many as 11,000 will choose not to go to Israel. While this trend has meant the availability of larger per capita aid for Israel-bound refugees, it has, according to the State Department, placed strain on the U.S. Refugee Program (which is funded through the regular Migration and Refugee Assistance item) for Soviet and East European refugees resettling elsewhere, and has necessitated this supplemental.

The $7.4 million approved for contribution to the UN High Commissioner for Refugees (UNHCR) is intended to continue U.S. support for 80,000 refugees in Thailand who arrived from Vietnam, Cambodia and Laos in 1975. Initially, such assistance was provided through emergency funds; however, in that these refugees will constitute an unresolved problem for some time to come, the State Department requested that additional funds be provided through the regular Migration and Refugee Assistance account. For 1977, the UNHCR estimates expenditures in Thailand of $27 million. Of this, the Thai Government would reportedly contribute $12 million, the U.S. part would be $10 million ($2.6 in emergency funds, plus this $7.4 supplemental), and other outside sources would be drawn upon for $5 million.

Section 2.—This section amends the basic authority for the State Department (Public Law 84–885, as amended) to authorize the Secretary of State to use appropriated funds to "provide emergency medical attention and dietary supplements, and other emergency assistance, for United States citizens incarcerated abroad who are unable to obtain such services otherwise, such assistance to be provided on a reimbursable basis to the extent feasible." Having observed a number of situations in which such assistance could effectively have been brought to bear to help an incarcerated American receiving markedly inadequate treatment, the State Department requested this authority, which the Committee approved in the expectation of being kept fully informed as to its usage.

Section 3.—This section amends the Foreign Buildings Act of 1926 to provide, under the special foreign currency program, a net increase of $10,775,000 to provide funds for the construction of 108 apartment units for the U.S. Mission in Cairo—36 to be for the State Department and 72 to be available for employees of AID. The project will require overall appropriations of $24.7 million, but because the Department at present has unused authorizations, only a $10.8 million supplemental authorization is necessary.

The Committee is concerned that the construction of Foreign Service buildings, particularly for AID personnel, occur only in those cases where it is clear that a long-term need exists. The Committee therefore directs the Department of State to report to the Committee periodically on the progress of this project so that the International Operations Subcommittee and the Foreign Assistance Subcommittee can review the project in the context of evolving foreign buildings needs and foreign assistance objectives in Egypt.

Section 4.—This section amends the basic laws authorizing U.S. participation in four interparliamentary groups: Canada-U.S., Mexico-U.S., the North Atlantic Assembly, and the Interparliamentary Union. It provides that the Chairman or Vice Chairman of the Senate delegation to each of these groups shall be a member of the Committee on Foreign Relations; and similarly specifies that a member of the House International Relations Committee be involved in leading House delegations. In addition, this section increases, from 18 to 24, the size of the U.S. delegation to the North Atlantic Assembly (thus bringing the size of that delegation into line with the U.S. delegations to the other three groups), and specifies that at least four members of the twelve-person delegation from each body shall be from that body's foreign affairs committee. Section 4 also contains certain technical amendments to the basic laws governing U.S. participation in interparliamentary groups.

Section 5.—This section amends Public Law 92–403, otherwise known as the Case Act, which requires that the Secretary of State "transmit to the Congress the text of any international agreement, other than a treaty, to which the United States is a party as soon as practicable after such agreement has entered into force with respect to the United States but in no event later than sixty days thereafter." Since enactment of the Case Act in 1972, there have been a number of instances in which the State Department failed to transmit to Congress, within the required period, agreements entered into by other U.S. Government agencies, reportedly because those agencies failed to inform the State Department that agreements had been signed. The purpose of this section is to remedy that problem by adding to the Case Act the requirements that "Any department or agency of the United States Government which enters into any international agreement on behalf of the United States shall transmit to the Department of State the text of such agreement not later than 20 days after such agreement has been signed."

COST ESTIMATE

Section 252(a)(1) of the Legislative Reorganization Act of 1970 requires that committee reports on bills and joint resolutions contain an estimate of the costs of carrying out such legislation in the fiscal year in which it is reported and in each of the five years which follow. H.R. 5040 authorizes supplemental appropriations of $89,500,000 for the State Department for fiscal year 1977, and does not involve the initiation of any new programs with future cost implications.

BUDGET AUTHORITY

This bill creates no new budget authority.

EVALUATION OF REGULATORY IMPACT

In accordance with Rule XXIX of the Standing Rules of the Senate, the committee has evaluated the regulatory impact of H.R. 5040, and has concluded that the legislation provides for no new regulatory activity.

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

1. Bill number: H.R. 5040

2. Description of bill: This legislation amends:

Section 171(b) of the Foreign Relations Authorization Act, fiscal year 1976, to authorize for appropriation an additional $10.775 million for fiscal year 1977 and reprogram $13.925 million authorized but unappropriated for fiscal year 1977 to finance the acquisition or construction of residential units for State Department and US/AID personnel in Egypt;

The Foreign Relations Authorization Act, fiscal year 1977, to authorize for appropriation for fiscal year 1977 an additional: $60 million for "International Organizations and Conferences," to pay the U.S. share of the UNESCO budget for calendar years 1975, 1976, and 1977; $18.725 million for Migration and Refugee Assistance; and various statutes, to increase the size of Congressional delegations to interparliamentary groups.

3. Budget impact:

[In millions of dollars]

	Fiscal year—				
Function 150	1977	1978	1979	1980	1981
Authorization amounts	89.5				
Estimated costs:					
Department of State	80.0	6.8	6.5	6	4.1
Department of Agriculture	−5.1	−3.0	−6.5	−6	−4.1

4. Basis for estimate: This estimate assumes enactment of this legislation on or before June 1, 1977, and is subject to subsequent appropriations of $103.6 million. The net budget costs associated with the acquisition or construction of residential units in Egypt are estimated to equal zero. The dollars appropriate to the Department of State for the acquisition or construction of these facilities will be used to buy Egyptian pounds from the P.L. 480 program. When the currency is purchased, however, a receipt is recorded for the P.L. 480 program; net budget costs associated with this program, therefore, equal zero. The timing of the purchases of currency is based upon an estimate of construction costs provided by the Department of State.

The estimated costs associated with the additional amounts authorized for International Organizations and Conferences, Migration and Refugee Assistance, and State Department Salaries and Expenses are based upon outlay rates for these programs provided by the Department of State.

This legislation does not increase the amounts authorized to meet the expenses of the larger delegations to the interparliamentary groups. Therefore, no additional budget costs are associated with the enlarged delegations.

5. Estimate comparison: None.

6. Previous CBO estimate: Estimates were prepared for H.R. 4619 and H.R. 5040, the companion bills in the House of Representatives. The House bills contained $0.150 million for medical care and dietary supplements for U.S. citizens incarcerated abroad not included in this bill.

7. Estimate prepared by: Joseph Whitehill,

8. Estimate approved by:

JAMES A. BLUM,
Assistant Director for Budget Analysis.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPARKMAN. Mr. President, I thank the Senator from Rhode Island for yielding and I ask unanimous consent that the remarks we have had regarding this bill and the amendment not interrupt the discourse by the Senator from Rhode Island.

The PRESIDING OFFICER. Without objection, it is so ordered.

(This concludes proceedings that occurred during Mr. CHAFEE's remarks.)

HAPPY BIRTHDAY, SENATOR COTTON, AND HAPPY GOLDEN ANNIVERSARY

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. BAKER. Will the Senator from Rhode Island permit me to be recognized briefly?

Mr. CHAFEE. Yes, I yield.

Mr. BAKER. I rise to say I had the good fortune and privilege a few moments ago to talk to our former colleague, Norris Cotton, on the telephone. Today is a doubly important day for Senator Cotton. Today he is not only 77 years young, but today is his 50th wedding anniversary. He asked me, in the course of that conversation, to convey his good wishes and greetings to all of his former colleagues.

I wanted to call that to the attention of the Members of the Senate.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. BAKER. I am delighted to yield.

Mr. ROBERT C. BYRD. Mr. President, I am delighted to hear that today is the 50th wedding anniversary of our former colleague, Norris Cotton. I rise to congraduate him on this event, which does not come into the lives of very many men and women, when we consider the many who do not enjoy that long tenure of working and living together.

I also congratulate him on this, his 77th birthday. The Scriptures say:

> The days of our years are threescore years and ten; and if by reason of strength they be fourscore years, yet is their strength labor and sorrow; for it is soon cut off, and we fly away.

He has gone beyond that threescore years and 10 by the magic number of 7. I am sure all who hold Norris Cotton in such great respect and who have for him the highest affection join with the distinguished minority leader in saluting and congratulating him and wishing him many more happy birthdays and wedding anniversaries.

Mr. BAKER. Mr. President, I express my deep appreciation to the distinguished majority leader for his eloquent and poetic words. I am sure Senator Cotton will appreciate them as I do.

I also point out, from a purely parochial view, that his delightful wife, who has been at his side for these 50 years, is a native of my own native State of Tennessee. I have always claimed Norris Cotton as a distinguished son of my State by reason of that fact.

Mr. THURMOND. Will the Senator yield?

Mr. BAKER. I yield.

Mr. THURMOND. Mr. President, I would like to be associated with the remarks of the distinguished Senator from Tennessee about the able and distinguished former Senator Norris Cotton.

He is one of the most delightful men with whom I have ever served. He made a great Senator. We were proud of him then and we are proud of him now.

I join in the felicitations to him and his wife on his birthday and, as I understand, their anniversary.

Mr. BAKER. Their 50th anniversary.

Mr. THURMOND. Their 50th anniversary.

I thank the distinguished Senator for yielding.

AMENDMENT OF THE STANDING RULES OF THE SENATE

The Senate continued with the consideration of the motion to proceed to the consideration of the resolution (S. Res. 5) to amend the Standing Rules of the Senate.

The PRESIDING OFFICER (Mr. METZENBAUM). The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, as we know, this is my first year serving in the Senate. It seems to me that all who come to the Senate find here something different than exists in all the other legislative bodies, and that I believe exists anywhere else in the world. Certainly, it is different than in the House in the U.S. Congress.

Our setting, of course, is no grander than any other, splendid though it might be, and our trappings no fancier, our emoluments and perquisites no richer, but we do have one priceless right. That is the right to have our say, to speak our piece as long as we wish, and in as much detail as we wish.

This is a precious right, Mr. President, one that men throughout long history have fought for and I suppose this was described better than most by Tacitus. I recall this so vividly because in the dome of the capitol of the State of Rhode Island, we look up and see inscribed in Latin around that dome these words:

> Rare felicity of the times when it is permitted to think as you like and to say what you think.

Mr. President, that is one of the privileges that comes to us here in the Senate.

Mr. President, I ask unanimous consent that Mr. William Roesing of my staff be granted the privilege of the floor during the pending debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, this recognition of uniqueness of the Senate and the privilege for everybody to have his say is nothing that has just come to this Senate, or any other. I think we all recognize that.

I wish to read from a statement on this subject from, certainly, one of the most distinguished Senators. I am referring to Senator Everett Dirksen. This is what he had to say:

> One of the nice things about the liberal rules of the Senate, we are expected to discuss matters at length in this great deliberative body and I am glad of it. It takes time. We have no rule of germaneness. We have no limitation on debates. After all those years of difficulty, trying to compress world-shaking remarks into five minutes, the time limit of the House, what sheer delight it is, what abandonment of spirit I experienced when I got to the Senate and discovered when I got to the floor I could keep it endlessly, as long as there was any breath in this poor, feeble body.

That is one man's explanation of how he felt about the rules of the Senate.

Of course, I find it perplexing, Mr. President, as to why we are engaged in this exercise under Senate Resolution 5. I am delighted that the distinguished majority leader is here because, obviously, he embarked on this course for a purpose, and he must have felt that we are not getting on with the business of the Senate swiftly enough.

But certainly, no one is more conscious than he of the long history of the Senate and the efforts to preserve the right of free debate.

This is nothing new. As long as men have been involved in parliamentary endeavors, they have fought about the right to debate, and also how we limit debate to some reasonable length.

In 1604, the practice of limiting debate in some form was introduced in the British Parliament by Sir Henry Vane. It became known in parliamentary procedure as the privileges question and it is described in Jefferson's Manual of Parliamentary Practice.

As far as the Senate of the United States goes, the first Senate adopted some 20 rules. I shall touch on the following rule related to debate and taking of the time of the Senate.

Rule II said:

> No Member shall speak to another or otherwise interrupt the business of the Senate, or read any paper while the Journal on public matters is read or when any member is speaking in any debate.

Rule III:

> Every Member, when he speaks, shall address the Chair standing in his place, and when he is finished shall sit down.

I might say that not much has changed since then.

Rule IV:

> No Member shall speak more than twice in any one debate on the same day without permission of the Senate.

Rule V:

> When two Members shall rise at the same time, the President shall name the person to speak, but in all cases the first rising shall speak first.

Over the course of the years, Mr. President, there have been various efforts to limit debate, as it were.

One of the great heroes of the Senate, in 1841, Henry Clay, became involved in a proposal for introduction of the so-called previous question, which he stated was made necessary by the abuse which the minority had made of the privilege of unlimited debate.

Who should rise to oppose Senator Clay but another great hero of the Senate, a great hero of the South, Senator Calhoun. This is what he said on the subject.

> There has never been a body in this or any other country in which, for such a length of time, so much dignity and decorum of debate has been maintained.

Clay's proposition, I can report, met with considerable opposition and was abandoned.

Clay also proposed adoption of the hour rule, but that proposal also was abandoned.

So, over the years various attempts were made.

I see the distinguished senior Senator from Rhode Island in the Chamber, and he might be interested in this. On December 6, 1870, in the 3rd session of the 41st Congress, Senator Anthony of Rhode Island introduced the following resolution:

> On Monday next, at 1 o'clock, the Senate will proceed to the consideration of the Calendar, and bills that are not objected to shall be taken up in their order, and each Senator shall be entitled to speak once and for 5 minutes only on each question, and this order shall be enforced daily at 1 o'clock.

The following day, December 7, 1870, the resolution was adopted; and this so-called Anthony rule for the expedition of business was the most important limitation of debate yet adopted by the Senate. The rule was interpreted as placing no restraints upon the minority, however, inasmuch as a single objection could prevent its application to the subject under consideration.

So, Mr. President, over the years various efforts were made, always with this concern about the rights of the minority.

Whenever you limit debate, you are limiting somebody from having his say.

It seems to me that we all are concerned about dilatory tactics. I know that the distinguished majority leader undoubtedly has brought forth this motion because of his concern about the inability to get on with the business. But as we look at the record, we find that the efforts at limiting debate have been rather successful in recent years. There is no problem that I can see—perhaps I need education in this matter—in having cloture successfully invoked and getting on with a vote on the matter at hand. It is rather interesting to see what has taken place over the years.

In the 53 years between 1917 and 1970—that is getting to be pretty recent history—there were 49 attempts to invoke cloture, of which only 8 were successful. That is not a very good batting average. But in the last 6 years, the whole idea of invoking cloture has gained momentum. Sixty-eight times it has been tried in the last 6 years, and of those 68 times, 30 have been successful. I do not know what the worry is around here. Why are we so concerned, if you can invoke cloture 30 out of 68 times?

Mr. President, in each year since 1970, the last 6 years, the percentage of success either has held its own or has increased.

For example, in 1971 there were 10 cloture votes and 2 succeeded, for a batting average of 20 percent. In the next year, there were 10 attempts, and 2 succeeded—20 percent. In 1973 there were 10 attempts and 2 succeeded, for a batting average of 20 percent.

Then we really pick up speed. I am not sure what happened in 1974, 1975, and 1976, but listen to these statistics.

In 1974, 21 attempts were made and 7 were successful, for a batting average of 33 percent. In 1975, I guess everybody got the feel of this and wanted to plunge in. Not 21 attempts were made; 23 attempts were made. That is half as many attempts as were made in 53 years. Twenty-three attempts were made and 13 succeeded, for a batting average of 57 percent.

Last year there were only four attempts, but they must have known what they were doing, because all four succeeded, for a rate of success of 100 percent.

Mr. President, as I understand what we are attempting to do here today, or what is suggested by the amendment under consideration, it is that once cloture has been invoked, there then shall be 10 hours, 5 to the majority leader and 5 to the minority leader, to dispense as they wish.

They can give any Senator up to 30 minutes, and that will not count against the subsequent time that a Senator might have. That consumes 10 hours. There are then 40 hours remaining. In those 40 hours, any Senator is entitled to speak for up to 30 minutes.

I do not think it takes a mathematical genius to figure out that if each Senator is going to get 30 minutes, there will not be enough time in 40 hours. One hundred times 30 minutes gives you 50 hours, no matter how you slice it. So somebody is going to be left out.

Furthermore, that does not even mean that 80 Senators are going to be able to speak for a half-hour each, because from those 40 hours shall be subtracted the times for rollcalls and votes on amendments.

Why is it necessary to change the rules? The present rules provide for 100 hours and for everybody to be given an hour to speak. Perhaps that is too much. Perhaps we should cut it down. So let us cut it down to a half-hour apiece.

However, I feel strongly that every Senator should be entitled to a half-hour to speak, and he should not have his rights at the whim of a majority leader or minority leader, beneficent though they might be. We are elected from our States, and each of us should have the same privilege. We should not be required to come on bended knee to a leader and say, "Give me a few crumbs. Let me speak for 10 minutes. Give me 15 minutes." Not at all. We should have that as a right.

Mr. President, if we go to Harvard Law School, we will see this inscription on the great Langdell Building: "Non Sub Homini Sed Sub Legis et Sub Deo."

Mr. President, not under man, but under laws and under God. That is what we are attempting to preserve here—the right of everyone to have his say under the rules, not at the whim of some leader, kindly though he might be—majority or minority.

I do not think that is a privilege we should give up. We do not have many privileges.

I recall the great speech William Pitt, the Earl of Chatham, made when he spoke on the excise bill in 1777, in the House of Commons. He was referring to a right. Perhaps it was not much of a right, but it was a right. He was talking about the right of every man in England to have his home inviolate from any invasion by the authorities, without proper warrant.

This is what the great Earl of Chatham, Pitt the Junior, had to say:

> The poorest man may in his cottage bid defiance to all the forces of the Crown. It may be frail—its roof may shake—the wind may blow through it—the storm may enter—the rain may enter—but the King of England cannot enter—all his force dares not cross the threshold of the ruined tenement.

Now that was a tiny privilege that that Englishman had, but they felt it was worth preserving and, Mr. President, I think this tiny privilege we have is worth preserving.

I do not suspect that most of us are going to take the half-hour, and I do not suspect that most of us are going to introduce amendment after amendment, but certainly we are entitled to that privilege, and I do not think we should give it up lightly.

Mr. President, I would like to refer back to the Senate debate on the whole matter of preserving rights, something that just did not come up today or yesterday. This goes back year after year after year and, of course, in the original days great efforts were made because of civil rights, and the Southern Senators, with their skill in debate and their knowledge of the rules, were able to fight off cloture, and that is why it was so rarely invoked in those years, those 53 years, in which it only succeeded eight times.

But times have changed now, and there is no problem, as I indicated, to invoking cloture. But the thing that makes this proposal so difficult for me to understand is that under the proposal as it stands, as submitted in Senate Resolution 5, a Member could submit a bill. At the same time he calls up his bill he could submit a cloture motion. Now, under this proposal, in 24 hours that cloture motion could be voted on. What kind of a deal is that? Is that giving solemn thought to some of the matters that come before this Senate? You bring in the bill, you submit a cloture motion at the same time, and up they come. You have a vote; the majority, let us say, prevails; and then under this proposal there are 50 hours of which 10 can be consumed at the discretion of the majority or minority leaders; the remainder of the 40 hours could be taken up with rollcalls and petitions, and I would just like to ask the majority leader, if I might, a question, if I could get his attention.

Mr. ROBERT C. BYRD. The distinguished Senator has my attention.

Mr. CHAFEE. The question I would like to ask the distinguished majority leader, and see if I have something wrong here, if I understand the proposal the majority leader has, and let us take this hypothetical situation: a Member could call up a bill. At the same time a motion for cloture could be submitted. Twenty-four hours it lays on the table. We then could proceed to a vote on cloture.

Mr. ROBERT C. BYRD. No.

Mr. CHAFEE. Am I wrong?

Mr. ROBERT C. BYRD. The Senator is not correct. The 24 hours he misunderstands. Under the provisions of Senate Resolution 5, as it was reported from the committee, a cloture motion cannot be offered on a measure or matter pending before the Senate until 24 hours have expired, except in certain circumstances which deal with an adjournment sine die or an adjournment or recess beyond a period of 30 days. The one exception from that 24-hour requirement would be a motion to proceed to take up.

Mr. CHAFEE. I thank the Senator.

Let us just take a hypothetical, and I am not suggesting that the majority would do this, but let us just take a hypothetical situation. We never know who is going to succeed the distinguished Senator from West Virginia. It is even possible to imagine some despot, unlikely though it might be, filling his shoes.

Mr. ROBERT C. BYRD. May I say I have been thought of as a despot at times.

Mr. CHAFEE. Never, never have I heard that publicly suggested and never privately suggested. [Laughter]. All right.

A bill is called up. Twenty-four hours later we get to the cloture motion. How much time, the minimum, let us take the worst situation, could there be in debate on that bill before the bill is voted on?

Mr. ROBERT C. BYRD. Before the bill is voted on?

Mr. CHAFEE. Let us go to cloture.

Mr. ROBERT C. BYRD. Yes.

Mr. CHAFEE. We could have cloture when? Just like that, 24 hours after the bill came up?

Mr. ROBERT C. BYRD. No, no. Once the cloture motion is entered, then the vote to invoke cloture occurs on the following day but one, so that if we were to offer, let us say, a cloture motion were to be entered today——

Mr. CHAFEE. Why do we not take on a Monday, why do we not start the whole process on a Monday. Suppose we call up a bill on Monday. Then could you proceed taking it from there?

Mr. ROBERT C. BYRD. If the bill were to be called up on Monday and made the pending business before the Senate, under the provisions of Senate Resolution 5 a cloture motion could not be entered that day. Twenty-four hours would have to transpire before the cloture motion could even be introduced, and that would be on Tuesday. On Tuesday the cloture motion, having been introduced, the following Thursday, 1 hour after the Senate convenes, and following the establishment of a quorum, the Senate would then proceed to vote on the motion to invoke cloture.

But all during Monday, all during Tuesday, all during Wednesday, and during the first hour on Thursday, the debate could go forward on the measure, amendments could be offered, voted on, and adopted or rejected.

Mr. CHAFEE. See if I follow this through. So the vote on cloture is Thursday?

Mr. ROBERT C. BYRD. Yes.

Mr. CHAFEE. Let us assume it succeeds. We then have 50 hours, of which the first 10 are 5 each at the disposition of the majority and minority leaders to parcel out as they wish, nobody receiving more than 30 minutes, but those 30 minutes are not to count against any subsequent time a Senator might have.

Is it not conceivable that the majority leader could keep that Senate in session for 24 hours? I am again giving the worst case and, as I understand the history of the Senate, it has sat for 24 hours.

Thursday we vote on cloture. Friday we have 24 hours go by, and by Saturday we have had 48 hours go by, and we could vote Saturday afternoon on the bill.

Mr. ROBERT C. BYRD. Well, it is certainly possible that the Senate would stay in session 50 hours running which could be 2 days of 24 hours each plus 2 hours.

Mr. CHAFEE. Mr. President, I know it seems to me in all of these matters you have to look at the worst case because we do not know who is going to be here controlling the time, sitting in the majority leader's position years from now, and I suspect that passions have run high in the Senate for many a day, and I suspect there have been majority leaders who have been quite angry and frustrated, dismayed, disconcerted, upset by the actions of a minority, and I do not want to say, Mr. President, the minority party because when we are debating this bill we are not just talking about the minority party, I think we are talking about a minority Senator.

And these are the people we are concerned about. So it is quite possible for a major piece of legislation, as the distinguished majority leader pointed out, to come up on Monday and be passed after all debate on Saturday.

Maybe the hypothetical is a little unusual, but certainly it is possible.

First, I thank the majority leader very much for answering my questions. I appreciate that. I learned a lot and I am grateful.

Mr. ROBERT C. BYRD. Mr. President, I thank the Senator. He is certainly asking pertinent questions. I can understand his concern. I doubt that the concerns that have been expressed by Senators on his side of the aisle would ever become a matter of recorded history. But, nevertheless, in theory they could conceivably occur.

Mr. CHAFEE. Mr. President, it is such a privilege to get the distinguished majority leader's attention that I wish to trespass on his time for another minute or two. The part I find difficult to understand under this Senate Resolution 5 is why not give every Senator a half hour? I mean the Senator is just lengthening it a bit. But it is quite conceivable under the proposal that a Senator would not have a chance to speak. I do not understand that. I am not trying to put any Senator on the spot, but the distinguished Senator from West Virginia represents the majority, to a considerable extent, and if some Senator could give me an answer, on a proposal why not give every Senator a half hour?

Mr. ROBERT C. BYRD. Under Senate Resolution 5 every Senator would have a half hour. Experience shows that not very many Senators, following the invoking of cloture, take their hour under the present rule. The great majority of Senators take no time out of the hour. So we said we will cut the hour down to a half hour, but we have to have an overall time ceiling which when it expires will bring about the final vote on the measure or the matter clotured.

Our problem heretofore—we have had many problems—one of the problems heretofore, once cloture is invoked, is the inability to charge quorum calls or the time on rollcall votes or the time that is utilized in dilatory tatics against any Senator. That time did not come out of the Senator's hour.

So, by having a 50-hour limitation overall, a Senator may suggest the absence of a quorum as frequently as he wishes, he may have as many rollcalls as he wishes on unmeaningful amendments, he may speak his half hour, but the clock will be running and at a point when the 50 hours are up, the Senate would wind up its work.

I simply cannot conceive of a situation in which the Senate would take the 50 hours in view of the fact that the great civil rights debates have long become part of the past.

So I think this is a reasonable, fair approach, and it does not deprive a minority of recognition. It does not deprive a minority of an opportunity to offer amendments, call them up, and get votes on them because a minority, if it should be a partisan minority, would be fully protected by the fact that its leader would have under his complete control at the beginning of 5 hours or 300 minutes, and then following that there would be a limitation on any amendment of 1 hour, which means that a majority could not monopolize the remainder of the time with one amendment, thus shutting out a minority from offering further amendments.

Mr. CHAFEE. Mr. President, I am very grateful for the majority leader taking this time, and I am reluctant to consume additional time. I know he has so many burdens. But it seems to me that if some Senator wishes to engage in dilatory tactics, why is that not charged to that Senator's time? It is perfectly possible under the proposal.

Mr. ROBERT C. BYRD. May I answer that question?

Mr. CHAFEE. Yes. I am seeking an answer. I seek light.

Mr. ROBERT C. BYRD. That is a very pertinent question. I am not sure how much light the Senator will get, but I can answer his question. Why is it not charged to his time? That is because he only has an hour under the present rule and one can only charge 60 minutes against an hour. So, if the Senator has utilized 58 minutes of his hour, he could not care less if a quorum call of 20 or 30 minutes is charged against his last 2 minutes. He would say, "I suggest the absence of a quorum," and all he would be deprived of would be his last 2 minutes. Then it would not be fair to charge a quorum call against the distinguished Senator who now holds the floor if he might wish to put in a quorum call to allow him a minute or 2 minutes in which to converse with the distinguished minority leader or with an aide, and if another Senator objected to the calling off of that quorum. The distinguished Senator from Rhode Island who put in a quorum, not for dilatory purpoces, but only in the hopes it would give him 2 or 3 minutes respite to take care of some other matter, might then be deprived of his entire allotted time because all of the time consumed for the quorum would go against his time. Then he has had all of his time taken away from him through no fault of his own.

So why not charge these dilatory tactics to a Senator's time? It would not be feasible to do so in many instances.

Mr. CHAFEE. I appreciate the difficulties, but it seems to me with the skill, knowledge, ingenuity, and intelligence of the majority leader, there should be some solution that would preserve every Senator his half hour. Mind you, we have come down from an hour. I mean that is progress if we can.

Mr. ROBERT C. BYRD. If the Senator will allow me to respond to that, there may be some solution. I have never said that Senate Resolution 5 is the alpha and the omega of intelligence, skill, and ingenuity. I have never said that. I have said, however, that this is a workable, reasonable, fair, and rational approach. And I have also said that if there are those who have suggestions or amendments that would constitute improvements, fine. That is fine with me. I am for utilizing the skill of the distinguished

Senator who now holds the floor, his insight, and his talents in coming forward with amendments that will improve the language of this resolution and still accomplish the intended results and be fair and equitable. So I say perhaps the Senator can contribute.

I only say let us get on with the job. Let us get the resolution up before the Senate. Then let every Senator offer his amendments. Let every Senator have his say, and I daresay that out of the combined will of the Senate there may emerge a better product than Senate Resolution 5.

Mr. WALLOP. Mr. President, will the Senator from Rhode Island yield so that I might ask a question of the majority leader?

Mr. CHAFEE. Yes.

Mr. WALLOP. I would ask the Senator, just as a curiosity, since he makes the statement in response to the Senator from Rhode Island that he could not conceive of a time when the Senate would use up the whole 50 hours in such debate, if that is the case, if it really is inconceivable, why clutter it up with potentials in the manner that the Senator from Rhode Island is referring to, which is causing so much concern?

Mr. ROBERT C. BYRD. I will turn the coin over on its other side. Why fight the proposal?

Mr. WALLOP. Because I can conceive of such.

Mr. ROBERT C. BYRD. Why fight the proposal if it is inconceivable that there will be a time when 50 hours will be needed, now that the civil rights issue has been relegated to the past? Why all the aroused passions and the sleepless hours that Senators on both sides of the aisle have obviously spent, when we are not going to have a situation that will use up those 50 hours?

Mr. WALLOP. From the standpoint of the Senator from Wyoming, it is good for the soul, once in a while, to get impassioned. But, second, it is not the viewpoint of the Senator from Wyoming that it is inconceivable. It is conceivable to me, the real fear expressed by the Senator from Rhode Island, that a Senator might be deprived of his legitimate chance to speak on an issue before the Senate.

With that I yield, but I appreciate the majority leader's response. I do in fact think it is conceivable, and perhaps that is the reason for offering the amendment.

Mr. ROBERT C. BYRD. I concede that the Senator is expressing a sincere concern. I concede the same for Mr. CHAFEE. But I think that the modifications I have offered address themselves adequately to those sincere concerns.

In most instances, after cloture is invoked, I would hope that the issue would not be a partisan one in which there would be Republicans pitted against Democrats. I would think that in most instances proponents and opponents would be on both sides of the aisle. But in the event it is a partisan issue, the Senator would have at least the two protections I have offered, one being that the minority leader would have control of 5 hours, and that any quorum and roll calls would not be charged against that 5 hours. The minority leader would certainly be protective of the Members on his side of the aisle.

The second protection is that once the 5 hours expired, there is a limitation on any amendment thereafter of 1 hour, so that the majority could not, as some Senators have said, call up an amendment and just hold the floor on that one amendment until the remainder of the 50 hours had expired.

Mr. WALLOP. No one Senator could be able to hold the floor for the 5 hours. It might perhaps be a point of departure that the controlled debate would be at the end of the 5 hours rather than the beginning, and that would take care of the majority leader's fear that the last 2 minutes would be uncontrolled. I would hope there would be an effort on the part of both the majority and minority leaders to control that time at the last minute.

Mr. ROBERT C. BYRD. Let me state that I appreciate the genuine concern expressed by these two new Members of this body. I congratulate them upon participating in this debate. I commend them on the stimulating and incisive questions that they have addressed to me. I think it reflects well on the body, that Members who have just come into the Senate can demonstrate this kind of interest and concern and dedication to the Senate and to its rules.

I appreciate the questions, and I hope that I have been able to respond in such a way as to provide the answers, perhaps not to allay the concerns, but I hope that my answers have been helpful.

Mr. WALLOP. I thank the distinguished majority leader for his kind remarks.

Mr. CHAFEE. Mr. President, I would like to thank the majority leader a great deal for his thoughtful and helpful remarks. I would like to convey to him, if I can, how very deeply we do feel about this, however.

I find myself rather astonished standing here on the Senate floor and participating in what used to be considered an anathema, a filibuster, or mini-filibuster, if you will. But as you get into these things, you begin to realize that some rights are extremely important.

It seems to me that the right to have one's say is a precious one, and I would hate to see it engulfed in some type of legislation designed to remedy dilatory tactics, delay, or whatever it may be, in such a way that in dealing with the problem we eliminate a right. That bothers me.

Mr. ROBERT C. BYRD. I know it bothers the Senator, and I congratulate him. But I have attempted here to provide what I deem to be a workable, fair, reasonable, realistic solution. If other Senators can improve upon it, fine. I just want us to get down to action on the resolution, and not further delay the business of the Senate.

I am open to persuasion. I am willing to hear others who may have amendments that will improve on the language. It is not so much that I take pride of some authorship of this language. That is not a matter of importance to me at all. I simply think that sometime, if not today, if not a week from today, if not a year from today, there is going to have to be a change in the Senate rules sooner or later to correct what many of us see as a flaw that does not contribute to deliberate action on the part of the Senate, but contributes rather to delay—unnecessary, undue, unjustified delay—from time to time.

I do not want to see that problem dealt with in a way that takes away from Senators the prerogative and the privilege of debating a matter in a responsible, enlightened, and meaningful way for a justifiable length of time. I do not want to see majority cloture imposed on this body. But the Senator would be surprised at how very easily that could come about.

I am seeking to avoid that, and I have presented what I deem to be an approach that will deal with the problem, as I see it, but will still allow this body to be a deliberative one and will not bring on majority cloture.

Mr. CHAFEE. Mr. President, I wonder if the majority leader will be good enough, just briefly, to inform us of some of his concerns and as to why we are doing this? As I look at the record of the last several years, when cloture has been invoked, I find that, last year, there were dilatory tactics that upset many people. But looking at the overall record, is this such a problem that we must take this action? Really, I suppose the question is: Is it worth making the sacrifice?

Let us say we cannot arrive at a solution that preserves every Senator a half hour. Thus we are into tradeoffs. Is it worthwhile trading off this limitation on a very fundamental and precious right that has made this body so different? Is it worthwhile doing that in order to achieve this goal? Has the problem been so paramount with us that we have to do something?

I do not know. I have not been here.

Mr. ROBERT C. BYRD. If the Senator is asking me the question, I do not consider that the resolution trades off a "precious right." I want to defend the right of Senators to engage in meaningful, sincere, serious debate, as long as it is necessary. I think that, as long as that kind of debate is going forward, there is a likelihood that the invoking of cloture will not occur on the first attempt, or perhaps on the second attempt, or the third, and maybe not at all.

I think there is something other than just a "precious right" of the Senators to talk. Each Senator has the responsibility, in my judgment, to see that the Senate acts on the people's business. I am not interested in taking any right away from a Senator, any justifiable right, as long as he exercises that right in a responsible manner.

I do say that there come, from time to time, situations in which this right under the present rule has, seemingly, been abused, thus creating an imposition on the Senate and on Senators. This is what is involved here.

Perhaps a better approach can be found, but I think I must say that I have seen the mood of the Senate be such that majority cloture can, at some point, become not only a possibility but a prob-

ability. If that happens, then the Senator would say, as to Senate Resolution 5, "I wish we had enacted it rather than rejected it."

This is not an empty warning, I say to the Senator. I do not want to see the Senate subjected to majority cloture. I have never supported the idea in the past. But I said yesterday that I shall never say "never" again.

So it is up to the Senate. If it wants to reject this proposal and do nothing about the problem now, that is the Senate's will.

But the matter will not rest and there will come a day when the problem will arise again. I hope that, when and if it does arise again, the Senate will not react in a way that will bring about majority cloture. If that day ever comes, the rules of the Senate, as we know them today, will not longer be recognizable.

Mr. CHAFEE. I thank the Senator very much.

Mr. ROBERT C. BYRD. I thank the Senator from Rhode Island.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MOYNIHAN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NO TRADE FOR CUBA

Mr. HELMS. Mr. President, the Committee on Foreign Relations yesterday approved measures which would relax the trade embargo against Cuba—measures which would obviously lead the way inexorably toward the growth of full economic and diplomatic relations with the Communist government of Fidel Castro.

Yet this is the worst possible time to make such overtures. Instead of showing any inclination to become a peaceful member of the community of nations, Castro has led his nation further and further into international adventures which threaten the peace and security of the world. With the financial and logistical support—and tacit approval—of the Soviet Union—and let us make no mistake about that—Castro is busy exporting his revolution throughout Africa and Latin America.

The Foreign Relations Committee proposal was modified in committee to permit U.S. sales to Cuba, but not to allow Cuban exports to the United States. But there is nothing in the proposal which will prevent Castro from continuing his main export—the export of subversion—not only throughout the world, but also to the United States itself. The evidence has long been clear, for example, that Castro has been a powerful supporter and instigator of the activities of the Puerto Rican FALN, both in Puerto Rico and on the mainland. His propaganda enters the United States freely, and can be found even in the libraries of some of our most prominent universities. The Venceremos Brigade has been a training ground for young radicals from the United States.

When President John F. Kennedy imposed the trade embargo on Cuba in 1962, he said:

> The present Government of Cuba is incompatible with the principles and objectives of the Inter-American system; and in the light of the subversive offensive of Sino-Soviet Communism with which the Government of Cuba is publicly aligned, (The OAS) urged the member states to take those steps that they may consider appropriate for their individual and collective self-defense.

One's first temptation is to say that nothing has changed. But the situation has changed—it has changed for the worse. Since President Kennedy's proclamation, the vast majority of South America—at least 80 percent, if one measures by land area or by GNP—has been deeply smitten by Castro-inspired and assisted Communist revolution, and has had to go through the agony of revolution and chaos before order has been restored. One need only mention Brazil, Chile, Uruguay, and Argentina to see the extent of the rejection of Castro's doctrines.

Now that the tide has turned—as the result of tremendous sacrifice by those nations afflicted by communism—Castro has switched operations to Africa and has imposed Communist minority rule on Angola and Mozambique.

As far as the United States itself is concerned, there are, today, more Soviet reconnaissance bombers in Cuba than there were at the time of the Cuban missile crisis.

Mr. President, only 3 weeks ago, Soviet reconnaissance bombers flew within 60 miles of the U.S. coast, flying over several American warships, including the carrier, U.S.S. *Saratoga*. This is a direct violation of the Soviet-United States agreement on nonharassment. The Soviet bombers stayed until they were chased away by two U.S. F–4 Phantom jet fighters which scrambled from Seymour Johnson Air Force Base in my own State of North Carolina.

It is ironic that this provocative act occurred only days before the signing of the 200-mile fishing agreement with Cuba.

The Foreign Relations Committee proposal has been limited to sales of food and medicine, as though Cuba were seeking purely humanitarian purchases. The fact is that both food and medicines are strategic items in time of conflict. The fact that Castro has 3,000 wounded troops in Angola right now in need of medicine speaks for itself. And even if an agreement were reached with Cuba not to reexport medicines, there is no way to guarantee that the American supplies would not merely replace what was being sent to Angola to aid the Communist military effort there.

Moreover, we must not forget that Castro is still holding 27 known American prisoners, eight of whom are designated to this day as political prisoners. At least 10,000 Cubans and probably as many as 40,000 Cubans are being held in prison camps and so-called reeducation camps. And nearly 800 Cuban-Americans with dual citizenship who are seeking to emigrate to the United States are being held in Cuba against their will.

Mr. President, I recently asked the Secretary of State to provide me with whatever information the Department had on political prisoners in Cuba. The names of the eight political prisoners supplied are as follows:

Frank Emmick of Ohio;
Everett D. Jackson of Illinois;
Lawrence Lunt of Massachusetts;
Claudio Rodriguez Morales of Puerto Rico;
John Tur of Florida;
Rafael Del Pino of Cuba;
Antonio Garcia Crews of Cuba; and
Carmen Ruiz of Cuba.

Mr. President, I ask unanimous consent that the letter I received from Assistant Secretary of State Douglas J. Bennett, Jr., be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., April 11, 1977.

Hon. JESSE HELMS,
U.S. Senate.

DEAR SENATOR HELMS: Secretary Vance has asked me to reply to your recent letter in which you request information about political prisoners in Cuba.

Cuba is presently holding eight Americans in prison on political charges. These people are serving 20 to 30 year prison sentences handed down in the 1960's:

Frank Emmick of Ohio;
Everett D. Jackson of Illinois;
Lawrence Lunt of Massachusetts;
Claudio Rodriguez Morales of Puerto Rico;
John Tur of Florida;
Rafael Del Pino of Cuba;
Antonio Garcia Crews of Cuba; and
Carmen Ruiz of Cuba.

19 other Americans are serving jail terms in Cuba on criminal charges.

The Department has no precise information on the number of Cuban citizens held on political charges. Cuba has consistently refused to permit inspection of its jails by the OAS Human Rights Commission or other international bodies. Based on information developed by private US groups, and on the public statements of Cuban officials, we estimate that there may be as many as 10–15,000 persons under detention in Cuba for political reasons. A large portion of this number are probably held in re-education camps and and perhaps 2,000 in maximum security-type institutions. We know that several prominent early opponents to Castro, such as Hubert Matcs, are still in prison serving sentences of up to 20 years.

Sincerely,

DOUGLAS J. BENNET, JR.,
Assistant Secretary for Congressional Relations.

Mr. HELMS. Mr. President, it is highly significant that the State Department admitted that Castro refused to permit any international organizations into Cuba to inspect the conditions of its prison camps and jails. A few days after I received this letter, however, the State Department itself was allowed to send two of its Foreign Service Officers to meet with the U.S. citizens. No word has been released on the results of these meetings, nor has any impartial international body yet been allowed to study the conditions of prisoners in general.

The case of Hubert Matos, mentioned in the State Department's letter, is a typical example of the way Castro treats

his opponents. Matos was once a ranking commander in Castro's rebel Army who became a military commander of Camaguey province in January, 1959, immediately following Castro's takeover of Cuba.

Ten months later, Matos resigned protesting increased Communist domination of the Castro regime. He was actually arrested on the ironic charge of "slandering the revolution by referring to it as 'Communist,' " a charge later changed to treason. Sentenced to 20 years, Matos has been in various political prisons since October 1959. He has been held incommunicado for the past 6 years. Members of his family in Cuba, including his father who is now over 90 years old, have repeatedly tried to visit Matos during this period, but without success. Chile has offered to release several top Communists in exchange for Matos' freedom, but Castro still refuses.

Yet, Mr. President, this is the regime that today we would begin to recognize.

Not with this Senator's vote, Mr. President. Not with this Senator's vote.

Mr. President, in my opinion, there should not even be any negotiations on resuming trade or diplomatic relations with Cuba until Cuba has done the following:

First, release of the Americans and the 15,000 to 40,000 political prisoners held by Castro.

Second, free access by the international media to Cuba and to the Soviet military bases there.

Third, withdrawal of Cuba's offensive forces in Africa.

Fourth, shutdown of the Soviet Union's advance military operational base in Cuba.

Fifth, the right of free emigration by anyone now in Cuba without restrictions or indirect repression.

Mr. President, only when Cuba has complied with those conditions can we even think of resuming normal relations with Cuba, that is, unless we have lost all of our standards in this country.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

SENATE RESOLUTION 165—WAIVER OF CONGRESSIONAL BUDGET ACT WITH RESPECT TO CONSIDERATION OF S. 1279

Mr. BURDICK. Mr. President, I ask unanimous consent to proceed to the immediate consideration of Senate Resolution 165.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 165) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1279.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BURDICK. Mr. President, this is a waiver necessary in order to secure the passage or the consideration of S. 1279.

The waiver is necessary because the bill as reported authorizes $225 million for fiscal year 1977 for drought assistance in those areas of the country suffering severe shortages of water.

S. 1279 was the President's response to the drought in those communities with a population of 10,000 or more.

This is necessary to get the waiver at this time. That is the purpose of the resolution and I move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 165) was agreed to, as follows:

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1279. Such waiver is necessary because the reported bill authorizes $225,000,000 for fiscal year 1977 for drought assistance in those areas of the country suffering severe shortages of water. S. 1279 is the President's response to the drought for those communities with a population of ten thousand or more. The recently passed Economic Stimulus Appropriations Act (H.R. 4876) contained an appropriation of $175,000,000 for this drought program.

The reported bill authorizes assistance to units of local government with a population of ten thousand or more, States, or Indian tribes. Areas eligible for assistance are those currently declared drought emergency areas under provisions of the Federal Disaster Relief Act, Small Business Act, Farmers' Home Act, or other relevant statutes. The Secretary of Commerce may also designate areas as drought emergency areas under this legislation.

Aid authorized by this bill is in two forms: grants of 50 per centum of the project cost or loans at 5 per centum; $150,000,000 of the program is for loans and $75,000,000 for grants.

Compliance with section 402(a) of the Congressional Budget Act of 1974 was not possible by May 15, 1976, because the drought conditions were not known at that time. The severity of the problem this past winter which is expected to continue through the summer of 1977 makes this an emergency situation not contemplated when fiscal year 1977 authorizations were reported to the Senate.

THE COMMUNITY EMERGENCY DROUGHT RELIEF ACT OF 1977

Mr. BURDICK. Mr. President, I ask unanimous consent that we now proceed to the consideration of S. 1279.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1279) to provide temporary authorities to the Secretary of Commerce to facilitate emergency actions to mitigate the impact of the 1976–77 drought and promote water conservation, reported with amendments.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Environment and Public Works with amendments, as follows:

On page 2, line 20, strike "November 30, 1977" and insert "September 30, 1978";

On page 4, line 8, following the period, insert "Funds authorized by this Act shall be obligated by December 31, 1977.";

On page 4, beginning with line 10, insert:

TITLE II

SEC. 201. The first sentence of section 201(a) of the Public Works and Economic Development Act Amendments of 1976 (Public Law 94-487) is amended by striking out "one year" and inserting in lieu thereof "eighteen months."

SEC. 2. Section 202 of such Act is amended—

(a) by striking out "and" at the end of subsection (4);

(b) by striking out "chapter 57 and subchapter 53 of such title relating to classification and General Schedule pay rates" in subsection (5), and inserting in lieu thereof "chapter 51 and chapter 53 of such title";

"(c) by striking out the period at the end of subsection (5), and inserting a semicolon in lieu thereof; and

(d) by adding at the end the following new subsections:

"(6) accept and use gifts or bequests of services, moneys and property; and

"(7) use appropriated funds and act as may be necessary and appropriate without regard to the provisions of section 551 of title 31, United States Code, section 34 of title 40, United States Code, and section 5 of title 41, United States Code.".

Mr. BURDICK. Mr. President, on March 23, 1977, President Carter proposed to Congress certain legislative actions to provide assistance to many of the Western and plains States suffering from a prolonged and severe drought. One of those proposals is embodied in S. 1279, the Community Emergency Drought Relief Act of 1977, which I introduced on April 7.

The bill authorizes $225 million in grant and loan authority to the Economic Development Administration for assistance to communities of 10,000 or more population for drought-related projects. Such Federal assistance may be for the improvement, expansion, or construction of water supplies, and purchase and transportation of water, which in the opinion of the Secretary of Commerce will make a significant contribution to the relief of an existing or threatened drought condition.

The administration proposal is an emergency measure. The President proposes assistance to be available to communities for emergency water system improvements which can be completed quickly and which are essential to protect public health and safety. The Secretary of Commerce may designate areas as drought impact areas and thereby indicate eligibility of communities within such areas.

Of the $225 million in new authority, $75 million is to be in the form of grants not to exceed 50 percent of project costs. Loan assistance in the amount of $150 million at 5 percent per annum for not more than 40 years makes up the greater portion of the Presidential request. Eligible applicants are States, political subdivisions of States, Indian tribes, or public or private nonprofit organizations. Similar assistance for communities less than 10,000 is to be provided by the Farmers Home Administration.

Mr. President, the Subcommittee on

Regional and Community Development of the Committee on Environment and Public Works held hearings on the President's proposal on April 5. The bill was reported on May 2. The committee accepted an amendment changing the program deadlines. As introduced, the bill required that funds be obligated by September 30 and all projects completed by November 30 of this calendar year. The committee amendment extended the deadline for obligation of funds to December 31, 1977, and the completion date of projects to the end of next fiscal year, September 30, 1978. Committee members, while not wishing to alter the emergency character of the President's proposal, believed the September 30 deadline to obligate projects and the November 30 time limitation to complete them were not realistic, notwithstanding the provision in section 101(d) of the bill permitting the Secretary to extend the time for completion of projects beyond November 30, 1977, "in exceptional circumstances."

Secretary of Commerce Kreps wrote me on May 4 requesting that the Senate reconsider the administration-proposed deadlines for obligation of funds and completion of projects. Mr. President, I ask unanimous consent that Secretary Kreps' letter be printed in the RECORD at the conclusion of this statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BURDICK. Mr. President, on Monday, May 9, I understand that Senator DOMENICI talked with EDA Assistant Secretary Robert Hall concerning the deadlines. Senator DOMENICI was the author of the unanimously adopted committee amendment extending the time limits. He is prepared today to offer an amendment to the committee bill that would change the time of completion of projects from Septetmber 30, 1978, to April 30, 1978. That is agreeable to me.

Mr. President, Senator CRANSTON has offered an amendment to the reported bill that provides that communities that have already undertaken emergency drought projects this fiscal year before this bil lbecomes law would be eligible for assistance if these projects are found to be compatible with this act.

The Committee on Environment and Public Works has no objection to this amendment. Senator CRANSTON's explanation that communities that have begun such projects should not be penalized is entirely reasonable. I understand the administration has no objection to the amendment.

The stimulus appropriation bill sent to the President this past week contained the appropriation for this emergency drought measure. Although the President requested $225 million, the conferees provided $175 million. I am told concern was expressed that the larger amounts might not be obligated in the limited time provided. The majority and minority leadership of the committee recommends to the Senate and the administration that $75 million of the appropriated funds be available for grants and $100 million for loans. If additional funds are required before the end of this fiscal year, the administration may request a supplemental appropriation for the remaining $50 million.

Let me state that there is some apprehension among committee members whether this bill is flexible enough to meet the stated needs. A rigid 50-percent limit on grants has prompted the committee to state its preference in the report on the bill for the use of inkind services in lieu of local matching share, pursuant to regulations issued by the Secretary. However, in order to expedite passage of the bill and because of the administration's expressed wish that the bill not be amended extensively, the committee did not press for more changes.

Finally, a minor amendment to the bill requested by the administration has been added as title II. It would extend the time from 12 to 18 months from October 1976 within which a White House Conference on Balanced National Growth and Economic Development may be convened. Public Law 94-487, an act to extend the Public Works and Economic Development Act of 1965, as amended, for 3 years contained an authorization for such White House conference within 1 year of enactment of that act. The amendment further makes technical corrections in the earlier authorization relating to classification and salary requirements of staff.

I ask unanimous consent that a statement by the chairman of the Committee on Environment and Public Works, Senator JENNINGS RANDOLPH, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

EXHIBIT 1

WASHINGTON, D.C.,
May 4, 1977.

Hon. QUENTIN N. BURDICK,
Chairman, Subcommittee on Regional and Community Development, Committee on Environment and Public Works, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Senate will soon be considering S. 1279, the Emergency Drought Relief Act of 1977. As you know, this legislation is one part of the President's short-term program to relieve the Nation's drought crisis. When enacted, this legislation will provide loans and grants to fund short-term public works projects such as construction of a pipe to temporarily carry water to a drought stricken area.

The success of the drought program depends upon immediate implementation. The parts of the President's package which are administered by the Department of the Interior and the Farmers Home Administration require that all funds for drought projects be obligated by September 30, 1977 and that all work on the projects be completed by November 30, 1977. Senate Bill 1279, the Emergency Drought Relief Act of 1977, contained the same deadlines at introduction. The reported bill requires funds to be obligated by December 31, 1977 and work on projects to be completed by October 1, 1978.

So that projects authorized by this legislation can deal with the immediate drought crisis and for purposes of consistency within the government-wide drought program, it is my hope, and the hope of the President, that the original September 30, 1977 deadline for the obligation of funds and the November 30, 1977 deadline for the completion of projects can be restored to this legislation. Of course, the Secretary of Commerce would retain the power to waive such deadlines in extraordinary circumstances.

I have reason to believe that the emergency drought bill can be signed into law within a few days of Senate pasage if it is unamended from its original form. I appreciate your prompt action on this emergency legislation and strongly encourage its expeditious adoption by the Senate.

Sincerely,

JUANITA M. KREPS.

EXHIBIT 2

STATEMENT BY SENATOR RANDOLPH

For much of the past year various areas of this country, particularly the west and midwest, have suffered severe shortages of rainfall and other precipitation. The result has been a severe drought affecting all forms of activity in the regions.

The Committee on Environment and Public Works reported the pending legislation in response to the request of President Carter for legislative action to protect communities of 10,000 or more population which have suffered prolonged and severe drought. This bill is only one aspect of the Administration's response to this national problem. Other aid is provided to communities, agricultural interests, and small business under other authorities. The measure being debated today authorizes $225 million in grant and loan authority. The Federal assistance provided will be for improvements, expansion or construction of water supply facilities, or the purchase or transportation of water. This relief is expected to reduce the severity of an existing or threatened drought condition.

The situation facing many communities is of an emergency nature. The Committee on Environment and Public Works responded to this Presidential initiative as quickly as possible. The aid provided will not be a long-term solution but will allow communities to provide facilities reducing the severity of this situation.

The urgency of the situation was recognized by both Houses of Congress recently when an appropriation of $175 million was included in the Economic Stimulus Appropriations Act (H.R. 4876). I hope the Senate will continue to view this situation as an emergency and that the House will respond as quickly so that the President will have legislation to reduce existing or threatened hardships. I urge my colleagues to support this measure.

UP AMENDMENT NO. 202

Mr. DOMENICI. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. Until the committee amendments have been disposed of, floor amendments are not in order.

Mr. DOMENICI. I ask unanimous consent that this amendment be in order at this time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI) proposes an unprinted amendment numbered 202.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, line 20, strike "September 30, 1978" and insert in lieu thereof the following: "April 30, 1978"

Mr. BURDICK. Mr. President, will the Senator yield?

Mr. DOMENICI. I yield.

Mr. BURDICK. Mr. President, I ask that the committee amendments be approved.

The PRESIDING OFFICER. Without objection, the committee amendments will be considered as original text for the purposes of amendment and are agreed to.

Mr. DOMENICI. Mr. President, I understand my amendment is in order at this time. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. Mr. President, I have a detailed statement explaining this amendment, so I will quickly summarize my purpose. The subcommittee chairman, Mr. BURDICK, understands it, and I believe the amendment is acceptable to him.

This emergency bill came to the Committee on Environment and Public Works, because the principal administrator of the program will be the Economic Development Administration. The program is for communities of 10,000 and more. The Farmers Home Administration will have a similar program for communities of 10,000 and less. When the bill came to us, the administration was recommending a national program of $225 million of grants and loans, but it had some rather severe deadlines in terms of when communities could apply and how long they had to complete projects. Applications had to be in for emergency drought relief projects by September 30, 1977, and all projects had to be completed by November 30, 1977.

The full committee found those dates to be unreasonably short—both in terms of how long you had to apply and how long you had to do the work—to attempt to resolve the drought. At my suggestion and on my amendment the dates were moved to December 31, 1977, and the end of the fiscal year, September 30, 1978, respectively.

As a result of that change, the administration has had some genuine concern, because they feel that perhaps by such an extension we will become a bit confused on temporary relief and permanent relief for drought. I am not that concerned about it, but in an effort to accommodate I offer this amendment to cut the dates back so that all applications will have to be in by December 31, 1977, and all work will have to be completed by April 30, 1978.

The Secretary has some flexibility on a case-by-case basis to extend that completion time, if it is in the interest of a particular project and if in fact it meets the criteria set out in the bill.

I understand that the Appropriations Committee, as stated by the distinguished chairman, has appropriated $175 million to accomplish the purposes, although $225 million was expected originally. I do not think we can say here today that the drought is over, and I do not think we can say that $175 million will do the job. That is why my amendment will permit applications to be processed through December 31 of this year.

In the event EDA and the administration find, or the Appropriations Committee finds, that there are still pending substantial projects, we will have another opportunity to appropriate additional funds and we would have the months between September 30 and December 31, 1977, to do that. All applicants will still have until April of next year to get the money expended for projects.

It is with that in mind—an accommodation to the administration, because they are fearful of extraneous projects being included—that I cut back my dates. I believe that we still will be able to get done under this bill whatever work needs to be done during these time frames and with the added flexibility given the Secretary.

That was my original concern, and that of the entire Public Works Committee, for they unanimously supported the extension—as the Senator from New York, the present occupant of the Chair, knows full well. I think our purpose will be met and communities of need will be served.

Mr. President, if the chairman has no objection, I move the adoption of my amendment.

Mr. BURDICK. Mr. President, we accept the amendment and join in its adoption.

Mr. DOMENICI. Mr. President, I ask unanimous consent that my statement further explaining this matter be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DOMENICI

The amendment I am offering to S. 1279 would change the period of time available for completion of projects funded under the program. My amendment would change the completion date from September 30, 1978—the date in the bill as reported by the Committee—to April 30, 1978.

I offer this modification after discussions with representatives of the Administration who have expressed concern about the deadlines in the Committee bill. I have, also, talked with my colleagues on the Committee, particularly the Chairman of the Subcommittee, Mr. Burdick. I understand the amendment is acceptable to him.

The project deadlines are important to the overall effectiveness of the program. During Committee mark-up, I expressed concern about some of the provisions in the bill. I was particularly concerned that the short time deadlines in the measure were too restrictive in a new program of this size, and I offered an amendment to extend the time available for completion of projects and the deadline on obligation of funds.

I believed the amendment was necessary if we wanted to help communities and if we expected proper implementation of a multi-million dollar program. The full Committee agreed and adopted my amendment unanimously.

The Administration has raised concerns about the length of the extension. After some negotiations, I am offering this amendment to modify my original amendment on the completion date. I understand the amendment is agreeable to the Administration.

I appreciate that this is a temporary program responding to the drought emergency, but I believe the deadlines I am proposing offer a more realistic approach to the problem than the deadlines in the original proposal.

The bill, as introduced, required that all projects funded through the program be completed by November 30 of this year. There may be projects which could not be completed in only a few months. These are not simple projects. We have given the Secretary, within the determination of an emergency, the flexibility to consider more sophisticated projects, some which may be rather extensive. If additional time is needed beyond April 30th, the Secretary may waive the completion date required by the bill.

The time available for the completion of projects applies to all program funds—the $175 million appropriation, funds spent under the Cranston amendment and any funds which may be appropriated later.

A second part of my amendment adopted by the Committee extends the obligation date for funds from September 30th to the end of the calendar year. The second deadline remains as reported.

The original legislation required that the entire $225 million authorization be obligated by September 30th of this year. It is already May. The House has not yet considered the measure. I believe it would be difficult to get a program of this size—especially a new program—into place and operating sufficiently well in the time remaining before September. I considered the proposed time periods too short and I believed that many needy communities would be penalized in the process.

We must not be in a position of saying there is an emergency and we want to help but on the other hand imposing such restrictive time periods that needy communities may not participate.

The stimulus appropriation bill provides $175 million for the program for fiscal year 1977. I do not disagree with the Appropriations Committee position that $175 million is adequate for the remainder of this fiscal year. By retaining the December 31, 1978, obligation date, I am only saying that we will take a look at the program in a few months from now to see what is needed. We will have $50 million more in program authority and the first 3 months in F.Y. 1978 to appropriate if it appears necessary.

The additional drought assistance authorized in S. 1279 is greatly needed. I support quick action on the legislation so the program can get underway and communities begin work. I have other concerns about the overall effectiveness of this program. The urgency of the situation, however, requires action on a drought assistance measure now. I do not believe we can take the time required to draft a broad drought assistance package addressing the longer term issues. Because of the need for some form of assistance at this time, I voted to report the Administration's bill essentially as it was introduced. I believe my amendment will ease one problem which has been raised by several individuals at the local and state level who have studied this measure.

The drought in my state is serious and grows worse each day we go without rain.

The April 1 projections of spring and summer streamflow runoff range from 32% for the San Juan River at Navajo Dam to 85% for the Upper Pecos River system. Forecasted streamflow for most of our major stream systems ranges from 40% to 70% of the fifteen-year average, with the exception of El Vado Reservoir which contains about 62,000 acre-feet of imported San Juan-Chama Project water available for use in the Middle Rio Grande Conservancy District and Elephant Butte and Caballo Reservoirs which are near the 15 year average. Water stored in Conchas Reservoir for the Tucumcari Project is less than 10% of average and that project suffered a 90% shortage last year.

About 15% of our domestic and industrial

water requirements are met with surface flows. Thirty of our communities use surface water and some of these have wells from which a part of their requirements are met. Some of the communities relying totally or in part on surface water sources may experience problems if the drought continues another three to six months; as many as 85,000 people might be affected.

Stockmen and dry land farmers have already been seriously affected by the drought. Eight New Mexico counties have been designated drought disaster areas, making available in those counties the benefits of emergency agricultural programs.

The Congress must continue to monitor the effectiveness of this and other emergency drought measures in addressing the problem and the needs of States and communities as the dry spell continues.

There is a strong possibility that drought conditions in many areas will continue. We must, therefore, be ready to respond to an increasingly difficult problem. I think, however, that we will need to consider more than short-term measures. Regretfully, I do not think we have seen the end to the problem with the passage of this bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

The amendment was agreed to.

Mr. DOMENICI. I move to reconsider the vote by which the amendment was agreed to.

Mr. BURDICK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 203

Mr. BURDICK. Mr. President, on behalf of Senator CRANSTON I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Dakota (Mr. BURDICK) for Mr. CRANSTON proposes unprinted amendment No. 203.

The amendment is as follows:

On page 4, after the period on line 9, insert the following:

SEC. 106(b) Funds available to the Secretary for this Act shall be available for expenditure for drought impact projects conducted heretofore by eligible applicants during fiscal year 1977 if such projects are found to be compatible with the broad purposes of this Act.

Mr. BURDICK. Mr. President, this is the amendment to which I referred a few minutes ago, and I believe the other side is agreeable, and I ask for its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

The PRESIDING OFFICER. Are there any further amendments? If there be no further amendment, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill, S. 1279 was passed as follows:

An Act to provide temporary authorities to the Secretary of Commerce to facilitate emergency actions to mitigate the impacts of the 1976–77 drought and promote water conservation

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act be cited as the "Community Emergency Drought Relief Act of 1977".

SEC. 101. (a) Upon the application of any State, political subdivision of a State, Indian tribe, or public or private nonprofit organization, the Secretary of Commerce is authorized to make grants and loans to applicants in drought impacted areas for projects that implement short-term actions to augment community water supplies where there are severe problems due to water shortages. Such assistance may be for the improvement, expansion, or construction of water supplies, and purchase and transportation of water, which in the opinion of the Secretary of Commerce will make a substantial contribution to the relief of an existing or threatened drought condition in a designated area.

(b) The Secretary of Commerce may designate any area in the United States as an emergency drought impact area if he or she finds that a major and continuing adverse drought conditions exists and is expected to continue, and such condition is causing significant hardships on the affected areas.

(c) Eligible applicants shall be those States or political subdivisions of States with a population of ten thousand or more, Indian tribes, or public or private nonprofit organizations within areas designated pursuant to subsection (b) of this section.

(d) Projects assisted under this Act shall be only those with respect to which assurances can be given to the satisfaction of the Secretary of Commerce that the work can be completed by April 30, 1978, or within such extended time as the Secretary may approve in exceptional circumstances.

SEC. 102. Grants hereunder shall be in an amount not to exceed 50 per centum of allowable project costs. Loans shall be for a term not to exceed 40 years at a per annum interest rate of 5 per centum and shall be on such terms and conditions as the Secretary of Commerce shall determine. In determining the amount of a grant assistance for any project, the Secretary of Commerce may take into consideration such factors as are established by regulation and are consistent with the purposes of this Act.

SEC. 103. In extending assistance under this Act the Secretary shall take into consideration the relative needs of applicant areas for the projects for which assistance is requested, and the appropriateness of the project for relieving the conditions intended to be alleviated by this Act.

SEC. 104. The Secretary of Commerce shall have such powers and authorities under this Act as are vested in the Secretary by sections 701 and 708 of the Public Works and Economic Development Act of 1965, as amended, with respect to that Act.

SEC. 105. The National Environmental Protection Act of 1969, as amended, shall be implemented to the fullest extent consistent with but subject to the time constraints imposed by this Act, and the Secretary of Commerce when making the final determination regarding an application for assistance hereunder shall give consideration to the environmental consequences determined within that period.

SEC. 106. (a) There is hereby authorized to be appropriated for the fiscal year ending September 30, 1977, $225,000,000 of which sum $150,000,000 is to be for the loan program herein, including administration thereof, and $75,000,000 of which is to be used for the grant program herein, including administration thereof, and such additional amounts for the fiscal year ending September 30, 1978, as may be reasonably needed for administrative expenses in monitoring and closing out the program authorized by the Act. Funds authorized by this Act shall be obligated by December 31, 1977.

(b) Funds available to the Secretary for this Act shall be available for expenditure for drought impact projects conducted heretofore by eligible applicants during fiscal year 1977 if such projects are found to be compatible with the broad purposes of this Act.

TITLE II

SEC. 201. The first sentence of section 201 (a) of the Public Works and Economic Development Act Amendments of 1976 (Public Law 94–487) is amended by striking out "one year" and inserting in lieu thereof "eighteen months".

SEC. 202. Section 202 of such Act is amended—

(a) by striking out "and" at the end of subsection (4);

(b) by striking out "chapter 57 and subchapter 53 of such title relating to classification and General Schedule pay rates" in subsection (5), and inserting in lieu thereof "chapter 51 and 53 of such title";

(c) by striking out the period at the end of subsection (5), and inserting a semicolon in lieu thereof; and

(d) by adding at the end the following new subsections;

"(6) accept and use gifts or bequests of services, moneys and property; and

"(7) use appropriated funds and act as may be necessary and appropriate without regard to the provisions of section 551 of title 31, United States Code, section 34 of title 40, United States Code, and section 5 of title 41, United States Code.".

Mr. BURDICK. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 1279.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE STANDING RULES OF THE SENATE

The Senate continued with the consideration of the motion to proceed to the consideration of the resolution (S. Res. 5) to amend the Standing Rules of the Senate.

Mr. WALLOP. Mr. President, I wish to take up again the discussion leading up to the eventual consideration of Senate Resolution 5.

During the brief colloquy we had with the distinguished majority leader he raised several points which, I think, serve to enhance rather than to allay the fears of the minority as to the direction the Senate might take if it were to adopt Senate Resolution 5 as it is proposed.

The distinguished majority leader said it was the business of the Senate to act upon the people's business, and I am sure that no Senator would quarrel with that. But it is probably one of the single rights within the possession of any Senator that he may be the determiner as how he perceives the people's business. It is not the tyranny of the majority which should be the final deciding factor in that.

The distinguished majority leader said he expected every Senator to be respon-

sible in pursuit of that point. Again I would suggest that in a body of grown men it would be the individual's own decision as to what was a responsible pursuit of that point. Should he be in the eyes of his constituents irresponsible, I have little doubt but what they would determine for him in the next succeeding election what indeed was responsible.

The distinguished majority leader raised the specter of majority cloture as something that should be clearly in the minority's mind as a threat should the Senate resolution as proposed not be adopted as the new rule XXII. He said, and I quote him:

> There will come a day when it will arise again.

I would suggest, Mr. President, that whether or not we pass Senate Resolution 5 the move for majority cloture will arise again and again and again. It, in fact, leads me to believe that the maintenance of the standard of rule XXII essentially as it exists is the single best protection against the threat of majority cloture as raised by the distinguished majority leader.

He spoke of the great civil rights debates of the sixties. I would pose a question rhetorically in his absence: Were those not, in fact, debates about the rights of minorities?

He also said it was impossible to conceive of such a thing as the Senate's consuming the whole 50 hours proposed by him with Senate Resolution 5 as a limitation on the post-cloture period.

I questioned him as to why, if that was inconceivable, we even bother to tamper with rule XXII. If it is conceivable that we would consume the 50 hours, why is it conceivable that the 100 hours remain as a threat? I would suggest that that question is legitimate to the very point we are talking about, as to whether or not it is even legitimate or unnecessary or in any way the people's business to take up the time of the Senate in amending a rule that it is inconceivable now that in some manner or another we would transgress half as much.

But let us for a minute discuss the question of minorities. Both the distinguished minority leader and the Senator from Rhode Island distinguished between a minority and the minority, and I think it is an important distinction. The majority leader suggested it was very much his hope that these things would not divide along partisan lines, that the minority would be a group of Senators from both sides seriously interested in resisting the progress of a given piece of legislation because of deep-seated philosophical concerns about it.

Whether or not it is the minority or a minority is really irrelevant. There can be, and there has existed, in the country and in the Senate a tyranny of the majority. One of the protections in this body against such a tyranny is the rights of individual Senators, and the threat of infringing upon those rights is before us. The means of dealing with dilatory motions do in fact exist within the rules and within the capability of the rulings of the Chair.

We are dealing not with the present Presiding Officer, mind you, but with presiding officers in general who have been reluctant to rule tactics, motions, and other things as dilatory.

Much like Congress is wont to do in other things with the whole Nation, problems of the whole Nation, it pinpoints the problem, and rather than dealing with the problem it throws a blanket over it and assumes that somehow or other it will suffocate everything, and we will emerge without the problem.

I would suggest that that was not true, and would not be true. I would also suggest that if it were true the problem we would emerge with would be a far more serious problem, far more troublesome problem, to every individual Senator, minority or majority.

There are some interesting quotes that come out of history and the great philosophers of this country and others about majorities and minorities dealing generally outside the question of whether it is the minority or a minority.

Emerson wrote:

> What age was not dull? When was not the majority wicked? or what progress was ever made by society?

Abraham Lincoln said in his first inaugural address:

> If by the mere force of numbers a majority should deprive a minority of any clearly written constitutional right it might, in a moral point of view, justify revolution—certainly would if such a right were a vital one.

Now, Mr. President, I am not suggesting that the minority in the Senate at the moment is threatening justifiable revolution or any other kind of revolution. But it is a fact that there has been a recognized principle by many great philosophers that a majority can, in fact, inflict ill-will upon a minority.

And it is true that if that takes place without due consideration to the rights of that minority, and that minority could be as few as a single Senator, then the people's business has not been well served and the tack upon which we are launched at this moment in time is in fact not a service to the country and not in the interests of the conduct of the people's business.

Emerson wrote again in an essay entitled "The Conduct of Life: Considerations by the Way":

> Shall we judge a country by the majority, or the minority?

And he answers his own question, "By the minority, surely."

Is that not truly what the great civil rights debates were about? Is it not truly what people stand for when they talk of protecting the rights of minorities? Is it not truly the country's business, the people's business to look at that whether in the conduct of its business or in the conduct of the legislation that affects the people at large in the country?

Playwright Ibsen wrote that:

> The most dangerous foe to truth and freedom in our midst is the compact majority.

And using his words, Mr. President, not mine, he answers his question:

> Yes, the damned, compact, liberal majority.

The Senator from Wyoming would not suggest that Ibsen's words were applied to the Senate as it is presently constituted. It is meant as an illustration and not as an accusation which the Senator from Wyoming has pulled out of Ibsen.

But he also, in the same play, which was entitled "An Enemy of the People"—and it came from act IV of that play—in the same act he launched on a series of complaints as to what majorities could do to minorities, and I shall not bore the Presiding Officer with all of them, but surely some of them are worth listening to, and they couple right together.

> The minority is always in the right.

And:

> The majority never has right on its side.

Mr. President, sometimes the Senator from Wyoming wishes that were true but is practical enough to realize that there are those moments when wisdom and prudence would suggest that other things took place.

But in reviewing the whole business that sits before us as to whether or not it is legitimate business of this Senate to consider amendments to rule XXII, I have looked in the variety of papers as to how minorities fit into societies and, like it or not, the Senate is in its way a constructed society, constructed by the rules and participated in by the Members of it, and it has within it majorities and minorities, and they are fluctuating from one side to the other, depending on the course of legislation and depending on the philosophical concepts which one Member or another or a group of Members or others may have at a given time.

I think it is not inconceivable—in fact I think it is less than not inconceivable—I think it is highly conceivable, though it may come something as a surprise to the majority party, that it may not always be the majority party and could, in fact, be grateful to the Senator from Wyoming and others who are not sitting here trying to protect the rights of minorities as they constitute the bloc of voting members in the Senate from time to time.

Indeed, it would be my hope that the wisdom of the country would be expressed in that manner in a very short period of time so that we might demonstrate that what I said before; that is, not always is the majority a tyranny.

Mr. President, I shall briefly read from an article by a man named Arnold Rose, which appears in the International Encyclopedia of Social Sciences, because I think it is germane to what we speak of here, and he talks about the attitudes of hostility or prejudice with which a dominant group regards the minority and with which the minority may attempt to counter the dominant group, and this I think is particularly significant when we are dealing in terms of the phrase used "a minority" and not "the minority" because this is when it would take place within the Senate.

> The first is an attitude in which power is the main element: The dominant group wishes to exploit the minority for economic, political, or sexual purposes, or for prestige, and the minority group seeks to escape their exploitation. While the achievement of ascendancy in terms of one or more of these

scarce values may be brutal, including enslavement—

If you will—

of the minority, it is seldom personal, nor does it, except accidentally, result in the death of a minority person.

I suggest that is probably the truth in the Senate.

The second attitude—

More pertinent, in fact—

. . . is ideological: the dominant group believes that it has a monopoly on the "truth", as may the minority group also. The achievement of ascendancy by one ideological group over the other results in drastic efforts to convert the minority to the dominant group's version of the "truth"; failing that, it vanishes the minority by exile or death.

I suggest, in this instance, that the limitation on time is the physical exile by the dominant group, whatever it might be, and in the course of debate on a given issue would exile the minority.

Mr. President, that concludes my remarks on why I think it is essentially unnecessary for the Senate to really consider the amendments to rule XXII, especially in light of the distinguished majority leader's declaration that it is inconceivable that the Senate would today even use up the 50 hours called for under his rule change. I think that if that is the case the people's business would be better served if we proceeded to the consideration of the major issues before the country, such as the Clean Air Act, the strip mining bill, and other social bills of great benefit to the country.

I thank you, Mr. President.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. BURDICK. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

The motion was agreed to, and at 5:50 p.m. the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 6:45 p.m., when called to order by the Presiding Officer (Mr. MATSUNAGA).

COMMITTEE MEETINGS

Mr. ROBERT C. BYRD. Mr. President, I repeat my request of yesterday. I ask unanimous consent that the Human Resources Committee may be authorized to meet on Friday from 11 a.m. to 2 p.m.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Sentor from Tennessee reserves the right to object.

Mr. BAKER. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR TALMADGE ON TUESDAY, MAY 17, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on next Tuesday, after the two leaders or their designees have been recognized under the standing order, Mr. TALMADGE be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT THE COMMITTEE ON THE BUDGET BE AUTHORIZED UNTIL MIDNIGHT TO FILE CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on the Budget be authorized to have until midnight tonight to file a conference report on Senate Concurrent Resolution 19.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR ROTH TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow after the two leaders or their designees have been recognized under the standing order Mr. ROTH be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

WAIVER OF CONGRESSIONAL BUDGET ACT WITH RESPECT TO CONSIDERATION OF S. 11

Mr. ROBERT C. BYRD. Mr. President, I hold in my hand a waiver resolution, Senate Resolution 163, which is a waiver with respect to S. 11, the omnibus judgeship bill.

I ask unanimous consent that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution.

The second assistant legislative clerk read as follows:

A resolution (S. Res. 163) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 11, a bill to provide for the appointment of additional district court judges, and for other purposes,

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 163) was considered, and agreed to, as follows:

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 11, a bill to provide for the appointment of additional district court judges. Such waiver is necessary to permit consideration of the authorization of additional Federal district and circuit court judges for fiscal year 1977. Similar bills, S. 286 and S. 287, were passed by the Senate prior to May 15, 1976, but failed of final passage because not taken up by the House of Representatives prior to the adjournment of the Ninety-fourth Congress. Final enactment of S. 11 will likely require encumbering of funds for the final quarter of fiscal year 1977 not in excess of $7,700,000, an amount equal to the estimate submitted by the Committee on the Judiciary March 15, 1976. If consideration of S. 11 is prevented, the current backlog of cases in the Federal district courts will continue to rise, the burden on sitting judges will also increase, and the administration of justice will be significantly impeded.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR TRANSFER OF MEASURE TO UNANIMOUS-CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there is a measure on the calendar, Calendar Order No. 109, S. 126, a bill to reduce the hazards of earthquakes. It has been cleared for passage by unanimous consent.

I ask unanimous consent that the clerk transfer that measure to the Unanimous-Consent Calendar.

The PRESIDING OFFICER. Without objection, the measure will be so transferred.

ORDER FOR RECESS UNTIL 4 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 4 p.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 4 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 4 p.m. tomorrow afternoon.

The motion was agreed to; and at 6:49 p.m. the Senate recessed until tomorrow, Thursday, May 12, 1977, at 4 p.m.

HOUSE OF REPRESENTATIVES—*Wednesday, May 11, 1977*

The House met at 3 o'clock p.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Be not conformed to this world, but be ye transformed by the renewing of your mind, that ye may prove what is that good, and acceptable, and perfect will of God.—Romans 12: 2.

O God, whose love never lets us go, whose strength never lets us down, and whose justice never lets us off, we thank Thee for the glow and glory of another day. May we make it a great day for Thee and for our country. Grant that each one of us may be faithful to the best we know,

loyal to the truth, eager to do what is right, and ready to love—keeping ourselves committed to Thee.

"Have thine own way, Lord! Have thine own way! Thou art the potter; I am the clay, mold me and make me after Thy will, while I am waiting, yielded, and still."

Not only be with us but bind us together in a vital fellowship of mind and heart as we seek to work for the good of our country and the benefit of all mankind.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Is there objection to the approval of the Journal?

Mr. YOUNG of Florida. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

The question is on the approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. YOUNG of Florida. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 386, nays 12, answered "present" 3, not voting 31, as follows:

[Roll No. 220]

YEAS—386

Abdnor	Breckinridge	Danielson
Addabbo	Brinkley	Davis
Akaka	Brodhead	de la Garza
Alexander	Brooks	Delaney
Allen	Broomfield	Dellums
Ambro	Brown, Calif.	Derrick
Ammerman	Brown, Ohio	Derwinski
Anderson, Calif.	Broyhill	Devine
	Buchanan	Dickinson
Anderson, Ill.	Burke, Calif.	Dicks
Andrews, N.C.	Burke, Fla.	Diggs
Andrews, N. Dak.	Burke, Mass.	Dodd
	Burleson, Tex.	Dornan
Annunzio	Burlison, Mo.	Downey
Applegate	Burton, John	Drinan
Archer	Burton, Phillip	Duncan, Oreg.
Armstrong	Butler	Duncan, Tenn.
Ashbrook	Byron	Early
Ashley	Caputo	Eckhardt
Aspin	Carney	Edgar
AuCoin	Carr	Edwards, Ala.
Badham	Carter	Edwards, Calif.
Badillo	Cavanaugh	Edwards, Okla.
Bafalis	Chappell	Eilberg
Baldus	Chisholm	Emery
Barnard	Clausen, Don H.	English
Baucus	Clay	Erlenborn
Bauman	Cleveland	Ertel
Beard, R.I.	Cochran	Evans, Colo.
Beard, Tenn.	Cohen	Evans, Del.
Bedell	Coleman	Evans, Ga.
Beilenson	Collins, Ill.	Evans, Ind.
Benjamin	Collins, Tex.	Fary
Bennett	Conte	Fascell
Biaggi	Conyers	Fenwick
Bingham	Corcoran	Findley
Blanchard	Corman	Fish
Boggs	Cornell	Fisher
Boland	Cornwell	Fithian
Bolling	Cotter	Flippo
Bonior	Coughlin	Flood
Bonker	Crane	Flowers
Bowen	Daniel, Dan	Flynt
Brademas	Daniel, R. W.	Foley
Breaux	Davis	Ford, Tenn.
Fountain	McCormack	Rosenthal
Fowler	McDade	Rostenkowski
Fraser	McDonald	Rousselot
Frey	McEwen	Roybal
Fuqua	McFall	Rudd
Gammage	McHugh	Runnels
Gaydos	McKay	Ruppe
Gephardt	McKinney	Russo
Giaimo	Maguire	Ryan
Gibbons	Mahon	Santini
Gilman	Mann	Satterfield
Ginn	Markey	Sawyer
Goldwater	Marks	Scheuer
Gonzalez	Marlenee	Schroeder
Goodling	Marriott	Schulze
Gore	Mathis	Sebelius
Gradison	Mattox	Seiberling
Grassley	Mazzoli	Sharp
Gudger	Meeds	Shuster
Guyer	Metcalfe	Sikes
Hagedorn	Meyner	Simon
Hall	Michel	Skelton
Hamilton	Mikulski	Skubitz
Hammer-schmidt	Milford	Smith, Iowa
	Miller, Calif.	Smith, Nebr.
Hanley	Miller, Ohio	Snyder
Hannaford	Mineta	Solarz
Harkin	Minish	Spellman
Harris	Mitchell, N.Y.	Spence
Harsha	Moakley	St Germain
Hawkins	Moffett	Staggers
Hefner	Mollohan	Stangeland
Heftel	Montgomery	Stanton
Hightower	Moore	Stark
Holland	Moorhead, Calif.	Steed
Hollenbeck		Steers
Holt	Moorhead, Pa.	Stockman
Horton	Moss	Stokes
Howard	Mottl	Studds
Hubbard	Murphy, Ill.	Stump
Huckaby	Murphy, Pa.	Symms
Hughes	Murtha	Taylor
Hyde	Myers, Michael	Thone
Ireland	Myers, Ind.	Thornton
Jeffords	Natcher	Treen
Jenkins	Neal	Trible
Jenrette	Nedzi	Tsongas
Johnson, Calif.	Nichols	Tucker
Johnson, Colo.	Nix	Udall
Jones, N.C.	Nolan	Ullman
Jones, Okla.	Nowak	Vander Jagt
Jones, Tenn.	O'Brien	Vanik
Jordan	Oakar	Vento
Kasten	Oberstar	Volkmer
Kastenmeier	Obey	Waggonner
Kazen	Ottinger	Walgren
Kelly	Panetta	Walker
Kemp	Patten	Walsh
Ketchum	Patterson	Wampler
Keys	Pattison	Watkins
Kildee	Pease	Waxman
Kindness	Pepper	Weiss
Koch	Perkins	Whalen
Kostmayer	Pettis	White
Krebs	Pickle	Whitehurst
Krueger	Pike	Whitley
LaFalce	Poage	Whitten
Lagomarsino	Pressler	Wilson, Bob
Latta	Preyer	Wilson, C. H.
Le Fante	Pursell	Wilson, Tex.
Leach	Quie	Winn
Lederer	Quillen	Wirth
Leggett	Rahall	Wolff
Lehman	Railsback	Wright
Lent	Rangel	Wydler
Levitas	Regula	Wylie
Lloyd, Calif.	Reuss	Yates
Lloyd, Tenn.	Richmond	Yatron
Long, La.	Rinaldo	Young, Alaska
Long, Md.	Risenhoover	Young, Fla.
Lott	Roberts	Young, Mo.
Lujan	Robinson	Young, Tex.
Luken	Rodino	Zablocki
Lundine	Rogers	Zeferetti
McClory	Rooney	
McCloskey	Rose	

NAYS—12

Brown, Mich.	Ichord	Quayle
D'Amours	Jacobs	Sarasin
Frenzel	Mitchell, Md.	Steiger
Glickman	Pritchard	Traxler

ANSWERED "PRESENT"—3

Harrington	Heckler	Martin

NOT VOTING—31

Bevill	Florio	Murphy, N.Y.
Blouin	Ford, Mich.	Myers, Gary
Burgener	Forsythe	Price
Cederberg	Hansen	Rhodes
Clawson, Del	Hillis	Roe
Conable	Holtzman	Roncalio
Dent	Madigan	Shipley
Dingell	Mikva	Sisk
Slack	Thompson	Wiggins
Stratton	Van Deerlin	
Teague	Weaver	

So the Journal was approved.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 6810, AMENDING STATE AND LOCAL FISCAL ASSISTANCE ACT OF 1972

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Report 95–285) on the resolution (H. Res. 560) providing for consideration of H.R. 6810, to amend and extend title II of Public Law 94–369, to establish a new title to the State and Local Fiscal Assistance Act of 1972, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO SIT DURING 5-MINUTE RULE TODAY

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may be permitted to sit during the 5-minute rule this afternoon in order to get a bill out.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

THE UNFULFILLED PROMISE OF THE HELSINKI ACCORD

(Mrs. FENWICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. FENWICK. Mr. Speaker, I know firsthand of the promise and hope that the Helsinki accord has engendered in Eastern Europe and the Soviet Union because I traveled to the U.S.S.R. and Romania in 1975 immediately after our signing of the accord. Members of our congressional delegation met with a great number of dissidents, refuseniks and people who hoped for reunification with family members overseas. Many of these courageous people came to see us at great danger to themselves, for always the KGB watched their activities.

Today I would like to remind this House of the case of Eduard Kuznetsov who today is imprisoned in the Soviet Union. Arrested in 1970 and sentenced at first to death, the outcry of world opinion led the authorities to commute this to 15 years "at special regime," which means he may receive one visitor, one letter, and one parcel a year.

He is being punished for his desire to emigrate to Israel where other members of his family now live. Mr. Kuznetsov's wife applies each year for a visitor's visa so that she might return from Israel and visit her husband, but each year the application is denied. In March of this year, Mr. Kuznetsov was reportedly moved from Potma Prison to a tubercu-

losis hospital because of the serious condition of his health. It is my sincere hope that Soviet authorities are now giving Mr. Kuznetsov all the medical attention he needs and that he will soon be released to join his wife in Israel.

Signatories of the Helsinki accord vowed to facilitate the reunification of families, and it is indeed sad that the Kuznetsov family is just one of many that are still separated despite the international agreement which the Soviet Union and 34 other countries signed to improve human rights in Europe.

SWEETS TO THE SUITE?

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, President Carter is reported to favor a direct subsidy to sugar processors. Under the plan, the big boys in the executive suite will get a bit of sweetener from Uncle Sugar. Such a program would not only be of dubious legality but would be grossly inequitable to corn producers and processors. In an appearance before the House Agriculture Committee on March 24, 1977, Secretary of Agriculture Bergland stated he "would not recommend" such a policy to the President. Yet, we are now confronted with a plan that will damage the corn refining industries and the lives of American farmers who grow corn.

Farmers will be hit hard by this subsidy payment to the sugar processors, but President Carter seems to be saying to the American farmer: One lump or two?

No amount of honeyed words can hide the fact that the Carter administration is trying to keep its subsidy scheme as secret as possible. The "open administration" we heard so much about is a myth. No one can say for sure exactly what is going on concerning this sugar subsidy plan. All we know for certain is that this proposal may be pleasing to some but smacks of politics to others. In short, it is sweet and low.

I think the President would be "bitter off" if he would change his mind about this. If he does not, I predict the farmers of this Nation will become sour over this sweetheart contract between the Government and the sugar processors.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO SIT DURING 5-MINUTE RULE TODAY

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have permission to sit during the deliberations of the House this afternoon under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1977

Mr. ASHLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6655) to amend certain Federal laws pertaining to community development, housing, and related programs.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio (Mr. ASHLEY).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6655, with Mr. STUDDS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Tuesday, May 10, 1977, title I had been considered as having been read and open to amendment at any point.

Are there any further amendments to title I?

Mr. ASHLEY. Mr. Chairman, I move to strike the requisite number of words.

I yield to the gentleman from New York (Mr. LAFALCE).

Mr. LAFALCE. Mr. Chairman, I rise today to voice my full and complete support for H.R. 6655, the Housing and Community Development Act of 1977. I believe it is a major achievement making much-needed changes in our basic housing and community development laws, and it is an honor for me to be listed as a cosponsor of it.

Before proceeding, I also want to express my deep admiration for the chairman of the Housing Subcommittee, the gentleman from Ohio (Mr. ASHLEY). His guidance during our detailed deliberations on this bill was invaluable and, as with all major housing legislation during recent years, his contribution was great indeed.

Many others have explained the details of the bill before us, Mr. Chairman so I will refrain, with one exception, from repeating what has been said before. The exception has to do with an amendment which I proposed at the subcommittee level and which requires some explanation from its author.

In the 1974 act the word "city" was defined to include towns or townships except for those that had incorporated places within them. Thus, a town or township with a population of 50,000 or more could qualify for an entitlement community development block grant, if it did not have one or more incorporated places within it.

It turned out, however, that this exception applied in New York State and nowhere else in the country. Large towns in the other 49 States qualified, as did large towns in New York that had no incorporated places within them. But 17 large towns in New York were excluded because they contained within their borders one or more incorporated villages. To illustrate the effect of this anomaly, New York had only 19 "metropolitan cities" participating in the CDBG program while California had 76, Texas 43, and Ohio 23.

I felt that the evolution of local government structures in a State which is celebrating its own bicentennial this year should not play so drastic a role with respect to the allocation of Federal funds. People who live in villages in New York State also live, by definition, in towns as well—they are citizens of two municipalities. They vote for local officials in both the village and the town, and they pay taxes to both jurisdictions. For some purposes the entirety of the town is one entity, while for others they carry out separate functions.

Two of the seventeen towns in New York are not located in urban counties; they were completely eliminated from the entitlement provisions of the act. The other 15—now 16—were within urban counties and could participate through that portion of the program.

But this year, with the formulation of the "dual formula" approach, the problem grew more difficult. For now some of these large towns—those which are older and which have experienced growth lag relative to the rest of the country—might be able to secure additional funding under the new formula if they were able to apply for CDBG funds on their own. Yet the 1974 act's definition prohibited this.

My amendment will permit towns, in conjunction with the village or villages within them, to apply for their own CDBG entitlement as if they were one jurisdiction. The government of the town will have to enter into cooperation agreements with the government of each village within the town to qualify for this approach, but once this is accomplished then HUD will have to treat the combined whole as a "city" for purposes of the CDBG program.

An example of the potential effect of the amendment, Mr. Speaker, comes in my own hometown of Tonawanda. That town, which has a population of 100,000, contains within it the Village of Kenmore—population 20,000. On their own, the Tonawanda/Kenmore combination will be entitled, according to HUD estimates, to approximately $350,000 more than their proportional share of Erie County's urban county allocation would have been. This is because Tonawanda and Kenmore are older and growing less rapidly than the balance of the county, so they benefit from the new formula.

I think that in most instances there is much to commend the urban county concept. It has helped to foster intercommunity cooperation and contributed to the devising of regional solutions to community development problems in our urban areas. I hope that communities presently participating in urban county programs in New York State which would not benefit monetarily from applying on their own will proceed cautiously before seeking to qualify under my amendment.

Mr. Chairman, I have taken enough time explaining my amendment to this important bill. I think that it is a balanced bill which has provisions of benefit to all sections of the country and to both urban and rural areas. I support it completely and urge my colleagues to join me in voting for it.

AMENDMENT OFFERED BY MR. PEPPER

Mr. PEPPER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PEPPER: Page 9, line 1, immediately after "and" insert the following:

"(C) prepared and will follow a written citizen participation plan, which plan provides the opportunity for citizens to participate in monitoring the implementation of the community development program and in the evaluation of how funds received under this title are expended, with special attention to the measures and to scheduled hearings described in clause (D)"

Page 9, line 1, strike out "(C)" and insert in lieu thereof "(D)".

Mr. PEPPER. Mr. Chairman, this amendment is to title I of the act. The bill provides for citizen participation in respect to the preparation of a plan, but it does not provide that the citizen shall have any part in the implementation or the evaluation of the expenditures incurred in the execution of any plan; so my amendment, which I submitted to the distinguished gentleman from Ohio handling the bill, simply gives the citizens the right in the manner prescribed in the amendment to participate in the implementation of the plan and in the evaluation of expenditures incurred under it. I would hope that the able gentleman from Ohio might accept this amendment.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, this provides that there will be a written citizen participation plan, which plan provides the opportunity for citizens to participate in monitoring the implementation of the community development program and in the evaluation of how funds received under this title are expended, with special attention to the measure and to scheduled hearings described in clause (D).

What I am trying to make clear is that there is no intention on the part of the gentleman offering this amendment, as I view it from the content of the amendment, for citizen participation to preempt the decisionmaking responsibility which falls on the locally elected officials as far as the final determination with regard to the content of the community development plan.

Mr. PEPPER. That is basically correct. In the earlier part of the bill just before where the amendment would appear there is a power given to citizens to participate in the preparation of the plan.

The able gentleman has modified my original amendment to insert the words, "participate in monitoring of the implementation," and so forth.

Mr. ASHLEY. Yes.

Mr. PEPPER. It is the intention of the author of the amendment that the citizen shall not only have a part in the preparation of the plan, but in the language the gentleman has accepted, or indicate he will not object to, in monitoring the implementation of the plan. I assume that monitoring means they will be informed about it, they will have a chance to comment upon it, they will be able to offer some input perhaps into the execution of the plan and the like. That is, whatever the fair definition of the word "monitoring" is.

Mr. ASHLEY. The gentleman is right. My concern is that there will be no misunderstanding with respect to the thrust of the gentleman's amendment. We do not mean to say, for example, that citizens shall participate in every aspect of the implementation. We are really not saying that. We are saying that they shall participate in the monitoring of the implementation. That is a very substantial difference.

Yes, there are times when citizens can participate in the implementation; there are times when they cannot. That is the differentiation which I am trying to point out. With respect to the evaluation, the same thing is true. We are not defining citizen participation to include citizen evaluation, but they should participate in the monitoring of the evaluation. In other words, the evaluations that are accomplished pursuant to the act must be available to the citizens in order for them to participate in an ongoing way in the devolving of plans that the city is undertaking.

Mr. PEPPER. This is a bill for the benefit of the citizens, and all this amendment does is give them a proper chance to participate in both the implementation and evaluation.

Mr. ASHLEY. In the monitoring of the implementation and evaluation.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. I appreciate the gentleman's amendment but I would like to see citizens even more deeply involved.

The CHAIRMAN. The time of the gentleman from Florida has expired.

(On request of Mr. MITCHELL of Maryland and by unanimous consent Mr. PEPPER was allowed to proceed for 2 additional minutes.)

Mr. MITCHELL of Maryland. Mr. Chairman, I asked the gentleman to yield primarily because the amendment offered by the distinguished gentleman from Georgia (Mr. FOWLER) was adopted yesterday. How does the amendment of the gentleman from Florida differ from the amendment of the gentleman from Georgia?

Mr. PEPPER. The amendment of the gentleman from Georgia gave the citizens the right to participate in the preparation of a plan relative to urban development. My amendment is in title I, and it gives the citizens the right not only to participate in the preparation of the plans, but in the monitoring of the implementation and evaluation.

Mr. MITCHELL of Maryland. The gentleman adds to it, then?

Mr. PEPPER. Yes. With this limitation, is the gentleman from Ohio agreeable to the amendment?

Mr. ASHLEY. Yes. Mr. Chairman, on the basis of the intent that has been established by our colloquy, I am very pleased to support the amendment of my good friend from Florida.

Mr. PEPPER. I thank the gentleman very much.

Mr. BROWN of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I cannot be quite as charitable toward the gentleman's amendment because there are two things which bother me. One is that it seems to call for an additional plan other than that provided for in subsection (a), which provides for a written citizen participation plan with respect to the preparation of the application. If the gentleman is going to accomplish the change he attempts to accomplish by his amendment, it would have been better for him to have included it back in that section.

Second, it is my understanding that it is already in the regulations of the department that there has to be citizen participation in connection with the performance audit of the community development plans of the communities. I, therefore, both question its draftsmanship, where the gentleman proposes to put it in the bill, and I question its necessity.

Mr. PICKLE. Mr. Chairman, I think that the gentleman from Florida (Mr. PEPPER) makes a good point in his amendment to require that applicants for community development grants prepare and follow a citizen participation plan which gives citizens an opportunity to evaluate how community development grants are expended in the community. It is important to point out that it is the intent of Congress to give a great deal of credence to citizen evaluation of community development grants. It is true that having made that recommendation, the final judgment is left to the cities. In some instances, cities in stating the reason that they are not following the citizen participation plan is because the Federal Government will not fund them, when the fact is, that this decision was made by the city, not the Federal Government. The city must either follow the recommendation of the neighborhood citizen evaluation, or not follow the recommendation. Therefore it is improper to lay the blame on the Federal Government. The House is saying once again that we do intend neighborhood citizen groups to give advice and we hope that their advice is given great weight when the final determination is made by the city. If this course is not given credence we might as well go back to the old model cities concept.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. PEPPER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GRASSLEY

Mr. GRASSLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GRASSLEY: page 32 line 17, section 110 is amended by striking " "." at the end of subsection (i) and adding the following new subsection:

"'(j) not less than twenty-five per centum of the funds made available for grants under this section shall be used for cities under 50,000 population which are not central cities of a Standard Metropolitan Statistical Area.' "

Mr. GRASSLEY. Mr. Chairman, this amendment is being offered by myself and the gentleman from Oklahoma (Mr. WATKINS), a new Member of the House of Representatives. I thank him for his cosponsorship and the gentleman's effective leadership on the Housing Subcommittee.

Mr. Chairman, this amendment affects a totally new program in this bill, a program that we have not talked about before, called the action grant program. This amendment which I am offering would provide a guarantee that small communities have had in the main block grant program since 1974. It would guarantee 25 percent of this new program for communities of under 50,000.

There are two programs in this bill. First, the regular block grant program, which provides a set-aside of 20 percent for rural areas, and in fiscal year 1978, 5 percent for smaller communities within metropolitan areas. Second, it provides for a new categorical program called the urban development action grant program, authorizing $400 million for each of the next 3 years, with no set-aside for either rural or metropolitan small cities.

This new program, this action grant program, will be run from Washington and not from the HUD field offices. It requires applicants to develop—I quote from the bill, and if the Members are interested from where this comes in the bill, it is on page 29—

A concentrated Urban Development Action Grant Program setting forth a comprehensive action plan and strategy to alleviate physical and economic distress through systematic change.

It requires, additionally, that applicants document their eligibility against a host of criteria, including condition of their housing stock, residential abandonment, population outmigration, stagnating or declining tax base, and a lot of other things.

In this day of grantsmanship, in this day of a large amount of paperwork required for these grants, and considering especially in this day when small communities do not have the large staff that they need to prepare all these things, and the larger cities do, how are the smaller cities going to compete against the larger cities for their share of the action grant program? Smaller communities do not have the planning staffs, they do not have the money, including, even, block grant money, to pay for the staff and the consultant assistance, nor do they have the money to travel and to pay for Washington representatives to compete with the large cities, with the sophistication that is required to make their presentations to HUD, particularly to a HUD office here in Washington.

The committee, in other programs. has recognized the special needs of small communities in many ways under the regular program, including efforts to decrease the paperwork burden, and has continued the special discretionary funds for competition solely between smaller communities, in rural and in metropolitan areas.

But the committee has failed to take any action to assist smaller communities in a similar fashion under the action grant program. It is even more important in a new categorical grant program—and this is a new program—to reserve funds for the smaller communities, especially when the Department of Housing and Urban Development intends to use these funds—and I quote their own words—"to turn Detroit around."

I might add that the committee in another case took action to set aside funds where there was doubt that HUD would act favorably for a particular group of cities. This was the case where 20 percent of the 701 comprehensive planning grants was set aside for the large cities. It was not set aside for the small cities, but for the large communities.

The CHAIRMAN. The time of the gentleman from Iowa (Mr. GRASSLEY) has expired.

(By unanimous consent, Mr. GRASSLEY was allowed to proceed for 2 additional minutes.)

Mr. GRASSLEY. So, Mr. Chairman, we are saying that the small communities have already received less funds than were expected in the original 1974 act. Small community funds were minimal under the metropolitan discretionary balances, and a General Accounting Office study showed that 34 percent, not 20 percent, of the CD funds are needed by the small communities if they are to get their fair share. That is a GAO study that showed that 34 percent was needed.

The Grassley-Watkins amendment extends the 25 percent set-aside principle of the regular programs for smaller communities to the action grant program. It permits, if you please, smaller communities to compete among themselves, smaller communities against smaller communities, for a small section of the pie—25 percent. Then it allows the New York cities to compete against the Detroits for the vast majority of the funds that remain—75 percent.

Hundreds have carried out programs like urban renewal and model cities, and these small communities need these funds. The needs are there. All we have to do now is to put the money there.

I have received letters and other Members have received letters as well from the National League of Cities and the Congressional Rural Caucus in support of this amendment, and I ask the Members for their support.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. GRASSLEY. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I want to commend the gentleman from Iowa (Mr. GRASSLEY) for taking this position and for offering his amendment.

I want to assure my colleagues that without this amendment rural America has about as much chance of getting money as a one-legged man has of winning a foot race.

Mr. ASHLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the basis of the Grassley amendment is that smaller communities not receive their fair share unless there is a statutory set-aside of 25 percent of the amounts authorized and appropriated for the new action grant program.

I can only say, Mr. Chairman, that this matter was thoroughly discussed in subcommittee and in the full committee. We invited the testimony not only of Secretary Harris but of Assistant Secretary Embry, not on one occasion but on repeated occasions, in efforts to try to satisfy the gentleman from Iowa (Mr. GRASSLEY) and others that the intention of the Administration is clear and that there need be no fears in this regard.

I have a letter here dated May 6 from Secretary Harris reiterating this assurance. She says, "I have proposed major new initiatives as part of our 1977 legislative package" to assure comprehensive treatment for smaller communities.

She says:

First, smaller communities in distress can establish their eligibility for Urban Development Action Grants. Second, we have established priority for funding comprehensive community development programs in smaller communities. Third, we have improved the availability of funds for smaller communities within metropolitan areas by computation of metropolitan balances on a statewide basis.

Mr. Chairman, I do not know what it would take to convince the gentleman from Iowa (Mr. GRASSLEY) that the Secretary is sincere and that the legislation means what it says when it includes all communities as being eligible for the new UDAG program.

The implication of the proposal of the gentleman from Iowa (Mr. GRASSLEY) that smaller communities are somehow excluded simply has no basis in fact.

I would point this out, too, Mr. Chairman: One of the great pitfalls of the legislative set-aside is that funds are very apt to be directed not on the basis of answering needs, but simply on the basis of answering a mathematical formula.

Should communities with a set-aside of under 50,000 be the recipients of funds because of that set-aside when, in fact, there are communities of maybe 5,000 or 6,000 greater in population with demonstrably greater needs? Is that fair and is that good public policy, to say community "X" will get the funds because we have a set-aside that imposes a rigidity that requires that a certain number of dollars will go to communities of a particular size?

Pray tell, I ask the gentleman from Iowa (Mr. GRASSLEY), if there is a 25-percent set-aside for communities of under 50,000 population, is not the next set-aside going to be for communities of a population between 50,000 and 100,000? Why not? If there is such a compelling justification for the cities which are the gentleman's concern, those of under 50,000, or communities with populations under 50,000, then what about the very substantial number of communities with a population between 50,000 and 100,000 and 100,000 and 200,000 and so forth?

Mr. Chairman, where does this set-aside approach end if we mean to be logical and consistent?

Therefore, I say, Mr. Chairman, that the smaller communities as well as the larger communities should compete for funds based on need and not on some kind of mathematical formula.

Mr. GRASSLEY. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Iowa.

Mr. GRASSLEY. Mr. Chairman, first of all, I remind the gentleman from Ohio (Mr. ASHLEY) that he was the one in committee who proposed the 20-percent

set-aside for the larger cities in the 701 planning program.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. ASHLEY) has expired.

Mr. BLANCHARD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have a question for my colleague, the gentleman from Iowa (Mr. GRASSLEY). Perhaps we can engage in a colloquy.

Does the gentleman's amendment exclude cities under 50,000 in a metropolitan area?

Mr. GRASSLEY. Yes.

Mr. BLANCHARD. It does?

Mr. GRASSLEY. Mr. Chairman, I think I misunderstood the gentleman's question. Did the gentleman say it "includes"?

Mr. BLANCHARD. All cities of 50,000 are included in the set-aside of 20 percent, not just the rural cities of under 50,000 population; is that correct?

Mr. GRASSLEY. Yes, that is correct.

Mr. BLANCHARD. Mr. Chairman, I thank the gentleman.

Mr. WATKINS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I have only been a Member of the House for 5 months. I might mention that this is the first time that I have taken the well of the House.

In my campaign for Congress, I ran on a platform to rebuild rural America because I think the rebuilding of our rural communities is the answer to many of our metropolitan problems in this Nation.

For the past couple of days we have been debating and discussing the housing bill. I am very sympathetic with the amendment yesterday that was discussed and debated. I was impressed in hearing some of our colleagues describe the problems of the inner cities. the dilapidated conditions of the houses, and the rotting conditions of these inner cities.

I would like to turn back the pages of history just momentarily, if I may. If we will look back upon the last three decades, one of the factors that has caused these problems in the metropolitan areas has been the loss of people from the rural communities of this Nation. During the last three decades the people from the rural areas have migrated out. They have left in search of a dream. They left in search of a job. They left the rural areas for the hearts of the metropolitan cities of this Nation.

I also understand the plight of the people who are leaving some of the cities today. Many of these people are the same ones who moved to the cities in the first place or they are the offspring of many of those people who left the rural areas. They would like to leave the inner cities and return to their rural communities.

But what do they find when they do return to the rural communities of this Nation? They find that there are no longer banks there, there are no longer businesses there. They find business buildings boarded up and they find the economic heart of rural communities gone. The business sections are gone and they find dilapidated housing.

That is why, Mr. Chairman, that I stand here in support of the amendment offered by the gentleman from Iowa (Mr. GRASSLEY).

I do not think we are asking too much for the Members of this Congress to assure the citizens of rural America that they are willing to see that our rural communities can be handled properly and be able to cope with the expertise of the cities of this Nation.

Why am I concerned? On page 28 of this bill, on line 24, it directs that the Secretary shall make her decisions on demonstrated results.

To my colleagues in the House I say that most of our rural communities have not been able to demonstrate the results of any actions taken. For 30 years they have had nothing but out migration. I might add that we could not meet that statement back in many communities in my district.

I am also concerned because as a Congressman, I do not represent a city above 25,000 population in my entire 25 counties.

I talked to Secretary Harris a couple of days ago and she indicated to me that all indications are that the moneys would be there. The indication is there. But I am asking my fellow Congressmen, as colleagues of the House of Representatives, to help assure your constituents in the rural areas—and most of the Members do have constituents in rural areas—that there will be some money there. I ask the Members to help the people in the rural areas, not only as we look to try to assist the people in the inner cities, but to help the rural areas that have lost their economic bases and who do not have the expertise needed to compete, to allow our people the choice of returning, living, working and making a living in these rural cities.

Mr. TSONGAS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I wonder if I could engage the gentleman from Iowa (Mr. GRASSLEY) in discussion. If the gentleman's amendment should succeed, 25 percent of these funds will be set aside for communities under 50,000, the rationale being that they are incapable of competing with the New Yorks and the Detroits in whatever expertise and grantsmanship is necessary to secure these funds. That would leave us in a situation where communities of, let us say, 53,000 would have to compete with the New Yorks and the Detroits, not for 100 percent of the funds but for what is left—75 percent; is that correct?

Mr. GRASSLEY. Mr. Chairman, will the gentleman yield?

Mr. TSONGAS. I yield to the gentleman from Iowa.

Mr. GRASSLEY. I thank the gentleman for yielding.

The gentleman is correct, but one thing we want to remember is this extends the same principle to the action grant program that we have used since 1974 under title I, the block grant program, and there is a 50,000 cutoff in that one as well.

Mr. TSONGAS. Would the gentleman be amenable, to follow through the logic of his amendment, if we adopt on his amendment additional language that would set aside another 25 percent for communities between 50,000 and 100,000 so that they will not have to compete also with the New Yorks and the Detroits?

Mr. GRASSLEY. If the gentleman will yield further, I will support him if he will offer his amendment after I offer mine. But I think the gentleman forgets one thing about communities over 50,000, and that is that because of the entitlement program they are able to build up balances and carry on programs from one year to the next much easier than a community under 50,000. In staff capacity to make these applications, they are much more able to compete with the necessary information and particularly with the great amount of paperwork that is required.

Mr. TSONGAS. If the gentleman's amendment passed, would he rather be mayor of a city of 49,000 or mayor of a city with 51,000?

Mr. GRASSLEY. If the gentleman will yield further, he is asking me to split hairs here. Traditionally there has to be some cutoff point. If it were 51,000, it would be an entitlement community, and it would be able to have the staff built up over a period of years with Federal help so the community would be able to compete with the larger communities in my area.

Mr. WATKINS. Mr. Chairman, will the gentleman yield?

Mr. TSONGAS. I yield to the gentleman from Oklahoma.

Mr. WATKINS. I thank the gentleman for yielding.

I will say to my colleague that basically the figure 50,000 was not picked out of the air. This is the figure that was used, stating from rural communities and below. So the 50,000 was not just selected by our colleague, the gentleman from Iowa, out of the air, but it is one that has been used to recognize rural cities and communities of this Nation.

Mr. TSONGAS. The point is that if the logic of the gentleman's argument is correct, it has to be extended. It has to be extended beyond 50,000 again to resolve the inequity in terms of the grantsmanship that he referred to, and I think that is a consideration that would argue against the amendment.

Mr. LUNDINE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I come from a rural district. I represent no city larger than 50,000. I represent small towns spreading across an area from the Finger Lakes to the Great Lakes in upstate New York. Until a year or so ago I was the mayor of a small city which under this law would have no entitlement.

I have great admiration for my colleagues, the gentlemen from Iowa and from Oklahoma. I have tried to be faith-

ful to my obligation and my responsibility to the small communities and the rural areas that I represent. However, I think this amendment is bad law. The UDAG program is the major new initiative of this administration. This administration did not come in and seek to set aside the housing programs, including section 8 and others of previous administrations. It did not come in and try to set aside a block grant system that I believe is working well. It asks for only one new initiative—the action grant program, and this amendment, simply stated, is trying to take some of those funds and earmark them for some communities as against others.

In the testimony of the Secretary of the Department of Housing and Urban Development asking for this particular section of the law, Secretary Harris cited as examples small communities, not only large communities, that needed these urban action grants. So we have testimony on the record indicating that the Department will be amenable to applications from small communities and rural areas as well as large metropolitan areas. I do not think that there is a misapplication of funds. In dollar terms the committee has greatly increased the funding for non-SMSA communities. In 1977 these communities are expected to receive $578 million.

By 1980 they will be getting $689 million, an increase of $111 million. In other words it has increased the funds available to those communities in nonmetropolitan regions.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. LUNDINE. I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, is it not fair also to point out that the community development block grant program has enormously increased the funding for smaller communities? As we go back and forth over the economics of the Community Development and Housing Development Act of 1974, we find 95 percent of the old HUD categorical grant program moneys went directly to the larger communities of this country and only 5 percent went to the smaller communities. That has been very substantially reversed by those of us who wrote the legislation. So that is not a big city versus smaller community kind of struggle.

I hope it will be remembered that it was the gentleman from Michigan (Mr. GARY BROWN) and others who are on the floor, along with myself, who said in 1974 that the method of allocating the funds for community development purposes is inequitable. The smaller communities are not receiving enough. Grantsmanship has been playing too large a part. There is no basis in equity for the distribution system that was taking place at that time.

We have reversed that, but we have not done it by fastening rigidities upon the new distribution system that simply cannot be justified on the basis of need. What we are trying to say here is the smaller communities as well as the larger communities will be able to participate and will participate, but on the basis of need.

I appreciate the gentleman yielding.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. LUNDINE was allowed to proceed for 1 additional minute.)

Mr. LUNDINE. Mr. Chairman, the distinguished subcommittee chairman is correct and his leadership has provided that opportunity for small communities. In fact, the non-SMSA communities are now receiving $91 per capita of all Federal CD funds while the SMSA communities are receiving $80 per capita, so the point is very well taken.

I do not want it to be said I was unsympathetic to small communities or to rural areas. I have tried to provide some leadership. The gentleman from Oregon and I sponsored title VI of the housing part for rural areas. I am committed to work for those very rural areas and small communities.

I think, however, this amendment would be detrimental. In earmarking funds it would ultimately resound to the detriment rather than to the benefit of those small communities.

Mr. KELLY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, the Members can start to get the drift that floats over this subject. The gentleman from Ohio, the chairman of the committee, is from one of the States that will receive a definite preference under this bill and has assured us that this is not a struggle between the large and the small communities. I agree with the gentleman. I think the bill provides that small communities can compete provided they come from the right part of the country. The criteria upon which the benefits of this bill are going to be granted on the basis of the condition of the housing stock. That means if it is old, that is good. It means that if there is a residential abandonment problem, that is good. If there is a population-out migration, in other words, if people are getting out of town, that is good. Then if there is a stagnating or declining tax base, this will help them get benefits.

Now, what area of the country does that describe? That sounds like a pretty exact description of New York City, does it not? Everybody is leaving town. The tax base is going down hill. Their housing stock is deteriorating. It is being torn up and abandoned or otherwise: so pretty clearly one is going to benefit if he happens to come from a district where the deterioration and the decline has set in from mismanagement and other causes; but if one happens to come from one of the areas of the country where the population is growing, where the cities are efficient and where the cities are attempting to get industry that is coming from the industrial northeast, then they are not going to benefit, whether they are large or small.

This is $1.2 billion that is locked in to go to the States who are losing the population from their cities and have a deteriorating tax base. This does not describe the cities in the West and South and in the Plains States. It describes the cities in the industrial Northeast.

Mr. TSONGAS. Mr. Chairman, will the gentleman yield on that point?

Mr. KELLY. I yield to the gentleman from Massachusetts.

Mr. TSONGAS. Mr. Chairman, in the print supplied to me, there are 23 cities in Florida that are tabled as to the results of the bill. Would the gentleman hazard a guess whether those percentages would go up or down in this program?

Mr. KELLY. I am sorry, I cannot go along with the gentleman on that. I understand we are all going to get more, but the gentleman's district is going to get more receipts and we are going to get more bills. So I do not want to go that route. The gentleman is going to send us the bills and the gentleman is going to get the money, so I am just smart enough not to want that.

Mr. TSONGAS. Mr. Chairman, if the gentleman will yield further, does the gentleman not want to hazard a guess, is that what the gentleman is saying?

Mr. KELLY. Mr. Chairman, let me get my time back.

Mr. Chairman, what we have done is simply increase the overall appropriation so we can give everybody more than they would take under the existing program however the increase will not be fairly distributed. Now, if all sections of the Nation pay fair share of the cost of the program and pay it on a pro rata basis, I will be glad to support it.

Mr. TSONGAS. Mr. Chairman, if the gentleman will yield further, the percentage of Federal money that goes into Massachusetts is less than the percentage that is paid into the Federal Treasury. That is not true in Florida. The gentleman should certify what is going to happen in Florida, in terms of this bill and in terms of the amount of money paid by my State into the Federal Treasury.

Mr. KELLY. I will tell the gentleman that the situation in Florida is not the same as it is in Massachusetts. It is worse with regard to the return taxes returned.

Mr. GRASSLEY. Mr. Chairman, will the gentleman yield?

Mr. KELLY. I yield to the gentleman from Iowa.

Mr. GRASSLEY. Mr. Chairman, the gentleman from Massachusetts (Mr. TSONGAS) was telling us about the increases in Federal funds to small communities over the years, the same story which the distinguished chairman of the subcommittee was trying to tell us about increases over the years.

The CHAIRMAN. The time of the gentleman from Florida has expired.

(At the request of Mr. GRASSLEY, and by unanimous consent, Mr. KELLY was allowed to proceed for 1 additional minute.)

Mr. GRASSLEY. Mr. Chairman, will the gentleman yield?

Mr. KELLY. I yield to the gentleman from Iowa.

Mr. GRASSLEY. Mr. Chairman, our opposition has been saying during this debate that there have been increases to the smaller communities over the years, so we should not be saving anything or asking for a set-aside, which our amendment does. I still remind the Members of

this House that if the needs of the small communities were met as they ought to be met and as has been laid out by the General Accounting Office in their report of late last year, communities would not be receiving 20 percent, but they would be receiving 34 percent of these funds. All we are asking is that we be allowed to compete fairly for 25 percent.

Mr. KELLY. Mr. Chairman, I thank the gentleman, but I would like to point out that under this legislation Jacksonville, Fla., will receive $12 million, while Cleveland, Ohio, will receive $40 million. The population of both towns is the same, and I think that is the structure of this entire bill, to give to a particular section of the country, based on the fact that they are losing out in the competition, the commercial competition that exists in this country, for jobs and industry.

Mr. JENKINS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I have listened to the debate from both sides. I represent a portion of the metropolitan area and several small towns. As far as the argument that I have heard about the population cutoff, where some towns of 51,000 or 52,000 population would be hurt, I want to point out that we now have population cutoffs in various other bills, including SMSA's, as far as counties are concerned, with a 200,000 population cutoff. So, this is nothing new whatsoever.

Mr. Chairman, I would also like to point out that when we talk about 25 percent of the total of this program being distributed to the small towns, we are also saying that 75 percent is going to go for larger cities. So, what is the difference in saying 75 percent is going for the larger cities and 25 percent, at least 25 percent is going to the smaller towns?

I have represented small towns as a city attorney and as a county attorney. I recognize the difficulties that these small towns have in applying for these various grant programs. They simply cannot compete unless we have some funds locked in for them. The only thing I can look at is the bottom line, and I want to point out that the bottom line in my congressional district is that in the 1977 nonmetro program, there was one project in my entire district that was approved.

I simply say that this amendment makes good sense. It is good for the country, and we ought to adopt it at this time to preserve this program. Otherwise, we are going to find a lot of people who will be opposing this program in its entirety in the future. I urge the passage of this modest amendment to help our small towns and communities.

Mr. AuCOIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I come before you today as a member of the House Subcommittee and, along with my colleague from New York, I think I can safely say I took a back seat to no one in working for the interests of small communities. In fact, I think there were times when we worked so hard for the interests of the small communities that the chairman wished we would have gone out for a drink of water a time or two.

We won battles for small towns and if any reasonable person will look at this bill, he will see that it is a carefully drafted, very delicately balanced bill that does indeed address the needs of the small communities while also addressing the chronic problems of large urban centers of the country. I would like to tell my colleagues who were not at the committee some of the things we have done for the small communities which I think obviate the need for this amendment. Second, I would like to tell my colleagues what I think the fatal flaw in this amendment is.

First, among the things we have done for small communities in this bill is to extend the waiver provisions that eliminate onerous paperwork that many of the small communities of 25,000 population or less have had to face in trying to get a single dollar out of this program.

The Members know as well as I do that small towns do not have staffs with 16 Philadelphia lawyers, they do not have the means to invest the time and the dollars to develop multiyear plans and sophisticated proposals in order to get funding for a single community need, for a project that means a great deal for that community.

Under the previous program, until we adopted the waiver provision, all of that paperwork was a burden to small communities. In Oregon, the League of Oregon Cities actually went so far as to tell the smaller communities to not even try to get into these programs, because the paperwork necessary to get what they expect to get out of the program is just not worth it. Now the bill provides the waiver I described.

We did another thing for small communities. I compliment my colleague, the gentleman from New York, for this amendment. That is, we enable small communities who have more than just a 1-year, one-shot program, to come in with a multiyear request, so that a larger program for a small community that needs funding on more than a 1-year basis can get a commitment on a 3-year basis. This means the community does not have to jump into the national competitive pool each year and fight with every other community in order to get the first, second, and third phase of the program funded. This is another major way small communities will get more money.

I also hope the Members would look at title VI. Title VI provides a revitalization of the Farmers Home Administration, a program which is focused on the needs of small towns and rural areas across the country. This amendment was adopted by the committee in order to give balance to the bill.

The National Rural Housing Coalition, in a statement immediately after the committee passed this bill with the FmHA amendment in it, issued a statement which said,

> At long last, we have a landmark instance in which Congress is passing a housing bill wherein both rural needs and small town needs and urban needs are all simultaneously met.

I say to my colleagues that it is a balanced bill, as written, without the proposed amendment.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. AuCOIN) has expired.

(By unanimous consent, Mr. AuCOIN was allowed to proceed for 2 additional minutes.)

Mr. AuCOIN. Finally, Mr. Chairman, I think the House ought to think twice before adopting the Grassley set-aside amendment which arbitrarily says that 25 percent of the grant requests from a particular category of communities are somehow going to be superior to other grant requests from other communities.

There is not a Member in this House who can tell me that some worthy project is not going to be discriminated against because of that arbitrary formula.

We have a Secretary of this agency who has said to the committee, who has said to the individual Members of the House, who has said to anyone who has taken the time to ask her, that she intends to use these funds for both large communities and small communities. I think, on the basis of her commitment and on the basis of what she has done so far, she deserves to be given a chance.

We have a committee which will look into these things. The chairman has said the committee is going to watch this program, and if it is abused in one direction or another, this committee use its oversight responsibility for corrective action.

I remind my colleagues that we have other Federal programs addressing the needs of rural America. Let us take the Economic Development Administration. Seventy-seven to seventy-eight percent of those funds go to rural areas.

We cannot look at this bill in isolation and ignore these facts and others.

What is more, as the chairman of the subcommittee has so well stated, the block grant program merged a set of categorical grant programs that were 94 percent urban, and today in the block grant approach this has been reduced to an 80-percent factor.

I say to my colleagues that, for all these reasons, coupled with the paramount point that the gentleman from New York made—that this is the centerpiece of the administration's proposal—this amendment should be defeated.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. AuCOIN) has expired.

(On request of Mr. WATKINS and by unanimous consent, Mr. AuCOIN was allowed to proceed for 1 additional minute.)

Mr. AuCOIN. Mr. Chairman, to continue, that is why I say, coupled with that one final point, these are the reasons why this is the centerpiece of the administration's community development initiative and strategy for this Nation for the next several years, and I think we owe it to the administration to give it a chance.

Lord knows, we have had enough failures in the past. The path to our objectives has been littered with failures in the past, and I think we deserve to give the administration this chance.

Mr. GRASSLEY. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I yield to the gentleman from Iowa.

Mr. GRASSLEY. Mr. Chairman, I thank the gentleman for all the work he did in cutting down on the paperwork for the small communities, and every small community in America thanks him as well. Those provisions apply to the community development block program and not to the UDAG program, and these small communities are going to have to go through that same paperwork in this program, just as the large communities are.

Second, I remind the gentleman that the GAO report that I have mentioned so many times requires an equity of 34 percent.

Mr. AuCOIN. Mr. Chairman, I wish to reclaim my time.

I would say to the gentleman that he is looking at one single dimension of this bill, but I believe if he would add up all the provisions of this bill taken together, he would find that it is a balanced bill and that small town needs are met.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. AuCoin) has again expired.

(On request of Mr. Watkins and by unanimous consent, Mr. AuCoin was allowed to proceed for 1 additional minute.)

Mr. WATKINS. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I yield to the gentleman from Oklahoma.

Mr. WATKINS. Mr. Chairman, let me ask the gentleman from Oregon (Mr. AuCoin) one additional question here.

Is the gentleman aware that the League of Cities has endorsed this amendment?

Mr. AuCOIN. Yes; I understand the League of Cities has endorsed this amendment, but I can give the gentleman a list as long as my arm of organizations that agree with the bill in the form in which it was brought forward by the committee.

Moreover, I believe the league is mistaken for the reasons I mentioned.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I yield to the gentleman from Texas.

Mr. ROBERTS. Mr. Chairman, I thank the gentleman for yielding.

I am the ranking member of the Subcommittee on Economic Development of the Committee on Public Works and Transportation, and I regret to say that the gentleman's figures do not in any way gibe with ours with reference to the distribution of funds for economic development.

Mr. AuCOIN. Mr. Chairman, I appreciate the comments on the gentleman, for whom I have very high respect and personal admiration.

I can only say that these figures were supplied to me by the Congressional Research Service.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. AuCoin) has again expired.

Mr. KELLY. Mr. Chairman, I ask unanimous consent that the gentleman from Oregon (Mr. AuCoin) be allowed to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. FRENZEL. Mr. Chairman, reserving the right to object, I will not object if there is not going to be a limitation of debate, but it has been a little difficult for other members of the committee to participate.

I will withdraw my reservation of objection in the hope that we will be able to proceed and complete this portion of the debate so that others will be able eventually to take part.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. KELLY. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I yield to the gentleman from Florida.

Mr. KELLY. Mr. Chairman, I thank the gentleman for yielding.

Mr. AuCOIN. It is always a pleasure to yield to the gentleman from Florida.

Mr. KELLY. I thank the gentleman for his kindness.

Mr. Chairman, the gentleman from Oregon (Mr. AuCoin) has referred to the arbitrary nature of the formula that is suggested in the amendment. I would like the gentleman to comment on the fact that the formula in the bill itself provides that Jacksonville, Fla., will get $12 million and that Cleveland, Ohio, will get $40 million; yet Cleveland, Ohio, has only 10,000 more population than Jacksonville, Fla.

Mr. AuCOIN. Mr. Chairman, we have only 1 minute. I wish the gentleman would make his point or ask me the question.

Mr. KELLY. Mr. Chairman, the point is this: I wonder if the gentleman would comment about the arbitrary nature of the formula that has arrived at unequal result in the provision for these two cities in different regions of the Nation.

Mr. AuCOIN. Mr. Chairman, I have already made my comments on the equities that were set up in an arbitrary fashion.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, we are not talking about general revenue sharing funds; we are talking about a community development plan.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. AuCOIN) has expired.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in support of the amendment with some trepidation, because I hestitate to be on the other side of the issue from the chairman of the subcommittee, the distinguished gentleman from Ohio (Mr. Ashley), whose work in this field is almost legendary. I had the opportunity to observe his most effective work when I was a member of the committee. The gentleman is almost always right.

Yet I would submit in this case that the gentleman might in fact be wrong, and that the amendment should be supported.

Mr. Chairman, I am also a little nervous about applying restrictions on bills, and that may be another good reason to be nervous about supporting the amendment.

Nevertheless, Mr. Chairman, we are only talking about 25 percent of a $400 million pie, a very tiny amount in this bill. We are talking about giving approximately two-thirds of the people of the United States a little, tiny one-quarter of the pie.

Mr. Chairman, one of the speakers referred to it as the centerpiece of the program. If $400 million is the centerpiece of the program, it is not going to be much of a program.

We have also been told that the Secretary will take care of the small towns and that the Department will be amenable to their requests. If that is so, certainly there can be no objection to simply setting aside one-quarter of that $400 million for towns in which two-thirds of the people of this country live.

Mr. Chairman, this is not a rural versus city issue. I do not represent any rural area. They do not grow anything more exciting than geraniums in my district. Nevertheless, most of my district lives in towns of under 50,000 people, and those towns should have a reasonable chance to get into this pool. The 25 percent reservation will give them a small chance to do so.

Mr. Chairman, the amendment is only designed to give the Department and give the Secretary a chance to live up to its, and to her, promise that they will take care of these slightly smaller towns and it will give the towns some assurance that they won't have to compete with the giant cities for every last cent. It will give some attention to the two-thirds of Americans, who pay the same kind of taxes, but who are getting a good deal less out of this pie.

Mr. Chairman, those things are not too much to ask. I hope that the amendment will be supported.

Mr. BROWN of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I must admit and confess that I am somewhat ambivalent with respect to this amendment, and am so for three basic reasons. First, I have always been a Member who has generally tried to avoid the parochialness if I may call it such, of earmarking funds for this, that, or the other thing. Therefore, normally, I am opposed to earmarking; and, of course, my good and respected colleague, the gentleman from Ohio (Mr. Ashley), has been of similar mind and has taken a similar judgmental view of these things in the past.

Of course, as has been indicated, he has wandered from this basic course and has supported earmarking a portion of the 701 planning fund.

The second thing, Mr. Chairman, is that I offered an amendment in committee consistent with the old Urban Re-

newal Act and with the EDA program, which would restrict funds going to any one State to 12.5 percent. Many opposed my amendment and it was defeated in committee due in great part to the administration's opposition.

Finally, I am concerned about what I view as the direction the administration intends to follow in the administration of the urban development action grant program. I am bothered by its opposition to the 12.5 percent amendment I offered since such opposition would indicate it intends to make very substantial grants to limited communities and limited areas. I am also bothered by the remarks of officials of the administration in explanation and support of the UDAG program. I get the impression that in administering the program there will be a definite tilt toward making a big splash in a big city, if I may characterize it as such, and that there will be minimal funds available to smaller communities.

Even though there has been some testimony to the effect that funds will be made available to all sizes of cities, all things considered, I believe the tilt and the bias is more than evident. Therefore when it gets right down to it, I will have to come down on the side of being a little inconsistent along with my chairman and will have to support a little earmarking.

Mr. STANTON. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. I will be glad to yield to the gentleman from Ohio.

Mr. STANTON. Mr. Chairman, I appreciate the gentleman from Michigan yielding to me. I apologize for not having entered into this debate sooner but, regretably, I have been delayed. But, in listening to the gentleman from Michigan I believe the gentleman makes a confusing case.

Mr. BROWN of Michigan. That is the message that the gentleman in the well has been trying to convey.

Mr. STANTON. The gentleman from Michigan has done a very good job and I compliment him.

Mr. BROWN of Michigan. I thank the gentleman.

Mr. STANTON. Mr. Chairman, I just want to say one thing about this amendment, because, once again, I did not enter into the debate earlier, in desiring always to cooperate with my colleague, the gentleman from Ohio, in wanting to do the right thing, and in thinking about it, as I did in the subcommittee, I came to the conclusion that I would be for it and I did vote for it in the subcommittee. I support the amendment on the floor of the House today. I do so, Mr. Chairman, because it certainly seems to me with the way we are moving, and the direction we are going, and in recognition of the great job that this committee has done over the years in moving this from a strictly big city bill to an all American bill, that we have come a long ways in recognition of the problems of urban America.

I do not have any particularly great rural areas in my district; they are all small towns, but, on the other hand, I do believe there is a strong case for the 25 percent of the $400 million. I believe it just boils down to the fact that I honestly and truly believe that in reality that probably the 30 or the 35 percent would go to the small towns, so I just cannot see the objection really to putting it into law.

Mr. BROWN of Michigan. Mr. Chairman, going back to the original statement of the gentleman from Ohio (Mr. STANTON) I want the gentleman to know that I concluded my remarks by saying that I did, in this case, intend to support the amendment.

Mr. STANTON. In most cases you cannot go wrong.

Mr. BAUCUS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I will not take the full 5 minutes because this has been fairly well explored and discussed during the past hour or so. However, I do wish to point out, briefly, as the chairman of the committee, the gentleman from Ohio (Mr. ASHLEY) states: This program is a program to allocate money equally between the smaller communities and the major communities. I agree that that is not only proper, but that is the way it should be. The point I wish to make is that the assumption of equal allocation, contains another assumption, and that is the assumption of omniscience on the part of the Secretary and omniscience in the allocation process. But, in the practical world that is not the case because the smaller communities do not have the grantsmen and they do not have the expertise to vie with the larger communities. Therefore they will not end up getting their fair share of the funds.

Second, with regard to the remarks made by the gentleman from Oregon (Mr. AUCOIN) who is one of the more outstanding members of the committee concerning the so-called balance in the bill. His argument assumes that the action grant program is solely an urban provision. The gentleman is saying that this is balance. But as I understand the action grant program it does not help the smaller communities. It is based only on need. So we are only talking about that one program. What we are saying is that the smaller communities do not have a fair share.

I believe that Secretary Harris will do all she can. She is an honorable woman. I think she will do her very best. But, in the practical and realistic world, our rural communities do not have enough resources available. That is the reason for the set-aside.

Mr. BLANCHARD. Mr. Chairman, if the gentleman will yield, the urban action grant program does indicate that its primary function, as I understand, of the title urban action grant is for viable urban communities.

It talks about severely distressed cities, and this is the centerpiece of the administration's policy to help rescue urban America. It is.

Mr. BAUCUS. If that is the case, then that is all the more reason for the set-aside. It is my understanding that this is supposed to be for cities—both smaller cities and larger cities.

Mr. AUCOIN. Mr. Chairman, will the gentleman yield?

Mr. BAUCUS. I yield to the gentleman from Oregon.

Mr. AUCOIN. I thank the gentleman for yielding.

I hope the gentleman is not forgetting that there are urban problems in communities of 50,000 population.

Mr. BAUCUS. That is true.

Mr. AUCOIN. For that reason the Secretary has said she is intent upon providing the urban development action grant in those instances as well. The fatal flaw in set-asides is, as is so well pointed out by the subcommittee chairman, once we have a set-aside, where do we stop? We inevitably will have some other arbitrary set-aside, some other percentage of a program preempted on a basis other than merit, and finally the program will be completely handcuffed.

Mr. BAUCUS. My personal judgment, in response to the gentleman, is to stop right here. That is sufficient.

Mr. AUCOIN. But, if the gentleman will yield further, there is always someone else in line.

Mr. BAUCUS. Mr. Chairman, I yield back the remainder of my time.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, I move to strike the last word.

Mr. Chairman, yesterday we heard a lot of criticism about the dual formula system and, of course, the committee worked very hard on that dual formula system. But there may be some cities or small communities with needs that the formula does not meet. This program gives the Secretary the opportunity to rectify any imbalance which the formulas, however carefuly crafted, might leave, and it does particularly, as the committee directs, focus attention on those hold-harmless communities which are going to lose their grant assistance and suffer the results thereof. I think we should give the Secretary maximum flexibility to see that the dual formula plus the action grant program will do a proper job for all of our cities—large cities, middle-sized cities, and smaller communities.

Mr. Chairman, I yield back the remainder of my time.

Mr. ALEXANDER. Mr. Chairman, I rise in support of the Grassley-Watkins amendment. When Congress deliberated on the Housing and Community Development Act of 1974, the Banking Committee, at my urging, wrote into the bill a provision guaranteeing a share of the money under the community development block grant program for nonmetropolitan areas. While the 70–30 split I sought was not adopted, the committee, and subsequently, the House and Senate mandated an 80–20 split in this funding between metropolitan and nonmetropolitan cities.

In the bill before us today, nonmetropolitan cities stand to lose in the proportion of total funds due to creation of a $400 million set-aside for urban develop-

ment action grants, to be administered at the discretion of the Secretary.

The Grassley amendment simply mandates that a guaranteed share—25 percent—of this money as well will go to nonmetropolitan cities. It is consistent with the general principles established under the original act, since it extends the same treatment, as applied under the regular CDBG program, to divide the available funds between large and small communities.

If the $400 million pot for urban development action grants were spread among all communities as part of the basic formula allocation presently in effect, $100 million—25 percent—would go to smaller communities. I think it important to note that such a share will accrue to the benefit of not only small communities in rural areas, but to hold-harmless communities soon to lose all funds, and small communities in metropolitan areas which have received less than anticipated funding over recent years because of a heavy drain caused by urban counties.

It is clear that large communities have unmet needs, but so do small communities. In fact, a recent GAO study indicates that if community development block grants were allocated according to need, small communities in rural areas would receive 34 percent, rather than the meager 20 percent presently in effect.

I urge my colleagues to support this preservation of the smaller communities' share of community development funding to prevent the circumvention of the division of funds mandated under current law.

It is a matter of equity.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. GRASSLEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. GRASSLEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 279, noes 129, not voting 24, as follows:

[Roll No. 221]

AYES—279

Abdnor	Boggs	Cohen
Akaka	Bonior	Coleman
Alexander	Bonker	Conte
Allen	Bowen	Corcoran
Ammerman	Breaux	Cornell
Anderson, Ill.	Breckinridge	Cornwell
Andrews, N.C.	Brinkley	Coughlin
Andrews, N. Dak.	Brooks	Crane
Applegate	Broomfield	D'Amours
Archer	Brown, Mich.	Daniel, Dan
Armstrong	Brown, Ohio	Daniel, R. W.
Ashbrook	Broyhill	Davis
Aspin	Buchanan	de la Garza
Badham	Burke, Fla.	Derrick
Bafalis	Burleson, Tex.	Devine
Baldus	Burlison, Mo.	Dickinson
Barnard	Burton, John	Dicks
Baucus	Butler	Dodd
Bauman	Byron	Dornan
Beard, R.I.	Carter	Duncan, Tenn.
Beard, Tenn.	Chappell	Edwards, Ala.
Bedell	Clausen, Don H.	Edwards, Okla.
Bianchard	Cleveland	Emery
Biouin	Cochran	English
Ertel	Lagomarsino	Railsback
Evans, Colo.	Latta	Regula
Evans, Del.	Leach	Rinaldo
Evans, Ga.	Leggett	Risenhoover
Evans, Ind.	Lehman	Roberts
Fascell	Lent	Robinson
Fenwick	Levitas	Rogers
Findley	Lloyd, Calif.	Roncalio
Fish	Lloyd, Tenn.	Rose
Fithian	Long, La.	Rousselot
Flippo	Long, Md.	Roybal
Flood	Lott	Rudd
Flowers	Lujan	Runnels
Flynt	Luken	Ruppe
Ford, Mich.	McClory	Russo
Fountain	McCloskey	Ryan
Fowler	McCormack	Santini
Frenzel	McDade	Sarasin
Frey	McDonald	Schulze
Fuqua	McEwen	Sebelius
Gammage	McFall	Sharp
Gaydos	McHugh	Shuster
Gilman	McKay	Sikes
Ginn	Mahon	Simon
Glickman	Mann	Sisk
Goldwater	Markey	Skelton
Gonzalez	Marks	Skubitz
Goodling	Marlenee	Slack
Gore	Marriott	Smith, Iowa
Gradison	Martin	Smith, Nebr.
Grassley	Mathis	Snyder
Gudger	Meeds	Spence
Guyer	Meyner	Staggers
Hagedorn	Michel	Stangeland
Hall	Mikva	Stanton
Hamilton	Miller, Calif.	Steed
Hammer-schmidt	Miller, Ohio	Steiger
	Mineta	Stockman
Hanley	Minish	Stump
Harkin	Mitchell, N.Y.	Symms
Harsha	Moffett	Taylor
Hefner	Mollohan	Thone
Hightower	Montgomery	Thornton
Holland	Moore	Traxler
Hollenbeck	Mottl	Treen
Hubbard	Murphy, Pa.	Trible
Huckaby	Murtha	Tucker
Hughes	Myers, Ind.	Udall
Hyde	Natcher	Ullman
Ichord	Neal	Vander Jagt
Ireland	Nedzi	Vanik
Jeffords	Nichols	Volkmer
Jenkins	Nolan	Waggonner
Jenrette	O'Brien	Walgren
Johnson, Calif.	Oberstar	Walker
Johnson, Colo.	Obey	Walsh
Jones, N.C.	Panetta	Wampler
Jones, Okla.	Patten	Watkins
Jones, Tenn.	Pease	White
Kasten	Perkins	Whitley
Kazen	Pettis	Whitten
Kelly	Pickle	Wiggins
Ketchum	Poage	Winn
Keys	Pressler	Wright
Kildee	Preyer	Wydler
Kindness	Pursell	Yatron
Kostmayer	Quayle	Young, Alaska
Krebs	Quie	Young, Fla.
Krueger	Rahall	Young, Tex.

NOES—129

Addabbo	Delaney	Kemp
Ambro	Dellums	Koch
Anderson, Calif.	Derwinski	LaFalce
	Diggs	Le Fante
Annunzio	Dingell	Lederer
Ashley	Downey	Lundine
AuCoin	Drinan	McKinney
Badillo	Duncan, Oreg.	Maguire
Beilenson	Early	Mattox
Benjamin	Eckhardt	Mazzoli
Bennett	Edgar	Metcalfe
Biaggi	Edwards, Calif.	Mikulski
Bingham	Eilberg	Milford
Boland	Fary	Mitchell, Md.
Bolling	Fisher	Moakley
Brademas	Foley	Moorhead, Calif.
Brodhead	Ford, Tenn.	
Brown, Calif.	Fraser	Moorhead, Pa.
Burke, Calif.	Gephardt	Moss
Burke, Mass.	Giaimo	Murphy, Ill.
Burton, Phillip	Gibbons	Myers, Michael
Caputo	Hannaford	Nix
Carney	Harrington	Nowak
Carr	Harris	Oakar
Cavanaugh	Hawkins	Ottinger
Chisholm	Heckler	Patterson
Clay	Holt	Pattison
Collins, Ill.	Holtzman	Pepper
Collins, Tex.	Horton	Pike
Conyers	Howard	Pritchard
Corman	Jacobs	Rangel
Cotter	Jordan	Reuss
Danielson	Kastenmeier	Richmond
Rodino	St Germain	Whitehurst
Rooney	Stark	Wilson, Bob
Rosenthal	Steers	Wilson, C. H.
Rostenkowski	Stokes	Wirth
Satterfield	Studds	Wolff
Sawyer	Thompson	Wylie
Scheuer	Tsongas	Yates
Schroeder	Vento	Young, Mo.
Seiberling	Waxman	Zablocki
Solarz	Weiss	Zeferetti
Spellman	Whalen	

NOT VOTING—24

Bevill	Hansen	Rhodes
Burgener	Heftel	Roe
Cederberg	Hillis	Shipley
Clawson, Del	Madigan	Stratton
Conable	Murphy, N.Y.	Teague
Dent	Myers, Gary	Van Deerlin
Florio	Price	Weaver
Forsythe	Quillen	Wilson, Tex.

The Clerk announced the following pairs:

On this vote:

Mr. Teague for, with Mr. Florio against.

Mr. Shipley for, with Mr. Heftel against.

Mr. Bevill for, with Mr. Price against.

Mr. Quillen for, with Mr. Murphy of New York against.

Mr. Burgener for, with Mr. Stratton against.

Mr. Cederberg for, with Mr. Weaver against.

Ms. OAKAR and Mr. ECKHARDT and Mr. PEPPER changed their vote from "aye" to "no."

Messrs. BUCHANAN, KILDEE, FOWLER, PATTEN, RUSSO, YATRON, and ALLEN changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MRS. SPELLMAN

Mrs. SPELLMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. SPELLMAN: On page 8, strike line 2 and insert the following: "by inserting at the end of paragraph 3(B) 'and in a manner to insure full opportunity for participation by, and benefits to, the handicapped; and' ".

On page 8, line 3, strike "(3)(B)".

Mrs. SPELLMAN. Mr. Chairman, today I am offering an amendment to require that no grant made under section 106 of this bill may be considered and approved by the Secretary unless the application affords a full opportunity to obtain housing assistance for the handicapped.

People with severe disabilities, especially those who have had a disability for many years, have substantial difficulty in compensating for their disabilities, because they lack any experience of normal growth and development. For these persons, discrimination is a part of their daily experience. To integrate these people successfully into our community life, we must insure their basic rights to a suitable, and independently chosen place to live. We can no longer isolate handicapped persons from our communities or force them into institutions which further discriminate against their normal development.

I must add that I had raised my concern in the committee deliberations on this legislation. Secretary Embry was also concerned about the shortcomings in our present policy with regard to handi-

capped persons, and his office was helpful in reaching this amendment language.

My concern arose from problems which the handicapped have encountered in my own district which I have learned are evident in many parts of our country. For instance, I am advised that under the previous administration in Mantua, Ohio, the Hattie Larlham Foundation's attempts to obtain section 202 moneys to expand a facility for severely and profoundly retarded children under 6 years of age were refused with the comment by local HUD personnel that the housing funds in the program would only be used for urban renewal. Perhaps even more disturbing was the information that in a survey conducted by the Task Force on Housing of the Consortium Concerned with the Developmentally Disabled, a majority of the 130 communities surveyed were not involved in the planning process for housing and community development needs. Or, as I read in a letter from Stephen Slaikeu, the executive director of the League of Human Dignity in Lincoln, Nebr.:

> We have been more fortunate than many groups in obtaining community development money, but we still feel that the persons in actual control of the programs have no real desire or interest to meet the problems of the physically handicapped in the area of housing. Instead, it is our distinct impression that they put up with us as a nuisance. I think that your amendment will definitely aid us in our pursuit of developing housing for the handicapped. . . .

My amendment is an honest effort, supported by the new administration, in the right direction. I am heartened by Secretary Harris' attitude and by that of Assistant Secretary Robert Embry. I would like to express my gratitude for their interest in the handicapped and for their excellent cooperation and assistance with this amendment. I urge my colleagues to support me in this effort to help the thousands and thousands of people in our country who have been so consistently excluded in the past.

Mr. ASHLEY. Mr. Chairman, will the gentlewoman yield?

Mrs. SPELLMAN. I yield to the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. I think the gentlewoman for yielding.

Mr. Chairman, I am pleased to accept the amendment. The gentlewoman from Maryland (Mrs. SPELLMAN) has done an excellent job in pursuing this amendment and in working out satisfactorily some troublesome matters that presented themselves.

The amendment does meet with the approval of HUD, and on that basis I am delighted to accept it.

Mrs. SPELLMAN. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Maryland (Mrs. SPELLMAN).

The amendment was agreed to.

Mr. FISH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was and still am among those who view with some concern the fate of the smaller hold-harmless communities under 50,000 population which were funded under the 1974 act, but which now find themselves phased out. I was among those who wished to extend hold-harmless at its previous level for an additional year to provide further studies prior to cutting these smaller communities adrift to compete for discretionary funding.

If the Members will recall, under the 1974 act, to become hold-harmless these communities had to have demonstrated a concern for community improvement, code enforcement, housing, and various programs related to community revitalization.

Within New York's 25th Congressional District, which I have the honor to represent, there are four small, but old cities and one township, all being funded under hold-harmless and all in need of continued assistance. Of these, one, the city of Poughkeepsie, as it is in a standard metropolitan statistical data area, will be eligible as a formula city. The others, the cities of Beacon, Peekskill, and Kingston—the first capital of New York State—as well as the town of Yorktown, will not. But all are suffering on a smaller scale the problems faced by our larger industrial cities.

Over the years, in addition to upgrading areas of physical decay and eradicating urban blight, a considerable amount of community development funding in these small cities has gone toward helping to finance programs which are human-resource related. These programs, once started, require an ongoing effort if any value from money already spent is to be realized.

Mr. Chairman, I would like to address a series of three questions to the gentleman from New York (Mr. LUNDINE), a member of the committee, who addressed these concerns in the legislation before us during the deliberations before his committee.

My first question is this:

Is my understanding correct that under H.R. 6655 these needs will be recognized and responded to? Is it correct that these smaller hold-harmless cities will be in a preferential position in applications for discretionary funding?

Mr. LUNDINE. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from New York.

Mr. LUNDINE. Yes, the gentleman from New York is correct.

Past performance is one of the criteria to be taken into consideration in the decision with regard to the multiyear funding for small communities under this act, as amended.

Mr. FISH. Mr. Chairman, I thank the gentleman.

Let me also ask this question:

Is my understanding correct that these small hold-harmless communities can apply for the 3-year comprehensive grant programs for discretionary funding while at the same time receiving their two-thirds or one-third hold-harmless funding during fiscal year 1978 and 1979?

Mr. LUNDINE. Yes, I believe that is correct. There is no question that a small community can have a hold-harmless amount and can still apply for a discretionary grant.

Whether or not they can then ask for multiyear funding is not specifically addressed by the legislation. It would be my understanding of the intent of the committee that they could, but that the amount of the hold-harmless would be considered among other factors by HUD in determining the level of their funding.

Mr. FISH. Mr. Chairman, I appreciate the gentleman's reassurance.

Further, since I mentioned the social programs under community development, I would like to clarify a question that has arisen in some HUD area offices about their eligibility.

It is my understanding that the social programs are eligible if they predominantly serve low- and moderate-income persons and also an area in which community development physical activities are taking place and that it is absolutely not necessary that any more complicated relationship between the physical and social activities needs to be established. Is this correct?

Mr. LUNDINE. That is my understanding, yes.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I want to commend the gentleman from New York (Mr. FISH) and the gentleman from New York (Mr. LUNDINE) for clarifying the hold-harmless provisions in this new legislation, something that our Upstate New York communities are particularly concerned about.

I, too, want to commend the gentleman from Iowa (Mr. GRASSLEY) for considering the smaller communities in this legislation, something that we have neglected for far too long.

Mr. Chairman, I rise to express my support for H.R. 6655, legislation which would extend and strengthen our Nation's community development program.

My congressional district in New York State has been struck with the urban blight which has plagued the industrial northeast in recent decades. However, the communities in my district have viewed the community development program as a beam of hope and have been enthusiastic and innovative in taking advantage of this beneficial program.

The historic city of Newburgh, N.Y., nestled on the Hudson, has used community development funding to successfully carry out an ambitious redevelopment program, upgrading the housing and the streets, neighborhood by neighborhood.

Port Jervis, N.Y., once a major transportation hub, has successfully used community development funding to fight the blight brought about by the decline of the railroad industry.

Middletown, N.Y., losing businesses and residents to rapidly expanding suburbs, has made great strides in revitalizing the downtown area as a magnet for commerce with the use of community development programs.

Both the county of Rockland, classified as an urban county, and some of the municipalities within that county, particularly the villages of Spring Valley and Nyack, are noted in the area for the imaginative uses to which they used community development funding.

Mr. Chairman, the Congress should not allow a program as far reaching and as successful as community development to die.

When I testified before the subcommittee on this legislation, I expressed my opposition to the exclusion of the "hold harmless" funding. However, the changes in the formula to be used for distribution will more than satisfy the gap that will be caused when "hold harmless" is phased out.

Loss of population will not be held against a community, but will be considered a prime motivation for the allocation of funds. Urban blight will also be taken into consideration.

Yesterday, during the floor debate, it was mentioned that the so-called new formula "targets" older communities for community development funding. This is how it should be. My distinguished colleague from New York (Mr. BINGHAM) articulately pointed out that the bulk of urban problems with which this Nation is faced is not spread evenly nationwide, but is concentrated in our older communities.

I am confident that Congress will act favorably on this worthy legislation and will thus take these vital steps toward eliminating the cancer of urban decay.

Accordingly, I urge all of my colleagues to support this legislation.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to direct some of my remarks to the distinguished gentleman from Ohio (Mr. ASHLEY).

Not too many moments ago, I heard the very able distinguished gentleman from Oregon refer to this proposal as a carefully crafted proposal. I agree totally with that description.

Particularly do I agree with reference to section 112 of this bill, dealing with comprehensive planning grants. That section amends section 701 of the Housing Act of 1954, which is the basic legislation establishing comprehensive planning grants. This proposal will mandate that not less than 20 percent of the funds appropriated for fiscal year 1978 and for succeeding years be used for planning grants to large cities and urban counties.

Mr. Chairman, the gentleman from Ohio (Mr. ASHLEY) and I have been over this matter before. I decided I would not offer an amendment. I can count heads here, and I decided perhaps we could live to fight this battle on another day in another forum.

In any event, on page 13 of the report this language appears:

> The committee adopted this approach because of HUD's continued attempts to eliminate 701 funding for large cities and urban counties on the theory that comprehensive planning, while desirable to encourage, could be funded out of community development block grants. While narrow, functional planning can be funded out of block grants, comprehensive planning cannot.

Mr. Chairman, that really does not state the case as it is. The legislation which established the Housing and Community Development Act of 1974 clearly permits the use of community development funds for comprehensive planning grants.

Mr. Chairman, let me give a little history of comprehensive planning. When this was put into the law back in 1954, comprehensive planning grants were reserved—and listen to this—were reserved for communities of less than 50,000 in population. Oh, there were subsequent amendments to the law which permitted the use of the 701 program for communities above 50,000 in population, and the Department has been making grants on that basis.

Mr. Chairman, since 1954, the Department of Housing and Urban Development has expended some $775 million in comprehensive planning grants. That is not the only area, of course, where grants are made for planning. There is functional and project planning in many other agencies of the Government. There are some 23 spigots, and in the other 23 spigots, the total funding—and listen to this—for the other 23 spigots combining comprehensive, functional and project planning comes to $780 million-plus per year.

Therefore, Mr. Chairman, I do not think that the Federal Government or the Department has been lax in the amount of money that has been made available to all communities. My problem with the 701 planning grants is that those communities that participate in community development, where they get community development block grants, ought to use some of those funds for comprehensive planning. That is all I ask, and that has been the position of the subcommittee which I chair for some years.

So, Mr. Chairman, I pass this on to my distinguished and my loyal friend, the gentleman from Ohio (Mr. ASHLEY). I just wanted to compliment the gentleman on the excellent craftsmanship that is exhibited in this section. I totally agree with the gentleman from Oregon, that it is well crafted.

The CHAIRMAN. Are there further amendments to title I? If not, the Clerk will read title II.

The Clerk read as follows:

TITLE II—HOUSING AUTHORIZATIONS

AMENDMENTS TO THE UNITED STATES HOUSING ACT OF 1937

SEC. 201. (a) The first sentence of section 5(c) of the United States Housing Act of 1937 is amended—

(1) by striking out "and" following "July 1, 1975," the first time it appears; and

(2) by inserting after "on October 1, 1976," the following: "and by $1,232,120,000 on October 1, 1977,".

(b) Section 5(c) of such Act is amended by inserting the following new sentence after the third sentence: "Of the additional authority to enter into contracts for annual contributions provided on October 1, 1977, and approved in appropriation Acts, the Secretary shall make available not less than $197,139,200 for low-income housing projects permanently financed by loans from a State housing finance or State development agency as defined in section 802(b)(2)(A) of the Housing and Community Development Act of 1974.".

(c) Section 8(c)(1) of such Act is amended by adding the following new sentence at the end thereof: "Notwithstanding any other provision of this section, the Secretary may not, after the date of enactment of the Housing and Community Development Act of 1977, enter into any contract under this section for any dwelling unit with respect to which the total of the debt service and any insurance premium charged under title II of the National Housing Act exceeds $100 per month per room contained in such unit; except that, in the case of any such dwelling unit located in Alaska or Hawaii, this sentence shall not apply.".

(d) Section 8(c)(4) of such Act is amended by striking out the following: "(i) if the unoccupied unit is in a project insured under the National Housing Act, except pursuant to section 244 of such Act, or (ii)".

(e)(1) Section 8(d) of such Act is amended by adding the following new paragraph at the end thereof:

"(3) Notwithstanding that the public housing agency is administering the housing assistance payment contract, all the management and maintenance responsibilities of any existing housing unit assisted under such contract may be assumed by such public housing agency, if approved by the Secretary.".

(2) Section 8(e)(2) of such Act is amended by adding the following new sentence at the end thereof: "In approving any public housing agency to assume all the management and maintenance responsibilities of any dwelling unit under the preceding sentence, the Secretary may do so without regard to whether such agency administers the housing assistance payment contract for that unit.".

(f) Section 9(c) of such Act is amended—

(1) by striking out "and" following "on or after July 1, 1976,"; and

(2) by inserting before the period at the end thereof a comma and the following: "and not to exceed $665,000,000 on and after October 1, 1977".

INCREASE IN MAXIMUM MORTGAGE AMOUNTS UNDER FEDERAL HOUSING ADMINISTRATION MORTGAGE INSURANCE PROGRAMS

SEC. 202. (a) Section 203(b)(2) of the National Housing Act is amended by striking out "$45,000", "$48,750", and "$56,000" wherever they appear and inserting in lieu thereof, "$60,000", "$65,000", and "$75,000", respectively.

(b) Section 220(d)(3)(A) of such Act is amended by striking out "$45,000", "$48,750", and "$56,000" wherever they appear and inserting in lieu thereof "$60,000", "$65,000", and "$75,000", respectively.

(c) Section 221(d)(2)(A) of such Act is amended by—

(1) striking out "$25,000", "$29,000", and "$33,000" each place they appear and inserting in lieu thereof "$31,000", "$36,000", and "$42,000", respectively.

(2) striking out "$28,000", "$38,880", "$47,520", "$36,000", "$46,080", and "$54,720", and inserting in lieu thereof "$35,000", "$48,600", "$59,400", "$45,000", "$57,600", and "$68,400", respectively.

(d) Section 222(b)(2) of such Act is amended by striking out "$45,000" and inserting in lieu thereof "$60,000".

(e) Clause (A) of the third sentence of section 234(c) of such Act is amended by striking out "$45,000" and inserting in lieu thereof "$60,000".

(f) Section 235 of such Act is amended—

(1) by striking out, in the last proviso in subsection (b)(2), "$25,000", "$29,000",

"$29,000", and "$33,000" and inserting in lieu thereof "$31,000", "$36,000", "$36,000", and "$42,000", respectively;

(2) by striking out, in subsection (i)(3)(B) "$25,000", "$29,000", "$29,000", and "$33,000" and inserting in lieu thereof "$31,000", "$36,000", "$36,000", and "$42,000", respectively;

(3) by striking out "and" at the end of subparagraph (B) of subsection (i)(3); and

(4) by redesignating subparagraph (C) of subsection (i)(3) as subparagraph (D) and inserting after subparagraph (B) the following new subparagraph:

"(C) involve, in the case of a dwelling unit other than a condominium or cooperative unit, a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Secretary shall approve) in an amount not to exceed $31,000, or up to $36,000 in any geographical area where the Secretary authorizes an increase on the basis of a finding that cost levels so require, except that with respect to any family with five or more persons the foregoing limits shall be $36,000 and $42,000, respectively; and".

(g) Section 203(i) of such Act is amended by striking out "$16,200" and inserting in lieu thereof "75 per centum of the limit on the principal obligation applicable to a one-family residence under subsection (b) of this section".

DECREASE IN DOWNPAYMENT REQUIREMENTS

SEC. 203. (a) Section 203(b)(2) of the National Housing Act is amended—

(1) by striking out, in clause (i) of the first sentence, all the parenthetical language which begins "(but, in any case";

(2) by striking out clauses (ii) and (iii) in the first and second sentences and inserting in lieu thereof in each sentence "and (ii) 95 per centum of such value in excess of $25,000."; and

(3) by inserting immediately after the second sentence the following: "Notwithstanding any other provision of this section, in any case where the dwelling is not approved for mortgage insurance prior to the beginning of construction, such mortgage shall not exceed 90 per centum of the entire appraised value of the property as of the date the mortgage is accepted for insurance, unless the dwelling was completed more than one year prior to the application for mortgage insurance, or the dwelling was approved for guaranty, insurance, or direct loan under chapter 37 of title 38, United States Code, prior to the beginning of construction.".

(b) Section 220(d)(3)(A)(i) is amended by—

(1) striking out the comma at the end of clause (1) and all of clauses (2) and (3) in the matter preceding the first proviso and inserting in lieu thereof "and (2) 95 per centum of such value in excess of $25,000"; and

(2) striking out in the second proviso the comma at the end of clause (1) and all of clauses (2) and (3) and inserting in lieu thereof "and (2) 95 per centum of such value in excess of $25,000".

(c) Section 222(b)(3) of such Act is amended by striking out clauses (ii) and (iii) and inserting in lieu thereof "and (ii) 95 per centum of such value in excess of $25,000;".

(d) The third sentence of section 234(c) of such Act is amended by striking out clauses (A)(ii) and (A)(iii) and inserting in lieu thereof "and (ii) 95 per centum of such value in excess of $25,000,".

AUTHORITY TO INCREASE MORTGAGE INSURANCE PREMIUM FOR SECTION 203(n)

SEC. 204. Section 203(c) of the National Housing Act is amended by inserting the following before the colon preceding the first proviso: *"Provided,* That premium charges fixed for insurance under subsection (n) need not be the same for such charges for other mortgages insured under this section but the charges for insurance under such subsection may not exceed 1 percent per annum:".

ASSISTANCE PAYMENTS UNDER SECTION 236

SEC. 205. (a) Section 236(f)(3) of the National Housing Act is amended to read as follows:

"(3) For each project the mortgage of which is either insured under this section or is assisted under a State or local program providing assistance through loans, loan insurance, or tax abatement, there shall be established an initial operating expense level, which shall be the sum of the cost of utilities, local property taxes, and operating and maintenance expenses payable by the project owner for the twelve months following the date on which the property has first achieved an occupancy rate of 50 per centum, as determined by the Secretary. Within ninety days subsequent to the establishment of an initial operating expense level, but not prior to October 1, 1977, the Secretary is authorized to make, and shall contract to make to the extent approved in appropriation Acts, additional assistance payments to the project owner in an amount up to the amount by which the sum of the cost of utilities, local property taxes, and operating and maintenance expenses exceeds the initial operating expense level, but not to exceed the amount required to maintain the basic rentals of any units at levels not in excess of 30 per centum, or such lower per centum not less than 25 per centum, as shall reflect the reduction permitted in clause (ii) of the last sentence of paragraph (1), of the income of tenants occupying such units. Any contract to make additional assistance payments shall be amended periodically to provide for appropriate adjustments in the amount of the assistance payments. Additional assistance payments shall be made pursuant to this paragraph only if the Secretary finds that the increase in the cost of utilities, local property taxes, or operating and maintenance expenses is reasonable and is in the community.".

(b) The last sentence of section 236(g) is amended by striking out "1974" and inserting in lieu thereof "1977".

EXPERIMENTAL FINANCING

SEC. 206. Section 245 of the National Housing Act is amended—

(1) by striking out "on an experimental basis" in the first sentence;

(2) by striking out the second sentence and inserting in lieu thereof the following: "Notwithstanding any other provision of this title, the principal obligation (including all interest to be deferred and added to principal) of a mortgage insured pursuant to this section may not exceed 97 per centum of the appraised value of the property covered by the mortgage as of the date the mortgage is accepted for insurance, or if the mortgagor is a veteran and the mortgage is to be insured in accordance with the provisions of section 203 of this title, such higher percentage of appraised value as is provided for purposes of determining the maximum mortgage amount eligible for insurance under section 203(b)(2) in the case of veterans."; and

(3) by inserting at the end thereof the following new sentence: "Any mortgage or loan insured pursuant to this section which contains or sets forth any graduated mortgage provisions (including but not limited to provisions for adding deferred interest to principal) which are authorized under this section and applicable regulations, or which have been insured on the basis of their being so authorized, shall not be subject to any State constitution, statute, court decree, common law, or rule or public policy limiting the amount of interest which may be charged, taken, received, or reserved, or the manner of calculating such interest (including but not limited to prohibitions against the charging of interest on interest), if such statute, court decree, common law, or rule would not apply to the mortgage or loan in the absence of such graduated payment mortgage provisions.".

INCREASE IN MAXIMUM MORTGAGE AMOUNT AND TERM OF MATURITY UNDER TITLE I OF THE NATIONAL HOUSING ACT

SEC. 207. The first sentence of section 2(b) of the National Housing Act is amended—

(1) by striking out "$10,000" the first time it appears in clause (1) and inserting in lieu thereof "$15,000"; and

(2) by striking out "twelve years" in clause (2) and inserting in lieu thereof "fifteen years".

URBAN HOMESTEADING DEMONSTRATION

SEC. 208. Section 810(g) of the Housing and Community Development Act of 1974 is amended by striking out "and not to exceed $5,000,000 for the fiscal year 1978" and inserting in lieu thereof "and not to exceed $15,000,000 for the fiscal year 1978".

FLOOD INSURANCE STUDIES

SEC. 209. Section 1376(c) of the National Flood Insurance Act of 1968 is amended by inserting the following before the period at the end thereof: "and not to exceed $108,000,000 for the fiscal year 1978".

RESEARCH AUTHORIZATION

SEC. 210. The second sentence of section 501 of the Housing and Urban Development Act of 1970 is amended by inserting the following before the period at the end thereof: "and not to exceed $65,000,000 for the fiscal year 1978".

INCREASE IN LIMITS ON AMOUNT OF A CONVENTIONAL MORTGAGE WHICH MAY BE PURCHASED BY FNMA OR FHLMC

SEC. 211. (a) The last sentence of section 302(b)(2) of the National Housing Act is amended by inserting "by more than 25 per centum" after "exceed".

(b) The last sentence of section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act is amended by inserting "by more than 25 per centum" after "exceed".

LEASED HOUSING

SEC. 212. Section 208 of the Housing and Community Development Act of 1974 is amended by inserting ", including the right to renewal of such lease to the maximum term permitted by law," after "United States Housing Act of 1937".

SECTION 202 HOUSING FOR THE ELDERLY

SEC. 213. (a) Section 202(d)(3) of the Housing Act of 1959 is amended by inserting the following before the period at the end thereof: ", which cost shall be determined without regard to mortgage limits imposed with respect to housing projects insured under section 231 of the National Housing Act".

(b) Section 202 of such Act is amended by adding at the end thereof the following new subsection:

"(g) In carrying out the provisions of this section and section 8 of the United States Housing Act of 1937, the Secretary shall issue and implement regulations, as soon as practicable after the date of enactment of Housing and Community Development Act of 1977, which shall provide that the processing of any application for a loan for a project under this section and the processing of any application for assistance under such section 8 with respect to housing units in the same such project shall be coordinated in an economical and efficient manner.".

SECTION 203 INSURANCE IN CERTAIN COMMUNITIES

SEC. 214. Section 203 of the National Housing Act is amended by adding at the end

thereof a new subsection (o) reading as follows:

"(o) (1) Notwithstanding any other provision of this section or any other section of this title, the Secretary is authorized to insure, and to commit to insure, under subsection (b) of this section as modified by this subsection a mortgage which meets both the requirements of this subsection, and such criteria as the Secretary by regulation may prescribe to further the purpose of this subsection, in any community where the Secretary determines that—

"(A) temporary adverse economic conditions exist throughout the community as a direct and primary result of outstanding claims to ownership of land in the community by an American Indian tribe, land, or Nation;

"(B) such ownership claims are reasonably likely to be settled, by court action or otherwise, by the end of calendar year 1977;

"(C) as a direct result of the community's temporarily impaired economic condition, owner occupants of homes in the community have been involuntarily unemployed or underemployed and have thus incurred substantial reductions in income which significantly impair their ability to continue timely payment of their mortgages; and

"(D) as a result, widespread mortgage foreclosures and distress sales of homes are likely in the community.

"(2) A mortgage shall be eligible for insurance under subsection (b) of this section as modified by this subsection without regard to limitations in this title relating to a mortgagor's reasonable ability to pay, economic soundness, marketability of title, or any other statutory restriction which the Secretary determines is contrary to the purpose of this subsection but only if the mortgagor is an owner occupant of a home in a community specified in paragraph (1) who, as a direct result of the community's temporarily impaired economic condition, has been involuntarily unemployed or underemployed and has thus incurred a substantial reduction in income which significantly impairs the owner's ability to continue timely payment of the mortgage. The Secretary is authorized to encourage or provide directly to or on behalf of mortgagors whose mortgages are insured under subsection (b) as modified by this subsection forebearance, assignment of mortgages to the Secretary, or such other relief as the Secretary deems appropriate and consistent with the purpose of this subsection. The Secretary, in connection with any mortgage insured under subsection (b) as modified by this subsection, shall have all statutory powers, authority, and responsibilities which the Secretary has with respect to other mortgages insured under subsection (b), except that the Secretary may modify such powers, authority, or responsibilities where the Secretary deems such action to be necessary because of the special nature of the mortgage involved. Nowithstanding section 202 of this title, the insurance of a mortgage under subsection (b) of this section as modified by this subsection shall be the obligation of the Special Risk Insurance Fund created pursuant to section 238 of this title.".

Mr. ASHLEY (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AMENDMENT OFFERED BY MR. STANTON

Mr. STANTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STANTON: Page 37, line 16, section 202(f) is amended—

(a) by striking out "and" at the end of paragraph (3);

(b) by striking the "." at the end of paragraph 4 and inserting in lieu thereof: "; and"; and

(c) by adding the following new paragraph at the end thereof:

"(5) by adding the following new subsection:

"'(n) No mortgage shall be insured on a unit in a subdivision, after the date of enactment of this subsection, which, when added to any other mortgages insured in that subdivision after such date, represents more than 40 per centum of the total number of units in the subdivision.'"

Mr. STANTON. Mr. Chairman, what this amendment attempts to do is to really put into law what the general practice of HUD is at the present time.

Many of us who have lived with 235 from the time of its inception recall many of the mistakes that we originally made. The first and probably biggest mistake we made was in the initial distribution, and we all recall that the way we did it we allowed the local housing administration to take a contract with the builders not in the places where these units were needed but basically in those areas way out in the suburbs, areas where there was water, and there was sewer and where they could start building immediately.

After we started to analyze and consider the program we came to the conclusion that the best units of all were those units that were built where there was an intertwining of privately built and subsidized homes and found out that in those areas in which 100 percent of 235 were built it tended to ghetto-ize those areas and that we had less and less control over those builders than in the areas where there was a mix between private homes and subsidized homes than in all subsidized areas. That where people put down hard cash to buy that same type home that was being subsidized next door, it had an effect upon the builder, to the extent that he was more careful in his building.

So when this program was reactivated by mandate of the Congress, the Secretary at that time was Carla Hills, and she listened to all of us on the committee and said that this was the best thing to do. So we asked to have this put in to the extent that not more than 40 percent in any one subdivision could be applied to this particular program.

I think that it has worked extremely well. It has overcome a lot of the handicaps that were in the original program. Where there is this mix between the private and the subsidized homes, it has helped the builders because the people pay a larger downpayment on their home and because of that they probably had some leverage on that builder, more so than on the subsidized homes.

I would hope the committee would accept the amendment.

Mr. ASHLEY. Mr. Chairman, this matter has been reviewed. The limitation that the gentleman's amendment would fasten into the law is in fact in being by regulation of the amendment that conforms to the philosophy of the Department, and I am pleased to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. STANTON).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. COHEN

Mr. COHEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COHEN: Page 46, line 13, immediately after the word "otherwise" delete: ", by the end of calendar year 1977".

Mr. COHEN. Mr. Chairman, section 214 of this bill will have the effect of permitting the HUD Secretary to provide mortgage payment relief to certain persons adversely affected by Indian claims to land. Such claims currently exist in Maine and Massachusetts.

The committee's intent with respect to section 214 is clear. It is stated on page 22 of the committee report:

To permit the insurance of mortgages in communities, where temporarily adverse economic conditions exist due to claims to land by American Indian tribes, bands, or nations, and where these claims are expected to be settled during calendar year 1977.

While I applaud the committee for recognizing the need, and Federal responsibility to take interim action with respect to mortgage problems caused by Indian claims, I must point out to you that the assistance envisioned in section 214 will not be forthcoming as long as the HUD Secretary must first determine that ownership claims are reasonably likely to be settled, by court action or otherwise, by the end of calendar year 1977. That is what section 214 says: That the Secretary must first determine that settlement is likely by the end of this year.

Those of us who are familiar with the complex nature of the Indian claims in our districts know full well right now that settlement of these claims will not occur within the next 8 months. The President—who has appointed a special representative to determine reasonable approaches to the intricate problems involved—is also aware that an acceptable solution will take more than 8 months to formulate.

Therefore, Mr. Chairman, in light of the fact that section 214 will be meaningless unless the reference in this bill to "the end of calendar year 1977" is deleted, I am offering an amendment to eliminate this phrase. I would urge all who support the committee's intent with respect to section 214 to support my amendment. Without it, the insurance program contained in section 214 will never go into effect and those people who suffer from the economic consequences of the Indian claims will never benefit from the relief intended for them by the committee.

Mr. ASHLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, admittedly this section is special-purpose legislation. It is carefully structured—mainly by means of the provision which the gentleman wishes to strike—to make available emergency relief in one specific situation and one only. To accept the gentleman's amendment would be to apply this temporary one-shot mortgage insurance program nationally on a permanent basis without really knowing what we are letting ourselves in for as to the extent of the contingent liabilities the Government would incur. What I am saying is that by expanding the mortgage-insurance approach to other communities without more careful consideration and hearings, the Congress would be exposing the Federal Government to unknown and potentially huge liabilities. I can assure the gentleman from Maine that the Office of Management and Budget is aware of this fact and shares this view. For these reasons, Mr. Chairman, I most strongly wish to oppose the gentleman's amendment.

Mr. STANTON. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to my colleague, the gentleman from Ohio.

Mr. STANTON. I appreciate the gentleman's yielding.

I join the gentleman—I will say to my friend, the gentleman from Maine, reluctantly—to oppose this amendment. But to members of the committee this was, as the gentleman from Ohio said, special legislation. It did come up in conference. It covers one specific incident, and what the gentleman from Maine would do would be to strike the year 1977 and open it up nationally.

As the gentleman from Ohio so well explained, if we are ever going to get into this deal, without strong opposition at the present time from the Department and the committee, let us take our time and look at it another time down the road, but certainly not in this bill.

Mr. COHEN. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Maine.

Mr. COHEN. Mr. Chairman, the gentleman mentioned that this is designed specifically for one special situation. I would like to know why is not that one special situation clearly defined in this legislation and what is that special situation?

Mr. ASHLEY. The report spells this out. We were looking at the difficult situation of the town of Mashpee on Cape Cod in Massachusetts. There was an effort on the part of the other body to come to grips with that problem in a way that did not reflect a sound legislative view of the approach in the view of the House conferees and in the view of the Department of Housing and Urban Development. After consultation with the department it was felt that the approach contained in the legislation before us might be appropriate for this situation with the time limitations contained in the amendment.

But I have got to say to the gentleman that HUD expressed considerable apprehension about embarking upon a broad course, making the new legislation permanent and broader in scope without fully scrutinizing the implications that might have in terms of potential liability to the Government.

Mr. COHEN. In other words, we have a suit pending against the town of Mashpee and a suit pending against the State of Maine involving some 12.5 million acres which will cause severe economic hardship and yet we have defined by this legislation relief for the town of Mashpee but not for the State of Maine.

Mr. ASHLEY. It was felt that this approach could be taken with the time limitation fastened on it and addressed to the problem of that community. The same cannot be said with respect to the situation the gentleman is concerned about in his State.

Mr. BAUMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to ask the chairman of the committee what cost will result if this section is enacted even with the calendar year 1977 limit. If we are dealing with only one town, is there not some dollar quantity the gentleman can tell us?

Mr. ASHLEY. If the gentleman will yield, we are advised, I will tell the gentleman, it could be as much as $3 million of insurance which could be involved.

Mr. BAUMAN. It could be $3 million.

Mr. ASHLEY. Yes.

Mr. BAUMAN. I would say the amendment of the gentleman from Maine would open us up to unlimited liability, but even the limited liability proposed by this section seems to me to establish a precedent. I wonder whether or not the committee wants to endorse such a principle by accepting this entire section. I do not know what the status of these claims are that the Indian tribes may make, but in reading the press reports Indian claims may be made in many States including the States of Washington, North Carolina, New York, Maine, and Massachusetts. If that is the case I would assume if this precedent is accepted and written into law for one community, it will have to be done for all, and at that point we will have the Secretary of HUD guaranteeing billions of dollars of mortgages.

It seems to me the whole section ought to be stricken rather than limiting it to one instance. It is a very bad precedent to set in any legislation.

Mr. ASHLEY. Mr. Chairman, if the gentleman will yield, I would have hoped for a more thoughtful approach. Frankly we were faced in conference with a difficult situation. To resolve that situation I negotiated, I suppose it could be said, with the Department, suggesting and causing the Department to suggest language that more directly and more effectively might answer the situation which we are obliged to look at in conference. We are having a difficult time in getting off dead center because of a particular provision the other side insisted upon.

Mr. BAUMAN. So what the gentleman is saying in essence is that although he does not particularly agree with this approach it was an arrangement made to get the supplemental bill through.

Mr. ASHLEY. Let me say this is a better approach than the one being made by the other side at that time. I think the gentleman from Michigan, who was, of course, a conferee, will bear me out that we were faced with a difficult situation which we sought to resolve in the most effective way that was available to us. Would the gentleman from Michigan agree with that?

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, I do concur with the gentleman from Ohio (Mr. ASHLEY). The provision that was in the Senate bill in the supplemental HUD Authorization Act was just intolerable, shall we say. We had some difficulty getting it stricken from that conference report. We accomplished that striking of the provision in the conference report by agreeing to look it it in this legislation. HUD then looked at the proposal, came up with this very strictly and tightly constrained language so as to apply purely to the situation that was raised in the previous bill.

Mr. BAUMAN. Mr. Chairman, the gentleman would have to admit that the principle is much broader than that and if we do it for one, we have to do it for all. Then we are in the position of facing possible billions of dollars in losses from mortgages that the Federal Government is guaranteeing.

Mr. BROWN of Michigan. Mr. Chairman, if the gentleman will yield further, I agree with the gentleman. I have great problems with it; but to take care of this situation in accordance with the agreement we reached with the conferees before, we have kept our faith and the provision is before us.

We, of course, support the provision and feel it should be adopted; but, obviously, we cannot support the amendment of the gentleman from Maine.

AMENDMENT OFFERED BY MR. BAUMAN AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. COHEN

Mr. BAUMAN. Mr. Chairman, in view of that, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. BAUMAN as a substitute for the amendment offered by Mr. COHEN: Page 45, line 20, strike out line 20 and all thereafter through page 48, line 3.

Mr. BAUMAN. Mr. Chairman, this is only an attempt to extricate the chairman of the committee and the committee members from a bad deal. Quite obviously, they have described their dissatisfaction with the principle involved here. While the section is tightly drawn because it has a 1977 date involved, it establishes the principle that HUD will have to guarantee many mortgages to an unknown limit, perhaps billions of dollars all across this country, simply because of claims being filed by Indian tribes.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, it is not mandatory, of course. It simply authorizes the Secretary. There is no triggering mechanism.

Mr. BAUMAN. I concede to the gentleman it is discretionary for the Secretary, but I am quite sure the pressures from

those communities affected will be great for mortgage guarantees.

I think we ought to address the problem of Indian claims in another bill rather than a housing bill. We should put this aside and not encumber a housing bill with such a broad Federal liability.

Mr. COHEN. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Maine.

Mr. COHEN. Mr. Chairman, I would like to address the gentleman from Michigan, who said he was basically in support of this provision of the Secretary to have discretion to pick up the mortgage paper. Is the gentleman in support of the principle, does the gentleman support Maine as well?

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, as I indicated to the gentleman from Maryland when I responded to the gentleman's question, I said that I support the provision as incorporated in the bill, because we had agreed to incorporate such a provision in this legislation as a condition to the Senate, in effect, receding from its position in conference on the prior bill.

Mr. COHEN. Mr. Chairman, if the gentleman will yield further, perhaps the gentleman can respond, since the chairman of the committee has indicated the Secretary has discretion, why not give the same discretion to Maine or any other State?

Mr. BAUMAN. Mr. Chairman, I would respond that if the principle is applied, it ought to be applied to all areas of the country; but it is a highly questionable principle and opens up unlimited liability that no one can predict. It ought to be settled as part of an Indian claims bill and not a housing bill.

Mr. Chairman, I urge support of my amendment.

The CHAIRMAN. The Chair will put the question in the following order. The amendment offered by the gentleman from Maryland (Mr. BAUMAN) is not, technically speaking, a substitute amendment but is a motion to strike the entire section. Consequently, the Chair will put the question first on the perfecting amendment offered by the gentleman from Maine (Mr. COHEN).

The question is on the amendment offered by the gentleman from Maine (Mr. COHEN).

The amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. BAUMAN).

The question was taken; and on a division (demanded by Mr. BAUMAN) there were—ayes 12; noes 37.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. EVANS OF INDIANA

Mr. EVANS of Indiana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EVANS of Indiana: On page 43, line 12, insert "(a)" after "Sec. 207.".

On page 43, line 18, insert the following new subsection:

"(b) Section 2(b)(1) of such Act is amended by striking out '12,500 ($20,000' and inserting in lieu thereof '$15,000 (23,000'."

Mr. EVANS of Indiana (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. EVANS of Indiana. Mr. Chairman, concisely put, my amendment is designed to increase the FHA mortage insurance program for mobile homes—which, in effect, will make this housing option more accessible to many American families.

Let me say that this housing bill does address the increased costs of purchasing single-family dwellings by increasing FHA loan ceiling for structured housing. The need for this is certainly clear, and I would like to commend the chairman of the Housing Subcommittee for his expertise and dedication to provide decent housing to all Americans.

The need for increasing the loan ceiling for mobile homes is also very clear. For example, a single-wide manufactured home in today's marketplace retails for around $16,000. The present FHA loan ceiling of $12,500 makes it financially impossible for many moderate-income families to put down a $3,500 downpayment—thus accessible housing for many Americans now becomes too expensive. My amendment updates the loan ceilings ceiling to $15,000 will make this housing market more attainable.

In a time when we are trying to meet our growing housing needs, it is ironic that the purchase of affordable housing is thwarted by antiquated regulations. My amendment undates the loan ceilings to make them more reflective of today's marketplace. Manufactured homes offer a solid and affordable housing option to millions of Americans, and the adoption of this amendment will provide our citizens with the financial ability to own their own home. I urge your support of this amendment.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Indiana. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, we have had an opportunity to examine the gentleman's amendment. We concur with the purpose of it, and we would be happy to accept it at this time.

However, I understand that the gentleman from Florida (Mr. FREY) has an amendment to the amendment, and so before taking action and indicating our acceptance of the pending amendment, I would suggest that the gentleman from Florida have an opportunity to offer his amendment.

Mr. EVANS of Indiana. Yes, that is my understanding, that Mr. FREY does have an amendment to offer. I believe it is a good amendment.

Mr. AUCOIN. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Indiana. I yield to the gentleman from Oregon.

Mr. AUCOIN. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Indiana.

Mr. Chairman, in these days when housing is increasingly expensive and beyond the reach of average Americans, the mobile home industry has come forward with a viable alternative.

That alternative is a safe, decent, sanitary home that sells for an amount average Americans can afford. The mobile home has meant the difference for a lot of Americans between living in a substandard dwelling and living in a home they owned and gave them a feeling of dignity.

But like all other housing units, the mobile home has risen in cost. Structural improvements that improved quality, plus normal inflationary pressures, have driven up prices to the point of where increases are necesary in the FHA mortgage insurance ceiling.

In some regions of the country, single-wide mobile homes are selling for $16,000. Under the current $12,500 single-unit ceiling, families—in order to buy such a mobile home—would have to have a large down payment. Not only would this be a hardship on low-income families, but it also would affect moderate-income young families.

The amendment offered by Congressman EVANS of Indiana to raise the ceiling for both single- and double-wide mobile homes is timely and necessary if this important alternative housing opportunity is to remain viable as a means of helping cure our Nation's chronic housing shortage.

Mr. FREY. Mr. Chairman, I thank the gentleman from Indiana for yielding, and I want to commend him for his foresight and determination on this matter of including manufactured homes in title II of this act. I strongly agree with the gentleman from Indiana that the current dollar ceilings on FHA mortgage insurance are much too low, and I shall strongly support his amendment.

I want to point out that the matter of terms on these FHA guaranteed loans needs to be dealt with as well. I plan to offer an amendment to do just that here in a few moments. Before doing so, however, I have a question regarding the current authorizations on loan terms versus actual practice by those who administer these programs.

Perhaps the gentleman from Ohio who chairs the Subcommittee on Housing and Community Development, which has done so much work in this area, could clear up for me this question of implementation of this and previous acts.

For example, this act, just as previous housing acts, seeks to bring about more opportunities for more Americans to obtain a home of their own. In the matter of mobile homes Congress authorized, in 1974, for the Secretary of the Department of Housing and Urban Development to insure single-wide mobile home loans for a term of 15 years. Yet, it is now the practice of HUD to insure these loans for only 12 years.

Would not the gentleman from Ohio agree with me that this practice of HUD fails to live up to the spirit and intent of the Congress, especially as we now know that the majority of Americans

simply cannot afford the average site-built home today?

It is my strong opinion that the Secretary of Housing and Urban Development should take a fresh look at this practice and move these loan terms to the 15 years authorized by the Congress.

In addition, I want to now bring up a simple perfecting amendment to Mr. EVAN'S amendment to deal with this this matter of terms.

Now, this amendment is aimed at increasing the terms for double-wide mobile homes from 15 years without land and 20 years with land to a flat 23-year term.

This area of the manufactured housing industry is one that hold tremendous potential to provide quality, permanent housing, and I believe the terms for double-wide units should be in line with loan guarantee amounts to be created by Mr. EVAN'S amendment.

Mr. Chairman, my home State of Florida is third in the Nation in mobile home households and eighth in the Nation in production. Clearly, this type of housing is being looked to by more and more Americans as the last affordable housing buy. In Florida last year alone retail sales exceeded $231 million—again clearly showing the growing trend toward the manufactured home.

I strongly believe that those who look to this rising new market in housing should not be denied that opportunity by out-dated and unrealistic loan guarantee policies.

Again, I would hope that the Department of Housing and Urban Development would bring its policies on single-wide units into line with the intent of the Congress, and I urge swift passage of this perfecting amendment on terms for double-wides to the amendment by the gentleman from Indiana, and final passage of the combined amendments.

AMENDMENT OFFERED BY MR. FREY TO THE AMENDMENT OFFERED BY MR. EVANS OF INDIANA

Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. FREY to the amendment offered by Mr. EVANS of Indiana: In the last line of the amendment offered by Mr. EVANS, strike out the period and insert in lieu thereof "; and".

After the last line of the amendment offered by Mr. EVANS, add the following:

(4) by inserting the following before the semicolon at the end of the proviso in clause (2): "(twenty-three years and thirty-two days in the case of a mobile home composed of two or more modules)".

(b) Subparagraph (B) of the second paragraph of section 2(b) of such Act and subparagraph (B) of the third paragraph of such section 2(b) are each amended by striking out "twenty years" and inserting in lieu thereof in each case "twenty-three".

In addition, after adding the preceding material, redesignate section 207 of the bill as "SEC. 207. (a)".

Mr. BROWN of Michigan (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. FREY. I yield to the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. I thank the gentleman for yielding.

Mr. Chairman, as I indicated to the gentleman from Indiana (Mr. EVANS), I have had an opportunity to look not only at the amendment offered by the gentleman from Indiana (Mr. EVANS), but also at the amendment offered by the gentleman from Florida (Mr. FREY), and the amendments are acceptable to this side.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. FREY. I yield to the gentleman from Ohio (Mr. ASHLEY), the distinguished chairman of the subcommittee.

Mr. ASHLEY. I thank the gentleman for yielding.

Mr. Chairman, I will say to my good friend, the gentleman from Florida (Mr. FREY), that I am delighted to join with the gentleman from Michigan (Mr. BROWN) in accepting this amendment.

Mr. FREY. Mr. Chairman, there is one question which I would like to direct to the chairman of the subcommittee.

It was my understanding, when we passed the original provision for the single-unit mobile homes, that we passed the 15-year provision, in terms of the mortgage, and that HUD itself has restricted this to 12 years, I think in contravention of what the Congress intended.

Is it the feeling of the gentleman from Ohio (Mr. ASHLEY) that the single units will have 15 years financing?

Mr. ASHLEY. The answer would be yes.

Mr. FREY. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. FREY) to the amendment offered by the gentleman from Indiana (Mr. EVANS).

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. EVANS), as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. ROUSSELOT

Mr. ROUSSELOT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROUSSELOT: Page 34, line 1—

Section 201(a) is amended by adding "not more than $196,200,000 of which may be used for the assistance of units other than under Section 8 of this Act," after "on October 1, 1977,".

Mr. ROUSSELOT. Mr. Chairman, this does nothing more than set the level of public housing units to 50,000, which is what this administration requested in March, of this year

This amendment would, in effect, limit the number of public housing units which could be assisted under the annual contributions contract authority in this bill, to the number recommended by the administration. As I noted in my supplemental views on this bill, there are members of the Appropriations Committee who feel this figure should be much higher. Unfortunately, I have been informed that on May 4, 1977, the HUD Appropriations Subcommittee took action to require an increase in the number of public housing units from 50,000—recommended by the administration—to 75,000. This is a 50 percent increase over the level of such housing the administration has requested and will add considerably to the retraining and staffing requirements of HUD.

This may well be the only time the administration and I are on the same side of a subsidized housing question. While I feel even the 50,000 new public housing units are too many, in light of the program's history, it is certainly better than 75,000 units. We must be realistic. I know I cannot cut off public housing completely, but when I see, in this very bill, that we are authorizing $665 million in operating subsidies alone for such housing, I believe we can join together and limit this program to a more acceptable level.

I would now hope that my distinguished subcommittee chairman would do the same.

I realize that our Subcommittee on Appropriations got carried away and is suggesting a higher number of units.

But I would like to remind my colleagues that we are not only supporting new units but we are also supporting their subsidization for as long as 40 years. So the commitment is not just for the new units but it is also for subsidizing down the line with substantial amounts of money; up to $33 billion.

So, Mr. Chairman, I hope this is one little area where we can tidy this bill up a little bit.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, I quite concur with the gentleman's remarks on his amendment. I hope the amendment is adopted. It reflects the position taken by the administration, and I think it should be sustained.

Mr. ROUSSELOT. Mr. Chairman, I think that was made very clear by the administration's budget justification submitted in March.

I assume that my colleague, the gentleman from Ohio (Mr. ASHLEY), wishes to support this amendment?

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, may I ask the gentleman a question?

Mr. ROUSSELOT. Certainly.

Mr. ASHLEY. It is a fact, I take it, that $196,200,000 is the amount of contract authority that was necessary to support 50,000 units of conventional public housing; is that correct?

Mr. ROUSSELOT. That is correct.

Mr. ASHLEY. The gentleman is suggesting to the Committee that it was the testimony of the Secretary that there would be some 50,000 units of conven-

tional public housing included in the 400,000-unit level for the next fiscal year; is that correct?

Mr. ROUSSELOT. That is correct.

Mr. ASHLEY. Mr. Chairman, much though I would like to, I find it very difficult under those circumstances to contest the gentleman's amendment any further.

Mr. ROUSSELOT. Mr. Chairman, I accept the gentleman's support.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROUSSELOT).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ASHLEY

Mr. ASHLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHLEY: Page 40, strike out line 13 and all that follows through line 22 on page 41 and redesignate the subsequent sections accordingly.

Mr. ASHLEY. Mr. Chairman, my amendment strikes the provision of the bill offered in committee by the gentleman from New York (Mr. HANLEY) that would provide a greatly expanded operating subsidy for projects assisted by section 236 rental payment assistance. Under existing law, operating subsidy payments can now be made by the Secretary where she determines they are necessary. Existing law also provides that such a subsidy be payable only to the extent that increases in utilities and property taxes exceed the initial operating cost of a project as determined once a property is fully occupied. The subsidy is also limited to the amount which cannot be assumed by the tenants paying 30 percent of their adjusted income in rent.

The Hanley operating subsidy amendment would make the implementation of the section 236 operating subsidy mandatory and would also require this subsidy to be calculated and initiated early in a project's life. Further, it would require that increases in management costs, as well as property taxes, insurance expenses, and utility costs, be included in determining the amount of the subsidy and would extend the availability of the subsidy to projects assisted, but not insured, under section 236 of the National Housing Act—State-aided projects such as New York State's Mitchell-Lama program.

The net effect of this provision contained in the bill would make an already expensive and cost-ineffective program even more so. The cost estimate for this operating subsidy provision for a single year, beginning in fiscal year 1978, would be almost $76 million exclusive of administrative costs. This, Mr. Chairman, is just a projection of 1-year cost of this proposal with every expectation that this proposal would require greatly increased funding requirements. It has been estimated by the Department at my request that the administrative costs for running this proposal would be at least $14 million.

This subsidy vehicle would be an administrative and budgetary nightmare.

Mr. Chairman, in so much as this subsidy proposal would extend to 236 projects not insured by FHA and in so much as such projects would be for the most part State-financed, State-conceived, and State-approved housing projects, this provision would permit States to escape the liability for the costs of their own inadequate underwriting, financing, and loan management. Since 1970, the Federal Government has provided mortgage payment assistance to State-assisted rental housing projects. Now we are asked to cover not only the uncontrollable operating expenses, such as maintenance, of these State projects, but to subsidize the costs of real property taxes and utilities as well. Given the States' power to regulate the costs of these latter items, I fail to understand how we can condone this subsidy proposal.

Mr. Chairman, for these numerous reasons, I would urge the House approve my amendment to strike the Hanley operating subsidy proposal for the 236 assisted rental projects.

Mr. HANLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is with much regret that I take to the well in opposition to the position of my chairman. It is with much regret, too, that I observe the amendment that the gentleman has offered in deference to the will of the majority of the committee. The amendment was debated and accepted in the committee. We have a great bill here, one that most of us applaud.

Mr. Chairman, the adoption of my amendment in the committee made it a somewhat better bill.

Mr. Chairman, let me ask the Members to consider a few things, such as the GAO report, which says that the 236 program is the best program that we have going to meet the housing problem of our poor and almost poor. That is the GAO attitude.

This provision, Mr. Chairman, is already in the law. HUD has the authority resultant from the amendments to the act in 1974. HUD has been brought into court nine times for its failure to execute the sense of the 1974 law. Mr. Chairman, nine times HUD lost its case.

Do we talk about costs? What I am trying to do here is to put some stability into the economics of our housing program. Yes, it is going to cost maybe about $70 million the first year.

Mr. Chairman, does anyone know how much we were in the bag for as of September 1976, with the 236 program? We had at that time better than 50,000 units in default, accounting for almost $900 million, in part because HUD has failed to exercise its authority in this matter.

It is not the fault of those managing the projects. The problem happens to relate to the matter of inflation and energy.

Mr. Chairman, back in the late 1960's and early 1970's, when States responded to the need for housing for the low-income citizens, they had no idea that the operating costs would increase as they have. Therefore, they have had to inch up the rents, forcing the low-income person out of that project and ultimately developing a degree of occupancy insufficient to sustain the project.

Then what happens, Mr. Chairman? It comes back to the taxpayers of the United States as a defaulted HUD property.

Or would we rather make this investment, $70 million a year and perhaps about $50 million a year from that point on to preserve the units of housing already constructed? Is it not a little ridiculous to let projects deteriorate, let them become unfit for occupancy and at the same time go out and construct brand new units of housing?

What is the basic intent of our housing program? My interpretation of it is to provide housing for a certain category of American citizen. What difference does it make whether it was State sponsored or sponsored by the Federal Government? The fact is that it is serving an intended purpose.

I am trying hard, to correct a costly deficiency and those who supported me in committee were doing the same.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. HANLEY was allowed to proceed for 2 additional minutes.)

Mr. HANLEY. Incidentally, Mr. Chairman, the provision is supported by most entities such as the National Association of Home Builders and a number of others. I have a litany of them. I wonder if they would have supported the bill to the degree that they do if we void this provision?

Incidentally, this is another interesting factor, HUD this year asked for an increase in its risk insurance up to $1.8 billion. Obviously the antenna is up and it anticipates that we are going to continue to have this kind of default.

I do not think that this is what the intent of Congress is.

It is going to cost a little more money to keep these projects solvent and still allow the tenants the opportunity to inhabit them, then what we are doing here is paying not the full tax, not the full utility cost, not the full operating cost, we are only paying the difference between the budget set back in the late 1960's and early 1970's to the actual cost of operating the projects today.

I hope very much that the will of that committee, as expressed when it approved this amendment in full committee, will prevail here in the full House today, with due respect to my dear friend, the gentleman from Ohio (Mr. ASHLEY) and the chairman of the committee, I hope that the committee will vote down the Ashley amendment.

Mr. STANTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would say to my good friend the gentleman from Ohio (Mr. ASHLEY) that when it comes down to seeing the light in the committee, very honestly and truthfully I just cannot see the light now with the gentleman on this amendment.

Mr. Chairman and members of the committee, this is an extremely important amendment that would strike from the bill a section which we refer to in the minority report, and I believe it really stresses it and states more elo-

quently than I could ever possibly do. In the report it discusses the amendment, unless the amendment here were to be adopted, which would eliminate the Hanley amendment, it says that it broadens the existing definition of operating expenses to include maintenance and would make eligible projects assisted under a State or local program.

In effect the Federal Government is being told that it must go beyond the 236 interest rate subsidies on State and local projects and also pay for the cost of the utilities, property taxes, and operating and maintenance expenses which exceed the initial operating level. Surely I think the members of the committee will take a look and see that the State and local governments whose projects are subsidized should be required to make contributions toward the financial livelihood of these particular projects. I think if we do not recognize this basic premise, Mr. Chairman, truly there is no real partnership between the State and local and Federal governments, but, like I say, what it would become would be nothing but a Federal sole proprietorship with respect to all of the liability.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. STANTON. I yield to the gentleman from Ohio.

Mr. ASHLEY. Let me say I appreciate the gentleman's yielding. I appreciate his comments. The issue, it seems to me, that we are confronted with here is, Where does the Federal responsibility start and stop, and where does the responsibility of the State start and where does it stop?

What we are facing here is a situation in which the Federal Government has said with respect to FHA-insured projects, with respect to State-sponsored or locally sponsored projects, we will on the basis of Federal responsibility come in with the 236 subsidy support. What the amendment that was adopted in the committee offered by the gentleman from New York, now in the bill, says is that the Federal Government's responsibility goes further than just making the subsidy payment; it includes a subsidy for taxes, for utilities, and for maintenance. Furthermore, it mandates the Federal to make these payments with respect to State and local-sponsored housing projects.

This is an unfair tilting of the responsibility, I have got to say to my friend, the gentleman from New York (Mr. HANLEY)—and I appreciate the opportunity given to me by the gentleman from Ohio to say it—that the Federal Government is assuming its rightful share and perhaps then some with respect to the cost it is picking up in the 236 program, direct and indirect. For the gentleman to suggest that the Federal Government be mandated with respect to State-sponsored housing to assume these additional costs just strikes me as being too much, and I would urge the adoption of the amendment.

Mr. HANLEY. Mr. Chairman, will the gentleman yield?

Mr. STANTON. I would be happy to yield to the gentleman from New York.

Mr. HANLEY. I thank the gentleman for yielding.

The word "responsibility" has been offered rather frequently in this debate. Then is it responsible that we as a Congress of the United States sit idly by and let that default factor increase on a year-to-year basis? Mind you, already better than 4,000 units have had to be sold at a loss of about $49 million approximately. That would go a long ways toward sustaining the cost of my amendment.

When I mentioned a little bit earlier about $900 million in the way of default of 236 programs, then we sit idly by and just let them all continue to go.

Mr. STANTON. I appreciate the gentleman's contribution, but let me say to him I would not care whether it is $900 or a million dollars or a billion dollars, or $500 million or what it is. The gentleman from Ohio eloquently said it when he said what is at stake here is the basic principle. That is the true objection.

What the gentleman's amendment does is mandate that the Federal Government should pay the State and local government's maintenance.

Mr. BADILLO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I think it is important that the members of the committe know that we had very extensive debate on this matter in the committee and that this matter was fully discussed and was voted upon and approved by a very substantial margin. It was understood there that this would involve additional funds because of the reality that we have got to insure that the projects which are already in existence do not collapse at the same time that we are trying to build additional projects. It makes no sense for us to provide for additional construction if we are going to stand by and find that project after project throughout the States ends up in financial difficulty, and that is the reason why my colleague from New York introduced the amendment.

Mr. HANLEY. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I yield to my colleague, the gentleman from New York (Mr. HANLEY).

Mr. HANLEY. Mr. Chairman, again I think with due respect to my chairman and my dear friend, the gentleman from Ohio (Mr. STANTON), I would hope the Congress would not be derelict in its responsibility to the taxpayers of this country in adopting the gentleman's amendment and thus condone the continuing deterioration of projects around this country. Again I think it is utter nonsense if we spend a dollar in the way of new construction while on the other hand we let existing projects, where the capital investment is already made, bite the dust. That does not make sense at all. And I would almost guarantee that in the next request HUD will ask for sufficient funds to do exactly what we are suggesting here today. The only problem is that in the interim we have got about a 2-year spread from the standpoint of time and the dollar loss and housing unit loss in the interim will go well over the billion dollar mark if we do not let the intent of the committee prevail by voting down the Ashley amendment.

Mr. TSONGAS. Will the gentleman yield?

Mr. BADILLO. I yield to the gentleman from Massachusetts.

Mr. TSONGAS. I commend the gentleman from New York on his initiative. We are going to have to face this issue. The question is whether we face it now or later. The difficulties are going to take place not only in New York but also in Massachusetts and other industrial States who will have these problems. I hope the amendment will be defeated, but the question is going to come back.

Mr. BADILLO. But the fact is that we faced that issue when we voted in the committee. I thought we had solved it when the amendment offered by my friend, the gentleman from New York, was approved. That is why I am surprised to find the amendment has come up at this time, because we thought the issue had been settled in the committee.

That is the problem around here. We recognize the problems are going to have to be faced but we are saying: "Face them mañana. Face them some other time." But we are saying: "Let us face them now." Certainly we faced the problem in the committee and thought we had solved it. Let us leave the committee action alone.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. ASHLEY).

The question was taken; and on a division (demanded by Mr. BROWN of Michigan) there were—ayes 14, noes 21.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. RUSSO

Mr. RUSSO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RUSSO: On page 44, immediately after line 20 insert the following new subsection:

"(c) Section 309(h) of the National Housing Act is amended by inserting at the end thereof:

" 'Pursuant to the authority provided in this subsection, the Secretary shall conduct a review of the financial operations of the corporation and undertake a study of the extent to which the activities of the corporation meet the purposes of this title. Such review and study shall be completed and transmitted to the Congress on or before July 1, 1978.' "

Mr. RUSSO. Mr. Chairman, I rise to offer another amendment to the bill under consideration, H.R. 6655. My second measure would instruct the Secretary of the Department of Housing and Urban Development to review the Federal National Mortgage Association—Fannie Mae.

Fannie Mae was created in 1968 as a quasi-governmental corporation designed to free-up the secondary mortgage market. In this respect, Fannie Mae has fulfilled its function. It purchases roughly 70 percent of the FHA paper sold by primary lenders.

However, implicit in its charter was an obligation to keep mortgagees from fore-

closing on mortgages too quickly or allow them to maintain high foreclosure rates. Fannie Mae has failed dramatically in this area.

Rarely has Fannie Mae disciplined any primary lender, even when inspection of Fannie Mae's records would indicate that some disciplinary action was imperative. Fannie Mae should assert its authority and encourage mortgage companies to forbear payment if a homeowner is having problems. Allowing the mortgagee to foreclose immediately costs the Government a fortune, because it has insured 100 percent of the unpaid balance of the mortgage. Many times the Government will pay more than 90 percent of the principal, because the mortgage company has foreclosed upon the first or second missed monthly payment and yet Fannie Mae will not reprimand the mortgagee. The question is "Why?"

My amendment directs the Secretary to conduct a review of the financial operations and a study of the extent to which these activities meet Fannie Mae's obligations under its charter. In this manner Congress will learn the reasons, if any, why Fannie Mae has failed to assist the Government in reducing the number of quick foreclosures and perhaps then we will take some legislative action to correct the faults.

I want to thank the chairman for his cooperation and for the subcommittee's assistance in the technical preparation of my amendments. I am positive that these additions will improve the operation of our Nation's housing programs.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, is the gentleman offering these amendments en bloc?

Mr. RUSSO. I have a second amendment that I will offer immediately after the House considers this one.

Mr. ASHLEY. Mr. Chairman, I have discussed this amendment with the gentleman in the well at some considerable length and with the Secretary. The amendment has been worked out well. I am glad that it meets the purposes of the gentleman in the well and I am pleased to accept it.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, as the gentleman knows, the gentleman has discussed this amendment and another one with me. Since the amendment is quite different from the original one the gentleman proposed, that I could not accept, I can accept this one at this time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. RUSSO).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. RUSSO

Mr. RUSSO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RUSSO: On page 48, immediately after line 3, insert the following new section:

"HOMEOWNERSHIP COUNSELING

"SEC. 215. Section 106(a)(2) of the Housing and Urban Development Act of 1968 is amended by inserting the following immediately before the period at the end of the first sentence thereof: 'and may provide such services for other owners of single family dwelling units insured under title II of the National Housing Act.' ".

Mr. RUSSO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. RUSSO. Mr. Chairman, I rise to offer an amendment to the Housing and Community Development Act of 1977. My proposal would authorize the Department of Housing and Urban Development to provide counseling services to prospective purchasers of Federal Housing Administration (FHA) insured homes.

Counseling is perhaps the single most important, but unfortunately the most neglected, tool the Government could employ to help potential buyers and homeowners, while at the same time reducing its financial losses. Effective counseling would assist buyers and owners in three ways—screening of applicants; advising homeowners of their rights and responsibilities; and assisting homeowners in trouble financially. The most basic of these is prepurchase screening and this is the focus of my amendment.

Most of the purchasers who apply for FHA mortgage insurance are buying a home for the first time and know very little about the myriad costs associated with owning a house. Unless an impartial counselor informs these individuals of the "extra" costs, they might come as a surprise to the new homeowner living on a very tight budget. After learning of these additional expenses, many prospective purchasers decide not to undertake the venture because it would be impossible for them to finance the entire cost of owning a house.

In its report, counseling low-income homeowners, the Government Operations Subcommittee on Manpower and Housing set forth two excellent examples of the effectiveness of screening purchasers. Once counseling agency reported that after initial meetings, only 150 out of 450 applicants were certified as eligible for FHA mortgage insurance. The rest either refused certification, or decided as a result of counseling not to buy a home. At the time the subcommittee's hearings were held in 1975, only 2 of the 150 were in default.

In the Dallas region, 605 homeowners were given prepurchase counseling under a HUD program for prospective section 235 homeowners. As you know, this program has a higher rate of default than most of the other programs because it assists very low income families. However, only 20 of these purchasers had gone into foreclosure at the time the hearings were held. Even if a much larger program were only half as successful as these two examples, the Government would have helped many people who might have faced financial disaster because they had purchased a home when they could not afford it.

Counseling would save the Government billions of dollars and stem the deterioration of many of our cities' finer neighborhoods because of abandoned structures. From 1968 to 1975, the Federal Government paid $1.7 billion out of its insurance fund to cover its losses. The overall average loss per home that the FHA had to purchase because of foreclosure was $8,900 per house and this price goes up when many of the structures were razed because of vandalism. But this is merely the monetary loss associated with the abandonment of a home; the real loss appears when an entire neighborhood becomes dotted with wrecked hulks and gutted frames.

At a time when many people are searching for homes within city limits, the number of houses is declining because of abandonment and the subsequent razing of them. As a nation we cannot afford to destroy so many homes when families are unable to find a decent structure in which to live. The entire thrust of the Community and Housing Development Act is to revitalize our country's metropolitan areas and I believe that counseling will promote the purposes of the statute.

The Department of Housing and Urban Development (HUD) admits that counseling is very cost-effective. In a letter from former HUD Secretary Carla Hills to the former chairman of the Manpower and Housing Subcommittee, the Secretary stated that HUD studies found counseling a very effective tool in combatting foreclosures. But HUD's record in encouraging counseling has been very dismal, even to the point where Congress has inserted counseling funds into HUD's appropriation despite protests from the former administration. This attitude must be changed.

But what function should the Government play in the counseling program—should it conduct all the counseling itself, at an enormous cost to the Federal Government, or should it merely advise community-based counseling agencies? In my opinion, and the recommendation of the Subcommittee on Manpower and Housing, the Government should train, supervise, and cooperate with local counseling agencies primarily sposored by the community, but not totally fund these groups. Proper training is essential for effective counselors and HUD should conduct classes to instruct trainees about the Federal housing programs. It should also allow its field offices to assign its counseling person to full-time duty and not burden him with other assignments, thus reducing his liaison activities with the local group.

However, communities must first show initiative before any Federal assistance, either financial or personnel-wise, is offered. Communities and neighborhoods must financially support counseling agencies and not depend on the Federal Government for everything. Many fine groups have formed and are already operating with minimal Federal assistance.

These should serve as the blueprint for many other counseling agencies yet to spring up.

Under present law, HUD is only authorized to provide counseling services for prospective section 235 purchasers. While this program needs this special treatment because the percentage of foreclosures is higher than under the section 203 program, the latter program comprises the bulk of FHA involvement and foreclosures in this program outnumber those in other programs in absolute numbers. Thus, counseling is necessary for all FHA insured programs.

When representatives from the mortgage banking industry visited my office yesterday, they voiced their continued support for prepurchase counseling. According to facts supplied to me by the Mortgage Bankers Association of America, for every dollar spent on counseling, $5 was saved in foreclosure and other costs. This speaks very well for counseling's cost-effectiveness.

Mr. Chairman, I have discussed this amendment with the chairman of the subcommittee, Mr. ASHLEY, and the ranking minority member, Mr. BROWN, I would like to say at this particular point that I have prepared other amendments to this bill, H.R. 6655, which cover other areas which I view as major problems in this country's housing program. I have asked the subcommittee chairman if he would solicit comments from the Administration on these other amendments, because I think it is time that we investigate these problems and realize that Congress should address them as quickly as possible.

The subcommittee chairman has indicated that he will send them to the Administration for comments.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, I can assure the gentleman the Department will be responsive to the gentleman's inquiries and requests for the specific information that the gentleman indicates the gentleman wants.

Let me also say that the gentleman's amendment now pending is a good amendment. What it really says is that the authority of the 1968 Housing Act, which permitted counsel for tenants of the section 235 program, can be expanded to other home ownership programs. That is a very logical and necessary kind of flexibility for the Secretary to have. So I am happy to support the amendment on that basis.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, I just want to get the gentleman's clarification. Is the gentleman saying these are the only two amendments the gentleman is offering today?

Mr. RUSSO. That is correct.

Mr. MITCHELL of Maryland. Mr. Chairman, if the gentleman will yield further, I am glad, because had the gentleman offered the one about increasing the amount of downpayment to 10 percent, there would be no need for counseling, because there would be no people seeking mortgages.

If that is the understanding, I support the amendment.

Mr. MURPHY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I yield to the gentleman from Illinois.

Mr. MURPHY of Illinois. Mr. Chairman, I thank the gentleman for yielding. I want to compliment the gentleman on what I consider two very essential amendments, especially the one on counseling. I know the gentleman's area is different than mine. It is a very serious problem and I compliment the gentleman from Illinois and also the chairman for accepting the amendment.

Mr. GLICKMAN. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, I have not seen the amendment, but I know from my review of the summary prepared by the Democratic study group, it would appear that the amendment would not only authorize, but mandate counseling, which would seem to be outrageously expensive and imprudent. I want to know if my assumption is correct or not.

Mr. RUSSO. I have changed the language from "mandate" to "provide" and give discretion to the Secretary, mainly because the funds are not authorized in the present budget resolution. They would far exceed the moneys in the budget resolution, which would make the amendment subject to a point of order on the floor; so to alleviate that problem we set it at the discretion of the Secretary. The Secretary has approximately $6 million he can utilize for the counseling program.

Mr. GLICKMAN. Mr. Chairman, if the gentleman will yield further, so it is clear, it is not a mandatory program on the Secretary's part, but a discretionary requirement.

Mr. RUSSO. That is correct.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. RUSSO).

The amendment was agreed to.

AMENDMENT OFFERED BY MRS. FENWICK

Mrs. FENWICK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. FENWICK: Page 34, line 21, after "unit," insert "and shall prohibit high-rise elevator projects for families with children unless there is no practical alternative."

Mrs. FENWICK. Mr. Chairman, I will not take the full 5 minutes. I think we all know the tragedy of high-rise, low-income housing for families with children. This amendment will only insert again, following the excellent amendment which Mr. BADILLO entered in the committee, a provision that we emphasize that high-rise, low-income housing for families with children shall be prohibited unless the Secretary finds that there is no other feasible alternative.

Too often, what we are getting are political decisions, made by local HUD officials, and the Secretary is delegating his authority to do this. We know, in case after case, as when they pulled down the Pruitt Igoe project in St. Louis, which cost $36 million, families with children cannot live in high-rise housing.

Mr. Chairman, I urge adoption of this amendment.

Mr. BROWN of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have discussed this amendment with the gentlewoman from New Jersey, and have pointed out to her that elsewhere in the present law there is a similar provision, but I was very happy to have her offer the amendment as to emphasize the point she was trying to make. I understand that she then will seek unanimous consent to withdraw the amendment.

Mrs. FENWICK. If necessary, yes, rather than subject the House to a protracted struggle; but I would very much like to see it in the bill. We cannot overemphasize the fact that this is happening. Just the other day I heard on the radio of 16-story, low-income housing for families with children. It is not possible to continue this. We know these buildings do not work, that they hurt the people in them. If there is no other feasible alternative, we have to accept it, but we really must stand up for these people.

Even though it is in another section of the law, it has been disregarded, and I would be grateful if it could be adopted. I will not subject the House to a long struggle, but I would ask that it be accepted by both sides of the aisle.

Mr. BROWN of Michigan. Well, Mr. Chairman, the language of the amendment almost exactly duplicates language in the law that applies to all such projects, and so it would encompass the projects the gentlewoman is speaking about. However, if she wishes to have it duplicated in this particular portion of the act, I would have no objection.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New Jersey (Mrs. FENWICK).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. STARK

Mr. STARK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STARK: Page 35, after line 18, add the following new subsection and redesignate the subsequent subsection accordingly:

(f) Section 8 of such Act is amended by adding the following new subsection at the end thereof:

"(1) The Secretary shall issue and implement regulations designed to ensure that an adequate number of the newly constructed or susbtantially rehabilitated dwelling units which are assisted under this section shall be designed and constructed so that physically handicapped persons will have ready access to, and use of, such units."

Mr. STARK (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. STARK. Mr. Chairman, my amendment quite simply is inserted to insure greater access to the handicapped to housing in the section 8 program which will be built. It is a prospective amendment, and it requests or directs the Secretary to see that an adequate number of housing units are designed and constructed to accommodate the handicapped and be barrier-free.

It does not mandate any occupancy quotas, but it merely helps to insure that, for a very modest expense, estimated by HUD to be perhaps slightly under 1 percent of the total cost of these buildings, we insure such things as keeping parking close to the unit, keeping sills low, and doors to accommodate wheelchairs are designed to the new units from the beginning, and that we allow those citizens in our country who are handicapped a free choice in these units. The needs of the handicapped are not mutually exclusive from the rest of us.

I think we have seen recently that we have signed into law some rules to insure the handicapped of this country are not discriminated against, and I think this is one more step in mandating that it is the will of this House that we will say to our citizens who are handicapped that they will have a chance to participate in this program.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. STARK. I yield to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, can my colleague, the gentleman from California (Mr. STARK), tell me why he thinks it is necessary to put this into the law?

Mr. STARK. The HUD regulations have talked about 10 percent. And in many areas, this has been inadequate. It is not mentioned anywhere in the law. And I thought it was necessary to indicate in the law that we intend to make an effort in the new units, at a very low cost, to make sure of the design criteria.

As the gentleman knows, every Federal building must be 100-percent barrier free. It would seem to me that an adequate number, would be anywhere from 12 percent to 20 percent of handicapped in this country. I thought it was worthwhile to enact into law.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague's attempt to do this, and I, too, think it is very worth while.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. STARK. I yield to the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. I thank the gentleman for yielding.

Mr. Chairman, as the gentleman has redrafted the language, I support the amendment.

Mr. STARK. Mr. Chairman, I appreciate the gentleman's support.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. STARK. I yield to the gentleman from Ohio (Mr. ASHLEY), the distinguished chairman of the subcommittee.

Mr. ASHLEY. I thank the gentleman for yielding.

Mr. Chairman, the amendment is very sensibly directed to newly constructed and rehabilitated dwelling units, as distinguished from existing units.

Mr. STARK. That is absolutely correct.

Mr. ASHLEY. I think it is a well designed amendment. I commend the gentleman, and I am pleased to accept it.

Mr. STARK. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. STARK).

The amendment was agreed to.

AMENDMENT OFFERED BY MS. HOLTZMAN

Ms. HOLTZMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. HOLTZMAN: Page 48, after line 3, add the following new section:

SEC. 215. Section 1211(b) of the National Housing Act is amended by striking out "and" at the end of paragraph 9, by striking out the period at the end of paragraph 10 and inserting in lieu thereof "; and", and by adding at the end thereof the following new paragraph:

"(11) on or after January 31, 1978, no risk within the plan shall be insured at a rate higher than the advisory rates set by the State licensed rating organization for essential property insurance in the voluntary market: *Provided, however,* That the Secretary of Housing and Urban Development may allow a rate up to 30 per centum higher upon a showing of extraordinary need.".

Ms. HOLTZMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. HOLTZMAN. Mr. Chairman, very briefly, this is a noncontroversial amendment. It is designed to carry out the clear intention of Congress under the National Housing Act with reference to the availability of property insurance at reasonable rates.

I have discussed this amendment with the distinguished gentleman from Ohio (Mr. ASHLEY), the chairman of the subcommittee.

Mr. ASHLEY. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. I thank the gentlewoman for yielding.

Mr. Chairman, I have had the opportunity to examine the amendment offered by the gentlelady from New York which would amend title 12 of the National Housing Act, the urban riot reinsurance program, to provide that premiums under the State FAIR plans would be no higher than the State approved advisory rates for property insurance. The Secretary of HUD could allow a waiver under the amendment of no more than 30 percent higher than the suggested advisory rate upon a showing of extraordinary circumstances.

As the gentlelady has explained, the State of New York's FAIR plan premium rates are based on a self-rating basis. This means that the premium rates for property insured under the State FAIR plans are based solely upon the loss experience of properties insured by the FAIR plan rather than the statewide loss experience. The premiums of properties insured under the State FAIR plans of New York are running four times higher than the same insurance rates for other properties not insured under the FAIR plans.

In enacting the riot reinsurance program in 1968 and extending it again earlier this year, the congressional intent was clear and that was to make property insurance available to urban communities at reasonable premiums, and I believe that the gentlelady's amendment accomplishes that.

Ms. HOLTZMAN. Mr. Chairman, I thank the gentleman for his comments.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. HOLTZMAN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: Page 34, after line 12, insert the following new subsection and redesignate the subsequent subsections accordingly:

(c) Section 8(b) of such Act is amended by adding the following new paragraph at the end thereof:

"(3) After the date of the enactment of the Housing and Community Development Act of 1977, neither the Secretary nor a public housing agency may agree to enter into an annual contributions contract under this section unless, at least thirty days before entering into such agreement, the Secretary or the public housing agency has transmitted the following information to the Member of the United States House of Representatives who represents the district in which the assisted housing is, or is to be, located and to the Members of the United States Senate who represent the State in which such housing is, or is to be, located:

"(A) the location of the units which are to be assisted;

"(B) the person with whom the agreement is to be entered into;

"(C) the number and type of such units;

"(D) the number of occupants for which such units are designed;

"(E) the date on which rehabilitation or construction, if any, of such units will begin; and

"(F) the age or income group or groups for which such units are designed.".

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, the pur-

pose of this amendment is primarily to give Members of Congress a little additional information about section 8 projects which are coming into their areas.

What the amendment purports to do is to give Members of Congress some specific information about the section 8 projects that are proposed to be built within their districts and to give the Senators of the State information of the same type.

The information which is to be provided is as follows: The location of the units which are to be assisted; the person with whom the agreement is to be entered into; the number and type of such units; the number of occupants for which such units are designed; the date on which rehabilitation or construction of such units will begin; and the age or income group or groups for which such units are designed. Primarily the intent of this amendment is to provide enough information that local areas will have a chance to know something about the section 8 units that are coming into the community and which may substantially change the character of the community.

The experience in my district has been that when people have this kind of information available to them, they will respond in a positive way to those units which are going to be a positive factor within the community.

When there is a negative reaction to a project within the community, this amendment will assure a little bit of additional time so that the public can make a proper determination.

Essentially what this amendment does is this: It gives the Members of Congress an opportunity to know what is proposed in the section 8 program for their areas and to permit them to react correspondingly.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, let me ask the gentleman this question:

This notification does not imply either approval or disapproval on the part of the congressional recipient, does it?

Mr. WALKER. Not at all.

Mr. ASHLEY. I think that is very important. We do not want any implication that nothing goes forward unless there is some kind of clearance.

Mr. WALKER. No; this is not a clearance procedure at all. All this provides is a notification procedure; it does not involve any type of clearances at all.

Mr. ASHLEY. Mr. Chairman, I can understand the gentleman's being interested in what is going on in his congressional district. Certainly I am likewise interested in what is going on in mine.

I cannot see but what this would facilitate the lines of comunication and allow them to be kept open. On that basis I am happy to accept the amendment.

Mr. WALKER. Mr. Chairman, I thank the gentleman.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, I have had an opportunity to examine the amendment, and we have no objection to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. WALKER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. RICHMOND

Mr. RICHMOND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICHMOND: Page 35, after line 24, add the following:

(a) The United States Housing Act of 1937 is amended by adding at the end thereof the following new section:

"ANNUAL CONTRIBUTIONS FOR CRIME PREVENTION IN LOW-INCOME HOUSING PROJECTS

"SEC. 13. (a) In addition to the contributions authorized to be made for purposes specified in section 5 and 9 of this Act, the Secretary may make annual contributions to public housing agencies for the provision of services which are designed to provide for the safety, security, and well-being of the residents of low-income housing projects, including the installation of properly equipped safety systems, the services of security staff and special housing police, the establishment and maintenance (with the help and association of the residents) of special security committees to eliminate crime and insure that the proper priorities are followed in resolving security and crime problems, and such other security arrangements entered into in order to prevent crimes and maximize the physical safety of the tenants as may be appropriate.

"(b) There are authorized to be appropriated, for the purpose of providing annual contributions contracts pursuant to this section, not to exceed $10,000,000 on or after October 1, 1977."

Mr. RICHMOND (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RICHMOND. Mr. Chairman, the amendment offered by Mr. SOLARZ and me would authorize and fund activities in public housing which will deter crime. This new section of the bill would commit $10 million to crime prevention programs. Such activities would include security personnel and housing police as well as tenants' advisory groups.

The high rate of crime is one of the most serious problems facing our Nation today. It is the major concern of the 3½ million residents of the Nation's public housing facilities and threatens the very existence of this severely needed housing which is already burdened by tenants with low incomes and difficult living conditions.

Reported incidents include all categories of serious crimes. Rape, assault, larceny and burglary threaten the tenant both inside and outside of his apartment. Entrance lobbies, elevators, stairwells, and hallways and roofs are all danger areas. During 1976, out of a total of over 12,500 indexed crimes in public housing projects in New York City. There were over 4,200 robberies in just the lobbies of these facilities. But while the level of crime has increased, the corresponding level of services has been harder to maintain. I know, for example, that in my own city of New York, at least 127 housing police have been laid off due to the city's financial problems. The fact of the matter is that a majority of the housing police force in New York City, including those operating in Federal projects, are supported by the city at a cost of $52,000,000. This is an unrealistic cost for any community to bear.

One of the results of the high crime rate is a population so trapped behind doors that it fails to join together for its own mutual protection. This inability to work together, or lack of sense of community, aggravates the deterioration of our housing projects, and leads to disasters like the Pruitt-Igoe situation. On the other hand, tenants organizations which have been formed to deter intruders, have had additional benefits. Beautification projects sponsored by tenant groups make the public housing community a better place to live.

Our amendment would permit local housing authorities to take advantage of some of the newer security equipment that has been developed over the last few years. Controlled entranceways, and electronic monitors for elevators and hallways, should be utilized. The steady presence of additional guards will also deter intruders.

In addition, the amendment calls for the development of tenants' organizations which would be provided with technical and educational training to create their own safety programs. Such programs could include volunteer nightly patrol groups and adult escort services. Testimony before the Select Committee on Aging in 1976 noted that these educational programs and adult escort services have a great impact on crime on the streets.

I recognize that our Banking Committee has had a difficult time trying to balance the needs of the Nation's urban and rural communities. But I believe this investment is necessary to maximize the use of already constructed public housing facilities and I hope my colleagues will support us.

The CHAIRMAN. The time of the gentleman from New York (Mr. RICHMOND) has expired.

(On request of Mr. BROWN of Michigan and by unanimous consent, Mr. RICHMOND was allowed to proceed for 1 additional minute.)

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. RICHMOND. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, I notice in the authorizing paragraph of the amendment there is authorized to be appropriated not to exceed $10 million on or after October 1, 1977.

Does the gentleman contemplate that this would be a kind of open-end authorization for any time or is it $10 million a year? Does he contemplate it to be $10 million a year or what?

Mr. RICHMOND. I think I would contemplate that there would be an annual authorization of $10 million to provide security devices on already existing public housing facilities which otherwise are deteriorating terribly.

Mr. BROWN of Michigan. Mr. Chairman, I thank the gentleman.

Mr. SOLARZ. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this amendment is designed to deal with what is really a frightful situation.

There are about 1.1 million public housing units around the country, which means that there are somewhere in the vicinity of 4 million Americans who are living in publicly supported, largely low-income public housing projects. These people, by and large, are lving in complete and utter fear.

In New York City, from which I come, the latest statistics indicate that over 25 percent of the crimes that are committed in what has euphemistically become known as the "Crime Capital of the World" are committed in public housing projects.

A recent study, which was commissioned by HUD itself, indicated that in public housing projects around the country over 55 percent of the residents of those projects have at one time or another, within the very buildings in which they live, been victimized by crime. The study further indicated that many of these poor and unfortunate people have been the victims of multiple crimes committed against them.

Mr. Chairman, the fact of the matter is that these people are living in high rise jungles of terror, in fear of their lives. They are not only afraid to answer the door when the bell rings at night, but they are afraid, by and large to leave their apartments to go out during the day.

Mr. Chairman, I think that to the extent that we help to build the facilities in which thev live, we have some kind of moral obligation to make it possible for these people to live in peace and tranquility.

Mr. Chairman, the distinguished chairman of the subcommittee, the manager of this legislation, as everybody here knows, is a very persuasive man.

In fact, the other day when I came over to the gentleman and showed him the amendment which I have sponsored together with my colleague, the gentleman from New York (Mr. RICHMOND) he almost managed to persuade me to forget the amendment on the grounds that it was without merit. He argued that there is already in this legislation another section providing $665 million in operating subsidies for low-income housing projects around the country which contains money for precisely these purposes. It is, to be sure, quite true that if this bill is adopted, even without the amendment, that there will be somewhere in the vicinity of $20 to $25 million, which will be made available through the operating subsidy mechanism to low-income public housing projects around the country for security purposes.

But the fact of the matter is, Mr. Chairman, that this amendment is not designed to substitute for funds that would otherwise be available, it is designed to supp ement them.

The fact of the matter is, Mr. Chairman, and my colleagues, that even with the money that is already being provided there is so much more that needs to be done. There are billions and billions of dollars in this legislation for all sorts of worthy purposes. Is it asking too much to add another paltry, measly, $10 million to this bill so that the old folks and the poor people, who are living literally in fear of their lives, can receive the advantage of some new security devices and equipment, which will help them feel somewhat more secure from the ravages of crime?

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I am delighted to yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, the gentleman from New York (Mr. SOLARZ) is saying exactly what I wrote in making reports on housing: The people in the high rise public housing live in absolute terror.

As consumer director, I became aware of a pitiful fraud—faulty burglar alarms were being sold for $600 apiece, to families in this housing because they were so desperately afraid.

I have seen people hurt—one man cut from the shoulder to the ear—burglarized and hurt in their own homes.

These people have triple locks on their doors. They do not know what to do. The fact is that crime of this kind strikes mostly at the low-income housing buildings. We have built these buildings, these high rises, we have them, and we must try to protect the people in them.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. SOLARZ was allowed to proceed for 1 additional minute.)

Mr. SOLARZ. Mr. Chairman, I thank the gentlewoman from New Jersey for her support.

Mr. Chairman, I just want to make two final points.

The first is that there is probably not a Member of this House who does not have low-income public housing projects somewhere either in or near his district. They are certainly in every State of the Union.

The second is that we must keep in mind the fact that objective studies carried out by HUD itself indicate that over half the people living in these facilities have been victimized by crimes within the buildings themselves.

Mr. GLICKMAN. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I yield to the gentleman.

Mr. BLANCHARD. Mr. Chairman, I would ask the gentleman from New York (Mr. SOLARZ) if the gentleman has any figures on how many people who reside in these projects have committed the crimes on the 55 percent that have been victimized?

Mr. SOLARZ. I do not know that those figures are available, but I am not sure what the operative implications of this information would be for the people who live in these low-income public housing projects who are not committing crimes but who live in constant fear of their very lives.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. ASHLEY. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I will be very brief. The gentleman from New York (Mr. SOLARZ) the sponsor of the amendment, has indicated part of the basis for my objections. I am sympathetic to the plight that the gentleman describes. The gentleman knows that. But I certainly cannot allow the implication to persist that the committee paid no attention to the need for control of criminal activity or control of violence in public housing projects and public housing units. Of course we have.

The fact of the matter is that the operating subsidies that are provided for in the bill are some $660 million dollars, and about $25 million of this amount goes directly for security, for the very purposes that the gentleman's amendment speaks to.

So it is not as if we do not do anything, that is to say, if we reject the amendment then nothing is going to be done in this area. The fact is that, of course, the committee has addressed this problem, perhaps not quite in the magnanimous way that the gentleman would have us. We are spending $25 million directly for security in public housing units. The gentleman would want $35 million. It is a question of degree. It does not stop there. We have provided some $35 million annually, it seems to me, if my recollection is correct, for modernization of public housing facilities, and that this generates some $300 million of rehabilitation renewal activity in existing public housing units. A substantial portion of this is for devices that increase the security of the tenants living in the public housing. So let it be said and let it be known that the committee has not been unaware of the problem nor unresponsive to the problem, $10 million obviously is not going to in and of itself provide the security that the gentleman says is so badly needed. Security is needed. The bill itself and the history of the public housing program suggest that Congress has been responsive to this problem and is continuing to be, and it is on that basis, Mr. Chairman, that I oppose the amendment.

Mr. STANTON. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I am happy to yield to the gentleman from Ohio.

Mr. STANTON. I thank the gentleman for yielding.

What the gentleman has said, of course, is absolutely right in comparison to the tremendous amount of money that has been set aside specifically for this purpose. But I have been informed by staff—and, of course, the gentleman knows, but I do not know whether the author of the amendment knows—that the community development funds themselves could be used for this purpose. Am I correct on that?

Mr. ASHLEY. The gentleman is absolutely right.

Ms. OAKAR. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I will make it brief. I just want to add my support for the amendment which would provide for additional funds for safety features. I applaud the effort by the chairman of the committee to include at least some funding for safety features; however, we all know that that is not enough. I just want to say very briefly that among the most vulnerable victims of crime are those who live in public housing projects; namely, the elderly and women who are heads of households. It is unthinkable that HUD is primarily interested in building the buildings and not providing all the extended services that should go with the buildings when there are densities of people living together who are so vulnerable to crime.

I think it is not only regrettable, I think it is criminal that we do not have more funding in this bill to protect our elderly and to protect other victims of crime.

Mr. GLICKMAN. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from Kansas.

Mr. GLICKMAN. I thank the gentlewoman for yielding.

I think we have to face it. We probably could not spend $500 million in this area and really do anything good responsibly. I cannot believe that we are spending this additional money when we do not realize that the real problems affecting public housing is not the security or lack thereof, it is the basic sociological conditions surrounding the whole set of housing patterns. It just seems to be absurd to get on this pattern of starting to spend these kinds of funds when we really ought to just look at the problem squarely and realize that no amount of additional security fund is going to improve the situation. Therefore, I oppose the amendment.

Ms. OAKAR. I cannot agree that nothing can be done to protect our poor victims of crime.

Mrs. FENWICK. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank the gentlewoman for yielding.

I would just like to say that it has been proved that crime against inhabitants of low-rise housing is 9 per 1,000, whereas in high rises it is 20 per 1,000, more than double. It makes a difference what kind of housing we have. We subject people in these high rises to conditions that are intolerable.

Ms. OAKAR. In response to that, I also want to say that not only is it unfair to families who live in high rises, but we ought to be thinking about the elderly who live in high rises because it is unsafe for them also.

Mrs. FENWICK. Mr. Chairman, if the gentlewoman will yield, I think of the elderly a great deal.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. RICHMOND).

The question was taken; and on a division (demanded by Mr. RICHMOND) there were—ayes 10, noes 28.

So the amendment was rejected.

Mr. PANETTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to engage in a brief colloquy involving page 35, subsection (e). The reason I do this is because I am concerned over developments regarding section 23 and section 8 housing.

In the past administration HUD made the basic policy decision that they would gradually terminate section 23 housing and make a transition to section 8 housing. I am not sure I understand why that decision was made but nevertheless it was made.

As this transition is occurring there are families that are being evicted particularly in my State of California where this is a very real crisis. In California alone there are 40,000 families living in section 23 housing. The transition to section 8 housing is supposed to take place by June of next year and in the process leases are now being terminated and families are now being released and evicted without relief.

Within this bill there is some language which I think can provide some assistance in this crisis. The basic attraction for section 23 housing was the fact that management and maintenance of the facility could be done by the public housing authorities. In California our rents are so high and we have such a low vacancy rate that section 8 housing is not an attractive alternative. The result is that while the transition is supposed to take place from section 23 housing to section 8 housing, it is not happening. Section 8 is not replacing section 23. Nobody is moving to section 8 housing and the tragic result is evictions of families.

On page 35, however, there is language in subsection (e) which provides that a public housing agency can provide and assume management and maintenance responsibilities of existing housing units under section 8.

I understand the gentleman from Oregon is the individual who put this language into the bill and I would ask if the intent here is to allow maintenance and management of those housing units to be assumed by the public housing authorities and the public housing agencies. This certainly would help in stimulating the transition to section 8.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I yield to the gentleman from Oregon.

Mr. AuCOIN. I appreciate the gentleman yielding.

Mr. Chairman, the gentleman is quite right. The amendment he refers to gives the Secretary the ability to allow public housing agencies to manage these units. This overcomes one of the major problems with section 8. Section 8, by putting the developer and client in a direct relationship, has caused some problems because many developers quite frankly do not like to be in the direct relationship with the clients. The public housing agencies, on the other hand, are in the business of management of this kind.

So this gives the Secretary another tool under section 8, to allow the public housing agencies, as under section 23, to provide that management function. I think it will strengthen section 8. This is precisely the intent of the amendment I authored in committee.

Mr. PANETTA. I thank the gentleman. I would make one other comment. It states that this provision takes place "if approved by the Secretary"—and I would hope it is the intent of the committee and the intent of the gentleman that the approval would be handled expeditiously.

Mr. AuCOIN. If the gentleman would yield further, in testimony before the committee Secretary Harris said quite forcefully that she felt that section 8 as it stood was not the only tool for providing housing for the American people and she was interested in new features that would provide such housing, so, yes, indeed, I am certain the Secretary will make use of this.

Mr. PANETTA. Mr. Chairman, again I thank the gentleman. I had the opportunity to speak to the Secretary of HUD, Patricia Harris, today and she indicated she was reviewing this entire area in question, in order that California and other areas would not be seriously disadvantaged.

Mr. Chairman, I also would like to draw attention to page 44, section 212, which deals with leased housing. As I understand section 212 on leased housing, this would permit the renewal of leases. I assume that involves section 23 leases, so that we will have a little more time and families will not be evicted so precipitously.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. PANETTA was allowed to proceed for an additional 2 minutes.)

Mr. AuCOIN. Mr. Chairman, if the gentleman will yield further, the gentleman is absolutely right. I was also responsible for this amendment in committee. It is designed to insure that those contracts under section 23 that are in existence today will be allowed to reach their maturity, so that even though the section 23 categorical program is being phased out, the agency by regulation shall not terminate those contracts before they reach their full maturity.

Mr. Chairman, the gentleman is precisely right and I think the agency knows precisely what the bill's intent is. I will say to him that I understand the problem; in my district some 1,400 section 23 families will lose their homes if HUD were able to terminate existing section 23 contracts—and there are not enough section 8 housing funds available to accommodate them. That is the reason I added this amendment.

Mr. PANETTA. Mr. Chairman, I thank the gentleman. I want to indicate that I intend to pursue efforts in connection with restoring section 23 housing but this language certainly provides some assistance and some hope to the desperate low income and needy families making use of section 23 housing.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I want to applaud the gentleman for engaging members of the committee in this very important colloquy with respect to the effects it will have on many in California who will be adversely affected by the position laid out so eloquently by my distinguished colleague. I would like to associate myself with the gentleman's remarks.

Mr. PANETTA. Mr. Chairman, I thank the gentleman for his support.

The CHAIRMAN. If there are no further amendments to title II, the Clerk will read title III.

The Clerk read as follows:

TITLE III—PROGRAM EXTENSIONS

EXTENSION OF FHA MORTGAGE INSURANCE PROGRAMS

SEC. 30 . (a) Section 2(a) of the National Housing Act is amended by striking out "June 30, 1977" in the first sentence and inserting in lieu thereof "October 1, 1978".

(b) Section 217 of such Act is amended by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1978".

(c) Section 221(f) of such Act is amended by striking out "June 30, 1977" in the fifth sentence and inserting in lieu thereof "September 30, 1978".

(d) Section 235(m) of such Act is amended by striking out "September 30, 1977" and inserting in lieu thereof "September 30, 1978".

(e) Section 236(n) of such Act is amended by striking out "September 30, 1977" and inserting in lieu thereof "September 30, 1978".

(f) Section 244(d) of such Act is amended—

(1) by striking out "June 30, 1977" in the first sentence and inserting in lieu thereof "September 30, 1978"; and

(2) by striking out "October 1, 1977" in the second sentence and inserting in lieu thereof "October 1, 1978".

(g) Section 245 of such Act is amended by striking out "September 30, 1977" where it appears and inserting in lieu thereof "September 30, 1978".

(h) Section 809(f) of such Act is amended by striking out "June 30, 1977" in the second sentence and inserting in lieu thereof "September 30, 1978".

(i) Section 810(k) of such Act is amended by striking out "June 30, 1977" in the second sentence and inserting in lieu thereof "September 30, 1978".

(j) Section 1002(a) of such Act is amended by striking out "June 30, 1977" in the second sentence and inserting in lieu thereof "September 30, 1978".

(k) Section 1101(a) of such Act is amended by striking out "June 30, 1977" in the second sentence and inserting in lieu thereof "September 30, 1978".

EXTENSION OF FLEXIBLE INTEREST RATE AUTHORITY

SEC. 302. Section 3(a) of the Act entitled "An Act to amend chapter 37 of title 38 of the United States Code with respect to the veterans' home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes", approved May 7, 1968, as amended (12 U.S.C. 1709-1), is amended by striking out "June 30, 1977" and inserting in lieu thereof "October 1, 1978".

EXTENSION OF NATIONAL FLOOD INSURANCE PROGRAM

SEC. 303. (a) Section 1319 of the National Flood Insurance Act of 1968 is amended by striking out "June 30, 1977" and inserting in lieu there of "September 30, 1978".

(b) Section 1336(a) of such Act is amended by striking out "September 30, 1977" and inserting in lieu thereof "September 30, 1978".

EXTENSION OF EMERGENCY HOME PURCHASE ASSISTANCE ACT OF 1974

SEC. 304. Section 3(b) of the Emergency Home Purchase Assistance Act of 1974 is amended by striking out "October 1, 1977" and inserting in lieu thereof "October 1, 1978".

NEW COMMUNITIES

SEC. 305. Section 720(a) of the Housing and Urban Development Act of 1970 is amended by striking out "October 1, 1977" and inserting in lieu thereof "October 1, 1978".

TREASURY DRAW AUTHORITY

SEC. 306. Section 14(b) of the Federal Reserve Act is amended by striking out "November 1, 1978" and inserting in lieu thereof "October 1, 1977"; and by striking out "October 31, 1978" and inserting in lieu thereof "September 30, 1977".

Mr. BROWN of Michigan (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AMENDMENT OFFERED BY MR. ERTEL

Mr. ERTEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ERTEL: Page 50, after line 2, insert the following new section:

LAND-USE REQUIREMENTS UNDER THE NATIONAL FLOOD INSURANCE ACT OF 1968

SEC. 303. Section 1361 of the National Flood Insurance Act of 1968 is amended by adding the following new subsection at the end thereof:

"(d) In carrying out the provision of this section or any other section of this Act, the Secretary may not require that State, local, or any other measures referred to in subsection (c) apply to any repair, reconstruction, or improvement to a structure unless the cost of such repair, reconstruction, or improvement exceeds 80 percent of the market value of this structure prior to such repair, reconstruction, or improvement or, in the case of a structure which has been damaged, prior to such damage."

Mr. ERTEL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection?

Mr. ERTEL. Mr. Chairman, this amendment is offered as an amendment to the Flood Insurance Administration Act. The amendment's purpose is to provide that if a piece of property, residential property or commercial property, is 50 percent or more destroyed while it is in the floodway, the present regulations would provide it cannot be rebuilt; so, therefore, if a person at the present time had a fire in his residence, vandals or anything else, and it was 51 percent destroyed, then when he went to rebuild that property he could not rebuild or do anything to that property, so he would be stuck with a piece of property 49 percent of the value, with which he could do nothing. He would have to continue to pay taxes on it, and it would amount to a hazard or nuisance within the floodway.

My amendment is to change the requirement of the Flood Insurance Administration regulation to increase that to 80 percent. If it is burned or destroyed over 80 percent, this is effectively the total destruction of the property, except for the underlying real estate; so what I propose to do is increase the provisions from 50 to 80 percent.

It also applies if a person wanted to expand his home. If he is on a flood plain, he could only expand to 50 percent. This would allow up to 80 percent expansion. It does not allow new construction on the flood plain, which is prohibited under the Flood Insurance Act.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. ERTEL. I yield to the gentleman from Ohio.

Mr. ASHLEY. Does this apply exclusively to flood damage, as distinguished from fire damage?

Mr. ERTEL. No, it does not. The regulation will apply regardless as to whether it is flood damage or anything else. If a fire occurs, one cannot rebuild. If a vandal comes in and destroys one's home 51 percent, one cannot fix it up under present regulations. So long as the person is in that flood plain and flood insurance applies to it, he cannot do anything with that house. So, in effect, we have condemned 49 percent of the person's home if 51 percent has been destroyed. It applies to anything—lightning, any natural calamity.

Mr. ASHLEY. But other than flood damage?

Mr. ERTEL. Yes, basically.

Mr. ASHLEY. Mr. Chairman, I have no problem with this amendment.

Mrs. FENWICK. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

We have continually weakened our flood plan protection. It is something that we have got to begin to pay attention to. I have the regulation here. In the flood hazard areas, one is not allowed to improve a farm building by more than $100,000. I am trying to find the page where it speaks about homes, but the point we are coming to is that we cannot continue to insure buildings in the flood plain, and we cannot allow federally insured mortgages and improvements on homes in the flood plain because, forever, the people of this country are going to be in debt. The debt will rise because people choose to improve in the flood plain.

Mr. ERTEL. Mr. Chairman, will the gentlewoman yield?

Mrs. FENWICK. I yield to the gentleman from Pennsylvania.

Mr. ERTEL. I would like to address a question to the gentlewoman. If your home is in a flood plain and a fire takes place in your home and it is 51 percent destroyed, you cannot now rebuild that home, and we do not compensate the person for the other 49 percent. Would the gentlewoman say to that person that he must move out of his home, give up that other 49 percent just because he happens to live in a flood plain?

Mrs. FENWICK. I say that anybody who has a house and has a fire and has fire insurance is going to be able to get money, but I do not think that fire insurance money should go back into a home in the flood plain. What we are doing is making it easier all the time to expose people to living not only in danger of fire, but also we ought to get them out of the flood plain.

Mr. ERTEL. If the person has a fire and 51 percent of his home is destroyed, assuming that he has adequate insurance, he would get 51 percent of the value of the home, but the other 49 percent is there. He can do nothing with it. He has to go someplace else and build. The Government is not going to compensate him for the 49 percent that is there. He has to pay taxes on it, and the structure becomes a rat-infested slum. Is that what the gentlewoman would want?

Mrs. FENWICK. Suppose it is 82-percent destroyed, it is going to be a rat-infested slum anyway. The point is that everytime we do this, we make it easier for people to build and improve and continue to live where it is dangerous for them to live, and other people are required to put up the money.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. ERTEL).

The amendment was agreed to.

The CHAIRMAN. Are there additional amendments to title III? If not, the Clerk will read title IV.

Mr. HUGHES. Mr. Chairman, will the gentlewoman yield?

Mrs. FENWICK. I yield to my colleague from New Jersey.

Mr. HUGHES. I understand my colleague's concern about the flood plain, but does my colleague understand that most of the communities along our seashore are in the flood plain? All our islands are within the flood plain. Are you suggesting that every time we have a catastrophe, we should not permit the people to rebuild their homes?

Mrs. FENWICK. That is the law. If the municipality has not zoned for flood danger, what is the alternative? We are going to get what we had at Passaic, where we had eight people drown because they never stopped people from building there. When a house is destroyed in the flood plain, it ought not to be rebuilt.

Mr. HUGHES. I think it would be frightening to discover how much of New Jersey lies in the flood plain. The law is clearly wrong and should be changed.

Mrs. FENWICK. We have a wetlands survey and we have a flood plain survey.

The Clerk read as follows:

TITLE IV—LENDING POWERS OF FEDERAL SAVINGS AND LOAN ASSOCIATIONS

CONSTRUCTION LOANS

SEC. 401. The twenty-first undesignated paragraph of section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by striking out "3 per centum" and inserting in lieu thereof "5 per centum".

SINGLE FAMILY DWELLING LIMITATIONS

SEC. 402. The first undesignated paragraph of section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by striking out "$55,000" and inserting in lieu thereof "$60,000" and by inserting "but of said 20 per centum the amount deemed to be loaned in transactions which except for excess in amount, would be eligible for such association under provisions of this sentence (other than this exception) or under the next following sentence shall be only the outstanding amount of such excess," immediately after "improved real estate without regard to the foregoing limitations,".

LENDING AUTHORITY

SEC. 403. The twenty-second undesignated paragraph of section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by inserting "or farm" immediately after "residential".

PROPERTY IMPROVEMENT LOAN

SEC. 404. The second and third undesignated paragraphs of section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) are amended by striking out "$10,000" and inserting in lieu thereof "$15,000".

MULTIFAMILY DWELLING LIMITATIONS

SEC. 405. The first sentence of section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)), is amended by deleting ", and the Board shall by regulation limit to not more than 20 per centum of the assets of the association the aggregate amount or amounts of the investments which may be made by an association under the foregoing provisions of this sentence on the security of property which comprises or includes more than four dwelling units or does not constitute homes or combinations of homes and business property".

CONFORMING AMENDMENT TO FEDERAL HOME LOAN BANK ACT

SEC. 406. Section 10(b) of the Federal Home Loan Bank Act (12 U.S.C. 1430(b)) is amended by striking out "$55,000 (except that with respect to dwellings in Alaska, Guam, and Hawaii the foregoing limitations may, by regulation of the Board be increased by not to exceed 50 per centum)" and inserting in lieu thereof the following: "the dollar limitation under the first proviso of the first sentence of section 5(c) of the Home Owners' Loan Act of 1933, as amended,"

Mr. BROWN of Michigan (during the reading). Mr. Chairman, I ask unanimous consent that title IV be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. Are there any amendments to title IV?

There being no amendments to title IV, the Clerk will read title V.

The Clerk read as follows:

TITLE V—NATIONAL URBAN POLICY

SEC. 501. (a) Section 701 of the Urban Growth and New Community Development Act of 1970 is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) This title may be cited as the 'National Urban Policy and New Community Development Act of 1970'.";

(2) by striking out "growth" the first time it appears in subsection (b);

(3) by inserting "energy and" before "our natural resources" in subsection (b);

(4) by inserting "and their residents" before "of adequate tax base," in subsection (b); and

(5) by inserting "good housing in" before "well-balanced neighborhoods" in subsection (b).

(b) Section 702 of such Act is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) The Congress finds that rapid changes in patterns of urban settlement, including change in population distribution and economic bases of urban areas, have created an imbalance between the Nation's needs and resources and seriously threaten our physical and social environment, and the financial viability of our cities, and that the economic and social development of the Nation, the proper conservation of our energy and other natural resources, and the achievement of satisfactory living standards depend upon the sound, orderly, and more balanced development of all areas of the Nation.";

(2) by inserting "and redevelopment" before "which adversely affect" in subsection (b), by striking out "our" in subsection (b) and inserting in lieu thereof "energy and other", and by striking out "growth" the last time it appears in subsection (b);

(3) by inserting "energy and other" before "natural resources," in subsection (c), by striking out "growth" the first time it appears in the second sentence of subsection (c) and inserting in lieu thereof "development and redevelopment", and by striking out "growth and stabilization" in the second sentence of subsection (c) and inserting in lieu thereof "urban";

(4) by striking out "growth" the first time it appears in subsection (d);

(5) by striking out "help reverse trends of migration and physical growth which reinforce" in paragraph (3) of subsection (d) and inserting in lieu thereof "encourage patterns of development and redevelopment which minimize"; and

(6) by striking out "growth and stabilization," in paragraph (8) of subsection (d) and inserting in lieu thereof "development and redevelopment, encourage", by inserting "energy and other" before "natural resources" in such paragraph (8), and by striking out "the protection" in such paragraph (8) and inserting in lieu thereof "protect".

(c) Section 703 of such Act is amended—

(1) by striking out the section heading and the material preceding paragraph (1) of subsection (a) and inserting in lieu thereof the following:

"NATIONAL URBAN POLICY REPORT

"SEC. 703. (a) The President shall transmit to the Congress during February 1978, and during February of every even-numbered year thereafter, a Report on National Urban Policy which shall contribute to the formulation of such a policy, and in addition shall include—",

(2) by striking out "and statistics, describing characteristics of urban growth and stabilization and identifying significant trends and developments" in paragraph (1) of subsection (a) and inserting in lieu thereof ", statistics, and significant trends relating to the pattern of urban development for the preceding two years";

(3) by striking out "growth" in paragraph (2) of subsection (a), and by inserting "affecting the well-being of urban areas" before the semicolon at the end of such paragraph;

(4) by striking out "growth" in paragraph (3) of subsection (a);

(5) by striking out "growth" in subsection (b) and inserting in lieu thereof "policy"; and

(6) by striking out "Report on Urban Growth" in subsection (c) and inserting in lieu thereof "National Urban Policy Report" and by striking out "growth" in such subsection and inserting in lieu thereof "areas".

(d) The title heading for such Act is amended by striking out "URBAN GROWTH" and inserting in lieu thereof "NATIONAL URBAN POLICY".

(e) The part heading for part A of such Act is amended by striking out "GROWTH"

Mr. BROWN of Michigan (during the reading). Mr. Chairman, I ask unanimous consent that title V be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. Are there any amendments to title V? There being no amendments to title V, the Clerk will read title VI.

The Clerk read as follows:

TITLE VI—RURAL HOUSING

AUTHORIZATIONS FOR RURAL HOUSING PROGRAMS

SEC. 601. (a) Section 513 of the Housing Act of 1949 is amended by striking out "June 30, 1977" where it appears in paragraphs (b), (c), and (d) and inserting in lieu thereof "September 30, 1978"; and by striking out "$80,000,000" where it appears in paragraphs (b) and (c) and inserting in lieu thereof "$105,000,000".

(b) Section 515 of such Act is amended by striking out "June 30, 1977" where it appears in paragraph (b)(5) and inserting in lieu thereof "September 30, 1978".

(c) Section 517 of such Act is amended by striking out "June 30, 1977" where it appears in paragraph (a)(1) and inserting in lieu thereof "September 30, 1978".

(d) Section 523(f) of such Act is amended by striking out "July 1, 1977" where it appears in paragraph (f) and inserting in lieu thereof "October 1, 1978"; and by striking out "June 30, 1977" where it appears in such paragraph (f) and inserting in lieu thereof "September 30, 1978".

CHANGES IN THE GUARANTEED HOUSING LOAN PROGRAM

SEC. 602. (a) Section 502(b)(3) of the Housing Act of 1949 is amended by inserting after "(3)": "except for guaranteed loans,".

(b) Section 517(e) of such Act is amended by inserting after the first sentence the following new sentence: "The guaranteed loan program under this title shall be operated separately from the insured loan program operated under this title and no funds designated for one program may be transferred to another program.".

(c) Section 521(a)(1) of such Act is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ": *Provided further*, That loans under this title when made as guaranteed loans shall bear interest at such rate as may be agreed upon by the borrower and the lender.".

AUTHORIZING PREPAYMENT OF TAXES AND SIMILAR ITEMS BY FARMERS HOME ADMINISTRATION BORROWERS WITHOUT PUTTING FUNDS IN ESCROW

SEC. 603. Section 501(e) of the Housing Act of 1949 is amended by striking out the second sentence and inserting in lieu thereof the following: "Such payments shall be disbursed by the Secretary at the appropriate time or times for the purposes for which such payments are made, and after October 1, 1977, if the prepayments made by the borrower are not sufficient to pay the amount due, advances may be made by the Secretary to pay these costs in full, which advances shall be charged to the account of the borrower and bear interest and be payable in a timely fashion not to exceed two years, as determined by the Secretary.".

COMPENSATION FOR CONSTRUCTION DEFECTS

SEC. 604. Section 509 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsections:

"(c) The Secretary is authorized, after October 1, 1977, with respect to any unit or dwelling newly constructed during the period beginning eighteen months prior to the date of enactment of the Housing and Community Development Act of 1977 and purchased with financial assistance authorized by this title which he finds to have structural or other conditions not in conformance with such standards as he has prescribed under subsection (a), to make expenditures for (1) correcting such defects, (2) paying the claims of the owner of the property arising from such defects, or (3) acquiring title to the property, if such assistance is requested by the owner of the property within eighteen months after financial assistance under this title is rendered to the owner of the property or, in the case of property with respect to which assistance was made available within eighteen months prior to the date of enactment of the Housing and Community Development Act of 1977, within eighteen months after such date of enactment. Expenditures pursuant to this subsection may be paid from the Rural Housing Insurance Fund.

"(d) The Secretary shall be regulations prescribe the terms and conditions under which expenditures and payments may be made under the provisions of this section.".

AUTHORIZING FARM LABOR HOUSING LOANS AND GRANTS IN PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 605. Section 514(f)(3) of the Housing Act of 1949 is amended to read as follows:

"(3) the term 'domestic farm labor' means persons who receive a substantial portion (as determined by the Secretary) of their income as laborers on farms situated in the United States, Puerto Rico, and the Virgin Islands and either (A) are citizens of the United States, or (B) reside in the United States, Puerto Rico, or the Virgin Islands after being legally admitted for permanent residence herein.".

EXTENDING PURPOSES FOR WHICH FUNDS FROM THE RURAL HOUSING INSURANCE FUND MAY BE USED

SEC. 606. Section 517(j) of the Housing Act of 1949 is amended by striking out "and" at the end of paragraph (3); by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon; and by adding the following new paragraphs at the end thereof:

"(5) after October 1, 1977, and as approved in appropriations Acts, to make advances authorized by section 501(e); and

"(6) after October 1, 1977, and as approved in appropriations Acts, to make the expenditures authorized by section 509(c).".

HOUSING FOR THE ELDERLY AND HANDICAPPED

SEC. 607. (a) Title V of the Housing Act of 1949 is amended by striking out "elderly persons" and "elderly persons or elderly families" wherever they appear and inserting in lieu thereof "elderly or handicapped persons or families".

(b) Section 501(b)(3) of such Act is amended to read as follows:

"(3) For the purposes of this title, the term 'elderly or handicapped persons or families' means families which consist of two or more persons, the head of which (or his or her spouse) is at least sixty-two years of age or is handicapped. Such term also means a single person who is at least sixty-two years of age or is handicapped. A person shall be considered handicapped if such person is determined, pursuant to regulations issued by the Secretary, to have an impairment which (A) is expected to be of long-continued and indefinite duration, (B) substantially impedes his ability to live independently, and (C) is of such a nature that such ability could be improved by more suitable housing conditions, or if such person is a developmentally disabled individual as defined in section 102(a)(5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1970. The Secretary shall prescribe such regulations as may be necessary to prevent abuses in determining, under the definitions contained in this paragraph, the eligibility of families and persons for admission to and occupancy of housing constructed with assistance under this title. Notwithstanding the preceding provisions of this paragraph, such term also includes two or more elderly (sixty-two years of age or over) or handicapped persons living together, one or more such persons living with another person who is determined (under regulations prescribed by the Secretary) to be essential to the care or well-being of such persons, and the surviving member or members of any family described in the first sentence of this paragraph who were living, in a unit assisted under this title, with the deceased member of the family at the time of his or her death.".

CONGREGATE HOUSING FOR ELDERLY AND HANDICAPPED FAMILIES

SEC. 608. (a) Section 515(c) of the Housing Act of 1949 is amended by adding at the end thereof the following new sentence: "However, specifically designed equipment required by elderly or handicapped families shall not be considered elaborate or extravagant.".

(b) Section 515(d)(1) of such Act is amended by adding at the end thereof the following: "; and such term also means congregate housing facilities for elderly or handicapped families who require some supervision and central services but are otherwise able to care for themselves; such housing for the handicapped may be utilized in conjunction with educational and training facilities;".

(c) Section 515(d)(3) of such Act is amended to read as follows:

"(3) the term 'congregate housing' means housing in which (A) some of the units may not have kitchen facilities, (B) there is a central dining facility to provide wholesome and economic meals for elderly and handicapped families.".

PROVIDING FOR A DIVISION OF INSURED RURAL HOUSING LOANS

SEC. 609. Section 517 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsection:

"(n) At least 60 per centum of the amount of loans made pursuant to sections 502 and 515 shall benefit persons of low income.".

RURAL HOUSING RESEARCH

SEC. 610. Section 506(d) of the Housing Act of 1949 is amended to read as follows:

"(d) In order to carry out this section, the Secretary shall establish a research capacity within the Farmers Home Administration which shall have authority to undertake, or to contract with any public or private body to undertake, research authorized by this section.".

RURAL RENTAL ASSISTANCE

SEC. 611. Section 521(a)(2)(A) of the Housing Act of 1949 is amended by striking out "may" wherever it appears, except in

clause (i), and inserting in lieu thereof "shall".

Mr. BROWN of Michigan (during the reading). Mr. Chairman, I ask unanimous consent that title VI be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. Are there any amendments to title VI?

AMENDMENT OFFERED BY MR. HUGHES

Mr. HUGHES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HUGHES: Page 64, after line 5, insert the following new section amendment to section 510 of the Housing Act of 1949—

SEC. 612. Section 510 of the Housing Act of 1949 (42 U.S.C. 1480) is amended by redesignating subsections (a) through (g) as paragraphs (1) through (7), respectively; by inserting "(a)" immediately before "In carrying out the provisions of this title,"; and by adding at the end thereof the following new subsection:

"(b) All property subject to a lien held by the United States or the title to which is acquired or held by the Secretary under this title other than property used for administrative purposes shall be subject to taxation by State, territory, district, and local political subdivisions in the same manner and to the same extent as other property is taxed: *Provided*, That no tax shall be imposed or collected on or with respect to any instrument if the tax is based on—

"(1) the value of any notes or mortgages or other lien instruments held by or transferred to the Secretary,

"(2) any notes or lien instruments administered under this title which are made, assigned, or held by a person otherwise liable for such tax, or

"(3) the value of any property conveyed or transferred to the Secretary,

whether as a tax on the instrument, the privilege of conveying or transferring or the recordation thereof. The failure to pay or collect any such tax shall not be a ground for refusal to record or file such instruments, or for failure to impart notice, or to prevent the enforcement of its provisions in any State or Federal court."

Mr. HUGHES (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. BROWN of Michigan. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Michigan (Mr. BROWN) reserves a point of order against the amendment.

Mr. HUGHES. Mr. Chairman, the amendment that I have proposed is sorely needed. It is a simple matter of equity for local, county, and State governments, allowing them to levy property taxes on real property taken over by the Farmers Home Administration following default.

At present, all real property acquired by the FmHA is exempt from property taxation. Local municipalities are still providing services for these properties, even in the case where title is acquired by the FmHA following the owner's default on their loan. This puts an unfair tax burden on the remaining local property owners.

My amendment would correct this situation by permitting taxation of such property, in the same manner as other property. It would make the Housing Act of 1949 consistent with the Consolidated Farm and Rural Development Act, which already provides that all real property acquired or held by the Federal Government under the provisions of that act is subject to taxation by State, county, and local governments.

Due, no doubt, to oversight, the Congress failed to enact a similar provision under the 1949 Housing Act. This is a situation that we must correct today. I strongly urge my colleagues to support this amendment.

The CHAIRMAN. Does the gentleman from Michigan (Mr. BROWN) insist on his point of order?

Mr. BROWN of Michigan. I do not, Mr. Chairman.

The CHAIRMAN. The gentleman from Michigan (Mr. BROWN) withdraws his point of order.

The question is on the amendment offered by the gentleman from New Jersey (Mr. HUGHES).

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title VI?

AMENDMENT OFFERED BY MR. BROWN OF MICHIGAN

Mr. BROWN of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Michigan: Page 59, line 5, section 604 is amended by striking "or other conditions not in conformance with such standards as he has prescribed under subsection (a)" and inserting in lieu thereof "defects".

Mr. BROWN of Michigan. Mr. Chairman, this amendment is intended to bring the Farmers Home Administration program into conformance with the FHA program.

Basically, when we consider the kinds of defects that are intended to be covered by this provision of the bill, I contemplate that they are supposed to track the FHA program. Instead, the language in the bill as presently written goes far beyond the FHA program and covers many situations other than structural defects, whereas this program has traditionally been limited to structural defects.

Mr. Chairman, I do not object to the program's being extended to Farmers Home Administration loans, but I do think this provision should be consistent with the FHA program.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Oregon.

Mr. AuCOIN. Mr. Chairman, I appreciate the gentleman's yielding.

Is it my understanding that the gentleman is intending to restrict the ability of the consumer to redress a grievance that he may have concerning a defect arising from the purchase of a home?

Mr. BROWN of Michigan. It certainly is my intent to limit the liability of the Farmers Home Administration. That is certainly my intent, because the defect is not the responsibility of the Farmers Home Administration; the defect is the responsibility of the builder of the unit.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield further?

Mr. BROWN of Michigan. I yield to the gentleman from Oregon.

Mr. AuCOIN. It is true, is it not, that the Farmers Home Administration has the responsibility under this program to inspect these homes in the first instance, and if that inspection is to have any meaning whatsoever, the consumer ought to be able to feel that the inspection is sound?

Mr. BROWN of Michigan. Mr. Chairman, if I may recapture my time, I must say that the gentleman is absolutely wrong in his extrapolation of what such an inspection entails.

The FHA does not guarantee the structural perfection of a building, and the gentleman knows it. The gentleman also knows that the FHA does not insure the structural soundness of a building. It insures the mortgage.

The Farmers Home Administration finances the residence; it does not guarantee perfection as far as the construction and all defects are concerned. In the FHA program, in order to take care of the situation the gentleman has spoken about, we have limited it to structural defects.

I have no objection to extending the relief afforded under the FHA program to the Farmers Home Administration program, but it should not go beyond that and, as was suggested in committee, for instance, take care of a bad paint job.

Mr. AuCOIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, we are talking about one of the largest investments a family will ever make in its lifetime, and that is the purchase of a home.

The Farmers Home Administration inspects the various homes within its jurisdiction, and when a consumer makes a purchase, I think the consumer is entitled to believe that after the Government has inspected the facility, the home is basically sound.

The gentleman from Michigan (Mr. BROWN) has no objection to providing remedies for structural defects, but he has objections to providing remedies for other defects that affect consumers just as seriously. I do not understand the gentleman's objections, because there are many nonstructural defects that can afflict a consumer, and I think the consumer has the right to have some redress of grievances that come about as a result of such defects.

It is not a structural defect, for example, if, after a house is built, the bor-

rower discovers that there is sewage boiling up in his yard because his septic tank mechanism is defective. If we are to accept what the gentleman from Michigan (Mr. BROWN) says with reference to his amendment, that consumer would not have any recourse to correct that defect.

It is not a structural defect under the law—and under the gentleman's amendment the consumer would not have redress of a grievance in this situation—if a contractor who has built a house has failed to properly grade the property and the consumer who buys the house finds that his basement floods every time a severe rainstorm occurs.

That is not a structural defect, but that consumer has a very serious grievance that would be unanswered by the gentleman's amendment.

I do not understand how these defects can be less significant than the structural defects the gentleman from Michigan (Mr. BROWN) says he is willing to address.

Mr. Chairman, let me mention some other defects that would be excluded by the gentleman's amendment. They are:

Specifying sheet glass rather than structural glass;

No. 18 electrical wiring rather than No. 14 electrical wiring;

Specifying 4-inch building piers rather than 8-inch building piers;

Specifying a pump and pressure tank inadequate for the deep well;

Failure to specify a lifting pump and holding tank for a house built below community sewer lines; and,

Wholly inadequate heating systems.

Those things are not technically structural defects, but they will lead to structural defects later; and the gentleman's amendment would preclude any redress of grievance in those instances.

Mr. Chairman, I think the gentleman's amendment is wrong. He places and almost makes sacrosanct similar language under the Development of Housing and Urban Development. But if conformity is his goal, I would suggest he join me in working to put this language into the HUD statutes.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. AUCOIN. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I would like to say that some consumers among my constituents in New Jersey ran into housing defects of this kind.

The Veterans' Administration has a very good list such as the one the gentleman may have been reading from, with respect to wiring, underwriter approval, sewerage, and other things.

I think that where the gentleman from Michigan (Mr. BROWN) is perhaps concerned is if we could attach it to some particular code such as the Inspection Code of the Veterans' Administration. If that were used, we would not get into cosmetic things like paint.

Mr. AUCOIN. Mr. Chairman, if the gentlewoman from New Jersey (Mrs. FENWICK) will let me have back my time, I think the legislative history on this is clear from the work in committee and here on the floor. We are not talking about paint jobs. We are talking about the kinds of problems I have just described.

We have a further problem particular to local FmHA administration. We have something like 1,700 county offices and a person in charge of one of those offices can determine whether a leaky roof is a structural defect or is not. There is a problem of uniformity of administration.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. AUCOIN) has expired.

(By unanimous consent, Mr. AUCOIN was allowed to proceed for 2 additional minutes.)

Mr. AUCOIN. To continue, Mr. Chairman, problems with electrical and plumbing and heating systems may or may not be considered structural defects, depending on the eye of the beholder in the local county office.

For all of those reasons, Mr. Chairman, I think we need to reject the gentleman's amendment, in the name of consumer protection, and we need to realize that the real problems for real consumers in real life instances are broader than those which the gentleman contemplates in his amendment.

Mr. TSONGAS. Mr. Chairman, will the gentleman yield?

Mr. AUCOIN. I yield to the gentleman from Massachusetts.

Mr. TSONGAS. Mr. Chairman, if, indeed, the situation the gentleman just referred to, the sewage problem, should also be the case next door, what is the recourse of the neighbor in that particular case?

Mr. AUCOIN. I know that many responsible home builder associations are developing their own home mortgage program. In places such as the State of Oregon those warranty programs would cover instances of the kind you mention. State legislatures are moving in the same direction, to provide warranty programs by State statute; but we have a Federal program before us; and I think we should not allow such a narrow definition of defects in such a program.

Mr. TSONGAS. Mr. Chairman, if the gentleman will yield further, is it not true that in the first case, the owner of that property would have exactly the same redress as his neighbor, but does not have the Farmers Home insurance? In other words, there is a form of redress, and the form of redress is exactly the same as that which the neighbor has. The difference is that in the first case the person is taking advantage of a Federal program; is that correct?

Mr. AUCOIN. Mr. Chairman, I would say to the gentleman that this is a case of a Federal program that has been inspected by a Federal agency, and therefore, has the implicit approval of the Federal Government. That is a big difference from the kind of residence the gentleman mentions.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. AUCOIN) has expired.

(On request of Mr. TSONGAS and by unanimous consent, Mr. AUCOIN was allowed to proceed for 2 additional minutes.)

Mr. TSONGAS. Mr. Chairman, will the gentleman yield for a second point?

Mr. AUCOIN. Yes, I will yield to the gentleman again.

Mr. TSONGAS. Does the gentleman have any objection to what I assume is the second part of the amendment which refers to judicial review?

Mr. AUCOIN. My understanding is that the gentleman from Michigan has a second amendment dealing with judicial review, which I also intend to oppose.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. AUCOIN. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, yes, I do intend to offer that amendment also.

Mr. TSONGAS. I thank the gentleman.

Mr. LUNDINE. Mr. Chairman, will the gentleman yield?

Mr. AUCOIN. I yield to the gentleman from New York (Mr. LUNDINE).

Mr. LUNDINE. Mr. Chairman, I would ask the gentleman from Oregon would it not be true that the Farmers Home Administration in this case could issue regulations addressing themselves to the tribal problem referred to by the gentlewoman from New Jersey, the Mashpee Indians?

Mr. AUCOIN. That is right. This agency is no more restricted in the adoption of regulations than is any other agency. It is obvious it could be done and it is obviously expected that it would be done.

Mr. LUNDINE. But it is true, is it not, that the distinction in the analogy of the gentleman from Massachusetts (Mr. TSONGAS) is that in one case you have a Federal agency making an inspection and approving the finances and in the other case you do not?

Mr. AUCOIN. The gentleman from New York is perfectly correct. That is the point I was trying to make as time ran out.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me just briefly ask my distinguished colleague, the gentleman from Michigan (Mr. BROWN) whether what the gentleman is attempting to do here is to make sure that the Secretary of Agriculture is not authorized to pay compensation for construction defects that the FHA does not have to provide for, is that it?

Mr. BROWN of Michigan. If the gentleman will yield, that basically is it.

May I continue?

Mr. ROUSSELOT. Yes, please do.

Mr. BROWN of Michigan. I think the gentleman from Massachusetts (Mr. TSONGAS) hit the nail pretty much on the head when he said that by the bill's language without my amendment you are providing a different and additional remedy to a person who utilizes the Farmers Home Administration financing as compared with the person who goes out and uses any other type of conventional financing. It just seems to me we ought to recognize, as we have in the

FHA program that insuring a mortgage is not insuring the healthiness, the safety, the decency and the sanitariness of a home. And under the gentleman's language in the bill, financing by the Farmers Home Administration would amount to that, would make the Farmers Home Administration a guarantor of these residences under those conditions.

Mr. ROUSSELOT. So that if this amendment does not prevail, the Farmers Home Administration would be required to pay compensation and we do not even know what the costs might be.

Are there any estimates on the cost of this?

Mr. LUNDINE. Mr. Chairman, will the gentlemen yield?

Mr. ROUSSELOT. I yield to the gentleman from Massachusetts.

Mr. LUNDINE. I do know that section 518 of the National Housing has been in effect for the FHA for some time.

Mr. ROUSSELOT. Yes.

Mr. LUNDINE. And it has been followed.

Mr. ROUSSELOT. Of course the gentleman knows that that is true.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, the reason that section 518 is in the law is because the FHA does an inspection, just as the Farmers Home Administration does an inspection, and the reason the provision in the FHA law is limited to structural defects is because it was felt that the Government should have at least the responsibility to have discovered an obvious structural defect in connection with its inspection. I am willing to have that apply to the Farmers Home Administration. I do not know how to justify extending this kind of guarantee to the broad areas covered, and, if I may, I will quote section 509(a) which is the applicable section that this deals with:

SEC. 509. (a) The Secretary, for the purposes of this title, shall have the power to determine and prescribe the standards of adequate farm housing and other buildings, by farms or localities, taking into consideration, among other factors, the type of housing which will provide decent, safe, and sanitary dwelling for the needs of the family using the housing, the type and character of the farming operations to be conducted, and the size and earning capacity of the land.

(b) The Secretary may require any recipient of a loan or grant to agree that the availability of improvements constructed or repaired with the proceeds of the loan or grant under this title shall not be a justification for directly or indirectly changing the terms or conditions of the lease or occupancy agreement with the occupants of such farms to the latter's disadvantage without the approval of the Secretary.

Mr. ROUSSELOT. So, Mr. Chairman, I might say further that there is no estimate of the potential cost of this provision.

I think the committee ought to have an adequate explanation. I do not think we need to expand beyond what already has been done by FHA, although I know my colleague, the gentleman from Oregon (Mr. AuCoin), is anxious to help people. I think this simply goes far beyond that.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. I thank the gentleman for yielding.

One thought that really bothers me right now is that one of the difficulties we have in the Farmers Home Administration is a lack of adequate numbers of personnel. They are overburdened right now. If we add to their responsibilities the job of inspecting further these homes, they are going to be further behind than they are right now. For that reason I would be inclined to support the gentleman's amendment.

Mr. ROUSSELOT. So the gentleman makes the point that there may be a requirement for substantial numbers of additional personnel.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Texas.

Mr. ROBERTS. I thank the gentleman for yielding.

The gentleman from Colorado makes an excellent point. Most of the Farmers Home county officers have one man or two or three women stenographers. He has to be a farm supervisor; he has got to make loans to the farmer; he has got to be the banker; he has got to be the engineer; and if we put all these restrictions on him, we are just going to stop building homes under the Farmers Home Administration. I hope we support the gentleman's amendment.

Mr. ROUSSELOT. I think my colleague, the gentleman from Texas, has made an excellent point. I think this is so far beyond what was initially considered in FHA it would be unwise to expose it further to the Farmers Home Administration.

Mr. TSONGAS. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Massachusetts.

Mr. TSONGAS. I thank the gentleman for yielding.

I would hope that the gentleman from Colorado and the gentleman from Texas would also make the same argument on the next amendment referring to judicial review, because we are also concerned there with the increase of bureaucratic redtape.

Mr. ROUSSELOT. I am glad to hear my colleague is concerned about bureaucratic redtape.

Mr. LUNDINE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Just because FHA has a certain role does not make that holy or cause us not to accept that role in every case. The Farmers Home Administration has had a very successful housing credit program for years, more successful, I might say, than its counterpart in the more urbanized areas. They are now doing inspections. It would require no additional personnel to do inspections. They are doing them now.

This amendment is only intended to limit the homeowners' rights to structural defects. As has been pointed out by my colleague, the gentleman from Oregon, we have housing situations in rural areas with septic systems rather than community sewers common to urban areas, with individual water systems rather than community water systems. We believe that that inspector who is already doing this work should stand behind that inspection.

We have had experience with FHA 518 (a) and (b). We found that the cost of the program when it is applied to existing housing is extraordinary, but we have also found that the cost of the program applied to new housing is not extraordinary. So the provisions of this title have been carefully drafted to limit this guarantee to the newly constructed Farmers Home Administration housing. We have talked to officials of that agency who neither believe that the liability will be great nor that the burden on personnel will be at all substantial. I say for these reasons the amendment should be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. BROWN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BROWN OF MICHIGAN

Mr. BROWN of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Michigan: Page 59, line 18, section 604 is amended by inserting "Decisions by the Secretary regarding such expenditures or payments under this subsection, and the terms and conditions under which the same are approved or disapproved, shall not be subject to judicial review." immediately after "Rural Housing Insurance Fund.".

Mr. BROWN of Michigan. Mr. Chairman, I do not want, in view of the hour, to take a lot of time. This is the other, the companion amendment to the one just adopted which basically brings the Farmers Home Administration program into consistency with the FHA program insofar as judicial review is concerned. Inasmuch as the provisions of relief by a financing agency such as the Farmers Home Administration, just like FHA insurance, is somewhat of a privilege, and not a right, it is felt that the Administrator should be able to make determinations and not be tied up in court constantly by judicial review of that Administrator's decisions.

It is the same language applied to FHA and I urge its adoption.

Mr. TSONGAS. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Massachusetts.

Mr. TSONGAS. Mr. Chairman, I commend the gentleman.

I urge adoption of the amendment.

Mr. AuCOIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the gentleman's amendment.

Mr. Chairman, I agree that this is a companion amendment to the previous ill-considered amendment that was unfortunately passed.

I would say to my colleagues that, if we adopt this amendment, what we will be doing is giving the Administrator of the program carte blanche and no citizen escape valve whatsoever to correct any abuse of his authority or for misfeasance in the exercise of his authority. I think the mere presence of judicial review will help in the first instance to develop stronger, more sensible, more balanced, and more consumer-oriented regulations. The presence of judicial review to test those regulations is a guarantee that those regulations are going to be stronger in the first instance.

That is one of the reasons the committee adopted the judicial review provision in the committee.

I think the gentleman is wrong in wanting to deny this. He wants to conform this section of the bill to the FHA program. I say it is wiser to conform this feature, as the bill now does, to the Interstate Sales Act. That act does allow judicial review.

I think it is just a question of philosophy as to whether or not we think this escape valve ought to be created or not. I say consumers ought to have access to the courts in order to keep the Administration of the program on its toes and operating for the good of the public.

Mr. BROWN of Michigan. Mr. Chairman, if the gentleman will yield, the Administrator of the Farmers Home Administration and the FHA are intelligent and considerate and sincere, as is the Secretary of HUD. Does the gentleman know of any complaints with respect to those determinations by the Secretary of HUD?

Mr. AUCOIN. Mr. Chairman, reclaiming my time, I know the gentleman who is in the Agency right now as a compassionate man and so is the Secretary of HUD. But the gentleman and I know that we legislate on the basis of law and not people. We do not know who is going to be in this Agency for the next 10 years or the next 15 years or the next 20 years. We ought to put into the statute what we expect of Federal agencies and not rely on personalities.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. BROWN).

The question was taken; and on a division (demanded by Mr. AUCOIN) there were—ayes 25, noes 12.

As the amendment was agreed to.

AMENDMENT OFFERED BY MR. GOODLING

Mr. GOODLING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOODLING: Page 59, line 1, after "eighteen months" insert "or, in the case of aggregate structural defects exceeding $1,000, beginning thirty-six months".

Page 59, line 14, strike out "eighteen months" and insert in lieu thereof "thirty-six months".

Mr. GOODLING. Mr. Chairman, this is the amendment that was printed in the RECORD by Congressman GARY A. MYERS, who is absent because of a death in the family, and I have been asked to present this amendment. I must admit I have had very little time to properly prepare for it.

As I would understand, Congressman GARY A. MYERS testified before the committee and I would like to read just a portion of what he said at that time.

In the last two years, I have been inundated by problems from constituents in my District who have, in good faith, purchased a home under the Section 502 program. These individuals, who come from low to moderate income families, purchased what they considered to be decent, safe and sanitary housing of modest size, design and cost. They felt that, since it was a program designed by the federal government, their best interest would be served. Yet, the experiences of the last two years show that the opposite has been true.

It goes on to point out about 15 different examples of people in his district who have been caught in this manner.

The only opportunity I had to do any research was concerning the fact that this is not something new, it is not opening new doors. As I looked at the Housing and Community Development Act of 1974, I noticed that coverage was extended back to a period of 53 months. Then also, looking at the Housing Amendments of 1976, a new section was established in section 518, which provides retroactive coverage for a period of 3 years and 8 months; so it is not anything new. It deals with structural defects. It would appear to be a worthy amendment.

Mr. ASHLEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I appreciate the intent of the gentleman. The fact of the matter is that the committee has not had the opportunity to review the amendment up to this time. We have had no opportunity to discuss it with the appropriate agencies.

I have got to say that the whole proposition of insuring against structural defects opens up an enormous can of worms. I think if we really deal with a certain time, if we say 18 months is good, 36 months is better. Why 36 months? Why not go back 5 years and say that everybody that can make a showing of structural defects can seek relief.

Mr. Chairman, I am sorry, but I go back to the original premise of the insurance program, which was to insure the mortgage and to facilitate the financing. I think the sooner we stop treating home buyers as absolute babies, the better off we will be. We say there are really only two classes of home buyers; one class for those who buy under a Federal program and the other is those that buy under conventional. Show me the conventional home buyers that are being treated and insisting on being treated in this grandfatherly way by the Federal Government. I think we are pursuing a treacherous course. We are promising more than we can deliver. The amendment, for that reason, should be voted down.

Mr. LUNDINE. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from New York.

Mr. LUNDINE. Mr. Chairman, I concur with the expressions of the distinguished subcommittee chairman, the gentleman from Oregon (Mr. AUCOIN). As authors of this, we felt 18 months was a reasonable time and although we have been defeated in a couple of our efforts, I guess one could say babying the consumer, we feel this is a reasonable amount of time and urge defeat of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. GOODLING).

The amendment was rejected.

The CHAIRMAN. Are there further amendments to title VI?

AMENDMENT OFFERED BY MR. TAYLOR

Mr. TAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TAYLOR: Page 64, after line 5, insert the following new title:

TITLE VII—AMENDMENTS TO FLOOD DISASTER PROTECTION ACT OF 1973

SEC. 701. (a) Section 202(b) of the Flood Disaster Protection Act of 1973 is repealed.

(b) Section 3(a)(4) of such Act is amended by striking out all after "mortgages or mortgage loans" and inserting in lieu thereof the following: "but shall exclude assistance pursuant to the Disaster Relief Act of 1974 (other than assistance under such Act in connection with a flood);".

Mr. TAYLOR (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. TAYLOR. Mr. Chairman, my amendment is offered on behalf of the proud and self-reliant residents of many of our Nation's communities who are suffering an unnatural disaster of major proportions as a result of their failure to walk the line, or maybe I should say, accept the map boundaries, set down for them by officials administering the Federal flood insurance program.

As an example I will briefly describe what happened to the small town of Cassville, Mo., before explaining the details of my amendment because I think this city's experience will be repeated in a great many small communities across the country as the flood insurance program marches on.

According to testimony before the Appropriations Committee, HUD estimates there will be 22,000 communities identified as having special flood hazard areas by the end of 1977. Most communities are in the earliest stages of consideration of the program and do not know what lies down the road for them or that they will become "awash" in the flood insurance program. Only 1,585 communities will have final flood elevation studies completed by fiscal year 1977.

At the end of 1976 the Flood Insurance Administrator adopted a final flood elevation for the city of Cassville, prepared with no local input, which declares 60 percent of the city's business district and 50 percent of the corporate

area of the city to be within a 100-year special flood hazard area.

When the board of aldermen, who had not been previously informed of the full nature and extent of the flood insurance program, refused to adopt flood plain ordinances required by the program, the Administrator abrogantly invoked the sanctions contained in the Flood Disaster Protection Act of 1973 allowing him to terminate any Federal assistance, or any private lending banks or savings and loans, involving property located within the so-called 100-year flood plain. In other words, 60 percent of Cassville's business district and 50 percent of the town at large has been totally "redlined" from all forms of financing except for the cigar box variety and that doesn't go very far. It is an awesome thing and something deeply troubling to me, that an unelected Federal official has the power to essentially wipe a town off the map.

So now economic pressure brought by the heavy hand of the Federal Government is being brought to bear on the city of Cassville in the hopes of economically starving the city into submission. How long it can hold out I do not know. In today's economy, no individual or business can survive or prosper without the use of some conventional bank credit.

A few weeks ago, I joined with the distinguished senior Senator of Missouri, THOMAS EAGLETON, in holding hearings in Cassville on the impact of the flood insurance program.

Incidentally, the HUD official who was there took the opportunity the next day to attack the Senator and myself. The headline in the paper said, "Official From HUD Attacks Efforts by Taylor, Eagleton."

I quote further from the newspaper article:

> At one point the Federal employee said "Rednecks up in the hills" may oppose the Federal insurance program, but that it is the best program that the Government has brought about in many years.

Many witnesses established the severe financial impact of the program, but the testimony of a real estate appraiser with some years of experience stands out. He made sample appraisals of five affected blocks of property and found them to be depreciated by hundreds of thousands of dollars. Here is what he found:

Property A before the flood insurance program worth $25,000; now worth $2,000;

Property B before the flood insurance program worth $100,000; now worth $20,000;

Property C before the flood insurance program worth $100,000; now worth $15,000;

Property D before the flood insurance program worth $250,000; now worth $50,000; and

Property E before the flood insurance program worth $50,000; now worth $3,000.

While the sanctions of the act relating to the termination of Federal assistance for use in flood hazard areas may be proper, the sanctions go too far, in my opinion, when they prohibit a private lender, after appraising the risk, from making a loan within a federally proclaimed flood plain.

The total, absolute nature of the sanctions contained within the Flood Insurance Act of 1973 go beyond what is needed to further the underlying purpose of the Federal Flood Insurance Program, to take steps to eliminate the need for the Federal Government to make sizable flood disaster "bail-out" payments. The sanctions convert the program into a poorly disguised Federal land use program, which in my opinion invades the sovereign authority of the States and local levels of government which have traditionally exercised responsibility for property management.

Mr. Chairman, my amendment is a relatively simple one. The first section strikes section 202(b) of the Flood Disaster Protection Act of 1973, the sanction section of the act giving the Administrator authority to prohibit banks, savings and loans associations, and similar institutions, from making loans relating to property within a HUD designated special flood hazard area unless the community wherein the property is located is participating in the national flood insurance program.

It is important to note that the amendment does not affect section 202 (a) of the act which prohibits Federal assistance for acquisition or construction purposes being made available for use within special flood hazard areas of nonparticipating communities.

The second section of my amendment modifies section 3(a)(4) of the act to prohibit the flood related disaster assistance to communities who fail to participate in the program. This will prevent the Government from having to "bail out" individuals who undertake future development of an alleged flood-prone area without having taken adequate floodproofing measures.

My amendment does not harm the main features of the Federal flood insurance program and it is consistent with the findings of fact that provided the foundation for this program.

The Federal flood insurance program grew out of the recommendations made by an interdepartmental task force report submitted to the Congress in 1966.

The task force found that the flood plain encroachment occurs where full information as to the hazards of a flood is unavailable to owners of property and where the property owner sees the prospect of relief from flood protection through disaster assistance payments.

The country has come a long way since the report was issued more than a decade ago. Flood hazard information is now made available as a result of the mapping carried out as part of the regular flood insurance program. Where the maps are accurate and care is made to explain them to the local community, they will be effective in persuading persons not to locate in flood plains without taking adequate precautions, many communities who have found the HUD maps accurate will use them, willingly, and through the exercise of their own governmental powers.

The second section of my amendment makes it clear that in the future the Federal Government will not bail out an individual who locates within an alleged flood area. Furthermore, other provisions of the act require property purchasers to be given notice at the time they buy property that it is located within a flood hazard area. Therefore, property owners will not be able to justifiably expect to be bailed out by the Government.

My amendment leaves untouched section 202(a), the Federal assistance sanctions, which is more than enough incentive to get communities to participate. This sanction applies to direct Federal grant aid as well as to FHA and VA mortgages, and to subsidized housing.

My amendment would actually lead to an improvement to the administration of the program. As it is now, there is such an imbalance of power between agency officials and communities that the Agency does not see the need to carefully lay the groundwork for the adoption of the program, and does not exercise great care to see that their engineering work is completely accurate. The Agency is unwilling to respond to requests for corrections. This occurs in my opinion because the officials know that with the mighty weapon they have in the form of total sanctions, absolute redlining, the communities will have to go along with the Agency.

My amendment simply restores to the lending institution the right to lend their funds held on deposit from local citizens back into the local community through the private sector.

My colleagues, we have an opportunity here to restore the rights of a willing borrower and a willing lender to do business with one another with private not Government funds and without risk or exposure of loss of one dime of taxpayer's money.

We can restore to local governments the right of self-determination of what is best for their people, rather than being subject to unreal judgments of some faraway bureaucrat or regulator who never saw the community until he arrived in town to present his map that in many cases would have been more accurately drawn with the assistance of a ouija board in one hand, his mandated city ordinance in the other which he demands the city council to adopt without revision, accepting the authority and accuracy of the map, while carrying in his hip pocket unreasonable sanctions that forbid local private lending institutions loaning their funds to their customers, friends, and neighbors, loans based upon their prudent judgment and knowledge of values, morality and desire to serve and improve the economic growth and maintain the tax base of their local community.

Mr. Chairman, colleagues, I urge the adoption of this amendment.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. I thank the gentleman for yielding.

The gentleman's amendment does not in any way allow Federal grants to any

institution which desired to disregard a flood plain area?

Mr. TAYLOR. That is correct.

Mr. ROUSSELOT. If the gentleman will yield further, we in effect are not repealing the original Insurance Act to that degree?

Mr. TAYLOR. That is true. All that this amendment does is to allow a willing lender to lend money to a willing borrower in the private sector, with the assurance that not one dime of the Federal Government's resources will be exposed to loss by the taxpayers.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. I thank the gentleman for yielding.

Mr. Chairman, as I understand the gentleman's amendment, it would allow a prudent banker the discretion to make a loan to someone in Cassville irrespective of the application of what is now mandatory language in the Flood Insurance Act?

Mr. TAYLOR. That is exactly right. It simply means that a banker or a loan officer of a savings and loan institution can, in his own prudent judgment, extend credit to someone living in the community, where they have lived together for 40, 50, maybe 60 years, where the banker knows the borrower, he knows the credit of the borrower, he knows the geography of the area, he knows the proneness of floods in the area, yet despite that, he is willing to make a loan to that particular loan applicant in that particular area.

Mr. WYLIE. Mr. Chairman, will the gentleman yield further?

Mr. TAYLOR. I yield to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I understood the gentleman to say a little earlier that Federal officials are in the process of wiping the town of Cassville, Mo., off the map.

May I say to the gentleman that I have been in Missouri several times, and I know where St. Louis is, I know where Kansas City, Mo., is, and I know where St. Joseph, Mo., is, I know where Sarcoxie, Mo., is. That is the gentleman's hometown. But I have never even seen a sign pointing to Cassville, Mo. I am wondering if it is a mythical place which does not exist and which the gentleman in the well has dreamed up.

Mr. TAYLOR. If the gentleman would be interested in knowing, when the flood insurance people described Cassville, Mo., they described it as a town of 1,900 people, the county seat of Barry County, located 16 miles northwest of Springfield. Actually, it is 65 miles southwest of Springfield. They had it located up in Congressman SKELTON's district. They can tell us how many inches deep the water will be on the courthouse square, but they cannot tell us where the town is located. I think they have the flood plain at the right place but the town moved on them.

Mr. WYLIE. I thank the gentleman. And if the gentleman will yield further, the gentleman's amendment then will allow local people in the community of Cassville some discretion to make a decision as to whether or not the community wants to participate in a Federal program.

Mr. TAYLOR. Yes. It is a very simple thing. It is back to the free enterprise system. They have been operating that way for 100 years. The two banks have been there for 100 years. They have been loaning people money in that town. There has not been an instance where anyone lost one thin dime because of flood hazard. It is wrong to tell people they cannot continue to loan money to people within the community.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Missouri (Mr. BURLISON).

Mr. BURLISON of Missouri. I thank the gentleman for yielding.

Mr. Chairman, I want to take this opportunity to commend the gentleman for the work he has done on this amendment. He is a Member with extraordinary ability, as his handling of this amendment has vividly demonstrated. I want to associate myself with his remarks and I firmly support his position.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. TAYLOR) has expired.

(On request of Mr. BURLISON of Missouri and by unanimous consent, Mr. TAYLOR was allowed to proceed for 2 additional minutes.)

Mr. BURLISON of Missouri. If the gentleman will yield further, I would like to ask the gentleman if under his amendment those who may build in the pate in the program will not be entitled flood plain or those who may not particito disaster assistance in case of a flood?

Mr. TAYLOR. That is right. Under the provisions of this act, section 1364, they must be advised when they move into a flood plain.

Mr. Chairman, at a later point my colleague, the gentleman from Missouri (Mr. ICHORD), is going to offer an amendment which will nail this down. That amendment will say with certainty that anyone who makes an application and borrows money within a flood plain area will be advised that it is a flood plain area. They will also be advised that in the event of a natural disaster caused by a flood they will not be eligible for disaster relief.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield further?

Mr. TAYLOR. I yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. Mr. Chairman, that seems to this Member to be an adequate penalty for failure to participate in the program. All the gentleman's amendment is doing is this: It is saying that a builder or a lender has the opportunity to take the risk of building in a flood plain area if he desires to do so.

Mr. TAYLOR. The gentleman is correct.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, I hope that my distinguished and good friend, the gentleman from Ohio (Mr. ASHLEY), and my good friend, the distinguished gentleman from Michigan (Mr. BROWN), will accept this amendment.

I believe the amendment should be accepted, because what the gentleman asks for is not going to cost the Federal Government 1 dime, and the gentleman from Ohio (Mr. ASHLEY) made a speech just a few minutes ago in which he expressed a philosophy that precisely favors this amendment. The philosophy expressed a few minutes ago by the gentleman from Ohio is exactly the philosophy that motivates this amendment. Is that not true, I would ask the gentleman from Missouri?

Mr. TAYLOR. Mr. Chairman, that is exactly right. I wish to add that I was impressed by the speech of the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. Mr. Chairman, if the gentleman will yield, I will say to the gentleman that I have been widely criticized since I made that speech.

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR. I yield to my friend, the gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, I would like generally to associate myself with what the gentleman has said, and I commend him for offering his amendment, because I think it will help correct this problem.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. TAYLOR) has expired.

(On request of Mr. SKELTON and by unanimous consent, Mr. TAYLOR was allowed to proceed for 2 additional minutes.)

Mr. SKELTON. Mr. Chairman, if the gentleman will yield further, I would like to pass this thought on to the Members:

I have learned of an instance in my district where the gentleman's amendment would help clear up a problem that might very well exist.

HUD's contractor went to the city of Independence, Mo., and the contractor, after relying upon the two points set forth by the Corps of Engineers, set out the flood plain. Fortunately, the city of Independence has a pretty good engineering department itself. They went out and did their own survey, and they found two instances where the contractor who set out the flood plain area was 100 percent wrong.

What the gentleman's amendment would do is this: It would help create a situation where they could get the financing when and if they need it in the event of such mismanaged surveying as they obviously did in this instance.

So, Mr. Chairman, I certainly commend the gentleman, and I will certainly support his amendment.

Mr. TAYLOR. Mr. Chairman, I thank the gentleman very much.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Chairman, I thank the gentleman for yielding.

I certainly will support the gentleman's amendment. I have seen several

examples in my own district of the same situation.

I understand that the village the gentleman has been talking about is very high and dry; is that not the case?

Mr. TAYLOR. Mr. Chairman, Cassville, Mo., has one small stream going through it called Flat Creek. Once in a while it will get up and go over its banks slightly, but never has there been a flood of any significance there.

There is another town of Aurora, Mo., and I believe the gentleman from Missouri (Mr. ICHORD) can speak of that because it is in his area. Aurora is a plateau city; it is known as the "Summit City of the Ozarks."

There is not a stream within 5 miles of that city, and it is 2,000 feet above sea level, but it has been designated as a flood plain.

In Cassville, Mo., there is one area where they say the water will be 16 inches deep, another area where they say it will be 14 inches deep, and in the middle there is a hill and there they claim it will be 6 feet deep.

So the allegation is that the water will overflow that area, but there has never been any history of flooding.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. TAYLOR) has again expired.

(On request of Mr. WAGGONNER and by unanimous consent, Mr. TAYLOR was allowed to proceed for 3 additional minutes.)

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Chairman, I thank the gentleman for yielding.

I certainly want to help the gentleman with his amendment, but I feel that he is concentrating now a little too much on Missouri.

This amendment will help the rest of us solve the same problem, will it not?

Mr. TAYLOR. Yes, this amendment will solve the same problem in other areas. I think it will correct the problem.

Mr. WAGGONNER. Mr. Chairman, I just do not see how we can fail to support the fine amendment offered by the gentleman from Missouri (Mr. TAYLOR).

Mr. HANLEY. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from New York.

Mr. HANLEY. Mr. Chairman, I thank the gentleman for yielding.

As a close observer of this program and as one of the cosponsors of the bill back in 1968, I know that it was never the intent of Congress to preclude the opportunity of an individual to enjoy participation in a Federal mortgage program.

Mr. Chairman, I am most aware of the situation that the gentleman cites in Missouri, as I am aware of other similar instances in other States of this Union, where innocent people, because of a controversy that exists between the Area Flood Plains Committee and the Flood Insurance Administrator, are denied the opportunity to move in the direction of purchasing that home under a Federal mortgage program, which is quite unfair. It has stagnated realty activity in every community that has been knocked out of the program.

Mr. Chairman, I commend the gentleman for what he is doing. The adoption of his amendment is going to make the flood insurance program a better program. It is also going to serve notice on the Administrator that they had better get with it with respect to the matter of compromising their differences with the Area Flood Plains Committee.

Again, Mr. Chairman, I salute the gentleman. I have hope very much that the chairman of the subcommittee would accept the amendment with the support of the gentleman on the other side of the aisle.

Mr. TAYLOR. Mr. Chairman, I thank the gentleman from New York (Mr. HANLEY) for his comments.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I would first like to say that I go along with all of the rest of the Members who are commending the gentleman for his action here today. I am another one who is from Missouri.

Mr. Chairman, all we are asking this body really to do is to permit our people to build where they want to build, and they are not asking for any largesse from the Treasury. They are saying actually, "We do not want it. We just want to build where we want to build."

Many times it is not going to be flooded. Maybe some people are rednecked, but let us not be rednecked.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. TAYLOR) has expired.

(On request of Mr. ERTEL and by unanimous consent, Mr. TAYLOR was allowed to proceed for 3 additional minutes.)

Mr. ERTEL. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Pennsylvania.

Mr. ERTEL. Mr. Chairman, I would like to associate myself with the comments of the gentleman from Missouri (Mr. TAYLOR). I think they are very appropriate. We have a similar situation in the Susquehanna Valley with respect to various areas.

We have a situation in Pennsylvania where we have a small rural community made up of farmers. They want to build a dwelling or something else, and they cannot get a loan to build it. The land is good for farmland yet it is in the flood plain.

Mr. Chairman, it seems to me that this amendment gives them the opportunity to get money to build that farm dwelling so that they can go ahead and be productive.

I would agree with the gentleman from Missouri that this is a matter of freedom of choice. In making a very conscious effort, they are not asking anything from the Federal Government. They themselves are going to take the risk.

Mr. Chairman, I endorse the amendment.

Mr. WINN. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Kansas.

Mr. WINN. Mr. Chairman, I appreciate the gentleman's yielding.

As a former homebuilder who has built in an area completely financed through Federal mortgages, at one time we had 600 homes there. Then later on 120 of those homes were declared in the flood area. From then on, it is almost impossible to refinance those homes.

I happen to live in one of those homes.

Mr. Chairman, I fully sympathize with the gentleman from Missouri (Mr. TAYLOR), and I think he is making a giant step forward.

Mr. TAYLOR. I thank the gentleman from Kansas, Mr. Chairman.

Mr. WATKINS. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Oklahoma.

Mr. WATKINS. Mr. Chairman, I think the gentleman from Missouri (Mr. TAYLOR) has brought up a problem of extreme importance. I think we should take a careful look at it across this Nation because we have communities that cannot participate.

Mr. Chairman, when they are making a decision on a flood plain zone, they are not even taking into consideration the changes in our farming organizations; they are not taking into consideration the ponds that have been built or the stream flood-control dams that have been built.

Therefore, Mr. Chairman, I think we should look at this even in a broader context and look at what we are doing in these communities.

Again, Mr. Chairman, I commend the gentleman for bringing this matter up.

Mr. TAYLOR. Mr. Chairman, I think the gentleman's point is well made.

Mr. BAFALIS. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR. I yield to the gentleman from Florida.

Mr. BAFALIS. Mr. Chairman, I thank the gentleman for yielding.

I would like to commend him for his efforts and point out that 4 years ago when we put this provision into law, I stood here fighting the provision and predicting what was going to happen.

Mr. Chairman, 4 years' experience has shown us a great deal, and I believe the gentleman now has won support for correcting something we never should have enacted in the first place.

Mr. ASHLEY. Mr. Chairman, I move to strike the last word and I rise in lonely opposition to the amendment.

Mr. Chairman, I am fully aware that the floodgates are about to open and that I may well be the first victim of a sea of votes.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, I think it might be more appropriate to say we are about to take a bath in floodwater.

Mr. ASHLEY. I will take that under consideration, if I have time.

I do think it is important, Mr. Chairman, to remember that Congress wrote

into the law the present incentives for community participation and requirements for flood insurance for sound historical and fiscal reasons. Experience under the National Flood Insurance Act of 1968, not the current act but the previous act, proved conclusively that a purely voluntary program without lending prohibitions in nonparticipating communities simply would not reduce the spiraling Federal costs of annual flood disasters.

I would ask the Members to remember back to the period from 1968 to 1973, when flood-prone communities and flood plain propertyowners underestimated the local hazard or simply gambled, clearly content to rely on Federal disaster relief to aid in recovery efforts after a major flood. In Rapid City, S. Dak., only 29 flood insurance policies were in force in 1972 when flooding from Rapid Creek killed 236 people and resulted in over $150 million in property damage. In Wilkes-Barre, Pa., one of the most severely hit communities in the 1972 Agnes disaster which cost the Nation $3.1 billion, only two flood insurance policies had been bought.

The clearest demonstration of the prudence of Congress in enacting the current requirements for flood insurance—and I stress this, because this is what the amendment would undo—of sound floor plain management was the experience of Hurricane Eloise in 1975. Eloise traced the path of the 1972 tropical storm Agnes up the Atlantic seaboard, through the mid-Atlantic, into the Susquehanna River basin and on into New England. In the 1972 Agnes disaster—and again I remind the Members that this cost $3.1 billion, less than 1 percent of the insurable damages were covered by flood insurance. Now, by contrast, in the 1975 Eloise disaster, which came after only 2 years experience with the 1973 act with its requirements for flood insurance and community participation, those which would be undercut by the current amendment, some 25 percent of the insurable damages were covered by flood insurance and claims payments of about $50 million reduced Federal outlays for disaster relief to compensate victims.

So there is a real difference between the before and the after that we have got to take into account.

It is no particular fun to stand in the well knowing very precisely what is going to happen, knowing that I am putting myself in the position of undermining the free enterprise system. But that is not what is involved, that is still alleged to be involved.

Let there be a flood in the community of any of the gentlemen from Missouri, and I will tell the Members who the first people will be who will be insisting upon Federal disaster aid. One will be the very able Representative, the gentleman from Missouri who is standing before me now.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Missouri.

Mr. ICHORD. I thank the gentleman for yielding.

The amendment specifically states that they shall not be eligible for Federal disaster relief. I can assure the gentleman on the part of this Member that he will never find me in here asking for any kind of relief. This is not an amendment for Missouri alone; this is for every State in the Union.

Mr. ASHLEY. I know how the people of Ohio would feel. They would feel just the same way as the people from Missouri felt at the time of the Agnes disaster. We really try to help our own regardless of the circumstances, but it is patently unfair.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. ASHLEY was allowed to proceed for 4 additional minutes.)

Mr. ASHLEY. It is patently unfair, if I may conclude for a moment. What I am saying is that it is very unfair to expect the premium for flood insurance to be paid by the taxpayers of this country while the participants in the flood plain legislation, the beneficiaries, are unwilling to change their construction, their building, their living habits sufficiently to obviate the dangers.

Let me just remind the Members of what we have done since 1973. Since the 1973 Flood Disaster Protection Assistance Act, here is how the Congress has attempted to alleviate some of the problems involved in the very tough Federal sanctions of the flood insurance program. I am simply trying to say, Mr. Chairman, that since the adoption of the 1973 Flood Disaster Protection Assistance Act the Congress has provided exemptions for existing structures in place prior to March 1, 1976. We have provided exemptions for small businesses occupied and in place prior to January 1, 1976. We have provided exemptions for home improvement loans not to exceed $5,000. We have provided exemptions for nonresidential agricultural related buildings. Finally, the amendment just adopted, the Ertel amendment, provides improvements to property suffering nonflood damages up to 80 percent of the value of the residence. The Members can see we really are trying to accommodate in a sensible way some of the problems that have arisen since the adoption of the 1973 act.

However, what we are being asked to buy now is a continuation on the part of those who want to live in flood-prone areas without the sanctions that were written into and were a very basic part of the 1973 legislation. All we are really saying by virtue of this amendment is: Look, if we just put our money so that we can have it both ways—but I do not think we can. That is why I would urge the defeat of the amendment.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Oregon.

Mr. AuCOIN. I appreciate the gentleman's yielding.

One of the problems of the amendment that bothers me most is what I think to be the false promise that there will be no disaster aid to the communities that might be afflicted. Is it not true, I ask the gentleman in the well, that the general statute dealing with disaster aid has a notwithstanding provision that says notwithstanding any other law, disaster aid shall be granted to communities that are affected by calamities of this kind? I ask the gentleman that question.

Mr. ASHLEY. Yes, that is so, but we know already that we are not going to withhold Federal assistance where calamities have struck. We know that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hate to see my distinguished chairman left in a lonely position. I believe—and I have voted time after time for assistance to disaster areas, floods in Pennsylvania and in other parts of the country—that the only solution is a sound, firm flood insurance program, and that is the program that we have. Therefore, I oppose the amendment.

Mr. PATTERSON of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I know the hour is late. I will not use my 5 minutes. I want to say to this body there is not one Member who had more problems with flood insurance in the previous 2 years than I did. We had over 13,000 kinds of problems in my district in southern California with regard to flood insurance. But this amendment is a bad amendment. This amendment throws the baby out with the bath water. Let me tell the Members why.

The flood insurance maps can be wrong and they can be corrected and there is money in this bill that will correct the flood insurance maps, which is where the problem lies.

The need for flood insurance is real, let me assure you, because the owners of property will build in the flood hazard areas, the lenders will loan in areas that are flood hazards, and the people will buy in areas that are flood hazards, and when the flood comes the Federal taxpayers will pick up the tab and pay for the disasters because out of the compassion in our hearts we will send money to those areas, and all of us know it.

If we delete the flood insurance program we will take away the financial ability to insure one's self for such a disaster as flood. I urge the defeat of this amendment.

Mrs. FENWICK. Mr. Chairman, I move to strike the requisite number of words but I will not take the 5 minutes.

I would just like to say that this is what was written by HUD:

> National flood insurance program will . . . cut a potential $1 billion drain on the U.S. Treasury for flood disaster relief in the year 2000 to less than $200,000, and cut a potential $1.9 billion of uncompensated losses to disaster victims to less than $100,000.

We cannot go on year after year. The River Coalition is against any change. The Commonwealth of Pennsylvania, the Department of Community Affairs is

against change. The manager of Minot, the town that suffered five disastrous floods in 8 years, wrote me unsolicited and said that we cannot continue to have this building in the flood plains. I live along the Millstone River. There was not a farmer in the old days that did not have enough sense not to put a barn along the flood plain. All along the flood plain was pasture. That is what the sensible man put on the flood plain. One does not build in the flood plain unless he knows he is going to be rescued with other people's money.

I do not know how we are going to have our rivers in order and our country in order if we do not use commonsense.

I was going to offer an amendment but I can see it is not in the mood of the House so I will not offer it.

AMENDMENT OFFERED BY MR. ICHORD TO THE AMENDMENT OFFERED BY MR. TAYLOR

Mr. ICHORD. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ICHORD to the amendment offered by Mr. TAYLOR: In the amendment offered by Mr. TAYLOR, strike out subsection (a) and insert in lieu thereof the following:

(a) Section 202(b) of the Flood Disaster Protection Act of 1973 is amended to read as follows:

"(b) In addition to the requirements of section 1364 of the National Flood Insurance Act of 1968, each Federal instrumentality described in such section shall by regulation require the institutions described in such section to notify (as a condition of making, increasing, extending or renewing any loan secured by property described in such section) the purchaser or lessee of such property of whether, in the event of a disaster caused by flood to such property, Federal disaster relief assistance will be available to such property.".

The CHAIRMAN. The gentleman from Missouri (Mr. ICHORD) is recognized for 5 minutes in support of his amendment.

Mr. ICHORD. Mr. Chairman, the amendment which I have offered and I did hand copies to both the chairman and the ranking minority Member prior to the introduction of the amendment, should remove the last vestiges of the objection of my good and distinguished chairman of the committee and also my friend, the gentleman from Michigan. I hope they will accept this amendment and accept the Taylor amendment, as amended.

I have nicknamed this amendment as the "Gene Taylor pointy-headed bureaucrat elimination amendment," because it was indeed a pointy-headed bureaucrat who prompted this amendment. I invite the Members to come down and look at this photograph, an enlarged photo from the Aurora Advertiser, which I hold in my hand. This photograph depicts a pointy-headed bureaucrat laying down the law to the people in Aurora, Mo., 2,100 feet above sea level, called the Summit City of the Ozarks, and my friends, it is a realy pointy-headed bureaucrat. The photographer should be rewarded with the Pulitzer prize for taking the photograph.

Let me state to my good friend, the gentleman from Ohio, and my good friend, the gentleman from Michigan, that this pointy-headed bureaucrat is not the illegitimate son of the bureaucracy. He is the illegitimate son of this Congress. I am sure that the gentleman from Ohio and the gentleman from Michigan do not want to lay claim to be the sire of such a pointy-headed bureaucrat.

Now, does anyone know where this pointy-headed bureaucrat is now? He is out in Kansas. Poor MARTHA, poor JOE, poor HARRY, and poor DAN, and for the reader of the CONGRESSIONAL RECORD I state that I am mentioning the first names of the Kansas delegation.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. ICHORD. I yield to the gentleman from Kansas, since I am mentioning the first names of the Kansas delegation.

Mr. SKUBITZ. Mr. Chairman, do I understand the gentleman to say they are sending that man to Kansas?

Mr. ICHORD. They have already moved him to Kansas after he pulled this caper in Missouri. There are other pointy-headed bureaucrats like this who are not only going to be in Kansas, but they are going to be in Louisiana, they are going to be in Colorado, they are going to be in Wyoming. They are going to be all over the United States.

Now, my good friend, the gentleman from Ohio, supports the free enterprise system. The amendment of the gentleman from Missouri (Mr. TAYLOR) states that if a banker wants to lend a person money to build a flood plain, he can do so, but that person shall not be eligible for any Federal disaster relief.

The opponents of this amendment have not addressed themselves to the Taylor amendment. My amendment adds to the Taylor amendment. The Taylor amendment provides that if a banker decides to make a loan to any person in a flood plain area, he can do so, however the borrower will not be entitled to Federal disaster relief. My amendment states that the Banker must further specifically notify the borrower or owner that he will not be entitled to such relief. Aurora, Mo., my friends, is 2,100 feet above sea level, and I state to my friend, the gentleman from Wyoming, they only have one little "creek" or "crick" or "run" or whatever you want to call it. The gentleman from Wyoming could step halfway across it at flood level and if he took one sip of the white lightning they used to make in this section of Missouri, he could step all the way across it; but still they want to refuse the bank the right to make any loans whatsoever.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(By unanimous consent, Mr. ICHORD was allowed to proceed for 1 additional minute.)

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. ICHORD. I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, I appreciate the gentleman yielding.

I do not think we need to pursue this. The gentleman is making quite a point of the fact that under no circumstances would there be any Federal relief ordered to a nonflood plain area which suddenly becomes engulfed in a tragedy. We know that. Many of us really have serious doubts as to whether that is so.

The other point is that the gentleman says that if a conventional lender is going to make loans in a flood plain area, that he has the right to do so pursuant to our free enterprise system. It happens that the FDIC insures those accounts.

Mr. ICHORD. If I may reclaim my time, I would say to my distinguished friend that he is still not addressing the amendment. I well appreciate the Federal Government's interest in wishing to avoid payment for other people's mistakes, but why do we want to play the part of Big Brother? Are you serious in contending that the bankers might bankrupt themselves? You can not be serious. The basic issue here is: What is the proper role of the Federal Government in the situation at hand? Mr. Chairman, without the Taylor amendment as amended by my amendment the national flood insurance program will continue to stand as one of the worst examples of coercive and inequitable Federal land use controls ever devised. It is blatantly unfair; unnecessarily and ridiculously exaggerated in scope and particularly punitive in nature and highly destructive to the free enterprise system and the independence of free Americans.

Mr. BROWN of Michigan. Mr. Chairman, I move to strike the requisite number of words.

I would say that I generally concur with the statements made by the gentleman from Ohio (Mr. ASHLEY). I think that an appropriate amendment, perhaps, would be to restrict the percentage of mortgages that may be written by an institution that is insured under FDIC or FSLIC to, say, 10 percent or 20 percent in a flood plain area.

This amendment goes far beyond that. I think that if we are going to have this program be effective, there must be sanctions. It was tried on a voluntary basis, and it never worked. Nobody did anything. So, in looking after the taxpayers' dollars, I do not think we can say that we will guarantee against loss, a person building in a high-risk area, and then if he suffers a loss in this area, as he surely will, we will insure him again. It just goes not make sense.

I think, in conclusion, Mr. Chairman, this amendment would probably not be before us if the administration of the program had been a little more compassionately and carefully guided. I think very possibly the manner in which flood plains have been established, has irritated many, many people. It is obvious that we are reaping the benefits of that criticism at the present time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. ICHORD) to the amendment offered by the gentleman from Missouri (Mr. TAYLOR).

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. TAYLOR), as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ASHLEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 220, noes 169, not voting 43, as follows:

[Roll No. 222]

AYES—220

Abdnor	Gaydos	Murtha
Akaka	Gephardt	Myers, Ind.
Alexander	Gilman	Natcher
Anderson, Calif.	Ginn	Nichols
	Glickman	O'Brien
Anderson, Ill.	Goldwater	Oberstar
Andrews, N. Dak.	Gonzalez	Pattison
	Grassley	Perkins
Applegate	Gudger	Pettis
Archer	Hagedorn	Pickle
Armstrong	Hall	Pike
Ashbrook	Hammer-schmidt	Poage
Badham		Pressler
Bafalis	Hanley	Preyer
Barnard	Hannaford	Pursell
Bauman	Harkin	Quayle
Beard, Tenn.	Harsha	Quie
Bedell	Heckler	Rahall
Bennett	Hightower	Railsback
Blouin	Holland	Regula
Boggs	Hollenbeck	Risenhoover
Bowen	Holt	Roberts
Breaux	Horton	Robinson
Breckinridge	Hubbard	Rogers
Brinkley	Huckaby	Rooney
Brooks	Hughes	Rose
Broomfield	Hyde	Rousselot
Brown, Ohio	Ichord	Rudd
Broyhill	Ireland	Runnels
Buchanan	Jacobs	Santini
Burke, Fla.	Jenkins	Sarasin
Burleson, Tex.	Jenrette	Satterfield
Burlison, Mo.	Johnson, Calif.	Schroeder
Byron	Johnson, Colo.	Sebelius
Caputo	Jones, N.C.	Shuster
Carney	Jones, Okla.	Sikes
Carter	Jones, Tenn.	Sisk
Chappell	Jordan	Skelton
Clausen, Don H.	Kazen	Skubitz
	Kelly	Slack
Clay	Ketchum	Smith, Nebr.
Cleveland	Keys	Snyder
Cochran	Kindness	Spence
Cohen	Lagomarsino	Staggers
Coleman	Latta	Stangeland
Collins, Tex.	Leach	Steed
Crane	Leggett	Steiger
D'Amours	Lent	Studds
Daniel, Dan	Levitas	Stump
Daniel, R. W.	Lloyd, Tenn.	Symms
Davis	Long, La.	Taylor
de la Garza	Lott	Thone
Derwinski	McCloskey	Thornton
Devine	McDade	Treen
Dicks	McDonald	Trible
Dornan	McEwen	Tucker
Duncan, Oreg.	McFall	Vander Jagt
Duncan, Tenn.	McHugh	Volkmer
Edwards, Ala.	Mahon	Waggonner
Edwards, Okla.	Mann	Walsh
Emery	Marks	Wampler
English	Marlenee	Watkins
Ertel	Martin	Whalen
Evans, Ga.	Mathis	White
Evans, Ind.	Mazzoli	Whitehurst
Findley	Michel	Whitley
Flippo	Milford	Whitten
Flowers	Miller, Ohio	Wilson, Bob
Flynt	Mitchell, N.Y.	Wilson, C. H.
Fountain	Mollohan	Winn
Fowler	Montgomery	Wylie
Frenzel	Moore	Yatron
Frey	Moorhead, Calif.	Young, Alaska
Fuqua		Young, Fla.
Gammage	Mottl	Young, Tex.

NOES—169

Addabbo	Aspin	Beard, R.I.
Allen	AuCoin	Beilenson
Ambro	Badillo	Benjamin
Annunzio	Baldus	Bingham
Ashley	Baucus	Blanchard
Boland	Gore	Ottinger
Bonior	Gradison	Panetta
Bonker	Hamilton	Patten
Brademas	Harrington	Patterson
Brodhead	Harris	Pease
Brown, Calif.	Hawkins	Pepper
Brown, Mich.	Hefner	Pritchard
Burke, Calif.	Howard	Rangel
Burke, Mass.	Jeffords	Reuss
Burton, John	Kasten	Richmond
Burton, Phillip	Kastenmeier	Rodino
Carr	Kemp	Roncalio
Cavanaugh	Kildee	Rosenthal
Chisholm	Kostmayer	Rostenkowski
Collins, Ill.	Krebs	Roybal
Conyers	Krueger	Ruppe
Corcoran	LaFalce	Russo
Corman	Le Fante	Ryan
Cornell	Lederer	Sawyer
Cornwell	Lehman	Scheuer
Cotter	Lloyd, Calif.	Schulze
Coughlin	Long, Md.	Seiberling
Danielson	Luken	Sharp
Delaney	Lundine	Simon
Dellums	McClory	Smith, Iowa
Derrick	McCormack	Solarz
Diggs	McKay	Spellman
Dingell	McKinney	St Germain
Dodd	Maguire	Stanton
Drinan	Markey	Stark
Early	Marriott	Steers
Eckhardt	Mattox	Stockman
Edgar	Meeds	Stokes
Edwards, Calif.	Metcalfe	Thompson
Eilberg	Meyner	Traxler
Erlenborn	Mikulski	Tsongas
Evans, Colo.	Mikva	Udall
Evans, Del.	Mineta	Ullman
Fary	Minish	Vanik
Fascell	Mitchell, Md.	Vento
Fenwick	Moakley	Walker
Fish	Moorhead, Pa.	Waxman
Fisher	Murphy, Ill.	Wiggins
Fithian	Murphy, N.Y.	Wirth
Flood	Murphy, Pa.	Wolff
Foley	Myers, Michael	Wright
Ford, Mich.	Neal	Wydler
Ford, Tenn.	Nedzi	Yates
Fraser	Nix	Zablocki
Giaimo	Nowak	Zeferetti
Gibbons	Oakar	
Goodling	Obey	

NOT VOTING—43

Ammerman	Forsythe	Quillen
Andrews, N.C.	Guyer	Rhodes
Bevill	Hansen	Rinaldo
Biaggi	Heftel	Roe
Bolling	Hillis	Shipley
Burgener	Holtzman	Stratton
Butler	Koch	Teague
Cederberg	Lujan	Van Deerlin
Clawson, Del	Madigan	Walgren
Conable	Miller, Calif.	Weaver
Conte	Moffett	Weiss
Dent	Moss	Wilson, Tex.
Dickinson	Myers, Gary	Young, Mo.
Downey	Nolan	
Florio	Price	

The Clerk announced the following pairs:

On this vote:

Mr. Teague for, with Ms. Holtzman against.
Mr. Bevill for, with Mr. Heftel against.

Messrs. PERKINS, ROSE, and TUCKER changed their vote from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

Mr. HANNAFORD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the provisions of the Housing and Community Development Act of 1977 contain in embryonic form the makings of a new program for the allocation of community development funds, the impact of which will be felt by many Southern and Western States in the years ahead. In striving for a coherent national urban policy, it is essential that legislators understand what the long-term implications of today's actions may be.

The new formula for the allocation of housing funds to certain areas of the country fails to take into consideration that the imbalance it creates will likely endure permanently. In my own State of California, estimates are that the population may increase by 10 million, or by 50 percent by the year 2000. This means a greater need for more housing and more housing funds. The population and housing overcrowding elements of the old formula, however, are no longer a part of the new formula.

I ask my colleagues to seriously consider what the potential impact of this new program will mean. What does it imply for those growing cities of the South and West? If the burden shifts in future years, those preferred States today will not concede their privileges to other disadvantaged sections of the country.

Citizens in the State of California are being asked to pay higher taxes so that more funding can go to selected regions on the basis of what is at best an arbitrary formula, making the taxpayers of my State less able to meet the fiscal demands of a mushrooming population in the years ahead. This is a direction we have taken and I hope that it is not repeated. What will happen when the bill is considered for renewal 3 years hence? Will a similar formula be used when other Federal subventions to cities is voted, such as revenue sharing? These questions give me grave concern.

Mrs. COLLINS of Illinois. Mr. Chairman, as a Member of Congress representing one of the largest urban areas in the country. I have an obligation to promote and insure the establishment and maintenance of adequate housing for all residents of the beleaguered cities of our Nation. Like other Members whose districts lie predominantly within major American cities, I have firsthand knowledge of the conditions that government housing programs are designed to ameliorate.

My interest in the Housing and Community Development Act extends beyond my responsibilities as a representative of my Chicago constituents to my duties and agenda as chairwoman of the Government Operations Subcommittee on Manpower and Housing, which has oversight jurisdiction of the economy and efficiency of the programs of the Department of Housing and Urban Development.

All of us can agree on the need for effective government operation in the housing market, because without such action, our less fortunate citizens will be without adequate housing. In order to aid the disadvantaged, is it enough that government housing programs be well-intentioned? No. They must be functional to the extent that they produce housing which is within the reach of low-income citizens. As a result of a great deal of trial and error, we have learned that while categorical grant programs had the appearance of being responsive to congressional intent, it is a well known fact that they were often burdensome

on the cities and neighborhoods they were to benefit.

Because of the wide variance of needs among the urban centers of the Nation, the community development block grant program was instituted to afford cities and towns the opportunity to determine their funding priorities within a framework established by Congress. Notwithstanding the fact that efforts are underway to improve the operation of the block grant program, we as representatives of the people should acknowledge the reality that the voices of the disadvantaged are often drowned out, and act accordingly.

For these reasons, I support H.R. 6655 and urge my colleagues to join me. The Congress intends that these funds benefit the less fortunate, even though they are spent through mechanisms that allow greater flexibility.

We have made too many promises to the underprivileged that somehow fail to come to fruition. In the vital area of housing, it is time for renewed efforts to assure that programs aimed at benefiting the disadvantaged do so effectively. I would add that my subcommittee intends to maintain surveillance over categorical and other housing programs to assure that the delivery system operates according to congressional intent.

Ms. OAKAR. Mr. Chairman, the first Housing and Community Development Act, Public Law 93-383, included a nondiscrimination section—section 109. That section begins:

> No person in the United States shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

When Congresswoman SPELLMAN tried, in the Banking Committee markup, to add the persons with handicapping conditions to the groups to be held free of discrimination, I supported her effort. The HUD representative cautioned that the Spellman amendment would create problems for HUD. Later, he offered to provide language which would achieve the desired protections without inconvenience to HUD.

When I saw the language HUD felt was appropriate I thought of the programs and projects intended to serve the elderly and handicapped which have been such disasters in my congressional district, and in so many other districts. I thought of the high rise for the elderly with its excellent facilities and ramps and I recalled that the handrails in the bathtubs were so insecure in the walls that there were signs posted, saying "do not use this handrail." Those who did quickly learned that the handrail can easily pull out of the wall.

When I saw the language HUD felt was appropriate to protect persons who are elderly or who have handicapping conditions, I felt that that language provided about as much protection as those handrails.

Someone, somewhere, should have refused to accept the buildings with those insecure handrails. Someone should have refused to pay the contractors until the handrails were secured properly.

I asked my staff to seek expert opinion about the language HUD proposed as protections of the rights of the handicapped and the elderly.

What I learned was no surprise to me. The "protections" offered by HUD were unlikely to have any effect in the immediate future. They would probably lead to arguments but were too weak to support even a lawsuit, just as those handrails were too weak to support even a frail person.

In the course of trying to develop an amendment that would provide the desired protection, I learned a great deal. I learned that there are a great many problems in any effort to draw a legislative line of protection around persons who are handicapped and persons who are elderly. I learned that there are many factors which must be considered, but the thing that was most disheartening was that there is a widespread concern about giving elderly and handicapped persons what may be termed, "excessive rights." I was told, for example, that a simple antidiscrimination clause might result in the hiring of a blind person as a security guard. When one lawyer suggested that we use language to limit the rights of the handicapped, indicating that such persons could be refused employment on the basis of a "bona fide occupational qualification," a second attorney expressed concern about the number of judicial decisions that upheld what could properly be called AGEISM, the presumption of the would be employer that age is the same as incapacity.

What concerns me about all of this is that there seems to be a great deal of tolerance about the aged and the handicapped—but the tolerance is not tolerance of the persons who are aged or handicapped. It is tolerance of the bias against the aged and the handicapped.

There is a sense that if there must be a problem, the aged and the handicapped must suffer the problem.

There is a sense that if there will be errors of judgment, the errors that keep out the aged and the handicapped can be tolerated while the errors of judgment that result in the employment of a handicapped or aged person cannot be tolerated.

Finally, there is a sense that, yes, the elderly and the handicapped have been unfairly excluded from programs and from facilities, but after all, it would be too expensive to assure them their rights.

In connection with that point, I include at this point in the RECORD, an excellent article by George F. Will of the Washington Post, concerning the need to pay the price to assure to the handicapped the rights of full citizenship:

[From the Cleveland Plain Dealer, May 8, 1977]

UNITED STATES MUST INSURE FULL CITIZENSHIP FOR THE HANDICAPPED

(By George F. Will)

WASHINGTON.—Handicapped persons are acquainted with disappointment, and they have experienced much of it since 1973, when Congress grandly declared that "no otherwise qualified handicapped individual . . . shall solely by reason of his handicap" suffer discrimination under any program or activity receiving federal financial assistance.

In this heavily subsidized society, that can have a broad reach. But such broad sweeps of sentiment are law only in a hollow, technical sense. They require the executive branch to make regulations that "make" the law.

The Department of Health, Education and Welfare, which is not reluctant to write regulations, wrestled with the task of giving substance to Congress' sentiments. Recently, after more than three years, it produced 48 dense pages of rules, plus 106 pages of related documents.

With feigned precision, HEW guesses that the new requirements will cost society (especially school systems) $2.4 billion. Actually, no one knows even how many millions of people (probably more than 40 million) are "handicapped" in the sense of having "a physical or mental impairment which substantially limits one or more major life activities." But the significance of the regulations is that now the nation must stop rationing citizenship, almost absent-mindedly allocating to the handicapped only as much as is convenient.

The regulations require elimination of physical barriers to the handicapped wherever federal funding is involved. And they stipulate that handicapped children, regardless of the nature or severity of the handicap, are entitled to free public education appropriate to their needs.

Public education has been the distinctive American right. The extension of it, especially to the mentally handicapped, will generate legitimate controversy. Imagine, for example, the agonizing judgments required by the rule that the handicapped "must be educated with the non-handicapped in regular classrooms to the maximum extent possible."

The new rules require an endless exercise of sensitive discretion by public officials, especially at the local level.

To be fully effective, the new HEW regulations really require a degree of social sensitivity which, if it existed, would make the regulations unnecessary. They are an attempt by the central government to improve society's treatment of the handicapped in face-to-face situations, and to manage this improvement by codifying standards of behavior that are better than prevailing standards.

Modern government has extended the citizen's claims of entitlement, and now the handicapped are moving toward full citizenship. This has been a long time in coming because the handicapped are a varied and often invisible minority, invisible in part because of discrimination. This discrimination often involves a natural human failure of "imaginative sympathy," a failure by the majority to imagine how life looks to persons less fortunate.

I collect comical examples of such failure. In the 1920s a Beacon Hill dowager, told that many Boston homes lacked indoor plumbing, exclaimed: "You would think the people who lived in them would have found out before moving in!" In the 1930s an industrialist declared that it didn't pay to run radio advertising on Sunday because "everybody is playing polo."

Gov. Nelson Rockefeller told an audience that the tax burden falls "on the average person like you and me." Charles Reich, a Yale professor trendy in the 1960s (he wrote "The Greening of America"), said he had attended prep school and an Ivy League college and law school, "like everyone else."

But failure of "imaginative sympathy" by government is common, and not comical.

A society deficient in "imaginative sympathy" surrounds the crippled with thoughtlessly designed facilities which provide no convenient access for wheelchairs, facilities that shout society's indifference. A society

deficient in "imaginative sympathy" consigns the retarded to "education" programs that reinforce rather than ameliorate the cruel capriciousness of nature, and express through exclusions from basic rights the barbarous thought that weakness is akin to crime in the kingdom of the strong.

The new regulations announce the beginning of a costly but welcome era.

Finally, I am very happy that Mrs. SPELLMAN was able to persist and to secure approved language which will serve to notify HUD and other departments and agencies that it is the intent of Congress to assure full participation to all citizens—including persons with handicapping conditions.

Mr. BRADEMAS. Mr. Chairman, I rise in support of the amendment of my Indiana colleague, Mr. EVANS, and congratulate him on a most constructive proposal.

Mr. Chairman, we have all been shocked by the skyrocketing average cost of new conventional housing. Clearly, young families unable to make a substantial downpayment and older Americans living on fixed incomes are finding it more and more difficult to find affordable housing.

As a result, more and more American families have been turning to manufactured housing to meet their needs. Last year, 76 percent of all homes sold in this country priced at less than $30,000 were mobile homes and of all homes sold for less than $20,000, nearly all—96 percent—were mobile homes.

The Evans amendment seeks to make mobile homes more readily available to those who seek them by raising the FHA guaranteed mortgage limit from $12,500 to $15,000 for single-wide mobile homes and from $15,000 to $20,000 for the so-called double-wide units.

These proposed limits are not excessive but rather reflect both the effects of inflation and the more rigid construction standards on the price of manufactured housing.

Adoption of the Evans amendment will mean that more Americans will be able to take advantage of the low-cost, high-quality shelter offered by manufactured housing. I urge its adoption.

Mr. MILLER of Ohio. Mr. Chairman, regrettably I must rise in opposition to this bill in its present form. While the bill contains some worthwhile provisions, I am concerned over the potential impact of several changes in the community development block grant—CDBG—program and the inflationary impact of the section 8 rent subsidy program.

In its effort to present the Congress with a new housing authorization bill, the House Banking, Finance and Urban Affairs Committee determined that a continuation of the present CDBG hold-harmless program is undesirable. As a result, the hold-harmless program will start a 3-year phaseout beginning in fiscal year 1978. The committee chose, instead, to initiate a multifaceted approach to the community development block grant program which, I fear, will not give the nonmetropolitan areas the level of attention and assistance they deserve. H.R. 6655 implements a dual formula system for the distribution of block grant funds. Metropolitan areas will again be given priority in the allocation of funds. The phaseout of the hold-harmless provision which benefited some 450 rural municipalities is serious enough. But what about the smaller non-hold-harmless communities which will now have to compete for limited discretionary funds? Rural areas certainly deserve better from the Congress.

In addition to my concern over the CDBG program and the budget-busting costs in this bill, my primary concern, Mr. Speaker, is the section 8 rent subsidy program and the taxation insult it throws in the face of working Americans. Two years ago in remarks before the House, I pointed out that the section 8 rent subsidy program went far beyond providing decent modern housing. It provided extraordinarily good housing—at the expense of the working family. I offered an amendment to terminate some of the section 8 foolishness and it was defeated. Here we are again today, in the midst of the same debate over these multibillion-dollar rent subsidies. And again, it is the working man who will carry the burden of nonworking. In 1975, HUD's fair market rent table indicated that a family living in Washington in a two-bedroom unit could be subsidized under section 8 to the tune of $374 monthly. The same table indicated that a New York family living in a unit of four or more bedrooms could be subsidized up to $9,250 annually under section 8. That figure has since increased. According to HUD's fair market rent projection for 1978, it is possible that the same New York tenant—living in a four bedroom unit—could receive up to $10,476 in rental assistance under section 8—an increase of more than $1,200 from when I last called this matter to the attention of the House. The matter does not end here. Under section 8, the rental subsidy allotment could be increased by an additional 20 percent at the discretion of HUD. In other words, the taxpayers would pay a rent subsidy of $1,049 per month. While this case may be the exception rather than the rule, the point remains the same: the taxpayer is being smothered. It is time for a change. I urge my colleagues to give these points serious consideration.

Mr. FRASER. Mr. Chairman, I am pleased to see that title I of this bill addresses the community development needs of the smaller, nonentitlement communities.

Under an amendment offered in the Housing Subcommittee by the gentleman from New York (Mr. LUNDINE), the Secretary of HUD will be authorized to make funding commitments of up to 3 years to nonentitlement communities. The Lundine amendment also establishes a dual formula for distributing metropolitan and nonmetropolitan discretionary balances. The second formula option, which takes account of age of housing, will be particularly helpful to older, first-ring suburbs which share many of the development needs of the central cities.

The city of Columbia Heights in my district is a typical first-ring suburb. Demographically, this community, with a population of 24,000 resembles its neighbor to the south, Minneapolis.

Columbia Heights is still a strong, stable family-oriented community, but its housing stock is aging, its central business district is deteriorating, and its residents are hard pressed by rising housing and home maintenance costs.

Up until this year, Columbia Heights has not received Federal community development aid. Earlier this month, the city was notified by HUD that it would receive $355,000 in community development funds for acquisition and rehabilitation of substandard housing.

In the past, first ring suburbs such as Columbia Heights have beer. disadvantaged by the application of HUD's rating system for metro area discretionary proposals. Initially, HUD measured poverty, one of the factors in the rating formula, in terms of percentages rather than in absolute numbers. This application of the formula tended to skew funding toward the smallest communities in the metropolitan area. While this problem has been corrected in part, I would hope that HUD could clarify the use of the poverty factor when regulations are issued for the community development program. The Department might want to define poverty in terms of absolute numbers of persons living below the poverty level, as defined by 50 percent of the median family income for each housing market area.

The CHAIRMAN. If there are no further amendments, under the rule the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. STUDDS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6655) to amend certain Federal laws pertaining to community development, housing, and related programs, pursuant to House Resolution 541, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken and the Speaker announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 369, nays 20, not voting 43, as follows:

[Roll No. 223]

YEAS—369

Abdnor	English	Lott
Addabbo	Erlenborn	Luken
Akaka	Ertel	Lundine
Alexander	Evans, Colo.	McClory
Allen	Evans, Del.	McCloskey
Ambro	Evans, Ga.	McCormack
Anderson, Calif.	Evans, Ind.	McDade
	Fary	McEwen
Anderson, Ill.	Fascell	McFall
Andrews, N. Dak.	Fenwick	McHugh
	Findley	McKay
Annunzio	Fish	McKinney
Applegate	Fisher	Maguire
Ashley	Fithian	Mahon
Aspin	Flippo	Mann
AuCoin	Flood	Markey
Badillo	Flowers	Marks
Bafalis	Flynt	Marlenee
Baldus	Foley	Marriott
Barnard	Ford, Mich.	Martin
Baucus	Ford, Tenn.	Mathis
Beard, R.I.	Fowler	Mattox
Beard, Tenn.	Fraser	Mazzoli
Bedell	Frenzel	Meeds
Beilenson	Frey	Metcalfe
Benjamin	Fuqua	Meyner
Bennett	Gammage	Michel
Bingham	Gaydos	Mikulski
Blanchard	Gephardt	Mikva
Blouin	Giaimo	Mineta
Boggs	Gibbons	Minish
Boland	Gilman	Mitchell, Md.
Bonior	Ginn	Mitchell, N.Y.
Bonker	Glickman	Moakley
Bowen	Goldwater	Mollohan
Brademas	Gonzalez	Montgomery
Breaux	Goodling	Moore
Breckinridge	Gore	Moorhead, Calif.
Brinkley	Gradison	
Brodhead	Grassley	Moorhead, Pa.
Brooks	Gudger	Murphy, Ill.
Broomfield	Hagedorn	Murphy, N.Y.
Brown, Calif.	Hall	Murphy, Pa.
Brown, Mich.	Hamilton	Murtha
Brown, Ohio	Hammer-schmidt	Myers, Michael
Broyhill		Myers, Ind.
Buchanan	Hanley	Natcher
Burke, Calif.	Hannaford	Neal
Burke, Fla.	Harkin	Nedzi
Burke, Mass.	Harrington	Nichols
Burlison, Mo.	Harris	Nix
Burton, John	Harsha	Nowak
Burton, Phillip	Hawkins	O'Brien
Byron	Heckler	Oakar
Caputo	Hefner	Oberstar
Carney	Hightower	Obey
Carr	Holland	Ottinger
Carter	Hollenbeck	Panetta
Cavanaugh	Horton	Patten
Chappell	Howard	Patterson
Chisholm	Hubbard	Pattison
Clausen, Don H.	Huckaby	Pease
	Hughes	Pepper
Clay	Hyde	Perkins
Cleveland	Ichord	Pettis
Cochran	Ireland	Pickle
Cohen	Jacobs	Pike
Coleman	Jeffords	Poage
Collins, Ill.	Jenkins	Pressler
Conyers	Jenrette	Preyer
Corcoran	Johnson, Calif.	Pritchard
Corman	Johnson, Colo.	Pursell
Cornell	Jones, N.C.	Quayle
Cornwell	Jones, Okla.	Quie
Cotter	Jones, Tenn.	Rahall
Coughlin	Jordan	Railsback
D'Amours	Kasten	Rangel
Daniel, Dan	Kastenmeier	Regula
Daniel, R. W.	Kazen	Reuss
Danielson	Kelly	Richmond
Davis	Kemp	Risenhoover
de la Garza	Ketchum	Roberts
Delaney	Keys	Robinson
Dellums	Kildee	Rodino
Derrick	Kindness	Rogers
Derwinski	Kostmayer	Roncalio
Dicks	Krebs	Rooney
Diggs	Krueger	Rose
Dingell	LaFalce	Rosenthal
Dodd	Lagomarsino	Rostenkowski
Drinan	Le Fante	Roybal
Duncan, Oreg.	Leach	Runnels
Duncan, Tenn.	Lederer	Ruppe
Early	Leggett	Russo
Eckhardt	Lehman	Ryan
Edgar	Lent	Santini
Edwards, Ala.	Levitas	Sarasin
Edwards, Calif.	Lloyd, Calif.	Sawyer
Edwards, Okla.	Lloyd, Tenn.	Scheuer
Eilberg	Long, La.	Schroeder
Emery	Long, Md.	Schulze
Sebelius	Stockman	Waxman
Seiberling	Stokes	Whalen
Sharp	Studds	White
Shuster	Stump	Whitehurst
Sikes	Taylor	Whitley
Simon	Thompson	Whitten
Sisk	Thone	Wiggins
Skelton	Thornton	Wilson, Bob
Skubitz	Traxler	Wilson, C. H.
Slack	Treen	Wilson, Tex.
Smith, Iowa	Trible	Winn
Smith, Nebr.	Tsongas	Wirth
Snyder	Tucker	Wolff
Solarz	Udall	Wright
Spellman	Ullman	Wydler
Spence	Vander Jagt	Wylie
St Germain	Vanik	Yates
Staggers	Vento	Yatron
Stangeland	Volkmer	Young, Alaska
Stanton	Waggonner	Young, Fla.
Stark	Walker	Young, Tex.
Steed	Walsh	Zablocki
Steers	Wampler	Zeferetti
Steiger	Watkins	

NAYS—20

Archer	Crane	Miller, Ohio
Armstrong	Devine	Motti
Ashbrook	Dornan	Rousselot
Badham	Holt	Rudd
Bauman	Latta	Satterfield
Burleson, Tex.	McDonald	Symms
Collins, Tex.	Milford	

NOT VOTING—43

Ammerman	Forsythe	Price
Andrews, N.C.	Fountain	Quillen
Bevill	Guyer	Rhodes
Biaggi	Hansen	Rinaldo
Bolling	Heftel	Roe
Burgener	Hillis	Shipley
Butler	Holtzman	Stratton
Cederberg	Koch	Teague
Clawson, Del	Lujan	Van Deerlin
Conable	Madigan	Walgren
Conte	Miller, Calif.	Weaver
Dent	Moffett	Weiss
Dickinson	Moss	Young, Mo.
Downey	Myers, Gary	
Florio	Nolan	

The Clerk announced the following pairs:

Ms. Holtzman with Mr. Lujan.
Mr. Teague with Mr. Moss.
Mr. Dent with Mr. Burgener.
Mr. Bevill with Mr. Ammerman.
Mr. Stratton with Mr. Cederberg.
Mr. Price with Mr. Conable.
Mr. Shipley with Mr. Guyer.
Mr. Heftel with Mr. Moffett.
Mr. Florio with Mr. Dickinson.
Mr. Van Deerlin with Mr. Andrews of North Carolina.
Mr. Weaver with Mr. Madigan.
Mr. Biaggi with Mr. Miller of California.
Mr. Downey with Mr. Gary A. Myers.
Mr. Fountain with Mr. Butler.
Mr. Koch with Mr. Conte.
Mr. Roe with Mr. Rinaldo.
Mr. Walgren with Mr. Del Clawson.
Mr. Weiss with Mr. Hillis.
Mr. Young of Missouri with Mr. Hansen.
Mr. Nolan with Mr. Quillen.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING CLERK TO MAKE TECHNICAL CORRECTIONS ON H.R. 6655

Mr. BLANCHARD. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill, the Clerk be authorized to make technical corrections, such as correcting section numbers, punctuation, and cross references, in order to correctly reflect the actions of the House in amending the bill H.R. 6655.

The SPEAKER pro tempore (Mr. DANIELSON). Is there objection to the request of the gentleman from Michigan?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, are there that many problems with this bill? Are there that many technical corrections to make?

Mr. BLANCHARD. There are some technical corrections.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

GENERAL LEAVE

Mr. BLANCHARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON SENATE CONCURRENT RESOLUTION 19, FIRST CONCURRENT BUDGET RESOLUTION, FISCAL YEAR 1978

Mr. GIAIMO. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on Senate concurrent resolution (S. Con. Res. 19), the first concurrent budget resolution for fiscal year 1978.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, can the gentleman tell us that the conference is now complete?

Mr. GIAIMO. The conference is complete, and we hope to bring the conference report up sometime next week.

Mr. ROUSSELOT. What happened to the defense section?

Mr. GIAIMO. We will get into that when we get the report filed at midnight, and have all the accurate figures. The gentleman was present, and he knows what the figures are.

Mr. ROUSSELOT. I know that my chairman was very patient in trying to work out the differences.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 4975, HEALTH ASSISTANCE PROGRAMS EXTENSION ACT OF 1977

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill H.R. 4975, to amend the Public Health Service Act to authorize appropriations for fiscal year 1978 for biomedical research and related programs, with the Senate amendment

thereto, concur in the Senate amendment to the text of the bill with an amendment consisting of the texts of the bills H.R. 4974, H.R. 4975, and H.R. 4976, as passed by the House, and concur in the Senate amendment to the title.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. DANIELSON). The Clerk will report the Senate amendment.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

SHORT TITLE; REFERENCE TO ACTS

SECTION 1. (a) This Act may be cited as the "Health Assistance Programs Extension Act of 1977".

(b) Wherever in title I an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provisions of the Public Health Service Act. Wherever in title II an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Community Mental Health Centers Act.

TITLE I—AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT

SEC. 101. Section 208(g) is amended by (1) striking out "one hundred and fifty positions" and inserting in lieu thereof "one hundred and fifty-five positions" in the first sentence thereof and (2) inserting after "National Institutes of Health" the following: "and of which not less than five positions shall be for the National Institute on Alcohol Abuse and Alcoholism,".

SEC. 102. (a) Section 308(a)(2) is amended by striking out "September 1" and inserting in lieu thereof "December 1".

(b) The first sentence of section 308(i)(1) (relating to authorizations for the National Center for Health Services Research) is amended by (1) striking out "and" after "1975," and (2) striking out the period at the end of the first sentence thereof and inserting in lieu thereof ", and $29,600,000 for the fiscal year ending September 30, 1978.".

(c) Section 308(i)(2) (relating to authorizations for the National Center for Health Statistics) is amended by (1) striking out "and" after "1975," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $35,000,000 for the fiscal year ending September 30, 1978.".

SEC. 103. (a) Section 314(d)(7)(A) (relating to authorizations for formula grants to States for comprehensive public health services) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $110,000,000 for fiscal year 1978.".

(b) Section 314(d)(7)(B) (relating to authorizations for grants for hypertension programs) is amended by (1) striking out "paragraph (1)" and inserting in lieu thereof "paragraph (1)"; (2) striking out "and" after "1976,"; and (3) striking out the period at the end thereof and inserting in lieu thereof ", and $15,000,000 for fiscal year 1978.".

SEC. 104. (a) Section 319(h)(1) (relating to authorizations for migratory health planning and development) is amended by (1) striking out "and" after "1976," in the first sentence thereof; (2) striking out the period at the end of the first sentence thereof and inserting in lieu thereof ", and $4,000,000 for fiscal year 1978."; and (3) striking out "for the next fiscal year" in the second sentence thereof and inserting in lieu thereof "for the next two fiscal years".

(b) Section 319(h)(2) (relating to authorizations for operation of migrant health centers) is amended by (1) striking out "and" after "1976," in the first sentence thereof; (2) striking out the period at the end of the first sentence thereof and inserting in lieu thereof ", and $35,000,000 for fiscal year 1978."; and (3) striking out "fiscal year 1977" in the third sentence thereof and inserting in lieu thereof "fiscal years 1977 and 1978".

(c) Section 319(h)(3) (relating to authorizations for inpatient and outpatient hospital services) is amended by striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $5,000,000 for fiscal year 1978.".

SEC. 105. (a) Section 330(e)(1) is amended by striking out "subsection (e)" in the first sentence thereof and inserting in lieu thereof "subsection (c)".

(b) Section 330(e)(2)(D) is amended by striking out "agency" and inserting in lieu thereof "agency".

(c) Section 330(g)(1) (relating to authorizations for planning and development of community health centers) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $6,000,000 for fiscal year 1978.".

(d) Section 330(g)(2) (relating to authorizations for operation of community health centers) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $272,000,000 for fiscal year 1978.".

SEC. 106. Section 390(c) (relating to authorizations for medical libraries) is amended by (1) striking out "and" after "1975," and (2) striking out the period after "1976" and inserting in lieu thereof ", and $20,000,000 for the fiscal year ending September 30, 1978.".

SEC. 107. Section 408(a) is amended by inserting "basic or" before "clinical research" in the first sentence thereof.

SEC. 108. Section 408(b) is amended by (1) inserting "basic or" before "clinical research" in the first sentence thereof and (2) striking out "but support under this subsection (other than support for construction) shall not exceed $5,000,000 per year per center" and inserting in lieu thereof "the aggregate of payments (other than payments for construction) made to any center under such an agreement for its costs (other than indirect costs) described in this subsection may not exceed $5,000,000 in any year, except that the aggregate of such payments in any year may exceed such amount to the extent that the excess amount is attributable to increases in such year in such costs as reflected in the Consumer Price Index published by the Bureau of Labor Statistics.".

SEC. 109. Section 409(b) (relating to authorizations for cancer control programs) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $100,000,000 for the fiscal year ending September 30, 1978.".

SEC. 110. Section 410(a)(1) is amended by (1) striking out "one hundred" and inserting in lieu thereof "two hundred" and (2) inserting after "qualifications" the following: ". Such personnel may be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with 5 U.S.C. 5724, 5 U.S.C. 524a(a)(1), 5 U.S.C. 5724a(a)(3), and 5 U.S.C. 5728(c)".

SEC. 111. Section 410C (relating to authorizations for programs of the National Cancer Institute) is amended by (1) striking out "and" after "1976"; and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $1,000,000,000 for the fiscal year ending September 30, 1978.".

SEC. 112. Section 413(c)(1) is amended by inserting after "qualifications" the following ". Such personnel may be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with 5 U.S.C. 5724, 5 U.S.C. 5724a(a)(1), 5 U.S.C. 5724a(a)(3), and 5 U.S.C. 5726(c)".

SEC. 113. Section 414(b) (relating to authorizations for heart, blood vessel, lung, and blood disease prevention and control programs) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $30,000,000 for fiscal year 1978.".

SEC. 114. The first sentence of section 419B (relating to authorizations for the National Heart, Lung, and Blood Institute) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $446,000,000 for fiscal year 1978.".

SEC. 115. The first sentence of section 472(d) (relating to National Research Service Awards) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $185,000,000 for fiscal year 1978.".

SEC. 116. Title V is amended by adding at the end thereof the following new section:

"PUBLIC HEALTH PROGRAMS; STANDARDS

"SEC. 514. (a) The Secretary, in cooperation with appropriate professional entities and individuals, shall establish within one year after the date of enactment of this section standards with respect to preventive health care for identifiable populations within public health programs. Such standards shall be developed to identify populations in need and to maintain population-directed preventive health programs.".

SEC. 117. Effective October 1, 1977, section 721(f) is amended by striking out "subsection (a)" in paragraphs (1) and (2) and inserting in lieu thereof "subsection (a) of section 720".

SEC. 118. Effective October 1, 1977, section 736 is amended by striking out "Director of the Bureau of Federal Credit Unions" and inserting in lieu thereof "Administrator of the National Credit Union Administration".

SEC. 119. Section 741 is amended by adding at the end thereof the following new subsection:

"(1) Notwithstanding any other provision of law, any individual who had, before October 12, 1976, entered into a written loan agreement for his costs at a school of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, or podiatry, shall be eligible to have payments made, in accordance with paragraph (2) on his behalf by the Secretary for the principal and interest due under any such agreement if such individual presents a certified copy of such agreement to the Secretary.

"(2) The payments described in paragraph (1) shall be made by the Secretary in amounts not to exceed $10,000 for any twelve-month period described in paragraph (3) or a total of $50,000. Payments shall be made only for service rendered for continuous periods of not less than twelve months.

"(3) To be eligible to have payments made by the Secretary under this section the individual shall practice his profession either as a member of the National Health Service Corps or in private practice, in accordance with the provisions of this Act, and effective October 1, 1977 pursuant to section 753, in a health manpower shortage area (designated under section 332)."

SEC. 120. Effective October 1, 1977, section 748(b)(2) and 749(b)(2) are amended by striking out "such stipends and allow-

ances" and inserting in lieu thereof "such tuition, fees, stipends, and allowances".

SEC. 121. Effective October 1, 1977, section 752(c)(1) is amended by striking out "Corps, or" and inserting in lieu thereof "Corps, except where such service is performed during the period during which a deferral has been granted for internship or residency training, or".

SEC. 122. Effective October 1, 1977, section 758(a) is amended by striking out "in the school year ending in the fiscal year in which such grant is made".

SEC. 123. (a) Section 771(b)(3)(B) is amended by striking out all that follows "described in subparagraph (B)" and inserting in lieu thereof the following: ", and of those students who were enrolled in programs of institutions of higher education (other than schools of osteopathy or schools of medicine of more than two years), which programs were in existence in the States before October 12, 1976, and which prepare students to enter the third year of schools of medicine in the States when such students are available for admission upon the successful completion of such program, among the schools of medicine in the States.".

(b) Section 502 of the Health Professions Educational Assistance Act of 1976 is amended by—

(1) inserting "(a)" after "SEC. 502.";

(2) striking "Effective" and substituting "Except as provided in subsection (b), effective"; and

(3) adding at the end thereof the following: "(b) Section 771(b)(3) as amended by this Act shall take effect on the date of enactment of this Act.".

SEC. 124. Effective October 1, 1977, section 781(d)(2)(C) is amended by striking out "or general internal medicine" and inserting in lieu thereof ", general internal medicine, or general pediatrics".

SEC. 125. Sections 810(c)(1)(A), 810(c)(2)(A), and 810(c)(2)(B) are each amended by striking out "beginning after" and inserting in lieu thereof "beginning in".

SEC. 126. Section 810(c)(1)(B) is amended by striking out "fiscal" each place it occurs and inserting in lieu thereof "school".

SEC. 127. (a) Effective October 12, 1976, section 822 is amended by—

(1) inserting in the last sentence of paragraph (1) of subsection (a) after "contracts for programs" the following: "for the training of nurse practitioners who will practice in urban or rural health manpower shortage areas (as defined in section 331) and";

(2) inserting after subsection (a) the following:

"(b)(1) The Secretary may make grants and enter into contracts with schools of nursing, medicine, and public health, public or nonprofit private hospitals, and other nonprofit entities to establish and operate traineeship programs to train nurse practitioners who are residents of urban or rural health manpower shortage areas (as defined in section 331).

"(2) Traineeships funded under this subsection shall include 100 percent of the costs of tuition, reasonable living expenses, books, fees, and necessary transportation.

"(3) A traineeship funded under this paragraph shall not be awarded unless the recipient enters into a commitment with the Secretary to practice his new profession in an urban or rural health manpower shortage area (as defined in section 331).".

(3) redesignating subsections (b), (c), and (d) and all references thereto as subsections (c), (d), and (e), respectively.

(b) Section 830(a) is amended by (1) striking clause (3) in its entirety; and (2) redesignating clause (4) as clause (3).

SEC. 128. (a) Section 1001(c) (relating to authorizations for family planning projects) is amended by (1) striking out "and" after "1976;" and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $140,000,000 for fiscal year 1978.".

(b) Section 1003(b) (relating to authorizations for training) is amended by (1) striking out "and" after "1976;" and (2) striking out the period at the end thereof and inserting in lieu thereof "; and $5,000,000 for fiscal year 1978.".

(c) Section 1004(b)(1) (relating to authorizations for research) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $70,000,000 for fiscal year 1978.".

(d) Section 1005(b) (relating to authorizations for informational and educational materials) is amended by (1) striking out "and" after "1976"; and (2) striking out the period at the end thereof and inserting in lieu thereof "; and $2,500,000 for fiscal year 1978.".

SEC. 129. (a) Section 1121(b)(5) (relating to authorizations for sudden infant death syndrome) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $5,000,000 for fiscal year 1978.".

SEC. 130. (a) Section 1131(f) (relating to authorizations for hemophilia programs) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $5,000,000 for fiscal year 1978.".

(b) Section 1132(e) (relating to authorizations for blood separation centers) is amended by (1) striking out "and" after "1976" and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $4,000,000 for the fiscal year 1978.".

SEC. 131. (a) The fourth sentence of section 1503(b)(1) is amended by inserting "established" after "Councils".

(b) The first sentence of section 1511(a) is amended by inserting "except as provided in section 1536" after "throughout the United States".

(c) Section 1511(a)(3)(B) is amended by indenting the four lines beginning with "if the Governor" and ending with "of this subsection" to line up with "(ii)".

(d) Section 1512(b)(3)(B)(i) is amended by striking out "subsections (e), (f), and (g)" and inserting in lieu thereof "subsections (e), (f), (g), and (h)".

(e) The first sentence of section 1512(c) is amended by striking out "agencies'" and inserting in lieu thereof "agency's".

(f) The last sentence of section 1513(a) is amended by striking out "(b) through (g)" and inserting in lieu thereof "(b) through (h)".

(g) Section 1513(b)(2)(B) is amended by striking out "are responsive" and inserting in lieu thereof "is responsive".

(h) Section 1513(b)(2)(C) is amended by striking out "which take into account" and inserting in lieu thereof "which takes into account".

(i) Section 1513(d) is amended by striking out "system" each place it occurs and inserting in lieu thereof "systems".

(j) Section 1515(d) is amended by striking out "health services area" and inserting in lieu thereof "health service area".

(k) Section 1516(c)(1) (relating to authorizations for planning grants to Health Systems Agencies) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $125,000,000 for fiscal year 1978.".

(l) Section 1521(d) is amended by striking out "National Health, Policy, Planning," and inserting in lieu thereof "National Health Planning".

(m) Section 1523(c) is amended by striking out "paragraph (4), (5), (6), or (7)" and inserting in lieu thereof "paragraph (4), (5), or (6)".

(n) Section 1525(c) (relating to authorizations for State health planning and development agencies) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $35,000,000 for fiscal year 1978.".

(o) The first sentence of section 1526(a) is amended by inserting "grants" after "the Secretary may make".

(p) Section 1526(e) (relating to authorizations for grants for rate regulation) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $6,000,000 for fiscal year 1978.".

(q) Section 1534(d) (relating to authorizations for centers for health planning) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $10,000,000 for fiscal year 1978.".

(r) Section 1536(a)(2) is amended by striking out "the Trust Territories in the Pacific Islands" and inserting in lieu thereof "the Trust Territory of the Pacific Islands, the Northern Mariana Islands".

(s) Section 1536(b)(4) is amended by striking out "chief executive office" and inserting in lieu thereof "chief executive officer".

SEC. 132. (a) Section 1602(5) is amended by striking out "section 1503" and inserting in lieu thereof "section 1603".

(b) The first sentence of the last paragraph of section 1602 is amended by striking out "supports" and inserting in lieu thereof "support".

(c) Section 1603(a) is amended by striking out "section 1602(a)" each place it occurs and inserting in lieu thereof "section 1602".

(d) Section 1603(a)(6) is amended by striking out "paragraph (4)" and inserting in lieu thereof "paragraph (5)".

(e) Section 1604 is amended by striking out "section 1602(a)" each place it occurs and inserting in lieu thereof "section 1602".

(f) Section 1604(b)(2)(A)(i) is amended by striking out "section 1602(a)(2)" and inserting in lieu thereof "section 1602(2)".

(g) Section 1604(e) is amended by striking out "approved" and inserting in lieu thereof "approved".

(h) The first sentence of section 1610(a) is amended by striking out "section 1513" and inserting in lieu thereof "section 1613".

(i) Section 1613 (relating to authorizations for construction) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $135,000,000 for fiscal year 1978.".

(j) Section 1620 is amended by striking out "September 30, 1977" each place it occurs and inserting in lieu thereof "September 30, 1978".

(k) Section 1622(e)(2) is amended by striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and September 30, 1978.".

(l) Section 1625(d) is amended by striking out the period at the end thereof and inserting in lieu thereof ", and for fiscal year 1978 there are authorized to be appropriated an additional $135,000,000.".

(m) Section 1633(14) is amended by striking out "title XIV" and inserting in lieu thereof "title XV".

(n) Section 1640(d) (relating to authorization for area health services development) is amended by striking out "and" after "1976." and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $120,000,000 for fiscal year 1978.".

SEC. 133. Section 314(c) is repealed.

TITLE II—AMENDMENTS TO THE COMMUNITY MENTAL HEALTH CENTERS ACT

SEC. 201. Section 202(d) (relating to authorizations for planning of community

mental health center programs) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $3,750,000 for fiscal year 1978.".

SEC. 202. (a) Section 203(d)(1) (relating to authorizations for initial operation of community mental health centers) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $55,000,000 for fiscal year 1978.".

(b) Section 203(d)(2)) is amended by (1) striking out "1977" and inserting in lieu thereof "1978" and (2) striking out "1976" and inserting in lieu thereof "1977".

SEC. 203. Section 203(e)(1)(A)(i) is amended by striking out "two grants" and inserting in lieu thereof "three grants".

SEC. 204. Section 204(c) (relating to authorizations for consultation and education services) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $15,000,000 for fiscal year 1978.".

SEC. 205. Section 205(c) (relating to authorizations for conversion grants) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $24,000,000 for fiscal year 1978.".

SEC. 206. The last sentence of section 206(d) is amended by striking out "ninetieth" and inserting in lieu thereof "one hundred and twentieth".

SEC. 207. Section 213 (relating to authorizations for financial distress grants) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $15,000,000 for fiscal year 1978".

SEC. 208. Section 228 (relating to authorizations for facilities assistance) is amended by (1) striking out "and" after "1976," and (2) inserting after "1977," "and $5,000,000 for fiscal year 1978".

SEC. 209. Section 231(d) (relating to authorizations for rape prevention and control) is amended by (1) striking out "and" after "1976," and (2) striking out the period at the end thereof and inserting in lieu thereof ", and $10,000,000 for fiscal year 1978.".

TITLE III—MISCELLANEOUS AMENDMENTS

SEC. 301. (a) Section 602(a)(5) of Public Law 94-63 (relating to authorizations for home health services) is amended by inserting after "1977" ", and $8,000,000 for fiscal year 1978,".

(b) Section 602(b)(4) of such Public Law (relating to authorizations for home health services training) is amended by (1) striking out "and" after "1976,", and (2) inserting after "1977" ", and $4,000,000 for fiscal year 1978,".

STUDIES OF INTERNATIONAL HEALTH ISSUES AND OPPORTUNITIES

SEC. 302. (a)(1) The Secretary of Health, Education, and Welfare (hereinafter in this section referred to as Secretary") shall arrange for the conduct of a study or studies to determine opportunities, if any, for broadened Federal program activities in areas of international health. Such study or studies shall consider biomedical and behavioral research, health services research, health professions education, immunization and public health activities, and other areas that might improve our and other nations' capacities to prevent, diagnose, control, or cure disease, and to organize and deliver effective and efficient health services.

(2) An interim report on such study or studies shall be completed no later than October 1, 1977. A final report thereon shall be completed no later than January 1, 1978. Both reports shall be submitted to the Secretary, the Committee on Human Resources of the Senate, and the Committee on Interstate and Foreign Commerce of the House of Representatives.

(b)(1) The Secretary shall request the National Academy of Sciences (hereinafter in this section referred to as "Academy") to conduct such study or studies under an arrangement whereby the actual expenses incurred by the Academy directly related to the conduct of such study or studies will be paid by the Secretary. If the Academy is willing to do so, the Secretary shall enter into such an arrangement with the Academy.

(2) If the Academy is unwilling to conduct one or more of such studies under such an arrangement, then the Secretary shall enter into a similar arrangement with other appropriate nonprofit private groups or associations to conduct such study or studies and prepare and submit the reports thereon as provided in subsection (a)(2).

SEC. 303. (a) Section 212(a)(32) of the Immigration and Nationality Act (8 U.S.C. 1182(a)) is amended by inserting after "graduates of a medical school" in the first sentence thereof "not accredited by a body or bodies approved for the purpose by the Commissioner of Education (regardless of whether such school of medicine is in the United States),".

(b) Section 212(j)(1)(B) of such Act is amended by inserting after "that the alien" the following: "is (i) a graduate of a school of medicine which is accredited by a body or bodies approved for the purpose by the Commissioner of Education regardless of whether such school of medicine is in the United States); or (ii)".

SEC. 304. (a) Effective October 12, 1976, section 408(b)(2)(B) of Public Law 94-484 (relating to the payback requirement of the Public Health and National Health Service Corps scholarship program of section 225(f)(1) of the Public Health Service Act) is amended by striking out "any school year ending before September 30, 1977" and inserting in lieu thereof "any school year ending before September 30, 1978".

(b) Effective October 12, 1976, section 408(b)(2)(C) of such public law (relating to periods of internship or residency under section 225(b) of the Public Health Service Act) is amended by (1) striking out "before September 30, 1976" and (2) inserting after "agreement entered into" the following: "before October 12, 1976".

(c) Section 901 of such Public Law is repealed.

SEC. 305. Unless otherwise indicated, the amendments made by this Act shall become effective upon the date of enactment.

SEC. 306. (a) Section 501 of the Social Security Act (relating to authorizations for maternal and child health and crippled children's services) is amended (1) by striking out "and" after "1972,", and (2) by striking out "and each fiscal year thereafter" and inserting in lieu thereof the following: "and for each of the next four fiscal years, and $399,864,200 for the fiscal year ending September 30, 1978, and for each fiscal year thereafter".

(b) Section 249B of the Social Security Amendments of 1972 (relating to compensation under medicaid for nursing home inspectors) is amended by striking out "June 30, 1977" and inserting in lieu thereof, "September 30, 1980".

SEC. 307. Section 603(b) of Public Law 94-63 is amended by striking out "Not later than two years from the date of enactment of this Act" and inserting in lieu thereof "Not later than August 30, 1977,".

SEC. 308. (a) The first sentence of section 302(a) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (42 U.S.C. 4572) is amended by adding at the end thereof the following new sentence: "Notwithstanding the preceding sentence, in a fiscal year in which appropriations for the purposes of section 301 are equal to or greater than the appropriations made for such purposes in the fiscal year ending June 30, 1976, no State shall receive an amount which is less than the amount it received in the fiscal year ending June 30, 1976.".

SEC. 309 (a) The first sentence of section 735(c)(2) of the Public Health Service Act is amended by striking out all that follows "in an amount" and inserting instead "determined in accordance with the formula

$$A=3\phi\left(\frac{t-s}{t}\right)$$

in which 'A' is the amount the United States is entitled to recover; 'ϕ' is the sum of the amounts paid by the Secretary under the agreement to or on behalf of the individual and the interest on such amounts which would be payable if at the time the amounts were paid they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States; 't' is the total number of months in the individual's period of obligated service; and 's' is the number of months of such period served by him in accordance with the agreement.".

(b) Section 735(c)(4) of that Act is amended (1) by inserting "any obligation of service or" after "suspension of", and (2) by striking out "which was breached".

(c) Section 735(c) of that Act is amended by adding after paragraph (4) the following new paragraph:

"(5) Any obligation of an individual under this subsection for payment of damages may be released by a discharge in bankruptcy under title 11 of the United States Code only if such discharge is granted after the expiration of the five-year period beginning on the first date that payment of such damages is required.".

(d) The first sentence of section 754(c) of that Act is amended by striking out everything after "entitled to recover" but before "bearing interest" and inserting instead "; 'ϕ' is the sum of the amounts paid under this subpart to or on behalf of the individual and the interest on such amounts which would be payable if at the time the amounts were paid they were loans".

(e) This section is effective October 1, 1977.

SEC. 310. Effective October 1, 1977, section 732(d) of the Public Health Service Act is amended to read as follows:

"(d) The rights of an eligible lender arising under insurance evidenced by a certificate of insurance issued to it under this section may be assigned by such lender, subject to regulation by the Secretary, only to (1) another eligible lender, or (2) the Student Loan Marketing Association.".

SEC. 311. Effective October 1, 1977, section 731(a)(2)(C)(i) of the Public Health Service Act is amended by inserting "(or at an institution defined by section 435(a) of the Higher Education Act of 1965, which is not a school of medicine, osteopathy or dentistry)" after "eligible institution".

SEC. 312. Title VI of the Health Professions Educational Assistance Act of 1976 is amended by adding the end thereof the following:

"SEC. 602. (a) For purposes of section 212(a)(32) and section 212(j)(1) of the Immigration and Nationality Act, as amended (8 U.S.C. 1182), an alien who is a graduate of a medical school shall be considered to have passed parts I and II of the National Board of Medical Examiners Examination if that alien—

"(1) was on January 9, 1977, a doctor of medicine legally authorized to practice medicine in a State,

"(2) held on that date a valid specialty certificate issued by a constituent board of the American Board of Medical Specialties,

"(3) was on that date practicing medicine in such State exclusively within the specialty

for which such alien held such specialty certificate, and

"(4) after that date continues to practice medicine in such State exclusively within the specialty for which such alien holds such specialty certificate.

(b) For purposes of this section, the term "State" means a State as defined in section 101(a)(36) of the Immigration and Nationality Act, as amended (8 U.S.C. 1182).

(c) Section 101(a)(41) of that Act is amended by inserting "a" after "graduates of".

(d) This section is effective January 10, 1977.

The SPEAKER pro tempore. The Clerk will report the House amendment to the Senate amendment.

The Clerk read the House amendment to the Senate amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate engrossed amendment to the text of the bill, insert:

TITLE I—HEALTH PLANNING AND HEALTH SERVICES RESEARCH AND STATISTICS EXTENSION

SEC. 101. This title may be cited as the "Health Planning and Health Services Research and Statistics Extension Act of 1977".

SEC. 102. (a) Section 1516(c)(1) of the Public Health Service Act (relating to authorizations for planning grants) is amended by striking out "for the fiscal year ending June 30, 1977" and inserting in lieu thereof "each for the fiscal years ending September 30, 1977, and September 30, 1978".

(b) Section 1525(c) of such Act (relating to authorizations for State health planning and development agencies) is amended by striking out "for the fiscal year ending June 30, 1977" and inserting in lieu thereof "each for the fiscal years ending September 30, 1977, and September 30, 1978".

(c) Section 1526(e) of such Act (relating to authorizations for grants for rate regulation) is amended June 30, 1977" and inserting in lieu thereof "each for the fiscal years ending September 30, 1977, and September 30, 1978".

(d) Section 1534(d) of such Act (relating to authorizations for centers for health planning) is amended by striking out "for the fiscal year ending June 30, 1977" and inserting in lieu thereof "each for the fiscal years ending September 30, 1977, and September 30, 1978".

SEC. 103. (a) Section 1613 of the Public Health Service Act (relating to authorizations for construction) is amended by striking out "for the fiscal year ending June 30, 1977" and inserting in lieu thereof "each for the fiscal years ending September 30, 1977, and September 30, 1978".

(b) Section 1640(d) of such Act (relating to authorizations for area health services development) is amended by striking out "for the fiscal year ending June 30, 1977" and inserting in lieu thereof "each for the fiscal years ending September 30, 1977, and September 30, 1978".

SEC. 104. (a) Section 308(1)(1) of the Public Health Service Act (relating to authorizations for the National Center for Health Services Research) is amended (1) by striking out "and" after "1975,", and (2) by inserting after "1976" the following: ", and $27,600,000 for the fiscal year ending September 30, 1978".

(b) Section 308(1)(2) of such Act (relating to authorizations for the National Center for Health Statistics) is amended (1) by striking out "and" after "1975,", and (2) by inserting after "1976" the following: ", and $31,740,000 for the fiscal year ending September 30, 1978".

SEC. 105. (a)(1) Section 1903(m)(2)(A) of the Social Security Act is amended to read as follows:

"(2)(A) Except as provided in subparagraphs (B) and (C), no payment shall be made under this title to a State with respect to expenditures incurred by it for payment (determined under a prepaid capitation basis or under any other risk basis) for services provided by any entity which is responsible for the provision of inpatient hospital services and any other service described in paragraph (2), (3), (4), (5), or (7) of section 1905(a) or for the provision of any three or more of the services described in such paragraphs unless—

"(i) the Secretary (or the State is authorized by paragraph (3)) has determined that the entity is a health maintenance organization as defined in paragraph (1); and

"(ii) less than one-half of the membership of the entity consists of individuals who are insured under parts A and B of title XVIII or recipients of benefits under this title.".

(2) Section 1903(m)(2)(C) of such Act is amended by striking out "(A)(iii)" each place it occurs and inserting in lieu thereof "(A)(ii)".

(3) The amendments made by paragraphs (1) and (2) shall apply with respect to payments under title XIX of the Social Security Act to States for services provided—

(A) after October 8, 1976, under contracts under such title entered into or renegotiated after such date, or

(B) after the expiration of the one-year period beginning on such date,

whichever occurs first.

(b) Section 1309(a) of the Public Health Service Act is amended by striking out "September 30, 1977" the second time it occurs and inserting in lieu thereof "September 30, 1979".

SEC. 106. (a)(1) The third sentence of section 1503(b)(1) of the Public Health Service Act is amended by inserting "established" before "under section 1524".

(2) The first sentence of section 1511(a) of such Act is amended by striking out "There" and inserting in lieu thereof "Except as provided in section 1536, there".

(3) Section 1511(b)(5) of such Act is amended by striking out "1535" and inserting in lieu thereof "1536".

(4) Section 1512(c) of such Act is amended by striking out "agencies" and inserting in lieu thereof "agency's".

(5) The first sentence of section 1513(a) of such Act is amended by striking out "the provision" and inserting in lieu thereof "provision".

(6) The last sentence of section 1513(a) of such Act is amended by striking out "(g)" and inserting in lieu thereof "(h)".

(7) The margin of the last sentence of paragraph (1) of section 1513(b) of such Act is indented to align with the margin of paragraph (2) of such section.

(8) Section 1513(b)(2)(C) of such Act is amended by striking out "is consistent" and inserting in lieu thereof "are consistent".

(9) The first sentence of section 1513(d) of such Act is amended by striking out "health system" and inserting in lieu thereof "health systems".

(10) Section 1514 of such Act is amended by inserting "public or" before "nonprofit private".

(11) Section 1515(d) of such Act is amended by striking out "health services area" and inserting in lieu thereof "health service area".

(12) Section 1521(a) of such Act is amended by striking out "other than" and all that follows in such section and inserting in lieu thereof a period.

(13) Section 1521(d) of such Act is amended by striking out "Policy, Planning," and inserting in lieu thereof "Planning".

(14) Section 1523(c) of such Act is amended by striking out "(6), or (7)" and inserting in lieu thereof "or (6)".

(15) Section 1526(a) of such Act is amended by inserting "grants" after "may make".

(16) Section 1536(a) of such Act is amended by striking out "Territories in" and inserting in lieu thereof "Territory of".

(17) Section 1536(b)(4) of such Act is amended (A) by striking out "office" and inserting in lieu thereof "officer", and (B) by striking out "the regulation" and inserting in lieu thereof "regulations".

(18) Section 1602(5) of such Act is amended by striking out "1503" and inserting in lieu thereof "1603".

(19) The second sentence of section 1602 of such Act is amended by striking out "supports" and inserting in lieu thereof "support".

(20) Sections 1603(a)(4), 1603(a)(5), 1603(a)(6), 1064(b)(1)(C), 1604(b)(2)(A) and 1604(c)(1)(2)(B) of such Act are each amended by striking out "1602(a)" and inserting in lieu thereof "1602".

(21) Section 1603(a)(6) of such Act is amended by striking out "(4)" and inserting in lieu thereof "(5)".

(22) Section 1603(a)(7) of such Act is amended by striking out "standards" and inserting in lieu thereof "requirements".

(23) Section 1610(a) of such Act is amended by striking out "1513" and inserting in lieu thereof "1613".

(24) Section 1613 of such Act is amended by striking out "1510" and inserting in lieu thereof "1610".

(25) Section 1622(c) of such Act is amended by adding after paragraph (4) the following new paragraph:

"(5) If any loan to a public entity under this part is sold and guaranteed by the Secretary under this subsection, interest paid on such loan after its sale and any interest subsidy paid, under paragraph (3)(A)(ii), by the Secretary with respect to such loan which is received by the purchaser of the loan (or the purchaser's successor in interest) shall be included in gross income for the purpose of chapter 1 of the Internal Revenue Code of 1954.".

(26) Section 1622(e)(2) of such Act is amended by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1977".

(27) Section 1633(4) of such Act is amended by striking out "title XIV" and inserting in lieu thereof "title XV".

SEC. 107. Section 2(f) of the Public Health Service Act (relating to the definition of the term State) is amended (1) by striking out "and" after "Islands,", and (2) by adding before the period the following: ", American Samoa, and the Trust Territory of the Pacific Islands".

TITLE II—BIOMEDICAL RESEARCH EXTENSION

SEC. 201. This title may be cited as the "Biomedical Research Extension Act of 1977".

SEC. 202. Section 390(c) of the Public Health Service Act (relating to authorizations for medical libraries) is amended (1) by striking out "and" under "1975,", and (2) by inserting after "1976" the following: ", and $9,200,000 for the fiscal year ending September 30, 1978".

SEC. 203. (a)(1) Section 409 of the Public Health Service Act (relating to authorizations for cancer control programs) is amended (A) by striking out "and" after "1976,", and (B) by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1977, and $69,116,150 for the fiscal year ending September 30, 1978".

(2) Section 410C of such Act (relating to authorizations for programs of the National Cancer Institute) is amended (A) by striking out "and" after "1976;", and (B) by striking out "June 30, 1977" and inserting in lieu thereof 'September 30, 1977; and $847,162,450 for the fiscal year ending September 30, 1978".

(b)(1) The second sentence of section 408(b) of such Act (relating to national cancer

research and demonstration centers) is amended by striking out "; but support under this subsection (other than support for construction) shall not exceed $5,000,000 per year per center.", and inserting in lieu thereof a period and the following: "The aggregate of payments (other than payments for construction) made to any center in support of such an agreement for its costs (other than indirect costs) described in the first sentence may not exceed $5,000,000 in any fiscal year, except that if in any fiscal year there is an increase, as reflected in the Consumer Price Index published by the Bureau of Labor Statistics, in the costs of a center for which payments may be made under such an agreement, the aggregate of payments in such year for such center may exceed $5,000,000 to include such increase and any such increase in any preceding fiscal year for which payments were made to such center under such an agreement to the extent that such increase resulted in payments in excess of $5,000,000. As used in this section, the term 'construction' does not include the acquisition of land, and the term 'training' does not include research training for which fellowship support may be provided under section 472.".

(2) Section 410(a)(1) of such Act (relating to the National Cancer Advisory Board) is amended (A) by inserting "Policy" after "Technology", and (B) by striking out "(or his designee)" and inserting in lieu thereof "(or their designees)".

SEC. 204. (a)(1) Section 414(b) of the Public Health Service Act (relating to authorizations for heart, blood vessel, lung, and blood disease prevention and treatment programs) is amended (A) by striking out "and" after "1976,", and (B) by striking out "fiscal year ending September 30, 1977, and $29,900,000 for the fiscal year ending September 30, 1978".

(2) Section 419B of such Act (relating to authorizations for the National Heart, Lung, and Blood Institute) is amended (A) by striking out "and" after "1976,", and (B) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $406,636,550 for the fiscal year ending September 30, 1978".

(b)(1) Section 415(a)(1) of such Act (relating to national research and demonstration centers) is amended—

(A) by striking out "diseases and for research in the use of blood and blood products and in the management of blood resources" in subparagraph (A) and inserting in lieu thereof "and blood vessel diseases", and

(B) by striking out ", blood vessel diseases, research in the use of blood products, and research" in subparagraph (C) and inserting in lieu thereof "diseases and research into blood, in the use of blood products and".

(2) The third sentence of section 415(b) of such Act (relating to national research and demonstration centers) is amended by striking out "in any year" and all that follows in such sentence and inserting in lieu thereof the following: "in any fiscal year, except that if in any fiscal year there is an increase, as reflected in the Consumer Price Index published by the Bureau of Labor Statistics, in the costs of a center for which payments may be made under such an agreement, the aggregate of payments in such year for such center may exceed $5,000,000 to include such increase and any such increase in any preceding fiscal year for which payments were made to such center under such an agreement to the extent that such increase resulted in payments in excess of $5,000,000.".

(3) Section 417(a)(1) of such Act (relating to the National Heart, Lung, and Blood Advisory Council) is amended by striking out "National Science Foundation" and inserting in lieu thereof "Office of Science and Technology Policy".

(4) Section 419A(a) of such Act (relating to administration) is amended by striking out "made pursuant to section 414".

SEC. 205. Section 472(d) of the Public Health Service Act (relating to National Research Service Awards) is amended (1) by striking out "and" after "1976,", and (2) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $137,770,000 for the fiscal year ending September 30, 1978".

TITLE III—HEALTH SERVICES EXTENSION

SEC. 301. This title may be cited as the "Health Services Extension Act of 1977".

SEC. 302. (a)(1) Section 314(d)(7)(A) of the Public Health Service Act (relating to authorizations for formula grants to States for comprehensive public health services) is amended (A) by striking out "and" after "1976,", and (B) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $103,500,000 for the fiscal year ending September 30, 1978"

(2) Section 314(d)(7)(B) of such Act (relating to authorizations for grants for hypertension programs) is amended (A) by striking out "and" after "1976,", and (B) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $10,350,000 for the fiscal year ending September 30, 1978".

(b) Section 314(d)(7)(B) of such Act is further amended by inserting after "treatment of" the following: ", and, where appropriate, for ambulatory care for,".

SEC. 303. (a)(1) Section 319(h)(1) of the Public Health Service Act (relating to authorizations for planning and development of migrant health centers) is amended (1) by striking out "and" after "1976,", and (2) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977 and $1,897,500 for the fiscal year ending September 30, 1978".

(2) The second sentence of section 319(h)(1) of such Act is amended by striking out "the next fiscal year" and inserting in lieu thereof "each of the next two fiscal years".

(b)(1) The first sentence of section 319(h)(2) of such Act (relating to authorizations for operation of migrant health centers) is amended (1) by striking out "and" after "1976,", and (2) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $29,152,500 for the fiscal year ending September 30, 1978".

(2) The third sentence of section 319(h)(2) of such Act is amended by striking out "fiscal year 1977" and inserting in lieu thereof "fiscal years ending September 30, 1977, and September 30, 1978".

(c) Section 319(h)(3) of such Act (relating to authorizations for inpatient and outpatient hospital services) is amended (1) by striking out "and" after "1976,", and (2) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $3,450,000 for the fiscal year ending September 30, 1978".

SEC. 304. (a)(1) Section 330(g)(1) of the Public Health Service Act (relating to authorizations for planning and development of community health centers) is amended (A) by striking out "and" after "1976,", and (B) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $5,750,000 for the fiscal year ending September 30, 1978".

(2) Section 330(g)(2) of such Act (relating to authorizations for operation of community health centers) is amended (A) by striking out "and" after "1976,", and (B) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $241,670,200 for the fiscal year ending September 30, 1978".

(b)(1) Section 330(b)(3) of such Act (relating to the definition of medically underserved population) is amended by adding at the end thereof the following: "In designating urban and rural areas for purposes of this paragraph, the Secretary shall take into account unusual local conditions which are a barrier to access to or the availability of personal health services.".

(2) The first sentence of section 330(e)(1) of such Act is amended by striking out "subsection (e)" and inserting in lieu thereof "subsection (e)".

SEC. 305. (a) Section 1001(c) of the Public Health Service Act (relating to authorizations for family planning projects) is amended (1) by striking out "and" after "1976;", and (2) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977; and $123,625,000 for the fiscal year ending September 30, 1978".

(b) Section 1003(b) of such Act (relating to authorizations for training) is amended (1) by striking out "and" after "1976;", and (2) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977; and $3,450,000 for the fiscal year ending September 30, 1978".

(c)(1) Section 1004(b)(1) of such Act (relating to authorizations for research) is amended (A) by striking out "and" after "1976,", and (B) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $67,838,000 for the fiscal year ending September 30, 1978".

(2) Section 1004(b)(2) of such Act (relating to limitation on source of funds) is amended by adding immediately before the period the following: "or for the administration of this section".

(d) Section 1005(b) of such Act (relating to authorizations for informational and educational materials) is amended (1) by striking out "and" after "1976;", and (2) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977; and $690,000 for the fiscal year ending September 30, 1978".

SEC. 306. (a) Section 1121(b)(5) of the Public Health Service Act (relating to authorizations for sudden infant death syndrome programs) is amended (1) by striking out "and" after "1976", and (2) by striking out "fiscal year 1977" and inserting in lieu thereof the following: "ending September 30, 1977, and $2,300,000 for the fiscal year ending Septmber 30, 1978".

(b) Section 1131(f) of such Act (relating to authorizations for hemophilia programs) is amended (1) by striking out "and" after "1976,", and (2) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $3,450,000 for the fiscal year ending September 30, 1978".

(c) Section 1132(e) of such Act (relating to authorizations for blood separation centers) is amended (1) by striking out "and" after "1976,", and (2) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $3,450,000 for the fiscal year ending September 30, 1978".

SEC. 307. (a)(1) The first sentence of section 708(a) of the Public Health Service Act (relating to health professions data) is amended (A) by inserting "program" after "health profesions personnel which", and (B) by striking out "United States and its

territories and possessions" and inserting in lieu thereof "States".

(2) Section 708(e)(1)(C) of such Act is amended by inserting "use" after "personnel data which".

(b) Section 721(f) of such Act (relating to regional health professions programs) is amended by striking out "subsection (a)" in paragraphs (1) and (2) and inserting in lieu thereof "subsection (a) of section 720".

(c) Effective October 1, 1977, section 731 (a)(2)(B) of such Act (relating to loan repayment period) is amended (1) by inserting "nor later than 12 months" after "9 months", and (2) by striking out ", and not later than the earlier of 12 months after such date or of 3 years after the date he" and inserting in lieu thereof "or".

(d) Effective October 1, 1977, section 736 of such Act (relating to participation of Federal credit unions) is amended by striking out "Director of the Bureau of Federal Credit Unions" and inserting in lieu thereof "Administrator of the National Credit Union Administration".

(e) Effective October 1, 1977, section 737 (1) of such Act (relating to definition of eligible institution) is amended by striking out "that is receiving, or the Secretary determines is eligible to receive, a grant under section 770 for such fiscal year" and inserting in lieu thereof "that received a grant, or the Secretary determines met the requirements for receipt of a grant, under section 770 for the preceding fiscal year."

(f) Section 741(f)(1)(B) of such Act (relating to loan forgiveness) is amended by inserting before the semicolon the following: "or who obtained, before October 12, 1976, any other educational loan for his costs at a school of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, or podiatry".

(g) Effective October 1, 1977, section 748 (b)(2) and 749(b)(2) of such Act (relating to traineeships) are each amended by inserting "tuition and fees and" before "such stipends".

(h) Effective October 1, 1977, section 758 (a) of such Act (relating to scholarships for first-year students of exceptional financial need) is amended by striking out "in the school year ending in the fiscal year in which such grant is made".

(i) (1) Effective October 1, 1977, the first sentence of section 771(b)(2)(C) of such Act (relating to residences in primary care) is amended by striking out "training program of such school in primary care" the second time it occurs and inserting in lieu thereof "training program of any school in primary care".

(2) Effective October 1, 1977, section 771 (b)(2)(E) of such Act (relating to termination of affiliation with medical residency training programs) is amended by striking out "in the fiscal year".

(3) Effective October 1, 1977, section 771 (b)(3)(A) of the Public Health Service Act (relating to eligibility for capitation grants) is amended by striking out "immediately before" and inserting "in".

(4) Effective October 1, 1977, section 771 (b)(3)(B) of such Act (relating to the enrollment of student of foreign schools of medicine in schools of medicine in the United States) is amended to read as follows:

"(B) No later than August 15, 1977, and August 15 of each of the next two years, the Secretary shall identify the citizens of the United States who—

"(i) before October 12, 1976—

"(I) were students in a school of medicine not in a State, or

"(II) were enrolled in programs of institutions of higher education (other than schools of osteopathy or schools of medicine of more than two years) which programs were in existence in the States before such date and which prepare students to enter the third year of schools of medicine in the States; and

"(ii) by date of the identification made under this subparagraph—

"(I) in the case of a student described in clause (i)(I), successfully completed at least two years in a school of medicine not in a State, and, in the case of a student described in clause (i)(II), successfully completed a program described in such clauses, and

"(II) successfully completed part I of the National Board of Medical Examiners' examination (or any successor to such examination).

The Secretary shall equitably apportion a number of positions among the schools of medicine in the States adequate to fill the needs of students identified in accordance with the preceding sentence.".

(j) Effective October 1, 1977, section 781 (d)(2)(C) of such Act (relating to residency program requirement) is amended by striking out "or general internal medicine" and inserting in lieu thereof ", general internal medicine, or general pediatrics".

(k) Section 789(a)(1) of such Act (relating to training in emergency medical services) is amended by striking out "and to assist in meeting the cost" and all that follows in such section and inserting in lieu thereof the following: ", to assist in meeting the cost of training (including the cost of establishing programs for the training) of physicians in emergency medicine, especially training which affords clinical experience in emergency medical services systems receiving assistance under title XII of this Act, and to assist in meeting the cost of traineeships for individuals in graduate medical education programs who are in need of the traineeships and who plan to specialize or work in the practice of emergency medicine. Traineeships provided under grants or contracts under this paragraph shall provide for tuition and fees and such stipends and allowances (including travel and subsistence expenses and dependency allowances) as the Secretary may deem necessary.".

(l) Effective October 1, 1977, section 796 (a)(4) of such Act (relating to project grant and contracts) is amended by striking out "of methods" and inserting in lieu thereof "or improvement of programs".

(m) Effective October 1, 1977, section 796 (c) of such Act (relating to eligibility for allied health special project grants and contracts) is amended (1) by striking out "or" at the end of paragraph (2), (2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; or", and (3) by adding after paragraph (3) the following new paragraph:

"(4) other public or nonprofit private entities capable, as determined by the Secretary, of carrying out projects, described in subsection (a).".

(n)(1) Effective October 1, 1977, subpart IV of part C of title VII of such Act (relating to national Health Service Corps Scholarships) is amended by adding at the end thereof the following new section:

"INDIAN HEALTH SCHOLARSHIP PROGRAM

"SEC. 757. (a) In addition to the sums authorized to be appropriated under section 756(a) to carry out the Scholarship Program, there are authorized to be appropriated $5,450,000 for the fiscal year ending September 30, 1978, $6,300,000 for the fiscal year ending September 30, 1979, $7,200,000 for the fiscal year ending September 30, 1980, and for each of the succeeding four fiscal years such sums as may be specifically authorized by an Act enacted after the date of enactment of this section, to provide scholarships under the Scholarship Program to provide physicians, osteopaths, dentists, veterinarians, nurses, optometrists, podiatrists, pharmacists, public health personnel, and allied health professionals to provide services to Indians. Such scholarships shall be designated 'Indian Health Scholarships' and shall be made in accordance with this subpart, except as provided in subsection (b).

"(b)(1) The Secretary, acting through the Indian Health Service, shall determine the individuals who shall receive the Indian Health Scholarships, shall accord priority to applicants who are Indians, and shall determine the distribution of the scholarships on the basis of the relative needs of Indians for additional services by specific health professions.

"(2) The active duty service obligation prescribed in the written contract entered into under this subpart shall be met by the recipient of an Indian Health Scholarship by service in the Indian Health Service, in a program assisted under title V of the Indian Health Care Improvement Act, or in the private practice of his profession if, as determined by the Secretary in accordance with guidelines promulgated by him, such practice is situated in a physician or other health professional shortage area and addresses the health care needs of a substantial number of Indians.

"(c) For purposes of this section, the term 'Indians' has the same meaning given that term by subsection (c) of section 4 of the Indian Health Care Improvement Act and includes individuals described in clauses (1) through (4) of that subsection.".

(2) Section 105(a) of the Indian Health Care Improvement Act is amended by striking out 'pursuant to section 104" and inserting in lieu thereof "pursuant to section 757 of the Public Health Service Act".

(o)(1) The second sentence of section 810(a) of the Public Health Service Act (relating to computation of capitation grants for nursing schools) is amended by inserting "for each fiscal year" after "shall be computed".

(2) Paragraphs (1), (2), and (3) of such section 810(a) are each amended by striking out "such year" each place it occurs and inserting in lieu thereof "such fiscal year".

(3) Sections 810(c)(1)(A), 810(c)(2)(A), and 810(c)(2)(B) of such Act (relating to requirements for nursing school capitation grants are each amended by striking out "beginning after" and inserting in lieu thereof "beginning in".

(4) Section 810(c)(1)(B) of such Act is amended by striking out "fiscal" each place it occurs and inserting in lieu thereof "school".

SEC. 308. (a) Section 202(d) of the Community Mental Health Centers Act (relating to authorizations for planning of community mental health center programs) is amended (1) by striking out "and" after "1976,", and (2) by striking out for the fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $100,000 for the fiscal year ending on September 30, 1978".

(b) Section 203(d)(1) of such Act (relating to authorizations for initial operation) is amended (1) by striking out "and" after "1976,", and (2) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $22,775,000 for the fiscal year ending September 30, 1978".

(c) Section 204(c) of such Act (relating to authorizations for consultation and education services) is amended (1) by striking out "and" after "1976", and (2) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $15,000,000 for the fiscal year ending September 30, 1978".

(d) Section 205(c) of such Act (relating to authorizations for conversion grants) is amended (1) by striking out "and" after

"1976,", and (2) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $22,000,000 for the fiscal year ending September 30, 1978".

(e) Section 213 of such Act (relating to authorizations for financial distress grants) is amended (1) by striking out "and" after "1976,", and (2) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $12,000,000 for the fiscal year ending September 30, 1978,".

(f) Section 231(d) of such Act (relating to authorizations for rape prevention and control) is amended (1) by striking out "and" after "1976,", and (2) by striking out "for fiscal year 1977" and inserting in lieu thereof the following: "for the fiscal year ending September 30, 1977, and $5,750,000 for the fiscal year ending September 30, 1978".

(g) Section 203(e)(1)(A)(i) of such Act (relating to conversion grants) is amended by striking out "two grants" and inserting in lieu thereof "three grants".

SEC. 309. (a) Section 501 of the Social Security Act (relating to authorizations for maternal and child health and crippled children's services) is amended (1) by striking out "and" after "1972,", and (2) by striking out "and each fiscal year thereafter" and inserting in lieu thereof the following: "and for each of the next four fiscal years, and $399,864,200 for the fiscal year ending September 30, 1978, and for each fiscal year thereafter".

(b) Section 249B of the Social Security Amendments of 1972 (relating to compensation under medicaid for nursing home inspectors) is amended by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1980".

SEC. 310. (a) Section 602(a)(5) of Public Law 94-63 (relating to authorizations for home health services) is amended by inserting atfer "1977" the following: ", and $8,000,000 for the fiscal year ending September 30, 1978,".

(b) Section 602(b)(4) of such Public Law (relating to authorizations for home health services training) is amended (1) by striking out "and" after "1976,", and (2) by inserting after "1977" the following: ", and $4,000,000 for the fiscal year ending September 30, 1978,".

SEC. 311. (a)(1) Section 303(a) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (relating to State plans) is amended by adding after and below paragraph (16) the following:

"Each State plan shall pertain to the twelve-month period of the State fiscal year which commences in the calendar year in which the plan is submitted and shall be submitted not later than July 15 of each calendar year.".

(2) Section 303(b) of such Act is amended by adding at the end the following: "A State plan submitted under subsection (a) may also contain provisions relating to drug abuse or mental health. The Secretary, acting through the National Institute on Alcohol Abuse and Alcoholism, shall establish procedures by which the Institute shall review each State plan submitted under subsection (a) and under which it shall complete its review of each such plan not later than September 15 of the calendar year in which the plan is submitted or not later than sixty days after the plan is received by the Institute, whichever is later.".

(3) The second sentence of section 409(e) of the Drug Abuse Office and Treatment Act of 1972 (relating to State plans) is amended by striking out "commencing October 1 of the calendar year" and inserting in lieu thereof "of the State fiscal year which commences in the calendar year".

(b)(1) The first sentence of section 302(a) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (relating to allotments) is amended by striking out "shall be less than $200,000." and inserting in lieu thereof the following: "shall, except as provided in paragraph (2), be less than the greater of (A) $200,000, or (B) the amount of such State's allotment for the fiscal year ending June 30, 1976, unless the amount appropriated under section 301 for allotments for the fiscal year ending June 30, 1976, was greater than the amount appropriated for the fiscal year for which the minimum allotment determination is being made, in which case the minimum allotment prescribed by this clause shall be an amount which bears the same ratio to the amount allotted for the fiscal year ending June 30, 1976, as the amount appropriated for the fiscal year for which the minimum allotment determination is being made bears to the amount appropriated for the fiscal year ending June 30, 1976.".

(2) Section 302(a) of such Act is further amended (1) by inserting "(1)" after "(a)" and by adding at the end the following:

"(2) If the amount appropriated under section 301 for any fiscal year is less than the amount required to make for such fiscal year the minimum allotment prescribed by paragraph (1) to each State with an approved State plan, the minimum allotment for such fiscal year for a State with an approved State plan shall be an amount which bears the same ratio to the minimum allotment prescribed by paragraph (1) for such State as the amount appropriated under section 301 for such fiscal year bears to the amount of appropriations required to make the minimum allotment, as so prescribed, to each State with an approved State plan.".

(c) Section 311(c)(2)(B)(i) of such Act (relating to review of applications) is amended by striking out "his" and inserting in lieu thereof "its".

(d) The second sentence of section 202 of the Drug Abuse Office and Treatment Act of 1972 (relating to the Director of the Office of Drug Abuse Policy) is amended by striking out "any other department or agency of the United States" and inserting in lieu thereof "any department or agency of the United States engaged in any drug traffic prevention function (as defined in section 103)".

(e) Section 408(b)(2) of the Health Professions Education Assistance Act of 1976 (Public Law 94-484) (relating to effective date of revision of National Health Service Corps Scholarship Program) is amended—

(1) by striking out "Except as provided in subparagraph (B)" in subparagraph (A) and inserting in lieu thereof "Except as provided in subparagraphs (B) and (C)"; and

(2) by amending subparagraph (C) to read as follows:

"(C) If an individual received a scholarship under the Public Health and National Health Service Corps Scholarship Program for any school year ending before September 30, 1977, periods of internship or residency served by such individual in a facility of the National Health Service Corps or other facility of the Public Health Service shall be creditable in satisfying such individual's service obligation incurred under that Program for such scholarship or for any scholarship received under the National Health Service Corps Scholarship Program for any subsequent school year.".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentleman explain why this unanimous-consent request is needed?

Mr. STAGGERS. I would be very happy to. The House passed three bills, H.R. 4974, H.R. 4975, and H.R. 4976. They are all related bills.

When they went over to the Senate, the Senate had only one bill. They passed that bill, and they put the two bills we had on to it as amendments, so we wanted to concur in those amendments and appoint conferees tonight.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, the gentleman can assure us that these three bills have been well considered by the House and there are no surprises?

Mr. STAGGERS. That is right.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the House insist upon the House amendment to the Senate amendment to the text of the bill and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia? The Chair hears none, and appoints the following conferees: Messrs. STAGGERS, ROGERS, SATTERFIELD, CARTER, and BROYHILL.

ESSAY "THE FUTURE OF AMERICAN POLITICS" PREPARED BY HIGH SCHOOL STUDENT KIM D. MEYER OF JONESTOWN, PA.

(Mr. ERTEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ERTEL. Mr. Speaker, I would like to call to the attention of my House colleagues today an essay written by a student in my congressional district on "The Future of American Politics." This essay was prepared by Kim D. Meyer, of R.D. No. 1, Jonestown, Pa., a student at Northern Lebanon High School. Kim is the daughter of Samuel Meyer.

Kim's prize-winning essay was among the entries in the Marlin L. Gahres American Legion Post No. 883 essay contest.

I commend Kim for her effort and urge my colleagues to read this prediction of the future of American politics:

THE FUTURE OF AMERICAN POLITICS

When beginning this paper, the future of American politics seemed to me to be in grave danger. The scandals on Capitol Hill proved to be damaging to the American public, and the belief in our government was diminishing. The Watergate and Sex scandals seemed to be overplayed at intermittent periods of time. In reality the overplaying was enlightening the public about the misdemeanor of some of the most prominent men in our politics. Investigation of their crimes is now helping to remove incompetent people from the taxpayers' payroll. The discoveries unveiled the deceitfulness of some of our trusted politicians, thereby disclosing the real meaning of our democracy. The securities have been tightened, lessening the possibility of future dubious endeavors. Our politics are gradually becoming purer and purer. No other political system surpasses that of the United States.

The prime minister of Japan truly enlightened me on the subject of our government; his name is Takeo Miki. Prime Minister Miki said that our way of life truly impressed him. He related his feelings by comparing the Depression of the thirties to future events in our country. When he traveled throughout the world during the Depression, he received the impression that the Americans had confidence in future prosperity. He said that the people strived to better their lives and that our system is most difficult and rewarding. I agree with what Prime Minister Miki stated. He said, "Yes, by making common cause of your unflagging pursuit of individual liberty, dignity and fulfillment, you Americans have forged out of your diversity a unity and power unrivaled in the world." No matter how many heinous confrontations we may have during our American future, we shall resolve them.

The Watergate scandal was truly a temporary setback of the United States' political system. Other countries probably do not comprehend how one of our top leaders could be lowered to a mere commoner. Although former President Nixon was not proven guilty in a court of law, he did resign. The resignation of Nixon changed our democracy into a more truthful one. Therefore, the Watergate scandal and the resignation of Nixon will remain a reference of our true democracy in the future of American politics.

Our foreign policy enhances our superb democracy because we are permitted to travel to any country in the entire world. Our citizens do not have a fear of being shot when crossing our country's boundary. The Secretary of State and the President travel to meet with foreign diplomats, thereby diminishing a threat of war. The future of American politics allows our representatives to communicate with communistic countries, relaying our thoughts of capitalism to their leaders. If we continue to communicate with foreign countries, our American politicians may discuss our means of enforcing governmental laws with them. If a country is communistic, hopefully our politicians will relay the message to us that our country's political system is fantastic! In our country we have our own individual rights; in communistic countries they have virtually no rights. Our political system will protect us from a "kangaroo court" or preserve our "right to remain silent." We may better appreciate our politically free system if we realize how unjust some political systems are in the world. We vote for the best and most qualified person rather than a single nomination for a particular office. In other words, our elections are not decided before the actual voting has occurred.

As a country ruled by its own people, rather than a dictator or fascist, we are permitted to amend our laws. If people feel a particular law is unjust, the law may be taken to the Supreme Court. The Supreme Court will decide a ruling about the law, and if the nine justices consider the law unconstitutional, it will be amended. In a communistic country one may be considered a radical and placed in jail if he were to slander the country's law.

Our capitalistic politics aids our economic needs. Our people are competitive and strive for perfection. Our products are carefully produced for marketing. We have numerous variations of products from which one may choose. If, for example, Brand A is better than Brand B, Brand B will improve the quality of its product. How untrue this situation is in many countries of the world where variety plays no role in consumer economics!

I do believe our forefathers were extremely intelligent people, and I believe our political system will continue to prosper as long as we have intelligent leaders. Our generation has those intelligent people, and we shall continue to support our system. We shall strive to better our system in every possible way. Our system has the capacity to remain number one in the world because we are free. We govern ourselves, support ourselves, and discipline ourselves in everyday situations. I am proud to be a part of that system because we are unique. We are the youngest country; however, we have the oldest written constitution and it works. We shall remain a democracy, and that same democratic structure will continue to flourish.

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THE 150TH BIRTHDAY OF CLAY, N.Y.

(Mr. HANLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HANLEY. Mr. Speaker, I would like to take a moment to bring attention to an historic occasion for some residents of New York's 32d Congressional District. They are celebrating a birthday, the 150th birthday, in fact, of the town of Clay.

The township of Clay is centrally located on the northern edge of Onondaga County on the Oneida River, and bordered on the west by the Seneca River. The area which the town of Clay now encompasses was the scene of much early New York State history. Historical markers point out that Three Rivers was once the site of numerous Indian councils, and thus served as a meeting place for Indians, French, and British traders, explorers and military officers alike. The Oak Orchard Reef and Caughdenoy Reef areas were prime fishing grounds and fording spots. An extensive Indian burial ground was, at one time, located at Oak Orchard.

After the American Revolution, this area, along with the township of Cicero, became part of a military land grant made to Revolutionary War veterans. Much of Clay's early history is incorporated in the history of the town of Cicero, of which it was a part until 1827, when the western portion of the town of Cicero, along with the easternmost part of the town of Lysander, became the new town of Clay. The township was named in honor of the popular statesman and "great compromiser" Henry Clay.

The first white settler in the town of Clay was Patrick McGee, who built a log cabin at Three Rivers in 1793. Other settlers followed over the next decade. In 1813, a family of Palatine Germans settled in the area near the present Caughdenoy and Ver Planck Roads. Because of their native German language, this area was known for some time as "Dutch settlement." In 1824, these families organized the first church in the town, a Lutheran congregation, and erected a church in the village of Clay.

The village of Clay was known for a number of years as Cigarville, because of its local industry, Coughtry's and Cullum's cigar factories. The tobacco for these factories was grown on surrounding farms.

By the mid-1800's, many small communities were flourishing in the town of Clay, with shops, businesses, churches and post offices serving the surrounding farm area.

Today, the town of Clay encompasses a large residential area. A major portion of north Syracuse is in the town, as are many of the growing residential areas, such as Cherry Heights, Hollyrood, and Oak Ridge. Clay has been evolving from a primarily rural and agricultural area to a suburban one in which are located many industries and businesses, shopping centers, schools, churches, parks and residential dwellings.

In its history of 150 years, the population of the town of Clay has grown from 700 to about 50,000. It is now one of the fastest growing townships in New York State. I am certain that my colleagues join me in sending our warmest wishes and best regards to the people of the town of Clay as they celebrate their sesquicentennial.

FLOOR REMARKS RE SSI BENEFITS BILL

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PEASE. Mr. Speaker, current Federal law allows aliens to collect supplemental security income—SSI—benefits after being in the United States just 30 days, without ever having contributed significanty to the American economy or paid taxes. The possibility exists that some aliens have come here to take advantage of this loophole in the law and to collect benefits.

A recent Supreme Court ruling has made it possible for Congress to correct this oversight and to curtail this misuse of SSI funds. On June 1, 1976, the Supreme Court held that, in effect, the Congress has no constitutional duty to provide all aliens with the welfare benefits provided to U.S. citizens—Mathews versus Diaz et al. The Court also ruled that a residency requirement for aliens is permissible in determining eligibility for welfare benefits. Prior to the 1976 ruling, no action had been taken to close the SSI loophole because a 1971 court ruling held that State laws establishing residency requirements violated the equal protection clause of the Constitution and encroached upon exclusive Federal jurisdiction over immigration policy.

I am introducing a bill to close this loophole in the SSI program and to respond to U.S. citizens who are concerned about "instant welfare" for aliens. My bill has two main provisions that make it effective and enforceable.

First, my bill restricts payment of SSI benefits to U.S. citizens and to legally admitted permanent resident aliens who have lived in the United States for at least 5 years.

Second, my bill makes the financial obligation that a sponsor assumes on behalf of an incoming alien in an affidavit of support a legal obligation—in the sense of a binding contract—and not just a moral obligation as it is in the current law.

The legal obligation of the sponsor to financially support an alien would be limited to the first 5 years the alien is in the United States. If the alien becomes a public charge during that time, the sponsor would have a legal obligation to provide a minimum standard of living for the alien. The minimum standard of living would be determined by calculating 125 percent of the Census Bureau poverty threshold appropriate to the alien's marital and family status.

To enforce this legal obligation, my bill provides that the sponsor shall be subject to being sued in a civil suit in Federal district court. Such civil suits could be filed by district attorneys acting on behalf of the U.S. Attorney General or by the alien himself. This enforcement approach would minimize the need to hire additional personnel to track down SSI abuses. It also takes into account the limited resources of the hard-pressed Immigration and Naturalization Service.

My bill is an evenhanded approach at putting some statutory controls on escalating welfare costs, particularly in the SSI program.

Thank you.

PRESIDENT'S ENERGY PROGRAM

(Mr. SKUBITZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SKUBITZ. Mr. Speaker, I would like to share with my colleagues the following letter regarding the President's energy program. While the letter is admittedly rather simplistic in its approach to the energy question, I, nevertheless, feel it is worthy of the consideration of the President and the Members of this body:

DEAR CONGRESSMAN JOE: I'm just an old dirt farmer, an old clod trying to make a living as best as I can and pay my taxes. Like Will rogers, all I know is what I read in the newspaper. What I been readin' lately about the President's energy program just don't make a lick of sense to me.

Now Joe, some people in this country are gonna conserve energy—and some ain't. I refer to those two groups as "them who will" and "them who won't."

As I understand old Mr. Carter's declamation he ain't got no beef with "them who will" conserve, it's them who won't" conserve thats got his goat.

So what does our President propose to do about that latter group of folks who ain't patriotic enough or poor enough to change their evil ways? He's a gonna ask you Congressmen to let him put a 5 cent a gallon tax on gasoline.

Now I ask you Joe—what is that going to accomplish? The poor people ain't bought no gas for so long that they can't remember what to do with it, anyway—and the rest of middle America is a fighten with one another to be the first in line to pay $5.60 a pound for coffee and 60 cents a pack for cigarettes. You think 5 cents a gallon is gonna stop them from buyin gas—why it will be six months before they even discover the price has gone up.

If yu wanna save gas, Joe, I'll tell you and Mr. Carter how to save gas—make the tax 50 cents a gallon—or a dollar a gallon on gas. That will make "them who won't conserve" pay attention.

Now, while I know I ain't as smart as you fellas in Congress, I do realize that my plan needs what you all in Washington call an "exclusion for essential employment related petroleum acquisition and consumption by end users". We on the farm call that a "don't tax the tractor gas clause"—but the idea is the same. The plan needs some way to keep from taxing the gas us folks really need. You know Joe, gas to go to work, gas for taxi drivers, gas for the farmers equipment, and other gas used for necessary purposes is what I'm gettin at. Well, excluding that necessary gas wouldn't be hard to do.

You fellows back in Washington had you an allowment system fixed up for gasoline during the Big War that calculated how much gas us folks needed, and it worked just fine. Surely you haven't forgotten all them Department of Agriculture County War Boards and the Office of Defense Transport, have you Joe?

Why old Mr. Roosevelt and his boys had their system down to where we was all issued "Certificates of War Necessity" that was based on the necessary driving of all us civilians. They had them certificates all made up to cover trucks, b[illegible]es, taxis, rent-o-cars, official government cars, farm trucks and equipment, and regular folks' cars for both business and personal needs.

Once you know how much gas is consumed out of necessity you call that the base amount and all gas above that is taxable. When you go to the gas station you would present your little government gas card (that looks just like the card I use now at Ernie's Skelly to pay for my gas). When Ernie fills out my purchase slip he gives me the receipt which I would save. Every 3 months I would send all my receipts from Ernie's Skelly to the Revenoors. The Revenoors would calculate from my "basic necessity allocation" how much I would get back from all the 50 cent a gallon taxes I paid to Ernie. Of course when Ernie collected my 50 cents each time he would send it to Washington.

Now Joe, I know what your a-gona say. "It's too much trouble to use a little government gas card and keep track of the tax." Joe, we all use little plastic cards at Ernie's Skelly now. We don't get aggravated—Ernie don't get aggravated—and all Ernie would have to do different is make darn sure he got our license tag number on our receipt with our name so nobody would cheat.

If anybody tried to cheat I'd throw the book at them. If energy is that scarce then we had better enforce the law. Also, if poor people need their gas tax money returned before the end of the year, they could file forms at the county court house to request it. In fact, this just might be a better way to do some of that there official record keeping. You could let the count, or the state keep 5 or 10 cents a gollon for taking care of the Durden.

I don't know, Joe, it just seems to me that if you Congressmen and Mr. Carter are serious about saving energy, you ought to approach it right. But dern it, Joe, don't try to put some half-baked plan into effect over night! Think it through and get your ducks in order before you start makin any of the O-fficial pronouncements.

Joe, you can take this letter for what it's worth but I just wanted to yet you know how I feel.

Sincerely,

BILL "SPUD" CABBAGEHEAD.

OPPOSE EXPORT OF ADVANCED CYBER 76 COMPUTER TO THE SOVIETS

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 15 minutes.

Mr. ASHBROOK. Mr. Speaker, within the next 60 days a decision on selling the Cyber 76 computer to the Soviet Union is expected. A decision to export this advanced computer to the Soviet Union would be disastrous.

The argument for selling the computer is that it will be only used for weather forecasting purposes. In the United States this computer is being used by the Pentagon, the U.S. Air Force, National Security Agency, and NASA.

Cyber 76 is considered one of the most advanced computers in the world. It has been described as serving as the "brain center" of the Pentagon and the other agencies I previously discussed.

The Soviet Union has been hampered in its military development by a lack of advanced computer technology. Soviet computer technology is behind that of the West. The export of the Cyber 76 computer would give the Soviets a quantum leap in this area.

I am contacting the President's national security adviser and the Secretary of Commerce expressing my opposition to exporting the Cyber 76. Transfer of this computer to the Soviets would be to give military assistance to the Soviets. Such technology exports work against our Nation's basic security.

At this point I include the text of two articles on the sale of this computer to the Soviets:

[From Human Events, Feb. 19, 1977]

WILL BRZEZINSKI GIVE SOVIETS ADVANCED COMPUTER?

Jimmy Carter's national security adviser, Zbigniew Brzezinski, is facing a major test that could affect the future of detente: will he reassess the Kissinger policy of transferring to the Soviet bloc sophisticated technology with critical, strategic implications?

What's particularly worrying military and intelligence officials is whether Control Data Corp. will be permitted to deliver to the Soviet Union the world's largest and most sophisticated computer, the Cyber 76. Control Data has closed a tentative deal with Moscow, and the application for an export license is pending before the Commerce Department. But Commerce won't give the go-ahead unless the National Security Council—where Brzezinski, as Carter's personal aide, plays a key role—gives a nod of approval.

There are several other applications by Control Data for the sale of advanced computers to Communist nations, but none of the computers involved can match the strategic potential of Cyber 76.

Cyber 76, according to Miles Costick, an expert on U.S. computer policy, is "a very high-speed, large volume, fourth generation scientific computer which processes a phenomenal 100 million instructions per second." He stresses it "is at least 15 years ahead of anything that the Communist country is able to produce." Only two dozen of these computers exist, with the bulk of them installed in such sensitive military and military-related agencies as the Pentagon, the U.S. Air Force, the Atomic Energy Commission, NASA and the National Security Agency.

Last year, Costick informed Human Events, former President Ford vetoed the extension of the Export Administration Act, leaving the country without effective controls over strategic exports to the Communists. This meant that all significant restrictions on Soviet bloc purchases had collapsed. Ford, however, reimposed the controls under authority vested in him by the War Powers Act. The Executive Order gave the National Security Council a predominant role in exercising authority over strategic exports.

But the question is, will Brzezinski continue in the Ford-Kissinger manner? On September 30 of last year, notes Costick, President Ford and his National Security Council, with Lt. Gen. Brent Scowcroft then fulfilling the Brzezinski role, discretely approved the sale of Control Data's Cyber 73 computer system to the USSR. The value of this transaction to Control Data was about $6 million, but to the Soviets it meant "a 10-year leap in computer technology," says Costick. The stated purpose of the computer sale was the improvement of Soviet oil exploration.

On October 12, the National Security Council also approved the sale of two Control Data Cyber 172 computer systems to Red China, with a value of $6 million. Through acquisition of the Cyber 172's, the Chinese Communists, according to Costick, received computers 15 to 20 years ahead of their own. Supposedly, the computer sale to Red China was to help enhance the detection of both oil and earthquakes.

The Energy Research and Development Administration (ERDA) and the Pentagon objected to the sale of both the Cyber 73 and the Cyber 172 on the grounds that they were suitable for nuclear weapons calculations, for anti-submarine warfare, for large phased-array radar to track enemy ICBMs and for anti-ballistic missile systems.

A number of U.S. government officials, says Costick, "confirmed that Dr. Kissinger and his assistant at the State Department, Winston Lord, prevailed over the opposition at Pentagon and ERDA."

"If there were no potential military applications," noted one Commerce Department official, "there would have been no reason to take a full year to review the sales and no reason to impose safeguards on the use of the equipment."

There is a general consensus among the experts, however, that there are no effective safeguards so far as application of computers is concerned. Today, the U.S. Department of Defense deploys about 9,000 so-called general purpose computers for military purposes. The same type of computers are being used in a wide variety of civil applications from R&D in industry, to crime control and psychiatry.

"Obviously," says Costick, "the national security implications of this trade are enormous." And the big question today is: what will Brzezinski do? If the Soviets get the Cyber 76, there will be no question as to what direction the Carter Administration intends to lead this country.

[From the Birmingham News, Feb. 13, 1977]

U.S. COMPANIES WANT TO SELL COMPUTERS TO SOVIETS

(By Miles Costick)

(EDITOR'S NOTE.—A congressional consultant, Miles Costick is the author of the book The Economics of Detente and of the forthcoming study, The U.S. Soviet Computer Capabilities. The following article was written especially for The Birmingham News.)

Jimmy Carter's national security advisor, Zbigniew Brzezinski, has said that detente must be reciprocal in order to be enduring. But what remains to be seen is whether the Carter administration will also reassess the Kissinger policy of transferring to the Soviets advanced technology of critical military importance.

A test of this would be whether Control Data Corp. is permitted to deliver to the Soviet Union the world's largest strategic computer the Cyber 76. The deal has been closed and the export license application is pending before the Commerce Dept. There are also several additional pending applications for sale of military computers to the Communist governments on behalf of Control Data, IBM, UNIVAC and Honeywell. None of the computers involved, however, can match the strategic potential of CDC's Cyber 76.

Cyber is a sensitive topic. It is a very high speed, large volume, advanced scientific computer which processes a phenomenal 100 million instructions per second, and has a memory storage capacity at least 15 years ahead of anything that a Communist computer maker is able to construct. Only about two dozens of such installations even exist. Typical installations: The Pentagon, U.S. Air Force, the Atomic Energy Commission, NASA, and the top secret National Security Agency.

Last year President Ford vetoed the extension of the Export Administration Act leaving the country without effective controls over export of strategic items to the Communists. This meant that all restrictions on Soviet bloc purchases in the U.S. have lapsed. Mr. Ford, however, had issued an executive order reimposing controls on exports under authority vested in him by the War Powers Act. The executive order placed the National Security Council in a position of authority to permit or decline strategic exports to the communists.

The select informed few knew what most had missed: For the executive order to become an effective barrier to export of strategic goods, the President would have to designate the recipient country as an "enemy country." Obviously under Henry Kissinger's detente, the President could hardly declare the Soviet Union or Red China an enemy.

NUMEROUS APPLICATIONS

In the order tube, ready to pop out when the cap was removed on Oct. 1, 1976 were numerous applications for export of strategic items of critical military significance. The most important were the applications for export of military computer systems.

On Sept. 30, 1976 President Ford and his National Security Council under Kissinger appointee Lt. Gen. Brent Scowcroft, in strict discretion, have approved the sale of the Control Data's Cyber 73 computer system to the USSR. The value of the transaction to CDC was about $6 million and to the Soviets about a 10-year leap in computer technology plus a new acquired strategic capacity.

On Oct. 12, the National Security Council approved the sale of two CDC Cyber 172 computer systems to Red China. The announced value of transaction was $6 million. Through acquisition of Cyber 172 computers the Chinese communists gained capabilities which they have lacked before, since their computer technology is about 15 to 20 years behind that of the United States.

The stated purpose of computer sales to Red China was oil exploration and earthquake detection.

An inquiry revealed that the stated purpose of computer sales to the Soviet Union was oil exploration.

However, the Pentagon and the Energy Research and Development Administration (ERDA) objected to the sale of computers on the grounds that both systems—the Cyber 73 and Cyber 172—were suitable for nuclear weapons calculations, for anti-submarine warfare, for large phased-array radar to track enemy ICBMs and for other military applications.

OBJECTIONS OVERRULED

A number of U.S. officials confirmed that Dr. Kissinger and his assistant at the State Department, Winston Lord, prevailed over the opposition of the Pentagon and ERDA.

One Commerce Dept. official commented, "If there were no potential military applications there would have been no reason to take a full year to review the sale . . . of the equipment."

Today, the U.S. Defense Dept. deploys about 9,000 of the so-called general purpose computers for military purposes. The same type of computers could be used in a wide variety of civil applications from research and development in industry to crime control.

Obviously the national security implications of this trade are enormous. Concern in the United States had led the Defense Department's Science Board task force under J. Fred Bucy of Texas Instruments to recommend restrictions on the transfer of strategic technology to the Communist superpowers and their satellites.

Six high-technology trade associations, however, through their spokesmen, have warned Congress against permitting the Defense Department to control transfer of strategic technology. "In a civilian government such as ours, the control and administration must reside apart from the military," demanded Peter F. McCloskey, president of the Computer and Business Equipment Manufacturers' Association.

It seems that McCloskey and his friends from the industry agree with William Norris of Control Data who stated that, "Our biggest problem isn't the Soviets, its the damn Defense Department."

Businessmen should remember Lenin's words that when it was time to hang the world's capitalists, they would trip over each other in their eagerness to sell the Communists the necessary ropes.

UNIVERSAL VOTER REGISTRATION—A PANDORA'S BOX OF FRAUD AND ABUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. BURKE) is recognized for 15 minutes.

Mr. BURKE of Florida. Mr. Speaker, a concerted effort is being made to push through Congress H.R. 5400—the Instant Voter Registration Act—which would allow individuals to register and vote on the same day in Federal elections.

At first glance, this might sound like a good way to increase the number of voters participating in the electoral process. However, a closer look reveals that this approach is both unnecessary and impractical, and it does in fact contain a great potential for fraud and abuse.

The first question I would like to ask is whether or not people refuse to vote because of the difficulties involved in registration? I submit that the evidence clearly says no!

In a 1974 study, the Bureau of Census reported that out of the 31.9 percent who failed to register only 3.8 percent gave as the reason "unable to register." The rest said they were either "not interested" or they "dislike politics."

Mr. Speaker, I do not believe that our election process would be improved by making those who were "not interested" or who "disliked politics" to vote. To compel people to vote would be to undermine free participation in our demo-

cratic process. It would threaten, not help, our system.

Perhaps we should remember that in the Soviet Union over 95 percent of the people vote during their elections, yet, can we say that they have a more democratic system of government simply because of the fact that so many people participate? I do not and I am sure my colleagues do not think so. In fact, quite the opposite is the case!

Since 1900 there have been many attempts to broaden voter participation. Poll taxes, literary tests, sex and age requirements, and so forth, have been lowered or removed altogether. And yet, voter participation has declined from 73 percent in 1900 to 54 percent in 1976. There is no reason to believe that further relaxation of requirements will make the situation any better .

In fact, the 10 States in which it is the hardest to register and vote have voter turnouts roughly equivalent to the average turnout for the entire country!

Mr. Speaker, the plain fact is that some people just do not want to vote! I do not think there is any way a simplified voter registration is going to change apathy, but, it can create the potential for more fraud and abuse.

If people were given the opportunity to register and vote on the same day, I think they would do so. But, this would not lead to more intelligent voting nor make it any less inconvenient. I believe it would instead create such longer lines at the polling places that many would discourage many previously registered voters who might leave the polls without voting because they did not have the time to stand in line. I further believe that the natural reaction of election officials would be to try to hurry with the result that many would be allowed to vote without being properly checked. Instead of improving the system, universal voter registration could create a burden impossible to administer.

I also believe that this legislation would increase the role of the Federal Government in the election process at the expense of the State and local officials. This expansion of Federal power would come at a time when the American people are becoming increasingly skeptical about Government interference in their lives.

Another danger of which I think we should be aware comes from the added leverage given to groups trained to organize and turn out masses of people through pressure and intimidation. At the very last minute of an election, a group of well-trained individuals could force the results of an election and thereby rob the American people of their own decision.

Mr. Speaker, I am also concerned that last minute political smears could bring out an emotional reaction bringing large numbers of voters to the polls on the basis of distorted facts.

In summing up the pros and cons of H.R. 5400, I do not believe that such instant "on site" voting will result in a substantially increased number of voters coming to the polls. I believe that it will instead open up a pandora's box of fraud and abuse with potentially disasterous consequences for the American people. It is for this reason that I oppose this legislation and will vote against it when it comes to the floor for a vote. I urge my colleagues to join me and to defeat H.R. 5400.

MOTHER SHOULD NOT LET CHILDREN SLEEP IN CHEMICALLY TREATED SLEEPWEAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. COLLINS) is recognized for 30 minutes.

Mr. COLLINS of Texas. Mr. Speaker, mothers of America, take any children's sleepwear garments that you have bought since 1971 and throw them in the trash can.

After sitting in these most enlightening hearings this morning, I immediately came back to my office and called my daughters. I wanted to be sure that my grandchildren were not sleeping in any Government-mandated cancerous pajamas.

For the past 7 years sleepwear manufacturers have been mandated, by Government decree, to make sleeping clothes fireproof by using chemicals. Now there is proof of what many of us have suspected for years—that these chemicals have a cancerous effect on children via absorption through the skin.

The original purpose of this inflammable fabrics law was to prevent the estimated 500 deaths of children each year from fabric fires. It is my understanding that last year this was cut in half, so they had been able to save 250 children. At the same time, over 50 million children have received this cancerous insemination, which cannot be measured in terms of mortality for over 20 years, but according to estimates, may eventually result in 500,000 to 5 million additional cases of cancer.

This morning I noted that very few people in the conference room were smoking cigarettes. It seems to be proven that tobacco has a cancer-causing potential, but we allow Americans the option of smoking or not smoking. With this sleepwear we have mandated that all children must be in it. Chairman Moss of our Oversight Committee is taking an aggressive position in following up this investigation.

I want to thank Dr. Robert Harris and the Environmental Defense Fund for their sustained fight in bringing this matter to the public's attention. I was also impressed today with Dr. Kingsley Kay from the Mount Sinai School of Medicine and Dr. Bruce Ames, a professor at the University of California at Berkeley.

Dr. Kay presented convincing evidence of the cancerous effects of the chemical. Dr. Kay has been telling this to the Consumer Product Safety Commission for years and has been ignored.

Dr. Ames spoke in plain commonsense language that left me with one thought in my mind—to be sure that my grandchildren never sleep in this type of pajamas again. You will be interested in knowing that Dr. Ames buys his children's pajamas abroad. Dr. Harris of the EDF has his baby in hand-me-downs that were made before we mandated these homicide jackets for children.

One factor that was interesting was Dr. Ames' conclusion that most cancer comes from the environment. I believe he is absolutely correct. To think that Congress has mandated this atrocity on America is staggering. This country has more Government than it needs, more Government than it wants and more Government than it can afford. Congress makes you suffer while you are awake, and with this Flammable Fabrics Act they make children suffer while they sleep.

At the time the bill was passed there was a fight about sampling. Many of us insisted on having extensive sampling on any product or any chemical before it was mandated. However, the intellectual majority vote prevailed as they demanded full compliance on theory despite the lack of adequate testing, and required that all regulations be promulgated immediately.

In the hearings, expert authorities repeated over and over that washing these treated pajamas or nightgowns 50 times still does not clear the chemicals from the cloth. I recommend to every mother in America who has a child between 1 and 14 that she take any sleepwear she bought in the past few years and throw it in the trash can. They can buy any natural cloth that they choose at a fabric store, but I would recommend pure cotton. Sit down at the sewing machine and make your children some safe, usable garments. Adults are not required to sleep in this material, so an alternative is to buy adult sleepwear and trim it down to size.

I have called on the Chairman of the Consumer Safety Commission to check on the staff members of the Consumer Product Safety Commission to see if they were negligent in promulgating these rules. For years I have contacted the CPSC chairman on this subject, but have always gotten pages of double talk. One fear that I had about the garments was the fact that the cloth did not breathe and that all the skin would absorb was the texture of this impregnated fabric. Now the results are in and we find that the Government actually was mandating an impregnated fabric of carcinogenic material.

It seems like every week we have a new plan to do something for the people in this country on the assumption that Congress knows all the answers and the American people are a bunch of idiots. This country was better off when we had less Government and more freedom of choice.

Next week we have a bill coming up on summer camp safety. By the time all of these camp regulations are adopted, it would close the church camps, the Y camps; it will mean that only rich children can go to the camps that can afford the contraptions we require. Yet, I wonder why we should approve this camp bill when all statistics prove that a child

is safer in summer camp than he is in his own home.

Right now we are moving to insulate the homes of America. In our Energy Committee hearings today it was brought out that asbestos and other insulation items have a tremendously hazardous potential. Before we start mandating materials this time, let us make a full review of the health impact on America first.

The industry of America did not ask for this type of sleepwear, but they were forced to make the garments this way. Now they are caught with a tremendous inventory of unusable cloth and garments. With all of the class actions that Congress has legislated, the American people may consider suing Congressmen who mandated these cancer induction regulations.

A doctor from my home area has been very much concerned about the skin irritations that have developed since this mandated sleepwear came on the market. Dr. William J. Rea has given us case studies which were passed on to the Consumer Product Safety Commission and all he has gotten back have been generalized answers. Yet, when the doctor had these children wear natural cotton fabrics, they were all right. Let us put all of America's children back into natural cotton or other good solid fabrics and give them a chance to grow up for a healthy future.

As we sat in the Sam Rayburn Building in these hearings, I remember the great proverb that Mr. Sam always said, "When in doubt, don't." America has plenty of doubt about this sleepwear. My recommendation to the parents of America is do not let your children sleep in this chemically treated material 1 night longer.

THE DAVIS-BACON ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. HAGEDORN) is recognized for 15 minutes.

Mr. HAGEDORN. Mr. Speaker, as dubious are the premises of the Davis-Bacon Act, it has been the administration of this shop-worn act that has stirred the greatest controversy over the years. Had the Department of Labor, through its regulations and enforcement efforts, simply attempted to determine as accurately as possible actual area "prevailing wages," I believe that most of the critics of the act would have learned to live with it—albeit uncomfortably.

This has not been the posture of the Labor Department, however. Rather, they have seized upon virtually every available opportunity to reinterpret the act to justify higher and higher "prevailing wage" determinations. A relatively conservative estimate was made by the General Accounting Office that inaccurate determinations by the Labor Department on Davis-Bacon projects resulted in increased labor costs of 5 to 15 percent.

Inaccurate determinations caused by sheer work volume—largely self-imposed, and attributable to time constraints and normal human error must be distinguished from inaccurate determinations which are the necessary result of DOL regulations and administrative actions.

Perhaps the best illustration of the latter is the Department's 30-percent rule. The rule is an important aspect of wage rate administration and has been found in various studies to be responsible for a majority of DOL wage determinations. Once the Department has completed the wage surveys that are required of it, the "prevailing wage" is determined, in the first instance, by any wage rate received by at least 30 percent of the workers in a particular classification. Only in the event that no such wage rate is identified will the simple weighted average of all appropriate wage rates be considered.

The 30 percent rule has been adopted despite the complete absence of a specific legislative basis for doing this. This simple egect is that, in any area where unions have organized 30 percent or more of the workers, the negotiated wage scale will almost automatically be adopted. This is particularly true in light of the fact that DOL applies this rule only where the wages are identical to the last cent. In the absence of a collective bargaining agreement, it is extremely unlikely that such a concentration of workers will be receiving the identical rate at any one time.

Thus, given a hypothetical situation where 30 percent of the work force is organized and earning $9 per hour, while the remaining 70 percent are evenly divided between laborers earning $8, $8.02, and $8.03 per hour. the "prevailing" rate will automatically be set at $9 per hour, a figure substantially higher than 70 percent of the work force. Even when properly applied, the 30 percent rule results in substantially higher public construction costs than could reasonably be expected under the Davis-Bacon Act. The General Accounting Office concludes that—

> The Department's application of the so-called 30% rule . . . as a method of determining the prevailing wage rates in an area has led to some unrealistic wage determinations and to inequities among the contractors and workers affected thereby. We believe that these cases show a need for a more equitable rule.

To assure my colleagues that the Labor Department is constantly on guard to discover new ways to add to the costs of public construction, I would like to insert at this point a brief memorandum from the Associated General Contractors of America noting the latest trends in Davis-Bacon administration. Each of them seems designed with one overriding goal in mind: To insure that, wherever and whenever possible, public construction costs be established on the basis of the highest wage rates identified in an area:

1. BACKDATING THE NEW UNION RATE TO OLD PROJECTS FOR WAGE SURVEY PURPOSES

The Davis-Bacon Administration has adopted a new technique of backdating the new union rate to all old union projects and payrolls that had been using the old lower union rate. If 30 carpenters were paid $8.00 an hour in an area last December and 10 were paid $10.00 an hour on another project in the area in April, Davis-Bacon would backdate the $10.00 to the December payrolls and conclude that they had 40 carpenters in the area at $10.00 an hour for wage determination purposes.

While adding all union employees on various projects together at the new union rate, whether received or not, Davis-Bacon will not add open shop employees together unless each of them receive exactly the same dollars and cents rate. This is a double standard that is prejudicial to open shop construction. The unfairness of the technique is illustrated below:

December, 1976 (project A):

30 carpenters at $8.00 an hour (union agreement).

40 carpenters at $6.00 an hour (open shop)

April, 1977 (project B):

30 carpenters at $10.00 an hour (union agreement).

40 carpenters at $7.00 an hour (open shop).

On this survey information, Davis-Bacon would conclude that it has 60 carpenters at $10.00 an hour compared with 40 at $6.00 an hour and 40 at $7.00 an hour and therefore would find $10.00 an hour to be prevailing.

The 30 percent rule was invented by Davis-Bacon some 40 years ago to give artificial respiration to the union rates at that time. Today, even the 30 percent rule is not sufficient to support the union rates, on a "rate paid" basis, and therefore, the backdating technique has been invented to support the union rate even when it does not even constitute 30 percent of the various rates paid in an area.

Correspondence is attached that documents the Davis-Bacon position in this matter. The new technique would appear to be arbitrary and capricious since it fails to reflect "the rate paid" as required by the Act and the regulations. It would appear to be unauthorized since it is a substantial innovation without due notice and hearings, contrary to existing regulations. The wasteful and inflationary impact of the new backdating procedure should be quite evident.

2. SETTING BUILDING RATES FOR HEAVY WORK ON AN "INTEGRATED PROJECT" RATIONALE

Another new technique is the setting of building rates for heavy work on large projects which involve building construction work as well. The rationale is that a construction project should be considered an "integrated project", meaning that it is all building, or all heavy, or all highway, and cannot involve the use of heavy rates and building rates at the same time. This new technique, of course, is a willful disregard of the area practices prevalent in most parts of the country to pay heavy construction rates for heavy work and building construction rates for building work, even though both types of work are involved on the same construction site. The unrealistic results of the new technique are demonstrated by the requirement to pay building rates on a 17-acre parking lot work because it was part of a project complex that included a large parking garage and passenger terminal for a city transit system. The unrealistic results are also indicated by the requirement to pay building rates on heavy portions of water treatment plant projects on grounds that some building structures will be part of the project.

The second technique, like the first one, appears to be unrealistic and unauthorized because it seeks to ignore the realities of the construction industry that ought to govern the administration of the prevailing wage laws.

3. STRIPPING WORK ITEMS FROM GENERAL HEAVY AND HIGHWAY WAGE DETERMINATION

The third change is the stripping of work items from general heavy and highway wage determinations including such items as air-

port runways and taxiways, bridges over navigable streams, water treatment plant projects, tunnels and railroads, among other things. The navigable stream, incidentally, refers to the Corps of Engineers definition. This change has been reported in many areas of the country so far and may become a general Davis-Bacon policy.

The effect will make the general heavy and highway wage determination inapplicable to the excluded work items and necessitate wage determinations for them as they arise. Davis-Bacon can then decide whether they will require building rates or other non-heavy-and-highway rates when the time comes. No evidence has been received that this action will result, but these possibilities arise from the shift in Davis-Bacon policy and should be carefully monitored by chapters and contractors interested in such work.

THE NEED FOR TIME TO STUDY THE NATIONAL TELECOMMUNICATIONS POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI), is recognized for 10 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, the 95th Congress is faced, as with the 94th Congress, with the arduous task of analyzing the validity and viability of our Nation's telecommunications policy. The Federal Communications Act of 1934 was a farsighted and progressive measure which laid a framework of laws designed to foster the growth and refinement of a then still embryonic telecommunications system. The intervening years have shown the wisdom of the act in the unparalleled technological improvement of the system. Today, we enjoy, rely on and indeed take for granted, the day-to-day reality of instant communications which are constant and reliable.

However, as with any technological evolution imbued with the public interest, we need to take stock from time to time and reevaluate the premises upon which our progress depends in order to determine if, indeed, the public is well-served. I believe we have reached such a watershed point. This is why numerous pieces of legislation are before this body calling for just such an analysis. It is apparent, however, that certain recent decisions of the Federal Communications Commission pose a threat to the timeliness of proposed legislation. While it is not clear that these decisions will invariably lead to a shift from the basic policies laid out by the 1934 act, they do imply a change in those premises which spawned the progressive improvement in telecommunications which we have enjoyed to date. It is my judgment that such basic policy decisions should be made by Congress.

What the resolution I am introducing today calls for is time—a moratorium on further FCC decisions in this area. The moratorium is limited in its existence to the completion of a study of the impact of FCC decisions completed by the 95th Congress or the adjournment sine die of the 95th Congress, whichever is sooner. The impending expiration of the moratorium will hopefully inspire prompt, expeditious action in this area, and reduce the risk of simply maintaining a de facto "drift" into a shift in policy from the 1934 act. At the same time it allows for a prompt return to current FCC policies should Congress find them worthy or fail to change them.

Mr. Speaker, I urge my colleagues to support this timely legislation:

H. RES. 564

Resolved, Whereas the Communications Act of 1934 called for the development of a high-quality, nationwide communications service available to all the people of the United States at reasonable costs;

Whereas recent decisions by the Federal Communisations Commission, which imply a change in the basic concepts under which our national telecommunications system has been structured, may have a substantial impact on the cost of residential telephone service;

Whereas a number of bills have been introduced to provide the basis for a study by Congress of telecommunications regulatory policy, and an investigation of this matter was initiated in the Ninety-fourth Congress and is continuing in the Ninety-fifth Congress;

Now, therefore, be it resolved that this Congress should expeditiously determine the future telecommunications policy of this Nation with the purpose of insuring that high quality telephone service continues to be widely available at the lowest rates reasonably possible;

Resolved further that Congress call for a moratorium on further steps by the Federal Communications Commission to implement new decisions which change basic structural concepts of the national telecommunications system until the 95th Congress has completed its study on the matter and determined what the national policy should be.

CONCORDE AGAINST BEST INTERESTS OF NEW YORK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 15 minutes.

Mr. WOLFF. Mr. Speaker, I have just received word that the long-awaited decision on Concorde SST landing rights at New York's John F. Kennedy Airport has been handed down by Federal District Judge Milton Pollack. While I do not ordinarily comment on the decisions of the judicial branch of our Government, today's ruling so clearly and adversely affects my constituents, and the people of New York, that I must speak out.

Judge Pollack's unfortunate decision today flies in the face of the best interests of the people of New York, and appears to fly in the face of logic as well. His Honor has apparently taken it upon himself to tell two Secretaries of Transportation, as well as the President of the United States, that they do not know what they are talking about.

I refer to the fact that even though former Transportation Secretary William Coleman recommended the test series for JFK, Mr. Coleman repeatedly affirmed the right of the Port Authority to ban Concorde—something he, of course, hoped they would not do. Transportation Secretary Brock Adams has taken the same position as his predecessor, and President Carter has on at least two occasions told the British and French that the Federal Government does not have the power to force the Port Authority to accept Concorde.

The trouble with today's decision, aside from the damage it may ultimately inflict on the people of New York, is that it goes beyond interpreting the law to actually writing the law. The reason Dulles International Airport is the only airport presently allowing Concorde to land is that the Federal Government has accepted the legal precedent for local control—Dulles is the only acceptable airport which is controlled by the Federal Government.

JFK is controlled by the Port Authority, and the people of New York, and the Federal Government has respected that control even during President's Nixon's initial attempts to favor Concorde regardless of the environmental facts.

A principal reason for the Federal hands-off policy regarding JFK, or any local airport, is that the Federal Government has long maintained that since it does not set the local standards, it does not have to bear the liability for aircraft noise damage. The Federal Government, and the Supreme Court, have consistently acted on the axiom that the burden of liability rests with those responsible for the standards.

Now we have a situation where the Port Authority is apparently being told it does not have the right to safeguard the people of New York against either the noise of the Concorde, or the cost of the damage which can be caused by the Concorde. This is clearly as irresponsible as it is unfair.

If the burden is somehow shifted to the Federal Government, I hope the executive branch will set aside the millions or even the billions of dollars which will be necessary to back up Judge Pollack's decision.

For my part, I am today writing to President Carter and Secretary Adams, urging them to back up their repeated public statements that the Port Authority has the right to carry out its duties in the best interests of the people of New York and, indeed, in the best interests of the Federal Government as well.

OUR NATION'S GROWING INVOLVEMENT WITH GOVERNMENT OF ZAIRE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. BONKER) is recognized for 5 minutes.

Mr. BONKER. Mr. Speaker, as you know, I have continued to question this Nation's growing involvement with the Government of the central African nation of Zaire.

One troubling and recurring theme emerged from the recent debates in the House International Relations Committee on the subject that is, that the United States is offering military assistance to Zaire for essentially political reasons. Throughout the markups on the security assistance bill, nobody—not even the executive branch—contradicted my statements that further arms aid credits for Zaire were indefensible on military grounds.

Quite frankly, Mr. Speaker, I am very worried by the arguments for supplying aid to Zaire on political grounds when the military rationales are admittedly so deficient. What are those political grounds? Will further U.S. aid to Mobutu create an effective, spirited fighting force out of an army now demoralized by the corruption, favoritism, and inefficiency that are endemic to his regime? Do we take no notice of the fact that the 40,000-man Zaire army, backed by pygmies in loincloths, war supplies from several nations, and French advisers could not beat 1,500 ragtag Katangese gendarmes? And will other African regimes breathe easier because of our rash offer of another $15 million in military credits to one of the richest but least enlightened rulers in Africa?

Mr. Speaker, the arguments for our initial involvement in Vietnam were also political: American money and training and military supplies were supposed to make up for a lack of political support caused by endemic social and economic ills. I am not now contending, Mr. Speaker, that Zaire is Vietnam or that Mobutu is another Ngo dinh Diem. But certainly it is equally rash to keep referring to Mobutu as our "longstanding friend" only because we have been buttering each other's bread for the last decade.

Mr. Speaker, history clearly shows that political stability is more truly gained in the Third World by fulfillment of the basic social and economic needs of the whole population, not by repression, favoritism, Machiavellian balancing of rivals and selective currying of gullible outside interests.

The current crisis in Shaba Province has put a spotlight on many of the failings of the Mobutu regime. The consensus view of professional Zairian specialists outside official Washington circles is that his government is unlikely to survive more than a year or two no matter what external aid he receives.

The "political" arguments for sending Mobutu continued military aid that he does not need could blindly send us down a course with only the thinnest prospects of gaining the stability in Central Africa that we would like to see.

Mr. Speaker, I insert in the RECORD three documents which expand on my remarks. The first two are papers prepared by my staff. The third is an analysis from the New Republic of May 7.

The documents follow:

JUSTIFICATION FOR CUTTING FISCAL YEAR 1978 FMS CREDITS FOR ZAIRE

Detailed justification for cutting fiscal year 1978 FMS credits for Zaire was contained in my recent letter to Committee members. In brief:

The Administration's FMS credit requests for Zaire are based on a technical assessment done in 1976. Given the poor performance of the Zaire Army during the current crisis and the problems of corruption, mismanagement and social irresponsibility in the Mobutu regime spotlighted by this crisis, a renewed assessment of Mobutu and his Army is needed before we commit ourselves further to his support. President Carter has already expressed his reservations about M-60 tanks for Zaire, for example. (M-60 tanks were a major element recommended by the 1976 assessment).

The Administration's security assistance plan of Zaire currently consists of a phased 3-4 year Army upgrade program now costed at $38 million. Approximately $26 million already exists from fiscal year 76T and fiscal year 77 appropriations to begin implementation of this program. Because of the Shaba crisis, implementation can't start until calendar 1978 in any case. The Administration would lose nothing by starting the upgrade program off with already appropriated funds while we reassess our commitment to Zaire. If in fact our assessment proves positive, fiscal year 1979 is time enough to complete funding for the upgrade program. It makes no sense to throw $30 million on top of an upspent $26 million for a program that won't even start until 1978—and whose major element has already been challenged by the President.

The Administration has argued that a complete cutoff of FMS credits to Zaire for fiscal year 1978 could be interpreted as "pulling the rug out from Mobutu." On the contrary, significant amounts of FMS credits were appropriated for Zaire beginning only in fiscal year 76T, to fund an Army upgrade program which has yet to start. In short, we are in the process of putting a rug under Mobutu and the time for reassessment is now. Moreover, Mobutu will continue to enjoy a wide variety of U.S. and other Western support even if fiscal year 1978 FMS credits are postponed:

$26 million FMS credits already appropriated;

$10 million in fiscal year 1978 security supporting assistance;

$15 million fiscal year 1978 PL-480 and Peace Corps aid;

$2.5 million FY78 military training assistance;

$85 million IMF economic stabilization package (April 1977);

$250 million "bail-out" loan being organized in 1977 by Citibank of New York.

I submit that these projects total a lot of rug remaining under Mobutu.

The postponement of further FMS credits to Zaire pending reassessment is indeed a political signal, as others have noted, but it is a signal that should be sent;

To Mobutu, we reaffirm the signal already sent by refusing to supply lethal equipment during the current crisis, i.e.; We will not send a blank check. We intend to monitor both Mobutu's performance and our aid every step of the way. We will continue to carefully measure further US involvement in what to us is a very uncertain situation;

To other African states, we signal that US military assistance is both rational and realistic. We make no promise of unqualified military support, especially to regimes whose lack of economic and social responsibility endangers the very stability that our assistance is designed to maintain. We signal further that we will not throw $30 million in excess credits at a man who is one of the least enlightened in Africa.

To the American public we signal that both the President and the Congress intend to honor their respective promises to closely scrutinize US arms sales commitments and to stop those which fail to meet reasonable criteria of military necessity and US national interest. We signal further that the Congress is fully aware of the risks of closer military involvement in Central Africa and intends to monitor initiatives closely.

MEMO: ZAIRE FISCAL YEAR 1978 MILITARY AID ($32.5 MILLION) AND SUPPLEMENTARY ASSISTANCE REQUESTS ($10 MILLION)—SOME BROAD PERSPECTIVES AND WHAT THEY SUGGEST

The Executive branch argues that Mobutu can be sustained and the U.S. should join tangibly in doing so. Strategic, political and economic reasons are offered. In a half dozen professional papers in the last year, Zaire specialists in the U.S. have unanimously argued aspects of the reverse, that stability in such a society is impossible to maintain and is against the long term interests of the majority of Zairians and Americans.

INTERNATIONAL THEMES

1. As Senator Clark put it: "The U.S. stands for principles not cliques or individuals." (New York Times 4-3-77). The case for legitimizing Mobutu has not been made within U.S. principles. African fears of precedent setting are not persuasive; neither they nor we would be likely to oppose a comparable train of events in Uganda.

2. Rapidly growing economic ties between Zaire and South Africa appear unsavory to much of Africa. Supporting Zaire thus helps support South Africa's image. A neutral line for the U.S. would pay far more heed to the positions of Nigeria, Tanzania, etc.

3. Open-ended support of Mobutu greatly limits the possibility of rapprochement with Angola which has nearly the same potential of natural resources.

4. Zaire represents the most blatant CIA adventurism in Africa. Complicity in the assassination of Lumumba is strongly suggested. John Stockwell's piece (W.P. 4-17-77) eloquently pleads the case for basic reform. U.S. aid to Mobutu, coupled with pressure for and support of surrogate Euopean and African aid, rearouses the worst international suspicions of a perpetuation of the past.

5. U.S. business concerns would be better off under an efficient government that enjoys mass support regardless of its ideology. Any Zairian government will want aid and trade and will have to consider U.S. interests with these in mind. We don't have to repeat the Angolan debacle.

NATIONAL THEMES

1. Executive branch portrayals of (political) human rights in Zaire cannot be squared with empirical evidence. Abuses are as visible as a 4-21-77 W.P. story. Independent Zaire specialists can provide many cases and are sorry Amnesty International has done no recent investigations.

2. Human rights violations are, however, fundamentally economic. The poor rural majority are starving. In the cold prose of the World Bank. "About one-third of the rural population suffer from insufficient caloric intake . . . a grave shortage of proteins is characteristic of most of the population of the country." A less urban-based and corrupt government could use resources and pricing policies to produce considerable surpluses; but the needs and lures of international capital create and sustain an elite with a fundamentally selfish political vision.

3. Any aid to Mobutu assumes an economically viable state even in the short term. The World Bank confidential study (7-75) is among several to argue that it is not viable. Periodic debt rescheduling is just a surface symptom hiding fundamental structural flaws that cannot be patched over indefinitely. There is more to the functioning of any economy than the IMF's narrow focus admits.

4. Aiding insecure governments, even symbolically, builds commitments and provides an aura of legitimacy where there may be no substance.

5. Military aid and force modernization cannot be divorced from their social, political and economic context; we modernized the South Vietnamese army for years. Military training programs provide a totalitarian elitist ideology and the comparative skill and confidence for political action among a small group in the modern sector. It is uneven institutional modernization working against the possibility of a civilian democracy. A generation of such effort in Latin America did much to create there the present collection of military dictatorships.

6. Zaire under Mobutu has institutionalized a management crisis characterized by a yearly turnover of the cabinet and the 20–25 man Bureau Politique which rubberstamps the decisions. Notable Zairians fear a call to serve knowing the impossibility of progressive reform. A brilliant 1975 dissertation documents the lack of correlation between government structure and its activity. A recent paper by another scholar shows the gap between decision-making and action. External resources will not alter these forms of paralysis, for it is largely external processes that led to their creation.

7. Mobutu is reportedly on Fortune's list of the world's wealthiest. The example of corruption set at the highest level is emulated at every level below him.

8. Private interests in Zaire have suffered enormously in four years of Mobutu's jerky policy reversals. The march toward a fascist form of state capitalism since 1973 has vastly increased the field for corruption and the black market. One cannot claim on business terms that this is an economic environment worth maintaining.

9. Public and private international banks naturally want to assure the sanctity of their Zaire portfolios. It is hard to see why the American taxpayer should bail out these bad loans via bilateral aid to Zaire. Risk is, after all, the reason why banks are permitted to charge interest. Altering the rules by dunning the U.S. taxpayer will encourage even further irresponsibility by all concerned.

IN SUM

By conceiving of Zaire essentially as Mobutu and resources, the Executive branch and much of the media have created a fundamentally false picture of a highly corrupt, unstable, and complex society facing very basic structural and historical change. Myths and massive foreign aid can perhaps put this transition off a few months or years. But it is massive external aid and trade that has caused and sustains Zaire's most basic problems.

The most critical lessons of Vietnam seem still unlearned by an Executive branch which perceives reality as undimensional and ahistoric. Washington is still without historical frameworks that show processes unfolding and the system at work that sustains wealth and poverty. It is still without the crosscultural sensitivity to understand that words like army or government carry different operational meanings in different societies.

SOME RESEARCH SUGGESTIONS AND GUIDES TO LITERATURE

Herbert Weiss, testimony of March 28, 1977 before the Subcommittee on Africa, House International Relations Committee.

David Gould, "From Development Administration to Underdevelopment Administration: A Study of Zaire. . . .", paper for ASPA (American Society for Public Administration) Atlanta conference 3-30—4-2-77.

Guy Gran, "Policy Making and Historic Process: Zaire's Permanent Development Crisis", paper presented at the African Studies Association meeting, Boston, November 4, 1976.

Stephen Weissman, Statement before the Subcommittee on Africa of the Committee on International Relations, House of Representatives, April 28, 1977.

OUR MAN MOBUTU

At the close of an obscure and otherwise customarily dull congressional hearing last week, a State Department aide startled the lone remaining senator, Dick Clark, Democrat of Iowa, with an interesting little revelation. By the way, the official added almost as an afterthought, the Carter administration wanted Congress to approve $30 million worth of M-60 tanks and armored personnel carriers for the regime of Zaire's President Mobuto Sese Seko, who already is getting $13 million in special "non-lethal" U.S. aid to wage a shadowy guerrilla war in the country's copper-rich Shaba Province.

Amid the controversy (and some incredulity) that followed, President Carter himself retreated to equivocation, by saying it was "highly unlikely" he would approve the tank deal. But the incident remained an apt reminder of the larger historical folly of American policy toward Zaire, and of the hypocrisy of the new administration in resting its ostensibly new African diplomacy on our old friend Mobuto. Since 1962 Washington has poured $350 million in public economic and military aid into the large central African state, while the CIA has paid more than $150 million in covert money directly to General Mobutu.

What is the monument to our patronage? Potentially one of the richest countries in Africa, with vast natural resources, for a decade one of the chief aid recipients in Africa, Zaire remains an unrelieved calamity of poverty and exploitation. Between 1960 and 1970 it recorded almost no tangible economic growth. In 1973 the UN chose Zaire, for all its mineral wealth, as one of the truly destitute nations of the third world.

The plight of the average Zairean, of course, is not readily visible in the person of General Mobutu, who personally pockets Western corporate kickbacks as well as the CIA money, whose family controls a private monopoly over the nation's huge and still untapped diamond deposits, and whose ethnic-tribal dictatorship simply murders or imprisons internal critics. Now in conspicuous disarray fighting in Shaba, Mobutu's army, trained and armed by the USA, is a vivid emblem of the regime's squalor. Diplomatic folklore brims with stories of this force manqué, as when a multi-million-dollar US paratroop training program in the 1960s climaxed when a demonstration for VIPs in which the elite brigade took off to stage their drop, only to discover over the site that they had forgotten their chutes. But the latest "Congo follies," as they are known in the State Department's more cynical precincts, are not so comic-opera amusing. While Mobutu's corruption and Zaire's poverty deepened, the army was purged of all but the general's regional and tribal serfs, whose continuing loyalty in an officially bankrupt government was purchased by periodic authorized episodes of plunder and looting, mainly at the expense of traditional tribal rivals. Many observers worry that if Mobuto does manage to subdue the Shaba rebellion, with U.S. and French aid, the sequel will be a brutal episode of repression and conceivably even genocide among local tribes suspected of sympathy for the invaders.

As it is, the army frequently takes matters into its own hands. Uniformed Zairean troops actually broke into the US Consulate in Lubumbashi on July 4, 1976, and, presumably in their own celebration of the American bicentennial, lifted $10,000 in local currency. The Ford administration buried official reports of the incident. The Lubumbashi caper drew only a tame protest from Washington at the time. A generation of money and careers invested in Zaire (much as in Vietnam) has spawned an officialdom in State and the Pentagon who instinctively look the other way when Mobutu & Co. savage their own people, or dip into the petty cash of US consulates. But Washington's devotion is not only a matter of bureaucratic indulgence. The CIA needs to show both the Russians and rival US agencies that it can still "run" a decent little operation (and keep its client in power), after the 1975-76 debacle in neighboring Angola. And beyond the intelligence game, there are powerful American economic interests, beginning with the Chase Manhattan Bank, who wish to keep Mobutu atop the mess, if only because a successor regime might naturally repudiate the hundreds of millions in international debts (the exact figure is a guarded corporate and official secret) incurred by Zaire over the past decade. So CIA clandestine subsidies are painstakingly laundered, then spent hiring mercenaries to shore up Mobutu's combat-sharp veterans; corporate pressure mounts on the State Department for more military aid; and officials who talks about the large and small scandals of the policy are openly fearful of career reprisals if their dissent becomes known within the government. In miniature—and with all the obvious differences in time and place—it is uncomfortably reminiscent of Southeast Asia. With nervous chuckles, officials refer to Kinshasa as "Saigon noire."

The M-60 backtracking suggests that the administration probably is not going to wade much deeper into the Zaire swamp. But the more important point is that the US has no good reason to go on supporting the Mobutu regime at all. Whoever the Shaba invaders may be (the evidence is that they are mostly embittered Zaireans Mobutu and the CIA sent into Angola in 1975), however they are backed (probably by the Soviets and Cubans as well as Mobutu opponents in Zaire), whatever their goals (probably the overthrow of Mobutu), then are exploiting an authentic popular agony in Zaire that will explode later if not now. Once again, by sheer inertia, we are on a losing side with neither principle nor national interest to justify the sacrifice. Jimmy Carter should stop a good deal more than a few symbolic tanks.

ROGER MORRIS.

THE 10TH OF MAY: ROMANIA'S INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ADDABBO) is recognized for 5 minutes.

Mr. ADDABBO. Mr. Speaker, the traditional day of the Romanian people is the 10th of May. On this day for years, the Romanians have commemorated the achievement of the nation's independence and the founding of the Kingdom of Romania.

This year, the commemoration has a special significance marking the centennial anniversary of Romania's independence, won on the battlefields of the 1877 war against the Turks. Since that time and until the end of the Second World War, Romania made striking economical and social progress, including massive agrarian in 1918, when practically all land in the nation was distributed to those who would till it.

But in the last 30 years, since the takeover of the Communist regime, the Romanian people do not enjoy a true independence.

Since the traditional observance of the holiday has been suppressed by the Communist regime in Romania, with the obvious intent of weakening the will for freedom, it has been our custom in the House of Representatives to express to the world the added meaning of the commemorative day as a means of keeping alive sacred traditions.

I would like to insert into the RECORD a brief summary of the national history of the Romanian people and the celebration of the 10th of May which marks three great events in Romania's history.

Mr. Speaker, I insert this document in the RECORD at this point:

THE TENTH OF MAY: RUMANIA'S INDEPENDENCE DAY

The Tenth of May is the national holiday of the Rumanian people, celebrating three great events of its history.

On May 10, 1866, Charles, Prince of Hohenzollern-Sigmaringen, a scion of the Southern and Catholic branch of the Prussian royal family, was proclaimed in Bucharest Prince of Rumania, and thus founded the Rumanian dynasty. It was the successful outcome of the nation's long struggle to acquire the right of electing as its sovereign a member of one of the Western non-neighboring reigning families in order to put an end to the strifes and rivalries among native candidates to the throne. This ardent wish, though officially expressed as far back as 1857 by the Moldavian and Wallachian Assemblies—the "Ad-hoc Divans"—convened as a result of the Paris Treaty of 1856, was nevertheless opposed by the Russian and Austrian empires, equally disquieted by the growth in power and prestige of the young bordering nation they both secretly hoped to absorb some day. It was due to unrelenting efforts made and wise steps taken by Rumanian patriots, and also to the constant diplomatic assistance of Napoleon III, Emperor of the French (to whom Prince Charles was related through the Beauharnais and Murat families) that all political obstacles were gradually removed and what was to be the prosperous and glorious reign of Charles I could be inaugurated on May 10, 1866.

Eleven years later, on May 10, 1877, during the turmoil of the Russo-Turkish War, the Principality of Rumania, until then nominally a vassal of the Sultan, proclaimed her independence by severing the old and outdated bonds that linked her with the Ottoman Empire. This independence had to be fought out on the battlefields south of the Danube, where the young Rumanian Army, as an ally of Russia, played a noteworthy part in the defeat of the Turkish forces. The Congress of Berlin of 1878 confirmed Rumania's independence and conferred Europe's official recognition, a bright page in the country's dreary history though marred unfortunately by the loss of Bessarabia, cynically wrenched by Czar Alexander II and his government from the ally who helped them obtain victory over the Turks.

Another four years elapsed after the Rumanian people had proclaimed their independence and a further step was taken as they decided to raise their country to the rank of a kingdom. On May 10, 1881, Charles I was crowned, by the will of his people, King of Rumania. A prosperous era, which lasted over six decades, opened on that day for the nation. Its apex was attained when national unity within the historic boundaries was reached after World War I. The socially progressive country had now become a factor of peace and equilibrium in the South-East of Europe.

During all those years and up to the present time, Rumanians have cherished and revered the Tenth of May as their national holiday, the anniversary of happy and glorious events in their history, in which achievements of Monarchy and people were interwoven. It remains the symbol of their permanency and perseverence through woes and hardships to reach the ultimate end of freedom and well being.

The ruthless foreign rule which now oppresses the Rumainan nation has not been able to uproot the peoples attachment to the traditional celebration of the 10th of May. In order to try and alter at least its significance, official celebrations were shifted from the 10th to the 9th of May, anniversary of the Soviet victory. But, though flags are now hoisted on May 9th, Rumanians in their captive homeland celebrate in their hearts the following day, awaiting with faith and courage the dawn of new times, when freedom shall be restored to them.

THE NEED FOR SAFE SCHOOLS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 15 minutes.

Mr. BINGHAM. Mr. Speaker, recently, I received another of the constant cries for help voiced by the deteriorating school system of New York City. During the past 3 years, the board of education of the city of New York has tried repeatedly to obtain some sort of financial assistance to help combat crime in the city's schools. I have been involved directly with this fight, having introduced the Safe Schools Act as early as 1971. In January of 1974, my Safe School Study Act was passed by Congress, which directed the Department of Health, Education, and Welfare to spend 2 years analyzing the problem of crime in our Nation's schools. This study is now in its final stages and should be completed by August 31, 1977.

Although the safe school study was a step in the right direction, it still will only provide us with information and analysis. It will not provide funding or relief for many of our Nation's schools which are dangerously disrupted by crime and criminal offenses. It will not suggest methods of combating or coping with delinquency. It also will not suggest a remedy for the fears experienced by the students and faculty who are victimized by the crime-infested atmosphere. Because of this, I have continued to push for enactment of the Safe Schools Act in the 95th Congress. H.R. 193, the Safe Schools Act of 1977, would amend the Elementary and Secondary Education Act of 1965 to allow funding for anti-crime measures. I am sure that the educational community, in both urban and nonurban areas around the country, would appreciate this kind of financial relief if it was made available to them.

The plight of the New York City School System and many other big city systems is twofold: not only is crime on the increase in the schools, but because of New York City's financial problems, staff has also had to be cut back. The letter I recently received from the chancellor of the board of education of the city of New York, Mr. Irving Anker, says in part:

The impact of crime and violence becomes more evident daily in our city. The New York City school system has been affected more severely than perhaps any other large urban institution. During the two-year period between 1973–74 and 1975–76, incident reports received by the Board of Education's Office of School Safety increased 174.4 percent. Because of critical budget stringencies, however, monies for school security were reduced by 44 percent, resulting in a 61 percent cut in school safety officers.

These statistics are staggering. Mr. Anker also included a breakdown of the problems of coping with school crime, and some very troubling statistics compiled by the New York City School System's own study on crime. I am including this report at the end of my statement as I am sure that many of my colleagues will find it of interest:

NEW YORK CITY SCHOOL SAFETY PROGRAM

1. *Statement of problem*

1.1 Incidents of School Violence

The number of incidents in New York City public schools, based upon those reported to the Office of School Safety, has increased approximately 174.4 percent in the past two years. Since many incidents remain unreported, the actual figure of incidents which occur would be much higher. "Incidents," as categorized by the Office of School Safety, include assault, robbery, trespass, narcotics, sex offense, illegal possession of weapons, disorderly conduct, reckless endangerment, extortion, disturbance, criminal mischief, harassment, larceny, fire, bomb threats, arson, demonstrations, gang fights and others.

Increases in incidents in New York City public schools from 1973–74 to 1975–76 are summarily presented as follows:

TOTAL NUMBER OF INCIDENTS RECEIVED BY THE OFFICE OF SCHOOL SAFETY, SCHOOL YEAR 1973–74 AND 1974–75 AS COMPARED TO SCHOOL YEAR 1975–76

	1973–74	1974–75	1975–76
Total number of incidents	3,971	6,817	10,896
Increases, year to year (percent)		+71.7	+59.8
Total increase (percent)		+174.4	

1.2 Vandalism

Widespread reports on the rise of school vandalism constantly appear in newspapers and on news broadcasts. The situation, which has recently become a source of nationwide concern, has plagued New York City public schools for many years. "Vandalism Replacement Costs" have been computed by the Division of School Buildings since 1969. Figures represent the replacement costs of broken glass, unlawful entries and fires. Other items, including defacing walls and furniture, breaking fixtures and furniture, among others, are not included.

Vandalism replacement costs for the past three calendar years, 1972–75, totaled $12,719,494. A review of the available data indicates a significant inverse correlation between vandalism replacement costs and the number of School Safety Officers employed.

1.3 Fear

Reports of fear of attending and working in New York City schools have become commonplace. The causes were well summarized in a WCBS–TV News Editorial aired on May 12, 1975 at 6:55 p.m.:

"Violence is stalking the schools. Teachers and students are being victimized by brutal assaults, robbery, rape, and even murder in the halls and classrooms of the nation's public schools. And, according to a Senate subcommittee, the situation is getting worse. In fact, New York City police have reported the arrests in city schools went up 95 percent last year."

Accounts of personal fear in New York

City schools, as expressed by students, parents, teachers and other school personnel, bulge from the files of the Board of Education's Office of Public Affairs. The media abounds with statements such as the one appearing in an article in the New York Teacher (October 3, 1976, p. 15): "Teaching in New York City schools has become one of the most dangerous professions in the country due to staff cuts which have opened the door to increased violence. Parental protests against the cuts in guards have given rise to demonstrations, such as one in front of Public School 306 in East New York, where signs being carried read: "Children are Human. Money isn't. Save a life." Students in violence-plagued schools increasingly cite fear as the main reason for increases in cutting, absenteeism and even permanent dropout. Numerous victimized students, as well as teachers, have refused to return to their schools. Learning ceases when fear prevails.

1.4 Budget Reductions

The budgetary constraints placed on the New York City Public Schools during the 1975–76 school year are dramatically reflected in the reduction in School Safety Officers, and the spiraling number of incidents of school violence and vandalism. This pattern has continued in 1976–77.

A reduction of 1,385 School Safety Officers in New York City Public Schools has resulted in the past year. On a borough-wide basis, reductions in School Safety Officers have occurred, as follows:

Borough	Number of school Safety officers [1] 1974–75	1975–76	Change	Percent change
Manhattan	400	182	−218	−55
Brooklyn	885	302	−583	−66
Queens	426	188	−238	−56
Bronx	445	166	−279	−63
Staten Island	108	41	−67	−62
Total	2,264	879	−1,385	−61

[1] Figures are approximate, based upon community school district reallocations of school safety officer hours, and, therefore, The number of persons employed.

During the past year, the services of School Safety Officers were cut 44%, in terms of dollars, as shown below:

School level	Budget 1974–75	1975–76	Reduction	Percent change
High schools	$5,100,937	$2,856,721	$2,244,216	−44
Community school districts	3,028,502	1,694,146	1,334,356	−44
Total	8,129,439	4,550,867	3,578,572	−44

The reductions in school safety staff, compounded by those in the numbers of teachers, paraprofessionals, guidance counselors, supervisors and other school personnel, support the drastic increase in school incidents which are presently occurring in New York City Schools (see Item No. 1.1). In no other city agency can figures as devastating as the above-cited be provided.

1.5 Impact of Problems on Students, Staff, and Schools

The devastating effects of the increase in school violence resulting from severe decreases in School Safety Officers include, but are not limited to, the following:

1.5.1—Loss in instructional time, and decrease in student achievement levels, resulting from increased incidence of school violence.

1.5.2—Increase in number of students and teachers victimized in public schools.

1.5.3—Increase in rate of student cutting, absence and dropout.

1.5.4—Transfer of students to private schools and movement out of city.

1.5.5—Increase in number of court cases resulting from assaults on students and teachers.

1.5.6—Increase in number of "Leaves of Absence" applied for by experienced staff members.

1.5.7—Public adverse criticism of and rapid decline in support of public school education.

II. STATEMENT OF NEEDS

There is a need to provide school safety services in New York City Public Schools, to reduce the sharply increasing number of incidents of violence, which have resulted to the endangerment of students and staff, as a result of budgetary reductions from 1974–75 levels.

There is a need for approximately 1,000 additional School Safety Officers in New York City Public Schools.

There is a need to provide additional School Safety personnel in high schools and community school districts (elementary/junior high/intermediate schools) in accordance with incident occurrences and school registers.

There is a need to provide schools with trained and skilled School Safety Officers, under the direction of experienced supervisors, to: patrol school buildings; enforce school regulations; eliminate and prevent the entry of intruders; respond to emergencies; and, perform other functions as to improve the safety of students and school personnel during instructional hours.

III. OBJECTIVES

(A) By the conclusion of the project period of July 1, 1977 to June 30, 1978, the rate of increase of reported incidents of crimes committed in and around New York City school properties will have been decreased by 50% as a result of increasing the number of school security officers by 1,000, as measured by intensive data collection and analysis of reported school incidents.

(B) By the conclusion of the project period of July 1, 1977 to June 30, 1978, the rate of apprehension of trespassers and intruders in the schools, as well as of those who commit assaults against students and staff, will have been increased by 35%, as a result of increasing the number of school security officers by 1,000, as measured by intensive data collection and analysis of reported school incidents.

IV. IMPLEMENTATION OF PROJECT—ACTIVITIES

The program will be implemented and supervised by the Office of School Safety of the Division of Community School District Affairs of the Board of Education of the City of New York.

Specific procedures for screening of personnel, placement, etc., will be developed in accordance with those currently used by the Office of School Safety. Personnel will be recruited, screened and hired in accordance with the procedures of the Division of Personnel and Office of School Safety.

In view of the need for personnel sensitive to the variety of factors comprising the school environment, a full-time summer training program will be implemented by the Office of School Safety. All newly-hired safety officers will be given training in, and made sensitive to the special problems and conditions which might be encountered in incidents relating to school crime.

The Director of the Office of School Safety, Mr. Carleton Irish, will supervise and coordinate all project activities. Mr. Irish is the former Director of the Mayor's Education Task Force. A graduate of New York City Public Schools, Mr. Irish received a Bachelor of Science degree from John Jay College of the City University of New York. In addition, he has attended the City College School of Business Administration. Mr. Irish entered the Police Department in 1954 as a patrolman. In 1966, he won the assignment of Community Relations Specialist and Aide to the Office of the Assistant Chief Inspector. Mr. Irish's extensive experience as liaison between the Department and community groups qualified him for this assignment. Mr. Irish became Director of the Office of School Safety on July 15, 1975.

V. EVALUATION

The program will be evaluated by the Office of Educational Evaluation, in cooperation with the Office of School Safety.

VI. COMMENTS

It is already evident that City budgeting restrictions for 1977–78 will have an even greater devastating impact on the number of School Safety Officers in New York City Public Schools, with a related increase in school violence and vandalism. It is evident that teachers cannot teach and children cannot learn unless a climate for instruction exists. Financial assistance from funds provided under the Juvenile Justice and Delinquency Act of 1974 and Omnibus Crime Control and Safe Streets Act of 1968, as amended, is critically needed in order to maintain a school environment conducive to learning.

THE URUGUAYAN MILITARY DICTATORSHIP CONTINUES ITS REPRESSION OF HUMAN RIGHTS, BUT NO LONGER WITH THE SUPPORT OF THE UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 15 minutes.

Mr. KOCH. Mr. Speaker, last year I secured a ban on military aid to Uruguay, because of the repression there. I was pleased when, earlier this year, the Carter administration affirmed my position when it announced the continuation of that ban on military aid. While the effect of that cutoff was somewhat blunted by the comments of the U.S. Ambassador in Montevideo, that Ambassador has now finished his tour in that country. Hopefully, the United States can begin anew its relations with Uruguay. What then is the prospect for relations with Uruguay?

The United States has taken some encouraging steps with regard to the human rights issue in Uruguay. We supported efforts to have the OAS Inter-American Commission on Human Rights conduct an onsite investigation in Uruguay. While Uruguay rejected that request, I want to commend the Chairman of the Human Rights Commission, Mr. Andres Aguilar, for his forthright efforts to pursue this investigation. Human rights is an international concern shared by all peoples, and Mr. Andres Aguilar is demonstrating that the international mechanism for the observance of human rights can work.

The United States should continue its efforts to disassociate itself from the Uruguayan regime's repression by appointing a new ambassador who will carry a firm and open commitment to the protection of basic human rights. Because of past U.S. policy in the country, the new U.S. Ambassador's task will not be an easy one: The job will require a

person with both diplomatic skill and a strong concern for human rights.

The sad fact remains that the Uruguayan military dictatorship is still out of control and terrorizing its own people. While only the Uruguayan people themselves can put an end to that madness, the force of international opinion, with the United States taking the lead, can pressure the Uruguayan regime to put limits on the degree of the repression meted out. Nowhere is this more clearly documented than in the story that one Uruguayan has told of his kidnaping, imprisonment, and subsequent release. Although the Uruguayan military has all the guns and uses torture to intimidate the populace, international opinion and outrage hangs over the scene, providing the only protection of human rights now available. What also emerges from this account by Enrique Rodriguez Larreta, as published in LeMonde of April 9, is that the Uruguayan and Argentine military and police are cooperating very closely in their campaign of terror. Because of this "internationalization of terror," it is all the more important that the United States do its fair share in providing political asylum to those South American exiles who are now in Argentina.

I am appending the article from LeMonde so that my colleagues can get a better idea of how the repressive apparatus operates in Uruguay and how important it is to continue to speak out on this issue of human rights. The article follows:

AN EYE-WITNESS ACCOUNT OF REPRESSION: "I WILL KILL YOU WITH MY OWN HANDS * * *"

More than sixty Uruguayan refugees were arrested during 1976 in Argentina. Certain of them, including Zelmar Michelini and Hector Gutierrez, two former parliamentarians, were assassinated. Others disappeared without a trace. Most of them appear to have been returned forcibly to Uruguay.

At the end of November 1976, the security forces announced in Montevideo the discovery of a "subversive movement" and the detention of sixty-two individuals. Fourteen of them, whose names were mentioned, had in fact been detained during the month of July in Buenos Aires. Mr. Enrique Rodriguez Larreta shared their fate. He reveals the underside of an affair which says a great deal about the internationalization of repression in the Southern Zone.

"If you ever talk", said General Amaury Prantl, "I will kill you with my own hands, even if I have to go to the ends of the earth to do it". But Mr. Enrique Rodriguez Larreta, abducted from Buenos Aires on July 14 and released in Montevideo on December 22, is not a man to be intimidated, even by the head of Uruguayan Defense Intelligence (SID). He has talked, and at length, risking possible reprisals against his son and his daughter-in-law, still in prison.

Mr. Rodriguez Larreta's son, a former student leader, disappeared on June 30 in Buenos Aires where he had been living as a refugee; it was while searching for him that Mr. Rodriquez Larreta was caught up in the gears of the repressive machinery. In the days following the disappearance, he made numerous efforts to find his son through the courts, and the political, military, and religious authorities. He even went to the Supreme Court. A judge attempted to deter him from continuing the search: "We have on file six thousand petitions for habeas corpus!" A lawyer was to present yet another on his behalf.

On the night of July 13, several armed men forced open the door and burst into the apartment where he was staying in Buenos Aires with Raquel, his son's wife. With their hands tied and blindfolds over their eyes, they were thrown into a car. A short while later, they found themselves in a large room with around twenty people. Mr. Rodriguez Larreta recognized the voices of his son, of Margarità, the daughter of Senator Michelini (assassinated in May), of Gerardo Gatti and Leon Duarte, two former union organizers. . . All of the Uruguayans that had disappeared during the days preceding were assembled there.

WITH SAINT PETER

Screams emanated from an upper floor. The captors—Argentine police and Uruguayan military personnel—came and went, bringing with them battered bodies. Then it was Rodriguez Larreta's turn: he was suspended by the wrists, his arms bound behind him, several centimeters from the floor. Between one electric shock and the next, the questions flew like sparks: questions about his links with the Party for the Victory of the People, those of his son, and of his daughter-in-law. "We are going to wash all of your heads". The captors hurled threats at the group of prisoners as they set up a large tank in the middle of the room and filled it with water. Mario Roberto Santucho, the guerilla leader, had just been killed during a shoot-out. They forced his sister Manuela, who was among the detainees, to read aloud the official communique; and they threw themselves upon Carlos, the brother of the guerilla. Suspending him over the tank by his feet, they lowered him in—once, twice, ten times. He drowned to death.

On July 26, the Uruguayan prisoners were loaded into trucks. Over their heads, on wooden planks, the captors piled their booty, "captured"—as they said—"on the battlefield"; books, bicycles, typewriters, refrigerators, furniture, even disassembled cars. The trucks drove off, amidst screaming sirens, toward the metropolitan airport of Buenos Aires [Aeroparque] on the shore of the River Plate. A Uruguayan Air Force plane was waiting to shuttle the passengers across the river.

In Montevideo, the treatment improved—at least for Mr. Rodriguez Larreta. For the others, the interrogations and the torture sessions continued—now under the sole supervision of the SID officers. The dance was led by Colonel Guillermo Ramirez, whose presence was noted in Buenos Aires when Senator Michelini was murdered, and by Commanding Officer Gavazzo.

On August 26, the commanding officer suddenly changed his tune: we saved your lives, he told the dumbfounded prisoners; if we hadn't intervened, the Argentines would have "sent you up to play the harp with Saint Peter". That is why you have to help us justify your presence in Uruguay and cooperate in staging an attempted armed invasion. If you agree, the military courts will sentence you to from fifteen to thirty years in prison.

The prisoners refused to play this game. The commanding officer first threatened to send them back to Argentina, where—he assured them—they would be executed. Then he threatened to kill them himself. But they held out, for they had begun to sense that outside pressures were forcing the enemy to negotiate. Finally an agreement was reached.

At Shangrila, a seaside resort near Montevideo, the army rented a furnished bungalow. Five of the prisoners were taken there on the morning of October 23. In the afternoon, troops stormed the house and proceeded, before gaping onlookers, to arrest the "subversive cell". An officer yelled: "We'd better rip off something . . . Otherwise they'll think we're bluffing". At the same time, nine other "subversives" were "arrested" at hotels in downtown Montevideo. In reality, they were intelligence agents who had registered the night before under false names.

Once the show was over, the attitude of the captors changed. The prisoners were allowed to remove their hoods and blindfolds; finally they could see . . . and talk to one another. They were even allowed to walk around in the corridors and the patio of the house. Soon they discovered the address: 1488, Boulevard Artigas. They were at SID headquarters.

A SUBVERSIVE MOVEMENT

On October 28, the security forces began to broadcast a series of communiqués announcing the discovery of a "subversive movement" and the detention of sixty-two individuals. These individuals were reported to have all sorts of evil plans; specifically, they were accused of preparing to assassinate several military officers and political leaders. Yet they were not accused—was this forgetfulness on the part of the authors of the communiqué?—of possessing firearms.

The court proceedings began in December as planned. While his companions in misfortune were sentenced to prison terms—some for "subversive association" and others for "aiding and abetting a subversive association"—Mr. Rodriquez Larreta was set free.

"I accuse the Argentine and the Uruguayan governments", he says, "of forced entry, kidnapping, forcible departation, looting, smuggling, falsifying identity cards and official documents . . ." He stops. For even after the investigation which he carried out on both sides of the River Plate following his release, many questions remain unanswered. Where are Gerardo Gatti and Leon Duarte, who were tortured in Buenos Aires and do not seem to have been taken back to Montevideo? Where are the twenty or so Uruguays—including three infants—who disappeared in Buenos Aires in September and October, and about whom nothing is known? Are they "playing the harp with Saint Peter?"

AMBASSADOR ANDREW YOUNG

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Mrs. COLLINS) is recognized for 5 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, I take this time to give my unequivocable vote of confidence for the judgement and perceptions of the U.S. Ambassador of the United Nations, Andrew Young.

I am not overly surprised by the harsh and sometimes vitriolic criticisms that have been directed at Ambassador Young's positions and statements since his confirmation as a leading Cabinet member. The surprise that I have experienced is mitigated by my seasoned experience as a public servant forged by the wounds of battles fought in the political areas for change. It is clear to me that Ambassador Young is waging a war on a system of tradition and policy that begs for an injection of new thought and approach. Therefore, he is to be lauded and encouraged for his efforts, and I am proud to be one of his proponents.

In addition, I concur with Ambassador Young's statement that—

Because the American people pay taxes and die when we have had bad foreign policy, the American people should be involved in the thinking of that policy.

As servants of the people, the members of the three branches of our Government have a duty to the citizenry of our Nation to report the truth and to be stalwart in their positions of policy and philosophy. The statements and actions of Ambassador Young are proof positive that he is a man of courage and conviction. We need more servants with his virtue of veracity.

FEDERAL DISASTER RELIEF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. MEEDS) is recognized for 5 minutes.

Mr. MEEDS. Mr. Speaker, I have been actively involved in attempting to revise our Federal laws regarding Federal aid and assistance for victims of natural disasters. I, and especially the victims of natural disasters, would like to see our Federal efforts improved to the point of becoming truly responsive to the needs of these unfortunate victims.

Mr. Speaker, the fact of the matter is, Federal disaster relief in this Nation is a disgrace and a disaster in itself. Disaster relief laws must be overhauled. Victims should not have to be subjected to a second disaster; namely, the bungling efforts of the Federal disaster relief program coming to the victims in a package wrapped in redtape.

In December 1975, large portions of my congressional district in Washington State were struck by a massive flood, leaving a path of devastion and destruction. Several thousand people of the region were left homeless, without food, shelter or clothing. Croplands and dairy herds were completely destroyed. The local economy suffered severely. The response of the Federal relief program was slow, inadequate, and unduly burdensome.

Since these devasting floods in Washington State, other areas have suffered natural disasters, yet virtually nothing has been done to upgrade our disaster relief response.

Mr. Speaker, I should like to insert into the CONGRESSIONAL RECORD excerpts of an article taken from the May 1, 1977, issue of the Washington Post which once again exemplifies the unresponsiveness of the Federal disaster relief program. The article pertains to the Appalachian floods of early April 1977:

FLOOD VICTIMS BITTER OVER DELAYS IN U.S. AID

The flood swept across the Tug Valley and wide sections of Appalachian Virginia, Kentucky and Tennessee on April 4, destroying or damaging 18,000 homes and 1,600 business by Red Cross estimates. A quarter of a million families suffered major property loss.

The Tug Valley was not declared a national disaster area, making it eligible for federal assistance, until three days later. The delay led to widespread feelings that officials in Charleston and Washington underestimated the severity of the flood.

"It all started too slow. People suffered. They had lost their homes and everything they owned. They were without food and clothing," said Robert McCoy Jr., mayor of Matewan, W. Va., a town of 1,200 that lost half of its homes and almost every business.

When disaster assistance centers opened, flood victims found themselves waiting in lines for two full days and getting conflicting advice.

The most persistent criticism of the recovery effort was that there was a lack of policy-making leadership—especially on the federal level—on the scene in the crucial days after the flood.

It has been almost a month now since the waters of the Tug broke over their banks, causing the worst flood in the region's history and driving 2,100 families from their homes on the West Virginia side of the river alone. Yet it looks like the flood happened only days ago.

As late as Thursday, for instance, it had not been visited by a state health officials to determine if water is safe to drink, or if the flood-soaked homes in the area are a health hazard.

HUD was another matter, however. The agency is almost universally condemned in the flood areas. As of Friday, an official spokesman in Washington said it had 1,000 employees under its jurisdiction in the four-state flood area, but had placed only 85 of the 7,093 families still homeless by the flood in emergency housing.

The statistics alone are devastating. As of Friday, 26 days after the flood, only 85 of the 2,100 eligible families in West Virginia had been placed in temporary trailer houses and campers. Only 37 of the 95 applications for small business loans had been approved. Only five of the 3,481 applicants for individual and family assistance had been approved.

"All this dumb red tape stuff you have to go through is incredible," says another resident, Joan Carr, a college art teacher. "People have no transportation (many of their cars were lost in the flood). They have no homes, no clothes, and they have to mess around for weeks getting help."

There is an equally serious fear that many local businesses will have great difficulty bouncing back. Many lacked flood insurance, and fear they will be unable to repay the 6⅝ per cent interest rate now in force on Small Business Administration disaster loans. Other fear another flood.

Already, one factory, West Virginia Armature has pulled out of Williamson, a town of 8,000. The Booknook bookstore has announced it won't reopen, and Ralph Farmer, general manager of Citizens Motors, the local Plymouth-Chrysler agency, says there is "90 per cent chance we'll close."

Mr. Speaker, it is imperative that this suffering and anguish of natural disaster victims not be allowed to continue. Accordingly I commend to my colleagues a legislative package designed to combat the deficiencies in our Federal disaster relief aid and assistance program. These bills include the following:

First. H.R. 2838, to extend insurance coverage to all agricultural commodities.

Second. H.R. 2839, to allow Federal civil defense funds to be used by local civil defense agencies for natural disaster relief.

Third. H.R. 2840, to provide authorization of disaster recovery planning.

Fourth. H.R. 2842, to provide for reduced interest rates on disaster loans.

Fifth. H.R. 2843, to permit the deduction of certain farm losses in disasters.

Sixth. H.R. 2844, to assist farms in disasters.

LET US HELP THE SMALL TOWNS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HANLEY) is recognized for 5 minutes.

Mr. HANLEY. Mr. Speaker, I rise in order to associate myself with the remarks of the gentleman from Iowa regarding the set-aside within the newly created action grant program of one-fourth the moneys appropriated to be used for the relief of critical problems in the nonmetropolitan areas. We have in this bill a great deal of money which will be going to the relief of major cities and urban counties. The major focus of this legislation is on the urban centers of our national existence. There is no lessening of this fact and this realization by those who support the idea of this amendment which is to give some recognition to small towns and rural areas as having needy situations facing them, too.

While the increased moneys already scheduled for the nonmetropolitan discretionary fund will mean more money for these areas throughout the life of the bill, there is still merit to the inclusion of other than metropolitan areas and counties in this special fund. Surely, there is somewhere in this Nation a small city or township which in its struggle for survival will amply justify this action today. Perhaps in the dollars absorbed or the number of people helped a small town project may appear meaningless against the gage of big city problems. But let me assure you that the local problems of Main Street are every bit as important to the ideals and aspirations of this Nation as are the difficulties faced on Broadway or Knob Hill.

And, who knows, but that in the answers which HUD may develop in its dealings with the small towns there may be found remedies to apply to the big cities. For, after all, the problems of the cities are the problems basically of people who are acting in pursuit of a human nature common with their more rustic brothers. What motivates one to cope with local adversity may encourage another to fight on in hope of eventual success amid the skyscrapers.

At any rate, the small towns need a piece of the action, too. Let us give them a chance.

OSHA—THE BUSINESSMAN'S FRIEND

(Mr. SKUBITZ asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SKUBITZ. Mr. Speaker, I assume all of my colleagues received a copy of OSHA's April 29 letter and enclosures from Ms. Eula Bingham to the House of Representatives regarding what OSHA refers to as their revised regulations for State-administered "onsite consultation programs."

After reading the first line of that letter, I could not put my copy down. That line begins:

In response to the wishes of Congress and because of our desire to assist employers, particularly small businesses . . .

I immediately had visions of OSHA inspectors walking into the offices of small businessmen in my district and greeting those folks with a big smile and a hearty "Hi, I'm from OSHA and I'm here to help you." Knowing what the response of small businesmen in my district would be, I thought had better read on.

Before I finished the first page I learned that OSHA currently has a program that helps State governments finance "little OSHA's" on a 50–50 basis. These little OSHA's run "consultation programs" under contract to big OSHA.

Assistant Secretary Bingham expressed concern in her letter because only 13 States have taken OSHA up on their proverbial "deal you can't refuse." Rather than analyzing their "consultation program" to determine why it has been received with the same enthusiasm generally accorded the plague, OSHA has decided the answer is to kick in more Federal money. The new regulations propose a 90–10 Federal to State split. Sure this new twist will have States beating down the door to get money for their own little OSHA's, Ms. Bingham says in her letter:

Many employers, particularly those owning small business establishments, have pointed out the need for assistance in understanding and implementing OSHA's regulations. This proposal is designed to encourage such assistance by the States.

After reading that passage, my curiosity got the best of me—maybe OSHA really had a change of heart—so I ventured into the 26-page enclosure with baited breath.

Low and behold, what did I find? I found a program providing for a whole Foley of OSHA "consultants" who are supposed to scamper around and visit businessmen providing "advice and technical assistance" in a true spirit of friendship. OSHA even suggests the States promote this service through newspaper ads, magazines, direct mailings, telephone solicitations, and radio and TV announcements.

At this point I could take the suspense no longer so I immediately jumped to the back pages of the enclosed regulations, muttering: I wasn't born yesterday—I know a trap when I see one.

Sure enough—I read section 1908.5(6) titled Mandatory Referrals: "(1) Consultants shall not communicate with OSHA enforcement authorities except . . ."

Except when? Except when a serious violation or worse is observed says the "regs."

Realizing that type of help my constituent businessmen do not need, I read on to section 1908.5(d) and found what I consider to be the most disturbing section of all—it reads as follows:

Inspections. In the event of a subsequent Federal or State OSHA inspection of an employer who had an on-site consultation visit: (1) The opinions, suggestions, advice and interpretation of the consultant shall not be binding on the compliance officer and will not affect the regular conduct of the inspection, or preclude the finding of alleged violations or the proposing of penalties. The compliance officer shall not be bound by the consultant's failure to have identified specific hazards. The fact that the employer took advantage of the on-site consultation service shall not operate as a defense to any enforcement action.

I had always heard that Ms. Eula Bingham was fair, hard-working and conscientious. I sincerely hope she will not let the bureaucratic system at OSHA perpetrate further insults to our intelligence of this type. I cannot really believe OSHA describes this program as "in response to the wishes of Congress"—I would not wish this program on my worst enemy.

INQUIRIES TO COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT AND COMMITTEES RESPONSES

(Mr. FLYNT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FLYNT. Mr. Speaker, by direction of the Committee on Standards of Official Conduct, I am placing in the RECORD copies of two letters received by the Committee and the Committees responses thereto.

The letters are as follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., April 29, 1977.

Hon. JOHN J. FLYNT, Jr.
Chairman, Committee on Standards of Official Conduct, Rayburn House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Several months have passed since the appropriation of funds enabling your committee to make an extensive investigation into the alleged activities of the South Korean government with regard to members of Congress.

You certainly are aware of the continuing sentiment of many members that this investigation proceed with much haste and thoroughness.

It is precisely such an attitude that leads those of us who have signed this letter to ask what progress has been made by the committee to date. We would greatly appreciate it if you could provide us with some kind of status report, one that includes a proposed timetable.

We are aware investigations like this often take unpredictable courses making estimates of how long it will be to bring this matter to a conclusion difficult to approximate. Our action in inquiring about this should not be misconstrued to suggest a desire for anything less than a complete inquiry.

We would respectfully request a report in writing by May 30 advising as to progress so far, and including a date when we can expect a report from the committee with further information.

Sincerely,

Tom Harkin, Peter H. Kostmayer, Leon E. Panetta, Richard A. Gephardt, Berkley Bedell, Harold R. Volkmer, Anthony C. Beilenson, ——— ———, Joseph S. Ammerman, Norman D'Amours, Cec Heftel, Dan Glickman, Donald J. Pease, Ned Pattison, J. Burton, Richard Nolan, Jerry M. Patterson, Mark W. Hannaford, Norman Y. Mineta, Toby Moffett, Marty Russo, John J. Cavanaugh, Pete Stark, Tom Harkin, Ted Weiss, Edward J. Markey, John J. LaFalce, Geo. Miller, Allen E. Ertel, Robert J. Cornell, Jim Lloyd, Tom Downey, David L. Cornwell, Jim Mattox, John Selberling, Patricia Schroeder, ——— ———, Mike Blouin, Abner J. Mikva, Andy Maguire, Bruce F. Vento, Dave Bonior, Phil Sharp, Paul Tsongas, Marc Lincoln Marks, Mickey Edwards, Paul Simon, John Krebs, Dale E. Kildee, Robert W. Edgar, Jim Leach.

COMMITTEE ON STANDARDS
OF OFFICIAL CONDUCT,
Washington, D.C., May 6, 1977.

Hon. PETER H. KOSTMAYER,
Longworth House Office Building, Washington, D.C.

DEAR COLLEAGUE: We have your letter of April 29 signed by you and 50 other Members of the House supporting our Committee's efforts to conduct an expeditious and thorough investigation in accordance with House Resolution 252. Your letter seems to suggest, however, that the investigation has not been expeditiously pursued to date, and that assumption is patently erroneous. It may rest on confusion about the relevant facts or about the breadth and depth of the responsibilities conferred upon us by House Resolution 252.

You begin your letter by stating that "several months have passed since the appropriation of funds enabling" our Committee to conduct the investigation. This is not accurate. Although we endeavored to lay the groundwork for an investigation late in the 94th Congress and actually hired special counsel for this purpose, a number of delays beyond our control prevented the full implementation of our investigation until quite recently.

House Resolution 252 was adopted on February 9, 1977, but the funding resolution was not approved by the House until March 9. Although our special counsel was actively involved, prior to that time, in preliminary efforts to organize an investigation and to recruit a special investigative staff, we could not hire our special staff until the House made funds available for this purpose just two months ago. Because we were convinced that this investigation should be conducted by a thoroughly professional special staff, rather than by permanent employees of the House or by inexperienced applicants who might be immediately available, we and our special counsel carefully considered hundreds of possible staff members before selecting the lawyers and investigators who have been hired. All of these skilled professionals were employed in other positions when selected, and naturally they had to give adequate notice before leaving their other commitments to join us. As a result, our staffing was not possible until April.

Moreover, despite repeated requests, orally and in writing, going back to the end of the 94th Congress, it was not until the beginning of April that even temporary space was made available for our investigative staff, and long term space for the balance of the investigation is still not available to us.

In addition, much of the information that we must pursue is in the possession of the intelligence agencies. Before we can obtain access to it, appropriate security clearance procedures must be pursued. Although we initiated these procedures some time ago, they are time-consuming and are not yet completed.

Despite these difficulties the investigation is now in high gear. Many witnesses have already been interviewed and many more will be. Perhaps you do not appreciate the complexity of this investigation. As you know, the Department of Justice began its investigation more than a year ago, with the full resources of the Federal Bureau of Investigation available, yet we understand from published accounts that the Justice Department investigation may continue for up to another year. Our expectation is that our investigation will proceed more promptly.

It has been the Committee's intention to make periodic status reports to the House.

within the limits of propriety, and we plan to make our first report in early June. Be assured that our staff has been instructed to proceed expeditiously, but not to sacrifice thoroughness for haste.

You may feel free to share this letter with the other signatories of your April 29 letter.

Sincerely,

John J. Flynt, Jr., Chairman; Olin E. Teague; Charles E. Bennett; Lee H. Hamilton; Richardson Preyer; Walter Flowers; Floyd D. Spence, Ranking Minority Member; James H. Quillen; Albert H. Quie; Thad Cochran; and Millicent Fenwick.

94TH MEMBERS CAUCUS,
Washington, D.C., April 29, 1977.

Hon. JOHN J. FLYNT, Jr.,
Chairman, Standards of Official Conduct, Rayburn House Office Building

DEAR MR. CHAIRMAN: On behalf of my colleagues in the 94th Caucus, I would like to convey to you and to the committee our concerns about the investigation of improper Korean influence.

We are encouraged by the committee's desire to conduct a thorough and far-reaching investigation, as evidenced by the adoption of operating standards on April 21. There can be no doubt that only through professional and careful investigation will the Committee be able to assess whether disciplinary proceedings are justified.

Our concern lies in the estimate we received from Committee staff that preliminary investigations could take up to twelve months to complete. In our opinion, this is entirely too long. Nearly seven months have passed already since the Committee began to structure an investigation, and we can anticipate additional months in hearings, if warranted by the evidence coming out of the investigation. We have the desire as Members and the responsibility as Representatives to Congress to insure the credibility of the institution. The Committee on Standards of Official Conduct and the House must move swiftly to get the facts and to clear away suspicions that inhibit our effectiveness, both as individuals and as a legislative body.

We urge you most strongly to expedite the investigation and thereby reaffirm the determination of the Congress to maintain the highest standards of conduct for its Members. Please be assured of our support to that end.

Sincerely,

BERKLEY BEDELL,
Chairman, 94th Caucus.

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT,
Washington, D.C., May 6, 1977.

Hon. BERKLEY BEDELL,
Chairman, 94th Caucus, Longworth House Office Building, Washington, D.C.

DEAR COLLEAGUE: We are responding to your letter of April 29 sent on behalf of the Members of the 94th Caucus. We are pleased that the Caucus agrees that only a "professional and careful investigation" will serve the legitimate interests of the House and of the public.

Your letter states, however, that you are concerned about an estimate that "preliminary investigations could take up to twelve months to complete." This, you say, "is entirely too long." You further state that "seven months have passed already since the Committee began to structure an investigation."

Let us respond to these statements, with which we emphatically disagree. First, we are not aware of any staff estimate that "preliminary investigations" could take a year to complete, nor is our special counsel aware of any such estimate. On the contrary, it is our expectation that the pre-hearings phase of our investigation will take less time than you suggest.

Second, your expression of your "opinion" that a twelve month investigation would be "entirely too long" ignores the fact that the Department of Justice, which has been pursuing a similar but apparently more limited investigation for more than a year, seems to be of the view that it cannot responsibly complete its investigation for a period ranging anywhere from four to twelve months more—despite the availability to the Department of the ample resources of the Federal Bureau of Investigation.

Third, your reference to the passage of seven months since we began to structure this investigation is somewhat misleading. Despite our efforts, the funding authorization for this investigation was not approved by the House until March of this year, and it was not until that time that we were able to extend firm offers to the candidates for the investigative staff proposed by our special counsel. The special staff we have selected consists entirely of experienced prosecutors and investigators, and in light of their moral obligation to give fair notice before withdrawing from their other commitments, the special investigative staff members could not actually begin work until April of this year. As you know, however, in the interim our special counsel expended considerable efforts to organize the prospective investigation and to prepare the standards and guidelines for the investigation.

Moreover, in spite of repeated requests going back to the fall of 1976, and even temporary space was made available to us for an investigative staff until April. We still have not been able to move our staff into adequate quarters for the duration of its investigation.

In addition, much of the information that we must pursue is in the possession of the intelligence agencies. Before we can obtain access to it, appropriate security clearance procedures must be pursued. Although we initiated these procedures some time ago, they are time-consuming, and are not yet completed.

You may rest assured that the Committee and its special staff will move expeditiously to get the facts, whether or not the facts—as you presume—will "clear away suspicions that inhibit our effectiveness, both as individuals and as a legislative body." Nothing would do a greater disservice to the House and to the public than to conduct a hasty, slipshod investigation that purportedly dissipates "suspicions" only because it fails to pursue all pertinent evidence. A full and complete investigation is the plain directive of House Resolution 252, which as you recall was adopted by the House by a vote of 388 to 0.

You may be interested to know that it is our intention to submit periodic status reports to the House describing the general progress of our investigation. The first status report will be made in approximately one month.

Please feel free to share this letter with the other members of the 94th Caucus.

Sincerely,

John J. Flynt, Jr., Chairman; Olin E. Teague; Charles E. Bennett; Lee H. Hamilton, Floyd D. Spence, Ranking Minority Member; James H. Quillen; Albert H. Quie; Thad Cochran; and Millicent Fenwick.

CONFERENCE REPORT ON SENATE CONCURRENT RESOLUTION 19

Mr. GIAIMO submitted the following conference report and statement on the concurrent resolution (S. Con. Res. 19) setting forth the congressional budget for the U.S. Government for the fiscal year 1978 (and revising the congressional budget for fiscal year 1977):

CONFERENCE REPORT (H. REPT. No. 95-291)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 19) setting forth the congressional budget for the United States Government for the fiscal year 1978 (and revising the congressional budget for fiscal year 1977), having met, after full and free conference, have been unable to agree.

R. N. GIAIMO,
JIM WRIGHT,
R. LEGGETT,
PAUL SIMON,
BUTLER DERRICK,
OTIS G. PIKE,
DAVID R. OBEY,
WILLIAM LEHMAN,
JIM MATTOX,
MARJORIE HOLT,
RALPH S. REGULA,
Managers on the Part of the House.

EDMUND S. MUSKIE,
WARREN MAGNUSON,
ERNEST F. HOLLINGS,
ALAN CRANSTON,
LAWTON CHILES,
JAMES ABOUREZK,
HENRY BELLMON,
JAMES A. MCCLURE,
PETE V. DOMENICI,
H. JOHN HEINZ, III,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 19) setting forth the congressional budget for the United States Government for the fiscal year 1978 (and revising the congressional budget for fiscal 1977), report that the conferees have been unable to agree. This is a technical disagreement, necessitated by the fact that the revised deficit and public debt amounts for fiscal year 1977 are lower than the corresponding House and Senate provisions and the revenue figure in the substitute is greater than either the House or Senate provision.

It is the intention of the conferees that the managers on the part of the Senate will offer a motion in the Senate to recede and concur in the House amendment to the Senate-passed resolution with an amendment (in the nature of a substitute) consisting of the language agreed to in conference. Upon the adoption of such amendment in the Senate, the managers on the part of the House will offer a motion in the House to concur therein.

The managers on the part of the House and the Senate submit the following joint statement in explanation of the action agreed upon by the managers:

The substitute language which is to be offered as described above (and which should be considered the language of the concurrent resolution as recommended in the conference report for purposes of section 302(a) of the Congressional Budget Act of 1974)—hereinafter in this statement referred to as the "conference substitute"—is as follows:

That the Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1977—

(1) the recommended level of Federal revenues is $396,300,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $17,600,000,000;

(2) the appropriate level of total new budget authority is $503,450,000,000;

(3) the appropriate level of total budget outlays is $460,950,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $64,650,000,000; and

(5) the appropriate level of the public debt is $784,900,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $83,600,000,000.

SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares pursuant to section 301(a)(2) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1977, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):
(A) New budget authority, $118,500,000,000;
(B) Outlays, $111,000,000,000.
(2) International Affairs (150):
(A) New budget authority, $9,300,000,000;
(B) Outlays, $7,300,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $4,900,000,000;
(B) Outlays, $4,700,000,000.
(4) Natural Resources, Environment, and Energy (300):
(A) New budget authority, $20,700,000,000;
(B) Outlays, $20,000,000,000.
(5) Agriculture (350):
(A) New budget authority, $2,200,000,000;
(B) Outlays, $4,350,000,000.
(6) Commerce and Transportation (400):
(A) New budget authority, $20,000,000,000;
(B) Outlays, $19,400,000,000.
(7) Community and Regional Development (450):
(A) New budget authority, $8,200,000,000;
(B) Outlays, $10,800,000,000.
(8) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $26,800,000,000;
(B) Outlays, $27,200,000,000.
(9) Health (550):
(A) New budget authority, $47,900,000,000;
(B) Outlays, $44,300,000,000.
(10) Income Security (600):
(A) New budget authority, $179,900,000,000;
(B) Outlays, $146,700,000,000.
(11) Veterans Benefits and Services (700):
(A) New budget authority, $20,250,000,000;
(B) Outlays, $20,200,000,000.
(12) Law Enforcement and Justice (750):
(A) New budget authority, $3,700,000,000;
(B) Outlays, $3,850,000,000.
(13) General Government (800):
(A) New budget authority, $3,800,000,000;
(B) Outlays, $3,850,000,000.
(14) Revenue Sharing and General Purpose Fiscal Assistance (850):
(A) New budget authority, $9,800,000,000;
(B) Outlays, $9,700,000,000.
(15) Interest (900):
(A) New budget authority, $43,000,000,000;
(B) Outlays, $43,000,000,000.
(16) Allowances:
(A) New budget authority, $800,000,000;
(B) Outlays, $900,000,000.
(17) Undistributed Offsetting Receipts (950):
(A) New budget authority, —$16,300,000,000;
(B) Outlays, —$16,300,000,000.

SEC. 3. In the Third Budget Resolution for fiscal year 1977, the Congress provided for revenue and spending proposals designed to stimulate the Nation's economy in order to reduce unemployment. These proposals, together with recent indications of more vigorous economic growth in the private sector, provide evidence that the Nation's economy may be returning to the levels needed to provide jobs to millions of our unemployed.

The Congress recognizes, however, that unusual uncertainties surround the current economic outlook for 1977 and 1978—primarily, the economic impact of the stimulus proposals and the likelihood of continued economic growth in the private sector—and that additional time and information are needed to make final determinations with respect to fiscal policy for fiscal year 1978; and declares that, if economic recovery does not proceed satisfactorily during the months immediately following adoption of the First Budget Resolution for Fiscal Year 1978, it will be necessary to provide additional stimulus to the economy in appropriate amounts to be determined in the Second Budget Resolution for Fiscal Year 1978. On the other hand, if the recovery continues to show signs of long-term renewed growth, it may be desirable to reduce some of the economic stimulus provided for fiscal year 1978 in order to make more rapid progress toward a balanced budget.

SEC. 4. (a) Pursuant to section 304 of the Congressional Budget Act of 1974, the appropriate aggregate amounts for the fiscal year 1977 set forth in the first section of S. Con. Res. 10 are revised as follows:

(1) the recommended level of Federal revenues is $356,600,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $2,600,000,000;

(2) the appropriate level of total new budget authority is $470,200,000,000;

(3) the appropriate level of total budget outlays is $409,200,000,000;

(4) the amount of the deficit in the budget which is appropriate in light of economic conditions and all other relevant factors is $52,600,000,000; and

(5) the appropriate level of the public debt is $701,300,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $1,300,000,000.

(b) Pursuant to section 304 of the Congressional Budget Act of 1974, the allocations for the fiscal year 1977 made in section 2 of S. Con. Res. 10 are revised so that the appropriate levels of new budget authority and the estimated budget outlays for the various functional categories are as follows:

(1) National Defense (050):
(A) New budget authority, $108,800,000,000;
(B) Outlays, $98,900,000,000.
(2) International Affairs (150):
(A) New budget authority, $7,900,000,000;
(B) Outlays, $6,500,000,000.
(3) General Science, Space, and Technology (250);
(A) New budget authority, $4,500,000,000;
(B) Outlays, $4,600,000,000.
(4) Natural Resources, Environment, and Energy (300):
(A) New budget authority, $18,700,000,000;
(B) Outlays, $16,100,000,000.
(5) Agriculture (350):
(A) New budget authority, $2,300,000,000;
(B) Outlays, $4,500,000,000.
(6) Commerce and Transportation (400):
(A) New budget authority, $17,300,000,000;
(B) Outlays, $14,900,000,000.
(7) Community and Regional Development (450):
(A) New budget authority, $14,800,000,000;
(B) Outlays, $10,100,000,000.
(8) Education, Training, Employment, and Social Services (500);
(A) New budget authority, $30,400,000,000;
(B) Outlays, $20,900,000,000.
(9) Health (550):
(A) New budget authority, $40,600,000,000;
(B) Outlays, $39,000,000,000.
(10) Income Security (600):
(A) New budget authority, $167,700,000,000;
(B) Outlays, $137,100,000,000.
(11) Veterans Benefits and Services (700):
(A) New budget authority, $18,900,000,000;
(B) Outlays, $18,100,000,000.
(12) Law Enforcement and Justice (750):
(A) New budget authority, $3,500,000,000;
(B) Outlays, $3,600,000,000.
(13) General Government (800):
(A) New budget authority, $3,500,000,000;
(B) Outlays, $3,600,000,000.
(14) Revenue Sharing and General Purpose Fiscal Assistance (850):
(A) New budget authority, $7,600,000,000;
(B) Outlays, $7,700,000,000.
(15) Interest (900):
(A) New budget authority, $38,000,000,000;
(B) Outlays, $38,000,000,000.
(16) Allowances:
(A) New budget authority, $800,000,000;
(B) Outlays, $700,000,000.
(17) Undistributed Offsetting Receipts (950):
(A) New budget authority, —$15,100,000,000;
(B) Outlays, —$15,100,000,000.

BUDGET AGGREGATES

The budget aggregates for fiscal year 1978 would be as follows:

Revenues.—The Senate resolution provided for revenues of $395.7 billion. The House resolution provided for revenues of $398.094 billion. The conference substitute provides for revenues of $396.3 billion and, to achieve that level, provides that revenues should be decreased by $17.6 billion.

The conference substitute (1) assumes the level of fiscal stimulus in fiscal year 1978 provided in the Tax Reduction and Simplification Act as recently agreed to by House and Senate conferees; (2) accepts the House position of a $65 million allowance for miscellaneous tax and tariff legislation; and (3) accepts the Senate position for this First Budget Resolution that the entire cost of the earned income credit be reflected as a reduction of revenue. The conferees agree that the treatment of tax credits in excess of recipients' tax liabilities shall be considered *de novo* during the development of the Second Budget Resolution later this year.

Budget Authority.—The Senate resolution provided for total new budget authority of $504.6 billion. The House resolution provided for budget authority of $502.267 billion. The conference substitute provides for budget authority of $503.45 billion.

Outlays.—The Senate resolution provided for outlays of $459.2 billion. The House resolution provided outlays of $464.477 billion. The conference substitute provides for outlays of $460.95 billion.

Deficit.—The Senate resolution provided for a deficit of $63.5 billion. The House resolution provided for a deficit of $66.383 billion. The conference substitute provides for a deficit of $64.65 billion.

Public Debt.—The Senate resolution provided for a public debt level of $789.9 billion. The House resolution provided a public debt level of $792.714 billion. The conference substitute provides a public debt level of $784.9 billion.

ECONOMIC OBJECTIVES AND ASSUMPTIONS

The fiscal policy contained in the conference substitute is designed to maintain a sustained economic recovery. Enactment of the legislation assumed in the totals, in con-

junction with a supportive monetary policy, will provide the balanced expansion necessary to move the nation steadily towards full employment and a lower rate of inflation. The economic assumptions underlying the revenue and spending ceilings contained in the conference report are as follows:

[*Calendar year; dollars in billions*]

Item	*1978*
Gross National Product:	
Current dollars	2088
Constant (1972) dollars	1393
Incomes:	
Personal income	1690
Wages and salaries	1117
Corporate profits	188
Unemployment rate (percent):	
Calendar year average	6.5
Fourth quarter	6.3
Consumer price index (percent change, year over year)	5.4
Interest rate, 3-month Treasury bills (monthy average)	5.2

Functional Categories

NATIONAL DEFENSE (050)

The Senate resolution provided budget authority of $120.3 billion and outlays of $111.6 billion. The House resolution provided budget authority of $117.136 billion and outlays of $109.947 billion.

The conference substitute provides budget authority of $118.5 billion and outlays of $111.0 billion. This substitute assumes that financial adjustments can be made to the Administration's budget request in order to remain within these targets. Such adjustments may include a possible slowdown in projected foreign military sales, the utilization of prior-year unobligated funds to finance a portion of the FY 1978 program, a lower inflation rate from that now assumed in the Administration's budget, and a partial absorption of the October pay raise.

INTERNATIONAL AFFAIRS (150)

The Sente resolution provided budget authority of $9.3 billion and outlays of $7.3 billion. The House resolution provided budget authority of $9.543 billion and outlays of $7.397 billion. The conference substitute provides budget authority of $9.3 billion and outays of $7.3 billion. The conference substitute reflects a lower estimate of the activities of the Export-Import Bank than assumed in the House resolution.

GENERAL SCIENCE, SPACE AND TECHNOLOGY (250)

The Senate resolution provided budget authority of $4.9 billion and outlays of $4.7 billion. The House resolution provided budget authority of $4.930 billion and outlays of $4.737 billion. The conference substitute provides budget authority of $4.9 billion and outlays of $4.7 billion.

NATURAL RESOURCES ENVIRONMENT, AND ENERGY (300)

The Senate resolution provided budget authority of $20.5 billion and outlays of $19.9 billion. The House resolution provided budget authority of $20.950 billion and outlays of $20.677 billion. The conference substitute provides budget authority of $20.7 billion and outlays of $20.0 billion. The decrease in outlays from the House resolution is due primarily to aceptance of a recent lower estimate for outlays from prior-year budget authority in the EPA construction grant program.

AGRICULTURE (350)

The Senate resolution provided budget authority of $2.2 billion and outlays of $3.7 billion. The House resolution provided budget authority of $2.153 billion and outlays of $4.395 billion. The conference substitute provides budget authority of $2.2 billion and outlays of $4.35 billion. The increase over the Senate outlay level is provided for reestimates by the Administration of agriculture price support programs.

COMMERCE AND TRANSPORTATION (400)

The Senate resolution provided budget authority of $19.4 billion and outlays of $19.1 billion. The House resolution provided budget authority of $20.569 billion and outlays of $20.277 billion.

The conference substitute provides budget authority of $20.0 billion and outlays of $19.4 billion. The conference substitute permits increases in funding above current policy for transportation programs and for Small Business Administration credit assistance programs. Estimated outlays of the Highway Trust Fund are reduced from those included in the House resolution to reflect a lagging rate of obligations in fiscal year 1977.

COMMUNITY AND REGIONAL DEVELOPMENT (450)

The Senate resolution provided budget authority of $8.1 billion and outlays of $10.7 billion. The House resolution provided budget authority of $8.237 billion and outlays of $10.926 billion. The conference substitute provides budget authority of $8.2 billion and outlays of $10.8 billion.

EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES (500)

The Senate resolution provided budget authority of $27.1 billion and outlays of $27.0 billion. The House resolution provided budget authority of $22.739 billion and outlays of $27.756 billion. The conference substitute provides budget authority of $26.8 billion and outlays of $27.2 billion. The conference substitute assumes $3.8 billion in forward funding for the public service jobs program.

HEALTH (550)

The Senate resolution provided budget authority of $48.0 billion and outlays of $44.4 billion. The House resolution provided budget authority of $47.685 billion and outlays of $44.238 billion.

The conference substitute provides budget authority of $47.9 billion and outlays of $44.3 billion. The conference substitute assumes budget authority of $28.4 billion and outlays of $25.2 billion for the medicare program and budget authority and outlays of $11.5 billion for the medicaid program. The medicare and medicaid figures reflect the net effect of cost control savings and possible legislative improvements in medicaid. The conference substitute assumes budget authority of $8.0 billion and outlays of $7.6 billion for the remaining programs in the health function.

INCOME SECURITY (600)

The Senate resolution provided budget authority of $179.9 billion and outlays of $145.9 billion. The House resolution provided budget authority of $182.688 billion and outlays of $148.309 billion. The conference substitute provides budget authority of $179.9 billion and outlays of $146.7 billion.

VETERANS BENEFITS AND SERVICES (700)

The Senate resolution provided budget authority of $20.3 billion and outlays of $20.2 billion. The House resolution provided budget authority of $20.235 billion and outlays of $20.203 billion. The conference substitute provides budget authority of $20.25 billion and outlays of $20.2 billion.

LAW ENFORCEMENT AND JUSTICE (750)

The Senate resolution provided budget authority of $3.8 billion and outlays of $3.9 billion. The House resolution provided budget authority of $3.620 billion and outlays of $3.820 billion. The conference substitute provides budget authority of $3.7 billion and outlays of $3.85 billion.

GENERAL GOVERNMENT (800)

The Senate resolution provided budget authority of $3.8 billion and outlays of $3.8 billion. The House resolution provided budget authority of $3.891 billion and outlays of $3.991 billion. The conference substitute provides budget authority of $3.8 billion and outlays of $3.85 billion.

REVENUE SHARING AND GENERAL PURPOSE FISCAL ASSISTANCE (850)

The Senate resolution provided budget authority of $9.8 billion and outlays of $9.7 billion. The House resolution provided budget authority of $9.822 billion and outlays of $9.783 billion. The conference substitute provides budget authority of $0.8 billion and outlays of $9.7 billion.

INTEREST (900)

The Senate resolution provided budget authority of $43.0 billion and outlays of $43.0 billion. The House resolution provided budget authority of $1.069 billion and outlays of $43.000 billion. The conference substitute provides budget authority of $43.0 billion and outlays of $43.0 billion.

ALLOWANCES (920)

The Senate resolution provided budget authority of $0.8 billion and outlays of $0.9 billion. The House resolution provided budget authority of $1.069 billion and outlays of $1.021 billion. The conference substitute provides budget authority of $0.8 billion and outlays of $0.9 billion.

UNDISTRIBUTED OFFSETTING RECEIPTS (950)

The Senate resolution provided budget authority of —$16.6 billion and outlays of —$16.6 billion. The House resolution provided budget authority of —$16.000 billion and outlays of —$16.000 billion. The conference substitute provides budget authority of —$16.3 billion and outlays of —$16.3 billion.

BUDGET AGGREGATES AND FUNCTIONAL CATEGORIES, FISCAL YEAR 1978

[In billions of dollars]

	House passed	Senate passed	Conference agreement
Revenues	398.094	395.7	396.3
Budget Authority	502.267	504.6	503.45
Outlays	464.477	459.2	460.95
Deficit	66.383	63.5	64.65
Debt subject to limit	792.714	789.9	784.9
050—National Defense:			
Budget authority	117.136	120.3	118.5
Outlays	109.947	111.6	111.0
150—International Affairs:			
Budget authority	9.543	9.3	9.3
Outlays	7.397	7.3	7.3
250—General Science, Space, and Technology:			
Budget authority	4.930	4.9	4.9
Outlays	4.737	4.7	4.7
300—Natural Resources, Environment, and Energy:			
Budget authority	20.950	20.5	20.7
Outlays	20.677	19.9	20.0
350—Agriculture:			
Budget authority	2.153	2.2	2.2
Outlays	4.395	3.7	4.35

	House passed	Senate passed	Conference agreement
400—Commerce and transportation:			
Budget authority	20.569	19.4	20.0
Outlays	20.277	19.1	19.4
450—Community and Regional Development:			
Budget authority	8.237	8.1	8.2
Outlays	10.926	10.7	10.8
500—Education, Training, Employment, and Social Services:			
Budget authority	22.739	27.1	26.8
Outlays	27.756	27.0	27.2
550—Health:			
Budget authority	47.685	48.0	47.9
Outlays	44.238	44.4	44.3
600—Income Security:			
Budget authority	182.688	179.9	179.9
Outlays	148.309	145.9	146.7
700—Veterans Benefits and Services:			
Budget authority	20.235	20.3	20.25
Outlays	20.203	20.2	20.2
750—Law Enforcement and Justice:			
Budget authority	3.620	3.8	3.7
Outlays	3.820	3.9	3.85
800—General Government:			
Budget authority	3.891	3.8	3.8
Outlays	3.991	3.8	3.85
850—Revenue Sharing and General Purpose Fiscal Assistance:			
Budget authority	9.822	9.8	9.8
Outlays	9.783	9.7	9.7
900—Interest:			
Budget authority	43.00	43.0	43.0
Outlays	43.00	43.0	43.0
920—Allowances:			
Budget authority	1.069	.8	.8
Outlays	1.021	.9	.9
950—Undistributed Offsetting Receipts:			
Budget authority	−16.000	−16.6	−16.3
Outlays	−16.000	−16.6	−16.3

REVISED CONGRESSIONAL BUDGET FOR FISCAL YEAR 1977

The Senate resolution revised the Congressional budget for fiscal year 1977 to reflect the current budget situation. The revised budget aggregates and functional spending totals reflected adjustments in revenues of a technical nature; the latest estimates of budget authority and outlays, including the effects of shortfalls in outlay projections; and withdrawal of the President's proposal for rebates to taxpayers in excess of tax liability and special payments to non-taxpayers.

The House resolution revised the Congressional budget for fiscal year 1977 to reflect the withdrawal of the rebate for taxpayers and special payments to non-taxpayers.

The conference substitute provides revenues of $356.6 billion, budget authority of $470.2 billion, outlays of $409.2 billion, a deficit of $52.6 billion, and a public debt of $701.3 billion.

Reductions in the Fiscal Year 1977 Deficit

The effect of the above revisions is to reduce the fiscal year 1977 deficit by $17.15 billion to $52.6 billion.

BUDGET AGGREGATES AND FUNCTIONAL CATEGORIES, FISCAL YEAR 1977

[In billions of dollars]

	3d budget resolution	Conference agreement
Revenues	347.7	356.6
Budget authority	472.9	470.2
Outlays	417.45	409.2
Deficit	69.75	52.6
Debt subject to limit	718.4	701.3
050-National Defense:		
Budget authority	108.8	108.8
Outlays	100.1	98.9
150—International Affairs:		
Budget authority	7.9	7.9
Outlays	6.8	6.5
250—General Science, Space, and Technology:		
Budget authority	4.5	4.5
Outlays	4.4	4.6
300—Natural Resources, Environment and Energy:		
Budget authority	18.7	18.7
Outlays	17.2	16.1
350—Agriculture:		
Budget authority	2.3	2.3
Outlays	3.0	4.5
400—Commerce and Transportation:		
Budget authority	17.3	17.3
Outlays	16.0	14.9
450—Community and Regional Development:		
Budget authority	14.8	14.8
Outlays	10.55	10.1
500—Education, Training, Employment, and Social Services:		
Budget authority	30.4	3.04
Outlays	22.7	20.1
550—Health:		
Budget authority	40.6	40.6
Outlays	39.3	39.0
600—Income Security:		
Budget authority	170.9	167.7
Outlays	141.3	137.1
700—Veterans Benefits and Services:		
Budget authority	18.9	18.9
Outlays	18.1	18.1
750—Law Enforcement and Justice:		
Budget authority	3.5	3.5
Outlays	3.6	3.6
800—General Government:		
Budget authority	3.5	3.5
Outlays	3.5	3.6
850—Revenue Sharing and General Purpose Fiscal Assistance:		
Budget authority	7.6	7.6
Outlays	7.7	7.7
900—Interest:		
Budget authority	38.0	38.0
Outlays	38.0	38.0
920—Allowances:		
Budget authority	.8	.8
Outlays	.8	.7
950—Undistributed Offsetting Receipts:		
Budget authority	−15.6	−15.1
Outlays	−15.6	−15.0

ALLOCATIONS OF BUDGET AUTHORITY AND OUTLAYS TO HOUSE AND SENATE COMMITTEES

Pursuant to section 302 of the Congressional Budget and Impoundment Control Act of 1974, the conferees make the following estimated allocation of the appropriate levels of total new budget authority and total budget outlays for fiscal years 1977 and 1978 among the committees of the respective Houses:

SENATE COMMITTEE ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT

[In billions of dollars]

Committee	Direct spending jurisdiction		Entitlements requiring appropriations action [1]	
	Budget authority	Outlays	Budget authority	Outlays
FISCAL YEAR 1977				
Appropriations	319.7	276.1	----	----
Agriculture, Nutrition, and Forestry	1.5	.2	7.3	7.7
Armed Services	(2)	(2)	8.4	8.3
Banking, Housing, and Urban Affa'rs	.5	−2.1	----	----
Commerce, Science, and Transportation	.9	(4)	.2	.2
Energy and Natural Resources	.5	1.4	(4)	(4)
Environment and Public Works	3.7	.2	----	----
Finance	171.3	168.2	36.2	30.2
Foreign Relations	6.7	7.8	.1	.1
Governmental Affairs	20.7	13.3	----	----
Human Resources	4.1	4.1	2.3	2.2
Judiciary	.1	.1	.2	.2
Rules and Administration	(2)	(2)	----	----
Veterans' Affairs	1.0	.6	13.0	11.4
Indian Affairs	.3	.1	(4)	(4)
Small Business	(2)	(2)	----	----
Not allocated to committees	−60.8	−60.8	----	----
Total	470.2	409.2	67.8	60.2

Footnotes at end of table.

SENATE COMMITTEE ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT—Continued

[In billions of dollars]

Committee	Direct spending jurisdiction		Entitlements requiring appropriations action [1]	
	Budget authority	Outlays	Budget authority	Outlays
FISCAL YEAR 1978				
Appropriations	330.1	303.4		
Agriculture, Nutrition, and Forestry	.3	3.1	7.1	8.5
Armed Services	(2)	(4)	9.1	9.1
Banking, Housing, and Urban Affairs	2.1	−.3		(8)
Commerce, Science, and Transportation	1.0	(4)	.2	.2
Energy and Natural Resources	.7	2.1	(5)	(5)
Environment and Public Works	7.1	.2		
Finance	186.7	182.5	34.1	34.5
Foreign Relations	5.6	7.4		
Governmental Affairs	22.3	15.7	(8)	(8)
Human Resources	4.5	4.3	2.8	2.8
Judiciary	.2	.2	.1	.1
Rules and Administration	(3)	(9)		
Veterans' Affairs	1.1	.7	13.5	14.0
Indian Affairs	.3	.2		
Small Business	(8)	(5)		
Not allocated to committees	−58.8	−58.7		
Total	503.45	460.95	67.0	69.2

[1] These amounts are included under "Direct spending jurisdiction" for the Appropriations Committee.
[2] Less than $15,000,000.
[3] Less than $40,000,000.
[4] Less than $20,000,000.
[5] Less than $45,000,000.
[6] Less than $10,000,000.
[7] Less than $25,000,000.
[8] Less than $500,000.
[9] Less than $5,000,000.

Note: Committee's allocation revised by this resolution; committee required to file report pursuant to sec. 302(b) of the Congressional Budget Act.

FISCAL YEAR 1977

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT

[In thousands of dollars]

House committee and function	Budget authority	Outlays
Appropriations Committee:		
National defense	111,694,584	100,735,503
International affairs	7,202,684	7,070,639
General science, space, and technology	4,498,726	4,596,874
Natural resources, environment, and energy	20,413,285	16,960,739
Agriculture	2,253,913	4,427,948
Commerce and transportation	13,858,340	16,959,260
Community and regional development	14,451,753	9,969,761
Education training, employment, and social services	29,805,322	20,333,727
Health	23,476,053	23,265,229
Income security	57,999,237	36,575,867
Veterans' benefits and services	18,434,328	18,228,106
Law enforcement and justice	3,502,189	3,608,653
General government	6,903,150	7,016,894
Revenue sharing and general purpose fiscal assistance	5,402,481	5,384,753
Interest	1,000	1,000
Allowances	800,000	700,000
Committee total	320,697,045	275,834,953
Unassigned to committees:		
National defense	−9,413,403	−9,413,403
International affairs	−648,957	−648,957
General science space, and technology	−1,781	−1,781
Natural resources, environment and energy	−2,080,818	−2,080,818
Agriculture	−50,962	−50,962
Commerce and transportation	−67,061	−67,061
Community and regional development	−190,010	−190,010
Education, training, employment, and social services	−15,722	−15,722
Health	−6,006,017	−6,006,017
Income security	−7,956,288	−7,956,288
Veterans' benefits and services	−509,486	−509,486
Law enforcement and justice	−8,100	−8,100
General Government	−7,781,070	−7,781,070
Revenue sharing and general purpose fiscal assistance	−6,732,530	−6,732,530
Interest	−4,301,836	−4,301,836
Undistributed offsetting receipts	−15,100,000	−15,100,000
Committee total	−60,864,041	−60,864,041
House Agriculture Committee:		
Natural resources, environment, and energy	126,428	56,696
Agriculture	97,049	123,014
Community and regional development	126,301	3,207
Income security	83,747	38,945
Revenue sharing and genera' purpose fiscal assistance	70,039	70,039
Committee total	503,564	291,901
House Armed Services Committee:		
National defense	10,152	−15,070
Commerce and transportation	30	30
Veterans' benefits and services	12	15
General Government	1	1
Committee total	10,195	−15,654
House Banking Finance and Urban Affairs Committee:		
National defense	0	600
International affairs	1,273,531	0
Commerce and transportation	−948,840	−1,981,492
Community and regional development	116,905	116,274
Education, training employment, and social services	446	−813
Health	0	−86
Income security	15,378	−6,929
Veterans benefits and services	0	−7,660
General government	3,500	2,955
Interest	7,836	7,836
Committee total	468,756	−1,869,315
House District of Columbia Committee:		
Community and regional development	832	832
Law enforcement and justice	5,911	5,894
Revenue sharing and general purpose fiscal assistance	40,000	40,000
Committee total	46,743	46,726
House Education and Labor Committee:		
Education, training, employment, and social services	59,232	31,987
Income security	3,916	3,317
General government	21	21
Committee total	63,169	35,325
House International Relations Committee:		
National defense	6,508,667	7,593,000
International affairs	70,414	75,990
Commerce and transportation	4,252	4,884
Income security	159,301	83,015
Committee total	6,742,634	7,756,889
House Government Operations Committee:		
General government	1,155	1,096
Revenue sharing and general purpose fiscal assistance	8,318,475	8,439,710
Committee total	8,319,630	8,440,806
House Administration Committee:		
General science, space, and technology	55	67
Education, training, employment, and social services	4,573	4,672
General government	35,000	7,970
Committee total	39,628	12,709
House Interior and Insular Affairs Committee:		
Natural resources, environment, and energy	120,765	39,581
Community and regional development	251,969	148,610
General government	32,641	37,391
Revenue sharing and general purpose fiscal assistance	162,050	161,218
Committee total	567,425	386,800
House Interstate and Foreign Commerce Committee:		
Commerce and transportation	15,593	15,973
Health	1,600	1,802
Income security	3,981,532	4,085,515
Revenue sharing and general purpose fiscal assistance	5,185	85
Committee total	4,003,910	4,103,375
House Judiciary Committee:		
Natural resources, environment, and energy	300	278
Income security	34,176	3,403
Law enforcement and justice	0	−6,447
General government	167,018	167,025
Committee total	201,494	164,259

FISCAL YEAR 1977

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT—Continued

[In thousands of dollars]

House committee and function	Budget authority	Outlays
House Merchant Marine and Fisheries Committee:		
International affairs	2,328	2,328
Natural resources, environment, and energy	105,931	91,783
Commerce and transportation	369,276	—34,502
Revenue sharing and general purpose fiscal assistance	4,300	7,000
Committee total	481,835	66,609
House Post Office and Civil Service Committee:		
Commerce and transportation	5,171	4,771
Health	0	—10,928
Income security	16,564,900	9,118,337
General government	4,134,566	4,143,698
Committee total	20,704,637	13,255,878
House Public Works and Transportation Committee:		
Natural resources, environment, and energy	43,173	1,060,805
Commerce and transportation	4,063,239	—1,863
Community and regional development	42,078	51,154
Committee total	4,148,490	1,110,096
House Science and Technology Committee:		
General science, space and technology	3,000	4,840
Natural resources, environment, and energy	—29,064	—29,064
General government	0	1
Committee total	—26,064	—24,223
House Small Business Committee:		
Community and regional development (committee total)	172	172
House Veterans Affairs Committee:		
Veterans benefits and services (committee total)	975,146	389,025
House Ways and Means Committee:		
Education, training, employment, and social services	546,149	546,149
Health	23,128,364	21,750,000
Income security	96,814,101	95,154,818
(New entitlement authority)	(508,000)	
General government	4,018	4,018
Revenue sharing and general purpose fiscal assistance	330,000	329,725
Interest	42,293,000	42,293,000
Committee total	163,115,632	160,077,710

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 302(A) OF THE CONGRESSIONAL BUDGET ACT

[In thousands of dollars]

	House committee and function	Fiscal year 1978 Budget authority	Fiscal year 1978 Outlays
	House Agriculture Committee:		
300	Natural resources, environment, and energy	181,902	163,253
350	Agriculture	61,886	2,802,952
	(New entitlement authority)	(410,000)	
450	Community and regional development	93,547	33,553
600	Income security	0	0
	(New entitlement authority)	(5,358,000)	
850	Revenue sharing and general purpose fiscal assistance	190,529	190,529
	Committee total	527,864	3,190,287
	Appropriations Committee:		
050	National defense	121,024,904	111,549,603
150	International affairs	9,009,652	7,889,623
250	General science, space, and technology	4,897,823	4,697,820
300	Natural resources, environment, and energy	22,629,714	20,684,405
350	Agriculture	2,189,752	1,598,686
400	Commerce and transportation	11,095,176	19,540,870
450	Community and regional development	7,913,308	10,608,121
500	Education, training, employment, and social services	26,109,683	27,147,080
550	Health	26,499,310	26,124,126
600	Income security	58,338,423	32,956,809
700	Veterans benefits and services	19,740,633	20,130,389
750	Law enforcement and justice	3,700,229	3,856,593
800	General government	5,945,015	6,025,899
850	Revenue sharing and general purpose fiscal assistance	8,995,386	8,934,744
900	Interest	0	0
920	Allowances	800,000	900,000
	Committee total	328,889,008	302,654,768
	House Armed Services Committee:		
050	National defense	7,700	3,700
400	Commerce and transportation	30	30
700	Veterans benefits and services	12	12
800	General government	1	1
	Committee total	7,743	3,743
	House Banking, Finance and Urban Affairs Committee:		
050	National defense	0	300
150	International affairs	879,248	0
400	Commerce and transportation	1,023,379	—33,396
450	Community and regional development	83,534	125,247
500	Education, training, employment, and social services	0	3,754
550	Health	0	—137
600	Income security	33,852	—9,000
700	Veterans benefits and services	0	—7,245
800	General government	3,200	2,797
900	Interest	7,775	7,775
	Committee total	2,030,988	90,095
	House District of Columbia Committee:		
450	Community and regional development	832	832
750	Law enforcement and justice	8,006	7,970
850	Revenue sharing and general purpose fiscal assistance	0	0
	Committee total	8,838	8,802
	House Education and Labor Committee:		
500	Education, training, employment, and social services	62,187	60,471
600	Income security	4,417	3,772
	(New entitlement authority)	(137,000)	
	Committee total	66,604	64,243
	House Government Operations Committee:		
800	General government	1,195	1,121
850	Revenue sharing and general purpose fiscal assistance	6,854,924	6,813,888
	Committee total	6,856,119	6,815,009
	House Administration Committee:		
250	General science, space, and technology	55	58
500	Education, training, employment, and social services	4,444	4,293
800	General government	30,000	0
	Committee total	34,499	4,351
	House Interior and Insular Affairs Committee:		
300	Natural resources, environment, and energy	109,062	33,009
450	Community and regional development	256,016	170,099
800	General government	124,536	124,129
850	Revenue sharing and general purpose fiscal assistance	288,100	288,078
	Committee total	777,714	615,315
	House International Relations Committee:		
050	National defense	6,816,499	8,795,503
150	International affairs	81,837	81,114
400	Commerce and transportation	4,309	5,064
600	Income security	161,187	96,692
	Committee total	7,063,832	8,978,370
	House Interstate and Foreign Commerce Committee:		
400	Commerce and transportation	17,494	17,063
550	Health	1,600	—8,378
	(New entitlement authority)	(71,000)	
600	Income security	4,228,835	3,987,084
850	Revenue sharing and general purpose fiscal assistance	4,585	5,185
	Committee total	4,252,514	4,000,954
	House Judiciary Committee:		
300	Natural resources, environment, and energy	310	305
600	Income security	2,333	1,443
750	Law enforcement and justice	0	—6,328
	(New entitlement authority)	(33,000)	
800	General government	42,018	42,018
	Committee total	44,661	37,438
	House Merchant Marine and Fisheries Committee:		
150	International affairs	2,328	2,328
300	Natural resources, environment, and energy	129,636	108,065
400	Commerce and transportation	350,579	—38,910
850	Revenue sharing and general purpose fiscal assistance	4,400	6,000
	Committee total	486,943	77,483
	House Post Office and Civil Service Committee:		
050	National defense (new entitlement authority)	(—168,000)	
400	Commerce and transportation	4,448	4,048
550	Health	0	—23,970
600	Income security	17,360,200	10,772,338
	(New entitlement authority)	(7,000)	
800	General government	5,184,409	5,184,409
920	Allowances (new entitlment authority)	(—42,000)	
	Committee total	22,549,057	15,936,825
	House Public Works and Transportation Committee:		
300	Natural resources, environment, and energy	43,200	1,404,787
400	Commerce and transportation	7,597,400	—1,954
450	Community and regional development	43,758	53,143
	Committee total	7,684,358	1,455,979
	House Science and Technology Committee:		
250	General science, space and technology	4,000	4,000
300	Natural resources, environment, and energy	10,186	10,186
800	General government	0	0
	Committee total	14,186	14,168

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 302(A) OF THE CONGRESSIONAL BUDGET ACT—Continued

[In thousands of dollars]

House committee and function	Fiscal year 1978 Budget authority	Outlays
House Small Business Committee:		
450 Community and regional development (committee total	403	403
House Veterans Affairs Committee:		
700 Veterans benefits and services	1, 067, 319	634, 808
(New entitlement authority)	(1, 479, 000)	
Committee total	1, 067, 319	634, 808
House Ways and Means Committee:		
400 Commerce and transportation	0	0
500 Education, training, employment, and social services	639, 686	402
(New entitlement authority)	(466, 000)	
550 Health	28, 375, 148	25, 184, 417
600 Income security	102, 705, 982	101, 816, 091
(New entitlement authority)	(148, 000)	
800 General government	4, 025	4, 025
850 Revenue sharing and general purpose fiscal assistance	337, 000	336, 500
900 Interest	48, 315, 627	48, 315, 627
Committee total	180, 377, 468	175, 657, 062
Unassigned to committees:		
050 National defense	—9, 349, 103	—9, 349, 103
150 International affairs	—673, 065	—673, 065
250 General science, space, and technology	—1, 878	—1, 878
300 Natural resources, environment, and energy	—2, 404, 010	—2, 404, 010
350 Agriculture	—51, 638	—51, 638
400 Commerce and transportation	—92, 815	—92, 815
450 Community and regional development	—191, 398	—191, 398
500 Education, training, employment, and social services	—16, 000	—16, 000
550 Health	—6, 967 058	—6, 976, 058
600 Income security	—2, 935, 229	—2, 935, 229
700 Veterans Benefits and services	—557, 964	—557, 964
750 Law enforcement and justice	—8, 235	—8, 235
800 General government	—7, 534, 399	—7, 534, 399
850 Revenue sharing and general purpose fiscal assistance	—6, 874, 924	—6, 874, 924
900 Interest	—5, 323, 402	—5, 323, 402
920 Allowances	0	0
950 Undistributed offsetting receipts	—16, 300, 000	—16, 300, 000
Committee total	—59, 290, 118	—59, 290, 118

R. N. GIAIMO,
JIM WRIGHT,
R. LEGGETT,
PAUL SIMON,
BUTLER DERRICK,
OTIS G. PIKE,
DAVID R. OBEY,
WILLIAM LEHMAN,
JIM MATTOX,
MARJORIE HOLT,
RALPH S. REGULA,
Managers on the Part of the House.

EDMUND S. MUSKIE,
WARREN MAGNUSON,
ERNEST F. HOLLINGS,
ALAN CRANSTON,
LAWTON CHILES,
JAMES ABOUREZK,
HENRY BELLMON,
JAMES A. MCCLURE,
PETE V. DOMENICI,
H. JOHN HEINZ III,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. YOUNG of Missouri (at the request of Mr. WRIGHT), after 8 p.m. today, on account of official business.

Mr. HEFTEL (at the request of Mr. WRIGHT), after 4 p.m. today through May 17, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SAWYER) and to revise and extend their remarks and include extraneous matter:)

Mr. ASHBROOK, for 15 minutes, today.

Mr. BURKE of Florida, for 15 minutes, today.

Mr. COLLINS of Texas, for 30 minutes, today.

Mr. HAGEDORN, for 15 minutes, today.

(The following Members (at the request of Mr. RAHALL) to revise and extend their remarks and include extraneous material:)

Mr. ROSTENKOWSKI, for 10 minutes, today.

Mr. WOLFF, for 15 minutes, today

Mr. BONKER, for 5 minutes, today

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. ADDABBO, for 5 minutes, today.

Mr. BINGHAM, for 15 minutes, today.

Mr. KOCH, for 15 minutes, today.

Mr. ASPIN, for 10 minutes, today.

Mrs. COLLINS of Illinois, for 5 minutes, today.

Mr. MEEDS, for 5 minutes, today.

Mr. HANLEY, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. ALEXANDER, during debate on the Grassley-Watkins amendment on H.R. 6655 today.

Mr. PICKLE, during debate on the Pepper amendment on H.R. 6655 today.

(The following Members (at the request of Mr. SAWYER) and to include extraneous material:)

Mr. SARASIN.

Mr. WINN.

Mr. CRANE.

Mr. GRADISON in two instances.

Mr. STEERS.

Mr. HAGEDORN in two instances.

Mr. CEDERBERG.

Mr. LAGOMARSINO.

Mr. WHITEHURST.

Mr. ASHBROOK in two instances.

Mr. YOUNG of Florida.

Mr. KASTEN.

(The following Members (at the request of Mr. RAHALL), and to include extraneous matter:)

Mr. AUCOIN in two instances.

Mr. RICHMOND in two instances.

Mr. BONKER in two instances.

Mr. BAUCUS.

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. MURTHA in two instances.

Mr. ST GERMAIN.

Mr. HAMILTON.

Mr. TEAGUE in two instances.

Mr. JOHNSON of California.

Mr. AMMERMAN.

Mr. MCFALL.

Mr. UDALL.

Mr. WEISS.

Mr. DELLUMS.

Mr. MAZZOLI.

Mr. RANGEL.

Mr. TRAXLER.

Mr. FAUNTROY.

Mrs. MEYNER.

Mr. EILBERG.

Mr. FRASER.
Mr. WOLFF.
Mr. BRADEMAS.
Mr. ICHORD.
Mr. KOSTMAYER.
Mrs. SPELLMAN.
Mr. HANLEY.
Mr. HARKIN.

ADJOURNMENT

Mr. RAHALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock p.m.), the House adjourned until tomorrow, Thursday, May 12, 1977, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1462. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a cumulative report on rescissions and deferrals of budget authority as of May 1, 1977, pursuant to section 1014(e) of Public Law 93-344 (H. Doc. No. 95-153); to the Committee on Appropriations and ordered to be printed.

1463. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report on the value of property, supplies, and commodities provided by the Berlin Magistrate, and under the German Offset Agreement, during the quarter ended March 31, 1977, pursuant to section 719 of Public Law 94-419; to the Committee on Appropriations.

1464. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to amend section 6015 of title 10, United States Code, to permit the Secretary of the Navy to prescribe the kind of military duty to which women members of the naval service may be assigned; to the Committee on Armed Services.

1465. A letter from the Acting Administrator, National Aeronautics and Space Administration, transmitting a report on negotiated contracts for experimental, developmental, test or research work, or for industrial mobilization in the interest of the national defense, covering the period July 1 through December 31, 1976, pursuant to 10 U.S.C. 2304 (e); to the Committee on Armed Services.

1466. A letter from the Deputy Administrator of General Services, transmitting a draft of proposed legislation to amend the Defense Production Act of 1950, as amended; to the Committee on Banking, Finance and Urban Affairs.

1467. A letter from the Acting Director, Federal Mediation and Conciliation Service, transmitting the 29th Annual Report of the Service, covering fiscal year 1976 and the transition quarter, pursuant to section 202 (c) of the Labor Management Relations Act, 1947; to the Committee on Education and Labor.

1468. A letter from the Administrator, Federal Energy Administration, transmitting a summary report on the agency's activities under the Freedom of Information Act during calendar year 1976, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1469. A letter from the Comptroller General of the United States, transmitting a report on Government Printing Office production and management controls (LCD-77-410, May 4, 1977); to the Committee on Government Operations.

1470. A letter from the Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Longyear Co., Minneapolis, Minn., for a research project entitled "Retractable Bit System," pursuant to section 1(d) of Public Law 89-672; to the Committee on Interior and Insular Affairs.

1471. A letter from the Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Fluor Utah, Inc., San Mateo, Calif., for a research project entitled "Optimal Dragline Operating Techniques," pursuant to section 1(d) of Public Law 89-672; to the Committee on Interior and Insular Affairs.

1472. A letter from the Assistant Secretary of State for Congressional Relations, transmitting reports on political contributions made by Ambassadors-designate Robert H. Miller, Donald Clayton Bergus, Arthur A. Hartman, and Ulric St. Clair Haynes, Jr., and their families pursuant to section 6 of Public Law 93-126; to the Committee on International Relations.

1473. A letter from the Assistant Secretary of State for Congressional Relations, transmitting reports on political contributions made by Ambassador-designate James G. Lowenstein, Harry W. Shlaudeman, and Lawrence S. Eagleburger, and their families, pursuant to section 6 of Public Law 93-126; to the Committee on International Relations.

1474. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Navy's intention to offer to sell certain defense equipment and services to Spain (Transmittal No. 77-38), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

1475. A letter from the Chairman, Foreign Claims Settlement Commission of the United States, transmitting the Commission's annual report for calendar year 1976, together with the final report of the Micronesian Claims Commission; to the Committee on International Relations.

1476. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a Corps of Engineers report on the East River and Steinway Creek, New York, in response to a resolution of the Senate Committee on Public Works, adopted June 27, 1960, and two resolutions of the House Committee on Public Works, adopted April 11, 1974; to the Committee on Public Works and Transportation.

1477. A letter from the Deputy Administrator of General Services, transmitting an amendment to the prospectus proposing extension of GSA's lease agreement covering space in the Hill Building, Anchorage, Alaska, pursuant to section 7(a) of the Public Buildings Act of 1949; to the Committee on Public Works and Transportation.

1478. A letter from the Comptroller General of the United States, transmitting a report that controls over vocational rehabilitation training services need improvement (HRD-76-167, May 5, 1977); jointly, to the Committees on Government Operations, and Education and Labor.

1479. A letter from the Comptroller General of the United States, transmitting a report on administrative weaknesses causing delays in developing standards to protect workers from cancer-causing and other dangerous substances (HRD-77-71, May 10, 1977); jointly, to the Committees on Government Operations, and Education and Labor.

1480. A letter from the Comptroller General of the United States, transmitting a report on domestic resettlement of Indochinese refugees (HRD-77-35, May 10, 1977); jointly, to the Committees on Government Operations, and the Judiciary.

1481. A letter from the Comptroller General of the United States, transmitting a report on NASA's proposed development of the Space Telescope project (PSAD-77-98, May 4, 1977); jointly, to the Committees on Government Operations, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committee were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DODD: Committee on Rules. House Resolution 560. Resolution providing for the consideration of H.R. 6810. A bill to amend and extend title II of Public Law 94-369, to establish a new title to the State and Local Fiscal Assistance Act of 1972, and for other purposes. (Rept. No. 95-285). Referred to the House Calendar.

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 4301. A bill to authorize appropriations for the National Sea Grant Program Act during fiscal year 1978, with amendment (Rept. No. 95-287). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 3722. A bill to amend the Securities Exchange Act of 1934 to authorize specified amounts to be appropriated for the Securities and Exchange Commission for fiscal years 1978-1980, with amendment (Rept. No. 95-288). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3455. A bill to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes; with amendment (Rept. No. 95-289). Referred to the Committee of the Whole House on the State of the Union.

Mr. NEDZI: Committee on Armed Services. H.R. 6990. A bill to authorize certain construction at military installations, and for other purposes. (Rept. No. 95-290). Referred to the Committee of the Whole House on the State of the Union.

Mr. GIAIMO: Committee of Conference. Conference report on Senate Concurrent Resolution 19. (Rept. No. 95-291). Ordered to be printed.

REPORTED BILLS · SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. TEAGUE: Committee on Science and Technology.

H.R. 6683. A bill to reduce the hazards of earthquakes, and for other purposes (Rept. No. 95-286, pt. I). Referred to the Committee on Interior and Insular Affairs for a period ending not later than June 10, 1977, for consideration of such portions of the bill as fall within that committee's jurisdiction under rule X, clause 1(j). And ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. BOGGS (for herself, Mr. CEDERBERG, Mr. DAVIS, Mr. HARRIS, Mr. JONES of North Carolina, Mr. MARLENEE, Mr. PATTERSON of California, Mr. SARASIN, Mr. STANTON, Mr. STUMP, and Mr. WEISS):

H.R. 7084. A bill to provide recognition to the Women's Air Forces Service Pilots for

their service to their country during World War II by deeming such service to have been active duty in the Armed Forces of the United States for purposes of laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. CRANE:

H.R. 7085. A bill to prohibit the sale, alienation, or commitment of gold by the Secretary of the Treasury without prior approval by act of Congress; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DERWINSKI:

H.R. 7086. A bill to provide assistance in improving zoos and aquariums by creating a National Zoological and Aquarium Corporation, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DRINAN (for himself and Mr. EDWARDS of California):

H.R. 7087. A bill to abolish the death penalty under all laws of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. EILBERG:

H.R. 7088. A bill to provide that an electronically recorded summary of daily chamber action in the Senate and the House of Representatives shall be made available by the Congress through the use of a toll-free telephone listing; to the Committee on House Administration.

By Mr. FARY:

H.R. 7089. A bill to amend title XVI of the Social Security Act to provide that supplemental security income benefits shall be payable to a resident alien only if he has continuously resided in the United States for at least 6 years; to the Committee on Ways and Means.

By Mr. HYDE:

H.R. 7090. A bill to exclude from gross income the first $1,000 of interest received from savings account deposits in home lending institutions; to the Committee on Ways and Means.

By Mr. KELLY:

H.R. 7091. A bill to revoke the recent increase in rates of pay for Members of Congress under the Federal Salary Act of 1967; to the Committee on Post Office and Civil Service.

H.R. 7092. A bill to repeal the provisions of law permitting automatic cost-of-living pay adjustments for Members of Congress; to the Committee on Post Office and Civil Service.

By Mr. KILDEE (for himself and Mr. MURPHY of New York):

H.R. 7093. A bill to amend the Child Abuse Prevention and Treatment Act to prohibit the sexual exploitation of children and the transportation and dissemination of photographs or films depicting such exploitation; to the Committee on Education and Labor.

By Mr. McFALL (for himself, Mr. DON H. CLAUSEN, Mr. EDWARDS of California, Mr. SEIBERLING, Mr. CORNELL, Mr. BROWN of California, Mr. MOAKLEY, Mrs. PETTIS, Mr. BOWEN, Mr. STARK, Mr. THONE, Mr. VAN DEERLIN, Mr. PATTERSON of California, Mr. BUTLER, and Mr. SISK):

H.R. 7094. A bill to amend the Federal Power Act to provide for the reform of electric utility regulation by the Federal Power Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. MICHEL:

H.R. 7095. A bill to amend title XVIII of the Social Security Act to authorize payment to chiropractors for diagnosis by X-ray of vertebral subluxation; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. MILLER of Ohio:

H.R. 7096. A bill to improve education by increasing the freedom of the Nation's teachers to change employment across State lines without substantial loss of retirement benefits through establishment of a Federal-State program; to the Committee on Education and Labor.

By Mr. MILLER of Ohio (for himself and Mr. CHAPPELL):

H.R. 7097. A bill to amend the Clean Air Act to permit the granting of variances to certain powerplants which emit sulfur dioxide and which are located in areas where unemployment is high, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. OBERSTAR:

H.R. 7098. A bill to amend the Internal Revenue Code of 1954 to provide that certain income from a nonmember telephone company is not taken into account in determining whether any mutual or cooperative telephone company is exempt from income tax; to the Committee on Ways and Means.

H.R. 7099. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for certain amounts paid for food and lodging while away from home for purposes of receiving medical care; to the Committee on Ways and Means.

By Mr. PEASE:

H.R. 7100. A bill to amend title XVI of the Social Security Act to provide that certain aliens may not qualify for supplemental security income benefits unless they not only are permanent residents of the United States but have also continuously resided in the United States for a period of 5 years, and to provide that an alien may not be admitted to the United States unless a citizen of the United States agrees to provide support to such alien for a period of 5 years after admission, and for other purposes; jointly, to the Committees on Ways and Means, and the Judiciary.

By Mrs. PETTIS:

H.R. 7101. A bill to amend certain provisions of law relating to land claims by the United States in Riverside County, Calif., based upon the accretion or avulsion, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROSTENKOWSKI (for himself, Mr. MOORHEAD of Pennsylvania, and Mr. CONABLE):

H.R. 7102. A bill to declare a national policy on investment in the private sector of the U.S. economy; to the Committee on Banking, Finance and Urban Affairs.

By Mr. CHARLES WILSON of Texas:

H.R. 7103. A bill to amend the Health Professions Educational Assistance Act of 1976 to afford preferential status to alien physicians and surgeons in admission to the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. ASHBROOK (for himself and Mr. SHUSTER):

H.R. 7104. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BROYHILL:

H.R. 7105. A bill to amend title 38 of the United States Code to provide that progressive muscular atrophy developing a 10 percent or more degree of disability within 7 years after separation from active service during a period of war shall be presumed to be service connected; to the Committee on Veterans' Affairs.

By Mr. COLLINS of Texas:

H.R. 7106. A bill to make a communication or negotiation by the President, the Vice President, Members of Congress, Cabinet and certain sub-Cabinet level officials, Justices of the Supreme Court, or certain Foreign Service officers to or with a person engaged in certain crimes a cause for removal from office; jointly, to the Committtees on the Judiciary, and Standards of Official Conduct.

By Mr. DODD:

H.R. 7107. A bill to amend the Atomic Energy Act of 1954 respecting the maximum allowable exposure of persons to radiation, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Interstate and Foreign Commerce.

By Mr. EDGAR:

H.R. 7108. A bill to amend the Tariff Schedules of the United States in order to suspend the duty on Yankee Dryer Cylinder Rolls until the close of December 31, 1977; to the Committee on Ways and Means.

By Mr. EDWARDS of Oklahoma (for himself, Mr. YOUNG of Missouri, Mr. DEVINE, Mr. MURPHY of Pennsylvania, Mr. KINDNESS, Mr. HORTON, Mr. WHITLEY, Mr. PURSELL, Mr. BADHAM, and Mr. ERTEL):

H.R. 7109. A bill to amend the Federal Food, Drug, and Cosmetic Act to provide that the Secretary shall ban only those food additives found to induce cancer when ingested in an amount reasonably anticipated to be consumed by man; to the Committee on Interstate and Foreign Commerce.

By Mr. JEFFORDS:

H.R. 7110. A bill to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas; to the Committee on Public Works and Transportation.

By Mr. JONES of Tennessee (for himself, Mr. ABDNOR, Mr. ANDREWS of North Dakota, Mr. BALDUS, Mr. BEVILL, Mr. BOWEN, Mr. BURLESON of Texas, Mr. COCHRAN of Mississippi, Mr. CORNELL, Mr. FUQUA, Mr. GLICKMAN, Mr. HIGHTOWER, Mr. IRELAND, Mr. JEFFORDS, Mr. JONES of North Carolina, Mr. KREBS, Mrs. LLOYD of Tennessee, Mr. LOTT, Mr. MADIGAN, Mr. MATHIS, Mr. MURPHY of Pennsylvania, Mr. NEAL, Mr. NOLAN, Mr. OBERSTAR, and Mr. PANETTA):

H.R. 7111. A bill to provide a voluntary self-help program which is designed to assist producers of agricultural products to protect themselves against loss of cost of production when natural or uncontrollable conditions adversely affect production and which will assure consumers that producers will be able to continue to produce food and fiber; to the Committee on Agriculture.

By Mr. JONES of Tennessee (for himself, Mr. CAVANAUGH, Mr. JENRETTE, Mr. RAHALL, Mr. ROSE, Mr. THORNTON, Mr. TRIBLE, Mr. ULLMAN, Mr. WINN, Mr. WHITLEY, and Mr. MOORE):

H.R. 7112. A bill to provide a voluntary self-help program which is designed to assist producers of agricultural products to protect themselves against loss of cost of production when natural or uncontrollable conditions adversely affect production and which will assure consumers that producers will be able to continue to produce food and fiber; to the Committee on Agriculture.

By Mr. LEGGETT (for himself, Mr. JOHNSON of California, Mr. PRICE, Mr. NEDZI, Mr. RYAN, Mr. VAN DEERLIN, Mr. WHITE, Mr. BOB WILSON, and Mr. CHARLES WILSON of California):

H.R. 7113. A bill to amend title 10, United States Code, to authorize the use of health

maintenance organizations in providing health care; to the Committee on Armed Services.

By Mr. MIKVA (for himself, Mr. BONIOR, Mr. JOHN L. BURTON, Mrs. KEYS, Mr. WALSH, and Mr. ZABLOCKI):

H.R. 7114. A bill to correct inequities in certain franchise practices, to provide franchisors and franchisees with evenhanded protection from unfair practices, to provide consumers with the benefits which accrue from a competitive and open market economy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MITCHELL of Maryland (for himself, Mr. LEDERER and Mr. SLACK):

H.R. 7115. A bill to amend the Small Business Act to expand assistance under such act to minority small business concerns, to provide statutory standards for contracting and subcontracting by the United States with respect to such concerns, and to create a Commission on Federal Assistance to Minority Enterprise, and for other purposes; jointly, to the Committees on Small Business, Government Operations, and Banking, Finance and Urban Affairs.

By Mr. MOTTL (for himself, Mr. EDGAR, Mr. EDWARDS of Oklahoma, Mr. GILMAN, Mr. JENRETTE, Mrs. MEYNER, Mr. MOLLOHAN, and Mr. MURPHY of Pennsylvania):

H.R. 7116. A bill to amend the Elementary and Secondary Education Act of 1965 to require State educational agencies to establish basic standards of educational proficiency applicable to secondary school students; to the Committee on Education and Labor.

By Mr. ROBINSON:

H.R. 7117. A bill to amend the Immigration and Nationality Act, to facilitate the admission of aliens for temporary employment; to the Committee on the Judiciary.

By Mrs. SPELLMAN:

H.R. 7118. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. TRIBLE (for himself, Mr. BAUMAN, Mr. GOODLING, Mr. GRASSLEY, Mrs. HOLT, Mr. KEMP, Mr. LOTT, Ms. OAKAR, Mr. PRITCHARD, Mr. QUAYLE, Mr. QUIE, Mr. ROUSSELOT, Mrs. SCHROEDER, Mrs. SPELLMAN, Mr. STANGELAND, Mr. STARK, Mr. STEERS, Mr. TREEN, Mr. VANDER JAGT, Mr. WALKER, Mr. WHITEHURST, Mr. CHARLES WILSON of Texas, and Mr. YOUNG of Alaska):

H.R. 7119 A bill to amend the Internal Revenue Code of 154 to allow individuals to compute the amount of the deduction for payments into retirement savings on the basis of the compensation of their spouses, and for other purposes; to the Committee on Ways and Means.

By Mr. TRIBLE (for himself, Mr. ALLEN, Mr. ARMSTRONG, Mr. BADHAM, Mr. BADILLO, Mr. BUTLER, Mr. COUGHLIN, Mr. CRANE, Mr. DAN DANIEL, Mr. DUNCAN of Tennessee, Mr. EDWARDS of Oklahoma, Mr. EMERY, Mr. FRENZEL, Mr. GEPHARDT, Mr. HARRINGTON, Mr. KASTENMEIER, Mr. KINDNESS, Mr. KOSTMAYER, Mr. LEDERER, Mrs. LLOYD of Tennessee, Ms. MIKULSKI, Mr. NIX, Mr. OTTINGER, Mr. PATTERSON of California, and Mr. PETTIS):

H.R. 7120. A bill to amend the Internal Revenue Code of 1954 to allow individuals to compute the amount of the deduction for payments into retirement savings on the basis of the compensation of their spouses, and for other purposes; to the Committee on Ways and Means.

By Mr. WHITEHURST:

H.R. 7121. A bill to permit the private, noncommercial ownership of feral burros and wild horses; jointly, to the Committees on Interior and Insular Affairs, and Merchant Marine and Fisheries.

By Mr. CHARLES WILSON of Texas:

H.R. 7122. A bill to authorize a demonstration program for the purpose of eliminating rail-highway crossings in the city of Orange, Tex.; to the Committee on Public Works and Transportation.

By Mr. ASHBROOK:

H.J. Res. 455. Joint resolution proposing an amendment to the Constitution of the United States to provide a new procedure for the election of the President and Vice President; to the Committee on the Judiciary.

By Mr. MOTTL (for himself and Mr. BLANCHARD):

H.J. Res. 456. Joint resolution proposing an amendment to the Constitution of the United States to prohibit compelling attendance in schools other than the one nearest the residence and to insure equal educational opportunities for all students wherever located; to the Committee on the Judiciary.

By Mr. PREYER:

H.J. Res. 457. Joint resolution to designate October of each year as National Learning Disabilities Month; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of Oklahoma (for himself, Mr. YOUNG of Missouri, Mr. DEVINE, Mr. MURPHY of Pennsylvania, Mr. KINDNESS, Mr. PURSELL, Mr. BADHAM, and Mr. ERTEL):

H. Con. Res. 218. Concurrent resolution expressing the sense of Congress that the ban on saccharin be withdrawn; to the Committee on Interstate and Foreign Commerce.

By Mr. GILMAN:

H. Con. Res. 219. Concurrent resolution expressing the sense of the Congress that the United States should deny diplomatic recognition to the Socialist Republic of Vietnam, and oppose its membership in the United Nations, until such country makes a full accounting of Americans unaccounted for and missing in action in areas under its control; to the Committee on International Relations.

By Mr. HAMMERSCHMIDT:

H. Res. 561. Resolution to examine the Nations telecommunications policy; to the Committee on Interstate and Foreign Commerce.

By Mr. KASTEN:

H. Res. 562. Resolution to establish an ad hoc Committee on Welfare Reform for the purpose of studying the problems which arise in the interaction of programs dealing with welfare benefits and of formulating new legislation to restructure the present welfare system in light of such problems, and for other purposes; to the Committee on Rules.

By Mr. ROE:

H. Res. 563. Resolution offering a congressional salute to four New Jersey aviation pioneers upon their induction into the Teterboro Aviation Hall of Fame, New Jersey's only aviation museum: Samuel C. Barnitt, Louis G. Ranley, Ben B. Brock, and posthumously to the late Charles "Slim" West; to the Committee on Post Office and Civil Service.

By Mr. ROSTENKOWSKI (for himself, Mr. MICHEL, and Mr. RAILSBACK):

H. Res. 564. Resolution relating to the future telecommunications policy of the Nation; to the Committee on Interstate and Foreign Commerce.

By Mr. WALKER (for himself, Mr. PURSELL, Mr. MARRIOTT, Mr. CORCORAN of Illinois, Mr. STEERS, Mr. STANGELAND, Mr. DORNAN, Mr. EVANS of Delaware, Mr. HOLLENBECK, Mr. BADHAM, Mr. STOCKMAN, Mr. COLEMAN, Mr. LEACH, Mr. QUAYLE, Mr. EDWARDS of Oklahoma, Mr. SAWYER, Mr. MARKS, Mr. RUDD, Mr. TRIBLE, and Mr. MARLENEE):

H. Res. 565. Resolution to authorize the Committee on Standards of Official Conduct to conduct an investigation to determine whether Members of the House of Representatives, their immediate families or their associates accepted anything of value, directly or indirectly from the Government of the Republic of Korea or representatives thereof; to the Committee on Rules.

By Mr. WEISS (for himself, Mr. BAUCUS, Mr. BEILENSON, Mr. BOLAND, Mr. CAPUTO, Mr. CAVANAUGH, Mr. CLEVELAND, Mr. CORCORAN of Illinois, Mr. DAN DANIEL, Mr. EDWARDS of Oklahoma, Mr. FRENZEL, Mr. KELLY, Mr. KEMP, Mr. KOSTMAYER, Mr. LENT, Mr. MCHUGH, Ms. MIKULSKI, Mr. NOLAN, Mr. OTTINGER, Mr. SOLARZ, and Mr. VENTO):

H. Res. 566. Resolution to amend the Rules of the House of Representatives to require that all bills and resolutions have titles which accurately reflect their contents and all subject matters contained therein; to the Committee on Rules.

By Mr. ZABLOCKI:

H. Res. 567. Resolution concerning committee hearings on the future telecommunications policy of the Nation; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FARY:

H.R. 7123. A bill to permit the vessel *Manatra II* to be inspected, licensed, and operated as a passenger-carrying vessel, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. RHODES:

H.R. 7124. A bill for the relief of Mr. and Mrs. James Blair McLeod; to the Committee on the Judiciary.

By Mr. TRIBLE:

H.R. 7125. A bill for the relief of Charles R. Petty; to the Committee on the Judiciary.

H.R. 7126. A bill for the relief of Commander Joseph A. Siebel; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 6714

By Mr. YOUNG of Missouri:

Page 22, immediately after line 16, insert the following new section:

PROHIBITION ON USE OF FUNDS FOR STERILIZATIONS

SEC. 128. Section 114 of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "ABORTIONS.—" and inserting in lieu thereof "ABORTIONS OR STERILIZATIONS.—(a)"; and

(2) by adding at the end thereof the following new subsection:

"(b) None of the funds made available to carry out this part shall be used to pay for the performance of sterilizations as a method of family planning or to motivate or coerce any person to practice sterilizations.".

H.R. 6810

By Mr. CORRADA:

Page 26, line 12, strike the comma and insert in lieu thereof a period.

Page 26, strike line 13 through line 19.

Page 26, line 24, strike the semi-colon and insert in lieu thereof a period.

Page 26, strike line 25.

Page 27, strike lines 1 and 2.

Page 27, line 8, strike the semi-colon at the end of the line and insert in lieu thereof a period.

Page 27, strike lines 9 through 18.

At the end of bill, add a new section:

SEC. 8. The Public Works Employment Act of 1976 (42 U.S.C. 6735) is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR PUERTO RICO, GUAM AND THE VIRGIN ISLANDS

"SEC. 216. (a) IN GENERAL. There is hereby authorized to be appropriated for each of the five succeeding calendar quarters (beginning with the calendar quarter which begins on July 1, 1977) for the purpose of making payments under this title to Puerto Rico, Guam, American Samoa, and the Virgin Islands, an amount equal to 1 percent of the amount authorized for each such quarter under Section 202(b).

"(b) ALLOCATIONS.—

"(1) The Secretary shall allocate from the amount authorized under subsection (a) an amount for the purpose of making payments to such governments equal to the total authorized for the calendar quarter multiplied by the applicable territorial percentage.

"(2) For the purposes of this subsection, the applicable territorial percentage is equal to the quotient resulting from the division of the territorial population by the sum of the territorial population for all territories.

"(3) For purposes of this section—

"(A) the term 'territory' means Puerto Rico, Guam, American Samoa and the Virgin Islands.

"(B) the term 'territorial population' means the most recent population for each territory as determined by the Bureau of Census.

"(b) the provisions of sections 203(c)(4), 204, 205, 206, 207, 208, 209, 210, 211, 212 and 213 shall apply to the funds authorized under this section.

"(c) PAYMENTS TO LOCAL GOVERNMENTS.—The governments of the territories are authorized to make payments to local governments within their jurisdiction from sums received under this section as they deem appropriate."

EXTENSIONS OF REMARKS

A TRIBUTE TO ARTHUR F. HANLEY, OF RHODE ISLAND

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. ST GERMAIN. Mr. Speaker, it gives me pleasure today to offer tribute to one of my home State's most respected community leaders as he concludes a brilliant career of 38 years as a public servant in the private sector. His name is Arthur F. Hanley and for the last 15 years, he has served as the chief executive officer of Blue Cross and Blue Shield of Rhode Island. Mr. Hanley was only the third employee hired by the then fledgling Blue Cross when it was begun in 1939. He took his responsibilities as sales director very seriously, pursuing new memberships with an almost messianic zeal. Then came World War II, when Mr. Hanley enlisted in the U.S. Army, serving 5 years as an Air Corps communications officer in the European theater and rising to the rank of lieutenant colonel.

Upon his return to Rhode Island, he redoubled the Blue Cross Plan's membership effort, taking astute advantage of the post-war wage freeze to encourage employee groups to furnish workers and their dependents with prepaid health benefits. Mr. Hanley also worked diligently to promote the development of a prepaid health benefits program for medical-surgical care and was instrumental in nurturing the growth of the Blue Shield Plan, then called Physicians Service, in 1949. He continued to demonstrate a flair for innovation in sales and administrative leadership and rose to the office of assistant director of the plans and, ultimately, in 1962, achieving on merit the primary executive responsibility for the health benefits of more than 80 percent of the State's eligible population.

During his stewardship, the Rhode Island plans have earned a national reputation for administrative excellence, benefit development, cost containment and subscriber service. They deservedly won the privilege of acting as the intermediary for the Federal Government under the medicare program when it was enacted in 1965, a role they have fulfilled with distinction ever since. Mr. Hanley has served as a member of the Board of Governors of the Blue Cross Association, national coordinating body for the Nation's 71 Blue Cross Plans, and on the Board of Directors of the National Association of Blue Shield Plans. He also served the Federal Government directly with service on a high-level advisory panel task force studying medicaid and related health financing programs. He has also served as a member of the American Hospital Association Council on Planning and the Hospital Association of Rhode Island.

In 1963, his achievements in health financing brought him the distinction of being awarded an honorary doctorate in business administration from his alma mater, the University of Rhode Island. His accomplishments and community service commitment include the Rhode Island Board of Trustees of State Colleges, past president of the University of Rhode Island Alumni Association, the Governor's Commission To Study the Needs of Higher Education, the Higher Education Assistance Corporation, the Rhode Island Rehabilitation Council, the Boy Scouts of America, the voluntary Health Planning Council, Rhode Island Health Services Research, Inc., the Governor's Committee on Employment of the Physically Handicapped, the Rotary and the United Way. He is widely recognized as an enlightened and energetic leader and as a compassionate human being. For his personal achievements and for his example of selfless dedication to a principle, voluntarism in health financing, I offer my sincere congratulations and best wishes for a fulfilling retirement to Arthur F. Hanley and to his lovely wife, Frances.

A. MARION AKERS—DISTINGUISHED EDUCATOR AND PUBLIC SERVANT

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. JOHNSON of California. Mr. Speaker, Arthur Marion Akers, a distinguished educator and public servant, has announced his plans to retire from the staff of Sierra College in Rocklin, Calif., following 30 years of service to this outstanding institution of higher learning. I take this opportunity to congratulate him and wish him every success for the future.

In 1947 Marion Akers joined the staff of what was then known as Placer College as a drama, speech, and English instructor. Over the following 30 years he rose to positions of increasing responsibility and is currently serving as assistant superintendent of instruction at what is now known as Sierra College. The list of his accomplishments and contributions to this fine school is indeed long. He has been a mainstay of the college and he will be sorely missed by his fellow administrators, the faculty, and the students he has served over the years so well.

Following his appointment as an instructor in 1954, Akers was appointed director of counseling and guidance, a capacity in which he served for 2 years. Subsequently, in 1956 he was named dean of instruction and vice president of the college. Since that date, although his title has changed to assistant superintendent of instruction, he has remained the No. 2 executive of the college throughout these many years. In addition he has briefly served as acting college president, following the death of William Winstead in 1975.

There have been many changes on the Sierra College campus since Marion Akers first arrived. In fact, the campus itself has moved from Auburn to Rocklin. He has witnessed a phenomenal student population growth and has played an important part in the school's emergence as one of the most respected community colleges in the State of California.

While Akers' primary interest has been in the college, he and his lovely wife Gina have contributed greatly to their community. It has been my privilege to work with Marion over the years on many projects at the college and in the community of Rocklin. Together they have done much to increase the cultural, as well as the academic, development of the entire college community creating an atmosphere of sophistication previously unknown there. Marion is a man of extreme dedication, with an open and understanding mind, and a determination to see that excellence prevails whether it is an individual student, a faculty member, the college as a

whole, or his community. He is always working for the development of any latent potential to assure that the best is accomplished.

Akers has always been able to see the views of others. During the turmoil of the 1960's when the colleges across the country were experiencing student unrest, he helped steer a course of understanding on the Sierra College campus. He has always truly appreciated the concerns of all sectors of the college community.

His interest in his community is demonstrated by his active service in the Rotary Club, the Auburn Community Concert Association, the Auburn Community Theatre, and the Boy Scouts of America.

He, his wife Gina, and his three children Stephen, Susan, and Katherine, are well known throughout the community for their participation and leadership in various community, school, and church activities.

Although he is only 59, Marion and Gina are looking forward to a more relaxing retirement. Both are avid travelers and have already made plans for trips to the east coast and to Europe. In fact, they may also spend part of their time working in the travel promotion field. One of Marion's most successful hobbies is photography. He hopes to combine this skill with his renowned skill as a cabinetmaker to construct a complete photo darkroom in his home. I am sure he is looking forward to spending more of his time in these labors of love.

Marion Akers has never been one to sit back and take life easy, however, and I have no reason to believe that he will now. He, himself, has said he is just entering a new lifestyle away from the normal pressures of a regular career.

I know that Marion will continue his fine leadership in the community and will certainly maintain his strong interest in the development of Sierra College. Those of us who count ourselves as his friends will certainly miss him in an official capacity at the college, but know that we can continue to count on his wealth of experience and excellent counsel for many years to come as he shifts into his new capacity.

It is my pleasure to share with my colleagues here in the Congress the outstanding accomplishments of this distinguished man. My wife Albra and I join his many friends and family in extending our very best wishes for the years to come.

ALIEN RIDDLE: ANOTHER STUMPER

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. LAGOMARSINO. Mr. Speaker, the Ventura County Star Free Press recently published an editorial on the growing problem of illegal aliens and the administration's approach to this problem. In light of the President's forthcoming proposals, I would like to bring these penetrating comments to the attention of my colleagues:

ALIEN RIDDLE: ANOTHER STUMPER

As if trying to solve the energy riddle weren't challenging enough, President Carter is also trying to figure out what to do about illegal aliens. It's another stumper, as agricultural areas—like Ventura County—are painfully aware.

The Carter plan on aliens is due to be unfurled in the next couple of weeks, but even then, it's not likely to take the spotlight away from the national debate over energy, so may get less attention than it deserves. There's no more agreement on what to do about illegal aliens than there is on what to do about gasoline taxes—and not even any apparent concensus within the several factions involved: Employers, workers, unions, citizens, aliens, Anglos, Chicanos . . .

"The Chicano community" doesn't exist in a monolithic sense any more than "the Anglo community" does, and no issue makes that more evident than illegal aliens. If the illegals take jobs away from American citizens—as they obviously do—and help keep factory and farm wages artificially low—as they obviously do—the primary victims are unemployed and low-paid factory and farm workers—who, in Southern California, tend to be Chicano—or Mexican-American, whichever term you prefer.

So a crackdown on illegal aliens, including deportations, would seem in the self-interest of these American citizens. Yet there's been no clamor from U.S. Chicanos for such a crackdown—in fact, that approach seems to be tacitly opposed.

Many illegal aliens are relatives and friends of American citizens, who aren't eager to see them rounded up and sent back to Mexico, and there's some apprehension about a mass roundup of people who "look Mexican." That would be a *carte blanche* for hassling thousands of innocent people—including not only aliens who are in this country legally, but also U.S. citizens.

That's also the main reason there's no apparent widespread Chicano support for making employers responsible for not hiring illegal aliens: That might serve as an excuse in hiring to discriminate against any applicant who "looks Mexican."

But without putting some responsibility on employers, the demand for illegal alien labor will not diminish, and as long as the demand is there, the supply will continue to push across the border. The best system proposed so far is a "counterfeitproof" identity card as proof of citizenship. And if it were the Social Security card, that might help establish (if Congress would act accordingly) that illegal aliens are not entitled to unemployment, medical and other welfare benefits.

The stickiest part of the Carter plan is likely to be a provision for "amnesty" for those illegal aliens who have been in this country for a specified period of time, and have become law-abiding "citizens" in all but name. The hardest part about such amnesty is setting a cutoff date, but there's another problem we haven't seen addressed yet.

Amnesty is going to *encourage* the illegal migration across the border, which is already virtually a daily parade. Once the principle is set that illegal aliens can establish squatter's rights—with regards to citizenship—the urge to head for the border will be even greater than it is now.

The illegal alien riddle might not affect as many Americans personally as Mr. Carter's energy plans, but in any terms—personal, national, moral, political—it's another stumper.

NUCLEAR POWER

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for May 11, 1977, into the CONGRESSIONAL RECORD:

NUCLEAR POWER

The future of nuclear power is not as certain as it once was. The controversy over the safety and the cost of nuclear power is in a stage of charge and countercharge, and it is not easy to sort out the debate.

The central question about nuclear power, which now accounts for about 8% of total electrical capacity in the country, is whether the benefits outweigh the potential risks involved. Nuclear power can never pose zero risk, so at issue is the frequency and severity of that risk.

Critics attack nuclear power as a dangerous source of energy. They question its economic benefits by pointing to high cost of construction and operation, poor performance and large government subsidies. They emphasize the possibility of grave accidents, the threat posed by long-lasting nuclear wastes, the inevitable proliferation of nuclear weapons, and the danger of terrorist sabotage or blackmail. They also see inadequate safeguards against mechanical failure.

Proponents of nuclear power see it as safe, clean and indispensible. Indeed, they regard it as the only hope for the survival of energy-intensive economies. Without nuclear power, they envision ever-increasing imports of oil, dwindling petroleum supplies, eventual power black-outs and massive unemployment. They contend that nuclear power is less costly and less dangerous to the environment and to human health than are the fossil fuels. They point to the excellent safety record of nuclear reactors and express confidence that the nuclear waste problems can be met. They argue that nuclear weapons proliferation is a hazard that exists independent of American nuclear power and that the United States cannot simply turn potential markets over to foreign competitors. They believe that future energy needs can only be met by a major effort to develop the nuclear option.

Although the critics argue for a moratorium on further construction of nuclear plants, the debate in this country is not whether to permit the establishment of a large nuclear industry. Rather, the debate centers on the question of risk. The issue is not whether to develop nuclear power as one important substitute for dwindling sources of oil and gas, but how this is to be done. In my judgment nuclear power is one of the options that the country will pursue in a broad and sustained attack on its energy problem, but there is time to assess carefully its risks, as well as its benefits, and to avoid hasty and uncritical decisions.

According to a recent and highly regarded report sponsored by the Ford Foundation, the safety and cost of nuclear power can be summarized as follows: Nuclear power will probably cost somewhat less than coal power and substantially less than solar, geothermal and fusion energy for a period extending well into the next century. The risks of nuclear power to human health are genuine and need to be balanced against risks of coal, which is the principal energy alternative for electric power in this country. In normal operations nuclear power probably has fewer adverse effects on health than does coal, and even when accidents are taken into account

it compares favorably to coal. Nuclear wastes present special problems, but they can be disposed of permanently in a safe manner. Coal has a disruptive effect on land, results in acid run-off that pollutes waterways and acid rain that endangers land and crops. Even some environmentalists have come around to the view that the alternatives to nuclear power are unsatisfactory. Change in climate on a global scale is another potentially serious consequence of power generation. The effect of the carbon dioxide produced when coal is burned could be of overriding significance in a comparison of coal and nuclear power.

Probably the most serious risk associated with nuclear power is the increase in the number of countries that have the capability to produce nuclear weapons. Proliferation of these weapons can be extremely dangerous to the security and peace of the world. This proliferation could extend to terrorist groups. There is no simple solution to the problem of proliferation. Additional measures must be taken to increase security at nuclear plants, to reduce the possibility of terrorists acts and to implement a nonproliferation strategy which includes international efforts to limit the weapons. It is in the common interest of all nations to contain nuclear proliferation.

In considering the role of nuclear power, perhaps the real question is whether we should have no risk at all and also insufficient electric power, or whether it is better to take a small, calculated risk to insure a continued supply of the electrical power that is needed.

My judgment is that the building of nuclear power plants in some areas of the country will go ahead, but with increasingly strict controls on safety, environmental impact and safeguards against sabotage or theft. There is a growing movement toward international control of trade in nuclear technology. Efforts to develop other energy sources will increase. The policy will recognize that we must have nuclear energy. However, it will demand that we do everything we can to reduce its risks.

"WIND-CATCHERS," AMERICAN WINDMILLS OF YESTERDAY AND TOMORROW

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. FAUNTROY. Mr. Speaker, in light of the major, new energy push which the President has launched and the Congress is rallying behind, I wish to bring to the attention of my colleagues an excellent book by a resident of the District of Columbia.

"Wind-Catchers," American Windmills of Yesterday and Tomorrow by Volta Torrey. Mr. Torrey's book provides a history of the windmill and makes some interesting observations about the utility of this machine. As we look to alternative sources of energy, let us not overlook previously tapped sources.

Mr. Torrey's book has been recommended by the Book-of-the-Month Club. That club's statement about "Wind-Catchers" follows:

"WIND-CATCHERS"

About a century ago, says Volta Torrey in an excellent little history called *Wind-Catchers* ($12.95), there were 70-odd farm-windmill manufacturers in the United States and thousands upon thousands of farm windmills pumping water. Then electric power and electric pumps became available. The pumps cost less, worked better, made fewer groaning noises—and the curtain went down on the farm-windmill business. Except that today we are looking for new sources of electric power. Can windmills generate power? Yes and no. Thus far, it seems, none can be relied on to produce more than a few kilowatts; furthermore, nobody has solved the problem of how to store, at a reasonable cost, wind-generated power to be used when the wind isn't blowing. But promising experiments are under way and have involved everybody from Grumman Aircraft to Buckminster Fuller to NASA to the American Wind Energy Association in Detroit. Readers interested in the results—or in windmills in general, from Don Quixote's to that now-rusted Eclipse out behind great-grandpa's barn—should turn to Mr. Torrey.

DIMENSIONS OF THE ENERGY CRISIS

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. DELLUMS. Mr. Speaker, the first step in response to any crisis is to be clear about what we want to do and why. The "energy crisis" has three different dimensions that require different kinds of responses, and it is a source of confusion to lump them all together. The first dimension is the challenge of adjusting to the end of the era of cheap fuels. The question here is not ending the "waste" of energy for "inessential" purposes: it is whose purposes shall be called inessential. It is not a matter of deciding to pay higher prices in order to conserve: someone will have to pay these higher prices, and the only question is who. But precisely because the question of efficient adjustment to new relations of scarcity is so political, I believe the Government should restrict itself to firm general policy and not go too deeply into particular administrative and economic decisions. We should remember the favoritism, uncertainty, and faddishness that usually accompanies the political process in this country and be on the alert for the elitist abuse we have seen before. We see already the growth of regional bitterness and an intensified clash of special interests. The result of this bargaining will certainly not call forth a spirit of sacrifice.

The second dimension consists of foreign policy and national power considerations. These are very important, but the question of our dependence on imported oil is still quite different from the overall problem of reliance on nonrenewable resources. I believe President Carter would be well-advised to separate clearly which measures were aimed at which goal, so that costs can be weighed against probable benefits. In particular, if it is determined that for foreign policy reasons we can no longer tolerate widespread use of gas guzzlers, I see no reason to bribe people to buy smaller cars, as Carter proposes, when more direct administrative measures would be more effective.

The third dimension consists of social problems that are greatly affected by the high price of energy, but existed before the present crisis and will still be with us afterwards. In this category are environmental concerns, nuclear safety, mass transportation, and the problems of the city, and the need for a more equal distribution of wealth. I think it is important that the energy crisis does not become an excuse for retreat on these issues. Here the Government must set firm policies and stick to it.

It is in this spirit that we should judge the proposals made by the President in his energy message.

AGENCY FOR CONSUMER ADVOCACY A/K/A CONSUMER PROTECTION AGENCY

HON. JAMES R. MANN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. MANN. Mr. Speaker, in our garden of perrennial issues we have a species that is about to bloom again. When this perennial first surfaced in 1971, it was known as the Consumer Protection Agency. Although its identity has since been changed to the Agency for Consumer Advocacy, its objective remains the same—to create a new and expensive bureaucratic fiefdom for those who purport to represent the interests of over 200 million American consumers.

Have the American consumers asked for this representation? No. To the contrary, when consulted by the Opinion Research Corp. in 1975, 75 percent of those polled said they would prefer making "* * * the agencies we now have more effective." Similar results were obtained through a Gallup Poll.

It seems downright ludicrous to me that the Congress—a Congress which has been elected to represent the American people in their citizen, taxpayer, and consumer capacities—is again on the verge of considering a proposal which has provoked such overwhelming opposition from the public sector.

The Spartanburg Herald recently orchestrated that opposition in an editorial which I am pleased to commend to your attention at this point in my remarks:

IT'S A DECEPTION OF REAL CONSUMERS

Congress is engaged in one of its most dangerous exercises of deception on the American people.

The skids seem amply greased for approval of the "Agency for Consumer Advocacy." It would be a bureaucratic monster incapable of performing as its title suggests.

This creation presumably would represent consumer interests in proceedings before other government agencies. The typical description is that it would "give consumers their own voice in government."

It actually would be a powerful weapon in the hands of those who appoint themselves to speak for consumers. They certainly won't have a mandate from the mass of people who buy in the market place.

Two years ago, when the same legislation was being considered, a Gallup poll had a measurement of 75 per cent opposition. Half

of the 13 per cent who said they favored the bill promptly switched when told that it calls for the government to spend at least $60 million over the first three years to get the agency under way.

There is no single "consumer voice" which can be represented by this organization. It would decide what is in the consumer interest, but there is no basis on which it could determine accurately what consumer interests are.

Inevitably, the plays would be called by pressure groups and special interests, with little thought for the real consumer. These self-appointed "advocates" already have too much influence in our national legislature.

The "Agency for Consumer Advocacy" should be placed promptly in the deep sleep.

ALASKAN NATURAL GAS

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. MURTHA. Mr. Speaker, I want to submit for the RECORD two extremely important articles that have great bearing on the decision by Congress later this year concerning development of Alaskan natural gas resources:

NEWS WATCH—HOW SECURE IS A PIPELINE THROUGH CANADA?

(By Walter H. Annenberg)

Apparently the Federal Power Commission is not aware of Canada's burgeoning nationalism, a nationalism that started as a commendable effort to encourage distinctive Canadian culture and resulted in economic war against American business.

Publications based in the United States have been all but banned in Canada by laws specifically designed to make it impossible for them to operate there. American broadcasters are harassed by regulations and practices that can be described only as acts of an unfriendly nation.

Yet when the Federal Power Commission (FPC) had to decide whether to bring Alaskan gas to the 48 lower states via a pipeline across Canada or in tankers, it opted for the Canadian pipeline. Reportedly, the decision was influenced by the assertion that the pipeline would be less environmentally damaging than the sea route.

Such a parochial approach is unworthy of the FPC's responsibility to the citizens of this country. It is, in view of the Canadian government's determination to separate itself from the United States, at very least shortsighted. We are placing one of our energy lifelines under direct control of a less-than-friendly government. Should the trend of Canadian nationalism continue in its present direction, the FPC would be helping place in the hands of an unfriendly power a gun to hold against the heads of American citizens.

How unfriendly is the Canadian government? I speak from personal experience, which is why I am taking the rather unusual step of speaking out in this space on a subject that only peripherally concerns television. It is an experience I shared with other American publishers when the Canadian Parliament passed an act making it illegal for Canadian advertisers to deduct advertising in American-owned magazines as a legitimate business expense. This act effectively cut off Canadian advertising to American publications directed to the Canadian audience. TV Guide was fortunate to find a distinguished young French-Canadian executive who organized a group to buy our eight Canadian editions. Time magazine simply discontinued its Canadian edition. Reader's Digest has had to develop a device, including substantial Canadian ownership to continue publishing there.

American television has felt similar blows. Although Canadians have clearly shown their preference for American programs, Canadian regulations provide that 60 per cent of the programs carried by the government-controlled Canadian Broadcasting Corporation (CBC) and by the other two networks must be Canadian. Most of Canada's population live close to the American border and can receive American stations as well as Canadian ones, thus they can watch an American network show from a station in, say, Buffalo, or from a station in Toronto that carries the same show via CBC.

CBC, however, insists in many cases that the network show be made available to its audience several days before the show is broadcast by the American network. This unfair advantage prompts Canadians to watch the Toronto station rather than Buffalo's.

Cable systems are quite important in Canada, one reason being the Canadians are so fond of American programming. This bothers the government in Ottawa, which doesn't like the idea of its citizens being exposed to so much American television culture—and so many American commercials. It therefore encouraged cable systems there to drop some commercials from the American programs and substitute Canadian promotions. Most cable systems are doing this (a few used to drop in Canadian commercials occasionally), but the furor from American broadcasters was so great that the new cable system don't have to delete American commercials.

In limiting tax-deductible expenses, American law restricts the number of conventions an American company may hold, and the number of convention trips an individual may take, outside the U.S. This has reduced Canadian income from conventions and the Canadians want the restrictions lifted. American broadcasters suggested that such a change be contingent upon a Canadian promise to stop harassing them, but neither the Canadians nor Congress would go along.

How much Canadian harboring of draft dodgers and deserters during the Vietnam War period has contributed toward the anti-American attitude there is not measurable. But the anti-Americanism is evident, especially in government action and government-sanctioned actions. It should be possible to encourage Canadian contributions to the arts and a unique Canadian culture without using the United States as a scapegoat.

It is obviously to be hoped that the current Canadian attitude toward the United States, at least the attitude of the Canadian government, will give way to the friendly cooperation and interchange that once existed between our two nations. At this point, however, that is only a hope and we cannot dismiss the possibility—however remote—that matters will get worse instead of better.

That is the possibility that makes it imperative to act with extreme caution in the matter of planning to bring vital natural gas from Alaskan fields to the lower states. President Carter is to make the final decision by Dec. 1 concerning the means to make available Alaska's Prudhoe Bay reserve of some 20 trillion cubic feet of gas, enough to provide 5 per cent of our consumption for 25 years. Two pipeline routes now favored by the FPC would each cost about $6.7 billion.

A third route involves a pipeline from Prudhoe Bay south to the Alaskan coast and then having the gas—by then liquified—transported by tanker to West Coast ports. The all-pipeline routes, environmentalists and the FPC say, are more reliable and less environmentally damaging.

The FPC and the environmentalists may have studied the matter carefully, but it is evident from the naive conclusion they reached that they gave little if any deliberation to the serious and immediate problem of the political situation in Canada and that nation's growing antagonism—well-displayed antagonism—toward the United States.

Unless there is a clear and immediate danger to the environment, or there is some recent development that makes tankers carrying liquified gas—as they have done safely for many years—suddenly less reliable than they always have been, we believe the FPC recommendation to the President should be reconsidered.

We already have an oil pipeline crossing Alaska to ports where the oil is to be shipped south. Why not a gas transportation system parelleling that?

Whatever Canada's real—or imagined—differences with the United States, every effort must be made to regain our former friendly, easy relationship. Until that goal is reached, however, the United States cannot permit itself to be vulnerable to the whims of a government that has acted less than responsibly toward us.

Our safest course would seem to be the prudent one, and that is the course that avoids placing 5 per cent of our natural gas supply under what amounts to foreign control.

CANADA WOULD BAR GAS PIPELINE FROM ALASKA ACROSS NORTH YUKON

(By Robert Trumbull)

OTTAWA, May 9.—[A report commissioned by the Canadian Government recommended today a ban on any pipeline from Alaska across the northern Yukon and urged that no natural gas pipeline be built through the MacKenzie Valley of the Northwest Territories for at least 10 years.]

The 240-page report was prepared by Justice Thomas R. Berger of the British Columbia Supreme Court after 21 months of hearings. [It found an alternative proposal to bring the Alaskan gas through Canada by way of the southern Yukon more acceptable, but Judge Berger refused to endorse the undertaking without similar exhaustive investigation.]

Judge Berger conceded that a pipeline to the Canadian gas reserves in the Arctic, with an eventual companion pipeline for oil, is "inevitable." He insisted however, that these projects should be delayed until the native Indian, Eskimo and Metis (mixed blood) people in the area become better equipped to cope with the massive social and environmental changes that would follow the projects.

To lessen the impact of the pipelines on the indigenous people, Judge Berger proposed new wildlife reserves and systematic fostering of native enterprise through modernizing the still primitive methods of hunting, fishing and trapping, and principal occupations.

* * * indicating the importance attached to the report by Canadians, the entire first printing of 16,000 profusely illustrated bound copies available to the public for $5, has already been sold out in bookstores across the country, making the volume an instant best-seller by Canadian standards. The work, and a second volume on legal and technical factors to be completed in the summer, is sure to be the basic document for a concerted popular drive in opposition to the pipelines by environmentalists, nationalists and the native peoples of the North.

The route given qualified support by Judge Berger, known as the Alcan Project, is one of two favored by the United States Federal Power Commission in a report to President Carter last week. The other was the northern Yukon crossing, an $8.5 billion project

of the Alaskan Pipeline Company, that has been condemned by the Berger report.

The F.P.C. recommended that a third route backed by the El Paso Natural Gas Company, for a line entirely within Alaska to Valdez, where the gas would be liquefied for shipment by tanker, be adopted if the preferred routes through Canada fall through.

Prime Minister Trudeau has promised a decision on a route by Sept. 1, the date set by Congress for a choice of pipelines by President Carter. The next step toward a decision in Ottawa will be the recommendation due in July from the National Energy Board, the Canadian counterpart of the P.F.C.

Then the issue will go to the Canadian Cabinet, which is known to be predominantly in favor of the Yukon Mackenzie Valley route rejected by Judge Berger.

ALTERNATE ROUTE FAVORED

Judge Berger contended that the Alcan route, which follows the Alaska Highway through the southern Yukon, poses the minimum threat to the delicate Northern environment. The all-Canadian Mackenzie Valley route, also known as the Maple Leaf Project, which Judge Berger wants postponed for 10 years, would bring gas from the Mackenzie Delta through the Mackenzie Valley to Alberta, where it would connect with existing pipelines.

The Alcan program, like the more controversial Yukon-Mackenzie Valley line, was planned by a consortium of American and Canadian companies that have already invested nearly $100 million in the preliminary surveys. The other proposed Mackenzie Valley line, for Canadian gas only, involves a Canadan group headed by Foothills Pipe Lines Ltd.

Publication of the Berger report, which was submitted to Parliament today, will force onerous new political pressures upon the Trudeau Government, already beset by the strains imposed by the Quebec separatist movement and the concomitant dissonance between Ottawa and the Western provinces.

Besides some 30,000 Indians and Eskimos in the North, who fear that their traditional hunting, fishing and trapping way of life will be destroyed by pipeline construction in their territory on the enormous scale envisaged, opponents of the pipeline program include vocal church groups, an aroused intellectual community and other socially conscious Canadians with some political clout.

Also opposed are Canadian nationalists, who contend the proposed pipelines are primarily for the benefit of the United States, which has urgent need of new energy sources, rather than Canada, which can comfortably wait a few more years for the gas from the Mackenzie Delta that would have shared the Mackenzie Valley facility.

"The risk is in Canada," Judge Berger declared in his report, adding: "The urgency is in the United States." The result, he stated, might be pressure by Americans to complete the pipeline "without due regard for the social and environmental concerns in Canada."

HOMES FOR FERAL BURROS AND WILD HORSES

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. WHITEHURST. Mr. Speaker, today I am introducing legislation to permit the private, noncommercial ownership of wild, free-roaming horses and burros. Under the present law, the Secretary may transfer only custody of these animals, not title, and it is difficult for the agencies involved to find sufficient people willing to offer only custodial care.

I have clearly stated that such ownership is to be only for noncommercial purposes, and I have not removed the requirements for humane care of these animals, and I hope that my brief bill will make it possible for more of them to be given new homes instead of being destroyed as is the case now. It seems to me that this is an approach worth trying, and I commend it to my colleagues for their consideration.

Thank you, Mr. Speaker.

CANADA RESTRICTS JOINT FISHING VENTURES IN 1977

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. AuCOIN. Mr. Speaker—

Canada Restricts Joint Fishing Ventures in 1977.

This was the lead sentence of an announcement issued recently by the National Marine Fisheries Service. According to NMFS, this decision "reflects the Canadian Government's determination to plan and control fisheries programs in the newly established 200-mile fishing zone" and to "insure that the interests of the Canadian fishing industry are protected."

Mr. Speaker, I regret to say that the Government of the United States has shown no similar interest in protecting its law or its fishermen.

Several times in the past few weeks I have inserted news items in this RECORD which show conclusively that foreign interests are quietly circumventing our own 200-mile law by placing heavy investments in our fisheries industry.

In so doing these foreigners are able to take their place alongside American fishermen who enjoy priority rights to U.S. fish resources, instead of lining up for the leftovers as was clearly intended by Congress when it passed the 200-mile law.

As I believe my colleagues will find it of interest, I would like to insert in the RECORD the full text of this announcement regarding Canadian restrictions on foreign investment. At the same time I commend to my colleagues the legislation which I and 39 others have introduced to force this country to take similar steps to insure that the 200-mile law does what it was enacted to do:

CANADA RESTRICTS JOINT FISHING VENTURES IN 1977

Romeo LeBlanc, Minister of Environment, discussed recently Canada's basically restrictive policies toward joint ventures in the fishing industry for 1977. The new policy would, however, continue to permit experimental projects lasting no more than one year provided that the terms are strict and they work to the benefit of Canadian fishermen.

This delegation reflects the Canadian Government's determination to plan and control fisheries programs in the newly established 200-mile fishing zone. One specific goal will be to introduce tight conservation measures for cod fishing in the waters off northeastern Newfoundland and Labrador. In order to assure the recovery of depleted stocks, Canada is reducing the total allowable catch (TAC) from 300,000 metric tons(t) in 1976 to 160,000 t in 1977. For the northern cod stock, the allocations to foreign nations have declined dramatically from 550,000 t in 1973 to 226,000 t in 1976 and 92,250 t in 1977. The clear purpose of these restrictions is to maintain or increase Canadian catches and at the same time to protect certain stocks by reducing significantly foreign catches.

The Government is also prepared to require the submission of detailed plans by Canadian fishermen taking part in the short-term experimental projects in order to monitor all joint ventures and ensure that the interests of the Canadian fishing industry are protected.

LeBlanc expressed concern that even the present small-scale joint ventures were causing tensions between different elements of the industry and among different regions. Finally, he emphasized that in the future, joint ventures in the fishing industry would be tolerated only if they fit into the goals of overall fisheries planning and if they serve primarily as data gathering tools.

THE ANSONIA HIGH SCHOOL CHARGERETTES

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. SARASIN. Mr. Speaker, perfection is the goal to which humanity has aspired since the beginning of time, whether physically, intellectually, or spiritually. While absolute perfection is ever elusive, there are times in our lives when it can be briefly captured.

For the Ansonia High School Chargerettes, that moment came this year. The all-girl basketball team just completed a perfect 23–0 record for the season, an outstanding record for any athletic team but especially so for one that is just 3 years old.

Hard work and perseverance certainly led to laudable achievements. With 22 young women working together, under the guidance of Capt. Lisa Douglas, an all-State basketball player, the team not only won the Naugatuck Valley league title but also the coveted class L State championship. For a time, though, it appeared that the latter honor was not to be theirs. With only 2 minutes and 27 seconds left in the game, the Chargerettes were trailing by a seemingly insurmountable 8 points. Training, team spirit, and determination surpassed the obstacle, and the gap was narrowed. A successful last-second foul shot by Carol Sovinski gave the team the needed 1 point lead and clinched the championship for the Chargerettes.

I wish to offer my sincere congratulations to the Chargerettes, to their coach, Margratha Chambers, and to their assistant coach, Stanley Biga, for a superb season, and extend my very best wishes for every future success.

LET AIRLINES COMPETE IN THE MARKETPLACE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. CRANE. Mr. Speaker, in the past few months, the call for airline deregulation has increased tremendously. Legislation has been introduced and the possibility of this legislation passing has become almost inevitable.

In recent hearings held before the Senate Subcommittee on Aviation, feelings expressed by those testifying have been mixed, some presenting material against deregulation, others fully recommending the passage of airline deregulation legislation.

One of the groups in favor of less regulation is United Airlines. United supports a new Federal aviation law to increase competition gradually and reduce Government regulation of the air transport industry.

In the May 10th issue of the Washington Post, Richard J. Ferris, respected president of United Airlines, incisively explains in his letter to the editor why deregulation is desirable.

The article follows:

LET AIRLINES COMPETE IN THE MATKETPLACE

Your April 9 editorial "Airlines and Free Enterprise" twits the U.S. airline industry for opposing regulatory reform proposals now pending in Congress. You express surprise that airlines haven't leaped at the opportunity to attain less regulation and you say "airlines are merely seeking to stay with the crowd."

United Airlines is one carrier (and there are some others) that hasn't stayed with the crowd, that has been outspoken in support of less regulation, and that has called for market-oriented management risk-taking to meet the desires of our boss—the customer.

United Airlines supports a new federal aviation law to increase competition gradually and reduce government regulation of the air-transport industry. A new law that gradually increases market influence and reduces government influence will benefit both passengers and the air-transport system.

For the passenger, regulatory change would mean continuation of a sound air-transport system and the benefits of innovation and efficiency that the marketplace demands of sellers. It would mean service even more closely tailored to market demand—better tailored regarding price, frequency of flights, and variety and quality of service.

For airlines, regulatory change would permit better matching of prices and costs for a reasonable profit. Under the current regulatory framework, the airline industry's 3.6 per cent return on total capital over a 5-year period put it last among 30 industries—including the railroads—in Forbes magazine's latest survey. Unless that return improves, airlines will not attract enough private capital to replace obsolescent aircraft and accommodate growth. In that case, either the air-transport system will deteriorate or government capital will be required.

Gradual transition to a market system would avoid the possibility of wholesale disruption of the air-transport system. A gradual change would help ensure continued stable employment in the industry.

What we recommend is simply this: Let airlines use their resources, management skills and marketing acumen to compete more broadly in the marketplace. Let airline management make its choices based on dollar-votes at the ticket counter. As we've been saying—the customer is the boss.

RICHARD J. FERRIS,
President, United Airlines.

CHICAGO.

FAULTY LOGIC BEHIND CONSUMER AGENCY

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. GRADISON. Mr. Speaker, among the proposals which seem to continually reappear before Congress, is the idea of a Federal "Agency for Consumer Protection"—ACP. Once again we are faced with a proposal, H.R. 6805, which would establish such an agency. The premise for creating a Consumer Protection Agency is based on faulty logic, and this proposal would cause numerous problems.

Everyone agrees that existing departments and agencies are not doing an adequate job of protecting consumers. This is not, however, due to a disregard for the needs and views of consumers. Rather, this is a consequence of inefficient decisionmaking processes which have produced unforeseen and sometimes catastrophic results.

The question then becomes how to most effectively remedy this situation. It seems illogical to me, to attempt to remedy the inefficiency of existing agencies by creating a new agency. Such an agency will not only be afflicted with the problems of the existing agencies, but in addition will cause increased confusion, delay, and consequent dissatisfaction.

Proponents of this legislation feel that this agency would advocate the interests and views of consumers to other agencies and departments, to balance the lobbying influence of groups representing special interests. Such a view fails to acknowledge that the basic purpose of every Federal agency or department is to decide what is best for the citizens of our country, the consumers.

The sensible solution to this problem is to reform the existing agencies, rather than adding a new one. If the problem is a lack of consumer represenation, reforms should be made with each agency to insure that consumers' interests are given primary consideration. If there are other problems, these also should be solved by altering an agency's structure.

Some have argued that while regulatory reform of this nature is desirable, it simply has not come about. However, it is a lack of consumer representation, recurred. Congress is responsible for overseeing agencies and assuring their effectiveness, but has been remiss in carrying out this duty. I feel that we should begin to exercise our proper responsibilities instead of passing off this function to a new agency.

The creation of an Agency for Consumer Protection assumes that consumers have some type of consensus of their objectives, needs, and preferences. In reality, such agreement hardly ever exists. To ascertain what is best for consumers, the ACP would often have to reconcile the competing preferences of various groups of consumers. The ACP would thus utilize a decisionmaking process similar to that of existing agencies, rather than advocating an obvious consumer viewpoint as many of this agency's proponents expect.

The cost of an Agency for Consumer Protection should not be ignored. The estimated price of such an agency fails to take account of increases in both the paperwork burden of businesses and the additional costs of regulation caused by such bureaucratic infighting. All of these costs are eventually paid by the consumer in the form of higher prices and taxes.

Instead of establishing this new agency, Congress should face up to the problem squarely and bring agencies which have gotten out of hand back under control. Passage of legislation establishing the ACP would constitute an admission to the American people that Congress can no longer control the agencies it has created.

THE JOHN P. SAYLOR PARK

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. MURTHA. Mr. Speaker, it was my pleasure early this month to join in the dedication of the John P. Saylor Park in Black Lick, Pa.

I know many of my colleagues remember the late John Saylor. Many of you also recall his former aide, Harry Fox, who is now chairman of the county commissioners in Armstrong County. Harry was another of the principal speakers at the program.

The park is a 96-acre site. Land for the park was donated by the Rochester & Pittsburgh Coal Co. Money for the project also came from the Bureau of Outdoor Recreation.

During the 200-year history of the U.S. Congress, no individual has done more for sportsmen and conservationists than John P. Saylor. He sponsored numerous legislation which has left its mark on the environmental progress of the Nation. He was the first Member of Congress to receive the National Park Association Award. He was named Conservationist of the Year by the National Wildlife Federation and the Pennsylvania Outdoor Writers Association. He also won the Gold Medal of the Pennsylvania State Fish and Game Commission.

There is no more fitting mark to his memory than this park which can help the Black Lick area residents to enjoy and appreciate the outdoors.

I would like to include for the RECORD some of the comments from the newspaper story which appeared in the May 2 Indiana Evening Gazette concerning the dedication:

THE JOHN P. SAYLOR PARK

(By Nick Dutko)

BLACK LICK.—"I am sure if he were here this would have been as much an honor to my father as any of the others he had received on the national scene."

These were Attorney John Phillips Saylor's remarks about his father, the late U.S. Congressman John P. Saylor, at the groundbreaking ceremonies conducted yesterday afternoon at the site of John P. Saylor Park in Burrell Township.

The attorney, son of the District 12 Congressman who spent a quarter century among U.S. House members, spoke in behalf of his mother, Mrs. J. P. Saylor, who was unable to attend the ceremony.

Approximately 500 community residents, political figures and members of the Saylor family and friends took part in the groundbreaking and to hear Attorney Saylor extend appreciation to the people for dedicating the park to his father and ". . . to honor his memory."

"This is what kept him going."

Harry M. Fox, chairman of the Armstrong County Board of Commissioners, right-hand man of the late representative, cited the Congressman.

"One of the finest men I ever knew," Fox stated, "John P. Saylor would have considered this as one of the greater moments of his life. He enriched the lives of others throughout his career and was not too far removed from his constituency.

"While he admired the strong, his obligation remained to aid the weak to make them strong. Witty and humorous, his views always had a personal impact on others.

"Mr. Saylor felt his best service could be in the U.S. House of Representatives and not in any other political area, consequently he did not aspire for the governorship of Pennsylvania, nor the U.S. Senate.

"Recognizing the artistry of nature from the beginning of his 25-year career in the House, Rep. Saylor's principal aim centered around protecting that artistry from the ravages of man. But at the same time," Fox said, "he (Saylor) also believed in economic progress that at times makes it necessary to alter the natural scene.

"He had not one single blemish to mar his record in Congress," Fox continued, adding, "John P. Saylor wanted to live respected and die regretted. This park in his name more than symbolizes that wish."

Rep. John P. Murtha, successor to the District 12 Congressional seat, termed Mr. Saylor as a man who dedicated his life to the nation and to conservation of the natural resources throughout America.

"He did more in the conservation area than any other man in the 200-year history of the United States," the current District 12 representative said.

His accomplishments in Congress were rewarded time and again by various awards, including the Bernard Baruch Conservation Award, National Parks Association Award, Gold Medal Award from his own state and many others.

Rep. Murtha presented the plaque that hung in Mr. Saylor's Congressional office which will be kept in the John P. Saylor Park building.

GLORIA STEINEM DISCUSSES FALLACY OF CONGRESSIONAL ETHICS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. BIAGGI. Mr. Speaker, I am pleased to bring to the attention of my colleagues a recent statement made by Gloria Steinem on the new congressional ethics code. She discusses in particular the outside earning limitation. She presents a very strong and highly persuasive argument against this provision of the code which restricts outside income for those who earn their income. I fought against this provision on the House floor for precisely the same reasons stated in the Steinem article.

The type of congressional ethics we have is selective, discriminatory, and in reality a sham in the eyes of the public. The ethics code translated into real terms allows the rich in the body to remain so while keeping the poor in their place.

While a Member of the House, I have fought discrimination in many areas. Now I regret to say that discrimination has hit home, and I will have no part of it. I call on my colleagues to give this article their most serious attention:

DISCUSSES FALLACY OF CONGRESSIONAL ETHICS

I'm Gloria Steinem.

Ever since Congress passed its new ethics code, I've been trying to figure out what was ethical about it. I have in mind that most controversial part of the code that restricts senators and congresspeople to outside earnings that are no more than 15 percent of their official salaries.

At first blush, it sounded like a good idea. After all, if the rest of us live on our salaries, why shouldn't they? Furthermore, there were a lot of heavy-hitter moralists—Common Cause and others—who were lobbying for this restriction; and some of their arguments made sense. Speaking or lawyers' fees paid to legislators are sometimes a disguised political contribution, for instance, or they may be a tribute more to an influential position than they are to speaking or legal skills.

But the problem is that this new limitation deals only with earned income. There is no attempt to touch the substantial unearned income that many members of Congress get from stocks, bonds, dividends, interest, rentals, farm subsidy programs and many other sources. Does that make sense? After all, members of Congress might be tempted to refrain from making laws that adversely impact the businesses and land holdings from which they profit without lifting a finger—and that's at least as dangerous as law-making influenced by a $2,000 speaking fee.

I'm afraid this much-touted ethics code has done little but penalize the working stiff, the senator or congressperson who is dependent on earnings, and has no unearned wealth. To his credit, Senator Muskie of Maine pointed out this hypocrisy, but most observers agreed that there wasn't a chance in a thousand of limiting unearned wealth. So Muskie, who has been earning about $30,000 each year in speaking fees, will have to cut back to $8,600, or 15 percent of his official salary. By contrast, Senator Heinz of Pennsylvania, who gets about $100,000 a year from family holdings, won't have to give up a penny. Does that sound ethical to you?

We already have a lot of millionaires in Congress and the Senate. In fact, we already have too many. Thanks to this so-called ethical restriction on outside earned income, wage-earners may be less encouraged or able to run. And that means that more of the field will be left to names like Rockefeller, Heinz and Kennedy.

I'm Gloria Steinem for Spectrum.

JUSTICE DEPARTMENT HAD CAUSE TO HIDE INTERNAL MEMO ON FRAUD AND THE UNIVERSAL VOTER REGISTRATION ACT: IT IS SLOPPY WORK

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. BONKER. Mr. Speaker, publication of a Justice Department internal memorandum attacking the Universal Voter Registration Act as containing a "tremendous potential for fraud," has created more of a flap than deserved.

Beyond the fact that it is purely a working paper from one staffer within the Department, its dissection of the bill does not cut very deep.

Fraud is always a potential problem in any system of counting ballots. However, the Justice Department internal memo recognizes neither the improvements made in the bill by the House Administration Committee nor some crucial facts about which fraud is committed under present methods of registering voters.

My own support for the Universal Voter Registration Act has been tempered by a belief that we should do more to emphasize preelection registration and avoid administrative problems. The legitimate search for proper safeguards against voting fraud should neither distract from these issues nor turn into a war of words over whether the American people are going to go out and undermine the democracy of cheating by the polls.

I have written to Attorney General Bell raising some questions about the adequacy of the Department's internal memo. My colleagues may find it helpful in judging whether that memorandum deserves the notoriety it has received. A copy of my letter to the Attorney General follows:

WASHINGTON, D.C.,
May 9, 1977.

Hon. GRIFFIN B. BELL,
Attorney General of the United States,
Washington, D.C.

DEAR MR. ATTORNEY GENERAL: Having reviewed the publicly-released internal memorandum from your Criminal Division purporting to discuss the shortcomings in the Universal Voter Registration Act relating to fraud, I would appreciate your speedy reply to the following questions and comments on the issues raised in the memo. I want to be clear at the outset that I, too, have reservations about some of the provisions in the bill, but question the allegations raised in the memo about fraud.

I am aware that the memorandum was an internal document and does not reflect the position of the Department. Still, its appearance has caused considerable comment and clouded the main issues raised by the Universal Voter Registration Act. Central to these issues is the administrative feasibility of the act. Although I can cite nothing other than my eight years as a local election official, my guess is that more votes have been incorrectly counted and more people disenfranchised through administrative error than through fraud.

Our election system assumes that citizens are honest, just as does the income tax collection system. Safeguards have been built in to prevent patterns of fraud which are

so egregious as to cast doubt upon whether the will of the majority has been truly recorded. And those safeguards correctly focus on the role of election officials in fraud, for history demonstrates that fraud of such scale as to debase representative government requires the collusion of election officials.

But the Justice Department internal memo assumes just the opposite, that prior registration effectively operates to restrain a dishonest electorate bent on fraud. And it assumes that it is honest election officials who are the front line of defense against the electorate.

In fact, most citizens are honest. In fact, registration now primarily serves as an administrative convenience for planning elections. In fact, while the vast majority of election officials are honest and capable, major fraud nearly always involves election officials. In fact, the possibility of fraud exists with almost any system of casting ballots, but the Universal Voter Registration Act contains at least the same level of safeguards, and possibly more.

The memo develops parallel arguments that present safeguards against election fraud are ineffective, and that the bill would make them even less effective. In other words, the present system is bad, and the bill would make it even worse.

The specific problems I have with this position follow, and I would appreciate your comment on each:

1. The memo repeatedly cites Illinois, specifically Chicago, and Louisiana, as locations for known patterns of vote fraud. Yet it makes no mention at all of the two states with experience at the polls similar to that provided in the bill, namely Wisconsin and Minnesota. What is the record in those two states on fraud resulting from same-day registration at the polls (Some may say that Minnesota and Wisconsin are atypical But this merely supports another point, namely that fraud is a recurring problem in relatively few jurisdictions.)

2. If fraud is largely a problem in relatively few jurisdictions, as the memo certainly implies, does not the Justice Department under existing law, and under the proposed provision of the UVRA, have ample tools for dealing with recurring patterns of fraud? If not, how might this specific problem be best addressed?

3. The memo both implies and states explicitly that major election fraud involves the collusion of election officials. It further refers to "those bent on corrupting the system," and "the type of person who is most apt to commit election fraud." Who are "those bent" and "these types"? Are they ordinary citizens, or are they more predominantly election officials? If "these types" are not election officials, do they not, for the most part, require the collusion of election officials to commit fraud on such scale as to be a true threat to the integrity of the system?

4. Is it the position of the Justice Department that the type of fraud which is significant is organized and involves collusion of election officials, or is it the isolated instance of a voter trying to get away with voting twice on his own initiative?

5. If fraud largely does involve election officials in some way, is it not, in fact, easier under the present system to perpetrate organized vote fraud? That is, is it not very easy for an election official to falsely register voters or register fictitious persons through his centralized control of registration procedures, times and locations?

6. The memo cites the time intervening between registration and election day as a period in which residence and other qualifications are verified. This may be true in theory, but in practice very, very few jurisdictions make such checks. Does the Justice Department conclude that in fact such verifications of residence and qualifications are made by most jurisdictions? Does it conclude that such verifications are specifically made by those jurisdictions cited in the memo as recurring sources of fraud?

7. Is the Justice Department aware that registration activity peaks very sharply at the close of registration, and that those registrations taken very close to an election are the least likely to be independently verified?

8. The memo states that, "The vast majority of the states usually require that a prospective voter present himself at the appropriate registration office . . ." Is the Justice Department aware that 18 states plus the District of Columbia encompassing more than half of eligible voters, now allow registration by mail? In the majority of cases in which registration by mail has been adopted by state legislatures, a primary argument against such procedure has been that it opens new avenues for fraud. Has not the record in those jurisdictions which have adopted registration by mail dispelled the expressed fear of fraud?

9. Is the Justice Department aware that most jurisdictions require no identification for pre-election registration, and that the requirement for presentation of identification in the bill adds a safeguard not presently used, notwithstanding the argument that identification can be falsified?

10. In view of the fact that no identification is now required and that very few verifications of residence or qualifications are made, is not the statement in the memo that "those bent on corrupting the system * * * would be willing to lie on whatever affidavits they are asked to sign," equally applicable to the present system?

11. Has not the bill approved by the House Committee on Administration tightened the protections against fraud by reducing the incentive for adoption of same-day registration at local and municipal elections where fraud is probably a greater problem than in Federal elections, and by other amendments?

12. The memo argues that availability at the poll of a "control" signature allows poll workers to insure that it is the same person voting who previously registered. Under a same-day polling place registration system it is hard to fathom how it might arise that the person registering is not the person voting.

13. The other argument made for having a "control signature" available is to aid in prosecutions of fraud. While this is undoubtedly true, it also curiously indicts the present system by citing that it is election officials who have found a way to use pre-election day registration to fraudulent advantage (comparing lists of registrants with those who appeared at the poll in order to "sign-in" and cast ballots for the no-shows). Thus, not only does pre-registration, in some ways, facilitate fraud, but the use of the signature comparisons is appropriate to criminal prosecution for this specific type of fraud. But there are other ways of committing fraud (e.g. falsely registering a person not otherwise eligible to vote) for which signature comparison is not so helpful. Again, the main point seems to be that it is election officials who are the main culprits, and our attention should be focused on their part in fraud cases.

14. The memo discusses the effect of "abolition of pre-election registration," yet the bill clearly anticipates polling-place registration as complementing, not supplanting, pre-election registration I believe the bill could be strengthened in this regard, but it is still inaccurate to say the bill will "repeal . . . pre-registration laws."

15. The memo states that it will be easy for a person to wander from polling place to polling place casting ballots. Again, the present system certainly is no better defense against "those bent on corrupting the system" in this way. A person can now register in as many different places as he wishes, under as many names and addresses as he wishes, without much threat of detection.

In view of impending floor action on this legislation, your earliest response will be most helpful.

Sincerely,

DON BONKER,
Member of Congress.

SST UNKNOWN TO CONGRESS

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. WEISS. Mr. Speaker, in a debate on the House floor on March 17, members of the House Science and Technology Committee revealed for the first time that at least $15 million under H.R. 4088—the NASA authorization for fiscal year 1978—would be available to NASA for the purpose of preparing an overall plan for the development, planning, analysis, and research for a new SST or so-called AST—advanced supersonic transport.

In light of the fact that in 1971 Congress terminated the SST program after 10 years of controversy and an expenditure of over $4 billion, I introduced an amendment on that day to preclude any funding of such an overall plan without an act of Congress specifically authorizing such an expenditure—see pages 7859–7885 of the March 17 CONGRESSIONAL RECORD. Unfortunately this amendment itself was amended out of existence before final approval of the House authorization.

Until March 17, hardly any Member of the House, not to mention the general public, was aware that $15 million was included in H.R. 4088 for the purposes I have described above. I therefore wrote Dr. James Fletcher, until recently NASA administrator requesting that he provide a complete accounting of NASA's expenditures relating to the SST or so-called AST including those expenditures which may have been incurred in the past or which are expected to be incurred in the future.

The April 29 reply which I received from Dr. Fletcher and which is reprinted below shows that since 1973, NASA has received nearly $55 million for AST-related work—again for the most part unknown to the Members of Congress or the public at large:

NATIONAL AERONAUTICS
AND SPACE ADMINISTRATION,
Washington, D.C., April 28, 1977.

Hon. TED WEISS,
House of Representatives,
Washington, D.C.

DEAR MR. WEISS: This responds further to your March 31, 1977, letter regarding an advanced supersonic transport airplane. Specifically, you expressed concern about the request by the House Committee on Science and Technology to NASA to prepare an overall program plan for achieving technology readiness for an advanced supersonic transport in the early 1980's. This request was included in the Committee Report 95–67, to accompany H.R. 4088, to authorize appropriations to the National Aeronautics and Space Administration.

NASA's understanding of the Committee request is that the Agency is being asked to provide the Congress with a plan—no more than that. It is not NASA's view that the preparation of a plan for technology is in any way a mandate to build an advanced supersonic transport (AST) by the early 1980's. The current best estimate of the minimum time required to develop the technology necessary for even a decision on whether the U.S. should build an AST is four to five years. Following this, an eight- to ten-year period would be required before the first AST could become operational.

The $15 million in H.R. 4088 for Aeronautical Research and Technology (R&T) is simply the FY 1978 continuation of a seven-year ongoing advanced technology effort for future civil and military supersonic cruise applications. These funds (7% of NASA's total Aeronautical R&T budget request) are not tied to the requested study. They are not in the bill for that purpose. They do represent a $4 million increase over the Congressional-approved FY 1977 level of $11 million, as shown in the encicsed chart, which also lists R&D funding levels for supersonic cruise technology over the past several years.

NASA does not have sufficient information to provide a meaningful response to your question concerning the funding needed over the next three to seven years to prepare for building an advanced supersonic transport. It is extremely doubtful that a technology readiness date would ever be achieved at the present (FY 1978) funding levels. Beyond that, the funding level required would be closely tied to the technology readiness date selected for the target. As NASA understands the House Report, the question of funding level is a major one, to be addressed by the requested plan.

We will be pleased to provide additional information, if you so desire.

Sincerely,

JAMES C. FLETCHER,
Administrator.

NASA R. & D. FUNDING FOR SUPERSONIC CRUISE TECHNOLOGY

[In millions of dollars]

	Fiscal year—							
	1972	1973	1974	1975	1976	19TQ	1977	1978 request
Advanced supersonic technology/supersonic cruise aircraft research	0	11.7	10.1	9	8.8	2.1	8.0	9.0
Variable cycle engine components technology	0	0	0	0	.9	.3	3.1	6.2

G. H. WEYERHAEUSER PROVIDES AN INDUSTRY'S VIEW ON WATER QUALITY MEASURES

HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. McFALL. Mr. Speaker, American industry has made remarkable progress in meeting the national goal of clean rivers, lakes, and streams in the 5 years since passage of the Clean Water Act of 1972. With the first major deadline of the program arriving on July 1 this year, the National Commission on Water Quality says that about 90 percent of industrial dischargers will be in compliance with the standards set by the act.

One company which has made excellent progress and which operates a plant in my district is the Weyerhaeuser Co.

In a recent speech to the Association of Metropolitan Sewerage Agencies in Anaheim, Calif., company president George Weyerhaeuser recounted the progress and made recommendations as to how he believes we should proceed beyond 1977. I am placing that speech in the RECORD for the Members' consideration:

SPEECH OF G. H. WEYERHAEUSER

Thank you.

The municipalities represented by your association, and American industry, which I represent here today, are joint participants in a major effort to clean up our country's waterways.

Our task is of importance to society. I am sure there is no one in this room who is not fully committed to the goal of improving the quality of America's waters. It is a goal shared by all Americans. The problem is that those of us who have to do the job, not just support its objectives, have found that it isn't simple, easy or cheap.

Congress, in the 1972 water quality amendments provided that by 1977 industrial and municipal discharges should meet certain technological requirements. In the case of municipalities this requirement was called secondary treatment—for industry, "best practicable treatment currently available."

There is no doubt that in 1972 Congress reacted to strong public feeling that the pace of environmental cleanup needed to be greatly accelerated. The public commitment to improved water quality has in no way abated—nor should it.

It needs to be shouted from the rooftops that the progress made in the past few years has been remarkable. By this summer's deadline, 90% of American industry will be in compliance with the 1977 standards, according to the report of the National Water Quality Commission, which was created by that same 1977 law. Our problem has been somewhat different than yours, perhaps easier. Your ability to comply with the 1977 deadline is dependent upon a complex mix of Congressional appropriations and construction industry capability to meet rigid and stringent deadlines.

Thus, hundreds of cities and counties throughout the nation will be in violation of federal law, and in theory subject to severe penalties, after July 1—through no fault of their own. A few industries will be in a similar position. I think it is apparent that the Congress must act, and I am certainly hopeful that it will, to extend the July 1, 1977 deadline, where circumstances dictate.

In addition, administrative flexibility for E.P.A. would be particularly appropriate in such cases as that of the Metro system of Seattle and its suburbs, where the present statutory requirement would cause no noticeable improvement in the receiving waters of Puget Sound. Far more environmental benefit could be achieved by diverting funds to the installation of critically needed storm and sanitary sewage separation.

And, finally, we fully recognize the need for reasonable and consistent funding levels for the municipalities and we will support you in the effort to obtain them.

Let me make it clear that I support the 1977 standards. I believe they should remain in force. Extensions and exemptions should be allowed—but only upon proof that they cannot be achieved by a particular plant or municipality on time. How the Congress sorts out the issues of good faith, or conditional extensions of the 1977 deadlines, is beyond the limits of my wisdom.

The 1983 standards, however, are within my area of immediate concern. They are a second-stage carryover of the crash program begun in 1972. In 1972, the Congress obviously felt that the nation, in both its public and private sectors, had not performed as it should, in relation to its waterways. It mandated that we eventually install all the technology that becomes economically available—in other words, all that we can.

It is the question of "can" versus "should" that both the National Commission on Water Quality last March and the General Accounting Office more recently have asked the Congress to review.

The 1972 Act now calls for "best available technology," by 1983.

The National Water Quality Commission put it simply in its report to the Congress: "Wise use of total national resources would support the imposition of only those levels of control or treatment that actually produce the intended result." In the total concept of the report, it is obvious that the intended result is water quality and not technological achievement.

It coupled this recommendation with a reminder that "best available technology" and energy conservation may be incompatible, and that the linkage beween air and water quality and solid waste disposal must be kept in mind. In other words, as Barry Commoner reminds us, "everything is connected to everything else."

Thus, in effect, the Commission brought us full circle—it suggests that, in proceeding toward water clean-up goals, it is the condition of the water, rather than technological virtuosity, that must be the criterion upon which we should make our judgments and set our standards from hereon out.

From the standpoint of the public interest, this may seem self-evident. From the viewpoint of many in the Congress, it is not.

Their position is not as illogical as it may appear on the surface. It is a position based in part upon a desire for administrative ease, but it is also a position born of their experience.

Prior to 1972, we must remember, it was water quality in specific environments that was the criteria for standards and for permits. And, in the opinion of many, that system did not work.

The reason it did not work, is that the states were the standard setters, and the sole enforcers. Prior to the late 1960s the states simply were unable to launch a national cash program. Throughout the 1960s, the social problems of the cities took priority over their sanitary problems; citizen priorities were not yet focused on water quality.

In the industrial sector, achievement varied greatly by state and region; the threat of older mills and factories, approaching the end of their economic lives, to close and re-

build in states with more tolerant standards or less rigid enforcement, was one that could not be ignored in many parts of the nation.

None of those situations prevail today; the strengthened federal governmental role in partnership with the states and municipalities, and the 1977 standards themselves, have changed all that. We now have a firm national base from which to proceed to assess and improve the quality of specific local and regional waters.

The administrative problem should not be passed by lightly. There is no doubt that standards based upon the specific needs of water in specific environments is more complicated to administer than standards dependent upon the uniform application of technology. But, I am confident that a water quality system that works is something that this society is perfectly capable of constructing and administering. I am further confident that it is in the public interest to now substitute a system based upon water quality needs for the one of imposed technological possibility.

Those water-quality needs vary dramatically, as Weyerhaeuser Company can attest from its own experience. My company's experience with water quality measurement and effluent treatment began some 40 years ago, shortly after we began producing wood pulp. Today, our firm operates pulping or paperboard facilities at ten locations, as well as major wood products facilities, where either the volume of effluent discharges and/or the content of the wastes, pose a potential water quality problem.

As in the case of the municipal sector, the rivers and estuaries into which these effluents are discharged differ markedly from location to location.

The impact, or lack of impact, of these organic discharges on the quality of the receiving water and upon the life chains within them depends in large part upon the assimilative capacity of those waters. The characteristics of those waters range from rapidly reaerating stream waters, to waters with tremendously high dilution potential, to waters with high background quality, to waters which have for many years been "dead" as a result of industrial and municipal concentration, and, at one location, to waters with assimilative capacity limited by natural eutrophication.

Each of these waterways has different needs; each should require different levels of treatment to meet national water quality goals.

For instance, in 1973 we acquired a sulphite pulp mill on the Wisconsin river—one of 20 mills that discharge into it. The wastes from most of these mills have only recently begun to be treated. Agency and industry water quality surveys on the Wisconsin downstream from our mill show that summer dissolved oxygen levels often are below levels lethal to fish. This is the result not only of the current effluent of our mill and the many others, but also results from the build-up of fibers on the river bottom, which has occurred during many decades of the river's industrial history. There are color and foaming problems, reduced fish and invertebrate life, and, as a result, there is very little current recreational potential.

After our acquisition of the mill, we installed primary treatment. We are now constructing a secondary treatment system. When primary and secondary treatment are constructed by all of the mills along the river, dissolved oxygen levels should improve markedly. Discharge of fibers will essentially end. However, the sludge build-ups of the past will not immediately be flushed out.

It may be that not much, other than the passage of time, will need to be done to eventually restore the Wisconsin to its recreation potential. Perhaps further action will be required by the mills

We won't know until secondary treatment has been completed along the course of the river. There is no question at all in my mind that the mandated secondary treatment expenditures will be beneficial, and that they are fully justified, from the standpoint of public interest in water quality. And, there remains the possibility that further application of technology will be required in the future.

The Wisconsin is something of an extreme example, insofar as our own mill locations go.

At the other extreme is Longview, Washington. It is the place where we entered the pulp and paper industry, building a sulphite mill in 1931, a kraft pulp mill in 1948, and a paperboard mill in 1954. A third pulp mill, using a semichemical process, began operations at the site in the 1960s. These mills, together, discharge effluents which until recently created 180,000 pounds of biological oxygen demand per day—into a class A stream, suitable for all uses including domestic water supply. That stream, however, is the Columbia River, and the waste water dilution at point of discharge, at average stream flow, is 1,800 to 1. Because of the river's reaeration capability, the impact of these mills upon downstream water quality, with primary treatment clarification, virtually escaped measurement, and the river remained fully oxygen-saturated.

In 1971, because of a strike, there was opportunity to measure downstream water quality at the low stream-flow period, with the mills operating, and then with the mills closed. There was no discernible difference in dissolved oxygen. By coincidence, there actually was a minor decrease in turbidity downstream when the mills were operating, and a slight increase in suspended solids which still was well within the parameters set by the state for water quality there.

Nevertheless, we are installing secondary treatment at Longview which will lower B.O.D. loading to 29,000 pounds. There will be no detectable change in the quality of the receiving waters as a result of this $49.3 million expenditure. We did not expect one. We did not install secondary treatment with water quality as a goal. We installed it solely to meet the requirement of the 1977 standards. At tremendous cost, we are proceeding to aerate effluent waters that will receive natural oxygen in abundant quantities immediately after release. In other words, here we are engaged in treatment for treatment's sake.

In Longview's case, we are spending nearly fifty million dollars with no impact on water quality, in order to comply with the 1977 technology standard. We do not believe that it makes any sense to follow with an equally large expenditure of dollars, and with a requirement to substantially increase our use of electric power, in order to meet a 1983 "best available technology" goal which would, again, do nothing measurable to improve water quality in the Columbia.

Finally—on the matter of color. Under BAT, as presently defined by E.P.A., by 1983, color must be removed. Again, I would submit, that need depends upon the needs of the waterway, and of the conditions that exist in it. In some clear waters with good aesthetics, color is a problem, but, for instance, we have a mill in North Carolina where the Roanoake River joins Albermarle Sound. It is a marshland area. The natural color of water in this environment ranges from brown to black. William W. Hassler, professor of zoology at North Carolina State University, has determined that this natural coloration of the water serves a positive biological function, and the species which have evolved there have adapted to it. In such a situation, color removal from effluent discharges seems, at best, a very questionable priority.

I have used these examples simply to show the widely different needs of receiving waters in connection with just the operations of our own company. The differences as they involve municipal sewage treatment plants may cover an even broader spectrum. The federal regulatory system, if it is to truly serve the public interest, must be adapted to the needs of varying waterways and must not force the expenditure of scarce public and private capital on unneeded technology.

Estimates of the total cost to society, if we remain on our present course, range up to half a trillion dollars—most of it in the municipal sector. With all of the needs facing society, we simply cannot afford to make such expenditures without questioning the needs. We should insist on additional treatment in those cases where water quality requires it. Where water quality problems already have been solved, we should let well enough alone.

I recognize there are arguments about equity. If BAT is abandoned, and water quality itself becomes the test, many would argue, those industrial plants and those municipalities which by chance of history, geography, or nature are situated on waterways with low assimilative capacity will be at a competitive disadvantage. However, it needs to be recognized that some older communities and some older mills—and thus entire regions of the nation—may be disproportionately impacted by uniform technology standards, under the present system. Neither system can be completely equitable—regulation, like life, never is. But, water cleanup was not launched with a view to maintaining equity in industrial or municipal costs. It was launched to clean up the nation's waterways. And, since that is a valid societal objective, we should do the job in ways that are the most effective, the most efficient, and which impinge the least on other valid national social objectives. At any rate, each plant and each community starts with unique climatic, transportation, resource and labor bases, any of which may be far more compelling competitively than pollution control.

Now, to conclude. First, I commend your Association on the sense of its resolutions of last October, particularly as they call for mid-course correction. They are compatible with the effort that responsible industry is making. We support the 1977 standards, while recognizing that some extension of the July deadline may be necessary for some industries or plants, and for many municipalities.

Second, we need your help in convincing Congress that to proceed further on a course dictated solely by technological considerations is unwise. We need your help in urging the Congress that expenditures beyond the 1977 deadline should not be based simply upon what level of treatment-technology we can theoretically achieve, as the law now requires, but rather upon what level of treatment is needed to insure the beneficial uses of our diverse waterways.

Finally—what is important to the nation's waters is not what we can do, but what we ought to do. What is important to the public interest is not whether a regulation is "tough" or "weak," but whether it is wise.

I believe American industry supports a regulatory system that will be clear and fair. We want an enforcement process that will work. We pledge our best efforts to work openly with the new Administration, the Congress, and all municipalities to achieve these goals for our nation. I am confident that, with your support and participation in a joint effort, we can bring about these changes, and proceed more effectively in the

monumental task of cleaning the nation's waters.

Thank you.

OFFICIALS EXPRESS PRIDE IN RESEARCH ACHIEVEMENT

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. CEDERBERG. Mr. Speaker, recently, on a trip to Houghton Lake, Mich., I participated in the presentation of several awards for a new wastewater treatment system. The ceremony woud never have occurred without the Federal support and financial assistance to establish the feasibility of a unique and radical approach to wastewater treatment. The result: a $700,000 savings for the community and a new alternative to wastewater treatment using the natural processes of the nearby marsh wetlands.

Houghton Lake, located in central Michigan, is the State's largest inland lake. Not only is it a popular resort community, but it is also rapidly becoming a mecca for senior citizens and retirees from Michigan's industrial cities.

Early in the 1960's, the community realized that it would need additional wastewater treatment facilities to adequately provide for the demands of the future. Unfortunately, like many of todays' communities, it did not have the financial resources to deal with this situation. Only after advertising for bids on treatment facilities did the Houghton Lake Community strike upon a possible solution.

It was proposed that, instead of the conventional wastewater treatment approach, the natural processes of the nearby marshlands be used as part of a total system of wastewater treatment. The concept, radical, untried, and unproved, received the go-ahead only after an extensive study, supported and financed with Federal funds, established its feasibility.

I would like to share with my colleagues the account of the national award presentation as recorded in the local newspaper, the Houghton Lake Resorter:

[From the Houghton Lake Resorter, Apr. 28, 1977]

OFFICIALS EXPRESS PRIDE IN RESEARCH ACHIEVEMENT

Federal, state and local officials spoke appreciatively last week of a wastewater treatment technique the benefits of which have won recognition from state and national engineering societies.

Originators of the concept was William & Works, the Grand Rapids engineering firm that designed the Houghton Lake Sewer System.

Forum for the speakers was a gathering of county and township officials and guests April 22 at the King's Table in Prudenville. The reception and lunch was sponsored by the Houghton Lake Sewer Authority as a means of giving recognition to the community for its part in the accomplishment.

Speakers included U.S. Rep. Elford Cederberg, 10th Michigan District; Michigan Rep. Ralph Ostling, 103rd District; Dr. Howard Tanner, director, Michigan Department of Natural Resources; Dr. Robert H. Kadlec, University of Michigan research chemist; Robert W. Smith, who as Denton Township supervisor gave leadership in 1968 in developing the first sewer trunk line; Zane Miller, Williams & Works representative who gave technical expertise to local sewer development.

Robert Gandolfi, chairman of the Sewer Authority, presided.

Cederberg said, "I'm here to congratulate you and tell you we're aware of the research value (of the Houghton Lake system). Rep. Ostling reviewed the several awards which followed the Mort Neff Clean Waters Award, the first recognition given the development. Ostling also read a citation of accomplishment from the Michigan General assembly. Dr. Tanner mentioned the Houghton Lake project as one of three the department endorses in the biological chain of food, fiber and fuel. Using natural gas to process sludge will become more distasteful and fuel grows more scarce, he pointed out. The treatment method conceived and tested at Houghton Lake provides an alternative, he said.

Dr. Kadlec drew laughter when he observed that although the wetland irrigation of clean but highly nutrient effluent will save the taxpayers an estimated $700,000 over the next 20 years, the cost in research to verify safety of the method cost $773,000 in federal money.

The three-year research involved the work of 76 persons of whom 60 were college students. The U of M chemist related that nitrogen and phosphorus ingredients in the previously aerated waste water effluent is taken up in the peat bottom of the pond approximately 100 feet from the discharge point. The nutrients then are yielded up to food plants for waterfowl and wildlife.

But Dr. Kadlec cautioned that close watch must be maintained on the marsh to assure that adverse conditions do not develop. He mentioned that the technique has failed at some other places in the Midwest and, therefore, there are some unanswered questions.

Recently T. C. Williams and E. S. Thompson of Williams and Works were honored guests in Washington D.C. where the American Consulting Engineers Council presented an award to the engineering firm. Dr. Robert Kadlec and Dr. Ed Bryan, the latter representing the National Science Foundation under which the research grant was made, shared in the honors.

Prior to the latest recognition, Williams and Works' concept was awarded by Consulting Engineers Council of Michigan.

ELECTION DAY REGISTRATION

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. GRADISON. Mr. Speaker, the Ohio Legislature is in the process of considering far-reaching changes in voter registration procedures. The proposals before the legislature encompass many of the same changes which have been or are currently being considered by Congress.

The secretary of state, Ted W. Brown, is the individual responsible for administration of the election and voting laws in Ohio. Recently, Mr. Brown polled members of county boards of elections throughout Ohio to determine their opinion on registration procedures.

I would like to include in the RECORD at this point the results of this survey. These results indicate the professional opinion of those officials charged with the actual administration of voting laws. What is particularly significant about these survey results is that the answers are not along party lines. Both Republicans and Democrats overwhelmingly oppose election day registration.

The local officials who responded to this survey are in the best position to judge the practical effects of same day registration. I would urge my colleagues to give these opinions careful consideration as we consider the President's recommendations for election day registration.

The survey results follow:

1. Statewide registration of voters.

Favor, 200; oppose, 23; and number of officials responding, 223; 115 Republicans and 85 Democrats favor, 17 Republicans and 6 Democrats oppose.

2. Permanent registration. (Registration is never cancelled under this provision for non-voting.)

Favor, 9; oppose, 208; and number of officials responding, 217; 2 Republicans and 7 Democrats favor, 128 Republicans and 80 Democrats oppose.

a. Would you favor or oppose cancelling registration for non-voting after four years as a substitute for the provision for permanent registration?

Favor, 209; oppose, 9; and number of officials responding, 218; 125 Republicans and 84 Democrats favor, 6 Republicans and 3 Democrats oppose.

3. Election day registration at the polling place. (Such registrants are permitted to vote if they can provide identification such as a driver's license or can be vouched for by an elector within their precinct.)

Favor, 8; oppose, 213; and number of officials responding, 221; 1 Republican and 7 Democrats favor, 131 Republicans and 82 Democrats oppose.

4. Registration by mail. (The deadline for the close of such registration is thirty days prior to the election.)

Favor, 114; oppose, 105; and number of officials responding, 219; 53 Republicans and 61 Democrats favor, 77 Republicans and 28 Democrats oppose.

Total number of counties responding: 84.

SENSE AND NONSENSE ABOUT VOTING FRAUD

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. BONKER. Mr. Speaker, the least good reason for opposing the Universal Voter Registration Act is fear of fraud. The bill has been substantially improved in committee to reduce administrative problems, and I believe even more could be done to emphasize pre-election voter enrollment. For many reasons, these concerns deserve at least as much attention as the possibility of fraud.

There are those who will use any argument—including fraud—to oppose this bill because they oppose increased voter turnout. Their use of the fraud argument is intellectually fraudulent. For those truly concerned about the potential for fraud, some rational discussion of how

fraud is perpetrated at the polls may be helpful in focusing on what I consider to be the more significant issues raised by the Universal Voter Registration Act.

The historic record establishes that it is not any particular election procedure which leads to fraud, but the political culture in a very few jurisdictions which leads corrupt candidates and election officials acting in collusion to manipulate whatever vote counting system exists. In the vast majority of jurisdictions, citizens will vote honestly and officials will count honestly regardless of the system.

Our election system, in fact, is based upon an assumption of honesty among the electorate. The type of fraud we are concerned with is not the isolated instance of a voter trying to get away with something titillating by voting twice, but the organized efforts of candidates in collusion with election officials and pollworkers to cheat on a scale large enough to overturn the honest outcome of elections. It is also abundantly clear that administrative error is responsible for a far greater number of miscounted ballots and contested elections than is fraud. Of 20 contested gubernatorial and Federal elections since 1972, probably no more than three involved fraud. The others involved substantial administrative errors. And in those three, fraud required the active collaboration of certain election officials and pollworkers.

It is startling that the availability of lists of preregistered citizens has abetted fraud in these cases. The dominant method for committing fraud is falsely signing-in and voting for citizens who are or were honestly registered but do not appear at the polls.

Nearly all the improvements in the election system have been accompanied by a hue and cry over fraud potential. Yet the record is just the contrary. For example, adoption of computerized vote tallying raised the specter of fraud to such a degree that the GAO conducted a massive study of computerized vote counting. It concluded that instances of fraud were minor, but that administrative errors were a serious problem in early years; even at that, these errors could easily be overcome through careful planning.

The battle to adopt registration by mail in those 17 States and the District of Columbia which now have it, was accompanied by charges that it would lead to massive vote fraud. But, with more than half the voting age population of the United States now able to register by mail, the fear of fraud has evaporated and former opponents have enthusiastically endorsed post card registration.

As an historical footnote, the International Association of Clerks, Recorders, Election Officials and Treasurers went on record in May 1975 opposing mail registration on grounds that:

> It is the unanimous consensus of our members involved in election responsibilities and recordkeeping that such registration would be prone to confusion and fraud . . .

Hopefully, that association is now somewhat embarrassed by its statement.

In the days of paper ballots, stuffing the ballot box or simply miscounting ballots was the prevalent form of fraud; it involved the collusion of election officials. With the advent of vote tallying devices, those bent on corrupting the system changed their modus operandi to illegally casting ballots for those who are duly registered but fail to appear at the polls; again, significant fraud involves election workers.

If a limited same-day registration system is adopted, corrupt candidates and officials will again find a way to commit fraud, but the vast majority of citizens and officials will continue to vote honestly and count the ballots honestly.

What we must be concerned with is insuring that in the vast majority of jurisdictions the integrity of the system, the electors, and the officials is not compromised by administrative problems which lead to inadvertent miscounts. This means focusing our attention on the details of the system, it means adequate lead-time to adopt the system, it means adequate resources, it means exempting elections at which the system would be inappropriate. And it means building in adequate safeguards against fraud which are based on the realities of how fraud is committed, not on the totally false assumption that the American electorate is basically deceitful and just waiting for the ranks of election officials to be broken so that they can rush into the polling places and steal the democracy.

The bill has been amended in committee to accomplish these things. Local and municipal elections have been excluded, and it is at these elections—with their smaller electorate bases—that the possibility of either fraud or administrative error, changing an outcome, is greatest.

If the bill needs to be further amended, fine. But let us not condemn this or any other legislation for dishonest reasons.

THE CASE AGAINST PORNOGRAPHY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. BIAGGI. Mr. Speaker, the conscience of the Nation has been shocked over the continued proliferation of pornography. The expanded use of children in pornography represents an especially horrifying phenomenon.

Congress is actively involved in developing legislation to stop the spread of pornography. I was proud to have sponsored an amendment to the Child Abuse Act extension which adds the term "sexual exploitation" to the definition of child abuse. This will allow victims of sexual exploitation, including pornography, to receive treatment funds from programs funded under the act.

Other legislation such as my bill H.R. 5522 would slap stiff penalties against those who procure children for pornography. I am cognizant of first amendment objections which will be raised during the consideration of this legislation. I fully recognize a fundamental right of free speech and expression. Yet freedom of speech does not merely involve the "rights of the speaker." We must also consider the purpose and effect of the speech of expression. The community certainly has a right to be free from the effects of pornography which in reality represent a concentrated attack on the moral fiber of this Nation.

In anticipation of early congressional discussions on this volatile subject, I would like to insert in the RECORD an outstanding article which appeared in the May 16 edition of the National Observer. The article "A Parent's Case Against Porn" was written by Mr. William A. Stanmeyer who in addition to being a parent is a constitutional law professor at the Indiana University School of Law. He eloquently makes the case against pornography. It is important reading:

A PARENT'S CASE AGAINST PORN

(By William A. Stanmeyer)

Pornography exploits. Pornography is exploitation. Yet we have otherwise serious lawyers and writers urging that society have no laws to protect its citizens from the harm that a vast majority of citizens correctly perceive will flow from the pornographic flood. Presumably this defense of moral pollution stems from misunderstanding what pornography is, or blindness to the harm it does, or mistake as to the impact control will have on freedom of speech, or confusion as to law's legitimate role in protecting public morality.

The public wants the law to restrain pornography. Most "intellectuals" do not. The purpose of this article is to remind the intellectuals why the public is right.

In a Feb. 26 article about children in pornographic films. The Observer quoted a description of such a movie:

> *"The film shows the first communion of five girls. A motorcycle gang comes in and crucifies the priest . . . in a very bloody way, [and then] they rape the five girls."*

This summary scarcely captures the film's savagery or suggests its emotive impact. It does not give the blood and gore up close. It omits the fright and shame of the children, the leer of the attackers, the details of violence against a tortured man and the defiled little girls. Indeed, a detailed account of the film would doubtless be obscene; readers would be outraged, saying, "He didn't *have* to say all that to make his point." Exactly. Neither did the film producer.

In defining obscenity, the Supreme Court has said that the basic guidelines are "(a) whether the average person, applying contemporary community standards, would find that the work, taken as a whole, appeals to the prurient interest; (b) whether the work depicts or describes, in a patently offensive way, sexual conduct specifically defined by the applicable state law; and (c) whether the work, taken as a whole, lacks serious literary, artistic, political, or scientific value." This *is* a definition, a working one, as precise as such phrases as "due process," "the public interest," or "reasonable man"—standards the law uses daily.

Some writers insist such a definition will bring repression of Shakespeare or the Bible. This view suggests there is no difference between art and trash—and it says a good deal about their critical faculties and disdain for the public's common sense, not to mention their unfamilfarity with Shakespeare and the Bible.

A DEGRADING PICTURE

Pornography debases sex. It reduces the protagonist to a chemical urge and his foil to a function or an organ. She becomes a chattel, a robot, a toy for a moment's fun.

As D. H. Lawrence wrote in *Sex, Literature, and Censorship:* "Pornography is the attempt to insult sex, to do dirt on it. . . .

The insult to the human body, the insult to a vital human relationship! Ugly and cheap they make the human nudity, ugly and degraded they make the sexual act, trivial and cheap and nasty."

Contrary to what its purveyors say, pornography is *not* "telling the truth about sex." Just the opposite. It says: About sex there is nothing private, noble, or personal. It robs man of his dignity. Its message is: *Man is garbage.*

Obscenity presents a graphic, degrading picture of human life and invites the viewer to wallow in it. It plunges him into imaginative preoccupation with autoerotic fantasies wherein he entertains himself by violently and/or sexually feeding, vicariously, on the helplessness or willing vulnerability of a no-longer-human animal.

"Civil libertarians" would have us believe the only "real" harm the law can guard against is direct, immediate, and physical. This unconscious positivism blinds them to other real harms—psychological attitudinal, moral—that cannot be calibrated but do deeply affect individual lives and, collectively, can debase the citizenry's spiritual environment.

To say that a book, magazine, or play never corrupted anyone is to say that reading or watching a play never improved anyone. Irving Kristol has pointed out what a curious position this is for college professors: Denying that education can improve anyone, they deny the reason for their own professional lives.

Pornography educates. It teaches: Human beings are mere animals . . . the highest value is immediate pleasure . . . other people may be used and then discarded.

When mingled with violence, pornography depicts the protagonist harming for the sake of harming . . . and *enjoying* it. Why would anyone want to watch a violent sacrilege such as the crucifixion of a priest and the rape of children? For entertainment. Why want to watch someone else performing sexual intercourse, save to plagarize his pleasure through one's own autoerotic fantasy? A person, especially a minor, frequenting such self-debasing "entertainments" will learn that this is what life is all about, that life is not about anything of value.

Civilized society cannot afford to be neutral toward such a perception of life. For education to civility is an effort to make of man something more than a creature of elemental passions and sensations. To civilize is to help people internalize respect for others, sharpen their sense of reality, grasp the difference between the decent and the indecent, desire the noble and eschew the ignoble, control their passions, do what is right even when it costs, stand in awe and wonder at such ultimate mysteries as the utter uniqueness of every other person, love, sex, suffering, and death.

AN ATTACK ON CIVILIZATION

Because obscenity rejects each of these educational goals, it is an attack on civilization. By capitulating to obscenity, civilized society denies there is any difference between civilization and barbarism. It is reasonable to assume that a depraved moral outlook can translate into depraved conduct—i.e., more crime. Concern over excessive television violence is well-founded.

The Founding Fathers were not absolutists. They upheld legal sanctions against libel, indecent speech and conduct, profanity, and other abuses of free speech. They knew the difference between liberty and license. They knew freedom can be abused. They did not deem free speech to be solely a question of "rights" of the speaker. They also considered the purpose of speech, which was to foster the politically and morally Good Society.

It is not always easy to decide what conduct is "reasonable," what process is "due," what material is pornographic. But we must try. What must be balanced is not merely a publisher's asserted "rights" against a prosecutor's zeal, but also the harm to society from a few unwarranted obscenity convictions against the harm to society if every newsstand, TV screen, and even schoolbook panders a thousand pictures of perversion.

The absolutists say we cannot draw any line anywhere. This is patent nonsense. In a democracy, why should the minority who cannot distinguish between art and trash dictate the education—through magazines, television, and schoolbooks—of the children of the majority, who *can* tell the difference?

To say the law has no business promoting morality is to exhibit amazing ignorance of Anglo-American history. Nearly every branch of law assumes the existence of a standard of moral good and evil. Besides physical crimes such as murder and theft, the law proscribes "sharp" business practices, "unfair" political campaigning, racial discrimination. Civil-law notions of "fault" in tort and "fiduciary" obligations draw their substance from moral concepts.

The objection drawn from the Prohibition Era is not apt. The law should promote temperance, not abstinence; decency, not sanctity. The law should not—and certainly our laws against pornography do not—try to "make" people be virtuous, but only make it harder to be utterly vicious.

Society is more than an aggregate of individuals. Besides the pornographer's private "right," there is the public right to a decent social environment. As a parent of four little children, I have a Constitutional right—recognized by the Supreme Court since 1925—to train my children to their higher obligations. To rear decent children requires that public entertainments—magazines, movies, TV, etc.—not be utterly indecent. The pornographer arrogates the "right" to *teach* my children to be indecent. Why should a few pornographers dictate the sociomoral environment of the children of millions of parents?

The law guides future generations as they grow into its precursive patterns. The law expresses to the young their elders' experienced judgment about right and wrong, a distillation of the mature community's experience and history. To remove all legal control of pornography is to teach the young that their elders do not know right from wrong; that we do not care how our young entertain—that is, educate—themselves; that civilization and barbarism are the same.

It is captious to object that "some people will do it anyway," so that in moral matters, having failed to obtain 100 per cent compliance, the law should abdicate. This is also true of laws against shoplifting and speeding. The law expresses a standard that most people respect. Without law, the marginal person would be adrift. The fact that some people break the Ten Commandments is not a theological argument for their repeal. Nor is the fact that some people break laws that promote a basic moral standard a legal argument for *their* repeal.

To the absurd assertion that laws proscribing the raunchiest of sex magazines will lead to censorship of Time and bonfires of National Geographic, I answer: This didn't happen in the past, when there was more censorship. The Supreme Court would not permit it. The alternative of "anything goes" is far more likely to lead to school-gate bookstores glutted with picture books of homosexual rape and child torture.

Some say, "The best way to deal with pornography is to let it run its course; once sated, people will get bored with it." This is somewhat like saying the best way to deal with the filth in Lake Erie is to let Lake Erie fill up till it can't take any more. Why should parents have to let their children's moral environment get so corrupt that by comparison Sodom and Gomorrah resemble a Trappist monastery?

The salient issue is, May we draw a legal line *somewhere?* Or must we draw no lines? Must we tolerate *everything*, no matter how depraved or how sick? The public's answer is, We will draw a line, because we have the right to rear decent children in a decent society; and children or not, decent adults have a right to a decent society. And the public is right.

CHAIN STORE NEWS—A PUBLISHER'S EXPLANATION

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. UDALL. Mr. Speaker, a little over a month ago I made a speech at the National Press Club in which I described and expressed my concern about the rapid absorption of independent, locally owned newspapers by a few large, aggressive, national chain operations.

That same day, Representative KASTENMEIER and I introduced H.R. 6098, the Competition Review Act of 1977, to establish a 3-year study of the state of competition in basic industries and an analysis of Federal laws, regulations, and policies that may impede vigorous competition.

The members of the fourth estate have chosen not to wait for passage of that bill. I am told that my remarks sparked considerable discussion at recent editors' and publishers' conventions, and I have received a large volume of mail from publishers, their employees, and their readers commenting on the blessings and the drawbacks of "chain store news." One of them, from an Iowa publisher, appeared in the RECORD of April 28 on page 12685.

One of the most thoughtful and incisive of these letters came from Philip N. Bladine, publisher of the triweekly News Register in McMinnville, Oreg. Mr. Bladine sets forth in detail some of the major problems independent, family-owned papers face in passing control from one generation to the next; in addition, he comments on the problems Federal regulatory activities pose for small-scale operations.

I urge my colleagues to consider this publisher's point of view as the 95th Congress proceeds:

NEWS-REGISTER,
McMinnville, Oreg., April 27, 1977.

Hon. MORRIS K. UDALL,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. CONGRESSMAN: I have read with great interest your speech of April 5 to members of the National Press Club. I hope that comments I have to make will be pertinent to your consideration of the problem of increasing concentration of ownership of America's newspapers.

First, let me identify myself. I am the second generation of an old newspaper family. My father started in the newspaper business at 13 as an immigrant boy from Sweden. The family settled in Iowa in the early 1890's. He purchased this Oregon weekly in 1928 and sent my brother and new wife to run it. Next year the publication will have been in our family for a half century. My

son is now editor and my deceased brother's son is a desk editor on the Bakersfield Californian.

In 1976 I ran for the Oregon First District Congressional seat as the GOP nominee against Les AuCoin. During the campaign I frequently discussed the situation you talked about in the newspaper field as a real national problem.

We are now a tri-weekly newspaper, one of the larger non-daily publications in Oregon. Also, we are one of the few major newspapers not under chain ownership. Some of the medium size newspapers are involved with Oregon groups but most of the major media, primarily the big dailies, are in the Gannett, Newhouse, Lee or other big chains.

There are a number of reasons, I'm sure, but the biggest offender has to be government—the factor which should be most interested in independent ownership.

Our newspaper is a closely held corporation. The stock is owned by my sister-in-law and her children and my wife and myself and our two children. It is a 50–50 ownership. Like most independent publishers, we are extremely concerned over impact of death and inheritance taxes on the future ownership of The News-Register.

The growth of chain acquisition has created a vicious circle. Newspapers are fewer in number, as you pointed out. This has made them more valuable. The chains have bid up the price, in turn making the estate consequences increasingly serious. Just as with farmers, we have found ourselves in a business worth more than its earning capacity. For example, I think I would have to double or treble our company earnings to warrant my purchase of my sister-in-law's holdings without crippling my income picture for many years to come.

My brother was 15 years older than me and his widow only a year or two younger than he. Since I am approaching 59, you can see that we are having to face the issue.

A good friend, the publisher of the daily Gazette-Times in Corvallis, pointed out he sold to the Lee newspapers because he wanted to know who would be running that long-time family-held newspaper after his death. He felt this was a fine firm, interested in community.

Our family operation, from my father's early days, has been such as you talked about. We have been named the nation's best weekly, its second best and have won top national and state community service honors. The National Mental Health Assn. established a special non-daily category for the Bell Award in 1967 so that we could be recognized for a series which changed the handling of youth in Oregon's mental health institutions.

Earning money has been secondary throughout my newspaper background, inherited from my father and brother. That is changing. To meet the problems of the future, as well as dealing with the tremendous burdens government keeps adding, our thinking is changing. We must make money to maintain our independence. I don't have to tell you it's getting tougher and tougher

Certainly, one thing is certain. I could sell our newspaper, invest the receipts at reasonable interest rates and substantially enhance my income. I don't because I'm steeped in a tradition of independent newspapering as a service to community and state.

Most publishers I know don't want to bring chain ownership into their communities. Most have the same philosophy of service and love of independent newspapering I'm talking about. Unfortunately, however, they also don't have the interest or the know-how for real money making. As a consequence, many of the important people who make good newspapers possible are not paid as well as equally or less competent people in other professions. Ownership benefits are less than under the highly organized group organizations. As you pointed out, they're keyed to profits.

I, too, don't believe the groups are producing bad papers or evidencing little community concern. I do feel, however, that the loss of independent management takes something away from the great traditions of American journalism.

I have talked at some length about inheritance taxes. I cannot close without also mentioning the burden we hold, along with all small business, from the requirements of a mushrooming bureaucracy. We are being overwhelmed, in demands on time as well as resources, by government. The cancerous osmosis of spreading government is inexorably eating away the freedoms we treasure and the rights of initiative and action in the business community to which we must look for support.

Because there are fewer media units we have experienced substantial growth. This has been healthy because it has given us resources to do a better job and pay our people more. At the same time, it has placed demands on us for capital to finance new equipment, expanding personnel, etc. The cost of government, at local, state and federal level, is seriously impacting our ability to meet growth obligations.

As an independent publisher I have been able to support myself in a three decade involvement in our community and state in water resources development, economic growth programs, land use activities, statewide business and educational groups, printing and publishing associations and innumerable community activities. I have observed that those who work for chains, particularly the national organizations, have considerably less freedom. Frankly, this freedom to contribute to our community and state means much more to me than financial rewards.

I want to be able to continue my life in the pattern set by my family, one I hope and expect will be followed by my children. That may not be possible the way things are going. The course you have set is, in my opinion, aimed in the right direction but we all must recognize that runaway government at every level is the first dragon we must fight.

Sincerely yours,

PHILIP N. BLADINE,
Publisher.

PRIORITIES FOR RAIL SERVICE CONTINUATION.

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. TRAXLER. Mr. Speaker, over the last 3 years the Congress had become increasingly involved in legislation which seeks to revitalize our railroads, and attempts to guarantee the continuation of rail service in those areas where it is needed. I supported those efforts, and have been very pleased with the results of the first year of ConRail and the first year of rail service continuation subsidies available to those lines of railroad not transferred to ConRail or a solvent carrier, and certain lines of railroad approved for abandonment by the Interstate Commerce Commission.

However, as we operate any program we begin to learn of its problems and its shortcomings. We learn about those items we forgot about when we originally passed the legislation. This has been the case with rail subsidy legislation. Under current law, we have established a philosophy whereby the Interstate Commerce Commission can rule in an abandonment case that the public convenience and necessity do not dictate the need for continuing rail service, and then a rail line becomes eligible for financial assistance. While this program is needed by our many small rural communities, I fear that it also forces us to lose sight of what is the public convenience and necessity, and that it makes railroad abandonments too easy of a proposition.

Under current law, the Interstate Commerce Commission does not have to truly worry about what the public needs, since the Commission knows that as soon as the line is approved for abandonment, the States using primarily Federal funds can pay to have the line remain in operation. At that point, if the line is shut down, it is the State governments that are made to look like the villains. I know from a personal experience earlier this year that every single witness that testified at an abandonment hearing discussed the subsidy issue in one fashion or another. Despite our statements that the issue of subsidy will not become a factor in an abandomnent case, I cannot see how any administrative law judge can ignore all of the testimony that may spell out the future of this rail line.

We need a program that will make the issue of subsidy in an abandonment case a moot point, and a program which will allow the ICC to get back to determining the public convenience and necessity in an abandonment proceeding. In order to achieve such a program, last week I introduced H.R. 6871, a bill to provide financial assistance to common carriers by railroad who are required to continue the operation of a rail line following a decision in an abandonment proceeding.

The philosophy behind this bill is very simple. If the Government is going to order a rail company to keep a certain line in operation because the Government believes the public needs it, then the Government should help in defraying the expenses of operating that line. Under the provisions of my bill, if in an abandonment proceeding the Commission denies an abandonment petition, finding that the public need dictates the continuation of the rail service, and that the line in question is in fact losing money, then that line of railroad shall automatically become eligible for a continuation subsidy which will last for a period of 5 years on that particular line. Let me emphasize that this subsidy program is different from the current subsidy program in two ways. First, it applies only to those lines of railroad which have been denied abandonment. Secondly, the subsidy lasts for 5 years on the individual line, not 5 years for the entire program. Under current law, any line of railroad abandoned this year will be eligible for only a 4-year subsidy. If the line is abandoned next year, it is eligible for only a 3-year subsidy. As the program continues to wind down, so does the usefulness of the subsidy.

Anyone in the rail industry will agree on one certain fact. Railroads simply do not have the money that is needed to maintain and rehabilitate those rail lines

that are located in rural areas that are totally dependent on rail service for shipment, but do not have the volume of traffic that is found in many industrial areas. As long as railroads cannot justify putting money into rehabilitating rail lines in these areas, we will see them deteriorate and become persistent candidates for abandonment. Further, if after the abandonment the rail line is not improved, the likelihood of it returning to a viable stage is virtually nonexistent.

In order to deal with this problem, a primary feature of my bill is to allow for realistic track rehabilitation within the framework of the subsidy program. The rehabilitation program is designed to bring lines to realistic operating speeds, but to limit such speeds to a relatively moderate standard. For that reason rehabilitation can be done to upgrade a line to either a standard of 30 miles per hour, or that speed which may be continuously maintained over the longest single segment of such line. I am not trying to "gold plate" rail lines, but we must provide for reasonable operating conditions. The current subsidy standard of 10 miles per hour forces operations at speeds so low that labor costs eat up the efficiency of operating the rail line. Further, if a rail line equal to 60 miles in length has an operating standard of 40 miles per hour over a continuous 35 miles of its length, then the line should be upgraded to that full 40-mile level over the remaining portion of the line. Slowdowns and speedups of trains are what very frequently can cause many train accidents, and weakened rails which have not been rehabilitated are often the reason for train derailments. Our rehabilitation programs must work to avoid such problems. But at the same time, I do not want to allow rail companies to upgrade beyond reasonable needs. If on this same segment the trains can operate at 60 miles per hour over 5 miles of track, they will not be allowed to upgrade the entire line to 60 miles per hour using Government money. Simply, the standard will be a minimum of 30 miles per hour operating speed, and a maximum equal to the speed over the longest continuous segment.

My proposal would be in effect for 15 years, and would have an authorization of $20 million annually for each of 15 years. This is in keeping with allowing for a full 5-year subsidy on each line while it is in a weakened condition.

Many critics of assistance to our Nation's railroads may say that this proposal is nothing more than a handout to the railroads. This is definitely not true. I expect the railroads to do their part in improving demand for rail service. That is the reason why the subsidy program will start out with 100 percent of the funding coming from the Federal Government, and that share will decrease by 10 percent each year for each year of the subsidy on each particular line. In years 2 through 5, the remainder of the loss will have to be absorbed by the railroad. It would certainly be expected that the railroads would do all that they could to encourage additional shipment along the line so that there would be no loss. And as the loss is reduced, so is the need for the Federal subsidy. It is distinctly possible that the subsidy will not be needed for a full 5 years on each line, but this will very depending upon each individual line.

This bill creates a measure of assistance for the various levels of Government, the shippers and the railroads. It helps local and State governments by allowing businesses to remain in place, adding to their tax revenues. It also does not require their financial participation, saving their tax revenues. It helps shippers by providing the upgraded roadbed they need, and we all know that as a line improves, rail companies can offer more attractive shipping rates, most notably unit car rates. The benefits to the railroads are obvious. They have an opportunity to reduce their losses, and avoid the necessary cross-subsidization that is needed to keep the line in operation. With its own resources partially held away from the subject line, it is free to work on others which may be in a weakened condition so that they will not become subjects of abandonment cases.

I firmly believe that this type of legislation is urgently needed. I hope my colleagues will offer their support for my efforts, and join with me in obtaining passage of H.R. 6871.

THE PAUL-GAMMAGE CASE

HON. JOSEPH S. AMMERMAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. AMMERMAN. Mr. Speaker, as you know, in January the distinguished chairman of the Committee on House Administration (Mr. THOMPSON) appointed me chairman of a special panel to hear the contest filed by Ron Paul, Republican of Texas, against Representative BOB GAMMAGE, Democrat of Texas, in the 22d District of Texas. On Monday, May 9, this House voted 260 to 126 to dismiss Mr. Paul's challenge, as recommended by the panel.

There has been some criticism in some quarters of our action. But I am absolutely convinced that we did the right thing—that we gave Mr. Paul his "day in court" and that we rendered a decision appropriate to the merits of the case.

I have outlined some of my thoughts on the matter in a column which I have sent to the newspapers in my congressional district and which I would now like to share with the House:

Apparently as a result of a letter he sent them, many of my constituents have written me in support of former Rep. Ron Paul (R. Tex.) who is contesting his election defeat last November in the 22nd District of Texas by Rep. Bob Gammage (D. Tex.).

I have, in addition, received a large number of cards and letters supporting Mr. Paul from persons across the nation. Other members of the House have been sent similar messages, also apparently the result of Mr. Paul's letter.

I was the chairman of the special elections panel of the House Administration Committee that heard the Paul v. Gammage case. After public hearings in February and March, the panel voted 2–1 March 9 to recommend that Mr. Paul's challenge be dismissed. This decision was affirmed by the full committee April 28, by a vote of 16–6.

And on May 9, just this past week, the House voted 260–126 for dismissal.

The communications I received from my constituents in support of Mr. Paul raised several questions about the fairness of the procedures under which his complaint was heard. Similar questions were raised by some of Mr. Paul's defenders in the House.

I want to respond to those questions in some detail because I believe that Mr Paul was treated fairly and equitably by the House of Representatives, and I resent any implication otherwise.

First, the basic facts of the case: The longtime Democratic incumbent in the 2nd District resigned early in 1976 and Mr. Paul defeated Mr. Gammage in a special election that April. However, in November the outcome was reversed and Mr. Gammage emerged as the winner with a 236-vote margin. Mr. Paul asked for, and received, a complete recount which showed Mr. Gammage the winner by 268 votes.

Mr. Gammage thereupon was issued a certificate of election by the state of Texas and was duly seated as a member of the 95th Congress in January.

Mr. Paul, in the meantime, filed contests to the election in the Texas courts and with the U.S. Congress.

The following issues have been raised in connection with the case by Mr. Paul's supporters:

(1) It was argued that Congress should have waited until the state courts ruled before deciding the case.

Article I, Section 5 of the U.S. Constitution specifically states that "each house [of Congress] shall be the judge of the elections, returns and qualifications of its own members." The Supreme Court of Texas dismissed Mr. Paul's challenge in the state courts on the grounds that Texas had no constitutional authority to hear the case.

However, even though the House was under no constitutional obligation to wait for the Texas courts to rule, we did so. The court handed down its decision March 2 and the elections panel held its final hearing and voted to dismiss on March 9, a full week later.

(2) Mr. Paul alleges he was not given an opportunity to make his case.

The Federal Contested Elections Act, to quote from the panel's report, "places a weighty burden upon a contestant."

It is not a sufficient basis for a challenge that an election was close or even that there were voting irregularities. For the House to hear his case, a contestant must produce evidence which, if verified, would prove that he would have won.

This heavy burden of proof exists because Congress cannot seek to overturn the apparent will of the voters unless we are absolutely certain that official state returns do not reflect their will. Nor can we permit a contestant to conduct a fishing expedition in the hopes of somehow, somewhere, sometime finding evidence to prove his case, all the while casting a shadow on the declared winner and forcing him to bear the legal expenses necessary to defend his interests.

Mr. Paul simply did not produce any evidence that would have been admissible in any court. The voters in the 22nd District of Texas will have a chance to review the case themselves in 1978.

(3) It is charged that the proceedings were partisan.

Mr. Paul's defenders, notably Rep. Charles E. Wiggins (R-Cal.), made a reasoned challenge to the procedural theories of the Contested Elections Act. I take him at his word that his position reflects his legal philosophy, not his party affiliation.

The fact remains, however, that of the four challenges (including Paul v. Gammage) dis-

missed by the House May 9, there was broad bipartisan support only in those two cases where the challenge had been made against Republicans. While House Democrats voted to dismiss all four challenges, House Republicans only voted to dismiss the challenges against their fellow Republicans.

So on the partisanship question, I believe the record speaks for itself.

"HANG IN THERE"

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. RANGEL. Mr. Speaker, on May 5, 1977, I attended the New York Urban League's 12th Annual Frederick Douglass Awards Dinner in New York City. During the course of the evening much time was devoted to the problems that face New York City and its urban league. The most responsive answer to the question "what do we do" was "we must survive." For as long as the city and league survive there is hope for change. A change that will continue to develop our goal to make New York a greater urban community.

The evening was highlighted by a speech from Horace W. Morris, executive director of the New York Urban League. The substance of the speech dealt with the thesis that we must "Hang in There to Survive."

I felt my colleagues would be interested in this informative message.

A taxt of the speech follows:

REMARKS BY HORACE W. MORRIS

Joey Adams, Reverend Clergy, our 1977 Douglass honorees, Dais guests and to each one of you it is a very real pleasure to greet you as you join us in the twelfth commemoration of the life and work of Frederick Douglass.

It never ceases to amaze each one of us how quickly time passes.

On this evening 2 years ago I spoke to you as the new executive director of the New York Urban League. At that time I expressed my appreciation for the outstanding and the extremely competent efforts of those New York Urban League board and staff persons responsible for attending to the many details that cause this event to be a wonderful experience: Veronica Neufville, Louise Black, Mary Jankok, Carol Stroy and Muriel Kellogg.

This year, for some extremely unusual reasons, the mettle of our staff was severely tested. But here we are enjoying ourselves and everything is just fine. Tonight's affair is certainly a credit to their diligent efforts. I would be quite remiss in not recognizing the fact that Ann Kheel's complete and untiring devotion to the dinner serves as an inspiration to us all.

Tonight I wish to share with you some thoughts about one of the most important aspects of life. In these times, as we continue to experience exceedingly rapid changes in our personal and organizational lives the effort to "hang in there", to cope, becomes more intense every day and in ways too numerous to mention the pressures of life and living constantly threaten to overwhelm us all. These observations cause me to realize that in many ways life's major effort is just to make it, to cope, to survive. Tonight, with your indulgence, I wish to share with you some thoughts about this important facet of our lives—surviving.

On the night two years ago, I also spoke to you of an organization experiencing some very serious problems—the New York Urban League. Many of you openly expressed very real concern as to the league's ability to reestablish its effectiveness and capacity as an organization dedicated to the elimination of the many barriers to improving life's chances for New York City's black and poor.

Last year my major concern was directed toward our great city's continuing viability and its ability to sustain the reputation of caring, of opportunity, of fairness that had long been recognized by the entire world.

Tonight it is with a great deal of pride and pleasure that I say to you that both the New York Urban League and New York City are very clear and evident examples of what I have termed one of life's most important aspects—surviving.

Both these institutions have made the hard decisions, selected the difficult choices and we have survived it all. With continued perseverance and typical New York determination and confidence our efforts will certainly continue to realize positive results. This year we shall be determining who will be the next mayor of New York City. The person to be entrusted with the mantle of leadership in the city's continuing survival efforts. We must encourage all our friends to participate in these efforts by first registering and by then casting a vote for the candidate of their choice, come this fall.

Tonight each of you has received a copy of our 1976 annual report. Each of you has received materials from Paul Gibson, Jr. asking you to become a member of the New York Urban League. As you will note, our membership campaign will extend through the month of May.

May having been designated by the Governor as Urban League Month throughout the State.

Many of us find it difficult to remember the last time the New York Urban League mounted a city-wide membership effort. I submit these activities as specific examples of the fact that the New York Affiliate of the National Urban League survives and is surviving quite well. By the way, for the benefit of our union friends you will note the bug is missing on our annual report. This was strictly an overnight. The report was printed by Glenwood Press, Local #1 of the Amalgamated Lithographers of America, Bug #410.

This year one of our most serious survival concerns directly relates to the very grave conditions confronting minority youth. For a few brief minutes I would like to direct your attention to the crisis conditions existing among black and hispanic youth in our city and for that matter, across the nation.

In 1968 the person that I speak of was 16 years of age, today 25; probably never finished high school; may be married or is quite likely a parent; the fact that New York City has lost 650,000 jobs during this time period practically insures that the person of our concern has never been employed; the anger of the 1960's generated by the constant realization that life could and should be better has been replaced by apathy—resignation and in many cases crime and addiction. Some of you will recall a February 7th article that I wrote, which appeared on the op-ed page of the New York Times, depicting this important segment of our society as a "lost generation." This seems so true when he realize that without the complete dedication of both the public and private sectors of our entire economy, close to 70% of today's minority youth between 16 and 25 will never be productive, contributing citizens. What I term the "pass along concept" will never be realized. That being that one generation will not be able to pass along the most important human concepts of pride, self-worth and accomplishment to those that follow. Survival in this instance is in jeopardy. We must not forget nor neglect to direct our energies and efforts toward the resolution of a crisis that threatens us all.

A close personal friend of mine offers what I think is a sad and tragic commentary on the plight of today's minority youth by saying, "Horace, you save yours and I'll save mine, because the rest may be lost."

But that is not what the New York Urban League is all about. With your help—and I ask for your help now—let us dedicate ourselves to helping them survive.

I ask that we leave tonight resolved to save as many as we possibly can. Let us help them be survivors.

Thank you.

REV. THEODORE M. HESBURGH, C.S.C.

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. MAZZOLI. Mr. Speaker, Father Theodore M. Hesburgh, C.S.C., became president of Notre Dame when I was in my sophomore year. He has completed his 25th year as head of what I believe to be one of America's great universities. He is the dean of all the presidents of major American colleges and universities. In short, he is a most accomplished and talented man.

As a proud alumnus of the university, two events—occurring last month—have been signal experiences for me. Both will provide warm and cherished memories for me for all the years of my life.

On April 19 the Notre Dame Club of Kentucky honored me with its Award of the Year.

And, on April 27, I was honored to have been present when Father Hesburgh delivered eloquent remarks to the Notre Dame Club of the Washington, D.C. area to celebrate Universal Notre Dame Night, 1977.

Father Hesburgh's rich and productive years as a religious leader, as an eminent American educator, as a fighter for human and civil rights across the globe, and as the recipient of honors beyond count have not eroded the humility and the genuineness and the decency of this man.

Mr. Speaker, I wish to share with my colleagues an article from the May 2, 1977 issue of Time which details the remarkable accomplishments of Father Hesburgh:

PRINCE OF PRIESTS, WITHOUT A NICKEL

(NOTE.—In 1952 Father Theodore Hesburgh, then only 35, was appointed president of the University of Notre Dame. Over the following quarter-century—a longer term than that of any other major university president—he has changed the school profoundly and become one of the most influential figures in the country. As Notre Dame prepared for its 95th graduation of the Hesburgh era Time Correspondent Robert Ajemian talked with the priest and wrote this report:)

The familiar Roman collar had been pulled off and hung up with the black jacket. It was well past midnight and Father Hesburgh

was still working through the piles of mail in his old, high-ceilinged office. He routinely stays up until 3 or 4 o'clock in the morning.

Traces of his fame are all around him. On the walls and tables of the big room are autographed photos of a younger Ted Hesburgh standing comfortably besides Popes and Presidents. His hair is less black now and his heavy jaw fuller, but he still has the handsome black-Irish looks of his mother. There is an inscribed silver plate from Jackie Kennedy and an emerald-studded ring from Pope Paul. He has become a virtual prince among priests. The sound of a Beethoven recording, a gift from the president of RCA, plays softly in the background.

MONASTIC LIFE

On the other hand, Hesburgh for all his years at Notre Dame has continued to sleep on the same iron cot in his tiny room at nearby Corby Hall. The shelves of his outer office are stacked with cans of orange juice and Campbell soup, a sharp reminder of his monastic life. His rickety hot plate sits on the counter. It is the mark of an asceticism that Ted Hesburgh seems to impose on himself—almost as though he felt a need to reassure himself that he still is a priest. "After all these years, I haven't got a nickel in the world," he says, "and I like that."

Hesburgh's batch of mail touched on the widely contrasting aspects of his life—appealing to the simple pastor as well as to the clerical entrepreneur. There was a letter from Cardinal Franz Koenig of Vienna congratulating Hesburgh on his recent elevation to the chairmanship of the Rockefeller Foundation. A woman friend in terrible emotional trouble begged for help. Teddy Kollek, the mayor of Jerusalem, wanted Hesburgh to fly over and help stop the rapid development of high-rise buildings. There was a hopeful note from the freshman class asking if Hesburgh would attend their formal dance. Another letter told him that the Chinese Communists, who genrally view priests as only slightly more admirable than locusts, were interested in inviting him to China.

Hesburgh searched for one letter in particular, a reply from Alexander Solzhenitsyn, who had been offered a Notre Dame degree this year. He finally found it: a polite no. Hesburgh was disappointed—but he already landed his friend Jimmy Carter as the commencement speaker. The graduation ceremony will be a deliberate show of support for Carter on human rights, one of Hesburgh's passions. Hesburgh will award degrees to Bishop Donal Lamont, who was ousted from Rhodesia; Stephen Cardinal Kim, who has fought against government repression in South Korea; and Paul Cardinal Arnes who has spoken out against human rights' violations in Brazil.

When Hesburgh took over the university in 1952, Notre Dame was best known for football and dedicated to the production of believing Catholics. In those days students had to attend Mass three times a week or face disciplinary reprisals. Notre Dame boys were even advised to pray before dates with girls at nearby St. Mary's. Outside lectures were picked for orthodoxy more than for probing intellect.

Hesburgh, who had been a prison priest as well as a chaplain for the armed forces—and was no great lover of football—soon began changing all that. He steered Notre Dame away from the control of the church and into the hands of a lay board of trustees. It was a painful and uncommon achievement, which freed the school from a burdensome authority and historically redefined Catholic higher education in the U.S. At the same time, Hesburgh struggled to retain the moral quality of his school. "We stress values here," he says. "American universities have become obsessed with objectivity. They turn out highly competent but morally neutral people." Hesburgh upgraded the quality of faculty and curriculum, and in 1972 instituted his second dramatic reform: Notre Dame became co-ed.

Almost from the beginning, the priest made a remarkable impression on the Establishment. He began getting invitations to join more and more of America's powerful private foundations and Government commissions. At times he was considered simply "the necessary Catholic," but Hesburgh eagerly accepted the chance to make himself heard. Eisenhower named him to the Civil Rights Commission in 1957. He became a member of the Carnegie Commission on higher education, later accepted a place on the board of David Rockefeller's Chase Manhattan Bank. The Vatican appointed him representative to the International Atomic Energy Agency.

He did not always accept. When Lyndon Johnson asked him to take over the space program in 1964, Hesburgh declined. "I couldn't see a Catholic priest handing out $6 billion in contracts." He similarly turned down Richard Nixon's offer in 1969 to head the poverty program. His priesthood always had to be reckoned with. Says he: "I didn't want to become some sort of Cardinal Richelieu."

OVER THE ANDES

Nonetheless, the clergyman became irresistibly more and more involved in power and politics. He was soon criscrossing the globe, logging as many as 150,000 miles a year. His messages often included lines like "I am writing this from over the Andes." Back home, his spectacular travels were at first greeted with pride and then, as the years passed, a certain amount of sniping. A campus statue of Moses, with hand pointed skyward, inspired the gag: "There goes Hesburgh."

No matter that he was a place dropper, Hesburgh had the ear of the elite. He remembers waiting for Lyndon Johnson outside the Oval Office late one evening with his civil rights team until Johnson, looking limp, ushered them in. Johnson was so exhausted he lay down on a couch, gathered the group around him like visitors to a sickbed and kept his eyes fastened on the ceiling as Hesburgh outlined the difficult goals. Johnson accepted all of them.

Hesburgh's advice was often blunt. He once told Richard Nixon, with whom he developed a special closeness, that young people were scornful of the President. He urged Nixon to end the draft and allow 18-year-olds to vote. When Hesburgh's civil rights commission sharply criticized Nixon, the President's patience ran out. A White House secretary soon called Hesburgh and demanded that he resign by 6 o'clock the same day.

Carter offered Hesburgh a job working in the State Department for Cyrus Vance, but Hesburgh again held back. Of all the political leaders he has encountered, Hesburgh says that he finds Carter by far the most forthright. When Carter told him during the election that he was worried about Catholic support, Hesburgh reassured him. Then he offered a typically direct piece of advice: "I don't think people like to hear a man yakking about religion all the time."

Hesburgh is a fascinating, if exhausting, conversationalist, with strong opinions and an enormous range of subjects. Racism is the world's biggest problem, in Hesburgh's mind, although he is hopeful because he finds young people round the world much less prejudiced than their parents. It shows up, he says, in their confessions. "They feel worse about their sins of omission than they used to." Today's theologians, on the other hand bother Hesburgh. "They have no faith," he says. "They teach theology like a science. They're not believers themselves. At least the scientists do believe in a chemistry table or the speed of light." Hesburgh worries about educators too. "We've got a bunch of faint fellows who don't want to make educational waves. The '60s took a terrific toll. We lost a whole generation of university presidents. Only King Brewster [of Yale] and I survived."

BIG MISTAKE

On some of the moral issues that confront his students, Hesburgh is fairly traditional. He is opposed to young people living together before they marry. "I think the girls get shortchanged," he says. "Some of these young people get so jaded they can't ever settle down with anybody." He is proud of some statistics indicating that 93% of the marriages of Notre Dame alumni told together. Although he is against abortion, he believes that the Vatican encyclical forbidding artificial contraceptives was a big mistake. He supports more work on a reliable method of determining the ovulation cycle. He ends up sounding ambivalent on celibacy. "I don't recommend it for everybody," he says with a shrug. "It's not easy, but it's right for me. For some priest on the Amazon, it might not be. After all, priests in the Middle Ages lived with women, and all the Apostles were married."

Hesburgh sounds more confident on the subject of happiness. "It can only come," he says, "from giving at least a corner of yourself to others. People today are so egocentric. God help the person who goes through life doing nothing for someone else. He's doomed." He finds that young people today are less ambitious than a generation ago, duller than in the '60's but more eager to find some meaning in their lives. Hesburgh keeps a close rein on his own ambitions, even as he enjoys the trappings of success, smoking a Cuban cigar and sipping a Grand Marnier. Ambition among churchmen, says Hesburgh, is corrosive: "I've seen it ruin so many."

Hesburgh the outer man seems unfailingly optimistic. Close friends say they never find him in a bad mood. But his is a calling where true feelings are often submerged. For all his heartiness, the inner Hesburgh seldom surfaces. "I think he's probably a lonely man who makes up for it by work and talk," says a colleague. Hesburgh laughs at this. He says his religion protects him from loneliness. While he says Mass every day, whether in a Moscow hotel room or at the South Pole, he seldom quotes the Bible in conversation. He is not a scholar or even especially profound. "Ted is a doer," says one close friend, "not a tormented intellectual seeking some kind of truth."

Though he is popularly viewed as a kind of Catholic Mr. Chips, Hesburgh is now held in such awe by Notre Dame students that they seldom deal personally with him. Student Body President Mike Gassman says he would not dare interrupt the president with ordinary school problems because "he's too important now." Another students says, "Father Ted is usually too busy playing world savior." Both of them are swift to add, however, they think Hesburgh is the main force behind Notre Dame's stress on values.

Even as Hesburgh buries himself in his work, no one really understands what drives him. Is it his need for prestige or power, or is it his need to keep building for the greater glory of his God? His answer is just to keep working. He turns 60 this month and has no plans to retire. Instead, he announced a week ago that Notre Dame is undertaking the largest fund-raising drive in its history: $130 million. "Show me the top ten endowments," says Hesburgh, "and I'll show you the top ten schools in the country." Notre Dame's campaign will lift it close to the top ten, but everybody knows in the long run that will not be good enough for Ted Hesburgh.

A DIM FUTURE FOR THIS AREA?

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mrs. MEYNER. Mr. Speaker, ever since President Carter announced his proposals for energy conservation and development to the Nation, each one of us has received more mail, editorial comments, news articles and observations than we care to mention. There are a few of these, however, that deserve special mention because of their insight and perspicacity. One such is a May 1, 1977, column by Mr. Vic Berardelli in the Newton, N.J., New Jersey Herald.

Vic Berardelli very concisely articulates the concerns of the people in northwestern New Jersey over the proposal for a standby gasoline tax that could add another 50 cents to the cost of a gallon of this now-precious fuel.

I believe that if my colleagues take the time to review the following excerpts of Mr. Berardelli's column, they will well understand why millions of Americans—and their representatives in Congress—cannot support the proposed gasoline tax in President Carter's energy program:

A DIM FUTURE FOR THIS AREA?

President Carter's energy proposals may have inadvertently supplied a campaign issue for New Jersey that could overshadow the income tax. But the proposals could have far reaching consequences for Sussex and Warren counties.

If the President is successful in getting his heavy gasoline tax proposals through Congress, state and county officials here will be forced to tap their imaginations for a plan that might forever alter Garden State society. Conservation of diminishing resources, such as petroleum, is necessary, but such products are not luxury items locally. While the automobile may be a form of personal indulgence in the cities, in northwest Jersey it is the element that makes the difference between a stable economy and hardship.

Sussex and Warren counties are not entirely rural to be sure. They are hybrids in that they are also bedroom communities. Such suburbs are peculiar to the New York megalopolis and parts of California, where it is not uncommon for people to commute as much as 70 miles to a job. Most American cities are merely ringed with periphery suburbs linked to the downtown urban core. Here the job market is scattered around several cities and developed suburbs in a tri-state area.

Public transportation is virtually nonexistent in the Sussex-Warren area. A local commuter could use a park-ride facility for a direct bus ride to Manhattan or drive 20 miles to a train station for a rail commute to Newark. But most breadwinners in these parts are commuters who don't head for the cities. They work at office campuses or industrial parks in suburban places like Paramus, Parsippany, Wayne or Morris Plains.

Direct public transportation is highly impractical and uneconomic without a common destination. This means dependence on the automobile for long daily commutes that consume gasoline. With such scattered destinations, even car pools are often impossible or impractical.

The local economy is already a mess. Nearby job opportunities are few. Planning boards, business organizations and similar bodies constantly grapple with the challenge of providing a broad-based economy that creates jobs and tax ratables. Without a solution to that problem, the new economics of energy might create a local situation where a diminishing number of income producers will be forced to subsidize an increasing number who consume public sector services.

Without job opportunities in or close to the community, where will the low-income breadwinner turn? Most prefer to work if work can be found. But they must GET to work and, the job market being the way it is, that means long-haul travel from home. With non-existent public transit (for logical economic reasons), the car is needed for survival. If higher taxes increase gasoline prices, the cost of driving a car to work will make almost all but the highest paying commute jobs uneconomical.

A high- or upper-level income could easily absorb the added transit costs. The lower income worker will have to make sacrifices. Some may move closer to the urban concentration of jobs, but not enough will to make a significant difference.

The prognostication? Severe economic depression for the Sussex-Warren area no matter how the economy acts nationwide.

The only bright spot for some might be a slowdown of excessive growth as fewer families find they can afford to move here so far from employment. This too would add to the local depression when the construction trades, which fill the bulk of local blue collar jobs, suffer. (Planners have a peculiar way of measuring growth and economic health that uses housing starts as a factor.

It is too late to turn back the clock to a Sussex County that once basked in splendid isolation. The open spaces around many towns and boroughs have long been paved over to construct tract developments as the automobile provided the mobility for urbanites escaping to one-third, half- or one-acre plots in the country. Suburbia is here. Families have placed their roots in this community and now their plight belongs to everybody.

AN ODE TO THE BOSSES

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. TEAGUE. Mr. Speaker, I would like to commend to my colleagues a poem written and recited by Miss Juanita "Willie" Christian, president of Top-Side Aviation Club on the occasion of the club's "bosses night" here in Washington recently. The Top-Side Aviation Club was formed in 1954 by a group of women in top-level aviation, aerospace and related interests who were well known to each through telephone coordination of their business activities but not acquainted socially. It was felt that a better working relationship would naturally develop through personal association on a social basis and such has, indeed, been the case. Once a year the club has a "bosses night" and a "boss" is selected as honored guest.

I have had the honor and pleasure of being selected in the past, and on this occasion, Mr. T. V. Jones, chairman of the board and executive officer of Northrup Corp., was the honored guest. Since all of my colleagues are "bosses" I believe they will find some familiar lines in the amusing poem following:

ODE TO THE BOSSES

Tonight is the night we honor you—
Not to mention all the year through.
We work for you, both night and day
And complain very little about our pay.
We know we could do better some other place
But then we would miss your cheerful face,
'Cause you wear no scowls, just a great big smile
Which makes working with you really worthwhile.
Now, among the things we like best about you
Are your endearing charm, the many things you do
To make a working girl's life truly a pleasure.
Why, we'd rather be your Girl Friday than a lady of leisure.
You never ask for something you can do for yourself;
You make your own coffee—even clean up the mess,
While your overworked secretary whiles away the hours
Polishing our nails and watering our flowers;
Checking the clock just to see
How much longer we must be
On the alert—awaiting your call
Always ready to give our all.
You are always so proud when visitors come—
You acknowledge immediately that we run the firm—
That we are the boss, let there be no doubt
Until we change a rule, then comes the shout
With anger and venom in a voice so cross
With time worn words—"You think you're the boss?"
We never get angry when we get our check
But when yours comes in, we scream like heck;
'Cause you say we're the boss, that we run the show
And if that is the case, and you do say it's so
Why don't you get our salary, and we get your dough?
One of our pet peeves, out of all
Is your refusal to return phone calls.
We get on our knees—we beg—we plead—
Return your calls, please, please, please.
And when your day starts with you up tight,
Everything is wrong—nothing is right.
We quickly pass the word, "He's in a bad mood today,
"The best thing you can do is keep out of his way."
And "Yes, sir—"No, sir",—"Whatever you say"—
Are immediately tagged 'words for the day'.
We have to come to work early, and we have to stay late
But when you get to be top-gal, that's your fate.
We belong to the office, our master, no other,
We're your maid and cook, office wife and mother.
Sometimes our patience wears rather thin—
What with get me this, get me that—you keep us in a spin,
But we grin and bear it, constantly counting the days
Until we retire and put it all away
And bid farewell forever and ever
Knowing we can't be replaced
No, never, never.
But we love you, boss, in spite of your faults
Which you didn't know you had any of
Relax and enjoy it and don't get mad
Because it's all being done with love.
We could look the world over, and we know 'Tis true
We would never, never, never, find another like you.
So do believe us when we say, we'd rather work for you any day
Than start life anew with another
No, we'd never exchange you for some other.
And now for the purpose of the show
I present to you a man you should know
The Honorable Melvin Laird, a past honoree
Who is also acting as our MC,

And will introduce our guest of honor, you see.
So with that said and done, I will say no more
Except, Mr. Laird, you have the floor.
Juanita "Willi" Christiansen,
President, 1977.

COAL TRANSPORTATION: SLURRY AGAINST RAIL

HON. MAX BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. BAUCUS. Mr. Speaker, during the last session of Congress, I made a statement applauding the decision of the House Interior Committee to table H.R. 1863, the coal slurry pipeline bill. That bill, if enacted, would have bestowed private developers with the power to condemn private lands for the purpose of building a coal slurry pipeline more than 1,000 miles long.

Today, we are facing the issue again with the pending legislation, H.R. 1609, the Coal Pipeline Act of 1977. Recently, it has come to my attention that the Federal Energy Administration may soon endorse the legislation with additional amendments designed to protect agricultural water rights on the Northern Great Plains.

I have expressed my opposition of the bill to Federal Energy Administrator O'Leary. It is my fear that if the Carter administration supports the legislation, the major provisions of the bill would be enacted but the environmental amendments would be lost in the shuffle.

The diversion of vast quantities of water from an arid, and this year drought-ridden region, is ludicrous. The Northern Great Plains is already beginning to experience wide-scale environmental impact as a result of coal development. Enactment of the Coal Pipeline Act would add insult to injury.

I would like to identify today, for the benefit of my colleagues, several important points regarding the slurry controversy and to bring to their attention to some of the implications of the bill.

BACKGROUND

U.S. coal production totaled 665 million tons in 1976, an increase of 2.6 percent over 1975. However, the National Coal Association estimates a smaller increase for coal production in 1977. Between 665–672 million tons of coal is expected to be mined. The smaller increase is due to the recent cold weather, flooding, and a possible strike later this year by the United Mineworkers.

Of the coal produced in 1975, railroads transported about 64.5 percent from the mine, barges carried 10.7 percent, trucks moved 12.2 percent, and 11.3 percent was moved by conveyor belt or truck to mine-mouthed generating plants. These figures compare with 67.1 percent, 11.6 percent, 9.7 percent, and 10.9 percent respectively in 1973.

The railroad tariff in 1974 accounted for about 23 percent of the delivered cost of coal shipped—mine value of coal shipped by rail was 6.0 billion in 1974.

Projections by the National Coal Association in studies made for the FEA and DOT indicate that coal production could double to between 1.2 and 1.5 billion tons by 1985. This dramatic increase will have serious implications for the transportation industry as the various transportation modes compete for a share of the market. The Nation's beleaguered railroad network sees coal as her future salvation in light of generally declining railroad traffic and other commodities. This hope has been somewhat dimmed by the prospect of a new competitor in the coal transportation market—the coal slurry pipeline.

Mr. Speaker, I would now like to focus on the advent of the slurry pipeline, compare its economic and environmental impacts with rail transportation and to make my recommendations on this important issue.

THE ISSUE

The most recent evidence of the slurry railroad struggle over coal shipment is still the proposal by Energy Transportation Systems, Inc.—ETSI—to build a 1,030-mile coal slurry pipeline from Gillette, Wyo., to Pine Bluff, Ark. Both the Nation's largest construction engineering firms, and Lehman Brothers, one of Wall Street's largest investment houses, own a 40-percent share of ETSI. The remaining 20 percent is owned by Kansas Nebraska Natural Gas Co. of Phillipsburg, Kans.

The proposed pipeline would have a 38-inch diameter with a capacity of approximately 25 million tons of coal per year. Arkansas Power & Light Co., a subsidiary of Middle South Utilities, Inc., is a principal plan purchaser of the coal.

Unfortunately for ETSI, the proposed pipeline right-of-way crosses beneath the tracks of 9 railroads at 48 points. Of these nine railroads, only Missouri Pacific has granted the necessary permits. The remaining railroads have refused permits to prevent the slurry competition.

To overcome this opposition, ETSI is seeking governmental help. H.R. 1609, sponsored by Congressman ECKHARDT of Texas, amends the Mineral Leasing Act of 1920, to authorize the Secretary of Interior to grant rights-of-way over Federal lands to operators of coal slurry pipelines. It authorizes any carrier of coal by pipeline to acquire necessary rights-of-way by exercising the power of eminent domain if acquisition cannot be made through negotiation.

Power of eminent domain may be exercised only by a carrier holding a certificate of public convenience and necessity—C.P.C. & M.—issued by the Department of the Interior. The granting of eminent domain would enable ETSI to get the necessary right-of-way over the private lands held by the railroads and individuals.

It surprises me that this bill would receive serious consideration by Congress when the Congressional Office of Technology Assessment—OTA—is currently in the process of completing an objective study of the coal slurry pipeline transportation. That study will be completed by January 1978. I think it is important for Congress to consider the recommendations of that study before making a decision on this issue.

There are other important aspects of this issue that I would like to bring to the attention of my colleagues.

UNFAIR COMPETITION

Congress almost certainly has the power to grant the right of eminent domain to slurry pipelines. Natural gas pipelines were granted eminent domain in the 1947 amendment of the Natural Gas Act; oil pipelines received the right during World War II under the war powers of the Cole Act; and hydroelectric projects are licensed to use the power by the FPC.

The railroads, which have the right of eminent domain, are required by law to be common carriers. This means that they must make their services available to anyone willing to pay their tariff. The ETSI pipeline will have no such obligations. The proposed slurry pipeline is contracted to carry 25 million tons of coal a year for 30 years to Middle South Utilities. The pipeline will have no excess capacity to accommodate additional customers. Thus the pipeline is essentially servicing the needs of a single coal company and a single utility company.

The granting to ETSI of a public power such as eminent domain for a private good is a bad legislative precedent. It also unfairly discriminates against the railroads which must service all customers regardless of profitability while freeing slurry pipelines to handle the large volume, lucrative routes. Railroads are thus placed at a competitive disadvantage in that they must charge higher tariffs on all their lines to compensate for marginal common carrier operations.

To insure fair competition among competing transportation modes and to justify the granting of a public privilege, slurry pipelines should be required to have access capacity to accommodate additional customers. Yet the transfer of the flow of slurry to another destination would force an idling of the Middle South plant and thus drastically alter the economics of the project.

ECONOMIC COMPARISON

There have been three major studies comparing the relative economics of shipping coal by slurry pipeline and railroad—Bechtel's "The Energy Supply Planning Model; The Coal Future" developed at the Center for Advanced Computation—CAC—at the University of Illinois; and "The Research Analysis of Factors Affecting the Transportation of Coal by Rail and Slurry Pipelines" by the Hudson Institute. The first two studies both financed by NSF grants, reached conflicting conclusions as to the cost of railroad transportation. The last study, financed by Burlington Northern, concluded that pipelines cannot consistently transport coal more cheaply than unit trains.

The Bechtel study was based on a computer model which projected that the proposed Wyoming-Arkansas pipeline could transport coal more cheaply than can railroads. The validity of this study is being questioned in light of Bechtel's 40 percent ownership of ETSI. A Senate Interior Subcommittee, chaired by

Senator ABOUREZK, is investigating the possible conflict of interest.

Professor Rieber, who headed the CAC study, suggests that the Bechtel model may produce inaccurate predictions due to the use of tariff—prices charged—instead of actual economic costs in determining the cost of unit train coal transportation. Rieber also challenges the accuracy of the Black Mesa pipeline data upon which slurry pipeline costs were derived:

"Although we all use Black Mesa based estimates, can it be argued that these are understated with the mine or facility covering part of the tab?"

Until the accuracy of the Bechtel cost assumptions have been validated by an impartial research group, the conclusions reached are, at best, suspect in any economic analysis.

The CAC study appears more credible than Bechtel's. Its three authors, Michael Rieber, Shao Lee Soo, and James Stukel, have had extensive experience with pipeline technology. Significantly, two of the three authors admitted before the study that they believed it would be more economical to transfer coal by pipeline than by rail.

I hope that my colleagues will consider these points as the debate regarding the Coal Slurry Act continues in the weeks ahead.

I am including for the RECORD two letters I sent today on this issue to the Director of the Federal Energy Administration and the Secretary of Interior:

MAY 10, 1977.

Mr. JOHN F. O'LEARY,
Administrator, Federal Energy Administration, Washington, D.C.

DEAR MR. O'LEARY: It has come to my attention that the Federal Energy Administration will soon endorse the Coal Pipeline Act of 1977 with amendments designed to protect agricultural water rights on the Northern Great Plains.

I strongly urge you to proceed with extreme caution in endorsing the Coal Pipeline Act. It is my fear that the major provisions of the legislation will be enacted and the environmental amendments will be lost in the shuffle. It is estimated that the Energy Transport Systems, Inc. pipeline from Gillette, Wyoming, to Pine Bluff, Arkansas, a distance of over 1,000 miles, would require 15,000 to 20,000 acre feet of water per year.

With all due respect, Mr. Administrator, the diversion of this amount of water from an arid, and this year drought ridden region, is ludicrous. The Northern Great Plains will suffer enormous, wide-scale environmental impact as a result of coal development. The enactment of the Coal Pipeline Act would add its insult to injury. Water resources in the West are extremely limited. Plans to divert vast quantities of water from this region are akin to attempting to divert blood from a turnip.

The Office of Technology Assessment is proceeding with its study of coal slurry pipelines. That study is now in progress and will be completed by January. In my opinion, it is extremely unwise to endorse the development of coal slurry pipelines until the unbiased OTA study is completed and its recommendations brought before the Congress for consideration.

With every best wish, I am,
Sincerely,

MAX BAUCUS.

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 11, 1977.

Mr. CECIL ANDRUS,
The Secretary, Department of the Interior, Washington, D.C.

DEAR CECIL: It has come to my attention that the Carter Administration will soon endorse the Coal Pipeline Act of 1977 with amendments designed to protect agricultural water rights on the Northern Great Plains.

It seems ironic to me that the same Administration which would strongly endorse the banning of strip mining on sensitive alluvial valley floors would endorse a proposal which would divert thousands of acre-feet of water annually from the arid and drought ridden Northern Great Plains.

It is my understanding that the Federal Energy Administration will shortly endorse the coal slurry legislation now pending before Congress. As you well know, the Northern Great Plains will suffer enormous, wide-scale environmental impact as a result of coal development. The enactment of the Coal Pipeline Act would add insult to injury.

The Congressional Office of Technology Assessment is proceeding with a study of coal slurry pipelines. That study is now progressing and will be completed by early January. In my opinion, it is extremely unwise for the Administration to endorse the development of coal slurry pipelines until the OTA study is completed and its recommendations brought before the Congress for consideration.

Any assistance that you could provide regarding this matter is greatly appreciated.

With best personal wishes, I am,
Sincerely,

MAX BAUCUS.

ADDRESS BY REPRESENTATIVE GEORGE BROWN OF CALIFORNIA BEFORE THE HELIOSCIENCE INSTITUTE

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. HARKIN. Mr. Speaker, the discussion of energy issues which is going on throughout the country is one of the most important national debates we have had. Many facets of the energy debate have been explored in depth by this body, by President Carter, and by the press. One of the least discussed issues has been the consideration of alternatives to fossil and nuclear fuels.

I have had the opportunity to serve on the Committee on Science and Technology which has taken the leading role in supporting alternative energy sources. During my service on this committee, I have worked closely with our colleague from California, GEORGE BROWN, in developing proposals to encourage alternative energy sources. I have worked similarly with Mr. BROWN on the Agriculture Committee in encouraging alternative energy sources for agricultural uses.

Mr. BROWN recently served as chairman for a solar energy and alternative energy conference, and presented the keynote address to this conference. This address clearly shows an understanding and grasp of this complex issue by GEORGE BROWN. He has taken the lead in this area. I would like to insert this address into the CONGRESSIONAL RECORD at this time and recommend it to my colleagues.

The address follows:

[Keynote Address—The Heliocience Institute: An International Solar/Energy Conference and Exhibit]

TOWARD INCORPORATION OF ALTERNATIVE ENERGY SOURCES INTO THE NATIONAL ENERGY POLICY

(May 2, 1977—Palm Springs, Calif.)

It gives me a great deal of pleasure to give the keynote address to this conference, and to have served as the National Chairman for the Advisory Board for the Helioscience Institute. The program before you covers a great number of important subjects, and the White Paper which will result should be an extremely valuable document to those who cannot attend this meeting.

The timing of this conference is, of course, fortuitious, because it enables us to react to the significant initiative which was taken by President Carter on April 20. The entire world is interested in energy policy questions, and the tough choices which must be made by many nations in order to secure energy for now and the future. The United States will play a central role in the world wide energy debate, chiefly because we use 30% of the world's energy supply. We also have unique decisionmaking methods—relatively decentralized and participatory institutions as well as the technological resources to explore a variety of solutions. Our own effort to develop alternative sources of energy should be considered from the perspective of the needs of the entire world, and not just the needs of the United States alone. The U.S. role in the world energy problem will be enhanced if, when we consider the fossil and nuclear options, we keep in mind that most nations do not have these choices available to them.

The first and most important aspect of any energy policy, and the underlying assumption about the development of alternative energy technologies, must be immediate steps toward energy conservation and energy efficiency. Once we have this philosophy adopted, and the policy for implementing energy conservation in place, we can proceed with alternative technologies. I feel fortunate to be addressing a group that already accepts this statement, because the key issue being debated in Washington today is energy conservation, and the means President Carter has suggested to implement his energy conservation policy.

The role for alternatives to the fossil and nuclear fuel cycle should be quite large in the future. For the bulk of the world, solar energy is the only dependable energy supply. This energy supply comes in many forms, ranging from wood and fiber production to hydro power and windmills. In most cases, the technology being used is outdated and inefficient. In some cases, cheap fossil fuels are being used and have displaced the original solar technologies, much as our own past Federal efforts to produce and distribute cheap electricity have virtually eliminated windmills in this country. As we all know, cheap fossil fuels are now a thing of the past, and solar technologies are the wave of the future. The challenge to the United States, and the world, is to treat the remaining supply of oil and natural gas as a scarce capital resource to be invested in developing a new economy based upon energy efficiency and reliable energy supplies. Anyone involved with economic investment knows that it can be a risky business. When we consider the consequences of failure to our society and future generations, we realize that we should invest our energy capital in

safe and diversified options, even though their return may be less. In terms of technologies, I believe this means we should move as much as possible toward small-scale renewable energy applications, and away from large capital intensive technologies such as nuclear energy. My basic thesis, which I will elaborate on, is that the energy technologies one chooses should be consistent with broader societal goals, and choosing the wrong technology can work against those broader societal goals.

It is all too easy to see how alternative energy sources, such as solar electric, geothermal power plants, and wind generators, could be produced on a large scale, and used by society in the same centralized way we use nuclear power. But unlike nuclear power plants, it is also easy to see decentralized, small alternative energy sources that would serve smaller communities and be more self-contained than power systems that stretch across several states. The societal goals that conflict here are the desires for self-sufficiency and the ability to control ones own destiny, versus the reality of our interdependent economic system and the pressures for economies of scale and specialization. It is these pressures which have reduced the ability of individuals and communities to solve their own problems. The ultimate success of technologies such as solar energy will probably depend more on the societal desires for self-sufficiency, community self-control, environmental quality, and decentralized growth patterns than it will on economics. If economics is the overriding criteria, the application of alternative technologies is likely to be quite limited.

The question of economics depends greatly upon the assumptions and policies one uses in calculating the costs of each technology, and the benefits of each technology. President Carter recognized this in his energy message, and he has made several suggestions which will affect the relative economics of many of our energy choices. And where President Carter has not made suggestions, Members of Congress have.

The most important steps the Federal government could take to encourage solar energy are to eliminate subsidies, both direct and indirect, which are encouraging the use of other forms of energy. The policies which work against solar energy are:

Depletion allowances for oil and coal;

Price ceilings on oil;

Price ceilings on natural gas;

Other tax benefits for fossil resources.

Subsidies for nuclear power, including federal insurance, low-cost uranium enrichment, low-cost fuel reprocessing, low-cost waste storage, and failure to include decommissioning costs;

Low-cost federal power from TVA, Bonneville, REA and other federally aided electric power systems; and

Tax exemption for bonds that finance public utility systems.

The Federal Government is unlikely to eliminate all of these subsidies, which means that to compete fairly, solar energy will need some of the same incentives, or subsidies, that other technologies have been afforded in the past, and continue today.

These new, pro-solar policies should include:

Income tax credits, property and sales tax exemptions, and other fiscal devices;

Life cycle costing requirements;

Low-interest loans and Federally guaranteed loans for solar investments; and

Expanded research, development and demonstration and education of solar energy technologies in all sectors on the economy.

Some of these initiatives are in President Carter's program. Others are the subject of legislation introduced by a coalition of Congressmen, including myself. For example, last Wednesday the House Agriculture Committee approved, as an amendment to the Farm Act, an agriculture solar energy research, development and demonstration program which I authored. This was not part of President Carter's energy program, nor was it part of the Department of Agriculture's program.

Many agreed with me, however, that it should be. Similar initiatives are needed at the level of State and local government, in cooperation with the farmers, banks, and businessmen of this country, with or without Federal support.

This country still has a choice about its energy future. The choice between centralization and decentralization is one of the key issues to be resolved as we develop our national energy policy. While the question of economics will play an extremely large role in deciding these issues, and Federal policies can drastically affect the relative economics of energy systems, there are other forces at work as well. The recent population flow out of the big cities and into small, rural towns is a reversal of 30 years of American migration. The success of modern telecommunications eliminates a major reason for having cities, and urbanized settlement patterns. And the unemployment and general dissatisfaction of people with urban life has made us realize that the decline of rural populations, and the growth of the cities may be as transitory as cheap energy.

If there is a genuine move toward smaller, more self-sufficient communities, with all of the values of community awareness and cooperation that we traditionally consider, our choice of energy technologies becomes quite important. We can, of course, have the large, multinational corporations mass-produce solar units, or subsidize large, central-receiver solar electric power stations. But we could also have a program dominated by small businessmen, and have the solar energy systems become an integral part of the economy of the region. Similarly with geothermal facilities, we can have it be simply an electric power source, or we can incorporate geothermal plants into the economy of the community and thereby use, much more efficiently, the geothermal resource for community heating and cooling, crop drying and other purposes.

The path we take in the future will obviously depend a great deal upon the attitude and policies of various levels of government. However, governments do represent the wishes of the people, at least some of the time, and the direction that governments take will depend a great deal upon views of people about energy policy. Those views need to be expressed in an articulate and directed fashion if they are to be of value. The need for citizen involvement in community planning and development cannot be overstressed. Unless a community can organize and present a reasonable proposal it will be unlikely to control its own energy policy, which will quite likely determine its development policy.

The City of Riverside, through several of its active citizens and organizations and its City Council, convinced Battelle Memorial Lab in Ohio to solicit an Energy Research and Development Administration grant for an integrated energy assessment. This program will survey the city for energy conservation and alternative energy sources which would help in both improving the air quality and improving the local energy future. The proposal is now funded, and the citizens of Riverside will have a unique opportunity to attempt to shape their own energy future. It is this type of initiative that is needed to come to grips with our national energy problems.

As your conference continues over the next several days, I hope you keep these thoughts in mind. I would like to see the entire Southwest United States develop a diverse range of solar and geothermal energy sources while at the same time improving community awareness, employment, the local economy and our quality of life. Palm Springs is in the midst of some of the richest solar and geothermal resources on Earth, yet coal and nuclear power plants too often seem to be the assumed future power source. We do have alternative choices, and the implications of those choices to our society as a whole are quite significant. This conference can help illiminate these alternatives and the policies which are needed to encourage them. In the context of broader societal goals, I see no better choices than the wide range of solar technologies and geothermal energy, accompanied by comprehensive energy conservation policies. Your help in making this energy future happen will be vital.

ENERGY POLICY QUESTIONNAIRE

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. WOLFF. Mr. Speaker, since coming to the Congress it has been my policy to keep my constituency informed as to my activities as well as those of the Congress. In this regard I often solicit the views of my constituents on important questions of policy. My most recent newsletter deals with perhaps the most significant and far reaching question of domestic policy—energy. I now submit for RECORD the text of this newsletter and I will submit for the RECORD, at a later date, the results of this questionnaire:

WHAT'S YOUR OPINION?

President Carter has asked Congress to enact a broad range of legislative measures to deal with our nation's energy needs and future resources. As your Representative, I seek your opinion on these proposals in order that I may be apprised of all views in advance of the decision-making days ahead. I would appreciate your returning this questionnaire to my District Office by June 1. Provision has been made for more than one member of a family to respond.

Do you approve or disapprove of the following energy proposals?

1. Place a standby tax on gasoline (with annual increases unless federal targets are met) to encourage conservation. Yes___ No___.

2. Impose excise taxes on the purchase of new "gas guzzling" automobiles and provide tax rebates to purchasers of more efficient small cars. Yes___ No___.

3. Provide tax credits to homeowners and businessmen who insulate (weatherize) their premises. Yes___ No___.

4. Provide tax credits for the installation of solar heating equipment. Yes___ No___.

5. Impose higher federal taxes on factories and utilities that do not shift to clean coal as their primary source of energy. Yes___ No___.

6. Phase out utility pricing policies that afford discounts to big users of electric power. Yes___ No___.

7. Reform present licensing requirements of nuclear plants, without letup in standards, to reduce delays in construction. Yes___ No___.

8. Raise the price of domestic crude oil, now being pumped (old wells) by imposing

higher federal taxes to be rebated to the public. Yes___. No___.

9. Equalize the price of natural gas sold in regulated interstate markets and unregulated intrastate markets to balance nationwide costs and distribution. Yes___. No___.

10. Are you generally in support of the President's energy package? Yes___. No___.

COMMUNITY DEVELOPMENT PROGRAMS

HON. JAMES M. HANLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. HANLEY. Mr. Speaker, first may I join in the thanks and congratulations which are being given to the gentleman from Ohio who has brought to the floor this most meaningful and beneficial legislation. Chairman LUD ASHLEY has done a most remarkable job in modifying and updating the legislation which covers the community development program and important elements in the housing programs.

His task and that of the Subcommittee on Housing and Community Development has not been simple. It has been as diverse and complex as the needs and desires of 435 different constituencies from 50 separate States could make it. The balancing of interests and opportunities within a context of overall equity has produced a bill which each participant can be proud in supporting. It is a bill which each Member of this House can support as the mediated vehicle of mutual advantage.

During the deliberations of the subcommittee and the full committee there were many helpful and meritorious amendments which added to the construction of a bill which would meet the primary goals and benchmarks of this House in providing decent housing and meaningful economic development and community renewal in a practical, efficient way.

The result is a bill which allows the maximum opportunity for each locality to chart its own course within the Federal programs so that its housing and renewal objectives can be met. There is no presumption that Washington officials know all the answers or have a crystal ball with which to predict the future. But there is the optimism that, with such financial aid as this bill provides to any community meeting the criteria, big cities and small towns will be able to plan their futures and accomplish projects with timely dispatch.

The tension of the moment rose at times to disrupt the comity of national perspective with expressions of regional complaint. However, the cohesion of this body, acting not only as the representative of separate constituencies but as the people's House, prevailed.

Insofar as the deliberations of the subcommittee and full committee were concerned, the merits of various interest and pressure groups had to be addressed, redressed, and assuaged as much as possible to achieve the harmony of purpose which this final bill represents. It was not easy.

The single most agonized over issue concerned the mechanism which allocates the limited amount of money among the localities needing it. The old formula was inadequate insofar as it disproportionately allocated moneys to localities qualified under it but not necessarily as needy as other units of Government in relative terms. This disbalance is redressed through the creation of a new dual formula which allows each entitlement community to choose either to continue the old calculation based on population, poverty, and overcrowding or adopt the new calculation based on poverty, age of housing stock, and growth lag. This bill would allow every community to select that formula which awards it the more money.

The biggest advantage of this new arrangement is that it provides more balance and assurance that the areas of greatest need will actually get the moneys needed to meet their critical housing and development goals. The money is put where the need is greatest.

Naturally, those who benefit from this new formula are gratified; but those who are not helped as much are not hurt either. Plus, all have the satisfaction that the overall national interest is better served when funds are put to the most efficient and effective use. Tax dollars are not squandered and real human needs are met in fulfillment of the national priorities and local initiatives.

We must keep in mind that this bill is not a general revenue sharing bill nor a countercyclical bill nor an economic development bill per se, but a bill amending the community development and housing acts. It is meant from the outset as a vehicle to address the critical problems faced by urban communities victimized by blight, decay, and abandonment of neighborhood businesses and housing. The focus, therefore, is mainly large urban and middle-sized cities.

However, the difficulties of the inner city are not unknown to the smaller cities and communities outside the urban center. Many towns with populations under 50,000 are experiencing declining central business cores and deteriorating neighborhoods. Many mayors and aldermen see populations moving to larger towns in search of jobs or watch development of industrial areas in the adjacent farmlands, just beyond their taxing jurisdiction.

That is why the bill now before the House includes program features designed to aid smaller but equally distressed towns and counties.

The biggest fear is that there will be a lack of clear understanding on the part of HUD that there are serious problems to be addressed in the smaller urban and nonurban areas. Every indication has been that HUD Secretary, Patricia Harris, has the sensitivity to appreciate the critical impact which social and economic dislocations can have on smaller communities and can offer substantive help where there is a partnership of effort by the localities and the Federal agency.

The confidence which this House has in this expectation is marked by the clear force of an expanded discretionary program placed in the hands of the Secretary to mete out to those communities most in need and most willing to demonstrate cooperation with program objectives. There will be more money available in the discretionary balance account for application by eligible communities regardless of prior program participation. This feature will gradually include the phased out hold harmless communities with populations under 50,000 and will regard each town and small city equally thereafter.

Of course, for towns which can not sustain their claims for multiyear funding with beneficial programs and meaningful development of housing and economic projects there will be no money available. But for those towns which can point to prior experience and performance and can justify a recurrent need for one shot or multiyear funding this new discretionary fund position will allow the potential for more money than was possible under the old hold harmless formula. In sum, need will be the criteria, not automatic allocation based on past program funding levels.

Now, I am one of the Members of this House who had great reluctance to any idea that the hold harmless be done away with for small or large towns. The ravages of inflation and recession were most critically felt in the metropolitan areas where jobs disappeared quickly and where the attempts to turn around depressed downtowns and declining neighborhoods could not fight back the onslaughts of general economic decline. Barely begun projects were undermined when the hoped-for private sector investment did not appear. Hard-pressed businessmen and private capital were holding off any long range commitments to local investments until economic conditions became more settled and certain. This delay retarded the good effects of many community development projects and put all forward movement in neutral.

For this reason I joined with Banking, Finance, and Urban Affairs Chairman, HENRY REUSS, in cosponsorship of H.R. 1522 which would have extended the hold harmless allocation for smaller cities which would be deprived of their certainty of funding under the newly proposed allocation system. However, during the hearings in the subcommittee and during the ensuing weeks and months of consultation with professionals in the field and with the leaders of the communities in the 32nd district, there was persuasive argument that the proposed dual formula, coupled with hold harmless phaseout and increased funding for discretionary funds and the new action grant program, would be in the overall interest of the Nation, the program, and the participants.

Fortunately, central New York officials and leaders have been among the first to embrace the concepts of community development. Thus, they have earned an advantageous position in the rankings of nonentitlement communities which will have preference for the dis-

cretionary funds available in the new bill.

With confidence in the indications from HUD that past performance will be a major determinant in such discretionary fund disbursements, I was persuaded that the equitable and advantageous course was to allow hold harmless to phaseout as scheduled under the 1974 act and to make a strong case for each of the localities in our area for the increased discretionary funding.

The growth of the urban county in the community development matrix is of particular benefit to the people of Onondaga County. As an urban county, it will be included in the new action grant program eligibility class and thus will be entitled to special consideration for grants tailored to developing jobs and industry in our area. Imaginative and creative proposals can do much to excite not only Federal participation in this effort but can attract the kind of private development activity which can insure ultimate success of the plans.

Several of the other titles of this bill deal with housing, FHA insurance limit increases, mobile home benefit expansion, flood insurance amendments, and other matters. These features only add to the luster already evident in this bill.

In conclusion, Mr. Chairman, let me assure this House that it is the firm and resolute position of the subcommittee and the full committee that the House should watch with great care as well as expectation the performance of this new team at HUD. They should be given every chance to demonstrate that the "old days" of impoundment, foot-dragging, obstruction, dismantlement, and aloofness are at an end.

The candid and frank testimony of Secretary Harris and Assistant Secretaries Robert Embry for community development and Lawrence Simons for housing give us faith that the confidence we have entrusted to them is not misplaced.

However, surely this House will be fully and readily informed of such developments as indicate less-than-adequate administration of the provisions enacted by the Congress. Indeed, each Member of the House will be the eyes and ears by which any such failure will become known.

For the present and, hopefully, for the foreseeable future the spirit of mutual goodwill will endure and the business of housing our people and aiding our communities will be pursued with vigor and success.

"CHALLENGE TO CONGRESS"

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. YOUNG of Florida. Mr. Speaker, I would like to take this opportunity to comment on President Carter's recent "Challenge to Congress." He has played a very important role in emphasizing the seriousness of the energy problem, and I sincerely hope that Congress will at last accept the fact that it is a very serious problem. The President's message is timely, and whether in the long run we agree or disagree with all or only some of his recommendations, we have been challenged to approach the matter with an open mind, an open heart, and a willingness to make the tough decisions that will be necessary. I hope that each of us will make those decisions based on what is really best for our country, rather than making political decisions based on whether we are "for the President" or "against the President."

For the benefit of my colleagues, I would like to quote from an energy message to Congress:

> . . . We cannot take our energy supply for granted any longer. A sufficient supply of clean energy is essential if we are to sustain healthy economic growth and improve the quality of our national life. . . . We must get back on the road of increasing efficiency, both at the point of production and the point of consumption. . . . I am therefore announcing today a broad range of activities to insure an adequate supply of clean energy for years ahead.

These quotes are not from the Presidential message we, as a Nation, heard on April 20. They are from the first Presidential energy message that I heard in this Chamber on June 4, 1971. In that 1971 proposal, the President of the United States suggested an acceleration of oil and gas leases on the Outer Continental Shelf; a program to develop shale oil resources; an expanded program to convert coal into a clean gaseous fuel to serve as a practical substitute for our diminishing petroleum fuel supply; a program to accelerate the development of solar energy; a program to revise standards for insulation in new federally insured homes; and a Government reorganization program to provide for a single body to serve as an energy administration agency.

It is safe for us to assume that if Congress had acted effectively on these proposals when they were first presented, it would not have been necessary for President Carter's recent energy message to call for such an urgent response to these very same points.

In 1975, in another series of energy messages to Congress and the American people, another President included a request for new efficiency standards for all new appliances and motor vehicles; a proposal for the development of devises on automobiles that would save fuel and maintain clean air standards; a program to provide a tax credit for individuals who made energy conservation improvements in their homes, provided for a tax credit for purchasing and installing insulation in existing residences, and authorized assistance for low income families in need of help to make their homes more energy efficient.

Again I suggest that if Congress had faced up to the responsibility then and moved to effect these provisions, or even to reject them on the basis of careful study and research, it would not be necessary to be considering them today as part of a "crisis" program being offered by the present administration.

Since the first Presidential energy proposal was made in 1971, our country has been confronted with the problems of short supplies of all types of fuel and consistent increases in the cost of our major energy supplies. We have all experienced long lines at the gasoline stations and mandatory cutbacks in energy consumption in many parts of our Nation. The winter we have just lived through was a kind of "nightmare" for some Americans that none of us want to see happen again. While President Carter's energy proposal is not essentially different from messages we have heard before, he has added a few things and he has also left out a few things. Its most startling effect, however, is that it seems to have prompted a kind of "commitment" from the administration, from Congress, and from the American people to meet this problem head on. I want to commend the President on his compelling directive to all of us to "get on with it." Hopefully, we will heed his words with the same degree of intensity we seem to have ignored the equally alarming messages of his predecessors.

The House of Representatives has already responded by creating an Ad Hoc Committee on Energy to coordinate the project and shape the necessary legislation. The move toward a solution has begun. We must be careful not to allow ourselves to lose momentum and get bogged down with rhetoric or political controversy. Hopefully, the Congress, guided by this committee, will effect a careful but direct examination of the President's proposals, the implications of which will be far reaching and will not be fully understood until each aspect receives a comprehensive review. While there are certain portions of the President's program with which I do not agree, I intend to approach his proposals with an open mind, and I sincerely hope my colleagues will as well.

Throughout the history of our Nation, may leaders have fallen into the trap of recommending increased taxes to solve just about any problem. Unfortunately, one of the President's major proposals to discourage use of energy and gasoline is to increase the per gallon tax on gasoline and to tax oil and natural gas at the wellhead. I submit that we cannot tax away our energy crisis. Those who believe that an increase in the cost of gasoline will conserve this already expensive fuel are overlooking the fact that an increased cost will have a differing effect on each and every one of us. Most of the people who currently use large quantities of gasoline for travel and leisure can and will pay for it. An increase of 5 cents a gallon per year, at least until the increases accumulate considerably, will not curtail their usage. It will, however, have a costly effect on the small businessman and supplier who runs a fleet of vehicles, as well as salesmen and commuters and farmers; and it is a well known fact that when their costs go up, the price of their goods and services goes up. This increase in the tax on gasoline will have a serious effect on the elderly and low income workers, who can hardly afford the cost of fuel today, and who can only afford to use their automobiles for such necessities as visits to the doctor, drug store, and the grocer. Any increase in the cost of their

gasoline or utilities will place an unfair burden on their already limited resources.

Furthermore, under the President's proposal, the revenue from this additional tax will be returned to certain segments of our society in the form of rebates, rather than being invested in programs to locate new sources or expand current sources. Thus one of our essential goals toward eliminating our long range energy deficit is neglected by the increased tax proposal. The Federal Government has for too long taken money away from the taxpayer only to return it later through rebates et cetera. The American people are not children, to be punished and/or rewarded by their Federal Government. If the tax is to be collected, only to be returned later, then it should be left in the pocket of the taxpayer to begin with.

While the President's program recognizes the great need for conservation, it does little to provide incentive for the production of new quantities and sources of energy. While strict conservation will postpone the day of reckoning, conservation by itself will not solve the problem. In order to meet our increasing energy demands, we must place much more emphasis on increased exploration, as well as development of existing, untapped energy supplies. The growing supply crisis in domestically produced oil and natural gas has been caused by a lack of such exploration and development of new resources. A carefully considered program to encourage gas and petroleum producers to reinvest in production and exploration is essential.

I endorse the concept of expanding our use of coal, but I am concerned about other proposals which could make the extraction and conversion of that coal extremely expensive. I also endorse the program to provide incentives for the innovative conversion to solar energy, and hope that my State of Florida will be a leader in developing this energy source.

Mr. Speaker, while I find some initial fault with some of the President's recommendations, I support others, and I agree most adamantly with his determination to face this problem immediately and to move to solve it.

I pledge my every effort in contributing to a workable, but fair, energy program.

As an afterthought, I want to emphasize my hope that Congress will, after hearing it from the third President, finally acknowledge that there is a problem; and in cooperation with the American people, and our industries, do what is necessary to—as we have proved so many times we can—solve the problem.

CONGRESS MUST TAKE THE INITIATIVE ON WELFARE REFORM

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. KASTEN. Mr. Speaker, millions of taxpayers and needy Americans will be disappointed to learn that, once again, action on welfare reform has been postponed for another year.

President Carter failed to send Congress a detailed reform plan by May 1, as he promised. Instead, he outlined general goals for reform, and promised to deliver his plan by next fall. He conceded that his program, if enacted by Congress next year, would take another 3 or 4 years to implement.

Mr. Speaker, Congress must not delay action on welfare reform until the Carter plan is delivered to Capitol Hill in August or September.

Congress must take the initiative.

The American people—those who are truly needy and those who are paying the bills for our inefficient, fraudulent welfare system—want action now, not 3 or 4 years from now.

To avoid further delay in Congress, I propose that we create an ad hoc committee to begin working immediately on reform of our welfare system.

President Carter has proposed that we consolidate the present system into a single cash grant or guaranteed income. While I believe this would be a costly mistake, Congress should begin now to examine the present system and determine if we want to improve it or scrap it. Creation of an ad hoc committee, composed of members from the six separate committees that deal with various parts of our welfare system would be the most effective, efficient way to do this.

A recent editorial in the Christian Science Monitor urges Congress to move ahead of the President on this urgent matter. As the editorial suggests, "The public should insist on vigorous congressional response to all Presidential initiatives—and vigorous filling of the vacuum when those initiatives fail to come."

The editorial follows:

DON'T DELAY WELFARE

If President Carter delays welfare reform as long as his statement this week suggests, Congress ought to move ahead of him on this urgent matter. No one could fault Mr. Carter's generalized goals of efficiency, fairness, family stability and encouragement to the self-help for those who can help themselves which is central to individual morale and national vitality. But, after the experience of several previous administrations and the elaborate publicized study by this one, it is too easy to say, as Mr. Carter did, that "it is worse than we thought"—and put off necessary action.

And what of the argument that Congress has so much to do on energy and other matters that it cannot be expected to get on with reforms affecting the millions of the needy and the taxpayers who want to see their money used wisely? With each member of Congress now costing the public an estimated million dollars a term in direct funds and subsidized services, a lag in welfare reform becomes especially ironic. The public should insist on vigorous congressional response to all presidential initiatives—and vigorous filling of the vacuum when those initiatives fail to come.

If the Democrats take a cue from the President's apparent willingness to let the implementation of a yet undetailed welfare program wait until 1981, here is made-to-order opportunity for the Republicans both to show they are still alive and to dispel their self-acknowledged problem of seeming not to care about people as much as the Democrats do.

Mr. Carter's sketchy outline of his welfare reform intentions leaves a number of unanswered questions. Their answers could increase political problems and reduce the likelihood of keeping the initial cost of his "totally new system" no higher than the cost of the present system. Just what will be the amount of his proposed 'simple cash payment' in order to meet needs now handled through various means? Just who will be expected to take the jobs provided? Will those who get the payments and/or get the jobs receive medicaid also?

In fact, though Mr. Carter said it was the administration's "unanimous conclusion" that present programs should be "scrapped," there is a respectable body of opinion among welfare specialists which favors improvements in the present system as a less costly, more effective, and more politically possible means of reform. Much could be achieved, for example, through setting national eligibility standards, combining family programs, requiring all states to allow unemployed fathers to stay in homes receiving aid to families with dependent children.

One who favors change within the present system is Richard P. Nathan, senior fellow at the Brookings Institution who was a shaper of proposed far-reaching welfare reform in the Nixon administration's family assistance plan when he was an HEW official. From that experience he saw the political difficulties involving public attitudes and perceptions when sweeping change is contemplated. He feels that welfare programs which began as a hodgepodge "fit together much better than most people realize."

This is not to foreclose Mr. Carter's position of trying to do a whole new thing. But it makes it incumbent on him to devise a package so clearly superior to improvements in the present system—or, in effect, incorporating such improvements so well—that it will be politically acceptable and economically sound. The first thing is not to accept the idea of unreasonable delay.

AMENDMENT TO H.R. 6810

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. ASPIN. Mr. Speaker, Mr. BLOUIN of Iowa, Mr. CORCORAN of Illinois, and myself will introduce an amendment to H.R. 6810. This amendment will change the allocation formula now in the bill so that the "tax effort" of State and local governments are taken into account.

The distribution formula now in the bill allots funds among States and municipalities on the basis of unemployment rates. But unemployment rates below the national level are notoriously inaccurate. The Bureau of Labor Statistics testified before the Intergovernmental Relations Subcommittee that the rates for cities of 50,000 or fewer are little better than random numbers.

The distribution formula in the amendment we are offering is based on tax effort—a measure of the level at which communities tax themselves. The higher the tax effort, the more money a community will receive under this formula. And tax effort statistics are very good.

The rationale for the tax effort for-

mula is the same as the rationale for countercyclical funds. Countercyclical funds are provided in this bill because the tax and spending policies of State and local governments retard our recovery from recessions.

In a recession municipalities face increasing demands for services and decreasing revenues to meet those demands. In a recession municipalities typically reduce services and/or raise taxes. That drives the country deeper into recession.

Those communities with a high tax effort and consequently a high level of services are most likely to reduce services and/or raise taxes when recession hits. A distribution formula based on tax effort sends the money where it will be spent to fight the recession most effectively—to communities which have a developed structure of services to serve as an outlet for the funds.

Will not the funds be spent just as readily under the current formula based on unemployment figures? A recent GAO survey discovered that many communities were not spending large amounts of the funds allotted to them. They lacked a service structure through which to spend the money.

With the tax effort formula, the funds are sent where they will be spent.

As the Senate Government Operations Committee said in its report—

> The purpose of Countercyclical Assistance is neither to correct the problem of structural unemployment in certain areas of the country nor to redistribute tax dollars from affluent to poor jurisdictions.

The purpose is to fight recessions and stimulate the economy.

Tax effort is not a new or untried concept. We use it right now to distribute funds under general revenue sharing.

And this tax effort formula is the one recommended by the Intergovernmental Relations Subcommittee. The issue of what formula was the fairest and best was debated and analyzed at length. The tax effort formula was adopted with only one dissenting vote. The full committee concentrated its attention on another issue—how long to fund the program. In the shuffle of amendment and substitutes dealing with this issue, the subcommittee's distribution formula was lost.

The amendment will bring the bill back to the subcommittee's considered position on allocation of funds.

We want to clarify a couple of points which ought to be clarified with respect to this formula.

First, the amendment does not cut out localities, rather, it cuts them in. The rates of increase have been changed but as you know, because the pot has been enlarged, everyone will get more funds. The point is that some communities will not make quite as much as they expected.

Second, in terms of the major cities of this country, 24 of the 31 largest cities in the United States will be benefiting. See chart 1. So those who argue need, should look at Detroit, Chicago, Los Angeles, New York City, Atlanta, and the other elder cities of this country.

Third, there are those who claim that the dislocations caused by the formula are unbearable. But this is just a straw man. Take the case of New York State. New York State, we are told, has budgeted $71 million of expected countercyclical funds. Under our amendment New York State would receive $89 million. Is an $18 million margin unbearable? We note also that New York would get 17 percent of all of the countercyclical funds. That is more than anyone else is getting. Without our amendment, they would receive almost one-quarter—22 percent—of all of the funds.

This House is a good cross section of all of our Nation, in characteristics, and in needs. Our amendment would improve the situation for the majority of the Members, and hence the country while it does not negelect the others.

We hope that communities like ours, who along with cities like New York, have been picking up their responsibility by contributing ever increasing amounts into the Federal Treasury, are not forgotten by those who have been receiving the benefits.

One final point. Scurrilous arguments are being made by those who have become institutions unto themselves. Arguments which say that this House should not "rock the boat" and should simply go along with what is. The Subcommittee on Intergovernmental Relations of the House Government Operations Committee has worked long and hard to come up with progressive concepts as the one being proposed here. Now we are being told that it does not count because what counts is what is, the status quo.

We urge the major cities of this country to take a closer look at how their interests are portrayed, and expected a better argument from our institutionalized lobby than "do not rock the boat."

CHART I.—*How the cities do under the Aspin amendment*

	Per capita grant	
	Bill as it stands	Bill with Aspin amendment
Oakland	1.77	1.00
Los Angeles	0.88	1.11
San Francisco	2.18	4.55
Denver	0.73	1.93
Miami	1.55	1.21
Atlanta	0.96	1.03
Chicago	1.25	1.74
Indianapolis	0.36	1.25
Louisville City	0.57	1.97
New Orleans	1.60	1.46
Baltimore	2.10	1.49
Boston	2.00	3.68
Detroit	2.73	3.24
Minneapolis	0.56	2.18
Kansas	0.63	1.20
St. Louis	2.31	2.60
Omaha	----	0.83
Newark	3.80	1.44
Buffalo	1.79	0.67
New York	2.78	3.08
Cleveland	1.22	1.33
Columbus	0.45	0.80
Cincinnati	1.58	2.25
Oklahoma	0.20	0.82
Pittsburgh	2.16	1.22
Philadelphia	2.46	3.63
Nashville	----	1.10
Dallas	----	1.27
Houston	0.15	0.68
Seattle	0.88	1.52
Milwaukee	0.82	1.73

Main point: Of the major cities in the country, only seven would receive lower allocations under the alternative formula: Oakland, Miami, New Orleans, Baltimore, Newark, Buffalo, and Pittsburgh.

AMENDMENT TO H.R. 6810

Page 26, strike out line 1, and everything that follows through page 28, line 10, and insert in lieu thereof the following:

SEC. 3. (a) Section 203 of the Public Works Employment Act of 1976 is amended to read as follows:

"ALLOCATION

"SEC. 203. (a) IN GENERAL.—There shall be allocated for each State for each calendar quarter out of amounts appropriated out of section 202(b) for that quarter, an amount which bears the same ratio to the amount appropriated under that section for that period as the amount allocable to the State under subsection (b) bears to the sum allocable to all States under such subsection.

"(b) DETERMINATION OF ALLOCABLE AMOUNT.—

"(1) IN GENERAL.—For the purposes of subsection (a) the amount allocable to a State under this subsection for any calendar quarter is the amount which bears the same ratio to the amount appropriated as—

"(A) the aggregate taxes of that State, multiplied by the relative tax effort factor of that State, bears to—

"(B) the sums of the products determined under subparagraph (A) for all States, except that—

"(i) the product determined under subparagraph (A) for the State described in subsection (e)(1)(B) shall be deemed to be equal to two-thirds of the product of the aggregate taxes on that State, multiplied by the relative tax effort factor of that State; and

"(ii) the product determined under subparagraph (A) for each State described in subsection (e)(1)(C) shall be deemed to be equal to the population of such State multiplied by the lowest per capita product (as determined under paragraph (6)) of any of the States described in subsection (e)(1)(A).

"(2) AGGREGATE TAXES OF A STATE.—For purposes of paragraph (1) the aggregate taxes of a State is the total taxes taken into account under paragraph (2) of section 109(c) of the State and Local Fiscal Assistance Act of 1972 for the most recent reporting year.

"(3) RELATIVE TAX EFFORT FACTOR.—For purposes of paragraph (1) the relative tax effort factor of a State is a percentage equal to the quotient of the general tax effort factor of that State divided by the average tax effort factor for all the States described in subsection (e)(1)(A) and (B).

"(4) GENERAL TAX EFFORT FACTOR.—The general tax effort factor of any State is the general tax effort factor determined under section 109(c)(1)(A) of the State and Local Fiscal Assistance Act of 1972 for the most recent entitlement period.

"(5) AVERAGE TAX EFFORT FACTOR.—The average tax effort factor for all the States is equal to the sum of the general tax effort factors of all the States described in subsection (e)(1)(A) and (B) divided by the number of States described in subsection (e)(1)(A) and (B).

"(6) Lowest per capita product.—The lowest per capita product for any State described in subsection (e)(1)(A) is the smallest quotient resulting from the division of—

"(A) each product determined under paragraph (1)(A) for each such State, by

"(B) the population of such State.

"(c) DIVISION BETWEEN STATE AND UNITS OF LOCAL GOVERNMENT.—Division between State governments and units of local government.—The State government shall be entitled to receive one-third of the amount allocated to that State under subsection (a) for each calendar quarter. Except as provided in subsection (f) the remaining portion of

each State's allocation shall be distributed among the units of local government of that State as provided in subsection (d).

"(d) LOCAL ALLOCATION.—

"(1) Indian tribes and Alaskan native villages.—If within a State there is an Indian tribe or Alaskan village which has a recognized governing body which performs substantial governmental functions, then there shall be allocated to such tribe or village a portion of the amount allocated to the units of local government of such State for the calendar quarter which bears the same ratio to such amount as the population of that tribe or village within that State bears to the population of that State.

"(2) ALLOCATION TO UNITS OF LOCAL GOVERNMENT.—The amount remaining for allocation within a State after the application of paragraph (1) shall be allocated among the units of local government located in that State so that each unit of local government will receive an amount which bears the same ratio to the total amount to be allocated to all units in such State as—

"(A) the aggregate adjusted taxes of that local unit of government, multiplied by the relative tax effort factor of that local unit of government,

bears to—

"(B) the sum of the products determined under subparagraph (A) for all units of local government located in that State.

"(3) AGGREGATE ADJUSTED TAXES OF A UNIT OF LOCAL GOVERNMENT.—For purposes of paragraph (2) the aggregate taxes of a unit of local government is the total nonschool taxes taken into account under paragraph (2) of section 109(c) of the State and Local Fiscal Assistance Act of 1972 for the most recent reporting year.

"(4) RELATIVE TAX EFFORT FACTOR.—For purposes of paragraph (2) the relative tax effort factor of a unit of local government is a percentage equal to the quotient of the general tax effort factor of that unit of local government divided by the average tax effort factor of all units of local government within that State.

"(5) GENERAL TAX EFFORT FACTOR.—The general tax effort of any unit of local government is the general tax effort factor determined under section 109(e)(1) of the State and Local Fiscal Assistance Act of 1972 for the most recent entitlement period.

"(6) AVERAGE TAX EFFORT FACTOR.—The average tax effort factor for all the units of local government within a State is equal to the sum of the general tax effort factors of all units of local government within the State divided by the number of units of local government within the State.

"(e) GOVERNMENTAL DEFINITIONS AND RELATED RULES.—For purposes of this title—

"(1) STATE.—The term 'State' means—

"(A) each of the fifty States;

"(B) the District of Columbia; and

"(C) each of the following: Puerto Rico, Guam, the Virgin Islands, and American Samoa.

"(2) UNITS OF LOCAL GOVERNMENT.—The term 'unit of local government' means the government of a county, municipality, township, or other unit of government below the State which is a unit of general government (determined on the basis of the same prin-'towns'), and shall be determined on the Census for general statistical purposes).

"(3) TOWNSHIPS.—The term 'township' includes equivalent subdivisions of government having different designations (such as "towns"), and shall be determined on the basis of the same principles as are used by the Bureau of the Census for general statistical purposes.

"(4) UNITS OF LOCAL GOVERNMENT LOCATED IN LARGER ENTITY.—A unit of local government shall be treated as located in a larger entity if part or all of its geographic area is located in the larger entity.

"(5) ONLY PART OF UNIT LOCATED IN LARGER ENTITY.—If only part of a unit of local government is located in a larger entity, such part shall be treated for allocation purposes as a separate unit of local government, and all computations shall, except as otherwise provided in regulations, be made on the basis of the ratio which the estimated population of such part bears to the population of the entirety of such unit.

"(6) BOUNDARY CHANGES, GOVERNMENTAL REORGANIZATION, ETC.—If, by reason of boundary line changes, by reason of State statutory or constitutional changes, by reason of annexations or other governmental reorganizations, or by reason of other circumstances, the application of any provision of this section to units of local government does not carry out the purposes of this subtitle, the application of such provision shall be made, under regulations prescribed by the Secretary, in a manner which is consistent with such purposes.

"(f) Limitation as to Territorial Governments.—The amount available under subsection (c) for allocation to the local governments of each of the States as defined in subsection (e)(1)(C) shall be held by the Secretary in trust until such time as the government of such State submits an allocation plan which has been approved by the legislature of such State, which meets the requirements set forth in section 206(a), and which is approved by the Secretary under the provisions of section 206(b). The Secretary may provide by regulation for the development of an alternative definition of local government for each such State and take such other measures as may be necessary to assist each such State in developing such an allocation plan.".

(b) Section 206(a)(2) of the Public Works Employment Act of 1976 (42 U.S.C. 6726(a)(2)) is amended by striking out "unemployment rate data" and inserting in lieu thereof "aggregate adjusted tax rate data".

Redesignate sections 5, 6, and 7 as sections 4, 5, and 6, respectively.

MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mrs. SPELLMAN. Mr. Speaker, 50 years ago, when Washington was a sleepy Southern town and Prince Georges County a rolling rural enclave of horse farms and tobacco barns, the Maryland-National Capital Park and Planning Commission was established by the Maryland General Assembly.

Its founders probably would not recognize the landscape they sought to protect. Washington has become the bustling capital city of the Western World and the farmlands of Prince Georges County have given way to busy suburban communities whose population mushroomed by 69 percent during the 1960's.

No greater tribute to the park and planning commission could be offered than the fact that, in spite of such phenomenal growth, Prince Georges County has some of the finest park and recreation land in the Nation. Picnics, boating, tennis, concerts, children's sports, swimming, hiking—these and many other activities thrive in the 13,000 acres of Prince Georges parkland.

Extensive planning, wise acquisition, and conservation of resources, and effective management were essential to the establishment of our county's park system and its related recreation programs. Jurisdiction over the latter has rested with the commission since 1970, again by action of the Maryland General Assembly.

The commission has always encouraged—and been encouraged by—volunteer assistance from individuals and organizations. The efforts of citizen advisory committees, the Federation of Park and Recreation Councils, and government leaders at every jurisdictional level have been a key factor in the commission's continuing success at meeting the changing needs of Prince Georges County citizens.

Another facet of the commission's accomplishments has been the construction of hundreds of recreation facilities—swimming pools, community centers, golf courses, archery ranges, equestrian paths, cultural arts centers, and even a trap and skeet range.

In recognition of this outstanding achievement, the commission was awarded the prestigious National Gold Medal Award for excellence in park and recreation management. That was in 1973. Most Prince Georgians and residents of Montgomery County, too, I feel sure, would agree that M-NCPPC deserves a gold medal every year.

Of course, citizens of the bicounty area are aware that since 1927, when it was created by the Maryland General Assembly to prepare and administer a general plan for the physical development of the area, it has been involved in planning, in innovating, in persuading, in educating, and in leading the people and their elected officials toward proper respect for land use and the need for orderly development.

This Saturday evening, May 14, the commission will celebrate its 50th anniversary. But more important than the completion of its first half-century is the fact that it begins its second with a remarkable record of distinguished accomplishment. The challenges which lie ahead are very different from those encountered by the commission in its early years, but the recreational services which it provides are even more essential in this technological age.

I am sure my colleagues will join me in extending to the Maryland-National Capital Park and Planning Commission our warmest congratulations and deepest appreciation for a job well done. And with them, our best wishes for a second half-century of continuing contribution toward an even better way of life for citizens of the Washington metropolitan area.

REMARKS BY SOL M. LINOWITZ AT ANNUAL DINNER OF RELIGION IN AMERICAN LIFE

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. BRADEMAS. Mr. Speaker, few Americans have so effectively and tire-

lessly served our country in so many ways as Sol M. Linowitz.

An outstanding attorney and business leader, he has also been U.S. Ambassador to the Organization of American States, chairman of the State Department Advisory Committee on International Organizations, chairman of the National Urban Coalition and a contributor of numerous articles to professional journals. Mr. Linowitz is today continuing his long tradition of public service by serving as conegotiator and special representative of the President, with the personal rank of ambassador, in the effort to resolve the question of the Panama Canal.

A few weeks ago, Mr. Speaker, on March 8, 1977, Mr. Linowitz was honored with the award presented at the Annual Dinner of Religion in American Life.

His remarks on that occasion are, I believe, a perceptive and moving reminder of our responsibilities as Americans and as human beings in the world today.

Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD the text of Mr. Linowitz' remarks on this occasion, delivered on March 8, 1977, in New York:

ANNUAL DINNER OF RELIGION IN AMERICAN LIFE—NEW YORK, N.Y.

As I look around this room and see so many who have done so much over the years for so many, I must admit that I have a sense of kinship with William Howard Taft's great-granddaughter who in her third grade autobiography wrote: "My Great-Grandfather was President of the United States, my Grandfather was a United States Senator, my Father is an Ambassador and I am a Brownie".

I want you to know that in your presence, I am a Brownie.

I am truly grateful to you for the Award this evening, for the spirit in which you have tendered it, and for the auspices under which you have presented it. Let me express my special appreciation to the General Electric Company for the generous contribution which they have made on my behalf in the name of that distinguished American, Charles E. Wilson.

With your permission I would like to take a few minutes just to say a few things which are on my mind and my heart.

We are met at a moment in history which is uncertain, fearful and indeed, dangerous. While it is true as Professor Whitehead once said that "it is the business of the future to be dangerous", nonetheless there is reason for concern as we look about us.

We are at a time that has been called both the Age of Anxiety and the Age of Science and Technology. Both are accurate, for indeed one feeds upon the other. As our scientific and technological competence has increased, so have our fear and anxiety.

In a real sense we are at a time of paradox—a time when we have learned to achieve most and to fear most. It is a time when we seem to know much more about how to make war than how to make peace, more about killing than we do about living. It is a time of unprecedented need and unparalleled plenty, a time when great advances in medicine and science and technology are overshadowed by incredible achievements in instruments of destruction. It is a time when the world fears not the primitive or the ignorant man, but the educated, the technically competent man, who has it in his power to destroy civilization.

It is a time when malaise hangs heavy, when we can send men up to the moon yet hauntingly recall Santayana's words that people have come to power who "having no stomach for the ultimate, burrow themselves downward toward the primitive".

No one needs to remind us that this moment may be the most fateful in all the long history of mankind. And that the outcome will depend on whether the human intellect which has invented such total instruments of destruction, can now develop ways of peace that will keep any man, no matter what his ideology, his race or his nation, from pushing the fatal button.

GLOBAL INTERDEPENDENCE

In the past men have warred over frontiers, they have come into conflict over ideologies. And they have fought over ideologies. And they have fought to better their daily lives. But today each crisis seems to overlap the other and we are engaged in a vast human upheaval that touches upon every phase of our existence—national and international, religious and racial.

Part of that upheaval is as old as hunger. Part is as new as a walk in lunar space. The overriding fact is that today we are all part of a global society in which there no longer is any such thing as a separate or isolated concern, in which peace is truly indivisible.

And the fact is that whether we like it or not, either we will all survive together or none of us will. Either we will all share the world's bounty, or none of us will.

We must, therefore, ask what chance we have of accepting our shrinking world with its fewer and fewer natural frontiers, or of transcending our ideological struggles unless we are prepared finally to get to the roots of the problem—the roots that are dug so deep in injustice and resentment in a worldwide contrast between wealth and misery. And the answers are vital not only to a sound foreign policy, but to a compassionate domestic policy. Indeed, both are interrelated in an interdependent world. For there is no escape any longer from what I believe is surely the central fact of our time: That whether it be Africa or Asia or Latin America or New York or Detroit or Washington—human beings can no longer be condemned to hunger and disease and to the indignity of a life without hope.

Who are these human beings that make up this world in which we live—the millions upon millions no longer thousands of miles away, but now just down the runway? Here they are in microcosm: During the next 60 seconds, 200 human beings will be born on this earth. About 160 of them will be black, brown, yellow or red. Of these 200 youngsters now being born, about half will be dead before they are a year old. Of those that survive, another half will be dead before they are 16. The 50 of the 200 who live past their 16th birthday, multiplied by thousands and millions, represent the people of this earth.

They, like their fathers and forefathers before them will till the soil working for landlords, living in tents or mud huts. Most of them will never learn to read or write. Most of them will be poor and tired and hungry most of their lives. Most of them—like their fathers and their forefathers—will lie under the open skies of Asia, Africa and Latin America watching, waiting, hoping. These are our brothers and sisters, our fellow human beings on this earth.

What kind of a tomorrow does the world offer these, the people of this earth? Two diametrically opposed philosophies are being presented. One we call Communism—the other Democracy. Each asks acceptance of a basic idea; each offers a larger slice of bread.

DEMOCRACY AND THE INDIVIDUAL

Make common cause with us, say the Communists, and accept three basic premises: First, *dialectical materialism*—all that matters is matter itself, Second, *godlessness*—accept the notion that there is no spiritual being who determines your destiny. Third, accept the idea that the *State is supreme* and determines the will of the individual. Believe these things and accept them, say the Communists, and we promise you more food in your stomachs, more clothes on your backs, a firmer roof over your heads.

And what about Democracy? Because Democracy rejects absolutes, it tends also to resist precise definition. But when you and I think of Democracy, we think of a system dedicated to the preservation of the *integrity, dignity* and *decency* of the individual person.

We talk of all men being created equal but what we really mean is that all men are created with an equal right to become unequal—to achieve the glorious inequality of their individual talent, their individual capacity, their individual genius. We don't talk of the common man because what we believe in is not man as common, but with a common right to become uncommon—to think uncommon thoughts, to believe uncommon beliefs, to be an uncommon man.

We like to say that in a Democracy every person hs a right to life, a right to a decent life, which comes not from government, not from his fellow citizens, but from God. We say that in a Democracy it is the individual who matters; and because we count by ones and not by masses or by mobs, we believe that in a Democracy each human being regardless of his race, his creed, his color, has the right—the God-given right—to stand erect with dignity as a child of God.

I submit to you that that is the essence of what we really mean when we talk about the impact of religion on American life—our deep faith in *every man's* right to stand erect and with dignity as a child of God. That is the basic principle to which we are committed as a nation and as a people; that is the foundation on which our system rests; and that is what distinguishes us in the eyes of the world—in the eyes of those millions who are searching for hope of a better *future*.

From the beginning there has been an expectation about us as a nation. From the beginning the world has looked to us to live up to certain standards of integrity, decency, dignity and humanity—to involve ourselves deeply in moving humankind toward a more humane world of freedom and justice.

Archibald MacLeish once wrote: "America is promises". America is, indeed, promises. We started with a promise over two hundred years ago. At the time when we were but a loose group of weak and scattered colonies of 3 million people, we lit up the western sky with a promise based on faith and hope—the promise of a free and compassionate society committed to the preservation of fundamental human values.

From the beginning we have always treasured the human and the humane and we have always cared about what happened to other human beings. The promise we held out to the world—saying we did so "out of a decent respect to the opinions of mankind"—is still the promise of America to the millions on this earth.

And today as never before in our history we have the opportunity to redeem that promise. Today we have the science and the technology, the skills and the resources to make it happen, to put an end to the hunger and disease and privation that have for so long been the scourge of mankind.

The question is whether we have the will, whether we are prepared to do what we

should and must if we are to be the kind of nation we have said we are.

We have a great responsibility to ourselves, to our heritage and to our children. We are not going to discharge that responsibility by building larger missiles or making more powerful warheads. We will not do it by issuing new and eloquent statements. We will only do it by remembering who we are and what we are—by tapping the very deepest within us as a people—by dedicating ourselves to the fulfillment of our mission as a beacon of hope for ourselves and for the other people of this world, not only as Americans but also as Christians and Jews, drawing upon the richest within our faiths.

As I indicated earlier, this is a time of uncertainty, of deep concern. But there is a moment in our history which I think suggests the temper in which we must approach whatever challenge is before us. On May 19, 1780 the Connecticut State Legislature was in session. For days there had been prophecies that it was to be the day of doom. Then suddenly in mid-morning the sky turned from blue to grey to black. Men fell on their knees in fear and in prayer and there were many shouts for adjournment. Then a State Senator, Abraham Davenport, came forward to the podium, banged the gavel and said, "Gentlemen, either the day of judgment is approaching or it is not. If it is not, then there is no need to adjourn, and if it is, I choose to be found doing my duty. I therefore ask, let candles be brought".

I suggest this is a time for all of us to make that commitment. Let us also determine that no matter what lies ahead we will be found doing our duty to God and our country. Let us together ask that candles be brought.

Mr. Speaker, at this point in the RECORD I insert the text of a telegram sent on this occasion by President and Mrs. Carter:

Hon. SOL M. LINOWITZ,
Chairman, 28th Anniversary Dinner, Religion in American Life, Waldorf-Astoria Hotel, New York, N.Y.

Rosalynn and I send you our warmest congratulations as distinguished spiritual and business leaders of religion in American life honor the integrity you have brought to government and business and the lasting credit you have bestowed on your family, your community and your religious faith.

Our Nation has thrived on the deeply rooted tradition of religious liberty. A strong belief in God has given millions of our citizens resilience to overcome adversity and courage and direction to build lives of greater meaning and self-fulfillment.

Your own experience is a most heartwarming expression of the positive influence of religion in American life.

Rosalynn and I are delighted to share in the sentiments of those who recognize the outstanding example you set. We hope that this will be a memorable and happy evening for you and your family and all who attend.

JIMMY CARTER.

MEDICARE REFORM IN RURAL AMERICA

HON. CHARLES ROSE III

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. ROSE. Mr. Speaker, it has become obvious to me that many of America's rural residents are not receiving the full benefit of the medicare premiums they pay. I say this because under the present law, medicare reimbursement is limited to physicians and to clinics where physicians are present. This restriction ignores the growing importance of the family nurse practitioner, and the significance of FNP's for rural clinics and the health needs of rural America.

Chairman DAN ROSTENKOWSKI of the Ways and Means Subcommittee on Health has introduced legislation to correct this shortsightedness in medicare coverage, and on February 28, Chairman ROSTENKOWSKI held hearings on this bill: H.R. 2504. Subcommittee markup of this legislation is expected in the near future.

The following articles by Mr. Leslie Gruber of the Wilmington Morning Star, give a vivid description of the very real need for this legislation. I want to compliment Mr. Gruber for his fine commentary, and also Gov. Jim Hunt of North Carolina for his concern and interest in appearing before the Ways and Means Committee in support of H.R. 2504. Further, I commend the attached articles to my colleagues attention and urge that they support Chairman ROSTENKOWSKI in his efforts to bring affordable and quality health care to rural Americans.

The articles follow:

NEW RURAL CLINICS FILL MEDICAL NEED OF PHYSICIAN-LESS AREAS

(By Leslie Gruber)

The relatively new concept of delivery of medical care to rural areas, the North Caroline-developed rural medical center, appears to be successfully achieving its goal of improved service to rural dwellers.

However, the program finds itself in financial difficulty from a man-made, or rather, Congress-made problem. Because the centers operate with family nurse practitioners (FNPs) as the principal extenders of health care to the patients under supervision of back-up physicians from other localities, the Medicare program for the elderly will not reimburse the centers unless the back-up physician happens to be physically present at the time of the patient's visit.

Officials of two such centers in southeastern North Carolina said last week their centers could become self-supporting within the three-year pilot period in which they are aided financially by the state if the Medicare payment barrier were removed.

Health care facilities came to 30 North Carolina communities in the last three years through this concept of establishing clinics in physicianless rural communities with specially trained nurses as the primary care providers, backed up by physicians.

Now operating in the region are the Bladenboro clinic, the Black River Clinic at Atkinson, the Harrells Clinic and the Newton Grove Clinic.

Two others are being constructed, the Pensiow Clinic at Holly Ridge and the Carolina Beach Center.

Officials of the operating centers say they are being well received in the communities involved, and that case loads are increasing steadily and would increase even more if they could obtain additional FNPs.

The FNPs are registered nurses with experience plus an additional year of special training divided between the University of North Carolina at Chapel Hill and practicing physicians' offices.

Back-up physicians say the clinics are doing a good job.

The nurses can call the back-up physicians any time they feel the need in handling patients. They can give physical examinations and shots, take blood pressures, treat for some troubles and refer patients to physicians for more serious disorders. They can give emergency treatment in accidental injury cases, preparing patients for transfer to hospitals for full treatment.

The clinics came into being through a combination of local and state effort. The Black River Clinic is typical. A community board of directors was formed and a fund drive raised $12,000 locally. The state office of rural health services added $65,000 for establishment of the center and its start-up expenses.

Dr. Harold Peedin and Dr. John Dees of Burgaw are its back-up physicians.

"I think the center has worked well and I think the idea will work," Dr. Peedin said. "I think the care given here (at the Black River Center) is excellent. Complications are met easily by sending patients to the hospital at Burgaw or by the back-up doctors. I have seen no real complications or problems.

"In peak periods, like with the flu, 19 or 20 patients are seen in a day. They would have had to crowd into doctor's offices without the clinic. The doctor's work loads in the area are as heavy as we can take.

"There's no need for jealousy between local doctors and the clinics. Any time you get a new facility or doctor it doesn't hurt other doctors, it just allows more patients to come in for treatment."

Dr. Peedin said he believes the Black River Clinic will be self-supporting within a year if Medicare reimbursement can be received.

Mrs. Jane Butler, member of the board of directors and treasurer of the Black River Center, said about 10 per cent of the patients are eligible for Medicare and the center has to treat many of them without payment as they can't afford to pay, yet they have paid their Medicare premiums. Within a mile radius of Atkinson she estimated there are about 50 Medicare patients.

The Center serves eastern Bladen, southern Sampson, western Pender and a bit of eastern Columbus counties. Mrs. Butler estimated about 15,000 persons live in the area.

The Center opened in 1975 and has had 1,500 patients register.

It operates on a budget of about $60,000 per year.

The patient load is about the maximum the Center can take with the present staff. Officials are discussing a possibility of adding another nurse practitioner.

The present staff includes Mrs. Betty Croom, FNP, who is now on leave, with Mrs. Ginga Carden, scheduled to be the FNP at the Carolina Beach Center, acting in her place; Mrs. Louise Woodcock, receptionist and record keeper, and Mrs. Peggy Woodcock, laboratory technician.

The Bladenboro clinic, which began under a federal program but came under the state program and opened in its present quarters last year, faces the same financial problem regarding Medicare as Black River, according to William Butler, chairman of the board of directors.

Persons eligible for Medicare account for 15 to 20 per cent of the load at Bladenboro, Butler said.

Butler surmised reimbursement from Social Security for Medicare patients "might make us self-supporting but we might have to increase our rate by a dollar to $8 per visit for all patients in the near future to break even."

Butler said he believes the clinic will be on a self-supporting basis within a year, if Medicare reimbursement becomes available. The clinic will receive needed state financial aid for another year.

"We have to take in $36 per hour to break even," Butler said. "We are a non-profit organization and break even is all we need to do."

In January the clinic averaged 25 patients per day and that was lower than usual, Butler said, because it had to substitute two physicians' assistants for the regular FNP,

Mrs. Caroline Allen, who was taking maternity leave.

The clinic's budget for the fiscal year ending June 30 is $38,338, of which it has a balance of $26,550, Butler said. Costs for January were $4,400, he said.

He pointed out $17,163 of the accounts receivable would have come from patients eligible for Medicare if it would have approved reimbursement.

Butler, along with officials of the Black River Center, pointed out insurance companies including Blue Cross and Blue Shield reimburse the clinic for insured patients and so does Medicaid, the federal medical care program.

The Bladenboro Clinic has registered 3,537 patients in its nearly three years of operation and although the rate of increase has slowed down, 78 new patients registered in January, Butler pointed out. Earlier, he said, the clinic registered as many as 300 new patients in a month.

Butler estimated the Bladenboro primary trade area contains about 8,000 persons.

"We have a ready-made set-up for a doctor to come here," Butler said optimistically. However, the town has been without a permanent doctor since Dr. Dewey Bridger died.

The clinic was originally established in a downtown building under a federal program. The community raised $6,000 to equip the clinic. It raised another $14,000 and the state put up $60,000 for the present clinic. Dr. Bruce Phillips of Elizabethtown is the back-up physician for the Bladenboro Clinic. He comes to the clinic on Friday afternoons regularly.

The back-up doctors for the Black River clinic take turns coming in on Wednesday afternoons.

Both clinics' officials said they had received virtually no complaints from patients.

Butler said he had received only one complaint and that was from a patient who said he had to wait too long.

Butler, Dr. Peedin and Mrs. Butler of the Black River clinic all said patients could receive care much more quickly by going to clinics in their communities than the traveling much longer distances to even more crowded physicians' offices.

DENIED MEDICARE PAYMENTS ESSENTIAL NOW

(By Leslie Gruber)

That the government gives with one hand and takes away with the other could describe the situation of Medicare eligibles when it comes to paying their premiums on one side, and receiving the benefits of paid visits to rural health clinics on the other.

Despite the fact the government has assisted in developing rural health care programs and helped financially in training personnel, its Social Security arm, which handles Medicare along with other social security payments and benefits, refuses to pay the charges for patient's visits to these medical centers unless a physician happens to be present.

With from 10 to 20 per cent of the clinics' patient calls involving persons eligible to receive Medicare benefits, and persons who pay the Medicare premiums, this amounts to the difference between breaking even and operating in the red, according to William Butler, chairman of the board of directors of the Bladenboro clinic, and Mrs. Jane Butler, member of the board of directors and treasurer of the Black River Clinic at Atkinson.

Senators and congressmen have taken up the cause and several bills are pending to correct the problem.

North Carolina Gov. James B. Hunt Jr., a product of a farm community near Wilson, made a strong presentation for Medicare reimbursement to the centers for payment of clients' bills.

Leaders of the centers contend they treat the Medicare patients, often without charge, because these elderly persons are the one least likely to be able to afford extra charges. Mrs. Butler emphasized, "They have already paid for their treatment through the premiums they have paid Medicare."

Welfare recipients who come under the Medicaid program can come to the clinics and the clinics can be reimbursed.

Butler noted the state puts up part of the Medicaid funding and thus has some control over how the money is spent.

Dr. Harold Peedin of Burgaw, one of two back-up physicians for the Black River Center, explained the contradictory situation arose through conditions of 1972 when the acts were passed.

He noted the concept of the family nurse practitioner, especially trained for the work and acting as medical care extender at these clinics, hadn't developed at that time. These FNPs, he noted, are capable persons in their own right, but that they work very closely with the back-up physicians and refer any questionable situations to them by telephone and send the patients to the hospitals where the physicians work.

He pointed out the limitation of reimbursement in the Medicare act of Congress to physicians and to clinics where physicians are present came about to prevent possible unauthorized medical practices in physicians' offices or clinics without the physicians being present or available.

Dr. Peedin said he is enthusiastic about the success of the rural medical clinics.

Gov. Hunt, appearing before the subcommittee on health of the House Ways and Means Committee in Washington last week, testified to the lack of physicians and medical care in rural areas.

He noted 42 per cent of the physicians in North Carolina are located in only six counties containing only about 20 per cent of the state's population.

He pointed out the state has developed the rural clinic idea with registered nurses with an extra year of specialized training to provide primary care practice in rural clinics.

By the end of this year the 30 rural clinics in 23 counties of the state will have seen 80,000 patients in more than 250,000 visits, the governor said.

He noted the state medical, nursing and pharmacy boards have voluntarily established rules relating to delegation of medical responsibilities to the physician extenders. He also noted several federal programs that have been helpful in the developing program.

The governor also emphasized the long-term financial responsibility for the program belongs to the communities and counties involved.

Pleading for Medicare reimbursement for patients in the clinics who are paying into Medicare, the governor said this is one reason why eligible North Carolinians receive less than half the benefits paid to beneficiaries in some urban states. The average payment to a North Carolina beneficiary for medical services is $154, compared with $439 in Washington, D.C.

He also observed all major third-party insurers except Medicare now reimburse the clinics.

Jim Bernstein, chief of the North Carolina Office of Rural Health Services, said about 10 per cent of the people in areas served by the rural clinics, and probably 15 to 20 per cent of their business, should come from persons eligible for Medicare benefits.

Bernstein said now several other largely rural states are facing the same problem.

He noted North Carolina was the first state in the nation to come up with a state program and plan for rural health care centers.

"By the end of next year my guess is the 30 clinics in the state will be having 250,000 visits a year from patients," he said.

"Right now," he said, "I am impressed with what some of these places have done, such as Black River, with so little resources available and yet they have come together to do an excellent job."

He noted the Bladenboro, Black River and Harrels centers all "have very strong, very able boards of directors."

A. K. Everett Sr., chairman of the board of the Penslow Health Clinic, now being established at Holly Ridge, wrote in a letter to the Washington Post, "without legislation to correct outmoded Medicare regulations this clinic, along with many others serving remote areas will falter and be forced to close."

He noted the Penslow clinic will serve about 10,000 persons. The nearest doctor is 30 minutes to one hour away from most of the residents of Onslow and Pender counties who are served by the clinic.

FORT GREENE

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. RICHMOND. Mr. Speaker, I would like to bring to your attention an article which should be enlightening to millions of Americans who live in our cities. The following story from the May 8, 1977, New York Times is evidence that depressed social and economic conditions in our cities can be corrected.

Fort Greene, an area of Brooklyn which has gone through many transitions, was noted for its "elegant architecture" in the late 1800's. During the early 1900's the area entered another architectural phase, but continued to be noted for its palatial mansions. The 1950's and 1960's brought with them the breakup of many of the beautiful homes into rooming houses. This reversal in the physical makeup of Fort Greene was accompanied by many of the social ills which traditionally go along with urban decay. Now many of these problems are being resolved by the hard-working residents of Fort Greene, and the area is once again becoming an attractive place to live.

The Fort Greene story is a prime example of a growing desire among urbanites to improve their neighborhoods. Urban residents throughout the United States are finding this "pioneering spirit" and are taking action to refurbish and redevelop their neighborhoods to make them the thriving communities they once were.

I believe the article is encouraging, and I commend it to my colleagues:

FOR THE FORT GREENE MERCHANTS WHO STAYED: VINDICATION

(By Barbara Campbell)

Millie Mandy's little Italian ices store has the green, red and white colors of Italy in its striped awning and festive strings of little colored flags flapping overhead.

Geraniums in flats are for sale on the sidewalk. Neighborhood people sitting on well-used kitchen chairs keep Millie—as she prefers to be known—company while she scoops up fruity ices for a steady stream of customers.

The store is at 185 DeKalb Avenue in the Fort Greene section of Brooklyn, across the street from Millie's birthplace, where she still lives. When she opened the store more than 20 years ago, the neighborhood was mainly Italian.

But in the 1950's, as poor blacks and Puerto Ricans began to move into rundown townhouses used as rooming houses, many merchants moved.

Millie has stayed to witness still another transition. Brownstoners are arriving in Fort Greene now, and she and other storekeepers say their loyalty to the neighborhood is being vindicated. The trickles of 10 years ago has on some streets become an influx.

Fort Greene is a 50-square-block area bounded on the north by Park Avenue, the south by Hanson Place and Greene Avenue, the east by Vanderbilt Avenue and the west by Ashland Place. Its eastern boundaries are directly adjacent to Downtown Brooklyn and less than 10 blocks from its retail center.

Fort Greene, noted for its elegant architecture, has gone through many transitions. In the 1830's it was second in fashion only to the patrician Brooklyn Heights. It boasted both suburban mansions and frame cottages.

Twenty years later, row upon row of Italianate brownstones replaced the mansions but, built for wealthy merchants, they were equally palatial.

After World War I, many well-to-do families left the brownstones, now too costly to maintain, and during World War II most of the large homes were converted to rooming houses for Navy officers at the nearby Brooklyn Navy Yard.

From that point the neighborhood declined precipitously, going through its most ruinous period in the 1950's and early 1960's.

Along with the blight came other ills—addiction, muggings, break-ins, robberies. The casual, almost country ambiance disappeared, replaced by caution and wariness among its residents—a mixture, now, of those who remained from better days, the working poor, the elderly and the welfare recipients.

But Millie Mandy, the cobbler next door to her, the butcher farther down DeKalb Avenue, the grocer across the street and a few other merchants also stayed. And today they are proudly witnessing the community's rebirth.

"I love it here," said Millie. "It's my home. All right, so we need a little cleaning up of the addicts—I call them poor souls. I have never been scared here even when the neighborhood went down. I keep my door open and make the sign of the cross and keep on going."

Across the street at Perry's, the grocery, Frank Perry folded his hands across his white apron and said, "Things are getting better. With all the new people coming in, it's affecting everybody. A lot more people are having pride about Fort Greene."

Mr. Perry, who has added imported cheeses and other delicacies to his stock to please the brownstoners, said that many people panicked when Rothschild Junior High School was built across the street.

"A lot of stores went out, specialty shops, boutiques," he said, but during the height of the riots of the 1960's nobody touched his store. "I had confidence in the neighborhood," he said. "I haven't been wrong; it's come up again."

Along such streets as South Portland Avenue brownstoners have almost completely taken over. Though a few rooming houses still remain, the once littered streets and sidewalks are swept clean and kept that way by civic watchfulness.

Also, merchants are beginning to establish new businesses in Fort Greene. A year ago a young businessman, Mark A. Hollis, moved to 235 DeKalb Avenue and opened a book store called Sisyphus. Recently he expanded into space next door. Like Michael Moscarella, the cobbler who has had a store next to Millie's for 44 years, he has found that the poor as well as the middle class will patronize his store.

Mr. Hollis gets trade from students at nearby Pratt Institute and Long Island University.

On the corner of DeKalb and Adelphi, a coffee shop called the Corner Post opened recently. There is sawdust on the floors, there are chess sets on some of the tables, and there are health food sandwiches for sale. At night there is live jazz.

Marvin Graves, one of the proprietors, had hoped to attract the teachers from the junior high school next door and the brownstoners. But some of his most eager customers have turned out to be black youngsters with a taste for his pita bread stuffed with vegetables and meat or curried tuna and apple for a dollar.

Then there is Yvette Mayl, the proprietor of a restaurant called Two Steps Down, across the street from the Sisyphus book store. She opened five years ago to give the neighborhood a "quality restaurant."

Business has been so good that she is planning to expand to the second floor. The flea market that she runs there now will be moved a few stores away.

Some merchants say the brownstoners consistently ignore their stores, especially along Myrtle Avenue near a massive brick housing project.

"Brownstoners just won't come to Myrtle Avenue," said one owner of a recently opened boutique. "It's just too close to the projects." The store depends on trade from people of all economic conditions, she said, and she tries to stock accordingly.

Harold Arnow, the proprietor of the Family Tree, a children's store on Myrtle Avenue, almost next door to the projects, said he "upgraded" his stock when the brownstoners moved in but found that the poor as well as the middle class people wanted to buy well-made clothes.

Mr. Arnow, whose shop is at 365 Myrtle Avenue, said most of his customers still come from the projects. Brownstoners sometimes shop there on weekends.

One brownstoner suggested that perhaps they have been so used to the "pioneering spirit" that it is hard to change habits long established during years of renovating their homes.

"In theory and in practice as far as fixing up our homes and the neighborhoods is concerned, we are a community, but I still just automatically stop on my way home from work to pick up what I need before I come to Fort Greene," she said.

That doesn't worry Millie Mandy. She is planning to open a flower shop.

SOME FISCAL CONSERVATIVE

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. HAGEDORN. Mr. Speaker, increasingly President Carter has been coming in for criticism from those who believe him to be excessively concerned about budget balancing, deficit spending, and inflation, as well as other sins against Keynesianism. This, despite the fact that: First, his proposed budget revisions have added nearly $20 billion to what was already the largest budget in our Nation's history, and $10 billion to what was already its third largest deficit; second, the fact that he has suggested at least a half dozen new taxes to slap on individuals and business; and third, the fact that his tax and energy proposals have been distinguished more by their redistributionist character than by their likelihood of solving either tax or energy problems. To assuage those of my colleagues who are concerned that he is still allowing individuals control over too great a percentage of their own income, I am inserting the following editorial from the Wall Street Journal:

SOME FISCAL CONSERVATIVE

The liberal wing of the Democratic Party is in full cry against Jimmy Carter's rebirth as a "fiscal conservative." If it will make the liberals feel better, we can quite assure them that he is not our kind of fiscal conservative. Next to proclaiming a devotion to a balanced budget, his favorite pastime seems to be increasing taxes.

Three weeks ago Mr. Carter proposed a new tax on gasoline, a new tax on domestic crude oil, a new tax on industrial use of oil and natural gas and a new tax on autos that burn lots of fuel. Turning his attention to Social Security, he now proposes a new tax on employers, making them pay on salaries above the current $16,500 cutoff; a new tax on employes making more than this amount, lifting the wage base by $2,400 more than previously planned; and a new tax on everyone, boosting the rate by one percentage point starting in 1990. These proposals add up to eventual yearly tax collections of something upwards of five percent of today's gross national product. A tidy sum, we should think, to collect, and spend, in three weeks worth of proposals.

Yet Senator George McGovern thinks the President is a piker. The Senator complained in a speech to the Americans for Democratic Action of "business appeasement at full tide," and of an alleged attempt to "balance the federal budget on the backs of the poor, the hungry and the jobless." Democratic cloakrooms on Capitol Hill are said to be abuzz with similar talk, and we now even have a newspaper column reporting that Vice President Mondale feels the same way.

Mr. Carter apparently stirred up the natives by unleashing some rhetoric about a balanced budget by 1981 before a congressional breakfast. A calculating, cynical explanation might be that he wanted a storm over "fiscal conservatism" to distract attention from what he wants to do to the taxpayer's wallet. A simpler explanation is that he thinks talk about balancing the budget is soothing to conservatives and good for "business confidence," and Perhaps it is, "since there are many conservatives and businessmen who still focus on deficit numbers, instead of the true governmental bottom line, which is government spending as a percentage of GNP.

Historically, of course, deficits have been inflationary because the government borrowing pushes up interest rates, including the Federal Reserve to try to push them back down by creating a lot of money. But within a given monetary policy, implied by the Fed's new growth targets for money aggregates, we can't get very excited about the decision between covering spending with higher deficits or higher taxes. Higher deficits complete for available savings, retarding investment and growth. Higher taxes reduce incentives and also retard growth. Either way, the true key is how much the government takes either by taxing or borrowing, and how much it leaves to the private sector.

Mr. Carter's answer to the mounting crisis in Social Security is to take more money out of the private sector. True, he did propose to end the inadvertent double indexing that has added so much to the fund's actuarial deficit, but even in doing this he has chosen the most generous formula. If nothing else is done to reduce now-promised further benefits, his new taxes will prove to be only the beginning. Yet they are in the magnitude of one to two percent of GNP.

Mr. Carter's energy program, meanwhile, is nothing but a massive tax increase. Huge amounts of money would be gathered in taxes and rebated, if you choose to believe Senator McGovern won't get his hands on it first. The government seems to be working

with a number of $75 billion, which conveniently leaves out the gas-guzzler tax. We hear private estimates reaching $125 billion. The amount is impossible to calculate exactly, because no one knows the effect of the intended disincentives. And of course, the taxes don't all come at once, so consumers can hope their incomes will grow in order to pay them. But to provide a basis of comparison, total federal government receipts are today about $350 billion, and total corporate after-tax profits are about $90 billion, or $50 billion after depreciation and inventory adjustments. A tax of $75 billion would amount to more than four percent of GNP.

Given Mr. Carter's willingness to throw around sums of this magnitude, we are anything but soothed when we hear him talk of a balanced budget. In fact, we tremble. One way to balance the budget is to allow the government to dispose of more and more of whatever is produced in the nation, and to raise taxes accordingly. That kind of balanced budget, and that kind of fiscal conservatism, is nothing we need.

THE RISK OF TECHNOLOGICAL EXPORTATION

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. ICHORD. Mr. Speaker, in weeks past we have debated on this floor our state of military preparedness vis-a-vis the Soviets. Not only is Soviet quantitative superiority a concern but also the technological gains they have made in recent years. Now despite a widening quantitative advantage on the side of the Soviets and a narrowing technological lead on our side, we are apparently intent on giving up the lead in one of the few areas where we are still ahead, computer technology.

This is a matter of grave concern deserving of the attention of all Members. In that regard, I wish to share with you two thought-provoking articles, one an editorial from the Post Tribune, of Jefferson City, Mo., titled "Dangerous Exports," and the other from the News World, titled "Computers: Ropes to Hang By?" written by Miles Costick, long a student of the merits and pitfalls of technological exportation. I would request that these articles be placed in the RECORD at this point:

DANGEROUS EXPORTS

The United States government is soon expected to approve the latest in a long series of western technological aid to Russia by exporting to the U.S.S.R. one of the largest and most advanced computer systems in the world.

The Cyber-76 is a "super-computer" developed by the Control Data Corporation of Minneapolis, Minn. It is a scientific marvel, estimated to be anywhere from 10 to 20 years ahead of any computer system in the Soviet Union and its satellite nations.

The Cyber-76 serves as the "brain center" of the Pentagon in Washington, of the super-secret National Security Agency, of the North American Air Defense Command in Colorado, and of the National Aeronautics and Space Administration. What, then, can officials of the United States government be thinking about when granting permission for its export to a nation openly attempting to achieve military and technological superiority—and eventual control—over the U.S.?

Those in favor of the deal insist that the Cyber-76 will be used by the Soviets only to process weather forecasting data. They do concede, however that the computer has a definite military capacity as well.

Proponents of the export deal also argue that there will be a system of controls designed to make sure that Russia doesn't divert Cyber-76 to military purposes. One such control would be the on-site monitoring by one or more American technicians.

Many technological experts have expressed skepticism, however. Miles Costick, a prominent research analyst, says "controls are worthless. The guy sitting by the computer cannot always be sure what is being fed into it. The Soviet technicians could easily send through the trajectory for an intercontinental ballistic missile without the American monitor ever knowing it."

Last fall, then Secretary of State Kissinger intervened' to approve the export to Russia of Control Data's Cyber-73 system. Cyber 73—only slightly less sophisticated than Cyber-76—was to be used to assist the Russians in "earthquake forecasting." These same Cyber-73 models are used in the United States for nuclear weapons testing and military radar development.

If Cyber-76 is approved for export, Russia will have taken a giant step toward closing the "computer gap" and reaching the Soviet goal of eventual technological superiority over the United States.

COMPUTERS, ROPES TO HANG BY?

(By Miles Costick)

Jimmy Carter's national security advisor Zbigniew Brzezinski, has said that detente must be reciprocal in order to be enduring, but what remains to be seen is whether the Carter administration will also reassess the Kissinger policy of transferring to the Soviets sophisticated technology with critical, strategic implications.

A test of this would be whether Control Data Corp. is permitted to deliver to the Soviet Union the world's largest strategic computer system, the Cyber 76. Control Data has closed a tentative deal with Moscow, and the application for an export license is pending before the Commerce Department. But Commerce won't give the go-ahead unless the National Security Council—where Brzezinski, as Carter's personal aide, playing a key role—gives a nod of approval.

There are several other applications for sale of military computers to the Communist governments by Control Data, IBM, UNIVAC and Honeywell. None of the computers involved, however, can match the strategic potential of CDC's Cyber 76 system.

Cyber is a sensitive topic. It is a very high speed, large volume, advanced strategic computer which processes a phenomenal 100 million instructions per second, and has a memory storage capacity at least 15 years ahead of anything that a communist computer maker is able to construct. Typical installations: the Pentagon, U.S. Air Force, the Atomic Energy Commission, NASA, and the top secret National Security Agency.

Last year President Ford vetoed the extension of the Export Administration Act leaving the country without effective controls over export of strategic items to the Communists. This meant that all restrictions on Soviet bloc purchases in the U.S. have lapsed. Mr. Ford, however, had issued an executive order reimposing controls on exports under authority vested in him the War Powers Act. The executive order placed the National Security Council in a position of authority to permit or decline strategic exports to the Communists.

The select informed few knew what most had missed: For the executive order to become an effective barrier to export of strategic goods, the President would have to designate the recipient country as an "enemy country." Obviously, under Henry Kissinger's détente, the President could hardly declare the Soviet Union or Red China an enemy.

NUMEROUS APPLICATIONS

In the order tube, ready to pop out when the cap was removed on Oct. 1, 1976, were numerous applications for export of strategic items of critical military significance. The most important were the applications for export of military computer systems.

On Sept. 30, 1976 President Ford and his National Security Council under Kissinger appointee Lt. Gen. Brent Scowcroft, in strict discretion, approved the sale of the Control Data's Cyber 73 computer system to the U.S.S.R. The value of the transaction to CDC was about $6 million and to the Soviets about a 12-year leap in computer technology plus a new acquired strategic capability.

On Oct. 12, the National Security Council approved the sale of two CDC Cyber 172 computer systems to Red China. The announced value of the transaction was $6 million. Through acquisition of Cyber 172 computers the Chinese communists gained capabilities which they have lacked before, since their computer technology is about 20 years behind that of the United States.

The stated purpose of computer sale to Red China was oil exploration and earthquake detection. An inquiry revealed that the stated purpose of computer sale to the Soviet Union was oil exploration.

However, the Pentagon and the Energy Research and Development Administration (ERDA) objected to the sale of computers on the grounds that both systems—the Cyber 73 and Cyber 172—were suitable for nuclear weapons calculations, for anti-submarine warfare, for large phased-array radar to track enemy ICBM's and for other military applications.

OBJECTIONS OVERRULED

A number of U.S. officials confirmed that Dr. Kissinger and his assistant at the State Department, Winston Lord, prevailed over the opposition of the Pentagon and ERDA. One Commerce Department official commented, "If there were no potential military applications there would have been no reason to take a full year to review the sale . . . of equipment."

Today, the U.S. Defense Department deploys about 9,000 of the so-called general propose computers for military purposes. The same type of computers could be used in a wide variety of civil applications from research and development in science and industry, to crime control and psychiatry.

Obviously the national security implications of this trade are enormous. Concern in the United States had led the Defense Department's Science Board task force under J. Fred Bucy of Texas Instruments to recommend restrictions on the transfer of strategic technology to the communist superpowers and their satellites.

Six high-technology trade associations, however, through their spokesman, have warned Congress against permitting the Defense Department to control transfer of strategic technology. "In a civilian government such as ours, the control and administration must reside apart from the military," recently demanded Peter F. McCloskey, president of the Computer and Business Equipment Manufacturers' Association.

Control Data's William Norris puts it more bluntly: "Our biggest problem isn't the Soviets, it's the damn Defense Department!"

Big business should remember Lenin's words that when it was time to hang the world's capitalists, they would trip over each other in their eagerness to sell the Communists the necessary ropes.

TO SUPPORT NEW LEGISLATION

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. KOSTMAYER. Mr. Speaker, I rise today to ask my colleagues to support new legislation, H.R. 6403, which would add 114 miles of the Delaware River between New York, Pennsylvania, and New Jersey to the Wild and Scenic Rivers System.

I have sent the following letter to my colleagues describing my bill and asking for support and cosponsorship:

DEAR COLLEAGUE: Recently I introduced H.R. 6403 to add an approximately 114-mile section of the Delaware River to the Wild and Scenic Rivers System.

Part of the Delaware affected by this legislation, a 75-mile segment between Hancock, New York and Matamoras, Pennsylvania has already been the subject of an intensive federal-state study commissioned by the Bureau of Outdoor Recreation. The study concluded this stretch of the Delaware qualified as scenic and recreational, should be included in the Wild and Scenic Rivers System, and could be protected and managed with minimum public investment and little disruption of the area.

The five-year cost estimate including land acquisition and development of facilities is a modest $3.8 million.

The lower 39 miles of the Delaware covered in this bill run from Port Jervis, New York to the Delaware Water Gap. Almost all of this portion of the river lies within the boundaries of the Delaware Water Gap National Recreation Area. As you may know, this section of the river would become a lake if the Delaware were to be impounded by the proposed Tocks Island Dam.

By adding this portion of the Delaware to the Wild and Scenic system, Congress would foreclose the possibility of the Tocks Island Dam while ensuring the public's enjoyment of a free-flowing river within the National Recreation Area.

Environmental studies of the area indicate that the Tocks Island project would result in the loss of more than 20,000 acres of wildlife habitat, hundreds of historic and archaeological sites, and the rural character of the entire region. A free-flowing river is essential to the preservation of the quality of life in this area and I invite your co-sponsorship of H.R. 6403.

Sincerely,

Mr. Speaker, I feel the issue of the Delaware's future is particularly important at this time because Saturday, May 14 is the date of a canoe trip sponsored by the Save the Delaware Coalition on that part of the river which is threatened by the Tocks Island Dam, but which would remain free-flowing under my bill. The coalition, consisting of 61 civic and environmental organizations, opposes the Tocks Island Dam, but supports preservation and enhancement of the historic, scenic, and recreational values of the Delaware Valley.

I share with my colleagues the following facts as compiled by the Save the Delaware Coalition:

THE DELAWARE RIVER: A MATTER OF LIFE—OR DEATH

A MATTER OF LIFE

The free flowing Delaware is alive today. From the Catskill Mountains in New York to tidewater, some 265 miles downstream, the river and its valley, the fertile Minisink, is alive with fish, wildlife, history, archaeology and boundless recreational opportunities. But tomorrow, it may be dead.

A MATTER OF DEATH

A threat has loomed over the Delaware since 1962 when Congress authorized the Corps of Engineers to build a 160 foot high earthen dam at Tocks Island, five miles above the legendary Delaware Water Gap. The dam would create a 37 mile long slack water impoundment subject to siltation, terminal pollution and—the ultimate death of the Delaware.

AN OPPORTUNITY

After completion of a Congressionally mandated study, the Delaware River Basin Commission (consisting of the governors of N.Y., Pa., N.J. and Delaware and the federal Secretary of the Interior) voted against construction of the dam on July 31, 1975. The Council on Environmental Quality, the Environmental Protection Agency and even the Corps of Engineers then recommended that Congress deauthorize the project. Congresswoman Millicent Fenwick (N.J.), Congresswoman Helen Meyner (N.J.), and Senator Clifford P. Case (N.J.) have now introduced bills to deauthorize the Tocks Dam.

Deauthorization would create the opportunity to develop a master land use plan to realize the area's recreational potential while preserving its natural character.

Meaningful planning for the entire region is deterred so long as the Tocks Dam remains on the Congressional books. It is time, therefore, to deauthorize the dam and get on with the necessary planning. Until this is done, the Tocks Island region can experience only continued chaos, confusion and controversy.

WHY THE TOCKS DAM?

Impetus for the dam came from the freak flooding of the Delaware in 1955, when hurricanes Connie and Diane struck in rapid succession. The dam was also intended to provide water supply and hydroelectric power. Recreation was added in 1965 with authorization for the Delaware Water Gap National Recreation Area (DWGNRA) covering 72,000 acres in New Jersey and Pennsylvania.

WHAT WOULD BE DESTROYED?

Irreplaceable losses which could be saved without Tocks include: the free flowing Delaware, more than 20,565 acres of wildlife habitat and flooded recreational and historic areas, numerous species of wildlife, an excellent game fishery and shad run, hundreds of historic sites and structures, more than 100 known archaeological sites, including evidence of Paleo-Indian culture as early as 10,000 B.C., a rich variety of vegetation and, finally, the quiet rustic character of the entire region, which would be drastically changed by the influx of 10.6 million annual visitors and resulting degradation.

Why the Tocks Dam is unnecessary?

FLOOD CONTROL

The key to flood control is flood plain management. Less than 22% of the 1955 flood damages occurred in areas which Tocks would protect. The dam would protect against 60% of the potential damage but flood plain management 78% or 18% more. Tocks flood control costs would be $74 million but flood plain management only $17 million or $57 million less. Moreover, flood plain management is environmentally sound.

WATER SUPPLY

Water supply needs can be feasibly met by high flow skimming using New Jersey's Round Valley Reservoir, alternative sources in N.J. and N.Y., and recycling and conservation measures. The need for low flow augmentation to protect the Philadelphia and Camden water supplies from salt intrusion is "substantially discounted" by a recent study for the Corps of Engineers. In any event, the study concludes that the Philadelphia intake can be moved upstream and Camden has alternative supplies.

ELECTRIC POWER

Hydroelectric power with a firm capacity of only 38 MW would be minimal. Although not an authorized purpose of the Tocks Project, a related pumped storage facility to provide peaking power is planned on Kittatinny Ridge which would destroy sections of the Appalachian Trail, Worthington State Park and threaten Sunfish Pond, a pristine glacial lake and registered National Natural Landmark. Requiring 3 KW of power to generate only 2, pumped storage would be the main cause of daily water level fluctuations, turbidity, situation, and temperature changes. Combined cycle combustion turbines and peak load pricing are feasible alternatives.

RECREATION

The splendid recreational potential can be realized in greater variety and quality without Tocks. Construction of the dam would seriously threaten recreational quality, particularly swimming, boating and fishing because the reservoir would become polluted due to excess eutrophication. Water level changes would leave debris littered mudflats instead of the clear water expected. The irreplaceable losses previously listed would further limit the potential quality and variety of recreation. Adverse impacts of 10.6 million annual visitors could be devastating. Annual visits per gross acre at Tocks would be 169 times Yellowstone, which is 31 times larger than Tocks, and 47 times Yosemite, which is 11 times larger than Tocks.

EUTROPHICATION

Numerous studies have confirmed that the Tocks Reservoir would become rapidly polluted through excess eutrophication. Drainage of agricultural effluent from the upper Delaware estimated as the equivalent of sewage from a city of 400,000 cannot be identified, collected and treated like municipal sewage because it is not discharged through pipes but drains over and through the soil itself. Not a serious problem now because the river is free flowing, these effluents would become concentrated in the relatively stagnant reservoir which acts as a sink. Rapid growth of algae, loss of game fish and serious degradation of the recreational potential is expected to follow.

ECONOMICS

Justification on economic grounds is still questionable. Initial cost estimates of $90 million have escalated to $400 million. Former CEQ Chairman, Russell Peterson and others estimated cost at $1 billion. As required by Federal law, benefits must equal costs. At an unrealistic interest rate of 3⅛%, the Army Engineers' latest benefit cost ratio is 1.6 which more recent studies calculate between minus 0.66 and 2.48. The shifting benefit cost ratio and application of questionable factors indicate that costs may well exceed benefits. Claims that the Tocks Project will stimulate economic development and employment are also tenuous as disclosed by recent studies of similar projects showing that more employment could be provided by applying the same funds to more productive purposes.

Mr. Speaker, I think it should also be noted that when a majority of the Governors comprising the Delaware River Basin Commission voted in 1975 against construction of the dam, they did so after an exhaustive study of the dam and its alternatives had been completed. The President's Council on Environmental Quality and the Environmental Protection Agency both submitted their views to the Governors

based on this study and I submit letters advocating their positions:

EXECUTIVE OFFICE OF THE PRESIDENT, COUNCIL ON ENVIRONMENTAL QUALITY, 722 JACKSON PLACE, N.W.

Washington, D.C., July 29, 1975.

DEAR GOVERNOR BYRNE: As you know, the Council on Environmental Quality has had a continuing interest in the proposed Tocks Island Lake Project. We have been concerned in particular that water quality and land use aspects of the project be carefully evaluated, and that alternatives be adequately considered.

We have reviewed the Comprehensive Study of the Tocks Island Lake Project and Alternatives and find it to be, in general, an objective and useful analysis. The study reveals that adverse environmental impacts associated with the Tocks Island Project will be significant and persistent. These include:

Potentially severe effects on water quality and, consequently, on proposed recreational uses that would result from the impoundment.

Adverse effects on fish and wildlife habitat and other natural and cultural features.

Adverse secondary impacts induced by the project, including strip commercial development, loss of open space, increased demands on local communities for public services, and increased pressure for development of downstream flood plain lands.

The study also shows that a range of feasible alternatives exists which, if pursued in appropriate combinations, could meet some or all of the legitimate needs of the region for power production, flood control, water supply, and recreation.

The Council on Environmental Quality believes that the Tocks Island Lake Project should be deauthorized. In its place, we encourage the development of an appropriate combination of alternative measures which would fulfill the needs of the citizens of the four Delaware River Basin states, while also maintaining and enhancing the existing amenities of the Delaware River Valley.

Sincerely,

RUSSELL W. PETERSON,
Chairman.

U.S. ENVIRONMENTAL PROTECTION AGENCY,

Washington, D.C., July 1975.

HON. SHERMAN W. TRIBBITT,
Governor of Delaware,
Dover, Del.

DEAR GOVERNOR TRIBBITT: I am writing to provide you with the views of the Environmental Protection Agency on the Tocks Island Lake Project which we understand will be the subject of discussion at the July 31, 1975, meeting of the Delaware River Basin Commission. As you know, EPA has in the past expressed severe environmental reservations with this project through our comments on the draft and final environmental impact statements prepared by the Corps of Engineers. We have also reviewed and commented on the draft of the Tocks Island Lake Project Review Study and have recently completed our review of the consultants' final report. While there are a number of shortcomings in the final report, it does provide an improved basis for decisionmaking on the project. From our perspective, the environmental problems which are described in this most recent report on the project would support a decision to deauthorize the Tocks Island Lake Project and to develop alternative programs to meet the needs of the residents of the Delaware River Basin and surrounding areas.

Our major concern with the project continues to be the substantial risk of eutrophication of the proposed reservoir and its attendant adverse effect on the recreational benefits attributable to the project. This concern is reflected in the final report (page IX-98) where it is stated that "Eutrophication, to the extent predicted for Tocks Island Lake, will have a detrimental effect upon the use of the lake for recreational purposes." The adverse effects of eutrophication and drawdown on recreational uses on the project have not been factored into the benefit-cost analyses.

In addition, we have expressed concerns over the secondary effects of the project. The final report provides an excellent discussion of the land use aspects of the project. However, no assurance is given that predicted adverse environmental impacts of the project will be eliminated or reduced through design and post-project operational practices if the project is implemented.

We believe that the study report did a commendable job of identifying a wide range of alternatives to each of the project functions; however, we do not agree with the analyses of needs. In our view, the report overemphasizes the needs which could be satisfied with the benefits from the project, while at the same time it underestimates the ability of available alternatives to satisfy these needs. A summary of our views on the proposed project as presented in the consultants' final report is as follows:

The flood control benefits are overstated since another flood of the magnitude of the 1955 flood would cause significantly less damage because of improvements already made.

The recreation benefits are overstated because they fail to reflect reservoir drawdown and the projected eutrophication of the impoundment.

The water supply benefits, while real, can be satisfied by a number of alternatives with less severe impacts than the Tocks Island Project.

The electric power function can be replaced by 1300 MW of combined cycle capacity.

It is our view that the needs analysis for the project fails to include some major factors which are critical to the purposes of this project, such as reduced flood risks and the availability of alternative means to satisfy the needs of the area. In addition, the benefits from the project are projected optimistically in the face of predicted adverse environmental effects. Alternatives are available to satisfy the area needs which would result in less environmental damage. Finally, the economic calculations for the project as presented in this study, particularly those related to recreation and power generation, cause us to doubt that the project will indeed result in a benefit-cost ratio greater than one.

EPA recognizes that the residents of the Delaware River Basin and surrounding areas have needs which can be served by the prudent utilization of the water resource of the area. It is our view, however, in light of the environmental and economic problems surrounding the proposed Tocks Island Lake Project, that these needs should be satisfied by less environmentally disruptive alternatives. I hope that these comments will be useful to you in deciding the future of the Tocks Island Lake Project.

Sincerely yours,

RUSSELL E. TRAIN,
Administrator.

Finally, Mr. Speaker, the Corps of Engineers itself recommended to Congressman EVINS, chairman of the Appropriations Subcommittee on Public Works that the project should be abandoned and alternatives developed:

SEPTEMBER 24, 1975.

HON. JOE L. EVINS,
Chairman, Subcommittee on Public Works, Committee on Appropriations, House of Representatives, Washington, D.C.

DEAR MR. EVINS: I submit for your consideration my recommendations together with the attached reports of the Division Engineer and the consultants on a comprehensive restudy of the *Tocks Island Lake Project* and alternatives as required by the House Committee Report on the fiscal year 1975 Public Works Appropriations Act. That act provided $1,500,000 for the restudy.

The Tocks Island Lake project was authorized by Public Law 87-874, approved October 23, 1962, as part of the project for the comprehensive development of the Delaware River Basin. Preconstruction planning and design work was initially funded in fiscal year 1964 and has continued since. Funds for land acquisition were first appropriated in fiscal year 1968 and appropriations for this purpose continued through fiscal year 1974. Funds appropriated in fiscal year 1975 were earmarked by Congress for an impartial comprehensive analysis, including alternatives, and review of the project under the direction of the Corps of Engineers in cooperation with the Delaware River Basin Commission. Congress directed that the restudy be completed and a final and definitive recommendation be submitted to the Appropriations Committee within 12 months. This report is in response to that directive of Congress.

The report of the Division Engineer presents the results of an exhaustive, coordinated restudy of the Tocks Island Lake project, the water related needed of the region and the alternative plans to meet the needs. The restudy addresses in detail the significant environmental, social and institutional concerns expressed over the years since project authorization in 1962. In summary, the Division Engineer finds that there are pressing water-related needs to be met for flood control, water supply, water-landed recreation and power. Because these needs are serious and are increasing with the passage of time, he further finds that the decision on means to meet these requirements should not be delayed. He finds that the Tocks Island Lake Project or alternative plans can meet a substantial part of the needs. Because of the efficiency of a multiple-purpose project, he finds that the Tocks Island Lake Project is the most economic solution and that it is engineeringly sound. He concluded that the project should be constructed provided this action was supported by the Governors of the affected States.

The Delaware River Basin Commission, composed of the Governors of New York, New Jersey, Pennsylvania, and Delaware, and a Federal member, met on July 31, 1975 to consider the Tocks Islands Lake project. Members of the Commission voted to reject a motion recommending that the Congress appropriate funds to commence construction of the project, but voted to approve a motion recommending that the Congress appropriate funds to complete land acquisition in the project area. The question of whether to recommend continuing authorization or deauthorization of the Tocks Island dam and reservoir was discussed but no vote was taken.

In view of the lack of State support for construction, the Division Engineer concludes that the Tocks Island Lake project should be deauthorized so that alternative plans to meet the needs of the region will be developed. He recommends that construction of the project not proceed and that the project be deauthorized.

Subsequent to action by the Commission, the Governor of Pennsylvania expressed his views on the Tocks Island Lake project in a letter to me dated August 20, 1975. A copy of that letter is enclosed. The Governor reaffirmed the Commonwealth of Pennsylvania's longstanding position favoring immediate construction of the Tocks Island Lake project, and urged that I recommend such action to the appropriate congressional committees.

I concur in the views and recommendations of the Division Engineer. With regard to a recommendation for deauthorization of the Tocks Island Lake project, however, I foresee certain problems relating to disposal

and management of lands already acquired by the Corps of Engineers for the project. In keeping with the desires of the States, certain of the acquired tracts could be logically incorporated as part of the Delaware Water Gap National Recreation Area, subject to such modification of the authority establishing the Park as is appropriate concurrent with deauthorization of the Tocks Island Lake project and Delaware River Basin Commission's modification to its comprehensive plan for the Delaware Basin.

Mr. Speaker, by designating the Delaware from Hancock, N.Y. to the Water Gap a Wild and Scenic River the Congress can terminate this wasteful water project, provide the impetus for development of flood control and water supply alternatives, and most importantly ensure for future generations the enjoyment of the free-flowing Delaware.

METRIC WEEK

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. TEAGUE. Mr. Speaker, although both Thomas Jefferson and John Quincy Adams advocated adoption of the metric system early in our history, it was not until December 1975, that Congress declared its formal support of U.S. conversion to metrics.

Unlike other nations, we have not imposed the use of metric weights and measures by law but have strongly suggested voluntary conversion.

In celebration of "Metric Week" I consider it appropriate to submit the text of the following article from Flying Colors magazine which gives a concise explanation of the metric system and how this country stands to benefit by conversion to it:

EVERYTHING YOU ALWAYS WANTED TO KNOW ABOUT METRIC—BUT DIDN'T KNOW WHAT TO ASK

(By David Martindale)

Despite all the important changes which occur in this country every year, it's unusual to find one event that affects everyone. Yet the changeover to metric will do just that. For there's no longer any doubt about it: we're giving up our feet, pounds, and gallons and adopting the metric.

So here's a metric primer designed to familiarize you with a system that will soon be a part of our lives.

What is metric?

The term "metric" refers to an internationally recognized system of weights and measures officially known as the International System of Units.

Is metric something new?

Hardly. The idea of a decimal-based system of weights and measures has been around for nearly 400 years. Yet it wasn't until the Paris Academy of Sciences first presented its report to the French National Assembly in 1791 that the essential features of metric were first outlined. Four years later, France adopted metric, but for many years the system remained exclusively a French endeavor. Here in the United States, Thomas Jefferson proposed the United States adopt a decimal-based system of weights and measures. In 1821, a similar suggestion was made by John Quincy Adams, who recommended adoption of metric in a report to Congress. But Jefferson and Adams were never heeded. And although metric had spread to most European countries by the end of the nineteenth century, the United States failed to follow suit.

Today, we stand virtually alone—an island in a metric sea.

What other countries have yet to switch to metric?

Such "giants" as Liberia, Brunei, Yemen, and Burma. Everyone else either has already adopted metric or is actively converting to the metric system.

What is so important about adopting metric?

Metric is quite simply the single standard of measurement in the world today. That's why economic considerations alone require a conversion to metric. For despite the preponderance of American influence and know-how, many of our products are no longer competitive in the world marketplace. It's only logical that metric countries favor metrically designed products. In fact, the U.S. Department of Commerce estimates that we stand to lose $600 million a year in foreign trade until we convert to metric.

So then we're going to switch, right?

Yes, we are. In December, 1975, Congress went on record supporting the conversion to metric. Yet, unlike the British and Australians who legislated metric into existence, the American conversion will be purely voluntary. Agencies of the United States government will be required to adopt metric, but no private firm will ever be forced to do so.

How long will conversion take?

Most experts agree that ten years is a minimum. But it could very well be the year 2000 before a near-total conversion is achieved.

Has conversion started already?

Yes, it has. Such large American firms as IBM, General Motors, Rockwell International, Caterpillar Tractor, and Honeywell have all started to "go metric". Considering the lucrative appeal of foreign markets, others are bound to follow. Many items in the supermarket are now marked in both standard and metric measurements. Schools have begun to teach metric, and more and more references to metric terms appear on television and in the press.

All right, granted a switch to metric will benefit the economy. But is there really anything wrong with the way we measure things now?

The system we use today is haphazard, cumbersome, and downright illogical. Known as the U.S. "Customary" system of weights and measurements, it is, for the most part, derived from a system originally developed in England. But like a clipper ship in the jet age, our Customary system is antiquated and no longer practical. The whole thing developed in an arbitrary fashion.

How so?

For example, Henry I of England was said to have decreed that a yard was the distance from his nose to the tip of his thumb. Henry III fixed the weight of a sterling as that of "32 wheatcorns in the midst of an ear." And an acre was once considered the amount of land a farmer could plow in a day. True, our present system has been refined considerably from those early days. Even so, its hardly a very scientific set of standards upon which to base the commerce of a nation.

But metric's not like that?

Not at all. Metric was developed by scientists. And because it's a planned system, it's really very simple to understand and very simple to use. Scientists don't like to hassle with complicated weights and measurements anymore than anyone else does.

Why is metric so simple?

For two reasons. First of all, metric is a decimal system. Everything is based on tens. And that makes any arithmetic—even multiplication and division—remarkably simple. Secondly, metric uses far less terms that the U.S. Customary system. The three most important units are the metre (the unit of length), the gram (the unit of weight), and the litre (the unit of liquid capacity).

Is that all?

Not quite. Prefixes are used to indicate quantities larger or smaller than their basic units. For example, the prefix DEKA means 10 times (therefore, a DEKAmetre equals 10 metres). Similarly, HECTO means 100 times (1 HECTOmetre=100 metres). And KILO means 1000 times (1 KILOmetre=1000 metres).

Three more prefixes are used to indicate quantities less than the basic unit. The first is DECI which means 1/10 (1 DECImetre=.1 metre). Then there's CENTI which means 1/100 (1 CENTImetre=.01 metre). And finally, MILLI means 1/1000 (1 MILLImetre=.001 metre).

Of course, these same prefixes are also used with grams and litres (for example, kilograms and millilitres).

That sounds like a lot to remember.

Don't worry. Only KILO and MILLI are considered "everyday" prefixes. You'll seldom use DEKA, HECTO, or DECI, and the only time you'll use CENTI is when your measuring distances.

How do you measure length in metric?

The meter (symbol: m) is the basic unit for measuring length. The metre (also spelled meter) is about 39 inches, just a little bit more than a yard. Three other units are commonly used along with the metre. The first is the kilometre (km) used in place of miles for long distances. A kilometre is about 5/8 of a mile and 1000 m=1 km. The second unit is the centimetre (cm) which is 1/100 metre. The centimetre is approximately the width of a paper clip and replaces the inch and the foot in our present system. And finally, there's the millimetre (mm); there are 25.4 millimetres in an inch.

Square and cubic measurements—such as square kilometres and cubic centimetres—define area and volume just as square miles and cubic inches do in our present system.

What about weight?

Although the gram is often called the unit of weight, technically the kilogram (kg, 1000 grams) is the base unit (the official standard of weight). The kilogram weighs about 2.2 pounds and replaces pounds in our present system. The metric ton is used to weigh very heavy objects. One metric ton is equal to 1000 kilograms or about 200 pounds more than our present ton. A gram (g) is a small unit of weight. For example, a nickel weighs about 5 grams. For extremely small weights, such as the kind used by pharmacists, metric uses the milligram (mg. 1/1000 of a gram).

And liquid measurement?

All you need to remember are two terms. The first is the litre (also spelled liter; symbol: l) which is a little more than a quart. And the second unit is the millilitre (ml, 1/1000 l) which is a very small unit of measurement. A teaspoon contains about 5 millilitres of liquid.

Is converting any easier from one unit to the other any easier with metric?

Considerably. The present U.S. Customary system isn't based on any one standard. For example, to find out how many feet are in 48 inches, you have to divide by 12. To convert 24 quarts to gallons, you divide by 4. To change 32 ounces to pounds, you divide by 16. But converting with metric is effortless, because metric is a decimal system. Multiplication and division are as easy as moving a decimal point to the left or right, like

converting $1.00 to 10 dimes or 100 cents. For example, 1.459 metres=145.9 centimeters=1459 millimetres. As long as you remember the relationships of the various prefixes (CENTI, MILLI, etc.) to the original unit, conversion is simple.

How greatly will the changeover to metric affect our lives?

Metric is going to affect everyone, but the changeover probably won't be as difficult as many people imagine. In fact, many metric terms are already part of our everyday vocabulary: 35 millimetre film, 100 millimetre cigarettes, 40 litre gas tanks, 500 milligram tablets of vitamins, and 100 metre track events. As the conversion to metric accelerates, more and more of our products will be supplied in metric quantities. Housewives will rely on metric recipes, craftsmen will use metric tools, students will solve metric problems. Gradually we will start to "think" metric the same way many people start to "think" in another language.

Will the changeover to metric be total?

No. The U.S. government has gone on record as support only logical change. In areas where tradition is concerned, no attempt will be made to convert to metric. For this reason, football fields are unlikely to change dimensions. No matter what the weather, fans will still watch the teams huddled on the fifty yard line, even when the temperature dips to a nippy 3 degrees Celsius.

CELSIUS? WHAT'S THAT?

The Celsius scale (formerly called centigrade) is the metric standard for measuring temperature. Zero degrees on the Celsius scale is the freezing point of water (32° F). One hundred degrees on the Celsius scale is the point at which water boils (212° F).

According to the Encyclopedia Britannica, "Celsius" is named for Anders Celsius, a Swedish astronomer who died in 1744 and who invented a thermometer scale based on zero degrees for the freezing point of water and 100 for the boiling point. The Celsius thermometer is used in the metric system of measurement, and what has happened, of course, is that the U.S. government is preparing us to convert to the metric system. Most of the rest of the world has been using it for years.

The Fahrenheit scale, as Britannica 3 notes is named for Gabriel Daniel Fahrenheit, a German physicist who died in 1736 and who invented a thermometer scale of 32 degrees for the freezing point of water. The Celsius scale, however, is based on the decimal system—as are all metric measurements—and is considered easier to use.

The United States is the only major industrial power that has not adopted the International System of Units, popularly known as the metric system. As Britannica notes, the metric system was created by the French in the 1790's and even the British, in 1965, finally got around to endorsing it. It is considered easier to use than our apples-and-oranges system of inches, yards, miles, pints, etc., and it would allow the U.S. to trade more easily with foreign countries.

So if the next time you buy a thermometer and it says "Celsius," just remember Mr. Fahrenheit. But don't feel sorry. He had a good long run. And, if your old Fahrenheit and new Celsius thermometers read the same, bundle up. Because when Mr. Fahrenheit and Mr. Celsius do meet, it's 40 below zero.

So how does this affect the way we record temperatures?

It means we're going to have to start thinking in terms of degrees Celsius rather than degrees Fahrenheit. Admittedly, that will take a little getting used to. For example, 25° C (77° F) is a warm summer day; 15° C (59° F) calls for a light jacket; 5° C (41° F) is a bit chilly; and −10° C (14° F) is downright cold.

It will probably take years before we become thoroughly accustomed to using the Celsius scale. But eventually we'll do it.

Why?

Because the plain truth of the matter is we have to. Metric is something we can no longer ignore. Our future is upon us; and our future, quite literally, is a metric one.

A COMPELLING CASE FOR USING U.S. TANKERS TO BRING OIL TO AMERICAN MARKET

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. EILBERG. Mr. Speaker, in the May 11, 1977 editions of the Washington Post, there appeared a full-page advertisement which makes a compelling case for using U.S. tankers to bring imported oil to America.

At a time when this Nation faces a severe drain on its energy resources, and at a time when the American economy is foundering and millions of American workers are without jobs, I think it is imperative that we take every possible step to prevent this disastrous situation from growing any more critical.

This advertisement, Mr. Speaker, was placed by a coalition of ship operators, shipbuilders and industries which support our U.S. merchant marine. I commend to my colleagues' attention this very important message:

FOREIGN OIL TANKERS THREATEN OUR ENVIRONMENT, WEAKEN OUR NATIONAL DEFENSE, AND TAKE AWAY U.S. JOBS

The United States imports 8.4 million barrels of oil a day—far more than any other country in the world. Yet only 4% of the amount is carried on ships flying the United States flag. We depend on foreign flag ships to bring in 96% of our oil! 44.2% of that is transported on ships registered in Liberia.

This alarming imbalance is largely perpetuated by American-owned multi-national concerns who operate under a system called "flags of convenience."

Through this system the tiny West African country of Liberia—a country with no natural harbor—has amassed the largest merchant marine fleet in the world. Over 1,000 tankers are registered there, yet almost none ever enter the country.

The Liberian fleet has little to do with Liberia or Liberians. It is a phantom maritime operation created in 1948 by a handful of Americans who drew up the Liberian Maritime Law, cleverly allowing a hidden identity clause to the people operating Liberian vessels. The Liberian fleet is administered and controlled, not from Liberia, but from offices on Park Avenue, New York City.

There, under shrouds of secrecy, multinational companies and others register foreign-built and manned ships with the Liberian government, "conveniently" freed of national restrictions.

It's time to turn the tide on the flags of convenience system, and give United States flag ships a larger share in the shipment of our oil.

CONTROLS PLACED ON U.S. FLAG TANKERS HELP PROTECT OUR ENVIRONMENT

Disasters such as the break-up of the Liberian *Argo Merchant* tanker in December, bring home all too clearly the fact that unsafe foreign tankers are used to transport much of our oil.

When the *Argo Merchant* went down, it created an oil slick that stretched for 120 miles. That was only one accident. Last year a record 19 tankers were lost—11 of them were Liberian.

Most accidents are caused by two factors: human error and the age of the ship.

Because our ports are too shallow for the huge new super tankers built abroad, oil is shipped to the U.S. in aging, smaller tankers. Many have long histories of accidents and faulty equipment.

There's no way to measure their hazard to our environment. And there's no way to enforce safety standards. The older ships flying foreign flags aren't subject to regular Coast Guard inspection.

In recent years, the flags of convenience fleets' average share of world casualties has been twice as high as their average share of world tonnage.

Can we afford *not* to transport our oil on U.S. ships—built with high standards, manned by trained and regulated personnel and inspected for safety?

U.S. FLAG TANKERS STRENGTHEN OUR NATIONAL DEFENSE

The United States is the number one land power yet our merchant marine ranks 10th in the world. In times of war, our fleet transported 95% of our military supplies.

The multi-national companies say that their foreign registered ships are under the "effective control" of the U.S.

Yet under the accepted principle of international law, only the state of registry has the right to requisition and control vessels flying its own flag, and *not* the nation of the vessel's owner.

Virtually every defense expert agrees that flag of convenience vessels are of questionable reliability during an emergency. Whether or not they respond to a U.S. emergency depends on where they are registered, the nationality of the crew, the nature and type of emergency, and their location at the time.

During the Yom Kippur War in 1973, Liberia prohibited any vessels flying its flag from participating in the U.S. resupply of Israel. What's to stop Liberia—or any other country—from issuing such an order again? An effective U.S. control fleet should not be considered a substitute for U.S. flag shipping. For a strong national defense, we need American-owned and -operated ships!

U.S. FLAG TANKERS HELP PUT AMERICANS BACK TO WORK AND BOOST OUR ECONOMY

There's something wrong when U.S. companies go overseas for cheap labor while so many Americans, unable to get work, must rely on unemployment benefits to survive.

If more of the oil imports were carried on U.S. ships, we could create thousands of job opportunities in shipbuilding, operating, and service industries. Jobs that would be generated in areas of chronic unemployment—without using tax dollars or deficit spending programs.

What about other Americans whose present jobs are threatened by oil spills and tanker accidents? If the oil spilled from the *Argo Merchant* had reached our shores, it would have ruined prime fishing grounds and affected the income of 10¼ million Americans. And the multi-nationals tell us we can't afford safe American shipping!

They also argue that the costs of constructing and manning U.S. ships are too high, and would be too great a burden on the U.S. consumer.

They don't tell you that the cost savings supposedly derived from the use of cheap flag of convenience vessels are not passed on to consumers. They don't tell you that their shipping costs are kept secret in their accounting departments.

We pay $33 billion a year for oil imports. We pay an additional $1 billion for foreign tankers to bring it here. Yet only an insignificant amount of the dollars we pay to the foreign tankers stays in our economy. By contrast, U.S. flag ships return 71 cents of every transportation dollar they receive to our economy.

If U.S. flag ships carried more of our oil imports we could help reverse the worst trade deficit in our history.

If you agree that it's time to turn the tide in favor of the U.S., mail in the above coupon today. The U.S. Maritime Committee to Turn the Tide will forward your message to Congress.

Go on record for supporting U.S. Flag Tankers.

IT IS ABUNDANTLY CLEAR THAT WE NEED A SAFE AND SECURE OIL TRANSPORTATION SYSTEM

Foreign oil tankers move a great deal of U.S. capital overseas. U.S. flag ships return 71 cents from every dollar they receive to our economy.

Liberian oil tankers comprise 30.2 percent of the world's tanker tonnage, but 69 percent of all tanker tonnage lost last year was Liberian. U.S. flag oil tankers are built to rigid safety specifications and are subject to regular U.S. Coast Guard inspections. Safety standards are strictly enforced for manning and operating U.S. ships.

Foreign "flags of convenience" are of questionable reliability in a national emergency. Could we count on a vessel owned by a Bahamian corporation, flying a Liberian flag, sail in the Persian Gulf, with a Chinese crew and Indian officers?

U.S. flag ships can be mobilized, in time of need, to serve as supply links to our armed services.

Foreign flag oil tankers are often used to shelter earnings from petroleum production, refining and distribution.

U.S.-built and-operated flag ships will generate substantial U.S. tax revenue.

WOMEN IN METEOROLOGY

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. STEERS. Mr. Speaker, June Bacon-Bercy, a constituent of mine, recently won $64,000 on a TV quiz show because of her great knowledge of the great American composer, John Phillip Sousa. Ms. Bacon-Bercy, who works at the National Weather Service as a meteorologist, does not plan to keep most of the money. Rather, she plans to put it into a scholarship fund for young women interested in meteorology.

I am especially heatened by these actions for two reasons. First, I served as a meteorologist for the U.S. Army Air Force in World War II, so I know meteorology to be an exciting field to which women can and will make significant contributions. I also have been involved for years in the implementation of the equal rights amendment while I served as a Maryland State senator, and it is always gratifying to see career opportunities for women expanded.

Ms. Bacon-Bercy has taken it upon herself to promote women's rights and women's opportunities, instead of just complaining about inequities. Her unselfish gift will bring more women into the professional world. I am submitting into the RECORD, the article concerning Ms. Bacon-Bercy which appeared in the Montgomery County Journal:

LOCAL WOMAN WINS $64,000 ON TV SHOW

(By Joan Sorensen)

A Silver Spring woman has won $64,000 on a TV quiz show—but she's going to give it away.

June Bacon-Bercy, a meteorologist with the National Weather Service, won $64,000 recently because of her knowledge of John Phillip Sousa, America's "March King."

But these days $64,000 isn't the big pot it was back in the 1950's when the quiz scandals rocked the industry. The show is now called "The $128,000 Question" (on WTTG–Channel 5 at 8 p.m. on Mondays) and Ms. Bacon-Bercy gets her shot at the big money later this spring.

Most of her prize money, she has announced, will go toward establishing a scholarship for young women interested in meteorology—a specialty which now has only about 100 women working in the field.

For her, the revival of TV's most famous quiz show is fun, a chance to blend two of her strongest interests—Sousa and professional opportunity for young meteorologists, especially women.

Calling the show, "a chance to let others know how great Sousa was," she's enthusiastic about the show and cool about the tensions involved.

She considers the isolation booth a place designed for thought, a "protective place," but is amused with the precautions being taken to protect the show from the taint of past scandals.

"I understand they had some trouble with the original show years ago," she said during a Journal interview. "Now they are super careful, nuts in fact. They can't even communicate with each other and the contestants can't talk to each other about much of anything. At one point there were three of us, myself, a preacher who was an expert on sex and a young meteorologist . . . we couldn't talk about sex, the weather or God. That didn't leave much."

"Now people have to write letters to the station to get on the show," she said, "but when it was just getting started again they invited contestants and I was invited."

No stranger to the media, the glamorous scientist has been on TV before as chief meteorologist with WGR–TV in Buffalo, N.Y., and done TV reporting.

When it comes to the topic of Sousa she's also on familiar ground, having almost total recall on everything having to do with the famous American bandmaster.

Her knowledge of Sousa has been building for years. "It all got started," she says, "back in the days when my husband was a medical student and I was working in Washington. I found myself putting the same 45 record on everytime I needed a lift—"God Bless America" by Connie Francis. I don't smoke or drink and I found music pepped me up. My husband got tired of it and said, "if you like the martial beat so much get some of the 'March King's' music. I did and here I am.

"The more I heard the more I liked. The more I learned about him the more he interested me. People just don't know how much he did, how much he knew, the kind of patriot he was," she said.

"Why, he was in the Marines at 13, a boy apprentice in the trombone section of the Marine Band and he joined the Navy in 1917 at the age of 62 for $1 a month. In between he led the Marine Band and built one of the nation's finest private bands, a band with some of the greatest bandsmen in American history. Meredith Willson was in his band; he and Victor Herbert managed to get copyright and royalty protection for musicians.

His 136 marches, who married him and who turned him down, his wide-ranging musical ability, his organizational talent, his enormous strength . . . the facts roll by as she talks.

Knowing that Sousa was turned down by Emma Whitfield Swallow's stepfather "because he couldn't support her" won Ms. Bacon-Bercy her $64,000 check. "And he ended up a millionaire, married to a Philadelphia girl," she adds.

"Why, during the heyday of American band music Sousa earned $300,000 in one year just from the sheet music of 'Stars and Stripes Forever', one of his favorite songs.

"But he not only made money, he was a people's musician and ran a bandsman's band.

"He drew devotion from his audiences and from his men. Once in his band they had a job for life but it was a rough life. Two concerts a day, in full uniform, (without air-conditioning) all over the country for months on end."

But as fascinated as she is with Sousa and his music it is only a part of Ms. Bacon-Bercy's life. Married to a doctor on the west coast, with two teen-age daughters (one in school on the east coast and one in school on the west coast), she keeps a family home in California and an apartment in Montgomery County because she is a meteorologist with the National Weather Service here.

As a professional meteorologist she has worked as an oceanographer, a weather analyst for the National Meteorological Center, a radar meteorologist, an engineer and a consultant in addition to her stint on TV.

Right now she is working with the weather service, which she says, "manages all the weather information and policies for the public and private aviation industry."

In addition to her professional work she is on the board of the American Meteorological Society. As a member of the board she has encouraged young scientists, particularly women and minorities. One of her ideas was to get the AMS to start judging exhibits in high school science fairs, and now she travels all over the country as a judge of meteorology exhibits as well as lecturing on the topic of meteorology.

In the meantime she watches the weather on the east coast, keeps umbrellas stashed at home and at work and gets set for the $128,000 question.

U.S. DISTRICT COURT STIPULATION AND ORDER

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1977

Mr. FRASER. Mr. Speaker, we have just been informed about an important development in the case of the National Audubon Society, Inc. against Cecil B. Andrus before the U.S. District Court, District of Columbia. The National Audubon Society filed a complaint 1 year ago charging violation of the National Environmental Policy Act, the Fish and Wildlife Coordination Act, and the Migratory Bird Treaty and Act by continued construction of the Garrison Diversion project in North Dakota.

Action came this morning when the National Audubon Society and the Secretary of the Interior signed a stipulation which was approved by an order of Judge Charles Richey agreeing to halt all further construction and land acquisition for the project except for comple-

tion of the McClusky Canal. The agreement states that in order to continue the project, a comprehensive environmental impact statement describing all reasonable alternatives must be completed and the Department of Interior must come to Congress next year with that impact statement and proposals to reauthorize the project, to authorize President Carter's recommended alternative or another alternative. No construction beyond the McCluskey Canal will continue until Congress acts on that proposal.

I commend the Interior Department and Audubon Society for working out a settlement. Hopefully, this will give Congress the information we need to consider the merits of the Garrison Diversion project. Under this agreement, Congress should be given a complete range of fully developed alternatives to review. The Department of Interior must prepare a complete EIS covering the whole project so Congress can get the total picture of possible adverse environmental impacts. Under this order, Judge Charles Richey will retain jurisdiction in the case.

I believe this decision is a big step toward getting answers to questions my home State of Minnesota has raised about violations of its water quality standards, plans for wildlife mitigation in North Dakota, and about the project's actual costs and benefits.

I hope my colleagues have time to read the agreement. The stipulation and order follow:

[U.S. District Court, District of Columbia]

STIPULATION AND ORDER

National Audubon Society, Inc., Plaintiff, v. Cecil D. Andrus, et al., Defendants. Civil No. 76-0943.

National Audubon Society filed its complaint in May 1976, raising issues relative to the environmental assessment of the Garrison Diversion Unit (the project) presented in a final environmental statement (FES 74-3, as supplemented by FES 74-21) issued in January 1974 by the federal defendants, the Secretary of the Interior and the Commissioner of the Bureau of Reclamation, as well as issues relative to alleged violations of the Fish and Wildlife Coordination Act and the Migratory Bird Treaty and Act. Pending before the court are cross-motions for summary judgment and plaintiff's motion for preliminary injunction, plus ancillary matters. The parties to this agreement recognize that the issues raised in the complaint are difficult and complex, and that their resolution in judicial proceedings is uncertain. A judgment entered in this case at this time may be a less than satisfactory conclusion for the parties, or any of them, due to the range of relief available to the court. In light of the difficulties associated with the litigation noted above and the uncertainties raised by the President's recommendation that the Garrison Diversion Unit be substantially modified, as well as the issues pending in regard to the Boundary Waters Treaty of 1909 between Canada and the United States, the parties deem a stay of this judicial proceeding to be warranted.

The parties recognize that the issues raised by plaintiff may become altered as a result of the actions of the federal defendants under this agreement and subsequent congressional action.

Accordingly, to conserve judicial resources and afford the Secretary of Interior and the Commissioner of the Bureau of Reclamation an opportunity to undertake the commitments made herein, the parties agree to a stay of all proceedings in this action, in accordance with the following terms and conditions:

A. With the exception of the actions described in paragraph B, no further construction will be c rried out; no further contracts will be entered into; no advertisement for bids on contracts will be published; no further land will be purchased, or otherwise acquired, or negotiated for; no survey will be made and no detailed engineering plans leading to the preparation of construction specifications shall be developed until the conditions set forth in paragraph D have been complied with.

B. Plaintiff agrees that:

(1) McClusky Canal may be completed, provided that: the headgates located at the west end of the McClusky Canal shall remain as presently sealed and the canal plugs located at Stations 3135+00 (between Hoffer Lake and Skunk Lake), 3173+00 (Skunk Lake), at the end of Reach 2 at the Chain-of-Lakes, and coffer dams implaced for repair of the large slide shall remain in place until Missouri River water is required for orderly development of irrigation service areas outside of the Missouri River Basin; but in any event, these barriers shall not be removed until the conditions described in paragraph D are met. It is not the intent of this agreement to prevent work related to McClusky Canal for the following and similar activities: slide repair, erosion control, road and utilities relocation, completion of the existing fish screen complex contracts, landscaping and parking areas, and operations and maintenance buildings.

(2) This agreement is not intended to prevent work related to or execution of contracts for research, operation and maintenance equipment, and office supplies, preparation of an environmental statement and preparation of studies supporting authorizing legislation.

(3) Further, acquisition of land relating to the Lonetree Reservoir from a maximum of eight landowners may be completed, provided that this land may only be acquired if the contracts for this acquisition have already been executed prior to the date of this agreement, the Department of the Interior notifies each landowner that he or she need not sell his or her land, and the landowners continue to desire to sell their land. Plaintiff will be notified of the names and addresses of each landowner, including, if more than one person has an interest in a particular piece of land, each such person. Plaintiff will have the right to discuss with each landowner whether he or she desires to sell the land. The Department of the Interior shall not acquire any such land until at least 14 days from the date of the above notification to plaintiff.

C. The federal defendants agree to complete a comprehensive supplementary environmental statement in compliance with NEPA that describes all reasonable alternatives for the project, including but not limited to the project as currently authorized by Congress, the project as proposed by President Carter (including modification of that proposal by elimination of the East Oakes Service Area and Taayer Reservoir), utilizing a sand filter for water entering the Red River Basin from the McClusky Canal (designated primarily for municipal and industrial use and perhaps other uses), use of a pipeline to connect the McClusky Canal to a point on the James River, use of the McClusky Canal without further significant construction, and no project. The Bureau of Reclamation, within its reasonable discretion, will consult with plaintiff and others concerning the scope and content of the environmental statement before and during its preparation. The draft environmental statement shall be completed on or about January 1, 1978, filed with the Council on Environmental Quality and accompany proposed legislation by the Secretary of Interior to Congress requesting authorization of an option for project development described in the environmental statement, or reauthorization or deauthorization of the project. Defendants will endeavor to complete and transmit to Congress the final environmental statment within 90 days after filing of the draft with the Council on Environmental Quality. A fish and wildlife mitigation plan will be submitted with the proposed legislation to Congress. The plan will include a discussion of compensation for losses resulting from wetland drainage, stream channelization, cultivation of native prairie, creation of hazardous nesting cover, adverse impacts on national wildlife refuges, introduction of rough fish, increased flows, and alteration of water temperatures.

D. No action prohibited by paragraph A will be undertaken until the actions taken pursuant to paragraph C have been completed and Congress has thereafter reauthorized the project or authorized an option for project development, and an additional 60 days have elapsed.

E. The Secretary of Interior will notify Congress of this stipulation and order by transmitting a copy thereof to the appropriate committees of Congress. In the letters of transmittal, the Secretary will indicate that it is the belief of the parties that consideration of authorizing legislation relative to the Garrison Diversion Unit should await submittal and consideration by Congress of the proposed legislation and environmental statement described herein.

F. Nothing in this stipulation and order shall be construed as precluding any party from taking any position relative to the project or its alternatives it deems appropriate, or as conceding any of the legal issues or defenses thereto raised by the pleadings. The parties agree not to take any action to attempt to nullify this agreement.

G. All pending motions and responses thereto are hereby withdrawn without prejudice by the parties upon approval of this stipulation and entry of this order by the court. The pleadings shall remain filed.

H. This agreement is non-severable. If any portion of the agreement becomes unenforceable, is violated, or is nullified, the other party to this agreement may abrogate the entire agreement or any portion of it. This agreement shall be enforced by the United States District Court for the District of Columbia as part of the pending litigation.

Dated May 11, 1977.

CHARLES K. DAYTON,
BRUCE J. TERRIS,
Attorneys for Plaintiff.

Approved:

CHARLES H. CALLISON,
Executive Vice President, National Audubon Society.

ANDREW F. WALCH,
TIM E. SLEETH,
Attorneys for Federal Defendants.

Approved:

CECIL D. ANDRUS,
Secretary of Interior.

So ordered:

CHARLES R. RICHEY.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when

scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure until the computerization of this information becomes operational, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, May 12, 1977, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 13

9:00 a.m.
Human Resources
To hold hearings on the nominations of Peter G. Bourne, of the District of Columbia, to be Director, and Lee I. Dogoloff, of Maryland, to be Deputy Director, both of the Office of Drug Abuse Policy.
Until noon 4232 Dirksen Building

9:30 a.m.
*Governmental Affairs
Federal Spending Practices and Open Government Subcommittee
To receive testimony on alleged mismanagement in the Small Business Administration's minority business activities.
1114 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To resume hearings on H.R. 5294, S. 656, S. 918 and S. 1130, to amend the Consumer Protection Act so as to prohibit abusive practices by independent debt collectors.
5302 Dirksen Building
Energy and Natural Resources
To resume hearings on the President's energy program.
3110 Dirksen Building
Governmental Affairs
Energy, Nuclear Proliferation, and Federal Services Subcommittee
To continue hearings on S. 897, to strengthen U.S. policies on nuclear nonproliferation, and to reorganize certain nuclear export functions.
3302 Dirksen Building

12:00 noon
Human Resources
Aging Subcommittee
To hold hearings on S. 519 and S. 1283, to authorize funds for programs to provide home-delivered meals for the elderly.
4232 Dirksen Building

MAY 16

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To receive testimony on proposals designed to encourage economic growth and employment.
2221 Dirksen Building

10:00 a.m.
Agriculture, Nutrition, and Forestry
Environment, Soil Conservation, and Forestry Subcommittee
To hold hearings on S. 1360, to establish an Advisory Committee on Timber Sales Procedure.
324 Russell Building
Banking, Housing, and Urban Affairs
To hold oversight hearings on federally guaranteed loans to New York City.
5302 Dirksen Building
Energy and Natural Resources
To hold hearings on the nomination of Adrian P. Winkel, of Maryland, to be High Commissioner of the Trust Territory of the Pacific Islands.
3110 Dirksen Building
Select Indian Affairs
To resume hearings on S. 1377, extending the time for Indian tribes to bring actions before the Indian Claims Commission.
Room to be announced
Special Aging
To hold hearings concerning development of alternatives to institutional health care for older Americans.
6226 Dirksen Building

MAY 17

9:30 a.m.
Environment and Public Works
Regional and Community Development Subcommittee
To hold oversight hearings on the implementation of the Public Works Employment Act of 1977.
4200 Dirksen Building
Finance
Taxation and Debt Management Subcommittee
To receive testimony on proposals designed to encourage economic growth and employment.
2221 Dirksen Building

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1978 for DOT, to hear Secretary of Transportation Adams.
1224 Dirksen Building
Banking, Housing, and Urban Affairs
To continue oversight hearings on federally guaranteed loans to New York City.
5302 Dirksen Building
Energy and Natural Resources
To consider pending committee business.
3110 Dirksen Building
Special Aging
To continue hearings concerning development of alternatives to institutional health care for older Americans.
6226 Dirksen Building

MAY 18

9:00 a.m.
Government Affairs
Subcommittee on Reports, Accounting, and Management
To resume hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government are established.
6202 Dirksen Building

9:30 a.m.
Energy and Natural Resources
Public Lands and Resources Subcommittee
To hold hearings on S. 1360, to establish an Advisory Committee on Timber Sales Procedure.
3110 Dirksen Building
Human Resources
Alcoholism and Drug Abuse Subcommittee
To hold hearings on S. 1107, the Occupational Alcoholism Prevention and Treatment Act of 1977.
Until 12:30 p.m. 4332 Dirksen Building
Rules and Administration
To resume hearings to receive testimony in behalf of requested funds for activities of Senate committees and subcommittees.
301 Russell Building

10:00 a.m.
Appropriations
Transportation Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1978 for DOT.
1224 Dirksen Building
Banking, Housing, and Urban Affairs
To continue oversight hearings on federally guaranteed loans to New York City.
5302 Dirksen Building
Commerce, Science, and Transportation
To hold hearings on the nomination of John McGrath Sullivan, of Pennsylvania, to be Administrator of the Federal Railroad Administration.
5110 Dirksen Building
Judiciary
Criminal Laws and Procedures Subcommittee
To hold hearings on S. 1382, to establish rational criteria for the imposition of the death penalty.
2228 Dirksen Building
Select Indian Affairs
To hold hearings on S. 103, 667, and 785, to convey certain Federal land to the Ely Indian Colony, Paiute, and Shoshone Tribes.
Room to be announced
Special Aging
To continue hearings concerning development of alternatives to institutional health care for older Americans.
6226 Dirksen Building

2:00 p.m.
Rules and Administration
To continue hearings to receive testimony in behalf of requested funds for activities of Senate committees and subcommittees.
301 Russell Building

MAY 19

9:30 a.m.
Human Resources
Alcoholism and Drug Abuse Subcommittee
To continue hearings on S. 1107, the Occupational Alcoholism Prevention and Treatment Act of 1977.
Until 12:30 p.m., 1202 Dirksen Building
Rules and Administration
To continue hearings to receive testimony in behalf of requested funds for activities of Senate committees and subcommittees.
301 Russell Building

9:45 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 695, to impose on former Federal procurement personnel an extended time period during which they may not work for defense contractors.
5302 Dirksen Building

10:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To hold hearings on S. 1391, the Hospital Cost Containment Act of 1977.
4232 Dirksen Building
Judiciary
Criminal Laws and Procedures Subcommittee
To continue hearings on S. 1382, to establish rational criteria for the imposition of the death penalty.
1318 Dirksen Building

MAY 20

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue hearings on S. 695, to impose on former Federal procurement personnel an extended time period during which they may not work for defense contractors.
5302 Dirksen Building
Human Resources
Health and Scientific Research Subcommittee
To continue hearings on S. 1391, the Hospital Cost Containment Act of 1977.
4232 Dirksen Building

*Joint Economic
To receive testimony on the economic impact of the President's energy proposals.
6202 Dirksen Building

MAY 23

9:00 a.m.
Energy and Natural Resources
Public Lands and Resources Subcommittee
To hold oversight hearings on the implementation of the Wild Horses and Burros Act.
3110 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue hearings on S. 695, to impose on former Federal procurement personnel an extended time period during which they may not work for defense contractors.
5302 Dirksen Building
Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on S. 600, the Regulatory Reform Act of 1977.
6226 Dirksen Building
Select Indian Affairs
To hold hearings on S. 905, the Central Arizona Indian Tribal Water Settlement Act of 1977.
Room to be announced

MAY 24

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on S. 657, to establish an Earth Resources and Environmental Information System.
5110 Dirksen Building
Select Small Business
To resume hearings on alleged restrictive and anticompetitive practices in the eyeglass industry.
424 Russell Building

10:00 a.m.
Energy and Natural Resources
Energy Production and Supply Subcommittee
To hold oversight hearings to review the proposed exchange of land between the Superior Oil Company and the Federal Government.
3110 Dirksen Building
Foreign Relations
To hold hearings on Convention on the Prevention and Punishment of the Crime of Genocide (Exec. O, 81st Cong., 1st sess.).
4221 Dirksen Building
Governmental Affairs
Intergovernmental Relations Subcommittee
To continue hearings on S. 600, the Regulatory Reform Act of 1977.
Governmental Affairs
Subcommittee on Reports, Accounting, and Management
To resume hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government are established.
6202 Dirksen Building

MAY 25

9:00 a.m.
Energy and Natural Resources
Energy Conservation and Regulation Subcommittee
To hold hearings on S. 19, S. 743, and H.R. 130, to provide for the protection of franchised distributors and retailers of motor fuel.
3110 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 657, to establish an Earth Resources and Environmental Information System.
5110 Dirksen Building
Energy and Natural Resources
Energy Production and Supply Subcommittee
To resume hearings on S. 977, to conserve gas and oil by fostering increased utilization of coal in electric generating facilities and in major industrial installations.
4200 Dirksen Building
Select Small Business
To continue hearings on alleged restrictive and anticompetitive practices in the eyeglass industry.
424 Russell Building
Select Indian Affairs
To hold hearings on S. 660, seeking an agreement with the Cherokee, Choctaw, and Chickasaw Indian Tribes of Oklahoma for the purchase or lease of their rights in the riverbed of the Arkansas River.
Room to be announced
*Veteran's Affairs
To hold hearings on S. 247 and S. 1414, to provide recognition to the W.W. II Women's Air Forces Service Pilots and W.W. I Signal Corps telephone operators, respectively; and S. 129, to restore rights and benefits to certain Filipino combat veterans of W.W. II.
318 Russell Building

10:00 a.m.
Governmental Affairs
Intergovernmental Relations Subcommittee
To continue hearings on S. 600, the Regulatory Reform Act of 1977.
6226 Dirksen Building
*Joint Economic
To receive testimony on the economic impact of the President's energy proposals.
1114 Dirksen Building
Select Small Business
To hold hearings on S. 807, to authorize grants to assist individuals and small business concerns in developing solar energy equipment and energy-related inventions.
235 Russell Building

1.00 p.m.
Governmental Affairs
Governmental Efficiency Subcommittee
To hold hearings to receive testimony on a GAO study alleging inaccurate financial records of the Federal flood insurance program.
1224 Dirksen Building

MAY 26

9:30 a.m.
Energy and Natural Resources
Public Lands and Resources Subcommittee
To hold hearings on S. 1338, to authorize the issuance of permits on public domain national forest lands for commercial outdoor recreation activities.
3110 Dirksen Building
Select Small Business
To continue hearings on alleged restrictive and anticompetitive practices in the eyeglass industry.
235 Russell Building

10:00 a.m.
Foreign Relations
To continue hearings on Convention on the Prevention and Punishment of the Crime of Genocide (Exec. O, 81st. Cong., 1st sess.).
4221 Dirksen Building
Governmental Affairs
Subcommittee on Reports, Accounting, and Management
To continue hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6202 Dirksen Building
Select Small Business
To continue hearings on S. 807, to authorize grants to assist individuals and small business concerns in developing solar energy equipment and energy-related inventions.
424 Russell Building

JUNE 3

11:00 a.m.
Joint Economic
To hold hearings to receive testimony on the employment/unemployment situation in May.
1202 Dirksen Building

JUNE 6

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold oversight hearings on the cable TV system.
235 Russell Building
Select Indian Affairs
To hold oversight hearings on the Indian Education Reform Act (P.L. 93-638).
Room to be announced

JUNE 7

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue oversight hearings on the cable TV system.
235 Russell Building
Foreign Relations
To hold hearings on an agreement with Canada concerning the transit oil pipeline (Exec. F, 95th Cong., 1st sess.), and the Inter-American Treaty of Reciprocal Assistance (Exec. J, 94th Cong., 1st sess.).
4221 Dirksen Building
Human Resources
Health and Scientific Research Subcommittee
To hold hearings to evaluate information upon which the FDA based its decision to propose regulations banning the use of saccharin.
4232 Dirksen Building
Joint Economic
Economic Growth and Stabilization Subcommittee
To hold hearings on economic development in rural areas.
1202 Dirksen Building
Select Indian Affairs
To continue oversight hearings on the Indian Education Reform Act (P.L. 93-638).
Room to be announced

JUNE 8

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on S. 421, to establish a program to educate the public in understanding climatic dynamics.
5110 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue oversight hearings on the cable TV system.
235 Russell Building
Human Resources
Health and Scientific Research Subcommittee
To continue hearings to evaluate information upon which the FDA based its decision to propose regulations banning the use of saccharin.
4232 Dirksen Building
Joint Economic
To hold hearings to review economic conditions and to discuss the future outlook.
6202 Dirksen Building

JUNE 9

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 421, to establish a program to educate the public in understanding climatic dynamics.
5110 Dirksen Building

10:00 a.m.
Joint Economic
To continue hearings to review economic conditions and to discuss the future outlook.
1202 Dirksen Building

JUNE 10

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 421, to establish a program to educate the public in understanding climatic dynamics.
5110 Dirksen Building

JUNE 12

10:00 a.m.
Foreign Relations
To hold hearings on the Vienna Convention on the Law of Treaties (Exec. L, 92nd Cong., 1st sess.).
4221 Dirksen Building

JUNE 13

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on S. 657, to establish an Earth Resources and Environmental Information System.
235 Russell Building
Finance
Taxation and Debt Management Subcommittee
To receive testimony on proposals designed to encourage economic growth and employment.
2221 Dirksen Building

JUNE 14

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 657, to establish an Earth Resources and Environmental Information Systems.
5110 Dirksen Building
Finance
Taxation and Debt Management Subcommittee
To receive testimony on proposals designed to encourage economic growth and employment.
2221 Dirksen Building

10:00 a.m.
Joint Economic
Economic Growth and Stabilization Subcommittee
To continue hearings on economic development in rural areas.
1202 Dirksen Building

JUNE 15

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 657, to establish an Earth Resources and Environmental Information System.
235 Russell Building

10:00 a.m.
Foreign Relations
To hold hearings on treaties with Mexico and Canada on prisoner exchanges (Exec. D and H, 95th Cong., 1st sess.).
4221 Dirksen Building
Joint Economic
Economic Growth and Stabilization Subcommittee
To continue hearings on economic development in rural areas.
6226 Dirksen Building

JUNE 16

10:00 a.m.
Foreign Relations
To continue hearings on treaties with Mexico and Canada on prisoner exchanges (Exec. D and H, 95th Cong., 1st sess.).
4221 Dirksen Building

JUNE 21

10:00 a.m.
Foreign Relations
To hold hearings on the following prospective international treaties: Economic, Social, and cultural Rights; Civil and Political Rights; and on the Elimination of all forms of Racial Discrimination.
4221 Dirksen Building

JUNE 22

10:00 a.m.
Foreign Relations
To continue hearings on the following prospective international treaties: Economic, Social, and Cultural Rights; Civil and Political Rights; and on the Elimination of all forms of Racial Discrimination.
4221 Dirksen Building

JULY 13

10:00 a.m.
Foreign Relations
To review the operation and effectiveness of the War Powers Resolution of 1973.
4221 Dirksen Building

JULY 14

10:00 a.m.
Foreign Relations
To review the operation and effectiveness of the War Powers Resolution of 1973.
4221 Dirksen Building

JULY 15

10:00 a.m.
Foreign Relations
To review the operation and effectiveness of the War Powers Resolution of 1973.
4221 Dirksen Building

JULY 26

10:00 a.m.
Foreign Relations
To hold hearings on protocol to the Convention on International Civil Aviation (Ex. A, 95th Cong., 1st sess.), and two related protocols (Ex. J, 94th Cong., 1st sess.).
4221 Dirksen Building

HOUSE OF REPRESENTATIVES—*Thursday, May 12, 1977*

The House met at 11 o'clock a.m.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. WRIGHT) laid before the House the following communication from the Speaker:

WASHINGTON, D.C.,
May 12, 1977.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore for today.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

Rev. Jeffrey U. La Rouere, associate pastor, Church of the Holy Spirit, Forestville, Md., offered the following prayer:

Brother Lord, may Your presence itself shower upon these men and women, given the precious trust to speak for our freedom as a people. Let them be inspired to heed the gentle promptings of Your Spirit, so that they might be worthy and ethically motivated servants. Let them indeed realize that they serve the people as brothers and sisters, united in cooperation and selflessness.

You do give them the opportunity to "build the Earth," and let it remain our own. May they never shirk their responsibilities, multiply their troubles, or compromise their principles. Let them always be aware that they are invested with the sacred duty of building a better city within the very heart of man.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 735. An act to amend the Federal Aviation Act of 1958 relating to eligibility for aircraft registration; and

H.R. 5040. An act to authorize additional appropriations for the Department of State for fiscal year 1977.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 5840) entitled "An Act to amend the Export Administration Act of 1969 in order to extend the authorities of that Act and improve the administration of export controls under that Act, and to strengthen the antiboycott provisions of that Act," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PROXMIRE, Mr. SPARKMAN, Mr. WILLIAMS, Mr. MCINTYRE, Mr. CRANSTON, Mr. STEVENSON, Mr. BROOKE, Mr. TOWER, Mr. GARN, and Mr. HEINZ to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1279. An act to provide temporary authorities to the Secretary of Commerce to facilitate emergency actions to mitigate the

impacts of the 1976–77 drought and promote water conservation; and

S. 1468. An act to amend the Energy Supply and Environmental Coordination Act of 1974.

DISCHARGING COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION FROM FURTHER CONSIDERATION OF H.R. 6305 AND REREFERRAL OF H.R. 6305 TO COMMITTEE ON THE JUDICIARY

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be discharged from the further consideration of the bill (H.R. 6305) to direct the Attorney General to provide for the construction of a correctional center in Los Angeles County, Calif., and that the bill be re-referred to the Committee on the Judiciary.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO FILE REPORTS ON HOUSE RESOLUTION 322, H.R. 6010, H.R. 6401, H.R. 6197, AND H.R. 5885

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may have until midnight tonight to file reports on the following resolution and bills:

H. Res. 322, which directs the Architect of the Capitol to conduct a feasibility study and report on using solar energy in connection with the heating, cooling, and hot water systems of the House Office Building complex;

H.R. 6010, to amend title XIII of the Federal Aviation Act of 1958 to expand the types of risks which the Secretary of Transportation may insure or reinsure, and for other purposes;

H.R. 6401, to authorize appropriations for the administration of the Deepwater Port Act of 1974;

H.R. 6197, to amend the Disaster Relief Act of 1974 to provide for authorization of appropriations thereunder through fiscal year 1978; and

H.R. 5885, authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

THE PLIGHT OF AMERICA'S WHEAT FARMERS

(Mr. PRESSLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRESSLER. Mr. Speaker, I would like to call the attention of the House of Representatives to the tragic situation our wheat farmers are facing throughout our Nation.

Many of our wheat farmers are literally going broke or have gone broke and up to one-fourth of them will not be able to repay their loans on wheat this year.

Mr. Speaker, the wheat target price that has been set is far too low, and we are going to lose a generation of family wheat farmers if something is not done. I think all of America has an interest because consumers have an interest in the preservation of the family farm. If we lose the family farm, which is the most efficient unit of production, it will be replaced by the corporate farm, which is far less efficient and which is much more likely to engage in price fixing of food in the future in our country.

Mr. Speaker, I think the House should be aware of the great trouble that our wheat farmers are in. Coming from a family farm myself I am well aware of the extreme hardship our wheat producers are suffering. We must act on the trade front and on the domestic price front to get relief for our wheat farmers.

LANDING OF THE CONCORDE SST AT KENNEDY AIRPORT

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SCHEUER. Mr. Speaker, this morning, Judge Milton Pollack of U.S. Federal District Court in Manhattan, ruled that the port authority must allow the Concorde SST to land at Kennedy Airport.

Two weeks ago, the judge previewed his decision as he criticized the port authority and suggested that the port authority needs to learn to "think it is still part of the United States."

Mr. Speaker, I represent the congressional district in which Kennedy Airport is located. Working together, we in Howard Beach, Lindenwood, Laurelton, Rosedale, Cambria Heights, the Rockaways, Canarsie, Mill Basin, the Flatlands, and East New York, have fought to reduce the horrendous noise which emanates from the airport and is mercilessly pounding at our senses and our psyches. The port authority, the U.S. Department of Transportation, and our own U.S. Congress, have begun the process of forcing a reduction in aircraft and airport noise levels across the country at the cost of several billion dollars to be paid by the airlines, and ultimately, by the traveling public.

Now the operators of the Concorde—a far noisier plane than any other in the world—insist on forcing us to accept it into Kennedy Airport and a Federal judge tells us to learn to think we are "still part of the United States" and orders us to allow the plane into our community.

What we want is to be allowed to be "part of the United States" rather than being "the aircraft noise capital" of the world.

Judge Pollack's decision has struck a cruel blow at our communities. I do not believe that the judge's opinion will be supported on appeal and I have urged the port authority to act swiftly to appeal this decision.

INTERNATIONAL DEVELOPMENT AND FOOD ASSISTANCE ACT OF 1977

Mr. MEEDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 556 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 556

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6714) to amend the Foreign Assistance Act of 1961 to authorize development assistance programs for fiscal year 1978, to amend the Agricultural Trade Development and Assistance Act of 1954 to make certain changes in the authorities of that Act, and for other purposes, and all points of order against section 206 of said bill for failure to comply with the provisions of clause 5, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Washington (Mr. MEEDS) is recognized for 1 hour.

Mr. MEEDS. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

Mr. Speaker, the resolution provides for the consideration of the bill (H.R. 6714), the International Development and Food Assistance Act of 1977.

It is a 1-hour open rule and provides for waiver of points of order against section 206 of the bill for failure to comply with clause 5, rule XXI, which prohibits appropriation language in authorization bills.

Also, the rule provides that the bill shall be read for amendment under the 5-minute rule by titles instead of by section.

The bill authorizes $613.2 million for food and nutrition programs of the Agency for International Development. These funds are to be used to stimulate agricultural production in poorer countries so that they can produce their own food.

The bill also contains authorization of $181 million for population planning, and includes provisions to encourage further study of the relationship between population growth and economic development.

Authorization of $10 million is made for the development and use of local and

small-scale energy sources in rural areas of developing countries.

Human rights provisions are extended for food for peace programs and limited funding is authorized for studying and carrying out activities which promote human rights.

Authorization is made for participation by the United States in a long-term international undertaking for economic development in the Sahel countries in Africa.

The bill also directs AID to give special assistance programs which help integrate women in the developing economies of recipient nations.

The total authorization provided for the international development assistance and international disaster assistance programs set out in this bill amounts to $1,706,950,000.

Mr. Speaker, the administration and the committee are to be commended for presenting this legislation which embodies a "direct relief to people" effort to attack the problems of hunger in the developing countries. I urge the adoption of the rule so that the House may consider this legislation.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a 1-hour open rule providing for the consideration of the bill, H.R. 6714, the International Development and Food Assistance Act of 1977. The rule waives points of order against section 206 of the bill for failure to comply with clause 5 of rule XXI which prohibits appropriations on an authorization bill. Section 206 establishes a new food-for development program under which funds from title I concessional sales may be used for agricultural and rural development, including voluntary family planning, health and nutrition programs. Under this new feature, funds generated by local sale of commodities may be used for these purposes and credited against repayments of loans made by the United States. According to the Parliamentarian's office, this loan repayment forgiveness provision, conditioned on the transfer of revenues from local commodity sales to approved development programs, technically constitutes an appropriation of funds and thus necessitates this waiver.

The only other special feature of this rule is that it shall be read by titles instead of sections for amendment under the 5-minute rule.

Mr. Speaker, H.R. 6714 authorizes $1.7 billion in fiscal year 1978 for various international development assistance programs. This legislation builds on the new directions foreign aid policy charted by Congress in 1973 which targeted funds for the most needy nations, with special emphasis on food and nutrition, population planning and health, and education and human resources. Those new directions were reinforced by a 2-year extension in 1975 which significantly reformed the food-for-peace program.

The bill which will be before us today will carry forward those new directions by still more salutary changes in our foreign assistance efforts. This legislation allocates one-third of the funds for agricultural and rural development in poor countries, with special emphasis on helping those countries increase their own food production. The bill authorizes an additional $181 million for population planning and $106 million for health programs; $85 million is authorized for education, and $110 million for technical assistance, energy, and other projects; $272 million is designated for multilateral assistance through international organizations, and $200 million for Sahel development. The bill also makes further amendments to the food-for-peace program (P.L. 480) including sanctions against countries which engage in gross violations of human rights, removing restrictions on countries which trade with Cuba and Vietnam, and permitting loan forgiveness on local sales of commodities if the proceeds are channeled into certain approved development projects under the new food-for-development program I have already discussed.

Mr. Speaker, it has often been said that foreign aid has no natural constituency in the United States and we have all received mail from time to time critical of any foreign aid so long as we have unmet needs here at home. And yet, the Congress has continued to recognize that we not only have a humanitarian obligation to assist those nations less fortunate than ours, but also that it is in our national self-interest to do so. I think this is best summed up on page 5 of the committee report on this bill which reads, and I quote:

> The programs of U.S. economic assistance abroad authorized in this legislation are . . . in the self-interest of the United States because improvement in the lot of the world's hungry and poor lessens pressures which could erupt in international conflict involving our country.

The report goes on, and again I quote:

> Such programs additionally provide benefits for the American economy. The raw materials for U.S. industry come increasingly from foreign sources, particularly from the developing countries which we are now helping to get started on their own broadgaged economic development. These countries in turn are becoming increasingly important as markets for American products.

And the report concludes:

> And from the standpoint of U.S. foreign policy, the legislation is a major instrument in America's new relationships with the Third World as well as a practical expression of the desire of the United States to help those in need.

Mr. Speaker, I have noted with interest in the past 2 or 3 years that there actually is a growing constituency for U.S. foreign development assistance. This growing concern and commitment to helping less developed countries has emanated from church congregations across this land. Perhaps television more than anything else has brought into our homes the painful realities on world hunger and starvation in places like Bangladesh and the Sahel region. We can no longer turn our backs to these nations and ignore their problems. As an island of affluence in a sea of poverty, we are coming to recognize our growing interdependence with the rest of the world and our moral duty to help other countries help themselves. Interdependence is no longer just an option, but an imperative for the survival of this planet.

Mr. Speaker, I urge adoption of this rule and support for the development assistance bill it makes in order for consideration.

Mr. Speaker, I have no further request for time, and I reserve the remainder of my time.

Mr. MEEDS. Mr. Speaker, I want to commend the gentleman from Illinois (Mr. ANDERSON) for a very fine statement and join with him in stating my own belief that this foreign aid bill I believe to be a very fine departure from years ago, at least in that it is more people-oriented and directed to small programs that really reach the people, rather than the massive dam building and steel mill programs that we have had in the past. I think it is a good bill. I certainly agree with my colleague, the gentleman from Illinois (Mr. ANDERSON), that it is, among other things, clearly not only within the humanitarian interests of the United States but also the best interests of the United States to provide this kind of aid.

I have no further request for time, Mr. Speaker, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LEVITAS. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 380, nays 14, not voting 38, as follows:

[Roll No. 224]

YEAS—380

Abdnor	Bellenson	Burke, Fla.
Addabbo	Benjamin	Burke, Mass.
Akaka	Bennett	Burleson, Tex.
Alexander	Bingham	Burlison, Mo.
Allen	Blanchard	Burton, John
Ammerman	Blouin	Burton, Phillip
Anderson, Calif.	Boggs	Butler
	Boland	Byron
Anderson, Ill.	Bolling	Caputo
Andrews, N. Dak.	Bonior	Carney
	Bonker	Carr
Annunzio	Bowen	Carter
Applegate	Brademas	Cavanaugh
Armstrong	Breaux	Chappell
Ashley	Breckinridge	Chisholm
Aspin	Brinkley	Clay
AuCoin	Brodhead	Cleveland
Barnard	Brooks	Cochran
Baucus	Broomfield	Cohen
Beard, R.I.	Brown, Calif.	Coleman
Beard, Tenn.	Brown, Mich.	Collins, Ill.
Badham	Brown, Ohio	Collins, Tex.
Badillo	Broyhill	Conte
Baldus	Buchanan	Conyers
Bedell	Burke, Calif.	Corcoran

Corman	Jones, Okla.	Pritchard
Cornell	Jones, Tenn.	Pursell
Cornwell	Jordan	Quayle
Cotter	Kasten	Quie
Coughlin	Kastenmeier	Rahall
D'Amours	Kazen	Railsback
Daniel, Dan	Kelly	Rangel
Daniel, R. W.	Kemp	Regula
Danielson	Ketchum	Reuss
Davis	Keys	Richmond
de la Garza	Kildee	Rinaldo
Delaney	Kindness	Risenhoover
Dellums	Koch	Roberts
Derrick	Kostmayer	Robinson
Derwinski	Krebs	Rodino
Devine	Krueger	Rogers
Dickinson	LaFalce	Roncalio
Dicks	Lagomarsino	Rooney
Dodd	Latta	Rose
Dornan	Le Fante	Rosenthal
Downey	Leach	Rostenkowski
Drinan	Lederer	Rousselot
Duncan, Oreg.	Leggett	Roybal
Duncan, Tenn.	Lehman	Rudd
Early	Lent	Runnels
Eckhardt	Levitas	Ruppe
Edgar	Lloyd, Calif.	Russo
Edwards, Ala.	Long, La.	Ryan
Edwards, Calif.	Long, Md.	Santini
Edwards, Okla.	Lott	Sarasin
Eilberg	Luken	Satterfield
Emery	Lundine	Sawyer
English	McClory	Scheuer
Erlenborn	McCormack	Schroeder
Ertel	McDade	Schulze
Evans, Colo.	McEwen	Sebelius
Evans, Del.	McFall	Seiberling
Evans, Ga.	McHugh	Sharp
Fary	McKay	Shipley
Fascell	McKinney	Shuster
Fenwick	Maguire	Sikes
Findley	Mahon	Simon
Fish	Mann	Sisk
Fisher	Markey	Skelton
Fithian	Marks	Skubitz
Flippo	Marlenee	Slack
Flood	Marriott	Smith, Iowa
Florio	Martin	Smith, Nebr.
Flowers	Mathis	Solarz
Flynt	Mattox	Spellman
Foley	Mazzoli	Spence
Ford, Mich.	Meeds	St Germain
Ford, Tenn.	Metcalfe	Staggers
Fountain	Meyner	Stangeland
Fowler	Michel	Stanton
Fraser	Mikulski	Stark
Frenzel	Mikva	Steed
Frey	Milford	Steers
Fuqua	Miller, Calif.	Steiger
Gammage	Miller, Ohio	Stokes
Gaydos	Mineta	Studds
Gephardt	Minish	Stump
Giaimo	Mitchell, Md.	Thompson
Gibbons	Mitchell, N.Y.	Thone
Gilman	Moakley	Thornton
Ginn	Moffett	Traxler
Glickman	Mollohan	Treen
Goldwater	Montgomery	Trible
Gonzalez	Moore	Tsongas
Goodling	Moorhead, Calif.	Tucker
Gore	Moorhead, Pa.	Ullman
Gradison	Moss	Vander Jagt
Grassley	Mottl	Vanik
Gudger	Murphy, Ill.	Vento
Hagedorn	Murphy, N.Y.	Volkmer
Hall	Murtha	Waggonner
Hamilton	Myers, Gary	Walgren
Hammer-schmidt	Myers, Michael	Walsh
Hanley	Natcher	Wampler
Hannaford	Neal	Watkins
Harkin	Nedzi	Waxman
Harrington	Nichols	Weiss
Harris	Nix	Whalen
Harsha	Nolan	White
Heckler	Nowak	Whitehurst
Hefner	O'Brien	Whitley
Hightower	Oakar	Whitten
Holland	Oberstar	Wilson, Bob
Holt	Ottinger	Wilson, C. H.
Holtzman	Panetta	Wilson, Tex.
Horton	Patten	Winn
Hubbard	Patterson	Wirth
Huckaby	Pattison	Wolff
Hughes	Pease	Wright
Hyde	Pepper	Wydler
Ireland	Perkins	Wylie
Jacobs	Pettis	Yates
Jeffords	Pickle	Yatron
Jenkins	Pike	Young, Fla.
Johnson, Calif.	Poage	Young, Mo.
Johnson, Colo.	Pressler	Young, Tex.
Jones, N.C.	Preyer	Zablocki
		Zeferetti

NAYS—14

Archer	Ichord	Myers, Ind.
Ashbrook	Jenrette	Snyder
Bafalis	Lloyd, Tenn.	Symms
Bauman	McDonald	Taylor
Hansen	Murphy, Pa.	

NOT VOTING—38

Ambro	Dingell	Price
Andrews, N.C.	Evans, Ind.	Quillen
Bevill	Forsythe	Rhodes
Biaggi	Guyer	Roe
Burgener	Hawkins	Stockman
Cederberg	Heftel	Stratton
Clausen, Don H.	Hillis	Teague
Clawson, Del	Hollenbeck	Udall
Conable	Howard	Van Deerlin
Crane	Lujan	Walker
Dent	McCloskey	Weaver
Diggs	Madigan	Wiggins
	Obey	Young, Alaska

The Clerk announced the following pairs:

Mr. Teague with Mr. Young of Alaska.
Mr. Stratton with Mr. Lujan.
Mr. Heftel with Mr. Andrews of North Carolina.
Mr. Hawkins with Mr. Crane.
Mr. Biaggi with Mr. Hollenbeck.
Mr. Bevill with Mr. Burgener.
Mr. Dent with Mr. Don H. Clausen.
Mr. Diggs with Mr. Hillis.
Mr. Evans of Indiana with Mr. Madigan.
Mr. Howard with Mr. Cederberg.
Mr. Weaver with Mr. Guyer.
Mr. Udall with Mr. McCloskey.
Mr. Obey with Mr. Del Clawson.
Mr. Price with Mr. Stockman.
Mr. Dingell with Mr. Conable.
Mr. Ambro with Mr. Quillen.
Mr. Van Deerlin with Mr. Walker.
Mr. Roe with Mr. Wiggins.

Messrs. BONKER and SEIBERLING changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. ZABLOCKI. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6714) to amend the Foreign Assistance Act of 1961 to authorize development assistance programs for fiscal year 1978, to amend the Agricultural Trade Development and Assistance Act of 1954 to make certain changes in the authorities of that act, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. ZABLOCKI).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6714, with Mr. EVANS of Colorado in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Wisconsin (Mr. ZABLOCKI) will be recognized for 30 minutes, and the gentleman from Michigan (Mr. BROOMFIELD) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill before the Committee of the Whole—H.R. 6714, the International Development and Food Assistance Act of 1977—authorizes $1.7 billion for bilateral economic development assistance to most needy countries for fiscal 1978, and makes various other amendments to the Foreign Assistance Act and to Public Law 480, the food for peace program.

It is a good bill, drafted by the International Relations Committee following hearings and recommendations from its subcommittees, designed to serve humanitarian interests and at the same time the national interests of the United States.

It carries forward the American tradition of extending help to people in need, while at the same time encouraging the developing countries to help themselves, in a way which will insure the most effective use of our aid funds.

It is a bill which contains the major provisions requested by the President as a necessary part of his foreign policy program. It has bipartisan backing.

The $1.7 billion in authorizations for fiscal 1978 include the following:

The sum of $613 million—more than one-third of the total—for agricultural production, rural development and nutrition assistance to needy countries, to help in the campaign to increase food supplies and combat the malnutrition which afflicts the impoverished majorities in developing countries.

The sum of $181 million for assistance in population planning, and $106 million for health.

The sum of $85 million for education and human resources development, mainly to help improve education systems in poor countries.

The sum of $110 million for various forms of technical assistance, including technical aid to developing countries in developing non-nuclear sources of energy.

The sum of $50 million for U.S. participation in an international development program for the Sahel, which suffered from severe drought in recent years.

The sum of $272 million for U.S. contributions to international organizations and programs.

The sum of $220 million for operating expenses for the Agency for International Development.

The sum of $25 million for international disaster assistance worldwide.

The sum of $20 million for help to the victims of the recent earthquakes in Italy.

And $25 million for American schools and hospitals abroad.

The total of $1,706,950,000 is $152 million above the President's budget request for fiscal 1978—but the committee, after economizing where it could, nonetheless felt the other amounts are equally justified. I will identify for you the principal reasons:

For the food and nutrition assistance program, $61 million was added to provide for the potential renewal of a U.S.

bilateral aid program with India. This is simply a renewal of an amount previously proposed by the executive branch but not used last year. As Members know, there was a significant and encouraging change in India resulting from the elections this spring. The committee feels we should be in a position to take advantage of this potential aid relationship to the largest country in the developing world.

The sum of $14 million is added for assistance in the area of population planning, which is an effort strongly supported by the Congress.

The sum of $10 million is added for technical assistance to developing countries, mainly in the field of non-nuclear energy.

The sum of $17.5 million is for American schools and hospitals abroad, to restore that program to the level of $25 million which Congress has consistently approved over the past several years.

The sum of $26 million is for U.S. voluntary contributions to international organizations, such as UNDP, the U.S. Children's Fund, the OAS voluntary programs, and other worthwhile undertakings which were not included in the Presidential request.

And $20 million is added for assistance to victims of the earthquakes which struck Italy last year, an item for which there is no budget request but which has substantial congressional support.

Having pointed to the increases in this bill above the Presidential request, all of which are well merited, I wish to stress at the same time that the executive branch budget is not the only yardstick to use.

We have our own congressional budget measurements. If one looks at those, you will see that the total for international affairs spending for fiscal 1978 is running below the prospective congressional ceiling.

Furthermore, there are important nonbudget considerations such as our trade balances with developing countries—and most of them get nothing from this bill. Our trade surplus with developing countries was $8.9 billion in 1975.

And of course, most of what is in this bill is spent right here in the United States for the goods and services supplied. Of the $1.3 billion for development assistance in 1975, $1 billion was spent in the United States.

Mr. Chairman, there are other provisions of the bill which do not involve new funding. Basically, these are amendments to the Foreign Assistance Act and to Public Law 480 which strengthen the "new directions" mandated for foreign economic aid in 1973 and the food for peace reforms of 1975. These provisions assist the President's new initiatives for a constructive U.S. approach in the so-called "north-south dialog" with the world's developing nations.

We include recommendations designed to help improve the status of women and increase their integration into the national economies of developing countries, and thus help the total development effort.

The committee approved a human rights provision to the food for peace program similar to that which is already in effect for economic development assistance.

There are also provisions to encourage development in poor countries of alternative, nonnuclear sources of energy.

For Public Law 480, the food-for-peace program, we raise the minimum required for Public Law 480 title II humanitarian grant programs, which are administered to the needy abroad by private voluntary agencies.

And we add to Public Law 480 a food-for-development provision which is designed to give added incentive for the most effective use of Public Law 480 food for agricultural development in poor countries. The committee recommends debt forgiveness on Public Law 480 concessional sales for the countries undertaking special development programs with the proceeds from the food they receive.

Members may also wish to note that several restrictions in existing law against aid to countries trading with Vietnam or Cuba are removed. These restrictions have become outdated and relatively meaningless, since they are already subject to Presidential waiver. However, this bill in no way changes present restrictions against U.S. aid to either Vietnam and Cuba.

In sum, H.R. 6714 stresses the humanitarian aspect of our foreign policy by focusing on basic human needs of the poor in developing countries. It stresses self-help by the developing countries. And it seeks to use our funds in the most effective way to achieve these ends.

At the same time it is a bill very much in our national self-interest. To the extent that we can improve the lot of the hungry and poor abroad, we are lessening pressures which could erupt in international conflict involving our country.

Also, the developing countries receiving assistance under these programs are becoming increasingly important sources for raw materials which we need. And as their economies expand, so do their purchases of American products.

I urge the House to overwhelmingly approve this bill because of the meritorious provisions contained therein.

Mr. BROOMFIELD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would first like to congratulate our chairman, the gentleman from Wisconsin (Mr. ZABLOCKI), who has done such an excellent job in handling this bill before our committee.

I certainly want to join in the gentleman's remarks in articulating the purpose of this legislation.

I rise in support of H.R. 6714. This bill is a continuation of the "new directions" approach developed by the International Relations Committee in 1973 and refined in the last few years with the support of the Ford administration.

The hallmark of this approach is its movement away from the large, showplace type of projects which once characterized U.S. development assistance programs and a movement toward a new emphasis on programs to increase the capacity for self-help of the neediest sectors of the population in developing nations. This is the heart of our "new directions" philosophy.

In my opinion, this legislation would provide a reasonable and justifiable level of assistance to the people of developing nations.

A few other AID donor countries give more assistance as a percentage of GNP, by some measures, than the United States. However, the quality and nature of the assistance given is one of the most important aspects in assessing the value of foreign aid. By any measure, I believe the United States excels in this respect.

One of the most fundamental problems facing developing countries today is the need for progress in rural development to improve their food production and distribution capabilities. This facet of development is basic to a long-term capacity for self-help. America has demonstrated a unique ability and expertise in the area of agricultural productivity. We can therefore contribute very constructively to the overall development of the world's neediest people by helping them develop appropriate skills in agricultural production and distribution.

Indeed, the legislation we are considering strongly recognized this fact. More than one-third of the funds authorized by H.R. 6714 are allocated to agricultural and rural development, with particular emphasis on improving the productivity of small farmers who make up the vast majority of the populations of most recipient nations. H.R. 6714 also adds a new "food for development" provision to U.S. food aid programs, further emphasizing the use of our Public Law 480 title I food aid to promote rural development in needy countries.

Some of my colleagues remain skeptical about foreign assistance programs in general. In this regard, I want to point out that the levels of assistance authorized by this legislation are justified by enlightened self-interest as well as the compelling humanitarian concerns more frequently cited. Our development aid can help reduce the conditions of poverty and thus reduce the likelihood that the frustrations inherent in such conditions may result in outbreaks of international conflict. Moreover, our own economic development in the United States increasingly relies on raw matrials from developing countries. Promoting the general development of these nations in a manner designed to equitably distribute the benefits can help to increase their stability as sources of raw materials, as well as providing expanding markets for U.S. goods and services.

Lastly, I want to touch upon the serious issue of human rights. The administration has called increasing attention to its views on this issue, especially as regards countries receiving U.S. aid. I agree that the issue of human rights is one of fundamental importance to

Americans, as it should be. However, I believe that the administration must take great care to utilize rational and meaningful criteria in its efforts to promote human rights abroad. These criteria ought to be applied in an even-handed manner. This application should reflect a coherent policy recognizing not only the ideal of human rights, but the practical aspects of implementing U.S. human rights policy in a world in which only a small number of countries are practicing democracies, as Americans understand that term. Fundamental considerations such as these must be addressed if the United States is to be known as the most effective advocate of human rights rather than merely the most outspoken.

In conclusion, I believe this bill should be passed, and I urge your support.

At this time, Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Kansas (Mr. WINN).

Mr. WINN. Mr. Chairman, I thank the gentleman from Michigan for yielding to me. I also rise in support of H.R. 6714 which is known, of course, to all of us as the International Development and Food Assistance Act of 1977.

As the chairman of the full committee, the gentleman from Wisconsin (Mr. ZABLOCKI) said this bill would authorize a total of $1.7 billion dollars for U.S. self-help development assistance programs for the people of some of the neediest countries in the international community for fiscal year 1978, as well as making certain amendments to Public Law 480.

H.R. 6714 authorizes programs which are addressed to fundamental problem areas faced by development nations. More than a third of the funds authorized by the bill are allocated for rural development and increasing agricultural productivity. There is virtually no one who is not yet aware of the serious world food problem. The emphasis in this legislation on self-help programs to increase the agricultural productivity of the small farmers who make up such a large segment of the needy majorities in developing nations is a necessary aspect of achieving long-term solutions to the debilitating and destabilizing problems of hunger and malnutrition.

The bill also authorizes funds for important development programs in the areas of population, health, education, technical assistance, and disaster relief, among others. Population and health are closely interrelated matters affecting development. Without the promotion of effective population planning efforts by developing countries, continued rapid population growth will just tend to offset progress in areas such as increasing per capita food production.

Obviously, poor health conditions which are principally manifested by high rates of infant mortality make it more difficult for the poor in developing countries to convince themselves of the importance of population planning. Ironically, of course, when health programs do begin to bear fruit, there often seems to be a persistent lag in commencing population planning programs. This lag coupled with the declining death rates arising from successful health programs further exacerbates population growth problems for a period of time. One important health program will direct effects on development which H.R. 6714 will support is the U.S. contribution to the multidonor program to wipe out the serious disease problem of river blindness in a number of the West African countries. Eradication of this hazard will allow resettlement and argicultural development of some large relatively fertile areas in Mali, Ghana, Upper Volta, Ivory Coast, Niger, Togo, and Benin.

This legislation will help to promote the development of appropriate energy resources in recipient countries. H.R. 6714 earmarks funds for research, development, and the use of renewable, small-scale energy sources specifically appropriate to agricultural and rural development needs. Similarly, the bill contains technical assistance funds to help encourage developing countries to concentrate on nonnuclear energy sources. Such programs are essential in view of the fact that developing countries have suffered the most from the enormous increases in oil prices.

One section of H.R. 6714 which I consider significant is the provision dealing with women in development. This section recognizes that women constitute a significant human resource for enhancing development efforts. Unfortunately, U.S. assistance programs have often given insufficient attention to integrating women into the national economies of developing countries. Thus, our aid programs have under-utilized the potential for further enhancing recipient countries' overall development inherent in the more effective participation of women. H.R. 6714 would encourage AID to give greater attention to implementing development assistance projects, programs, and activities which will better achieve this integration.

Title II of this legislation makes a number of worthwhile amendments to Public Law 480. Among the most significant is the one authorizing the inclusion of high protein, blended and fortified foods in title I concessional sales programs. This section is particularly important to those poor countries whose level of programs toward economic self-sufficiency is enabling them to begin the transition from title II humanitarian grant programs toward title I concessional sales. Second, I feel the provision of the committee's bill to increase the minimum tonnage of commodities for the title II humanitarian grants is commendable. An increase to 1.6 million tons from the present minimum of 1.3 million tons is provided for. Much of these commodities go into needed material and child health programs administered by private, nonprofit voluntary agencies such as CARE and Catholic Relief Services.

I have not adequately addressed all of the good features of this legislation in the interest of conserving time. However, in conclusion, I want to point out that H.R. 6714 may be justified by considerations of U.S. self-interest in addition to the obvious humanitarian reasons. It should be apparent to any prudent person that continued U.S. prosperity is increasingly closely related to development of Third World countries and the increased stability which the benefits of that development imply. That increased stability and progress in the developing world directly reduces the risk of outbreaks and international conflicts into which the United States may be drawn. These improved conditions should hopefully also help to provide a more rational and reliable basis for U.S. access to raw materials and offer expanded markets for U.S. exports. In light of the above considerations, I would encourage passage of H.R. 6714.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. WINN. I am happy to yield to the gentleman from Illinois (Mr. FINDLEY), a member of the full committee.

Mr. FINDLEY. Mr. Speaker, I thank the gentleman for yielding and I am glad that the gentleman from Kansas (Mr. WINN) pointed out the emphasis on food productivity in this bill. I congratulate the Agency for International Development, and in particular Governor Gilligan and the new Board for International Food and Agricultural Development, headed by Clifton Wharton, president of Michigan State University, for doing excellent preparatory work under the title XII program which will give a major new role to land grant universities in establishing better systems for educating farmers in the third world.

Again I thank the gentleman from Kansas for yielding to me.

Mr. WINN. Mr. Chairman, I thank the gentleman from Illinois (Mr. FINDLEY) for his kind words. I know of the gentleman's keen interest in this field and we appreciate the work he has done in putting this bill together.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia (Mr. RAHALL).

Mr. RAHALL. I want to congratulate, Mr. Chairman, the chairman of the committee and the members of that committee for their long and hard work on this bill. I have agonized long over this bill, Mr. Chairman, and find many features of it that I fully agree with in helping the poor in the underdeveloped countries and in the developing countries. However, Mr. Chairman, I must be very frank with you and my colleagues as we consider H.R. 6714 on the floor today.

I believe that it is unfair to ask me to support legislation that authorizes $25 million to provide prompt disaster assistance for developing nations, with an additional $20 million to rebuild earthquake damage in northern Italy, when I cannot get more direct aid to help flood victims in Appalachia.

For 7 weeks now, southern West Virginia residents have been frustrated, pacified, and downright refused prompt Federal aid to help alleviate their suffering due to the recent flooding.

Those who live in the developing na-

tions stand to receive disaster relief from the U.S. Congress quicker than the flood victims in West Virginia, who live less than 6 hours from Washington, D.C., by car.

After seeing for myself the hell that the flood victims have experienced, it would be ludicrous for me to tell them that their tax dollars were going to rebuild homes in northern Italy, when they have been sleeping in the rear of pickup trucks.

I am asked to support H.R. 6714, because it will be good for the American economy. But I feel, Mr. Chairman, it is time to reflect upon the inequities that exist all too often in our own Nation. The elderly, the poor, and the hungry in the United States, suffer just as much as the afflicted in India or the Sahel.

I am astonished that this body would intend to authorize the spending of $110 million for energy development projects oversees, when we can not even protect our own coal miners from black lung disease.

It is mind boggling, Mr. Chairman, and all I ask of my colleagues, those who represent districts where disasters have occurred in the past recently or where disasters may occur in the future, is that they think about the needs of their own constituents before voting on this authorization.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Chairman, I rise in support of this legislation. We Americans do, of course, have problems, and we have human needs, but we are so enormously wealthy we do not even understand our wealth, and the modest amount that we are investing in foreign assistance programs and economic assistance programs around the world not only helps to alleviate desperate human needs but also to serve our national self-interest.

I should like to address my remarks primarily to the title II food-for-peace provisions of the legislation.

Mr. Chairman, our record as a humanitarian Nation in meeting world food needs is well established. Since 1954 when the Agricultural Trade Development and Assistance Act—better known as Public Law 480—became law, the United States has provided more than $25 billion in food aid. In the past 10 years 80 percent of all the food that moved in world food-relief channels originated in the United States.

Even Emma Rothschild in her overly critical article entitled "Is It Time To End Food for Peace," published in the New York Times Magazine on March 13 of this year, has admitted that in Public Law 480—

> The U.S. Congress wrote a law which changed the diet and the political life of half the world.

Since the inception of Public Law 480, the U.S. Government has sent food to 130 countries around the world.

In my judgment, the food-for-peace program is neither obsolete nor a failure in its mission. There may well have been mistakes in its administration or errors in judgment or motives which were less than charitable at times, but the overall record of the program is an impressive one. Who can determine how many more human beings may have died from starvation had it not been for the food provided by Public Law 480? How can the number yet to be saved from starvation by Public Law 480 be ascertained?

In providing assistance to the less fortunate countries the United States faces a three-fold problem; and in the legislation before us today, H.R. 6714, the Committee on International Relations has sought to address itself to and provide a measure of relief to each phase of the problem.

First, there is the necessity of providing immediate relief for hunger around the world and the alleviation of emergency disaster situations when they may arise. Second, there is the problem of malnutrition in the poorer countries and their inability to meet the increasing needs of their citizens for more adequate diets. Third, there is the long-term problem of increasing population.

The immediate relief of hunger and disaster situations takes the form of direct food aid through Public Law 480. When a man is hungry because of lack of food or because of inability to buy, the solution to his problem is food aid. Programs to improve agricultural production will not help in this instance. He will die of starvation before the improvement materializes.

U.S. food aid under Government financial programs totaled $1.4 billion in fiscal 1976. Public Law 480 accounted for about four-fifths of all Government program shipments in the last fiscal year. Title I sales amounted to $645 million. Wheat accounted for almost 60 percent of all title I shipments, followed by rice at 22 percent of the total, with wheat flour, soybean oil, and cotton at 6 percent each. Bangladesh was the principal title I importer, taking about one-fourth of the total.

As in recent years, Public Law 480 title II exports last year accounted for about one-fourth of all food aid under the food-for-peace program. During 1976 value of commodities shipped under title II amounted to $327 million. In 1977 estimates of the value of title I commodities stand at $834 million with title II at $541 million.

The International Development and Food Assistance Act of 1975 required that at least 75 percent of the food commodities provided under title I be allocated to countries with a per capita GNP under $300. In fiscal 1976, 70 percent of all title I food shipments went to nine countries that had a 1974 per capita GNP below $300 and whose population represented about 52 percent of total developing countries population. If all food aid shipments were included—title II and AID's mutual security—for 1976, then about 57 percent of all Government exports went to 38 countries with a per capita GNP below $300. It should be noted that there were a total of 44 countries which had a GNP per capita below $300.

So long as the committees of the Congress continue to fine tune the provisions to meet present world needs and changing situations, Public Law 480 will not become obsolete. This year the Committee on International Relations is recommending that emphasis of direct food aid be concentrated on individual human needs and the use of food aid to promote economic development in poor countries. H.R. 6714 amends the present title I 75–25 allocation formula as required by existing statute by: First, determining eligibility for countries in the 75 percent catagory based on the poverty criterion of the International Development Association, IDA, rather than the $300 per capita GNP figure, thus taking into account the weakening of the dollar by inflation; second, extending the Presidential waiver authority, allowing the 75–25 requirement to be waived if he certifies that the quantity of commodities that could be otherwise allocated to countries in the 75 percent category could not be used effectively for humanitarian purposes; and third, removing the provision for congressional disapproval.

As written, our bill would also raise the minimum tonnage of commodities to be distributed under title II from 1.3 million tons to 1.6 million tons. Of that total, the amount that must be distributed through nonprofit voluntary agencies and the world food program is raised to 1.3 million metric tons. Highest priority in distribution is to be given to malnourished children and the poorest regions of developing countries.

The committee, to keep Public Law 480 a fresh and vibrant force in the international community, recommends that no Public Law 480, title I sales agreement be made with any country that engages in a consistent pattern of gross violations of human rights, unless the President determines such assistance will directly benefit the needy. Such a provision is consistent with the policy of the administration and the provisions already incorporated in the Foreign Assistance Act of 1975 relative to other forms of assistance.

There are at least three purposes to Public Law 480. It began in 1954 as a program to dispose of surplus agricultural commodities. It has evolved into a program to help hungry people. It remains a way to create markets for American food. There is no need to apologize for any of these. Each one complements the other and, to be sure, there have been times when each has competed and jousted with the other. But this attests to its flexibility and its usefulness both to our own country and to the developing nations of the world.

It should also be observed that while the United States has supplied 80 percent of the world's food aid during the last 10 years she has done this, on the whole, without making the recipient nations deeply dependent upon our continual assistance. There is always this grave danger in providing food aid that we might also provide disincentives to the recipient nations impeding their abilty to achieve self-sufficiency in agricultural production. To the everlasting

credit of donor and recipient, this danger has been, for the greater part, averted.

Direct food aid through Public Law 480 represents our attempt to alleviate the present immediate problem of hunger. At this juncture the emphasis on the mid-term programs comes into focus. In general, these programs are designed to improve the world food situation through self-help programs within those developing countries through the expansion of agricultural production in those countries. In the promotion of this goal, H.R. 6714 authorizes $613 million for aid to promote self-help by developing countries in enlarging their farm output and advancing rural development. These funds are focused on raising the productivity of small farmers who comprise the bulk of rural populations of the Third World.

FAO has concluded that out of 97 developing countries, 57 were deficient in food energy and has estimated the number of malnourished in the world—excluding Communist Asia—at about 460 million people. The best solution to the problem of malnutrition is to develop programs and policies to provide farmers in the developing countries with techniques and assistance to raise their production, and to provide others with employment opportunities to raise their incomes to enable them to pay for adequate diets.

There is little doubt that the emphasis on self-help and technical assistance is the right track. Several authoritative studies agree that only 44 percent of the world's cultivatable land is actually being cropped. Country-by-country investigations, even in a country like Bangladesh, have led to the conclusion that there may well be no country without adequate agricultural resources to feed its population. But these resources must be developed.

It was for this reason we recommend establishing under Public Law 480 a new food for development program, under which funds from title I concessional sales may be used for agricultural and rural development, including voluntary family planning, health, and nutritional programs. Under this program funds generated by local sales of commodities may be used for these purposes and credited against repayments which the country would otherwise have to make.

This brings us to the long-term problem and the long-term solution. Long-term assistance in family planning must be the main thrust on into the 21st century. Population growth, the major determinate of demand for food, is faster among the developing countries where 70 percent of the world's people live. World population is growing at a rate of 70 million people a year, with the developing countries accounting for 86 percent of the annual increase.

The United Nations has generally accepted a world population estimate of 6.2 billion by the year 2000 and 9 billion by the 21st century. The committee's bill contains provisions that are specifically designed to enable the United States to deal more effectively with the problem of rapid population growth. We are recommending an authorization of $181 million for specific activities in the field of population planning.

In a related measure, Mr. Chairman, the committee has recognized and addressed the need for affording women a greater role in the development process in poor countries. This provision encourages AID to give greater consideration to U.S. development assistance programs to the important contributions that can be made through programs and activities which tend to integrate women into the national economies of their countries, thus improving their status and assisting the total development effort. Sociologists agree that the population problem will never be solved in the developing countries until the role of women is elevated.

Finally, Mr. Chairman, it should be admitted that the programs of U.S. food and economic assistance abroad authorized in this legislation are not only humanitarian and altruistic, but also serve the self-interest of the United States as well. Improvement in the lot of the world's hungry, malnourished, and poor not only lessens the economic burdens which our humanitarian concerns lead us to bear but relieves pressures which could erupt in international conflict involving our country. There is credibility to be found in the ancient saying that even God does not dare approach a hungry man without a piece of bread in His hand. A prospering world is a more peaceful world.

This legislation is also an integral part of American foreign policy because it embodies America's new relationship with the Third World and serves as a practical expression of the desire of the United States to help those in need. Assistance authorized under this legislation is an investment in the future for our generation and the generations which are to follow. In my judgment, these investments will pay impressive dividends in the future.

These programs will also provide benefits for the American economy. Many of these developing countries will be supplying increasing amounts of raw material for U.S. industry. These same countries, in turn, are becoming increasingly important as markets for American products, especially agricultural commodities. This is of vital interest to the American farmer. It is a well known fact that American farmers have the capacity to produce far beyond that which the domestic market can absorb. This productive capacity has become vital to our balance of payments. In fiscal 1975 a $12 billion surplus in agricultural trade more than offset a $10 billion deficit in trade of nonagricultural products. Agricultural exports alone, amounting to $22 billion, nearly offset the foreign exchange cost of our petroleum imports. In fiscal 1976 exports of $22.8 billion produced an agricultural trade surplus of $12 billion, bringing the overall U.S. trade balance into the black despite a large deficit in nonagricultural trade.

If farm exports were still running at the $6 billion annual level of 1969, instead of the current $23 billion level, many more people in the world would be hungry. Many more U.S. citizens would be out of work if it were not for the current high level of agricultural exports. Approximately 1 million jobs, both on and off the farm, are generated by export of farm products.

We must sell a large part of our farm production abroad. Farmers export one-half or more of their soybeans, rice, and cattle hides; two-thirds of their wheat; one-fourth of their feed grains; one-third of their cotton, tobacco, and tallow and sizable shares of other commodities. Efficient production combined with aggressive commercial marketing of American farm goods, tied with concessional sales and outright food grants to nations in emergency situations benefit both domestic and foreign consumers, as well as the American farmer.

Food assistance under Government-financed programs amounts to 5 percent of our total agricultural exports now totaling 103 million metric tons. Every State contributes to the Nation's export achievement realizing American dollars for their efforts. While 10 States—Illinois, Iowa, Texas, California, Kansas, Nebraska, Indiana, Minnesota, Ohio, and North Carolina—accounted for 60 percent of the total, my State of Alabama realized its healthy share. In fiscal 1976 the value of export shares of agricultural commodities for Alabama amounted to $222.7 million. In 1973 her share amounted to $120.3 million, in 1974 the figure was $183.9 million, and in 1975 the amount was $221.7 million. Soybeans, cotton, feed grains, protein meal, and poultry products contributed the most.

Under the food-for-peace program in fiscal year 1976 alone, Alabama farmers and processors received $14,204,000 for grain and other agricultural commodities distributed to people in developing countries.

In addition to Alabama farmers, Alabama manufacturers and suppliers also benefit from the foreign aid programs administered by AID having received $196,495 in fiscal year 1976 for U.S. commodities shipped to less developed countries. The amount for fiscal 1976 brings to $76,593,756 the total value of AID financed products purchased in Alabama during the 8-year period—fiscal 1969 through 1976. The commodities produced by U.S. workers in private enterprise help economic development in the lesser developed and developing countries. These commodities include agricultural and industrial equipment, iron and steel mill products, electrical equipment, engines and turbines, fertilizers, motor vehicles, chemicals, and rubber products.

Besides financing exports of various products, AID also has contracts with Alabama universities, research institutions, and qualified experts for specialized technical services. These contracts enable the United States to apply American skills and experience to help people in developing countries in their struggle against disease, hunger, illiteracy and overpopulation.

In Alabama, such AID contracts in effect June 30, 1976, had a total value of $13,617,302. One of these contracts is with Auburn University in the amount

of $2,107,412 for a continuing aquaculture research project in which experimentation and research are carried out as to the breeding and raising of fish in fresh and brackish waters. Such a program has already been of great help to the developing countries and to our own population with their findings as to catfish farming.

Other Alabama contracts exist with Doss Aviation of Fort Rucker, International Fertilizer Development Center in Florence, and Tuskegee Institute.

It is elementary, though sometimes unacknowledged, that in order to assure the availability of agricultural commodities for donation those commodities must be produced by the American farmer. The farmer, in turn, must have the incentive to produce those commodities. Title I sales have been an important component of that incentive throughout the history of Public Law 480. Since 1974 the Government has no longer paid farmers not to produce. Crops set-asides have been discontinued. With a hungry world and an even increasing world population to deal with it is imperative to maintain full, efficient, and all-out production. Full production is mandatory not only for the quantity of food realized, but it is also necessary to assure that food is produced as economically as possible. The technology and efficiency of the American agriculture operation is unsurpassed anywhere else in the world.

Mr. Chairman, those of us who formulate these programs and pass these laws must keep reminding ourselves that Congressmen, Senators, bureaucrats, and journalists do not produce food and fiber. Only farmers produce food and fiber and the farmer must be assured an adequate income while producing not only enough to insure adequate domestic supplies but enough to assist in the feeding and nourishing of the underfed, the undernourished, and the underdeveloped nations of the world.

Mr. ZABLOCKI. Mr. Chairman, I yield 3 minutes to the gentlewoman from New Jersey (Mrs. MEYNER).

Mrs. MEYNER. Mr. Chairman, I rise in support of H.R. 6714. This bill extends and strengthens the "New Directions" program mandated by Congress in 1973. The New Directions program seeks to assure that our development program benefits the truly needy people of the world.

I would like to address myself to two aspects of this bill that have been of particular interest to me as a member of the International Relations Committee. The first is section 108 of this bill, which seeks to integrate women into the national economies of the countries receiving our assistance. Our chairman, the gentleman from Wisconsin (Mr. ZABLOCKI), touched on this, during his opening remarks.

The role of women in the third world has often been neglected by development officials. For example, in many parts of Africa and Latin America, women play the primary role in agricultural production and marketing. Yet, Western officials who seek to provide agricultural assistance to these people, have often assumed that men run the show. The result is often disruption and inefficiency.

Section 108 recognizes the important human resources represented by women and calls on AID to integrate women into their development efforts in a systematic way.

I would also like to discuss the role of private voluntary organizations in our aid programs. One of the key elements in the New Directions program, is the emphasis on the utilization of private voluntary organizations, or PVO's, for the delivery of many of the services provided by our Government abroad. Many of the PVO's have an excellent record of efficency, compassion, and understanding of local conditions that makes them ideal vehicles for our development assistance.

I was disappointed to note in committee that AID has estimated that the amount of aid going through PVO's is expected to decline somewhat in fiscal year 1978. I was asured by AID officials that this was merely an estimate.

However, I would like to take this opportunity to state again my strong feeling that the amount of aid going through PVO's should be increased and not cut back.

In addition, I would like to urge AID to consider routing as much aid as possible through small, innovative PVO's with good records of efficiency. There smaller organizations are less likely to suffer from the maladies of waste, excessive administrative costs and inertia that afflict national and international development institutions.

I have highlighted only two of the features of our development program today. However I believe this bill contains many excellent features that are equally praiseworthy. I urge my colleagues to support this measure.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. WHALEN).

Mr. WHALEN. Mr. Chairman, I rise in support of H.R. 6714. I would like to direct my comments this morning to section 115 of the bill which deals with the Sahel development fund. The new directions provide that economic assistance should be focused on the poorest of the poor nations. Indeed, section 115 does exactly that. During the Easter recess the gentleman from Michigan (Mr. DIGGS), chairman of the African Subcommittee, along with the gentleman from New York (Mr. SOLARZ) and myself made an inspection trip to the Sahel nations. I would like to make just a few observations at this point regarding this part of the world.

There are eight countries that constitute the Sahel region. They have a total population of about 25 million. They are located in western Africa, many of them abutting the Sahara Desert. As I indicated, they are the poorest of the poor countries in the world. They have an average annual per capita income of less than $100. The infant mortality rate, depending upon the country, is 30 to 40 percent. The average life expectancy is less than 40 years. The literacy rate is less than 10 percent.

As we all recall, in 1973 this area of Africa experienced a very severe drought. As a result, thousands of lives were lost. Hunger was rampant due to the loss of agricultural commodities, as well as cattle and livestock. The nations of the world responded to this crisis. In the last 5 fiscal years the Sahel states have received from donor countries approximately $3.1 billion. Of this, the United States will have provided approximately $250 million. However, the eight Sahel countries were determined that they would try to overcome the problem so that this would not recur in the future. Therefore, these eight states set up an organization known as the Interstate Commission To Combat the Effects of the Drought. Its acronym is CILSS. They have been meeting for about 3 years in an effort to develop a long-range program.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 additional minutes to the gentleman from Ohio.

Mr. WHALEN. Mr. Chairman, CILSS' long-range program is designed not only to avoid future droughts, but also to enable the Sahel countries to become agriculturally self-sufficient as well as to achieve economic viability. At the same time, a counterpart organization was established among 12 donor nations, including the United States, and 22 international organizations. This compact is known as the Club des Amis du Sahel—Club of the Friends of the Sahel. This group stands ready to provide funds and assistance to the eight Sahel nations. These eight nations concluded their planning discussions during their April meeting in Jagadovgov, Upper Volta. They will present the projected 23-year program in Ottawa, Canada, on May 31, June 1, and June 2. At that time, phase one of the program, which will extend through 1983, will be considered by the club, possibly modified, and then will be adopted. The United States, along with the other members of the club, has promised to lend financial support.

Mr. Chairman, this bill authorizes a $50 million contribution to the Sahel Development Fund for fiscal year 1978 plus an additional $150 million to be expended in the future. Since we are seeking to help the poorest of the poor nations, in my opinion one of the important features of H.R. 6714 is the Sahel Development Fund, section 115. I hope that this section will be preserved and the Members of this body will approve H.R. 6714.

Mr. ZABLOCKI. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Chairman, I would

like to begin by taking this opportunity to compliment the chairman of our committee, the distinguished gentleman from Wisconsin (Mr. ZABLOCKI), who I think has done an absolutely superb job in bringing his first foreign aid bill to the floor. I know that this, in political terms, is a baptism under fire, and I think that he has acquitted himself with the utmost distinction. Of course, he had 19 years of training as the ranking majority member of the committee in order to prepare himself for this great day, and I think he has demonstrated in the way in which he chaired the meetings of our committee, and in the way in which he defended the bill on the floor, that he has just about mastered the details of this complex and significant legislation.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I yield to the chairman.

Mr. ZABLOCKI. I thank the gentleman for yielding, and I also want to thank him for his very high compliment, but if I have had any success as the new chairman, it is, in part, because of the great contribution which the gentleman from New York has made to the committee and to the consideration of legislation before that committee. I want to express my appreciation for his help.

Mr. SOLARZ. I appreciate that very much, Mr. Chairman.

Let me say, addressing myself to the substance of the bill, that I think this legislation is really the embodiment of American idealism. It is an effort on the part of our country to help the poorest people of the poorest parts of the world improve the social and economic conditions under which they live. There are today throughout the world over a billion people living in conditions of the most abject and abysmal poverty imaginable.

I have had an opportunity, as a member of the International Relations Committee, over the course of the last year, to travel to many of these countries. I have been to Bangladesh and India on the subcontinent. I have, as has the distinguished gentleman from Ohio and the distinguished gentleman from Michigan, visited the Sahelian countries in old French West Africa, and I have seen people living under the kinds of conditions which I think the great majority of the American people would find almost virtually impossible to comprehend. These are people who live in countries in which over 90 percent are illiterate; people who live in countries in which the per capita income is less than $100 per year; people who live in countries in which the life expectancy of the average person is somewhere in the vicinity of 37, 38 or 39 years; and they are people who live in countries in which, incredible as it may seem, up to 50 percent of the children die before they reach the age of 5.

It seems to me that as the richest country in the world, that we do indeed have a moral obligation to share some of the plentitude of our own resources with the poorest peoples of the world, in an effort to help them surmount the overwhelming obstacles that lie in the path of their own development. We do, after all, have only 6 percent of the population of the entire world, at the same time that we consume and produce over a third of the world's riches and resources.

It seems to me that we ought to be doing what we can to share this wealth and these resources and these riches with those who are less fortunate than ourselves. But, beyond whatever moral obligation we may have to extend foreign aid and assistance to the poorest peoples of the world, it seems to me that we also have a significant economic interest in the enactment of this legislation as well. The fact is that almost 30 percent of our exports and almost 25 percent of our imports are either sent to or come from the least-developed countries in the world.

So I would submit that this legislation is not only a manifestation of idealism but an exercise in self-interest.

The CHAIRMAN. The time of the gentleman from New York (Mr. SOLARZ) has expired.

Mr. ZABLOCKI. Mr. Chairman, I yield 3 additional minutes to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Chairman, I think we ought to view this legislation as an effort which might, in commercial terms, be called market development. In the long term, the growth and the development of our own economy is inextricably related to the growth and the development of the economy of the poorest countries of the world

I would suggest, in these terms, that this legislation will ultimately pay enormous dividends, not only to the poorest people living throughout the developing world, but ultimately to the people of our own country, who will benefit from the natural growth in imports from, and exports to, these developing countries as well.

If I may, Mr. Chairman, I would like, in closing, to deal briefly with two of the major criticisms which have been leveled against our foreign aid program.

The first is that foreign aid, in effect, constitutes a program in which we tax poor people in our country in order to help rich people in the developing countries. I am rather inclined to agree with the contention that our own tax code is inequitable. But I must fundamentally disagree with the contention that foreign aid is an effort to help rich people in other countries.

The fact is that over two-thirds of the food and nutritions aid in this program is destined for countries with people who have a per capita income of less than $300 a year. The fact is that three-fourths of our Public Law 480 assistance is destined for countries with people who have a per capita income of less than $520 a year. To someone who has exhaustively examined our foreign aid programs in countries all over the world, I can tell the members of this committee that, with very few exceptions, our foreign aid is in fact being used to help the poorest people in the poorest countries learn how to read, how to increase their agricultural production, and how to uplift their health standards as well.

The second major criticism levied against this bill is that, at a time when we have so many unmet social and economic problems here at home, we cannot afford to spend so much money on foreign aid abroad.

Let me tell my colleagues on the Committee that if there is any criticism to be made about this bill, it is not that we are doing too much, but rather that we are doing too little. The fact of the matter is, as a percentage of our gross national product, we are spending less on official development assistance than most of the richest countries in the world. Indeed, of the 17 most developed nations in the world we rank 12th in terms of the percentage of our gross national product which is devoted to development assistance.

And, if we look at it in constant dollar terms, we are actually spending 50 percent less today on foreign aid than we did almost 15 years ago.

So I think we should support this bill—even if it does not do as much as I think it should—because it does constitute a constructive response to the plight of hundreds of millions of poor people around the world who desperately need our assistance.

Mr. BROOMFIELD. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Chairman, I rise to discuss H.R. 6714, since I have some misgivings about it. The committee applied itself to the consideration and development of this legislation with the best of intentions, and in many ways the product of these efforts is commendable. However, in a spirit of the most constructive skepticisms, I entertain some doubts concerning facets of this bill.

To begin with, H.R. 6714 continues the regrettable trend, which the Congress has embraced with such unseemly alacrity, of constantly increasing levels of Federal expenditures. How any public servant can have failed to note the anguished cries of the vast majority of taxpayers seeking reasonable restraints on the official disciples of the theory that more spending is the solution to every problem is beyond me. Yet, the level of authorizations contained in H.R. 6714 exceeds our fiscal year 1977 authorization by some $210 million. Loyal supporters of the current administration will note that this bill provides for nearly $152 million more than the administration's budget request. In a spirit of generosity, this legislation even exceeds the committee's own recommendations to the budget committee by $32 million.

H.R. 6714 also further expands the reporting burden of the executive branch. A degree of required reporting is necessary for meaningful legislative oversight, but in looking over the provisions of this bill, one is left with the uncomfortable feeling that requiring periodic reports by the executive branch on virtually anything and everything is becoming a psychological compulsion for some Members.

May I remind the Members we have

established a special committee to deal with the problem of Federal paperwork. The President has vowed to deregulate many industries and has joined in the chorus against paperwork demanded by the Federal bureaucracy. Yet here is Congress, and specifically the House International Relations Committee and the Senate Foreign Relations Committee, demanding more and more reports often reaching the stage of trivia.

Another matter which gives me pause is the apparent continuation in H.R. 6714 of the recent trend toward loading down the statute books with gratuitous and rather loose philosophical comments and advice. Too frequently such provisions are vague at best, and more often largely redundant. An example of this phenomenon in H.R. 6714 is the section concerning future U.S. development assistance. Even given a charitable reading, it is difficult to identify much there in the way of practical guidance for the executive branch.

This legislation will add a provision to title I of Public Law 480 to prohibit concessional commodity sales under that title to countries which consistently violate human rights. A limited waiver is possible under certain circumstances. I sympathize with the good intentions from which this provision sprang. I am as committed to the important principle of respect for human rights as are other Members. Nevertheless, under this new restrictive provision. I am curious whether the administration will be able to continue its proposed title I programs for such countries as Ethiopia, Pakistan, and Guinea, to name a few.

It is one thing to be committed to human rights in the abstract, and quite another to encumber our foreign aid legislation with prohibitions that past experience should have taught us are difficult to carry out in a fair and coherent manner.

Mr. Chairman, I first wish to commend the chairman of our committee, the gentleman from Wisconsin (Mr. ZABLOCKI) for his astute handling of this bill. I say this not in a perfunctory manner, because I sincerely appreciate the effectiveness of the gentleman. Also at this time I wish to pay my personal compliments to our committee chief of staff, Dr. Jack Brady, for his magnificent work.

Also, in the spirit of bipartisanship which marks legislation of this nature, I wish to commend our ranking Republican Member, the gentleman from Michigan (Mr. BROOMFIELD). He is a true statesman.

If the Members will note, we did not provide opposition or minority views.

We provided only supplemental views. There are a number of reasons for this: First, the members of the committee who were not in complete accord with all the provisions of the bill felt nevertheless that in the spirit of Senator Vandenberg politics should stop at the water's edge. We feel that overall there is much to be commended in this bill, but our duty requires that we point out the pitfalls and weaknesses of the legislation.

Furthermore, I think it is too early in this administration to be discussing foreign affairs in a partisan fashion. Quite frankly, any President needs much more than 100 days or 4 or 5 months to definitely develop a foreign policy.

So this bill is really a rehash of the committee positions of the last few years. It is not innovative, and it does not have really much of a stamp of the Carter administration; it has the grudging acquiescence of the administration.

In fact, one of the weaknesses of the bill—and I say this on behalf of the administration—is that it goes to great length to instruct the administration on how to handle any country that has a history of real or alleged human rights violations. This is especially interesting, for example, when we look at one of the provisions relating to Public Law 480.

Public Law 480 serves the poorest of countries. But we find that some of the poorest countries of Africa are not democracies. For example, notwithstanding the fact that they are impoverished countries, we would not think that in the central African empire or Guinea Bissau or Mozambique we would find that they have little respect for democracy or for individual human rights. And yet the committee goes to great lengths to lecture the President on how he should administer the program for those countries, and then it provides the President with the possibility of flexibility if he takes the initiative and states that it is in the interests of the needy people of those countries.

Mr. Chairman, at the proper time I will, along with a number of my colleagues on the committee, offer perfecting amendments to try to improve this bill. Perhaps we can add a touch of perfection to a well intended but somewhat imperfect instrument.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Chairman, if I may have the attention of the chairman of the committee, I will take this time to make as clear as possible the status of the law and any changes made therein by this legislation as it might affect trade with Vietnam.

In the Foreign Assistance Act, section 620(f), as amended in 1962, assistance to any Communist country, including North Vietnam is prohibited.

It is my understanding that this provision has not been altered in this legislation; is that correct?

Mr. ZABLOCKI. Mr. Chairman, if the gentleman will yield, that is correct, it is not altered at all in this bill. As I stated in my remarks aid to Vietnam and to Cuba would still be prohibited.

Mr. ASHBROOK. Mr. Chairman, if I may continue, a prohibition against agricultural aid to North Vietnam is found in sections 102 and 411 of Public Law 480.

It is my understanding that we are in no way changing, altering, or rescinding that particular provision of law; is that correct?

Mr. ZABLOCKI. That is true, we are not. The bill does not make any change in that respect.

Mr. ASHBROOK. Mr Chairman. I thank the gentleman.

The Department of State Authorization Act of 1973, section 13, flatly prohibits assistance to North Vietnam except by specific act of the Congress.

It is my understanding that section is not amended, rescinded, or altered?

Mr. ZABLOCKI. The gentleman is correct, it is not.

Mr. ASHBROOK. Mr. Chairman, I thank the gentleman for the information.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Vermont (Mr. JEFFORDS).

Mr. JEFFORDS. Mr. Chairman, I wish to extend my commendation to the chairman of the committee and to the committee members for the very fine work they have done on this act, and especially for including within section 103 the substance of H.R. 3979, which was introduced by myself and cosponsored by some 80 Members of this body.

I also want to express my thanks to the gentleman from Ohio (Mr. WHALEN), the gentleman from Kansas (Mr. WINN), the gentleman from Massachusetts (Mr. HARRINGTON), and the gentleman from New York (Mr. BINGHAM) for their assistance and help in this area.

I am referring to the provisions which amend the Foreign Assistance Act by establishing a cooperative program with developing countries to accelerate the production of nonconventional, decentralized, rural energy technologies. The explicit purpose of this program is to stimulate the commercialization of small-scale power systems by U.S. private industry, to the mutual benefit of the United States and developing countries.

The program includes a series of regional and country studies to be carried out with the close cooperation of private industry to determine what energy needs, uses and sources can be identified in various climatic regions, and the establishment of a comprehensive information network which will permit the early transferability of these technologies around the world. Pilot projects are to be started as quickly as possible. Aid is authorized in the amount of at least $10 million for fiscal year 1978 to carry out this program.

This proposal ratifies the best thinking along appropriate energy technology lines that has emerged from AID and ERDA, and it mandates and funds a conceptualization which has been the subject of a recent memorandum of understanding between the two agencies.

Mr. Chairman, I think this program has an excellent chance of enhancing our image around the world with developing nations and will also help them in the energy crisis which has also engulfed us. I think it will help them in years to come.

Mr. Chairman, I wish again to commend the committee for including this provision.

Mr. ZABLOCKI. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I take this time only to commend the gentleman from Illinois (Mr. DERWINSKI) on my own time and to express appreciation for the tone of his supplemental views and those of our colleagues, the gentleman from Florida (Mr. BURKE), the gentleman from California (Mr. LAGOMARSINO), and the gentleman from Pennsylvania (Mr. GOODLING), who joined in those suplemental views. Mr. Chairman, the tone was very appropriate, and I very much appreciate the support and concern expressed by them.

Mr. Chairman, I also applaud the support and concern that they have expressed in their views for the Carter administration policy, but particularly I appreciate their observation that the bill H.R. 6714 has some good features and that the committee worked diligently on the bill. The outcome of our efforts, the end product, is commendable, and when I say that I am quoting from the supplemental views as presented in the report.

Again, Mr. Chairman, I appreciate their endorsement of the bill.

Mr. Chairman, I yield the balance of our time to the gentleman from Minnesota (Mr. FRASER).

Mr. DIGGS. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Michigan.

Mr. DIGGS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of H.R. 6714 and to comment on the Sahel development program.

It is important to recall that the notion of a long-term comprehensive development program for the Sahel was a congressional initiative. We added an amendment to the Foreign Assistance Act, approved on December 17, 1973, which supported the initiative of the U.S. Government in undertaking consultations and planning with the countries concerned, with other nations providing assistance, with the United Nations, and with other concerned international and regional organizations, toward the development and support of a comprehensive long-term African development program.

In fiscal years 1976 and 1977, the Congress authorized to be appropriated $5,000,000 for the purposes of planning the Sahel development program in concert with the affected African countries and other organizations. The $200,000,000, no-year authorization included in the fiscal 1978 request represents the first of what is expected to be an annual U.S. contribution of approximately $100,000,000 for the 10 to 20 years of the program. The administration has stated that the U.S. contribution would under no circumstances exceed 15 to 20 percent of the total program costs.

The Agency for International Development expects to obligate $50,000,000 of the $200,000,000 in fiscal 1978, of which they anticipate only $15,00,000 will be expended.

There is little need to review the drought and its devastating impact on the economies of the eight countries now members of the Interstate Committee for Drought Control—CILSS—Senegal, Mauretania, Mali, Upper Volta, Niger, Chad, the Gambia, and Cape Verde—for the results of this disaster are familiar to us all. Even in the best of times these countries are among the least developed with per capita incomes ranging from $80 per annum in Mali to $330 per year in Senegal. They suffer from high infant mortality rates, low literacy levels, grossly inadequate infrastructure, and have isolated centers of production and consumption which are frequently 700 to 1,700 miles from seaports.

The Sahel development program which has the following principal objectives: Food self-sufficiency, improvement of living standards, and increased growth and development in the eight Sahelian States of Senegal, Mauritania, Mali, Niger, Chad, Upper Volta, Cape Verde, and the Gambia, is being planned by the Club des Amis du Sahel. This unique coordinating mechanism created in 1975 through the initiative of the United States and France brings together the Interstate Committee for Drought Control—CILSS—which is the regional organization of the Sahelian States, and about 18 major western donors.

The Club has established nine specialized working teams and a synthesis group to carry out the planning and programing activities. Four of these are concentrating on sectors basic to food self-sufficiency: Livestock, rainfed agriculture, irrigated agriculture, and fisheries; and the other five are working on the principal human, structural, and technical aspects of development in the region: Ecology, technology adaptation, human resources and health, transportation and infrastructure and pricing policy, storage and marketing.

The committee amendments seek to address several issues. The Sahel development program has been subsumed under chapter 1 by creating two new sections: section 119, Sahel development program—planning; and section 120, Sahel development program—implementation. This modification places the program in the portion of the bill that encompasses other development assistance programs and outlines the policy guidelines for such assistance. However, in recognition of the low level of development in the region for promoting ecological balance and for developing an effective infrastructure including transporation and setting a limitation on the percentage of funds to be used for major infrastructure projects.

Subsection (b) of section 120 of the Sahel development program requires the President to prepare an annual report on the allocation of the American contribution to the program, the contributions from other donors, the effectiveness of the Club des Amis du Sahel model, and the progress made in achieving the objectives of the program. It was the sense of the committee that this report shall include but not be limited to the following considerations: Increased per capita income, increased life expectancy, reduced infant mortality, improved literacy rates, more equitable distribution of resources, increased productivity per unit of land, and measures to reduce the effects of future droughts and regional efforts to rationalize markets and reduce trade barriers.

The final subsection (c) sets limits on the amount of money to be appropriated for the program for fiscal year 1978.

As a result of the special needs of the countries in the Sahelian region and the unique coordinating mechanism which is jointly planning the development strategy, this program affords an unusual opportunity to test a new model for development cooperation. Because of the special character of this multilateral undertaking, some flexibility may be necessary in implementing development assistance guidelines.

Finally, the committee believes that it would be desirable for the administration to coordinate with other major donors to the Sahel program on procurement policy questions concerning projects funded under the SDP, particularly with a view toward minimizing the regional standardization of equipment. The committee wishes to underline the need for flexible donor country policies in this area.

I urge unanimous support for H.R. 6714 and the Sahel development program.

Mr. FRASER. Mr. Chairman. I take this time to indicate my view that this bill is one of the better products that we have produced in our Committee on International Relations.

I think a large share of the credit for that should go to the chairman.

I also want to commend the staff for the report which has been drafted. The report is very clearly written. It is written in the style and format that make it more understandable than many committee reports have been, and I hope it will become the pattern that we follow in the future.

Mr. Chairman, I also share the same view as that of the gentleman from New York that the United States, through the international economic development program, is indeed making a modest effort.

Mr. Chairman, President Carter this morning indicated his own view that the U.S. contribution to international development was too low. He indicated that in comparison with our European neighbors the United States was contributing far too small a share in the effort to assist the poor countries of the world in their development problems.

I do believe that this bill deserves strong support from the House. I hope that as the debate progresses this afternoon we will find that support.

Mr. BONKER. Mr. Chairman, no item in the Federal budget is more controversial and consistently faces more hostility than the foreign aid bill. As we prepare to vote on this year's bill, it is fitting to reflect for a moment on the history of U.S. economic aid—its successes and

failures—and on the changes in purpose and method it has undergone in recent years.

Large scale American economic aid began with efforts to sustain our allies in World War II and then, with the postwar Marshall plan, to help rebuild the shattered economies of Western Europe. A distinct anti-Communist philosophy became a central feature of our aid programs, beginning with the Truman decision to aid Greece and Turkey in resisting Soviet pressure in 1947. As President Truman put it:

> I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures.

John Kennedy expressed much the same theme 15 years later, stating that:

> Foreign aid is a method by which the United States maintains a position of influence and control around the world, and sustains a good many countries which would definitely collapse or pass into the Communist bloc.

From the beginning, however, there were also deep humanitarian concepts behind American aid. In 1949, the Point Four program of technical assistance was started as the first American attempt to deal with the general problem of underdevelopment. The competing demands of NATO and the Korean war, however, quickly reduced funds available to Point Four. In 1954 the Public Law 480 or "food for peace" program was begun, both as an attempt to alleviate food shortages abroad and as a means to cope with American farm surpluses at home. The bulk of Public Law 480 shipments were sold for local currencies which were then loaned or granted back to the recipient to fund local development projects.

Other aspects of U.S. foreign assistance took shape in the late fifties and early sixties as the United States began to use long-term development loans to supplement short-term assistance and technical help as component of the aid program. Western European nations, their economies rebuilt, began to join the United States in multilateral agreements as donors and lenders to the third world.

But the path to social and economic development in the third world was far more complex than we had thought. In the sixties our aid programs, most notably the Alliance for Progress, suffered from what many recipients considered highhanded American attempts to dictate internal reforms or to attach strings requiring political support as the price for U.S. aid. Third world nations often did not share our anti-Communist philosophy and had little incentive to support our wish for global power and influence. The use of economic aid, particularly Public Law 480, to support the war in Vietnam further reduced its credibility as an instrument for development.

Economically, U.S. aid in the sixties relied principally on larger scale, capital intensive projects, often in or near cities, in the belief that new wealth introduced into the modern sector would "trickle down" to the peasants. This strategy was supposed to provide the political stability and Western alinement we sought.

A succession of reversals and revolutions confounded the "trickle down" strategy and brought into question the whole concept of tying our aid with political strings. U.S. aid was neither buying friends nor relieving the burdens of the world's poor. Much of it seemed to find its way into the pockets of the local elites. One very bright exception was the Peace Corps, a grassroots program concentrating on teaching skills to help people help themselves.

Concerned over the mixed record and poorly defined philosophy of U.S. aid, Congress in 1968 promoted efforts to study and then restructure U.S. economic aid. The result, implemented beginning in 1973, was a markedly different approach to aid. Called New Directions, the revised concept shifted emphasis away from capital intensive projects to smaller scale projects with direct impact on the lives of the world's poor. "Trickle down" was abandoned in favor of basic grassroots development. More emphasis was put on meeting development needs as defined by recipients and in looking on the development process as a complex, interrelated whole instead of a series of separate projects. More stress was put on family planning, land tenure, credit and marketing assistance, and training.

Program	*Fiscal year 1978 Authorization*
Bilateral development assistance:	
Food and nutrition	$613.2
Population planning	181.0
Health	105.9
Education and human resources development	84.9
Technical assistance, energy, research, reconstruction selected program	110.0
Sahel development	50.0
Other programs:	
American schools and hospital abroad	25.0
International organization and programs	271.75
International disaster assistance	25.0
Italy relief and rehabilitation	20.0
Operating expenses	220.2

The current bill also includes special provisions to help develop credit, farm and rural electric cooperatives overseas, to improve the status of women and to help develop alternative sources of energy.

Politically, the New Directions philosophy assumes that economic aid with heavy political strings is counterproductive. The aid program cannot buy friends. If in fact the United States is interested in the stability of the Third World, then the surest path to that stability lies in meeting the basic socioeconomic requirements of the world's poor.

Toward these ends I worked successfully to add to the fiscal year 1978 aid bill and report two basic proposals that will encourage movement from the philosophy and rhetoric of New Directions policy to its actual implementation. One was an operational model of what the process of rural development should be. Sudan was used for the initial program, but we hope and expect that the general outlines of the model will be applicable throughout the third world. The second advance was the requirement of specific criteria from AID by early next year that could give the Congress and the American people one quantitative basis for judging the success of New Directions policy in practice.

The Sudan aid program is built on a systems analysis approach that has come into development studies in the last few years. The premise is that for poor people to improve their livelihood, it is not enough simply to improve the factors of production—human skills, seeds, and so forth—as most development projects have heretofore done. Integrated development requires equal emphasis on an individual's motive for producing more and on his or her ability to reap the rewards of production. In the rural areas of western Sudan the farmer produces as much as twice or more than required for subsistence level living, but he lives at a level below healthy subsistence. A more producer-centered market system is thus fundamental to significant growth. The strategy as a whole is spelled out in some detail in the bill report (H. Rept. 95-240, pp. 21-22) and in the CONGRESSIONAL RECORD (Apr. 6, 1977, pages 10770-10772).

The effort to force the creation of criteria to measure development progress came from our overall inability to judge whether or how aid programs were satisfactory. An initial February 1977 AID report on this topic denied any universal criteria of measurement and insisted that the statistical base was too weak. However, the Overseas Development Council at the same time published an initial discussion of their "Physical Quality of Life Index." It suggests very clearly that despite imperfect data, which improves every year, we can begin to create criteria to measure different aspects of a society's ability to improve the welfare of the people.

Several colleagues will point out today that we should not spend money on foreign aid when other great needs exist here at home. It is a compelling argument, to be sure, and it is tempting to vote against development assistance for that reason. But these same people say that America should remain strong and exert leadership in the world, for our national security reasons and to prevent the spread of communism. Being a world power, however, is more than having a nuclear arsenal and intimidating other nations. It is a responsibility that involves building alliances, helping our friends, and competing with adversaries. We Americans also take pride in our Christian heritage and humanitarian concerns that are evident in this legislation.

If this Nation lived in isolation, there would, indeed, be less purpose to assistance sent abroad. But the world has become increasingly interdependent. Our welfare here increasingly depends on what happens abroad, and vice-versa. A measured, closely supervised program of U.S. foreign economic aid, in contributing to the social and economic development of the world's poor, promotes the peace, stability, and cooperation which in turn enhance the quality of our lives in the United States.

Mr. Chairman, U.S. economic aid has come a long way from Point Four to the New Directions and I am proud to have been able to play a part in efforts to improve it further. I unhestitatingly endorse our current aid program as well-conceived, well-implemented expressions of our national interest.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in support of H.R. 6714, the international development and food assistance bill, that I cosponsored. This bill provides a $1.7 billion authorization for bilateral humanitarian, economic, and multilateral assistance. A major portion of this authorization is for food and nutrition programs, with a substantial commitment to bilateral population planning. Together, these two categories account for approximately 53 percent of the total authorization, or $894.2 million of the $1.7 billion figure in this bill. Food and nutrition programs account for one-third of the total funds.

The food and nutrition money is of particular interest to me since it will be directed toward the rural areas of poor countries, consistent with the congressional intent to aid the disadvantaged people of the underdeveloped world in their efforts to ward off the ravages of hunger and malnutrition. We as legislators of the richest country in the world, need not pay homage to the bromide that "the poor will always be with us." As informed leaders of the United States, we must act in the cause of sustenance and nutritional stability.

I am also pleased that the bill contains $8 million to aid countries in developing alternatives to nuclear energy, as well as providing $50 million for the drought-ridden Sahel region in Africa. This is certainly in keeping with the commitment of this country toward establishing ways of limiting the possibilities of nuclear catastrophies as well as providing for severe human tragedies that afflict our neighbors abroad.

In summary, this bill represents a significant effort toward fulfilling our role in economic development, and for this reason, I urge my colleagues to join me in support of H.R. 6417.

Mr. FRENZEL. Mr. Chairman, I have usually been supportive of foreign aid authorizations, but this one was brought to the House almost 15 percent over last year's expenses, and was also well over the President's recommendation.

Foreign aid is a useful tool of the Executive in its international relations. This particular bill has some especially good features, including its emphasis on agricultural development and family planning. Nevertheless, I cannot support this excessive amount especially when we are about to vote another huge deficit in our budget resolution. This bill simply asks for too much. It should be defeated.

Mr. KETCHUM. Mr. Chairman, once again we are being asked to generously contribute to the assistance of other nations. Certainly the bill before us incorporates some admirable provisions, but how much longer are we to continue legislating multibillion dollar foreign aid programs as if we had nothing better to do with our money? What recompense does such a bill offer the hard working American taxpayer for his investment? In so many cases the only return we receive is an ungrateful recipient nation which considers it our "duty" to be giving away our dollars in assistance.

I for one, am not content to sit back idly and watch while this country's domestic priorities are in the least way hindered by wasteful foreign spending. Already the United States has extravagantly poured funds into nations abroad amounting to more than half of our Federal deficit since World War II. For too long we have neglected to keep our generosity under better check, and the Congress as the responsible American legislative body had better reexamine its own conscience in this regard. The American people will not be taken advantage of when they find that the solution to their own problems takes a back seat to flagrant foreign misspending.

Mr. Chairman, I urge my colleagues to fully consider the impact of H.R. 6714 and to vote this measure down as a step in the direction of sounder fiscal management.

Mr. BADILLO. Mr. Chairman. I am pleased to rise in support of H.R. 6714, the International Development and Food Assistance Act of 1977. I think this is a bill that makes great strides toward strengthening the congressional mandate to develop a "New Direction" in our foreign aid programs.

There are several aspects of this bill that are particularly important to this country, and to the countries to which we are granting aid. One of the most important is the stress this bill places on the development of agricultural and rural programs in poor countries so that they can increase their food production and fight hunger and malnutrition. Those programs, coupled with the revamping of the food for peace program to make it really responsive to the human needs of the poor countries by providing incentives for using our food for economic development purposes, comprise a far-sighted and useful package.

I am convinced that when we are talking about human rights in other countries we must concern ourselves as much with the economic freedom of people as with their political rights. I feel strongly that if a person living under an oppressive regime is hungry and exhausted, he or she does not have the strength or energy to protest—or even to care—what form of government exists. I think that this legislation will go a long way toward establishing the principle that economic rights are not an adjunct, but an integral part of the human rights of the citizens of developing countries.

I am pleased, as well, to see a $14 million increase over the administration's request for slowing population growth. The nations of the world are faced with a critical situation, for the population of many countries will double before the turn of the century if we do not act in concert with these other nations to limit growth. What that means is that, no matter what kinds of development strategies we work out, there will be a total inability to keep up with growth. People in developing countries will get poorer, instead of more economically independent.

The population provision, coupled with the agricultural development provisions, tie in positively with a great concern of mine. One of the major problems associated with illegal immigration to this country has been the lack of employment, coupled with a rapidly-increasing population growth in the larger "sender" countries. I have recently become increasingly aware that the problem of illegal immigration can only be stopped at its roots—by stemming the population tide, and creating job producing programs in those countries that send us most of these economic refugees. And so it is particularly gratifying to me that these concerns are shared by the members of the committee and by the administration.

Another concern of mine that is admirably dealt with in this legislation is the addition of strong human rights language to Public Law 480, the food for peace program. This law was one of the glaring omissions in our policy of linking aid to human rights in the donee countries. I am glad there is language which precludes our aid to countries that are in gross violation of the human rights of its citizens, and I am also glad that the affirmative approach has been taken, and that funds have been earmarked for developing programs and activities that will encourage increased adherence to the principles of civil rights. This provision strikes a fine counterpoint to the economic rights I spoke about earlier, and I compliment the committee for its concern.

Finally, I would like to mention the provision that mandates AID to give important consideration to the contribution that can be made by women in developing countries. Our programs abroad have forgotten women, the donee countries' programs have forgotten women. Not only are they on the very lowest rung of the economic and political totem pole, but they have a great contribution to make in increasing productivity, maintaining and developing good health and education within their communities, and assuming new professional and policy-making roles. It is an important statement that the President has appointed an outstanding activist and feminist, Arvonne Fraser, to head the women and development section at AID, and so it is imperative that we follow his lead by providing the mandate to see that women in other countries achieve their full potential.

Mr. BIAGGI. Mr. Chairman, I rise to indicate my support of H.R. 6714. Specifically, I wish to address the provision in the bill which will provide for a continuation of desperately needed assistance to earthquake ravaged sections of Italy.

On May 6 and September 15 of last year, two major earthquakes struck the northeastern part of Italy. The very day after the first earthquake occurred, I introduced legislation which provided $25 million in emergency relief and rehabilitation aid for Italy. The bill was eventually added to the supplemental appropriations bill and was signed into law.

The funds provided under last year's legislation have been used prudently, to respond to the most urgent needs of the

area. I have been personally briefed on several occasions by the chief U.S. official involved in the Italian earthquake relief, Mr. Arturo Constantino. He has kept me advised of progress already made including the construction of new housing units and schools. He has also advised me of the compelling need for additional assistance not only in terms of damages caused from the September earthquake, but also, those damages resulting from a series of severe tremors which have occurred periodically during 1976.

According to the committee report, the total amount of damage from the earthquakes totals $3.2 billion. This includes property damage, as well as losses incurred in agriculture, the main industry of the affected regions of Italy. While the United States and the Government of Italy as well as other nations have been active in terms of providing aid and technical assistance, more is urgently needed.

The committee has recommended an additional $20 million for relief aid. The Senate has already passed legislation authorizing $35 million. It is, therefore, apparent that at the time a final agreement is made we will be providing nearly the amount we did last year. It will be gratefully accepted by the people of Italy whose lives have been devastated by the earthquake.

In addition to the obvious humanitarian benefits of providing this assistance, there are also political benefits to be derived from the providing of aid. As many of my colleagues are aware, the nation of Italy has come under the increasing influence of the Communist Party. They narrowly missed assuming full control of the Italian Government during last year's election. Absent the visible assistance and support of the United States on behalf of aiding the victims of these natural calamities, the Communists would have made a political issue of the earthquake relief effort, which if successful could have toppled the Christian Democratic Party last year. Much like the humanitarian concerns, the political considerations justifying continued aid are just as persuasive.

Many of the members of the Italo-American community in this Nation have been deeply concerned about the Italian earthquakes. Many have relatives and friends in the affected regions. Private contributions from Italo-Americans have helped tremendously in the rebuilding effort. Their efforts are continuing, but will no doubt be bolstered by the knowledge that their Government is also continuing its commitment.

Passage of this legislation today, will be a further demonstration of this Nation's leadership on behalf of providing assistance to the needy around the world. We have provided millions of dollars to aid other victims of natural calamities including earthquake victims in Guatemala and Turkey. Contained in another portion of this bill, are funds to aid the drought-stricken areas of the African Sahel.

Certainly the tragedy which has struck and continues to affect Italy merits our continued response. The devastation and suffering cannot be measured merely in dollars and cents. We are talking about the separation of families, the destruction of homes and businesses, the loss of economic livelihoods of thousands of Italians. The pleas of the people of Italy must be answered again this year. I therefore urge the expeditious consideration of this legislation today and its early approval by the President.

At this point in the RECORD, I wish to insert a factsheet provided to me by Mr. Constantino outlining the full extent of the damages which have occurred in Italy as a result of the earthquakes.

[Memorandum]

THE EARTHQUAKES OF MAY AND SEPTEMBER 1976 IN FRIULI

(1) General outline of Friuli—

Friuli is part of Friuli-Venezia Giulia (F.V.G.), a self-governing Region measuring 7.850 Kmq at the furthest eastern corner of the Italian Peninsula, bordering with Jugoslavia and with Austria. The total population of F.V.G. is 1,234,000. The main cities are Trieste (272,000); Udine (102,000); Pordenone (50,000); Gorizia (45,000).

The active population of F.V.G. is 430,000 employed as follows: 42 percent in industry; 9 percent in agriculture; 49 percent in the service sector. In 1972, the net regional product has been 1420 billion lire ($1.580 million).

(2) The earthquake—

Since May 1976 Friuli has been hit by a series of earthquakes with disastrous consequences. Between the 6th and 9th of May and the 11th and 15th of September the seismic activity reached its peak with quakes of respectively 6.5 and 6.1 intensity. Up to February 1977, 372 important quakes have been recorded. A total of 119 towns have been hit of which 41 disastrously.

(3) The earthquake damages and the economic repercussions—

The earthquake that struck Friuli in 1976 both for the size of the area concerned and for the amount of the damages, are likely to represent the biggest natural disaster of Western Europe in this century.

The main figures of the catastrophe are:

An affected area of 4.800 Kmq equivalent to 62 percent of the Region's territory;

More than half a million people hit, equivalent to 42 percent of the total population of F.V.G.;

939 dead on the 6th of May and 12 on the 15th of September;

2.400 wounded;

12.700 evacuees after the 6th of May;

Further 34.000 evacuees to the sea-side resorts after the 15th of September;

32.000 people whose houses have been completely destroyed or irreparably damaged;

157.000 people with their houses seriously damaged;

6.500 companies affected (16.000 employed in the industrial sector only)

1,000 billion lire ($1,110 million) damages to the producing apparatus;

2,000 billion lire ($2,220 million) damages to private houses;

370 billion lire ($410 million) damages induced by the decrease of revenue in the services produced in the main towns. After the 15th of September it is reckoned that further 800–1,000 billion lire ($880–$1,110 million) damages brought the final figure to 4.400 billion lire ($4.900 million).

(4) Central and Regional Government Action—

In July, once the first emergency and immediate relief action had been completed, the F.V.G. Government launched a plan for the erection of 9.281 prefabricated houses (=m² 342.000) for 35.000 homeless, with an expenditure of 50 billion lire (55 million). After the September earthquake, the Regional plan being inadequate to cope with the newly arisen needs, the Commissioner Extraordinary appointed by the central Government launched a supplementary plan for 9.590 pre-fabs (=m² 403.000) at a cost of almost 80 billion lire ($89 million).

The latter plan will be achieved by March 31st 1977.

(5) The reconstruction—

The Italian Government is preparing a bill of law for the reconstruction of Friuli.

The priorities spelled out in the process can be summed up as follows:

(a) reconstruction of social infrastructure and public services;

(b) enactment of the building plans for new houses in tune with the economic recovery;

(c) creation of new employments in the economy on specially attractive terms.

The necessary respect of anti-seismic regulations will entail an increase in building costs of 10–15%.

Mr. HAMILTON. Mr. Chairman, I rise in support of H.R. 6714, the International Development and Food Assistance Act of 1977.

The bill supports several important foreign policy and foreign aid initiatives of the Congress which have been made over the last few years. The bill strengthens the New Directions mandated by the Congress for foreign aid programs in 1973. Second, the bill reinforces reforms of 1975 in the food for peace program and develops the humanitarian and developmental purposes of that program. And third, this bill represents a constructive and realistic endorsement of American initiatives to develop a North-South dialog with the developing nations of the world.

H.R. 6714 seeks an authorization of $1.7 billion in economic and food aid. This amount represents an increase of nearly $400 million over what was appropriated for fiscal year 1977. Important increases are made in population and health programs, in support of several international programs and in the development of a long range development program of the Sahel area of Africa, a program which represents a cornerstone of our new initiatives on that continent.

The bill rightly puts emphasis on efforts to promote agricultural and rural development. Nearly one-third of the funds authorized are in the category of food and nutrition. With these funds we seek to help poor nations increase their food production and thereby gain leverage in the continuing battle against disease, malnutrition and hunger. In other provisions, the bill seeks to provide increased incentives for nations to make greater use of U.S. food aid for economic development purposes.

Mr. Chairman, at the heart of this important piece of legislation is an American tradition of extending help to people in need, trying to give the millions of this world who live in abject poverty hope for the future and encouraging self-help efforts everywhere. In 1973, under the leadership of the Committee on International Relations, we sought to redirect our bilateral economic aid programs to providing a greater proportion of our assistance to the poorer people in rural areas, especially in agriculture, population, and health programs.

Those New Directions are alive and well. The economic aid program, in part

because of the New Directions, is now able to stand alone. It is becoming more popular because it promotes and preserves important American traditions.

I urge adoption of H.R. 6714.

Mr. LONG of Maryland. Mr. Chairman, a number of provisions of this economic aid authorization bill—H.R. 6714—are worthy of support. I am speaking especially of the following provisions:

Section 103, to provide rural energy sources for developing countries—this section is derived from legislation I introduced with other Members early in this session of Congress;

Section 106(c) to encourage poor countries to use nonnuclear sources of energy;

Section 104(c) and section 112, which state the need to give attention in all AID programs to the impact on population growth and on the motivation for smaller family size;

Section 114, which requires that the effect of AID programs on the natural resource base of a country be taken into account; and

Section 108, which affirms the need to provide capital and technical assistance to cooperative programs in poor countries.

The International Relations Committee of the House has made clear in previous authorization bills that the Congress wishes to see our economic development aid go to help the poor of the world. I heartily concur, and by the poor I mean poor people and not rich people in poor countries.

However, one action by the committee I must disagree with. That action is the addition of $61.2 million to the food and nutrition category of AID's program, which the committee report indicates should go to India. According to the report, "The committee is encouraged by the recent demonstration of democratic principles and by the restoration of suspended political freedom in that country—India." (H. Rept. 495–240, p. 20.)

Disillusionment with India's uses of foreign aid began long before Indira Gandhi's grab for dictatorial power and, indeed, is rooted in a generation of mistaken economic policies. During the 10 years 1965–74, while India was receiving $7.6 billion in foreign aid from the U.S. and the multilateral development banks, it chose to spend $16.4 billion on its military; its population grew by over 100 million; and it imported over 50 million metric tons of food—all this before Indira Gandhi suspended parliamentary democracy. Very little of India's resources have ever gone to help its poor. Yet its vast Gangetic plain is capable of immense productivity under smallholder cultivation, and it has the resources of underutilized labor to do this cultivation and to fashion the agricultural implements needed to make the cultivation more efficient.

Although Prime Minister Desai is reportedly a disciple of Mahatma Gandhi—no relation to Indira—he has given no sign yet of renouncing India's development of nuclear explosives. On the contrary, what he has done (in an April 19th press conference) is to reaffirm India's refusal to sign the Nuclear Nonproliferation Treaty until all other nations scrap their nuclear weapons—a disingenuous way of saying "never." India's nuclear explosion will sting its neighbors into developing their own nuclear weaponry and when they do, as Pakistan seems in the process of trying, India's intransigence will certainly be intensified.

Another reason for resuming bilateral economic aid to India, according to the committee, is that "the new Indian government has stressed the need for more rapid development based on a rural-led, employment-oriented strategy to increase agricultural production and small-scale industry. The government has emphasized the need to decentralize decisionmaking to the village level and provide more effective support for small farmers." (H. Rept. 495–240, p. 20.) If such programs were actually implemented, renewed bilateral development aid for India might well be called for, if combined with reduced military spending and a renunciation of nuclear explosive development. However, Indira Gandhi's Congress Party often paid lip service to these worthy goals, scarcely more. Further, these statements by the Indian Government to which the committee refers are contained first, in the Janata Party Platform, a campaign document; second, in a statement by the Indian Finance Minister when he presented the 1977–78 budget—a budget prepared by the former Congress Party government—to the Indian Parliament, in March; and third, in debate on that budget. Budget amendments to begin the implementation of the "rural-led, employment-oriented strategy" to which the committee report refers are not expected until June, and those budget changes may be no more than small steps in this direction. It will be a number of months until the real intentions and capabilities of the new Indian Government in economic and other areas are known. Given the years of aid programs and the billions of dollars wasted in India, we should have more than the return of parliamentary democracy on which to base resumed bilateral development aid to India.

Instead, we should have India's unmistakable commitment that it intends to shift away from military, heavy industry and nuclear programs, toward the village development Mahatma Gandhi called for during his struggle for India's independence.

Mr. WIRTH. Mr. Chairman, I rise today in strong support of H.R. 6714—the International Development and Food Assistance Act of 1977.

World economic development and the eradication of poverty and hunger represent two of the major goals on the international agenda. We are slowly coming to the realization that independent nation-states no longer exist in isolation from the world community. A growing interdependence among the nations of the world requires the active pursuit of transnational initiatives to achieve common goals.

The International Development and Food Assistance Act will facilitate a cooperative effort toward world economic development. The act places emphasis on assisting the development of labor-intensive, rural agricultural projects in needy countries. In addition, the act expresses the humanitarian principle of American foreign policy by extending to the food for peace program the same human rights qualifications now a part of our other foreign assistance programs.

Finally, it authorizes further research funds for studying the relationship between economic development and population growth. Placed in the context of the recent World Food Conference, which was held in Rome in October of 1974, the determination of such a relationship could serve as the solution to a perplexing problem that many observers view as our most pressing: the situation of expanding world population in excess of world food production.

The United States can be proud of what has proceeded here today. The International Development and Assistance Act of 1977 paves the way for further bilateral assistance by martialling America's financial and moral capabilities with the spirit of hope existing in the world's poorest countries.

Mr. BROOMFIELD. Mr. Chairman, I yield back the balance of my time.

Mr. ZABLOCKI. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. All time having expired, pursuant to the rule, the Clerk will now read the bill by titles.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "International Development and Food Assistance Act of 1977".

TITLE I—INTERNATIONAL DEVELOPMENT ASSISTANCE

DEVELOPMENT ASSISTANCE POLICY

SEC. 101. (a) Subsection (d) of section 102 of the Foreign Assistance Act of 1961 is amended—

(1) in the first sentence—

(A) by striking out "For the purpose of assuring that development" and inserting in lieu thereof "Development";

(B) by striking out "is" and inserting in lieu thereof "shall be";

(C) by inserting "the most" immediately after "will make";

(D) by striking out the comma after "assistance)" and inserting in lieu thereof a period and "In order to make possible consistent and informed judgments concerning which countries will make the most effective use of such assistance.";

(E) by striking out "establish" and inserting in lieu thereof "propose"; and

(F) by inserting "and factors" immediately after "criteria";

(2) in the second sentence—

(A) by striking out "establishing" and inserting in lieu thereof "developing";

(B) by inserting "and factors" immediately after "criteria"; and

(C) by striking out "the efforts of countries" and inserting in lieu thereof "countries' actions which demonstrate genuine concern and effective action for materially improving the lives of the poor and their ability to participate in development, including (but not limited to) efforts";

(3) in the next to the last sentence by inserting "and factors" immediately after "criteria"; and

(4) in the last sentence by inserting immediately before the period ", including the proposed criteria and factors".

(b) Such section 102 is further amended by adding at the end thereof the following new subsection:

"(e) For the purpose of promoting economic growth in the poorest countries, the President is authorized, notwithstanding any other provision of law, to make available to the relatively least developed countries assistance under this chapter on a grant basis to the maximum extent that is consistent with the attainment of United States development objectives.".

FOOD AND NUTRITION

SEC. 102. Section 103(a) of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "$291,000,000" and all that follows through "1976 and"; and

(2) by inserting "and $613,200,000 for the fiscal year 1978" immediately after "1977".

RENEWABLE ENERGY SOURCES FOR RURAL AREAS

SEC. 103. Section 103 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(h) Of the funds made available to carry out this section for the fiscal year 1978, not less than $10,000,000 may be used only for programs in research, development, and use of small-scale, decentralized, renewable energy sources for rural areas. Programs under this subsection shall be undertaken in cooperation with the Energy Research and Development Administration or its successor and carried out to the greatest extent possible through and in conjunction with activities under section 107 of this Act. The emphasis of these programs shall be on the earliest practicable development and use of energy technologies which are acceptable to and affordable by the users, environmentally acceptable, and simple and inexpensive to use and maintain.".

POPULATION PLANNING AND HEALTH

SEC. 104. (a) Section 104 of the Foreign Assistance Act of 1961 is amended by striking out subsection (a) and inserting in lieu thereof the following new subsections:

"(a) In order to increase the opportunities and motivation for family planning and to reduce the rate of population growth, the President is authorized to furnish assistance, on such terms and conditions as he may determine, for population planning. There is authorized to be appropriated to the President for the purposes of this subsection, in addition to funds otherwise available for such purposes, $181,000,000 for the fiscal year 1978, which amount is authorized to remain available until expended.

"(b) In order to prevent and combat disease and to help provide health services for the great majority, the President is authorized to furnish assistance, on such terms and conditions as he may determine, for health, disease prevention, and environmental sanitation. There is authorized to be appropriated to the President for the purposes of this subsection, in addition to funds otherwise available for such purposes, $105,900,000 for the fiscal year 1978, which amount is authorized to remain available until expended.".

(b) Subsection (b) of such section 104 is redesignated as subsection (c).

(c) Such section 104 is further amended by adding at the end thereof the following new subsections:

"(d) Assistance under this chapter shall be administered so as to give particular attention to the interrelationship between population growth, development growth and overall improvement in living standards in developing countries. To the maximum extent consistent with the principles set forth in section 102, projects in other development fields should be designed to provide the appropriate balance between population growth and development growth.

"(e) Of the amount made available to carry out subsection (b) for the fiscal year 1978, $1,700,000 shall be available only for contribution to the World Health Organization Onchocerciasis Control Program covering seven states in West Africa.".

(d) The amendment made by subsection (a) of this section shall take effect on October 1, 1977.

EDUCATION AND HUMAN RESOURCE DEVELOPMENT

SEC. 105. Section 105(a) of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "$90,000,000" and all that follows through "1976 and"; and

(2) by inserting "and $84,900,000 for the fiscal year 1978" immediately after "1977".

TECHNICAL ASSISTANCE, ENERGY, RESEARCH, RECONSTRUCTION, AND SELECTED DEVELOPMENT PROBLEMS

SEC. 106. Section 106 of the Foreign Assistance Act of 1961 is amended—

(1) in subsection (a)—

(A) by striking out "and" at the end of paragraph (5);

(B) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and"; and

(C) by adding the following new paragraph immediately after paragraph (6):

"(7) programs to help less developed countries prevent or reverse severe environmental damage.";

(2) in subsection (b)—

(A) by striking out "$99,550,000 for the fiscal year 1976 and"; and

(B) by inserting "and $110,000,000 for the fiscal year 1978" immediately after "1977"; and

(3) by adding at the end thereof the following new subsection:

"(c) Of the amounts made available under this section for the fiscal year 1978, not less than $8,000,000 shall be available only for activities under paragraph (2) of subsection (a) which are designed to enable and encourage countries to use nonnuclear sources of energy.".

COST-SHARING AND FUNDING LIMITS

SEC. 107. Section 110 of the Foreign Assistance Act of 1961 is amended—

(1) in subsection (a) by striking out "107" and inserting in lieu thereof "106"; and

(2) in subsection (b)—

(A) by striking out "No" and inserting in lieu thereof "Except for grants to countries determined to be relatively least developed based on the United Nations Conference on Trade and Development list of 'relatively least developed countries', no"; and

(B) by striking out "107" and inserting in lieu thereof "106".

DEVELOPMENT AND USE OF COOPERATIVES

SEC. 108. (a) Section 111 of the Foreign Assistance Act of 1961 is amended—

(1) in the first sentence by striking out "assistance in the development" and inserting in lieu thereof "technical and capital assistance in the development and use"; and

(2) by amending the second sentence to read as follows: "Not less than $10,000,000 of the funds made available under this Act for the fiscal year 1978 may be used only for technical assistance to carry out the purposes of this section.".

(b) The amendments made by subsection (a) shall take effect on October 1, 1977.

INTEGRATING WOMEN INTO NATIONAL ECONOMIES

SEC. 109. Section 113 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 113. INTEGRATING WOMEN INTO NATIONAL ECONOMIES—(a) In recognition of the fact that women in developing countries play a significant role in the economic production, family support, and overall development process of their national economies, this part shall be administered so as to give particular attention to those programs, projects, and activities which tend to integrate women into the national economies of foreign countries, thus improving their status and assisting the total development effort.

"(b) The President shall transmit to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate a report on the impact of development programs, projects, and activities on the integration of women into the developing economies of countries receiving assistance under this part. The report shall include—

"(1) an evaluation of progress toward developing an adequate data base on the role of women in the national economies of recipient countries;

"(2) a specific description of the efforts undertaken to implement subsection (a); and

"(3) an evaluation of the effectiveness of the efforts described pursuant to paragraph (2).

"(c) The report required by subsection (b) shall be transmitted not later than one year after the date of enactment of this subsection.".

LIMITATIONS ON DEVELOPMENT ASSISTANCE

SEC. 110. Section 115(a) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(a) None of the funds made available to carry out this chapter may be used in any fiscal year for any country to which assistance is furnished in such fiscal year under chapter 4 of part II (security supporting assistance) or under part VI (assistance for Middle East peace) unless the Congress has specifically authorized such use of those funds. The specific authorization requirement of this subsection shall be deemed to be satisfied if the purpose for which funds are to be used is described in the annual presentation materials on proposed development assistance programs submitted to the Congress and the Congress does not indicate its disapproval of such use.".

HUMAN RIGHTS

SEC. 111. Section 116 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(e) Of the funds made available under this chapter for the fiscal year 1978, not less than $750,000 may be used only for studies to identify, and for openly carrying out, programs and activities which will encourage or promote increased adherence to civil and political rights, as set forth in the Universal Declaration of Human Rights, in countries eligible for assistance under this chapter. None of these funds may be used, directly or indirectly to influence the outcome of any election in any country.".

EXAMINATION OF POPULATION GROWTH IMPACT

SEC. 112. Chapter 1 of part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 117. EXAMINATION OF POPULATION GROWTH IMPACT.—(a) Assistance under this chapter shall be administered so as to give particular attention to the impact of all programs, projects, and activities on population growth. All activities proposed for financing under this chapter shall be reviewed to identify their possible impact on human fertility. Particular attention shall be given to opportunities to build motivation for family planning into programs in other fields such as education in and out of school, nutrition, disease control, maternal and child health services, agricultural production, rural development, and assistance to the urban poor. Care should be taken to consider indirect as well as direct influences on fertility.

"(b) The President is authorized to study

the complex factors affecting population growth in developing countries and to identify the factors which might motivate people to plan family size or space their children. To the maximum extent consistent with the principles set forth in section 102, projects in other development fields should be designed to reduce population growth and to maximize recognition of the benefits of planned family size.".

INFANT NUTRITION

SEC. 113. Chapter 1 of part I of the Foreign Assistance Act of 1961, as amended by section 112 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 118. INFANT NUTRITION.—The President is encouraged (1) to devise and carry out in partnership with developing nations a multifaceted strategy designed to promote breast-feeding within the context of integrated programs of nutrition and health improvement for mothers and children, and (2) to provide technical, financial, and material support to individuals or groups at the local level for such purpose.".

MAINTENANCE OF NATURAL RESOURCES

SEC. 114. Chapter 1 of part I of the Foreign Assistance Act of 1961, as amended by sections 112 and 113 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 119. MAINTAINING THE NATURAL RESOURCES BASE FOR SUSTAINABLE DEVELOPMENT.—In the development and implementation of programs, projects, and activities under this part, the President shall take into account their effect on the natural resource base of the recipient, and he is encouraged, consistent with the other objectives of this part, to give attention to projects the objective of which is to maintain the natural resource base essential for sustainable development. Special efforts shall be made to maintain and where possible restore the land, vegetation, water, wildlife, and other resources upon which depend economic growth and human well-being, especially that of the poor.".

SAHEL DEVELOPMENT PROGRAM

SEC. 115. Part I of the Foreign Assistance Act of 1961 is amended—

(1) by redesignating section 494B as section 120 and inserting such redesignated section at the end of chapter 1 of such part, as amended by sections 112, 113, and 114 of this Act;

(2) by amending the section caption of such redesignated section 120 to read "SAHEL DEVELOPMENT PROGRAM—PLANNING"; and

(3) by inserting the following new section 121 immediately after such redesignated section 120:

"SEC. 121. SAHEL DEVELOPMENT PROGRAM—IMPLEMENTATION.—(a) The President is authorized to furnish assistance, on such terms and conditions as he may determine, for the long-term development of the Sahelian region. Assistance furnished under this section shall be in accordance with a long-term, multidonor development plan which calls for equitable burdensharing with other donors, such assistance to be furnished whenever appropriate in cooperation with an international coordinating mechanism. In view of the special conditions in this region of countries that are among the least developed, the President shall take into account, in furnishing assistance under this section, the special needs in the region for promoting ecological balance and for developing an effective infrastructure, including transportation. The percentage of funds allocated for major infrastructure projects under this section may not exceed the percentage of funds contributed by all countries which are allocated for major infrastructure projects in the worldwide Sahel Development Program.

"(b) The President shall prepare an annual report on the Sahel Development Program concerning the allocation of the United States contribution to the Program, the extent of the contributions from other donor countries, the effectiveness of the integrated effort through the Club des Amis du Sahel, and the progress made in achieving the objectives of the Program.

"(c) There is authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, $200,000,000, except that not to exceed $50,000,000 may be appropriated under this section for fiscal year 1978. Amounts appropriated under this section are authorized to remain available until expended."

AMERICAN SCHOOLS AND HOSPITALS ABROAD

SEC. 116. Section 214 of the Foreign Assistance Act of 1961 is amended—

(1) in subsection (c)—

(A) by striking out "each of the fiscal years 1974" and all that follows through "1976 and" and inserting in lieu thereof "the fiscal year";

(B) by inserting "and for the fiscal year 1978, $25,000,000," immediately after "$25,000,000,"; and

(C) by adding at the end thereof the following new sentence: "Amounts appropriated under this subsection may not be used to furnish assistance under this section in any fiscal year to more than four institutions in the same country, and not more than one such institution may be a university and not more than one such institution may be a hospital."; and

(2) in subsection (d)—

(A) by striking out "1974" and all that follows through "1976 and"; and

(B) by inserting "and 1978" immediately after "1977".

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 117. (a) Section 32(a)(1) of the Foreign Assistance Act of 1961 is amended—

(1) in the first sentence—

(A) by striking out "for the fiscal year 1974," and all that follows thereafter through "$194,500,000 and"; and

(B) by inserting immediately before the period "and for the fiscal year 1978, $271,750,000"; and

(2) by amending the second sentence to read as follows: "Of the amounts made available to carry out the purposes of this chapter for the fiscal year 1978, not less than $500,000 may be used only for a contribution to the Namibia Institute.".

(b) Section 305 of such Act is amended by adding at the end thereof the following new sentence: "The President is further requested, in making United States contributions to such organizations, to take into account the progress, or lack of progress, of such organizations in adopting and implementing policies and practices which encourage and promote the integration of women into the national economies of member and recipient countries and into professional and policymaking positions within such organizations, in accordance with the World Plan of Action of the Decade for Women.".

INTERNATIONAL DISASTER ASSISTANCE

SEC. 118. Section 492 of the Foreign Assistance Act of 1961 is amended in the first sentence by striking out "1976 and 1977" and inserting in lieu thereof "1977 and 1978".

ITALY RELIEF AND RECONSTRUCTION

SEC. 119. Section 495B of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 495B. ITALY RELIEF AND REHABILITATION.—In addition to amounts otherwise available for such purpose, there is authorized to be appropriated $20,000,000 for fiscal year 1978 for assistance under this chapter for the relief and rehabilitation of the people who have been victimized by the earthquakes which occurred in the Friuli region of Italy in May and September 1976. Amounts appropriated under this section are authorized to remain available until expended.".

USE OF FOREIGN VOLUNTARY NONPROFIT AGENCIES

SEC. 120. (a) Section 607 of the Foreign Asistance Act of 1961 is amended by inserting immediately before the period at the end of the first sentence "(including foreign voluntary nonprofit relief agencies so registered and approved when no United States voluntary nonprofit relief agency is available)".

(b) For purposes of implementing the amendment made by subsection (a), the President shall issue regulations governing registration with and approval by the Advisory Committee on Voluntary Foreign Aid of foreign voluntary nonprofit agencies.

REPEAL OF PROHIBITION ON AID TO COUNTRIES ASSISTING OR TRADING WITH CUBA OR VIETNAM

SEC. 121. (a) Section 620(a) of the Foreign Assistance Act of 1961 is amended—

(1) in the first sentence of paragraph (1) by striking out the semicolon and all that follows through "States"; and

(2) by striking out paragraph (3).

(b) Section 620(n) of such Act is repealed.

(c) Section 664 of such Act is repealed.

INSPECTOR GENERAL, FOREIGN ASSISTANCE

SEC. 122. (a)(1) Section 624(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2384(d)) is repealed.

(2) The President (A) may assign to the Inspector General, Foreign Service, any of the duties and responsibilities vested by such section 624(d) in the Inspector General, Foreign Assistance, and (B) may authorize the Inspector General, Foreign Service, to exercise such of the authorities granted by such section 624(d) to the Inspector General, Foreign Assistance, as the President determines are necessary to carry out any duties or responsibilities so assigned.

(b) Section 5315 of title 5, United States Code, is amended by repealing paragraphs (52) and (53).

(c) The amendments made by this section shall take effect on January 1, 1978.

ANNUAL REPORT ON UNITED STATES INTERNATIONAL DEVELOPMENT POLICIES AND PROGRAMS

SEC. 123. Section 640B(d) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(d) The President shall report to the Congress during the first quarter of each calendar year on United States actions affecting the development of less developed countries. The report shall include (1) a comprehensive and coordinated review of all United States policies and programs having a major impact on the development of such countries, including but not limited to the areas of bilateral and multilateral assistance, trade, commodities, monetary affairs, private investment, debt, employment, food, energy, technology, population, oceans, environment, human settlements, natural resources, and participation in international agencies concerned with development, and (2) assessment of the impact of such policies and programs on (A) national employment, wages, and working conditions in the United States, as well as other aspects of the United States economy, and (B) the well-being of the poor in the less developed countries in accordance with the approach to development outlined in subsections (c) and (d) of section 102 of this Act.".

REIMBURSABLE DEVELOPMENT PROGRAMS

SEC. 124. Section 661 of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "up to $1,000,000" and all that follows through "1976, and";

(2) by inserting "of the funds made available for the purposes of this Act" immediately after "$2,000,000" the second place it appears; and

(3) by inserting "and $2,000,000 of the funds made available for the purposes of this Act in the fiscal year 1978" immediately after "1977".

OPERATING EXPENSES

SEC. 125. (a) Section 667 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 667. OPERATING EXPENSES.—(a) There are authorized to be appropriated to the President, in addition to funds otherwise available for the purposes of this section, for the fiscal year 1978—

"(1) $220,200,000 for necessary operating expenses of the agency primarily responsible for administering part I of this Act; and

"(2) such amounts as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law, and for other nondiscretionary costs of such agency.

"(b) Amounts appropriated under this section are authorized to remain available until expended.".

(b) Section 109 of such Act is amended by striking out "The" in the last sentence and inserting in lieu thereof "Except for transfers to section 667, the".

NOTIFICATION OF PROGRAM CHANGES

SEC. 126. Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 670. NOTIFICATION OF PROGRAM CHANGES.—None of the funds authorized to be appropriated to carry out the purposes of this Act (except for programs under title III or title IV of chapter 2 of part I, chapter 5 of part I, and programs of disaster relief and rehabilitation) may be obligated for any activities, programs, projects, types of materiel assistance, countries, or other operations not justified, or in excess of the amount justified, to the Congress for obligation under this Act for any fiscal year unless the Committee on Foreign Relations of the Senate, the Committee on International Relations of the House of Representatives, and the Committees on Appropriations of both Houses of the Congress are notified fifteen days in advance of such obligation.".

FUTURE UNITED STATES DEVELOPMENT ASSISTANCE

SEC. 127. It is the sense of the Congress that the United States should increase substantially its assistance for self-help development among the world's poorest people. Such assistance should be provided in accordance with the general policies and principles of chapter 1 of part I of the Foreign Assistance Act of 1961, with particular emphasis on encouraging and supporting more equitable patterns of economic growth, especially in the poorest countries, and should be coordinated with similar expanded efforts by international organizations, donor nations, and the recipient countries themselves.

Mr. ZABLOCKI (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDMENT OFFERED BY MR. YOUNG OF MISSOURI

Mr. YOUNG of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG of Missouri: Page 22, immediately after line 16, insert the following new section:

Prohibition on Use of Funds for Sterilizations.

(1) by striking out "ABORTIONS.—" and inserting in lieu thereof "ABORTIONS OR STERILIZATIONS.—(a)"; and

(2) by adding at the end thereof the following new subsection:

"(b) None of the funds made available to carry out this part shall be used to pay for the performance of sterilizations as a method of family planning or to motivate or coerce any person to practice sterilizations.".

Mr. YOUNG of Missouri. Mr. Chairman, I strongly object to the section of H.R. 6714 that would authorize funds for a far-reaching sterilization program as part of the population planning effort.

The amendment I offer would revise the Foreign Assistance Act to prohibit the use of International Development Act funds for sterilization as a means of family planning. And it would bar any attempts to force any person to submit to sterilization.

The United States can look with pride at its efforts to provide food and general medical assistance to developing nations.

But the United States has no right to establish and finance extreme population control programs for other nations. It is just another example of American intervention that can infringe on the human rights of thousands of persons abroad.

Imagine yourselves in the position of a poor person in an underdeveloped nation. Would it not seem suspicious that a powerful nation is providing equipment and training doctors for a large-scale sterilization program in your nation? Would you believe that the motives for such a program are humanitarian, or would it smack of self-interest?

We must remember that we are not talking about an experimental program. We are talking about a program on a frighteningly large scale. More than 950,000 people have been sterilized in just 7 nations since the American-sponsored program began about 5 years ago. More than 445,000 people in the country of Thailand alone have been sterilized as a result of this program. Those statistics are from the Office of Population.

Congress has appropriated more than $37 million for sterilization programs through fiscal year 1977. And now we are asked to add another $25 million to that sum.

This program is becoming entrenched, and it is time that it is called to a halt.

To give an idea of the possible extent of this program, I will quote an article from the St. Louis Post-Dispatch, dated April 27, 1977. In it, the Director of the Office of Population is quoted as saying that the United States is seeking to provide the means by which as many as 100 million women around the world could be voluntarily sterilized.

He also said that one reason for the program is to maintain—and I quote:

The normal operation of U.S. commercial interests around the world.

To me, these are frightening statements. The Agency for International Development has since denied such goals and motives. But if that is not our policy, why is the man in charge of the office that supervises the program making these statements? Why did he make similar statements in testimony before Congress last year?

The people who want this program fall back on the notion that this is a voluntary sterilization program. But in an underdeveloped country with uneducated people it seems to me that there is a very thin line between "voluntary sterilization" and what can be a distinctly nonvoluntary submission to such operations.

In fact, I remember instances of that sort right here in the United States, in a so-called voluntary sterilization program. A General Accounting Office report in November 1976, reported that more than 3,400 American Indians were sterilized in Western States—apparently without being informed that such operations were not mandatory.

And there are plenty of other examples. If such abuses can happen here, I hate to think what could happen in poverty-stricken nations abroad.

The proponents of these programs also say that the United States is not directly paying for the sterilizations, since we just train the doctors and provide all the equipment.

In my opinion, this does not relieve us from the bulk of the responsibility, and it also leaves the program open to pressures from individual governments that could some day lead to widespread abuse.

I repeat, that I strongly support the rest of this bill, providing food and medical assistance abroad. But you will notice that the requests for general medical assistance have been going down, while the requests for population planning and sterilization planning has gone up.

I appeal to you—in the spirit of the strong "human rights" stand that the United States seeks to take—to support this amendment.

Let us provide food and badly needed medical assistance to the needy in other nations—and not meddle in highly personal matters that could open our programs to horrible abuses.

Mr. Chairman, in summary, I should also like to compliment the chairman of the committee, the gentleman from Wisconsin (Mr. ZABLOCKI), for the tremendous job he has done on the bill as a whole.

AMENDMENT OFFERED BY MR. FINDLEY AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. YOUNG OF MISSOURI

Mr. FINDLEY. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. FINDLEY as a substitute for the amendment offered by Mr. YOUNG of Missouri: Page 22, immediately after line 16, insert the following new section:

PROHIBITION ON USE OF FUNDS FOR INVOLUNTARY STERILIZATIONS

SEC. 128. Section 114 of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "ABORTIONS.—" and inserting in lieu thereof "ABORTIONS or INVOLUNTARY STERILIZATIONS.—(a)"; and

(2) by adding at the end thereof the following new subsection:

"(b) None of the funds made available to carry out this part shall be used to pay for the performance of involuntary sterilizations as a method of family planning or to coerce or provide any financial incentive to any person to practice sterilizations.".

Mr. FINDLEY. Mr. Chairman, I feel the gentleman from Missouri (Mr. YOUNG) has put his finger on some important points. We certainly want to protect human rights. We want to avoid in any and all circumstances the use of our funds under the population program to coerce people into a certain course of action in population planning. We want to make sure that everything is on a voluntary basis. Our own good name as a nation is at stake in this program. So I commend the gentleman for putting his finger on those problems, but I feel that his amendment goes too far, and for that reason I have offered my substitute language.

My language would prohibit clearly involuntary sterilization. It would also prohibit payments, any kind of financial incentives, to any person to participate in a sterilization program. It would also prohibit coercion in any form; but, nevertheless, it would not prohibit a country, in good faith and with good standards and with good regulations and good practices, from carrying out totally voluntary sterilization programs.

Sterilization has become a popular means of family planning in this country as well as in other countries, and if we want our efforts at family planning to have effect worldwide, we should not tie the hands of those who would administer the programs by prohibiting those programs that are carried out on a satisfactory voluntary basis.

I should be glad to yield to anyone who would like to ask questions concerning the amendment.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Missouri.

Mr. VOLKMER. I thank the gentleman for yielding.

The gentleman knows, as we all know, the country of India up to around the last of January or the first of February had an involuntary sterilization program. Is that correct?

Mr. FINDLEY. It was regarded by some people as involuntary. I am not a sufficient expert to answer that question.

Mr. VOLKMER. It was required in certain instances by the law of India that there be sterilization of the male.

Mr. FINDLEY. Under my language our administrators would require an assurance that the program to be carried out, and the program as carried out, would be totally voluntary.

Mr. VOLKMER. What I am getting at is, if any other country so prescribed that would be considered under the gentleman's amendment as an involuntary sterilization; would it not?

Mr. FINDLEY. A label on a program could not be sufficient and I have enough confidence in our AID administrative staff to be confident that they would look beyond the label and get assurances that the program in practice is voluntary.

Mr. VOLKMER. What does the gentleman mean by the word "involuntary"?

Mr. FINDLEY. An absence of coercion.

Mr. VOLKMER. In other words if the person himself would object to it, then neither the Government nor anyone else would have the right to obligate the person to have a sterilization. Is that right?

Mr. FINDLEY. It would certainly prohibit the use of U.S. funds for such purpose.

Mr. VOLKMER. That is right, for that type program.

Mr. FINDLEY. Yes.

Mr. VOLKMER. I thank the gentleman very much.

Mr. SOLARZ. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from New York.

Mr. SOLARZ. I appreciate the gentleman yielding.

I would if I might shed some light on the question raised by the gentleman concerning the sterilization program in India. I had an opportunity to visit India in December and I looked very carefully into the program they had going, and at that time it was at the height of the sterilization program. I can report to the gentleman that while there were certainly numerous instances where Indians were in effect coerced into having sterilizations, there were no instances in which as a matter of law Indians were legally compelled to have sterilizations.

There was one Indian State which did pass a law mandating under certain circumstances sterilization.

Mr. VOLKMER. That is right.

Mr. SOLARZ. But according to the Indian Constitution a law passed by a State cannot become effective until approved by the President of the entire country and that law was never so approved. Subsequently the Ghandi government was defeated and the new government has in effect brought the previously existing sterilization program to an end.

So while there were certainly instances where people in effect were coerced by overeager solicitors for the sterilization program there was not a single instance where anybody was obligated by law to undergo sterilization.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(On request of Mr. SOLARZ, and by unanimous consent, Mr. FINDLEY was allowed to proceed for 1 additional minute.)

Mr. SOLARZ. Mr. Chairman, if the gentleman will yield further, I want to make it clear I strongly support the substitute offered by the gentleman from Illinois because it is based on the notion that while we are against coercion we do favor choice.

Sterilization is the most popular form of birth control in our own country among couples where the wives are over 30. It is rapidly becoming the method of choice throughout the developing countries of the world. Millions of women want tubal ligations and millions of men want sterilizations. Where such programs are based on choice rather than coercion I think we should be in a position to support them.

I can assure our colleagues that not a single American dollar was used in bilateral assistance to coerce Indians to have a sterilization.

Mr. VOLKMER. I do not believe the gentleman can assure the Members of that, the gentleman's information to the contrary notwithstanding.

Mr. LONG of Maryland. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, a number of provisions of this economic aid authorization bill deserve the support of this Congress. I am speaking especially of—

Section 103, to provide rural energy sources for developing countries;

Section 106(c) to encourage poor countries to use nonnuclear sources of energy;

Section 104(c) and section 112, which state the need to give attention in all AID programs to their impact on population growth and on the motivation for smaller family size;

Section 114, which requires that the effect of AID programs on the natural resource base of a country be taken into account; and

Section 103, which affirms the need to provide capital and technical assistance to cooperative programs in poor countries.

The International Relations Committee of the House has made clear in previous authorization bills that the Congress wishes to see our economic development aid go to help the poor of the world. I heartily concur and by the poor I mean poor people and not rich people in poor countries.

However, one action by the committee I must disagree with. That action is the addition of $61.2 million to the food and nutrition category of AID's program, which the committee report indicates should go to India. According to the report:

> The committee is encouraged by the recent demonstration of democratic principles and by the restoration of suspended political freedom in that country (India).—H. Rept. 95-240, p. 20).

Disillusionment with India's uses of foreign aid began long before Indira Gandhi's grab for dictatorial power and, indeed, is rooted in a generation of mistaken economic policies. During the 10 years 1965–74, while India was receiving $7.6 billion in foreign aid from the U.S. and the multilateral development banks, it chose to spend $16.4 billion on its military; its population grew by over 100 million; and it imported over 50 million metric tons of food—all this before Indira Gandhi suspended parliamentary democracy. Very little of India's resources have ever gone to help its poor. Yet its vast Gangetic plain is capable of immense productivity under the smallholder cultivation, and it has the resources of underutilized labor to do this cultivation and to fashion the agricultural implements needed to make the cultivation more efficient.

Although Prime Minister Desai is reportedly a disciple of Mahatma Gandhi (no relation to Indira), he has given no sign yet of renouncing India's development of nuclear explosives. On the contrary, what he has done (in an April 19th press conference) is to reaffirm India's refusal to sign the Nuclear Nonproliferation Treaty until all other nations scrap their nuclear weapons (a disingenuous way of saying "never". India's nuclear explosion will sting its neighbors into developing their own nuclear weaponry and when they do, as Pakistan seems in the process of trying, India's intransigence will certainly be intensified.

Another reason argued for resuming bilateral economic aid to India, is that—

The new Indian Government has stressed the need for more rapid development based on a rural-led, employment-oriented, strategy to increase agricultural production and small-scale industry. The Government has emphasized the need to decentralize decision-making to the village level and provide more effective support for small farmers. (H. Rep't. 95-240, p. 20).

If such programs were actually implemented, renewed bilateral development aid for India might well be called for, if combined with reduced military spending and a renunciation of nuclear explosive development. Indira Gandhi's Congress Party often paid lip service to these goals, but has accomplished relatively little of them. Further, these statements by the Indian Government to which the committee refers are contained in the Janata party platform, a campaign document: in a statement by the Indian Finance Minister when he presented the 1977–78 budget—a budget prepared by the former Congress Party government—to the Indian Parliament, in March; and in debate on that budget. Budget amendments to begin the implementation of the "rural-led, employment-oriented strategy" referred to the committee are not expected until June, and these budget changes may be no more than small steps in this direction. It will be months until the real intentions and capabilities of the new Indian Government in economic and other areas are known. Considering the years of aid programs and the billions of dollars wasted in India, we should have more than the return of parliamentary democracy on which to base resumed bilateral development aid to India.

Instead we should have India's unmistakable commitment that it intends to shift away from military, heavy industry and nuclear programs, toward the village development Mahatma Gandhi called for during his struggle for India's independence.

Mr. BINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, frankly I would not have thought that the substitute amendment offered by the gentleman from Illinois was necessary but I certainly think that it is perfectly acceptable. I greatly prefer it to the amendment offered by the gentleman from Missouri.

We start with the proposition that runaway population is one of the greatest threats the world faces today. This House of Representatives has led the way, and I am proud of the record we have made, in pushing for assistance to population control programs. This has come from our committee to a large extent and I think it has been a great contribution and has been supported by several administrations since.

Now, one of the most effective methods of population control is voluntary sterilization. It would be a tragedy, in my opinion, if we could not assist in programs of that nature.

The gentleman from Missouri suggests that people in the underdeveloped countries do not know the difference between voluntary and compulsory. I suggest that is a very mistaken notion. These results are not so naive. In fact, my understanding is that the results of the election in India reflected to a very considerable extent their resentment against the degree of coercion that had existed in the Indian sterilization program.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Minnesota.

Mr. FRASER. Mr. Chairman, I want to join in the views of the gentleman from New York. I fully share them. In my view, it would be well to accept the Findley substitute. It does get to the heart of the problem. I think none of us want to see any involuntary sterilization funded by the United States assistance program.

Mr. BINGHAM. Mr. Chairman, would the gentleman not agree, it is very wrong to suggest that people do not know the difference between voluntary and compulsory in a program of this kind?

Mr. FRASER. I agree with the gentleman. I asked a prominent Indian leader about the effect of what happened in India in the elections. It was his view that what the events involving compulsory sterilization proved, was that this not only worried people, but it gave them an illustration of what can happen under an authoritarian government and they decided they did not want any more of that government.

Mr. BINGHAM. Let me make one more point: If we stop sterilization, we are going to get more abortions.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I do not agree with the gentleman as to whether the people in the underdeveloped nations know they would be required to have sterilization or not.

Mr. Chairman, I would point out an article to some of the Members here from the New York Times of November 23, last year. It is pointed out that 3,400 Indians in this country during a 4-year period had sterilization operations. Many of them did not know that it was not required. They signed a white paper without knowing what was on it and were sterilized. That is in this country. That is not in India. That is not in Africa. That is not in Asia. That is no place else. To say that people over there are more intelligent and, therefore, they will know, I think is wrong. I think we must admit that these things do occur and did occur in this country.

Mr. BINGHAM. Mr. Chairman, I would like to reclaim my time. May I say that I doubt very much the accuracy of that statement. I have had some experience in the field of technical assistance back a number of years ago. I visited health clinics in India where this process goes on. I know the state of mind that these people go through. They are in doubt about what they should do, but they know that it is their personal decision and it is a difficult personal decision in many cases. The reality of the choice is very real to them. The people of the developing world are not naive. They are not ignorant in the sense of world wisdom. They know very well the difference between compulsion and consent.

The CHAIRMAN. The time of the gentleman from New York has expired.

(At the request of Mr. HALL, and by unanimous consent, Mr. BINGHAM was allowed to proceed for an additional 2 minutes.)

Mr. HALL. Will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Texas.

Mr. HALL. Does the gentleman know how much money has been spent in prior years in India with reference to our contribution to their sterilization program?

Mr. BINGHAM. We have had no program in India for a number of years, no AID program there. I certainly would agree if there was an element of coercion in the Indian program in the past, it is not something that we would want to support and that would be taken care of by the Findley substitute. It is also taken care of under the AID guidelines, and would simply be put into the statute by the substitute offered by the gentleman from Illinois.

Mr. HALL. Does the gentleman know how much money the United States has spent in other developing nations of the world with reference to the sterilization programs?

Mr. BINGHAM. I cannot give the gentleman the totals. Perhaps someone with the figures could indicate the totals of our population program. It has been substantial, because we have recognized in our committee that all the efforts we make to grow more food to help the developing nations solve their problems can be frustrated if they cannot engage in intelligent population control efforts.

Mr. HALL. Does the gentleman know whether or not, as a result of any of the funds that have been spent, there has been a decrease in the population of those countries where the money has been spent?

Mr. BINGHAM. There certainly has been a decrease in the population growth. We are not even so bold as to hope for a population decrease. We are hoping for some leveling off in the population growth which is so explosive.

Mr. BROOMFIELD. Mr. Chairman, I move to strike the last word, and I rise in support of the Findley amendment.

I would like to take a moment to say that we are in receipt of a copy of a letter which was sent to the chairman of our committee, which I think is quite important in clarifying this very subject. This letter comes from Mr. Nooter, Act-

ing Administrator for AID, and the letter follows:

AGENCY FOR INTERNATIONAL DEVELOPMENT,
Washington, D.C., May 12, 1977.

Hon. CLEMENT ZABLOCKI,
Chairman, Committee on International Relations, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: You are no doubt aware of recent newspaper articles concerning A.I.D.'s support for voluntary sterilization activities through its population assistance program. Since you are about to take up our authorization legislation for FY 1978, I want to provide on behalf of Governor Gilligan, who is now in Africa, this Agency's views concerning these articles and summarize our policy with regard to voluntary sterilization:

First, this Government has no goals of any kind to sterilize any number of women around the world.

Second, our population assistance program does not seek to maintain the normal operation of U.S. commercial interests around the world.

Third, it is not the main purpose of this program or any of its training activities to emphasize sterilization as a method of family planning.

The recent news articles emanated from an interview with Dr. R. T. Ravenholt, Director of A.I.D.'s Office of Population. In his response to the editor of the St. Louis Post-Dispatch on April 26, 1977, Dr. Ravenholt asserted that the Post-Dispatch article of April 22 distorted both his comments and the objectives of the United States, including the matter of alleged goals for voluntary sterilization.

Whatever was said in that interview, I want to reiterate that it has been and is contrary to the policy of the U.S. Government in general and of A.I.D. in particular to set any targets whatsoever for voluntary sterilization programs. We intend to take whatever steps are necessary to assure that this policy is fully understood and carried out by all A.I.D. employees.

The population policies of A.I.D. are founded on the interests of human beings as individuals, not as numbers on any chart. These policies must reflect the right of each couple to space and plan their families on a voluntary basis. They must also reflect the impact that population growth can have on the overall economic and social development of a particular nation. The provision of family planning services by A.I.D. is intended to respond to the welfare of the individual and the prosperity of his or her own country, certainly not the commercial interests of this country.

A.I.D.'s population assistance program supports training activities through major universities, such as Johns Hopkins University, the University of Pittsburgh and Washington University, St. Louis, and private organizations such as the Pathfinder Fund, the Association for Voluntary Sterilization, Family Planning International Assistance and the International Planned Parenthood Federation. Such programs provide the training of physicians from developing countries in the latest obstetrical and gynecological (OB/GYN) technology, including sterilization techniques. But these training programs do not emphasize sterilization as a method of family planning. Rather they cover a broad scope of training in OB/GYN practice including endocrinology, health aspects of pregnancy, the identification of cancerous conditions and the management of infertility as well as of fertility through techniques of family planning, including sterilization.

Over the past several months, we have made a concerted effort to complete work on the elaboration of guidelines which will govern all A.I.D.-funded voluntary sterilization programs. These guidelines spell out detailed provisions relating to informed consent to ensure that the acceptance of sterilization as a method of family planning through any program supported by A.I.D., whether bilateral or through private organizations, is truly voluntary in all respects. Moreover, these guidelines emphasize the general health and human factors governing such programs.

These guidelines are expected to be issued in the near future to all A.I.D. missions and private organizations which receive A.I.D. funds for the support of any aspect of voluntary sterilization programs. In the meantime the attachment outlines the major policy points which may be of interest to you and other Members of Congress when considering our legislation.

Finally, I wish to assure you and other Members of Congress that the philosophy of A.I.D. is fully in accord with the principles of voluntary acceptance of family planning which you believe have guided and should guide our actions in this vital area of mutual concern.

Sincerely yours,

ROBERT H. NOOTER,
Acting Administrator.

Mr. Chairman, I yield to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Chairman, I speak most urgently on behalf of the Findley substitute. I think it is a very important step that we take here today, and it would be tragic if we moved in the direction that the amendment of the gentleman from Missouri suggests.

We have no conception in this country—no conception of what those people are up against—until we see them. I have been in Bombay and have seen the people living on the streets, crowded around puddles of water, filthy puddles of water, where the animals are sloshing in and out. I know what over-population means. I did not even dream of the situations in which these people find themselves. They wish to try to control their population, and it is pathetic that this Nation, where it is legal, where people take advantage of it, where people with money do it all the time—it is pathetic that it should be denied to other people who may wish it.

To forbid voluntary sterilization is antihumanitarian in a very true sense. We are unwilling to even consider the situation in which other people find themselves. That is what is somehow suggested by this amendment of the gentleman from Missouri. I think the amendment of my colleague from Illinois (Mr. FINDLEY) really represents what the people of this country would support. We will not support programs where people are urged or offered bribes or pushed or coerced—we will only support with our help voluntary procedures.

If we do not support with our help those voluntary programs, we are going to have intensified need for programs of every other kind. There is no stop to population growth once it gets started.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Chairman, I want to assure my colleagues that in voting for my substitute amendment they are not voting for sterilization. What they are voting for is language to prohibit involuntary sterilization.

It may be that some felt that my language would put them on record in favor of sterilization. It does not. It puts them on record in opposition to involuntary sterilization, in opposition to the use of financial incentives to bring about sterilization.

Mr. VOLKMER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Findley substitute amendment and in support of the amendment offered by the gentleman from Missouri (Mr. YOUNG).

Mr. Chairman, it is my feeling that a large number of American dollars have been used, through information that I have received, for sterilization in many countries throughout the world, not only through the programs that are here in this bill, but also through the United Naions Fund for Population Activities. This information comes directly from Dr. Ravenholt, who is the Federal Government's Office of Population Director. It is his position that, within a period in the future, one-quarter of the fertile women in the world should be sterilized. The reasons for this are, basically, he says four, including basically and primarily the protection of U.S. economic interests, the commercial interests, not the human interests of those countries, not the human interests of this country. He lists this as a third point:

Population control is needed to maintain the normal operation of U.S. commercial interests around the world.

Without our trying to help these countries with their economic and social development, the world would rebel against the strong U.S. commercial presence. The self-interest thing is a compelling element.

So whose interests are we really worried about here with the Findley amendment?

I also feel that it is wrong for this country to support with its tax dollars the use of funds through other means and other entities where the countries do not want sterilization, where they object to it. That is being done.

Dr. Ravenholt says:

In some countries, however, political sensitivity makes it impossible for the U.S. to negotiate such agreements . . .

We have agreements with 30 countries for voluntary sterilization.

He says, "In those cases, efforts are made to set up population programs under the aegis of other organizations, such as the United Nations Fund for Population Activities"—I would like to know how much of our money is used in India — "and the International Planned Parenthood Federation."

"In countries with less opposition to the involvement in population affairs, the opposition generally comes from leftists or religious elements or both," Dr. Ravenholt said.

I do not know if I am a leftist, Mr. Chairman, but I do believe in human dignity, and I worry more about people with children than I do about their standard of living. That is really what we are talking about here. We are saying by the Findley amendment for sterilization that fewer people would have more time for

recreation, they would have more time and money for pleasure, they would have college educations and high school educations. I would provide these for all people without sterilization.

For that reason, Mr. Chairman, I oppose the substitute offered by the gentleman from Illinois (Mr. FINDLEY), and I will support the amendment offered by the gentleman from Missouri (Mr. YOUNG).

Mr. DERWINSKI. Mr. Chairman, I move to strike the requisite number of words.

I made myself a pledge, Mr. Chairman, to be reasonably brief this afternoon, and I will try to live up to my pledge.

I think that this amendment automatically demonstrates the problems encountered in debating this subject, because we have gone far astray from the point of the amendment offered by the gentleman from Missouri (Mr. YOUNG). In an attempt to be logical, I am, therefore, supporting the original amendment offered by the gentleman from Missouri (Mr. YOUNG), and I am opposing the substitute. The reason why I take that position, it seems to me, is quite simple.

If the letter from the Administrator that was read means what it says, then there should be no objection to the amendment offered by the gentleman from Missouri (Mr. YOUNG), because if in fact the AID agency is not involved directly or indirectly in any enforced sterilization programs, they should have no objection to the amendment.

Repeated references in arguments made for and against the amendment have been made to the political developments in India, where sterilization was a major political issue. From all the reports I have read, and from the Indians of all persuasions to whom I have spoken, there is no doubt that the policy of enforced sterilization—and it was enforced sterilization that was practiced by Mrs. Gandhi's Government—was one of the major causes of the complete political repudiation of that government by the Indian people.

As much as someone might claim that we do not and have not supported sterilization programs in India, that really is not so. The massive support we have given India over the years in the form of Public Law 480 funds and the fact that we wrote off $3 billion in counterpart funds, as I recall, we obviously freed other funds available to that government to embark on a number of other programs, including enforced sterilization. We heard testimony before one of our subcommittees of the Committee on International Relations that was made by political opponents of Mrs. Gandhi that the program of enforced sterilization was aimed at peoples who had different political or religious views, and that this was not an accidental thing, that it was a cold, calculated political ploy.

As I understand our aid program, we do not try to force our philosophy on others, we do not try to force our views concerning such a delicate subject on any government or people. I should think there would be no objection to the amendment offered by the gentleman from Missouri (Mr. YOUNG).

Frankly, in anticipation of the point that the gentleman from New York (Mr. BINGHAM) will probably make, I am one member of the committee who does not believe that the support for population control that the majority of the committee emphasizes is sound. acceptable policy, and I separate myself from that contention.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, from what the gentleman has said, I think he is under a misapprehension as to what the amendment offered by the gentleman from Missouri (Mr. YOUNG) states. It does not refer only to enforced sterilization. It says:

> None of the funds . . . shall be used to pay for the performance of sterilizations as a method of family planning or to motivate or coerce any persons to practice sterilizations.

Mr. Chairman, I think the argument made by the gentleman from Missouri (Mr. YOUNG) makes it plain that he is opposed to any use of funds for even voluntary sterilization, so I do not understand the argument of my colleague, the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Chairman, let me make it plain that that is my position also.

Mr. ZABLOCKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, at the very outset I wish to commend our colleague, the gentleman from Missouri (Mr. YOUNG), for bringing this particular issue to the attention of the committee.

The question was raised that in our report we do not mention a word about sterilization. The report did not mention sterilization, and it did not mention abortion either.

But I want to assure my colleagues that it was certainly the understanding and the perception of the members of the Committee on International Relations—certainly it was the understanding of the chairman of the committee—that U.S. policy in this area was not to endorse and not to support involuntary sterilizations or to promote or to use any AID funds for that purpose or to promote sterilization on a priority basis.

It was not the main purpose of the population program or of any other related activities to emphasize sterilization as a method of family planning.

This was our understanding, so we did not include it in our report. However, I rise in support of the substitute amendment offered by the gentleman from Illinois (Mr. FINDLEY) because it, indeed, prohibits any use of funds for involuntary sterilization and further prohibits use of funds to coerce, or provide any financial incentive to, any person to practice sterilization. The substitute therefore is consistent with the intent and purpose behind the amendment of the gentleman from Missouri (Mr. YOUNG), and I can assure him that we will carefully review and follow up this program to insure that AID does not change its policy with respect to the use of funds for involuntary sterilization programs. If we find that the agency should use such funds, I can assure the gentleman from Missouri (Mr. YOUNG) that we will take care of it during the next go-around.

I therefore urge, Mr. Chairman, that the substitute amendment offered by the gentleman from Illinois be adopted.

Mr. YOUNG of Missouri. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman from Missouri.

Mr. YOUNG of Missouri. Mr. Chairman, I appreciate and I understand the chairman's remarks very well. I also appreciate the fact that the committee will pay particular attention to this problem in the future, as the gentleman indicated.

Mr. Chairman, this is a very important matter, and I think the American people will appreciate it. I think they would much rather be assured that their funds are going for medicine and food. That is what a lot of us said when we campaigned last time.

In supporting the International Development Act, if we will have that assurance, I am sure it will be beneficial for everybody. What we are trying to do throughout the world is to help feed the hungry and clothe the poor people.

Mr. ZABLOCKI. Mr. Chairman, I assure the gentleman that it would be unconscionable if we were spending U.S. funds for involuntary sterilization, forcing this method of family planning on people who do not want it. This is not our intent, and this is something we would not want practiced.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman from Texas.

Mr. HALL. Mr. Chairman, may I ask this question: The gentleman indicates that it would be reprehensible to spend U.S. funds for involuntary sterilization. Should that not also hold true with reference to the expenditure of U.S. funds for voluntary sterilization?

Mr. ZABLOCKI. To answer the gentleman, Mr. Chairman, if a recipient or a government is making the choice available to its people as a method, on the basis of their own choice, I find it personally reprehensible. However, I do not think we should insist that our mores and standards must be applied to the recipient countries if they voluntarily want to use this method.

Mr. HALL. Mr. Chairman, is there any prohibition that prevents the country where these people live from bearing the cost, obligation and responsibility of that voluntary sterilization program?

Mr. ZABLOCKI. No, there is not any prohibition.

Mr. HALL. Why should the United States pay for that sort of program?

Mr. ZABLOCKI. If the recipient country uses moneys for these purposes and we assist that country, it is what may be called a joint effort or a joint incentive.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. ZABLOCKI) has expired.

(On request of Mr. YOUNG of Missouri and by unanimous consent, Mr. ZABLOCKI

was allowed to proceed for 1 additional minute.)

Mr. YOUNG of Missouri. Mr. Chairman, will the gentleman yield further?

Mr. ZABLOCKI. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Chairman, could the gentleman give me the amount of money that has been spent? I thought I saw the gentleman with that information on his desk earlier. Could he give me the amount of money that has been spent by the U.S. Government?

Mr. ZABLOCKI. If my memory serves me correctly—and we will have the chart before us in a moment—it was at one time $12 million; but now $25 million is proposed for fiscal year 1978.

Mr. HALL. $25 million for fiscal year 1978?

Mr. ZABLOCKI. Some of it is used for the training of surgeons, for biomedical research, for information, and education. Of that $25 million, about $5.9 million, or about one-fifth, would go for those purposes. The other funds go for other services and the delivery of services.

Mr. HALL. Is any of this $25 million set aside for voluntary or involuntary sterilization in any foreign country?

Mr. ZABLOCKI. This would be only for voluntary sterilization programs.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. ZABLOCKI) has expired.

(On request of Mr. HALL and by unanimous consent, Mr. ZABLOCKI was allowed to proceed for 1 additional minute.)

Mr. HALL. Mr. Chairman, will the gentleman yield further?

Mr. ZABLOCKI. I yield to the gentleman from Texas.

Mr. HALL. Mr. Chairman, do I understand from the gentleman from Wisconsin that one-fifth of the $25 million is set aside for voluntary sterilizations?

Mr. ZABLOCKI. All of it. Any of it can be used. The $25 million is the worldwide, total amount for this program including the voluntary sterilization program. Of that $25 million, $5,900,000 is for development and support of voluntary surgical contraceptive programs, including training of surgeons, biomedical research, and information and education.

Mr. HALL. We are setting aside $5 million for contraceptives in foreign countries?

Mr. ZABLOCKI. No, more than that.

Mr. HALL. More than that? That makes it that much worse.

I believe that is all I have to say.

Mr. FRASER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will only take just a minute, but I did not want to let the record stand that the Director of the Population Control Program of AID argued that we need a population control program in order to protect the commercial interests of the United States.

Since this report was based upon a story appearing in the St. Louis Post Dispatch, Dr. Ravenholt wrote a letter correcting what may have been an honest error in understanding in order to make clear that the U.S. commercial interests run to the general program of economic development assistance. Population planning is only a small part of our effort. It is to our interest to help promote development in Third World countries as a matter of enlightened self-interest on the part of the United States, and it is only in that context that Dr. Ravenholt suggests that these programs were in our interest.

To suggest that the population programs serve the commercial interests of the United States I think is a misreading of his intentions. But I can understand why someone might get that impression based upon the story in the newspaper.

As I say, Mr. Chairman, I just want to see that that is clarified in the RECORD.

Mr. BEILENSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to speak in support of the substitute amendment proposed by the gentleman from Illinois (Mr. FINDLEY) and in opposition to the original amendment of the gentleman from Missouri (Mr. YOUNG).

I think the amendment offered by the gentleman from Missouri (Mr. YOUNG) is an unconscionable one which would prohibit men and women in other countries from freely choosing that form of contraception that may be best suited to their needs—and is desired by them. I find this especially anomalous because, as the gentleman from New York (Mr. SOLARZ) has earlier pointed out, sterilization is now the most popular and most widely used form of contraception in our own country among couples where the woman is over age 30. Vasectomies alone in the United States have risen from about 100,000 per year in the early 1970's to about 700,000 per year at the present time, and female sterilizations have now become even more numerous.

Mr. Chairman, adoption of the amendment would force women who want to practice responsible parenthood to rely on birth control pills or intrauterine devices—both of which pose potential serious health problems and both of which have substantial failure rates—or to rely on abortion, which we certainly do not want to encourage.

I think it is important to reemphasize that there are already adequate safeguards in the law and regulations against our funding involuntary sterilization procedures. Section 291(c) of the title X amendment to the Foreign Assistance Act presently requires:

> In carrying out programs authorized in this title, the President shall establish reasonable procedures to insure, whenever family-planning assistance from the United States is involved, that no individual will be coerced to practice methods of family planning inconsistent with his or her moral, philosophical, or religious beliefs.

In addition, the Office of Population of AID has for some months now directed that there be inserted into each contract and grant monitored by that Office the following statement:

> The grantee (and contractee) shall establish procedures to insure that all funds provided by A.I.D. for family planning assistance are used in accordance with the moral, religious and philosophical beliefs of the individuals to whom services are provided. Under no circumstances shall any individual or group be coerced into receiving such services. In the case of voluntary sterilization, informed consent shall be documented and the rights of the individual protected in accordance with those standards considered acceptable under the laws and customs of the country in which the program is operating. Procedures for ensuring informed consent shall include a description of the risks and benefits of the procedure, and the statement that the procedure is considered nonreversible.

It is important to emphasize, Mr. Chairman, that AID and other U.S. organizations, public and private, support sterilization only on a voluntary basis, without coercion and with a requirement for informed written consent. And it is useful to point out, also, that sterilization is legal, for contraceptive or health purposes, in nearly all developing countries and that AID-supported programs are carried out in full compliance with local legal requirements. In many developing countries which are faced with serious population growth problems there are presently Government-supported voluntary sterilization programs in which sterilization together with oral contraceptives and IUD's, is available on a voluntary basis—and there is no legitimate reason why U.S. funds should not be used to further the family planning policies already adopted by these countries.

In most developing countries, the age of marriage is very young—about 15 years. Thus by age 30, a woman has often had 5 to 6 children and still faces 15 years of continued reproductive life. Because IUD's often require medical followup, and oral contraceptives are difficult to distribute to rural areas, women welcome an effective, permanent method to prevent the continuing danger of pregnancy. After age 30, pregnancy represents a serious health risk, especially to undernourished women living in poverty with limited access to medical care. For such women, sterilization is often preferable to continued use of other methods with higher failure rates, greater complications and problems of supply, followup, and personal convenience.

New techniques for female sterilization have made it possible to perform sterilizations on an outpatient basis with minimal discomfort and inconvenience and few complications. But physicians and medical teams in developing countries need adequate training and equipment in order to perform these procedures safely. Moreover, in order to serve poor women without charge or at low fees, present overcrowded clinics and hospitals in developing countries need additional support. AID funds are provided only where local governments, health facilities, and physicians are willing to provide such a service.

Finally, Mr. Chairman, this proposal was not presented to either our full Committee on International Relations or to any of the several subcommittees that considered the bill before us, with evidence of the alleged abuses so that they could be discussed dispassionately and

with the opportunity for the AID people to respond to these allegations. I do not think this is the proper way to legislate in such an important and sensitive area.

For these reasons, Mr. Chairman, I think the original amendment by the gentleman from Missouri is unwise and should be rejected, and the amendment by the gentleman from Illinois (Mr. FINDLEY) should be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. FINDLEY) as a substitute for the amendment offered by the gentleman from Missouri (Mr. YOUNG).

The question was taken; and the Chairman being in doubt, the committee divided, and there were—ayes 30, noes 11.

So the amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. YOUNG) as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. LOTT

Mr. LOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LOTT: Page 16, strike out lines 8 through 18 and insert in lieu thereof the following:

(1) by striking out "for the fiscal year 1974," and all that follows thereafter through $194,500,000 and"; and

(2) by inserting immediately before the period at the end of the first sentence "and for the fiscal year 1978, $246,000,000.".

Mr. LOTT. Mr. Chairman, I have an amendment at the desk

Mr. Chairman, my amendment is very simple. It reduces by $25,750,000 the funding in section 117 of the bill for U.S. voluntary contributions to international organizations and programs for fiscal year 1978.

It is my understanding that the administration requested $246 million for our voluntary contributions to certain international groups and programs in fiscal year 1978.

The Subcommittee on International Organizations of the International Relations Committee added to the President's request, and these additions were accepted by the full committee. The authorization now sought for this section of the legislation is $271,750,000.

Very briefly, the committee added to three programs which the President included in his request: The U.N. development program, $10 million; the U.N. Children's Fund, $5 million; and the Organization of American States voluntary programs, $2.5 million. Next, the committee added authorizations for organizations and programs for which the President made no request: The U.N. Decade for Women, $3 million; the U.N. Capital Development Fund, $2 million; the U.N. associate experts program, $2 million; the U.N. Year of the Child, $750,000; and the U.N. Namibia Institute, $500,000. The total of the committee's authorizations above the Carter administration request is $25,750,000.

I think it is important, when we contemplate making voluntary contributions to these types of international programs, to look closely at how the money designated for this purpose compares with the rest of the funding in the legislation. Approximately 36 percent of the $1.7 billion authorization in the bill for fiscal year 1978, or $613.2 million, is earmarked for food and nutrition. The next largest authorization in the entire bill, $271.75 million, is for our voluntary contributions to international organizations and programs. This purpose has been given a higher priority than population planning; has been recognized as a greater need than health and education combined; and has received more than double the proposed funding for energy, environmental, and disaster research.

How can a Member of Congress justify this to his constituents?

Actually, my amendment to delete a mere $25.75 million would only return the authorization for voluntary contributions to the President's request. That is all. It would not cut the administration's budget for this purpose one penny.

It is fair to say that I have always questioned whether our contributions to international programs have been in the best interest of the American people. I just find it very difficult, when I go back to my congressional district, which is located in the State with the lowest average per capita income in the Nation, to explain why the U.S. Congress has authorized the spending of their hard-earned tax dollars for programs of which they have never even heard supposedly to benefit countries of which they likewise have never heard.

So in the interest of fiscal restraint, commonsense, and better placed priorities, I urge the passage of my amendment.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from New York.

Mr. BINGHAM. I thank the gentleman for yielding.

Is it not true the amendment offered by the gentleman would also cut out $5 million for the U.N. Children's Fund? That is the one the children go out at Halloween and collect pennies for.

Mr. LOTT. That is right. The $5 million was added to the request of the administration, which was $20 million.

Mr. BINGHAM. And the gentleman's amendment would cut $10 million from the U.N. development program.

Mr. LOTT. That is correct, but it still leaves $130 million for the program.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

(On request of Mr. BINGHAM, and by unanimous consent, Mr. LOTT was allowed to proceed for 2 additional minutes.)

Mr. BINGHAM. Mr. Chairman, if the gentleman will yield further, it cuts $10 million from the U.N. Development Fund, which is the program being run by our former colleague, Bradford Morse.

Mr. LOTT. But this bill adds $10 million above the administration request.

Mr. BINGHAM. But I want to get the gentleman's agreement that $15 million of the cost he proposes would reduce those two programs.

Mr. BEARD of Tennessee. Mr. Chairman, if the gentleman will yield, the gentleman said this would eliminate the UNICEF program?

Mr. BINGHAM. No. I said it would cut $5 million from the committee's recommendation for UNICEF and $10 million from the program run by Brad Morse.

Mr. LOTT. It would cut $5 million but they would still have $20 million in this program. We are not cutting the program out. I am saying let us stay within the budget request of the President of the United States. This amendment cuts only $25 million. I just think this is one area where we can make a saving.

Mr. FRASER. Mr. Chairman, I rise in opposition to the amendment.

The subcommittee which I chair held two hearings on the items in the voluntary contributions to international organizations. We recommended certain changes in the President's recommendation. Several of our changes however, unofficially I believe, are now within the purview of what the administration wishes, and clearly the Assistant Secretary for International Organization who testified indicated there was strong merit to each of the items in our budget.

Let me make the point. The main items in this $25 million are, first, the children's fund. The committee has in recent years repeatedly added a small amount to the U.S. contribution to the children's fund because it is believed that this fund is wisely administered, it reaches the young people, the children of the world who often are the real victims of poverty and oppression. So there was agreement in the committee to this $5 million add-on for the children's fund.

The second significant item in this is the $10 million additional for the United Nations Development Program. This is a program which is now being administered by our former colleague Bradford Morse, who took this responsibility at the United Nations with the expectation of making the UNDP a more effective program in assisting the poor countries of the world. He is having some success in that regard. At the meetings of the governing board of the UNDP they have agreed to focus their efforts on the very poorest of the poor of the world.

It is an important adjunct to the U.S. assistance programs. They are tightening up on administration. They are reducing the number of staff and making it a leaner and more effective program than ever before.

I would like to make one point that is important to remember historically, and that is that when the Congress voted to impose a limitation on the U.S. contributions at 25 percent, this is now the assessed contribution of the United States, in the negotiations which our representatives undertook at the U.N., in exchange for agreement by the U.N. General Assembly to reducing U.S. assessed obligations to 25 percent, we undertook a strong and firm commitment to increase our support to the U.N. Development Program. Unfortunately that commitment has not been fully carried out and the U.N. Development Program has

had difficulty in the face of rising inflation and rising costs in maintaining the level of programs which it has had in the past.

This is an important program. It is a multilateral program. Our contributions currently run at only 23 percent, which is one of the lower shares which the United States pays in international programs. But I think our confidence in Brad Morse and his administration would be demonstrated by the acceptance of the committee view that there was $10 million justified as an add-on to this program.

Other programs include the U.N. program of the Year of the Child, which is only $750,000.

Then there is the U.N. Decade for Women. In part, this involves funding the U.N. Decade for Women program, which includes an institute in Iran, in which the Government of Iran has great interest. It will be funded by contributions from a number of countries. So, altogether, I think it can be said that this $25 million, while not a large amount, will touch a number of important U.N. programs.

I think the United States is making a new start in the U.N. under the leadership of Ambassador Young, who has been effective in breaking down some of the prejudices against the United States in voting on issues that we have faced in the past.

The U.N. was the forum in which President Carter spoke strongly of the American commitment to human rights. It was warmly received there. I think this effort to provide some substance to the American commitment to the U.N. is fully justified. I would urge its passage.

Mrs. SMITH of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentlewoman from Nebraska.

Mrs. SMITH of Nebraska. Mr. Chairman, in the Subcommittee on Foreign Operations of the Committee on Appropriations we are told that we cannot get an audit on the money we give to the World Bank. We cannot get an audit of the International Development Agency or the Asian Development Bank.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(By unanimous consent, Mr. FRASER was allowed to proceed for an additional 2 minutes.)

Mrs. SMITH of Nebraska. Mr. Chairman, if the gentleman will yield further, do we have an audit available on how the money that we turn over to the United Nations for this development fund is used?

Mr. FRASER. This has been a continuing problem and the committee has been involved in it. The gentlewoman is right. These international institutions do not particularly appreciate the U.S. auditors coming in and looking at their books. They view their international operations as inconsistent with a single nation undertaking an audit of this kind. Nevertheless, we have sought a variety of ways to assure ourselves that this money is being spent properly. In the 5th Committee of the General Assembly, in which our colleague, the gentleman from Alabama, Mr. JOHN BUCHANAN, served for awhile, there has been an increasingly rigorous examination of budgets of the U.N. in an effort to make sure we are cutting out the fat and getting as much for the moneys as we can. Moreover, the largest item is the UNDP, which Brad Morris heads, and I have myself rather substantial confidence in Brad Morris in making sure these moneys are spent carefully.

I am not really telling the gentlewoman that we have the full kind of audit capability with these international institutions that we would like to have, but in variety of ways we are assuring ourselves that the money is being carefully spent.

Mr. LOTT. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Mississippi.

Mr. LOTT. Mr. Chairman, if we look at the amendment we have offered, I suggest another $25.75 million from this particular section to put back at the President's budget request.

Mr. FRASER. But if money is not taken off the programs I have described, it means it is coming out of the international atomic energy effort, which is increasingly involved in our attempts to monitor nuclear proliferation around the world.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

(By unanimous consent, Mr. FRASER was allowed to proceed for 1 additional minute.)

Mr. FRASER. Mr. Chairman, the U.N. Relief Program for Refugees in the Middle East is a matter of some sensitivity and here we are speaking of maybe some progress toward a Middle East settlement. If we do not take it out of the programs I referred to, it will come out of other programs that have an even higher priority.

Mr. LOTT. Mr. Chairman, if the gentleman will yield further, it could come out of the U.N. University. I understand there is $10 million there. We could have used this amount.

Mr. FRASER. The funding for the U.N. University represents the only U.N. presence in Japan. We have a letter to the United States signed by several hundred members of the Japanese Diet asking that we join other countries in support of the U.N. University. I think it is a most significant proposal.

Mr. HALL. The gentleman indicated a moment ago that the various agencies of the United Nations that have received money from the United States have some reservations about giving accounts as to how the moneys have been spent. The gentleman said that is a continuing problem with the committee.

Mr. FRASER. Well, I would like to correct the gentleman. Actually, I would like to yield to the gentleman from Illinois (Mr. DERWINSKI) to answer this more fully, but no, they are providing a full account of how they spend the money. The question is whether they will permit GAO auditors in to examine receipts, vouchers, and invoices. There is where the problem arises. There is a full accounting of the expenditures available to all the member countries, and it is gone over rather carefully by the U.S. representatives.

I would like to yield at this point to the gentleman from Illinois.

Mr. DERWINSKI. The gentleman from Minnesota is correct. What is known as Committee 5 in the U.N.—in effect, the Budget Committee—has a subcommittee of about 9 or 10 people, which includes a permanent U.S. representative, and which really controls the U.N. budget. All the figures are available there to our U.S. mission.

The issue has come up again and again, as the gentleman from Minnesota accurately noted, but the one thing they will not do is to permit member countries to carry out their own individual inspections. They feel that is not the relationship they should have with, legislative bodies of the individual countries.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Florida.

Mr. FASCELL. In addition to that, at the committee's insistence, we wrote into the law section 301(e) of the Foreign Assistance Act. These guidelines have been followed by the administration. This has strengthened independent internal audits. Also the U.S. Comptroller General has promulgated guidelines for these audits. And finally these audits are available to the U.S. representatives, and through them to the General Accounting Office. So to answer the gentleman's question, there is auditing, and the audits are available to the United States.

Mr. HALL. Are we satisfied with that audit?

Mr. FASCELL. Yes, substantially as to the arrangements for audits. But we are constantly seeking improvements and closer fiscal scrutiny.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

(By unanimous consent Mr. FRASER was allowed to proceed for 1 additional minute.)

Mr. FRASER. The answer is, we are satisfied with the audit. I would not want to say that we are satisfied always with the way the money is spent, but generally speaking, I think we are doing better in monitoring the expenditure payment.

Mr. DERWINSKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just want to add one footnote to the point made by the gentleman from Minnesota. Our former colleague, Bradford Morse, is now the director of the UNDP program. He inherited that program when it was in total shambles, his predecessor had actually overspent the budget and had even spent funds committed for the following years. What Mr. Morse had to do was to extricate that program from insolvency. Effective steps he has taken include moves to tighten up personnel, eliminate waste and streamline administrative procedures. The program is now one of the better of United Nations operations.

The committee felt, therefore, that the extra support for UNDP was warranted.

I make this point because I think there is some danger in justifying expenditures based on the fact that one individual, whom we know, will temporarily hold a certain position but since we are dealing with the present, I think that Mr. Morse has done a truly fine job, the committee properly supported that particular item in the bill.

Mr. BAUMAN. Mr. Chairman, I move to strike the last word.

I rise in support of the amendment. Mr. Chairman, I have listened with interest to the justifications of the opponents of the amendment offered by the gentleman from Mississippi, but I do not think the burning issue is the character of Bradford Morse. He is a nice fellow, and many of us know him, but the issue is whether or not the Congress is going to join President Carter in his announced intention of balancing the budget.

The President of the United States and Mr. Lance, as Budget Director, at some point sat down and made a decision on spending for international organizations. The amount they requested was $246 million. Now, this committee gratuitously, after its own hearings and justifications in their own minds, came in with almost $26 million more for these programs.

In so doing, they funded a number of programs the President did not even feel should be considered. Many have alluded here today, as reasons why we ought to retain this money, reasons such as funding for the U.N. Decade for Women program. The bill contains $3 million for that purpose. I am not sure, but I assume that this funds a program which was adopted at a conference in Mexico City a year and a half ago. It was one of the most radical, leftist programs to the point where some of the American delegates even thought of walking out; and in fact, the conference organizers would not allow, as I remember, the wife of the Israeli Premier to speak at that Congress.

Yet the committee says we ought to carry out a U.N. Decade for Women program as mandated, I assume, at that conference.

For another example, the President saw no need to fund the U.N. Namibia Institute. I am not sure what that institute is doing. I have read the report. I gather it is training people to take over Southwest Africa when the Republic of South Africa finally relinquishes control.

Mr. Chairman, I raise the question: Should the Congress be training foreigners to go into a country and take it over? Is it our role to do that?

There are a lot of expendable programs, as the President indicated, that do not need financing in this section of the bill.

All the gentleman from Mississippi is urging is that we adhere to the $246 million spending level and not add the $26 million. That is the only question here. I think Brad Morse will enjoy the RECORD when he reads this. I am sure President Carter will feel this is a responsible approach to try to keep the budget in line. We do not live in an unreal world here in Congress all the time. Let us try to confine our enthusiasm for some of the less necessary programs and adopt this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi (Mr. LOTT).

The question was taken; and on a division (demanded by Mr. LOTT) there were—ayes 18, noes 31.

Mr. LOTT. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. FRASER. Mr. Chairman, I wonder if the gentleman from Mississippi (Mr. LOTT) will withdraw his point of order of no quorum. Perhaps we can get him a vote.

RECORDED VOTE

Mr. LOTT. Mr. Chairman, I withdraw my point of order of no quorum, and I again demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 233, noes 171, not voting 28, as follows:

[Roll No. 225]

AYES—233

Abdnor	English	Luken
Addabbo	Erlenborn	McCormack
Allen	Ertel	McDade
Andrews, N.C.	Evans, Del.	McEwen
Andrews, N. Dak.	Evans, Ga.	McHugh
Archer	Fish	Madigan
Armstrong	Fithian	Mahon
Ashbrook	Flippo	Mann
AuCoin	Flowers	Marks
Badham	Flynt	Marriott
Bafalis	Fountain	Martin
Barnard	Frey	Mathis
Baucus	Gammage	Mazzoli
Bauman	Gaydos	Michel
Beard, Tenn.	Gephardt	Milford
Bedell	Gilman	Miller, Ohio
Benjamin	Ginn	Minish
Bennett	Glickman	Mitchell, N.Y.
Biaggi	Goldwater	Montgomery
Blanchard	Gonzalez	Moore
Bowen	Goodling	Moorhead, Calif.
Breaux	Gore	Mottl
Brinkley	Gradison	Murphy, Ill.
Broomfield	Grassley	Murphy, Pa.
Brown, Mich.	Gudger	Murtha
Brown, Ohio	Hagedorn	Myers, Gary
Broyhill	Hall	Myers, Ind.
Burke, Fla.	Hammer-schmidt	Natcher
Burke, Mass.	Hanley	Neal
Burleson, Tex.	Hannaford	Nichols
Burlison, Mo.	Hansen	O'Brien
Butler	Harkin	Obey
Byron	Harsha	Panetta
Carter	Hefner	Patterson
Chappell	Hightower	Pettis
Clausen, Don H.	Holland	Pickle
Cleveland	Holt	Pike
Cochran	Horton	Poage
Cohen	Hubbard	Pressler
Coleman	Huckaby	Pritchard
Collins, Tex.	Hyde	Quayle
Corcoran	Ichord	Rahall
Cornell	Ireland	Railsback
Cornwell	Jenkins	Regula
Cotter	Jenrette	Rhodes
Coughlin	Johnson, Colo.	Rinaldo
Crane	Jones, N.C.	Risenhoover
Daniel, Dan	Jones, Okla.	Roberts
Daniel, R. W.	Jones, Tenn.	Robinson
Davis	Kasten	Rogers
de la Garza	Kazen	Roncalio
Delaney	Kelly	Rousselot
Derrick	Kemp	Rudd
Devine	Ketchum	Runnels
Dickinson	Kindness	Ruppe
Dingell	Krebs	Russo
Dornan	Lagomarsino	Santini
Duncan, Oreg.	Latta	Sarasin
Duncan, Tenn.	Leach	Satterfield
Edgar	Lent	Sawyer
Edwards, Ala.	Levitas	Sebelius
Edwards, Okla	Lloyd, Tenn.	Sharp
Emery	Long, Md.	Shipley
	Lott	Shuster
Sikes	Symms	Whitehurst
Skelton	Taylor	Whitley
Skubitz	Thone	Whitten
Smith, Iowa	Thornton	Wiggins
Smith, Nebr.	Traxler	Wilson, Bob
Snyder	Treen	Winn
Spence	Trible	Wolff
Staggers	Vander Jagt	Wydler
Stangeland	Volkmer	Wylie
Stanton	Waggonner	Young, Alaska
Steed	Walsh	Young, Fla.
Steiger	Wampler	Young, Mo.
Stockman	Watkins	Young, Tex.
Stump	White	Zeferetti

NOES—171

Akaka	Flood	Myers, Michael
Alexander	Florio	Nedzi
Ammerman	Foley	Nix
Anderson, Calif.	Ford, Mich.	Nowak
	Ford, Tenn.	Oakar
Anderson, Ill.	Fowler	Oberstar
Annunzio	Fraser	Ottinger
Applegate	Giaimo	Patten
Ashley	Gibbons	Pattison
Aspin	Hamilton	Pease
Badillo	Harrington	Pepper
Baldus	Harris	Perkins
Beard, R.I.	Hawkins	Preyer
Bellenson	Hollenbeck	Pursell
Bingham	Holtzman	Quie
Blouin	Howard	Rangel
Boggs	Hughes	Reuss
Boland	Jacobs	Richmond
Bonior	Jeffords	Rodino
Bonker	Johnson, Calif.	Rooney
Brademas	Jordan	Rose
Breckinridge	Kastenmeier	Rosenthal
Brodhead	Keys	Rostenkowski
Brooks	Kildee	Roybal
Brown, Calif.	Koch	Ryan
Buchanan	Kostmayer	Scheuer
Burke, Calif.	Krueger	Schroeder
Burton, John	LaFalce	Schulze
Burton, Phillip	Le Fante	Seiberling
Caputo	Lederer	Simon
Carney	Leggett	Sisk
Carr	Lehman	Slack
Cavanaugh	Lloyd, Calif.	Solarz
Chisholm	Long, La.	Spellman
Clay	Lundine	St Germain
Collins, Ill.	McClory	Stark
Conte	McCloskey	Steers
Conyers	McFall	Stokes
Corman	McKay	Studds
D'Amours	McKinney	Thompson
Danielson	Maguire	Tsongas
Dellums	Markey	Tucker
Derwinski	Marlenee	Udall
Dicks	Mattox	Ullman
Diggs	Meeds	Vanik
Dodd	Metcalfe	Vento
Downey	Meyner	Waigren
Drinan	Mikulski	Waxman
Early	Mikva	Weiss
Eckhardt	Miller, Calif.	Whalen
Edwards, Calif.	Mineta	Wilson, C. H.
Eilberg	Mitchell, Md.	Wirth
Evans, Colo.	Moakley	Wright
Fary	Moffett	Yates
Fascell	Mollohan	Yatron
Fenwick	Moorhead, Pa.	Zablocki
Findley	Moss	
Fisher	Murphy, N.Y.	

NOT VOTING—28

Ambro	Frenzel	Quillen
Bevill	Fuqua	Roe
Bolling	Guyer	Stratton
Burgener	Heckler	Teague
Cederberg	Heftel	Van Deerlin
Clawson, Del	Hillis	Walker
Conable	Lujan	Weaver
Dent	McDonald	Wilson, Tex.
Evans, Ind.	Nolan	
Forsythe	Price	

The Clerk announced the following pairs:

On this vote:

Mr. Teague for, with Mr. Heftel against.

Mr. McDonald for, with Mr. Price against.

Mr. Bevill for, with Mr. Ambro against.

Mr. Walker for, with Mr. Van Deerlin against.

Mr. Guyer for, with Mrs. Heckler against.

Mr. HAWKINS changed his vote from "aye" to "no."

Messrs. LEVITAS, HANNAFORD, JENKINS, and BARNARD changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there other amendments to title I? If not, the Clerk will read title II.

The Clerk read as follows:

TITLE II—FOOD FOR PEACE

REPEAL OF PROHIBITION ON TITLE I SALES TO CERTAIN COUNTRIES

SEC. 201. (a) Section 102 of the Agricultural Trade Development and Assistance Act of 1954 is amended by striking out ": *Provided*," and all that follows through the end of the section and inserting in lieu thereof a period.

(b) Section 103(d) of such Act is amended by striking out ", or (3)" and all that follows through "United Arab Republic under title I of this Act".

ALLOCATION OF TITLE I AGREEMENTS

SEC. 202. Section 111 of the Agricultural Trade Development and Assistance Act of 1954 is amended by striking out the first three sentences thereof and inserting in lieu thereof the following: "Not more than 25 per centum of the food aid commodities provided under this title in each fiscal year shall be allocated and agreed to be delivered to countries other than those meeting the poverty criterion established for International Development Association financing and affected by inability to secure sufficient food for their immediate requirements through their own production or commercial purchase from abroad, unless (1) the President certifies to the Congress that the use of such food assistance is required for humanitarian food purposes, or (2) the President certifies to the Congress that the quantity of commodities which would be required to be allocated under this section to countries which meet the International Development Association poverty criterion could not be used effectively to carry out the humanitarian or development purposes of this title. A reduction below 75 per centum in the proportion of food aid allocated and agreed to be delivered to countries meeting the International Development Association poverty criterion and affected by inability to secure sufficient food for their immediate requirements through their own production or commercial purchase from abroad which results from significantly changed circumstances occurring after the initial allocation shall not constitute a violation of the requirements of this section.".

AVAILABILITY OF ADEQUATE STORAGE FACILITIES

SEC. 203. Title I of the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof the following new section:

"SEC. 112. Before entering into agreements with developing countries for the sale of agricultural commodities under this title, the President shall determine, taking into account predicted harvests, expected shipments from other sources, existing stocks, and projected levels of consumption, whether or not there is a substantial likelihood that adequate storage facilities will not be available in the recipient country. In the event that he finds that such a likelihood exists, he shall implement a monitoring system to assure in connection with each purchase authorization that the requisite facilities are available. The shipment shall not take place unless the President makes a determination on the basis of this monitoring system, that in all probability, adequate storage facilities will be available.".

HUMAN RIGHTS

SEC. 204. Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended by section 203 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 113. (a) No agreement may be entered into under this title to finance the sale of agricultural commodities to the government of any country which engages in a consistent pattern of gross violations of internationally recognized human rights, including torture or cruel, inhuman, or degrading treatment or punishment, prolonged detention without charges, or other flagrant denial of the right to life, liberty, and the security of person, unless such agreement will directly benefit the needy people in such country. An agreement will not directly benefit the needy people in the country for purposes of the preceding sentence unless either the commodities themselves or the proceeds from their sale will be used for specific projects or programs which the President determines would directly benefit the needy people of that country. The agreement shall specify how the projects or programs will be used to benefit the needy people and shall require a report to the President on such use within 6 months after the commodities are delivered to the recipient country.

"(b) To assist in determining whether the requirements of subsection (a) are being met, the Committee on Agriculture, Nutrition, and Forestry of the Senate or the Committee on International Relations of the House of Representatives may require the President to submit in writing information demonstrating that an agreement will directly benefit the needy people in a country.

"(c) In determining whether or not a government falls within the provisions of subsection (a), consideration shall be given to the extent of cooperation of such government in permitting an unimpeded investigation of alleged violations of internationally recognized human rights by appropriate international organizations, including the International Committee of the Red Cross, or groups or persons acting under the authority of the United Nations or of the Organization of American States.

"(d) The President shall transmit to the Speaker of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, in the annual presentation materials on planned programing of assistance under this title, a full and complete report regarding the steps he has taken to carry out the provisions of this section.".

HIGH PROTEIN, BLENDED, AND FORTIFIED FOODS

SEC. 205. Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended by sections 203 and 204 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 114. (a) The Congress declares it to be the policy of the United States to assist developing countries in the transition from food assistance recipients to economic self-sufficiency and to assist those nations which have been recipients of high protein, blended or fortified foods under title II of this Act to continue to combat hunger and malnutrition among the lower income segments of their population, especially children, through the continued provision of these foods under this title.

"(b) In implementing the policy declared in subsection (a), the President, in entering into agreements for the sale of high protein, blended or fortified foods under this title with countries which (1) give assurance that the benefits of any waiver under this section will be passed on to the individual recipients of such foods, and (2) have a reasonable potential for transition to economic self-sufficiency with regard to the acquisition of such foods, may make provisions for a waiver of repayment of up to that part of the product value which is attributable to the costs of processing, enrichment, or fortification.".

FOOD FOR DEVELOPMENT PROGRAM

SEC. 206. (a) Title I of the Agricultural Trade Development and Assistance Act of 1954 is amended—

(1) by inserting "PART 1—GENERAL AUTHORITY" as a heading immediately before section 101; and

(2) by adding the following new part at the end of title I:

"PART 2—FOOD FOR DEVELOPMENT

"SEC. 131. (a) In order to establish a strong relationship between United States food assistance and efforts by developing countries to increase the availability of food for the poor in such countries, and to improve in other ways the quality of their lives, the President is authorized to encourage the use of the resources provided by the concessional financing of agricultural commodities under this Act for agricultural and rural development, including voluntary family planning, health, and nutrition programs, by permitting the funds accruing from the local sale of such commodities which are used for such purposes to be applied against the repayment obligation of governments receiving concessional financing under this Act. The agreement between the United States Government and an eligible developing country government which provides for repayment of the loan obligation to the United States accruing from the concessional sale of United States agricultural commodities by the use of funds from the sale of such commodities in the participating country for specified development purposes shall be called a food for development program.

"(b) The overall goal of assistance under this part shall be to increase the access of the poor in the recipient country to a growing and improving food supply through activities designed to improve the production, protection, and utilization of food, and to increase the well-being of the poor in the rural sector of the recipient country. Assistance authorized under this part shall be used for programs of agricultural development, rural development, nutrition, health services, and population planning, and the program described in section 406(a)(1) of this Act, in those countries which are undertaking (or are seriously prepared to undertake in connection with the provision of agricultural commodities under this Act) self-help measures to increase agricultural production, improve storage, transportation, and distribution of commodities, and reduce population growth in accordance with section 109 of this Act, when such programs are directed at and likely to achieve the policy objectives of sections 103 and 104 of the Foreign Assistance Act of 1961 and are consistent with the policy objectives of this Act. Particular emphasis should be placed on activities which effectively assist small farmers, tenants, sharecroppers, and landless agricultural laborers, by expanding their access to the rural economy through services and institutions at the local level, and otherwise providing opportunities for the poor who are dependent upon agriculture and agriculturally related activities to better their lives through their own efforts.

"SEC. 132. (a) Whenever the President, in consultation with the government of a developing country, determines that such developing country meets the criteria specified in subsection (b) of this section and could benefit from the sale of United States agricultural commodities (including processed and blended foods) for the purposes of generating funds or distributing such commodities for agricultural and rural development, and improving food distribution and use within such country, the President may designate such country as eligible for a food for development program.

"(b) In order to be eligible for a food for development program under this section, a country must (1) have a need for external resources to improve its food production, marketing, distribution, and storage systems; (2) meet the criterion used to determine basic eligibility for development loans of the International Development Association of the International Bank for Reconstruction and Development; (3) have the ability to utilize effectively the resources made available by the sale of food commodities under this sec-

tion for the purposes specified in clause (1); and (4) indicate the willingness to take steps to improve its food production, marketing, distribution, and storage systems.

"(c)(1) Except as provided in paragraph (2)—

"(A) for fiscal year 1978, not less than 5 percent,

"(B) for fiscal year 1979, not less than 10 percent, and

"(C) for fiscal year 1980 and each fiscal year thereafter, not less than 15 percent,

of the aggregate dollar amount of financing made available under all agreements entered into under this title for such fiscal year shall be made available under agreements under this part.

"(2) The President may waive the requirement of paragraph (1) with respect to a fiscal year if he determines that there are an insufficient number of agricultural and rural development projects which qualify for assistance under this part and that therefore the humanitarian purposes of this Act would be better served by furnishing financing under other provisions of this title. Any such waiver shall be reported to the Congress, together with a detailed statement of the reasons for the lack of acceptable projects and a detailed description of efforts by the United States Government to assist eligible countries, pursuant to section 133(a), in identifying appropriate projects for assistance under this part.

"(3) Greatest efforts shall be made by relevant United States agencies to encourage maximum utilization of title I aid for food for development projects under this part, even beyond the minimums required by paragraph (1).

"SEC. 133.(a) A country designated as eligible and wishing to participate in a food for development program shall formulate, with the assistance (if requested) of the United States Government, a multiyear use proposal which shall be submitted to the President. Such proposal shall include the annual value or amount of agricultural commodities proposed to be financed under the authority of part 1 of this title pursuant to the provisions of this part, and a plan for the intended uses of the funds generated from the sale of such commodities, on an annual basis for each year such funds are to be disbursed. Such proposal shall also specify the nature and magnitude of problems to be affected by the effort and shall present targets in quantified terms, insofar as possible.

"(b) The multiyear utilization proposal for any food for development program shall include, but not be limited to, a statement of how assistance under such a program will be integrated into and complement that country's overall development plans and with other forms of bilateral and multilateral development assistance, including assistance made available under section 103 of the Foreign Assistance Act of 1961 or under any other provision of this Act.

"(c) In his review of any utilization proposal for a food for development program the President shall be satisfied that such assistance is intended to complement, but not replace, assistance authorized by the Foreign Assistance Act of 1961, or any other program of bilateral or multilateral assistance, or under the development program of the country desiring to initiate a food for development program.

"SEC. 134. (a) Whenever a proposal has been agreed upon by the President and the participating country, credit may be furnished under the authority of part 1 of this title to the participating country for the purchase of a specific annual value of agricultural commodities to be delivered over a period of from one to five years, subject to the availability of such commodities under section 401 of this Act.

"(b) Notwithstanding any other provision of this Act, no payment except as provided for under this part shall be required of the recipient government as a part of any agreement to finance the sale of agricultural commodities pursuant to a food development program.

"(c) In making food assistance available under this part to a country on the United Nations Conference on Trade and Development's list of relatively least developed countries, the President may waive any requirement contained in section 133 (a) or (b), in that portion of section 133(c) which requires that assistance under this part is intended to complement but not replace any part of the development program of the participating country, or in section 136, if he finds that such country is unable to meet such requirement but could use assistance under this part of meet important humanitarian or developmental objectives of this Act. Such waivers, and the reasons therefor, shall be reported annually by the President to the Congress.

"SEC. 135. Funds generated from the sale of agricultural commodities by any participating country under this part shall be held in a special account where practicable to be disbursed for the purposes described in the approved food for development program of such country. The amount of funds disbursed for such purposes, and in accordance with the agreement, shall be deemed payment for the purposes of section 103(b) of this Act.

"SEC. 136. Not more than one year after the initial delivery of commodities to any country under this part and each year thereafter for the period of agreement, the government of the participating country, with the assistance (if requested) of the United States Government, shall submit a comprehensive report to the President on the activities and progress achieved under the food for development program for such country, including but not limited to, a comparison of results with projected targets, a specific accounting for funds generated, their uses, and the outstanding balances at the end of the most recent fiscal year. Such annual report may also include recommendations for modification and improvement in the uses of funds under the food for development program of such country. The President shall consider suspending shipments under a food for development program if the annual report with respect to such program is not received within ninety days after the date on which such report is due.

"SEC. 137. Each year the President shall review the disposition of all agreements providing for the use of the proceeds from the sale of agricultural commodities pursuant to this part for which such funds had not been fully disbursed the preceding year. The results of such review shall be included in the annual report to the Congress required under section 408(a). If the President finds that the provisions of such agreements are not being substantially met, he shall not extend financing for sales under this part until the end of the following fiscal year or until the situation is remedied, whichever occurs first, unless the failure to meet the provisions is due to unusual circumstances beyond the control of the recipient government.".

(b) Section 103(b) of such Act is amended by striking out "106(b)(2)" in the proviso and inserting in lieu thereof "part 2 of this title".

(c) Section 106(b) of such Act is amended by striking out the second and third sentences.

(d) Section 408 of the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof the following new subsection:

"(d) Not later than October 1, 1978, and at the end of each 5 year interval thereafter, the President shall submit to the Congress a comparative cross-country evaluation of programs conducted under title II and under part 2 of title I. Such evaluations shall cover no fewer than five countries sampled from the developing regions (Asia, Africa, Latin America, and the Caribbean), and shall assess the nutritional and other impacts, achievements, problems and future prospects for programs under title II and under part 2 of title I.".

TITLE II MINIMUM DISTRIBUTION

SEC. 207. (a) Section 201(b) of the Agricultural Trade Development and Assistance Act of 1954 is amended—

(1) by striking out "1,300,000" and inserting in lieu thereof "1,600,000"; and

(2) by striking out "one million" and inserting in lieu thereof "1,300,000".

(b) The amendments made by subsection (a) shall apply to fiscal years beginning after September 30, 1977.

TITLE II DISTRIBUTION PRIORITIES

SEC. 208. Section 202 of the Agricultural Trade Development and Assistance Act of 1954 is amended—

(1) by inserting "(a)" immediately after "SEC. 202.";

(2) by striking out the next to the last sentence; and

(3) by adding at the end thereof the following new subsection:

"(b)(1) Assistance to needy persons under this title shall be directed, insofar as practicable, toward community and other self-help activities designed to alleviate the causes of need for such assistance.

"(2) In order or assure that food commodities made available under this title are used effectively, indigenous workers shall be employed to the extent feasible, to provide information on nutrition and conduct food distribution programs in the most remote villages.

"(3) In distributing food under this title priority shall be given, to the extent feasible, to those who are suffering from malnutrition by using means such as (A) giving priority within food programs for preschool children to malnourished children, and (B) giving priority to the poorest regions of countries.".

USE OF FOREIGN NONPROFIT VOLUNTARY AGENCIES

SEC. 209. (a) Section 202(a) of the Agricultural Trade Development and Assistance Act of 1954, as so redesignated by section 208(1) of this Act, is amended by inserting the following new sentence immediately after the second sentence: "If no United States nonprofit voluntary agency registered with and approved by the Advisory Committee on Voluntary Foreign Aid is available, the President may utilize a foreign nonprofit voluntary agency which is registered with and approved by the Advisory Committee.".

(b) For purposes of implementing the amendment made by subsection (a), the President shall issue regulations governing registration with and approval by the Advisory Committee on Voluntary Foreign Aid of foreign nonprofit voluntary agencies.

Mr. ZABLOCKI (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN. Are there amendments to title II?

AMENDMENT OFFERED BY MR. GRASSLEY

Mr. GRASSLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GRASSLEY: Page 23, strike the period in line 19 and insert in lieu thereof the following: ", and (3) neither House of Congress disapproves such use by resolution, within thirty calendar days after any such certification."

Mr. GRASSLEY. Mr. Chairman, I offer an amendment to H.R. 6714 which would have the effect of retaining the provision in existing law which permits Congress to disapprove an administrative waiver of the 75–25 requirement under title I of Public Law 480.

This provision was added to the law in 1975 after it became apparent that the Public Law 480 program had been abused and used for political purposes.

The administration has recommended deletion of the congressional veto—a recommendation which is reflected in the language of this bill as reported from committee. I think it is perfectly natural for the administration to propose changes in the law which tend to increase its own flexibility and decrease congressional checks and balances. It is human nature. And I have supported such changes, in the past, when warranted.

But this clearly is not such an instance. The administration proposal would all but eliminate congressional oversight over "75–25" waivers.

The existing congressional veto provision, in my recollection, has not been used. But it has served as a deterrent to program abuse; and it has firmly established an ongoing congressional oversight capability with respect to title I concessional sales under the Public Law 480 program.

It is worth noting that the Agriculture Committee, which shares jurisdiction over Public Law 480, unanimously agreed to an identical amendment, just 2 weeks ago, to retain congressional veto authority in the law. I am advised that the distinguished chairman and ranking minority member of the Committee on International Relations also support this amendment.

I trust and hope that any colleagues here on the floor will react similarly to this amendment.

An amendment which retains existing law.

An amendment which is necessary to insure adequate congressional oversight over title I concessional sales, and to deter program abuse.

An amendment which received the unanimous approval of the Agriculture Committee, and enjoys the support of the leadership of the International Relations Committee.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. GRASSLEY. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Chairman, I thank the gentleman for yielding.

This amendment is similar to a provision in existing law. As I understand it, it reflects the desire of the House Agriculture Committee as shown in their markup of the omnibus agriculture bill. I know of no objection, and we accept the gentleman's amendment.

Mr. BROOMFIELD. Mr. Chairman, if the gentleman will yield, we also accept the amendment on this side of the aisle.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. GRASSLEY).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. JOHNSON OF COLORADO

Mr. JOHNSON of Colorado. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Colorado: Page 38, immediately after line 9, insert the following new section:

TOBACCO AND TOBACCO PRODUCTS

"SEC. 210. Section 402 of the Agricultural Trade Development Assistance Act of 1954 is amended by striking the following words in the first sentence of such section: 'for the purposes of title II of this Act,'."

Mr. JOHNSON of Colorado. Mr. Chairman, this amendment is a simple one. As the law presently reads it states that the term "agricultural commodities" shall include alcoholic beverages and for the purposes of title II of this act tobacco or tobacco products. If we strike the language as proposed in my amendment, then the term "agricultural commodity" would not include tobacco or tobacco products, which would mean the sale of those products under Public Law 480 would be discontinued and would be made out of order from now on. Under Public Law 480, title I, we financed $66 million worth of sales in 1977. In 1978, it is estimated we are going to provide $24 million worth of tobacco products to five different countries. This would provide food assistance for 890,000 people. That is, 890,000 people could be fed with the amount of money that we are going to provide in tobacco financing.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman from Colorado yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Chairman, as the gentleman knows, his amendment could very well fit in better in the Agriculture Committee consideration of the omnibus agriculture bill. There is a question of this committee's jurisdiction over what the gentleman's amendment intends to do. Can the gentleman advise me whether his amendment was proposed to the Agriculture Committee?

Mr. JOHNSON of Colorado. The amendment was proposed in the Agriculture Committee and defeated by a vote of 29 to 10, as I recall.

Mr. ZABLOCKI. It was defeated almost 3 to 1.

Mr. JOHNSON of Colorado. Yes.

Mr. ZABLOCKI. I would respectfully suggest that the gentleman should propose his amendment when the omnibus farm bill will be before the House of Representatives. I must, therefore, oppose the gentleman's amendment.

Mr. JOHNSON of Colorado. I know there is no question, but what the amendment is in order at this point. Whether it should be proposed here or when the agriculture bill is before the House is a question.

I gather from the attention that this amendment is drawing that we will not get much more support here than we did in the Committee on Agriculture; but I would point out that this is a commodity which the Federal Government has time and again warned the public of the dangers. We have spent since 1965 about $5 billion in our cancer research. We had warning after warning about this particular commodity. At the same time we condemn the commodity, we also spend money supporting it through the tobacco subsidy program and in export sales abroad.

It seems to me it would be perhaps appropriate to give it away to our enemies, instead of financing it on these long-term contracts to our friends. We are actually financing the sale of tobacco to the Philippines, Egypt, Zaire, Portugal, and Syria. The American taxpayer is providing that money. It seems to me a terrible inconsistency to spend all the money we do every year on education about the dangers of tobacco, to spend all the money we do on cancer research and to warn the American public, as we have, and at the same time to finance through this program $24 million of aid that would feed 890,000 people. Instead of feeding them, we are giving them the benefits of this particular product.

Mr. FOUNTAIN. Mr. Chairman, I rise in opposition to the amendment to strike tobacco from the Public Law 480 program. This amendment is extremely ill-advised and is certainly not in the best interests of our Nation. I sincerely hope that my colleagues will join with me in voting against this amendment.

We considered a similar provision in the International Relations Committee, and I am pleased to report that the committee quickly made a decision not to eliminate tobacco.

Tobacco is an important economic asset. At least half of all the tobacco we produce is exported, bringing in vitally needed foreign exchange.

If we vote down this amendment, as we should, we will be saving our tobacco farmers an immediate 30–35 million pound export market in this crop year alone. And this is important, especially at a time of economic uncertainty.

May I point out that Public Law 480 tobacco assistance—a very small program as Federal programs go—has built a basis for a strong commercial customers of our tobacco in many countries, as we have seen most recently in Thailand and the Philippines.

To be more explicit, U.S. tobacco exports in 1976 totaled nearly $1.5 billion. Unmanufactured tobacco accounted for over $920 million of this. After deducting duty paid imports, tobacco's net contribution to U.S. trade in 1976 was more than $1 billion.

Of this record level of exports, only about 2 percent—$20.5 million—was Public Law 480 assisted. These shipments were to two countries—Egypt and Syria—which in the past have been important tobacco trade partners of the United States and with whom the United States today is in the process of recon-

structing political and commercial relations.

The Public Law 480 program in the past has helped the U.S. tobacco industry maintain a market presence in countries which have become strong commercial customers. For example, in 1974 Thailand was a market for $28.5 million of U.S. tobacco; only $6.5 million of this was Public Law 480 assisted. Commercial exports to Thailand were $32.8 million in 1975 and over $47 million in 1976. The Philippines in 1974 took $12.8 in U.S. exports; only $2.1 million was Public Law 480 assisted. Commercial exports to the Philippines were $17.7 million in 1975 and $26.4 million in 1976.

We estimate that in 1977 Public Law 480 assisted exports may total $30 to $35 million or about 3 percent of the total value of anticipated exports. Authorizations would cover exports to Portugal, as well as to Syria and Egypt.

Tobacco is the major source of farm income to over 600,000 farm families in the United States of which an overwhelming majority are family-size producers. Tobacco is the fifth largest cash crop produced in the United States. It was America's first export. Tobacco is a major crop in no less than 16 States, which are as follows: North Carolina, Kentucky, Virginia, South Carolina, Georgia, Tennessee, Florida, Maryland, Connecticut, Indiana, Ohio, Pennsylvania, Wisconsin, Massachusetts, Missouri, and West Virginia.

In addition, tobacco is also produced to a lesser extent in Alabama, Arkansas, Illinois, Kansas, Louisiana, Minnesota, and New York.

I do not wish to question the motives of the introducer of this amendment, but I would like to explain that passage of his amendment would not in any way affect the smoking habits of any of the nations scheduled for this worthwhile program of aid this year.

On the contrary, all the passage of this amendment would do is to insure that several potential markets for American-produced tobacco would be closed to us and these markets would likely go to other tobacco-producing nations.

Remember, tobacco is grown in many, many countries around the globe, and can be grown in many others. During World War II they even grew tobacco in the Swiss Alps. What I am trying to underscore is the importance of this program as a promotional device as well as a mechanism for aiding the less-developed countries.

I urge you to vote down this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. JOHNSON).

The question was taken: and on a division (demanded by Mr. ZABLOCKI) there were—ayes 49, noes 26.

So the amendment was agreed to.

The CHAIRMAN. Are there further amendments to title II?

Mr. BAUMAN. Mr. Chairman, I move to strike the last word.

I would like to address a question to the gentleman from Wisconsin regarding the general policies of the administration in administering the programs which this bill authorizes, particularly food for peace.

I received information within the last few weeks that on May 20 of this year a vessel known as the *Delta Brazil* will be leaving the port of Pensacola, Fla., containing $4.2 million worth of foodstuffs under the aegis of UNICEF and also under food for peace to be shipped to Angola. It appears to me if the administration is serious in its desire to prevent the spread of revolution and military activities on the part of the Communist government controlling Angola, for instance, the incursions into Zaire, it runs counter to that policy to authorize shipments that go directly to those perpetuating revolution.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Chairman, the gentleman from Wisconsin is not aware or has not read or heard of the source of that information. Could the gentleman share with us where the gentleman received the information and from what the gentleman is quoting?

Mr. BAUMAN. Yes. I am quoting from an internal document from AID. I would be glad to provide a copy of it, detailing the amounts of corn, other foodstuffs and grains being shipped, the date of shipping, and arrival dates in Luanda.

Mr. ZABLOCKI. Under the aegis of UNICEF?

Mr. BAUMAN. It is partially under UNICEF and partially under the food for peace program.

Mr. ZABLOCKI. And the gentleman's concern is that these food products would be aiding a government such as that in Angola?

Mr. BAUMAN. It is my understanding the administration has provided aid of a nonmilitary nature to Zaire to respond to the attacks being mounted from Angola and being encouraged by Cuban troops training in Angola.

It seems to me that these policies are working at cross-purposes if we are going to rescue the economies of Communist nations, and on the other hand offer aid to those they are attacking.

Mr. ZABLOCKI. The assistance would not be working at cross-purposes, since this aid, as the gentleman surely understands, would be going to needy children. I am sure the gentleman from Maryland, as humanitarian a person as he is, would want children, regardless of where they are, to be assisted if they are in need. So, this assistance would not be, in my opinion, be working at cross-purposes in this instance.

Mr. BAUMAN. The gentleman from Maryland attempted to find out from the appropriate officials whether it would be earmarked for any particular group of recipients, and so far as I am able to ascertain, it is going to the Government of Angola, which can use it to supply, I assume, troops attacking other countries, not children.

Mr. ZABLOCKI. I will assure the gentleman that I will look into this, and if there is any semblance of cross-purposes, I will take appropriate action.

Mr. BAUMAN. I will rely on the gentleman's guarantee so that we can discover a full explanation of exactly what the Department is doing.

Mr. ZABLOCKI. With the assurance of the gentleman from Wisconsin given the gentleman from Maryland, can we expect the gentleman to vote for the program and the bill?

Mr. BAUMAN. The gentleman is stretching assurances a little bit too far.

Mr. THORNTON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am very pleased to note that this measure which we are considering today, H.R. 6714, the International Development and Food Assistance Act, incorporates the language contained in a bill I introduced on March 1 regarding the 75–25 requirement for title I of the Public Law 480 program.

Present law requires that at least 75 percent of the exports must go to nations having a per capita gross national product of $300 or less. The changes which I had proposed in H.R. 4233 and which are contained in section 202 of H.R. 6714 will allow the President to waive the 75 percent export requirement and replaces the $300 ceiling with a more flexible standard.

I believe these changes will provide new flexibility to the food-for-peace program, will allow us to increase our exports under this program, and to allocate title I commodities to those nations that can most effectively use them.

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHBROOK: On page 38, immediately after line 9, add the following new title:

"TITLE III—PROHIBITION OF AID TO VIETNAM AND CUBA

"SEC. 301. None of the funds authorized to be appropriated in this Act shall be used for the purpose of allowing any form of aid or trade, either by monetary payment or by the sale or transfer of any goods of any nature to the Socialist Republic of Vietnam or Cuba."

Mr. ASHBROOK. Mr. Chairman, I take this time and offer this amendment for one basic purpose. I think we all recognize that we are in an area of changing policies based on changing situations and conditions. We already note, in this legislation, the rescinding of a provision of law, which none of us would argue with, that relates to our former attempt to invoke an embargo on those nations dealing with Vietnam. Situations have changed, and I think most of us recognize that the change in this legislation represents is a reasonable policy at this point.

Second, I think that we must also recognize that in the other body there are strong initiatives for circumventing, if not outright abolishing, provisions of law that prohibit trade and aid with Vietnam and Cuba. In an earlier colloquy with the gentleman from Wisconsin,

our esteemed and admired chairman, it was pointed out that currently on the statute books, there are three basic provisions which prohibit aid to Communist countries. Section 620(f) of the Foreign Assistance Act, as amended in 1962, would prohibit assistance to any Communist country, including Vietnam and Cuba. A provision against agricultural aid is found in sections 102 and 411, Public Law 480. Department of State Authorization, 1973, section 13, flatly prohibits assistance to North Vietnam, except by specific act of Congress.

All right. Stipulating that, why then should I offer this amendment?

I offer the amendment for the two reasons cited earlier. One, we are, to repeat, in a time of changing policies. Congressional intent was expressed in 1962, 1968, and 1973. It might be argued that that is a long time ago, maybe the Congress does not feel that way anymore. And, secondly, I think we must realistically recognize in the House of Representatives that there is in the Senate a very concerted effort to change, if not to abrogate, these policies. So I think it is entirely appropriate—indeed, it may be necessary—that we go on record to strengthen the hand of our chairman and ranking minority member.

I would say at this point that there is no doubt in my mind that the gentleman from Wisconsin and the gentleman from Michigan will be able and articulate exponents of the position that is on the books in section 620(f) in the Agricultural Act and sections 102 and 411 and section 13 of the State Department Authorization Act. There is no doubt in my mind that is their position. They made it clear. I happen to think, however, it would be of great use to them, in their bargaining and dealing which is going to be taking place in many areas in the next few months in negotiating with the Members of the other body, to have a strong and clear assertion by this body that, even though 15 years have passed since one provision became law, 7 years have passed in another, and 4 in another, the House of Representatives still believes that our basic national purpose is better served by not having aid in any form to the Socialist Republic of Vietnam or Cuba.

So it is with that idea, not of criticizing, not raising questions, not doubting the resolve and the intent of our committee members, but merely to recognize that there is on the other side an initiative and that we should not sit back and let the senior Senator from South Dakota alone speak on congressional policy that on this side we should have a clear and succinct enunciation of policies we do not want abrogated or rescinded in any way.

Mr. ZABLOCKI. Mr. Chairman, would the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. I thank the gentleman for yielding.

Mr. Chairman, as the gentleman realizes, I did speak to the gentleman relative to the amendment he is proposing. It is redundant. The prohibitions contained in the amendment are in several laws already.

I want to take this opportunity to thank the gentleman, however, for his kind remarks and the confidence he has expressed in the gentleman from Wisconsin and the confidence he has in our colleague and ranking Republican Member, the gentleman from Michigan. Let me assure the gentleman in the well that his statement is sufficient to strengthen our position in the conference.

So I would hope the gentleman would withdraw his amendment, given our assurances that we will certainly uphold the duty that we commonly hold.

Mr. ASHBROOK. I thank the gentleman for his remarks.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. ASHBROOK) has expired.

(By unanimous consent, Mr. ASHBROOK was allowed to proceed for 2 additional minutes.)

Mr. ASHBROOK. Mr. Chairman, for the record, I would stipulate everything the gentleman has said. I would stipulate that provisions which would be covered by the Ashbrook amendment which I am offering now are already on the books. But I would also ask my friend, the distinguished chairman, whether or not his position in conference, in future conferences, would not be substantially enhanced by having a strong vote of approval by the House of Representatives.

Mr. ZABLOCKI. Not at all. With the earlier expression of confidence that the gentleman had made concerning the steadfast position that the gentleman from Wisconsin would hold, there is no need to stiffen my neck any more. I will not be able to bend it.

Mr. ASHBROOK. I thank the gentleman.

It certainly is not my thought or concern that the gentleman from Wisconsin would yield. I am merely pointing out, as I indicated earlier, that there is a very definite initiative on the other side. And I guess I am one of those who believe, when I say "Senate initiative," we have several options: One, do we say little and acquiesce? Two, do we agree or disagree with their position? Three, do we affirmatively state our position?

Mr. Chairman, the first two alternatives do not strike me as a Member of this body as being legitimate alternatives. I would rather have a direct statement of the House of Representatives.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, I would like to compliment the gentleman from Ohio (Mr. ASHBROOK) on his fine statement. I hesitate to rise in disagreement with the chairman of my committee, but I think in this day and age it is sometimes important to send a signal on certain critical issues.

I see nothing wrong with our having a recorded vote on this amendment, even though it might be redundant. I think the amendment would help the legislation.

Mr. ASHBROOK. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. ASHBROOK).

The question was taken; and the chairman announced that the noes appeared to have it.

Mr. ASHBROOK. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. Are there further amendments to the bill?

If not, under the rule, the committee rises.

Accordingly, the committee rose; and the Speaker pro tempore having assumed the chair, Mr. EVANS of Colorado, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee, having had under consideration the bill (H.R. 6714) to amend the Foreign Assistance Act of 1961 to authorize development assistance programs for fiscal year 1978, to amend the Agricultural Trade Development and Assistance Act of 1954 to make certain changes in the authorities of that act, and for other purposes, pursuant to House Resolution 556, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. JENRETTE. Mr. Speaker, I demand a separate vote on the so-called Johnson of Colorado amendment.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 38, immediately after line 9, insert the following new section:

TOBACCO AND TOBACCO PRODUCTS

"SEC. 210. Section 402 of the Agricultural Trade Development Assistance Act of 1954 is amended by striking the following words in the first sentence of such section: 'for the purposes of title II of this Act,'."

The SPEAKER pro tempore. The question is on the amendment.

The question was taken and the Speaker pro tempore announced that the noes appeared to have it.

Mr. JOHNSON of Colorado. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 229, nays 178, not voting 25, as follows:

[Roll No. 226]

YEAS—229

Allen	Fraser	Nedzi
Ammerman	Frenzel	Nichols
Anderson, Calif.	Frey	Nolan
	Gammage	Nowak
Anderson, Ill.	Gaydos	O'Brien
Applegate	Gephardt	Oberstar
Archer	Giaimo	Obey
Armstrong	Gibbons	Ottinger
Ashbrook	Gilman	Panetta
Aspin	Glickman	Patterson
AuCoin	Goodling	Pattison
Badham	Gradison	Pease
Badillo	Grassley	Pepper
Baucus	Hagedorn	Pettis
Beard, R.I.	Hannaford	Pike
Bedell	Hansen	Pressler
Bellenson	Harkin	Pritchard
Benjamin	Harrington	Pursell
Bennett	Harris	Quayle
Biaggi	Holtzman	Quie
Bingham	Horton	Railsback
Blanchard	Hughes	Regula
Blouin	Hyde	Reuss
Boland	Ichord	Rhodes
Bonior	Ireland	Richmond
Brademas	Jacobs	Rinaldo
Brinkley	Jeffords	Roberts
Brodhead	Johnson, Colo.	Rodino
Brown, Calif.	Jones, Okla.	Rogers
Brown, Mich.	Kasten	Roncalio
Brown, Ohio	Kastenmeier	Rosenthal
Burke, Fla.	Kelly	Rousselot
Burke, Mass.	Kemp	Rudd
Caputo	Keys	Runnels
Carr	Kildee	Ruppe
Cavanaugh	Koch	Russo
Chisholm	Kostmayer	Santini
Clausen, Don H.	Krebs	Sarasin
	LaFalce	Sawyer
Cleveland	Lagomarsino	Scheuer
Cohen	Latta	Schroeder
Collins, Tex.	Le Fante	Schulz
Conte	Leach	Seiberling
Conyers	Lehman	Sharp
Corcoran	Lent	Shuster
Cornell	Lloyd, Calif.	Simon
Cotter	Long, Md.	Smith, Iowa
Coughlin	Lundine	Smith, Nebr.
Crane	McClory	Solarz
D'Amours	McCloskey	Spellman
Davis	McCormack	St Germain
Delaney	McDade	Stangeland
Dellums	McDonald	Stanton
Derwinski	McEwen	Stockman
Devine	McHugh	Studds
Dodd	McKay	Stump
Dornan	McKinney	Symms
Downey	Madigan	Thone
Drinan	Maguire	Treen
Duncan, Oreg.	Mahon	Tsongas
Early	Markey	Tucker
Eckhardt	Marks	Udall
Edgar	Marriott	Vanik
Edwards, Calif.	Mattox	Vento
Edwards, Okla.	Meeds	Walgren
Emery	Meyner	Walsh
Erlenborn	Michel	Waxman
Ertel	Mikva	Weiss
Evans, Colo.	Miller, Calif.	Wilson, Bob
Evans, Del.	Mineta	Wirth
Fenwick	Minish	Wolff
Findley	Moakley	Wydler
Fish	Moffett	Wylie
Fisher	Moore	Yates
Fithian	Moorhead, Calif.	Young, Fla.
Florio		Zeferetti
Flowers	Moss	
Ford, Mich.	Myers, Gary	

NAYS—178

Abdnor	Broyhill	de la Garza
Addabbo	Buchanan	Derrick
Akaka	Burke, Calif.	Dickinson
Alexander	Burleson, Tex.	Dicks
Ambro	Burlison, Mo.	Diggs
Andrews, N.C.	Burton, John	Dingell
Andrews, N. Dak.	Burton, Phillip	Duncan, Tenn.
	Butler	Edwards, Ala.
Annunzio	Byron	Eilberg
Ashley	Carney	English
Bafalis	Carter	Evans, Ga.
Baldus	Chappell	Evans, Ind.
Barnard	Clay	Fary
Bauman	Cochran	Fascell
Beard, Tenn.	Coleman	Flippo
Boggs	Collins, Ill.	Flood
Bowen	Corman	Flynt
Breaux	Cornwell	Foley
Breckinridge	Daniel, Dan	Ford, Tenn.
Brooks	Daniel, R. W.	Fountain
Broomfield	Danielson	Fowler
Fuqua	Mann	Sikes
Ginn	Marlenee	Sisk
Goldwater	Martin	Skelton
Gonzalez	Mathis	Skubitz
Gore	Mazzoli	Slack
Gudger	Metcalfe	Snyder
Hall	Mikulski	Spence
Hamilton	Milford	Staggers
Hammer-schmidt	Miller, Ohio	Stark
	Mitchell, Md.	Steed
Hanley	Mitchell, N.Y.	Steers
Harsha	Mollohan	Steiger
Hawkins	Montgomery	Stokes
Hefner	Mottl	Taylor
Hightower	Murphy, Ill.	Thompson
Holland	Murphy, N.Y.	Thornton
Hollenbeck	Murphy, Pa.	Traxler
Holt	Murtha	Trible
Howard	Myers, Michael	Ullman
Hubbard	Myers, Ind.	Vander Jagt
Huckaby	Natcher	Volkmer
Jenkins	Neal	Waggonner
Jenrette	Nix	Walker
Johnson, Calif.	Oakar	Wampler
Jones, N.C.	Patten	Watkins
Jones, Tenn.	Perkins	Whalen
Jordan	Pickle	White
Kazen	Poage	Whitehurst
Ketchum	Preyer	Whitley
Kindness	Rahall	Whitten
Krueger	Rangel	Wiggins
Lederer	Robinson	Wilson, C. H.
Leggett	Rooney	Winn
Levitas	Rose	Wright
Lloyd, Tenn.	Rostenkowski	Yatron
Long, La.	Roybal	Young, Alaska
Lott	Satterfield	Young, Mo.
Luken	Sebelius	Young, Tex.
McFall	Shipley	Zablocki

NOT VOTING—25

Bevill	Guyer	Roe
Bolling	Heckler	Ryan
Bonker	Heftel	Stratton
Burgener	Hillis	Teague
Cederberg	Lujan	Van Deerlin
Clawson, Del	Moorhead, Pa.	Weaver
Conable	Price	Wilson, Tex.
Dent	Quillen	
Forsythe	Risenhoover	

The Clerk announced the following pairs:

Mr. Teague with Mr. Charles Wilson of Texas.
Mr. Weaver with Mr. Bonker.
Mr. Moorhead of Pennsylvania with Mr. Del Clawson.
Mr. Dent with Mr. Guyer.
Mr. Bevill with Mrs. Heckler.
Mr. Heftel with Mr. Burgener.
Mr. Ryan with Mr. Hillis.
Mr. Stratton with Mr. Lujan.
Mr. Price with Mr. Cederberg.
Mr. Roe with Mr. Quillen.
Mr. Van Deerlin with Mr. Conable.

Messrs. HARKIN, RUSSO, JONES of Oklahoma, LENT, AMMERMAN, RODINO, and OBERSTAR changed their vote from "nay" to "yea."

Ms. OAKAR and Mr. DICKINSON changed their vote from "yea" to "nay."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. ASHBROOK. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ASHBROOK moves that the bill be recommitted to the Committee on International Relations with instructions that it be reported back to the House forthwith with the following amendment: On page 38, immediately after line 9, add the following new title:

"TITLE III—PROHIBITION OF AID TO VIETNAM AND CUBA

"SEC. 301. None of the funds authorized to be appropriated in this Act shall be used for the purpose of allowing any form of aid or trade, either by monetary payment or by the sale or transfer of any goods of any nature to the Socialist Republic of Vietnam or Cuba."

Mr. ASHBROOK. Mr. Speaker, I do not need the 5 minutes. I am only taking this time to inform the Members of the House who were not here during general debate to understand that this is precisely the same amendment that we voted on overwhelmingly on May 4 to prohibit aid of any kind to Vietnam and Cuba.

I take the time largely for the purpose of yielding to my friend, the gentleman from Illinois, who has a statement at this point.

Mr. DERWINSKI. Mr. Speaker, last week when we voted on the amendment the gentleman referred to, I spoke against it and voted against it at that time. I felt it was the wrong vehicle; however, I believe this bill is the proper vehicle for such an amendment. In view of certain statements made in the other body, I think it is most practical for the House to adopt the gentleman's motion to recommit.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. ASHBROOK. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 288, nays 119, not voting 25, as follows:

[Roll No. 227]

YEAS—288

Abdnor	Buchanan	Eilberg
Addabbo	Burke, Fla.	Emery
Allen	Burke, Mass.	English
Ambro	Burleson, Tex.	Erlenborn
Anderson, Calif.	Butler	Ertel
	Byron	Evans, Del.
Anderson, Ill.	Carney	Evans, Ga.
Andrews, N.C.	Carter	Evans, Ind.
Andrews, N. Dak.	Chappell	Fary
	Cleveland	Findley
Annunzio	Cochran	Fish
Applegate	Cohen	Fisher
Archer	Coleman	Fithian
Armstrong	Collins, Tex.	Flippo
Ashbrook	Conte	Florio
AuCoin	Corcoran	Flowers
Badham	Cornell	Flynt
Bafalis	Cornwell	Foley
Barnard	Cotter	Ford, Mich.
Baucus	Coughlin	Fountain
Bauman	Crane	Fowler
Beard, Tenn.	D'Amours	Frenzel
Bedell	Daniel, Dan	Frey
Benjamin	Daniel, R. W.	Fuqua
Bennett	Davis	Gammage
Biaggi	de la Garza	Gaydos
Blanchard	Delaney	Gibbons
Blouin	Derrick	Gilman
Boland	Derwinski	Ginn
Bowen	Devine	Glickman
Breaux	Dickinson	Goldwater
Breckinridge	Dicks	Gonzalez
Brinkley	Dingell	Goodling
Brooks	Dornan	Gore
Broomfield	Duncan, Tenn.	Gradison
Brown, Mich.	Early	Grassley
Brown, Ohio	Edwards, Ala.	Gudger
Broyhill	Edwards, Okla.	Hagedorn

Hall	McKinney	Rousselot
Hamilton	Madigan	Rudd
Hammer-schmidt	Mahon	Runnels
Hanley	Mann	Ruppe
Hansen	Marks	Russo
Harkin	Marlenee	Santini
Harris	Marriott	Sarasin
Harsha	Martin	Satterfield
Heckler	Mattox	Sawyer
Hefner	Mazzoli	Schulze
Hightower	Meeds	Sebelius
Holland	Michel	Sharp
Hollenbeck	Mikulski	Shuster
Holt	Milford	Sikes
Horton	Miller, Ohio	Sisk
Howard	Minish	Skelton
Hubbard	Mitchell, N.Y.	Skubitz
Huckaby	Mollohan	Slack
Hughes	Montgomery	Smith, Iowa
Hyde	Moore	Smith, Nebr.
Ichord	Moorhead, Calif.	Snyder
Ireland	Moorhead, Pa.	Spence
Jacobs	Mottl	Staggers
Jeffords	Murphy, Ill.	Stangeland
Jenkins	Murphy, N.Y.	Stanton
Jenrette	Murphy, Pa.	Steiger
Johnson, Colo.	Murtha	Stump
Jones, N.C.	Myers, Gary	Symms
Jones, Okla.	Myers, Ind.	Taylor
Jones, Tenn.	Natcher	Thone
Kasten	Neal	Thornton
Kazen	Nedzi	Traxler
Kelly	Nichols	Treen
Kemp	O'Brien	Trible
Ketchum	Panetta	Tucker
Keys	Pattison	Vander Jagt
Kildee	Pepper	Volkmer
Kindness	Perkins	Waggonner
Kostmayer	Pettis	Walgren
Krebs	Pickle	Walker
Krueger	Poage	Walsh
Lagomarsino	Pressler	Wampler
Latta	Preyer	Watkins
Le Fante	Pritchard	White
Leach	Pursell	Whitehurst
Lent	Quayle	Whitley
Levitas	Quie	Whitten
Lloyd, Calif.	Rahall	Wiggins
Lloyd, Tenn.	Railsback	Wilson, Bob
Long, Md.	Regula	Wilson, C. H.
Lott	Rhodes	Winn
Luken	Rinaldo	Wolff
McClory	Risenhoover	Wydler
McCormack	Roberts	Wylie
McDade	Robinson	Yatron
McDonald	Rogers	Young, Alaska
McEwen	Rooney	Young, Fla.
McHugh	Rose	Zeferetti
McKay	Rostenkowski	

NAYS—119

Akaka	Flood	Patten
Alexander	Ford, Tenn.	Patterson
Ammerman	Fraser	Pease
Ashley	Gephardt	Pike
Aspin	Giaimo	Rangel
Badillo	Hannaford	Reuss
Baldus	Harrington	Richmond
Beard, R.I.	Hawkins	Rodino
Beilenson	Holtzman	Roncalio
Bingham	Johnson, Calif.	Rosenthal
Boggs	Jordan	Roybal
Bonior	Kastenmeier	Ryan
Bonker	Koch	Scheuer
Brademas	LaFalce	Schroeder
Brodhead	Lederer	Seiberling
Brown, Calif.	Leggett	Simon
Burke, Calif.	Lehman	Solarz
Burlison, Mo.	Long, La.	Spellman
Burton, John	Lundine	St Germain
Burton, Phillip	McCloskey	Stark
Carr	McFall	Steed
Cavanaugh	Maguire	Steers
Chisholm	Markey	Stokes
Clay	Metcalfe	Studds
Collins, Ill.	Meyner	Thompson
Conyers	Mikva	Tsongas
Corman	Miller, Calif.	Udall
Danielson	Mineta	Ullman
Dellums	Mitchell, Md.	Vanik
Diggs	Moakley	Vento
Dodd	Moffett	Waxman
Downey	Moss	Weiss
Drinan	Myers, Michael	Whalen
Duncan, Oreg.	Nix	Wirth
Eckhardt	Nolan	Wright
Edgar	Nowak	Yates
Edwards, Calif.	Oakar	Young, Mo.
Evans, Colo.	Oberstar	Young, Tex.
Fascell	Obey	Zablocki
Fenwick	Ottinger	

NOT VOTING—25

Bevill	Dent	Roe
Bolling	Forsythe	Shipley
Burgener	Guyer	Stockman
Caputo	Heftel	Stratton
Cederberg	Hillis	Teague
Clausen, Don H.	Lujan	Van Deerlin
Clawson, Del	Mathis	Weaver
Conable	Price	Wilson, Tex.
	Quillen	

The Clerk announced the following pairs:

Mr. Teague with Mr. Burgener.
Mr. Heftel with Mr. Conable.
Mr. Dent with Mr. Lujan.
Mr. Bevill with Mr. Mathis.
Mr. Stratton with Mr. Cederberg.
Mr. Shipley with Mr. Guyer.
Mr. Weaver with Mr. Stockman.
Mr. Charles Wilson of Texas with Mr. Del Clawson.
Mr. Van Deerlin with Mr. Quillen.
Mr. Price with Mr. Caputo.
Mr. Roe with Mr. Hillis.

Messrs. AMBRO, MAZZOLI, KREBS, LLOYD of California, MURPHY of Illinois, DINGELL, FOLEY, and BREAUX changed their votes from "nay" to "yea."

So the motion to recommit was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER. The Chair recognizes the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Speaker, pursuant to the instructions of the House, I report the bill H.R. 6714 back to the House with an amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment: On page 38, immediately after line 9, add the following new title:

"TITLE III—PROHIBITION OF AID TO VIETNAM AND CUBA

"SEC. 301. None of the funds authorized to be appropriated in this Act shall be used for the purposes of allowing any form of aid or trade, either by monetary payment or by the sale or transfer of any goods of any nature to the Socialist Republic of Vietnam or Cuba."

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was orderd to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on passage of the bill.

Mr. BROOMFIELD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 252, nays 158, not voting 22, as follows:

[Roll No. 228]

YEAS—252

Addabbo	Armstrong	Biaggi
Akaka	Ashley	Bingham
Alexander	Aspin	Blanchard
Ambro	Badillo	Blouin
Ammerman	Baldus	Boggs
Anderson, Calif.	Baucus	Boland
Anderson, Ill.	Beard, R.I.	Bonior
Annunzio	Bedell	Bonker
Applegate	Beilenson	Brademas
	Benjamin	Breaux
Brinkley	Harsha	Patten
Brodhead	Hawkins	Patterson
Brooks	Heckler	Pattison
Broomfield	Hollenbeck	Pease
Brown, Calif.	Holtzman	Pepper
Brown, Mich.	Horton	Pettis
Buchanan	Howard	Pickle
Burke, Calif.	Hyde	Preyer
Burke, Mass.	Jeffords	Pritchard
Burlison, Mo.	Johnson, Calif.	Pursell
Burton, John	Johnson, Colo.	Quie
Burton, Phillip	Jordan	Railsback
Carney	Kastenmeier	Rangel
Carr	Keys	Regula
Cavanaugh	Kildee	Reuss
Chisholm	Koch	Richmond
Clay	Kostmayer	Rinaldo
Cohen	Krebs	Rodino
Coleman	Krueger	Roncalio
Collins, Ill.	LaFalce	Rooney
Conte	Lagomarsino	Rosenthal
Conyers	Le Fante	Rostenkowski
Corman	Leach	Roybal
Cornell	Lederer	Ruppe
Cornwell	Leggett	Ryan
Cotter	Lehman	Sarasin
Coughlin	Lent	Sawyer
D'Amours	Lloyd, Calif.	Scheuer
Danielson	Long, La.	Schroeder
Delaney	Long, Md.	Schulze
Dellums	Luken	Sebelius
Derwinski	Lundine	Sharp
Dicks	McClory	Simon
Diggs	McCloskey	Smith, Iowa
Dingell	McDade	Solarz
Dodd	McEwen	Spellman
Downey	McFall	St Germain
Drinan	McHugh	Stanton
Duncan, Oreg.	McKay	Stark
Early	McKinney	Steers
Eckhardt	Madigan	Stokes
Edgar	Maguire	Studds
Edwards, Calif.	Mann	Thompson
Eilberg	Markey	Thornton
Erlenborn	Marks	Traxler
Ertel	Mazzoli	Tsongas
Evans, Colo.	Meeds	Tucker
Fary	Metcalfe	Udall
Fascell	Meyner	Ullman
Fenwick	Mikulski	Vander Jagt
Findley	Mikva	Vanik
Fish	Miller, Calif.	Vento
Fisher	Mineta	Volkmer
Fithian	Minish	Walgren
Flood	Mitchell, Md.	Walsh
Florio	Mitchell, N.Y.	Waxman
Foley	Moakley	Weiss
Ford, Mich.	Moffett	Whalen
Ford, Tenn.	Mollohan	Wiggins
Fowler	Moorhead, Pa.	Wilson, Bob
Fraser	Moss	Wilson, C. H.
Gephardt	Murphy, Ill.	Winn
Giaimo	Murphy, N.Y.	Wirth
Gibbons	Myers, Gary	Wolff
Gilman	Myers, Michael	Wright
Glickman	Nedzi	Wydler
Gonzalez	Nix	Wylie
Gore	Nolan	Yates
Gradison	Nowak	Yatron
Hamilton	O'Brien	Young, Mo.
Hanley	Oakar	Young, Tex.
Hannaford	Oberstar	Zablocki
Harkin	Obey	Zeferetti
Harrington	Ottinger	
Harris	Panetta	

NAYS—158

Abdnor	Clausen, Don H.	Flowers
Allen	Cleveland	Flynt
Andrews, N.C.	Cochran	Fountain
Andrews, N. Dak.	Collins, Tex.	Frenzel
Archer	Corcoran	Frey
Ashbrook	Crane	Fuqua
AuCoin	Daniel, Dan	Gammage
Badham	Daniel, R. W.	Gaydos
Bafalis	Davis	Ginn
Barnard	de la Garza	Goldwater
Bauman	Derrick	Goodling
Beard, Tenn.	Devine	Grassley
Bennett	Dickinson	Gudger
Bowen	Dornan	Hagedorn
Breckinridge	Duncan, Tenn.	Hall
Brown, Ohio	Edwards, Ala.	Hammer-schmidt
Broyhill	Edwards, Okla.	Hansen
Burke, Fla.	Emery	Hefner
Burleson, Tex.	English	Hightower
Butler	Evans, Del.	Holland
Byron	Evans, Ga.	Holt
Carter	Evans, Ind.	Hubbard
Chappell	Flippo	Huckaby

Hughes	Montgomery	Shipley
Ichord	Moore	Shuster
Ireland	Moorhead, Calif.	Sikes
Jacobs	Mottl	Sisk
Jenkins	Murphy, Pa.	Skelton
Jenrette	Murtha	Skubitz
Jones, N.C.	Myers, Ind.	Slack
Jones, Okla.	Natcher	Smith, Nebr.
Jones, Tenn.	Neal	Snyder
Kasten	Nichols	Spence
Kazen	Perkins	Staggers
Kelly	Pike	Stangeland
Kemp	Poage	Steed
Ketchum	Pressler	Steiger
Kindness	Quayle	Stump
Latta	Rahall	Symms
Levitas	Rhodes	Taylor
Lloyd, Tenn.	Roberts	Thone
Lott	Robinson	Treen
McCormack	Rogers	Trible
McDonald	Rose	Waggonner
Mahon	Rousselot	Walker
Marlenee	Rudd	Wampler
Marriott	Runnels	Watkins
Martin	Russo	White
Mathis	Santini	Whitehurst
Mattox	Satterfield	Whitley
Michel	Seiberling	Whitten
Milford	Shipley	Young, Alaska
Miller, Ohio	Shuster	Young, Fla.

NOT VOTING—22

Bevill	Forsythe	Stockman
Bolling	Guyer	Stratton
Burgener	Heftel	Teague
Caputo	Hillis	Van Deerlin
Cederberg	Lujan	Weaver
Clawson, Del	Price	Wilson, Tex.
Conable	Quillen	
Dent	Roe	

The Clerk announced the following pairs:

On the vote:

Mr. Heftel for, with Mr. Teague against.
Mr. Price for, with Mr. Bevill against.
Mr. Weaver for, with Mr. Burgener against.
Mr. Van Deerlin for, with Mr. Guyer against.
Mr. Caputo for, with Mr. Del Clawson against.
Mr. Cederberg for, with Mr. Lujan against.
Mr. Conable for, with Mr. Quillen against.

Until further notice:

Mr. Dent with Mr. Hillis.
Mr. Roe with Mr. Stockman.
Mr. Charles Wilson of Texas with Mr. Stratton.

Mr. SKUBITZ changed his vote from "yea" to "nay."

Mr. VOLKMER changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was not announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 6714), just passed.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair would like to make the following announcement: The House will now consider House Resolution 560 and then hopefully get into general debate. In the event that the committee cannot complete general debate the Chair would hope the House would adjourn somewhere between 5 and 5:30.

It is the intention that we will follow the schedule exactly the way the schedule was laid out. In other words, the countercyclical bill will be on the calendar tomorrow.

The Chair would also appreciate and respects the fact that Members know that May 15 is a vital day under the Budget Act for reporting legislation and does not understand why any Members have assigned for themselves committee responsibilities outside of the city at a time like this and would urge the Members of any committee that has a meeting tomorrow or between now and May 15 outside the Capital to agree that it be postponed.

The House will go forward with the legislation as announced by the majority leader to the minority leader last week.

The House will adjourn tomorrow afternoon at 3 o'clock.

INTERGOVERNMENTAL ANTIRECESSION ASSISTANCE ACT OF 1977

Mr. DODD. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 560 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 560

Resolved, That upon the adoption of this resolution it shall be in order to move, section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6810) to amend and extend title II of Public Law 94-369, to establish a new title to the State and Local Fiscal Assistance Act of 1972, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Government Operations now printed in the bill as an original bill for the purpose of amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Connecticut (Mr. DODD) is recognized for 1 hour.

Mr. DODD. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Illinois (Mr. ANDERSON) for the purpose of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 560 provides for consideration of H.R. 6810, the Intergovernmental Antirecession Assistance Act of 1977. This measure authorizes Federal financial aid to city, town, and State governments trying to cope with hard economic times.

This resolution provides for an open rule with 2 hours of general debate. It waives section 402(a) of the Congressional Budget Act of 1974, it makes the committee amendment in order as an original bill for the purpose of amendment, and it provides for one motion to recommit with or without instructions.

A waiver to this section of the Budget Act is required, Mr. Speaker, because H.R. 6810 changes the authorization for this program for the last quarter of fiscal 1977, the fiscal year which already has begun. Under usual circumstances, such an authorization would have been required to be reported by May 15, 1976, under the Budget Act.

H.R. 6810 would authorize additional appropriations under title II of the Public Works Employment Act of 1976, one of Congess major initiatives last year to provide jobs for millions of Americans and to stimulate economic recovery nationwide.

Title II of this act was intended to counter the crippling effects of recession by providing Federal funds to help local governments avoid reducing services and laying off workers during periods of declining revenues and rising expenditures.

Mr. Speaker, H.R. 6810 would make additional funds available to States and localities that are experiencing high rates of unemployment. Certainly these funds have provided needed assistance in my own State of Connecticut, which now has an unemployment rate of 8.7 percent with 127,000 people still out of work.

Under the Public Works Act, a total of $1.25 billion was authorized through fiscal 1977. The money was to be distributed by quarterly payments of $125 million plus $62.5 million for each full one-half of a percentage point that the national unemployment rate two quarters earlier exceeded 6 percent.

As amended by the Committee on Government Operations, H.R. 6810 would raise the authorization ceiling for the five quarters beginning July 1976 to $2.25 billion and extend the authorization through fiscal 1978.

The money to high unemployment areas would be based on a new formula which provides for quarterly payments of $125 million plus $30 million for each full one-tenth of a percentage point that the national jobless rate two quarters earlier exceeds 6 percent. This formula would become effective in July 1977.

The measure before us today also would provide for stricter antidiscrimination requirements than under present law, Mr. Speaker, extending to the handicapped and the elderly some needed civil rights protection in local programs receiving these Federal funds.

The problems of discrimination against the handicapped have been of particular concern to me during my ten-

ure in Congress, and the Committee on Government Operations should be commended for strengthening these civil rights provisions.

Last, in recognition of some of the questions raised about the allocation formula used in this program, H.R. 6810 mandates that the Secretary of the Treasury, in consultation with the Secretary of Commerce, investigate and report to Congress no later than March 1, 1978, as to alternative methods for disbursing antirecession funds.

Mr. Speaker, I am aware of the controversy surrounding certain aspects of this antirecession program and the extent of differing opinions as to its effectiveness and the need for it in a period when our economy seems to be improving.

I would like to say that I still believe that the concept of Federal antirecession aid to States and localities is a valid one, and that as far as Connecticut and my own second congressional district are concerned, this program still is needed and serves a legitimate purpose.

I also would point out that, despite some apparent economic improvement, there still are some 6.7 million Americans out of work—a disturbing statistic.

All of us want the most effective antirecession program possible, Mr. Speaker, and the resolution before us should allow for ample debate and consideration of H.R. 6810 as the House works to shape an assistance program meeting this goal of maximum effectiveness.

I urge adoption of the rule in order that this legislation be considered.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself as much time as I may use.

Mr. Speaker, this is an open rule, providing for 2 hours of general debate on H.R. 6810, the Intergovernmental Antirecession Assistance Act of 1977. Following general debate, the bill will be read for amendment under the 5-minute rule, and the committee amendment in the nature of a substitute will be considered as an original bill for the purpose of amendment. The rule further provides for a recommittal motion, with or without instructions. Finally, it should be pointed out that this rule waives points of order against the bill for failure to comply with section 402(a) of the Budget Act. That section of the Budget Act prohibits the consideration of a bill authorizing new budget authority after May 15 preceding the fiscal year in which that new budget authority takes effect. Since this bill authorizes new budget authority for the final quarter of this fiscal year, 1977, it is in violation of section 402(a) since it was reported subsequent to May 15, 1976.

The Rules Committee has received a letter from Chairman GIAIMO of the House Budget Committee, dated May 11, 1977, in which he writes:

The funds authorized to be appropriated in H.R. 6810 have been assumed in the Third Budget Resolution for FY 1977. Since the Budget Committee has authorized me to support Budget waivers where necessary to permit consideration of matters assumed in the Third Budget Resolution, I would not object to a waiver of section 402(a) at this time.

In view of the fact that this new budget authority has been assumed under the third budget resolution for fiscal year 1977, I think the waiver is justified.

Mr. Speaker, the purpose of H.R. 6810, the so-called Intergovernmental Antirecession Assistance Act of 1977, is to extend through fiscal 1978 the countercyclical assistance program, first established under title II of the 1976 Public Works Employment Act. This countercyclical approach originally came to us from the other body in the conference report on that Public Works Employment bill last year. The original authorization was $1.25 billion from July of 1976 through fiscal 1977 for the purpose of assisting State and local governments, hard hit by the recession, in maintaining their basic services. Under the original formula, $125 million was to be made available in each quarter, plus $62.5 million for every half a percentage point the national unemployment rate exceeded 6 percent. Localities would qualify for the funding on the basis of the unemployment rates—not less than 4.5 percent and the general revenue sharing allocation. One-third of the funds were allocated for State governments and two-thirds for local governments.

The other body had attached this title II extension into its version of the Tax Reduction and Simplification Act, and the conferees have reported this feature in disagreement pending House action on H.R. 6810, the bill which this rule would make in order.

Under the terms of the bill reported by the Government Operations Committee, which is actually a substitute for the version reported by the subcommittee, $2.25 billion is authorized for the title II program for a period of five successive quarters beginning July 1 of this year.

On top of the base funding of $125 million per quarter, the bill authorizes $30 million for every one-tenth of a percentage point the national unemployment rate exceeds 6 percent. The bill also provides funding for Puerto Rico, Guam, American Samoa and the Virgin Islands out of the one-third State allocation; it prohibits the use of funds for construction, other than for supplies or repairs necessary to maintain basic services; and it prohibits discrimination for all act programs in conformity with the Revenue Sharing Act's antidiscrimination provision, and extends discrimination to include that on the basis of age or handicapped status; and the bill provides both civil and administrative enforcement procedures for the antidiscrimination provision.

The Congressional Budget Office estimates that the additional costs for the program under this bill would be $452.5 million in fiscal 1977 and $1.6 billion in fiscal 1978, based on an assumed decline in the national unemployment rate from 7.3 percent in the fourth quarter of this fiscal year to 6.6 percent in the fourth quarter of fiscal 1978.

I think it should be noted that the members of the subcommittee have issued a rather scathing indictment of the present program, and the committee bill, in their minority views. They maintain that the existing program has failed to meet its objectives of either creating jobs or stimulating the economy, that it uses an allocation formula that discriminates against numerous States, that it is not countercyclical because it relies on inaccurate unemployment data which do not distinguish between cyclical and long-term economic problems; and finally that many of these funds have been deposited in bank accounts instead of being used as intended.

The gentleman from Wisconsin (Mr. ASPIN), a member of the subcommittee, has indicated that he will offer an amendment to change the allocation formula now in the bill so that the "tax effort" of the State and local governments is taken into account. It is his contention that the rationale for the tax effort formula is the same as that for countercyclical funds. During a recession, municipalities face increasing demands for services and decreasing revenues to meet those demands, thus necessitating either a reduction in services or an increase in taxes. Communities with the high tax efforts and thus a high level of services are most likely to cut those services and/or raise taxes when a recession hits. Mr. ASPIN thus concludes that a distribution formula based on tax effort would send the money where it would be used most effectively to fight the recession—that is, to communities which have a developed structure of services to serve as an outlet for the funds.

The second amendment which will be offered on behalf of the subcommittee would establish a new title to the general revenue sharing act to provide authority for special antirecession assistance in the event a national recession occurs during the 5-year period following the extension of the present program.

Proponents of the committee bill, particularly the gentleman from New York (Mr. WYDLER) who offered the committee substitute, argued before the Rules Committee that the alternative to the committee bill was no program at all because of the time constraints we are under with the Budget Act, the action taken by the other body, and the administration's position.

I am certain these conflicting views will be thoroughly aired during the 2 hours of general debate provided by this rule and that the subcommittee's amendments will receive proper consideration during the amendment process. I therefore urge adoption of this rule.

Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. DODD. Mr. Speaker, I yield 10 minutes to the gentleman from Texas (Mr. BROOKS) the distinguished chairman of the Committee on Government Operations.

Mr. BROOKS. Mr. Speaker, I want to

express my appreciation for the courtesy of the Rules Committee in acting expeditiously on our request for a rule on H.R. 6810, the so-called countercyclical assistance legislation. I did not set in motion the events that have required hasty action on the part of both the Government Operations Committee and the Rules Committee.

Unfortunately, the Senate has once again chosen to add a nongermane amendment to a conference report and expects the House to act on it without the benefit of proper consideration and without regard to our long-standing rules. I appreciate the cooperation of the Rules Committee and the House leadership in making the arrangements necessary to permit this legislation to come to the floor under proper procedures. If nothing else is gained, we have acted to preserve the integrity of our House rules and I want to commend the Rules Committee for their part in doing that.

Mr. DODD. Mr. Speaker, I ask unanimous consent to make two technical corrections in the resolution.

On page 1, line 7, the word "establish" is misspelled.

On page 2, insert the words "to final passage" between the word "thereto" and the word "without," on line 13.

The SPEAKER pro tempore (Mr. KILDEE). Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. DODD. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, I want to compliment the distinguished chairman of the Committee on Government Operations and I want to thank him, on behalf of the Committee on Rules, for his generous comments about that committee.

Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and Speaker pro tempore announced that the ayes appeared to have it.

Mr. ROUSSELOT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 390, nays 3, not voting 39, as follows:

[Roll No. 229]

YEAS—390

Abdnor	Applegate	Bellenson
Addabbo	Archer	Benjamin
Akaka	Armstrong	Bennett
Alexander	Aspin	Biaggi
Allen	AuCoin	Bingham
Ambro	Badillo	Blanchard
Ammerman	Bafalis	Blouin
Anderson, Calif.	Baldus	Boggs
	Barnard	Boland
Anderson, Ill.	Baucus	Bonior
Andrews, N.C.	Bauman	Bonker
Andrews, N. Dak.	Beard, R.I.	Bowen
	Beard, Tenn.	Brademas
Annunzio	Bedell	Breaux
Breckinridge	Goldwater	Moakley
Brinkley	Gonzalez	Moffett
Brodhead	Goodling	Mollohan
Brooks	Gore	Montgomery
Broomfield	Grassley	Moore
Brown, Calif.	Gudger	Moorhead, Calif.
Brown, Mich.	Guyer	
Brown, Ohio	Hagedorn	Moss
Broyhill	Hall	Mottl
Buchanan	Hamilton	Murphy, Ill.
Burke, Calif.	Hammer-schmidt	Murphy, N.Y.
Burke, Fla.		Murphy, Pa.
Burke, Mass.	Hanley	Murtha
Burleson, Tex.	Hannaford	Myers, Gary
Burlison, Mo.	Hansen	Myers, Michael
Burton, John	Harkin	Myers, Ind.
Burton, Phillip	Harrington	Natcher
Butler	Harris	Neal
Byron	Harsha	Nedzi
Carney	Heckler	Nichols
Carr	Hefner	Nix
Carter	Hightower	Nolan
Cavanaugh	Holland	Nowak
Chappell	Hollenbeck	O'Brien
Chisholm	Holt	Oakar
Clausen, Don H.	Holtzman	Oberstar
	Horton	Obey
Cleveland	Howard	Ottinger
Cochran	Hubbard	Panetta
Cohen	Huckaby	Patten
Coleman	Hughes	Patterson
Collins, Ill.	Hyde	Pattison
Conte	Ichord	Pease
Conyers	Ireland	Perkins
Corcoran	Jacobs	Pettis
Corman	Jeffords	Pickle
Cornell	Jenkins	Pike
Cornwell	Jenrette	Poage
Cotter	Johnson, Calif.	Pressler
Coughlin	Johnson, Colo.	Preyer
Crane	Jones, N.C.	Pritchard
D'Amours	Jones, Okla.	Pursell
Daniel, Dan	Jones, Tenn.	Quayle
Daniel, R. W.	Jordan	Quie
Danielson	Kasten	Rahall
Davis	Kastenmeier	Railsback
Delaney	Kazen	Rangel
Dellums	Kelly	Regula
Derrick	Kemp	Reuss
Derwinski	Ketchum	Rhodes
Devine	Keys	Richmond
Dickinson	Kildee	Rinaldo
Dicks	Kindness	Risenhoover
Diggs	Koch	Roberts
Dingell	Kostmayer	Robinson
Dodd	Krebs	Rodino
Dornan	Krueger	Rogers
Downey	LaFalce	Roncalio
Drinan	Lagomarsino	Rooney
Duncan, Oreg.	Latta	Rose
Duncan, Tenn.	Le Fante	Rosenthal
Early	Leach	Rostenkowski
Eckhardt	Lederer	Rousselot
Edgar	Leggett	Roybal
Edwards, Ala.	Lehman	Rudd
Edwards, Calif.	Lent	Ruppe
Edwards, Okla.	Levitas	Russo
Eilberg	Lloyd, Calif.	Ryan
Emery	Lloyd, Tenn.	Sarasin
English	Long, La.	Satterfield
Erlenborn	Long, Md.	Sawyer
Ertel	Lott	Scheuer
Evans, Colo.	Luken	Schroeder
Evans, Del.	Lundine	Schulze
Evans, Ga.	McClory	Seiberling
Evans, Ind.	McCloskey	Sharp
Fary	McDade	Shipley
Fascell	McEwen	Shuster
Fenwick	McFall	Sikes
Fish	McHugh	Simon
Fisher	McKay	Sisk
Fithian	McKinney	Skelton
Flippo	Madigan	Skubitz
Flood	Maguire	Slack
Florio	Mahon	Smith, Iowa
Flowers	Mann	Smith, Nebr.
Flynt	Markey	Snyder
Foley	Marlenee	Solarz
Ford, Mich.	Martin	Spellman
Ford, Tenn.	Mathis	Spence
Fountain	Mattox	St Germain
Fowler	Meeds	Staggers
Fraser	Metcalfe	Stangeland
Frenzel	Meyner	Stanton
Frey	Michel	Stark
Fuqua	Mikulski	Steed
Gammage	Mikva	Steers
Gaydos	Milford	Steiger
Gephardt	Miller, Calif.	Stokes
Giaimo	Miller, Ohio	Studds
Gibbons	Mineta	Stump
Gilman	Minish	Taylor
Ginn	Mitchell, Md.	Thompson
Glickman	Mitchell, N.Y.	Thone
Thornton	Walsh	Wirth
Traxler	Wampler	Wolff
Treen	Watkins	Wright
Trible	Waxman	Wydler
Tsongas	Weiss	Wylie
Tucker	Whalen	Yates
Udall	White	Yatron
Ullman	Whitehurst	Young, Alaska
Vanik	Whitley	Young, Fla.
Vento	Whitten	Young, Mo.
Volkmer	Wiggins	Young, Tex.
Waggonner	Wilson, Bob	Zablocki
Walgren	Wilson, C. H.	Zeferetti
Walker	Winn	

NAYS—3

Collins, Tex.	McDonald	Symms

NOT VOTING—39

Ashbrook	Findley	Price
Ashley	Forsythe	Quillen
Badham	Gradison	Roe
Bevill	Hawkins	Runnels
Bolling	Heftel	Santini
Burgener	Hillis	Sebelius
Caputo	Lujan	Stockman
Cederberg	McCormack	Stratton
Clawson, Del	Marks	Teague
Clay	Marriott	Van Deerlin
Conable	Mazzoli	Vander Jagt
de la Garza	Moorhead, Pa.	Weaver
Dent	Pepper	Wilson, Tex.

The Clerk announced the following pairs:

Mr. Teague with Mr. Ashley.
Mr. Heftel with Mr. Runnels.
Mr. Dent with Mr. Van Deerlin.
Mr. Bevill with Mr. Cederberg.
Mr. Price with Mr. Del Clawson.
Mr. Weaver with Mr. Findley.
Mr. Stratton with Mr. Clay.
Mr. Roe with Mr. Conable.
Mr. Santini with Mr. Burgener.
Mr. Caputo with Mr. Lujan.
Mr. Marks with Mr. Marriott.
Mr. Gradison with Mr. Quillen.
Mr. Vander Jagt with Mr. Sebelius.
Mr. de la Garza with Mr. Stockman.
Mr. Hawkins with Mr. Charles Wilson of Texas.
Mr. Moorhead of Pennsylvania with Mr. Mazzoli.
Mr. McCormack with Mr. Pepper.

Mr. GILMAN changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. BROOKS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6810) to amend and extend title II of Public Law 94-369, to establish a new title to the State and Local Fiscal Assistance Act of 1972, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. BROOKS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6810, with Ms. HOLTZMAN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. BROOKS) will be recognized for 1 hour, and the gentleman from New York (Mr. HORTON) will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas (Mr. BROOKS).

Mr. BROOKS. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, H.R. 6810, as reported by the Committee on Government Operations, is a simple extension of the countercyclical revenue sharing program that was enacted last year as a temporary antirecession measure.

It would carry the program through fiscal year 1978, with increased spending recommended by President Carter as part of his economic stimulus program.

Once again the House is having to act under the gun on this legislation. You will recall that it came before the House last year as a nongermane Senate amendment in a conference report. The House accepted it and the program went into effect last July 1. It authorized $1.25 billion for a 15-month period for grants to State and local governments to help them maintain basic services which they might have to reduce as a result of the recession.

Now we are again faced with a nongermane Senate amendment in a conference report. This one, which provides a still higher level of funding at $2.25 billion each year for the countercyclical program, has been added to the conference report on the tax bill, due to be taken up as soon as we finish with this bill. Our committee appreciates the decision of the House leadership to call up H.R. 6810 before the conference report is considered so that this time the House will have an opportunity to debate and amend this important legislation.

In addition to extending the program through fiscal year 1978, the committee bill makes only a few changes in the existing law:

It increases the level of funding from $1.25 billion for 5 quarters to $2.25 billion for 5 quarters starting July 1;

It adjusts the national allocation formula to make it responsive to changes of one-tenth of a percent in the unemployment rate, instead of one-half of a percent, as at present;

It permits Puerto Rico, Guam, American Samoa, and the Virgin Islands to participate in the program as State governments;

It imposes the same nondiscrimination requirements on the spending of the money as are in the general revenue sharing program;

It prohibits the use of the money for construction; and

It requires the use of the most recent revenue sharing data for determining payments to State and local governments.

Most of these changes were recommended by President Carter. One Presidential recommendation the committee did not go along with was for a 5-year extension of the program as it is now operating.

The Intergovernmental Relations and Human Resources Subcommittee, under the chairmanship of the gentleman from North Carolina (Mr. FOUNTAIN) conducted intensive hearings on the program. These hearings disclosed there were serious problems in connection with the present program, and a considerable question as to whether it was meeting its goals.

The subcommittee, working with experts in the administration and the General Accounting Office developed a new approach that it felt was better suited for a true antirecession program. The new program would have been based on reliable indicators of a recession, namely a drop in the GNP and in real wages. The distribution of funds would have been determined by taxes collected and tax effort rather than the totally unreliable unemployment figures used in the present program.

The subcommittee recommended shifting to that new program on April 1, 1978. This would have allowed for a transition period of 9 months under the old program, but at a higher level of funding. Even during that transition period, the subcommittee recommended that the distribution of funds be on a more equitable basis in which all governments would participate.

The recommendation of the subcommittee was rejected by the full committee by a vote of 23 to 19 in favor of the bill we bring before you now. However, I think it is fair to say that even those who opposed the subcommittee bill agreed with its basic premise that the present program has weaknesses that must be addressed. The committee bill calls for an investigation by the Secretary of the Treasury, in consultation with the Secretary of Commerce, of alternatives to the present method of allocating funds, and directs them to report back to Congress by March 1, 1978.

Madam Chairman, in recent years there has been a steady increase in the amount of Federal support for State and local governments. The total has risen in 20 years from a little over $3 billion to more than $70 billion, and Federal aid now makes up about 25 percent of all State and local expenditures.

This trend should be of concern to those who believe in our Federal system of government, and I hope it will be kept in mind as we proceed with the consideration of this bill.

Mr. ROSENTHAL. Madam Chairman, will the gentleman yield?

Mr. BROOKS. I yield to my distinguished friend, the gentleman from New York (Mr. ROSENTHAL).

Mr. ROSENTHAL. I appreciate the gentleman's yielding.

During the course of his discussion the chairman said that one of the reasons the program needed changing was that unemployment figures were totally unreliable. I wonder if the gentleman could cite any authority to support that proposition.

Mr. BROOKS. The only authority I could cite was testimony of the General Accounting Office and the Bureau of Labor Statistics which provided those statistics. In testimony before one of our subcommittees, the one chaired by Mr. FOUNTAIN, they said, as I recall, that the unemployment information for major cities was fair but that the unemployment figures for anything less than the major cities was two things.

It was either unavailable or under a cloud. They said really the truth is the unemployment figures used in most communities in the United States were really "random numbers."

The only authority I have is the people that make those statistics available to the U.S. Government and upon which this legislation has been rather foolishly predicated.

Mr. ROSENTHAL. Madam Chairman, if the gentleman will yield further, my recollection of the testimony of the General Accounting Office was that in communities or cities with a population of less than 50,000, the unemployment figures were not as precise as they would like in the ordinary statistical profession, but that in communities with a population of 50,000 they were thoroughly reliable, so reliable that the Department of the Treasury supports the committee bill because they believe the statistics are reliable and useful.

As a matter of fact, the Secretary of the Treasury in a letter to me said:

> DEAR MR. ROSENTHAL: I want to express to you personally my appreciation for the key support that you provided for the Administration's Counter-cyclical Revenue Sharing proposal in the Government Operations Committee. As you know, the countercyclical aid program is an integral component of the Carter Administration's economic stimulus package. Your support for the program is significant in our economic recovery efforts.
>
> Sincerely,
>
> W. MICHAEL BLUMENTHAL.

Mr. BROOKS. Madam Chairman, let me reply and conclude that I understand the Secretary of the Treasury, a very fine and able public servant. Mr. Michael Blumenthal, is also understandably supporting this legislation. Some people have differences with him.

Mr. HORTON. Madam Chairman, I yield 5 minutes to the gentleman from New York (Mr. WYDLER), the ranking Member of the subcommittee.

I wish to take this opportunity to congratulate the gentleman from New York (Mr. WYDLER) for the work that the gentleman has done on the subcommittee and to express the hope that the bill will pass.

Mr. WYDLER. Madam Chairman, we are going to be considering a most important piece of legislation this afternoon and tomorrow. I heard a lot of discussion, some of it intended to be humorous and otherwise to the effect that New York State and New York City get too much under this bill and that it is unfair for that reason. I wish all the people that are thinking that way would consider the fact that this Congress has in the past for many years put the money where it was needed. We enacted the Appalachian program; we have had special reclamation projects for regions of the country in need of new water sources. These and other regional programs have had support from many Members of Congress and, of course, from other States.

Now we have a program that again is helping, not just one area, but does concentrate more on a per capita basis. It gives New York more. But that is because New York and the Northeast are where the problem exists. This program is based on unemployment. I think everybody that sits on this side of the Chamber or that side of the Chamber considers unemployment to be a problem that is most serious, that deserves our attention. All of us should make some effort to remedy it and particularly remedy it where it exists.

Now, it so happens that the unemployment figures show that in many of the older cities of our country, in the metropolitan areas of our country, that unemployment is staying high. Even while most of the country is coming out of the recession, even while most of the unemployment figures are coming down in most States and many areas, they are not coming down in the New York area and in many other areas of our country.

The question we have is, are we going to address that problem, or continue to address it in those areas, or are we not? I would hope that those Members who think that this problem is an important one, that we should have remedies and help areas that have persistent unemployment, that they should get a little help and a little aid, will support this program.

I know the chairman of the subcommittee, the gentleman from North Carolina, and I have fought side by side on many programs. We fought the battle of the revenue sharing program last year, and it was a delight to be on his side in that struggle. But, as he knows, then there were many Members who were trying to change the revenue sharing program in very definite and drastic ways. We knew that many of the Members who were trying to change it in those drastic ways really were hoping that the program would die. They wanted to do away with it, and they realized that perhaps if they could change it enough and create enough conflict and confusion in it, the result was going to be that we would not have a revenue sharing program any more.

I am going to suggest to the gentleman from North Carolina that under the circumstances that we face here today with this legislation, with the pressures that we operate under of extending this program as it now exists, attempts to greatly change this program and come in with new formulas, to do things of that nature, we run a very substantial risk of losing the entire program. That will mean that no matter what chart one picks up for his congressional district or his State and tries to examine how much he will get under formula A or formula B, that if that impasse develops between this body and the other body—and it may well develop—then the Members will find that there will be nothing.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HORTON. Madam Chairman, I yield 5 additional minutes to the gentleman from New York.

Mr. WYDLER. The Members in this Chamber will find that no matter what anything on those charts say about how much the districts are going to receive under A or B, they will not receive a single dollar, and their entire program will be lost, and the Members will have to face the consequences of that decision.

I am not going to take the part of the other body. I do not think they have acted in this matter as they should have, but the fact of the matter is that the President has asked this Congress to continue this program as part of his stimulus program. Some Members may want to support the President in that effort, and if they do, I would suggest that they support the committee bill as it has been reported to the floor of the House. If they do that, we have a very good chance of getting the other body to agree on the program and getting the program extended and the stimulus into the mainstream of our country when we need it.

I just have a few words about the committee bill, which is essentially an amendment which I offered in committee as a substitute for the subcommittee bill. The committee bill does four things. The first thing it does is extend the program into fiscal year 1978, the current program, at a funding level requested by President Carter. The second thing it does is that it incorporates a nondiscrimination provision of the general revenue sharing program. That was an amendment offered and put into the bill by the gentlewoman from Texas. The third thing it does is that it allows for an allocation of the territories of Guam, Puerto Rico, American Samoa, and the Virgin Islands. The last thing it does is to address the question one hears over and over again about whether we can have a better program, whether there is a better program; how it should be devised; how it should be written; how we can improve this part of the formula or that part of the formula; how we can change the triggering device program. All these things the Members are going to hear a lot about. This part of my amendment addresses that part of the program by requiring that the Department of the Treasury, the Bureau of the Census, and the Department of Commerce produce and present to the Government Operations Committee of the House a complete and detailed countercyclical proposal by March 1 of 1978.

Frankly, some people ask why an extension of the program is appropriate at this time? The fact is that it is necessary to do it this way at this time because of the pressures under which we operate, because of the action of the other body, because they have attached this program as a nongermane amendment to the tax bill conference that we are going to deal with immediately after we deal with this legislation.

I do not know what kind of a parliamentary quagmire we may create if we try to rewrite this program into a totally new program and then somehow try to attach that to the tax bill and send that back to the Senate. We may not only endanger the passage of this program, but we may endanger the provisions of the tax bill, as well. I think that it is a serious matter that every Member of the House should take account of.

So I am going to ask the Members of this body on both sides of the aisle to make a conscious decision to consider the consequences at this time and in this place of trying to write a totally new countercyclical proposal. The results may not be that our districts will get more under formula B that is offered in place of the formula in this bill; the results of that action may well be that our districts will get nothing.

Mr. BROOKS. Madam Chairman, I yield 5 minutes to the gentleman from New York (Mr. ROSENTHAL).

Mr. ROSENTHAL. Madam Chairman, I associate myself if I might, with the remarks of the gentleman from New York (Mr. WYDLER), who has made a very significant contribution to the development of this legislation, as has my colleague, the gentleman from New York (Mr. HORTON).

Madam Chairman, I think the important issue for us to understand is the choices that are available to the Members of the Committee. On one hand, we have the committee bill, which was perfected after a great deal of effort, time, and discussion within the full committee, which maintains consideration of unemployment as the cornerstone of the countercyclical program. It is indeed one of the major efforts of the President's antirecession programs. In a letter to me, delivered last night, the Secretary of the Treasury said, and I quote:

> As you know, the countercyclical aid program is an integral component of the Carter Administration's economic stimulus package.

The countercyclical program was designed to deal expressly with those communities which had sustained significant financial losses by way of unemployment. It is still designed as an important element in the Carter stimulus program because it deals with unemployment.

The proposal that will be offered by the gentleman from Wisconsin (Mr. ASPIN) and the amendment to be offered, presumably, by the gentleman from North Carolina (Mr. FOUNTAIN) would lift unemployment out of the formula used to distribute these funds and replace unemployment by taxes collected and by tax effort.

In other words, at a time when the Nation's unemployment rate stands at 7 percent, with more than 6.7 million Americans out of work, the Aspin amendment, as I understand it, would disregard unemployment in assessing the state of local economy.

To justify this rather extraordinary recommendation for changing the basic underpinning of the entire program, the Fountain-Aspin group makes three arguments. Essentially they say what the chairman of the full committee, my distinguished friend, the gentleman from Texas (Mr. BROOKS), said that unemployment figures are inaccurate and unusable, that unemployment is not a good indicator of the impact of a recession, and that the tax effort is a better indicator.

In my judgment, each of these arguments is misleading or wrong, and I will tomorrow, when we discuss these amendments specifically, deal with these claims.

But let me just say one thing further now.

If the Aspin amendment is agreed to, Montgomery County, Md., which is probably one of the wealthiest counties in this country, if not the wealthiest, with a 3 percent unemployment figure, would get the same amount of money per capita as Oakland, Calif., with 13 percent unemployment. In general terms the Aspin formula would distribute 25 percent of the total funds to areas of unemployment with a rate of less than 6 percent.

In other words, it would for all practical purposes and for all intents end this program. It would reward the wealthiest communities in the country for their presumed tax effort and disregard and destroy those communities where unemployment is the highest. That is to me absurd.

It is equally illogical to say that the unemployment figures are inaccurate and that unemployment should not be the measure of Federal responsibility. The facts are that the General Accounting Office suggested that unemployment figures—and this is supported by the Bureau of Labor Statistics—are thoroughly accurate except in those communities with a population of generally less than 50,000 where they lack the ability to obtain precise statistics. But in the major areas of the country, the industrial areas and the areas that are hardest hit by unemployment, the figures in those communities are unassailable.

Madam Chairman, it is an absurd and almost incredible argument to say that we should change the program and not use unemployment as a basis for fighting recession because in some communities of the country the figures are inaccurate.

The CHAIRMAN. The time of the gentleman from New York (Mr. ROSENTHAL) has expired.

Mr. BROOKS. Madam Chairman, I yield 2 additional minutes to the gentleman from New York (Mr. ROSENTHAL).

Mr. LEVITAS. Madam Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Georgia.

Mr. LEVITAS. Madam Chairman, I thank the gentleman for yielding. I want to make just one brief point.

Mr. ROSENTHAL. I hope the gentleman is not going to use the entire 2 minutes.

Mr. LEVITAS. I will use as much as I need.

Madam Chairman, the gentleman makes the point that since unemployment figures are used as part of a triggering mechanism, that means somehow that this is an unemployment-fighting bill. I would like to point out to the gentleman that the money that is put out under this bill does not go to fight general unemployment. All of it goes to municipal or governmental employment, and we have no evidence as to what that level of unemployment is.

However, we do know that over one-third of the local governments that took this money in the past used it to raise salaries and not to keep people employed.

Mr. ROSENTHAL. Madam Chairman, I do not know if that assessment of the situation is correct. Frankly, I doubt it. I would be pleased if the gentleman could support that statement with reliable material.

The fact is that this formula in the bill has a triggering mechanism, and for those communities where unemployment goes up above 4½ percent Federal funds become available.

Mr. WYDLER. Madam Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from New York.

Mr. WYDLER. Madam Chairman, whether or not this is true, I sat and listened to the same testimony before the subcommittee about the weaknesses of the unemployment figures in various parts of the country, and there are weaknesses, there is no question about it. But these figures are also generally a very strong and a very reliable indicator. This is an indicator on which we base not only this program but others. Many of the Government aid programs are based on unemployment factors.

If we are going to make a determination here that these figures are not going to be used for any purpose, I think we will have to make that same determination relative to an awful lot of Federal programs. After all, there are quite a few that are being funded by the Congress right now which rely on unemployment figures, so we would have to question those programs on how they distribute aid, whether they should distribute aid, and when they distribute aid.

Madam Chairman, there is nothing unique about this program in the fact that it is using unemployment figures.

Mr. HORTON. Madam Chairman, I yield 8 minutes to the gentleman from Illinois (Mr. CORCORAN).

Mr. CORCORAN of Illinois. Madam Chairman, I rise in support of the Fountain and Aspin amendments that will be offered to amend H.R. 6810, as reported by the full committee, in order that we bring it in line with the original subcommittee bill. I am a member of the subcommittee which produced this bill, and I am proud of that final product. I feel that it is a significant step in improving the current countercyclical program and making it accomplish what all of us have expected it to do from the very beginning.

As many of you remember, this program was tacked on to the local public works jobs bill of 1976. The House has never once held hearings on that bill, and it is my opinion that had the House held hearings, that bill would not have been reported out in its final form.

WHAT'S WRONG WITH THIS PROGRAM?

It is supposed to be countercyclical, yet it pumps money into the economy regardless of indicators of cyclical economic activity. Although the program has triggered in, it probably never will trigger out considering current labor statistics.

Unemployment statistics are lagging cyclical indicators. If the current title II program had been in effect—it would not have triggered in during the 1957–58 recession until 75 percent through that period; it would have done the same during the 1960–61 recession; it would have completely missed the 1970–71 recession; and it would not have kicked in until three-quarters of the way through the 1974–75 recession.

It is supposed to stimulate the economy, yet 82 percent of the money already allocated is still in the bank accounts of State and local governments.

The program is supposed to target money to those governments most in need, yet some 24,000 participating governments may receive amounts of only $100 to $200 per quarter. What possibly can be done with $100 to fight unemployment caused by a recession?

Some people say that this program is similar to a jobs bill. Yet how can we expect governments to hire people when the program is temporary, the moneys received are small, and it fluctuates from quarter to quarter?

A good countercyclical program should have the following characteristics:

First. Since the impact of recession is rarely felt at the same time and intensity in every part of the country at once, the aid should be disbursed to local governments in a way that recognizes how severely they have been impacted by the recession. Thus, only governments taking countercyclical steps—raising taxes, reducing programs—should be a part of such a program.

Second. This program has an implicit notion that enough aid at the right time can prevent the downward cycle from building momentum. The program needs to kick in early in a recession which means that the indicator must be an early warning indicator; that is, a leading as opposed to lagging indication of recession. If the program kicks in too late with the downward cycle gaining momentum, then the program's ability to cut the downward momentum becomes less effective.

Third. Also, implicit in this program is a funding level large enough to make a significant dent in the magnitude of recession-induced local government tax increase or program cutbacks.

Fourth. The countercyclical program must distinguish between long-term secular changes in the economy as opposed to short-term cyclical fluctuation in the economy. Secular problems in the economy are represented by major economic trends such as: the steady decline of manufacturing jobs in metropolitan areas of the country, high unemployment among teenagers, the declining tax base of major central cities in the Northeast quadrant, and so forth. Cyclical trends are represented by increased taxes or cuts in programs to meet what are viewed as temporary declines in revenues due to the downward cycle in the economy.

H.R. 6810 as modified by the full Government Operations Committee does not have any of these important characteristics. The amendments to be offered today to the committee substitute will make a significant improvement in the bill as reported out by the committee.

I wish to state my support for these amendments:

First, I support the use of a tax-effort-based formula: Tax-effort data is more reliable because it is not sampled data but rather exists for all units of local government. Aggregate taxes are a good measure of government size and activity level. Tax effort is a good measure of the need for budgetary support. On the whole, local governments that are commonly felt to have a need for general budgetary support also have relatively high tax efforts. Unemployment is also a good measure of need but only for large jursdictions and even here the error rates are high.

Second, I support the use of a wage and salary as well as a GNP trigger in an effective countercyclical program. Real wages and salaries tend to track cyclical activity much more accurately than unemployment. Wages and salary data can be developed down to the county-area level. Wages and salary data more closely approximate the revenue loss to local governments caused by a cyclical downturn. Wage and salary data is not sampled data and as a consequence has a lower error rate.

Madam Chairman, for these and other reasons, I stand in full support of the reforms of the current title II program as contained in the original subcommittee bill. I urge my fellow members of this House to follow suit and enact this truly countercyclical, antirecession program.

Mr. WYDLER. Madam Chairman, will the gentleman yield?

Mr. CORCORAN of Illinois. I yield to the gentleman from New York.

Mr. WYDLER. Madam Chairman, first I want to commend the gentleman from Illinois now in the well for the help and attention the gentleman gave this matter during the subcommittee markup and in the hearings but, in addition to that, Madam Chairman, I would like to ask the gentleman from Illinois this question:

The gentleman from Illinois says he is in favor of the so-called Fountain triggering device and formula. Is the gentleman from Illinois aware of the fact that if we had really had that formula in existence prior to this that we really would not have had a program in fiscal year 1977?

Mr. CORCORAN of Illinois. I am aware of that, but I think that if the program is to be used in the future it should not be activated until we have a recession.

Mr. WYDLER. Then the gentleman from Illinois does not believe we should have a program at all, is that correct?

Mr. CORCORAN of Illinois. I think we should have a countercyclical program as provided in the subcommittee bill when we actually do have a recession. The subcommittee bill provides that when we have a decline in terms of the GNP and wages and salary then it triggers in but when we do not have two successive quarterly declines then the countercyclical triggers out. I believe that is how a countercyclical program ought to perform.

Mr. WYDLER. Mr. Chairman, I want the gentleman from Illinois to realize the implication of what he is suggesting to this committee that in fact if we were to adopt what is known as the Fountain triggering device and had we done so prior to this that we would have had no program at all. That would have been the answer.

Mr. CORCORAN of Illinois. The Fountain triggering device as contained in the subcommittee bill would provide for fiscal 1977 a continuation of the current program.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. HORTON. Madam Chairman, I yield 2 additional minutes to the gentleman from Illinois.

Mr. CORCORAN of Illinois. Madam Chairman, I thank the gentleman from New York for yielding me the additional time.

Madam Chairman, it is my understanding that the amendments which will be offered later during the 5-minute rule will provide that for the current fiscal year as well as for the coming fiscal year, that there will be a continuation of the program but that at the end of that time, based on the testimony developed during our hearings before the subcommittee, and supported with one dissenting vote, the consensus was that we ought to make a change in the program along the lines that we have already discussed.

Mr. WYDLER. I understand that, but the fact of the matter is that is because we are going to delay the implementation of the Fountain triggering device until some time in the future. But that if we had had that same device some day in the past, if it did not go into effect then we would not have had a program at all, because the way we would have had the law we would have had no countercyclical program law, is that not a fact?

Mr. CORCORAN of Illinois. I think, by definition, that countercyclical aid should only be forthcoming when we have a recession. That is the purpose and that is the design of the subcommittee bill. That is why I support the bill.

Mr. BROOKS. Madam Chairman, I yield 5 minutes to the gentlewoman from Texas (Ms. JORDAN).

Ms. JORDAN. Madam Chairman, we have heard a bit of discussion, the few of us who are listening, about what is wrong with using unemployment statistics as the data base for this program of countercyclical revenue sharing.

I would like to point out that even though I agree that unemployment statistics are unreliable and inadequate, that there is still a further reason to reject unemployment as the data base as it is contained in the committee bill. For instance: Unemployment statistics are distorted and skewed by geographical differences. If we look at unemployment for Houston, Tex., we will see a low rate of unemployment relative to the rest of the country. Relative to the rest of the country, Houston would have a rather low rate for unemployment. Houston, Tex., includes all of the surrounding suburban areas. The unemployment figure would represent not only the central city of Houston, but also the high-income surrounding areas which were annexed to the central city area. So we get low unemployment in the suburbs, high unemployment in the city, but the average comes out to low unemployment. Because of this distortion, the unemployment statistics which would be relied upon for countercyclical assistance for this particular community would be unreliable and distorted and skewed.

Contrast that with, let us say, the city of Detroit. It is of a comparable size to the city of Houston, but the city of Detroit covers 140 square miles; the city of Houston covers 520 square miles. Detroit with its concentrated, contained central city area showing a high unemployment rate contrasts with this large and expanded area known as Houston, Tex., showing a low unemployment rate and, therefore, unable to receive these funds under the formula of the full committee bill.

I think that the Committee of the Whole can do better. We can do better than the full Committee on Government Operations. We do not have to accept—we are under no requirement to accept—figures which are inadequate and unreliable. I am sure that as we hear further debate on this issue, we will remember that millions and millions of the dollars authorized and appropriated for revenue sharing countercyclical have yet to be spent. They have not gone to relieve the plight of the unemployed. They have not gone into those areas where they were most needed, but instead have been used for the subsidization of local services.

Mr. WYDLER. Madam Chairman, will the gentlewoman yield?

Ms. JORDAN. I yield to the gentleman from New York.

Mr. WYDLER. I thank the gentlewoman for yielding.

That statement has been made a lot, and I have heard that before. That was based on a GAO report we got which was based on an investigation GAO made prior to that time. The actual factual base of it really goes back to the very early beginnings of this program. I know the gentlewoman, in the fair manner she has, realizes that starting a Federal program, getting it organized, getting money into the local hands, getting the local government used to handling it, all takes a little time. We have to understand how to handle it. If the local governments are not expecting the money and are not ready right away to spend it, they have to get used to it.

Ms. JORDAN. Madam Chairman, if I may recapture my time, would the gentleman say that that assertion is inaccurate and wrong, that this money did get out to where it was needed?

Mr. WYDLER. If the gentlewoman will yield further, I doubt that the period of time of which the gentlewoman is talking any longer exists. This whole investigation and report from the GAO is based on facts in a period of time long ago. We are not in that period of time now.

The CHAIRMAN. The time of the gentlewoman has expired.

Mr. HORTON. Madam Chairman, I yield one additional minute to the gentlewoman from Texas.

Ms. JORDAN. Madam Chairman, we have not heard the gentleman from New York (Mr. WYDLER) state that the statement which was made by me was inaccurate. He pleads that a new program needs time to get started. I would say to him that the program under the Fountain-inspired formula needs time to get started, and let us see whether it will work in a more equitable and fair and logical and consistent manner than the present program.

Mr. MINETA. Madam Chairman, will the gentlewoman yield?

Ms. JORDAN. I yield to the gentleman from California.

Mr. MINETA. I thank the gentlewoman for yielding.

I believe it is true that the statement is not incorrect, but the survey was made the early part of February of 21 jurisdictions. The law said that jurisdictions had 6 months in which to spend the money. The checks went out in November, and I think to say that on the 21st of February, as I recall the date, that those jurisdictions had not spent the money is really unfair.

The CHAIRMAN. The time of the gentlewoman has expired.

Mr. BROOKS. Madam Chairman, I yield 1 additional minute to the gentlewoman from Texas.

Ms. JORDAN. I will conclude with 1 more minute of my very own. It seems that what is being focused on by those who have engaged me in colloquy is the fact that much of the money did not get out to the areas and the communities where it was needed and it did not get out expeditiously.

If that were the only thing which was wrong with using unemployment as the data base, I suppose we would have to concede a point. But that is not all that is wrong. The unreliabilities, the inadequacies, the inefficiencies, the distortions, the whole program being skewed by relying on unreliable information is enough for us to consider a new data base similar to, if not the same as, the one which was approved by the subcommittee after very careful and very thorough consideration.

Mr. HORTON. Madam Chairman, I yield to the gentleman from New York (Mr. WYDLER) 2 minutes.

Mr. WYDLER. Madam Chairman, I am really sorry the gentlewoman from Texas has taken that position. I am not trying to put her arguments in the wrong light. I am really trying to make sure she fully understands the implications of some of the things she is saying.

Just think for a moment, and I know the gentlewoman has a very open mind and is a very clear thinker, but she is arguing against this program because the local governments that are receiving the money from the Federal Government did not get it out fast enough. But what she is really arguing about and trying to get us to change is the formula.

I am going to suggest to the gentlewoman that regardless of what formula we use to try to decide what the check is going to be that the local government will receive, the local government's inertia is still going to be there in figuring out how to use the money. I ask the gentlewoman to think about that.

I have heard the argument that they did not get the money spent quickly enough, and so on. But that problem is going to exist no matter what formula we use. I wish the gentlewoman would consider that. That is a fact that I am trying to tell her.

Mr. ASPIN. Madam Chairman, will the gentleman please yield?

Mr. WYDLER. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Madam Chairman, I would like to point out to the gentleman one of the purposes of putting the distribution formula in is to send the money to the high-tax-effort States and localities. The high-tax-effort States and localities, the municipalities have a more extensive panoply of services that they offer and therefore those kinds of communities are better able to get the money out quicker.

I would submit changing the formula does get to the problem the gentlewoman from Texas raised.

Mr. HORTON. Madam Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Madam Chairman, I would first of all congratulate the distinguished gentleman from New York (Mr. WYDLER) for being an exceptionally able advocate for his State, the State of New York. He has been on his feet throughout the hour or so of debate that we have been occupied on this bill.

And well he might take the position that he does. When I look at page 27 of the report on this bill, which I did when the matter was before the Rules Committee a day or two ago, I find out his State is getting 21.5 percent of the total funds, and that their increased share is coming from States like Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Minnesota, Missouri, Montana, New Hampshire, North Carolina—and the list goes on and I would take my 5 minutes if I were to continue to recite the number of jurisdictions that are going to have to suffer losses if we adopt the committee bill.

So it is no wonder the gentleman from New York is very articulate and very active in advocating the course that he does. He suggests that since we have in the past discriminated in behalf of certain regions of the country in other pieces of legislation that we ought to do that in this bill and he even used the example and cited the Appalachian bill. I never thought the day would come when the proud Empire State of New York would ask to be treated like Appalachia, but he said that is where the problem is.

It is not just a question of where the problem is. It is how are we going to solve the problem. Are we going to use the right remedy? Is this the remedy?

I think the gentleman forgets the title of this bill. It is an antirecession bill. The problems of New York State and some of the other jurisdictions that would benefit more handsomely under the committee bill than under the subcommittee approach are cyclical and long-term and not caused by the recession which reached its nadir in April 1975, and is now more than 2 years past. The problems of New York are long-term in nature.

Let me say also it was just a day or 2 ago, yesterday, as a matter fact, that I supported the dual formula approach of the housing bill that we passed, a bill that it was argued was for the benefit of the older cities of the Nation. That would certainly include New York City and many of the other cities in that State.

Fine. Are we two times in a single week to enact legislation which, in effect, is special legislation for the benefit of New York? I would not even object to doing that if I felt we were taking an approach that was going to solve the basic long-term problems that afflict that particular jurisdiction; but this bill is certainly not designed to do that.

When we get the General Accounting Office to say that the bill has not met its stated objectives, they do not have any ax to grind, they are an arm of the Congress, they are reporting on this program and they are telling us very unequivocally that this program as presently constituted is not meeting its stated objective. When we get the Commissioner of Labor to say that it is in support of the argument of the distinguished gentlewoman from Texas (Ms. JORDAN) that we are not using the right trigger when we depend upon unemployment statistics that are inaccurate and out of date, and I have some tables before us that indicate, as the gentleman from Illinois (Mr. CORCORAN) so ably pointed out, that there is a lag in how it works. We can see the chart I have before us showing the unemployment rates for the 1960–61 recession, the 1970–71 recession and the 1974–75 recession. It clearly indicates the countercyclical formula based on the unemployment rates tends to trigger in after the economy is well into a recession. Therefore, it will not meet the problem of New York State and some of those that think the formula is going to greatly benefit them.

Mr. LEVITAS. Madam Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Georgia (Mr. LEVITAS).

Mr. LEVITAS. Madam Chairman, I would like to associate myself with the remarks of the gentleman from Illinois. I wish I could have stated my views on their subject as articulately as the gentleman from Illinois has just done.

I would like to reinforce one point that the gentleman from Illinois made; that is the nature of the report of the General Accounting Office to the Committee on Government Operations. In connection with the title II program, the GAO says this:

As set forth in the conference report, title II was designed to meet three criteria as an antirecession program:

To provide assistance directly into the economy, with as little administrative delay as possible,

To provide selectively targeted assistance, so that only those governments substantially

affected by the recession would receive funds, and third,

To phase itself out, as the economy improves.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HORTON. Madam Chairman, I yield 2 additional minutes to the gentleman from Illinois.

Mr. LEVITAS. Madam Chairman, if the gentleman will yield further, it continues:

Based on our preliminary observations, the current program does not meet the first two criteria. The effectiveness of the phasing-out provision remains to be evaluated.

Madam Chairman, I think that is what we have before us today.

Mr. ANDERSON of Illinois. Madam Chairman, I thank the gentleman for his support.

Very quickly, let me sum up the argument I sought to make in the minute I have remaining; that is, I think it is important when we are defining a countercyclical program, and let us not lose sight of the program, that that is what we are trying to do with this legislation, not solve the long-term cyclical problem of a secular nature in New York City. We are trying to design an effective countercyclical program and when we do that it is important to have a measure to distinguish between cyclical budgetary disruption that has a very significant impact on the budgetary receipts of the revenues of those high tax effort States that the gentleman from Wisconsin (Mr. ASPIN) talked about a moment ago.

We have to distinguish between that and long-term secular decline, and therefore when the appropriate time comes, I will certainly rise in support of the amendment to be offered by the gentleman from Wisconsin (Mr. ASPIN), and hope that we would return to the theory—and I think the very correct theory—of this bill as it was propounded by the subcommittee.

Mr. BROOKS. Madam Chairman, I yield 5 minutes to the gentleman from North Carolina (Mr. FOUNTAIN).

Mr. FOUNTAIN. Madam Chairman, members of the committee, I want to make a few observations before presenting my own statement in connection with this legislation.

I want to commend the members of the subcommittee for the diligent way in which they cooperated in helping me, as the chairman of the Subcommittee on Intergovernmental Relations and Human Resources, come out to the full committee with what I think was a good piece of legislation. We had fine attendance and there was excellent participation in the hearings and in the markup of this legislation.

I want to thank the gentleman from Florida (Mr. FUQUA), the gentleman from Oklahoma (Mr. ENGLISH), the gentleman from Georgia (Mr. LEVITAS), and our new Member this Congress—the gentleman from California (Mr. WAXMAN), the gentleman from South Carolina (Mr. JENRETTE), the gentleman from Iowa (Mr. BLOUIN), and the gentleman from Wisconsin (Mr. ASPIN), who is one of the older Members of Congress in terms of service.

On the other side, I want to thank my friend from New York (Mr. WYDLER), who has worked actively with the subcommittee, and who I had hoped, after he saw the evidence and the committee's willingness to increase the duration of the program, would support the subcommittee bill. Nonetheless, I want to thank him for his active participation in the work of the subcommittee.

I also want to thank the gentleman from Ohio (Mr. BROWN), and the gentleman from Illinois (Mr. CORCORAN), who is another new subcommittee member. And I would like to associate myself with his excellent remarks. He, too, is an outstanding new member of our committee.

I particularly want to commend the gentlewoman from Texas (Ms. JORDAN) for her excellent statement in connection with this legislation. She was a member of our subcommittee last year and participated actively in the development of the general revenue sharing legislation.

She decided to move on to another subcommittee. We miss her, but we are delighted to have her support in the debate on this legislation. She made an excellent statement, with which I want to associate myself.

I also want to commend the gentleman from Illinois (Mr. ANDERSON) for his very excellent and incisive summary of the arguments in support of the subcommittee bill. I would be remiss in not expressing my appreciation to the chairman of the full committee, the gentleman from Texas (Mr. BROOKS), for his cooperation and for the expeditious way in which he has acted to bring this legislation to the floor of the House so as to avoid having the other body continue to dictate to us how to legislate.

I want to make a comment in response to a statement made by the gentleman from New York (Mr. ROSENTHAL) before proceeding further with my statement. The gentleman inadvertently, I am sure, misstated the testimony of the Commissioner of Labor Statistics before our subcommittee. Commissioner Shiskin in fact said that only the national unemployment rate is highly reliable because it is based on a statistically reliable monthly survey. The monthly State unemployment rates are derived from a different source in which the data vary widely among the States. The Bureau of Labor Statistics adjusts these State rates annually, both up and down for individual States, but only after the assistance payments have been made on the basis of a preliminary and often erroneous rates. For large cities, the estimated rates are of only fair reliability, and for places of 50,000 or less they are "random numbers," according to the BLS Commissioner's testimony.

Of much greater significance is the fact that unemployment rates have little relevance to the budget needs of cities, counties and States.

Mr. Chairman, I think the Members have been inundated with information on this legislation, and I do not intend to add to the confusion. Instead, I will try to strip the issues down to their fundamentals so that we can deal with the facts, rather than the misrepresentations and scare tactics many of us have been exposed to.

If I were to ask the Members of this body whether or not the House would enact a general assistance program which gave almost 22 percent of the total funds to one State, which provided not 1 cent to four States—including their local governments—and which gave only a pittance to another dozen States, what would you reply? I am absolutely certain the vast majority would say such a program is a political fantasy—that it would never get out of committee. And legislative history would support that view.

Yet, we do have such a program in operation today. It is called countercyclical or antirecession assistance, and it came into existence last year as a Senate floor amendment to the House-passed public works employment bill. No comparable legislation was under consideration in the House. That nongermane amendment was accepted by our conferees, and approved by the House, on the representation that the Senate would hold the important public works bill hostage unless we gave in. This is an old game of what some call "political blackmail" by the other body, but usually such action relates to matters without great national consequence. I am unaware of any previous occasion in which this tactic was used to create a completely new grant program funded at $1¼ billion for starters.

Would anyone believe that same tactic would be used a second time just 1 year later? Probably not. Yet we have the same program before the House today in the conference report on the tax bill, again as the result of a Senate floor amendment. Now the program is called countercyclical revenue sharing, with funding at double the original level.

Once more, a large number of States are completely excluded from participation, or receive only token payments, while a single State receives approximately 22 percent of the total funding. And, this time the Senate Legislative Committee did not spend 5 minutes in hearings on this multibillion dollar program before the Senate attached it to the tax bill by another floor amendment. We can judge for ourselves whether this represents political and fiscal responsibility.

I am proud to say that the House Intergovernmental Relations and Human Resources Subcommittee takes its legislative responsibilities seriously. That was demonstrated last year in connection with general revenue sharing; and it was demonstrated this year in the subcommittee's thorough, in-depth hearings and investigations devoted to this legislation. Since the subcommittee's hearings in early March, we have worked closely with the most knowledgeable experts in the executive branch, in the GAO, and elsewhere to devise the best possible formula for allocating funds in this program.

The subcommittee's rigorous evalua-

tion of the title II program, which is basically the same as the committee bill now before the House, established conclusively that the title II program has completely failed to accomplish its stated objectives. And, there is no reason to believe it would accomplish them in the future. It is not an antirecession program; it is not a jobs program; and it has not served to stimulate the economy.

Title II is nothing more than a duplicative and poorly designed general revenue sharing program that distributes money unfairly on the basis of inappropriate, inaccurate, and unreliable unemployment rates.

There should be no doubt that title II is not an antirecession or countercyclical program, since it was enacted more than 2 years after the 1974–75 recession had ended. While it is true that this last recession—the most severe one since the Great Depression—may have produced more lasting effects in certain communities, the fact is that the financial accounts of State and local governments as a whole, had returned solidly into the black, by the fourth quarter of 1976, with a surplus estimated at $5.8 billion at an annual rate, excluding social insurance accounts. The primary factor responsible for this turnabout, according to testimony at our hearings, has been growth in the State and local sector's own revenue sources, in response to the economy's recovery.

Some of my colleagues tend to equate the special long-term economic problems of chronically depressed communities and regions with a national recession. These are very different things. Moreover, the title II program was never intended to deal with the problems of declining areas and structural unemployment, as the Senate committee, which originated this legislation, has made clear. Such problems simply cannot be dealt with by a program of general assistance.

Title II is not a jobs program, because payments can be used for virtually any purposes the recipients choose. This is discretionary money. It is fungible, or substitutable for local money, just as in the general revenue sharing program. Indeed, the Congress has already created a variety of other programs designed specifically for increasing the number of jobs, including the public service employment titles under CETA and the Public Works Employment Act.

The GAO has informed the subcommittee, on the basis of its study of the impact of title II payments on State and local governments, that it has found relatively few instances in which these funds have actually been used to create new jobs or to maintain existing jobs. In other words, any connection between the title II program and the reduction of unemployment is wholly speculative.

Moreover, as presently constituted, title II is not an economic stimulus program. The only reliable information on the actual use, or impact of title II money, is provided by the field investigation conducted by the General Accounting Office.

As of February 28, 1977, the GAO had visited 51 recipient governments constituting a good cross-section of the States, cities and counties participating in the program. For the first three quarters of title II payments, these 51 governments had received $262 million, or more than 30 percent of the total paid to some 23,000 governments.

The GAO found that only 18 percent of the total amount available from the payments for July and October 1976, and January 1977, had been spent by those governments. The GAO also found that the governments with unemployment rates above 8 percent for the first three quarters were spending the funds only slightly faster than those with lower unemployment rates.

The GAO study disclosed that most recipients are putting their title II money into bank accounts rather than spending it to stimulate the economy and this is what they should do until they have essential uses for these funds.

The GAO findings are really not surprising or unexpected, since these funds must be spent in accordance with the laws and budgetary procedures applicable to each government's own revenues. In addition, local and State governments cannot plan ahead to include title II funds in their budgets, as they do revenue sharing, and they would be foolhardly to create new jobs because this is a temporary program with payments geared to fluctuating unemployment rates.

In summary, the subcommittee found that the title II program simply does not accomplish its objectives. Worse still, it duplicates an existing program and does so badly by distributing funds in a most irrational, arbitrary, and inequitable manner. This is the perfect example of a program in search of a problem.

After careful consideration and deliberation with full discussion, it was the subcommittee's judgment that the title II program should be terminated. However, since the expectations of State and local governments had been raised by the inclusion of an extended title II program in the President's economic stimulus package, the subcommittee felt some appropriate phaseout period is justified.

Accordingly, the bill reported by the subcommittee did provide an additional three quarters, beginning in July, at the higher funding level proposed by the President. The full committee raised this to five quarters, but with a formula for distribution which continues the serious flaws and inequities to which I have referred. In its present form, the bill almost doubles the inequities.

At the same time, the subcommittee strongly recommended that a rational and equitable allocation formula replace the present title II formula. It also recommended the establishment of a true antirecession program as an amendment to the General Revenue Sharing Act.

These recommendations will be discussed further when amendments are offered by Mr. ASPIN and myself to substitute the subcommittee's provisions for parts of the committee bill.

Mr. HORTON. Mr. Chairman, I yield 6 minutes to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I rise in support of the amendment to extend the title II program for 1 year. I would like to confine my remarks to the reasons underlying my qualified support of this 1-year extension. As we know, the current title II program was passed last year as part of the Public Works Employment Act of 1976. This program was tacked onto the Public Works Act by the Senate and there was never 1 day of hearings held in the House at that time.

The Intergovernmental Relations Subcommittee, of which I am a member, held extensive hearings on how well this program is achieving its goals. The general conclusion of the subcommittee study is that the program is not achieving its goals.

In the first place, the statistical mechanisms by which the program operates do not make adequate distinction between short-term cyclical problems in the economy and the long-term secular problems of economic decline.

Secondly, the unemployment rate that triggers the Federal funds designed to give emergency support grants to local governments which suffer declining revenues as a result of general economic downturns is a lagging indicator of a recession. The use of an unemployment rate trigger causes the program to trigger in well after the economy is into a recession which has reduced local tax revenues.

Additionally, there is a great deal of dissatisfaction with the quality and usefulness of unemployment data used in the program as a mechanism to distribute funds to local communities. The Commissioner of the Bureau of Labor Statistics has testified that, for jurisdictions of less than 50,000 population, unemployment data provides no better than a random guess at the real impact of recession on local communities.

Furthermore, until recent winter storms and layoffs, most local economies were experiencing high unemployment rates. This raises serious questions of the extent to which local revenue sources have been diminished because of increases in unemployment. Clearly, if more people are working than ever before, this casts serious doubts on the argument that higher unemployment rates reflect cyclical declines in economic activity. Higher unemployment rates may merely reflect more new people entering the work force—generally called higher participation rates.

It is the intent of the countercyclical program to provide antirecessionary aid to local communities where incomes to finance public services are adversely affected by real recessions. When the economy improves, the program is supposed to phase out. As the program is now constructed, it will not phase out in this decade, even though the country is moving well out of the most recent recession. This program not only has triggered in late, but it will probably not trigger out for years and years.

It is my understanding that the Government Operations Committee staff, in working with the Department of Commerce, Bureau of Labor Statistics, Bureau of the Census, and the Office of Revenue Sharing, is close to completing a countercyclical formula that would be sensitive to cyclical economic downturns at the local government level. It is my understanding that in only a few months' time, this program will be ready for a detailed analysis which will put all of us in a much better position to assess its limits and its strengths against the current program.

Our real problem today is what to do until this current study can be completed. It is my concern that we not move too hastily to substitute another untried or untested program for the current countercyclical program which was too quickly devised and was also untested. The Senate put the current program together in a frantic rush last year and our hearings have all too well documented its deficiencies. In our haste to improve a flawed program which has established its failures and inadequacies, we must not make the same mistake of excessive haste.

Therefore, I support an extension of the current program for 1 year on the condition that the Government Operations Committee present to the Congress by March 1 of 1978 an adequate and full countercyclical proposal for our consideration.

Today's debate must focus on the best way to achieve an improvement in the program and not become a big grab for dollars. Finally, whatever changes are made over the next year, State and local governments must be given adequate time to prepare and plan their own budgets in light of Federal action.

Mr. Chairman, H.R. 6810 has my active support and I urge my colleagues to give this bill their most careful consideration.

Mr. LEVITAS. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina (Mr. JENRETTE).

Mr. JENRETTE. Mr. Chairman, I wish to commend the committee for bringing us this continuation of a very fine program in the bill as reported out of the committee. I had the pleasure of working with the chairman of the subcommittee, the gentleman from North Carolina (Mr. FOUNTAIN), who, I believe, was responsible for the provision in the bill that would require a study which promises to be very helpful toward effecting a continuation of this fine program.

I commend the chairman of the committee, the chairman of the subcommittee, and, particularly, my friend, the gentleman from New York (Mr. WYDLER), who worked so diligently to bring us what I believe is a very good bill.

Mr. Chairman, there seems to be some confusion about whether or not we have recovered from the great recession and thus whether or not we require an antirecession fiscal assistance program for State and local governments. We have not recovered from the recession. Two years of slow upswing have certainly brought us far out of the depths, but they have left us far from the plateau of America's need.

The conclusion that we have recovered from recession is a conclusion that the world has been transformed and that good times for America now means unemployment of 7 percent plus a snail's pace growth in our national product. Those who think that we have recovered from the recession have given up on America and have decided that stagnation rather than vitality is now our natural condition. Fortunately, there are only a few of that opinion.

While the 2 years of recovery have been real and welcome steps toward renewed prosperity, many steps lie before us. Nationally, recovery is expressed in averages and smooth trends. But the extremes that make up those averages and the uneven change that adds up to a trend can be seen around the Nation in our cities and towns. One of the great virtues of this program is its responsiveness to differences in local conditions. While national unemployment is at a too high 7.3 percent, there are places in this country where it is 2, 3, 4, and even 5 percentage points higher. You ask the people in those places whether or not the recession is over. It is not.

In the depths of the recession State and local governments lost hundreds of billions in revenue. We saw that as not only a local problem but a national problem because it forced them to even worsen the recession through layoffs and tax increases. Today many of those governments are still forced to reduce workforces, cut services, and raise taxes. As they do, they slow recovery. This program would replace only a small part of the shortfall facing places under severe fiscal stress. But even though it is a small response to the lingering recession-caused problems of State and local governments, it is critical for those places that need it.

The Nation needs the fiscal assistance act to protect the national recovery. States and localities need the fiscal assistance act to support their even slower recoveries. We should extend the act.

Not only should we extend it, but we must maintain the existing program with its allocation formula based on unemployment rates. Certain Members of this body would argue that the allocation formula should be based on tax effort.

What is the point of wanting to replace the unemployment based formula in the Antirecession Fiscal Assistance Act with one that is exclusively tax effort? To make this change we would have to conclude that there is something very wrong with the current formula and very right with the proposed alternative. As a matter of fact, exactly the opposite is the case.

The intent of this program is to assist those localities hardest hit by recession, to reduce their need to lay off workers and increase taxes and, to support the national economic recovery. Unemployment, which triggers the program nationally, and determines the amount of money to be distributed both nationally and locally is a condition directly caused by recession and one which is closely related to a local government's ability to raise money and its need to deliver services. Unemployment represents a general condition of fiscal stress caused by a recession. Places with relatively low unemployment get little or no money and as the local conditions improve the amount received by a local government declines.

But, the unemployment statistics have been criticized for several reasons. It is said that they do not accurately portray the facts of unemployment generally and that they are inaccurate for smaller places. While it may be no help to the larger places, it is generally agreed that the statistics significantly undercount unemployment and so we are not throwing money away. And while the smaller places may think they are discriminated against, the greater portion of the money goes to places of over 50,000 where the statistics are agreed to be more sound. This bill, by the way, contains a provision which would make it possible to get funds to more of the smallest jurisdictions which may now get lost in the balance of state. Unemployment statistics are not perfect but they are good enough. More importantly, unemployment has something to do with recession. Tax effort does not.

Some may wish to support an antirecession program that has nothing to do with recession for their own reasons. Should we let the computer spit out dollar signs that cause us to empty an important program of its purpose? No. We should take the reasonable and responsible course and extend a program that responds to recession-caused need.

Mr. LEVITAS. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Mr. HORTON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise in support of H.R. 6810.

In February of this year, the unemployment rate of our country was 7.5 percent. In Newark, N.J., unemployment stood at 16 percent; in New York City, 10.4 percent; in Oakland, 12.8 percent; in St. Louis, 11.4 percent; in Detroit, 11.6 percent. The State of New York had an unemployment rate of 9.6 percent; the State of Michigan, 8.3 percent; the State of New Jersey, 9.5 percent; the State of California, 8.4 percent; the State of Florida, 7.9 percent. Across the country 8 million people were unemployed.

In pure and simple terms, those astonishingly high unemployment figures tell us that, while the recession might technically no longer be with us, the effects of that recession are still very much with us. Those people without jobs don't care what the textbook definition says about recession. They know what their pocketbook says and their pocketbook says that hard times are still very much a part of America's economic picture. Accordingly, this country still needs an antirecession program, one that will continue to put money where the needs are greatest.

To my colleague who would suggest that those needs are best measured by tax effort. I offer just one simple example to suggest just the opposite. Beverly Hills, Calif., has a high tax effort, but who in

this Chamber will tell us that Beverly Hills needs antirecession funds?

Unemployment puts a tremendous financial burden on local governments. For one thing, unemployed people do not pay taxes, so the local treasury is deprived of that normal revenue. For another, unemployment costs local governments money in the additional expenditures necessary to care for them. Unemployment is what our focus should be on here today, not tax effort.

I understand there are those who would like to introduce a new trigger for the program. This trigger would allow distribution of money only when there is a downturn in the economy as measured by a decline in real wages and salaries. Since these indicators are not going down, it means that no money will be distributed. Regardless of what some people would tell you, we are not out of the recession and we will not be out until unemployment rates are brought down to an acceptable level. Our State and local governments need this program to combat the effects of the recession.

The current program of countercyclical revenue sharing has been operating now for about 1 year, by and large directing Federal money into the hands of those State and local governments that have suffered most from the recession. The bill reported out of the Government Operations Committee is what the administration would like. It is my understanding that it is also favored by the leadership.

Mr. Chairman, I strongly support a simple 1-year extension of the current countercyclical revenue sharing program. Accordingly, I urge my colleagues to vote for H.R. 6810.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Chairman, I think as we wind up this debate, I would just like to reiterate the point which I think all the Members who are looking at any sheet of paper and trying to figure out how to get 1 percent more under this formula in their State than the formula actually provides had better keep in mind a couple of facts, realities that exist in the situation that we face.

Of course, No. 1, the figures cannot really be projected accurately for the life of the program. We are making guesstimates and estimates of what the figures may really be; but there are two major dangers that are being suggested by the amendments that are going to be offered to the bill before us. There is a good chance that Members may get nothing at all for their districts in their States. That is the risk they are running when they adopt these amendments; and when they vote for them they had better realize that consciously because they may have to answer to the people in their States, their mayors and their Governors, for the loss of this program and all the money under this program.

Mr. HORTON. Mr. Chairman, I think the gentleman made a good point earlier when he said that if this program were now in effect, there would be no program because the triggering devices would indicate that there would not be a recession. Therefore, there would not be any distribution, in spite of the fact that we have pockets of very high unemployment.

Mr. WYDLER. Mr. Chairman, if the gentleman will yield further, that is exactly correct.

The fact is if we had the wage and salary triggering device that is going to be suggested as the triggering device for the future, if we had that last year, we would not be here arguing. There would not be any program at all. There would not have been $1 for anybody under this program.

Some people are for that. That is fine, but everybody voting here ought to realize that those are the consequences of adopting this particular triggering device.

Mr. HORTON. Mr. Chairman, I thank the gentleman.

Mr. WYDLER. Mr. Chairman, I highly commend the gentleman from New York (Mr. HORTON) for the statement he has made.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in support of H.R. 6810, the countercyclical antirecession assistance bill. Passage of this legislation is crucial to the budgetary health of many of our local and State governments during this time of continued high unemployment.

As a member of the Government Operations Committee that reported this bill, I would like to emphasize that in addition to providing assistance for maintaining basic services during times of high unemployment, the bill also requires implementation of a comprehensive study to consider alternative funding systems or improvements in the current formula for fund distribution among the States and localities where unemployment is a major problem.

The time to cut off countercyclical assistance is not while alternatives to the current formula are under discussion. Too many cities and States are depending on these funds to preclude their having to increase taxes to maintain these unemployment services.

For example, the city of Chicago desperately needs the same $18 million in countercyclical funding this year that it received last year just to sustain essential city services at the same level. If Chicago does not get the money, it will have to raise the taxes of its residents. Most other city and State governments are in similar positions.

Therefore, I urge my fellow Members to give this bill the careful consideration it deserves and to vote for its passage.

Mr. FRENZEL. Mr. Chairman, while I have been a consistent supporter of our foreign assistance program since coming to Congress I find I cannot in good conscience support H.R. 6714, the International Development and Food Assistance Act of 1977.

The House, having just approved a budget busting $66 billion deficit for the coming fiscal year, now has before it a bill which is 14 percent above last year's authorization and 10 percent above the Carter administration's request. Indeed, the $1.7 billion contained in this authorization bill exceeds the committee's own recommendation to the Budget Committee by $32 million. Given our continuing fiscal crisis, I must reluctantly oppose this bill and urge that the committee reconsider its recommendation in the light of our already inflationary budgetary situation.

While total spending needs to be scaled down, the bill does contain several desirable features which should be retained in the final package. I am pleased that the committee continued the recently established practice of providing for separate consideration of the military and economic assistance. When this approach was first tried, fears were expressed that the economic assistance portion of the total program could not win support on its own merits. Happily, our experience has proven just the opposite to be the case. The economic assistance programs have enjoyed slow but steady growth in recent years following a long period of declining support. This year's bill continues these favorable trends but unfortunately attempts to make too much of a good thing.

I also favor strong support for the agricultural development and population planning features of the program. Gradually we have modified the thrust of the food and nutrition programs, giving less emphasis to direct relief while placing more emphasis on helping small farmers increase the productivity of their land. This self-help approach should provide a more enduring solution to the continuing problem of world hunger than was the case with the previous attempts at dollar diplomacy.

This bill also continues the innovative title XII "Famine Prevention" program first enacted in 1975. Our land-grant universities have played an important role in our agricultural success story and they are well positioned to share the secrets of our success with the food-dependent countries of the world.

The population planning programs also deserve our strong support. World population is expected to increase 50 percent between now and the turn of the century. Unless we can reduce this anticipated rate of population growth, our efforts to increase the production of food will fall short of the expected demand. The food and nutrition programs and the population planning efforts compliment each other, and both deserve strong support.

We should be able to continue these important programs within a total spending limit that more adequately reflects the current fiscal crisis. In the final analysis we will be doing the poor countries of the world a disservice if we continue to spend far beyond our means and further contribute to international economic instability. The impact of world oil price manipulations has taught us that inflation imposes the cruelest penalties on those poor nations we are seeking to assist through this legislation. For their sake as well as our own we should bring the total authorization more in line with the administration request. As it stands now, this bill is clearly inflationary.

Mr. WEISS. Mr. Chairman, I rise in support of the Intergovernmental Antirecession Assistance Act of 1977, H.R. 6810, and in opposition to the amendment by the gentleman from Wisconsin which seeks to change the allocation formula for this program.

Countercyclical grants help local governments avoid service cutbacks, employee layoffs, tax increases, and other service actions in times of recession when revenues often fall below expenditures. The program, as originally enacted in the 94th Congress, is activated when national unemployment exceeds 6 percent. National allocations of $125 million are then authorized quarterly, with an additional $62.5 million provided for each one-half percent of unemployment over 6 percent. These funds are distributed according to a formula which uses the rate of unemployment as the measure of the recession's severity in each jurisdiction. This formula, though imperfect, has generally targeted these moneys to the hardest hit areas.

As a member of the Government Operations Committee, I voted last week to extend the program through fiscal year 1978 at the funding level which had been requested by President Carter—$125 million quarterly at 6 percent unemployment, plus $30 million for every one-tenth of a percent increase above 6 percent. The current distribution formula based upon unemployment rates was continued by the committee.

The amendment by the gentleman from Wisconsin would drastically alter the method by which funds are allocated by replacing the unemployment rate formula with one based upon a tax effort criterion. This proposed formula completely ignores the basic tenets of this legislation. It is the resources of local governmental units—the providers of health, welfare, and social services—which are most severely burdened when high unemployment increases the demands for these services. The countercyclical program under the present formula, is specifically designed to "counter" the economic "cycle" by aiding those governments which are then most adversely effected by unemployment.

The proposed amendment would provide many areas with high unemployment, such as New York, with substantially less money, while areas with relatively low unemployment would receive more. New York, for example, now receives about 21.5 percent of the countercyclical funds, but its share would be reduced to approximately 17 percent under the proposed amendment. Yet few would deny that New York has been one of the areas hardest hit by the recession.

The proposed tax effort formula also ignores the fact that many of the highest unemployment areas are also burdened with the highest tax rates. And in order to stimulate their economies, many of these areas are now attempting to reduce their tax rate, not increase it. But the proposed amendment would, in effect, punish these areas for attempting to cut taxes by decreasing their share of countercyclical funds.

Passage of this bill in its original form is crucial to the budgetary health of New York and the Nation. I am pleased to have had the opportunity to help bring this legislation to enactment as a member of the Government Operations Committee. I urge my colleagues to continue the program in the manner in which most effectively meets the needs of those people who have been hardest hit by the recession. H.R. 6810, as reported to the House by the Government Operations Committee, is the best available means of attaining this goal. It deserves the support of the full House.

Mr. HORTON. Mr. Chairman, I have no further requests for time.

Mr. LEVITAS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN pro tempore (Mr. MINETA). Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute recommended by the Committee on Government Operations now printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

H.R. 6810

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intergovernmental Antirecession Assistance Act of 1977".

SEC. 2. (a) Subsection (b) of section 202 of the Public Works Employment Act of 1976 (42 U.S.C. 6722(b)) is amended to read as follows:

"(b) AUTHORIZATION OF APPROPRIATIONS.—Subject to the provisions of subsections (c) and (d) of this section, there are authorized to be appropriated for each of the five succeeding calendar quarters (beginning with the calendar quarter which begins on July 1, 1977) for the purpose of payments under this title—

"(1) $125,000,000, plus

"(2) $30,000,000 multiplied by the number of whole one-tenth percentage points by which the rate of seasonally adjusted national unemployment for the most recent calendar quarter which ended three months before the beginning of such quarter exceeded 6 per centum.".

(b) Subsection (c) of section 202 of the Public Works Employment Act of 1976 (42 U.S.C. 6722(c)) is amended to read as follows:

"(c) LIMITATION ON AUTHORIZATION.—In no case shall the aggregate amount authorized to be appropriated under the provisions of subsection (b) of this section for the five successive calendar quarters beginning with the calendar quarter which begins July 1, 1977, exceed $2,250,000,000.".

SEC. 3. (a) Paragraph (2) of section 203(b) of the Public Works Employment Act of 1976 (42 U.S.C. 6723(b)(2)) is amended to read as follows:

"(2) APPLICABLE STATE PERCENTAGE.—For purposes of this subsection, the applicable State percentage is equal to the quotient resulting from the division of—

"(A) the product of—

"(i) the State excess unemployment percentage, multiplied by

"(ii) the State revenue sharing amount

(B) by the sum of such products for all the States,

except that, for purposes of subparagraph (A), the product for a State as defined in paragraph (3)(A)(ii) shall be deemed to be equal to the product of the population of that State multiplied by lowest per capita factor of any State (as defined in paragraph (3)(A)(i)) determined in accordance with paragraph (3)(E).".

(b) Subparagraph (A) of section 203(b)(3) of the Public Works Employment Act of 1976 (42 U.S.C. 6723(b)(3)(A)) is amended to read as follows:

"(A) the term 'State' means—

"(i) each of the several States;

"(ii) each of the following: Puerto Rico Guam, American Samoa, and the Virgin Islands;".

(c) Section 203(b)(3) of the Public Works Employment Act of 1976 (42 U.S.C. 6723(b)(3)) is amended—

(1) by striking out "and" at the end of subparagraph (C);

(2) by striking out the period at the end of subparagraph (D) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(E) the lowest per capita factor is smallest quotient resulting from the division of—

"(i) each product (other than products which are equal to zero) determined under paragraph (2)(A) for each State as defined in subparagraph (A)(i) of this paragraph,

"(ii) by the population of such State.".

SEC. 4. (a) Section 203(b)(3)(D) of the Public Works Employment Act of 1976 (42 U.S.C. 6723(b)(3)(D)) is amended by striking out "for the one-year period beginning on July 1, 1975" and inserting in lieu thereof "for the most recently completed entitlement period, as defined under section 141(b) of such Act".

(b) Section 203(c)(4)(C) of the Public Works Employment Act of 1976 (42 U.S.C. 6723(c)(4)(C)) is amended by striking out "for the one-year period beginning on July 1, 1975" and inserting in lieu thereof "for the most recently completed entitlement period, as defined under section 141(b) of such Act".

(c) Section 203(c)(4)(E)(i) of the Public Works Employment Act of 1976 (42 U.S.C. 6723(c)(4)(E)(i)) is amended by striking out "Social and Economic Statistics Administration" and inserting in lieu thereof "Bureau of the Census".

SEC. 5. Section 204 of the Public Works Employment Act of 1976 (42 U.S.C. 6724) is amended by striking out "and for construction unless such supplies and materials or construction are to maintain basic services" and inserting in lieu thereof "or for construction, except for normal supplies or repairs necessary to maintain basic services".

SEC. 6. Section 207 of the Public Works Employment Act of 1976 (42 U.S.C. 6727) is amended to read as follows:

"NONDISCRIMINATION

"SEC. 207. (a)(1) IN GENERAL.—No person in the United States shall, on the ground of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity of a State government or unit of local government, which government or unit receives funds made available under this title. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity. Any prohibition against discrimination on the basis of religion, or any exemption, from such prohibition, as provided in the Civil Rights Act of 1964 or title VIII of the Act of April 11, 1968, commonly referred to as Civil Rights Act of 1968, shall also apply to any such pogram or activity.

"(2) EXCEPTIONS.—

"(A) FUNDING.—The provisions of paragraph (1) of this subsection shall not apply where any State government or unit of local government demonstrates, by clear and convincing evidence, that the program or activity with respect to which the allegation of discrimination has been made is not funded in whole or in part with funds made available under this title.

"(B) CONSTRUCTION PROJECTS IN PROG-

RESS.—The provisions of paragraph (1), relating to discrimination on the basis of handicapped status, shall not apply with respect to construction projects commenced prior to January 1, 1977.

"(b) ENFORCEMENT AND REMEDIES.—The provisions of subsection (a) of this section shall be enforced by the Secretary in the same manner and in accordance with the same procedures as are required by sections 122, 124, and 125 of the State and Local Fiscal Assistance Act of 1972 to enforce compliance with section 122(a) of such Act. The Attorney General shall have the same authority, functions, and duties with respect to funds made available under this title as the Attorney General has under sections 122 (g) and (h) and 124(c) of such Act with respect to funds made available under that Act. Any person aggrieved by a violation of subsection (a) of this section shall have the same rights and remedies as a person aggrieved by a violation of subsection (a) of section 122 of such Act, including the rights provided under section 124(c) of such Act.".

SEC. 7. Section 215 of the Public Works Employment Act of 1976 (42 U.S.C. 6735) is amended by adding at the end thereof the following new subsection.

"(c) ALTERNATIVE METHODS OF ALLOCATION.—The Secretary shall, in consultation with the Secretary of Commerce, conduct an investigation of—

"(1) the extent to which allocations of funds provided under this Act might be more precisely related to true economic conditions by the use of data on aggregate declines in private real wages and salaries;

"(2) the extent to which other factors, such as relative tax effort, should also be made part of the allocation system provided by this Act; and

"(3) the availability and reliability of data concerning Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands, and the extent to which such territories may properly be made part of the regular allocation system applicable to the several States.

The results of such investigation shall be submitted to the Congress not later than March 1, 1978, in order that such results may be available during congressional consideration of any extension of this Act beyond the fiscal year ending September 30, 1978.".

Mr. LEVITAS (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LEVITAS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MINETA, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6810) to amend and extend title II of Public Law 94-369, to establish a new title to the State and Local Fiscal Assistance Act of 1972, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. LEVITAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this bill, H.R. 6810.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

PRINTING OF HOUSE REPORT ENTITLED "CLEAN AIR ACT AMENDMENTS OF 1977"

Mr. ROGERS. Mr. Speaker, I offer a simple resolution (H. Res. 568), calling for the printing of additional copies of the report of the Committee on Interstate and Foreign Commerce, to accompany the bill H.R. 6161 and entitled the Clean Air Act Amendments of 1977, and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 568

Resolved, That there shall be printed for the use of the Committee on Interstate and Foreign Commerce of the House of Representatives the maximum number of copies of the House report to accompany the bill (H.R. 6161) and entitled the "Clean Air Act Amendments of 1977" which may be printed at a cost not to exceed $1200.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I presume that the minority Members have been consulted about this and have approved it?

Mr. ROGERS. Mr. Speaker, if the gentleman from Maryland will yield, the answer is yes, we have checked with the minority.

Mr. BAUMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON PUBLIC WORKS

The SPEAKER laid before the House the following communication from the chairman of the Committee on Public Works; which was read and, together with the accompanying papers, referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, D.C., May 10, 1977.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of section 201 of Public Law 89-298, the Committee on Public Works and Transportation of the House of Representatives has adopted Committee resolutions authorizing the following water resources development projects:

Fairport Harbor, Ohio.

Flathead and Clark Fork River Basins (Flathead River near Kalispell), Montana.

Upper Baker Project, Skagit River Basin, Washington.

Copies of the resolutions are enclosed.

Sincerely,

HAROLD T. "BIZZ" JOHNSON,
Chairman.

INTRODUCTION OF THE TELECOMMUNICATIONS PRIVACY ACT

(Mr. KILDEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KILDEE. Mr. Speaker, today I respectfully introduce the Telecommunication Privacy Act, an act to regulate the interception of telecommunications. The legislation will rewrite our present laws governing wiretapping and wiretap authorizations; regulate the interception of telecommunications by the common carrier and the business community; and extend the provisions of the act to technologies of telecommunications presently not covered by the Federal law. As well, it is an attempt to make Federal law conform with recent significant judicial rulings.

The act will require all interceptions for law enforcement purposes to have prior judicial authorization. Judicial warrants will be required to be more specific in the description of individuals and the information sought. Minimization procedures are established to limit the intrusiveness of wiretapping, so that even with a warrant wiretapping is not a license to pry into areas unrelated to criminal activity. Only law enforcement officials may apply for a warrant, and only for interceptions of communications involving a crime punishable by 5 years or more. The intent is to make a wiretap warrant as identical as possible to a search warrant as addressed by the fourth amendment to the Constitution.

This legislation will extend coverage to American citizens traveling in foreign countries for the interception of communications by U.S. Government agencies.

Communication common carriers will be required to get a court order and intercept communications exclusively in conjunction with a beep tone. Employees are provided protection against coerced consent of interceptions by employers and to consent required as a condition of employment. Telecommunication technologies not presently covered by Federal law are made subject to the provisions of this act. Microwave, satellite, and optical technologies, as well as wire, cable and oral communications are protected. The transmission of both verbal and symbolic communications are subject to the provisions of this act. The legislation protects all information associated with conduct of a communication.

I have introduced the Telecommunications Privacy Act in an attempt to recover and secure rights and liberties which were once considered fundamental to our Nation. Rights which today, unfortunately are neither secure nor in hand. We, as a people have long since reached the threshold of a highly technological society. It is past time to assess our technology for its human dominating characteristics. I believe there is a critical need for public law which insures that individual freedom and personal privacy are not sacrificed for the convenience, efficiency, and exactness of our many and great technological accomplishments in telecommunications. So that our highest achievement be that

sophisticated technology exists in the midst of a proud and free people. I would ask for your consideration of this legislation and your support.

INTRODUCTION OF OCCUPATIONAL ALCOHOLISM PREVENTION AND TREATMENT ACT OF 1977

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SCHULZE. Mr. Speaker, I am today introducing the Occupational Alcoholism Prevention and Treatment Act of 1977.

Three major diseases threaten the American citizen—heart disease, cancer, and alcoholism. There are 9,000,000 victims of alcoholism—I should say primary victims of alcoholism, because the toll on secondary victims in the ripple effect of alcoholism cannot be estimated. The primary victim may be the husband or wife, but the tragic toll of the effects of alcoholism does not stop there but spreads through the family structure—perhaps damaging it beyond repair. The ripple effect continues through the business community. Dollar estimates for the latter range from $15 billion to $25 billion in absenteeism, accidents, reduced productivity, faulty decisions, and personnel turnovers.

Sadly, the Federal Government's tax revenues benefit from the alcoholic and from the general increased consumption of alcohol. Yet the Federal Government does not energetically support programs of assistance for that alcoholic whose consumption has increased the general revenue. In 1976, for example, the Federal Government spent $762,647,000 on cancer research—and it should have. It also spent $370,347,000 on heart and lung disease—and it should have. But contrast those spending figures with the $150 million to cover research, treatment, and rehabilitation, prevention, and several other programs to help the victim of alcoholism. Compare that $150 million spent to help alcoholics with the $6 billion the Federal Government received in 1976 from the taxes on alcohol.

There are programs designed to help the alcoholic, but only when he has hit rockbottom. Yet the so-called skidrow type comprises but 3 to 5 percent of the category of active alcoholics, whereas 90 percent of all alcoholics are estimated to be currently working.

My bill will authorize the Secretary of Health, Education, and Welfare—through the National Institute on Alcohol Abuse and Alcoholism—to make available grants for up to one-half of the costs of occupational alcoholism programs. Applicants for those grants may be employers or unions or consortiums of employers or of unions. The money will be apportioned so that each State will have set aside for applications from it, sums equal to the relative labor force population of that State. The bill authorizes an annual appropriation equal to 2.5 percent of the total Federal alcohol taxes collected on beer, wine, and liquor for the fiscal years 1979 through 1982. Actual appropriations will be required each year.

As I indicated earlier, studies demonstrate that the "skid row" types comprise but a small portion of the total category of alcoholics. Where are the remainder? The assistant attorney general for the State of California in 1971, Mr. Emmett Daily, described it best when he answered:

They are behind venetian blinds, protected by their families and never reaching the jail blotters.

I believe that the time is long past when we should reach out a helping hand.

The text of my bill follows:

H.R. 7150

A bill to provide Federal financial assistance to employers, labor organizations, or consortiums thereof, or other groups or individuals, to establish and operate occupational alcoholism programs for the diagnosis and treatment of alcohol abuse and alcoholism in employed persons, including managerial personnel, and their dependents, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Occupational Alcoholism Prevention and Treatment Act of 1977".

STATEMENT OF FINDINGS

SEC. 2. (a) The Congress hereby finds and declares that—

(1) significant numbers of working Americans currently suffer from alcohol abuse and alcoholism, generating an incalculable social and economic cost for themselves and their families, and for American industry as a result of absenteeism, accidents, reduced productivity, increased need for health care, faulty decisions, personnel turnover, and other effects;

(2) occupational alcoholism programs have demonstrated their effectiveness in diagnosing and treating alcohol abuse and alcoholism in employed individuals and managerial personnel, including the identification of such problems at an earlier stage than they are generally diagnosed outside the occupational setting; and

(3) while certain large employers and labor organizations have underwritten their own occupational alcoholism programs because of the demonstrated cost effectiveness of such programs, economies of scale for most employers and labor organizations will prevent the establishment and operation of such programs unless the Federal Government provides incentives and technical assistance to such employers and organizations for that purpose.

(b) It is the purpose of this Act to authorize grants to employers, labor organizations, consortiums of employers and labor organizations, and public or private nonprofit agencies and organizations, to pay up to half of the cost of establishing and operating occupational alcoholism prevention and treatment programs.

SEC. 3. (a) The Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary"), acting through the National Institute on Alcohol Abuse and Alcoholism (hereinafter referred to as the "Institute"), shall make grants to employers, labor organizations, consortiums of employers or labor organizations or both, and to public or private nonprofit agencies organizations, to pay no more than 50 per centum of the cost of establishing and operating occupational alcoholism programs.

(b)(1) For the purpose of making such grants, there are hereby authorized to be appropriated for fiscal years 1979, 1980, 1981, and 1982 not to exceed 2.5 per centum of those amounts determined by the Secretary of the Treasury to be equivalent to the taxes received in the Treasury under section 5001(a)(1), section 5041(a), and section 5051(a) of the Internal Revenue Code (relating to the rate of tax on alcohol) in the most recent fiscal year for which such information is available.

(2) The program authorized by this Act shall not qualify as one of the exceptions provided in section 401(d) of the Congressional Budget and Impoundment Control Act of 1974.

(3) Sums appropriated pursuant to this Act shall be available until expended.

ALLOTMENTS TO STATES

SEC. 4. (a)(1) From the sums appropriated pursuant to this Act, the Secretary shall allot not more than 1 per centum among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs.

(2) From 90 per centum of the remainder of such sums the Secretary shall allot to each State an amount which bears the same ratio to such 90 per centum as the labor force population of the States bears to the labor force population of all States.

(3) The remainder of the sums appropriated pursuant to this Act shall be available to the Secretary for administration of this Act, including the evaluation of, and research into, the effectiveness of occupational alcoholism programs, and the training of occupational alcoholism program personnel.

(b)(1) The amount by which any allotment to a State for a fiscal year under subsection (a) exceeds the amount which the Commissioner determines will be required for such fiscal year for applications approved under section 5 within such State shall be available for reallotment to other States in proportion to the original allotments to such States under subsection (a) for that year, to the extent necessary to fund approved applications in such other States.

(2) In order to afford ample opportunity for all eligible applicants in a State to submit applications for assistance under this title, the Secretary shall not fix a date for reallotment, pursuant to this subsection, of any portion of any allotment to a State for a fiscal year which date is earlier than ninety days prior to the end of such fiscal year.

(3) In any year in which funds appropriated pursuant to this Act are determined by the Secretary to exceed the amount required to fund all approved applications for occupational alcoholism programs, the remainder of such funds may be expended by the Secretary, acting through the Institute, to provide treatment and prevention services to other currently underserved populations, such as racial and ethnic minorities, native Americans, youth, female alcoholics, and individuals in geographic areas where such services are not otherwise adequately available.

(c) For the purpose of this Act the term "State" shall include the Commonwealth of Puerto Rico and the District of Columbia.

(d) The labor force population of a State and of all States shall be determined by the Secretary on the basis of the most recent satisfactory data available to him from the Bureau of Labor Statistics of the Department of Labor.

SEC. 5. (a)(1) Sums allotted to each State under this Act shall be used by the Secretary to make grants to approved applicants in the State, including employers, labor organizations, consortiums of employers or labor organizations or both, and public or private nonprofit agencies or organizations which enter into cooperative agreements with such employers, labor organizations or consortiums, to establish and operate occupational alcoholism treatment programs.

(2) For the purpose of this Act "occupational alcoholism programs" shall be defined as programs operated primarily for the diagnosis or treatment, or both, of alcohol abuse and alcoholism in employed persons, includ-

ing managerial personnel, and their dependents. Such programs may include, but shall not be limited to, intervention, diagnosis, counseling, referral, treatment, prevention, and rehabilitation.

(b) Any individual or organization which desires to receive funds pursuant to this Act shall submit an annual application for such funds, for approval by the Secretary, which shall include a description of the program to be carried out, and which shall include assurances of—

(1) the availability of funds, from non-Federal sources, to pay at least 50 per centum of the cost of the program;

(2) the professional capability to carry out the program described in the application; and

(3) the need for such a program, including the lack of adequate services currently available to the population intended to be served.

(c)(1) All applicants approved by the Secretary shall be eligible to receive grants from the Secretary out of the sums allotted to the State in which the applicant's program is located, or in the case of applications affecting individuals residing in two or more contiguous States, out of the allotments of more than one State, at the discretion of the Secretary.

(2) If the sums allotted to a State for any fiscal year are not sufficient to fund all the approved applications in that State, the Secretary may, in his discretion, prorate the allotted sums among all approved applicants, or fund only a portion of the approved applications, pursuant to criteria which he shall publish.

A MEANS OF CONSERVING ENERGY

The SPEAKER pro tempore (Mr. MONTGOMERY). Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND) is recognized for 5 minutes.

Mr. CLEVELAND. Mr. Speaker, the following statement written by one of my constituents addresses itself to a means of conserving energy that has been largely overlooked or ignored thus far. The author, Thomas Heavey, owner/director of the Biking Expedition, Inc., of Hillsboro, N.H., and his wife Susan run a bicycle touring business which includes tours in Europe as well as the United States and Canada. A former member of my staff has been employed by the Biking Expedition as a trip leader.

I would like to call my colleagues' attention to Mr. Heavey's message which points out the many benefits of increased use of the bicycle as a means of transportation.

The statement follows:

STATEMENT OF THOMAS HEAVEY, OWNER/DIRECTOR, THE BIKING EXPEDITION, INC. OF HILLSBORO, N.H.

President Carter's energy program is an extremely important first step in facing a critical national problem. The essential thrust of the program—its emphasis on conservation through economic sanctions—is long overdue. However, the President's proposals represent only a partial solution.

They did not address the pressing need for Americans to develop less reliance on the automobile—no matter how much more efficient it may become—as their primary means of local transportation. There is an urgent need now for a high-priority program by our federal government to promote adult use of the bicycle, a non-polluting, non-energy consuming vehicle, for the everyday uses for which Americans are totally dependent upon the automobile.

An example of a country in which the bicycle plays a significant role is the Netherlands, where it is widely used for commuting to and from work and for shopping, as well as for recreation. There is no reason why the bicycle cannot play an equally important part in the lives of Americans, especially in urban and suburban areas where trips are generally short and congestion is at its worst. The potental for conservation of energy, improvement in the quality of our atmosphere, and a striking advance in the health of Americans is enormous.

Two major roadblocks hinder acceptance of the bicycle as a substitute and/or replacement for the automobile. First, although a number of American cities have made progress in this area, there are too few bikeways or other facilities for American bikers to use without endangering themselves. In the Netherlands, by contrast, bicycles have separate roadways and separate traffic devices.

Second, the automobile commands a high degree of status in the American culture. Unfortunately, too few American men and women think of using a bicycle for commuting or shopping. However, through a government-sponsored educational campaign, the bicycle could become more widely accepted and could be enjoyed by many more adult Americans.

With adequate biking facilities and with recognition of the bicycles as an energy-saving, non-polluting vehicle to be used in the national interest, millions more Americans would find it healthful, relaxing, inexpensive and convenient. Trained riders can do in excess of 20 miles an hour, but even a novice biker in average physical condition can ride six miles an hour without effort, and with practice can increase this to 12 miles an hour or better.

Any attempt to replace automobiles totally with bicycles would be out of the question. However, there are many situations where a lightweight bicycle is a more appropriate means of transportation for an adult than a 4,000-pound automobile.

With the active encouragement of the federal government, the bicycle could become a significant factor in the preservation of America's dwindling energy reserves.

TAX REDUCTION IS THE KEY TO REVITALIZING NEW YORK STATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, earlier this week I addressed the New York Chamber of Commerce and Industry Council on a program for revitalizing New York State. The key to this program is a reduction in tax rates across-the-board in order to create new jobs and halt the exodus of existing jobs and businesses out of New York.

Everyone knows that New York State has been losing jobs and people for several years. Between 1970 and 1975 New York State had a net loss of approximately 121,000 in population. Over the same period, the State also lost 364,000 nonagricultural jobs. The loss of 45,000 additional jobs between February 1976 and February 1977 shows that this trend has not changed, and explains why New York continues to suffer from double-digit unemployment in spite of the continuing economic recovery throughout the rest of the Nation.

While it cannot account for the entire loss in jobs, one significant factor is the movement of corporate headquarters out of the State and especially New York City, where most of the job and population loss has occurred. In the past year, for example, a number of the Nation's 500 largest companies have either moved out of the city altogether or made firm plans to do so. This group includes General Signal, the Pittston Co., Texasgulf, General Host, Texaco, Union Carbide, and Anaconda.

In addition, Mobil and St. Regis Paper are expected to leave in the very near future. Their loss will reduce the number of top 500 companies with headquarters in New York City from 140 in the 1960's to less than 80. Thus the city alone has lost 468,000 jobs since 1970, and 328,000 in population between 1970 and 1975. In western New York as well, companies like Houdaille, Western Electric, and National Gypsum have moved elsewhere.

Obviously, the reasons for this situation are varied and complex. I do not think there is any doubt, however, that the extremely high tax rates in New York City and New York State have substantially contributed to the decline in employment, business activity, and population. The following record shows how New York State reached the point where its per capita State and local tax burden reached $1,025 in 1975—the highest in the Nation:

1959: Three new brackets were added to the income tax. There were also hikes on cigarette and gasoline taxes and an increase in the estate tax.

1961: Insurance taxes added two percent on gross premiums by foreign and alien title insurers.

1963: Taxes (referred to as fees) were increased on alcoholic beverage control licenses, liquor, beer and wines.

1965: The state sales and use tax was imposed at two percent. The cigarette tax was doubled from 5¢ to 10¢ per pack. Passenger vehicle registration fees increased by 50 percent. Parimutual taxes were increased.

1966: A "temporary" 25 percent surtax was added to the stock transfer tax. (This was made permanent in 1968.)

1968: Taxes increased on banks, corporations utilities and insurance companies; also on cigarettes and gasoline. Four new brackets were added to the personal income tax. In addition two new taxes were added. These were the real estate transfer tax and a fuel tax which was added to the already existing highway use tax.

1969: The state sales tax was increased from two percent to three percent.

1970: A new, unrelated business income tax was imposed and a minimum income tax for individuals was established.

1971: The state sales tax was increased from three percent to four percent—and the "hot dog" tax extended it to include meals under $1.00. In addition, taxes increased on corporations, banks and utilities and the pari-mutual flat-track takeout was raised.

Taxes on alcoholic beverages, cigarettes and gasoline were increased, another bracket was added to the personal income tax and the minimum tax rate doubled; a gift tax was imposed, percentage depletion disallowed and capital gains taxability went from 50 percent to 60 percent. This was also the year the 2.5 percent surcharge was attached to the personal income tax.

1975: The stock transfer tax was increased 25 percent. The bank tax was increased from eight percent to 12 percent on net income and a 30 percent surcharge was imposed on bank tax liability for 1975 and 1976; the corporation franchise tax was increased from

nine percent to 10 percent of net income and a "one-year" surcharge of 20 percent was added to the corporation franchise tax.

1976: The 2.5 percent surcharge on the personal income tax was extended through March 31, 1977.

If you examine the history of taxation in New York City, you get the same picture, which is why city residents have a combined State and local tax burden of approximately $1,518 per capita:

1946 Gross receipts tax doubled to one-tenth of 1 percent.

1946 City sales tax doubled to 2 percent.

1948 Gross receipts tax doubled again to one-fifth of 1 percent.

1951 City sales tax increased to 3 percent.

1955 Gross receipts tax increased to one-fourth of 1 percent.

1959 Gross receipts tax increased to two-fifths of 1 percent.

1960 Commercial motor vehicle tax imposed.

1963 City sales tax increased to 4 percent.

1963 City commercial rent occupancy tax imposed at 5 percent.

1965 City sales tax decreased to 3 percent.

1965 State sales tax imposed at 2 percent, exempting machinery, equipment, fuel and utilities.

1966 Gross receipts tax replaced with the general corporation (business income) tax at 5.5 percent.

1970 City commercial rent occupancy tax increased to 7.5 percent.

1971 General corporation (business income) tax increased to 6.7 percent.

1974 City sales tax increased to 4 percent.

1975 General corporation (business income) tax increased to 10.05 percent.

It should be emphasized that however high the taxes may be on business in New York State, the primary problem is the high tax on individuals. In fact, business taxes as a percent of State revenues have actually been declining over the years. In 1963–64 they represented 21 percent of State revenues, compared to 18 percent in 1975. Thus you discover that the main reason cited by companies for leaving New York is the difficulty of attracting high quality personnel, and the main reason for this is the high individual income tax.

Recently the State senate labor committee released a report with the results of a survey taken among the largest industrial companies in New York City. Corporate leaders were asked to comment on the possibility of an increase in the commuter tax and how it would affect their companies. Almost unanimously they replied that any further increase in taxes would reduce the city's attractiveness as a corporate headquarters site. For example, George Zipf, chairman of Babcock & Wilcox, replied:

It is my personal opinion, as well as that of other Babcock & Wilcox management, that the current New York City commuter tax is modest and imposes no hardship.

The problem lies with the state income tax, which is a real detriment to conducting business in New York. We find it very difficult to attract out-of-state persons to transfer to New York and one of the major factors is the income tax.

Certainly an increase in taxes is one more negative factor that must be considered in our deliberations on whether or not to move our offices out of the state.

One industry in particular is threatening to move out of New York en masse unless something is done about taxes—the financial industry, which is highly labor-intensive. Citibank, one of the largest banks in the country, recently released a report to this effect. In its conclusion, the report said:

State and local government in New York have treated the financial sector as a captive industry. The degree to which the industry is captive in New York is defined by the extent to which New York is the center of the investment markets of the nation and the world, the benefits received by individual financial firms in being headquartered near each other, and in inertia. Each and every one of these reasons for remaining in New York is being eroded. Parts of the industry are moving to the suburbs of Long Island and New Jersey, and firms headquartered elsewhere are increasingly finding themselves near population and business centers of the nation, and in smaller financial centers of their own. There is no longer any reason why a new combined New York and American Stock Exchange has to be located in New York. There is no reason why the largest U.S. banks have to remain in New York. And there is even less reason why major life insurance firms have to stay in the City.

The report also added:

New York City and New York State have taxed the financial sector with little concern for the possibility that the goose may be killed.

A consequence of the loss in population and employment, of course, is a reduction in the tax base, resulting in reduced tax revenues. In the case of the financial community, for example, the city would lose more than 15 percent of its total tax revenues were it to leave. In the case of manufacturing, the following table shows how much city revenue is derived from each job:

Estimated New York City revenues per manufacturing employee: 1976

Type of Revenue:	*Estimated Revenue Per Employee*
City income tax	$115
City sales tax [1]	135
Miscellaneous city taxes	15
Bus and subway tolls based on an assumed average of 400 rides per year [2]	200
Residential property taxes assuming an average assessment of $3,300 per employee's family	300
Total city personal taxes per employee	765
City business taxes per employee [3]	630
Total city taxes per employee	1,395

[1] With adjustment for difference from state sales tax, i.e., parking tax, entertainment tax, tax on services, etc.

[2] While bus and subway fares are not technically taxes, the City's subsidization of the transit system gives them that effect.

[3] Included with these taxes are the fees and charges, especially water charges, levied on manufacturers in New York City.

When one considers that New York City has lost 527,800 manufacturing jobs since 1969, you can see that the revenue loss is enormous.

The fiscal situation is now so acute that the General Accounting Office has warned that any effort by New York City to raise additional revenues through increased taxes will actually have the opposite effect. I believe it already has achieved counterproductivity. Conversely, the mayor's temporary commission on city finances has proposed a plan for tax rate reduction on manufacturing industries which will increase revenues within 3 years.

The idea that tax rate reduction will lead to increased revenues is really not so hard to grasp. When one considers that taxes are fundamentally a disincentive to work, investment, production, and employment, one can see that at some point it is no longer worthwhile to bother increasing one's income. People and businesses will then either leave for somewhere else where taxes are lower, forsake income opportunities altogether and consume additional liesure, or spend more of their time and money finding tax shelters or other ways to reduce their tax burden.

An excellent example of this is the cigarette tax. Because it is so high in New York City, where there is an 8-cent tax on top of the high State tax, nearly half of all cigarettes sold are smuggled in from States like North Carolina where cigarette taxes are very low.

Consequently, a State task force recently concluded that an elimination of the 8-cent city tax and a reduction in the State tax on cigarettes of 1-cent would increase State tax revenues on cigarettes by $7.4 million, by making it less worthwhile to run the risk of smuggling. And the same thing happens with people when they weigh the relative merits of investing in private industry or tax-free municipal bonds.

Rather than dealing with this fundamental problem, some in New York City have reacted by trying to force businesses to stay in the city through court action. Union Carbide is the first target of this new approach and is being sued for violation of civil rights statutes, on the grounds that the company's move out of the city is harmful to minorities and the poor. While this approach has yet to be upheld in the courts—and is not likely to be—I think that the type of thinking involved here helps explain why the city is in the crisis it is in.

Though New York City has yet to recognize the fundamental position of its tax system in the continuing migration of people and jobs to lower taxed areas of the South and West, it is clear that this problem is becoming more widely recognized. For example, a report by the Business and Labor Working Group on Jobs and Economic Regeneration in New York City concluded:

That the rising level of New York City and State taxation of individuals and businesses is increasingly uncompetitive and a major cause of job loss. Indeed, our studies strongly confirm reports of other organizations that many elements of the City and State tax structures are counter-productive to future industrial and employment growth in New York City. Public tax policy must recognize that a lesser share of something is better than all of nothing, and that it is the tax base with which we must be increasingly concerned.

I would recommend that a similar Business and Labor Working Group be set up on the State level to deal with the problem of State taxation as well. This

task force should consist of prominent businness leaders and the presidents of the AFL–CIO councils from all the State's metropolitan areas, including New York City, Buffalo, Rochester, Syracuse, Long Island, Utica, Rome, and Binghamton. Additional membership also would involve representatives from major categories of businesses and labor such as construction, transportation, communications, garment manufacturing, foreign trade, finance, shipping, and printing.

The first priority of the task force would be to prepare a blueprint of across-the-board reductions in tax rates to stop the growing tide of tax exiles from New York State. High taxes have chased wage earners and businesses from Great Britain and we are confronting the same kind of exodus from New York State. And there should be a deadline of 3 months for devising this tax package which should then be taken up by a special session of the State legislature.

Unless something is done soon, New York State will go the way of Great Britain. There will be a continuing loss of jobs, population, and business out of the State, and the Government will be left with higher welfare costs and a shrinking tax base. New York City is worse off than the rest of the State only because it has traveled further along the road of ruinous taxation. But it is only a matter of time before Buffalo, Syracuse, Utica, and the rest follow suit. I think that the trend must be stopped by reducing taxes and stimulating jobs and investment for New York State now and in the future. The people demand action at the Federal, State, and local level.

WHALEN/BEDELL ADDRESS THE CRISIS IN SOCIAL SECURITY FINANCING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 5 minutes.

Mr. WHALEN. Mr. Speaker, today the gentleman from Iowa (Mr. BEDELL) and I, along with our colleagues, Messrs. BAUCUS, DELLUMS, EDGAR, EILBERG, HUGHES, KREBS, NOLAN, PEASE, and SIMON, are introducing legislation to provide adequate income for the social security trust funds. This measure is designed to meet the immediate short-term crisis in financing without changing the basic nature of the system.

Over a 3-year period, our bill would increase the amount of wages upon which the social security payroll tax is collected from both employees and employers from the present $16,500 to $20,000 in 1978, to $25,000 in 1979, and to $30,000 in 1980.

Earlier this week the President made his recommendations for insuring the financial soundness of the social security system. I welcome this initiative for it is clear we have waited too long to tackle this difficult problem. While I do not agree with some of the administration's specific proposals, three facts are apparent:

First. There are no easy solutions. To endorse any of the funding proposals before us will require study as well as conviction.

Second. There are no painless solutions. Someone in society will pay the additional financing mandated by any plan.

Third. During the 95th Congress every Member of Congress will be required to make decisions on the merits of the various proposals before us and on what the nature of the System will be in the future.

Too, it would be difficult to overestimate the importance of the program to the more than 33 million persons who now receive cash benefits and to their families. Social security has served our country well for 42 years, and the 104 million Americans now contributing into the system deserve our best efforts to insure that the system be placed on sound financial footing.

The Whalen-Bedell proposal for a graduated increase in the wage base for contributions for both employee and employer is not a radical solution. When social security first came into existence, 95 percent of covered workers and their employers contributed into the trust fund on all of wages paid. In the mid-1930's, this was around $3,000. Over the years the amount of covered wages eroded until in 1974 when the amount to which the tax applied, or the "wage base for contributions," was $13,200, 25 percent of the workers earned wages above that.

By easing back into a situation where 95 percent of workers and their employers are again contributing on total earnings, we can meet the existing emergency without doing violence to the system. It is predicted that by 1980, 95 percent of covered workers will be making $30,000 or less. Under our proposal, their entire wages would be covered by the payroll tax.

According to Congressional Research Service calculations, over the 3-year period, our plan would bring in almost exactly the same amounts as the sums we are currently paying out in excess of receipts. Thus, there would be no dramatic gain in the fund during the first 3 years after enactment. However, the downward trend would be reversed. Our best estimates indicate that after 3 years the fund will gradually begin to build up at a moderate rate. We are assuming that the present double-indexing flaw will be corrected by other legislation.

In conclusion, we are pleased to note that the House Subcommittee on Social Security has already received administration witnesses on social security financing and next week will receive additional testimony. We commend the subcommittee for timely action, and we urge that a substantial increase in the wage base be seriously considered by the subcommittee as one of the most equitable solutions to the dilemma of additional funding for the social security system.

NEW YORK CITY EMPLOYEES COULD LOSE SOCIAL SECURITY COVERAGE BECAUSE OF CITY NEGLIGENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, a matter of grave concern relating to all the employees of the city of New York is discussed in the letter which I am appending to this statement. I am placing it in the CONGRESSIONAL RECORD so as to alert those who are interested in this matter to write immediately to Mayor Abraham Beame urging that he resolve the issue at once by promptly filing the necessary letter of rescission with the Social Security Administration. The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 11, 1977.

Hon. ABRAHAM BEAME,
Mayor,
City Hall,
New York, N.Y.

DEAR ABE: Recently a constituent called me seeking to learn whether the application filed by New York City on March 31, 1976 to withdraw coverage of City employees from the Social Security System had, in fact, been retracted by the City. You will recall that Deputy Mayor John Zuccotti disclosed that the City had agreed to scrap the pullout plan on January 6, 1977 and on January 14, 1977, Public Employees Press reported that agreement in detail.

As you know, there is a mandatory two year waiting period for such a withdrawal to be effected and at the end of that time New York City employees would cease to be covered under Social Security. Regrettably, I have discovered that since March 31, 1976 when the City's letter was submitted to Commissioner Cardwell, the clock has been ticking like a time bomb.

Before reporting to the constituent on the status of this matter I called Mr. John Reilly of Commissioner Cardwell's office to ascertain whether or not the City's letter voiding its March 31, 1976 application has been filed. I was shocked to learn that it had not and that as of this moment the City's application to withdraw its employees from Social Security coverage is still operative and ticking away. I need not stress to you, because you have already accepted the verities in this matter, that as Victor Gotbaum said, "The loss of Social Securiy would have been a crippling blow." And as Richard Shinn, Chairman of the Mayor's Management Advisory Board, said, "It is good economic sense to remain in the Social Security system."

I urge you to send a letter immediately withdrawing your original request of March 31, 1976 so as to make certain that no City employee will lose his or her Social Security coverage. Unless that is done, they will lose that Social Security coverage after March, 1978. As you know, once the pullout goes into effect, the City forever forfeits its right to re-enter the Social Security system.

I would appreciate your providing me with a copy of any letter that you send to Commissioner Cardwell rescinding your earlier letter so that I in turn can advise those City employees who contact me, that they need no longer have nightmares on this subject.

Sincerely,

EDWARD I KOCH

SOVIET UNION SHOULD ALLOW ALEXANDER MELAMID AND VITALY KOMAR TO EMIGRATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 5 minutes.

Mr. BINGHAM. Mr. Speaker, on August 1, 1975, representatives of 35 nations, including the Soviet Union, affixed

their signatures to the Helsinki Final Act. Among other undertakings, the signatories promised to facilitate the contributions in the various fields of culture by the national minorities and to act in conformity with the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights. These two historic documents guarantee the right of emigration and reentry for the citizens of the signatory nations.

In 1974, while on a trip to the Soviet Union, I went to visit two avant-garde artists, Alexander Melamid and Vitaly Komar. Their art struck me as imaginative and innovative. Working together as a team, their art becomes the substance of their commentary on the Soviet system.

Sadly, in trying to express their art in a free and unhindered manner, the two have run into numerous obstacles and roadblocks. In 1972, as they held an unauthorized art show in a vacant lot, bulldozers arrived to raze their work. This was followed by their dismissal from the Artists Union. After their expulsion from the Artists Union, they joined the Moscow Graphics Association. Recently, after applying for exit visas to Israel, the two were expelled from the association at a meeting where slanderous anti-Semitic remarks were hurled at them—Melamid and Komar are both Jewish.

In spite of the difficulty and danger, these two brave young men managed to have their art work smuggled out of the country by friends from the West. This Sunday, May 15, an art show featuring their work will be opening in New York City. Unfortunately, Melamid and Komar will not be on hand to witness this display of their work. Though they have recently applied for emigration visas, their pleas have been answered with harassment.

This art show in New York City provides the U.S.S.R. with a perfect opportunity to demonstrate to the world that they intend to live up to the spirit of Helsinki, by allowing these two artists to emigrate.

NATIONAL GIFTED AND TALENTED CHILDREN'S WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. AKAKA) is recognized for 5 minutes.

Mr. AKAKA. Mr. Speaker, I am pleased to introduce, along with Congressman BRODHEAD, a joint resolution authorizing and requesting that President Carter issue a proclamation designating the week of October 9–15, 1977, as "National Gifted and Talented Children's Week."

Ironically, America's gifted and talented children have been among the most neglected minority groups. As a former educator, I share this particular interest in talented and gifted children, and would like to share with my distinguished colleagues the problems faced by these children.

The gifted and talented children, by their very nature as gifted individuals, are expected by our society to reach the top of their respected fields. Sadly, however, this is not so. Only last year, less than 4 percent of the gifted and talented children in this country received services commensurate with their needs. This means that over 1.9 million gifted children were unable to achieve their virtually limitless potential. I have stated many times that the most abundant and rich natural resources of all was our youth and yet we find that we are leaving this precious resource untapped.

We are entering a new century and fast-paced era, and it is time that we develop and cultivate the highly creative and talented so that we can deal with our future needs not only in industry but also our social and domestic ills. It is our obligation to ourselves and our Nation to promote and nurture these children and work toward a meaningful plan to identify and cultivate the demonstrated and potential talent existing in all aspects of American life.

Existing programs for the talented and gifted fall mainly in the area of demonstration programs. This is not as strong a commitment as I am sure you will agree that we want or need for our country. We are dealing with the future leaders of our world, and need our assistance now. It is up to us to recognize the need to assist them in fulfilling their needs for advancement within our system. We can ill-afford to weaken our efforts on their behalf, and I am sure you will agree with me that it is time for us to pay particular attention to this particular minority group. I am proud to introduce today, along with Congressman BRODHEAD, this resolution, which will provide the recognition to a group of children who's potential is limitless.

H.J. RES. 458

Joint resolution providing for the designation of the week beginning October 9, 1977, and ending October 15, 1977, as "National Gifted and Talented Children's Week"

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States hereby is authorized and requested to issue a proclamation designating the week beginning October 9, 1977 and ending October 15, 1977, as "National Gifted and Talented Children's Week", and calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

WELFARE: WHAT WE CAN DO TODAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, since coming to office, the administration—like previous administrations—has been studying how to "reform" the Nation's welfare programs. In the last several weeks, President Carter has let it be known that welfare reform is at least 4 years away. In other words, welfare reform will not have as high a priority as energy conservation, tax reform, or Government reorganization.

But even if welfare were the No. 1 priority of the administration, it would take at least 4 years to implement a major set of reforms. Congress would probably take the better part of 2 years to legislate in this controversial and emotional area. Then, it would take at least 2 and possibly 3 years for the various Federal, State, and local administrators to properly gear up for and implement a major series of revisions.

The introduction of major revisions in a social program cannot be rushed. Hopefully, the Congress and the administration will be mindful of the many problems encountered in trying to implement the supplemental security income program in too short a time span. Because we did not allow enough lead time in the Federal takeover of the State programs for the aged, blind, and disabled, hundreds of millions of dollars have been wasted, and tens of thousands of beneficiaries have suffered when their checks were delayed or miscalculated. In view of our experience with SSI, I believe that a broader, more sweeping reform of the welfare "system" would take at least 3 years to implement from the date of enactment.

In the meantime, during the intervening 4 years, what do we do? Do we stay with the present situation of 20 percent case errors in the supplemental security income program, 24 percent case error rates in AFDC, and possibly higher error rates in food stamps and medicaid? Do we continue for another 4 years or more the present welter of regulations and strains in Federal and State relations?

I believe a great deal can and should be done to improve the administration of existing AFDC welfare programs. For many years, HEW has had a program designed to lower welfare error rates and improve welfare administration. Unfortunately, this program, known as quality control, QC, was often unrealistically harsh, imposing impossible standards and threatening drastic reductions in the level of Federal contributions to State AFDC programs. Many of the States viewed the QC program as simply a public relations effort on the part of HEW to blame the States for welfare mismanagement instead of helping revise and improve the welfare system in a cooperative Federal-State partnership.

I believe, however, that a QC program is necessary. Many States did not begin to move to reduce welfare errors until the Federal Government threatened to reduce the Federal share of AFDC payments to the States.

In short, a QC program is necessary—but it must be better than the programs that the Department used prior to last summer. I believe that the outlines of an improved QC program have been developed, and I am today introducing legislation to codify and improve much of the QC program proposed for the AFDC program.

Many of the provisions of this bill

could be handled through the regulation process if the Secretary so chooses. In general, however, I favor the legislative approach so that the States will know for certain that Congress supports efforts to reduce, here and now, the level of errors in our Nation's major welfare program.

The legislation I am introducing, if implemented, would alleviate some of the local welfare costs through more efficient management of the program. It would improve the program nationwide by establishing a rational, planned program for error reduction. In the past, many States have found that the best way to reduce errors was to simplify their programs. Therefore, I believe that pressure to reduce errors can lead to significant program simplification and improvements which can save hundreds of millions of dollars between now and that uncertain day when welfare reform finally arrives.

The purpose of the bill is to clarify some provisions of the AFDC QC program which, up until this time, have been handled through HEW's regulatory process. At present, there is no real QC program in operation. In May 1976, a U.S. District Court in the District of Columbia struck down the financial penalties—fiscal sanctions—HEW had planned to apply to States that had AFDC error rates above certain limits. The Federal judge handing down the decision stated that HEW did have the right to impose financial penalties on the States for errors; however, the rates HEW set were clearly "arbitrary and capricious." I certainly agree with the judge's decision. As testimony before the Ways and Means Oversight Subcommittee last year brought out, HEW's own consultant who helped propose tolerance levels for errors stated that the error rates were not obtainable by all States—particularly the big urban States—under the present welfare system.

As a result of the court decision, HEW sought to develop a new QC program. From May 1976 through last fall, HEW and the New Coalition, a group of public officials representing various levels of State and local government, tried to hammer out a new agreement on QC that could satisfy both sides. Unfortunately, the issue concerning the application of fiscal penalties created an impasse. Basically, many local governments opposed any form of fiscal sanction, while HEW insisted that some form of "stick" was necessary to make the local governments improve their welfare administration.

In September 1976, the former HEW Assistant Secretary for Planning and Evaluation made an offer to the New Coalition that was not judged acceptable by that group. The major points of this offer, which is basically the legislation I am introducing, were:

First. That any sanction should be based on a dollar error rate rather than case error rates;

Second. That the sanction would be applied to States which after 2 years had not reached the median dollar error rates of the January through June 1976 period, and States in which error rates increased;

Third. That nondollar errors would not be counted; and

Fourth. That any proposed sanction could be appealed to the Secretary of HEW on the grounds of mitigating circumstances.

The HEW offer also provided that reviews of negative case actions—that is, those cases in which an applicant is either denied benefits or in case of an applicant receiving benefits, is improperly terminated—would be undertaken to protect beneficiaries.

The bill I am introducing includes many of the provisions in HEW's last offer to the New Coalition along with the financial penalties provision. My feeling is that although the New Coalition's argument against any fiscal sanctions on a State which is making a "good faith effort" to reduce errors has some merit, it would be very, very difficult to enforce. For example, how do we define what constitutes a good faith effort or what constitutes an acceptable plan? Any definition which HEW might come up with could and probably would be challenged in court, resulting in years of uncertainty.

My proposal fills the void left after the May 1976 decision which struck down the existing system of fiscal sanctions. Undoubtedly, many State administrators will not favor such a bill. However, I feel that it would be in the Federal Government's and the beneficiaries' best interest to enact such legislation to serve until President Carter's welfare reform program is passed and implemented—a process which could take 4 or 5 years.

There are major improvements which can be made in the existing welfare programs. They can be made incrementally and gradually, in the traditional American way. We do not have to remain idle on the issue for the next 4 or 5 years. We need not wait for a major reform program. We can begin now to save taxpayer dollars and insure that the right amount of benefits goes to those who are eligible and need the services provided by these welfare programs.

TRIBUTE TO ROBERT F. LARKIN, JR.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 5 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to submit an article from the Boston Globe, concerning Mr. Robert F. Larkin, Jr., of Needham, Mass., who was elected to the Massachusetts House of Representatives in November. Needham, formerly in the 11th Congressional District, is a lovely town and entitled to the high caliber of service which Representative Larkin provides.

Bob is a former intern in my Washington office where he did an outstanding job. Now, at age 21, he is one of the youngest members of the Massachusetts House.

I am proud of young Representative Larkin and am sure that his is a promising career in public service. The Globe article follows:

TRIBUTE TO ROBERT F. LARKIN, JR.

Even for a Massachusetts politician, Robert Francis Larkin Jr. of Needham has trekked a remarkable distance in political miles, especially for someone 21 years old.

Larkin, a Democrat, won a seat in the state House of Representatives last week, upsetting a veteran Republican Needham selectman, E. Loretta Reynolds, in a race to replace retiring Rep. Gilbert W. Cox Jr. (R-Needham).

More than any of the seven GOP House seats vacated this year, Cox's was considered a sure bet to stay Republican.

Larkin, a senior in economics and political science at Boston College, pursued the "safe Republican" seat with all the finesse one would expect from a person who has been chasing votes and pulling political strings for eight years.

He had been preparing for the race in Needham for at least two years, identifying voters and laying groundwork. He decided to run against Cox about a year after he was elected to the Needham town meeting at the age of 18.

Reynolds, however, was not a contender for the seat until Cox decided to quit the Legislature this summer. Since she was a well known Republican in a Republican stronghold, her late entry was not considered to be a handicap.

Larkin, who still lives with his parents, has been a political achiever since the age of 13, when he was elected to the school government at St. Johns, a private school in McLean, Va.

By the summer of 1970, he had been appointed a page in the U.S. House of Representatives by Speaker of the House John McCormack. In the summer of 1971 he worked for Rep. David Pryor (now governor of Arkansas), doing research for a special committee investigating nursing homes.

Then came two internships in the Washington offices of Rep. James Burke (D-Milton). By 1972, Larkin had mastered the intricacies of getting a job on Capitol Hill, and was again appointed a House page, this time by Speaker of the House Carl Albert.

By then, Larkin's family which has its roots in Massachusetts, was living in Virginia. Larkin entered Boston College after graduating from McLean High (president of student government), and coincidentally, his father was reassigned to Massachusetts by the Department of Defense. The family settled in Needham.

Young Larkin immediately ran for town meeting, was elected, and led a successful campaign against the purchase of a $95,000 fire truck, contending that the old truck was good enough.

The fire truck affair did not endear him to the fire chief, but it did win many new taxpaying friends. It was then that he decided to run for the state House.

Taking a page from a famous Georgians campaign book, Larkin ran against the people in power.

"I personally visited about 4500 homes, and I told people the worst thing about the Massachusetts Legislature is the careless, cavalier attitude of the legislators who have been running things for the past couple of decades," said Larkin. "And I promised people that if they elected me, I'd be back at their door in a year's time so they could tell me how they think I'm doing."

Larkin decided to decline financial help from House Speaker Thomas McGee's Committee to Elect a Democratic House and raised about $3000 himself.

"I plan to just sit back and watch how things are done for a while," said Larkin.

"I'm not unfamiliar with the Legislature, I've worked as a legislative aide for Rep. Michael Connolly (D-Roslindale) but I'm not going to rush into things."

Judging from his responses to a questionnaire from the League of Women Voters before the election, Larkin is expected to be a moderate.

He is opposed to the death penalty and increasing use of nuclear power plants, supports mandatory sentences for violent crimes, and increasing funds for low-income housing.

Larkin, who must finish his last semester at Boston College by attending both early morning and evening classes, said he is thinking about becoming a professional politician.

Larkin is the nephew of Rep. Robert A. Vigneau (D-Burlington).

CLARIFYING THE UNIVERSAL VOTER REGISTRATION BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. THOMPSON) is recognized for 5 minutes.

Mr. THOMPSON. Mr. Speaker, last week there was a brief flurry of press attention given to an internal Justice Department memorandum that raised the spector of increased fraud in our elections if H.R. 5400—the Universal Voter Registration Bill—becomes law.

Today I would like to put to rest the confusion that has arisen as a result of that perhaps well-intentioned, but obviously ill-informed memorandum. In the first place, the author, by his own admission, had not seen a copy of H.R. 5400 at the time he wrote his memorandum. Second, I feel constrained to remind my colleagues that when we seek the views of an administration on an administration bill, we traditionally have sought a coordinated position enunciated at the highest possible level; not the individual views of bureaucrats. We can hardly come to rational judgments on the matters before us if we first must poll the individual views of every member of an executive branch department.

After the Justice Department released the internal memorandum in question to the Senate Rules Committee and the Committee on House Administration last week, Senator CANNON invited Attorney General Bell to provide supplementary testimony on S. 1072 the companion bill to H.R. 5400.

The Attorney General was kind enough to send me a copy of his response to Senator CANNON, and I submit it herewith for the RECORD and commend its contents to my colleagues:

WASHINGTON, D.C., *May 10, 1977.*

Hon. FRANK THOMPSON, JR.,
Chairman, House Administration Committee, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: On May 6, Chairman Cannon of the Senate Rules and Administration Committee wrote to invite me to provide supplementary testimony on behalf of the Department of Justice on S. 1072, the Universal Voter Registration Act of 1977. This bill is, of course, the Senate counterpart to H.R. 5400.

In response to Senator Cannon's letter, I have sent him and the members of his committee a memorandum addressing the remaining questions raised by his committee herewith. A copy of that memorandum is enclosed.

Best regards.

Sincerely,

GRIFFIN B. BELL,
Attorney General.

MEMORANDUM

MAY 10, 1977.

To: Committee on Rules and Administration, United States Senate.

From: Griffin B. Bell, Attorney General.

Subject: S. 1072—The Universal Voter Registration Act of 1977.

THE NEED FOR FEDERAL LEGISLATION

The need for action by Congress to remove barriers to voter participation has been explained in the President's March 22, 1977, message on election reform and in testimony already presented to the Committee. Since 1960, participation in Presidential elections has steadily declined. On November 2, 1976, between 60 and 70 million eligible Americans did not go to the polls. The available evidence indicated that the most significant reasons for this decline are citizen apathy and alienation from our political process. But the evidence also indicates that another major factor is the difficulty of voter registration in most states.

In a 1976 national survey by Peter D. Hart Research Associates, Inc., 21% of the nonvoters explained their lack of participation in past federal elections or in the forthcoming 1976 election by saying the registration rules make it difficult for people to register. Nineteen percent said that making it easier to register would be the one change most likely to cause them to vote in the future. Steven J. Rosenstone and Raymond E. Wolfinger of the University of California at Berkeley prepared a study of the effect of registration laws on voter turnout for the 1976 annual meeting of the American Political Science Association. They found that, "State registration laws reduced turnout in the 1972 presidential election by about ten percentage points. The impact of the laws was heaviest in the South and on less educated people of both races. If all states revised the restrictive aspects of their election codes to make them resemble the more permissive provisions found in some states, the result would be to increase the electorate by about 14 million voters." They also concluded that if every state had a registration deadline of one week before election day instead of the 20 or 30-day periods which are common, this change alone would increase national turnout by about 5 percent.

Variations of election day registration have been used effectively in five states. Minnesota and Wisconsin have systems similar to that in S. 1072 and they ranked first and fourth nationally in 1976 voter turnout. North Dakota has no formal registration and it ranked third. Maine and Oregon allow registration on election day though not at the polls. They ranked fifth and eleventh in 1976.

It seems clear that allowing eligible voters to register at the polls under the system proposed in the legislation now before the Committee will be an effective step toward encouraging greater participation in the democratic process. Certainly other steps have to be taken as well. Voter apathy and alienation will only be reduced if all public officials work to earn the respect of our citizens for this country's institutions of government. Such an effort will necessarily take time. But the structural change toward more open voter registration can be accomplished now by the enactment of S. 1072.

PREVENTION OF FRAUD

S. 1072 contains procedural safeguards against fraud and severe criminal penalties. It provides for criminal enforcement by the Department of Justice and for civil enforcement and administration by the Federal Election Commission. Its companion bill H.R. 5400, has been reported by the House Administration Committee with amendments that include tighter anti-fraud provisions. As Deputy Attorney General Flaherty and I have stated, it will be the policy of the Justice Department to pursue vigorous enforcement of criminal sanctions if this bill becomes law.

The bill includes criminal penalties of five years imprisonment and/or a $10,000 fine for first offenses and ten years imprisonment and/or a $25,000 fine for subsequent convictions. As amended by the House committee, it also provides for civil penalties of up to $5,000 to be sought by the FEC. The FEC is also given authority to seek other civil remedies to prevent fraud and otherwise enforce the law.

The legislation provides for states to require election day registrants to prove their identity and place of residence by approved forms of identification or by the affidavit of a registered voter. This kind of proof is not usually required now under systems of preregistration, including the registration by mail which is used in many states. Under the House amendments, a registered voter could not vouch for the identity and residence of more than five other persons and he would have to be pre-registered at the precinct involved.

The bill also provides for states to require election day registrants to sign an affidavit attesting to their qualifications to vote under the laws of the state. The House committee amendments make such affidavits mandatory and require that they include specific statements as to citizenship and the fact that the registrant has not already voted in the election. The affidavit would list all the qualifications for voting in the state and would contain a warning of the criminal penalties for giving false information. These are, in our judgment, improvements which we commend to the Senate's consideration.

The House committee amendments also require states to audit at least 5 percent of election day registrations and they expand the investigative and civil enforcement powers of the FEC.

In the 1976 Presidential election, over 450,000 voters in Minnesota and 210,000 in Wisconsin registered at the polls on election day. At the same time, about 300,000 North Dakotans voted without registering and numerous citizens in Maine and Oregon registered on election day. No substantial indications of fraud developed.

Some of the fraud which does occur in this country is made possible by inaccurate and outdated registration records. The federal funds available to state and local governments under S. 1072 for modernized election records and better training can be effective in reducing the potential for stolen elections.

The Department of Justice has found that most significant election fraud cases involve election officials. Over the last five years, all 8 of the indictments issued in the Southern District of Texas were against public officials. The same was true of 25 out of 26 indictments in the Eastern District of Louisiana and of 9 out of 10 in the Southern District of West Virginia. In the Northern District of Illinois, 66 out of the 81 indictments were against judges of election and another 10 were against party officials working with them. Of the 125 indictments, 96 convictions resulted. Most of the other cases involved dismissals based on mitigating circumstances. All of this fraud occurred under requirements that voters register prior to election day.

While the illegal casting of ballots, dishonest reporting of results, and other such acts by poll officials and party workers are the most prevalent forms of election fraud, the use of outside individuals to cast ballots under assumed names in various precincts is also not an unknown practice. Pro-

viding false identification and convincing individuals to sign affidavits bearing warnings of stiff criminal penalties would be very difficult to accomplish on a large scale. If poll officials are honest and properly trained, the danger of illegal activity would seem to be minimal. If poll officials are not honest, the danger of corruption will exist regardless of the system of registration which is used.

S. 1072 AND THE VOTING RIGHTS ACT

Under Section 5 of the Voting Rights Act, 42 U.S.C. 1973c (1975 Supp.), covered states and political subdivisions may not effect a change in their voting laws until a federal pre-clearance process has been followed. The alternative used most widely is submission of a change to the Attorney General. The change may be implemented unless, within 60 days, the Attorney General objects to it. The issue, under Section 5, is whether the purpose of effect of the change is racially discriminatory or in violation of the rights of language-minority groups. Contrary to an amendment adopted in the House Administration Committee, we believe that Section 5 should apply to changes made in voting laws in order to comply with S. 1072.

We do not anticipate difficulty in performing this responsibility. The thrust of S. 1072 is toward more open and equal opportunities for voting and is very much in the spirit of the Voting Rights Act. State plans for voter outreach programs would probably be the one result of the legislation requiring the closest scrutiny by the Civil Rights Division. We would expect to cooperate closely with the Federal Election Commission in expediting the review process under Section 5.

POSITION OF THE JUSTICE DEPARTMENT ON S. 1072 AND H.R. 5400

As Deputy Attorney General Flaherty and I have testified before your Committee and the Committee on House Administration, the Department of Justice strongly supports the Universal Voter Registration Act of 1977. We believe that it will help to solve a major problem in our democratic system while also providing safeguards against fraud and irregularities.

While Deputy Attorney General Flaherty did not have an opportunity to review the Criminal Division memorandum of April 1, 1977 prior to his testimony, let me assure you that I reviewed and considered that memorandum in preparation for testifying before the House Administration Committee.

To summarize what I said before the House Administration Committee in testifying on H.R. 5400 on April 6, I feel that no system of voting which is directly open to full and equal participation can be completely foolproof against fraud. Fraud occurs under the present system and some fraud will undoubtedly take place under the Universal Voter Registration Act as well. The question we have to address is where to strike the balance between protecting the system on the one hand and making it open to equal participation on the other. The Administration bill reflects the belief that declining voter participation is a very serious national problem which calls for immediate attention. S. 1072 contains strong safeguards and the amendments in the House referred to earlier provide additional safeguards. Thus, I believe we can safely take this positive step to extend equally to all Americans the right and opportunity to vote.

Nonetheless, Mr. Chairman, I appreciate the opportunity to review and state more fully the views of the Department of Justice in this matter. After careful review by the Criminal and Civil Rights Divisions and the Office of Legal Counsel, I can assure you that the views stated herein are the considered views of the Department of Justice.

SOCIAL SECURITY WAGE BASE INCREASE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BEDELL) is recognized for 5 minutes.

Mr. BEDELL. Mr. Speaker, the President has made his recommendations for insuring the financial soundness of the social security system. My colleague, Mr. WHALEN and I, however, believe there is a better approach to the problem and we have today introduced a bill incorporating this approach.

We believe that the best solution to social security's short-range deficit problem is to raise the wage base on which social security taxes are computed. This is not a radical idea.

When social security first came into existence, 95 percent of covered workers and their employers contributed into the fund on all wages paid. Today this has shrunk to about 85 percent. By gradually bringing the wage base for contributions up to where it originally was, we can meet the present emergency without doing damage to the system.

The legislation we are today introducing would adjust the wage ceiling upward over a 3-year period. The current wage limit is $16,500. Our bill would raise it to $20,000 for 1978, $25,000 for 1979, and $30,000 for 1980. By doing this, the Congressional Research Service estimates that income and outgo for the cash benefits program might be approximately equal if all the additional income from the tax base increase goes to the cash benefits program with the hospital program getting no increased income. In other words, our plan would bring the short-term deficit under control.

There are two parts of the President's plan that strike me as particularly worrisome and I feel that our proposal avoids these. The first is that the President wants to fund the deficit through general revenues. This would change the very nature of social security, turning it into a welfare program rather than an insurance program, the way it is now. The President says that this use of general revenues would only be temporary. Yet if we went through another recession such as the one we have just had, the $14 billion cushion the President would create from general revenues would be used up in about 3 months. I feel that additional borrowing would be requested and once the precedent had been established for using general revenues, it would be easier in the future to continue dipping into the Treasury with different rationales.

The second part of the President's plan that troubles me is his proposal to remove the wage base ceiling for employers. Under his plan, all employers would pay the current payroll tax rate on 100 percent of all salaries. The President would have us believe that businesses would bear this burden without passing it on to the employee and the consumer. I am afraid that these people would ultimately wind up paying even more for social security than the regressive taxes they do now.

I hope, Mr. Speaker, that our plan will receive detailed consideration from this Congress and that we can give our senior citizens—as well as prospective retirees—some assurance that the social security system will be brought under control.

THE BREACH OF THE HELSINKI AGREEMENT BY THE SOVIET UNION

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. BADILLO) is recognized for 5 minutes.

Mr. BADILLO. Mr. Speaker, it is a sad necessity to join with my colleague and friend, Representative DRINAN, to address the continued breach of the Helsinki Agreement by the Soviet Union. For nearly a year, the 35 signatories to the agreement have been bound by a document which declared their mutual "respect for human rights and fundamental freedoms." At that time Leonid Brezhnev himself urged that this agreement be made a "law of international life not to be breached by anyone."

Those accords state that the fundamental human rights will be respected without regard to race, sex, language, or religion. They stress that, in the emigration process, emphasis is to be placed on the reunification of families. They emphasize that travel should be permitted and broadened, and that there should be a broader dissemination of information. And the Soviet Union signed and pledged their cooperation to those principles.

And yet, they continue to violate those rules, and thousands of Jews, and other people who have spoken out, languish in prisons and mental hospitals and camps, under an almost whimsical policy that enables each person to be punished differently, and without any apparent rhyme or reason. Perhaps the best way to describe this is to talk about the prisoner that I have "adopted" through the New York Council on Soviet Jewry:

Alexandr Slinin is a 21-year-old student from Kharkov. After submitting an application for a visa to emigrate to Israel, he was expelled from Kharkov University, and summoned to his local military registration board. Slinin refused to serve in the Soviet Army, knowing that his departure to Israel would be delayed by 7 years. He was sentenced to prison in 1974 for 3 years. Last year, I learned that because literature printed in Yiddish had been found in his cell, he was transferred to a mental hospital. I have heard nothing of him since.

Alexandr Slinin's sentence will be up in June of this year. I stand here this afternoon to let the Soviet authorities, both here and in Moscow, know that I, and now my colleagues in the Congress as well, are aware that the time has come for this young man to regain his freedom and to be allowed to emigrate. If the Soviet Union is at all serious about the Helsinki accords if, indeed, they wish to come to the September meeting on the agreement with a better record than they have shown up until now, then they must begin immediately to end the very visible abuses that continue to occur, and in fact, increase.

The freedom of Alexandr Slinin is a

checkpoint for me. I shall make formal representations to our State Department and to the Embassy of the Soviet Union to ascertain his status. But he is only one, and between now and August, we must demand a flood of releases, and of permissions to emigrate. If we do not see that, I fear the noble principles embodied in the Helsinki Agreement will be torn asunder.

QUESTIONS TO ASK WHEN REVIEWING ARMS SALES

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, in Ruth Sivard's "World Military and Social Expenditures, 1977," she indicates that between 1961 and 1975 the United States has exported $40.9 billion worth of arms, followed, in order of rank, by the Soviet Union, $26.5 billion; France, $3.8 billion; the United Kingdom, $3.2 billion; China, $2.3 billion; West Germany, $1.8 billion; Czechoslovakia, $1.7 billion; Poland, $1.6 billion; Canada, $1.5 billion; and all other major arms exporters, $5.0 billion. Thus in 15 years the major arms exporting states have sold $88.3 billion worth of arms.

It is far from clear that all of these shipments were in the best interests of either the exporting or recipient states and societies. At the present time, the U.S. Government has back orders in the pipeline of almost $32 billion worth of arms orders from other governments. These were commitments made by previous administrations who seemed less concerned than the Carter administration about the possible negative impacts of such arms around the world. Now these back orders are undergoing a review by the Carter administration, as well they should.

I would recommend to any analyst or decisionmaker in either the executive branch or the Congress the following list of questions prepared by Barry R. Schneider, the arms control and military consultant for Members of Congress for Peace Through Law. His paper, entitled "Arms Sales and Arms Grants, Questions and Criteria," provides a checklist of questions that ought to be asked by officials considering whether to approve or disapprove specific arms transfers from the United States to other states. The list is meant to be suggestive and not necessarily exhaustive. It may be of value and interest to our colleagues and others concerned about curbing this wasteful and dangerous traffic in instruments of death and destruction.

Dr. Schneider's checklist follows these remarks:

ARMS SALES AND ARMS GRANTS—QUESTIONS AND CRITERIA

A checklist of questions to be asked by officials considering whether to approve or disapprove specific arms transfers from the United States to other states.

1. Will this arms transfer aid in the direct or indirect defense of the United States in times of conflict or crisis? How, why, or why not?

2. Is this the first time this kind of technology has been introduced into the region? And is this transaction likely to spur or hinder a regional arms race? To what degree?

3. Will this arms transfer increase the number of U.S. technicians and dependents living in the client state? How many and for how long? Does this constitute an involvement that has a high probability of leading to U.S. entanglement in a regional conflict?

4. Is this arms transfer a way of keeping the client state from manufacturing its own nuclear weapons? Has the client expressed this intention or does the client have this capability? Assess the nuclear proliferation ramifications of this arms transfer.

5. What is the overall arms control impact of this arms transfer? Will it thwart or facilitate an arms control negotiation—now or in the near future? Does it stay within the limits set by previous agreements? Does it make future agreements and verification much more difficult?

6. What controls prevent or make illegal these arms from being used against another country, either a neutral, a U.S. ally, or the United States itself? Assess the probability of this occurring.

7. What quid pro quo does the United States get from this arms transfer? Economic? Military? Political? Other? Is it worth what is given? By what criteria?

8. Will the arms transfer give the United States more or less political leverage in the future within the client state? Explain.

9. Will the arms transfer hinder good or better relations with other states?

10. If the U.S. did not sell the requested arms, would or could they be obtained from another national source? If so, how likely is that? If so, what is gained from refusing to grant the arms transaction?

11. Would the arms transfer hinder any serious effort to limit or coordinate overall arms transfers with other arms exporting states? If so, what are the tradeoffs between pursuing this policy rather than a common policy?

12. How does the arms transfer affect U.S. military forces? Will this draw equipment and supplies needed by U.S. forces? Does it decrease the readiness of U.S. forces or allied forces—or does it increase readiness? Will it slow the delivery of the arms to U.S. forces? Will it reduce or increase the cost of the arms to U.S. forces? Will it keep a U.S. production line open and "warm"?

13. Is the recipient an ally? And does the recipient need such assistance to assist the U.S. in its defensive role?

14. Does this arms transfer involve the newest and most sophisticated new U.S. technology? If so, should this be let out of U.S. hands for security reasons? How likely is this equipment to find its way to the Soviets and other potential adversaries if the deal is made? Does this transfer threaten vital U.S. military secrets?

15. Does the arms transfer significantly aid the U.S. balance of payments and balance of trade with other countries? And if so, does this outweight the arms control, security, and political implications of the sale?

16. What is the likely response to this arms transfer by the Soviets and other potential rival states? Is it likely to increase the chances for a matching or overmatching response to the adversaries of the client?

17. What are the human rights implications of this arms transfer? Will these weapons be used for internal suppression of civil liberties and democratic opposition groups? Will such arms infusions put military juntas and dictators more firmly in power?

18. Does the arms transfer drain very scarce resources away from needed economic development projects in the client state? If so, would the client government simply buy the desired military equipment from other sources if denied it by the U.S.? Or does the arms transfer in some way also encourage the economic modernization of the client state as well? Are the skills acquired in using the new arms also transferable to other economic pursuits?

19. Whose idea was this arms transfer? Was it initiated by the efforts of of U.S. weapons industries? Or did it evolve from the genuine needs of the U.S. and the client state? At what level was the sale consumated and why? Have bribery and strictly private profits driven the transaction?

20. Is there any reason why this arms transfer should occur right now? Or should the transaction be delayed pending more information and analysis? What are the advantages and disadvantages of delay? Of immeditate action? And can the arms transfer be cancelled at a later date if that is in the best interest of the U.S.?

21. Does this arms transaction square with U.S. and international law? With all U.S. treaties and executive agreements? And how does the sale or grant affect the moral leadership of the U.S. in the world? What kind of example does it set for others? And how powerful is that example likely to be if we desist?

22. What impact does this sale have on the security of other U.S. allies? On other non-aligned states? And what controls does the U.S. retain over the arms to prevent their being misused against other states?

23. Is the recipient state at peace or at war? Is the U.S. arming both sides of a potential conflict? If so, will this make the future conflict more violent with more damage done to both societies? What other steps is the U.S. taking to prevent such a conflict from erupting other than arms transfers? And how do these arms transfers facilitate or hinder such peace efforts?

24. Does the arms sale or grant increase the possibility of the client developing its own arms industry producing the same kind of arms as those transferred? Is this healthy or a setback to the United States? Will the arms transfer help produce an arms exporting rivalry with the client state? Will it resell or transfer the weapons to third parties? How would this affect U.S. interests?

25. Are these arms transfers necessary "sweeteners" in an overall peace negotiation being carried on by the United States? If so, how necessary?

26. Will this arms transfer meet with the approval of the U.S. Congress and of the U.S. public? If not, should the arms transfer negotiations be terminated before the client state develops a powerful commitment to securing the sale or grant? (A commitment that might lead to retaliation should the client be turned down by the Congress.) Has the Congress been given adequate lead time to consider the arms transfer prior to its developing a momentum of its own?

27. Having answered all of the above questions, is it in the best interests of the United States to approve or to disapprove the arms transfer in question? What are the pros and cons of such an action? What alternative policies would accomplish the same aim? What are their advantages and disadvantages? And which alternative best serves the interests of the United States? By what criteria do you choose? Economic, Military, Political or legal/ethical?

WORLD MILITARY AND SOCIAL EXPENDITURES IN 1976

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, and Members of the House, it is my pleasure to introduce into the RECORD a summary of the material in Ruth Leger Sivard's annual report "World Military and Social Expenditures, 1977."

Mrs. Sivard is an economist who has

long Government experience in the U.S. Arms Control and Disarmament Agency. Since she left the Agency 4 years ago, she has continued her fine work highlighting the misplaced priorities that the world's governments have with respect to military and social expenditures. She points out that in 1976 over $350 billion was spent yearly worldwide on military budgets; this in a world that is too poor, too illiterate, too hungry, ill-housed, in too poor health, and generally lacking in adequate social well-being.

As the president of the MCPL Education Fund, one of the six sponsoring organizations which have donated to Ruth Sivard's work, I take particular pride in seeing that Members of Congress, their staffs, and those who read the CONGRESSIONAL RECORD have ready access to her report. The Members of Congress for Peace through Law Education Fund, along with the Arms Control Association, the Institute for World Order, the Rockefeller Foundation, and the Canadian Peace Research Institute have contributed financial support to "World Military and Social Expenditures, 1977"—WMSE Publications, Box 1003, Leesburg, Va. 22075.

Ruth Sivard reports that military spending went up $50 billion in just the past year, from $300 billion to $350 billion, a mere 5 percent of that amount, $17.5 billion—could correct much of the world's social deficit. With such an amount we could:

First, run a vaccination program that would give protection against infectious diseases to all infants worldwide—$600 million.

Second, run an education program that could extend literacy to all adults by the end of the century—$1.2 billion.

Third, sponsor a preventive and community-oriented training program for a sharp increase in the numbers of medical auxiliaries—$250 million.

Fourth, increase development aid to improve the capacity of the third world to grow its own food and prevent malnutrition—$3 billion.

Fifth, expand a minimum-shelter program, incorporating self-help construction, for the urban poor—$750 million.

Sixth, initiate a supplementary feeding program to insure full development for 200 million malnourished children—$4 billion.

Seven, initiate a program of supplementary feeding for 60 million malnourished pregnant and lactating women to protect their health and reduce infant mortality—$1.5 billion.

Eight, sponsor a major increase in the number of elementary schools worldwide with the addition of 100 million new student places—$3.2 billion.

Ninth, invest in hygenic water supply systems, toward the goal of clean water for all humanity by 1990—$3 billion.

I hope all Members of Congress will take the time to read World Military and Social Expenditures 1977 in its entirety. Copies will be sent to each Member's office.

The summary and priorities sections of Mrs. Sivard's report, and an article about it from the May 9, 1977, edition of the Christian Science Monitor, follow these remarks:

WORLD MILITARY AND SOCIAL EXPENDITURES 1977

(By Ruth Leger Sivard)

SUMMARY

The arms race has become a stampede as the buying fever for newer, more powerful weapons spreads to all parts of the globe. World military spending tops $350 billion yearly. A huge backlog of orders for arms is two to three times the size of present deliveries.

Economic progress is affected on a broad front. The large diversion of resources to nonproductive use impedes growth, fuels inflation, contributes to unemployment, and squanders resources in short supply. The economic burden is exceeded only by the looming threat to world survival. A growing, diffuse stockpile of weapons carries infinitely more potential for catastrophe on a global scale than in any previous period in history.

In the face of faltering economies and socially explosive needs throughout the world, the race for security through arms has an alarming air of unreality. The weapons and strategies elaborated by governments for "defense" are largely irrelevant to the underlying dangers and instabilities of today.

Between the war-oriented and people-oriented, and between the poorer and richer, parts of the world, the gulfs are wider than ever. A poverty of resources for human needs contrasts with the affluence under which military programs operate. The threats that touch people in their daily lives—joblessness, crime, illness, hunger—rank lower in the scale of government priorities than preparations for war. Throughout the world, the poor, the ill-fed, ill-housed, ill-educated steadily increase in numbers. The danger as well as the size of the social deficit grow with neglect.

PRIORITIES 1977

The United States and Soviet Union, first in military power, rank 18th and 33rd among all nations in their infant mortality rates.

The world's military budget equals the annual income of 1,800,000,000 people in the thirty-six poorest nations.

Through public budgets, the world community carries more insurance against deliberate military attack than against illness, disease, and all natural disasters.

The megatonnage of the world's nuclear arsenal, which is still increasing, is now several million times the explosive force of the bomb that destroyed Hiroshima in 1945.

At present levels of military spending, the average person can expect over his lifetime to give up three to four years' income to the arms race.

The world's budget for military research is more than six times the size of its budget for energy research.

The developed nations spend 20 times more for their military programs than for economic assistance to the poorer countries.

The developing nations import arms at a rate of more than $6 billion a year.

In the developing world, 1,400,000,000 people have no safe drinking water, 520,000,000 suffer from malnutrition.

In two days the world spends on arms the equivalent of a year's budget for the United Nations and its specialized agencies.

Military and space research together get more public research funds than all social needs combined.

The cost of one Trident submarine equals the cost of a year's schooling for 16,000,000 children in developing countries.

WORLD-AT-PEACE ARMS COST—$350 BILLION AND GROWING

(By John Dillin)

WASHINGTON.—The world is mostly at peace—but military spending keeps rising.

A new study finds that the world's growing affinity for military muscle cost taxpayers around the globe an "unpredecented' peacetime budget of $350 billion in 1976.

The United States and the Soviet Union—traditional big military spenders—together accounted for some $200 billion of that, or better than half the entire world's spending for weapons, manpower, and arms research.

The study, "World Military and Social Expenditures, 1977," was compiled by Ruth Leger Sivard, former chief economist for the U.S. Arms Control and Disarmament Agency. The study is issued annually and includes the People's Republic of China.

Arms budgets, the report observes, are rising on every continent, with growth especially rapid in developing countries.

One bright spot: Military spending, which took 7 cents out of every dollar of the combined gross national products of the world in 1960, today takes only a nickel out of every dollar. World economies, apparently are growing faster than military spending.

Several organizations sponsored this latest report, including the Rockefeller Foundation, the Arms Control Association, the Institute for World Order, and the Members of Congress for Peace Through Law Education Fund. The Canadian Peace Research Institute-Dundas also shared the costs.

In a foreward, Robert S. McNamara, president of the World Bank and former secretary of defense, warns that excessive military spending can erode security. As military costs grow they can fuel an arms race and drain away vitally needed resources so desperately needed in developing countries.

Mrs. Sivard points to a number of trends in military spending which may bear watching:

Total military costs have continued to grow in spite of brief slowdowns in 1964 and again in 1970–71.

In advanced countries, which include those of North America and Europe, Japan, and the Soviet Union, total military spending has approximately doubled since 1960 in real terms.

In developing countries, which include most of those in South America, Africa, and Asia, military spending during the same period has tripled.

Approximately one-fourth of the developing nations have acquired the ability to assemble various kinds of major weapons systems.

All of these developments have greatly increased the world's war-fighting ability. Total military might, currently includes 22 million regular military personnel, 10 million paramilitary troops, and 25 to 30 million civilians in military-related jobs.

The worldwide arsenal contains 124,000 tanks, 12,400 combat ships, 35,000 combat aircraft, and nuclear weapons with a combined explosive power of 50 billion tons of TNT—or 12 tons for every person on earth. A single nuclear bomb today can deliver a wallop of 25 million tons of TNT. By comparison, a World War II "blockbuster" totaled 10 tons.

Worldwide spending for military research and development has reached $25 billion, and weapons procurement has climbed to $80 billion out of the total $350 billion budget, Mrs. Sivard reports.

Those figures, in fact, appear to be extremely conservative, according to Pentagon specialists.

Research and development spending, for instance, is estimated by U.S. intelligence to be $22 billion a year in the Soviet Union. The United States adds another 11.2 billion to research, if one includes testing and evaluation programs.

Mrs. Sivard also notes that "half a million scientists and engineers throughout the world" are engaged in military research. Pentagon sources say that if one includes those engineers working in U.S. industry, the research and development personnel total for the United States alone rises to more than 500,000. In addition, the Soviets are believed to have as many as 800,000 engineers engaged in various phases of military research.

One encouraging change in emphasis, how-

ever, can be noted in the statistical tables accompanying Mrs. Sivard's study.

In 1960, the world had some 18.5 million men and women in uniform. At the same time, there were 14.6 million teachers. The latest count shows an increase to 22 million soldiers, sailors, and airmen, but an ever larger increase—to 26.2 million in the number of teachers.

THE TURKISH AMBASSADOR REPLIES ON CYPRUS: A DIFFERENCE OF OPINION

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on April 20 of this year I made a statement, which appeared in the RECORD on page 11470, and I believe it to be correct, concerning the Cyprus situation and President Carter's endorsement of the controversial military bases agreement negotiated with Turkey last year by former Secretary of State Kissinger. The Honorable Melih Esenbel, Ambassador of Turkey, took exception to my comments and asked that I insert his response into the RECORD, which in all fairness I am pleased to do.

In rereading my statement of April 20, I find there are no errors that I am aware of, nor would I wish to repudiate anything I said.

But the most important thing, of course, is the current state of affairs in Cyprus, where the 18 percent Turk-Cypriot minority holds 40 percent of the land and there are 200,000 Greek-Cypriot refugees. I would hope peace and justice would prevail there and both sides would sit down to work out their differences, but in the mean time I could not vote for arms for Turkey while they occupy Cyprus.

The letter to me from Ambassador Esenbel follows:

TURKISH EMBASSY,
Washington, D.C., April 28, 1977.

Hon. EDWARD I. KOCH,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. KOCH: Taking the opportunity of the interest you have shown by inserting a statement in the Congressional Record (April 20) relating to the Athens Junta-Cyprus-Turkey and United States, I feel obliged to bring the following to your attention:

The Athens Junta did indeed succeed in seizing Cyprus, and annexing it to Greece by declaring a "Hellenic Republic of Cyprus" and thereby totally destroying the independence of that Republic, "until" Turkey intervened using its rights and obligations arising from international Treaties deposited with the United Nations. Takeover of the Island failed and Democracy Returned to Greece because, and as a result of, the Treaty based lawful action of Turkey.

As you will see in the attached documents Turkey is a fully functioning Democracy in complete adherence to human rights. The embargo, unprecedented in the history of Alliances, has nothing to do with the human rights issue. Indeed it has been counter-productive in the Turkish-American relations and created numerous complications in Turkish-Greek relations contributing appreciably to the present disturbed atmosphere in the Eastern Mediterranean.

Allegations of expansionism on the part of Turkey is totally unwarranted and utterly misinformed. History shows that since 1821 (Greek independence) Athens has continuously pushed the expansion of its territory at the expense of Turkey; in 1920 by invading Western Anatolia ending with a debacle for Greece; in 1947 by acquisition of the Dodecanese Islands in the Aegean and between 1964–1974 by determined tactics all aiming at annexation of Cyprus. The only war Turkey has fought since the founding of the new Republic was to stop the communist expansionism in Korea.

My country entertains excellent relations with several other totally different regimes all neighboring her except for the only democracy she shares common borders with; and for reasons never of Turkey's making. It is Greece which claims the whole of the Aegean continental shelf, it is again Greece that manipulates a technical traffic control responsibility over the Aegean air space as a right of sovereignty and closes it to all international aviation. I should add to these the militarization of Aegean Islands by Greece with U.S. supplied weapons in contravention of two international treaties.

Selective and punitive outside pressures irrelevant to the real issues involved, have not solved problems, Mr. Congressman, not in the case of Turkey at least.

I trust and address your fairness and hope that you will respond in an even-handed manner by bringing this letter to the attention of the members of the Congress through its insertion in the Record.

Sincerely,

MELIH ESENBEL,
Ambassador of Turkey.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. KETCHUM (at the request of Mr. RHODES), for May 13, 1977, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CORCORAN of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. CLEVELAND, for 5 minutes, today.
Mr. KEMP, for 15 minutes, today.
Mr. WHALEN, for 5 minutes, today.

(The following Members (at the request of Mr. JENRETTE) to revise and extend their remarks and include extraneous matter:)

Mr. KOCH, for 10 minutes, today.
Mr. BINGHAM, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. AKAKA, for 5 minutes, today.
Mr. VANIK, for 5 minutes, today.
Mr. BURKE of Massachusetts, for 5 minutes, today.
Mr. THOMPSON, for 5 minutes, today.
Mr. BEDELL, for 5 minutes, today.
Mr. BADILLO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. CORCORAN of Illinois) and to include extraneous matter:)

Mr. GRADISON.
Mr. ASHBROOK in three instances.
Mr. ABDNOR.
Mr. DUNCAN of Tennessee.
Mr. KELLY.
Mr. DERWINSKI in two instances.
Mr. LAGOMARSINO in two instances.
Mr. WALKER.
Mr. ARMSTRONG in two instances.
Mr. KEMP.
Mr. GILMAN.
Mr. MCCLOSKEY.

(The following Members (at the request of Mr. JENRETTE) and to include extraneous matter:)

Mr. STARK.
Mr. PEPPER.
Mr. FORD of Michigan.
Mr. MURTHA in two instances.
Mr. RUSSO.
Mr. EILBERG in three instances.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. MOAKLEY.
Mr. JOHNSON of California.
Mr. ROE in two instances.
Mr. PATTERSON of California in five instances.
Mr. WAXMAN in two instances.
Mr. FOWLER.
Mr. MCCORMACK in two instances.
Mr. MCHUGH.
Mr. VANIK.
Ms. OAKAR.
Mr. SIMON in three instances.
Mr. MARKEY in 10 instances.
Mr. TEAGUE in two instances.
Mr. RICHMOND.
Mr. FISHER.
Mr. CLAY in two instances.
Mr. FRASER.
Mr. DE LA GARZA.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1468. An act to amend the Energy Supply and Environmental Coordination Act of 1974; to the Committee on Interstate and Foreign Commerce.

ADJOURNMENT

Mr. JENRETTE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 15 minutes p.m.), the House adjourned until tomorrow, Friday, May 13, 1977, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1482. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense equipment to Greece (Transmittal No. 77–37), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

1483. A letter from the Chairman, Administrative Conference of the United States, transmitting a draft of proposed legislation to amend the Administrative Conference Act

to authorize appropriations for the fiscal year ending September 30, 1979; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CLAY: Committee on Post Office and Civil Service. H.R. 10. A bill to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes; with amendment (Rept. No. 95–292). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOLEY: Committee on Agriculture. S. 955. An act to amend the Federal Crop Insurance Act (Rept. No. 95–293). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 6161. A bill to amend the Clean Air Act, and for other purposes; with amendment (Rept. No. 95–294). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 2501. A bill to provide for the amendment of the public survey records to eliminate a conflict between the official cadastral survey and a private survey of the so-called Wold Tract within the Medicine Bow National Forest, Wyoming; with amendment (Rept. No. 95–295). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRINGTON: Committee on International Relations. H.R. 6967. A bill to authorize appropriations for the Peace Corps for fiscal year 1978 (Rept. No. 95–296). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 3849. A bill to establish qualifications for individuals appointed to the National Advisory Committee on Oceans and Atmosphere and to authorize appropriations for the committee for fiscal year 1978; with amendment (Rept. No. 95–297). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 5742. A bill to amend the Controlled Substances Act to extend for 3 fiscal years the authorization of appropriations under that act for the expenses of the Department of Justice in carrying out that act (Rept. No. 95–298). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON of California: Committee on Public Works and Transportation. House Resolution 322. Resolution to study the feasibility of installing solar energy equipment in the House office buildings; with amendment (Rept. No. 95–299). Referred to the House Calendar.

Mr. JOHNSON of California: Committee on Public Works and Transportation. H.R. 5885. A bill authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and for other purposes; with amendment (Rept. No. 95–300). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON of California: Committee on Public Works and Transportation. H.R. 6010. A bill to amend title XIII of the Federal Aviation Act of 1958 to expand the types of risks which the Secretary of Transportation may insure or reinsure, and for other purposes; with amendment (Rept. No. 95–301). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON of California: Committee on Public Works and Transportation. H.R. 6197. A bill to amend the Disaster Relief Act of 1974 to provide for authorization of appropriations thereunder through fiscal year 1978; with amendment (Rept. No. 95–302). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON of California: Committee on Public Works and Transportation. H.R. 6401. A bill to authorize appropriations for the administration of the Deepwater Port Act of 1974, with amendment (Rept. No. 95–303 pt. I). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABDNOR (for himself, Mr. BADILLO, Mr. BAUCUS, Mr. CORNWELL, Mr. GOODLING, Mr. JEFFORDS, Mr. KEMP, Mr. MONTGOMERY, Mr. PANETTA, and Mr. SKUBITZ):

H.R. 7127. A bill to amend the Internal Revenue Code of 1954 to deny tax exemption to any otherwise tax-exempt organization which invests in farm real property; to the Committee on Ways and Means.

By Mr. AKAKA:

H.R. 7128. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to authorize programs for the provision of escort services to the elderly in high crime areas, and for other purposes; to the Committee on the Judiciary.

By Mr. ARCHER:

H.R. 7129. A bill to amend the Internal Revenue Code of 1954 to provide a limited exclusion of capital gains realized by taxpayers other than corporations on securities; to the Committee on Ways and Means.

By Mr. ARMSTRONG:

H.R. 7130. A bill to amend the Walsh-Healey Act to permit employment for not in excess of 10 hours in any 1 day or 4 days in any 1 week; to the Committee on Education and Labor.

By Mr. BIAGGI:

H.R. 7131. A bill to amend title XIX of the Social Security Act to provide that an individual who is unable to care for his or her personal needs without assistance shall be eligible as a disabled person (even though employable) for the services of a home health aide under the applicable State plan approved under such title; to the Committee on Interstate and Foreign Commerce.

By Mr. CLAY:

H.R. 7132. A bill to establish an arbitration board to settle disputes between organizations of supervisors and other managerial personnel and the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. DERRICK (for himself, Mr. AUCOIN, Mr. SCHULZE, Mr. LAGOMARSINO, Ms. HOLTZMAN, Mr. KREBS, Mr. DERWINSKI, Mr. HALL, Mr. LAFALCE, Mr. HANNAFORD, Mr. EILBERG, Mr. COHEN, and Mr. BADILLO):

H.R. 7133. A bill to prohibit the appropriation and expenditure of unvouchered funds (except in the case of intelligence agencies) unless specifically authorized by law, and to provide for reports on and audits of authorized expenditures of unvouchered funds; jointly, to the Committees on Government Operations and Rules.

By Mr. FINDLEY (for himself and Mr. MCCLORY):

H.R. 7134. A bill to authorize the construction of a replacement lock and dam for locks and dam 26, Mississippi River, Alton, Ill., and for other purposes; to the Committee on Public Works and Transportation.

By Mr. FLYNT:

H.R. 7135. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GILMAN:

H.R. 7136. A bill to amend the Internal Revenue Code of 1954 to allow certain low- and middle-income individuals a refundable tax credit for a certain portion of the property taxes paid by them on their principal residences or of the rent they pay for their principal residences; to the Committee on Ways and Means.

By Mr. HARSHA:

H.R. 7137. A bill to amend the Internal Revenue Code of 1954 to exempt certain agricultural aircraft from the aircraft use tax, to provide for the refund of the gasoline tax to the agricultural aircraft operator, and for other purposes; to the Committee on Ways and Means.

By Mr. JONES of Oklahoma (for himself and Mr. KETCHUM):

H.R. 7138. A bill to amend the Internal Revenue Code of 1954 to allow a deduction with respect to the extraction of geothermal energy; to the Committee on Ways and Means.

By Mr. KILDEE:

H.R. 7139. A bill to amend title 18 of the United States Code to revise the law relating to electronic eavesdropping, and for other purposes; to the Committee on the Judiciary.

Mr. LEDERER (for himself, Mr. MOAKLEY, Mr. CLAY, Mr. PHILLIP BURTON, Mr. RANGEL, Mr. CHARLES H. WILSON of California, Mr. MICHAEL O. MYERS, Mr. SCHEUER, Mr. EDWARDS of California, Ms. MIKULSKI, Mr. WALKER, Mr. KOSTMAYER, Mr. EILBERG, Mr. PEASE, Mr. FAUNTROY, and Mr. VENTO):

H.R. 7140. A bill to encourage financial institutions to help meet the credit needs of the communities in which they are chartered, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LEDERER (for himself, Mr. BROWN of California, Mr. WALGREN, Mr. RODINO, Mrs. COLLINS of Illinois, Mr. BONIOR, Mr. ZEFERETTI, Mr. GEPHARDT, Mr. NIX, Mr. EDGAR, and Mr. KILDEE):

H.R. 7141. A bill to encourage financial institutions to help meet the credit needs of the communities in which they are chartered, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LEHMAN:

H.R. 7142. A bill to amend title XVIII of the Social Security Act to include, as a home health service, nutritional counseling provided by or under the supervision of a registered dietitian; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. MCHUGH (for himself, Mr. NOWAK, Mr. LAFALCE, Mr. O'BRIEN, Mr. TSONGAS, Mr. DEVINE, Mr. UDALL, Mr. MILFORD, and Mr. PIKE):

H.R. 7143. A bill to establish a program whereby payments in lieu of taxes may be made with respect to certain real property owned by the U.S. Government but leased by departments or agencies thereof to private persons not for public purposes; to the Committee on Government Operations.

By Mr. METCALFE:

H.R. 7144. A bill to provide for a biennial General Accounting Office audit of the housing programs of the Department of Housing and Urban Development to promote more efficient administration of such programs; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MILLER of California (for himself, Mr. BADILLO, Mr. BEARD of Rhode Island Mr. JOHN L. BURTON, Mr. CARR, Mr. CORNELL, Mr. EILBERG, Mr. FRASER, Mr. LEHMAN, Mr. MCHUGH, Ms. MIKULSKI, Mr. MINETA, Mr. MOAKLEY, Mr. NOLAN, Mr. OTTINGER, Mr. PATTERSON of California, Mr. RICHMOND, Mr. ROYBAL, Mr. VENTO, Mr. CHARLES WILSON of Texas, and Mr. ZEFERETTI):

H.R. 7145. A bill to amend title IV of the Social Security Act to provide improved assistance to children and families in need of service to provide greater accountability for children in foster placement, and to promote greater permanency for children, by requiring each State to have a plan specifically covering foster care and adoption services, and for other purposes; to the Committee on Ways and Means.

By Mr. PEPPER:

H.R. 7146. A bill to amend section 709 of ttile 32, United States Code, to provide increased job protection for certain civilian National Guard technicians, and for other purposes; to the Committee on Armed Services.

By Mr. QUIE:

H.R. 7147. A bill to encourage the establishment of wind erosion control and wildlife habitat areas which meet standards prescribed by the Secretary of Agriculture; to the Committee on Ways and Means.

By Mr. RODINO:

H.R. 7148. A bill to provide for the implementation of treaties for the transfer of offenders to or from foreign countries; to the Committee on the Judiciary.

By Mr. ROE:

H.R. 7149. A bill to establish a Department of Senior Citizens Affairs, and for other purposes; to the Committee on Government Operations.

By Mr. SCHULZE:

H.R. 7150. A bill to provide Federal financial assistance to employers, labor organizations, or consortiums thereof, or other groups or individuals, to establish and operate occupational alcoholism programs for the diagnosis and treatment of alcohol abuse and alcoholism in employed persons, including managerial personnel, and their dependents, and for other purposes; to the Committee on Education and Labor.

By Mr. SIMON:

H.R. 7151. A bill to end the authorization of the Helm Reservoir project, Skillet Fork, Ill.; to the Committee on Public Works and Transportation.

By Mr. SYMMS (for himself, Mr. WALSH, Mr. DORNAN, Mr. MONTGOMERY, Mr. ICHORD, Mr. CRANE, Mr. COLLINS of Texas, and Mr. BADHAM):

H.R. 7152. A bill to repeal the Occupational Safety and Health Act of 1970; to the Committee on Education and Labor.

By Mr. VANIK:

H.R. 7153. A bill to amend title IV of the Social Security Act to promote quality control and the reduction of payment errors in the program of aid to families with dependent children; to the Committee on Ways and Means.

By Mr. BEDELL (for himself, Mr. WHALEN, Mr. BAUCUS, Mr. DELLUMS, Mr. EDGAR, Mr. EILBERG, Mr. HUGHES, Mr. KREBS, Mr. NOLAN, Mr. PEASE, and Mr. SIMON):

H.R. 7154. A bill to amend title II of the Social Security Act, and the Internal Revenue Code of 1954, to increase to $30,000 over a 3-year period (subject to further increases based on rises in reported wage levels) the ceiling on the amount of earnings which may be counted for social security benefit and tax purposes; to the Committee on Ways and Means.

By Mr. JEFFORDS (for himself, Mr. PURSELL, Mr. BEARD of Rhode Island, Mr. BONIOR, Mr. GOODLING, and Mr. TRAXLER):

H.R. 7155. A bill to establish a national system to promote the reuse and recycling of beverage containers; to the Committee on Interstate and Foreign Commerce.

By Mr. KEMP:

H.R. 7156. A bill to preserve the academic freedom and the autonomy of institutions of higher education and to condition the authority of officials of the United States to issue rules, regulations, or orders with respect to institutions of higher education; to the Committee on Education and Labor.

By Mr. KEMP (for himself and Mr. D'AMOURS):

H.R. 7157. A bill to incorporate the National Ski Patrol System, Inc.; to the Committee on the Judiciary.

By Mr. MANN (for himself, Mr. BROYHILL, Mr. HOLLAND, Mr. MARTIN, and Mr. NICHOLS):

H.R. 7158. A bill to provide for the payment of losses incurred as a result of the ban on the use of the chemical Tris in apparel, fabric, yarn, or fiber and for other purposes; to the Committee on the Judiciary.

By Mr. MINISH:

H.R. 7159. A bill to amend the Wool Products Labeling Act of 1939 with respect to recycled wool; to the Committee on Interstate and Foreign Commerce.

By Mr. RYAN (for himself, Mr. RINALDO, Mr. WINN, Mr. DOWNEY, Mr. GEPHARDT, Mr. LENT, Mr. DERWINSKI, and Mr. MCDONALD):

H.R. 7160. A bill to amend title XVI of the Social Security Act to provide that an alien may not be paid supplemental security income benefits unless he not only is a permanent resident of the United States but has also continuously resided in the Untied States for at least 1 year; to the Committee on Ways and Means.

By Mr. WHITE:

H.R. 7161. A bill to amend title 10, United States Code to allow nationals, as well as citizens, of the United States to participate in the Junior Reserve Officers' Training Corps program; to the Committee on Armed Services.

By Mr. AKAKA (for himself, and Mr. BRODHEAD):

H.J. Res. 458. Joint resolution providing for the designation of the week beginning October 9, 1977, and ending October 15, 1977, as National Gifted and Talented Children's Week; to the Committee on Post Office and Civil Service.

By Mr. KEMP (for himself, Mr. LEDERER, and Mr. FARY):

H.J. Res. 459. Joint resolution designating the week in each year during which Veterans Day is observed as Love America Week; to the Committee on Post Office and Civil Service.

By Mr. FINDLEY (for himself, Mr. WRIGHT, Mr. ZABLOCKI, Mr. FRASER, Mr. BROOMFIELD, Mr. DIGGS, Mr. DERWINSKI, Mr. NIX, Mr. GILMAN, Mr. YATRON, Mr. HARRINGTON, Mr. RYAN, Mr. SOLARZ, Mrs. MEYNER, Mr. PEASE, Mr. BEILENSON, and Mr. CAVANAUGH):

H.J. Res. 460. Joint resolution relating to the 30th anniversary of the Marshall plan; to the Committee on International Relations.

By Mr. MINETA:

H.J. Res. 461. Joint resolution designating the square dance as the national folk dance of the United States of America; to the Committee on Post Office and Civil Service.

By Ms. OAKAR (for herself, Mr. BARNARD, Mr. APPLEGATE, Mr. ANNUNZIO, Mr. HANNAFORD, Mr. SEIBERLING, and Mr. RONCALIO):

H.J. Res. 462. Joint resolution designating the American rose as the national floral emblem of the United States of America; to the Committee on Post Office and Civil Service.

By Mr. ROSTENKOWSKI (for himself, Mr. BADILLO, Mr. BAUCUS, Mr. BLANCHARD, Mr. COTTER, Mr. DINGELL, Mr. EILBERG, Mr. FARY, Mr. JACOBS, Mr. KOSTMAYER, Mr. LOTT, Mr. MADIGAN, Ms. MIKULSKI, Mr. MIKVA, Mr. MURPHY of Pennsylvania, Mr. NEDZI, Mr. NIX, Mr. OTTINGER, Mr. SIMON, and Mr. WAXMAN):

H.J. Res. 463. Joint resolution relating to the publication of economic and social statistics for Americans of Balto-Slavic origin or descent; jointly to the Committees; on Education and Labor, and Post Office and Civil Service.

By Mr. GLICKMAN:

H. Con. Res. 220. Concurrent resolution requiring the elimination through attrition of operators for automated elevators in the Capitol and its associated buildings; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

142. The SPEAKER presented a memorial of the Legislature of the State of Utah, relative to telephone competition and interconnection; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KETCHUM:

H.R. 7162. A bill for the relief of Stephanie Johnson; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 5959

By Mr. HANNAFORD:

Strike out all after the enacting clause and insert in lieu thereof the following:

That the Renegotiation Act of 1951 (50 App. U.S.C. 1211 *et seq.*) is amended by adding at the end thereof the following new section:

Sec. 205. (a) The provisions of this Act and any recommendations of the President submitted to the Congress pursuant to subsection (b) shall be in effect only when—

(1) the President determines, during a period of national emergency, that having such provisions in effect would be in the best

interest of the United States, and

(2) neither House of the Congress, within sixty days after the date on which the President submits such determination to the Congress in accordance with subsection (b), passes a resolution disapproving of such determination.

(b) Upon making a determination under subsection (a), the President shall—

(1) inform the Congress of such determination, and

(2) recommend to the Congress any amendments to this Act which he determines are necessary during such period of national emergency.

H.R. 6810

By Mr. CORRADA:

Page 26, line 1, strike out "(a)".

Page 26, line 12, strike the comma and insert in lieu thereof a period and a close quotation mark.

Page 26, strike line 13 and everything that follows through page 27, line 18.

At the end of bill, add a new section:

SEC. 8. The Public Works Employment Act of 1976 (42 U.S.C. 6735) is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR PUERTO RICO, GUAM AND THE VIRGIN ISLANDS

"SEC. 216. (a) IN GENERAL.—There is hereby authorized to be appropriated for each of the five succeeding calendar quarters (beginning with the calendar quarter which begins on July 1, 1977) for the purpose of making payments under this title to Puerto Rico, Guam, American Samoa, and the Virgin Islands, an amount equal to 1 percent of the amount authorized for each such quarter under section 202(b).

"(b) ALLOCATIONS.—

"(1) The Secretary shall allocate from the amount authorized under subsection (a) an amount for the purpose of making payments to such governments equal to the total authorized for the calendar quarter multiplied by the applicable territorial percentage.

"(2) For the purposes of this subsection, the applicable territorial percentage is equal to the quotient resulting from the division of the territorial population by the sum of the territorial population for all territories.

"(3) For purposes of this section—

"(A) the term "territory" means Puerto Rico, Guam, American Samoa and the Virgin Islands.

"(B) the term "territorial population" means the most recent population for each territory as determined by the Bureau of Census.

"(b) the provisions of sections 203(c)(4), 204, 205, 206, 207, 208, 209, 210, 211, 212 and 213 shall apply to the funds authorized under this section.

"(c) PAYMENTS TO LOCAL GOVERNMENTS.—The governments of the territories are authorized to make payments to local governments within their jurisdiction from sums received under this section as they deem appropriate."

SENATE—*Thursday, May 12, 1977*

(Legislative day of Monday, May 9, 1977)

The Senate met at 4 p.m., on the expiration of the recess, and was called to order by Hon. EDWARD ZORINSKY, a Senator from the State of Nebraska.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal God, unto whom in all ages men have lifted up their hearts in prayer, deliver us now from the tumult of the world without, from the drive of daily duties, from slavery to desk pads and appointment calendars, and from the confusion of many voices that we may hear again Thy still small voice, clear and reassuring. Keep us from coldness of heart and indolence of spirit that we may worship while we work and ever seek beauty, goodness, and truth. Brace us for new tasks, equip us for new duties, strengthen us for every fresh adventure and sustain us by Thy grace until evening comes and our work is done. Then in Thy mercy give us a peaceful rest in the knowledge of work well done.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 12, 1977.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. EDWARD ZORINSKY, a Senator from the State of Nebraska, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ZORINSKY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of yesterday, Wednesday, May 11, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

UNANIMOUS CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are two measures on the General Orders Calendar which, according to my marked calendar, are ready for passage by unanimous consent. They are Calendar Order No. 99 and Calendar Order No. 110. If the distinguished minority leader's calendar shows the same, I would ask the clerk to transfer those measures to the Unanimous Consent Calendar.

Mr. BAKER. Mr. President, if the Senator will yield, they are clear on our side, and are approved for that purpose.

The ACTING PRESIDENT pro tempore. They will be so transferred.

Mr. ROBERT C. BYRD. Mr. President, there is one measure on the Unanimous Consent Calendar that was placed there yesterday, and was therefore eligible for passage yesterday. It now being 4 o'clock in the afternoon, I should think that sufficient time would have transpired for any Senator to have noted that measure on the Unanimous Consent Calendar, and so notified the leadership if he wished to have the matter held. Therefore, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 109 on the Unanimous Consent Calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EARTHQUAKE HAZARDS REDUCTION ACT

The Senate proceeded to consider the bill (S. 126) to reduce the hazards of earthquakes, and for other purposes, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Earthquake Hazards Reduction Act".

SEC. 2. FINDINGS.

The Congress finds and declares the following:

(1) All 50 States are vulnerable to the hazards of earthquakes, and at least 39 of them are subject to major or moderate seismic risk, including Alaska, California, Hawaii, Illinois, Massachusetts, Missouri, Montana, Nevada, New Jersey, New York, South Carolina, Utah, and Washington. A large portion of the population of the United States lives in areas vulnerable to earthquake hazards.

(2) Earthquakes have caused, and can cause in the future, enormous loss of life, injury, destruction of property, and economic and social disruption. With respect to future earthquakes, such loss, destruction, and disruption can be substantially reduced through the development and implementation of earthquake hazards reduction measures, including (A) improved design and construction methods and practices, (B) land-use controls and redevelopment, (C) prediction techniques and early-warning systems, (D) coordinated emergency preparedness plans, and (E) public education and involvement programs.

(3) An expertly staffed and adequately financed earthquake hazards reduction program, based on Federal, State, local, and private research, planning, decisionmaking, and contributions would reduce the risk of such loss, destruction, and disruption in seismic areas by an amount far greater than the cost of such program.

(4) A well-funded seismological research program in earthquake prediction could provide data adequate for the design, of an operational system that could predict accurately the time, place, magnitude, and physical effects of earthquakes in selected areas of the United States.

(5) An operational earthquake prediction system can produce significant social, economic, legal, and political consequences.

(6) There is a scientific basis for hypothesizing that major earthquakes may be moderated, in at least some seismic areas, by application of the findings of earthquake control and seismological research.

(7) The implementation of earthquake hazards reduction measures would, as an added benefit, also reduce the risk of loss,

destruction, and disruption from other natural hazards and manmade hazards, including hurricanes, tornadoes, accidents, explosions, landslides, building and structural cave-ins, and fires.

(8) Reduction of loss, destruction, and disruption from earthquakes will depend on the actions of individuals and organizations in the private sector and governmental units at Federal, State, and local levels. The current capability to transfer knowledge and information to these sectors is insufficient. Improved mechanisms are needed to translate existing information and research findings into reasonable and usable specifications, criteria, and practices so that individuals, organizations, and governmental units may make informed decisions and take appropriate actions.

(9) Severe earthquakes are a worldwide problem. Since damaging earthquakes occur infrequently in any one nation, international cooperation is desirable for mutual learning from limited experiences.

SEC. 3. PURPOSE.

It is the purpose of the Congress in this Act to reduce the risks of life and property from future earthquakes in the United States through the establishment and maintenance of an effective earthquake hazards reduction program.

SEC. 4. DEFINITIONS.

As used in this Act, unless the context otherwise requires:

(1) The term "includes" and variants thereof should be read as if the phrase "but is not limited to" were also set forth.

(2) The term "program" means the earthquake hazards reduction program established under section 5.

(3) The term "seismic" and variants thereof mean having to do with, or caused by, earthquakes.

(4) The term "State" means each of the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Mariana Islands, and any other territory or possession of the United States.

(5) The term "United States" means, when used in a geographical sense, all of the States.

SEC. 5. NATIONAL EARTHQUAKE HAZARDS REDUCTION PROGRAM.

(a) ESTABLISHED.—The President shall establish and maintain, in accordance with the provisions and policy of this Act, a coordinated earthquake hazards reduction program, which shall—

(1) be designed and administered to achieve the objectives set forth in subsection (c);

(2) involve, where appropriate, each of the agencies listed in subsection (d); and

(3) include each of the elements described in subsection (e), the implementation plan described in subsection (f), and the assistance to the States specified in subsection (g).

(b) DUTIES.—The President shall—

(1) within 30 days after the date of enactment of this Act, designate the Federal department, agency, or entity responsible for the development of the implementation plan described in subsection (f);

(2) within 210 days after such date of enactment, submit to the appropriate authorizing committees of the Congress the implementation plan described in subsection (f); and

(3) by rule, within 300 days after such date of enactment—

(A) designate the Federal department, agency, or interagency group which shall have primary responsibility for the development and implementation of the earthquake hazards reduction program;

(B) assign and specify the role and responsibility of each appropriate Federal department, agency and entity with respect to each object and element of the program;

(C) establish goals, priorities, and target dates for implementation of the program;

(D) provide a method for cooperation and coordination with, and assistance (to the extent of available resources) to, interested governmental entities in all States, particularly those containing areas of high or moderate seismic risk; and

(E) provide for qualified staffing for the program and its components.

(c) OBJECTIVES.—The objectives of the earthquake hazards reduction program shall include—

(1) the development of technologically and economically feasible design and construction methods and procedures to make new and existing structures, in areas of seismic risk, earthquake resistant, giving priority to the development of such methods and procedures for dams, hospitals, schools, public utilities, public safety structures, high occupancy buildings, and other structures which are especially needed in time of disaster;

(2) the implementation in all areas of high or moderate seismic risk, a system (including personnel, technology, and procedures) for predicting damaging earthquakes and for identifying, evaluating, and accurately characterizing seismic hazards;

(3) the development, publication, and promotion, in conjunction with State and local officials and professional organizations, of model codes and other means to coordinate information about seismic risk with land-use policy decisions and building activity;

(4) the development, in areas of seismic risk, of improved understanding of, and capability with respect to, earthquake-related issues, including methods of controlling the risks from earthquakes, planning to prevent such risks, disseminating warnings of earthquakes, organizing emergency services, and planning for reconstruction and redevelopment after an earthquake;

(5) the education of the public, including State and local officials, as to earthquake phenomena, the identification of locations and structures which are especially susceptible to earthquake damage, ways to reduce the adverse consequences of an earthquake, and related matters;

(6) the development of research on—

(A) ways to increase the use of existing scientific and engineering knowledge to mitigate earthquake hazards;

(B) the social, economic, legal, and political consequences of earthquake prediction; and

(C) ways to assure the availability of earthquake insurance or some functional substitute; and

(7) the development of basic and applied research leading to a better understanding of the control or alteration of seismic phenomena.

(d) PARTICIPATION.—In assigning the role and responsibility of Federal departments, agencies, and entities under subsection (b)(3)(B), the President shall, where appropriate, include the United States Geological Survey, the National Science Foundation, the Department of Defense, the Department of Housing and Urban Development, the National Aeronautics and Space Administration, the National Oceanic and Atmospheric Administration, the National Bureau of Standards, the Energy Research and Development Administration, the Nuclear Regulatory Commission, and the National Fire Prevention and Control Administration.

(e) RESEARCH ELEMENTS.—The research elements of the program shall include—

(1) research into the basic causes and mechanisms of earthquakes;

(2) development of methods to predict the time, place, and magnitude of future earthquakes;

(3) development of an understanding of the circumstances in which earthquakes might be artificially induced by the injection of fluids in deep wells, by the impoundment of reservoirs, or by other means;

(4) evaluation of methods that may lead to the development of a capability to modify or control earthquakes in certain regions;

(5) development of information and guidelines for zoning land in light of seismic risk in all parts of the United States and preparation of seismic risk analyses useful for emergency planning and community preparedness;

(6) development of techniques for the delineation and evaluation of the potential effects of earthquakes, and their application on a regional basis;

(7) development of methods for planning, design, construction, rehabilitation, and utilization of manmade works so as to effectively resist the hazards imposed by earthquakes; and

(8) exploration of possible social and economic adjustments that could be made to reduce earthquake vulnerability and to exploit effectively existing and developing earthquake mitigation techniques.

(f) IMPLEMENTATION PLAN.—The President shall develop, through the Federal agency, department, or entity designated under subsection (b)(1) an implementation plan which shall set year-by-year targets through at least 1980, and shall specify the roles for Federal agencies, and recommended appropriate roles for State and local units of government, individuals, and private oragnizations, in carrying out the implementation plan. The plan shall provide for—

(1) the development of measures to be taken with respect to preparing for earthquakes, evaluation of prediction techniques and actual predictions of earthquakes, warning the residents of an area that an earthquake may occur, and ensuring that a comprehensive response is made to the occurrence of an earthquake;

(2) the development of ways for State, county, local, and regional governmental units to use existing and developing knowledge about the regional and local variations of seismic risk in making their land use decisions;

(3) the development and promulgation of specifications, building standards, design criteria, and construction practices to achieve appropriate earthquake resistance for new and existing structures;

(4) An examination of alternative provisions and requirements for reducing earthquake hazards through Federal and federally financed construction, loans, loan guarantees, and licenses;

(5) the determination of the appropriate role for insurance, loan programs, and public and private relief efforts in moderating the impact of earthquakes; and

(6) dissemination, on a timely basis, of—

(A) instrument-derived data of interest to other researchers;

(B) design and analysis data and procedures of interest to the design professions and to the construction industry; and

(C) other information and knowledge of interest to the public to reduce vulnerability to earthquake hazards.

When the implementation plan developed by the President under this section contemplates or proposes specific action to be taken by any Federal agency, department, or entity, and, at the end of the 30-day period beginning on the date the President submits such plan to the appropriate authorizing committees of the Congress any such action has not been initiated, the President shall file with such committees a report explaining, in detail, the reasons why such action has not been initiated.

(g) STATE ASSISTANCE.—In making assistance available to the States under the Disaster Relief Act of 1974 (42 U.S.C. 5121 et seq.), the President may make such assistance available to further the purposes of this Act, including making available to the States

the results of research and other activities conducted under this Act.

(h) PARTICIPATION.—In carrying out the provisions of this section, the President shall provide an opportunity for participation by the appropriate representatives of State and local governments, and by the public, including representatives of business and industry, the design professions, and the research community, in the formulation and implementation of the program.

SEC. 6. ANNUAL REPORT.

The President shall, within ninety days after the end of each fiscal year, submit an annual report to the appropriate authorizing committees in the Congress describing the status of the program, and describing and evaluating progress achieved during the preceding fiscal year in reducing the risks of earthquake hazards. Each such report shall include any recommendations for legislative and other action the President deems necessary and appropriate.

SEC. 7. AUTHORIZATIONS FOR APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out the program (in addition to the authorizations set forth in subsections (b) and (c)), such sums as may be necessary for the fiscal years ending September 30, 1978; September 30, 1979; and September 30, 1980.

(b) GEOLOGICAL SURVEY.—There are authorized to be appropriated to the Secretary of the Interior for purposes for carrying out, through the Director of the United States Geological Survey, the responsibilities that may be assigned to the Director under this Act not to exceed $27,500,000 for the fiscal year ending September 30, 1978; not to exceed $35,000,000 for the fiscal year ending September 30, 1979; and not to exceed $40,000,000 for the fiscal year ending September 30, 1980.

(c) NATIONAL SCIENCE FOUNDATION.—To enable the Foundation to carry out responsibilities that may be assigned to it under this Act, there are authorized to be appropriated to the Foundation not to exceed $27,500,000 for the fiscal year ending September 30, 1978; not to exceed $35,000,000 for the fiscal year ending September 30, 1979; and not to exceed $40,000,000 for the fiscal year ending September 30, 1980.

Mr. CRANSTON. Mr. President, I urge immediate and favorable consideration of S. 126, the Earthquake Hazards Reduction Act.

This bill is similar to S. 1174 which passed the Senate unanimously last year. It differs in two respects. First, the authorization levels are slightly higher than those passed last year reflecting information developed in the meantime by the former Presidential Science Advisor, Dr. H. Guyford Stever. This report, issued in September 1976, recommended substantial increases in funding for the Federal earthquake effort. S. 126 represents the intermediate level recommended in the Stever report: $55 million in fiscal 1978, $70 million in fiscal 1979, and $80 million in fiscal 1980. These funds would be evenly divided between the two principal agencies, the National Science Foundation and the U.S. Geological Survey. The bill also authorizes "such sums as may be necessary," for the other Federal agencies involved in earthquake-related activities.

Second, the bill as reported by the Committee on Commerce, Science, and Transportation includes a provision requested by the administration for the timely development of an "implementation plan." This implementation plan would address the need to apply existing information and new research findings to the decisionmaking process at the Federal, State and local levels. The bill directs that the plan itself be prepared and submitted to the Congress within 6 months of enactment and that it establish year-by-year targets at least through 1985.

Overall, the bill before the Senate today presents a balanced and effective program for the reduction of hazards associated with earthquakes. I am delighted that it enjoyed broad bipartisan support in the Senate.

The threat of future destructive earthquakes is truly a national problem. Certainly, the Pacific Coast States—principally Alaska and California—are especially vulnerable to earthquakes and related disasters. Yet nearly every State in the Nation faces some degree of risk from future earthquakes, and some 70 million people live in the 39 States that are wholly or partly in areas facing a risk of moderate to major damage from future earthquakes. Earthquakes have occurred in our history all over the United States, with major earthquakes in Charleston, S.C., 1886; New Madrid, Mo., 1811–12; Cape Ann, Mass., 1755; Seattle, Wash., 1949; and Hebgen Lake, Mont., 1959; and the terrible Good Friday earthquake in Alaska, 1964.

Also, we must remember that despite a considerable seismic history, the United States has been extraordinarily lucky. Less than 1,200 people have lost their lives in U.S. earthquakes. Throughout history, somewhere in the neighborhood of 74 million people have died in earthquakes. Just last year—a year of extraordinary earthquake destruction worldwide—more than 700,000 people lost their lives, mostly in the July 1976 earthquake which struck a heavily industrialized area of mainland China.

Indeed, the United States today faces the greatest potential danger from earthquakes that we have ever faced before. It is only in the last decade or so that our population has become concentrated in major cities and along our coastal regions, and major construction has occurred on landfill and other unstable soils. Thus, it is only very recently that the potential for great earthquake destruction in this country has existed. Indeed, if the San Andreas Fault were to give us an encore of the 1906 San Francisco earthquake, the deaths could number in the tens of thousands and the property damage could exceed $20 billion. On top of this, we must consider the incalculable losses resulting from the loss of economic and social functioning. Such an earthquake would have enormous repercussions on our national economy and our national psyche.

Recently, many of us have grown concerned about the existence of the so-called "Palmdale bulge"—a substantial land uplift straddling some 100 miles along the southern section of the San Andreas Fault just north of Los Angeles.

If this uplift is a signal that a major earthquake will occur in the near future—as some experts believe—then the legislation before the Senate becomes all the more urgent. Estimates of the potential damage in the Los Angeles area go as high as $25 billion in destroyed property and as many as 12,000 lives lost. Such a catastrophe would certainly have national economic repercussions.

Even if the uplift does not culminate in a destructive earthquake in the near future, it is still in the public interest to establish a well-funded earthquake program so that we can be better prepared for the earthquakes that are inevitably in our future. We know that major destructive earthquakes have struck the United States before—and not just in California—and it is, therefore, logical to assume they will occur again. A major earthquake could strike tomorrow, next year, or 30 years from now. It is irresponsible, in the face of new advances in the sciences of earthquakes and engineering, not to take preventive action now.

Mr. President, I want to commend the members and staff of the Commerce Committee for the expeditious handling of this important legislation. I urge the Senate to approve it.

Mr. STEVENSON. Mr. President, the Subcommittee on Science, Technology and Space of the Committee on Commerce, Science, and Transportation held hearings on this legislation. S. 126 is similar to S. 1174 which was passed by the Senate unanimously last year. The purpose of this legislation is to reduce the risks to life and property from earthquakes.

1976 was one of the most devastating years in terms of damage caused by earthquakes. Damaging earthquakes occurred in Guatemala, Italy, Russia, Indonesia, China, the Philippines, and more recently, in Romania. The Chinese earthquake on July 28, 1976, in Tangshan, was estimated to have caused the loss of approximately 650,000 lives.

The United States has been fortunate compared to these countries, but it is almost a certainty that in the future we will experience a damaging earthquake. At least 39 States are subject to a major or moderate seismic risk. The result of a large earthquake, for example in California, could result in thousands of lives lost, billions of dollars in damage, job losses and destruction of cities.

In hearings on S. 126 this year, both administration and public witnesses testified strongly in favor of this legislation. The President's science adviser, Dr. Frank Press, a world leader in this area, supported the bill with modification made in committee. The committee received a report from the General Accounting Office that was particularly helpful in highlighting the need for a national earthquake program which would identify agency responsibilities, goals, priorities, and target dates for both a research and implementation program.

The bill reported by the committee has three changes from S. 1174, passed by the Senate last year. No national advisory committee is established under the act. Administration witnesses indicated that until they develop an implementation plan and decide how best to organize the various agencies involved with the earthquake issue, the establishment of an advisory committee would be premature.

The second change involves the establishment of an implementation plan. Under this bill the President is required within 6 months to develop an implementation plan. The implementation plan would recommend ways to: improve community preparedness for earthquakes, develop better means to use existing and developing knowledge on seismic risks at the State, county, local, and regional government level, utilize more effectively building standards, design criteria and construction practices, examine various provisions such as construction loans, loan guarantees and licenses to reduce earthquake hazards, determine the role of earthquake insurance and private relief efforts, and disseminate information to the public, researchers and professionals. This plan also would be the basis of reorganization in the executive branch to better deal with earthquake hazards.

The final difference in the bill pertains to the authorization levels provided. As a result of an effort conducted for the President's science adviser, a panel on earthquake prediction and hazard mitigation, chaired by Prof. Nathan M. Newmark of the University of Illinois, submitted a report suggesting funding levels for an expanded earthquake hazard reduction program. The recommendations included options for low, intermediate, and high funding. S. 126 parallels the report's intermediate funding level proposal.

The goals of S. 126 reflect a balanced strategy in dealing with earthquake-related hazards. For example, the prospect of an earthquake prediction capability in the future, perhaps within a decade, is promising. Yet, we should not depend entirely on that possibility. It has been pointed out that we can predict accurately where floods occur, but people still live in flood plains and human and economic losses occur yearly. The capability of humans and their institutions to deal with knowledge is imperfect. It is quite likely that an earthquake prediction capability will produce economic, social, legal, and political consequences. We need to emphasize research on those lines as well. S. 126 is balanced in its emphasis of other necessary measures in addition to earthquake prediction. These measures would include improved engineering and construction, seismic risk analyses for land use decisions, and community preparedness.

Mr. President, I urge my colleagues to support S. 126. I believe it to be a necessary and important piece of legislation. I look forward to working with Senator CRANSTON and others in the Senate as well as in the House in enacting legislation this year. I particularly note the efforts of Senator CRANSTON over a number of years in focusing the attention of the Congress in this important area.

Mr. President, back unanimous consent that a copy of the digest of S. 126 be printed in the RECORD.

There being no objection, the digest was ordered to be printed in the RECORD, as follows:

DIGEST OF S. 126, THE EARTHQUAKE HAZARDS REDUCTION ACT

A. PURPOSE

The purpose of S. 126 is to reduce the risks to the life and property from future earthquakes in the United States through the establishment of a National Earthquake Hazards Reduction Program. $55 million are authorized for FY 78, $70 million for FY 79, and $80 million for FY 80 for specific activities, and such sums as may be necessary for certain general activities.

B. PROVISIONS

S. 126 is divided into six sections as follows:

Section 2 finds that 39 states are wholly or partly areas of high or moderate seismic risks; loss of life or property due to earthquake can be substantially reduced through various measures; an earthquake hazards reduction program that includes certain measures would reduce losses of life and property by an amount far greater than the cost; a research program in earthquake prediction would provide the capability to predict accurately the time, place, magnitude, and physical effects of earthquakes; an earthquake prediction capability can produce unanticipated consequences; earthquake risks possibly can be moderated by earthquake control measures; and severe earthquakes are a world-wide problem.

Section 3 states the purpose of the Act.

Section 4 sets forth definitions of terms.

Section 5 establishes a National Earthquake Hazards Reduction Program. Subsection (a) provides for the establishment and administration of the Program.

Subsection (b) sets forth certain duties for the President in implementing the policy and program under the Act.

Subsection (c) sets forth the objectives of the Program. These include:

1. Develop technologically feasible design and construction methods to make new and existing structures earthquake resistant;

2. Implement a system to predict damaging earthquakes in the areas of high or moderate risk;

3. Develop model codes to coordinate information about seismic risks with land use decisions;

4. Develop a better understanding of earthquake related issues;

5. Educate the public concerning earthquake hazard reduction measures;

6. Undertake research that will lead to a better understanding of ways to use existing knowledge to mitigate earthquake hazards, the social, economic, legal, and political consequences of earthquake prediction, and ways to assure the availability of earthquake insurance; and

7. Improve the understanding of earthquake control;

Subsection (d) specifies those agencies which will be involved in the Program. The two main agencies include the U.S. Geological Survey and the National Science Foundation.

Subsection (e) sets forth the research elements of the Program. Research includes fundamental earthquake studies, earthquake prediction, induced seismicity, earthquake control, land use information, hazards assessment, earthquake engineering, and research for utilization.

Subsection (f) specifies that the President shall prepare an implementation plan with year-by-year targets through 1985. The implementation plan will suggest measures to use effectively existing and new information in decision making, to improve the federal organization, and facilitate state and local government decisionmaking. It also will develop means to involve the public and private sector. Six months are provided for the development of the plan, and it goes into effect 30 days after review by the authorizing committees.

Subsection (g) provides an assistance program to aid the states in implementing the Disaster Relief Act of 1974.

Subsection (h) requires the President to provide an opportunity for participation in the program by appropriate representatives of state and local governments, by the public, by the business community, by the design professions, and the research community.

Section 6 requires the President to submit an annual report to the authorizing committees of the Congress on progress achieved in reducing the risk of earthquake hazards.

Section 7 authorizes appropriations of $55 million, $70 million, and $80 million, for FY 1978, FY 1979, and FY 1980 for specific activities conducted by the U.S. Geological Survey and the National Science Foundation. Such sums as may be necessary, are also authorized for general activities under the Act.

Mr. MAGNUSON. Mr. President, the Committee on Commerce, Science and Transportation has reported out earthquake legislation again this year. S. 126, the Earthquake Hazards Reduction Act, is very similar to S. 1174, which was passed unanimously by the Senate last year. S. 126 represents yet further improvements made to the legislation.

I am in strong support of this legislation, and urge my colleagues to vote in favor of S. 126. It goes without saying that earthquakes are an international and U.S. problem. The damage from earthquakes world-wide last year was major, particularly in China. In the United States last year we were fortunate, yet one cannot expect that the future will be as benign.

In my own State of Washington we have experienced a number of earthquakes. The 1949 and 1965 earthquakes were particularly damaging. The State's entire population resides in areas considered by scientists to be areas of major and moderate seismic risk. The U.S. Geological Survey has estimated the potential damage resulting from an earthquake in the Puget Sound region. Their estimates suggest that an earthquake of 7.5 magnitude on the Richter Scale is a reasonable maximum value for Puget Sound. Should such an earthquake occur, and be centered either where the 1949 or 1965 earthquakes occurred, hundreds of deaths and thousands of injuries could occur. Economic losses in the millions of dollars might result.

I am hopeful that as a result of the program required under S. 126 my State as well as all other States residing over areas of major or moderate seismic risk will be able to prepare more adequately for the potential of damaging earthquakes. Within the next 10 years, scientists indicate there may be a possibility to predict earthquakes. If we could predict an earthquake so that individuals could be warned shortly before the event, this would have great potential for saving human lives and injuries. On the other hand, we need to also make sure that a prediction capability does not result in major economic, legal and social problems.

In addition to earthquake prediction, S. 126 would help develop information on the seismic risk of particular geographical regions. Information on seismic risk could help to decide where to locate vulnerable structures such as dams, hospitals, and schools. It also will be important to build new structures and retrofit existing ones, to make them more earthquake resistant.

I urge my colleagues to support this bill.

Mr. HOLLINGS. Mr. President, again

I rise in support of a much needed piece of legislation to reduce the hazards from future damaging earthquakes. The United States needs to move forward promptly to establish a comprehensive national earthquake research and implementation program. The purpose of S. 126 is to reduce the enormous risks to human life and property from future damaging earthquakes in the United States. I urge my colleagues to support S. 126.

The high incidence of major, damaging earthquakes worldwide over the past year is a vivid reminder of the need to act promptly. Last year was the worst year in lost lives in more than four centuries, with greater than 700,000 deaths. It is only a matter of time before the United States experiences another damaging earthquake. Economic and human losses are a distinct reality we must face.

Over the past several years since I have been involved with earthquake legislation, one thing I learned is that the risks from earthquakes are not just a local problem, occurring in such States as California and Alaska. Although the west coast experiences earthquakes more frequently, the east coast and Midwest are not immune from damaging earthquakes. For example, in my State of South Carolina we have an earthquake history. In 1886 we experienced a major earthquake in the Charleston area. The estimated damage from that earthquake some 90 years ago was $23,000,000. Few buildings in that city escaped damage, and many were totally destroyed.

I would like to share a personal experience with my colleagues. Last year I visited the People's Republic of China. While in Peking last November, we felt an earthquake firsthand. This was not the magnitude of earthquake that occurred in Tang-shan that killed 650,000 people. Nevertheless, we were evacuated from the hotel. It is interesting to compare how the Chinese people deal with earthquakes, and how their efforts appear to be much greater than what we are doing in the United States. My understanding is that more than 10,000 professionals and 100,000 amateur workers are involved in their earthquake monitoring and detection program.

It is high time to move forward with a U.S. program. S. 126 is the culmination of efforts starting in the 92d Congress. The bill would provide for research to develop an earthquake prediction capability and to learn how to deal socially and politically with earthquake prediction. S. 126 would provide information to help build buildings better, would provide individuals with information as to where active faults are—for example, this information could help us in the siting of nuclear powerplants, and would provide a public information and education activity to increase community preparedness. The President is held accountable for the entire program since it will involve numerous agencies.

I would like to note and commend the leadership exerted by Senator CRANSTON over the years in behalf of this legislation. His efforts have helped in a critical way to produce this important legislation. The administration is supporting this legislation this year, and I look forward to working with them.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–130), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the Earthquake Hazards Reduction Act is to reduce the risks to life and property from future earthquakes in the United States. Future earthquakes can cause enormous loss of life, injury, destruction of property, and economic and social disruption. Such loss and disruption could be substantially reduced by a national earthquake hazards reduction program.

BRIEF DESCRIPTION

The bill would establish a national earthquake hazards reduction program, under the direction of the President, to minimize the loss and disruption resulting from future earthquakes. Future earthquakes in the United States are likely to be more destructive than past ones because of population growth and concentration. The program has several objectives: the development of technologically and economically feasible design and construction methods to make new and existing structures earthquake resistant; the implementation of a system to predict earthquakes in areas of high or moderate seismic risk; the development of model codes and other means to make information about seismic risk available for consideration in land-use and building decisions; the improvement of the understanding of earthquake related issues; the education of the public concerning earthquake hazard reduction measures; the development of research leading to better ways to use existing scientific and engineering knowledge, better understanding of the social, economic, legal, and political consequences of earthquake prediction, and development of ways to assure the availability of earthquake insurance or some functional substitute; and the development of an improved understanding of earthquake control or alteration.

The President will be responsible for the program and for maintaining an effective multiorganizational response necessary to meet the objectives of the act. The program calls for cooperation among a number of Federal agencies, including the U.S. Geological Survey and the National Science Foundation. The President would be required to report to the Congress annually on progress achieved in the program.

The program would include four general elements: a research element, an implementation plan, provision of State assistance, and an opportunity for participation. The research part of the program deals with fundamental earthquake studies, earthquake prediction, induced seismicity, earthquake control, seismic risk analysis for land-use consideration, hazards assessment, earthquake engineering, and research to explore possible social and economic adjustments to reduce earthquake vulnerability.

The implementation plan addresses the need to apply existing information and new research findings to decisionmaking at the Federal, State, and local level. An implementation plan will be prepared within 6 months which shall set year-by-year targets through at least 1985, specify roles for Federal agencies and recommend appropriate roles for State and local units of government, individuals, and private organizations. The plan will address what measures can be taken to prepare better for earthquakes, how existing and developing knowledge of seismic risk can be taken into account, how building and construction practices for new and existing structures can take into account seismic risks, how earthquake hazards can be reduced through loans, loan guarantees and licenses, how insurance can be used, and how improved dissemination of information and knowledge of interest to the public can be made more effective.

The State assistance part of the program allows for assistance to be made available to the States under the Disaster Relief Act of 1974. The participation part of the program provides that the President shall provide an opportunity for participation to wide sectors of the population in the formulation and implementation of the national earthquake hazards reduction program.

This bill contains authorizations for appriations totaling $55 million, $70 million, and $80 million over a 3-year period for the U.S. Geological Survey and National Science Foundation to undertake specific activities. In addition, there are authorized to be appropriated such sums as may be necessary for other agencies involved with the program.

BACKGROUND

Earthquakes can devastate cities, with heavy loss of life and infliction of injury. These earthquakes occur with alarming regularity. 1976 was one of the most devastating years in terms of damage caused by earthquakes—the worst year in more than 400 years in terms of lives lost and damage caused. Damaging earthquakes occurred in Guatemala, Italy, Russia, Indonesia, China, and the Philippines. In 1977, a damaging earthquake struck Rumania and Iran. The Chinese earthquake centered in Tang-shan, July 28, 1976, was estimated to have caused the loss of approximately 650,000 lives. 1976 was, however, not a year of more than average number of earthquakes. The long-term average of earthquake frequency suggests that 18 earthquakes of magnitude 7 or larger occur each year. Last year's number approached this. The high casualty figures that resulted thus can be attributed to the centering of these earthquakes in areas of major population, rather than to a higher number of earthquakes occurring.

Major earthquakes have shaken the United States many times. The popular conception that earthquakes in the United States occur predominantly on the west coast is not completely accurate. Major earthquakes in the United States include: the 1971 San Fernando, Calif., earthquake; the 1964 "Good Friday" earthquake in Alaska; the 1959 earthquake which struck Hebgen Lake, Mont.; the 1949 and 1965 earthquakes which hit near Seattle, Wash.; the 1906 earthquake and fire which destroyed San Francisco, Calif.; the 1886 earthquake which rocked Charleston, S.C.; the 1857 Fort Tejon, Calif., earthquake; a series of earthquakes which struck New Madrid, Mo., in the winter of 1811–12; and the 1755 earthquake which struck Cape Ann, Mass Less destructive earthquakes dating back to the 16th and 17th centuries have struck these and other areas of the United States with greater frequency. Compared to other seismically vulnerable regions such as Japan, China, the Middle East, and India, the history of destructive earthquakes in the United States is quite brief.

The United States has been extraordinarily lucky to date. The growth of population and the development of large cities in the United States are such recent phenomena that only within the last 100 years has the potential for great earthquake destruction in the country existed. The United States has experienced several "great" earthquakes which resulted in 1,600 deaths and associated property damage estimated at more than $1.8 billion (see tables 1 and 2).

TABLE 1.—*Lives in Major U.S. Earthquakes, 1811–1975**

Year and locality:	*Lives lost*
1811—New Madrid, Mo	Several
1812—New Madrid, Mo	Several
1812—San Juan Capistrano, Calif	40
1868—Hayward, Calif	30
1872—Owens Valley, Calif	27
1886—Charleston, S.C	60

TABLE 1.—*Lives in Major U.S. Earthquakes, 1811–1975 *—Continued*

Year and locality:	Lives lost
1899—San Jacinto, Calif.	6
1906—San Francisco, Calif.	700
1915—Imperial Valley, Calif.	6
1918—Puerto Rico (tsunami from earthquake in Mona Passage)	116
1925—Santa Barbara, Calif.	13
1926—Santa Barbara, Calif.	1
1932—Humboldt County, Calif.	1
1933—Long Beach, Calif.	115
1934—Kosmo, Utah	2
1935—Helena, Mont.	4
1946—Hawaii (tsunami from earthquake in Aleutians)	173
1940—Imperial Valley, Calif.	9
1949—Puget Sound, Wash.	8
1952—Kern County, Calif.	14
1954—Eureka-Arcata, Calif.	1
1955—Oakland, Calif.	1
1958—Khantaak Island and Lituya Bay, Alaska	5
1959—Hebgen Lake, Mont.	28
1960—Hilo, Hawaii (tsunami from earthquake off Chile coast)	61
1964—Prince William Sound, Alaska (tsunami)	131
1965—Puget Sound, Wash.	7
1971—San Fernando, Calif.	65
1975—Hawaii	2

*These figures are the lives lost at the time of the earthquake and do not reflect the likely loss of life if a similar earthquake were to occur today.

TABLE 2.—*Property Damage in Major U.S. Earthquakes in Millions of Dollars (Actual), 1865–1975**

Year and locality:	Damage (millions)
1865—San Francisco, Calif.	$0.5
1868—San Francisco, Calif.	.4
1872—Owens Valley, Calif.	.3
1886—Charleston, S.C.	23.0
1892—Vacaville, Calif.	.2
1898—Mare Island, Calif.	1.4
1906—San Francisco, Calif.	524.0
1915—Imperial Valley, Calif.	.9
1918—Puerto Rico (tsunami damage from earthquake in Mona Passage)	4.0
1918—San Jacinto and Hemet, Calif	.2
1925—Santa Barbara, Calif.	8.0
1933—Long Beach, Calif.	40.0
1935—Helena, Mont.	4.0
1940—Imperial Valley, Calif.	6.0
1941—Santa Barbara, Calif.	.1
1941—Torrance-Garden, Calif.	1.0
1944—Cornwall, Canada-Massena, N.Y	2.0
1946—Hawaii (tsunami damage from earthquake in Aleutians)	25.0
1949—Puget Sound, Wash.	25.0
1949—Terminal Island, Calif. (oil wells only)	9.0
1951—Terminal Island, Calif. (oil wells only)	3.0
1952—Kern County, Calif.	60.0
1954—Eureka-Arcata, Calif.	2.1
1954—Wilkes-Barre, Pa.	1.0
1955—Terminal Island, Calif. (oil wells only)	3.0
1955—Oakland-Walnut Creek, Calif	1.0
1957—Hawaii (tsunami damage from earthquake in Aleutians)	3.0
1957—San Francisco, Calif.	1.0
1959—Hebgen Lake, Mont. (damage to timber and roads)	11.0
1960—Hawaii and U.S. West Coast (tsumani damage from earthquake off Chile coast)	25.5
1961—Terminal Island, Calif. (oil wells only)	$4.5
1964—Alaska and U.S. West Coast (includes tsunami damage from earthquake near Anchorage)	500.0
1965—Puget Sound, Wash.	12.5
1966—Dulce, N. Mex.	.2
1969—Santa Rosa, Calif.	6.3
1971—San Fernando, Calif.	553.0
1973—Hawaii	5.6
1975—Aleutian Islands	3.5
1975—Idaho/Utah (Pocatello Valley)	1.0
1975—Hawaii	3.0
1975—Humbolt, Calif.	.3
1975—Oroville, Calif.	2.5
Total	1,878.0

*These damage estimates are at the time of the earthquake. They do not include the effects of inflation. They are not estimates of the likely damage if a similar earthquake occurred today.

Damage can also occur indirectly from earthquakes through seismic waves or tsunamis. Tsunamis are waves which move at velocities of 300 to 400 mph, and may be many miles long in deep ocean water. Approaching the water at a low speed, the wave may reach a height of 50 feet. The casualties and damage in the United States resulting from tsunamis is provided in table 3.

The United States was fortunate because the biggest earthquakes known to have struck the United States occurred in the last century when our population was relatively small and widely dispersed. Those major earthquakes that have occurred since, have, for the most part struck the less populated areas of the Nation.

An analysis of the seismic risk map of the United States shows a wide distribution of moderate and major seismic risk areas. Such maps are based on the known distribution of past damaging earthquakes, evidence of strain release, and consideration of major geologic structures and provinces believed to be associated with earthquake activity. They are not based, however, on the frequency of earthquake activity.

Table 4 provides a tabulation of the approximate U.S. population in each zone of earthquake risk. It should be noted that some 70 million people live in the 39 States which are wholly or partly in zone 2 (risk of moderate damage) or zone 3 (risk of major damage) or both.

TABLE 3.—CASUALTIES AND DAMAGE IN THE UNITED STATES FROM TSUNAMIS[1]

Year	Dead	Injured	Estimated damage (thousands)	Area
1906			$5	Hawaii.
1917			(2)	American Samoa.
1918			100	Hawaii.
1918	40		250	Puerto Rico.
1922			50	Hawaii, California, American Samoa.
1923	1		4,000	Hawaii.
1933			200	Do.
1946	173	163	25,000	Hawaii, Alaska, west coast.
1952			1,200	Midway Island, Hawaii.
1958	2		50	Alaska.
1957			4,000	Hawaii, west coast.
1960	61	282	25,500	Hawaii, west coast, American Samoa.
1964	122	200	104,000	Alaska, west coast, Hawaii.
1965			10	Alaska.
1975			2,000	Hawaii.

[1] These figures are the lives lost at the time of the tsunami and do not reflect the likely loss of life if a similar earthquake and tsunami were to occur today.

[2] Damage reported, but no estimates available.

TABLE 4.—U.S. POPULATION RESIDENT IN VARIOUS EARTHQUAKE RISK ZONES

	Estimated population at risk	Percent of total U.S. population	Number of affected States
Seismic risk zone:			
Zone 0 (low)	16,717,000	8	5
Zone 1	115,091,000	57	42
Zone 2	40,472,000	20	39
Zone 3 (high)	30,943,000	15	21
Total	203,223,000		[1] 51

[1] Including the District of Columbia.

While it is almost certain that future damaging earthquakes will occur, an earthquake of damaging intensity is a relatively rare event at any given site. Thus, assessing the future risk of the potential event for a specific community is difficult. There is a relatively low property loss average per year for the Nation as a whole; indeed, the loss per year from earthquakes since 1900 has averaged more than $26 million per year. However, damage estimates for a single reoccurrence of the 1906 San Francisco or the 1811–12 New Madrid earthquakes measure in the tens of billions of dollars.

A study of the earthquake problem performed under contract with the National Science Foundation, developed two alternative methods of estimating future risk: an annualized loss estimate, and a sudden loss estimate. The annualized loss estimates are based on the expected probability of a seismic event of a specific intensity per year. Tables 5 and 6 present the annualized loss estimates for the United States as a whole and for four regions of the United States.

TABLE 5.—ANNUALIZED LOSSES TO STRUCTURES, U.S. TOTALS[1]

National year	Millions of 1970 dollars: At risk	Millions of 1970 dollars: loss	At risk lost (percent)
1970	1,616,114.80	631.22	0.03905
1980	2,322,156.60	832.07	.03583
1990	3,149,514.00	1,044.41	.03316
2000	4,098,186.90	1,318.50	.03217

[1] "Budgeting Justification for Earthquake Research", technical report No. 74-1201-1, by John Wiggins, Joseph Hirschberg, and Allen Bronowicki, J. H. Wiggins Co., May 1974.

TABLE 6.—ANALYZED LOSSES TO STRUCTURES BY NATIONAL ORIGIN

[Dollar amounts in millions of 1970 dollars]

Region	Value of structures	Loss (percent)	Loss
Northeast:			
1970	475,785	0.02306	109.7
1980	680,559	.02059	140.1
1990	919,823	.01828	168.1
2000	1,993,577	.01765	210.7
North Central:			
1970	430,924	.00668	28.8
1980	612,682	.00563	34.5
1990	824,243	.00479	39.5
2000	1,065,556	.00441	47.0
South:			
1970	370,623	.00827	30.7
1980	531,462	.00772	41.0
1990	719,793	.00724	52.1
2000	935,317	.00709	66.3
West (including California):			
1970	338,782	.13639	462.1
1980	497,437	.12390	616.3
1990	85,755	.11441	784.6
2000	903,736	.11004	994.5

It is interesting to note that while the expected value of annual loss increases from $631 million in 1970 to $1.3 billion in the year 2000, the annual percent risk loss de-

creases slightly over the same period. This reduction in risk loss results from the assumption that new and improved construction will gradually replace the older, more hazardous structures. The total annualized loss estimates of table 5 amount to an estimated total loss of $30 billion for the entire United States as a result of earthquakes occurring between 1970 and the year 2000. The western region of the United States can expect $22.5 billion of this total damage, or about 15 percent of the cumulative estimated annualized loss.

The sudden loss estimates are based upon two specific events: the 1906 San Francisco earthquake and the 1811–12 New Madrid earthquakes. These two events are generally characterized as the representative major destructive events which may reoccur in the United States and for which there is adequate intensity data. Table 7 presents the damage that can be expected to occur if the hypothetical events were to occur in 1970, 1980, 1990, and the year 2000.

Although these figures are estimates, it is nevertheless clear that future earthquakes pose a serious hazard—in economic and human terms.

TABLE 7.—LOSSES DUE TO THE REOCCURRENCE OF THE NEW MADRID AND SAN FRANCISCO EARTHQUAKES

[Amounts in millions of 1970 dollars]

National year	Value at risk in area MMI≥6	Population at risk in area MMI≥6	Loss in value	Total value at risk lost (percent)
San Francisco scenario:				
1970	76,488.44	7,795,137	10,242.63	13.39108
1980	113,348.00	9,252,058	13,720.72	12.10495
1990	157,317.87	10,708,978	17,553.36	11.15789
2000	208,398.04	12,165,899	20,839.80	10.69175
New Madrid scenario:				
1970	118,131.08	19,525,116	3,063.47	2.59328
1980	165,543.01	21,683,916	3,876.41	2.35163
1990	220,154.64	23,842,716	4,683.37	2.12731
2000	281,965.99	26,001,515	5,760.40	2.04294

Within the last 15 years, scientists have made great advances in understanding the geologic processes responsible for earthquakes. Scientists have formulated a theory that describes the earth as comprised of three layers: the lithosphere, which includes the crust and the upper mantle; the asthenosphere, which extends from the base of the lithosphere to a depth of several hundred miles; and the mesosphere, which makes up the lower remaining portion of the mantle. According to this theory, the Earth's crust is actually composed of huge, shifting plates, each 30 to 90 miles thick. These vast plates of the outer crust move against one another as a result of thermal convection in the earth's hot interior. As a result of friction between plate movements, stress builds up in the earth and rocks. An earthquake occurs when the stress reaches sufficient magnitude that fracturing occurs and energy is released.

Geophysically, there are several widely used measurements to describe an earthquake. One is the Richter magnitude. Using techniques developed by Dr. Charles Richter of the California Institute of Technology, seismologists can assign an earthquake a magnitude—a numerical value that identifies the energy released by a particular earthquake. The Richter magnitude can be misinterpreted, however. Though the numbers are arranged arithmetically, every step up the scale represents a logarithmic increase in energy. For example, an eathquake of magnitude 5 releases 30 times as much energy as an earthquake of magnitude 4, and an earthquake of magnitude 6 is 30 times greater than one of magnitude 5. A simple way to distinguish among earthquakes is to define a great earthquake as a Richter magnitude of 7.7 or above; a major earthquake as magnitude 7.0 to 7.7; and a moderate earthquake as magnitude 6.0 to 6.9.

Another measure of earthquakes—the intensity scale—was developed as a qualitative measure of earthquake effects. The measure of intensity relates to ground vibration and structural damage. The intensity scale in common usage is the Modified Mercalli Intensity Scale. These qualitative assessments are assigned roman numerals from I to XII with XII being the highest damage. Unlike the magnitude of an earthquake, the intensity varies generally with distance and depends upon the nature of the local ground condition and the types of structures located there. In general, alluvial valleys, soft sediments, and areas of uncompacted fill will magnify ground shaking and will register higher intensities than adjacent areas of solid rock.

Within the past 3 years, a series of developments in the United States and elsewhere suggests that recent theories about earthquakes are helping to produce a capability to predict earthquakes. There have been dramatic instances where scientists in the United States and China predicted earthquakes. On August 2, 1973, seismologists from Lamont Doherty Geological Observatory predicted that an earthquake would occur in the Blue Mountain Lakes region in New York. The next day an earthquake occurred. On November 27, 1974, geologists from the U.S. Geological Survey's National Center for Earthquake Research in California predicted that an earthquake would take place near Hollister, Calif., within days. The next day an earthquake occurred.

At 7:36 p.m. on February 4, 1975, an earthquake of 7.3 magnitude occurred in the Haicheng-Yingkou region of China. Several hundred thousand people live in that area. About 6 hours before the destructive earthquake began, officials warned the people and evacuated most of the towns and cities. The Chinese earthquake prediction and subsequent warning saved approximately 10,000 lives.

The earthquake prediction program of the People's Republic of China is extensive and includes more than 10,000 professionals and thousands of amateur workers. Extensive earthquake prediction programs also exist in the Soviet Union and Japan.

Earthquake prediction—the prediction of the time, place, and location of future earthquakes—is today as much art form as science. Nevertheless, there are some who believe that developing theories and observations of precursory events suggest that an accurate prediction capability in certain geographic areas of the United States is possible within the next decade.

The recent interest in an earthquake prediction capability for the United States has emerged in a cautious manner. The recent study by the Panel on the Public Policy Implications of Earthquake Prediction of the National Academy of Sciences[1] represents the attitude that a prediction capability has disadvantages as well as advantages. Scientifically founded predictions leading to public warnings, would have definite economic, legal, and political consequences. The report notes, "Earthquake prediction is a new and unstudied experience, and analogies to better understood disaster warning situations are often imperfect * * *. Under the worst combination of an inaccurate prediction and an ill-conceived public response, the prediction and quake together might even be more costly than an unpredicted quake would have been. But it is our considered judgment that earthquake prediction can be a means for substantially reducing the losses from earthquakes if appropriate social, economic, engineering, and legal actions are taken prior to the quake."

Beyond earthquake prediction, scientists see some potential in the area of earthquake modification and control. By accidents, scientists discovered that earthquakes could be deliberately initiated or mitigated. In 1966, small earthquakes occurred when lethal wastes produced from the Rocky Mountain Arsenal near Grand Junction, Colo., were pumped into the ground. In 1972, the Chevron Co., with U.S. Geological Survey scientists, set off some small quakes when they injected water under pressure into oil wells (a technique used to recover more oil). When the water was pumped out, the earthquake activity ceased. Nevertheless, a technical capability in earthquake modification is still years into the future.

During the past year a step has been taken to further the U.S. capability in earthquake hazards reduction. In a study requested by the President's Science Adviser, a panel on earthquake prediction and hazard mitigation developed a national research plan. The research plan contained proposals in six areas: fundamental earthquake studies, prediction, induced seismicity, hazards assessment, engineering, and research utilization. Funding options were proposed at three levels—low, intermediate, and high. All of these levels were higher than funding levels in past years. The administration has submitted a budget request for fiscal year 1978 consistent with the panels intermediate level proposal.

LEGISLATIVE HISTORY

S. 126 was introduced on January 10, 1977, by Senator Cranston and cosponsored by Senators Hayakawa, Hollings, Magnuson, DeConcini, Gravel, Hansen, Hatfield, Huddleston, Humphrey, Stevens, Thurmond, and Young. It was referred to the Committee on Commerce, Science and Transportation.

The Committee on Commerce was concerned with means to reduce the risk of earthquake hazards since the 92d Congress. On May 16, 1972, hearings were conducted by the committee to consider S. 3173, S. 3392, and S. 3584, bills dealing with earthquake hazard mitigation, and to investigate the adequacy of the Federal response to the February 9, 1971 earthquake which struck San Fernando, Calif. Two bills were subsequently introduced in 1973 by Senator Cranston (S. 1473 and S. 1474), and one by Senator Hollings (S. 1444). Two days of hearings were held on April 26 and 27, 1973, on these bills.

S. 1174 was introduced on March 13, 1975, by Senator Cranston and cosponsored by Senators Hollings, Eagleton, Gravel, Hartke, Hatfield, Humphrey, Javits, Kennedy, McGee, Moss, Stevens, and Tunney. On February 19, 1976, hearings were held on S. 1174.

[1] "Earthquake Prediction and Public Policy," report of the Panel on the Public Policy Implications of Earthquake Prediction, National Research Council (National Academy of Sciences, Washington, D.C.), 1975.

Based on the hearings and comments received, improvements were made to the bill. S. 1174 was reported by the Committee on May 4, 1976. A report was filed May 13, 1976 (Senate Report No. 94–862), by the Committee. The Committee on Labor and Public Welfare to whom the bill was also referred was discharged from further consideration of this bill on May 17, 1976. On May 24, 1976, the Senate passed S. 1174 unanimously.

On April 19, 1977, hearings were held on S. 126. Based on the hearings and comments received, improvements were made to the bill. The version of S. 126 as reported by the Committee on May 5, 1977 is an amended version of the bill.

NEEDS

Earthquakes occur with frequent regularity in the United States. More than 70 million people live in areas of high and moderate seismic risk. Earthquakes have caused and will continue to cause loss of human life, injury, property damage, and social and economic disruption. The risks from future earthquakes will be higher than in the past when the U.S. population was much smaller and more dispersed. Yet no comprehensive national policy and coordinated program exists to reduce the hazards and risks from future damaging earthquakes.

(1) A NATIONAL EARTHQUAKE HAZARD REDUCTION POLICY AND COORDINATED PROGRAM

Federal efforts to deal with earthquake hazards can be found in a number of agencies. Each agency seeks to develop a capability corresponding to its particular institutional mission. A comprehensive policy and community of purpose among individual programs and efforts, does not exist.

No agency or unit has been delegated responsibility for implementing a unified national policy.

(2) RESEARCH AND IMPLEMENTATION SUPPORTING A NATIONAL EARTHQUAKE HAZARD REDUCTION PROGRAM

A prerequisite to any effective decisions and efforts to reduce risks from future damaging earthquakes is development of our research and knowledge base. Federal, State, and local officials, as well as private organizations and interested individuals, need the best possible information on the most effective means to mitigate the hazards of future earthquakes. Earthquakes-related research activities in various Federal agencies have not been supported at levels commensurate with the problems posed by earthquakes and the scientific opportunities that are available. A balanced research program in the physical and social sciences, and engineering is necessary. Furthermore, it is vital that existing and future research findings be utilized. Research findings must be made available to interested and affected user groups so that they may make appropriate decisions.

(3) PUBLIC EDUCATION AND INVOLVEMENT

The use of information and development of an effective program to reduce earthquake hazards must be accomplished at the State, local, and individual level. Yet, the great majority of individuals in this country do not know a great deal about earthquakes and what can be done to minimize risks. Should an earthquake prediction capability become available, for example, its effectiveness and wise utilization would depend greatly on public knowledge and sensitivity to the issues. Moreover, various means already exist to minimize future losses and disruption from earthquakes, but are not used.

MEETING THE NEEDS

(1) S. 126 ESTABLISHES A NATIONAL EARTHQUAKE HAZARDS REDUCTION PROGRAM WITH SPECIFIC OBJECTIVES TO BE ACHIEVED UNDER THE RESPONSIBILITY OF THE PRESIDENT

In view of the need for policy direction and the development and implementation of a comprehensive program to reduce the hazards from earthquakes, this bill sets forth certain findings and policy objectives. The bill recognizes that in order to reduce future human losses, injury, economic damage, and social and economic disruption, a far ranging, balanced, and comprehensive national program is necessary.

The Committee believes that many agencies should be involved in this program, including: the U.S. Geological Survey, the National Science Foundation, the Department of Defense, the Department of Housing and Urban Development, the National Aeronautics and Space Administration, the National Oceanic and Atmospheric Administration, the National Bureau of Standards, the Energy Research and Development Administration, the Nuclear Regulatory Commission, and the National Fire Prevention and Control Administration.

The Committee believes that the President is the individual most capable of coordinating these agencies' efforts and requires that he determine appropriate lead and interagency mechanisms to meet the objectives of the bill. The Committee further believes that the various agencies should actively seek the cooperation of States and their political subdivisions, private organizations, and interested individuals, in the development and implementation of the national program.

The bill provides that Congress shall be made aware of progress achieved in reducing the hazards from earthquakes. An annual report shall be prepared and submitted to the Congress by the President.

For general implementation of duties under S. 126, the President is authorized to expend such sums as may be necessary for each of the fiscal years 1978, 1979, and 1980. This general authorization is to enable agencies other than the U.S. Geological Survey and National Science Foundation and States to participate in the national program as the President recommends.

(2) S. 126 SPECIFIES CERTAIN RESEARCH AND IMPLEMENTATION ACTIVITIES THAT SHALL BE UNDERTAKEN

Recent developments in earthquake prediction suggest that this capability may be used as an additional means for reducing losses from future earthquakes. The science of earthquake prediction could be developed over the next 10 years into an operational capability. S. 126 directs the President to undertake research to develop such a prediction capability in certain areas of the United States. Recognizing that an earthquake prediction technology will produce economic, legal, and social consequences, research to provide information on the nontechnical aspects and implications of earthquake prediction are also specified.

S. 126 provides for other research activities, such as development of further understanding of earthquake modification and control measures, earthquake engineering research, the development of improved design and construction standards, and development of model building codes. S. 126 also directs that ways to increase community preparedness with respect to earthquakes be developed.

To provide for effective implementation and delivery of the research conducted under the program, S. 126 provides that the President shall prepare an implementation plan with year-by-year targets. The plan would provide for measures to increase community preparedness, enable State, county, local and regional government units to use earthquake-related information in their land use decisions, promote improved building standards and construction practices, examination of the role of loan programs, licenses, insurance and relief programs, and dissemination of information. Six months is allowed for preparation of the plan.

For the research elements under S. 126, there are authorized to be appropriated $55, $70, and $80 million for each of the fiscal years 1978, 1979, and 1980.

(3) PUBLIC EDUCATION INVOLVEMENT, AND STATE ASSISTANCE

S. 126 provides for an information dissemination and education program. Such a program is intended to provide other Federal agencies, State and local government officials, and other interested persons with information developed and gathered under the various Federal research activities. The transfer of information and implementation of research fundings will be a necessary component of the national earthquake reduction program.

S. 126 provides that the President shall allow for participation in the national research and implementation program by State and local government officials, the public, business and industry, the design professions and the research community.

S. 126 also provides for an assistance program to the States in carrying out their responsibilities under the Disaster Relief Act of 1974.

ESTIMATED COSTS

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (2 U.S.C. 190(j)), the Committee estimates the cost of the proposed legislation for which appropriations are authorized will be as follows:

[In millions of dollars]

	Fiscal year—		
	1978	1979	1980
General	(1)	(1)	(1)
To the Secretary of Interior	27.5	35	40
To the National Science Foundation	27.5	35	40

[1] Such sums as may be necessary.

REGULATORY IMPACT STATEMENT

The bill S. 126 provides for the establishment of a national earthquake hazards reduction program to ensure the coordinated development and utilization of scientific and technological knowledge to reduce the hazards resulting from earthquakes. The bill states several objectives of the program, directs the President to involve several Federal agencies in the program, lists various aspects of research that shall be included in the program, directs the President to involve the States in the development of an implementation plan, and provides that, in making grants to States under the Disaster Relief Act of 1974, the President may make grants for the purposes of S. 126.

Because this bill does not regulate private business activity, or any other private activity, the Committee concludes that the implementation of this bill will have no impact on the personal privacy of any individual or business. No records will be required to be kept by any individual or business, nor will there be any reports that need to be filed as a result of S. 126 becoming law.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. BAKER. Mr. President, I have no

requests for my time or requirement for it. I yield it back.

Mr. ROBERT C. BYRD. I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Delaware is recognized for not to exceed 15 minutes.

U.S. POLICY TOWARD CUBA

Mr. ROTH. Mr. President, I am deeply concerned about recent developments in our policies toward Cuba. The administration and the Senate Foreign Relations Committee are making unilateral concessions to Cuba at the same time Cuba has become a greater threat to American interests than ever before. It is time for the President to talk tough with Cuba.

In the early 1960's, the United States broke off diplomatic relations with the Castro regime and applied a trade embargo on that country, in conjunction with our Latin American allies. This policy expressed our disapproval of a regime that was not only brutal and inhumane at home, but was also a major threat to world peace and its Latin American neighbors. Cuba's willingness to serve as a Soviet missile base in 1962 resulted in the only face-to-face nuclear confrontation between the United States and the Soviet Union.

Cuba's regime has not changed. The same man who summarily executed Cubans and Americans upon taking control is still the head of that government. Cuba still has thousands of political prisoners. Hundreds of individuals with claims to American citizenship have not been allowed to leave. And while Cuban efforts to export revolution have been largely frustrated in Latin America, their mercenaries and advisers have become the cutting edge of Soviet imperialism throughout Africa. The Cubans have not only established one Marxist government in Angola, but they are found directly or indirectly assisting Marxist governments and rebels throughout the continent. On his recent trip through Africa, Premier Castro said nothing to suggest Cuba would reverse its African policies.

In contrast to the policies pursued by President Kennedy and his successors through President Ford, the new administration has been openly encouraging discussion of economic and diplomatic ties with Cuba. Discussions recently took place on fishing zones and "a wide range" of other issues. There have reportedly been discussions within the administration on the establishment of "interests sections" in Washington and Havana to handle direct transactions. Similar interests sections were used by the United States and Egypt when the two countries did not have formal diplomatic relations and for all intents and purposes constituted embassies by another name.

Yesterday, the Senate Foreign Relations Committee approved a proposal to partially restore trade relations. According to the New York Times story, Senator McGOVERN argued that allowing Cuba to export food to the United States—which was not adopted—would have been a hardheaded business proposition that possibly could contribute to an improvement in political relations between the two countries. I agree with Senator STONE, who fought any concession, arguing that unilateral concessions to Cuba would be regarded as a sign of weakness and would throw away valuable bargaining leverage. I will work for reversal of the Foreign Relations Committee concession on the floor.

The Department of State completely copped out, saying that it neither supported nor opposed the proposed partial lifting of the economic boycott.

It is high time for the administration to put an end to this confusion and make a tough, clear statement of U.S. policy toward Cuba. In my judgment, that statement should make it very clear that the United States opposes Cuba's activities in Africa, that it abhores Cuba's internal regime and supports human rights in Cuba, and that it stands firmly behind those American citizens whose assets were nationalized without compensation by the Castro regime.

It should also be made clear that the United States has no great benefits to gain from economic or diplomatic ties with Cuba, and that we do not intend to make any concessions to Cuba except in exchange for some very concrete and substantial Cuban concessions on matters of importance to us. This is what I would call a hard-headed approach.

At the present time, the lack of U.S. international leadership has cast doubts about this country's commitment to freedom. As King Hassan of Morocco said of U.S. African policy in a recent interview with Newsweek magazine:

> . . . There is no policy, but a series of discordant voices from high officials. You Americans conquered space but you are abandoning your place on earth. . . . You no longer seem able to distinguish between friend and foe. . . . We are not telling America to intervene, but to back your friends working in the interests of the Western world with assistance, economic and military, and diplomatic clout.

Our present policies toward a country that has been most active in exporting Communist revolution appear to border on appeasement. No wonder the world doubts us.

Mr. President, I yield back the remainder of my time.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, are there any further orders for the recognition of Senators?

The ACTING PRESIDENT pro tempore. There are none.

AMENDMENT OF THE STANDING RULES OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I ask that the Senate resume consideration of the motion to proceed to the consideration of the resolution (S. Res. 5).

The ACTING PRESIDENT pro tempore. The clerk will state the pending question.

The legislative clerk read as follows:

> Motion to proceed to the consideration of the resolution (S. Res. 5) to amend the standing rules of the Senate.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess awaiting the call of the Chair.

There being no objection, at 4:14 p.m., the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 5:50 p.m. when called to order by the Presiding Officer (Mr. ALLEN).

Mr. ROBERT C. BYRD. Mr. President, on behalf of myself, Mr. CRANSTON, Mr. ALLEN, and Mr. HELMS, I am authorized by the distinguished chairman of the Committee on Rules and Administration, Mr. CANNON, to modify Senate Resolution 5 as follows, and I send the modification to the desk and I ask unanimous consent that Senate Resolution 5, as modified, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution will be modified as requested by the distinguished majority leader.

Mr. ROBERT C. BYRD. I thank the Chair.

The modification is as follows:

In lieu of the language proposed to be inserted by the committee amendment, insert the following:

"That (a) line 5 of the first paragraph of paragraph 2 of rule XXII of the Standing Rules of the Senate is amended by striking out "or the unfinished business," and in the line above inserting "or" before the words "other matter pending before the Senate," and lines 6 and 7 of the second paragraph of paragraph 2 is amended by striking out ", or the unfinished business,".

"(b) After the second paragraph of paragraph 2 of rule XXII of the Standing Rules of the Senate add a new paragraph as follows: "After fifty hours (or period reduced on motion) of consideration of such measure, motion, or other matter, subsequent to invoking cloture, the Presiding Officer shall direct the clerk to call the roll to ascertain the presence of a quorum. Thereafter, a Senator who has not used or yielded 30 minutes is entitled to use only such additional time as will bring his aggregate time on the proposition up to 30 minutes. Any amendment qualified under this rule may be called up before final action is taken on the measure, motion, or matter. After the elapse of 24 hours of consideration, the remaining time may be reduced to a minimum of ten hours by a nondebatable motion agreed to by a two-thirds vote of the Members duly chosen and sworn; however, only one motion to reduce time may be made in any one calendar day. During the fifty hours (or reduced period) of consideration, Senators may yield all or part of their thirty minutes to another Senator, provided, however, that in no event may a Senator be yielded more than an aggregate of thirty minutes.

(c) The last paragraph of paragraph 2 of rule XXII of the Standing Rules of the Senate is amended by striking out the first sentence and inserting in lieu thereof the following: "After cloture has been invoked each Senator shall be entitled to speak for one-half hour on the measure, motion, or other matter pending before the Senate, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks.".

(d) After the last paragraph of paragraph 2 of rule XXII of the Standing Rules of the Senate, insert the following new paragraph: "No such cloture motion may be presented with respect to any measure, motion (except a motion to proceed to the consideration of any measure or other matter), or other matter pending before the Senate unless 24 hours have elapsed since the Senate began consideration of such measure, motion, or other matter.

SEC. 2. Paragraph 1 of rule III of the Standing Rules of the Senate is amended by striking out all after the words "unless by unanimous consent" and inserting in lieu thereof the following: "or on motion decided without debate. Motions to correct the Journal shall be privileged, shall be confined to an accurate description of the proceedings of the preceding day, and debate thereon shall be limited to twenty minutes to be equally divided and controlled between the mover thereof and the Majority Leader or his designee.".

SEC. 3. Rule XV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"3. The demand for the reading of an amendment when presented to the Senate for consideration, including House amendments, may be waived on motion decided without debate when the proposed amendment has been identified by the clerk and is available to all Members at their desks in printed form.".

SEC. 4. Paragraph 1 of rule XXVII of the Standing Rules of the Senate is amended by adding at the end thereof the following: "The demand for the reading of a conference report when presented may be waived on motion decided without debate when the report is available to all Members at their desks in printed form.".

Mr. STEVENS. Mr. President, the modified version of Senate Resolution 5 will be submitted to the Republican conference tomorrow. It is our hope that we will be authorized to add our names as cosponsors, and I am sure at the appropriate time, if that is possible, the majority leader will consent.

Mr. ROBERT C. BYRD. Exactly, yes, and I thank the distinguished minority whip for his statement.

TIME LIMITATION AGREEMENT—SENATE CONCURRENT RESOLUTION 19

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on the congressional budget resolution, Senate Concurrent Resolution 19, of 1 hour, to be equally divided between Mr. MUSKIE and Mr. BELLMON, at the conclusion of which a vote occur on the adoption of the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, there is one nomination on the Executive Calendar that has been cleared for action on both sides of the aisle.

I ask unanimous consent that the Senate go into executive session to consider the nomination of Manuel D. Plotkin, of Illinois, to be Director of the Census.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

DEPARTMENT OF COMMERCE

The legislative clerk read the nomination of Manuel D. Plotkin, of Illinois, to be Director of the Census.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I hold in my hand two reports of nominations that have been reported today, one being the nomination of David V. Vrooman, of South Dakota, to be U.S. attorney for the District of South Dakota. This nomination has been reported by the Committee on the Judiciary. Mr. ABOUREZK has asked that the nomination be taken up today. It is cleared on both sides of the aisle.

I ask unanimous consent that the Senate proceed to the consideration of the nomination.

The PRESIDING OFFICER. The nomination will be stated.

DEPARTMENT OF JUSTICE

The assistant legislative clerk read the nomination of David V. Vrooman, of South Dakota, to be U.S. Attorney for the District of South Dakota.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, the second nomination which has been reported today is that of Leslie Jay Goldman, of Illinois, to be an Assistant Administrator of the Federal Energy Administration.

The chairman of the committee (Mr. JACKSON) has asked that this nomination be confirmed today. It is my understanding there is no objection on either side of the aisle.

I, therefore, ask unanimous consent that the Senate proceed to the consideration of that nomination.

The PRESIDING OFFICER. The nomination will be stated.

FEDERAL ENERGY ADMINISTRATION

The legislative clerk read the nomination of Leslie Jay Goldman, of Illinois, to be an Assistant Administrator of the Federal Energy Administration.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

There will be a period for the transaction of routine morning business with statements by Senators limited to 5 minutes each.

Is there morning business?

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

S. 1503—REIMBURSEMENT FOR BUSINESSES AFFECTED BY BAN ON TRIS

Mr. THURMOND. Mr. President, I rise today to introduce legislation which would provide direct financial reimbursement for those businesses adversely affected by the Consumer Product Safety Commission's recent ban on the fire-retardant chemical known as TRIS.

Mr. President, by way of background, under the authority of the Flammable Fabrics Act, the Department of Commerce issued regulations in 1971 and again in 1974 imposing stringent standards for flammability of children's sleepwear. Notwithstanding the expressed reservations of industry representatives regarding potential health hazards, the sudden imposition of those standards necessitated the rapid development and use of flame-retardant chemicals. TRIS became the most widely used such flame-retardant. However, a new test for mutagenicity was developed in 1976 and indicated that TRIS might be toxic. Accordingly, the Consumer Product Safety Commission on April 7, 1977, banned the sale of all children's wearing apparel containing TRIS and has ordered the producers of such wearing apparel to "repurchase" it from retailers and consumers.

The Commission's "repurchase" order will cost the producers of children's apparel and the flame-retardant materials from which it is made approximately $200 million. In the apparel manufacturing industry alone, it will mean bankruptcy for many of the roughly 100 companies which produce childrens sleepwear, and many of that industry's 25,000 employees will lose their jobs. Most other firms will suffer severe financial impairment and will be forced to lay off employees. Because the manufacturers involved have

acted in good faith to meet the flammability standards mandated by the Federal Government, it is unfair to require them to bear the financial loss caused by this bureaucratic mistake.

This legislation would confer jurisdiction on the U.S. Court of Claims to determine the dollar value and render judgment for losses sustained by producers, processors, manufacturers, distributors, or dealers, or other persons, as a result of actions taken by the Federal Government under the Hazardous Substances Act relating to the ban on apparel, fabric, yarn or fiber containing TRIS. Lost profits would not be included. There would be a 2-year statute of limitations as provided in the Tort Claims Act.

The imposition of the repurchase obligation has already caused suppliers and financial institutions to deny apparel manufacturers the credit essential to purchase fabric for use in their fall line of apparel. To date, at least nine apparel manufacturing firms, accounting for approximately 2,000 jobs, are threatened with bankruptcy. Unless financial institutions and suppliers are reassured at an early date that apparel manufacturers will be able to meet the repurchase obligation, many more such firms will be forced out of business.

Mr. President, the inequity involved here is readily apparent. Confidence in Government regulation must be restored in the American business community. I hope and believe that this proposal is one way to re-instill this confidence, and ask my colleagues for their support.

The following Senators have joined me as cosponsors of this measure: The Senator from South Carolina (Mr. HOLLINGS), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. HELMS), and the Senators from Georgia (Mr. TALMADGE and Mr. NUNN).

Mr. President, I send the bill to the desk and ask that it be printed in the RECORD following my remarks and appropriately referred to the Committee on the Judiciary.

The PRESIDING OFFICER (Mr. SASSER). By unanimous consent, the bill will be received and referred to the Committee on the Judiciary, and, without objection, the bill will be printed in the RECORD.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, would the bill be referred to the Committee on the Judiciary in any event?

The PRESIDING OFFICER. The Chair has not seen the bill.

Mr. THURMOND. Mr. President, I do not think there would be any question about that, because the committee would have to determine that it goes to the Court of Claims.

Mr. ROBERT C. BYRD. Then is would go to Judiciary anyway?

Mr. THURMOND. Yes.

Mr. ROBERT C. BYRD. Very well; I have no objection.

The bill (S. 1503) is as follows:

S. 1503

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Court of Claims shall have jurisdiction to render judgment upon any claim for losses sustained by any producer, processor, manufacturer, distributor, dealer or other person as a result of the actions taken by the United States under the Federal Hazardous Substances Act on April 8, 1977, and thereafter relating to the ban on apparel, fabric, yarn, or fiber containing Tris (2, 3-dibromoprophyl) phosphate. Such court determine the amount of direct and indirect loss, but not including lost profits, resulting to any producer, processor, manufacturers, distributor, dealer or other person from said actions by the United States and render judgment in favor of such claimant and against the United States in the amount determined. Payment of such judgments shall be in the same manner as in the case of claims over which such court otherwise has jurisdiction as provided by law. Suits under this Act must be instituted within two years after enactment hereof.

Mr. HELMS. Mr. President, I join with the able Senator from South Carolina in the cosponsorship of this measure. As he has indicated, the bureaucratic mixup involving TRIS will destroy thousands of jobs in a number of States, including my own State of North Carolina. Two weeks ago, the Consumer Products Safety Commission ruled that TRIS may cause cancer, and banned its use. Furthermore, the Commission ruled that the cutters and sewers of children's sleepwear had to buy back all sleepwear treated with TRIS.

Let two or three things be absolutely clear, Mr. President, in terms of the Federal bureaucracy and the way it operates.

First, the sleepwear industry, the sewers, did not order TRIS to be put into the cloth to be used in the production of pajamas, nightgowns, and so forth. The sleepwear industry did not manufacture TRIS. The sleepwear industry did not manufacture the cloth. This was totally beyond the control of the industry.

The bureaucrats moved in; they demanded this, and as a result, if information available to me is correct, and I believe it is, at least 30 factories in North Carolina will have to close because of this bureaucratic mixup, and at least 30,000 jobs will be lost.

So the measure that the able Senator from South Carolina has introduced on behalf of himself, the Senator from North Carolina, and others involves just simple equity. The Federal Government made another mistake. The bureaucracy moved in without knowing what it was doing; and it is not satisfactory to the Senator from North Carolina for the bureaucracy to say, "Well, we are sorry about that. Too bad it is going to cost 30,000 jobs. Too bad that 30 plants in North Carolina are going to have to close."

This bill, as I say, would just provide simple equity. It ought to be passed, and ought to be passed quickly. I commend the able Senator from North Carolina for its introduction, and I am pleased to join in its cosponsorship.

Mr. THURMOND. Mr. President, I thank the able Senator from North Carolina for those remarks and for his fine cooperation in this matter. The distinguished Senator from North Carolina has many textile plants in his State that would be seriously affected. He always looks out for the people of his State, and I am not surprised that he has joined as a cosponsor here. That would be characteristic of him, because he is always on the ball and looks after his constituents in a very able manner.

Mr. HELMS. I thank the distinguished Senator from South Carolina.

Mr. President, I yield back the remainder of my time.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess awaiting the call of the Chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 6:07 p.m., the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 6:10 p.m., when called to order by the Presiding Officer (Mr. SASSER).

ORDER FOR RECESS UNTIL 9:45 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9:45 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR HEINZ TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order tomorrow, Mr. HEINZ be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO CONSIDER CONFERENCE REPORT ON FIRST CONGRESSIONAL BUDGET RESOLUTION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the recognition of Mr. HEINZ and the consummation of the order previously entered for his recognition tomorrow, the Senate proceed to the consideration of the conference report on the First Congressional Budget Resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR NO ROLLCALL VOTES PERTAINING TO CONGRESSIONAL BUDGET RESOLUTION TO OCCUR BEORE 12 O'CLOCK NOON

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that if there is any rollcall vote ordered on the adoption of the Congressional Budget Resolution tomorrow, or in relation thereto, such rollcall vote not occur before the hour of 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

At 4:05 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 4975) to amend the Public Health Service Act to authorize appropriations for fiscal year 1978 for biomedical research and related programs, with an amendment; that the House insists upon its amendment and requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. STAGGERS, Mr. ROGERS, Mr. SATTERFIELD, Mr. CARTER, and Mr. BROYHILL were appointed managers of the conference on the part of the House.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDING OFFICER laid before the Senate the following communications which were referred as indicated:

EC–1316. A letter from the Assistant Secretary of Defense transmitting, pursuant to law, a report of the value of property, supplies, and commodities provided by the Berlin Magistrate, and under the German Offset Agreement, for the quarter January 1, 1977 through March 3, 1977; to the Committee on Appropriations.

EC–1317. A letter from the Secretary of the Navy transmitting, pursuant to law, a draft of proposed legislation to amend section 6015 of title 10, United States Code, to permit the Secretary of the Navy to prescribe the kind of military duty to which women members of the naval service may be assigned (with accompanying papers); to the Committee on Armed Services.

EC–1318. A letter from the Chief of Staff of the Defense Mapping Agency transmitting, for the information of the Senate, an announcement of plans to study the feasibility of combining the DMA Hydrographic Center and the DMA Topographic Center (with accompanying papers); to the Committee on Armed Services.

EC–1319. A letter from the Deputy Administrator of the General Services Administration transmitting a draft of proposed legislation to amend the Defense Production Act of 1950, as amended (with accompanying papers); to the Committee on Banking, Housing and Urban Affairs.

EC–1320 A letter from the Controller of the Energy Research and Development Administration transmitting, for the information of the Senate, copies of the ERDA's fiscal year 1976 financial statements for the Uranium Enrichment Services Activity (with an accompanying report); to the Committee on Energy and Natural Resources.

EC–1321. A letter from the Assistant Secretary of the Interior transmitting, pursuant to law, a proposed contract with Longyear Company, Minneapolis, Minnesota, for a research project entitled "Retractable Bit System" (with accompanying papers); to the Committee on Energy and Natural Resources.

EC–1322. A letter from the Assistant Secretary of the Interior transmitting, pursuant to law, a proposed contract with Fluor Utah, Incorporated, San Mateo, California, for a research project entitled "Optimal Dragline Operating Techniques" (with accompanying papers); to the Committee on Energy and Natural Resources.

EC–1323. A letter from the Deputy Administrator of the General Services Administration transmitting, pursuant to law, a prospectus proposing extension of General Services Administration's lease agreement covering space in the Hill Building, Anchorage, Alaska (with an accompanying report); to the Committee on Environment and Public Works.

EC–1324. A letter from the Acting National Director of the Federal Mediation and Conciliation Service transmitting, pursuant to law, a copy of the 29th annual report of the Federal Mediation and Conciliation Service for the fiscal year and transition period ending September 30, 1976 (with an accompanying report); to the Committee on Human Resources.

EC–1325. A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a report on the administration of the Freedom of Information Act for the calendar year 1976 (with an accompanying report); to the Committee on the Judiciary.

EC–1326. A letter from the Chairman of the Administrative Conference of the United States transmitting a draft of proposed legislation to amend the Administrative Conference Act (with accompanying papers); to the Committee on the Judiciary.

FIRST CONCURRENT RESOLUTION ON THE BUDGET, 1978—CONFERENCE REPORT SUBMITTED DURING RECESS (REPT. NO. 95–134)

Under authority of May 11, 1977, Mr. MUSKIE, from the committee of conference, submitted a report on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 19) setting forth the congressional budget for the U.S. Government for the fiscal year 1978 (and revising the congressional budget for fiscal year 1977), which was ordered to be printed.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Without amendment:

S. Res. 170. An original resolution authorizing additional expenditures by the Committee on the Judiciary for inquiries and investigations. Referred to the Committee on Rules and Administration.

By Mr. HASKELL, from the Select Committee on Small Business:

Without amendment:

S. Res. 171. An original resolution waiving the provisions of section 402(a) of the Congressional Budget Act of 1974 with respect to S. 1305. Referred to the Committee on the Budget.

By Mr. ROTH, from the Committee on Governmental Affairs:

With amendments:

S. 904. A bill to provide for the efficient and regular distribution of current information on Federal domestic assistance programs (Rept. No. 95–135).

By Mr. EASTLAND, from the Committee on the Judiciary:

Without amendment:

S. 837. A bill granting the consent of Congress to the Mississippi-Louisiana Bridge Construction Compact (Rept. No. 95–136).

S.J. Res. 24. A joint resolution to authorize and request the President to issue annually a proclamation designating the first Sunday of September after Labor Day of each year as "National Grandparents Day" (Rept. No. 95–137).

By Mr. NELSON, from the Select Committee on Small Business:

With an amendment:

S. 1305. A bill to amend the Small Business Act to authorize the making of economic injury disaster loans in certain extraordinary circumstances without a disaster declaration, and for other purposes (Rept. No. 95–138).

By Mr. ROBERT C. BYRD, from the Committee on Rules and Administration:

S. Res. 5, as modified. A resolution to amend the Standing Rules of the Senate.

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs:

Without amendment:

S. 425. A bill to authorize the President of the United States to present on behalf of the Congress a special struck gold medal to Lt. Gen. Ira C. Eaker, U.S. Air Force, retired (Rept. No. 95–139).

By Mr. PELL, from the Committee on Human Resources:

With amendments:

S. 701. A bill to provide Federal financial assistance to educational institutions in order to assist such institutions to meet the emergency caused by the high costs of fuel and fuel shortages and harsh weather conditions, and for other purposes (Rept. No. 95–141).

H.R. 3437. An act to make certain technical and miscellaneous amendments to provisions relating to vocational education contained in the Education Amendments of 1976 (Rept. No. 95–142).

With an amendment:

S. 602. A bill to extend and revise the Library Services and Construction Act, and for other purposes (Rept. No. 95–143).

By Mr. RANDOLPH, from the Committee on Human Resources:

Without amendment:

S. 469. A bill to establish a commission to study proposals for establishing the National Academy of Peace and Conflict Resolution (Rept. No. 95–140).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Ralph Anthony Dungan, of New Jersey, to be Executive Director of the Inter-American Development Bank for a term of 3 years.

Eugene Jay Finkel, of the District of Columbia, to be Alternate Executive Director of the Inter-American Development Bank.

Lester E. Edmond, of Florida, to be U.S. Director of the Asian Development Bank.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

POLITICAL CONTRIBUTIONS STATEMENT

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Lester Elliot Edmond.

Post: Executive Director to Asian Development Bank.

Nominated: May 3, 1977.

Contributions, amount, date and donee:

1. Self: Lester E. Edmond, none.

2. Spouse: Shom A. Edmond, none.

3. Children and Spouses:

Lester E. Jr. (Edmond), none.

Ellen Randi Edmond, none.

John Andrew Edmond, none.

4. Parents: David Edmond, none; Ella Edmond, none.

5. Grandparents: Deceased.

6. Brothers and Spouses: No brothers.

7. Sisters and Spouses: No sisters.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

By Mr. EASTLAND, from the Committee on the Judiciary:

Anthony G. Dirienzo, Jr., of Connecticut, to be U.S. marshal for the district of Connecticut.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. JACKSON, from the Committee on Energy and Natural Resources:

Leslie Jay Goldman, of Illinois, to be an Asistant Administrator of the Federal Energy Administration.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. JACKSON. Mr. President, the Committee on Energy and Natural Resources has reported favorably the nomination of Leslie J. Goldman to be Assistant Administrator of the Federal Energy Administration.

Mr. Goldman appeared before the committee at a hearing last Wednesday. I ask unanimous consent that his statement to the committee be printed in the RECORD at this point.

In accordance with the committee's rules, Mr. Goldman submitted a sworn financial statement to the committee. I ask unanimous consent that this statement also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY LESLIE J. GOLDMAN, NOMINEE TO BE ASSISTANT ADMINISTRATOR FOR ENERGY RESOURCE DEVELOPMENT, FEDERAL ENERGY ADMINISTRATION

Mr. Chairman and Members of the Committee, I am deeply honored to return to the Senate this morning and appear before this Committee as the nominee for Assistant Administrator for Energy Resource Development of the Federal Energy Administration.

After working here for seven years, and being away for only a few months, it feels good to be back.

This is a particularly exciting homecoming for me, because it is a particularly exciting time in the evolution of the nation's national energy policy. We face a serious and worsening energy problem, with the time for decisive action already overdue. If working in the legislative branch on energy problems over the last several years has taught me anything, it is the importance of cooperation between the Executive and the Congress in the process that leads to enactment of meaningful energy legislation.

I look forward to the challenge of contributing to that process in an area that, to date, has not received the attention it deserves—the area of energy resource development.

If conservation is the cornerstone of the President's National Energy Plan, I believe resource development is its foundation. Maintaining oil and gas production, substantially increasing use of coal, developing renewable resources like solar and maintaining adequate and efficient electrical capacity are all major priorities of the National Energy Plan.

They are also major responsibilities of the Assistant Administrator for Energy Resource Development.

I believe the coal conversion program can be made to work; that solar energy can soon find its way into the "Yellow Pages" and the "Sears" catalogue; that oil and gas production incentives can be increased without hurting the economy; and that the reliability and safety of electrical power generation can be improved.

In short, I think the President's goals are attainable, and am hopeful that the Administration and the Congress can work together to finally implement a comprehensive program that will get the job done.

If the Committee and Senate should so choose, I would be honored to have the opportunity to play a role in that historic process.

[U.S. Senate, Committee on Interior and Insular Affairs, Washington, D.C.]

INFORMATION REQUESTED OF PRESIDENTIAL NOMINEES

Rule 9 of the Rules of the U.S. Senate Committee on Interior and Insular Affairs requires that each Presidential nominee considered by the Committee shall submit a financial statement sworn to by the nominee as to its completeness and accuracy. Under the rule all such statements must be made public by the Committee unless the Committee in executive session determines that special circumstances necessitate a full or partial exception to this requirement. Rule 9 also provides that at any hearing to confirm a Presidential nomination, the testimony of the nominee and, at the request of any member, any other witness shall be under oath.

In order to assist the Committee in its consideration of nominations, each nominee is requested to complete the attached Financial Statement and Statement For Completion By Presidential Nominees.

The original and twenty (20) copies of the requested information should be made available to Honorable Henry M. Jackson, Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C. 20510 (Attn: Staff Director) as soon as possible.

FINANCIAL STATEMENT OF LESLIE J. GOLDMAN

Provide a complete, current financial net worth statement which itemizes in detail all assets (including bank accounts, real estate, securities, trusts, investments, and other financial holdings) and all liabilities (including debts, mortgages, loans, and other financial obligations) of yourself, your spouse, and other immediate members of your household.

ASSETS

Cash on hand and in banks, $9,300.

Accounts and notes receivable: due from relatives and friends, $2,000.

Real estate interests, including mortgages—add schedule, $130,000.

Personal property, $14,500.

Life insurance—cash value, $500.

Other assets—itemize: one-half interest in store (KiteSite), $20,000.

Total assets, $176,300.

LIABILITIES

Real estate mortgages payable—add schedule, $53,000.

Total liabilities, $53,000.

Net worth, $123,300.

SCHEDULE FOR ASSETS

Real estate:

Home, 718 Fourth Street, SE., D.C., $85,000.

One-half interest rental property, 720 Fourth Street, SE., D.C., $45,000.

Total, $130,000.

SCHEDULE FOR LIABILITIES

Real estate mortgages payable:

Mortgage on home—Dominion National Bank, Falls Church, Virginia, $26,000.

Mortgage on Rental Property—Metropolis Federal Savings, Washington, D.C., $27,000.

Total, $53,000.

1. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services and firm memberships or from former employers, clients, and customers—

The Kite Site, 1075 Wisconsin Ave., Washington, D.C.

Partner, one-half owner (Retail sales of kites from around the world).

Initial investment: $6,000. Opened in June, 1976. First 6 months share of profits: $600.

Goldman-Humphries, 718 Fourth Street, S.E., Washington, D.C. 20003.

Partnership (own one-half interest in rental house at 720 Fourth Street, S.E.).

Initial investment: $37,500. Purchased, August, 1976.

2. Are any assets pledged? None.

3. Are you currently a party to any legal action? None.

4. Have you ever declared bankruptcy? None.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Leslie J. Goldman.

Position to which nominated: Assistant Administrator, FEA.

Date of nomination: April 7, 1977.

Date of birth: April 22, 1945.

Place of birth: Chicago, Illinois.

Marital status: Married.

Full name of spouse: Sue Ann.

Name and ages of children: None.

Education:

Institution—University of Michigan, Ann Arbor, Michigan.

Dates attended—1963–1970.

Degrees received and dates of degrees—Honors, B/A English, 1967; Juris Doctor, 1970.

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society, memberships, and any other special recognition for outstanding service or achievement—

Graduated from University of Michigan with B.A. in Honors English (1 of 17 in school); Angell Scholarship Recipient, University of Michigan, 1965, 66, 67, 68. Fisher Body Craftsmen Guild, National Styling Scholarship Award, Summer 1964, $1,000.

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations—

Organization: Illinois Bar.

Office held (if any): Member.

Dates: 1970 to present.

Employment record: List below all positions held since college, including the title and description of job, name of employer, location, and dates—

February 16, 1977 to present, Dr. James Schlesinger, OEOB, Energy Advisor.

April 28, 1970 to February 16, 1977, Sen. Adlai E. Stevenson, U.S. Senate, Special Counsel.

May 25, 1970 to November 7, 1970, Ross, Hardies, O'Keefe, Lawyer, Babcock & Parsons, 121 Michigan Avenue, Chicago, Illinois.

November 1969 to May 1970, The Research Group, Lawyer, Ann Arbor, Michigan.

May 1968 to September 1968, Arnstein, Gluck, Summer Intern, Weisenfeld and Minow, 120 South LaSalle, Chicago, Illinois.

Summers, 1964 to 1968, Avis Rent-A-Car, O'Hare International Airport, Chicago, Illinois, Assistant to Airport Manager.

Government experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part-time service or positions—

Special Counsel to U.S. Senator Adlai E. Stevenson, 1970 to 1977.

Duties: I. Director of State Projects. Developed the grant serving and state information systems that helped the State of Illinois improve its per capita rank for all federal expenditures from 48 in 1970 when Senator Stevenson was elected to 39 in 1976—the fastest rate of increase of any state in the Union.

II. Counsel to the Oil & Natural Gas Production & Distribution Subcommittee of the Senate Commerce Committee, Sen. Adlai E. Stevenson, Subcommittee Chairman.

Qualifications: State fully your qualifications to serve in the position to which you have been named—(attach sheet).

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate—No. Hopefully will continue to work with Dr. Schlesinger.

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your current or any previous employer, business firm, association or organization—No.

3. Has anybody made you a commitment to a job after you leave government?—No.

4. Do you expect to serve the full term for which you have been appointed?—Yes.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated—None.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated—None.

3. Describe any business relationship, dealing or financial transaction (other than taxpaying) which you have had during the last 10 years with the Federal Government, whether for yourself or relatives, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated—None.

4. List and describe any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or for the purpose of affecting the administration and execution of national law or public policy—As Senator Adlai Stevenson's Special Counsel, I have participated and worked on both the passage and administration of every major piece of energy legislation, from the perspective of a legislative staffer, over the last five years.

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items—Not Applicable.

LESLIE J. GOLDMAN'S QUALIFICATIONS TO SERVE AS ASSISTANT ADMINISTRATOR FOR ENERGY RESOURCE DEVELOPMENT

I believe I am qualified to serve as Assistant Administrator of the Federal Energy Administration for Resource Development by virtue of my intimate involvement in the development and oversight of resource-related legislation and programs in the United States Congress over the last four years.

As counsel to Senator Adlai E. Stevenson's Special Subcommittee on Oil and Natural Gas Production and Distribution of the Senate Commerce Committee, from its inception in 1973 until earlier this year, I participated in developing, drafting, and staffing members of the Subcommittee during Senate floor action associated with major legislation involving oil, natural gas, nuclear power and conservation programs. In addition, I have also followed and participated in the development of energy legislation involving coal as well as research and development of new, alternative energy technologies. Most recently, I helped draft the Emergency Natural Gas Act passed and successfully implemented earlier this year.

In the course of my activities on the Oil and Natural Gas Subcommittee, I worked closely with the staff, and often Members, of the Senate Interior Committee, now the Committee on Energy and Natural Resources, and the House Committee on Interstate and Foreign Commerce, Subcommittee on Energy and Power.

Based on my substantive experience and the working relationships developed over the years with many of the Members and staff who will be playing a major role in the development and review of future energy legislation, I believe I am uniquely qualified to execute the responsibilities of Assistant Administrator for Energy Resource Development.

I believe the invisible yet worsening energy crisis is one of the most serious threats facing the Nation today. The time is growing late for comprehensive action—action which includes positive programs for developing the Nation's conventional and unconventional energy resources. I think I can make a contribution toward getting that job done as Assistant Administrator for Energy Resource Development at the Federal Energy Administration.

By Mr. ABOUREZK, from the Committee on the Judiciary:

David V. Vroom, of South Dakota, to be U.S. attorney for the district of South Dakota.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. METCALF:

S. 1500. A bill to designate certain lands in the State of Alaska as units of the National Park, National Wildlife Refuge, National Wild and Scenic Rivers, and National Wilderness Preservation Systems, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. GARN:

S. 1501. A bill to amend the Truth in Lending Act; to the Committee on Banking, Housing and Urban Affairs.

By Mr. STEVENS:

S. 1502. A bill to amend title 18, United States Code, to make a crime the willful destruction of any interstate pipeline system; to the Committee on the Judiciary.

By Mr. THURMOND (for himself, Mr. HOLLINGS, Mr. EASTLAND, Mr. HELMS, and Mr. TALMADGE):

S. 1503. A bill to provide for the payment of losses incurred as a result of the ban on the use of the chemical Tris in apparel, fabric, yarn or fiber and for other purposes; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. METCALF:

S. 1500. A bill to designate certain lands in the State of Alaska as units of the National Park, National Wildlife Refuge, National Wild and Scenic Rivers, and National Wilderness Preservation Systems, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. METCALF. Mr. President, it is with particular pleasure that I send to the desk for introduction the Alaska National Interest Lands Conservation Act. I am especially pleased because this proposal to more than double our National Park and Wildlife Refuge Systems is one of our Nation's most challenging opportunities. When completed, it will go down in history as one of our Nation's greatest conservation achievement. Moreover, this is a one-time opportunity. It will not wait for us while we dally. It is our Nation's last chance to take bold and imaginative action to protect our most spectacular scenic wildlife and wilderness resources. I daresay that the Members of this body will not cast a more important conservation vote than the one on this bill.

COMPANION TO H.R. 39

This bill is the Senate companion to H.R. 39, introduced in the other body by my good friend and colleague, MORRIS UDALL, the chairman of the House Interior and Insular Affairs Committee. I commend Congressman UDALL and his coleader JOHN SEIBERLING, the chairman of the Subcommittee on General Oversight and Alaska Lands, for their inspired leadership. H.R. 39 now has more than 80 House sponsors and is presently the subject of continuing hearings. Their leadership is most encouraging, for to capture the potential of this opportunity will require a monumental effort.

It is essential, however, to have an early start in both Houses of Congress, as well as strong leadership from the administration. I have talked to the chairman of the Energy and Natural Resources Committee, and he has pledged that our committee will move ahead quickly with hearings this year, and a field trip this summer to Alaska.

NATIONAL PARK AND WILDLIFE REFUGE SYSTEMS

It was our Nation in 1872 that pioneered the national park concept with the establishment of Yellowstone National Park. This idea of national parks, conceived around a campfire by a group of distinguished citizens who were awed by what they had seen in the Yellowstone area, has developed into a National Park System of over 300 units, and spread to many foreign nations.

It was also our Nation in 1903 which initiated the National Wildlife Refuge System, when President Theodore Roosevelt established by Executive order the first Federal wildlife sanctuary, Pelican Island. From such a modest beginning,

the National Wildlife Refuge System has developed into mankind's most significant wildlife habitat management program. It is only appropriate that our Nation once again should take the initiative to achieve the imaginative potential that lies before us in Alaska.

WHOLE ECOSYSTEM—NATIONAL PARKS AND WILDLIFE REFUGES

Alaska presents us with the opportunity to more than do again what it has taken us over 100 years to do in other States: Triple the size of the National Park System and more than double the area of the National Wildlife Refuge System. Increasingly, the National Parks and Wildlife Refuge issues coming before us possess severe management problems.

I recall the effective leadership of our late distinguished colleague, the honorable Paul Douglas, who fought so courageously for the establishment of the Indiana Dunes National Lakeshore. After years of diligent labor, a park was established, which, due to its small size, proved to be unmanageable. So again after several years of labor, and endless hearings and markups, Congress added land to this park last year. And now I understand that even this may be inadequate.

The saddest thing is that back in the 1920's, Congress had the opportunity to create an unequaled national park in this area, as proposed and championed by the first director of the National Park Service, Stephen Mather.

There is a unique opportunity, available only in Alaska, to protect coherent ecological units. Ecosystems are open-ended units, seldom amenable to total protection. But to a remarkable degree, it is possible to encompass entire watersheds of large rivers, entire home ranges of many animal species, and entire physiographic units such as the foothill zones of the Lake Clark and Gates of the Arctic proposals.

The object is to enclose tracts internally related in character—such as watersheds—and extensive enough to provide sufficient area and sufficient habitat diversity to assure the long-term survival of all its components. The primary goal is to establish such units so that most of the organisms within it, as well as their interrelationships, can live on indefinitely, with minimal direct or indirect disturbance from the developmental activities of man. Will we use this opportunity, or fail in our leadership responsibility—in which case the next generation may say of us, "If only they would have acted on their vision?" This is what was more nearly done in Yellowstone, which most closely approaches the ecosystem ideal. When it was established, it was inaccessible and very distant from where most Americans lived. Now, today, this park supports more than 2 million visitors annually.

In contrast to the Indiana Dunes National Lakeshore situation, the proposals in my bill contain whole watersheds and ecosystems which will not possess the management problems which we have experienced with the Indiana Dunes. Nor will these areas have the problems experienced with the Redwood National Park which we are now having to expand at tremendous cost, nor with the necessity of establishing the Big Cypress Swamp National Preserve to safeguard Everglades National Park's water supply. Furthermore, this bill is consistent with the decision of Congress in the last session to stop dual administration of a single area by more than one Federal agency. We seek to have cooperation, not competition, between agencies.

THE DIVISION OF ALASKA

Once all of Alaska was federally owned, but we are presently divesting much of this land. When Congress created the State of Alaska in 1958, the act provided the State with the right to carve out 104 million acres to establish a land base. But then Alaska Natives said that they owned Alaska by aboriginal right, and that when the United States purchased Alaska from Russia, our country acquired sovereignty, but not land ownership.

Later, oil was discovered on State-selected lands on the North Slope, and the conflict over Alaska lands became intense. A freeze was put on all land disposal by the Secretary of the Interior, pending resolution of Native claims. Then another voice began to be heard clearly: that of the national interest to protect the nationally significant, scenic, wildlife, and wilderness values of Alaska's Federal land for all the shareholders—the American people.

Thus, when Congress settled the Native claims with the passage of the Alaska Native Claims Settlement Act, provision was made for the Congress to set aside lands in the national interest as national parks, wildlife refuges, forests, and wild and scenic rivers by December of 1978. We directed the Secretary of Interior to make recommendations to the Congress for additions to these four systems. The Secretary submitted his recommendations by the deadline of December 1973, providing us a basic, yet minimum, plan.

PROHIBIT NEW MINING CLAIMS

Last Congress, we were distressed to learn that in several units of the National Park System strip mining was occurring. We further learned after investigation that even more units were open to location under the mining laws. To stop the unfortunate destruction and devastation of such famous areas as Death Valley National Monument and Mt. McKinley National Park, we passed the National Park Mining Act, which closed all units of the National Park System to location and significantly restricted mining operations on existing claims.

We should not allow any mining to be pursued in the national park, national preserves, wildlife refuges, or wild and scenic river proposals of this bill. We must learn from our mistake of once having allowed units of the National Park System to be open and then having to fight to save the vital natural heritage that most Americans assumed was safe.

As chairman of the Public Lands and Resources Subcommittee, which has responsibility for the mining law, I intend to be particularly diligent in prohibiting mining in these areas. Further, I intend to suggest to this Congress that we address the mining laws and that they be reformed generally outside parks and refuges and rivers on the public domain forests.

WILDERNESS

The land reserves which we are proposing in this measure are intended to be wilderness parks, wilderness refuges, and wilderness rivers. These areas are far too sensitive ecologically to withstand much development. We can be assured that the values we know in these fragile areas today will be protected for future generations by designating them as wilderness. Yes, we do want to have visitor facilities, and yes, the management agencies will need administrative sites. I hereby request that the Administration, with all the expertise of the National Park Service, and Fish and Wildlife Service, and the Bureau of Outdoor Recreation come forward and tell us at hearings what areas ought to be left out of the wilderness designation for visitor facilities and administrative sites.

There can be no question as to whether these lands in Alaska are suitable for wilderness. They are as unaltered and wild as any you will find in our Nation. What we must avoid is the kind of overdevelopment exemplified by Yosemite Valley.

SOUTHEAST ALASKA

America's largest National Forest is the Tongass of Southeast Alaska. Its wilderness resources command our recognition as superlatives lost long ago in other national forests. The 800-year-old virgin forest ecosystem, undisturbed coastal beaches and cliffs, rich estuaries, millions of waterfowl, and abundant bald eagle, pine marten, timber wolf, brown bear, trumpeter swan, and humpback whale are attributes of the Tongass not found in lower 48 national forests. If the Congress does not act soon to review the wilderness potential of this unique forest, it will be too late. The Forest Service has already committed most of the commercial timber to clearcut logging in 50-year timber sales contracts. The Forest Service's recent Tongass land use plan appears to have as its primary goal the commitment of millions of acres of de facto wilderness to development without a wilderness review.

The plight of the Tongass can be depicted by simply remarking that while its wilderness resources are in many ways the finest in the National Forest System, the Government's record of wilderness preservation there has been one of the sorriest in the Nation. Unlike other Western forests, no primitive areas were designated within the Tongass. Not 1 acre has received Wilderness Act protection.

In order to reverse the indiscriminate destruction of the Tongass, I am proposing today that the best wilderness potential areas of the Tongrass be considered by the Congress for wilderness and wilderness study designation. These areas have been carefully selected for their prime wildlife, fisheries, and scenic values.

Citizens of southeast Alaska came before the Senate last year to apprise us of the desperate need for congressional review of the situation in the Tongass. They told the Senate committees of the many proposals for protection of Tongass For-

est wilderness values that have been consistently ignored by the Forest Service for the past 15 years.

At that time, wilderness proposals were not appropriate in the context of the forestry management practices we had under study. But I pledged then that I would see the wilderness of the Tongass and the Chugach National Forests be considered subsequently. Today, I am fulfilling that pledge; this bill will get the wilderness review process underway.

FIFTH SYSTEM

Mr. President, there have been suggestions that a "new" system of cooperative land management is needed for Alaska's national interest lands. This idea is sometimes called "the fifth system." In essence, it says that most of the national interest lands should not go into the four national conservation systems, but instead be placed under an appointed Federal-State commission empowered to classify the lands for a variety of uses, several of which are incompatible with the standards we have set for national parks, wildlife refuges, and wild and scenic rivers.

Opponents contend that a new system is unnecessary because the existing Federal land management systems are sufficiently flexible to accommodate various uses and the National Park Wildlife Refuge, and Wild and Scenic Rivers Systems can best protect the fragile fish, wildlife, ecological, geological, archaeological, and scenic resources of the national interest lands. The existing systems, they maintain, have evolved to a point where they can deal with different circumstances requiring innovative approaches.

Hearings on the national interest lands will help to sharpen this debate. I personally have long been wary of schemes which would place effective control over Federal lands in the hands of States or special interest groups. The burden of proof in this regard will be on proponents of a "fifth system" to show that the current systems are inadequate to the task. I do not think the case can be made.

An example of the flexibility of the National Park System, is the creation of the national preserve category. Congress has established two preserves to date. This bill envisions three more in Alaska, in those cases where we have lands of unquestioned national park caliber, but in which there appears to be no need to discontinue sport hunting—as would be the case if we made the same lands national parks. Under no circumstances are the preserves to be opened to new mining or mineral leasing or any other noncompatible use.

Future disposition and management of the national interest lands in Alaska provide an excellent opportunity to adapt to that great land the institutions which we have so painstakingly developed over the decades to preserve America's wild heritage. I urge my colleagues to read this bill carefully and offer their suggestions for improvements—and ultimately their support.

By Mr. GARN:

S. 1501. A bill to amend the Truth in Lending Act; to the Committee on Banking, Housing, and Urban Affairs.

Mr. GARN. Mr. President, today I am introducing an expanded and refined version of the Truth in Lending Simplification Act, which Senator TOWER and I introduced in the last session of Congress, to bring the consumer more meaningful credit cost disclosures and to relieve business of an unreasonable compliance and paperwork burden placed upon it by the complexities of the Truth in Lending Act and Regulation Z.

The Truth in Lending Act, although eminently well-intentioned, has spawned a regulatory nightmare.

The consumer is not receiving in a clear and timely fashion disclosures which will enable him to intelligently shop for credit.

Small business is stifled with burdensome regulations, nuisance lawsuits and wasteful paperwork.

The Federal court system is swamped with nonproductive small claims litigation.

The American taxpayer is forced to shoulder the burden of a vast and costly bureaucracy established to write, interpret and reinterpret truth in lending regulations.

THE SOURCE OF THE PROBLEM IS NOT DIFFICULT TO FIND

Some find the source of the problem in Congress' initial failure to have a clearly defined purpose in mind when it drafted the original act. As one commentator has pointed out, the congressional emphasis was shifted from disclosure of cost of credit to emphasis on selectively disclosing some of the underlying terms of the credit transactions. The original legislative philosophy was a functional one—that the consumer would get disclosures and use them to decide on credit transactions. The revised philosophy calls for a disclosure of all relative information. This led to the assertion that such items as default and acceleration charges must be disclosed generating much of the confusion and litigation.

In addition, as the various bills progressed along the legislative labyrinth, additional consumer protective devices such as the right to rescission, were attached to the disclosure provisions. This shift from credit cost disclosure to credit term disclosure made compliance many times more difficult since disclosure was not limited to the basic numbers which are the essence of all consumer credit transactions, but extended to many of the operative contractual terms of the transactions. The disclosure of contract terms is difficult because term disclosure lacks the precision of meaning that characterizes numerical categories. This is compounded by the interplay of State law which has forced creditors into using rather lengthy and complex contracts. In this situation, creditors have never been able to determine with certainty what needs to be disclosed and how the disclosure should be made. Compliance is subject to the vicissitudes of numerous courts and regulatory agencies interpreting the law and regulations.

A contributing factor to this predicament is the attempt through the Truth in Lending Act to regulate business practices in a very complex industry. Although considerable benefit has been derived from standardization of credit cost terms such as the annual percentage rate, practices from industry to industry and State to State differ largely due to different State laws. This makes it next to impossible to standardize disclosure forms to make them uniform and meaningful to the consumer.

Let us turn for a moment to some of the specific problem areas.

THE CLUTTERED DISCLOSURE STATEMENT

The typical installment sales contract is almost 2 feet in length and contains more than 30 different disclosure items. It includes not only such shopping items as cash price, downpayment, finance charge and annual percentage rate but also a long list of terms which are agreed to and disclosed in the written contract. These include default charges, a description of security interest, a description of insurance, notice that the holder takes the contract subject to all claims which may be asserted against the seller, and numerous disclosures required under State laws. Although it can be argued that most of these items are important to the consumer in one way or another, they are all disclosed in the contract itself and they have little value in credit shopping.

What scant evidence there is available tends to show that the Truth in Lending Act is not highly successful in increasing the consumer's awareness of credit costs. The National Commission on Consumer Finance reported in December of 1972, that although the awareness of the annual percentage rate increased significantly in the 15 months following the effective date of the Truth in Lending Act, a substantial portion of consumers, particularly consumers in the low-income high-risk area remain unaware of the annual percentage rate they have been charged.

Undoubtedly a contributing factor to the lack of awareness of credit costs has been that the stringent requirements of the Truth in Lending Act have dried up credit advertising. Under our market system, truthful advertising provides the best shopping aid for consumers. This suggests that a modification of the advertising provisions of the Truth in Lending Act should be undertaken. In doing this, the gains made under the Truth in Lending Act's requirements for a standardization of the advertising of the annual percentage rate should not be lost. This is one of the areas that is addressed in our Truth in Lending Simplification Act.

The clutter on the disclosure statement may be another reason why consumers have little awareness of credit costs. One study conducted in connection with consumer behavior in grocery shopping in-

dicates that there are finite limits to the ability of human beings to assimilate and process information during any given unit of time and that once these limits are surpassed, behavior tends to become confused and dysfunctional. The researchers concluded that in consumer product labeling, there are limits to the consumer's ability to accommodate substantial amounts of the package information within a limited time span. (Jacoby, Speller, and Berning, "Brand Choice Behavior as a Function of Information Load: Replication and Extension," Journal of Consumer Research, pp. 33–42, June 1974.)

Applying this behavioral reaction to credit cost disclosures, it follows that the proliferation of informational disclosure statements confuses rather than informs the consumer. The obvious solution, which is the approach taken in our bill, is to drastically cut this information to highlight essential credit shopping data.

Some will argue that by deleting credit term information, the consumer will be denied vital information. However sincere these arguments are, they are the same ones which brought on the present problem. If any progress is to be made toward simplification, most of the credit term items will have to be eliminated from the disclosure statement. The consumer will still have them disclosed in the credit contract itself.

The Truth in Lending Simplification Act we are introducing today attacks this problem in section 9 by deleting from the disclosure in open-end credit plans charges not related to the finance charge and credit costs. Section 10 would eliminate disclosure, default and late payments on the disclosure statement. The requirement that the details of the security interest be disclosed is modified by section 11. Most of these items are disclosed in the contract signed by the consumer and none are generally used in shopping for credit.

LACK OF CLARITY IN THE LAW

The Truth in Lending Act is so perplexing that the courts and Federal Reserve disagree on its interpretation. For example, the district court for the northern district of Georgia held that a "loan fee" charge by a lender which was spread over the life of the loan should be disclosed as "prepaid finance charge" while the Federal Reserve Board was ruling that such a charge should be stated as a "finance charge." *Grubb* v. *Oliver Enterprises, Inc.*, 358 F. Supp. 970 (N.D. Ga 1972)

The courts have split on the issue of whether a finance charge which consists solely of one element—interest or time price differential—must be identified in terms of that element.

There has been general confusion reflected in the conflicting opinions of the courts and the staff of the Federal Reserve Board and the differences in the act and the regulations as to the sufficiency of security interests disclosures. Decisions on this question reflect a wide spectrum of opinion. At the very least, a mere recital in a retail installment contract that a security interest is retained falls short of satisfying the disclosure requirements. *McDonald* v. *Savoy*, 501 S.W. 2d 400 (Tex. Civ. App. 1973). On the other hand, some courts have attempted to circumscribe the lengths to which creditors must go to adequately describe security interests by the vague guideline that "the lender need not give the consumer a short course in commercial transaction." *Burrell* v. *City, Inc.*, CCH Consumer Credit Guide section 98, 764 (N.D. Ga., 1974). The variety of opinions that fall between the two perimeters noted above fail to provide creditors with any forewarning as to whether their description of the applicable security interest will pass muster.

Courts have differed on the issue of whether the disclosure of the creditors standard acceleration clause is a default charge which should appear on the front or the back of the contract. Since all that is at stake here is whether certain words must appear on the front or the back of the contract form, creditors have little incentive to violate the law. Generally Federal Reserve Board staff opinions and most judicial decisions have held that the acceleration clause is not a "delinquency charge." However, a few judges have taken a different view of the complex issue and have imposed penalties on creditors for interpreting the law in the same manner as the Federal Reserve Board.

The confusion that surrounds the Truth in Lending Act can also be seen in an attempt to define the scope of its coverage. Prof. Jonathan M. Landers, visiting scholar of the American Bar Foundation, described the intricacies of the coverage provisions as follows:

> It is difficult to study the intricate coverage provisions of the Truth in Lending Act without thinking that there must be a better way to decide questions of coverage. And, in fact, the act has left so many uncertainties that this alone may have worked a vast expansion of coverage in the form of compliance by persons who are unsure and are unwilling to assume the risks of noncompliance. While one can criticize the foregoing analysis as overtechnical and nit-picking, criticism should be directed mainly against the Congress that has made it necessary rather than the attorney attempting to decipher the statute to make it understandable.
>
> It might be expected, in the light of this uncertainty, that the Federal Reserve Board would move aggressively to provide clear guidelines as to coverage. In fact, the board has not generally done so but instead has left the task largely to the staff, which has responded in the form of opinion letters directed to individual fact situations. It is not clear why the board has not acted. Perhaps it reflects a reluctance to add another level of technicality. A less complimentary explanation is to recall the board's often-expressed disinclination to administer TIL and its view that TIL administration is less important than the other tasks it has been assigned. Perhaps the reluctance is simply an unwillingness to identify a set of good guys who would be exempt and bad guys who would not.
>
> But after all that is said and done, it is hard to find any justification for a policy which still leaves unsettled such major areas of coverage as assignment transactions, discount for prepayment transactions, magazine subscriptions, sales of homes with broker assistance in financing, and the others discussed here. These are not arcane examples dredged up from the periphery of a complex regulatory scheme but typical transactions engaged in regularly by hundreds of thousands (or millions) of consumers. It is unfair to the consumers who may be entitled to disclosure and to the creditors who must either incur the additional expense of unnecessary disclosure or risk the consequences of an erroneous decision on coverage that the board has not attempted to do better. (Landers, The Scope of Coverage of the Truth in Lending Act, 1976, A.B.F. Res. J. 365, 686–7)

To bring clarity to the Act, our bill defines the term agricultural credit and eliminates it from coverage. In section 3 the definition of open-end credit is clarified to permit the verification of credit information. Section 4 makes clear that notary fees and fees paid by the creditor which are absorbed as overhead need not be included in the finance charge. Section 10 consolidates and simplifies the disclosure of the amount financed in closed-end credit.

THE PAPERWORK BURDEN

The disclosure and notification requirements of the Truth in Lending Act have put an intolerable paperwork burden upon creditors, particularly small retailers. Frequent changes in the law and regulations and differing interpretations by the courts or the Federal Reserve Board staff have forced creditors to frequently throw away forms and print new ones at a great cost. Our bill attacks this problem in a number of ways. First and most important, it would simplify the act's disclosure requirements, thus eliminating the confusion which has generated the different court and staff interpretations. Second, it would diminish the frequency of notice requirements. For example, section 9 would require notice of billing error rights be given once rather than twice a year. Finally, section 6 would restrict form changes to once a year and provide a 9-month leadtime.

THE LAWYERS PARADISE AND JUDGES INFERNO

One of the most shocking aspects of the Truth in Lending Act is the ever-growing burden being placed upon the Federal court system by the multiplicity of suits based on nonwillful technical violations of the act. We received shocking evidence in March of 1976 before the Senate Consumer Affairs Subcommittee establishing that litigation based on the punitive damage provision of the Truth in Lending Act is seriously encumbering the work of the Federal courts in certain sections of the country. Former Federal bankruptcy judge, W. Homer Drake, Jr., filed a statement with the subcommittee warning that the huge volume of truth-in-lending cases in north Georgia is putting a "tremendous new burden on district judges and bankruptcy judges." In the same theme, former District Judge Sidney O. Smith, Jr., gave the subcommittee the following penetrating analysis of the problem:

> My experience with the present enforcement procedures in the truth in lending area raises two basic concerns: (1) that the flood of private cases in the United States District Courts is substantially overburdening the federal judiciary system which is already being taxed beyond its capacities; and (2) that

the present means of enforcement of the objectives of the Act—to provide meaningful disclosure of credit terms—are not necessarily being accomplished by the present mode of enforcement.

This litigation serves no useful purpose unless one considers the extraction of attorney fees from the public a beneficial endeavor.

The litigation has not clarified the law.

Nor has it brought consumers more meaningful disclosures.

Testimony before the subcommittee last year tended to establish that plaintiffs in truth in lending litigation have not shopped for credit nor compared credit terms available to them. The typical plaintiff read the disclosure only after consulting a lawyer on other matters and was motivated to file suit by consideration other than to obtain meaningful information on credit costs.

For example, in *Dorothy Baker et al.*, v. *Pattison Pontiac Company, Inc. et al.*, C.A. No. 71-2019 (E.D. La.) the plaintiff, Mr. Orth, testified that he was not aware that he was bringing a class action suit for violations of the Truth in Lending Act. He stated in depositions that his wife was merely complaining about a car they had bought which did not work and they went to the attorney to get their money back. The interview with the attorney resulted in a class action suit against the finance company for alleged violations of the Truth in Lending Act. This case was dismissed after the defendant had expended large sums for defense of the claim.

In depositions in the case of *Morris J. Moody, et al.*, v. *Leson Chevrolet, Inc., et al.*, C.A. No. 71-2736 (E.D. La.) the plaintiff stated that he had not shopped for credit nor compared credit terms. After purchasing a car, he was talking with a friend who told him about a lawyer who could get some money for him if he would consult him concerning his finance contract. His motivation in filing the suit was pecuniary. This case was settled for $600 after substantial expenditures by the creditor in legal fees.

The Moody case apparently inspired other litigation in the New Orleans area. For example, in *Curtis Benn et al.* v. *Leson Chevrolet Company, Inc.*, C.A. No. 72-271 (E.D. La.) plaintiff Benn had talked to plaintiff Moody about the possibility of financial gain in truth in lending litigation. Ironically, it was not until 5 months after the suit was filed that the plaintiff was aware that he was involved in litigation. Again the Curtis Benn suit was settled for $650 after large defense fees were incurred.

Our bill attacks this problem by simplifying the act to make compliance less difficult and in section 12 by relieving liability where the failure to disclosure is not material to the consumer's awareness of the cost of credit.

Mr. President, the following section-by-section analysis gives in greater detail the provisions and purposes of the bill:

SECTION-BY-SECTION ANALYSIS

SEC. 1. The Act is cited as the Truth in Lending Simplification Act of 1976.

SEC. 2. Exempt agricultural credit.—Would amend sections 103(h) and 104(1) of the Truth in Lending Act to exempt all agricultural credit; would also repeal the current provision which exempts only those agricultural credit transactions in excess of $25,000. The Federal Reserve Board has recommended consideration of excluding coverage of agricultural credit because the coverage of such credit has numerous complexities in Regulation Z. In some instances it has delayed loan transactions for farmers who do not feel they need the disclosures. There is a question whether an Act designed to protect consumers should include a type of credit that is related primarily to business or commercial activity. A number of farm organizations support this exemption.

A new section 103(u) defining "agricultural purpose" is added to precisely delimit the coverage of the Act. The problem is that many credit transactions by persons who are engaged in the occupation of farming are neither clearly agricultural nor clearly personal in nature. Because of this lack of clear distinction, the Act has provided that agricultural credit transactions involving $25,000 shall not be covered by the Act.

A more pragmatic approach is taken in section 2 by clearly excluding from coverage credit extended primarily for agricultural purposes. Thus, credit extended to a family farm for vehicles or other articles which will incidentally be used for family purposes, but primarily used for agricultural purposes would be excluded from coverage. This puts the farmer in the same status as the individual owning and operating a family business. In close cases the creditor could obtain from the borrower a statement that the purpose of the loan fell within one of the exempt categories.

The section also amends section 104 of the Act to exempt Farm Credit System loans. The Farm Credit institutions are farmer-owned entities which operate under the supervision of the Farm Credit Administration for the benefit of their owner-borrowers to whom they extend credit generally at below the market rate. For the most part, the credit transactions of the System involve extensions of credit for business purposes in financing an ongoing farming operation and not consumer loans intended to be covered by the Act. There is no evidence that the law has caused the level of charges to be reduced to Farm Credit borrowers or has caused them to seek other financing as a result of the disclosures. The paper requirements resulting from the Truth in Lending Act are burdensome and create delays in loan closings. Compliance is particularly difficult for the System members because most loans are made with a frequently fluctuating variable rate which cannot be accurately reflected in the disclosure statement.

Sec. 3. Open end credit definition.—Would amend the definition of "open end credit plan" in section 103(i) specifically to permit creditors to reverify credit information from time to time. In many cases, creditors need to update credit information in connection with existing accounts, as, for example, in connection with additional purchases or other extensons of credit which would exceed a previously established credit limit. This amendment is necessary to resolve a conflict in the interpretation given this subsection by two of the Federal enforcement authorities. The Federal Reserve Board, in a staff opinion letter, has held that reverification is permissible; the Federal Trade Commission has held that it is not.

Sec. 4. Elimination of itemized charges.—Would amend section 106(d) to delete the requirement for the itemization of certain charges if they are to be excluded from the finance charge. Such itemization is not necessary for the protection of the consumer because these costs are not directly related to the lender's charge for credit and in most instances are not substantial in relationship to the overall transaction. In home mortgage loans where the charges may be substantial, their disclosure is required under the Real Estate Settlement Procedures Act.

Section 106(d)(1) has been further amended to eliminate the requirement that "official fees" be prescribed by law in order to be excluded from the finance charge. The phrase "be prescribed by law" has generated confusion as to when notary fees may be excluded from the finance charge. The removal of this phrase should make clear that when "official fees," such as notary fees, are actually paid to public officials in connection with a security interest and there are no kick backs of such fees, the item need not be included in the computation of finance charges. This follows the pattern set in section 106(e)(4) which specifically excludes notary fees from computation of finance charges where a security interest is taken in real property.

An additional subsection has been added to section 106 to the effect that fees or charges (such as finder's fees, credit report fees, etc.), which are actually paid by the creditor and absorbed as a part of the creditor's overhead, need not be considered as components of the finance charges, and need not be disclosed to the consumer. This amendment confirms various opinions issued by the Federal Reserve Board Staff to the effect that fees or charges, which would otherwise be included in the finance charge under section 106(a), need not be included and disclosed as finance charge components where such charges or fees are paid by the creditor and absorbed as a part of the creditor's overhead and are not passed on directly or indirectly to the consumer through an increase in the rate of interest. This has been a great source of confusion and wasteful litigation.

Sec. 5. Timing of annual report.—Would amend section 114 of the Truth in Lending Act, section 707 of the Equal Credit Opportunity Act and section 18(f)(5) of the Federal Trade Commission Act to permit the Board to submit the Annual Report required by those acts at the same time as components of the Board's Annual Report. The Federal Reserve Board, which has recommended this amendment, feels that there are no benefits produced by these fragmented reports and duplication of effort would be avoided.

Sec. 6. Annual forms revision.—Would amend section 122 of the Act to restrict the effective date of any statutory amendment to the Act or implementing amendment or interpretation requiring a change in a disclosure form to October 1 of the following year. The purpose of this amendment is to limit form changes to once a year and to give lead-time for necessary printing and programing. Safeguards are incorporated into the provision to permit the Board to shorten the length of time for creditors to make such adjustments when such is necessary to prevent unfair or deceptive disclosure practices.

During the past few years, creditors have been required to destroy large volumes of unused credit application and disclosure forms due to changes mandated by court decisions and federal and state laws and regulations. The expense incurred in constantly revising forms is wasteful and ultimately must be borne by consumers. This amendment is designed to eliminate much of this waste.

Sec. 7. Right of rescission.—Would amend section 125(e) so that the right of rescission granted by the Truth in Lending Act would not apply to credit contracts involving a security interest in a vacant lot. The substance of this amendment is based on a Federal Reserve Board recommendation in which the Board said it felt that the right of rescission should not continue to be applicable to vacant lot purchase transactions other than those covered under the Inter-

state Land Sales Full Disclosure Act. The basic objective of section 125 of the Truth in Lending Act is to give a consumer sufficient time in which to consider the important act of pledging his or her residence as security for a loan. The mere purchase of a vacant lot or the pledging of the lot as security for a loan should not need the extraordinary privilege of the right of rescission. The difficulty under the current provisions of section 125 is that the general rule creating the right of rescission in subsection (a) refers to "residence," and the exception to the general rule for first purchase money security interests in subsection (e) refers to "dwelling." The Board recommendation would change subsection (a) to refer to "dwelling," whereas this amendment changes subsection (e) to refer to "residence." Thus the objective of the Board is accomplished while at the same time not effectively voiding the provisions in millions of existing open end credit contracts which renounce any security interest in the customer's "residence." Were those renunciation provisions effectively voided by changing the Act to refer to "dwelling," the consumer-obligors on those millions of open end credit accounts might find future transactions subject to a three-day delay in performance pending expiration of the right of rescission.

To correct inequities flowing from the holding in *Gerasta v. Hibernia National Bank*, 411 F. Supp. 176 (E.D. La. 1975), this provision also amends section 125(f) of the Act to require as a condition of exercising the right to rescind after the initial three day waiting period, the obligor must tender the property, principal amount of the loan or other consideration received from the creditor. The provision further amends the Act to add a new definition of "material disclosure" to make clear that the right to rescind does not continue beyond the initial three day period simply because the creditor made a technical violation of the Truth in Lending Act that does not affect the obligor's awareness of the cost of credit. In addition, the creditor would be given 20 days within which to respond to the obligor's notice of rescission.

In *Gerasta v. Hibernia National Bank*, 411 F. Supp. 176 (E.D. La. 1975), the court held that where a creditor fails to respond to a subsequent notice of rescission by a borrowing consumer and fails to return all previously paid finance charges and closing costs, and fails to cancel its security interest on the borrower's residence, within ten days following the receipt of such a subsequent notice of rescission, the creditor forfeits any right to collect the proceeds of such a loan.

The problem is simply that a creditor has no way of knowing, upon receipt of a subsequent notice of rescission after the three-day right to rescission period has expired, whether or not the borrower has the right to rescind such a credit transaction. The creditor is faced with the alternative of refunding previously paid finance charges and other charges and cancelling its security interest, or of contesting the borrower's right to rescind, in which case the creditor faces the additional penalty of forfeiting the entire proceeds of such a loan.

In addition, it is questionable whether the "effects of rescission" provisions of section 125(b) of the Act were ever intended to apply to a situation in which a borrower seeks to rescind a consumer credit transaction after the three-day right of rescission period has expired due to a technical truth-in-lending disclosure violation at the time the loan was consummated. The legislative history of section 125(b) of the Act indicates that this section was intended to apply to consumer credit sales situations in which the borrower seeks to rescind within the three-day right of rescission period, where the creditor actually provides goods or services to the borrower incident to improvements on the borrower's residence. The section was intended to cure consumer abuses in the aluminum siding industry and there is no evidence that it was ever intended to apply to direct consumer loans between banks or other financial institutions and borrowing consumers for home improvement or second mortgage purposes.

The amendment attempts to avoid the inequities which have resulted under the *Gerasta* and related decsions by requiring the obligor, seeking to rescind a consumer real estate transaction after the three day statutory right of rescission, to tender the unpaid principal balance under such an indebtedness to the creditor as a condition of rescission. This follows the remedy forged by the United States 9th Circuit Court of Appeals in *Palmer v. Wilson*, et. al., 502 F. 2d 860 (9th Cir. 1974).

Sec. 8. Voluntary periodic statement.—Would delete the requirement of section 126 that creditors who chose to send periodic billing statements in connection with credit other than open end include notices of certain charges. Th Board recommends this deletion since such periodic statements are not uniformly required for all extensions of credit other than open end and the rule would impose an unfair burden on those creditors who do send such payment reminders. Periodic credit cost disclosure is of no benefit to the consumer in closed-end credit contracts because there is no new credit contracts to be made as in open-end credit arrangements.

Sec. 9. Open end credit.—Subsection 9(a) would delete section 127(a)(5) permitting disclosure of the "average effective rate of return." This provision contains a complicated formula taking up an entire section of Regulation Z which sets out the requirements with respect to such optional disclosures. It is not being used and the Board has recommended its deletion.

The subsection also deletes section 127(a)(6) requiring the disclosure of the conditions under which any other charges may be imposed. These disclosures are not material for the purpose of comparing credit costs and the provision is a source of confusion.

Subsection 9(b) revises section 127(7) of the Act to provide that the creditor need merely give the consumer notice that a security interest is or may be taken in connection with an open end credit plan. Notice that the conditions and description of a security interest does nothing to enhance the consumer's ability to shop for credit and adds to the clutter of the disclosure statement.

Other consumer protection interests are served by the notice that a security interest is or may be retained because under state law the consumer is given a complete description of the security interest when he signs the credit contract.

Subsection 9(c) would change the requirement under section 127(a)(8) (redesignated as paragraph (6) regarding the furnishing of the statement of billing error rights. As currently written, the law requires the statement to be mailed at semiannual intervals, and this amendment reduces the frequency to annual intervals. Based on a study prepared for the Federal Reserve Bank of Atlanta by Georgia Tech Research Institute in 1971 there were outstanding approximately 330 million credit card accounts. Add to this number the number of other types of open end credit accounts (e.g., bank overdraft plan), and the aggregate is in the range of 360 million accounts. The savings involved in eliminating one semiannual mailing run into many millions of dollars with no substantial detriment to consumers because consumers would still receive the statement when opening new accounts and annually thereafter. An additional point that might be made is that consumers commonly hold a number of different credit cards. For example, a study of consumers having department store credit accounts showed that about 30 percent had less than five credit cards; 45 percent 5–9 cards; 20 percent, 10–14 cards; and over 5 percent, 15 or more cards. (Robert P. Shay and William C. Dundelberg, Retail Credit Card Use in New York. New York: Graduate School of Business, Columbia University, 1975, p. 22) Thus, under the present system about 20 percent of this sample group received 20 to 28 notices per annum (which they probably throw away).

Subsection 9(d) permits creditors who cannot identify each transaction on the periodic billing statement to disclose the other required information and treat any inquiry for clarification as a "billing error" under the Fair Credit Billing Act. Literally thousands of creditors, either because of size or diversity of goods and services handled, are unable to identify each transaction. This amendment permits them to supply all of the other required information and protects consumers by requiring those creditors to handle any inquiry as a billing error.

Sec. 10. Closed end credit disclosures.—Would amend sections 106, 107, 128 and 129 to permit in long-term installment and mortgage loan contract disclosures, reasonable tolerances in the computation and reporting of the number of payments, the finance charge and the annual percentage rate.

In many long-term credit contracts and in those where there are variables that are not predictable, it is not possible to calculate and disclose with absolute mathematical accuracy items such as the number of payments and the amount of the periodic payment. For example, to accurately disclose these items on a $30,000, 9 APR loan payable in 360 months the monthly payments would have to be $241.386785. Since payments of less than a penny cannot be made under our payments system, this figure is rounded off resulting in a technical error. This amendment together with the addition to section 103 of the definition of the term "material disclosure" should make clear that Congress does not intend to require creditors to slavishly adhere to technical requirements which are not meaningful to the consumer.

The section also eliminates the requirements both under open and closed end credit plans that default, late or delinquency charges be disclosed. Although the Board had recommended merely the deletion of disclosure of default charges, the amendment deletes the entire provision. There has been a large volume of litigation as to what constitutes a default, delinquency, or a late payment. Given the vagaries of the English language, it is doubtful that the deletion of the requirement of the disclosure of default charges would cure the problem. Certainly, a "default" could be considered a "delinquency" thus leaving it to creditors to litigate the same kinds of issues as under the present provisions.

Moreover, it is doubtful that such late payment and delinquency charges should be disclosed at all, especially when they are regulated by state statute. Consumers do not expect to become delinquent when they enter credit contracts, and default and late payment information is thus of marginal use in the credit decision. Moreover, these matters tend to be regulated by statutes with all creditors imposing the same charges. There is no indication of bargaining on late payment or delinquency charges. The fact that consumers do not consider this information as pertinent to the credit decision is especially important since a full and accurate statement of such charges introduces additional complexity and length to the truth in lending statement and detracts

from the value of the other disclosures. Finally, such charges are generally included in the credit contract, and thus, the issue is not really disclosure as such but whether the disclosures should be on the truth in lending statement.

For purposes of simplification and clarity, the section consolidates paragraphs (1), (2) and (3) of section 129(a) requiring disclosure of the amount of credit actually paid out including other charges which are not part of the finance charge but are part of the credit extended. The consolidated language is taken from section 226.8 (d)(1) for Regulation Z implementing these paragraphs. This consolidation is intended to remove the ambiguities in section 129(a) (1), (2) and (3) and reconcile conflicting interpretations made by the courts and the Board.

Sec. 11. Disclosure of type of security interest.—Would delete the requirements in sections 128 and 129 for a disclosure in closed end credit of a detailed description of a security interest and permit either an identification of the property in which a security interest is taken or a reference to such an identification on an accompanying statement delivered to the obligor.

This amendment should go a long way in removing the clutter on the disclosure statement without diminishing consumer protection. In the consumer credit contract and accompanying papers signed by the consumer, full details of the security interest are given the consumer. The details of the security interest are of no benefit to the consumer for credit shopping purposes and the cumbersone disclosure requirements merely add to the burden of compliance.

Sec. 12. No liability for substantial compliance.—Would amend section 130 to provide that a creditor may not be held liable under the civil penalty section for truth in lending disclosure violations where the failure to disclose was not material to the consumer's awareness of the cost of credit. It is presumed that necessary disclosure is made when, where required by the Act, there has been disclosed the annual percentage rate, the finance charge or method of determining the balance upon which a finance charge will be imposed and the amount of the finance charge, the amount to be financed, the total payments, the number and amount of payments, and the due dates.

Citing the present volume of litigation due to the complexity of the Truth in Lending Act and regulations, the Board recommended that Congress study the possibility of limiting civil penalties to violations involving the misstatement of credit terms which would interfere with the consumer's ability to make meaningful comparisons of credit costs. The items included in this amendment are the ones which are basic to the consumer's understanding of credit costs. The disclosure of other items, such as late payments, the identity of the security interest and the right to rescission, are not included because they are not pertinent to the credit shopping function. This is the category which has cluttered the disclosure statement and is the primary source of confusion and litigation.

Sec. 13. Advertising of credit terms.—Would rewrite section 143 of the Act to permit creditors offering open end credit to advertise only the periodic rate and the annual percentage rate. This would be consistent with the requirement now applicable to advertising of closed end credit. Where terms other than rates are advertised, then there must be stated only the periodic payment, the method of computing the finance charges, the periodic rate and the annual percentage rate. This would be consistent with the requirement now applicable to advertising of closed end credit.

Section 144 is amended by deleting the requirement that in closed end credit advertising there be disclosed the cash price or the amount of the loan and the downpayment.

The amendment also has the effect of deleting specific authority for the Board to require other or additional information in advertisements for open end credit plans. This is not intended to prohibit the Board from using its general authority to interpret what is included in the requirements that remain, but simply to prohibit the Board from exercising a legislative function of adding additional requirements.

This simplification approach to credit advertising generally follows the recommendations of the National Commission on Consumer Finance. The Commission observed that although an important benefit of disclosure legislation has been the elimination of misleading rate advertising—discount, add-on, percent per month, and so on—the complexities of the Act seem to have discouraged advertising. Some feel that the truth in lending disclosure at the time of the transactions came too late to permit comparative shopping. The purpose of these amendments is to encourage informative advertising to provide a better mechanism for comparison shopping and a competitive market to bring rates down.

Sec. 14. Correction of billing errors.—Would delete paragraph (3) of section 161 (b)(3) of the Act, treating the non-acceptance or non-delivery of goods or services as a billing error. The non-delivery or non-acceptance of goods or services is more in the nature of a dispute as to the value, quantity or quality of goods or services obtained than a matter of billing error. Congress has determined that such disputes, which involve only the customer and the merchant and as to which only they have information, should be handled under section 170 of the Act rather than under section 161. Section 161 simply is not designed to deal with disputes concerning non-delivery and non-acceptance, and the inclusion of subsection (b)(3) within the definition had led to considerable confusion as to whether a particular dispute regarding non-delivery or non-acceptance can give rise to a billing error claim under section 161, a customer dispute under section 170, or both. The Board has been forced to attempt to draw a distinction between the two provisions (see footnote 1 to section 226.2(j)(3) of Regulation Z), and this matter has also been discussed in a subsequent Staff letter (Staff Letter No. 965, dated December 3, 1975, 5 CCH Consumer Credit Guide, Para. 31304).

The amendment eliminates this overlap, with its resultant confusion and potential double liability, by limiting the billing error provision to those situations that truly are billing errors, such as accounting and computational errors and other questions as to the accuracy of the statement prepared by the creditor. Disputes between the merchant and the cardholder with respect to the delivery and quality of goods or services should be left to section 170.

The section would also amend section 161 (b) of the Act to limit the Board's discretion to define a "billing error." The amendment incorporates into the Act the current provision in Regulation Z defining as a billing error the failure to send the periodic statement to the latest address of a customer. However, in view of the civil and criminal sanctions Congress, not the Board, should prescribe which acts or practices constitute a violation. If the Board in the future should find other acts or practices which should be prohibited, it is always able to recommend to Congress appropriate changes in the statute. Here again, it is not the intention to restrict the Board's general interpretative authority to clarify the provisions of the Act or Regulation Z.

This amendment would also make explicit what is now implicit in the Act: during the dispute resolution procedure, a creditor may continue to send periodic billing statements which show the amount in dispute together with all finance charges thereon, provided that the creditor complies with the dispute resolution procedure and credits the customer with all amounts found to have been in error, together with all finance charges thereon.

Sec. 15. Relation to state law.—Would amend section 111 of the Truth in Lending Act to establish a general principle of allowing only state laws that are identical to the federal law. An exception is created for more protective state laws, similar to the "greater protection" standards of sections 171 and 186 which are being superseded. This exception applies only where an application made by the state or local subdivision is approved by the Board under the following conditions:

(i) compliance would not violate the Act; (ii) state law provides significantly higher degree of protection, practices are not adequately regulated by the Act and it does not unduly burden interstate commerce. In granting an exemption the Board shall consider feasibility and cost of compliance, probability that other States will apply for an exemption, and the need for national uniformity.

This amendment is modeled after the Consumer Product Safety Act and is offered for the purpose of comment to focus Congress' attention on one of the most complex issues in truth in lending simplification. My personal preference would be to leave consumer credit protection to the states and have no federal preemption. However, the federal government has moved into this area creating a multitude of contradictions. One commentator sized up the problem in this manner:

"At present, the Act contains three separate provisions dealing with preemption. Section 11 establishes a general principle applicable to the Act as a whole, which preempts state credit disclosure laws to the extent that they are 'inconsistent' with the Act. Section 171 sets forth a similar principle applicable only to Chapter 4. 'Credit Billing,' but additionally directs that no state law shall be deemed inconsistent if it provides greater protection to consumers. Section 186, which is applicable only to Chapter 5, 'Consumer Leasing,' is identical substantively to Section 171.

"We believe that the existing standard of 'inconsistency' to determine preemption is an unworkable one and that a different standard is needed urgently. Creditors and consumers alike are confused in attempting to determine whether state law, federal law, or both are applicable to a particular consumer credit problem. The 'inconsistent law' test invites constant disputes as to whether a state law is in fact inconsistent with federal law. The greater protection standard of Sections 181 and 186 is difficult to apply, as was pointed out by Governor Jackson of the Board in his testimony before the House Consumer Affairs Subcommittee on February 9, 1977. Often there is no way to determine whether a particular provision of standard law offers 'greater protection.' The state provision may be more advantageous to consumers than the federal provision in one respect but disadvantageous in others. This problem is compounded when an attempt is made to judge whether it is the aggregate of the detailed provisions of any particular statute that is to be compared, or whether each specific provision is to be compared separately and a hybrid set of rules, consisting of some details from state law and some from Federal law, is to be fashioned.

"The legislative process has as a goal the production of well integrated, coherent and internally consistent principles. The latter technique described above, which would pull details from disparate statutes and attempt

to force them to function as a single set of integrated principles, is destructive of that goal. Such a technique further renders negative the negotiation and the trade-off that are accomplished in the legislative process as workable legislation based on compromise is produced. Consumer rights and creditor responsibilities are interrelated and wise policy making requires a careful balancing between the two. A carefully balanced federal bill can become lopsided immediately if additional state obligations are superimposed on the federal provisions. The effects of imbalance are great indeed, when one appreciates that the credit-granting industry is price regulated and statutes not carefully integrated will have economic effects in some respects aggravated in comparison to other industries. The effect of the present principles governing the relationship of federal to state law is even more serious under the Equal Credit Opportunity Act, which adopted the scheme of the Truth in Lending Act, in part because of a misconception by Congress regarding the viability of the scheme. See S. Rept. No. 94-589, 94th Cong., 2nd Sess. 12 (1976).

"In addition to those problems, the present law creates confusion, uncertainty, and burdens for the increasing number of multi-state creditors who must contend with a variety of differing state and local laws. The solution should be federal preemption in those areas where the federal government has already legislated in a comprehensive and highly detailed way and occupies the field. Such is the general rule of law in the United States, as articulated just this week again by the United States Supreme Court in the case of *Jones* v. *Rath Packing Company*, in which certain labelling laws of the State of California were held to have been preempted by the Federal Fair Packaging and Labelling Act. Unfortunately, the concept of preemption of state law typically raises the spectre of the removal from the states of the power to insure a free market economy and a consequent increase in regulation of business. With regard to the Consumer Credit Protection Act, it is *the absence of preemption* that increases the regulation of business. Once the federal government has thoroughly occupied a field, as it has in the Fair Credit Billing Act, Truth in Lending Act and the Equal Credit Opportunity Act, the only remaining question is whether state authorities will be able to impose additional and more restrictive rules, which are added to the federal rule. States have no ability to reduce the amount of regulation, only to increase it."

Federal intrusion into this area traditionally reserved to the states is one of the primary causes of the complexities in consumer credit protection law. Until Congress faces its responsibility of addressing this matter in a rational manner, little can be achieved in forms simplification. Section 15 is offered as one suggested approach to the problem.

Mr. President, I am pleased that the chairman of the Senate Consumer Affairs Subcommittee is contemplating hearings on truth in lending simplification. This matter deserves the highest priority. Both the consumer and the small businessman deserve better than Congress gave them in the Truth in Lending Act.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1501

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Truth in Lending Simplification Act of 1977".

EXEMPT AGRICULTURAL CREDIT

SEC. 2. (a) Section 103(h) of the Truth in Lending Act (15 U.S.C. 1602(h)) is amended to read as follows:

"(h) The adjective 'consumer', used with reference to a credit transaction, characterizes the transaction as one in which the party to whom credit is offered or extended is a natural person, and the money, property, or services which are the subject of the transaction are primarily for personal, family, or household purposes.".

(b) Section 103 of such Act (15 U.S.C. 1602) is amended by adding at the end thereof a new subsection as follows:

"(u) The term 'agricultural purposes' includes loans and leases related to the production, harvest, exhibition, marketing, transportation, processing, or manufacture for agricultural products by a natural person who cultivates, plants, propagates or nurtures those agricultural products, including but not limited to the acquisition of farm land, real property with a farm residence and personal property and services used primarily in farming, and the term 'agricultural products' includes agricultural, horticultural, viticulture, and dairy products, livestock, wildlife, poultry, bees, forest products, fish and shellfish, and any products thereof, including processed and manufactured products, and any and all products raised or produced on farms and any processed or manufactured products thereof.".

(c) Section 104 of such Act (15 U.S.C. 1603) is amended by adding at the end thereof the following:

"(6) Credit transactions of borrower-owned Federal instrumentalities which extend credit under the supervision of an agency of the United States.".

(d) Section 104(1) of such Act (15 U.S.C. 1603(1)) is amended to read as follows:

"(1) Credit transactions involving extensions of credit for business, commercial, or agricultural purposes, or to government or governmental agencies or instrumentalities, or to organizations.".

(e) Section 104(5) of such Act (15 U.S.C. 1603(5)) is repealed.

OPEN END CREDIT DEFINITION

SEC. 3. Section 103(1) of the Truth in Lending Act (15 U.S.C. 1602(1)) is amended by adding at the end thereof the following: "A credit plan which otherwise meets this definition is an open-end credit plan if credit information is verified from time to time.".

ELIMINATION OF ITEMIZED CHARGES

SEC. 4. (a) Section 106(d) of the Truth in Lending Act (15 U.S.C. 1605(d)) is amended to read as follows:

"(d) The following items shall not be included in the computation of the finance charge with respect to any transaction:

"(1) Fees and charges which actually are or will be paid to public officials for determining the existence of or for perfecting or releasing or satisfying any security related to the credit transaction.

"(2) The premium payable for any insurance in lieu of perfecting any security interest otherwise required by the creditor in connection with the transaction, if the premium does not exceed the fees and charges described in paragraph (1) which would otherwise be payable.

"(3) Taxes.

"(4) Any other type of charge which is not for credit and the exclusion of which from the finance charge is approved by the Board by regulation.".

(b) Section 106 of such Act (15 U.S.C. 1605) is amended by adding at the end thereof a new subsection as follows:

"(f) Fees or charges paid by the creditor and absorbed as a part of the creditor's overhead are not part of the finance charge and need not be disclosed."

TIMING OF ANNUAL REPORT

SEC. 5. (a) Section 114 of the Truth in Lending Act (15 U.S.C. 1613) is amended by striking out "Not later than January 3 of" and "after 1969,", and by capitalizing "each" the first time it appears in such section.

(b) Section 18(f)(5) of the Federal Trade Commission Act (15 U.S.C. 58a(f)(5)) is amended by striking out "not later than March 15 of each year".

(c) Section 707 of the Equal Credit Opportunity Act (15 U.S.C. 1691f) is amended by striking out "Not later than February 1 of" and "after 1976," and by capitalizing "each" the first time it appears in such section.

ANNUAL FORMS REVISION

SEC. 6. Section 122 of the Truth in Lending Act (15 U.S.C. 132) is amended by adding at the end thereof a new subsection as follows:

"(c) Any statutory amendment to the Truth in Lending Act, any regulation of the Board, or any amendment or interpretation thereof, requiring any disclosure different from that previously required by this chapter, chapter 4, or chapter 5, shall have an effective date of October 1 of the calendar year following the year of enactment or promulgation, except that the Board may take interim action by regulation, amendment, or interpretation to lengthen the period of time permitted for creditors to adjust their forms to accommodate new requirements at its discretion or shorten the length of time for creditors to make such adjustments when it makes a specific finding that such is necessary to prevent unfair or deceptive disclosure practices. Notwithstanding the foregoing, any creditor may comply with any such new disclosure requirements prior to the effective date of the requirements.".

RIGHT OF RESCISSION

SEC. 7. (a) Section 125(b) of the Truth in Lending Act (15 U.S.C. 1635(b)) is amended by striking out "ten" in the second and final sentences and inserting in lieu thereof "twenty".

(b) Section 125(e) of such Act (15 U.S.C. 1635(e)) is amended to read as follows:

"(e) This section does not apply to the creation or retention of a first lien against any real property which is used or expected to be used as the residence of the person to whom credit is extended to finance the acquisition of that property or to a consumer credit transaction in which an agency of a State is the obligor.".

(c) Section 125(f) of such Act (15 U.S.C. 1635(f)) is amended by adding at the end thereof the following: "Notwithstanding any other provision of this section, when an obligor exercises a right to rescind after midnight of the third business day following the consummation of the transaction, as a condition of the exercise of that right, the obligor shall, at the time the creditor is notified of the exercise of the right to rescind, tender the property, principal amount of loan, or other consideration received from the creditor. If return of the property in kind would be impracticable or inequitable, the obligor shall tender its reasonable value. Tender shall be made at the location of the property or at the residence of the obligor, at the option of the obligor. If the creditor does not take possession of the property within twenty days after tender by the obligor, ownership of the property vests in the obligor without obligation on his part to pay for it.".

(d) Section 103 of such Act (15 U.S.C. 1602), as amended by section 2(b), is amended by adding at the end thereof the following:

"(v) The term 'material disclosures' means the creditor has disclosed, as required by

this chapter, the annual percentage rate, the finance charge or method of determining the balance upon which a finance charge will be imposed and the amount of the finance charge, whichever is applicable, the amount to be financed, the total of payments, the number and amount of payments, and the due dates or periods of payments scheduled to repay the indebtedness. Any mathematical computation which is made with reasonable accuracy, as defined by the Board, is in compliance with this title.".

VOLUNTARY PERIODIC STATEMENTS

SEC. 8. Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631–1645) is amended by striking out section 126 (15 U.S.C. 1636).

OPEN END CREDIT DISCLOSURES

SEC. 9. (a) Section 127(a) of the Truth in Lending Act (15 U.S.C. 1637(a)) is amended by striking out paragraphs (5) and (6) and by redesignating paragraphs (7) and (8) as paragraphs (5) and (6), respectively.

(b) Redesignated paragraph (5) of section 127(a) of such Act (15 U.S.C. 1637(a)) is amended to read as follows:

"(5) Where a security interest may be retained or acquired in any property to secure the payment of any credit extended under the plan, a statement that a security interest is or may be taken under the open end credit plan."

(c) Redesignated paragraph (6) of section 127(a) of such Act (15 U.S.C. 1637(a)) is amended by striking out "each of two billing cycles per year, at semi-annual intervals" and inserting in lieu thereof "one billing cycle per calendar year, at intervals of not less than six months or more than 18 months".

(d) Section 127(b)(2) of such Act (15 U.S.C. 1637(b)(2)) is amended to read as follows:

"(2) The amount and date of each extension of credit during the period and a brief identification, on or accompanying the statement, of each extension of credit sufficient to enable the obligor either to identify the transaction or to relate it to copies of sales vouchers or similar instruments previously furnished, except that a creditor's failure to disclose such identification in accordance with this paragraph shall not be deemed a failure to comply with this chapter or this title if (A) the creditor maintains procedures reasonably adapted to procure and provide such identification; and (B) the creditor responds to and treats any inquiry for clarification in accordance with section 161 of this title.".

CLOSED END CREDIT DISCLOSURES

SEC. 10. (a) Section 128(a)(8) of the Truth in Lending Act (15 U.S.C. 1638(a)(8)) is amended by inserting before the period at the end thereof a comma and the following: "except that for transactions payable in more than 120 installments, all of which are substantially equal and in connection with which a creditor determines the finance charge by the application of a periodic rate to the unpaid balances of the amount financed, the number of payments shall be disclosed with an accuracy which is within a tolerance of 1 per centum more or less than the actual number of installments necessary to pay in full the extension of credit in accordance with its terms".

(b) Section 128(a) of the Truth in Lending Act (15 U.S.C. 1638(a)) is amended by striking out paragraph (9) and by redesignating paragraph (10) as paragraph (9).

(c) Section 129(a) of such Act (15 U.S.C. 1639(a)) is amended by striking paragraphs (1), (2), and (7) and redesignating paragraphs (3), (4), (5), (6), and (8) as paragraphs (1), (2), (3), (4), and (5), respectively. Redesignated paragraph (1) is amended to read as follows:

"(1) The amount of credit which will be paid to the customer or for his account or to another person on his behalf, including all charges, individually itemized, which are included in the amount of credit extended but which are not part of the finance charge, using the term 'amount financed'.".

(d) Redesignated paragraph (4) of section 129(a) of such Act (15 U.S.C. 1639(a)(4)) is amended by inserting before the period at the end thereof a comma and adding the following: "except that for transactions payable in more than 120 installments, all of which are substantially equal and in connection with which a creditor determines the finance charge by the application of a periodic rate to the unpaid balances of the amount financed, the number of payments shall be disclosed with an accuracy which is within a tolerance of 1 per centum more or less than the actual number of installments necessary to pay in full the extension of credit in accordance with its terms".

(e) Section 106 of such Act (15 U.S.C. 1606) is amended by adding at the end thereof a new subsection as follows:

"(g) For transactions payable in more than 120 installments, all of which are substantially equal and in connection with which a creditor determines the finance charge by the application of a periodic rate to the unpaid balances of the amount financed, the amount of the finance charge shall be disclosed with an accuracy which is within a tolerance of 1 per centum more or less than the amount financed.".

(f) Section 107(c) of such Act (15 U.S.C. 1607(c)) is amended to read of follows:

"(c) The annual percentage rate may be rounded to the nearest quarter of 1 per centum or, if not rounded, shall be disclosed with an accuracy which is within a tolerance of one eighth of one per centum more or less than the rate determined in accordance with subsection (a)(1)(A), except that the Board may allow a greater tolerance to simplify compliance where irregular payments are involved.".

DISCLOSURE OF TYPE OF SECURITY INTEREST

SEC. 11. (a) Redesignated paragraph (9) of section 128(a) of the Truth in Lending Act (15 U.S.C. 1638(a)(9)) is amended to read as follows:

"(9) A clear identification of any property in which a security interest may or is intended to be retained or acquired by the creditor in connection with the extension of credit or reference to such an identification on an accompanying statement delivered to the obligor.".

(b) Redesignated paragraph (5) of section 129(a) of such Act (15 U.S.C. 1936(a)(5)) is amended to read as follows:

"(7) A clear identification of any property in which a security interest may or is intended to be retained or acquired by the creditor in connection with the extension of credit or reference to such an identification on an accompanying statement delivered to the obligor,".

NO LIABILITY FOR SUBSTANTIAL COMPLIANCE

SEC. 12. Section 130 of the Truth in Lending Act (15 U.S.C. 1640) is amended by adding at the end thereof a new subsection as follows:

"(i) A creditor may not be held liable in any action brought under this section for a violation of the disclosure requirements of sections 127, 128, or 129 where the failure to disclose was not material to the obligor's awareness of the cost of credit. There shall be a presumption that material disclosures necessary for the obligor's awareness of the cost of credit have been made when the creditor discloses, as required by this chapter, the annual percentage rate, the finance charge or method of determining the balance upon which a finance charge will be imposed and the amount of the finance charge, whichever is applicable, the amount to be financed, the total of payments, the number and amount of payments, and the due dates or periods of payments scheduled to repay the indebtedness. Any mathematical computation which is made with reasonable accuracy, as determined by the Board, is in compliance with this title.".

ADVERTISING OF CREDIT TERMS

SEC. 13. (a) Section 143 of the Truth in Lending Act (15 U.S.C. 1663) is amended to read as follows:

"§ 143. Advertising of open end credit plans

"(a) No advertisement to aid, promote, or assist directly or indirectly the extension of consumer credit under an open end credit plan may set forth any of the specific terms of that plan unless the periodic and annual percentage rates are clearly and conspicuously set forth.

"(b) Where terms other than rates are advertised, only the following terms must be stated:

"(1) The minimum periodic payment required and the method of determining any larger required periodic payment.

"(2) The method of determining the balance upon which a finance change may be imposed.

"(3) The periodic rate.

"(4) The annual percentage rate.".

(b) Section 144(d) of such Act (15 U.S.C. 1664(d)) is amended by striking out paragraphs (1) and (2) and redesignating paragraphs (3) and (4) as paragraphs (1) and (2), respectively.

CORRECTION OF BILLING ERRORS

SEC. 14. (a) Section 161(b) of the Truth in Lending Act (15 U.S.C. 1666(b)) is amended by striking out paragraph (3) and redesignating paragraphs (4), (5), and (6) as paragraphs (3), (4), and (5) respectively.

(b) Redesignated paragraph (5) of section 161(b) of such Act (15 U.S.C. 1666(b)(5)) is amended to read as follows:

"(5) failure to transmit the statement required under section 127(b) of this Act to the last address of the obligor which has been disclosed to the creditor, unless that address was furnished less than twenty days before the end of the billing cycle for which the statement is required.".

(c) Section 161(c) of such Act (15 U.S.C. 1666(c)) is amended by inserting after "account" the first time it is used a comma and the following: "which may include finance charges on amounts in dispute,".

RELATION TO STATE LAWS

SEC. 15. (a) Section 111 (a) through (c) of the Truth in Lending Act (15 U.S.C. 1610) is amended to read as follows:

"(a) Except as provided in subsection (b)—

"(1) if an act or practice is prohibited by this title or any action taken pursuant to authority thereunder, no State or political subdivision of a State may establish or continue in effect any law, regulation, or rule permitting such act or practice;

"(2) if an act or practice is regulated, restrained, or otherwise limited by this title or any action taken pursuant to authority thereunder, no State or political subdivision of a State may establish or continue in effect any law, regulation, or rule which regulates, restrains, or otherwise limits such act or practice unless such State law, regulation, or rule imposes requirements identical to the requirements of this title;

"(3) if an act or practice is unregulated, unrestrained or otherwise permitted by this title or any action taken pursuant to authority thereunder, no State or political subdivision of a State may establish or continue in effect any law, regulation, or rule which prohibits, regulates, restains, or otherwise limits such act or practice; and

"(4) if forms, notices, disclosures, record-keeping, or reporting requirements are required by this title or any action taken pursuant to authority thereunder, no State or

political subdivision of a State may establish or continue in effect any law, regulation, or rule with respect to forms, notices, disclosures, recordkeeping or reporting requirements within the scope of this title unless such State law, regulation, or rule imposes requirements identical to the requirements of this title or any action taken pursuant to authority thereunder.

"(b) Upon application of a State or political subdivision of a State, the Board may, by regulation promulgated in accordance with subsection (c), exempt from subsection (a), under such conditions as may be prescribed in such regulation, a law, regulation, or rule of a State or political subdivision if—

"(1) compliance with the requirement would not cause the act, practice, form, notice, disclosure or other action to be in violation of the applicable requirement described in subsection (a), and

"(2) the State or political subdivision requirement or prohibition (A) provides a significantly higher degree of protection against acts or practices prohibited by this title than do the requirements or prohibitions described in subsection (a), (B) is justified by the acts or practices occurring in the State which are not adequately regulated by this title and (C) does not unduly burden interstate commerce.

In determining the effect of a State or political subdivision requirement on interstate commerce, the Board shall consider and make appropriate findings on the technological and economic feasibility of complying with such requirement, the cost of complying with such requirement, the probability of other States or political subdivisions applying for an exemption under this pargraph for a similar requirement, and the need for a national, uniform requirement under this title.

"(c) A regulation under subsection (b) granting an exemption for a requirement of a State or political subdivision of a State may be promulgated by the Board only after it has provided in accordance with section 553 (b) of title 5, United States Code, notice with respect to the promulgation of the regulation and has provided opportunity for presentation or relevant data, views, and arguments respecting its promulgation.".

(b) Sections 171 (a) and (b) and 186 of such Act (15 U.S.C. 1666j (a) and (b) and 1667e) are repealed.

By Mr. STEVENS:

S. 1502. A bill to amend title 18, United States Code, to make a crime the willful destruction of any interstate pipeline system; to the Committee on the Judiciary.

Mr. STEVENS. Mr. President, today I am introducing legislation that would amend title 18 of the United States Code to prohibit the willful injury or destruction or any attempt to injure or destroy an interstate pipeline system. This legislation complements the bill regarding the Trans-Alaska Pipeline System introduced yesterday by my good friend, Senator JAMES EASTLAND of Mississippi. I cosponsored that legislation along with Senator STROM THURMOND of South Carolina and will remain a cosponsor of that bill.

My bill expands the coverage of Senator EASTLAND's bill to include any interstate pipeline system. My major concern is that no specific pipeline system be singled out for unique treatment. Rather, we need to insure the safety of all interstate pipeline systems which transport oil and gas in the United States.

Later this year Congress will consider the recommendation of the President concerning the route chosen to transport natural gas from the North Slope of Alaska to the south 48. My bill would cover that pipeline for the distance which it is located within the United States, the Trans-Alaska Pipeline System, and all other interstate pipeline systems located within the United States. In this way, the necessity to pass further legislation to cover a pipeline transporting natural gas from Alaska and any new pipelines can be avoided.

While I remain a cosponsor of Senator EASTLAND's legislation, I am concerned that the bill could be construed to single out the citizens of my State as those most likely to interfere with the Trans-Alaska Pipeline System. As you know, the TAPS line is located solely within the State of Alaska, and I want to avoid any implication that only Alaskans might tamper with that pipeline system. Instead, I propose a piece of general legislation that would cover all interstate pipeline systems.

There is no question in my mind that the Trans-Alaska Pipeline System is an interstate pipeline system. The oil travels in interstate commerce from the moment it enters the pipeline. Consequently, my bill would cover the TAPS line.

However, there has been some question raised that the TAPS line is an intrastate pipeline, because it is located solely within the State of Alaska. Therefore, some clarification, similar to that in Senator EASTLAND's bill might be a welcome addition to my legislation to insure that no misunderstanding exists. For this reason, I state that my bill compliments Senator EASTLAND's legislation, and it might be appropriate for these two bills to be combined into one piece of legislation prior to final consideration by the Senate.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1502

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, (a) title 18, United States Code, is amended by adding immediately after chapter 67 the following new chapter:

"Chapter 68—INTERSTATE PIPELINES SYSTEMS

"Sec.
"1401. Definition.
"1402. Destruction of interstate pipeline system.

"§ 1401. Definition.

"As used in this chapter, the term 'interstate pipeline system' means any pipeline system used in the transportation of gas or oil in interstate commerce.

"§ 1402. Destruction of interstate pipeline system.

"Whoever willfully injures or destroys, or attempts to injure or destroy, any interstate pipeline system shall be fined not more than $5,000 or imprisoned not more than 15 years, or both.".

(b) The table of chapters of part I of title 18, United States Code, is amended by inserting immediately after the item relating to chapter 67 the following:

"68. Interstate pipeline systems..... 1401".

ADDITIONAL COSPONSORS

S. 77

At the request of Mr. MATHIAS, the Senator from Vermont (Mr. LEAHY), the Senator from Florida (Mr. STONE), and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of S. 77, to amend the Social Security Act.

S. 143

At the request of Mr. TALMADGE, the Senator from Ohio (Mr. METZENBAUM) was added as a cosponsor of S. 143, relating to fraudulent activities under the medicare and medicaid programs.

S. 527

At the request of Mr. NELSON, the Senator from Michigan (Mr. RIEGLE) and the Senator from Hawaii (Mr. MATSUNAGA) were added as cosponsors of S. 527, a bill to amend the Small Business Act by authorizing the Small Business Administration to furnish reinsurance for property liability insurers for small business concerns which would not otherwise be able to obtain product liability insurance on reasonable terms, and for other purposes.

S. 961

At the request of Mr. CRANSTON, the Senator from Minnesota (Mr. ANDERSON) was added as a cosponsor of S. 961, to extend the Child Abuse Prevention and Treatment Act.

S. 1011

At the request of Mr. ROTH, the Senator from Pennsylvania (Mr. HEINZ) was added as a cosponsor of S. 1011, a bill to amend title 18, United States Code, to prohibit the sexual exploitation of children and the transportation in interstate or foreign commerce of photographs or films depicting such exploitation.

S. 1040

At the request of Mr. ROTH, the Senator from Pennsylvania (Mr. HEINZ) was added as a cosponsor of S. 1040, a bill to amend the Child Abuse Prevention and Treatment Act to prohibit the sexual exploitation of children and the transportation and dissemination of photographs or films depicting such exploitation.

S. 1328

At the request of Mr. ROBERT C. BYRD (for Mr. HATHAWAY), the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 1328, the Career Education Implementation Incentive Act of 1977.

S. 1385

At the request of Mr. HELMS, the Senator from North Dakota (Mr. YOUNG) was added as a cosponsor of S. 1385, to amend title XVIII of the Social Security Act.

S. 1405

At the request of Senator MCINTYRE, the Senator from South Carolina (Mr. THURMOND), was added as a cosponsor of S. 1405, the Customs Paperwork Simplification Act.

S. 1446

At the request of Mr. THURMOND, the Senator from Utah (Mr. HATCH), the Senator from Vermont (Mr. LEAHY), and the Senator from West Virginia (Mr. RANDOLPH) were added as cosponsors of

S. 1464, to require a health warning on bottles containing alcoholic beverages.

S. 1495

At the request of Mr. PACKWOOD, the Senator from New York (Mr. MOYNIHAN), the Senator from Oregon (Mr. HATFIELD), and the Senator from California (Mr. HAYAKAWA) were added as cosponsors of S. 1495, to authorize the Secretary of Transportation to make grants for the construction of bikeways.

SENATE RESOLUTION 5

At the request of Mr. ROBERT C. BYRD, the Senator from California (Mr. CRANSTON), the Senator from Alabama (Mr. ALLEN), and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of Senate Resolution 5, to amend the Standing Rules of the Senate.

SENATE RESOLUTION 153

At the request of Mr. METCALF, the Senator from Maine (Mr. MUSKIE) and the Senator from New Hampshire (Mr. DURKIN) were added as cosponsors of Senate Resolution 153, relating to radio and television coverage of Senate proceedings.

SENATE RESOLUTION 166

At the request of Mr. ROBERT C. BYRD (for Mr. CULVER), the Senator from Minnesota (Mr. ANDERSON), the Senator from Michigan (Mr. RIEGLE), the Senator from Indiana (Mr. LUGAR), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Arizona (Mr. DECONCINI), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Ohio (Mr. METZENBAUM), the Senator from New Mexico (Mr. SCHMITT), the Senator from Nebraska (Mr. ZORINSKY), the Senator from Montana (Mr. MELCHER), the Senator from Tennessee (Mr. SASSER), the Senator from Kansas (Mr. DOLE), the Senator from California (Mr. CRANSTON), the Senator from Utah (Mr. GARN), the Senator from Vermont (Mr. LEAHY), the Senator from North Carolina (Mr. MORGAN), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from Alaska (Mr. GRAVEL), the Senator from Florida (Mr. CHILES), the Senator from South Dakota (Mr. ABOUREZK), the Senator from Connecticut (Mr. WEICKER), the Senator from New Mexico (Mr. DOMENICI), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Colorado (Mr. HASKELL), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Colorado (Mr. HART), and the Senator from Illinois (Mr. PERCY) were added as cosponsors of Senate Resolution 166, to provide for the reorganization of administrative services of the Senate.

SENATE RESOLUTION 170—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL COMMITTEE EXPENDITURES

(Referred to the Committee on Rules and Administration.)

Mr. EASTLAND, from the Committee on the Judiciary, reported the following resolution:

S. RES. 170

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate so far as applicable, the Committee on the Judiciary, or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, for the purposes stated and within the limitations imposed by the following sections, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services or personnel of any such department or agency.

SEC. 2. The Committee on the Judiciary, or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, to expend not to exceed $3,229,693 to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries and to the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended) in accordance with such succeeding sections of this resolution.

SEC. 3. Not to exceed $337,000 shall be available for a study or investigation of administrative practice and procedure, of which amount not to exceed $9,664 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 4. Not to exceed $540,000 shall be available for a study or investigation of antitrust and monopoly, of which amount not to exceed $8,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 5. Not to exceed $227,320 shall be available for a study or investigation of citizen and shareholder rights and interests, of which amount not to exceed $2,664 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 6. Not to exceed $492,600 shall be available for a study or investigation of the constitution, of which amount not to exceed $10,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 7. Not to exceed $420,000 shall be available for a study or investigation of criminal laws and procedures.

SEC. 8. Not to exceed $284,600 shall be available for a study or investigation of immigration.

SEC. 9. Not to exceed $240,073 shall be available for a study or investigation of improvements in judicial machinery, of which amount not to exceed $10,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 10. Not to exceed $332,100 shall be available for a study or investigation of juvenile delinquency, of which amount not to exceed $9,333 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 11. Not to exceed $160,000 shall be available for a study or investigation of penitentiaries and corrections, of which amount not to exceed $6,667 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 12. Not to exceed $196,000 shall be available for a study or investigation of separation of powers between the executive, judicial, and legislative branches of Government.

SEC. 13. The committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 14. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SENATE RESOLUTION 171—ORIGINAL RESOLUTION REPORTED RELATING TO THE CONSIDERATION OF S. 1305

(Referred to the Committee on the Budget.)

Mr. HASKELL, from the Select Committee on Small Business, reported the following original resolution:

S. RES. 171

Resolved, That the provisions of section 402(a) of the Congressional Budget Act of 1974 are waived with respect to S. 1305, a bill to reform disaster relief procedures in the Small Business Administration.

SENATE RESOLUTION 172—SUBMISSION OF A RESOLUTION RELATING TO VALUE ENGINEERING

(Referred to the Committee on Governmental Affairs.)

Mr. RANDOLPH submitted the following resolution:

Whereas, it is recognized that Value Engineering is a proven method to conserve energy, improve services, save money or otherwise generally control the expenditure of construction resources by means of budgeted, organized, multidisciplined and function-oriented team review, and

Whereas, the Value Engineering methodology is applicable wherever there is a function to be performed and a means to measure it, and

Whereas, the preponderance of testimony before committees of Congress has shown that Value Engineering saves at least five dollars for each Value Engineering dollar spent, and

Whereas, the General Accounting Office has recommended the use of Value Engineering be expanded in Federal construction, and

Whereas, the Corps of Engineers in the past ten years has, by the use of Value Engineering, saved $200 million in construction costs for an expenditure of $10 million, and

Whereas, the first four years of Value Engineering application in the General Services Administration has saved $12.84 for each dollar spent, and

Whereas, Value Engineering has been successfully applied in private industry to generate additional profits and better products and services,

Therefore, Be it resolved that it is the sense of the Senate that all Federal departments and agencies, in order to achieve maximum efficiency and economy, shall utilize, where possible, Value Engineering in carrying out their functions and administering their programs as part of their affirmative efforts for cost reduction.

Mr. RANDOLPH. Mr. President, I am today submitting a resolution stating the sense of the Senate on the importance of value engineering as a cost-reduction tool. Billions of dollars are expended by the Federal Government each year for construction of worthwhile projects for all Americans. Institution of value engineering practices will result in substan-

tial cost reductions in those agencies employing this engineering cost-control procedure.

One of the strongest links of our past with our present is the American commitment to building. We have led the way not only in the amounts of our construction, but also in developing new techniques. In many respects, Americans had to be builders to survive.

Engineers contribute a necessary and important role in developing the projects which provide ultimate benefit to all Americans. Without this vital function, we could have no construction program which is so important for future growth.

With inflation forcing construction costs up at a rapid rate, we must undertake every opportunity to reduce the cost of each project. Value engineering is one technique which can have significant impact.

Like most other activities in our country, construction is a pluralistic endeavor with involvement by both the private and public sectors. The nature of our political system gives to the Federal Government a substantial involvement in construction, one which greatly influences activities throughout the economy.

With our construction dollars buying less, alternative engineering methods which reduce project costs must be encouraged. Congress should take every opportunity to reduce costs on Federal and federally assisted construction projects. This technique has proven its effectiveness and should be implemented on all Federal construction projects.

The facts prove that value engineering can successfully reduce costs when employed. One large Federal-aid highway contract reduced cost $500,000 on the fencing through value engineering. This technique is currently being used by the Federal Highway Administration and the Army Corps of Engineers whose programs are under the Public Works Committee's jurisdiction. The interest of the Environmental Protection Agency in this tool is growing as evidenced by its cosponsorship of a conference on value engineering in St. Louis last November.

So long as we are a changing and developing Nation committed to improved standards of living, I do not see how we can reduce our commitment to essential construction programs. There are many who say that the emphasis on growth during our two centuries as an independent Nation has been harmful. I do not agree. I fully recognize that there have been undesirable side effects of our determination to build. Without that determination, however, our country and its benefits would not exist today.

I also believe that Federal involvement is so well established that it must be a permanent feature of construction in our country. Federal programs will not be static in the years ahead. We must examine the needs of our country and respond to them. We must have reasoned involvement in the segments of our society.

Value engineering will not solve all the problems with construction costs; however, it is the most effective technique available for identifying and eliminating unnecessary costs. I strongly urge that my colleagues give careful consideration to this important tool which works effectively for our valuable construction program.

NOTICES OF HEARINGS

SUBCOMMITTEE ON TAXATION AND DEBT MANAGEMENT

Mr. HARRY F. BYRD, JR. Mr. President, the Subcommittee on Taxation and Debt Management will hold hearings on May 19, 1977, on S. 1471, a bill to provide a tax credit for contributions to candidates for the U.S. Senate.

The hearings will begin at 9:30 a.m. in room 2221, Dirksen Senate Office Building.

S. 1471, introduced by Senator BOB PACKWOOD of Oregon, provides for a tax credit for contributions to candidates for the U.S. Senate to 75 percent of the contribution made with a maximum of $100 in the case of individual taxpayers and $200 in the case of married couples filing joint returns. This bill contrasts with other legislation designed to provide public financing for political campaigns and a prohibition on private contributions.

Witnesses desiring to testify during this hearing must submit their requests to Michael Stern, Staff Director, Committee on Finance, 2227 Dirksen Senate Office Building, Washington, D.C. 20510, not later than 12 noon, Friday, May 13, 1977. Witnesses will be notified as soon as possible after this cutoff date as to whether they are scheduled to appear. If for some reason the witness is unable to appear as scheduled, he may file a written statement for the record of the hearing in lieu of a personal appearance.

All witnesses who have a common position or with the same general interest are urged to consolidate their testimony and designate a single spokesman to present their common viewpoint orally to the committee. This procedure will enable the committee to receive a wider expression of views than it might otherwise obtain. All witnesses should exert a maximum effort, taking into account the limited advance notice, to consolidate and coordinate their statements.

The Joint Committee on Taxation has estimated the revenue cost of S. 1471 to be $16.5 million for each calendar year. On a 2-year basis, the cost is estimated to be $33 million. The Joint Committee on Taxation will submit to the subcommittee an analysis of the proposal. Department of Treasury comments are encouraged.

FEDERAL NATIONAL MORTGAGE ASSOCIATION CHARTER ACT

Mr. PROXMIRE. Mr. President, I announce that the Committee on Banking, Housing, and Urban Affairs will hold a 1-day hearing, on Tuesday, June 7, 1977, on S. 1397, a bill to amend the Federal National Mortgage Association Charter Act to increase the size of the board of directors, and for other purposes.

The hearing will begin at 10 a.m. and will be held in room 5302, Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

JUPITER ORBITER PROBE

Mr. STEVENSON. Mr. President, there is much interest in a Jupiter Orbiter Probe mission proposed by NASA in its fiscal year 1978 budget request. Recently NASA issued a brief description of that mission. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the description was ordered to be printed in the RECORD, as follows:

JUPITER ORBITER PROBE

WHAT IS JOP?

Jupiter Orbiter Probe (JOP) is a sophisticated space mission being proposed by NASA to explore Jupiter and its system of moons. Jupiter, the largest planet, contains more matter than all the other planets combined, and it holds many clues to the origin and evolution of the solar system. To understand the solar system, we need to understand Jupiter: to probe its atmosphere, to map its magnetic field and radiation belts, and to examine the huge satellites that orbit it.

The JOP spacecraft incorporates three concepts into a single mission. First, there is an entry probe that will plunge deep into the planet's atmosphere, measuring the chemistry and structure as it descends. Second, there is an orbiting spacecraft that will explore near-Jupiter space for 20 months after the probe is released. This orbiter combines unique aspects of the Pioneer, Mariner, Voyager, and Comsat spacecraft, with a spinning section optimized for study of Jupiter's magnetosphere and radiation belts and a stabilized section from which high-resolution photography and remote sensing observations can be made of Jupiter and its satellites.

JOP is to be launched in December 1981/January 1982, and it is the first planetary mission to take advantage of the Space Transportation System. The Shuttle capability, combined with an unusually favorable launch opportunity, allows this comprehensive combined probe-and-orbiter mission to be carried out with a single launch. The probe will enter Jupiter's dense atmosphere in November 1984, and the orbiter will remain active around the planet until mid-1986. JOP will be the first entry probe of an outer planet and the first outer planet orbiter.

WHY JUPITER?

The giant planet Jupiter, like its namesake the King of the Roman gods, dominates the planetary system. Its diameter is ten times that of Earth, and it contains more matter than all of the other planets put together. With its retinue of 13 moons, four of which are as large as planets, Jupiter is actually the center of a miniature solar system like the Sun and planets. In any program of planetary exploration, study of the Jovian system is of paramount interest for understanding the origin and evolution of the solar system.

In spite of its great size, Jupiter is a mysterious world. Like Saturn, it is a giant globe of gas with no apparent solid surface. Jupiter, composed largely of hydrogen and helium, is the planet that best represents the original star-stuff from which Sun and all planets were formed; a probe of the atmosphere of Jupiter will tell us much about the Sun as well as the planetary system.

Jupiter provides a miniature—but uniquely accessible—laboratory for study of phenomena of wide-ranging astrophysical interest. Like a star, it has its own internal energy source, radiating twice as much energy as it

receives from the Sun. Like the mysterious pulsars, it is surrounded by a vast, rapidly spinning magnetosphere and by belts of high-energy particles, making it a major source of several types of radio radiation. Jupiter's atmosphere is driven by the same forces that act on the atmosphere of Earth, but on a much larger scale—major cyclones like the Great Red Spot are thousands of miles across and persist for centuries, and Jupiter's atmosphere contains multiple cloud layers, each with its own temperature and chemical composition.

The four large Galilean satellites of Jupiter—Io, Europe, Ganymede, and Callisto—also provide a varied and fascinating microcosm of unique worlds. Some are composed largely of rock, some of ice, some of liquid water. Their surfaces probably run the gamut from lunar-like cratered plains to salt-covered beds of extinct seas to exotic landforms created out of ice and mud. In an ice-and-water dominated regime, familiar geologic processes will take place thousands of times faster than on a rocky planet, and totally unfamiliar geologic forms are expected as well. The satellites also react in unique ways with the Jovian energetic particles; in the case of Io, bombardment of the surface by a lethal hail of radiation releases sodium and creates a tenuous metallic atmosphere.

Until recently our knowledge of Jupiter was in only a rudimentary stage. Ground-based studies by optical, infrared, and radio astronomy defined the most basic properties of the planet and its satellites and hinted at the unique scientific potential of the Jovian system. Our first close-up look, provided by the two appropriately-named Pioneer spacecraft in 1973 and 1974, began to reveal the complexity of the atmosphere and the extent and strength of the magnetosphere. Without the detailed knowledge of the intensity of the radiation environment provided by Pioneers 10 and 11, we would be unable to effectively engineer spacecraft for subsequent flights to Jupiter. Following the Pioneer flybys, we will launch this year two sophisticated Voyager spacecraft to the outer planets. These spacecraft will fly past Jupiter and provide a more comprehensive reconnaissance of the planet, its satellites, and its environment, before continuing on to Saturn and beyond.

Unquestionably the next step in the exploration of the Jovian system is to probe the atmosphere, making direct measurements for the first time beneath the clouds of a giant planet, and to make extensive observations of the planet, its satellites, and its magnetosphere from a long-lived orbiting spacecraft. These are the goals of the JOP mission.

THE JOP MISSION

By the mid-summer of 1984, while still millions of miles from Jupiter, the JOP cameras will already be making extensive observations, studying features too small to see from Earth. The spacecraft will release its atmospheric entry probe toward Jupiter approximately 55 days prior to entry, after which it will change its own direction, enabling it to miss the planet safely. The probe will continue on course and enter the Jovian atmosphere just south of the equator. As the probe descends through the atmosphere, it will relay back to the orbiter a continuous flow of data on temperature, pressure, visible and infrared radiation. Specialized instruments on board the probe will measure the chemical composition of the atmosphere with an accuracy never before possible. The probe will operate to the bottom of the water clouds, where the pressure is more than 10 times the pressure on Earth. Rocket engines will then slow the orbiter, placing it in a long orbit around Jupiter. The dangerous radiation areas close to the planet will be avoided by performing a second rocket burn. A five-month first orbit will gather data through Jupiter's magnetosphere and beyond its outer edge on the dawn side. Also, the orbiter cameras will record changes in the atmospheric storm patterns and the Great Red Spot.

Using relatively little rocket fuel, space navigators will employ the free gravitational pull of Jupiter's large moon to steer the orbiter to regions around the planet that would otherwise be inaccessible. By repeated close encounters with Ganymede and Callisto, the orbiter will move its apojove, or farthest point in the orbit, around into the tail area of the magnetosphere. Here, magnetic field lines stretch into space and charged particles move into and out of the trapped radiation belts. The cumulative effect of many measurements made during close encounters of Ganymede and Callisto will be to assemble a knowledge of these two satellites as comprehensive as that obtained for Mars by the Mariner 9 Orbiter in 1971/72. Finally, after all the major mission objectives have been accomplished, the option will exist to lower the orbiter into the intense radiation near the planet to study closely the other two major moons, Io and Europa.

The JOP spacecraft will be a cooperative effort of a well-proven NASA/Industry Team. In addition, a significant international contribution is expected involving the Federal Republic of Germany. Within NASA, the Jet Propulsion Laboratory will have overall mission responsibility, while Ames Research Center will be responsible for the entry probe. McDonnell-Douglas and Hughes Aircraft are conducting design studies of the probe, and one of these companies will be selected for development and fabrication of the flight hardware. There is a reasonable likelihood that the Federal Republic of Germany will provide the orbit capture propulsion system, as well as participate in the scientific investigations, thus advancing the international aspects of our planetary exploration program.

WHY NOW?

There are a number of compelling reasons why JOP should be a new start in FY 1978.

1. In a balanced plan of exploration of the solar system, the time is ripe for detailed studies of Jupiter and its satellites. To understand the origin and evolution of the solar system, we need to understand the Jovian system. Exploration of Jupiter and the other outer planets is a necessary complement to the more detailed and extensive studies being carried out of Mars, Venus, and the Moon. The JOP mission has received the full endorsement of the National Academy of Sciences and of the science community. The Space Science Board has stated that exploration of Jupiter and reconnaissance of Uranus should be the major objectives in exploring the outer solar system during the next decade.

2. Any delay in implementing the JOP mission will result in deteriorating launch opportunities. The intricate economics and the scientific constraints controlling spacecraft launches tell us that it is not practical to fly planetary missions any time we wish. To do so would require launch vehicles that would dwarf even the giant Apollo Saturn V rocket system. We are compelled, therefore, to seek opportunities when launch energy requirements are at a minimum—a condition dictated by the geometry of the solar system and the highly involved inter-relationships of the planets. Although opportunities for Jupiter launch occur every 13 months, the nature of the elliptical orbits of Earth and Jupiter cause launch energy requirements to vary significantly from one opportunity to another. The proposed December 1981/January 1982 launch date for JOP takes full advantage of the best Jupiter opportunity that will exist during the remainder of this century. A delay of even 13 months would make it impossible to carry out the full range of orbiter and probe investigations being planned for this mission. The next feasible launch would be in 1987, but even this is significantly inferior to the 1981/82 opportunity.

3. The spacecraft technology is available now. The JOP mission can be meaningfully planned based on results of Pioneers 10 and 11, and it can take maximum advantage of the probe technology being developed for the Pioneer Venus mission to be launched in 1978 and of the stabilized outer-planet Voyager spacecraft to be launched this year. In turn, the development of both probe and orbiter for JOP will provide the required basis for additional missions to Saturn, Titan, Uranus, and Neptune during the rest of the century.

4. The required cadre of strong technical competence is now available within NASA and its contractor establishment. Deferring the outer planets program to the next favorable launch opportunity would result in loss of expertise gained from the Pioneer and Voyager missions and would probably force the disbanding of the NASA/Industry Team that has developed the unique technology required.

ORGANIZED LABOR FINANCIAL CONTRIBUTIONS TO CONGRESSIONAL CANDIDATES IN THE 1976 CAMPAIGNS

Mr. GOLDWATER. Mr. President, on several occasions prior to the 1976 election I placed in the RECORD items that clearly revealed the tremendous effort being exerted by labor unions to influence the U.S. Congress. While sanctimonious critics of the political process find much wrong with contributions which come from people in business, it is curious to me that very seldom do they point their finger at big labor and question what the unions expect to get from all this expenditure of money. In fact, information about labor donations rarely shows up in the national media.

To help correct this distorted picture, I believe it is appropriate to call attention to a just released compilation of financial contributions given by labor organizations to candidates for the U.S. Senate and House of Representatives in the 1976 campaigns. The total of these political donations is a minimum of $10,588,555.74. These amounts include direct, "in kind," and independent contributions as reported to the Federal Election Commission. They are minimum expenditures, since it appears all reporting requirements are not being fulfilled by many labor committees.

Some of the wide public that reads the RECORD will find it interesting that the following figures show that Democrats received more than 30 times more financial support from organized labor than Republicans did. Democrats received $10,208,015 and Republicans $380,540. In other words, Democrats got 96.5 percent of labor contributions in 1976.

Mr. President, the detailed list of contributions was compiled by the Americans for Constitutional Action from official public files of the Federal Election Commission. Because of its important bearing on the public's right to know, I ask unanimous consent that the complete breakdown of organized labor's political expenditures in the 1976 elections be printed in the RECORD.

There being no objection, the breakdown was ordered to be printed in the RECORD, as follows:

LABOR'S POLITICAL EXPENDITURES TO CONGRESSIONAL CANDIDATES

SENATE

Organized labor's financial support to individual Senatorial candidates in the 1976 elections:

William Green (D-Pa.)	$245,480.40
John Tunney (D-Calif.)	230,488.46
Daniel Moynihan (D-N.Y.)*	222,046.89
Vance Hartke (D-Ind.)	210,754.09
Harrison Williams (D-N.J.)*	205,008.10
Howard Metzenbaum (D-Ohio)*	197,669.05
James O'Hara (D-Mich.) lost primary	196,883.95
Paul Sarbanes (D-Md.)*	169,500.22
Frank Moss (D-Utah)	145,546.35
James Sasser (D-Tenn.)	138,839.29
Donald Riegle (D-Mich.)*	138,046.61
Hubert Humphrey (D-Minn.)*	125,321.13
Elmo Zumwalt (D-Va.)	121,255.61
Joseph Montoya (D-N.M.)	101,425.32
Dennis DeConcini (D-Ariz.)*	92,717.25
John Melcher (D-Mont.)*	83,236.57
Edmund Muskie (D-Me.)*	77,321.24
Edward Kennedy (D-Mass.)*	76,901.24
Spark Matsunaga (D-Hawaii)*	75,300.00
Lloyd Bentsen (D-Tex.)*	64,160.00
Gale McGee (D-Wyo.)	63,672.74
Howard Cannon (D-Nev.)*	61,197.52
Tom Maloney (D-Del.)	58,519.14
James Symington (D-Mo.) lost primary	58,314.00
Robert Byrd (D-W. Va.)*	49,866.57
Bella Abzug (D-N.Y.) lost primary	46,257.07
Ed Zorinsky (D-Neb.)*	45,970.00
James Stanton (D-Ohio) lost primary	42,487.05
Peter Peyser (R-N.Y.) lost primary	41,868.23
Quentin Burdick (D-N.D.)*	41,009.31
Warren Hearnes (D-Mo.)	37,486.34
Robert Stafford (R-Vt.)*	35 976.48
Lowell Weicker (R-Conn.)*	27,478.33
J. Glenn Beall (R-Md.)	26,450.00
Richard Lorber (D-R.I.)	22,061.12
Gloria Schaffer (D-Conn.)	19,503.25
Robert Taft (R-Ohio)	18,972.40
Paul O'Dwyer (D-N.Y.) lost primary	18,000.00
John Heinz (R-Pa.)*	14,398.81
Thomas Salmon (D-Vt.)	12,300.00
Jeanett Reibman (D-Pa.) lost primary	10,465.00
Patsy Mink (D-Hawaii) lost primary	7,700.00
Henry Jackson (D-Wash.)*	4,099.21
John Chafee (R-R.I.)*	3,300.00
Philip Hayes (D-Ind.) lost primary	3,050.00
Orrin Hatch (R-Utah)	3,000.00
Jack Carlson (R-Utah) lost primary	2,500.00
Philip Noel (D-R.I.) lost primary	2,375.00
Jerry Litton (D-Mo.) died	1,800.00
William Proxmire (D.-Wis.)*	1,524.86
John Hawkins (D-R.I.) lost primary	1,165.72
William Roth (R-Del)*	1,050.00
Ramsey Clark (D-N.Y.) lost primary	1,000.00
S. I. Hayakawa (R-Calif.)*	1,000.00
Tom Hayden (D-Calif.) lost primary	1,000.00
Alan Steelman (R-Tex.)	1,000.00
Frederick Lagone (D-Mass.) lost primary	750.00
Bill Brock (R-Tenn.)	500.00
Marvin Esch (R-Mich.)	500.00
Carolyn Warner (D-Ariz.) lost primary	500.00
John McCollister (R-Neb.)	400.00
Robert Abrams (D-N.Y.) dropped out	300.00
John Danforth (R-Mo.)*	$200.00
Harrison Schmitt (R-N.M.)*	200.00
Hess Dyas (D-Neb.) lost primary	100.00
Paul Goulding (D-R.I.) lost primary	100.00
Charles Ross (R-Vt.) lost primary	50.00

*Indicates winner.

Anyone not listed did not report receiving any Labor support.

HOUSE OF REPRESENTATIVES

Organized labor's financial support to individual Congressional candidates in the 1976 elections:

Democrats

Stan Lundine (N.Y. 39th)*	$106,535.93
Lloyd Meeds (Wash. 2nd)*	67,723.97
Jim Mattox (Texas 5th)*	66,250.47
Thomas O'Neill, Jr. (Mass. 8th)*	65,527.75
Bob Gammage (Texas 22nd)*	64,225.50
Martin Russo (Ill. 3rd)*	58,337.95
Tom Ashley (Ohio 9th)*	56,396.79
Robert Young (Mo. 2nd)*	56,071.55
Michael Blouin (Iowa 2nd)*	54,480.22
Pat Schroeder (Colo. 1st)*	53,288.90
John Dent (Pa. 21st)*	52,885.50
Floyd Fithian (Ind. 2nd)*	51,789.65
Jim Lloyd (Calif. 35th)*	51,417.65
Richard Vander Veen (Mich. 5th)	50,464.86
Mark Hannaford (Calif. 34th)*	50,063.88
Tim Wirth (Colo. 2nd)*	49,504.30
Edward Mezvinsky (Iowa 1st)	49,458.97
Bob Carr (Mich. 6th)*	48,204.56
Alvin Baldus (Wis. 3rd)*	47,789.12
Francine Ryan (Ohio 12th)	47,529.21
Leon Panetta (Calif. 16th)*	45,451.46
Leo Zeferetti (N.Y. 15th)*	44,510.90
Gladys Spellman (Md. 5th)*	43,229.51
Richard Nolan (Minn. 6th)*	43,049.44
Martha Keys (Kan. 2nd)*	42,484.41
Jerry Patterson (Calif. 38th)*	42,463.89
Robert Cornell (Wis. 8th)*	42,389.87
Norman Mineta (Calif. 13th)*	42,149.86
Robert Edgar (Pa. 7th)*	41,816.23
Tom Downey (N.Y. 2nd)*	41,726.70
Bob Traxler (Mich. 8th)*	41,437.85
Charlie Friedman (Fla. 12th)	41,384.61
James Florio (N.J. 1st)*	41,341.41
Lanny Davis (Md. 8th)	40,970.24
Bruce Vento (Minn. 4th)*	40,919.10
Abner Mikva (Ill. 10th)*	40,867.29
Bob Eckhardt (Texas 8th)*	40,640.00
Toby Moffett (Conn. 6th)*	40,623.47
Les AuCoin (Ore. 1st)*	40,550.00
Ralph Metcalfe (Ill. 1st)*	39,987.43
Charles Carney (Ohio 19th)*	39,649.70
John McDonald (Ohio 17th)	39,616.58
Howard Wolpe (Mich. 3rd)	39,422.41
James Blanchard (Mich. 18th)*	39,326.42
Andrew Maguire (N.J. 7th)*	38,373.61
Tom Luken (Ohio 2nd)*	38,140.00
Phil Burton (Calif. 6th)*	38,050.00
Stan Kress (Idaho 2nd)	37,773.57
James Weaver (Ore. 4th)*	37,680.00
Max Baucus (Mont. 1st)*	36,996.25
Harold Ford (Tenn. 8th)*	36,523.16
William Ford (Mich. 15th)*	36,267.50
Tom Harkin (Iowa 5th)*	36,074.44
Tim Hall (Ill. 15th)	36,003.68
David Evans (Ind. 6th)*	35,686.33
Sam Shipley (Del. at lge.)	34,790.00
William Brodhead (Mich. 17th)*	34,666.00
Robert Drinan (Mass. 4th)*	34,665.92
William Lehman (Fla. 13th)*	34,460.92
Gary Familian (Calif. 27th)	34,448.89
Ted Risenhoover (Okla. 2nd)*	33,678.40
Herb Harris (Va. 8th)*	33,520.93
John Burton (Calif. 5th)*	33,100.00
Eugene Atkinson (Pa. 25th)	33,062.10
Francis Brouillette (Mich. 11th)	32,850.00
David Bonior (Mich. 12th)*	32,833.58
Matthew McHugh (N.Y. 27th)*	32,770.60
John Jenrette (S.C. 6th)*	32,073.54
Norman Dicks (Wash. 6th)*	31,348.60
Chris Dodd (Conn. 2nd)*	$31,236.74
Richard Tonry (La. 1st)*	30,650.00
Marilyn Clancy (Ill. 6th)	29,794.64
Doug Walgren (Pa. 18th)*	29,724.95
Jerome Ambro (N.Y. 3rd)*	29,447.75
Edward Beard (R.I. 2nd)*	28,946.43
John Cavanaugh (Neb. 2nd)*	28,758.33
Frank Thompson, Jr. (N.J. 4th)*	28,739.58
Joseph Vigorito (Pa. 24th)	27,711.26
Stephen Rapp (Iowa 3rd)	27,686.61
Don Pease (Ohio 13th)*	27,490.50
Joseph Ammerman (Pa. 23rd)*	27,409.06
Barbara Mikulski (Md. 3rd)*	27,168.77
Mike McCormack (Wash. 4th)*	27,081.38
John Murphy (N.Y. 17th)*	26,983.75
Phillip Sharp (Ind. 10th)*	26,807.02
Stephen Neal (N.C. 5th)*	26,481.00
Morris Udall (Ariz. 2nd)*	26,188.31
John J. Moakley (Mass. 9th)*	26,107.38
Helen Meyner (N.J. 13th)*	26,029.93
Brock Adams (Wash. 7th)*	25,997.94
Robert Giaimo (Conn., 3rd)*	25,919.12
Pat Fullinwider (Ariz. 1st)	25,393.22
Ross Bass (Tenn. 6th)	25,309.80
Andrew Young (Ga. 5th)*	24,997.00
Kenneth Holland (S.C. 5th)*	24,913.79
Romano Mazzoli (Ky. 3rd)*	24,569.32
Paul Simon (Ill. 24th)*	24,294.27
John McFall (Calif. 14th)*	23,925.00
Dean Close (Calif. 18th)	23,717.00
Fred Barton (Me. 1st)	23,649.85
Norman D'Amours (N.H. 1st)*	23,153.87
Henry Helstoski (N.J. 9th)	22,617.91
Robert Leggett (Calif. 4th)*	22,400.00
Mario Biaggi (N.Y. 10th)*	22,348.08
J. Edward Roush (Ind. 4th)	22,165.00
Fred Richmond (N.Y. 14th)*	22,073.20
William Clay (Mo. 1st)*	22,010.17
Lester Wolff (N.Y. 6th)*	22,000.21
Dan Ogden (Colo. 4th)	21,934.69
Allan Howe (Utah 2nd)	21,835.00
Robert Washington (Va. 2nd)	21,748.84
Fred Rooney (Pa. 15th)*	21,722.20
Frank Evans (Colo. 3rd)*	21,511.83
J. Joseph Grandmaison (N.H. 2nd)	21,503.87
Marilyn Lloyd (Tenn. 3rd)*	21,395.91
Robert Nix (Pa. 2nd)*	20,956.20
Thomas Towe (Mont. 2nd)	20,108.45
Norma Bartle (N.Y. 30th)	19,939.57
Teno Roncalio (Wyo. at lge)*	19,776.99
Mike Rowland (Tenn. 2d)	19,714.61
Dale Kildee (Mich. 7th)*	19,414.00
John Burgess (Vt. at lge.)	19,300.00
Joseph Smith (Wis. 6th)	19,245.00
Charles Wilson (Calif. 31st)*	19,218.00
Austin Murphy (Pa. 22nd)*	18,720.94
Joseph Fisher (Va. 10th)*	18,527.40
Michael Adanti (Conn. 5th)	18,211.74
James Hanley (N.Y. 32nd)*	18,175.00
Herman Badillo (N.Y. 21st)*	18,000.83
Don Bonker (Wash. 3rd)*	17,998.97
J. W. O'Brien (Va. 4th)	17,981.29
Charles Rangel (N.Y. 19th)*	17,750.83
Jim Guy Tucker (Ark. 2nd)*	17,681.13
Gerald Blessey (Miss. 5th)	17,561.38
Gillis Long (La. 8th)*	17,100.00
James Scheuer (N.Y. 11th)*	16,958.08
Clifford Allen (Tenn. 5th)*	16,935.08
Glenn Anderson (Calif. 32nd)*	16,868.01
Robert Quinn (Va. 1st)	16,831.01
Richard Gephardt (Mo. 3rd)*	16,830.52
Edward Winterberg (Ky. 4th)	16,778.38
David Cornwell (Ind. 8th)*	16,646.35
Edward Pattison, N.Y. 29th)*	16,547.15
James Howard (N.J. 3rd)*	16,220.00
Joshua Eilberg (Pa. 4th)*	16,098.19
Peter Kostmayer (Pa. 8th)*	15,956.20
Daniel Akaka (Hawaii 2nd)*	15,818.09
Donald Fraser (Minn. 5th)*	15,675.00
JoAnne Saunders (Fla. 5th)	15,647.00
Barbara Jordan (Tex. 18th)*	15,520.00
Joseph Minish (N.J. 11th)*	15,520.00
Henry Reuss (Wis. 5th)*	15,450.00
George Miller (Calif. 7th)*	15,420.00
Dorothy Hores (Colo. 5th)	15,363.41
Gloria Griffin (Minn. 2nd)	14,891.30
Harold Volkmer (Mo. 9th)*	14,868.52
Werner Fornos (Md. 4th)	14,814.98

LABOR'S POLITICAL EXPENDITURES TO CONGRESSIONAL CANDIDATES—Continued

HOUSE OF REPRESENTATIVES

Gus Yatron (Pa. 6th)*	$14,747.20
James Corman (Calif. 21st)*	14,573.00
Roy Dyson (Md. 1st)	14,544.97
John Brademas (Ind. 3rd)*	14,380.00
John Dingell (Mich. 16th)*	14,350.00
Ken Pursley (Idaho 1st)	14,333.93
George Shipley (Ill. 22nd)*	14,287.42
Paul Tsongas (Mass. 5th)*	14,255.00
Louis Stokes (Ohio 21st)*	14,122.67
Peter Rodino (N.J. 10th)*	13,999.31
Claude Pepper (Fla. 14th)*	13,958.58
Edward Pierce (Mich. 2nd)	13,944.50
Dan Glickman (Kan. 4th)*	13,936.34
Mary Rose Oakar (Ohio 20th)*	13,761.00
Joseph Gaydos (Pa. 20th)*	13,731.20
Ronald Mottl (Ohio 23rd)*	13,647.07
Ronnie Flippo (Ala. 5th)*	13,597.00
Robert Roe (N.J. 8th)*	13,372.70
Ted Snyder (Calif. 33rd)	13,317.98
Dan Rostenkowski (Ill. 8th)*	13,300.00
John Moss (Calif. 3rd)*	13,255.00
Henry Nowak (N.Y. 37th)*	13,250.83
Charles Horne (Va. 9th)	13,202.67
James Oberstar (Minn. 8th)*	13,150.00
Gunn McKay (Utah 1st)*	13,126.71
Richard Bolling (Mo. 5th)*	13,112.52
Jim Wright (Texas 12th)*	12,983.81
Allen Ertel (Pa. 17th)*	12,909.23
Gerry Studds (Mass. 12th)*	12,809.50
Ed Jones (Tenn. 7th)*	12,758.60
Adam Benjamin (Ind. 1st)*	12,750.00
Fernand St Germain (R.I. 1st)*	12,711.12
Edward Patten (N.J. 15th)*	12,545.17
Tom Foley (Wash. 5th)*	12,523.97
Joseph Addabbo (N.Y. 7th)*	12,433.08
Michael Harrington (Mass. 6th)*	12,274.05
Grace Mickelson (S.D. 2nd)*	12,200.00
Elliott Levitas (Ga. 4th)*	12,197.00
William Hughes (N.J. 2nd(*	12,026.71
Yvonne Burke (Calif. 28th)*	12,018.00
Lynn McDonald (Wis. 9th)	12,000.00
Donald Albosta (Mich. 10th)	11,988.90
Edward Markey (Mass. 7th)*	11,875.00
David Obey (Wis. 7th)*	11,659.63
Fortney Stark (Calif. 9th)*	11,405.00
Stephen Solarz (N.Y. 13th)*	11,325.83
Ike Skelton (Mo. 4th)*	11,262.52
Raymond Lederer (Pa. 3rd)*	11,198.10
John Murtha (Pa. 12th)*	11,081.20
Allard Lowenstein (N.Y. 5th)	11,007.99
Douglas Applegate (Ohio 18th)*	10,960.41
James Delaney (N.Y. 9th)*	10,835.83
Nick Rahall (W. Va. 4th)*	10,825.00
William Cotter (Conn. 1st)*	10,611.74
John Slack (W. Va. 3rd)*	10,566.79
Joseph A. Le Fante (N.J. 14th)*	10,945.17
George Danielson (Calif.* 30th)	10,468.00
Richard Ottinger (N.Y. 24th)*	10,450.83
Charles Wilson (Texas 2nd)*	10,050.00
Robert Mollohan (W. Va. 1st)*	9,894.77
Les Aspin (Wis. 1st)*	9,850.00
Gerald Halpern (N.Y. 4th)	9,732.24
Tom Bevill (Ala. 4th)*	9,680.38
Catherine Cost (N.J. 6th)	9,670.00
Henry Waxman (Calif. 24th)*	9,668.00
George Brown, Jr. (Calif. 36th)*	9,643.89
Parren Mitchell (Md. 7th)*	9,482.07
Joseph Early (Mass. 3rd)*	9,350.00
John Krebs (Calif. 17th)*	9,300.00
Neal Smith (Iowa 4th)*	9,250.00
J. D. DeBileux (La. 6th)	9,000.00
Frank Annunzio (Ill. 11th)*	8,847.20
Edward Roybal (Calif. 25th)*	8,820.50
Dan Flood (Pa. 11th)*	8,781.20
Geoffrey Peterson (Conn. 4th)	8,756.74
Mendel Davis (S.C. 1st)*	8,610.11
Frank Nero (N.J. 5th)	8,070.00
J. Edward Meyer (N.Y. 23rd)	7,950.83
Corinne Boggs (La. 2nd)*	$7,800.00
Ben Rosenthal (N.Y. 8th)*	7,700.58
King Golden (Calif. 41st)	7,593.89
Leo Ryan (Calif. 11th)*	7,450.00
William Bowen (Ohio 1st)	7,370.00
Morgan Murphy (Ill. 2nd)*	7,300.00
William Moorhead (Pa. 14th)*	7,281.20
Shirley Chisholm (N.Y. 12th)	7,250.83
John Seiberling (Ohio 14th)*	7,222.98
John B. Breaux (La. 7th)*	7,200.00
Augustus Hawkins (Calif. 29th)*	7,168.01
Otis Pike (N.Y. 1st)*	7,050.83
Bob Bergland (Minn. 7th)*	7.050.00
Al Ullman (Ore. 2nd)*	6,860.00
Cardiss Collins (Ill. 7th)*	6,675.00
Peter Mack (Ill. 20th)	6,650.00
Richard Daugherty (Mich. 4th)	6,500.00
James Guffey (S.D. 1st)	6,400.00
Marie Fese (Ill. 14th)	6,372.95
John Conyers, Jr. (Mich. 1st)*	6,350.00
Ed Koch (N.Y. 18th)*	6,325.83
Ken Hechler (W. Va. 4th)	6.204.83
Tony Mason (Ariz. 4th)	6,184.03
Edwin Frank (Ill. 12th)	6,125.00
Michael Minney (Pa. 16th)	6,055.59
Melvin Price (Ill. 23rd)*	6,015.42
W. G. Hefner (N.C. 8th)*	6,000.00
Ronald Rodger (Ill. 4th)	5,900.00
Billy Lee Evans (Ga. 8th)*	5,897.00
James A. Burke (Mass. 11th)*	5,753.60
B. F. Sisk (Calif. 15th)*	5,505.00
Lionel Van Deerlin (Calif. 42nd)*	5,493.89
Tom Dunlap (Okla. 5th)	5,455.00
Albert Gore, Jr. (Tenn. 4th)*	5,177.60
Charles Rose (N.C. 7th)*	5.097.00
Ron Dellums (Calif. 8th)*	5,050.00
David Harris (Calif. 12th)	5,050.00
Daryl McCarthy (Utah 2nd)	5,000.00
Bill Alexander (Ark. 1st)*	4,806.14
Mel Bailey (Ala. 6th)	4,700.00
Doug Barnard (Ga. 10th)*	4,675.00
Carroll Hubbard, Jr. (Ky. 1st)*	4,624.64
Jack Brooks (Texas 9th)*	4,600.00
Robert Duncan (Ore. 3rd)*	4,570.00
James Jones (Okla. 1st)*	4,500.00
Mike McGee (Ohio 15th)	4,332.98
Joe Waggonner, Jr. (La. 4th)*	4,250.00
David Bowen (Miss. 2nd)*	4,201.62
Jerry Huckaby (La. 5th)*	4,150.00
Goodloe Byron (Md. 6th)*	4,100.00
Harley Staggers (W. Va. 2nd)*	4,016.79
Morgan Maxfield (Mo. 6th)	3,952.52
Stephen Fawley (Mich. 9th)	3,904.00
John Fary (Ill. 5th)*	3,900.00
Michael Myers (Pa. 1st)*	3,617.60
Don Edwards (Calif. 10th)*	3,600.00
John Young (Texas 14th)*	3,600.00
Lee Hamilton (Ind. 9th)*	3,550.00
Don Sisson (Calif. 19th)	3,348.89
Cecil Heftel (Hawaii 1st)*	3,250.00
Richard Ichord (Mo. 8th)*	3,205.00
Lamar Gudger (N.C. 11th)*	3,200.00
Vivian Hall (Calif. 40th)	3,193.89
John Freedom (Ohio 16th)	3,166.08
Richardson Preyer (N.C. 6th)*	3,100.00
William E. Farris (Calif. 39th)	3,093.89
Berkley Bedell (Iowa 6th)*	3,050.00
Lucien Nedzi (Mich. 14th)*	3,050.00
Elizabeth Holtzman (N.Y. 16th)*	2,950.00
J. Carole Keahey (Ala. 2nd)	2,900.00
Ike Andrews (N.C. 4th)*	2,800.00
Leighton Cooney (Me. 2nd)	2,800.00
Theodore Weiss (N.Y. 20th)	2,750.83
Clement Zablocki (Wis. 4th)*	2,750.00
Bill Burlison (Mo. 10th)*	2,670.00
Dante Fascell (Fla. 15th)*	2,647.00
Matthew Ryan (Ill. 18th)	2,617.42
Dale Milford (Texas 24th)*	2,608.81
Robert Kastenmeier (Wis. 2nd)*	2,600.00
Andrew Ireland (Fla. 8th)*	2,511.10
Arthur Goodman, Jr. (N.C. 9th)	2,500.00
Bill Chappell, Jr. (Fla. 4th)*	2,450.00
Harold Johnson (Calif. 1st)*	2,450.00
Dorothea Becker (Mich. 19th)	2,414.00
Ed Jenkins (Ga. 9th)*	2,400.00
Sam Stratton (N.Y. 28th)*	2,400.00
Anthony Beilenson (Calif. 23rd)*	$2,168.00
Robert Sally (Calif. 22nd)	2,146.28
Jack Hightower (Texas 13th)*N	2,125.00
Minna Peyser (N.Y. 25th)	2,000.00
Jerome Coughlin (Minn. 3rd)	1,950.00
Oscar Klee (Calif. 2nd)	1,950.00
Dawson Mathis (Ga. 2nd)*	1,950.00
Richard White (Texas 16th)*	1,950.00
Robert Krueger (Texas 21st)*	1,830.00
Walter Flowers (Ala. 7th)*	1,800.00
Gabriel Cazares (Fla. 6th)	1,797.00
Lloyd Omdahl (N.D. at lge.)	1,717.71
Edward McColgan (Mass. 1st)	1,710.00
Tom West, Jr. (Ohio 11th)	1,700.00
Sam Gibbons (Fla. 7th)*	1,689.33
Peter Geraci (N.Y. 38th)	1,681.74
Patti Lear Corman (Calif. 20th)	1,618.00
Sidney Yates (Ill. 9th)*	1,550.00
Glenn English (Okla. 6th)*	1,505.00
Walter Fauntroy (District of Columbia)*	1,450.00
Jack Brinkley (Ga. 3rd)*	1,447.00
Lloyd Blevins (Tenn. 1st)	1,419.20
Jonathan Bingham (N.Y. 22nd)*	1,300.83
Pauline Anderson (Neb. 1st)	1,300.00
Olin Teague (Texas 6th)*	1,300.00
Butler Derrick (S.C. 3rd)*	1,100.00
Ted Strickland (Ohio 6th)	1,100.00
John Tipton (Ind. 7th)	1,097.92
Charles Diggs, Jr. (Mich. 13th)*	1,095.00
Ronald Ginn (Ga. 1st)*	1,047.00
W. C. Daniel (Va. 5th)*	1,000.00
Andy Jacobs (Ind. 11th)*	1,000.00
Henry Gonzalez (Texas 20th)*	913.48
Bruce Edwards (Ohio 5th)	900.00
Merlin Karlock (Ill. 17th)	800.00
William Stout (Ind. 5th)	800.00
Anita Maxwell (N.Y. 31st)	800.00
Bruce Latta (Calif. 26th)	768.00
Bill Davenport (Ala. 1st)	750.00
Sam Hall (Texas 1st)*	600.00
Clinton Dorsey (Ohio 4th)	500.00
John Flynt (Ga. 6th)*	500.00
Eben Hopson (Alaska at lge.)	500.00
Walter Jones (N.C. 1st)*	500.00
Carl Perkins (Ky. 7th)*	500.00
Robert Sikes (Fla. 1st)*	500.00
Bill Sikes (Fla. 10th)	500.00
Dave Wood (Wash. 1st)	500.00
Charles Vanik (Ohio 22nd)*	500.00
William Natcher (Ky. 2nd)*	488.74
Charles Whitley (N.C. 3rd)*	400.00
James Mann (S.C. 4th)*	397.00
Pat Kelly (Calif. 43rd)	393.89
Anthony Campolo (Pa. 5th)	317.60
John Breckinridge (Ky. 6th)*	300.00
John Griffin (Ohio 8th)	300.00
Paul Rogers (Fla. 11th)*	300.00
Wes Watkins (Okla. 3rd)*	300.00
Dolan Hawkins (Mo. 7th)	250.00
John Maloney (N.Y. 26th)	250.00
G. V. Montgomery (Miss. 3rd)*	250.00
Larry McDonald (Ga. 7th)*	250.00
Virgil Olson (Kan. 5th)	250.00
Ray Roberts (Texas 4th)*	250.00
Tom Steed (Okla. 4th)*	250.00
Don Fuqua (Fla. 2nd)*	200.00
Joseph Rosier (Fla. 9th)	200.00
Richard Noll (Pa. 19th)	167.60
Douglas Nilson, Jr. (Calif. 37th)	150.00
Raymond Garcia (N.M. 1st)	76.71
Edward Mitchell (Pa. 10th)	67.60
Gertrude Strick (Pa. 13th)	67.60
James Plummer (Ohio 10th)	64.98
Robert Olson, Jr. (Minn. 1st)	50.00
Republicans	
Matthew Rinaldo (N.J. 12th)*	17,907.48
Donald Young (Alaska at lge.)*	12,650.00
Silvio Conte (Mass. 1st)*	10,059.38
Ronald Sarasin (Conn. 5th)*	8,462.20
Benjamin Gilman (N.Y. 26th)*	8,091.40
Arthur Mason (Mass. 4th)	8,000.00
Frank Horton (N.Y. 34th)*	7,650.00
William Walsh (N.Y. 33rd)*	6,400.00
Fred Rohlfing (Hawaii 1st)	5,550.00
Joseph McDade (Pa. 10th)*	5,263.60
William Cohen (Me. 2nd)*	3,700.00

*Indicates winner.

Charles Whalen, Jr. (Ohio 3rd)*	$3,458.00
Elford Cederberg (Mich. 10th)*	3,100.00
Edward Madigan (Ill. 21st)*	3,000.00
Margaret Heckler (Mass. 10th)*	2,900.00
G. William Whitehurst (Va. 2nd)*	2,850.00
Albert Quie (Minn. 1st)*	2,500.00
Philip Ruppe (Mich. 11th)*	2,500.00
Mark Andrews (N.D. at lge.)*	2,400.00
Newt Gingrich (Ga. 6th)	2,400.00
Richard King (Mo. 4th)	2,400.00
John Renninger (Pa. 8th)	2,400.00
Robert Daniel, Jr. (Va. 4th)*	2,250.00
Donald Mitchell (N.Y. 31st)*	2,200.00
John Buchanan (Ala. 6th)*	2,000.00
Dan Marriott (Utah 2nd)*	2,000.00
Newton Steers (Md. 8th)*	2,000.00
Joe Skubitz (Kan. 5th)*	1,800.00
Don Clausen (Calif. 2nd)*	1,750.00
Gene Taylor (Mo. 7th)*	1,650.00
Paul McCloskey, Jr. (Calif. 12th)*	1,550.00
Barry Goldwater, Jr. (Calif. 20th)*	1,500.00
H. Joseph Hepford (Pa. 17th)	1,500.00
Larry Pressler (S.D. 1st)*	1,280.00
John Anderson (Ill. 16th)*	1,250.00
James Quillen (Tenn. 1st)*	1,200.00
William Harsha (Ohio 6th)*	1,150.00
Carl Pursell (Mich. 2nd)*	1,125.00
Norman Lent (N.Y. 4th)*	1,100.00
Trent Lott (Miss. 5th)*	1,100.00
Gene Snyder (Ky. 4th)*	1,100.00
John Wydler (N.Y. 5th)*	1,100.00
William Broomfield (Mich. 19th)*	1,000.00
Clair Burgener (Calif. 43rd)*	1,000.00
Jack Edwards (Ala. 1st)*	1,000.00
Henry Hyde (Ill. 6th)*	1,000.00
Richard Schulze (Pa. 5th)*	1,000.00
John Ashbrook (Ohio 17th)*	800.00
James Jeffords (Vt. at lge.)*	800.00
Garner Shriver (Kan. 4th)	800.00
Floyd Spence (S.C. 2nd)*	800.00
John J. Rhodes (Ariz. 1st)*	700.00
Thad Cochran (Miss. 4th)*	650.00
Bill Frenzel (Minn. 3rd)*	600.00
Guy Vander Jagt (Mich. 9th)*	600.00
Henry Andreas (Calif. 17th)	500.00
Tim Lee Carter (Ky. 5th)*	500.00
Quincy Collins (Ga. 7th)	500.00
R. Lawrence Coughlin (Pa. 13)*	500.00
Edwin Forsythe (N.J. 6th)*	500.00
Albert Johnson (Pa. 23rd)	500.00
Tom Railsback (Ill. 19th)*	500.00
John Rousselot (Calif. 26th)*	500.00
E. G. Shuster (Pa. 9th)*	500.00
Stewart McKinney (Conn. 4th)*	300.00
George O'Brien (Ill. 17th)*	300.00
Joel Pritchard (Wash. 1st)*	273.97
Bill Archer (Texas 7th)*	250.00
John Duncan (Tenn. 2nd)*	250.00
John Hammerschmidt (Ark. 3rd)*	250.00
Bob Jones (Calif. 11th)	250.00
James Abdnor (S.D. 2nd)*	200.00
Arthur Bond (Md. 6th)	200.00
William Bronson (Mass. 6th)	200.00
James Broyhill (N.C. 10th)*	200.00
Roger Fischer (Pa. 22nd)*	200.00
Louis Frey, Jr. (Fla. 9th)*	200.00
Tennyson Guyer (Ohio 4th)*	200.00
Elwood Hillis (Ind. 5th)*	200.00
J. William Stanton (Ohio 11th)*	200.00
James R. Tate (Va. 8th)	200.00
Jack Hunter (Ohio 19th)	150.00
Bruce Briggs (N.C. 11th)	100.00
Clarence Brown (Ohio 7th)*	100.00
E. S. Goodman (W. Va. 4th)	100.00
Bill Gradison (Ohio 1st)*	100.00
David Stockman (Mich.. 4th)*	100.00
Cliff Young (Calif. 32nd)	100.00
Barber Conable (N.Y. 35th)*	50.00
Lee Terry (Nebr. 2nd)	25.00

Anyone not listed did not report receiving any labor support.

FINANCIAL STATEMENT OF SENATOR GARN

Mr. GARN. Mr. President, I have long believed that persons elected to public office have an obligation to disclose to their constituents information describing their personal financial position. I believe that the voters of Utah have a right to know where any potential conflict of interest may exist as a result of the sources of income of their Senator, and so I am pleased to submit this statement and ask unanimous consent that it be printed in the RECORD.

There being no objection, the financial statement was ordered to be printed in the RECORD, as follows:

1976 PERSONAL FINANCIAL STATEMENT: SENATOR JAKE GARN

1976 gross income	$71,934
U.S. Senate Salary	44,600
Utah Air National Guard	2,790
Honoraria	23,650
Interest	894
Taxes paid	22,018
Federal income taxes	12,552
Social security tax (Self-employment honoraria)	1,209
Utah State income taxes	2,331
Real estate, personal property and other taxes	5,926
Total assets	232,500
Estimated market value, acquired and mortgage:	
Home in McLean Va., $125,000, 1975	79,500
Home in Salt Lake City, Utah, $41,000, 1976	13,500
Land, 40 acres, Cache County, Utah, $16,000, 1966	------
Land, 3 acres, Wasatch County, Utah, $25,500, 1975	------
Cabin, Wasatch County, Utah, $25,000, 1968	4,600
Total liabilities	97,600
Estimated net worth	134,900

I own no stock or bonds or any interest in any business or partnership.

NOTICE OF A DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 43, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN NATIONAL

Mr. STEVENSON. Mr. President, it is required by paragraph 4 of rule XLIII that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The Select Committee received a request for a determination under rule 43 on behalf of staff economist Ms. Sarah Jackson from Representative RICHARD BOLLING, chairman of the Joint Economic Committee. On the basis of the facts stated in his letter of May 4, the select committee, polled on May 11, 1977, determined that the participaion of Ms. Jackson in educational and fact-finding travel in seven European countries May 14–June 17, 1977, at the expense of the European community's visitors' program to study coordination of national energy policies of member states, is in the interest of the Senate and the United States. The proposed itinerary includes: departure from Washington, D.C., May 14 for Brussels; travel in Belgium, West Germany, Denmark, the Netherlands, Belgium, France, and Great Britain, May 15–June 16; and Washington, D.C., June 17.

THE NEED FOR MORE DEBATE ON OUR POLICY TOWARD ZAIRE

Mr. HASKELL. Mr. President, recent events in Zaire have been the subject of a good deal of very healthy public discussion. In my opinion we need a good deal more such debate before Congress authorizes any sizeable amount of assistance—either military or economic—to Zaire. That debate should focus not only on the nature and ramifications of the present conflict in Shaba Province, but also on the basic principles and assumptions which underlie U.S. policy toward this central African nation. There are a number of factors which make continued support for the regime of General Mobutu a highly dubious proposition.

Gerald Bender, of the University of California at San Diego, wrote in the Los Angeles Times of late March that on grounds of respect for human rights, political reliability, competence as a military or economic leader, respect for private property, or the development of the urban and urban areas of his country, it is difficult to justify continued military aid to Mobutu.

Prof. Stephen R. Weissman, of the University of Texas at Dallas, a Zaire expert, testified on April 28, before the Subcommittee on Africa of the House International Relations Committee, "that American policy in Zaire is in danger of reenacting the Ethiopian syndrome" that is, continuing American identification with a government increasingly perceived by its own people to be repressive, dictatorial and corrupt, followed by the overthrow of that government and the emergence of a successor regime deeply suspicious of or hostile to the United States.

"The likely result," Professor Weissman asserts, of continued American and Western limited military, political, and economic support to the Mobutu regime "will be a near-term political collapse" of Mobutu "followed by the emergence of a turbulent, leftist, anti-American government, and increased polarization and danger of proxy war in Central and Southern Africa."

A far preferable course, he argues, is for the United States "to scale down assistance and to minimize our association with one of Africa's weakest and most oppressive regimes," while commencing negotiations with the Soviet Union on arms limitation in central Africa, and formulating an African policy that emphasizes a multilateral approach to Third World problems.

If Professor Weissman is correct in his analysis of the prospects for the continued viability of the Mobutu regime, further financial and political support for that regime is indeed of questionable wis-

dom. Certainly Weissman is supported in that analysis by other commentators of note. Those views deserve our very careful consideration. I ask unanimous consent that "Zaire: Is there Any Rationale for U.S. Intervention," by Gerald J. Bender, and "Our Man Mobutu," by Roger Morris from the New Republic of May 7, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ZAIRE: IS THERE ANY RATIONALE FOR U.S. INTERVENTION?

(By Gerald J. Bender)

The recent attack on Zaire by Katangan soldiers from their exile bases in Angola forces President Carter to make some hasty, but vital, decisions on Africa before his Administration has even finished formulating its new African policy.

For more than a decade, the United States has considered President Mobutu Sese Seko to be its strongest ally in Africa, and to assure his continued rule, has sent Zaire considerable military and financial assistance—$500 millio of it between 1960 and 1973. The $80 million in military aid to Zaire in 1976 was half of all such assistance in sub-Saharan Africa. American investment in Zaire of just under $1 billion is exceeded in Africa only by investments in South Africa and Nigeria. The CIA maintains its largest African station in Zaire.

If the Carter Administration uncritically follows past policy toward Zaire, therefore, we can expect further U.S. assistance for the beleaguered country beyond the $2 million worth of supplies flown in during the first week of the conflict. And if the United States continues to blame Angola for the invasion, we can expect a further deterioration in Angolan-American relations—which had been warming since Carter's inauguration to the point that U.S. recognition of the regime of President Agostinho Neto appeared almost certain by mid-1977. The immediate question, then, is how critically will President Carter study the situation in Zaire, and question past assumptions and policies before further committing the United States in Zaire's internal war.

An assessment of the situation in Zaire must start by answering some basic questions: Who are the Katangan soldiers who invaded the country? Should they be defined by their source of arms, ethnic organs, ideology of the country (Angola) which provided sanctuary, their goals, or by their potential threat to Mobutu? What is the internal situation in Shaba Province where the former Katangan gendarmes originated and where they now confront the Zaire army? Finally, how useful are ideological labels in helping Americans to understand whether the United States should become further embroiled in another internal African conflict?

The present attack by the Katangans marks the fifth remarkable chapter in the saga of these well-trained soldiers who have now fought for no less than five causes in the last decade and a half. They were organized in 1960 as the military arm of their leader and fellow Lunda, Moise Tshombe. Trained by white mercenaries, financed by Belgian mining interests, and armed by a variety of Western sources, they proved to be a formidable fighting force for Tshombe in his attempt to have copper-rich Katanga (now called Shaba) secede from the rest of the country.

After Tshombe's defeat in 1963, most of the Katangan gendarmes filed into Angola, but many returned the following year when the mercurial Tshombe became prime minister. Tshombe immediately integrated his former militia into the country's national army—the same army against which it had fought earlier. Following Tshombe's ouster and Mobutu's assumption of power in 1965, however, the Katangan units in the Congo army rebelled and made their way back to Angola. The Portuguese agreed to give them sanctuary on the condition that they assist in the fight against Angolan nationalists inside the colony. According to some Portuguese officers, the Katangans were the most effective of the African soldiers in their army during the decade of fighting preceding the Portuguese coup in April, 1974. Ironically, the nationalist group most subject to attacks by the former gendarmes was the MPLA—the group now ruling Angola and whom the U.S. government is accusing of providing logistical support for the Katangans.

During the Angolan civil war the Katangans were once again called upon to offer their fighting skills as the price of protection: The question was which of the three nationalist movements to join. The FNLA, with its umbilical attachment to Mobutu, was automatically viewed as an enemy; and when UNITA began to cozy up to Mobutu and the FNLA in mid-1975, the MPLA became the natural ally of the Katangans. They eventually made an important contribution to the MPLA's forces in eastern Angola and were especially critical in taking and holding the important city of Luso along the Benguela Railway.

In the closing months of the war, the Nigerian monthly, Afriscope, asked Neto about Zairean interference in Angolan affairs (which included sending over 5,000 Zairean troops into the Angolan battle as part of the FNLA). Neto responded: "Mobutu seems to forget that we have in Angola a large number of Zairean (Katangan) refugees hostile to his regime and open to suggestions of unfriendly action against his regime. But we have never thought of manipulating such groups because we consider such an action an interference in Zaire's internal affairs."

After the fighting ended in February 1976, Neto and Mobutu signed an accord normalizing relations between their countries. Zaire promised to cease all support of the FNLA and FLEC (Front for the Liberation of the Enclave of Cabinda) and to expel the leaders and troops of these movements from the country; Angola promised not to intervene in Zairean affairs. Moreover, President Neto was reported also to have agreed to the return of the exiled Katangans to whom Mobutu promised amnesty (but who, according to most observers, almost certainly faced imprisonment or death).

Since the 1976 accord, Mobutu's continued support for the FNLA and Cabindan separatists in their infiltration into Angola has caused considerable problems for Angola. In addition, Mobutu has allowed some of his own soldiers to accompany FNLA guerrillas into Angola as late as the end of 1976.

Given Zaire's open violation of the accord, the Neto regime undoubtedly felt justified in giving the green light to the Katangans, who certainly preferred returning home on the offensive against Mobutu's fragile army to continued exile in a remote part of Angola or even the possibility of being delivered into their enemy's grasp as part of some future accord between Angola and Zaire.

On the other hand, there is no question that the Angolan government would not have had an easy time "delivering" the Katangans to Mobutu or even restraining them from attacking, once they decided they had a chance for victory. In addition, they represented a potential threat to the MPLA if they decided to turn their military prowess against the Neto regime. In short, the Katangan soldiers' action not only rids the Angolan government of a sticky internal problem, but more important, momentarily solves the infiltration problem it faced from Zaire. Above all, it forces Mobutu to channel his military equipment and soldiers away from the FNLA and FLEC and into the battle against the Katangans.

It is highly unlikely that the Katangans or anybody who may have advised them believed that the former gendarmes could march over 1,500 miles to the capital, Kinshasa, and depose Mobutu. But they could deliver a severe, if not fatal, blow to the Mobutu regime by simply holding key areas in Shaba. Shaba is indispensable to Zaire because its copper mines provide 65% to 75% of the nation's foreign exchange earnings. Zaire provides 67% of the world's cobalt, 7% of its copper and a third of the world's industrial diamonds, and most of this mineral wealth is located in Shaba, now under attack.

One reason why the Katangans may have been encouraged to attack at this time is that, according to informed sources, there were almost no government forces in Shaba, and those who were there were viewed by the local people more as thieves than as protectors of the public order. Irregular government payments to its soldiers help explain the years of unimpeded bullying and robbing of Zaireans by the army and police. The result is that today the Zaire national army is distinguished far more for its harassment rather than protection of Zaire citizens. The humiliating defeats which Mobutu's troops suffered in Angola during the civil war there not only further demoralized the Zairean army but confirmed what Washington officials had been whispering for years—that the Zairean armed forces are still poorly organized, badly equipped, undisciplined, and ineffective in battle. Even the large injection of Chinese arms and training since 1973 apparently has not improved the performance of the Zairean army.

There are other reasons for the Katangans to have believed that they would receive support in Shaba. Most of the Katangan soldiers belong to the Lunda-Chokwe ethnic group, the predominant group in Shaba Province. Mobutu, hoping to neutralize this ethnic factor, flew to Shaba for a day where he met with the Lunda mwata yamvo (Lunda paramount chief), David Tshombe—a brother of the late Moise Tshombe. Nevertheless, early reports on the fighting indicate that the Katangans have been greeted as "liberators" in some of the areas they have occupied.

Deterioration of living and economic conditions in Shaba in recent years probably engendered considerable resentment against the Mobutu regime among the local inhabitants. The people of the province used to buy most of their essential products from Angola—for instance, salt, sugar, cooking oil, kerosene, vegetables, tea, cloth and soap. Since the Angolan civil war, however, these products are no longer available across the border.

In 1974 the Zaire government took over most small businesses and plantations without compensating the previous owners. The spoils were generally divided among party leaders loyal to Mobutu, many of whom simply sold the merchandise and pocketed the money without reordering or paying outstanding bills. The result was a severe shortage of goods. The situation became so desperate that this past October Mobutu invited the businessmen whose property and business had been expropriated to return to them to run their former enterprises.

Public services in Shaba have deteriorated drastically; spiraling inflation has placed nearly all available products out of reach for most people in Shaba; corruption has reached such proportions that few residents respect or are loyal to the regime in Kinshasa.

Mobutu has managed to keep the lid on this smoldering pot through repression. His regime has frequently been cited by Amnesty International for gross violations of human rights. More recently, a report on human rights released by the State Department lists

allegations of brutal treatment of political prisoners, extended incarceration without trial, "and even death of prisoners under interrogation." Mobutu thus epitomizes the very type of leader whom Carter has criticized before the United Nations and elsewhere for violations of human rights—at a time when the President himself has called commitments to such dictators into question.

It will be extremely difficult for the Carter Administration to rationalize further aid to Mobutu on any grounds which reflect on his leadership of Zaire. His record after a dozen years in office is replete with failure and incompetence. In addition to violations of human rights, Mobutu has been unable to forge a responsible and effective military. Economic and living conditions in both the rural and urban areas have steadily declined; his general mismanagement of the economy has left the country almost $2 billion in debt. And it will be difficult to argue that Mobutu at least shares American values for the respect of private property, after his wholesale expropriation of farms and small businesses without compensation, which ironically goes well beyond anything in Marxist Angola.

Finally, it will not be easy for the Carter Administration to justify further aid to Mobutu on the grounds of his political reliability. The substantial past U.S. military and financial assistance, heavy American investments, or even the well-established CIA links to Mobutu should not obscure the fact that Mobutu is highly unreliable politically. In early 1975, Mobutu surprised many by leading the attack in the Organization of African Unity against Henry Kissinger and his newly appointed assistant secretary of state, Nathaniel Davis. In June 1975, he expelled the U.S. ambassador, accusing him of intervening in Zaire's internal affairs. Some Zaire officers were even arrested as part of the alleged American plot. In addition, since 1973 Mobutu has developed close relations with China, which predictably has supported him verbally (and perhaps materially during the present crisis).

This past December, a Zairean delegation spent 10 days in Moscow, and signed an accord with the Russians which established the principles for future economic, scientific, technical and cultural cooperation. Commercial accords were also signed, as well as an agreement on maritime navigation.

In view of all this, can any Administration spokesman confidently predict that Mobutu will not attack American policies and interests in Africa again in the future or ultimately discard the United States as an ally in favor of China or even the Soviet Union?

If the United States cannot convincingly justify military aid to Mobutu on the grounds of his respect for human rights, political reliability, competence as a military leader, ability to manage his country's economy, respect for private property or the development of the urban and rural areas of his country, are there any other grounds which could be advanced? Statements by State Department spokesmen pointing to Angola's culpability for logistical support and possible training of the Katangans suggest that the Administration may be seeking to establish a principle based on the fact that the invasion originated outside of the country. But this would be a dangerous principle for the United States to adopt in Africa.

Today, 19 nations in Africa offer sanctuary to political refugees from neighboring countries. Most of these refugees entertain hopes of returning home, and many are preparing to do this militarily. The Ford and Carter administrations have remained silent on attacks against the Neto regime by Angolans based in Zaire. How would the United States react if Ugandans based in Tanzania successfully invaded their country and deposed Idi Amin? Would the invasion be condemned and President Julius Nyerere's regime criticized for offering the Ugandans logistical support for the attack—as Tanzania has done in the past? Is the United States prepared to establish a principle which would force us publicly to attack Zambia's respected President Kenneth Kaunda—considered to be one of the best U.S. allies in Africa—for the logistical support and sanctuary he provides to Zimbabwean refugees and troops who are launching raids into Rhodesia? The Carter Administration will have trouble justifying further military aid to Zaire based on any principle which establishes a precedent for providing military assistance to regimes in Africa attacked by their own citizens from neighboring countries.

Nor will it be easy to rationalize further U.S. aid based on U.S. opposition to the ideology or political orientations of the invading Katangans. They have embraced such a wide variety of political causes during the past decade and a half in order to survive that nobody can confidently predict what ideology, if any, they may hold today or will hold tomorrow. If the superpowers have learned anything during the past two decades about Africa, it should be the hazard of deducing the political ideology of any country or exile movement from the national origin of the arms they may employ at a given time. The Katangans epitomize this lesson.

If President Carter truly seeks to establish a new American approach to foreign policy, he will have to demonstrate in Zaire that he is prepared to question past policies and assumptions.

It should be clear that the present conflict has a variety of causes, most of them deeply rooted in local, and not international, affairs. The United States must eschew the propensity to apply inappropriate labels such as "pro-Communist" or "pro-West" in this struggle if we hope to avoid another unnecessary setback of the kind suffered in Angola.

We should have learned from the Angolan debacle how quickly a local African conflict can escalate into an international crisis when the Soviet Union and the United States (in conjunction with China) choose opposite sides. There is no clear "Soviet" side in this internal war, unless we define any force against Mobutu as ipso facto "pro-Soviet." Surely, the Katangans are no more "pro-Soviet" today than they were "pro-Portuguese" yesterday.

In the meantime, Zairean airstrikes on Angola this past week threaten to widen the struggle. If Mobutu continues to attack Angola with the same intensity, and if the United States agrees to send Mobutu the arms he has requested, it is entirely possible that the United States and the Soviet Union could end up fighting a second proxy war in central Africa. The prospects for U.S. success in such a confrontation appear to be no better than they were in 1975.

OUR MAN MOBUTU

(By Roger Morris)

At the close of an obscure and otherwise customarily dull congressional hearing last week, a State Department aide startled the lone remaining senator, Dick Clark, Democrat of Iowa, with an interesting little revelation. By the way, the official added almost as an afterthought, the Carter administration wanted Congress to approve $30 million worth of M-60 tanks and armored personnel carriers for the regime of Zaire's President Mobutu Sese Seko, who already is getting $13 million in special "non-lethal" U.S. aid to wage a shadowy guerrilla war in the country's copper-rich Shaba Province.

Amid the controversy (and some incredulity) that followed, President Carter himself retreated to equivocation, by saying it was "highly unlikely" he would approve the tank deal. But the incident remained an apt reminder of the larger historical folly of American policy toward Zaire, and of the hypocrisy of the new administration in resting its ostensibly *new* African diplomacy on our old friend Mobutu. Since 1962 Washington has poured $350 million in public economic and military aid into the large central African state, while the CIA has paid more than $150 million in covert money directly to General Mobutu.

What is the monument to our patronage? Potentially one of the richest countries in Africa, with vast natural resources, for a decade one of the chief aid recipients in Africa, Zaire remains an unrelieved calamity of poverty and exploitation. Between 1960 and 1970 it recorded almost no tangible economic growth. In 1973 the UN chose Zaire, for all its mineral wealth, as one of the truly destitute nations of the third world.

The plight of the average Zairean, of course, is not readily visible in the person of General Mobutu, who personally pockets Western corporate kickbacks as well as the CIA money, whose family controls a private monopoly over the nation's huge and still untapped diamond deposits, and whose ethnic-tribal dictatorship simply murders or imprisons internal critics. Now in conspicuous disarray fighting in Shaba, Mobutu's army, trained and armed by the USA, is a vivid emblem of the regime's squalor. Diplomatic folklore brims with stories of this force *manque*, as when a multi-million-dollar U.S. paratroop training program in the 1960s climaxed with a demonstration for VIPs in which the elite brigade took off to stage their drop, only to discover over the site that they had forgotten their chutes. But the latest "Congo follies," as they are known in the State Department's more cynical precincts, are not so comic-opera amusing. While Mobutu's corruption and Zaire's poverty deepened, the army was purged of all but the general's regional and tribal serfs, whose continuing loyalty in an officially bankrupt government was purchased by periodic authorized episodes of plunder and looting, mainly at the expense of traditional tribal rivals. Many observers worry that if Mobutu does manage to subdue the Shaba rebellion, with U.S. and French aid, the sequel will be a brutal episode of repression and conceivably even genocide among local tribes suspected of sympathy for the invaders.

As it is, the army frequently takes matters into its own hands. Uniformed Zairean troops actually broke into the U.S. Consulate in Lubumbashi on July 4, 1976, and, presumably in their own celebration of the American bicentennial, lifted $10,000 in local currency. The Ford administration buried official reports of the incident. The Lubumbashi caper drew only a tame protest from Washington at the time. A generation of money and careers invested in Zaire (much as in Vietnam) has spawned an officialdom in State and the Pentagon who instinctively look the other way when Mobutu & Co. savage their own people, or dip into the petty cash of U.S. consulates. But Washington's devotion is not only a matter of bureaucratic indulgence. The CIA needs to show both the Russians and rival U.S. agencies that it can still "run" a decent little operation (and keep its client in power), after the 1975–76 debacle in neighboring Angola. And beyond the intelligence game, there are powerful American economic interests, beginning with the Chase Manhattan Bank, who wish to keep Mobutu atop the mess, if only because a successor regime might naturally repudiate the hundreds of millions in international debts (the exact figure is a guarded corporate and official secret) incurred by Zaire over the past decade. So CIA clandestine subsidies are painstakingly laundered, then spent hiring mercenaries to shore up Mobutu's combat-shy veterans; corporate pressure mounts on the State Department for more military aid; and

officials who talk about the large and small scandals of the policy are openly fearful of career reprisals if their dissent becomes known within the government. In miniature—and with all the obvious differences in time and place—it is uncomfortably reminiscent of Southeast Asia. With nervous chuckles, officials refer to Kinshasa as "Saigon *noire*."

The M-60 backtracking suggests that the administration probably is not going to wade much deeper into the Zaire swamp. But the more important point is that the U.S. has no good reason to go on supporting the Mobutu regime at all. Whoever the Shaba invaders may be (the evidence is that they are mostly embittered Zaireans Mobutu and the CIA sent into Angola in 1975), however they are backed (probably by the Soviets and Cubans as well as Mobutu opponents in Zaire), whatever their goals (probably the overthrow of Mobutu), they are exploiting an authentic popular agony in Zaire that will explode later if not now. Once again, by sheer inertia, we are on a losing side with neither principle nor national interest to justify the sacrifice. Jimmy Carter should stop a good deal more than a few symbolic tanks.

ARIZONA LEGISLATURE URGES MAINTAINING CLOSE TIES WITH THE REPUBLIC OF CHINA

Mr. GOLDWATER. Mr. President, last week a new national public opinion survey found that Americans are stronger than ever in their support of preserving official diplomatic relations between the United States and the Republic of China on Taiwan. Today I have received fresh confirmation of this fact from Arizona. It is in the form of a House concurrent memorial approved by both Houses of the Arizona State Legislature.

The memorial is an eloquent testimony to the deep-rooted friendship of the American people with the free Chinese of the Republic of China. It expresses the clear will of the American people to maintain and develop closer ties between ourselves and the government and people of the Chinese on Taiwan.

Mr. President, I ask unanimous consent that the memorial of the 33d Legislature of the State of Arizona be printed in the RECORD.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

HOUSE CONCURRENT MEMORIAL 2005

A concurrent memorial urging the President and Congress of the United States to maintain close diplomatic relations with the Republic of China

Whereas, the United States of America is on the threshold of a new administration with fresh objectives and new people in the positions being vacated by the former administration; and

Whereas, the State of Arizona has in the past, on more than one occasion projected to the former administration, its position on what it feels the relationship should be between these two great countries; and

Whereas, the Thirty-third Legislature of the State of Arizona would like to make known to our leaders its sentiments on foreign policy that it believes are just and deserved with the Republic of China; and

Whereas, the Republic of China has been a continuous and faithful ally of the United States, supplying both moral and economic support to the benefit of both nations, has made every effort to develop a free enterprise-based democratic form of government and has pledged its human and economic resources to the defense of free people everywhere; and

Whereas, the cultural interchange between the Republic of China and the United States has benefited both nations.

Wherefore, your memorialist, the House of Representatives of the State of Arizona, the Senate concurring, prays:

1. That the President and Congress of the United States make every effort to develop better social and economic relations with the Republic of China.

2. That the President and Congress of the United States do not in any way detract from our diplomatic relations with the Republic of China and not concentrate any major efforts on development of any temporary and precarious relations with the People's Republic of China.

3. That the Secretary of State of the State of Arizona, transmit copies of this Memorial to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives of the United States and to each Member of the Arizona Congressional Delegation.

HANDICAPPED PEOPLE STRUGGLE FOR THEIR RIGHTS

Mr. HASKELL. Mr. President, the May 9 Washington Post contains an article by Myra MacPherson which deserves the widest possible readership. Ms. MacPherson discusses the growing political consciousness of this Nation's some 36 million handicapped people.

For years handicapped people have been barred from buildings by physical barriers, and barred from education and employment by the barriers of prejudice and pity. They are now demanding the same rights and opportunities which the nondisabled have always taken for granted. Putting self-pity and reticence behind them, people with various kinds of disabilities are proving that they can participate in society as productive individuals in many aspects of life. But regardless of the degree to which any handicapped person may be able to become self-supporting, all must be given the opportunity to develop their capacities to the maximum extent.

A major problem remains the attitude of the majority of citizens who are not disabled, and whose unease with handicapped people is readily apparent whenever a handicapped person is in their midst. Those attitudes will have to change. As Frank Bowe, director of the American Coalition of Citizens With Disabilities, has said:

We are always defined in terms of what we cannot do. I want to help others to see us as people—not as crutches and wheelchairs and canes.

In signing regulations recently implementing section 504 of the Rehabilitation Act of 1973, Secretary Califano signaled the commitment of the present administration to making it possible for handicapped people to take their rightful place in our society. Those regulations will require many changes.

I am hopeful these regulations will be a catalyst toward equally significant changes in attitudes toward the handicapped, so that no disabled person is automatically cast into a specific category, his or her whole life to be dictated by that categorization.

Myra MacPherson's excellent article provides an insight into the lives and problems of handicapped people in this country. I highly recommend it to my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 9, 1977]

NEWLY MILITANT DISABLED WAGING WAR ON DISCRIMINATION

(By Myra MacPherson)

Frank Bowe is talking on the telephone about his concern for the disabled. After 20 minutes, the person on the other end haltingly asks Bowe if he has a disability.

"Yes," he replies, "I am deaf."

Stumbling with surprise, the other person says, "Oh, you must mean partially deaf." "No," answers Bowe, "totally deaf."

Bowe explains that an aide is listening on an extension, translating the conversation in sign language so rapidly there is barely a pause between a question and Bowe's response.

Bowe, a psychologist, is asked if he has experienced job discrimination.

"Yes," he says with a laugh. "I was told I couldn't hold a job because I wouldn't be able to use the phone."

Hale Zukas has cerebral palsy so severe that he is immobile in a wheelchair, his useless hands tied in a brace. He can only make guttural sounds. Someone mentions cerebral palsy in Zukas' presence and there is an urgency to the sounds he makes to attract attention. With a pointer attached to the special helmet he wears, Zukas points to a board clipped to his wheelchair. On the board are the key words and the alphabet.

Zukas rapidly taps out his message—people wrongly believe that "all c.p.'s (cerebral palsied) are mentally retarded." Zukas has a bachelor's degree in math and a master's in Russian.

Sigi Shapiro was a normal baby. She was almost 3 when she got pneumonia and was placed in isolation in a hospital. A doctor went on vacation and forgot to lessen her medication. Shapiro literally was overdosed on antibiotics, shot into her right hip. When her father came to visit, she could no longer stand. The hospital's verdict: she had somehow contracted polio while in isolation with pneumonia. The father did not sue. Neither did Shapiro years later when the Philadelphia school board refused to certify her to teach in public schools because she was in a wheelchair.

"I let them discriminate against me," says Shapiro. "I wasn't aware then."

These three people are among America's new militants—the blind, crippled, deaf, mentally retarded; victims of war, of automobile wrecks and disease, and accidents of births.

Last month, after years of being carefully hidden in homes and institutions, hundreds of disabled militants like Bowe and Zukas and Shapiro suddenly marched into peoples' consciousness—picketing in wheel chairs and on crutches, singing the song of the 1960s civil rights marches, "We Shall Overcome." They fought for and got a tough regulation from the Department of Health, Education and Welfare enforcing a four-year-old law forbidding discrimination against the handicapped.

"Hopefully the era of 'Tiny Tim' is gone forever," says Denning Gearhart, who moves in a motorized wheelchair. "We've been too used to sitting on Bob Cratchit's shoulders, saying, 'God Bless Us Every One,' instead of saying, 'Dammit, I am as qualified as the next person.'"

Gearhart's speech is slurred by the damage done to his nervous system by cerebral palsy. "When I was 30 days old, they no-

ticed I was acting weird. The doctor said I was spastic and retarded and my parents should take out a long-term life insurance policy and forget about me. One night recently I saw a man on TV who had been in an institution for the retarded for 25 years. He wasn't retarded. His speech patterns and expressions were mine—I could have been looking at myself." Gearhart, 25, will graduate in June from the University of Pennsylvania law school.

The number of handicapped Americans—an estimated 36 million or nearly one out of six—shocks many, a testimonial to just how hidden they have been. This does not include an additional 10 million alcoholics and 1½ million drug addicts.

The phrase "handicapped" takes in a vast variety of disabilities. The most obvious are the blind, deaf, crippled. New HEW regulations could include someone with a limp or severe facial scar, if the person was discriminated against because either condition was an obstacle to being hired. It includes such diseases and conditions as speech impairments, cerebral palsy, epilepsy, muscular dystrophy, multiple sclerosis, alcoholics, drug addicts, heart disease, diabetes, mental retardation, emotional illness, learning disabilities such as dyslexia. Moreover, people who have been misclassified as mentally retarded or discriminated against because of histories of mental illness, heart disease or cancer are classified as handicapped.

The disabled leaders borrowed from the 1960s civil rights marches and began fighting for their rights. A collection of 45 organizations representing 5 million individuals, the American Coalition of Citizens with Disabilities (ACCD), was formed three years ago. Frank Bowe is the director.

One grim reason for their strength today is that more and more Americans are becoming eligible to join this minority. Modern medicine is saving those who used to die—from strokes, automobile accidents, cancer, war wounds—and they are often being saved only to be shunned by society.

Used to being treated like first class citizens in their "former life" they are now "fighting for their rights," says Max Cleland, the Veterans Administration director. Cleland lost both legs and an arm in Vietnam. "In World War II, guys injured as badly as I was, died. Vietnam sent some 400,000 disabled veterans back to this country, and they're no shrinking violets. They're going to fight for jobs. Around 30 to 50 per cent of all disabled vets are unemployed."

One protest group included a young woman who injured her spine in a diving accident and a 29-year-old man, Ralf Hotchkiss, who broke his neck in a motorcycle accident 10 years ago. "I was pretty dense about the handicapped until this happened to me," he said. An engineer, Hotchkiss has testified on the Hill for the need to revamp buses to make them accessible to the handicapped, and now he designs motorized "hot rod wheelchairs."

Statistics on the handicapped are proffered, by militants and bureaucrats alike, with the caveat that they are vague and that much is unknown.

They show, however, that millions are undereducated, underemployed and overlooked. In one 1972 survey, 15½ million people of working age listed themselves as disabled. The actual number is considered much higher because many, such as those with a history of mental problems or epilepsy, were reluctant to list themselves as disabled.

Of that 15½ million, only 43 per cent were working—compared to 74 per cent of the nondisabled. Only 14 per cent of some 7.7 million severely disabled were employed. One quarter of the disabled had family incomes below the poverty level, compared to 10 per cent of the non-disabled surveyed. According to one 1970 census study, 52 per cent of the disabled who worked made $2,000 a year or less.

"There's an awful lot of typecasting in hiring the handicapped," said one HEW official. "Deaf people 'belong' in the linotype printing field, the blind 'belong' in photo darkrooms, the severely handicapped or retarded in sheltered workshops, for example."

Not all handicapped can become productive, but disabled militants say society would save billions in welfare and institutional costs if the handicapped were better educated, given better jobs, taught how to live alone. For example, Hale Zukas, so severely palsied, now lives alone in Berkeley, Calif., and can afford to hire someone to attend to his needs through a California independent-living fund. This is far less costly than the estimated $15,000 per year for care in a California institution.

Last year, $8 billion was paid out in Social Security to 2,670,000 disabled. Nearly $3½ billion more was paid to 2,115,000 blind and disabled in supplemental security income.

The new HEW regulation provides that handicapped children can no longer be segregated in public schools but must be integrated into regular classrooms to the "maximum extent possible," and that every handicapped child—no matter the nature or severity of the handicap—will be entitled to free public education.

There are 8 million handicapped children, aged 1 to 21; 5½ million are school age. One million are receiving no education and only 3 million of them are receiving appropriate educational services, says Bob Herman of the Bureau of the Education of the Handicapped. He elaborates:

"Only a fraction of the kids who graduate who could work are finding work. The problem is they're not getting decent vocational training. You go into a vocational education workshop and ask why they don't take the educable retarded or someone with a physical handicap and they say, 'it's too dangerous. He could get his tie caught in a lathe.' So you ask, 'Why don't you take the tie off?' They don't have any good answers because they don't want to change. With the new regulation, the burden has shifted to those schools. All too many of these kids have been left to make bird houses in sheltered workshops."

Some universities were adapting to the handicapped before the HEW regulation made it mandatory. At Michigan State University, for example, volunteer readers work with the blind on campus, elevators have the floor numbers marked in braille, ramps are numerous, some telephones and drinking fountains are at wheelchair height.

As disabled students become more a part of campus life, their humor often inspires able-bodied friends. MSU tells a story about a blind former graduate student, Win Smith, who was so adept he could walk across campus without a cane or guide dog. When an awed Jesus Freak asked him how he could step over curbs without tripping, Smith solemnly replied, "The Lord took away my sight—and replaced it with radar in my toes." "Praise the Lord," said the Jesus Freak.

For millions of other students the stories are different. Daniel Yohalem, a lawyer for the Children's Defense Fund ticks off some cases:

A Georgia high school football hero, paralyzed in a game, is in an institution because his school refuses to widen doors, provide ramps and special transportation for him to attend classes.

An 11th grade girl in Mississippi made it through the 10th grade until her multiple sclerosis became so severe that she required a wheelchair. Now she is at home receiving no education. The school refuses to rearrange classes so that she could attend school.

A 6-year-old boy in rural Louisiana attended kindergarten last year but the school provided no remedial help, braille or special services. His parents were forced to send him to an institution for the blind 35 miles away. The school refused to pay for his transportation. His older brother now drives him. The mother has no idea what will happen when the older boy goes off to college next year.

Once out of school, many disabled find themselves locked in a vicious circle. Available jobs pay little. Since a paraplegic estimates he would need $12,000 a year just to be able to afford the medical benefits he now gets through Medicare, many feel they can't afford to work.

Another major problem is that many cannot ride on buses. "What's the good of a job if you can't get to it?" they ask.

There are sometimes surprises when the handicapped do get hired. The Civil Service Commission surveyed 397 handicapped who constitute the traditionally hardest to place in jobs—more than a third were deaf or had severe hearing losses and most of the deaf were also mute. Many were blind or amputees. Four out of five required no job restructuring at all, and work site modifications, such as installing ramps, were minimal. In another study, the handicapped were absent less than the able-bodied.

Changing attitudes, in fact, may be far more difficult than changing architecture. Fear and revulsion toward the handicapped, as Max Cleland says, is "primeval."

Frank Bowe became deaf after a bout with measles when he was 3. He remembers losing a balloon in a park and not being able to hear himself cry. "I was crying out my frustrations in a world gone silent."

Today, he says, "the problem is not so much with us—but with the people who are not disabled. We are always defined in terms of what we cannot do. We are determined to change those attitudes. I want to help others to see us as people—not as crutches and wheelchairs and canes."

SENATOR CHURCH DELIVERS IMPORTANT ADDRESS ON NUCLEAR NONPROLIFERATION

Mr. STONE. Mr. President, I have had the opportunity to read a speech recently given by our distinguished colleague, Senator FRANK CHURCH, of Idaho, concerning this country's policy on nonproliferation of nuclear weapons. It is one of the best discussions of the opportunities and perils associated with the international development of nuclear energy technology which I have read. The speech to which I refer was delivered on May 2, 1977, in Cambridge, Mass., as part of the World Change and World Security Lecture Series.

Senator CHURCH's speech, already inserted in the CONGRESSIONAL RECORD for May 10, 1977, calls for an understanding of the realities of world energy resources as the United States develops its policies on nuclear energy and nonproliferation of nuclear weapons. In this connection he emphasizes that many countries are not as fortunate as the United States in having abundant fossil energy resources and are compelled to turn to nuclear energy as an alternative to increasing dependence on imported oil and gas. He correctly states:

The breeder program is the only technology now on the horizon which holds out the promise of relieving Europe and Japan of an unremitting dependence upon foreign-held fuel supplies.

Senator CHURCH also wisely suggests that, in developing our policy to curb proliferation of nuclear weapons, we should concentrate not on "the futile attempt to contain the flow of nuclear technology and try instead to channel it in direc-

tions that will provide adequate supplies of energy while minimizing the potential for making nuclear weapons."

Mr. President, inasmuch as the Congress will have to address the very complex and important issues associated with nuclear policy over the years to come, I want to urge my colleagues in the Senate and in the House of Representatives to take the time to read Senator CHURCH's thoughtful speech. It is based upon careful analysis and reflects a thorough understanding of this very important area of public policy.

NORTH CAROLINA SYMPHONY AT KENNEDY CENTER, APRIL 28

Mr. HELMS. Mr. President, I take pleasure to advise my colleagues that the North Carolina Symphony will perform in Kennedy Center on April 28, 1978. Presently designed a "major symphony orchestra," this orchestra was, I believe, the first State-supported symphony orchestra in the United States.

More important, it was the first of a number of initiatives our people have taken in their determination to bring the enriching and ennobling gift of the arts to every Tar Heel. Some of these are: the first State-supported Museum of Art; the first State-supported School for the Performing Arts; a State opera; and a State library system, which, through a sophisticated electronic interchange, provides the smallest rural public library access to the millions of volumes in the State system.

Now the chairman for the National Endowment for the Arts has written that the Southeastern Center for Contemporary Art has recently opened in Winston-Salem.

SECCA, as it is commonly called, is symbolic of a remarkable partnership between business and the arts in our State: It is located in the former home of the late textile manufacturer and art collector, James G. Hanes, who left his home together with a substantial endowment to provide a permanent showcase for the finest in southeastern visual arts.

An even more remarkable indication of the commitment of North Carolina's leadership to the development of the arts is the creation of "Ampersand, Inc."

Mr. President, unfortunately, the arts are rarely self-supporting. Equally unfortunately, the best artists are rarely the best fund raisers. So this unique corporation was organized.

It is, I suspect, the brainchild of a dynamic young Tar Heel named Philip Hanes, who, in addition to being the chief executive officers of Hanes Dye and Finishing Co., is a member of the boards of Kennedy Center, the National Council for Arts and Education, and the National Collection of Fine Arts.

Ampersand is a subsidiary of Hanes Dye and Finishing Co., but is not designed to make a profit. Rather, working through a board composed of leaders of our business community, it is dedicated to fundraising for a number of cultural entities. It locates and pursues grants and donations from corporations, foundations, and other public and private sources for clients such as the Winston-Salem Arts Council, Historic Old Salem, the Moravian Music Foundation, the North Carolina Dance Theatre, and the North Carolina School of the Arts. The result is a freedom for the leaders of creative and cultural organizations such as these to do their jobs without the demanding burden of forever having to raise money.

Ampersand also has raised funds for the Southeastern Center for Contemporary Art.

One result of this unique partnership for business and culture is shown in a letter from Nancy Hanks, chairman of the National Endowment. I ask unanimous consent that her letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ENDOWMENT FOR THE ARTS,
Washington, D.C., April 7, 1977.

Hon. JESSE A. HELMS,
United States Senate,
Washington, D.C.

DEAR SENATOR HELMS: This past weekend I had the pleasure of attending the opening in Winston-Salem of the "Southeast 7" Exhibition of the first artists awarded Regional Fellowships.

The occasion was memorable for a number of reasons. It is the first time that the Arts Endowment has joined with a regional arts organization to co-sponsor fellowships for area artists. The event was held in the beautiful new home of the Southeastern Center for Contemporary Art (SECCA)—a center that has an excellent reputation and is making Winston-Salem known as a home for the arts.

Nearly 200 prominent artists, museum officials, patrons and collectors, and news media flew in from all across the country for the occasion. Phil and Joan Hanes were responsible for organizing and planning this wonderful opening.

Indeed the exhibition was a great day for Winston-Salem and for the State. Governor and Mrs. James B. Hunt joined the out-of-state guests and SECCA officials in honoring the award-winning artists: Clifford Earl, Virginia (sculptor); Frank Faulkner, North Carolina (painter); Marcia Isaacson, Florida (printmaker); Richard Kevorkian, Virginia (painter); Geoffrey Naylor, Florida (sculptor); Jerry Noe, North Carolina (sculptor); and Wayen Timm, Florida (painter).

The competition attracted more than 1,000 applications from artists in 11 states and was co-sponsored by the Endowment as a pilot project.

The enthusiasm of artists, visitors, reporters, state and local officials and members of SECCA was overwhelming. Everyone agreed that the artists are excellent and their work most worthy of national recognition. Although our visit was very brief, there was a universal consensus that the exhibition at SECCA is due to have a long-range beneficial effect—one that will likely be emulated by regional arts groups in other parts of the country.

It is a showcase for the best of southeastern art, a center for promotion of artistic works from the region, and a focal point for cultural interest both for new business prospects and visitors to the state.

We at the Endowment are highly gratified by the marvelous success of SECCA and its fellowship program, and want you to know how well its success reflects on the State of North Carolina.

Sincerely,

NANCY HANKS,
Chairman.

SPECIAL SHOWING OF "HARLAN COUNTY, U.S.A." FOR MEMBERS AND STAFF

Mr. HASKELL. Mr. President, on Monday Representative PAUL SIMON of Illinois, Representative CARL D. PERKINS of Kentucky, chairman of the Committee on Education and Labor, and I circulated a letter inviting our colleagues and their staff members to a special showing of the Academy Award-winning documentary, "Harlan County, U.S.A."

I want simply to underscore that invitation with these brief remarks. The film will be shown Monday, May 16, at 5 p.m. in room 2175 of the Rayburn House Office Building, the Education and Labor Committee hearing room.

I hope that a number of Sentaors and staffers will be able to join us to view this significant film. Produced and directed by Barbara Kopple, "Harlan County, U.S.A." is a powerful and moving depiction of events in Harlan County, Ky. It provides a tremendous insight into what the lives of coal miners can be like. As the Congress moves to consider important legislation regarding black lung disease and mine safety, I think it is important that as many people as possible have a chance to gain that insight.

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon such notification, Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the RECORD the notification I have just received.

There being no objection, the notification was ordered to be printed in the RECORD, as follows:

DEFENSE SECURITY ASSISTANCE AGENCY AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE), OASD/SA,
Washington, D.C., May 11, 1977.

In reply refer to: I-11205/76ct

HON. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith, Transmittal No. 77-38, concerning the Department of the Navy's proposed Letter

of Offer to Spain for major defense equipment, as defined in the International Traffic in Arms Regulations (ITAR), estimated to cost $23.6 million and support costs of $3.8 million for a total estimated cost of $27.4 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF.

TRANSMITTAL NO. 77-38—NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Spain.

(ii) Total Estimated Value:

	Million
Major defense equipment *------	$23.6
Other ----------	3.8
Total ----------	$27.4

*As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

(iii) Description of Articles or Services Offered: Five (5) AV-8A Harrier aircraft and support.

(iv) Military Department: Navy.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid:

a. Hawker Siddeley Ltd, Dunsfold, England.

b. Componia Aeronauticos Esponola SA, Antonio Maura 8, Madrid 8, Spain.

c. Two and one-half percent of the Hawker Siddeley involvement at the time of delivery of the aircraft.

d. Five (5) AV-8A Harrier aircraft.

e. The information contained in paragraph (v) consists of proprietary data within the meaning of 18 U.S.C. 1905, and, accordingly may not be disclosed except pursuant to the provisions of the code.

(vi) Date Report Delivered to Congress: May 11, 1977.

FOREIGN AID: ONE HAND SLAPS, ONE PATS

Mr. ABOUREZK. Mr. President, we in the Senate are soon going to have the opportunity to consider several foreign aid bills, including one to increase U.S. participation in multilateral lending institutions. Along with establishing levels of participation, there are going to be some very important human rights considerations in this bill. An article recently appeared in the Los Angeles Times regarding loans from these international financial institutions to countries having gross violations of human rights. The article is relevant to what we are going to have to consider in the bill and what our commitment to human rights is going to be. Therefore, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, March 17, 1977]

FOREIGN AID: ONE HAND SLAPS, ONE PATS—A U.S. PROGRAM ENDS IN ARGENTINA AND URUGUAY, BUT OTHER CASH CONTINUES

(By William Goodfellow and James Morrell)

As part of its controversial human-rights campaign, the Carter Administration recently reduced military assistance to Argentina and Uruguay. Not surprisingly, the military rulers of both nations were so affronted that they told the United States not to bother sending any more aid at all.

That would appear to end the American assistance program in both South American countries. But appearances are often deceptive.

The United States actually dispenses aid to the Third World through 15 separate channels. Only four of these—the Military Assistance Program, the Agency for International Development, the Food for Peace Program and the Peace Corps—are subject to direct congressional scrutiny and approval. The U.S. State Department lumps these programs together under the heading of "foreign assistance," and it is only money from that category that Argentina and Uruguay have spurned.

Meanwhile, cash continues to flow to both countries through the 11 government corporations and international financial institutions that make up the rest of America's foreign-aid program. Each of these agencies constitutes a separate revolving fund that Congress, from time to time, replenishes. With minor exceptions, however, the agencies are not required to tell Congress where they intend to distribute the money. Moreover, the only formal restrictions on their allocations are rather general guidelines contained in the legislation that created them.

Thus, while President Carter was busily slashing military aid to Argentina and Uruguay, three of these international financial institutions were actually increasing the flow of cash to the two dictatorships:

The International Bank for Reconstruction and Development (the so-called World Bank) had not lent money to Argentina for 5½ years. Last fall, however, it sent $115 million, and now $390 million more is on the way. Question: Who contributes one out of every four dollars the bank dispenses? Answer: We do.

The Inter-American Development Bank lent $198 million to Argentina during the last half of 1976, and plans to send $253 million more in the near future. Question: Who contributes the lion's share of the bank's capital? Answer: We do—specifically, 52%.

The International Monetary Fund provided Argentina with $315 million in fiscal 1976, more than it allocated to any other country in the Third World. Question: Who is the fund's largest contributor? Answer: You guessed it—the United States.

In fact, during fiscal 1976, Argentina received $518.5 million in aid, only 7% of which was U.S. "foreign assistance." Meanwhile, Uruguay was the recipient of $4.2 million under the same heading and, even though that aid has now been terminated, it will still receive $74 million in loans from the Inter-American Bank and $30 million from the World Bank.

While such loans obviously undermine the Carter Administration's budding campaign for human rights abroad, their most serious consequences are far more subtle. Indeed, it may be that the lending policies of the various international financial institutions actually encourage the spread of authoritarian government.

Officials of these agencies claim that loans are made on the basis of a nation's objective "creditworthiness." In practice, this means that the banks have a marked preference for governments willing to implement tough austerity programs, to hold down labor unrest and to throw their countries wide open to foreign investments.

This is why both the World Bank and the Inter-American Bank, which refused to lend to Salvador Allende's Chile, more recently have found the country's new military rulers altogether creditworthy. By the same token, the Philippines has become four times more creditworthy since President Ferdinand Marcos imposed martial law. And there is Indonesia, which, though increasingly authoritarian, is seven times more creditworthy than it was five years ago, despite the near bankruptcy of its state oil company.

The implications of all this are not entirely lost on Congress, some of whose members have taken steps to make human-rights issues a consideration in international loans. Last spring, Rep. Thom Harkin (D-Iowa) pushed through such an amendment to the Inter-American Bank's replenishment bill. It requires the American director on the bank's board to oppose any loan to countries that "engage in a consistent pattern of gross violation of internationally recognized human rights," unless such a loan "directly benefits the needy."

As a result, last June the U.S. director voted against a $21 million industrial credit for Chile, but in December assented to a potable water project loan designed to help the poor. However, during the past six months the same director has voted for two industrial loans for Argentina totaling $138 million, although no evidence was offered that they directly benefit the masses.

Despite congressional misgivings about international lending to repressive regimes, and despite its own reluctance to give military aid to such governments, the Carter Administration is seeking a whopping $3.2 billion in new appropriations for the various international banks, up from $745 million for the current fiscal year.

Rep. Harkin plans to offer human-rights amendments to the replenishment bills for the World Bank, the Asian Development Bank and the International Monetary Fund, and many observers believe that they will pass. The Administration, however, has yet to take a position on the amendments.

Certainly the unpleasant prospect of a No vote by the U.S. director to the Inter-American Bank, and the embarrassment it would bring to Argentina's military rulers, should have some impact on that country's human-rights infringement. Moreover, the possibility that Canada and a few of the bank's new European members might join the U.S. director in opposing loans to Argentina and Uruguay must frighten their rulers, given their dependence on multilateral loans.

Whether or not Carter will use the leverage provided by the Harkin amendment remains to be seen. But it may well be the best measure yet of the importance that this Administration really places on human rights.

SMALL BUSINESS

Mr. HASKELL. Mr. President, the distinguished Senator from Wisconsin (Mr. NELSON) has long been a forceful spokesman for the needs of the Nation's independent businesses. Under his chairmanship, the Senate Small Business Committee has highlighted the needs for legislative action to correct the pattern of official neglect affecting small business. Recently, Senator NELSON has been discussing American small business in the broad context of our social goals. He has stressed the need for a governmentwide approach to small business problems if our goals of free entry into the marketplace and a competitive economy are to be maintained.

Mr. President, in view of the Senate's recent passage of Senate Resolution 105, with its broad mandate for Federal action to insure the survival of small business, I think it would be appropriate to consider some of Senator NELSON's seasoned insights on small business. In a recent speech to a small business association in Wisconsin, he set forth those views quite persuasively. I ask unanimous consent that the speech be printed in the RECORD.

There being no objection, the speech

was ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR GAYLORD NELSON

1976 was a big year for this country. We had the satisfying experience of celebrating our 200th birthday. However, this nation wasn't born in a day or a year or a decade.

Next winter, for example, we'll observe the 200th anniversary of the Continental Army's encampment at Valley Forge.

Three years from now, we'll celebrate the 200th anniversary of John Paul Jones' victory that helped establish the U. S. Navy.

In five years, we'll mark the 200th anniversary of Washington's victory over Cornwallis at Yorktown.

Seven years from now, we'll observe the 200th anniversary of Washington's farewell to his officers at Fraunces Tavern.

And in eleven years, we'll begin the most important bicentennial of all. We'll honor the patriots who came together in Philadelphia and drafted our Constitution, which, with its Bill of Rights, was ratified two years later.

America had giant-sized heroes in that era. Washington, Franklin, Jefferson, Madison. What advice would men like that give us now?

Do we need adjustments in the way our government operates? Should we strike out on new paths?

Recently John D. Rockefeller, III, eloquently stated what I believe to be a simple truth: He said—"We are in the early stages of a revolution of fulfillment, not of overthrow, a revolution designed to bring to fruition the great ideals and values upon which this nation was founded."

To achieve that "revolution of fulfillment," our first job is to restore confidence. Today, too many people believe that business is inherently bad, that government cares for little but its own preservation, that education has failed, and that religion is irrelevant.

Public skepticism about these institutions is closely tied to public awareness of the difficult problems we face. Monumental problems of unemployment, inflation, tax inequities, discrimination and crime are so much a part of our lives that some of us doubt our capacity to resolve them.

As we reflect on our problems, though, surely we must realize that what we face today is no more difficult than the prospect of creating a whole new nation from a loose federation of orphan colonies in a wilderness. It's no more difficult today than it was then—if we can summon the courage and imagination of that era.

We've got to encourage the people in this society who seek the opportunity to set forth on their own, the people who want to build their own independent careers, the people whose lives show the kind of courage and imagination our nation needs to maintain its vigour and diversity and ever broaden the opportunity for fresh initiatives and new ideas.

Thomas Jefferson singled out the self-reliant farmer-businessman, whom he saw as staking his future on the community while also expressing willingness to act independently.

A generation later, that famous French observer of American life, Alexis de Tocqueville, praised America's imaginativeness. Not its major canals and trunpikes, mind you, but "the multitude of small undertakings."

Those "small undertakings," and those independent entrepreneurs behind them, have been the heart and soul of this country's economy, society, and democratic political system from the beginning and we must make sure they retain that vital role. Indeed, many studies have shown that independent inventors (including inventor-entrepreneurs) and small technologically-based companies are responsible for a major percentage of the important inventions and innovations of this century.

The mercury dry cells in our electronic watches, the air conditioners in our homes, the power steering in our automobiles, our modern jet engines and rockets, the FM circuits and vacuum tubes in our stereos and television sets, the photocopying machines in our offices, and the list goes on—all were the work of individual entrepreneurs and small business.

The point is that independent inventors and small firms are responsible for an important part of our inventive progress, a far larger percentage than their relatively small investment in research and development would suggest.

It goes without saying, of course, that the United States could not depend solely on the innovative contributions of small firms. The large firms are indispensable to technological and economic progress. From a number of different points of view, however, it is clear that a unique cost-benefit opportunity develops when we encourage independent investors, inventors, manufacturers, retailers, distributors, and small technologically-based industries. The long and short of it is this: the cost of such special incentives to them is likely to be low. The benefits are likely to be high. There's a common-sense reason for this. Small businesses are more flexible, more responsive to ideas put forward by individuals, more oriented toward face-to-face contacts with customers, and more capable of reacting swiftly to changing market demands.

Admiral Rickover, the father of the nuclear submarine, said in a speech in 1975 that he prefers to deal with small firms, finding that

". . . small and medium-sized companies take a more responsible view toward their contractual obligations than the large ones.

". . . they are also better able to perform a back-up role of providing new and alternative products when larger ones fail to do so."

Mr. Kenneth Gay, a vice president of Rockwell International, praised small business as Rockwell's most willing partners. It is the owner-managed enterprises which are the most responsive to Rockwell's needs.

It is they who innovate. They deliver on time, and they take total responsibility for their product.

Small business indeed represents the cutting edge of a free and competitive system.

But the role of small business does not end in the marketplace. Just as leaders like Jefferson predicted, the American social structure has been profoundly affected by small business.

The opportunity to engage in a small business permitted waves of immigrants to win security, self-respect, self-sustenance, and often wealth. This spirit of private enterprise infused and strengthened our nation's democratic processes.

Such eminent scholars as C. Wright Mills, Walter Goldschmidt, Kurt Mayer, and Jon Udell have documented that in communities where small businesses are the major employers, the quality of life is measurably higher than in similar cities where large corporations are the predominant employers. These researchers found that infant mortality was lower; the percentage of home ownership and church membership was higher, and there were better community facilities, such as streets, sewers, and trash disposal. For example, one study disclosed that a community situated near small family farms in California had twice as many newspapers, more independent enterprises, higher incomes and better schools than a city of similar size surrounded by large agri-business, industrial-style farming.

Professor Udell's research showed that corporate gifts to charities slowed down 50% among 30 merger-acquired corporations in Milwaukee compared to a group of 30 locally-owned independent corporations. About three-quarters of the merged companies stopped using local banks, accountants, lawyers and local sources of supplies.

Thus, when we examine the evidence of these carefully controlled studies, we find again that conglomerate, absentee-owned businesses systematically undermine local self-sufficiency and vitality. The very quality of life changes when ownership leaves the community.

In an area of giant cities, giant impersonal bureaucracies and giant corporations, the opportunities to enter and build one's own business and to pass it along to one's heirs becomes increasingly more precious. It directly affects the viability of smaller cities and towns across the country.

A structure of laws and taxes which preserves a climate for the dynamism and community orientation of independent business is vital to the American way of life.

The ultimate contribution of small business, however, may well be personal—as a channel for satisfying deeply-felt human needs like job satisfaction, motivation, pride in craftsmanship, individual freedom, and the discipline of competition.

We have only to note a press report last year stating that Harvard Business School graduates increasingly looked to association with medium-sized and smaller companies, despite the acknowledged blandishments of the established national and international giants.

But to start a small business and to stay in business in America's third century may be more difficult than in its first two.

And these are some of the problems we're trying to deal with in the Congress. The Senate Small Business Committee held 107 days of hearings during the last two sessions of Congress. Through your efforts, and the efforts of hundreds of other business groups throughout the country, we were granted authority in 1975 to initiate legislation. Now, in 1977, we have been made an independent committee. We expect to hold at least 140 days of hearings during the current 95th Congress. Our public hearings have brought home to us dramatic changes which have taken place during our own lifetimes—how increasingly difficult it has become to found a business, much less to make it profitable and to sustain it for any length of time.

There are, of course, many definitions of what a small business is. But statistics like "numbers of employees" and "dollar revenues" do not go to the heart of the matter. When we talk about independent enterprise, small business, we are really concerned about qualities like independence, local ownership and control and community orientation.

When we look at the American business scene, we see that there are only 3,000 U.S. corporations listed on the stock exchanges and about 3,000 more which are big enough to have their stock traded nationally over the counter. A large portion of the remainder of the 13.3 million U.S. businesses which file tax returns would probably be considered small or independent firms by most thoughtful people.

Yet, we have found that America's small business community is in much more difficult circumstances than our larger corporations. The independent owner-managed enterprises are so sorely beset with serious trouble that the health and vigor of our entire American economic system is threatened.

Consider the family farm. A century ago, a family could own a prime farm merely by living on it and working it. During the last 30 years, the number of farm families has been cut in half from 5.9 million in 1945 to 2.8 million in 1975.

In 1960, an average farm could be bought for $51,000; today, it takes $171,000.

The money market, too, is becoming increasingly elusive.

In 1969, there were 698 public stock issues by companies with a net worth of less than $5 million; in 1975, there were only three.

Witnesses before our Committee in 1975 stated that usually 10 to 15 promising high-technology companies had been launched every year by venture capital organizations. They feared that conditions will now make it impossible to raise the necessary new equity money to do the same in the future. The statistics bear them out.

Not all the hurdles that new businesses face result from problems of management. I'm sure I don't have to remind anyone in this room that some of the biggest roadblocks of all are created by the Federal Government, State government and local government. Let's look briefly at three of those roadblocks—taxes, paperwork, and government regulations.

Taxes. Independent business has traditionally contended with a tax system that gives the best breaks to big corporations. We're grappling with a situation in which medium-sized companies often pay the 48% maximum while the 100 or so largest corporations pay about half that. So here's what we're trying to do to help.

Recent legislation has been successful in substantially reducing corporate tax rates and in doubling the amount of used machinery eligible for the investment credit to $100,000. This can produce maximum tax savings of $12,000 a year for 1975, 1976, and 1977 for a company earning $50,000.

A study done by our Committee indicates that as many as one million jobs may have been retained in the small business sector as a direct result of this modest tax rate reduction.

The interactions of taxes and employment go beyond direct employment taxes. For example, a 1967 study published by the U.S. Department of Commerce indicated that rapidly growing businesses produce jobs at a far higher rate than the general economy.

This is backed by a recent Sloan Institute study which shows that dynamic young businesses may be among the most promising sources for increased employment in the economy.

Such studies reemphasize the necessity for a rational overall tax structure which encourage the birth and growth of new, dynamic businesses. One form of encouragement we're considering now is depreciation speedups for smaller firms.

Last year we got several reforms including reform of the estate and gift taxes for the first time since 1942. Largely because of our Committee's work in this area, it will be possible by 1981 for a business person to transfer $425,000 to a spouse, or $175,000 to buy other heirs free of federal estate taxes. This will allow many farms and small businesses to remain in the family rather than having to be sold to pay death taxes.

PAPERWORK

Independent business must struggle with a government-spawned paper-burden that is out of control. It imposes a $40 billion yearly cost on the economy, more than half of which is borne by small business. Unnecessary forms must be filed with information that no one can possibly utilize.

Redundant forms, with different agencies asking the same questions over and over again, are wasting your time and wasting everyone's tax dollars. So we've begun encouraging agencies to exchange information, and we're telling the administrators of these agencies to cut down on the forms—or to eliminate them completely—from the very beginning.

Let me give you an example. The IRS 941 employment form now has to be filed every three months. Congress has finally gotten the IRS to reduce the filings to one a year, starting in 1978. This will do away with a stack of papers over two miles high and will save million of dollars for businessmen.

Another problem is verbose regulations.

The Small Business Committee found, for example, that one 16-page report on pensions could be reduced easily to 5½ pages. And after hearings, it was.

To attack the paperwork problem on a government-wide basis, the Committee spearheaded the creation of the Federal Commission on Paperwork. Some citizens may be amused by the need for such a group, but not small business people. They grasp at any hint of aid to halt the blizzard of paperwork now burying them. To cut down on paperwork before it's even dreamed up, our Committee urged, and the Administration approved, the creation of Small Business Advisory Committees to IRS and the Treasury, and a small business task group on the new Pension Reform Act. These bodies now give smaller firms a stronger and continuing voice in the decisions on policy, forms, and technical matters.

This matter of getting a voice in decision-making leads to the problem of government over-regulation.

The Internal Revenue Service regulations alone take up two feet of shelf space. The initial Occupational Safety and Health Act manual which was distributed to small firms contained 330 pages of detailed regulations. In dealing with these regulations, administrators have made no distinction between the legal and technical resources of General Motors and those of the average small business.

In order to evaluate these questions to national prominence the Senate has requested that President Carter call a White House Conference on Small Business early in this new Presidential term.

It has been 21 years since such a conference was last held. A new conference world encourage the best minds in many disciplines to focus upon identifying and analyzing the difficulties of independent businesses—the problems of competition, regulation, taxation and the like. The mission of the conference would include making specific and comprehensive recommendations. If you agree, you ought to tell President Carter. If he reads his mail the way the Senate read its mail on the need to retain an independent Small Business Committee, he will respond.

We're at pretty much of a turning point now.

Kurt Mayer wrote of the small entreprenuer that: His elbowroom is being narrowed down; his chance to exercise initiative, courage, and energy which are the characteristics of true "enterprise" are diminishing. The small man's enterprise is being increasingly frustrated.

The Washington Post concurred, saying that ". . . perhaps (these) are not the burning issues of the day. But to ignore them is to risk losing not only an increasing number of small businesses but also the human value that prompt men and women to enter the marketplace as independents."

In my view, it is urgent that we address ourselves in a systematic manner to these questions of survival of the private enterprise system and the continued viability of small business. Otherwise, everything in this country will end up being run by a few giant conglomerates in a huge megalopolis.

There should be no question that small business issues are fundamental to traditional American values and to how we view ourselves as a nation.

In the words of Milton Stewart, President of the National Small Business Association, and along with your own association, the Independent Business Association of Wisconsin, the backbone of COSIBA (Council of Small and Independent Business Associations):

"We hope that the 95th Congress will go down in history as the "Small Business Congress." We hope that the depth and range of actions which it takes to stimulate the compensatory expansion of the independent sector of the economy will earn that title for it.

"President Carter has made it a goal of his Administration that small business would expand more than either big business or government.

"For that reason, we look forward to four of the most constructive and cooperative years of Executive-Congressional small business legislation."

We hope that this is the "catch-up Congress" and the "catch-up Presidency" for small business.

The White House Conference on Small Business which I have recommended could be a point of departure for the needed changes. I think we can all agree that we have an important new matter of concern to America. This new issue—the health of independent small business—involves vital economic, social, sociological and philosophic questions.

It involves questions of economy of scale.

It involves the basic issue of preserving opportunities for free choice and individual self-expression.

And as far as our family farmer-businessman is concerned, there is involved the great question of stewardship of our land. Should the man who tills the soil and produces the food and fiber own the land? Or should absentee corporate giants own the land and hired hands till the soil, and manage that vital resource?

The whole matter gets down to this question: What is our view of ourselves and our future as a people?

We have not addressed ourselves to these issues in any thoughtful, persistent, creative fashion. We have assumed that because the country is big and the economy is big that bigness per se is a virtue in and of itself. We're learning the hard way that too much bigness is bad for the economy and bad for the free enterprise system. The largé conglomerates that absorb independent businesses and engage in predatory competitive practices simply do not serve our best interests.

We should not let these unchecked forces guide our destiny.

We should depend instead on our Constitution and our proven economic, legal, and political systems. We should be watchful and critical of our leaders, because men and women are fallible. We should place our reliance on the processes of democracy, the common law, and free private enterprise which have nurtured and sustained a society which is admired throughout the world. These institutions represent the best distillation of many generations of human experience, and as such, they transcend individual imperfections. They will grow as we grow because they contain mechanisms by which we can modify them to meet changing conditions while retaining what we truly value.

There is a chance of dramatically changing national policy and the economic and political climate in favor of smaller and independent enterprise. If we demonstrate sufficient commitment to accomplish this, independent enterprises can once aagin offer the dynamism most needed now—the courage and imagination to build the society Americans of the future will trust, respect and defend because it is their society and they are a part of it.

THE GENOCIDE CONVENTION NEEDS U.S. RATIFICATION

Mr. PROXMIRE. Mr. President, I urge ratification of the Genocide Treaty. I do so because ratification of the treaty is

in the best interests of the United States and the entire world body of nations.

The Genocide Convention outlaws the mass destruction of any group of people based on ethnic, racial, or religious grounds. It would make the commission of such an atrocious act an international crime.

We in the Senate must ratify this treaty because it represents our most fundamental freedoms—the right to one's own life. Yet the Genocide Treaty also represents an attempt by the world's nations to protect the rights of all people, no matter where those people are. Without our support as the world's foremost Nation and symbol of human liberties, the Genocide Treaty cannot exert its full impact on the international scene.

There are those critics of the Genocide Convention who will contend that our ratification of the treaty will do no good whatsoever. According to those critics, the treaty will always be ignored whenever it is beneficial for an individual nation to do so. Why should we ratify a treaty that will do no good, they ask?

The fallacy of this argument is obvious to everyone, for if we followed its logical conclusion we would have no laws on the books at all.

Mr. President, we must ratify the Genocide Treaty. As former U.N. Ambassador Arthur Goldberg told the Conference of United Nations Representatives in 1967:

> If the conventions fail to gain the adherence of the nation that was born proclaiming "certain unalienable rights" as the birthright of "all men," then why should other nations take these instruments seriously?

Let us ratify the Genocide Convention immediately.

CRAIG AIR FORCE BASE, ALA.

Mr. ALLEN. Mr. President, the Department of the Air Force, after more than a year of study and restudy, last month made firm its decision to close Craig Air Force Base at Selma, Ala. This base, which is a primary training base for Air Force pilots, has a proud history stretching through the past 37 years, during which it has provided training for tens of thousands of American and Allied pilots during World War II, during the Korean War, and during the Vietnam war. Now, after all of those years of close and friendly relationship between the military and civilian communities surrounding the base, Craig is to be closed later this year, threatening economic disaster to Dallas County, Selma, and other communities.

On April 21, 1977, the senate of the State of Alabama considered and approved passage of Senate Resolution 309 deploring the closing of Craig Air Force Base and urging the President to use the full power of the Federal Government to prevent or alleviate economic disaster in Dallas County.

Mr. President, I ask unanimous consent that Resolution 309 of the senate of Alabama be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION 309

Whereas, the closing of Craig Air Force Base will mean an economic depression of $55 million in the Selma area, according to Air Force estimates; and

Whereas, the loss of Craig will cost approximately 2,000 jobs, raising unemployment in the Selma area by 10 to 20 percent; and

Whereas, by closing Craig Air Force Base, President Carter will apparently cause an economic disaster in Dallas County, Alabama; now therefore,

Be it resolved by the Legislature of Alabama, both Houses thereof concurring, That we deplore the closing of Craig Air Force Base by President Carter, and urge him to use the full power of the federal government to prevent or alleviate economic disaster in Dallas County, Alabama.

Be it further resolved, That a copy of this resolution be sent to President Carter and each member of the Alabama Congressional Delegation.

USAF IN ALASKA

Mr. STEVENS. Mr. President, I would like to share with my colleagues an article which appeared in the April issue of Air Force magazine entitled "USAF in Alaska."

This article emphasizes the strategic importance of my State. Fifty-six miles from the Soviet Union, Alaska is closer to the Soviet Union and to Chinese territory than any other part of the United States. Because of its strategic location, an adequate Alaskan defense is basic and essential to our whole system of defense.

I welcome this opportunity to commend the men and women of the U.S. Air Force in Alaska for the excellent job they have done carrying out their military operations in search and rescue coordination.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

USAF IN ALASKA

(By Allan R. Scholin)

There are about 12,000 Air Force people stationed in Alaska on tours of from one to three years, depending on whether they're at a remote site or on a major base. Because that is a comparatively small percentage of Air Force people, many officers and airmen may never have a chance to serve in our forty-ninth state.

To those who haven't been there, Alaska conjures up images of silent glaciers, vast snowfields, Eskimos in igloos chewing whale blubber, and, more recently, shadowy figures stringing a pipeline across a dark and frigid wasteland.

If you scrub the igloos, which we're told even Eskimos don't build anymore, Alaska is like that, in part. But Alaska is far too vast to be categorized in a few phrases, and those who have been there find it contagious.

The magnificent view of Mt. McKinley and its neighboring peaks bathed in the afternoon sun, the lights of Anchorage twinkling bright in a field of snow at the end of a lonely night flight, a row of parked aircraft shrouded in ice fog, the squeak of boots on hard-packed snow, the cheery warmth of the dining hall at Eielson AFB—these are among hundreds of images that remain sharply etched in memory long after a visitor has departed. And they are all a part of Alaska's haunting appeal.

You'll find homesteaders on Alaskan air bases as elsewhere in the U.S. and abroad SSgt. Gil Brisson has spent six years at Eielson—long enough to become a walking encyclopedia on the base and the region. Capt. Hank Alau, a navigator in SAC's 6th Strategic Wing at Eielson, is a native Hawaiian, from Maui. He prefers Alaska because, he says, there's room to stretch and breathe. How right he is. The state averages one inhabitant per eight square miles. He also likes to hunt and fish—but that's true of ninety-five percent of Alaskans, whether they come from Hawaii or Hoboken. That, incidentally, is another characteristic of Alaskans. Just about all of them come from somewhere else.

Here, then, are some sketches of Air Force operations in Alaska, and how Air Force people help preserve the peace and security of the nation and the free world.

THE UNITS AND THEIR JOBS

Air defense is the primary mission of the Alaskan Air Command (AAC), providing, as the command boasts, "Top Cover for America."

Lt. Gen. Marion L. Boswell is the AAC Commander, with headquarters at Elmendorf AFB, just outside Anchorage. He is concurrently Commander of NORADs Alaskan Region. And he is the coordinating authority for all joint military administrative and logistical matters in Alaska, giving him supervision over the Army's 172d Infantry Brigade and the Navy's sea patrol base at Adak in the Aleutians.

The AAC operates three air bases—Elmendorf, Eielson, and Shemya—and shares facilities on two FAA-operated airports at Galena and King Salmon. It has thirteen aircraft control and warning squadrons, including six surveillance stations, five surveillance and ground-controlled intercept (GCI) stations, and two intermediate regional control centers.

AAC's 21st Composite Wing at Elmendorf is the command's principal flying unit. It is made up of the air base group at Elmendorf, the 43d Tactical Fighter Squadron, and the 5041st Tactical Operations Squadron.

The twenty-six F-4E Phantoms of the 43d TFS are AAC's interceptor force. From headquarters at Elemendorf, flights of F-4s regularly rotate to forward air bases at Eielson, King Salmon, Galena, and Shemya. From these bases they can be scrambled to intercept bogies under direction of one of the five GCI sites. The Phantoms also perform the corollary mission of close support for the 172d Infantry Brigade, whose elements are stationed at Fort Richardson near Anchorage and Fort Wainwright, Fairbanks.

The Wing's 5041st Tactical Operations Squadron at Eielson operates T-33s that are used primarily to simulate enemy aircraft, checking the alertness of detection and intercept systems of the air defense net.

AAC's other flying unit is the 5010th Combat Support Group at Eielson. Under it is the 25th Tactical Support Squadron, equipped with O-2 Skymasters to perform forward air control missions for the Army.

While the AAC is the principal Air Force command operating in the state, it is not the only one. The Strategic Air Command's 6th Strategic Wing flies KC-135 tankers and RC-135 reconnaissance planes from Eielson AFB, near Fairbanks in central Alaska, and from Shemya AFB, almost at the tip of the Aleutian chain, 1,500 miles from Anchorage.

The Military Airlift Command provides the 17th Tactical Airlift Squadron and 71st Aerospace Rescue and Recovery Squadron, both headquartered at Elmendorf and under General Boswell's operational control. C-130 Hercules transports of the 17th TAS fly resupply missions to remote stations, each of which has an airstrip, usually gravel-topped, at least 3,500 feet long. Bulk supplies, including fuel, are shipped to most stations under Navy auspices in Operation Cool Barge during the summer when for a few weeks the shorelines are free of ice.

The 71st Aerospace Rescue and Recovery Squadron is equipped with Sikorsky HH-3s and HC-130 search and tanker escorts.

They're based at Elmendorf, but range throughout the state and surrounding waters on rescue missions under direction of AAC's Rescue Coordination Center (RCC).

The Air Guard's 176th Tactical Airlift Group, with MAC as its gaining command, operates eight C–130s. They support the Army National Guard, fly emergency civil relief missions, and back up MAC's C–130s in resupply runs.

Among other agencies and commands that operate in the Alaska Air Command area are the Air Force Communications Service and Defense Communications Agency. In addition, the USAF Security Service has people around, doing what Security Service people do, and the Air Training Command runs the Arctic Survival School at Eielson.

Search and rescue is an unending task in a state with few roads and 400 times as many private planes per capita as the national average.

No one knows how many airplanes and pilots there really are in Alaska. In the more remote areas—of which there are plenty—people learn to fly without bothering to apply for licenses, and a substantial number of airplanes may also be unlicensed.

Private pilots often don't bother to file flight plans, even when the weather is marginal. This creates an air safety problem that would be far more serious if there weren't so much wide open airspace.

Even so, accidents are frequent. And when crashes occur the aircraft, if not their victims, often remain where they fall. The country is too rugged and roadless to make retrieval practical.

In the RCC at Elmendorf, a large state map on one wall bristles with more than a thousand pins locating sites of crashed airplanes that have not been recovered. Maj. Rufus Clark, one of six USAF officers who share the task of operating the RCC twenty-four hours a day, explained that the map helps avoid a lot of wasted effort.

"These crashed aircraft are reported again and again by pilots, especially if they're not familiar with the locale," he said. "Because of the normally cold weather and low humidity, many planes that crashed years ago still look shiny and new. Without this map and our file of carefully plotted coordinates, we'd be calling out rescue people needlessly time after time."

As it is, the RCC relies on a wide network to help in search and rescue operations, using facilities of the AAC, FAA, Army, Navy, Coast Guard, Army and Air National Guard, and Civil Air Patrol (CAP).

Alaska's CAP has units throughout the state with 1,300 members. They include 562 pilots, of whom 263 own their own planes. The CAP flies two-thirds of all rescue missions and leads CAP units of all other states in people found, assisted, and saved.

Not all rescue operations are related to downed aircraft. The RCC and its participating elements are active in the MAST—Military Assistance to Safety and Traffic—program, and are often called on to fly sick and injured patients to hospitals. They have also helped to pluck stranded climbers off the slopes of Mt. McKinley—all compliments of Uncle Sam.

THE AIR DEFENSE NET

Tin City Air Force Station is the U.S. military installation closest to the Soviet Union. Located on Seward Peninsula near the tip of Cape Prince of Wales that juts into the Bering Strait, Tin City AFS is barely fifty miles from the northeastern tip of Siberia at Mys Dezhneva.

Tin City is a NORAD surveillance station, home of the 710th Aircraft Control and Warning Squadron, with a radar site perched atop a 2,275-foot mountain connected to a base camp below by a 7,200-foot-long tramway, reputedly the longest in North America. A total of 105 people is assigned to Tin City, which derives its name from tin mines nearby.

Five other NORAD surveillance stations in western Alaska, each close to the shore of the Arctic Ocean or the Bering Strait, provide overlapping cones of coverage to produce a composite picture of air activity to the north, west, and south of Alaska.

Even more lonely than Tin City's contingent, perhaps, are the 103 members of the 711th AC&W Squadron who operate a surveillance station at Cape Lisburne, the northwesternmost point on the North American mainland. It is 170 miles north of the Arctic Circle, and from December 4 to January 8 each winter the sun doesn't rise there at all.

Paradoxically, military personnel at these remote sites are encouraged to wear summer uniforms the year around. Facilities are available to launder wash-and-wear clothing, but clothes to be dry-cleaned must be flown to Elmendorf, and it can take weeks to get them back.

Women airmen are currently stationed at six remote sites. By September, however, they will be gone from all but Galena, King Salmon, and Shemya. The restriction doesn't apply to women officers who at present are stationed at Shemya, Murphy Dome, Fort Yukon, and Campion.

Like other remote stations, Cape Lisburne has a base exchange, a theater showing free—if old—movies, a gym with basketball court, a two-lane bowling alley, hobby shops, recreation hall, off-duty education program, and officers' and NCO clubs. During the winter months, weekly telephone bowling matches between remote stations are a favorite diversion, and competition is fierce to qualify for, and remain, a member of each station's five-man "intercollegiate" team.

The forward surveillance stations are tied in to one of two regional control centers—in the north at Murphy Dome, near Fairbanks, and in the south at King Salmon, on the mainland end of the Aleutians.

Under the Murphy Dome Center are the stations at Tin City, Cape Lisburne, and midway between them at Kotzebue, plus three GCI sites, providing intercept control as well as surveillance, at Campion, Indian Mountain, and Fort Yukon.

King Salmon's control center handles five sites—three surveillance stations at Cape Newenham, Cold Bay, and Cape Romanzof, and two GCI sites at Sparrevohn and Tatalina.

Two other NORAD sites in Alaska are less concerned with tracking aircraft than with intercontinental ballistic missiles. The older of the two is at Clear, eighty miles southwest of Fairbanks. It is the western anchor of the Ballistic Missile Early Warning System (BMEWS) that also includes stations in Greenland and at Fylingdales Moor, England.

Three antennas at Clear are each 400 feet wide and 165 feet high, designed to detect the launch of a Soviet ballistic missile and predict its trajectory in time to provide about twenty-five minutes' warning to its intended target. There's also a tracking radar to determine the trajectory of satellites and other objects in earth orbit.

A new long-range radar at Shemya is a phased-array system. Called Cobra Dane, it is housed in a building 100 feet high with a slanted wall in which are imbedded 15,000 transmitting and receiving elements. Instead of rotating, the signals are steered electronically, covering a 120-degree sweep in milliseconds and enabling the system to track 200 space objects simultaneously. Cobra Dane is a second-generation version of the phased-array radar that has been operating at Eglin AFB, Fla., since 1968.

The information produced by all these systems is displayed at the Alaskan NORAD Region Control Center at Elmendorf, and is simultaneously relayed to the NORAD headquarters control center in Cheyenne Mountain at Colorado Springs, Colo.

Soviet military aircraft show up often on radar screens at Murphy Dome and King Salmon. During our visit to Murphy Dome, Maj. Fred Dorr, operations chief, pointed out blips of Soviet planes flying within their own borders to and from such forward bases on the Chukotskiy peninsula as Lavrentiya, Provideniya, and Mys Shmidta.

But almost daily, one or more Soviet aircraft move out over the Bering Sea, traveling southeast below St. Lawrence Island, down toward the Aleutian chain. Numerous Soviet fishing trawlers work those waters and presumably the planes warn them of ice formations.

Back at Elmendorf, Col. A. D. Thomas, AAC Director of Intelligence, described how the command's F–4s regularly check on Soviet patrol planes flying in international waters.

"We have two intercept lines," he said. "One is the DEWIZ—Distant Early Warning Identification Zone—and when Soviet aircraft penetrate that line, which they're free to do since they're over international waters, we scramble our Phantoms to look them over, which we're free to do as well.

"The second intercept line is our ADIZ—Air Defense Identification Zone. When a bogey penetrates that line, he'd better be friendly, for otherwise we would force him to land or, if necessary, we'd shoot him down."

Each time AAC F–4s meet Soviet patrol craft, the crew takes a picture of the Soviet plane.

"We find the same types of planes each time," said Colonel Thomas, pointing to enlarged photos on his office wall. "They even carry the same tail numbers."

Contrary to reports by columnist Jack Anderson, Colonel Thomas said AAC's surveillance radars and interceptors have turned up no evidence of MiG–25 Foxbats operating over or near Alaskan skies. Nor have they seen any supersonic Backfire bombers.

"The most modern aircraft operating in our area is the Tu–16 Badger," he said. (The Badger is a twin-jet roughly comparable in performance to USAF's long-retired Boeing B–47.) "We also see the turboprop-powered Tu–95 Bear with its counterrotating props, and occasionally the An–24 Coke medium transport."

A Coke was responsible for the most excitement AAC's radar scanners have experienced in recent years when one landed on U.S.-owned St. Lawrence Island with engine trouble. Its passengers were scientists and meteorologists studying ice-clogged waterways. AAC technicians helped the Russians repair their engine, and the Coke returned to its Siberian base.

Colonel Thomas denied that AAC aircraft seek to test Soviet air defenses by flying a course that would carry them toward Siberia, then turning back at the last possible moment.

"We don't test the Soviet interception capability," he declared. "There are those who do, but not us. We're concerned only with the defense of Alaska."

He acknowledged, however, that the Soviets occasionally make such feints, and as soon as F–4s scramble to intercept them, reverse course to avoid contact.

SAC IN ALASKA

SAC is the only other Air Force command flying aircraft beyond state lines in Alaska. Its 6th Strategic Wing operates KC–135 tankers that rotate to Eielson on sixty-day tours, and RC–135 reconnaissance craft whose crews perform three-year tours at Eielson, but spend about two weeks in every five on temporary duty flying from Shemya.

The tankers refuel the 43d Fighter Squadron's F–4s and SAC's RC–135s, and deploy to Shemya on occasion to refuel RC–135s, F–4s, and other military aircraft flying to and from the Far East. The RC–135s' operations are kept under wraps, beyond the acknowledged fact that they perform a variety of intelligence-gathering tasks.

SAC's RC–135s also draw interceptor escorts now and then, usually MiG–19s or –21s that come up from Petropavlovsk, on the Kamchatka peninsula, about 650 miles due west of Shemya. The photos they take of the RC–135s probably decorate the walls of Soviet intelligence offices at their air force regional headquarters in Magadan or Okhotsk.

SOVIET PILOTS KNOW THE TERRITORY—OR USED TO

A lot of Soviet aviators have flown over Alaska. They've landed and taken off from Eielson, Cold Bay, Galena, and other airstrips in the state. Most of them are probably retired by now. Those bases during World War II were vital way stations in ferrying U.S.-built fighter planes to the U.S.S.R.

Eielson, in fact, was built originally to handle the backlog of Soviet-destined aircraft held up in Alaska awaiting favorable flying weather. At that time Eielson was known as Mile 26, its distance from Fairbanks, and was a satellite of Ladd Field at Fairbanks. In 1960, Ladd, its runways too short for the big jets, was turned over to the Army and renamed Fort Wainwright.

ARCTIC SURVIVAL SCHOOL

Also at Eielson is the Air Training Command's Arctic Survival School. The "cool school," oldest continuous survival school operated by USAF, is one of three detachments of ATC's 3636th Combat Crew Training Wing at Fairchild AFB, Wash., others being the Water Survival School at Homestead AFB, Fla., and the Desert Survival School at Nellis AFB, Nev.

One of the cool school's instructors, rounding out his third year at Eielson, is SSgt. Bill Joiner, ATC's Outstanding Airman of the Year for 1974.

Each year, some 700 students complete the five-day course, which includes forty-eight hours in the field where they must build their own shelter, forage for food, and learn how to signal their position to search aircraft. Students include aircrew members, security police, and others whose duties might subject them to extended exposure. The school laboratory exhibit and museum, assembled over the seventeen years it has been at Eielson, is one of the base's more popular attractions.

Instructors from the school have assisted Alyeska, the Alaska pipeline company, in setting up survival programs for its people, and they are called on frequently to address civic and social groups in the Fairbanks area.

GUARDING THE FRONTIER

Anthropologists are generally agreed that Alaska's original settlers came from Asia, crossing the Bering Strait into Alaska. Some remained, others continued south. There is evidence that the Athabaskan Indians in Alaska's interior are closely related to the Apaches of Arizona.

In the years before World War II and the ensuing cold war, inhabitants of Alaska and neighboring Siberia moved freely back and forth across the Strait. Ben Eielson, the pioneer Alaskan pilot for whom Eielson AFB is named, crashed into a Siberian hillside in November 1929 while attempting to bring food to the crew of an ice-locked ship off the Siberian coast. It took three months for a joint US-Russian search team to find the wreckage of his plane.

If such traffic is still going on, it is on a far smaller scale. The Eskimo villages that dot the coastine are close-knit communities where visitors are readily spotted. The Eskimo Scouts, that unique organization of the Alaska National Guard, are the "Royal Mounties" of the region, and, unless the strangers can prove they're on legitimate business, they're hustled back across the Strait or turned over to higher authority.

It isn't likely that Soviet forces would try to invade Alaska via the Bering Strait. But if the Soviets were to launch an attack on the US by missiles and long-range aircraft, many of them would pass over of near Alaska. Thus, radar stations for air defense and ballistic missile early warning are vital military installations. They could be important enemy targets. If they should suddenly be silenced, defenses would be seriously crippled.

Also vulnerable is the Alaskan pipeline, stretching 800 miles from Prudhoe Bay on the North Slope to Valdez on Prince William Sound, south of Anchorage. Since the North Slope in full production is expected to provide ten percent or more of the nation's oil supply, pipeline sabotage is no small threat.

The Joint Chiefs of Staff have plans, which are exercised regularly, for the rapid reinforcement of Alaskan defenses. Any incursion would trigger an immediate response, initially by forces within the state, but swiftly augmented by ground, air, and naval forces earmarked and trained for speedy response.

CROSSROADS OF THE WORLD

Many Americans think of Alaska as a remote, vast, cold region having little in common with the rest of the continental US. Alaskans, on the other hand, consider themselves pretty much in the center of the northern hemisphere. Anchorage is closer to the major cities of Europe and Asia than are San Francisco, Chicago, Atlanta, or New Orleans. Passenger and cargo aircraft of many nations fly to and from Anchorage International Airport, bound for destinations across the top of the world.

"He who holds Alaska will hold the world," predicted Brig. Gen. Billy Mitchell to the House Military Affairs Committee half a century ago.

In the age of missiles and spaceflight, Alaska may no longer be the keystone of global strategy as Mitchell envisioned it for the air age. But, in addition to its valuable natural resources, its location, nose to nose with the USSR, is reason enough for maintaining alert forces there to guarantee its inviolability.

UAW'S WOODCOCK CALLED "A TOUGH ACT TO FOLLOW"

Mr. RIEGLE. Mr. President, next week in Los Angeles, one of America's great labor leaders steps down from the presidency of the United Auto Workers. He is expected to be offered a high position in the Carter administration, so in no sense will the end of his office with the UAW mark the retirement of Leonard Woodcock.

The Detroit Free Press labor writer, Ralpr Orr, has composed a moving profile of Mr. Woodcock, which reaches beyond the usual summary of accomplishments and talks about the man behind the job. Many readers of the CONGRESSIONAL RECORD will want to know what makes this man tick, and I believe that Ralph Orr's article about Woodcock provides a personal side to this man whose work has been so important to the people of Michigan and, indeed, of the Nation and the world.

The UAW is a very special kind of labor organization and it has produced very special leaders. None of them more so than Leonard Woodcock, who served in the shadows of the late Walter Reuther, but who when he came to power himself put his own unique stamp on the union and the industry which the UAW represents in collective bargaining.

I ask unanimous consent that the Detroit Free Press story on UAW President Leonard Woodcock be printed in the RECORD.

There being no objection, the story was ordered to be printed in the RECORD, as follows:

WOODCOCK—"A TOUGH ACT TO FOLLOW"

(By Ralph Orr)

When Leonard Woodcock took over the United Auto Workers seven years ago, the shoes he was filling belonged to a near-legend, his union was in debt, and his membership wasn't at all sure how it would do without the guiding hand of Walter P. Reuther.

Next month, Leonard Woodcock will retire, at 66, too old to run again for the presidency of the UAW. The doubts and the debts are history. For Woodcock and 1.4 million UAW members, the years of his presidency have been vintage.

That certainly will be the appraisal of historians. It already is the verdict of his peers in labor.

Auto company negotiators won't miss him, but he has their respect, and even Woodcock's detractors, who see him as aloof and abstracted, have trouble faulting his stewardship.

The bargaining table successes he engineered were in some cases remarkable. And under his presidency, the UAW maintained an unswerving commitment to social change.

He capped his 40-year career by leading President Carter's mission to Vietnam to seek out missing Americans and clear the way for normalizing U.S. relations with Hanoi. Carter has called the mission an unqualified success.

And now it seems certain that Carter next month will name Woodcock as the American envoy to Peking.

"IT IS NEVER EASY TO FOLLOW A LEGEND"

They have not been seven easy years for Leonard Woodcock. It is never easy to follow a legend.

That was his role when Reuther, the UAW's flamboyant, assertive unquestioned leader for 24 years, plunged to his death in a plane crash in May 1970.

Reuther was more than an agile negotiator. He was a phasemaking national figure with a remedy for every national malignancy. He walked with Martin Luther King and talked with Lyndon Johnson.

He was the architect of the unique philosophy that responsible unionism also demands a commitment to the fight for social and economic reform.

His own members lined up for his autograph. And when he died, some said the UAW never would be the same.

"His passing inevitably will make a different kind of union out of the UAW," said one of Detroit's foremost labor experts, "less single-minded, less disciplined."

Seven years have proven the expert wrong. Those seven years have been unkind, too, to those who said that a Woodcock UAW would turn right, to bread-and-butter unionism.

It was a strange prediction about a one-time socialist, a hawk-turned-dove on Vietnam, a man who only two months before Reuther died had raged at UAW conference delegates for foot-dragging on a civil-rights resolution calling for equal promotional opportunities.

Seven years may not be long enough to give the luster of legend to one's achievements.

This may be especially true of one as reserved and enigmatic and sometimes peevish as Woodcock.

There is much that is not generally known about Woodcock, for he flaunts little.

"HE WORE A PATH IN THE SKIES * * *"

His own members have no idea how many times he has gone before Congress and other groups backing causes and legislation that would benefit them—subjects that ranged

from national health insurance to power press hazards, from nuclear testing to noise in the work place.

"He wore a path in the skies between here and Washington," said his long-time secretary, Mrs. Mary Wensel. "He belongs to more than one million-mile club."

Woodcock had labored in Reuther's shadow as an assistant, as a regional director and for 15 years as vice-president. He scored some notable gains in those years, but seldom made the headlines.

Yet it was alien to him to preface a remark with, "As I told the House Labor Committee last week . . . ," as Reuther might have done.

Similarly, few people know how many times Woodcock, unlike Reuther, toured the plants where his constituents worked, shaking hands, asking how things were going, observing line speeds and work standards.

He could talk their language because he was no stranger to the shops; there were those years in the 1930s when he toiled as a machine assembler and punch press operator.

Yet Woodcock never talked about the tours. There was no hype, there were no entourages, no unseemly photos showing him in goggles and holding a welder's gun.

But there are Woodcock anecdotes, cherished by the tellers. There was the time in 1971, for example, when he had a date to tour the Long Manufacturing Co. plant in Birmingham, and a rickety bridge over a culvert gave way under his car.

"I went out and hailed this beat-up old pickup truck to take him to the plant," recalled Joe Loesche, UAW security chief, who was accompanying Woodcock.

"The last I saw of Leonard he was bouncing up and down on this washboard road that was under construction."

A banner over the plant gate read, "Welcome Leonard Woodcock." A plant official who was there with his own welcome saw the truck and said to Woodcock, sitting inside with typical straight-backed reserve, "We know the UAW is in an austerity program, Leonard, but after all . . . ."

Some months earlier, Woodcock and Loesche were in Atlanta, where they walked with the Rev. Ralph Abernathy, the civil rights leader, in the "march against oppression."

"It was a five-mile march. We were tired and we were thirsty when it was over," Loesche recalled.

"All we thought about all the way to the airport was the cold beer we were going to get before we got on the plane. When we got there, the restaurant people were on strike. You know Leonard. No way was he going to cross a picket line."

So Loesche and the newly-installed president of the UAW who prefers Scotch to beer and can put it away when he wants to unwind—slaked their thirst at a water fountain.

The trip to Atlanta was intended as a signal that the UAW was not about to revert to nuts-and-bolts unionism.

Earlier that day, Woodcock had attended General Motors' annual stockholders meeting, wearing a "Tame GM" button and talking about corporate responsibility.

Four months later, 40,000 GM employes were on the picket lines and GM was shut down from coast to coast. The 67-day strike in 1970 was the costliest in history.

THE MOST PRODUCTIVE IN UAW HISTORY

It was the first of three rounds of auto bargaining under Woodcock, rounds that were to prove the most productive in the UAW's 41-year history.

The gains ranged from an unlimited cost-of-living allowance (COLA) to dental care, from a sound early-retirement plan to a qualified right to refuse overtime work.

"We did exceptionally well in all three rounds. There were innovative breakthroughs. It is a tough act to follow," said Woodcock's heir-apparent, vice-president Douglas Fraser.

Auto workers also paid a price each round. There was a week-long strike at Chrysler Corp. in 1973 and the month-long walkout at Ford Motor Co. last year.

Industry negotiators concede that the GM strike of 1970, when the hang-up was the ceiling on COLA, probably was inevitable.

But privately they question the necessity for the '73 and '76 stoppages and complain that sometimes Woodcock was not "readable."

"Walter (Reuther) would tell you why he couldn't buy your offer. Then he would toss off hints about compromise," said one company bargainer.

"But Leonard would say 'no.' then just sit there."

Woodcock's aides agree that this sometimes was his style. "Sometimes he wasn't ready to react or didn't know how to react and was thinking it over," one associate said.

On the other hand, the associate went on, the icy silence may have been a bargaining stratagem—as his temper outbursts sometimes were.

When Woodcock blew a gasket, company men never were sure if the eruption was tactical or visceral.

"But what the hell's the difference if he flipped his lid or sat like Buddha?" the associate asked. "You can't knock the results."

Yet there are none among his peers ready to call Woodcock strike-happy or insensitive to the trauma which a strike generates.

Woodcock agonized over the 1970 strike ("He was a lonely man then," said one staffer) and lashed out angrily at critics who said the strike was unnecessary or part of some ingenious charade.

"If the bastards only knew how many nights I couldn't sleep with 400,000 people on the sidewalk and the holidays coming," he once told a Free Press reporter.

AN ALBATROSS OR TWO ON HIS SHOULDERS

The COLA limitation that triggered the GM strike was a part of the Reuther "legacy," Reuther having gambled and bargained away unlimited COLA in the 1967 Ford talks to win important gains.

Rampant inflation turned it into a bad gamble that cost auto workers millions in COLA payments until Woodcock removed the ceiling.

Another Reuther albatross hung on Woodcock's shoulders was the state of UAW finances.

Reuther's obsession with the UAW education center at Black Lake, which eventually cost $23 million, and his penchant for paying cash, had left the UAW general fund indebted to the strike fund for $13 million.

The GM strike cost the UAW more than $160 million and left the auto workers with their property mortgaged and more than $81 million in debts.

Woodcock, who attended the Walsh Institute of Accountancy in Detroit until the Depression forced him to drop out, began tightening the belt—starting with 125 staff layoffs.

The UAW newspaper was bobbed to eight pages. It was decreed that all plane trips would be taken tourist class. In one symbolic move, he ordered the telephone removed from the UAW Buick that had been Reuther's, saving $50 a month.

Today there is $32 million in the general fund, $162.5 million in the strike fund and a net UAW worth of $246 million.

Woodcock credits UAW Secretary-Treasurer Emil Mazey for his role in the union's fiscal comeback.

In fact, he has been generous with his praise for others in the UAW hierarchy and skilled staff technicians.

WOODCOCK: SOMETIMES, ICY SILENCE

"HE NEVER PULLED RANK ON US"

The Woodcock years have not been a one-man show. Decisions were board decisions, the risks were shared risks. "He never pulled rank on us," Fraser said.

A staff assistant once called Woodcock "our cerebral man."

Although in a head-to-head interview Woodcock is direct, candid and capable of droll humor, some newsmen have cast him as moody, brooding, even reclusive and a loner. That image isn't totally accurate. There are his plant tours and local union functions he makes.

He is sometimes seen dining alone downtown or poking the produce at the A & P store in Lafayette Park, near his 22d-floor apartment, where he cooks his own breakfast and does his own dishes.

Woodcock is a tough administrator who works steadily in his office for long hours and doesn't want to be bothered with trivia.

"In some ways, he's hard to work for," said one staffer. "But if you do your job, you've got no problems."

But his associates say that away from Solidarity House, he bends and is one of the gang.

One staff member recalled a day during the 1967 long-hours bargaining when Woodcock, his staff and the UAW bargaining committee took a break at Tiger Stadium.

"We sat out in the right field bleachers drinking beer and eating hot dogs and had a helluva time," he said.

During two of the biggest crises of his life however, Woodcock did go it alone. The most recent was in Hanoi, when he feared the mission was faltering.

He chose to ignore the trappings and the diplomatic posturing to go one-on-one with Phan Hien, Vietnam deputy foreign minister and, like Woodcock, a skilled negotiator.

If they closed the door on the Woodcock mission, the UAW president told Phan Hien, it might be 10 or 12 years before American negotiators came back.

Woodcock said Phen Hien heard him out and replied: "You will not be disappointed with us."

Seven years earlier, during the bleakest hour of the GM strike, Woodcock had gone to the 14th-floor suite of James Roche, then board chairman.

Woodcock ticked off the minimum ingredients needed for agreement and spoke of the obvious bitter consequences of a prolonged strike with Christmas approaching.

Roche listened politely. It was the turning point, Woodcock said later. In six days there was a settlement.

"THE PRESSURE WAS ON AND I DIDN'T EXPECT HIM"

His tough bargaining stands, his sometimes stoic ways have led some to label Woodcock cold and calculating.

UAW people reject the notion. One of his assistants, Don Ephlin, erupts at the suggestion.

"My son died during the 1970 strike. He was 16," Ephlin said. "Leonard called while I was at the funeral home, but I knew that they were into the all-nighters, that the pressure was on, and I didn't expect him.

"All of a sudden he walked in and gave me a big bear hug. My God, there he was, with the whole staff."

Those who call him calculating also fault Woodcock for bending UAW principles in the interest of expediency.

They talk about UAW lobbying for the B–1 bomber, about touting temporary import quotas during the auto industry slump in contravention of UAW free-trade policies, about abandoning the Sierra Club and

Ralph Nader, about "shilling" for the auto industry for a pause on emission standards.

That was not compromise, but pragmatism, the UAW claims.

Impossible emission standards, when the nation should be concentrating on fuel economy, Woodcock said, translated into the endangering of his members' jobs—and his first duty is to them.

"It's just crap, this talk that the industry has me in its pocket," he said when the liberals took after him.

Still, there are those who sneer and write off the UAW as buttondown unionism with overtones of phony intellectualism.

"They think they're hot . . . because they can pronounce all those big words," a lesser Teamster once said.

The critics talk about too much clubbiness, about the dinners the UAW brass attends in company with industry moguls, and they find that sinister.

It is no different, the sharpshooters say, than Teamster Frank Fitzsimmons playing golf with trucking executives or Steelworker I. W. Abel sipping cocktails in Pittsburgh's Duquesne Club with steel executives.

There is a corollary thesis of the critics about the high-sounding UAW principles and the union's paranoia about corruption.

It is all part of an elaborate sham, they go on, a drawing of the drapes to hide the fact that the UAW has been cuckolded by big interests that call the shots.

The thesis infuriates the UAW leadership.

"Maybe another union, but by God, not this one," one high-ranking officer countered.

"Look at the record. The only paid holiday our people don't have is Groundhog Day. We serve them, we work at it and we do it well."

DESPITE STATUS, HE REMAINS UNASSUMING

Once offered ambassadorships by President Kennedy, considered by George McGovern as a running mate, offered a cabinet post by Carter, Woodstock is still unassuming.

He stands in the cafeteria line at Black Lake and union affairs, rejects suggestions that he sit down and be served.

He spurns the VIP blandishments of stewardesses who recognize him and offer him a freebie first-class seat, remaining in the tourist section with the peasants.

"I'm not looking for any enduring monuments," he once told the Free Press.

A voracious reader, he switches from English history and The Economist to the comics and the baseball standings.

Twice hospitalized by tuberculosis, he drives himself at a punishing pace, at a time when, as a lame duck, he could be a rocking-chair president.

A few days after the 26,000-mile round-trip flight to Hanoi, he jetted 9,000 miles to Barcelona to advise Spanish unionists emerging from 40 years of fascist oppression, pushing his dream of world labor solidarity.

Woodcock is amicably separated from his wife, Loula, and his three children are grown.

"He has time that some of us don't. Maybe he's a workaholic because he gets lonely," a fellow officer said. "But he drives himself. My God, he never misses a local-union mortgage burning."

"I didn't run for re-election in 1974 because I wanted to coast," Woodcock once said in an interview.

Fraser summed up the Woodcock era: "People visualized a turn to the right when Walter died. It never happened. It was a change in style, not philosophy. The seven years were damned good years."

In fact, the measure of history probably will be that they were spectacular years, a judgment that already would have been made if Woodcock had Reuther's flair and public-relations consciousness.

THE MOTIVATIONS OF THE WOODCOCK YEARS

Two motivations dominated the Woodcock years, practicality and the never forgotten obligation to the men and women the UAW served—and the two are related.

It was practical, the leadership felt, to support temporary import quotas during the recession, ideological contradiction or not, to give the industry time to gear up for small-car production.

Jobs were at stake. UAW jobs.

Shortly after Woodcock was sworn in, job alienation and the "blue collar blues" surfaced as the "in" socio-industrial maladies.

Woodcock resented that, considering it the fantasy of "elitists," not just because it reflected on the union, but because it cast his members as mindless robots.

And, being practical and having talked to workers, he knew that some of the remedies being proposed by the academicians never would work.

There were other ways to go at it—like early retirement, voluntary overtime, a Christmas sabbatical, more paid days off and tighter health-and-safety standards.

Yet in serving, the leaders seldom forgot that they were elected to lead. In 1972 Woodcock endorsed cross-district busing—when 74 percent of his members opposed it.

The UAW has won a new standing in Congress. There is Federal legislation on matters like pension reform, that bears the clear UAW imprint.

For all of Woodcock's low-register manner, the UAW remains a union apart, and it will not change with the elevation of Douglas Fraser to the presidency.

The ultimate accolade came from a clutch of Cadillac workers pulling on their Stroh's in Bab's Bar in southwest Detroit, leathery guys often unimpressed by officialdom.

The others nodded when one of them said, "Woodcock, he done a damned good job for us."

FINANCIAL STATEMENT OF SENATOR HASKELL

Mr. HASKELL. Mr. President, in accordance with my usual practice, I ask unanimous consent that a copy of my 1977 Federal income tax return and a personal financial statement as of April 21, 1977, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NET WORTH AS OF APRIL 21, 1977

Provide a complete, current financial net worth statement which itemizes in detail all assets (including bank accounts, real estate, securities, trusts, investments, and other financial holdings) all liabilities (including debts, mortgages, loans, and other financial obligations) of yourself, your spouse, and other immediate members of your household. Where values are other than current market value state the basis. In the case of real estate, mineral leases and similar interests specify nature and location.

ASSETS

Cash on hand and in banks: $175.03.

U.S. Government securities—add schedule: [1] $65,796.00.

Listed securities—add schedule: [2] $20,937.50.

Unlisted securities—add schedule: [3] $24,694.44.

Real estate owned—add schedule: [4] $255,900.00.

Real estate mortgages receivable: [5] $16,374.00.

Autos and other personal property: $10,000.00.

Cash value—life insurance: $14,000.00.

Other assets—itemize:

Civil Service Retirement Account: $15,056.95.

Remainder Interest in Trust: [6] $48,662.27.

Limited Partnership Interests: [7] $13,200.00.

Miscellaneous: [8] $1,000.00.

Total assets: $485,796.19.

CONTINGENT LIABILITIES

As endorser, comaker or guarantor: None.

On leases or contracts: None.

Legal Claims: None.

Provision for Federal Income Tax: None.

Other special debt: None.

LIABILITIES

Notes payable to banks—secured: None.

Notes payable to banks—unsecured. None.

Notes payable to relatives: None.

Notes payable to others: None.

Accounts and bills due: None.

Unpaid income tax: None.

Other unpaid tax and interest: None.

Real estate mortgages payable—add schedule: None.

Chattel mortgages and other liens payable: None.

Loan on VA Insurance: $5,000.00.

Total liabilities: $5,000.00.

GENERAL INFORMATION

Are any assets pledged? (Add schedule.): No.

Are you defendant in any suits or legal actions?: No.

Have you ever taken bankruptcy?: No.

1. 10 U.S. Treasury Notes due 5/15/77; 15 U.S. Bonds due 3/31/77; 15 U.S. Bonds due 8/15/84; 25 Treasury Notes due 11/15/81; all at market value.

2. 1,000 shares Continental Materials and 1,750 shares Terra Chemicals at market value.

3. 56 shares Sheridan Savings and Loan at book value; 3,558 shares Hazen Research, Inc., at appraised value.

4. 31988 Acres unimproved real estate in Boulder County, Colorado, at appraised value December 31, 1973.

5. Secured by First Deed of Trust; appraised value November 1975; face value $24,066.00.

6. Remainder interest in trust established for mother:

TRUST ASSETS

200 shs. Bank of New York at 36.875	$7,375.00
100 shs. Cyprus Mines at 25.25	2,525.00
150 shs. Amer. Electric Power at 24.875	3,731.25
400 shs. Hercules, Inc. at 24.125	9,650.00
200 shs. Shell Oil at 71.875	14,375.00
250 shs. Utah Power at 44.00	11,000.00
	48,656.25
10,000 Philadelphia Electric Bond at 101.75	10,175.00
Value of Trust at .82715	58,831.25
Value of remainder interest	48,662.27

7. At investment cost. Partnerships own miscellaneous non-productive mining interests in Arizona and Montana. One property may be of value. The General Partner has informed the Limited Partners that a discovery has been made and sufficient mineralization exists to pay the retained royalty. The corporations owning the operating interests in the property apparently disagree, since no announcement to shareholders of any discovery, as required by SEC rules, has been made.

8. Valuation arbitrary. Undivided interest in federal oil and gas leases—income 1973 ($423.00), 1974 (—0—), 1975 ($438.00) and 1976 ($438.67).

U.S. INDIVIDUAL INCOME TAX RETURN, 1976

9. Wages, salaries, tips, and other employee compensation (see statement 1): $44,600.

10a. Dividends: $2,125; 10b. less exclusion: $100; balance; 10c: $2,025.

11. Interest income: $5,901.
12. Income other than wages, dividends, and interest (from line 37): $2,071.
13. Total (add lines 9, 10c, 11 and 12): $54,597.
14. Adjustments to income (such as moving expenses etc. from line 42): $3,952.
15a. Subtract line 14 from line 13: $50,645.
c. Adjusted gross income. Subtract line 15b from line 15a, then complete Part III: $50,645.
16. Tax, check if from Schedule D: $16,016.
17a. Multiply $35.00 by the number of exemptions on line 6d: $35.
b. Enter 2 percent of line 47 but not more than $180 ($90 if box 3 is checked): $180.
17c. $180.
18. Balance. Subtract line 17c from line 16 and enter difference (but not less than zero): $15,836.
20. Balance. Subtract line 19 from line 18 and enter difference (but not less than zero): $15,836.
21. Other taxes (from line 62): $122.
22. Total (add lines 20 and 21): $15,958.
23a. Total Federal income tax withheld: $14,036.
b. 1976 estimated tax payments: $2,000.
24. Total (add lines 23a through e): $16,036.
26. If line 24 is larger than line 22, enter amount overpaid: $78.

INCOME OTHER THAN WAGES, DIVIDENDS AND INTEREST

30a. Net gain or (loss) from sale or exchange of capital assets (attach Schedule D): $1,511.
32a. Pensions, annuities, rents royalties, partnerships, estates or trusts, etc. (attach Schedule E): —$1,490.
36. Other (state nature and source—see page 11 of instructions) (see statement 2): $2,050.
37. Total (add lines 29 through 36). Enter here and on line 12: $2,071.

ADJUSTMENTS TO INCOME

39. Employee business expense (attach Form 2106): $3,952.
42. Total (add lines 38 through 41). Enter here and on line 14: $3,952.

TAX COMPUTATION

43. Adjusted gross income (from line 15c). If you have unearned income and can be claimed as a dependent on your parent's return, check here and see page 9 of Instructions: $50,645.
44a. If you itemize deductions, check here, and enter total from Schedule A, line 40, and attach Schedule A: $6,802.
45. Subtract line 44 from line 43 and enter difference (but not less than zero): $43 843.
46. Multiply total number of exemptions claimed on line 6f by $750: $750.
47. Taxable income. Subtract line 46 from line 45 and enter difference (but not less than zero): $43,093.

OTHER TAXES

53. Self-employment tax (attach Schedule SE): $122.
62. Total (add lines 55 through 61). Enter here and on line 21: $122.

SCHEDULES A AND B—ITEMIZED DEDUCTIONS AND DIVIDEND AND INTEREST INCOME

Schedule A—Itemized deductions

Medical and Dental Expenses (not compensated by insurance or otherwise) (See page 13 of Instructions.)
1. One half (but not more than $150) of insurance premiums for medical care. (Be sure to include in line 10 below): 150.
4. Subtract line 3 from line 2. Enter difference (if less than zero, enter zero): 0.
5. Enter balance of insurance premiums for medical care not entered on line 1: 370.
6. Enter other medical and dental expenses: a. Doctors, dentists, nurses, etc.: 355.
7. Total (add lines 4 through 6c): 725.
8. Enter 3% of line 15c, Form 1040: 1,519.
9. Subtract line 8 from line 7 (if less than zero, enter zero): 0.
10. Total (add lines 1 and 9). Enter here and on line 34: 150.

Taxes (See page 13 of Instructions.)
11. State and local income: 1,482.
12. Real estate: 124.
13. State and local gasoline (see gas tax tables): 31.
14. General sales (see sales tax tables): 410.
17. Total (add lines 11 through 16). Enter here and on line 35: 2,047.

Contributions (See page 15 of Instructions for examples.)
21 (a). Cash contributions for which you have receipts, cancelled checks or other written evidence: 558.
24. Total contributions (add lines 21a through 23). Enter here and on line 37: 558.

Miscellaneous Deductions (See page 15 of Instructions.)
32. Other (itemize) tax preparation fees: 400.
Political contributions: 100.
Form 2106 attached: 3,547.
33. Total (add lines 30 through 32). Enter here and on line 39: 4,047.

Summary of itemized deductions

34. Total medical and dental—line 10: 150.
35. Total taxes—line 17: 2,047.
37. Total contributions—line 24: 558.
39. Total miscellaneous—line 33: 4,047.
40. Total deductions (add lines 34 through 39). Enter here and on Form 1040, line 44: 6,802.

Dividend Income

1. Gross dividends (including capital gain distributions) and other distributions on stock. (List payers and amounts—write (H), (W), (J), for stock held by husband, wife, or jointly)
Sheridan Savings & Loan Association: 34.
Hazen Research, Inc.: 778.
2. Total of line 1: 2,125.
Terra Chemicals: 1,313.
6. Dividends before exclusion (subtract line 5 from line 2). Enter here and on Form 1040, line 10a: 2,125.

Part II Interest Income

7. Interest includes earnings from savings and loan associations, mutual savings banks, cooperative banks, and credit unions as well as interest on bank deposits, bonds, tax refunds, etc. Interest also includes original issue discount on bonds and other evidences of indebtedness (see page 16 of Instructions). (List payers and amounts)
Interest on U.S. obligations: 4493.
Mountain Valley Associates note: 1,408.
8. Total interest income. Enter here and on Form 1040, line 11:5,901.

CAPITAL GAINS AND LOSSES

Long-term capital gains and losses—assets held more than 6 months

6. 595.69 Sh. Mile High stock: 73—32376; 408; 959: —551.
442 Sh. Hazen Research stock: 73—92876; 3,271; 855: 2,416.
Mountain Valley Assoc. note—installment sale: 71—92876; 2,458; 764: 1,694.
9. Enter your share of net long-term gain or (loss) from partnerships and fiduciaries: —536.
11. Net gain or (loss), combine lines 6 through 10: 3,023.
13. Net long-term gain or (loss), combine lines 11 and 12: 3,023.

Summary of Parts I and II

14. Combine lines 5 and 13, and enter the net gain or (loss) here: 3,023.
15. If line 14 shows a gain—(a) Enter 50% of line 13 or 50% of line 14, whichever is smaller (see Part IV for computation of alternative tax). Enter zero if there is a loss or no entry on line 13: 1,512.
(b) Subtract line 15a from line 14. Enter here and on Form 1040, line 30A: 1,511.

Computation of alternative tax

17. Enter amount from Form 1040, line 47: 43,093.
18. Enter amount from line 15a (or Form 4798, Part IV, line 8(a)): 1,512.
19. Subtract line 18 from line 17 (if line 18 exceeds line 17, do not complete the rest of this part. The Alternative Tax will not benefit you): 41,581.
24. Subtract line 23 from line 22: 0.
25. Tax on amounts on line 19 *; 15,260.
26. Enter 50% of line 18 but not more than $12,500 ($6,250 if married filing separately): 756.
27. Alternative Tax—add lines 24, 25, and 26. If smaller than the tax figured on the amount on Form 1040, line 47, enter this alternative tax on Form 1040, line 16. Also check the Schedule D box on Form 1040, line 16: 16,016.
* If the amount on which the tax is to be computed is $20,000 or less use the Tax Table; if more than $20,000 use Tax Rate Schedule X, Y, or Z.

SUPPLEMENTAL INCOME SCHEDULE

Rent and royalty income

See statement 4.
(c) Total amount of royalties: 449.
(d) Depreciation (explain below) or depletion (attach computation): 99.
(e) Other expenses (Repairs, etc.—explain below): 350.
10. Total rent and royalty income (add lines 7, 8, and 9): 350.

Income or losses from partnerships, estates or trusts, small business corporations

See statement 3.
(d) Income or (loss): —1,840.
12. Income or (loss). Total of column (d) less total of column (e): —1,840.
13. Total (add lines 5, 10, and 12). Enter here and on Form 1040, line 32A: —1,490.

COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX

Computation of net earnings from nonfarm self-employment

5(b) Partnerships, joint ventures, etc. (other than farming): —511.
(e) Other: See statement 2: 2,050.
6. Total (add lines 5a through e): 1,539.
8. Adjusted net earnings or (loss) from nonfarm self-employment (line 6, as adjusted by line 7): 1,539.

Nonfarm Optional Method

9(a) Maximum amount reportable, under both optional methods combined (farm and nonfarm): $1,600.

Computation of Social Security Self-Employment Tax

12(b) From nonfarm (from line 8, or line 11 if you elect to use the Nonfarm Optional Method): 1,539.
13. Total net earnings or (loss) from self-employment reported on line 12. (If line 13 is less than $400, you are not subject to self-employment tax. Do not fill in rest of schedule.): 1,539.
14. The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement taxes for 1976 is $15,300.
16. Balance (subtract line 15c from line 14): 15,300.
17. Self-employment income—line 13 or 16, whichever is smaller: 1,539.
18. Self-employment tax. (If line 17 is $15,300.00, enter $1,208.70; if less, multiply the amount on line 17 by .079.) Enter here and on Form 1040, line 58: 122.

EMPLOYEE BUSINESS EXPENSES

1. (d). Other (specify) see statement 5: 11,605.

4. Employee expenses other than traveling, transportation, and outside salesperson's expenses to the extent of reimbursement: 11,-133.

5. Total of lines 1, 2, 3, and 4: 22,738.

6. Less: Employer's payments for above expenses (other than amounts included on Form W-2): 18,786.

7. Excess expenses (line 5 less line 6). Enter here and include on Form 1040, line 39: 3,-952.

Employee Business Expenses Which Are Deductible If You Itemize Deductions on Schedule A (Form 1040)

1. Business expenses other than those included above (specify) see statement 6: 3,-547.

1976 FEDERAL INCOME TAX STATEMENTS

Statement 1—Wages, salaries, tips, etc.
Employers name and address: U.S. Senate, Washington, D.C.
Income tax withheld: 14,036.
Wages, salaries, tips, etc.: 44,600.
FICA: None.
Statement 2—Miscellaneous income; Honoraria, net of agency fee of $250:
Subject to SE tax: 2,050.
Other taxable income: None.
Total taxable income: 2,050.
Statement 3—Partnership income; High Hopes, Ltd., 84-611488; Canus, Ltd., 84-0583390; Sucan Ltd., 86-6059772:
Subject to SE tax: —111 and —400. Total: —511.
Other taxable income: —1,329. Total: —1,329.
Total taxable income: —111, —1,329, and —400. Total —1,840.
Statement 4—Income from rents and royalties:
Gross royalties: 449.

EXPENSES

Depletion: 99.
Net income:350.
Statement 5—Other employee business expenses:
Washington, D.C. living expenses per public law 471 82d Congress: 3,000.
Fares, meals, lodging and other travel expenses: 8,605.
Total other travel expense: 11,605.
Statement 6—Employee itemized business expenses:
Constituent communication: 621.
Entertainment: 427.
Dues: 240.
Issues poll: 1,950.
Miscellaneous: 309.
Total employee business expense: 3,547.

COMMUNITY REINVESTMENT ACT OF 1977

Mr. MORGAN. Mr. President, on Tuesday of this week the Senate Banking Committee voted to report out the housing omnibus bill, with amendments, including S. 406, the Community Reinvestment Act of 1977. This part of the bill would require an ongoing assessment of a financial institution's community credit effectiveness. A motion on my part to reconsider this unnecessary and burdensome bill was defeated by a tie vote in the committee. Now I hope that my colleagues in the Senate will support my amendment to delete title V.

Although I support the intent of the bill to insure greater credit availability for the inner cities, I feel that the bill as reported out will not only add a tremendous amount of paperwork for our already overburdened financial institutions but will also have the adverse effect of causing a reduction in credit availability in these areas which we are trying so desperately to revitalize.

First I feel that the bill is unnecessary. The Federal supervisory agencies are presently considering the "convenience and needs" test when granting new charters, mergers, et cetera. The Acting Chairman of the Home Loan Bank Board, Mr. Garth Marston, testified before the Senate Banking Committee on March 24, 1977 that pursuant to the statutory requirements in section (5)(a) of the Homeowners Loan Act, the Board issues charters for Federal associations "giving primary consideration to the best practices of local mutual thrift and home financing institutions. In connection with such charter applications the Board considers three criteria: First, the necessity for the proposed association in the community to be served; second, the reasonable probability of usefulness and success of the proposed association; and third, the question of whether the charter may be granted without undue injury to properly conducted existing local thrift and home finance institutions."

In regard to bank charters, title 12 of the United States Code Annotated, section 1816 enumerates the factors to be considered in issuing certificates to do business for federally chartered banks. It states:

The factors to be enumerated in the certificate required under Section 1814 of this Title and to be considered by the Board of Directors under Section 1815 of this Title shall be the following: the financial history and condition of the bank, the adequacy of its capital structure, its future earnings prospects, the general character of its management, the convenience and needs of the community to be served by the bank and whether or not its corporate powers are consistent with the purses of this chapter.

What this means is that the supervisory agencies are already considering the credit "needs" of a community in granting or denying charter applications, and thus the Community Reinvestment Act adds nothing other than additional paperwork to existing law.

The bill reported out by the Banking Committee would require the bank examiners to assess the institution's record of meeting the credit needs of its primary service area, and I would contend, Mr. President, that this assessment can only be based on additional paperwork and bureaucracy.

During the markup, an amendment was offered and was presented as a creative measure to reduce the paperwork burden required by the legislation initially introduced. However, I contend that we must stop and ask the question: "What are the examiners going to base their assessment of the credit needs of a community on if not additional records and reports to be maintained by the financial institutions?"

Section 6 of the act as reported would require the appropriate Federal financial supervisory agencies to promulgate regulations to carry out the purposes of this act. I would submit that by regulation we are allowing the Federal supervisory agencies to accomplish the very paperwork nightmare of which the overwhelming majority of the witness at our hearing warned.

As I travel throughout the State of North Carolina, I am confronted over and over again with the comment that we are paperworking the business of this country to death. I am sure that my colleagues here in the Senate are receiving this same reaction throughout the country. Although the intent of our legislation is a worthy one, I once again state that we must look to see what the ultimate effect of this legislation will be. And I contend, Mr. President, that the ultimate effect might well be a reduction in credit availability in these blighted areas.

During the hearings before the Banking Committee, we heard testimony relating how a group of financial institutions in Philadelphia joined together to form the Philadelphia Mortgage Plan to help meet the credit needs of the inner city. I suggest to my colleagues that this same type of concerted effort is being made by concerned financial institutions throughout the country. I believe that initiatives like the one in Philadelphia are the way in which we must deal with the financial problems of the inner city—not additional legislation and paperwork as this bill would require.

In conclusion I would like to say that I believe that we acted in haste in adopting this measure in the Banking Committee and in so doing have created the possibility of another paperwork nightmare which may in fact work to counteract the very noble intent of the legislation.

PHILLIP RUNKEL SUPPORTER OF CLOSE UP

Mr. RIEGLE. Mr. President, it has come to my attention that the third and final group of students from the Grand Rapids/Kent County area are in Washington participating in the 1977 Close Up program. Close Up is a nonpartisan forum for the involvement of youth in Government. At the end of this week over 1,600 students and teachers from the Grand Rapids area will have participated in this program over the past 3 years.

It is sad that one of the principal Grand Rapids supporters of Close Up was unable to participate this year. Mr. Phillip Runkel, superintendent of the Grand Rapids public schools, has lent his efforts toward making it possible for hundreds of students to have the opportunity to come to Washington, D.C., on this program. His enthusiasm and energy have motivated students and teachers alike to become actively involved in our governmental process.

It gives me pleasure to recognize Mr. Phillip Runkel for his efforts on behalf of the youth of Grand Rapids.

OUR CHANGING WEATHER IS WORSE THAN WE REALIZE

Mr. HASKELL. Mr. President, Sunday's Parade magazine contained an article on the world's changing weather patterns excerpted from a recently published study "The Weather Conspiracy: The Coming of the New Ice Age," by a group called the Impact Team. The central message is that the world's climate ap-

pears to be changing for the worse and that we are entering a period of disruptive weather with colder winters, shorter growing seasons and sporadic, severe drought. Some experts feel that we will no longer be able to count on the stable seasons of the past, and that the world is returning to the radical weather shifts and cooler climate that characterized the 800 years before the modern 50-year period of unusually temperate climate. The "abnormal" weather of the past year in the United States alone, is an ominous sign of extreme departures from the "normal" or expected patterns we have enjoyed for the past decades. I realize that information of this nature has been coming to light in frequent articles and reports of late, but I think it is extremely important that the public and the Nation's policymakers take note.

The implications of such a weather shift for the world's food supply alone are enormous and troubling. In the words of the authors—

The ramifications of such a change would be many, affecting the foreign policy and your fuel bill, what food is grown and what you eat. Taken at its bleakest, the coming weather may signify massive migration and equally massive starvation. Taken at its most optimistic, it will cause all of us to change parts of our life-styles.

One need not be an alarmist to find this information of serious concern and worthy or considerable thought.

Today, our farmers are beset by record wheat and grain surpluses which have forced farm prices down and caused a serious recession in many parts of the Nation's Grain Belt. Viewed in the context of this weather picture, however, we should be counting our blessings. We may never again have this golden opportunity to accumulate adequate food reserves against the probable years of scarcity. Many forward-looking Members of this body have pointed this out for some time, and I know that the Secretary of Agriculture has a deep appreciation of these facts. Let us hope that we all have the wisdom and the responsibility as public officials to take the necessary measures, however costly they may seem at the time, to arm ourselves against likely future scarcities.

Mr. President, as the Senate prepares to consider major legislation establishing the Nation's agricultural and nutrition policies for the next 5 years, I commend this sobering article to my colleagues and to interested readers. I ask unanimous consent that the article "Our Changing Weather is Worse Than We Realize," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUR CHANGING WEATHER IS WORSE THAN WE REALIZE

For the past 50 years we have enjoyed some of the best weather mankind has ever known. But this exceptionally clement period has lulled us into a false sense of security. Now, according to many climatologists and some recently declassified Central Intelligence Agency reports, our climate and the consistency of our seasons can no longer be taken for granted.

In the early 1970's top CIA thinkers concluded that changing weather was "perhaps the greatest single challenge that America will face in coming years." As a result, they ordered several studies of the world's climate, the likely changes to come, and their probable effect on America and the rest of the world. The studies conclude that the world is entering a difficult period during which major climatic change is apt to occur.

The ramifications of such a change would be many, affecting the foreign policy and your fuel bill, what food is grown and what you eat. Taken at its bleakest, the coming weather may signify massive migration and equally massive starvation. Taken at its most optimistic, it will cause all of us to change parts of our life-styles.

For two-thirds of the United States the winter of 1977 was the coldest on record. Upper New York State was buried under 26 feet of snow. Buffalo lay inert as a 15-foot fall brought life to a complete standstill. A freak frost in Florida reduced the citrus crop by 14 percent from the previous year. Snow fell briefly in Miami.

RECORD LOW TEMPERATURES

Chicago, Pittsburgh, Jacksonville, and Nashville had many days of the lowest temperatures on record. Cincinnati averaged 20° below normal; Indianapolis shivered for weeks and recorded an all-time low of 18° below zero.

Abnormal weather, people said.

Pardee Reservoir near Jackson, Cal., was down more than 100 feet below normal water level as parts of the state sweltered under a severe drought.

"The problem is worse than anyone realizes," said Daryl Arnold of the Western Growers Association as reports came in that many square miles of California farmland were already too dry to grow anything.

At the same time, the Midwest, America's breadbasket, has too little moisture, which could turn it into a totally unproductive dust bowl. Thirteen Western states, with only one-fifth their normal mountain snow cover, can look forward to a bleak period of water rationing and power blackouts if summer, their dry season, follows its usual course.

Thirteen other states, from Washington and Oregon across to Kansas and Nebraska, were also hit. Wheat and oat stocks were depleted. In parts of Minnesota, the Dakotas, Wisconsin and Kansas the earth froze to a depth of four feet, because not enough snow fell to give the usual insulation to the ground.

Old Man Winter was perplexing other countries as well. In the USSR, snow fell farther south than in any winter on record. Neighboring Hungary and Czechoslovakia were flooded out with a freak warm spell. Britain had severe blizzards in random parts of the country. Several parts of southern Australia were declared disaster areas as the worst brush fires ever torched timber and crops. In Brazil, the Saõ Francisco River, an important commercial artery, became too shallow along most of its 1800 miles for cargo boats to pass through.

And in the not-so-distant past, there have been other startling weather-related events. In 1972 Russia's total wheat crop failed. Since 1970, 3 million have died as a result of drought in the six countries of the African Sahel. The once-teeming schools of anchovy off the coast of Peru have mysteriously disappeared. In India 150 million people would have starved had help not come in time when 1974's monsoon failed to show.

What's going on?

RETURN TO NORMAL

The answer is simple. America and the rest of the Northern Hemisphere are returning to normal weather. After 50 years of unprecedentedly temperate climate, the world is returning to the more radical shifts and the cooler climate that characterized the previous 800 years.

As intelligence analyses, the CIA studies have profound and disturbing implications: "The politics of food will become the central issue of every government in the near future." This estimate is based on overwhelming evidence gained in the past two decades that the world is heading into an unstable weather future—what climatologists call a "cooling trend."

WE'VE BEEN LUCKY

Prof. Reid A. Bryson of the University of Wisconsin, one of the world's most renowned and respected climatologists, makes the point that for 50 of the past 60 years, the world's climate has been *abnormal*, not normal. He convincingly demonstrates that the world has enjoyed the best agricultural climate since the 11th century.

During this period, and notably during the 1960's, a worldwide "green revolution" occurred. Through the use of highly selective, specially created strains of rice, wheat, and other grain crops, famine in underdeveloped countries was pretty well staved off. At the same time, the U.S. produced bumper crops. Monsoons arrived on schedule in India, West Africa, and China. By 1955, Alpine glaciers had retreated a half mile from their 1865 limits. The globe was warm, its people fairly well fed.

Experts disagree as to when this period began to end. Some say it was as early as the 1940's, others say as late as the mid-60's. But they are in general agreement that our weather is now changing—and for the worse.

The ice cover in the Northern Hemisphere increased by 12 percent in 1971—an increase equal to the combined area of England, Italy, and France. This added ice has remained.

The great ice mass of Antarctica grew by 10 percent in one year, 1966–67. And the average ice and snow cover is high—and expanding.

WINTERS LENGTHENING

Satellite photography has captured another, equally disturbing picture: In just six years winters in the Northern Hemisphere grew longer by almost three weeks, averaging 84 days in 1967 and 104 days in 1973.

And as the evidence accumulated, the world's climatologists turned their thoughts to the unthinkable: the real possibility that the world is about to face a new Ice Age.

Professor Bryson feels that the evidence suggests the change will be a return to the climate that was dominant from the 17th century to about 1850. During most of that time northern Europe lived in the twilight of permanent winter. Malnutrition caused great plagues in Europe, Russia, India, and Africa, while the Iberian Peninsula, Italy, and Greece thrived.

In northern Europe, even the summers were cool and dry, and harvests were poor. The winters were snowy and bitter cold.

Climatologists agree that the entire globe is in for unstable weather over the next several decades. Droughts and floods, hurricanes and tornados, killing frosts and throttling snows will occur far more often and randomly than ever before.

The CIA believes that perhaps our gravest short-term concern should be, as it has been recently, marked variations in prevailing weather patterns—one of the side effects of a cooling trend. They conclude:

"The U.S. Middle West has had moderate to severe droughts every 20-25 years—e.g., 1930's, mid-1950's—as far back as the weather records go. If this pattern holds, the main U.S. granary (now also the mainstay of the world grain trade) could expect drought and consequent crop shortfalls within the next several years."

In America's Midwest there could be a return to the disastrous dust bowl of the 1930's. Professor Bryson has publicly described the possibility of "an era of drought, famine and political unrest in the Western world."

The CIA believes that if the cooling trend

is great enough to reduce food production in areas such as Canada, the USSR, and north China and to increase the frequency of drought in countries that depend on regular monsoons, U.S. surpluses will still cover the needs of most of the world, except in particularly bad years.

But clearly the few rich countries of the world will have to make do with less food. With the exception of the U.S., they will run a good balance-of-payments deficit that will put a big dent in their economies and cause some degree of social disruption.

MANY WILL STARVE

For the poor countries of the world, the implications are more ominous. Many will starve. This future will place an almost unbearable moral and political burden on the U.S. and its people. We must face up to the following "unthinkable" questions:

1. How much food will we keep for ourselves?

2. How much are we willing to reduce our standard of living to feed others?

3. Are we going to give away our food or sell it?

4. Who gets how much, and why?

Climate does not respect national boundaries; production of food does. America is accurately termed the Breadbasket of the World. In mankind's coming quest for food, we hold all the cards. The CIA report states that the "U.S.'s near-monopoly position as food exporter would have an enormous, though not easily definable, impact on international relations. It could give the U.S. a measure of power it has never had before—possibly an economic and political dominance greater than that of the immediate post-World War II years

"In bad years, when the U.S. could not meet the demand for food of most would-be importers, Washington would acquire virtual life and death power over the fate of multitudes of the needy. Without indulging in blackmail in any sense, the U.S. would gain extraordinary political and economic influence. For not only the poor [countries] but also the major powers would be least partially dependent on food imports from the U.S."

PHYSICAL THREATS TO U.S.

And, the report adds, where climate changes caused grave shortages of food in spite of U.S. exports, the potential risks to the U.S. would rise. The militarily powerful but hungry nations would make increasingly desperate attempts to get more grain in any ways they could. This is no laughing matter. China currently has an estimated 3,250,000 men under arms; Russia has 3,800,000 in its armed forces.

Invasion is not the only physical threat we face. Massive migration, backed by force, could become a reality. There have been such migrations before; America welcomed a million Irishmen when climate caused the potato famine. Would we welcome a million now? Experts estimate that the failure of one Indian monsoon would cause 100 million to go hungry. Who would take them in?

The CIA believes we must assume that the worsensing of our weather will reach the point where even the best efforts of the U.S. would not be enough to met the minimum needs of starving countries. But we haven't yet acted on such an assumption.

As we enter the final quarter of the 20th century, the United States has less than 6 percent of the world's population. With common sense, we will recognize that the short-term power our food weapon can bring can also lead to a long-term disaster.

PATRICK HYNES AND HIS FAMILY

Mr. PROXMIRE. Mr. President, the Senate is a better, more efficient and more pleasant place because of Pat Hynes, the Assistant Secretary of the Majority. Pat started as a Senate page and through the years has become as helpful as any staff member in the 20 years I have been in this body.

In the complicated and confusing flow of legislation through the Senate, amid the myriad of parliamentary maneuvers, starts, stops, interruptions, and reverses, Pat has always been available to explain patiently, expertly, and with remarkable precision just what is going on.

On Wednesday, the Washington Post carried an unusual story by Michael Kernan about Pat, his marvelous mother, and his remarkable father, Emerson Hynes. who had been Senator Gene McCarthy's administrative assistant until Emerson Hynes died in 1971, and Pat's seven sisters and brothers.

This is a story of tragedy and happiness, of unusual achievement and disappointment. The last two paragraphs tell it:

The Hynes family tends to swallow people up like a friendly firestorm. The in-laws—all of them achievers, film maker, physicist, sociologist, teacher, architect—seem to enjoy this. One husband said that if he weren't already an honorary Hynes complete with hyphenated name, he'd marry Arlene (Pat's mother) in a minute.

Every time the Hyneses meet, it's a party. They aren't a family, they're a gestalt.

Mr. President, I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD. as follows:

[From the Washington Post, May 11, 1977]

GROWING UP IN A LARGE FAMILY: THAT SPECIAL CLOSENESS

(By Michael Kernan)

Their people came from Kilfenora, County Clare, in Ireland. Their farm in Minnesota had the same name. Emerson Hynes and his wife, Arlene, considered themselves academics, but there was more to it than that: Hours before he went off to teach sociology and ethics at St. John's University in Collegeville, he was up to milk the cows, and long after he got back he was puttering around the house he had built himself.

He was one of 10 children; so was she. And they had . . . 10 children.

"Every night, we all got 30 seconds of loving each," said their daughter Mary Hynes-Berry. "They used to joke that if it was any longer, they'd be at it all night. But any time any one of us was depressed or needed some special time, she would take us on her lap. There were six of us under 6 at the time."

If Arlene got off her day's schedule by as much as 20 minutes, it could blow the whole day. She learned not to try to make it up but to flow with it.

Progressive Catholics, the Hyneses were active in the Catholic Worker movement and the Agrarian Society. Arlene became chairwoman of the National Council of Catholic Women, wrote magazine articles, papers. Something was always going on at the farm: They tried solar energy, tried to build with rammed earth. But no bank loans.

"It's a cliche, but they were hippies before their time," said their son Thomas More Hynes.

1959. Eugene McCarthy was elected Senator, called on his old college friend (and best man at his wedding) to come to Washington as his legislative assistant, to turn his back on a 20-year academic career.

"Dad called us all to the table and asked our opinions. Only Patrick didn't want to go. The rest of us were all for it."

Patrick was to become a Senate page and spend more time on the Hill than anyone else. He is now assistant Secretary for the Majority in the Senate.

"Actually," Arlene said, "moving here was the low point for me. We'd been in a safe community where we could let the children go. Children need to be free. We came to Arlington and they couldn't climb trees or roam around. We didn't know our neighbors. I didn't bake a cake for the new people when they moved in—I didn't even know who they were. It was all so impersonal."

The move proved a watershed for the Hynes children. The older ones compared everything to the farm in Minnesota; the younger ones saw those days as a kind of Eden, remote and mythic.

One Sunday in 1968 Emerson Hynes woke up to find he couldn't speak very well. He slurred the reading from the Breviary. The children giggled. The doctor told him he'd had a stroke. He retired after McCarthy lost the presidential nomination. Then he had another stroke. And his seventh child, Michael, drowned at 18 in the Pacific.

"It broke his heart," said Hilary. "He aged 20 years."

A month after Michael died, his mother went to work in the library at St. Elizabeth's Hospital, making use of her old degree in library science. Emerson urged her on, "as though he knew something." A few months later, in July 1971, he died at 56.

Changes:

"My father always handled the discipline problems," T. More said, "and when Arlene had to do it she was lousy. We all agreed on that. My father would hold you by the forelock and say, 'What did you do wrong?' It was hard. Because you knew it. You knew you were wrong, but sometimes it would take you 15, 20 minutes to admit it. You couldn't get out of it. But it was better than being shut in your room where you could sulk and blame everything on somebody else."

The daily work charts got sloppy. The Christmas rituals, the one-at-a-time gift opening ("the kids we knew couldn't believe it was after noon and we hadn't opened our presents yet") grew less formal. Emerson had been the family's great organizer.

Arlene discovered bibliotherapy.

"It began with some drug therapy I was asked to do at the hospital, and I got interested in therapy through reading, something like poetry therapy. There was no place to train for it, so I taught myself. I started running classes in the evenings with maybe seven people, training librarians in the techniques."

This year she has four trainees who come to her after a day's work. About 100 patients a week do the therapy, reading stories or poems, discussing their feelings, perhaps writing responses of their own. Robert Frost, Denise Levertov, Langston Hughes.

"It has to be stuff they can relate to, stuff that appeals to their own basic human experiences. What happens is that the patients learn to open up to each other, and also they get self-affirmation from the material, they respond to it in their own ways."

She hopes to get an MA in bibliotherapy. When she started work in 1971, the room she worked in consisted mainly of books piled on the floor. It was the former morgue. It had a skylight, like most morgues and artists' studios.

"I've just turned 60," said Arlene Hynes. "I'm delighted." Her identical twin in Houston has six children. Children, you might say, run in the family.

The first six Hynes kids came in six years. Denis was born in 1942. He is a lawyer for the Federal Trade Commission. Put himself

through law school. Two children, Patrick, also in Washington, also has two. Mary, married to a British nuclear physicist, lives in Chicago, has a Ph.D. in English. Chaucer. She has four boys. Hilary went through four years of art school on a full scholarship, tried to live on his art, wound up (very skinny) as a painting conservationist and restorer. Brigid Hynes-Cherin, a lawyer for the Department of Transportation, put herself through law school at night. Peter is a carpenter building houses in Austin, Tex. One son.

Then a 3-year gap to T. More, who has a picture framing business; Timothy, a writer-artist in a California commune; Christopher, age 20, at home, studying music theory and art at Northern Virginia Community College. The youngest, including Michael, are referred to the The Four Little Boys.

"I could live to be 94," said T. More, "but I'll still be one of The Four Little Boys."

He and Tim used to fight a lot (the family called them TNT), and generally the younger ones were rowdy at school.

"I had a terrible attitude to education," said Hilary. "I got nothing from school. Tried to work as an apprentice. Finally landed at the Corcoran. I think the big contribution of my generation was restoring crafts as a valued alternative way of life."

Arlene herself noted the division among her children, the older ones "more old-fashioned," reflecting the values of their parents, achieving academically, and the younger ones breaking away though not by any means dropping out.

"I don't see them so much as achievers," she said, "but as good people living the kind of life I'm happy to see them live. Nobody's rich, nobody's written a famous book. But that's not what matters.

Few of the children have remained as strictly Catholic as their parents ("I don't go to mass regularly, but I never considered myself anything but Catholic"). They were raised on family ritual. Each child had a special individual prayer. The parents even wrote a booklet on Lent in the home.

"We all have a profound sense of transcendence," said Mary. "The rituals are supporting and meaningful to us. I think our closeness was a healing, rich experience. I couldn't be at my father's funeral because I'd just had a baby, and that made his death much harder to cope with than my brother's. The older kids got this strong sense of the importance of faith and a sense of Catholicism based on love and mutual respect and the absolutely priority of human dignity."

They used to line up in two groups and read the Psalms responsively. They had candles in Advent, lived in the liturgical year from week to week. Church rituals became their own family ceremonies.

"All that became more difficult when we went to the suburbs," said Hilary. "The glue wasn't there. Still, when my father died it didn't just stop, the values were passed on. That was the thing, our parents gave us each a tremendous sense of self."

They used to have a '57 Pontiac station wagon named The Whale, and once all 12 of them drove to Houston. It took three days.

They used to have a paper route that they handed down from one kid to another. It was in the family six years.

Some broke away early. Brigid left home at 18 to be a nurse, quit that, went to night school, took city planning, went into transportation, rose to GS-12 with DOT, went to law school nights after her full-time job. Hilary rebelled against his father, giving them both an unpleasant year or two, but they got together again. "Our father never drew the lines. He never burned the bridges."

The Hynes family tends to swallow people up like a friendly firestorm. The in-laws—all of them achievers, film maker, physicist, sociologist, teacher, architect—seem to enjoy this. One husband said that if he weren't already an honorary Hynes complete with hyphenated names, he'd marry Arlene in a minute.

Every time the Hyneses meet, it's a party. They aren't a family, they're a gestalt.

(This concludes additional statements submitted today.)

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

AMENDMENT OF THE STANDING RULES OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, what is the business before the Senate now?

The PRESIDING OFFICER. The clerk will state the pending business.

The legislative clerk read as follows:

Motion to proceed to consideration of Senate Resolution 5 to amend the Standing Rules of the Senate.

Mr. ROBERT C. BYRD. Is that a motion to proceed to the consideration of Senate Resolution 5, as modified?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE MEETINGS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEES TO FILE REPORTS UNTIL 7 P.M. TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to file committee reports until 7 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceded to call the roll.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RE-REFERRAL—S. 469

Mr. RANDOLPH. Mr. President, I ask unanimous consent that, upon being reported from the Committee on Human Resources, S. 469, the National Academy of Peace and Conflict Resolution Commission Act of 1977, be re-referred to the Committee on Foreign Relations for a period of not to exceed 30 calendar days; and further, that, if, at the end of the period of 30 calendar days for which S. 469 is so referred, the Committee on Foreign Relations has not reported S. 469, the committee be considered as having been discharged and the bill placed on the Senate Calendar.

This, of course, is unanimous consent on referral of the bill S. 469, the National Academy of Peace and Conflict Resolution Commission Act of 1977, to the Committee on Foreign Relations.

Mr. STEVENS. Mr. President, may I inquire, has that matter been cleared with the respective chairmen and ranking minority members of the committees involved? I assume it would be.

Mr. RANDOLPH. I say to the Senator from Alaska that has been done. It has been done with Senator JAVITS, the ranking member of the Committee on Human Resources, from which the bill comes; and also, I understand from him, he has handled that in the Committee on Foreign Relations.

Mr. STEVENS. I do not object.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I have no reservation to the request of my distinguished senior colleague. It is my understanding his request has been cleared with the chairman of the Foreign Relations Committee (Mr. SPARKMAN) and with the chairman of the Human Resources Committee (Mr. WILLIAMS).

The PRESIDING OFFICER (Mr. BUMPERS). Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, there is a likelihood that if Senate Resolution 5, as modified, is disposed of on tomorrow—as, hopefully, it will be—the bill, S. 1474, military construction, will be called up and acted on tomorrow.

Mr. President, there will be rollcall votes tomorrow. There will be no rollcall votes tomorrow before the hour of 12

o'clock noon so that committees will not be disturbed in their operation.

RECESS TO 9:45 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 9:45 a.m. tomorrow.

The motion was agreed to; and at 6:39 p.m. the Senate recessed until tomorrow, Friday, May 13, 1977, at 9:45 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 12, 1977;

DEPARTMENT OF COMMERCE

Manuel D. Plotkin, of Illinois, to be Director of the Census.

FEDERAL ENERGY ADMINISTRATION

Leslie Jay Goldman, of Illinois, to be an Assistant Administrator of the Federal Energy Administration.

DEPARTMENT OF JUSTICE

David V. Vrooman, of South Dakota, to be U.S. attorney for the district of South Dakota for the term of 4 years.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

PRICE CONTROLS ON HOSPITAL SERVICES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. LAGOMARSINO. Mr. Speaker, President Carter's recent proposal to impose price controls on certain hospital services has caused some concern in my district and I suspect throughout the Nation among hospital administrators. My constituent, Mr. Julius Gius, in an excellent editorial, points out problems with such a policy. I would like to share Mr. Gius' comments with my colleagues:

[From the Ventura County (Calif.) Star-Free Press, May 2, 1977]

EDITOR'S NOTEBOOK

(By Julius Gius)

For about a dozen years I have been a trustee of Community Memorial Hospital of Buenaventura, and it has been a civic service that has brought satisfaction to me and to others who give hours and talent to this cause.

So I have been dismayed in recent weeks to observe that President Carter and his advisers have singled out the nation's hospitals as the No. 1 villain in the fight against inflation. The President, through his secretary of Health, Education and Welfare, Joseph Califano, has proposed that legal ceilings be imposed on increases in hospital revenues; in other words, price controls on hospitals.

Mr. Califano argues his case in a HEW position paper that came to my desk, saying in part:

"For the past 40 years, hospital costs have spiraled upward far faster than the overall cost of living. Since 1950, the cost of a day's stay in a hospital has increased more than 1,000 per cent—compared with a 136 per cent increase in the Consumer Price Index. Today, it costs an average of about $160 to spend a day in a hospital, compared with just $44 in 1965 . . ."

What he says is correct, as far as it goes. What he fails to say is that there is no real comparison between 1950 and today—or even 1965 and today—so far as medical capabilities and hospital facilities are concerned.

A quarter-century ago open heart surgery and total hip replacements were unknown—yet these procedures are now done at Community Memorial and St. John's Hospitals, and the investment and continuing costs are high. Kidney dialysis had not been perfected in 1950, nor the laser method for cataract removal, nor cardiac artery catheterization.

And not until the 1970s did highly sophisticated computer-driven brain and body "scanners" evolve and their installation at Community Memorial permits medical staff members to take photographs of tissue and organs for more precise diagnosis of health problems.

As a trustee of our community-owned, nonprofit hospital, I have been on the periphery of the planning and financing necessary to acquire and install some of the delicate equipment to upgrade Ventura's medical capabilities. And my reward has been hearing from physicians of lives saved or prolonged because the hospital provided the tools to give full play to their skills.

Just the other day, for example, Dr. William James told about the boy who had fallen backwards off his skateboard and thudded his skull against concrete. He was unconscious, bleeding from the ears when his alarmed parents brought him to the hospital. A prompt brain "scan" told the physicians what they needed to know to save his life.

The Carter-Califano proposal would fix a $100,000-a-year limit on hospitals' outlay for new equipment. That's unrealistic. At Community Memorial, for example, the trustees in their March-April meeting approved these appropriations simply to maintain medical efficiency:

$57,395 for a mobile image intensifier for the radiology department; $3,540 for one intensive care bassinette for the maternity department; $27,275 for a telemetry monitoring system; $2,609 for an additional surgical light and track in an operating room. Without a continuing program of equipment acquisition (and the prices cited here are not exceptions), a hospital can swiftly suffer deterioration in the quality of its health care.

It should be noted, too, that while daily hospital care costs have been going up, medical efficiencies have reduced the length of patient stays. In Community Memorial the average patient is there 5.24 days at average cost of $937—and these figures, pleased to note, are lower than the statewide average reported by the California Health Facilities Commission of 7 days average patient stay at $1,316 cost.

There's no denying that it's costly to get hospital care these days, very costly in many cases. But far more ingredients go into these costs than are recognized so far by the Carter administration, and I will cite only two of many: skyrocketing malpractice insurance rates and the vast volume of paperwork required by state, federal and professional agencies to process Medicare, Medi-Cal and insurance claims. If the Carter people were to get out of Washington and take a look at the real world of hospitals and their administration, they would surely develop a different prespective. Hospitals, as I know them, do not deserve the villainous image that the President's team has cast upon them.

OUR NATION SALUTES THE CLERGY AND PARISHIONERS OF OUR LADY OF THE ASSUMPTION, ST. MARY'S CHURCH, POMPTON LAKES, N.J., DURING ITS 70TH ANNIVERSARY CELEBRATION

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. ROE. Mr. Speaker, this year the people of my congressional district, State of New Jersey are celebrating the 70th anniversary of the founding of Our Lady of the Assumption, St. Mary's Church, Pompton Lakes, N.J. I am honored and privileged to call this historic event to your attention and request that you join with me in extending our heartiest congratulations and best wishes to the pastor and team ministry, Rev. John Carnevale, OFM, Rev. Robert Hudak, OFM, Rev. Theodore Staniewicz, OFM, and to the members of the congregation on this most important jubilee anniversary celebration.

The faith and devotion of our people in a full communion of understanding, ever caring and respecting the individual religious beliefs of his fellowman, has been the lifeline of our democracy. Spiritual refreshment has inspired our people with hope and urged the individual on to great achievements and purpose in pursuing the fulfillment of his dreams and ambitions.

Mr. Speaker, the quality of the leadership of members of the most reverend clergy and the congregation of St. Mary's Church is most eloquently intertwined in the history of the church. His Excellency Lawrence B. Casey, the bishop of the diocese of Paterson, referred to the history of St. Mary's Church which appeared in their parish journal as "a tribute to the deep faith of the priests, sisters and faithful through 70 years when Father Francis Koch was the first pastor. . . ." I would like to insert at this point in our historical journal of Congress some excerpts from this chronology of events which I will preface with a list of the pastorate over these past 70 years, as follows:

PASTORS

Reverend Francis Koch, O.F.M., 1906–1920.

Reverend Marcellus Kolmer, O.F.M., 1920–1925.

Reverend Kieran McGrath, O.F.M., 1925–1931.
Reverend Philip McCool, O.F.M., 1931–1935.
Reverend Stephen Hartdegen, O.F.M., 1935.
Reverend Bertin O'Neill, O.F.M., 1935–1936.
Reverend Roland Burke, O.F.M., 1936–1937.
Reverend Aidan Burns, O.F.M., 1937–1949
Reverend Donatus Walsh, O.F.M., 1949–1955.
Reverend Arnold Walters, O.F.M., 1955–1961.
Reverend Thomas Giblin, O.F.M., 1961–1967.
Reverend Andrew Collins, O.F.M., 1967–1971.
Reverend Emmett Mulhern, O.F.M., 1971–1973.
Reverend Boniface Hanley, O.F.M., 1973–1976.
Team Ministry—1976:
Reverend John Carnevale, O.F.M., Reverend Robert Hudak, O.F.M., Reverend Theodore Staniewicz, O.F.M.

HISTORY OF OUR LADY OF THE ASSUMPTION, ST. MARY'S CHURCH, POMPTON LAKES, N.J.

As we stand outside St. Mary's on a Sunday morning to view the parish plant and watch the large crowds of people entering and leaving the church, it is hard to imagine that this was ever considered a missionary territory. The truth, however, is that only for the past seventy years have the people been able to claim their own parish church, only for the past thirty years have they enjoyed the services of a resident priest and only for the past twenty-six years have they known the blessing of a parish school. In a certain sense, St. Mary's Parish is comparatively new, but the Catholic faith in and around Pompton is very old.

. . . St. Mary's Parish was formally established by Father Francis Koch. . . . He was truly one of the greatest church builders that our country has known. . . . On Sunday, January 28, 1906, he inaugurated the first regular Sunday Mass over the blacksmith shop of Mathias Hennion on Ringwood Avenue. This building is still standing. The following month the parish was incorporated under the title of Our Lady of the Assumption, and the certificate of incorporation was signed by the Right Reverend John J. O'Connor, Bishop of Newark; Right Reverend Monsignor John A. Sheppard, Vicar General of the diocese; Father Francis Koch, Pastor; and Mathias Hennion and Timothy Lyons as lay trustees. Father Francis knew that the small group of parishioners could never build a church on their own. In proof of this, the total of the collections for the whole month of February was only nineteen dollars. To make sure that Pompton would have a church, he put his talents to use and begged money from some well disposed friends. In May of that same year, he purchased the Pompton Lakes Club House and some of the surrounding property. The building was remodeled to form the first parish church. Originally the lower floor was a chapel and the upper story was used as a hall of meetings and instructions. After a very short time the chapel was moved upstairs and separate entrances were made for the chapel and the meeting rooms.

On May 20, 1906, the first Mass was celebrated in the new Church of Our Lady of the Assumption. The Paterson Sunday Chronicle of that year states that from seventy to eighty people attended services regularly at the new church. Other sources, probably more reliable, put the number at forty. On August 19, 1906, the Vicar General of the diocese. Monsignor Sheppard, blessed the church. The Mass on this occasion was said by Father Clement Raab, the Superior of St. Anthony's Monastery in Butler, and the sermon was preached by Monsignor Isaac Whelan, rector of St. Patrick's Cathedral in Newark. This Mass was said on the porch, in order to accommodate the large crowds that had come from the surrounding neighborhood. It was estimated that about five hundred Catholics and non-Catholics witnessed this dedication.

On Easter Sunday of 1907 the first High Mass was sung in the little church by Father Francis. On May 1, 1907, the carriage shed was completed for those who knew the luxury of a horse and buggy and could drive to Mass on Sunday morning. Even in those days, there was a parking problem, for by the beginning of 1908, this shed had to be enlarged.

In the summer of 1925, Father Marcellus was succeeded by Father Kieran McGrath. During the six years that Father Kieran was in charge of the Pompton mission, it became more and more obvious that a larger church would eventually be needed. In preparation for that day, Father Kieran set aside much of the money for the building of the new church. When the changes were announced in the summer of 1931, Father Kieran was transferred to Croghan, New York. He later returned to New Jersey and took charge of the Mountain View parish, where he built the present Holy Cross Church. Father Kieran died on April 27, 1947, after spending many years at St. Anthony's Monastery in Butler as superior and teacher of the seminarians.

Father Kiernan was followed in St. Mary's by Father Philip McCool. Father Philip's priestly career was destined to be a short but very fruitful one, particularly for the people of St. Mary's Parish. After finishing his seminary studies, he was assigned to Butler, and one year later was appointed to take charge of St. Mary's. Father Philip's health was always poor, but, nevertheless, he gave himself wholeheartedly to the work of the parish, and in a very short time he endeared himself to both the parishioners and the community.

During his time, the parish grew to such an extent that the former church was no longer adequate. His one consuming desire was to build a church that would be large enough to accommodate the people. The old church had a seating capacity of only one hundred and seventy-two. In September of 1934, he petitioned the Bishop of Newark for his permission. Permission was granted and ground work was broken on April 14, 1935. Father Philip barely saw the beginning of his work. Two weeks later he entered St. Joseph's Hospital in Paterson, and on May 18, 1935, he was called to his eternal reward.

During the next two years, four different priests supervised the care of St. Mary's Parish. Father Stephen Hartdegan, while teaching the students for the priesthood at Butler, had assisted Father Philip during his illness. When Father Philip died, Father Stephen took over the care of the parish until Father Bertin O'Neill was appointed in July of 1935. The church was completed on October 1, 1935, and the first Solemn Mass was sung on October 20th in memory of Father Philip. Father Bertin was succeeded in January of 1936 by Father Roland Burke. The church was officially dedicated on December 6, 1936, by the Most Reverend Thomas H. McLoughlin, at that time Auxiliary Bishop of Newark, and soon to become the first Bishop of Paterson. The Solemn Mass on this occasion was celebrated by Father Bernard Vogt, the Superior of St. Anthony's Monastery.

On the occasion of the first funeral held in the church on August 16, 1908, the necessity of a larger staircase became apparent. Permission was obtained to correct this and to make other necessary improvements. The renovations included additions on the front and rear of the building, the erection of a steeple and the installation of a bell. The bell was donated by Mrs. Hershfield and Mrs. McDavitt in memory of their brother, Alfred Lauterbach, a young Jewish man, who was killed in an accident. The same bell is in our present church tower and still continues to ring out the call of God to the faithful. As part of the 50th Jubilee year improvements, this bell has been electrified. A stained glass window and many of the interior decorations of the old church were gifts from Henry Grah Hershfield, the prominent Jewish Mayor of the town.

Gradually the parish grew. In 1916, which was the year that Father Francis celebrated his Golden Jubilee in the priesthood. Father Marcellus Kolmar was assigned to assist him. From this time on, two Masses were said every Sunday. Father Marcellus was stationed in New York City and made the trip to Pompton each weekend to help care for the parish. Although Father Francis had spent fifty active years as a priest, he did not look upon the acquisition of an assistant as an excuse to retire. Rather it gave him greater opportunity to carry on the work closest to his heart, the work of collecting money and using that money to found new churches and help others already established. He was destined to be active to the very moment of his death four years later.

We can be especially proud of the founder of our parish and grateful that Pompton was one of the country hamlets to attract his attention.

Upon the death of Father Francis, Father Marcellus assumed the full responsibility of the parish and remained in charge of St. Mary's until 1925. In 1918, the duPont plant was enlarged and the parish grew to greater proportions. Father Marcellus envisioned the day when a new church would have to be built and more property would be needed. For a long time he asked the people on Sunday mornings to pray for a very special intention. At last he told them that their prayer has been answered, and he revealed to them that he had been able to acquire the remaining property between the old church and the library. It is the site on which the present church stands. During his time here Father Marcellus founded the Lincoln Park Parish. He died on July 24, 1955, after devoting more than fifty-three years to the priesthood.

* * * * *

In July of 1937, Father Aidan Burns was assigned to St. Mary's Church. He remained in charge until August 1, 1949. One of his first actions was to replace the foot pedaled harmonium with an electric Hammond Organ. The old organ had been acquired by Father Francis when he started the church in the old club house. Father Aidan also arranged with Father Kieran for some of the children to attend St. Anthony's School in Butler, and provided bus transportation for them. St. Mary's children attended St. Anthony's from September of 1942 until September of 1951 when our own parish school was opened.

On December 7, 1944, an agreement was entered into between Bishop McLoughlin and the Franciscan Provincial, the Very Reverend Bertrand Campbell, that St. Mary's take on the nature of a residential parish beginning January 1, 1945, with Father Aidan Burns as the first resident pastor. Up until this time the priest in charge of St. Mary's resided at St. Anthony's in Butler and administered the affairs of the parish under the supervision of the superior of that monastery. It now became necessary to procure a rectory. The house at 34 Pompton Avenue was available, and the parish acquired title to it in March of 1945. At the time the building was being used as a rooming house of war workers at the duPont plant, and it was six months before the house was vacated. Because of the

need for renovations, it was not until the summer of 1946 that the house was occupied. In July of 1946, Father Edward J. Sullivan was assigned as Assistant to Father Aidan, and Brother Pascal Edwards was appointed to do the cooking and other chores around the newly established Friary. In 1948, Brother Pascal was transferred to Croghan and was replaced by Brother Kevin O'Brien.

In the summer of 1949, Father Aidan was transferred to the pastorate of St. Anthony's in Butler, and Father Edward was appointed to the mission band. They were succeeded by Father Donatus Walsh as pastor and Father George P. Reilly as assistant. In October of the same year, Brother Benedict Brown replaced Brother Kevin in taking care of the Friary. Brother Benedict was here one year, when the provincial superiors decided to station all of the Brothers in the larger monastery houses where there was a greater need for them.

Under the pastoral guidance of Father Donatus great progress was made in St. Mary's Parish. Up to this time the idea of a parish school had only been a dream. He set out immediately to make that dream a reality. With the encouragement of the parishioners and the approval of the diocesan and provincial superiors, plans were drawn up for a school and convent. These were to be among the most practical, substantial and beautiful school structures in the diocese. The school was to contain eight classrooms, a kindergarten, gymnasium, offices and utility rooms. Because of the extent of the building, it was desirable to procure added property. Before the work got under way, Father Donatus was successful in purchasing the Ball house on Pompton Avenue. In May of 1950, the contracts were signed, the old church, which had been used for a short time as a C.Y.O. Center, was torn down and work on the new school and convent begun. During the course of the building, Father Donatus purchased two adjoining pieces of property on Lenox Avenue to insure sufficient parking space and adequate playground area. All of this property was macadamized and enclosed. A school bus was purchased to facilitate the transportation of the children and later another bus was also acquired.

During his term as pastor, Father Donatus also made many other improvements in the church. Among these were the enlargement of the sanctuary, the addition of exits at the front of the building and the refurnishing of the baptistry and sacristies. The parish had grown to such an extent that the number of Sunday Masses were doubled, from four in 1949 to eight in 1954. Six of these Masses are celebrated in church and two in the church hall. The priests who assist in taking care of these extra Masses come from St. Anthony's Monastery in Butler and St. Francis' Monastery in New York City.

In July of 1955, Father Donatus was transferred to Greenwood Lake and appointed to the pastorate of the Ringwood-Erskine Lake Parish. He was succeeded by the present pastor, Father Arnold Walters, formerly pastor of St. Bonaventure's Parish in Paterson, New Jersey. Father Arnold immediately entered into the spirit of the parish and began to make preparations for the Jubilee Year. Because of the large enrollment of the school, and the growing needs of the parish, his first concern was to enlarge the church. With the permission of the Bishop he was able to do this in a way that added to the original beauty of the building. The enlargement was accomplished by adding two wings or chapels, one on either side of the sanctuary and both facing the main altar. At the same time the sacristies were remodeled and the sanctuary entirely renovated and refurnished.

On Sunday, June 3rd of 1956, St. Mary's Parish received a very special Jubilee Blessing when Father Taddeus Searles of the Missionary Servants of the Most Holy Trinity celebrated his First Solemn Mass in our church. This was the first vocation to the priesthood from St. Mary's Parish. Father Taddeus has been assigned to the Missions in Puerto Rico. On August 16, 1955, Sister Marie George, the former Marigene Kennedy, made her religious profession in the Franciscan Sisters of Allegany, New York.

Mr. Speaker, we do indeed extend our congressional salute to the pastors, associate priests, sisters, and parishioners of St. Mary's Church in national tribute to the elegance of their faith and fellowman which has truly enriched our community, State, and Nation.

A MORE EFFICIENT 40-HOUR WORKWEEK

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. ARMSTRONG. Mr. Speaker, many industries in the United States have converted to a 4-day workweek.

For some firms, the advantages are numerous—especially in terms of both employee acceptance and often in energy saving.

For example, adoption of a 4-day workweek by the Norgren Co., in Littleton, Colo., resulted in reducing employee annual turnover from more than 40 percent to less than 16 percent. Absenteeism fell from 7 to 4 percent.

Prior to 1970, less than 100 firms operated on a 4-day workweek. By 1973, 3,000 firms had shifted to a 4-day week, and by the end of 1976, over 10,000 firms in the United States had shifted to a 4-day week.

Unfortunately, often the Government is the principal stumbling block to such efficiencies being realized. In one instance which has come to my attention, a food processing company with offices in both Colorado and Texas could save at least 10 percent in annual energy consumption alone. But the company cannot shift to a 10-hour, 4-day week because it supplies the U.S. Government. And the Walsh-Healey Act would require time and a half for any worker who works more than 8 hours a day. So a shift to a 4-day week—which could save 10 percent in energy—would end up costing the employer almost 15 percent more in wages.

While an administrative waiver is theoretically possible, this company has spent 17 months attempting to get an exemption, but finally abandoned the attempt because the administrative costs were threatening to outweigh the savings in energy costs.

For these reasons, today I am introducing an amendment to the Walsh-Healey Act which would permit either a 4-day, 10-hour workweek, or a 5-day, 8-hour workweek.

In some respects, I am introducing this legislation reluctantly, but after working with this company and others for well over a year in search of an administrative solution, I am forced to conclude that only remedial legislation will solve the problem.

While the legislation I am introducing will solve this specific problem, this instance of excessive and sometimes foolish regulation is part of an overall pattern of repressive regulation which is costing the Nation's consumers billions each year and unnecessarily restricting the operations of employers and employees. I am hopeful that other Members will join my efforts to alleviate these restrictions wherever they are found to be unduly burdensome.

DR. BROSNAN, MAN OF THE YEAR

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. RUSSO. Mr. Speaker, the Men of Tolentine, a distinguished group of some 140 men, are preparing for the annual man-of-the-year award banquet, an auspicious occasion and one that is happily anticipated by all involved.

The purposes of the Men of Tolentine are: The promotion of vocations to the Augustinian Order and the contribution of financial help in the formation of future priests and brothers for the Augustinian Order. Since 1958, the Men of Tolentine has raised and contributed nearly $135,000 to the Augustinian major seminary system.

The annual achievement banquet this year will honor as man of the year Dr. Joseph Brosnan, a compassionate and skillful physician. Dr. Brosnan is assistant professor of surgery at the Stritch School of Medicine, a member of the senior attending staff at Little Company of Mary Hospital, a consultant for thoracic surgery at Holy Cross and South Suburban Hospital and the emeritus staff, active, at Mercy Hospital.

This dedicated man gives unselfishly of himself and brings to his work a constancy of talent that is an example to others.

Dr. Brosnan, born in Chicago, received his B.S.M., M.S., and M.D. from Loyola University. He interned at Mercy Hospital and did his residency in thoracic surgery at Municipal TB Sanitorium. He was a captain with the 27th Evacuation Hospital, University of Illinois, World War II, and served in northern Africa, Italy, southern France, and Germany.

With such a background, it is not surprising to find Dr. Brosnan such an active member of the community and in the medical field. He is a former consultant at St. Francis, Blue Island; St. George; St. Bernard; Englewood and Palos Community Hospitals. He is a past president of Little Company of Mary Hospital staff and of the South Chicago branch of the Chicago Medical Society and is a former delegate-at-large with the Chicago Medical Society.

A Diplomat of the American Board of Surgery, he holds memberships in such organizations as the American College of Surgeons, Society of Thoracic Surgeons—a founding member—the Midwest Surgical Association, and the American Thoracic Society.

I know my colleagues join with me in congratulating Dr. Brosnan on this recognition and commend him for his many accomplishments. The Men of Tolentine will have a splendid and successful evening, I know.

SUPPORT FOR HATCH ACT REFORM

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. CLAY. Mr. Speaker, H.R. 10, the Federal Employees' Political Activities Act of 1977, would enable Federal employees to enjoy the benefits of full participation in our political process. The bill enjoys the support of the President.

Patrick J. Nilan, national legislative director of the American Postal Workers Union, wrote the following letter to the Washington Star on April 27, 1977. Mr. Nilan is one of the more respected legislative representatives in Washington. His letter is cogent and informative. I believe that my colleagues would want to benefit by his views which follow:

DOWNSTAIRS WITH THE HATCH ACT

Nearly every fear-ridden cliche of the past 38 years distinguished your editorial of March 28 opposing revision of the Hatch Act. You remain steadfastly unwilling, however, to come to grips with the real issue, namely, the abridgement of First Amendment rights for nearly 3 million American citizens.

The fact that the Hatch Act has managed to survive three court challenges—a point you stress—certainly doesn't foreclose further argument, or mean that the misguided majorities have been correct. It was Justice Black who stressed that the purpose of government is to encourage participation in the political process, not throttle it.

Justice Douglas, in his dissent, contended that federal employes have the same rights as other citizens. When controversy develops concerning individual liberty and community protection, he said, abridgement of constitutional rights should have to be justified by a clear and present danger.

Lesser lawyers may outvote greater legal minds for awhile, but it is equally discouraging to find an important segment of the free press—the self-proclaimed guardian of our liberties—opting for expediency in an area of rights vital to freedom, and in the process, conjuring up such panicky twaddle as your argument that mailmen, through their daily contact with millions of Americans, might proselytize for partisan purposes. Really now! This is the reformed voice of *The Washington Star?*

You could have better served your readers by reminding them that the Hatch Act was less a response to WPA abuses of the 1930s than it is a monument to the vengeance of those who hated Franklin D. Roosevelt, and indeed that it was enacted without hearings and little debate.

Nearly 40 years later, *The Star* is still trying to victimize its audience by perpetuating the "Upstairs Downstairs" syndrome which holds that only our masters should have the privilege of participating in politics. What bosh!

The modifying legislation now before Congress contains more safeguards against abuse than the existing law itself—more than enough to preserve the political purity of the federal work force from the schemings of their bosses and scalawag politicians. Or vice-versa. In fact, of course, the Hatch Act for too long has been a handy bolt hole in which the fearful can take refuge while defaulting on their obligations of citizenship.

A representative poll among our own members last year—it reached 28,000 men and women in 66 cities throughout the country, no mean sample!—recorded 95 out of every 100 postal workers favoring Hatch Act repeal or revision because they believe in more, rather than less, participatory democracy. Our union's convention delegates, totaling nearly 3,000 freely chosen in democratic elections by their own local members, have now twice unanimously endorsed repeal or revision as their paramount legislative goal. Postal workers at last want their political freedom.

Take another look, Mr. *Washington Star,* and put aside your timidities. Political action should not be reserved only for the kind of elite that gave us Nixon, Agnew, Watergate and Lockheed.

PATRICK J. NILAN,
National Legislative Director, American Postal Workers Union.
WASHINGTON, D.C.

CARVED IN THE DOOR

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. DERWINSKI. Mr. Speaker, last week, during the consideration of the Arms Control and Disarmament Agency bill, I offered an amendment which provides for certain reports to Congress on verification of weapons.

This amendment received the editorial support of the Wall Street Journal of May 9. I insert the editorial in the RECORD for those Members who voted with me in prevailing the point, and for the special attention of those Members who opposed the provision, but now have further evidence of its wisdom:

CARVED IN THE DOOR

Any agreement which is not verifiable is worse than no agreement at all.

The House of Representatives, accepting the advice we offered when the Senate was considering the nomination of Paul Warnke as disarmament chief, voted last week to carve the above quote in Mr. Warnke's door.

Mr. Warnke uttered the immortal words during his confirmation hearings, responding to Senators' worries about the American ability to detect Soviet cheating on arms control agreements. About his first act as head of the Arms Control and Disarmament Agency, however, was to disband its verification bureau, scattering the members through other bureaus. He said this was to improve verification capability, an explanation believed by absolutely no one except Rep. Thomas J. Downey of New York.

At least, by a vote of 259–148 the House accepted amendments to the arms control act that would require Mr. Warnke to report directly to the Congress on verification matters. On each element of any arms control proposal offered by either the U.S. or the Soviet Union, he is to report his judgment "as to the degree" Soviet compliance can be verified by unilateral means such as satellite photography.

He is further required to report on any degradation of the ability to monitor compliance with existing agreement. And he is to report how many government personnel are assigned full time to verification matters, and the amount of research funds spent on them.

Finally, the House voted that in reporting on the problems of verifying elements of proposals, "it should be assumed that all measures of concealment not expressly prohibited could be employed and that "standard practices" could be altered so as to impede verification."

So the House has improved on our suggestion. It would not stop carving merely with the confirmation-hearing quote. It would continue:

P.S. And remember, the Russians may cheat.

OUR NATION SALUTES GREGORY BARON, OF GARFIELD, N.J., 1977 "BOY OF THE YEAR" OF THE BOYS' CLUB OF AMERICA

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. ROE. Mr. Speaker, on Saturday, May 14, the Garfield Boys Club of my congressional district will honor Gregory Baron, of Garfield, N.J., a distinguished young man who at the age of 17 years is receiving national acclaim as the "Boy of the Year" of the Boys' Club of America. I know that you and our colleagues here in the Congress will want to join with me in extending our warmest greetings and felicitations to Gregory Baron whose standards of excellence in the tradition of the American way has truly enriched our community, State, and Nation.

Mr. Speaker, Gregory Baron has been selected among 1 million members of the Boys' Club of America as the 31st annual National Boy of the Year, a highly coveted award which was presented to him by President Carter in recent ceremonies at the White House. The inscription on the plaque cited him for his "superlative service to home, church, school, community and boys club."

The people of my congressional district and State of New Jersey are proud of Gregory Baron and we seek to express our appreciation to him through the annals of Congress where his exemplary accomplishment may be forever lastingly etched in our historical journal of Congress.

Gregory, who is the son of Helen and the late Steven Baron, Sr., is a senior at the Garfield High School where he maintains a perfect 4.0 average in his academic pursuits. He is president of the student government and captain of the basketball team. During the next school year, if his plans materialize, he will attend Princeton University as a predentistry student.

Mr. Speaker, when we reflect upon the character-building and development of our young people that is achieved through the Boys' Club of America, we can indeed feel secure about the future of our Nation. By their participation, sportsmanship and fair play, the members of the Boys' Clubs throughout our Nation personify the excellence of the youth of America.

When we reflect upon the fact that Gregory Baron was chosen from 10 regional finalists who had been selected from among 250 applicants of the full

membership of this most prestigious youth organization, we can indeed appreciate the magnificence of Gregory's citation as "The Boy of the Year."

Mr. Speaker, it is a pleasure and a privilege to share the pride of his mother, Helen, his brothers and his many, many friends in the many years of preparation, training, hard work and personal commitment that Gregory has devoted to accomplish this most outstanding achievement. He is a credit to his family and our community and I am sure that in exercising the leadership qualities he has demonstrated in the tradition of the Boy Scouts of America he will help to work toward freedom and justice for all people in our Nation and throughout the world.

We do indeed salute Gregory Baron of Garfield, N.J., for his sincerity of purpose and quality of leadership that has enabled him to achieve this most esteemed honor of the Boys' Club of America, "Boy of the Year."

SPECIALTY STEEL AND IMPORTS

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. MURTHA. Mr. Speaker, we have heard over the last few years where inflation and prices have been chasing each other in a circle with Government activity speeding the chase. Nowhere is that truer than in the specialty steel industry.

Last week, according to the New York Times:

> The Administration, in what appeared to be a tactical ploy, let it be known that it was considering increasing or abolishing the quota that limits imports of specialty steels, such as stainless. It did that in direct response to an 8% price increase by Allegheny Ludlum Industries, Inc. The proposed quota action was disclosed as a warning against more such price increases.

The problem is that those price increases result directly from some of the worst corporate reports during the first quarter of 1977 in the history of the steel industry. Moreover, one cause of that problem in steel is the 15 percent of the market controlled by imports.

Mr. R. P. Simmons, chairman of the Specialty Steel Industry of the United States, reports production in steel companies outside the United States is low, but cautions that is not good news:

> The extremely low levels of production in all steel companies throughout the world raise a serious concern that removal or modification of quotas at this time would result in a "wave of imports" as inventories which have been accumulated by these foreign specialty steel companies are exported to the United States. In some cases, the inventories that have been built over the past two years were as a direct result of government subsidization.

Moreover, Mr. Simmons reports that during the first 2 months of 1977 imports were actually down somewhat, so based on annual quotas and "the fact that the special trade representative has allocated unused quotas to other countries, it is anticipated that imports will increase in the remaining 4 months of the first quota year."

This at the very time the steel industry is trying to rebound. Mr. Speaker, no one wants to halt international trade, but it seems clear to me an international agreement on steel import quotas is essential to protect the American steel industry. I strongly urge the administration to adopt this approach, rather than talking about abolishing or increasing present quotas.

PHILIPPINE GOVERNMENT REPORTED TO HAVE TORTURED COMMUNITY LEADERS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. FRASER. Mr. Speaker, I would like to report to the House that a widely respected community leader of Manila, Mrs. Trinidad Herrera, allegedly has been tortured brutally by Philippine Government officials. Mr. Herrera and Mr. David Balondo—both of whom were recently arrested are elected leaders of a large squatter organization—ZOTO—Zone One Tondo Organization—situated in Manila's domestic port area. The organization has worked hard through peaceful means to obtain title to the land which the Philippine Congress in 1956 declared was theirs. For the past 3 years, the Marcos martial law government has been negotiating with the World Bank on a plan to develop the port area. The organization also has been negotiating with both parties to prevent mass removal and relocation of its people who number 75,000.

Mrs. Trinidad Herrera is in her late thirties. She reached the 3d year college level at Far Eastern University.

Mr. David Balondo, in his mid or late fifties, is a family man who supports his wife and three children through fishing. Information has it that as a young man Mr. Balondo studied at Silliman University.

From its beginning, both leaders have given of their time and resources in creating a mass-based people's organization, ZOTO, which works on community concerns including disaster relief, housing, an emergency food program, loans, job training and placement, and so forth. Both Mrs. Herrera and Mr. Balondo also gave leadership to the formation of Ugnayan, an urban squatters coalition in greater Manila.

Incidentally, both Mrs. Herrera and Mr. Balondo were barred by the Philippine Government from participating as World Council of Churches Representatives to the U.N. Habitat Forum held in Vancouver, British Columbia in May to June, 1976.

The Subcommittee on International Organizations of the House Committee on International Relations has held a number of hearings on the human rights situation. I have been seriously concerned about our continuing close relationship with the Government of the Philippines as long as President Marcos continues repressive measures. This latest incident raises once again the question whether our military aid program to the Philippines should continue unabated.

PERCEPTIONS OF INTERDEPENDENCE: A SOUTHERN VIEW

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. SIMON. Mr. Speaker, the other evening Representative MILLICENT FENWICK, Representative STEPHEN SOLARZ, and I had the privilege of joining with a group gathered at the Woodrow Wilson International Center for Scholars to hear the Honorable Shridath Ramphal, Secretary-General of the British Commonwealth, speak about the interrelationships between the United States and the developing nations.

All of us who were present were most impressed by his grasp of the issues and his frankness.

I wish all of my colleagues in the House and Senate could have heard him. Since that was not possible, I am taking the liberty of inserting his formal remarks into the RECORD at this point, and I encourage my colleagues and their staffs to read the remarks of the Secretary General:

PERCEPTIONS OF INTERDEPENDENCE: A SOUTHERN VIEW

(Address by the Commonwealth Secretary-General, Mr. Shridath S. Ramphal)

I thank you, Mr. Moderator, for your words of welcome and, through you, the Center for its invitation to take part in this evening's dialogue. I am doubly glad to be here since the Center commemorates the ideals and concerns of a great and pioneering internationalist like Woodrow Wilson and serves, I am sure, to infuse national policies with a wider vision. And secondly, because I am associated on the panel this evening with Roger Hanson. There must have been many like myself who felt grateful to him for his open letter to President Carter on "Major U.S. Options on North/South Relations"—not least for the clarity of the analysis and the frankness of the approach which distinguished that contribution. I suspect that in some respects a dialogue between us need not be an argument.

In the paper which I provided, and which I hope you may have had a chance to glance at, I have attempted to present the global economic scene through the eyes of the developing world and to point a way through it compatible with Northern interests. It is, if you like, a Southern view; and that really is my first point—that whether the North shares that view or not it is one of the important realities of the present that the world looks like this from Southern perspectives. That view needs to be understood as a reality.

I do not intend to traverse the ground covered by the paper, but I would like to try to pull together a few of its threads in explaining to you what I believe the South requires of the North in the global dialogue.

THE BASIC PROBLEM

First of all, to agree that the basic problem is the disparity in the human condition be-

tween one-third or less of the world's advantaged and two-thirds or more of the world's disadvantaged. To talk of North and South is no doubt less pejorative than to talk of rich and poor; but the neutrality of the label does not alter the nature of the contents. It is a dialogue between the rich and the poor, and it is a dialogue about poverty and inequality. The RIO Report (produced by Professor Tinbergen and a group of North/South scholars for the Club of Rome) encapsulates the problem specially well, and I adopt that description.

"The inequities in the international system are of tremendous significance. They have given rise to essentially two worlds and the disparities between them are growing. One is the world of the rich, the other the world of the poor, united by its heritage of common suffering. A poverty curtain divides the worlds materially and philosophically. One world is literate, "the other largely illiterate; one industrial and urban, the other predominantly agrarian and rural; one consumption-oriented, the other striving for survival . . .

We have maldistribution of the world's resources on a scale where the industrialized countries are consuming about twenty times more of the resources per capita than the poor countries. We have a situation where, in the Third World, millions of people toil under a broiling sun from morning till dusk for miserable rewards and premature death without ever discovering the reason why."

This is the essence of the problem. I certainly hope that there can be agreement between North and South that this is the central issue. The trouble is that the dialogue when conducted in the language of abstruse economics tends to lose contact with the problem itself. I worried more than once at UNCTAD IV in Nairobi over the remoteness of much of the discussion from the basic human condition of the cocoa farmer in Ghana or the jute worker in Bangladesh. If North and South agree that that human condition really is the problem, perhaps we can also agree on ways of keeping it always in view.

NOT A PROBLEM FOR THE POOR ALONE

The problem of poverty is, of course, a problem for the poor. The main effort of development is an effort that has to be made by each developing country, in the sense that development has to come from within. The essential character of self-reliant development to which most developing countries are committed is that it is based not on what the world can do for them but on what they can do for themselves; for example, by national effort in meeting basic human needs of food, of habitat, of health and of education; and, of course, of enlarging the possibilities of a successful effort by strengthening co-operation between themselves.

But the problem itself—and the implications of its lingering unresolved—is not one for the poor countries alone. Quite apart from the question of what rich countries might do to help resolve it, the problem of international poverty must be of direct concern to the rich. I believe there are three quite separate but inter-related factors which make the global economic disparities and disequilibrium the concern of the rich, or, if you like, of the North, and which constitute an imperative for Northern commitment to finding solutions.

THE MORAL IMPERATIVE

The first I would describe as moral imperative. If my description of the problem is right, I hope there is little need to argue the morality of change; certainly not here and now when a concern about the human condition (which is what human rights are all about) is so much a part of the prevailing political ethic. That moral compulsion is of a piece with the early resolve that this nation could not be half slave and half free; it is the international counterpart of President Kennedy's much later warning that if a free society could not save the many who were poor it could not save the few who were rich. It finds expression in the understanding (which necessity imposes on the South) that human rights have at least as much to do with economic and social rights as with civil and political rights: that freedom from starvation is as critical to the human condition as freedom from oppression; that literacy is as important as dissent; that human rights therefore have at least as much to do with the dialogue of development as with the dialogue of detente.

Southern concern with human rights begins with an appreciation of the massive violation of the human condition which the existing economic order ordains for millions in the South. They feel that Northern concern must manifest itself in priority action to help devise a new order. Poverty debases humanity and diminishes rich and poor alike. This, I submit, is the first reason why it is not a problem for the poor alone. A moral imperative commits all men to its removal.

THE SURVIVAL IMPERATIVE

The second I would describe as the imperative of survival. In some respects this is implict in the moral issue. This nation could not be half-slave and half-free not only because of the immorality of slavery but because the United States could not have survived as a nation in that way. When, a century and a half later, President Kennedy spoke of a free society being unable to save the few who are rich if it could not save the many who are poor, he was not moralising merely, he was alluding to the reality that gross disparities in the human condition put at risk the very survival of the advantaged minority. He was being mindful of the box of matches carried by every embittered member of a deprived group—the tinder that could so easily start the national conflagration. Although privilege tends to induce complacency and self-assurance, let it not be forgotten that that box of matches has its counterpart at the international level. It would be tragic self-blindness to ignore its menace for the future.

The third factor, which in part derives from the second, I would describe as the contractual imperative: the need, arising from our more enlightened perceptions of interdependence, to strike what Harlan Cleveland has called a "planetary bargain" We are developing better insights of the world as a single community; deeper understanding of the limits (if not indeed the increasing irrelevance) of the concept of sovereignty and the many dangers of the adversary system it has helped to establish as the basis of international relations. The obvious areas of interdependence—in food, in energy and mineral resources, in population, in the international commons and the environment, generally and (to be realistic) in nuclear power—have made it abundantly clear to North and South alike that a compact for survival on this planet has to be struck among all its peoples. But the rules of survival cannot be imposed by the few—they have to be agreed by the many. In that contract, the human condition in the South cannot escape negotiation. Its betterment will be a condition precedent to any planetary bargain. It was this which as great an internationalist and man of compassion as Julius Nyerere had in mind when he asked in the timely documentary "Five Minutes to Midnight"

"Why should the poor avoid catastrophe and leave the rich rich?"

Together, I suggest, these three factors make it imperative that the problem of international poverty be seen in the North as a problem for the North as well. It is an insight which the South expects of you, and which I suggest you owe to yourself.

TINKERING WILL NOT DO

The next proposition on which the South seeks Northern accord is that tinkering with prevailing economic arrangements—themselves a relic of the passing age of political dependency—will not suffice to secure the objective of a more equal world. Ever since 1945 the world has been tinkering with the old system. In the result, two Development Decades have yielded bitter disappointment: four UNCTADs have institutionalized frustration; 30 years of post-war internationalism has seen the political equality of states assured by the Charter almost entirely nullified by an entrenched economic inequality between the world's peoples. After a monumental effort by the developing countries themselves in an environment provided by nearly four decades of the working (or nonworking) of the Bretton Woods and GATT regimes, we now know what the result by 1985 is likely to be: an increase of $50 per capita in the annual incomes of the poorest group (over 1965 incomes) compared with an increase of $3,900 per capita for those of the richest—who were already in 1965 3,000 per cent better off. By 1985, the poorest would have grown still poorer—they would by then be 4,500 per cent worse off. The gap, if it could still be called a gap, would have widened and deepened for all the tinkering. The effort to close it was largely cosmetic, and mainly aid-oriented.

A brief look at aid: global projections were for an aid target of 0.7 per cent of GNP in ODA. It could still be reached by an aid commitment of no more than 2 per cent of the incremental wealth—2 per cent of growth, 2 per cent of the further enrichment of the developed world—between 1975 and 1985. But ODA relative to GNP is falling: from 0.44 per cent in 1965 to 0.36 per cent in 1975 and probably to 0.30 per cent by 1985. And the record of the richest is the least worthy. While Canada improved its aid effort from 0.28 per cent in 1965 to 0.57 per cent in 1975, the US reduced its effort from 0.40 per cent to 0.27 per cent; while Australia increased its effort from 0.56 per cent to 0.61 per cent: Japan's declined from 0.29 per cent to 0.24 per cent; while the Nertherlands and Sweden reached and passed the UN target moving from 0.23 per cent and 0.44 per cent respectively to 0.82 per cent and 0.75 per cent: Germany's performance never came higher than 0.40 per cent. And this decline in aid took place during a decade in which, as Robert McNamara points out: "the people of the developed countries have enjoyed per capita incomes in real terms that rose in absolute terms more than in any other comparable period in history." The South can hardly be anything but cynical over more of the same mixture.

In trade the record was no better—produce more, sell more, earn more: that was the simple formula. With major effort, developing countries produced and sold more: but their net earnings, their terms of trade, steadily declined. The amount of cotton, or sisal, or sugar, or bauxite they had to produce and export in order to buy, say, a tractor, or antibiotics, or an irrigation pump kept increasing. Despite all their efforts, they grew relatively poorer. They were developing on a basis of diminishing returns. And there were other problems when they tried to diversify their economic base: efforts to industrialise, to process their raw materials and produce simple manufactured goods led them to high tariff walls, differential freight rates and administrative obstructions to trade—all frustrating their entry into the markets of the rich countries.

Aid a mirage, trade a cul de sac! For all the effort at improving within the system: the poor got poorer and the rich richer.

THE SYSTEM ITSELF IS AT FAULT

The fourth proposition, therefore, for which the South seeks agreement—and it really is the central proposition—is that the international economic system itself is at fault and that it needs reshaping if it is to yield more equitable returns. The poor (who are its victims) know that the old system has not served them well. They will not easily be persuaded that minor adjustments or marginal reforms can correct those deficiencies which derive from its basic premises: premises that assigned to developing countries a supportive and peripheral role in world economic activity, which conceived the South as the suppliers of raw materials (cheap materials) for the industrial machines of the North, and which kept in Northern hands the commanding heights of the world economy. And not only its premises but its operation were hostile to the emergence of more equal opportunities. And this is not a Southern view only. The Prime Minister of the Netherlands a few years ago viewed it no differently:

"The international economic system (he said) is not as free as is often said and . . . our choice is not one between a free system based on free enterprise and a completely planned economy. Our real choice is between the present system which is largely guided and manipulated for the benefit of the rich countries and a system directed towards solving the problems of division of income and property, of scarcity, of natural resources, and of the despoiled environment."

So perhaps we need not argue about the distortions of the old order. It is concomitant to that view that the needed change must be structural. Such a conclusion is not alien to your own historical experience: 200 years ago at Philadelphia one of the great arguments was whether tinkering with the Articles of Confederation could fulfill the demands of the new nation. As Hamilton later urged in the 'Federalist' Essays:

"A full display of the principal defects of the Constitution (would show) that the evils we experience do not proceed from minute or partial imperfections, but from fundamental errors in the structure of the building, which cannot be amended otherwise than by an alteration in the first principles or main pillars of the fabric."

The case for fundamental economic restructuring at the international level proceeds on essentially similar lines. It demands a similarly bold response as that which the Founding Fathers gave at Philadelphia. I suggest to you this is not a time for "little plans."

NEW MECHANISMS TO EFFECT STRUCTURAL CHANGE

The fifth proposition is ancillary to the fourth, namely that acceptance of the need for a substantially different structure of international economic relations—for basic change in the system—should condition Northern approaches to specific measures.

Commodities, for example, must be high on the Southern agenda since as many as 73 out of the 94 developing countries who are producers of the primary commodities on the UNCTAD IPC list rely for 50 per cent or more of their export earnings on commodities.

On commodities, the South must demand an entirely new deal; they must correct the long-term secular decline in real prices which have fallen in relative terms by more than 40 per cent over the last twenty years, and replace it with a rising trend that takes account, among other things, of the ever rising cost of manufactures; they must seek to induce greater price stability avoiding the uncertainties and hardships inherent in a system of cyclical troughs and peaks; they must try to secure for commodity producers worldwide the kind of protection from outrageous economic fortune that the North has provided its own farmers through a wide range of equalizing mechanisms which do not hesitate to interfere with market forces in the interests of social and economic justice. And they must judge Northern responses by the degree to which they help to fulfill these aspirations.

It is the same thing with manufactures. The Leontief Study has confirmed what the developing countries have long known, namely that in the absence of sustained expansion in manufacturing and processing, economic development will not advance at a rate which will enable them within an acceptable period of time to satisfy the basic needs of their population and reduce the income disparities of the world. With 40 percent of their labour force unemployed—to which 1,000 million more will be added by the end of the century—a Northern commitment to support development is meaningless without tangible support for their industrialisation.

In the end, this means access to markets; moro real than the GSP and MTNs have yet produced. And it means, too, an adjustment of Northern industrial activity to accommodate a Southern manufacturing role—adjustment of the kind that has gone on continuously within the North as part of the process of technological development. And that process will itself become easier when the North stops believing, or at least asserting, that less costly manufactures from the South sustain sweated labour. If a concern for living standards in the South is the real issue (as it should be) let it be known that wages are low because incomes are low generally and that wages in the export sector throughout the developing world tend to be higher than the average for the country as a whole. Restrictions against Southern manufactures will further impoverish the poor countries. Such restrictions do not avoid exploitation; they represent one of its most pernicious forms.

WHAT'S IN IT FOR THE NORTH!

If the dialogue between the North and South is responsive to the imperatives I have identified there is no avoiding the conclusion that the North is being asked to give rather moro than it gets directly and immediately. Reciprocity cannot be a touchstone of success. Aristotle, a long time ago, taught us why, in dealings between unequals, equity demands nonreciprocity. Only by unequal inputs can we redress inequality. But this is not to say that in the overall result and, indeed, in specific reforms there is nothing in it for the North.

I have tried to explain at some length in the paper why over the long term the improvement of living standards in the developing countries is not only consistent with but necessary for high standards of living and continuing improvement in the quality of life in the developed world. Indeed, I suggest that a continuation of present policies that effectively condemn the South to persistent poverty will put at risk the very standards in the North which you seek to safeguard and improve. My proposition is that there is a quickening symbiotic relationship between development in the poor countries and continued growth in the rich. Traditional economics has tended to emphasise the one-way flow from the developed to the developing. I suggest that the reverse flow is equally important for sustaining growth and employment levels in the developed world, and that is becoming more so.

The present trends and the vast future potential of US exports to the developing countries fully bear this out. In 1975, 37 per cent of US exports went to the developing countries—more than to the EEC countries, Japan, the USSR, Eastern Europe and all other centrally planned economies combined. Even if exports to OPEC countries are discounted, the developing countries emerged as the single most important group export market for the US with 27 per cent of all US exports—and, incidentally, the single most important trading partner of the US taking both imports and exports into account. What is more these levels represent a growth trend with US exports to developing countries: expanding as exports to the developed countries declined.

The composition of this increasing share of exports going to the developing countries is even more significant for job creation in the United States. Out of every dollar increase of exports of manufactured goods between 1972 and 1975, more than 45 cents came from the developing countries. Out of every dollar increase of exports of motor vehicles, 38 cents came from the developing countries. Out of every dollar increase of export earnings from engineering products, almost 49 cents came from the developing countries.

All this on the basis of the developing countries earning less than 20 per cent of the world's income. In a real sense future growth, future jobs in the US, can depend on enlarging the purchasing power of this market—now representing 75 per cent of the world's population, excluding the Socialist States. If its members can be persuaded to take a broader and longer view, American labour would see a major stake for itself in a new economic order: and it would then be easier to achieve.

THE NEW CONTRACT: NO LOSERS

The new contract which the South seeks with the North—the poor with the rich—is not aid-oriented, it does not rest on the concept of charity or even the valid one of humanitarianism. It rests firmly and securely on the premise that the dependent relationships of the past have served the world badly; that isolationism is not an option open to even the most powerful of countries; that a world order dominated by concepts of sovereignty and founded on an adversary system is irrelevant and inimical to contemporary human needs and must be dismantled; that interdependence is the only valid basis for a human strategy of survival; and that in this 'planetary bargain', its short term problems notwithstanding, there are no losers.

If the North can bring itself to an acknowledegement of these contemporary realities, the necessary mechanisms of change—in commodities, in credit, in manufactures and resource transfer—will all become easier to negotiate with the South; and there will be hope for the human condition world-wide. If, however, such realities continue to be ignored and policies proceed on other premises, the vista of human betterment which unfold will be for Northern eyes only. The South will remain blanketed in the fog of despair and rising anger that now enshrouds it.

On Sunday I visited the Arlington National Cemetery and paid my own tribute to a great American. I was struck, as I did, by a line in one of those many inspiring passages memorialising President Kennedy:

"And my fellow citizens of the world: ask not what America will do for you, but what together we can do for the freedom of man."

The South asks no more of America. Is America prepared to act in planetary fellowship for the true freedom of all men—starting with freedom from the thraldom of poverty? Sixteen years after Jack Kenedy's inauguration, a new President has assured the "citizens of the world" of his administration's desire "to shape a world order that is more responsive to human aspirations." United States policies and positions as they unfold over the next few weeks will tell a large part of the world whether those aspirations are now better understood.

THE CORPORATE BRIBERY LEGISLATION

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. HARRINGTON. Mr. Speaker, for the benefit of my colleagues, I am inserting into the RECORD a statement on H.R. 3815, the corporate bribery legislation now pending in the Consumer Protection and Finance Subcommittee of the Interstate and Foreign Commerce Committee. In the statement, I point out that while the subcommittee efforts to date are indeed laudable, there remains to be considered a related and equally important issue—corporate contributions to foreign political parties. If the pending legislation is enacted in its present form, corporate payments made to secure specific business advantages—bribes—will be prohibited but, under many circumstances, corporate payments to foreign political parties would not be affected. It seems clear that in the face of strict penalties for international bribery, many corporations may then rely increasingly upon corporate contributions to foreign political parties to win the favor of foreign governments. If we merely allow a shift from corporate bribery to corporate contributions to foreign political parties, we have hardly resolved the improper payments issue.

The statement is accompanied by additional supporting information compiled from the May 12, 1976, report of the Securities and Exchange Commission to the Senate Banking Committee.

The text follows:

STATEMENT BY THE HONORABLE MICHAEL J. HARRINGTON ON H.R. 3815

During the past few years, the debate on global corporate payments has tended to focus on one dominant aspect of the controversy—bribery to gain specific business advantages. The virtual avalanche of revelations demonstrating the scope and magnitude of international bribery understandably lent a sense of immediacy to this particular problem above all other considerations. The disclosures which rocked and occasionally toppled governments on three continents contributed as well to the American crisis of confidence and thereby undermined our own government and institutions. American political leaders rightly sensed the priority attached to the issue and actively set about in search of a solution.

On the topic of corporate bribery to date, we have had hearings in the Senate and the House, received recommendations by a Presidential Task Force, and witnessed investigations by at least four agencies in the Executive Branch—the Securities and Exchange Commission, the Internal Revenue Service, the Federal Trade Commission and the Department of Justice. The broad consensus in the Senate on this issue was reflected in the passage last year of the Proxmire bill by a vote of 86–0. In the House, a similar effort was initiated but, unfortunately, time constraints prevented final passage of the legislation, a bill which I had the pleasure of supporting in testimony before this subcommittee. Finally, the Carter Administration has voiced its strong support of legislation mandating criminal penalties for corporate bribery.

Thus, in the aftermath of the dismal record of American corporate misconduct overseas, H.R. 3815 is a commendable signal of official American intolerance of corporate wrongdoing abroad. It is a first step towards restoring a diminished public trust.

Yet there remains another aspect of the corporate payments problem that equally deserves our attention. Imagine the American sense of outrage if we were to discover that, for years, foreign corporations were regularly subsidizing our elections and making massive annual contributions to our political parties. Surely we would feel that the American democratic process had been impaired and the outcome distorted.

We would feel that our system of government had been tampered with in a fundamental way. Yet some American corporations have regularly contributed to foreign political parties, candidates, and media outlets, especially during foreign elections and foreign political campaigns. Such payments will not be affected by the pending legislation. Neither will the contributions have to be disclosed to the Securities and Exchange Commission, if they are consistent with the laws of the host country and not material to the firm's business. In most foreign countries, corporate contributions to political parties are legal.

If we criminalize corporate payments made to secure specific business advantages, as the pending bill does, should we not also address the problems posed by allowing corporate payments made for broader political purposes? While H.R. 3815 does hold American business to a higher standard of conduct by prohibiting outright bribes, it does not eliminate or discourage American corporate interference in the political or economic affairs of foreign countries. It does not address the issue of American corporate contributions to foreign political parties to curry favor with, influence or destabilize an incumbent foreign government. And, as we are all well aware, recent American history provides ample evidence of such efforts. Clearly, the issue of corporate political contributions abroad has not only ethical but serious foreign policy implications as well.

Even before the current wave of bribery disclosures, ITT's efforts in 1970 to block the election of Salvadore Allende were documented by two Senate reports. After the Central Intelligence Agency declined ITT's offer of corporate funds to stop Allende the agency promised "to advise ITT on how to channel its own funds." (Covert Action in Chile, 1963–1973, Staff Report of the Senate Select Committee on Intelligence, p. 58.) Later, ITT passed $350,000 to the Conservative Party candidate, Jorge Alessandri. Late last year, the New York Times reported that, in 1970, Anaconda Copper Company offered to funnel $500,000 through the State Department to the same Conservative Party Candidate.

In Italy a somewhat similar effort was undertaken by Exxon, the world's largest oil company. In testimony before the Senate Subcommittee on Multinational Corporations, Exxon executives acknowledged that, between 1963 and 1972, Exxon passed $59 million to the Italian Christian Democratic Party, the Socialist Democratic Party and the Socialist Party. During the course of these hearings, similar disclosures were made by other corporate executives. Mobil Oil representatives acknowledged providing $2.1 million to Italian political parties in the early seventies. And from 1969 through 1972, Gulf Oil Corporation paid $627,000 to various Italian publishers controlled by Italian political parties.

These transactions should be considered within the context of parallel Central Intelligence Agency efforts to channel official U.S. dollars to the same parties. According to the final report of the House Select Committee on Intelligence, the CIA passed $75 million to Italian parties and politicians between 1948 and 1972. Of this sum, $10 million was spent in the 1972 parliamentary elections. And in January 1976, the New York Times reported that on December 8, 1975, President Ford approved a $6 million CIA expenditure for upcoming Italian elections.

Again in testimony before the same Senate subcommittee, Gulf Chairman Bob R. Dorsey stated that in Korea, Gulf made two massive contributions to the Korean Democratic Republic Party—$1 million in 1966 and $3 million in 1970. He acknowledged that over the years, Gulf made substantial contributions in Bolivia, Sweden and Canada as well.

Various press accounts have reported that other American corporations have contributed to foreign political parties in lesser amounts. According to these articles, the Continental Oil Company channelled $148,000 to unspecified foreign political parties. Firestone Tire and Rubber Co. provided $32,000 to an unspecified political party. And throughout 1973, a Philip Morris subsidiary in the Dominican Republic paid $1,000 monthly to the political party of President Joaquin Balaguer.

It is not my purpose here to enumerate all instances of either documented or alleged corporate political contributions, but rather to indicate briefly the dimensions of this aspect of a larger problem. The point is that, from all indications these transactions were undertaken with a view toward making a long-term investment in a foreign political system, rather than to win a specific contract or to edge out a competitor.

The primary defense of American businesses with respect to such payments has been that corporate political contributions frequently are legal in the host country. As there are no prohibitions or reporting requirements on such payments, the corporations argue, American business cannot and should not be penalized for activities that are perfectly legal where they are undertaken.

Despite the factual accuracy of this argument, I continue to feel that serious and extensive consideration should be given to the issues posed by corporate political contributions abroad.

First, it is obvious that the foreign policy repercussions of such payments can be severe. In their support of one foreign political party over another, American corporate activities can undermine official U.S. policy. Both Chilean President Allende and Venezuelan President Perez broke off talks with U.S. officials on compensation for nationalized property when they learned of corporate payments. Sen. Church contended that disclosure of the Exxon payments in Italy helped the Italian Communist Party score spectacular gains in the 1976 parliamentary elections. Numerous other examples could be cited but the point is clear. U.S. business contributions to foreign political parties can severely impair official policy. The U.S. Government, not private business, should conduct U.S. foreign policy.

Furthermore, consideration of corporate political contributions also bears on the question of government/corporate collusion for the channeling of corporate funds abroad, as documented by the Church report on ITT in Chile. Similarly, in the aftermath of the disclosures of Exxon payments in Italy, there arose widespread press speculation that the payments were actually a covert mechanism for CIA funding. Likewise, early this year the Wall Street Journal reported that government investigators were assembling "strong indications" that the CIA may have encouraged corporations to pay under-the-table cash to buy intelligence information for the

U.S. Government. The fact that the intelligence community/corporate relationship has never been thoroughly examined is "the best indication of its sensitivity" the article notes. Thus, it is obvious that all efforts should be made to ensure that U.S. business abroad is not perceived either as a conduit or an agent of the Central Intelligence Agency. By allowing corporate contributions to foreign political parties to continue, it is doubtful that such speculation can be avoided.

Finally, the past few years have witnessed a tremendous outcry over countless CIA activities undertaken in friendly, democratic countries. Just as we oppose official covert or overt intervention in the internal affairs of these countries, we should likewise oppose even more strenuously similar actions undertaken by the private sector. Surely if the American public condemns foreign intervention by the American Government in the internal affairs of our allies, it is fair to say they will hardly condone a parallel effort by the private sector.

In light of these considerations, it seems to me that a sounder approach to the problem of corporate political contributions would involve strict and specific limitations on the kinds of American corporate activities permitted on a foreign party's behalf (i.e., paid political advertisements) coupled with stringent disclosure provisions and/or clear prohibitions. It may be necessary to enact even tougher provisions than those included in the corporate bribery legislation as this issue may become an increasingly important one. Since political payments for specific business purposes will clearly be prohibited by the new corporate bribery law, it is not unreasonable to suspect that American corporations may, in turn, increasingly rely on regular political contributions overseas to promote goodwill toward American foreign investment and to win the favor of foreign governments. A shift from international corporate bribery to international corporate political contributions is hardly a solution to the problem of corporate payments.

While I have not translated these ideas into legislation, allow me to summarize them briefly. First, corporate payments to foreign political parties, candidates and media outlets should be distinguished from corporate payments made for specific business purposes. Corporate payments to political parties should be the subject of even stricter disclosure and/or criminalization measures. Second, the Congress should enact a strong policy statement as well, opposing such contributions.

If we really believe in the concepts of nonintervention and self-determination for all peoples, then we ought to be willing to enact measures applicable to individuals found to be engaging in an activity which we supposedly have disavowed as an official instrument of U.S. foreign policy. Surely we should not permit, condone, or ignore corporate practices abroad which we ourselves would consider an outrage if they were to be engaged in by foreign nationals here at home. In my testimony last year before this subcommittee, I acknowledged that there is little one subcommittee can do, in its consideration of one particular piece of legislation, to restore the public faith in our national institutions. yet we now have an Administration whose prime foreign policy concern to date has been the restoration of morality and ethical principles to all of our international relations. Given the demonstrated commitment of the Carter Administration to this goal, I feel strongly that the Congress and the Executive could successfully work together to explore, and attempt to resolve, many of the far-reaching problems of the improper payments issue which I have briefly outlined today. In theory, we have long recognized the principle of nonintervention in the internal affairs of other countries as a corrolary of democracy. Surely the Carter Administration and the Congress can work together to restore this principle to its proper place in our political philosophy.

Companies listed in the Securities and Exchange Commission Report of May 12, 1976 to the Senate Banking Committee as having made political contributions to foreign political parties. This category does not include "Foreign Sales-Type Commissions" or "Payments to Foreign Officials."

COMPANY AND FOREIGN POLITICAL CONTRIBUTION

American Cyanamid Co.**—From 1971–75, payments of $10,000 to $20,000 annually. These were legal until 1974 and illegal thereafter.

American Home** Products—Contributions in four countries. The legality of some of the contributions appears questionable.

American Standard, Inc.—No illegal contributions. Legal contributions of less than $500 per year.

Baxter Labs**—Subsidiaries purchased $300 of tickets for fund raising dinner, and contribution of $120 were made to a political party. Both activities were legal.

Bristol Myers Co.—Preliminary results make company confident that no illegal contributions were made.

Castle & Cook**—$30,000 in two contributions that were legal where made.

Cities Service**—Expenditures of $30,000 for "political purposes," that were disguised on books and records of subsidiary. Company was informed that subsidiary believed that none of the funds were paid to government officials.

General Telephone & Electronics Corp.—Payments of approximately $182,000 over five years that were legal where made. One improperly recorded.

Honeywell—No illegal contributions.

Intercontinental Diversified Corp.—Contributions from 1971–75 as permitted by local law.

Koppers Co. Inc.—No illegal contributions.

Kraftco Corp.—Contributions totaling $8.500 from 1972–76 in countries where legal.

Merck & Co.—Payments totaling $157,684 from 1968–75 that were legal under local law but improperly recorded on books.

Rockwell Intn'l.—$8,300 in Canada, where the contribution was legal.

Standard Oil of Indiana**—From 1970–73, $617,000 in Italy. From 1970–75, $35,700 in Canada. The contributions were legal in these countries during the periods in question.

Sterling Drug—No illegal contributions.

United Technologies.—No illegal contributions.

Warner-Lambert Co.—From 1971–1975, contributions of $15,300. The local managers were advised that the contributions were legal.

VISITORS TO THE CAPITOL

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. DE LA GARZA. Mr. Speaker, it is always a pleasure to welcome young people into this Hall and today it is a particular pleasure because these young people are my friends.

The James Pace High School Band of Brownsville, under the direction of Joe Harness, is in Washington participating in the Festival of Nations Band Contest. They will visit the House of Representatives this afternoon. They are accompanied by superintendent of Brownsville schools, Raul Besteiro.

This is one of the finest bands in the Southwest. After only two years in existence they have won superior ratings in every contest entered this year. This is upward mobility and we are proud of them.

IRONWORKERS COMPLETE IMPORTANT JOB IN PHILADELPHIA

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. EILBERG. Mr. Speaker, I am proud to bring to the attention of my colleagues the news of the completion of an important construction project by ironworkers in Philadelphia.

According to a report in the May 1977 cover story of the Ironworker, which is the official publication of the International Association of Bridge, Structural and Ornamental Iron Workers, members of local 405 have been involved in a major project to improve transportation in the city. The project involves Interstate 95 and the city's subway-elevated lines.

These ironworkers can be proud of their contribution to the region, as described in the following article:

IRONWORKERS COMPLETE REBAR JOB IN PHILADELPHIA

Rocky's neighborhood is changing. From the location of this year's Academy Award winning film, the Kensington area of Philadelphia, downtown to the Society Hill section, Ironworkers of Local 405 are placing the rebar for a major project designed to improve transportation in Philadelphia.

One part of the job involves completion of the last leg of Interstate 95 for two miles in Philadelphia County, connecting to a tunnel downtown. This 20-year battle to get right-of-way through the city will cut travel time from the current 45 minutes to less than 10 in December.

Another part of construction involves Philadelphia's mass transit commuter system. A two-mile portion of the Broad Street Subway and the Frankford Elevated are being rebuilt, including a 15 x 30-foot tunnel which runs for about 2500 feet beneath I-95.

These jobs constitute 3,200 tons of reinforced steel. About 900 tons of it is galvanized because of the heavy salt mixture which will be poured over the surface of the El in cold, precipitous weather.

A peak of 32 Ironworkers were employed during the rebar phase by King Erectors, Inc. A minority firm incorporated just a month before construction began on I-95, King is a subsidiary of G & H Steel which employs more than 500 Ironworkers each year. Anthony Doria, a Spanish American, and Gary Welsh, a Black American, manage the company with a combined total of 41 years of experience. Doria spent the last 15 years as an Ironworker foreman and Welsh became a foreman shortly after he entered the trade 14 years ago with G & H. King Erectors is also doing work on the Metro and South Capitol Bridge in Washington, the Osteopathic Hospital in Harrisburg, and the Southeast Expressway in Boston.

Prime Contractor for the I-95 job is Slattery Associates of Philadelphia. Foreman Herb Cardenas and Steward Edward Doria are members of Local 405, Philadelphia.

GOLCONDA JOB CORPS CENTER

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. SIMON. Mr. Speaker, the Job Corps Center at Golconda in my district is the first Job Corps Center east of the Mississippi to receive North Central Association of Colleges and Schools accreditation.

We are proud of that attainment.

The center at Golconda is making an important contribution to our area and our Nation.

I am inserting into the RECORD the press release about the matter that was issued by the Forest Service:

GOLCONDA JOB CORPS CENTER ACCREDITED BY THE NORTH CENTRAL ASSOCIATION

Center Director Robert E. Williams announced today that the Golconda Civilian Conservation Center has received full accreditation by the North Central Association of Colleges and Schools. The school was admitted into NCA membership at the Association's Annual Meeting held April 12–14, 1977. The Golconda Center was one of 25 schools in Illinois that attained NCA membership this year for the first time.

"Accreditation by the NCA means that the Center has met the rigorous standards set for membership", said Director Williams. "These standards, which are established by more than 4,300 member schools of the Commission on Schools, signify that the school has the resources, personnel and leadership necessary as preconditions for effective education."

What is even more important is the fact that young men in training at Golconda CCC will be able to reap the benefits of being graduates of a fully accredited institution for college entrance and job placement.

Accreditation by the NCA must be renewed each year, based on the objective conditions existing within the school. In commenting upon this, Williams stated: "Continuation within the NCA requires a joint effort by the community and the Center staff to make certain that the potentiality for quality education remains unimpaired. The advantage of NCA membership is that it assures the public at large that the school has met those standards which good schools in the NCA region consider to be imperative for effective education to take place."

NCA State Chairman, Dr. John S. Kemp of the University of Illinois, extended his congratulations to the school, noting that "the Golconda Job Corps Center now has joined the growing league of fine schools whose purpose is the continuing improvement of education."

Director Williams was present in Chicago as a representative of the school when it was admitted to membership. He said, "In addition to the accreditation of schools, the NCA Annual Meeting program provides sessions on the many changes taking place in education. This year's program featured more than 120 different programs on a wide range of educational topics. It's an excellent opportunity to meet and exchange ideas with hundreds of fellow educators from other states."

The North Central Association, the Nation's largest regional accrediting agency, is a voluntary league of more than 4,300 secondary and elementary schools and 800 colleges and universities in 19 states. The Association works with individual schools to improve the quality of education through a continuous process of accreditation and evaluation.

TRIBUTE TO RABBI MORTON A. BAUMAN

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. WAXMAN. Mr. Speaker, Rabbi Morton A. Bauman, D.D., D.H.L., is retiring after serving for 27 years as spiritual leader of Temple Beth Hillel, which is the oldest reform congregation in the San Fernando Valley of southern California. On June 3, 1977, the temple sanctuary will be dedicated and named the Rabbi Morton A. Bauman Sancutary in his honor.

Rabbi Bauman was born in Detroit, Mich. in 1912, doing his undergraduate studies at the University of Cincinnati and being ordained as a rabbi from Hebrew Union College in 1937. He did graduate work in education at the University of California at Berkeley, and in religion at the University of Southern California. He earned his degree of doctor of Hebrew literature at the University of Judaism, and thus is the first reform rabbi to have received a graduate degree from a Conservative Seminary. Hebrew Union College also bestowed upon him an honorary degree of doctor of divinity.

Rabbi Bauman served in San Francisco and as the rabbi of Temple Israel in Hollywood—interrupted by 4 years of service as an Army chaplain during World War II. He came to Temple Beth Hillel, North Hollywood, in 1949, where he now has life tenure. His list of offices and accomplishments is impressive; he is a past president of the Jewish Committee for Personal Service, the Pacific Association of Reform Rabbis, and the Southern California Association of Liberal Rabbis. He has served as chairman of the Chaplaincy Committee of the Board of Rabbis, the Library Committee of the Jewish Federal Council, and the Advisory Committee of Service to Military Families of the Los Angeles Chapter of the American Red Cross.

Rabbi Bauman has been a member of the State of California Advisory Committee on Institutional Religion, the Community Relations Committee of the Jewish Federation Council, and a member of the board of the council and of the Board of Jewish Family Service. He has served as a member of the California Advisory Committee of the U.S. Civil Rights Commission, the Board of the Valley Chapter of the American Red Cross, and the Board of Overseers of Hebrew Union College; and he has taught at the University of Judaism and at Hebrew Union College.

It is difficult to see how this dedicated man could have found time for more contributions, but he did. He wrote prayerbooks for adults and children for the holy days and for Sabbath evening worship service in the synagogue, as well as a Children's Haggadah. Rabbi Bauman has been active on the Valley Interfaith Council, served as president of the MD Club at Valley Presbyterian Hospital, and has unselfishly given his time for 28 years as rabbi for the California Home for the Aged without remuneration.

On April 22, 1977, the title of rabbi emeritus was bestowed upon him. The dedication of the Temple Sanctuary is only one of several events which are planned to honor Rabbi Bauman, and I ask the Members to join me in extending our congratulations and admiration for his life of accomplishment and service, in which I am sure we are joined by his wife, June, and their four children.

BLACKWELL APPOINTED TO HEAD OMBE

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. FOWLER. Mr. Speaker, an outstanding Atlantan, Dr. Randolph Blackwell has been named Director-designate of the Office of Minority Business Enterprise. Dr. Blackwell was executive director of Southern Rural Action for 9 years, and prior to that he was program director of the Southern Christian Leadership Conference, where he worked closely with Dr. Martin Luther King, Jr. The following article from the Atlanta Daily World points to many of Dr. Blackwell's accomplishments:

BLACKWELL TABBED TO DIRECT OMBE

(By Yvonne Shinhoster)

Secretary of Commerce Juanita Krebs announced on Wednesday that Dr. Randolph T. Blackwell of Atlanta has been selected as the director-designate of the Office of Minority Business Enterprise.

Dr. Blackwell, 50, is a noted educator, author and administrator. He was closely associated with the late Dr. Martin Luther King Jr. as program director of the Southern Christian Leadership Conference. Before joining the U.S. Commerce Department, the new OMBE director was executive director of Southern Rural Action Inc. a non-profit organization promoting small business ownership in southern communities.

As director of OMBE, Dr. Blackwell will exercise leadership responsibility for the federal government's national effort to bring minorities into the mainstream of America's economic life as owners of profitable businesses.

OMBE's annual budget since 1973 has remained relatively stable at about $50 million. The agency employs some 225 nonprofit community based organizations to provide business management and technical assistance to minority businesses. Regional offices are located in San Francisco, Chicago, Dallas, Atlanta, Washington, D.C. and New York.

A notive of Greensboro, North Carolina, Dr. Blackwell graduated from North Caroline A&T College in 1949 with a B.S. degree in Sociology. He graduated from Howard University in 1953 with a Doctor of Laws degree.

He has been a guest lecturer at the Massachusetts Institute of Technology and the Federal Institute and is widely published in the field of civil rights, voter registration, economics and law. Dr. Blackwell has also coauthored two college textbooks, Principals of Economics and College Business Law.

In earlier years, Dr. Blackwell served as associate professor of economics at Alabama A&M College and as associate professor of

Social Science at Winston-Salem Teachers College.

Mr. Blackwell is married to the former Elizabeth Knox of Winston-Salem, and they have one daughter, Blanche, age 20.

LEGAL SERVICES PROGRAM SHOULD BE TERMINATED

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. ASHBROOK. Mr. Speaker, the Judiciary Committee has reported out H.R. 6666 which would continue and expand the highly questionable legal services program. Few programs have compiled as bad a record as this so-called poor peoples' legal aid. It should be terminated and the American people should call all to account who encourage the continuation of its activities.

As a member of the Education and Labor Committee for over 16 years and more recently the Judiciary Committee—both of which have at one time or another had jurisdiction over legal services—I have had an opportunity to follow the beginning and subsequent development of the Federal legal services program. This program is fundamentally flawed and should be terminated.

"Legal services" is not a poor people's program. It is not a program to impartially seek justice, but one which uses public funds to seek political change outside the electoral process—not just in the courts, but through grassroots lobbying organizations, paid legislative agents, voter registration efforts, political publications, and lobbying the personnel of State and Federal agencies.

Since its inception, employees of the Federal legal services program have been taxpayer-funded advocates and organizers of such political causes as quotas in jobs and schooling, welfare rights, unions of the unemployed, student protests, Indian land claims, homosexual demands, proposals for graduated State income taxes, ERA, voting rights for prison inmates, rent strikes, boycotts of private businesses, antibusiness regulation, no-growth environmentalism, massive expansion of the food stamp program, Naderite consumerism, American Indian movement extremism, State takeovers of local education, land use controls, and more. My files are full of their circulars and radical propaganda.

Yes, under both the Corporation and at OEO employees of taxpayer-funded legal services projects have been in the forefront of action for radical political change. They have advanced the priorities of those who control the program, all the while self-righteously claiming to speak for the poor.

He who pays the piper calls the tune. If lawyers are hired by and report to the boards of directors of nonprofit corporations—as is the case with legal services attorneys—they are inevitably accountable to the members of those boards. Unlike the members of the Board of the National Legal Services Corporation, who are chosen by the President, subject to Senate confirmation, members of local boards which hire project attorneys have no such accountability. They are, by and large, self-chosen and self-perpetuating.

This is not to argue that particular lawyers are less than totally faithful to the interests of their particular clients. It is the clear statement, however, that lawyers hired by local projects adhere to the priorities set by the leaders of those projects. Legal services lawyers are paid by fee. They receive fixed salaries, established through their local projects.

If it is determined to be "in the interest of the poor" for an attorney to devote a month's time researching a fine point of law, rather than representing 10 clients, then it shall be thus.

Similarly, legal services officials frequently argue that class action suits, test case litigation, legislative and administrative lobbying, group representation, economic development, and community education are a more efficient use of scarce resources than is involved in hundreds of individual lawsuits. In the absence of the economic constraints which normally govern lawyer-client relationships in the private marketplace, such decisions are readily made. Indeed, effectiveness in law reform is a significant factor weighed in determining levels of funding to local legal services projects.

Previous debates over the Federal legal services program have been concerned with the need for regulations to limit abuses. Such restrictions, even if tightly worded and enforced with integrity, would not eliminate the kinds of abuses inherent to the program.

Having said this, however, I would like to point out just a few instances of how this bill would make a bad situation even worse.

One key change is the effective repeal of the Green amendment. The intent of this amendment was to prohibit the funding by grant or contract of all the activities of backup centers including the litigating activity. These centers have been actively involved in class action suits and social change, such as busing, welfare rights, and prison reform. H.R. 6666 would specifically authorize these actions to continue.

The bill would also get the legal services program deeply involved in legislative draftsmanship. It woud allow backup centers and LSC fund recipients to use the funds to draft model legislation if requested by an elected legislator. This has been mockingly referred to as the "auxiliary congressional staff" section.

Another section repeals the prohibition on involvement in school desegregation cases. Previously the Center for Law and Education in Cambridge, Mass., intervened on the probusing side in Detroit. Repeal of this prohibition would undoubtedly mean more of the same.

Do we really want to continue activities like the LSC-funded Massachusetts Law Reform Institute which lobbied actively in behalf of a referendum for a graduated State income tax? Or the actions of the LSC-funded Pine Tree Legal Assistance, Inc., and Native American Rights Fund, which have been trying to force the State of Maine to give two-thirds of its land back to the Passamaquoddy and Penobscot Indian Tribes? Is this really providing legal services to the poor?

I intend to vote against every piece of legislation which would sanction continuation of this program and every appropriation to fund it. I urge my colleagues to do likewise.

The injustice of this highly political program must be ended.

H.R. 7127, MORE COSPONSORS TO STOP AG-LAND

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. ABDNOR. Mr. Speaker, H.R. 7127 is the second reintroduction of H.R. 4789, which I offered to amend the Internal Revenue Code of 1954 to prohibit tax-exempt organizations from purchasing farmland. Those who are interested in this issue may wish to refer to my remarks on pages 7002–7003 of the March 9 RECORD and 11800 of the April 21 RECORD.

Eleven of my colleagues joined me in the first reintroduction (H.R. 6464) and nine more have cosponsored H.R. 7127, which I have introduced today. These members represent diverse constituencies and widely differing philosophical persuasions. They are united, however, by the belief that tax-exempt organizations should not be competing with family farmers in the market for agricultural land.

Due to the demands placed on their time by the President's energy proposals, Department of the Treasury officials have not yet responded to the request filed on April 8 by 11 of my colleagues and myself that the administration take a position on this vital issue. The preliminary, unofficial word we have received, however, is that they may oppose H.R. 4789 in favor of simply amending the law to require that the income from such purchases by tax-exempt organizations be taxable as unrelated business income. Certainly that would be a step in the right direction, but in my view it would be an inordinately small and ineffective one.

I have asked Chairman ULLMAN of the Ways and Means Committee to request departmental reports on this legislation. I believe the issue merits the administration's attention. Hopefully the preparation of official departmental reports for the committee will result in more adequate attention to all the ramifications of purchases of farmland by the big money managers. When these ramification are fully considered, I am confident the administration will conclude—as 20 of my colleagues and I have—that tax-exempt organizations should be barred from purchasing land for farming purposes.

The cosponsors of H.R. 7127 are: BADILLO, BAUCUS, CORNWELL, GOODLING, JEFFORDS, KEMP, MONTGOMERY, PANETTA, and SKUBITZ.

STATEMENT ON H.R. 5959, A BILL TO REVISE AND EXTEND THE RENEGOTIATION ACT

HON. MARK W. HANNAFORD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. HANNAFORD. Mr. Speaker, when H.R. 5959, a bill to revise and extend the Renegotiation Act of 1951, comes to the floor for action in the near future, I will rise in opposition to the bill, and I will offer an amendment in the nature of a substitute. My amendment will simply put the Board on a standby and inactive status until "the President determines, during a period of national emergency" that having the Board in effect "would be in the best interest of the United States." My amendment is printed in today's RECORD and I invite my colleagues to take note of it.

Specifically, the bill raises several serious questions with respect to the functions of the Renegotiation Board.

One. Is this agency, which was created in 1951 to review defense contracts which were hastily negotiated in a period of national emergency, necessary during peacetime?

Two. What are the costs of compliance to Renegotiation Board regulations faced by taxpayers and industry?

Three. How much of the renegotiation process involves duplicated efforts by Government agencies?

Four. How are "excess profits" determined by the Renegotiation Board?

Five. How would the proposed legislation affect small and minority businesses?

I shall briefly address these questions:

1. NECESSITY OF THE RENEGOTIATION BOARD DURING PEACETIME

Mr. Speaker, when the renegotiation process was instituted in 1951, the purpose was to protect the Government against excessive profits on defense contracts. Renegotiation was a retrospective procedure due to limited compliance regulations, the lack of sufficient procurement review personnel, and the pressures of national emergency conditions. However, since that time, a host of procurement laws, regulations, and agencies have been established. Moreover, during peacetime, defense contract negotiations can be effectively executed, avoiding a costly renegotiation process.

2. COST OF COMPLIANCE

Mr. Speaker, a review of the Renegotiation Board's performance illustrates that taxpayers and industry have paid substantial amounts for questionable benefits. For example, during the 6-year period, 1971–76, total filings received by the Board were 22,378. Also during that time, total net excess profit determinations by the Board were $112 million. Thus, during this 6-year period, on average about $5,000 from each firm was recovered.

Filings with the Board

	Firms
1971	3,154
1972	4,874
1973	3,910
1974	3,665
1975	3,708
1976	3,067
Total	22,378

1971–76 EXCESS PROFIT DETERMINATIONS

Total: $271 million less $130 million (income tax credits) equals $141 million less $29 million (Board operating costs) nets $112 million.

At what cost, however, was the $112 million net excess profit determination made? Estimates reveal that industry paid almost $400 million to comply with the Board's regulations in terms of labor, electronic data processing, and other administrative costs. This cost represents more than three times the net excess profit determination obtained by the Board from 1971–76. Furthermore, a substantial portion of this $112 million is yet to be recovered through litigation in the Court of Claims. This means additional costs to taxpayers. Mr. Speaker, last year alone, estimated compliance costs to the public and to industry equaled approximately $200 million; and excess profits actually recovered by the Board were $4 million—about 2 percent of the compliance cost.

In an analysis of the proposed Renegotiation Act, the Federal Paperwork Commission concludes that the bill would "create additional administrative and procedural burdens as well as unnecessary paperwork and redtape, the cost of which appears to outweigh the potential benefits." Let me also remind my colleagues at this time that the Board's current backlog of filings amounts to $150 billion and that the proposed legislation would, according to the Congressional Budget Office, increase filings by 10 percent. Mr. Speaker, H.R. 5959 would increase costs much beyond the $200 million cited for 1976.

The product-line reporting method required by section 4(2) of the bill and the possible "audit" of "every" financial statement submitted as stated in section 10(b) impose great inflexibility and further administrative burdens on contractors and the Board itself. Neither of these provisions have been supported by the Carter administration and the Renegotiation Board itself admits that its operating costs will increase, the amount depending on the interpretation of the word "audit"; but it may involve the hiring of 200 to 2,000 additional auditors.

Mr. Speaker, ultimately this legislation will severely restrict defense contractors and, in turn, higher costs will be passed along to the Government and to taxpayers. Surely, no sophisticated economic analysis is necessary to recognize the potential inflationary impact of this proposal. At a time when fiscal responsibility and reduced deficit financing are of primary concern, there can be no sound justification for the enactment of H.R. 5959.

3. DUPLICATING THE EFFORTS OF OTHER GOVERNMENT AGENCIES

Mr. Speaker, let me emphasize that currently all defense contractors are monitored by the Defense Contract Audit Agency and the Office of Defense Contract Services. Contractors have also been subject to the Truth in Negotiations Act since July 1970 and to more than 11 other cost accounting standards. As stated during hearings on the Renegotiation Act held by the Subcommittee on General Oversight and Renegotiation in March, "By doing its job effectively, the DCAA makes it virtually impossible to justify on the basis of zero-based budgeting the continued activity of the Renegotiation Board during periods of peace."

4. THE DETERMINATION OF "EXCESS PROFITS"

Mr. Speaker, a considerably disturbing aspect of the Renegotiation Board's assessment of "excess profits" is that the term "excess profits" has never been clearly defined. In fact, according to the Director of Procurement and Systems Acquisition Division of the General Accounting Office, that determination is currently "totally subjective." In testimony before the General Oversight and Renegotiation Subcommittee, Mr. Gutmann claimed:

> At the present time, it is almost impossible to tell whether excessive profit determinations have been made in any consistent and uniform manner. The Board has not made progress in implementing the recommendation in that regard that we [the GAO] made in the earlier reports on our review of the activities of the Board. . . .

Mr. Gutmann summarized the difficulty of conceptualizing "excess profits" by saying that:

> . . . you have different types of contracts awarded. Some of them have a minimal element of risk. Some of them have a high element of risk and it is a matter of judgment in each case as to what would be considered an excessive profit.

Additionally, recent studies by the Department of Defense and analyses by the financial and investment community indicate that current defense-related profits are considered inadequate. What is more, Mr. Speaker, section 8 of H.R. 5959 requires interest to be paid on all excessive profits commencing the first day of the year following that in which they were earned. Senior staff members of the Renegotiation Board have expressed concern over the constitutionality of this provision, which would require contractors to pay interest on a determination of "excess profits" for a period of time even before it was known that such an excess profit exists.

5. IMPACT OF H.R. 5959 ON SMALL AND MINORITY BUSINESSES

Mr. Speaker, the negotiation process chiefly affects smaller defense contracting businesses. Increased compliance requirements embodied in H.R. 5959 raise operating costs for small businesses. In turn, these costs will be passed on to the Government. However, if the small business cannot meet increased operating costs, expenses must be reduced. In attempting to cut expenses, these firms may be forced to decrease their labor forces, spurring unemployment. The potentially harmful impact of H.R. 5959 on small businesses, which employ about 50 percent of U.S. workers, through measures such as product-line reporting, mandatory audits, and interest penalties may result in a significant deterioration of competition in the defense industry.

With respect to minority businesses, the provisions of H.R. 5959 would contra-

dict existing authority contained in section 8(a) of the Small Business Act, as amended. Presently, the SBA assists in steering profitable subcontracting work to minority-owned businesses in order to alleviate their developmental problems. Many of these firms fall within the scope of the Renegotiation Act. Therefore, it is conceivable that what is granted these firms under section 8(a) of the Small Business Act, as amended, would be taken away by the Renegotiation Act as proposed.

Mr. Speaker, for the reasons cited above, I intend to offer an amendment in the nature of a substitute to H.R. 5959, which would activate the Renegotiation Board only during periods of national emergency. This amendment has the support of many of my colleagues, and it is our view that this approach represents a reasonable, noninflationary, and cost-effective alternative to H.R. 5959.

ANTIBUSING LEGISLATION

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. ARMSTRONG. Mr. Speaker, last week I signed a discharge petition to require the House Judiciary Committee to bring antibusing legislation to the floor for consideration, possible amendment, and a vote.

At first, I was reluctant to do so. It seemed to me the committee should not be forced to act until members of the Judiciary Committee had a reasonable opportunity to draft legislation, possibly a constitutional amendment to curb the massive forced busing of schoolchildren which has been imposed on many of the Nation's school districts. I felt it would be better for such a proposal to be considered voluntarily by the committee. Expert witnesses could be summoned to testify, language could be written to accomplish the intended purpose while avoiding undesirable side effects.

Obviously, the issues at stake in the busing controversy are of great importance to this Nation—maintaining and improving educational standards for all students; assuring an opportunity for a high quality education to all; providing for integration of public education and strengthening neighborhood schools—these are issues which deserve a fair hearing by the Judiciary Committee and the opportunity for all Members of the House to speak, offer amendments and to vote on forced busing and alternatives.

Unfortunately, however, the Judiciary Committee does not seem willing to hold such hearings or to even seriously consider various pending proposals to end or drastically reduce forced school busing.

By refusing to act, the committee leaves other Members no choice. Therefore, I have joined a bipartisan group in signing a discharge petition to require that House Joint Resolution 19 be brought to the floor for consideration and action by the entire House. I wish the Judiciary Committee had done its work and not made this somewhat drastic procedure necessary.

PLANNING FOR PEOPLE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Ms. OAKAR. Mr. Speaker, Norman Krumholz, the planning director of Cleveland, Ohio, was recently described in a newspaper article that accurately and succinctly portrays work that has made Norman Krumholz the finest professional city planner in the Nation.

I believe that persons throughout the Nation, who are concerned about urban life, will be interested in this excellent description of one man and his work. The article appeared in the Washington Post for Wednesday May 11, 1977. Its author, Neal R. Peirce, deserves commendation for the excellence of the article.

The article follows:

A CITY PLANNER WHO DRAWS THE PEOPLE IN

(By Neal R. Peirce)

CLEVELAND.—Hair shirt to the establishment, professed advocate for the downtrodden and a pioneer of "cutback planning" for declining cities, Cleveland's planning director appears to be one of a kind. But the approaches he is taking may be the wave of the future.

His name is Norman Krumholz—some of his staff members call him "Stormin' Norman." He believes that planners, instead of charading as aloof technicians and relying on abstract mathematical models to design some "best future" for the "city beautiful," should plunge into the political battle as advocates for the kind of poor and near-poor people who make up the vast bulk of aging cities like Cleveland.

Every piece of planning that truly affects the future, Krumholz says, benefits some people and may harm others. Massive urban freeways and big downtown office complexes, he suggests, may line the pockets of developers and the construction unions, but what is their effect on poor people, on city neighborhoods?

The key question, Krumholz and his planners say, is, "Who pays, who benefits?"

"The problems of Cleveland and its people," they contend, "have less to do with land uses, zoning or issues of urban design—the traditional domain of city planners—and more to do with personal and municipal poverty, unemployment, neighborhood deterioration and abandonment, crime and inadequate mobility."

Thus when highways, office complexes, rapid-transit plans or sales of city properties are proposed, Krumholz does not—as one of his staffers put it—"wait to be consulted. He barges in, uninvited, wherever he finds the door ajar."

It's a perilous approach, creating many powerful enemies. But though his initial appointment came from Carl Stokes, a black mayor, Krumholz has survived under Ralph Perk, Stokes's Republican-ethnic successor. One reason, he suggests: Opponents on one issue often turn out to be allies on the next.

For any proposed project, Krumholz raises basic questions: Will it provide more jobs at livable wages for Cleveland residents? Will it stem the tide of neighborhood deterioration? Will it return more, rather than less, tax money to the city so that public services can be maintained and expanded?

The city, Krumholz says, must be hard-headed and businesslike in its investment decisions. In any project, he says, there should be some *quid pro quo* for the city—"not in ribbon cutting, but in terms of the fiscal vitality of the city."

When a new West Side highway was proposed, the city's cost share seemed a bargain—just $10 million. But Krumholz showed it would displace 1,000 housing units and cost Cleveland $400,000 in lost taxes annually. Stokes blocked the project.

Krumholz blew the whistle when developers asked the city to pay for bridge and road improvements—estimated at $15 million—to serve a proposed $350 million "Tower City" of downtown office buildings and apartments. "We thought it was pie in the sky," Krumholz said: There was no guarantee that the developers could raise the needed capital, existing buildings might "go bust" with loss of tenants, and analysis showed property-tax receipts might increase little or actually decline. The city council overrode Krumholz, 32-1, but capital problems have continued to stymie the project.

Krumholz believes his office's "greatest success" was in forcing a much better deal for the city—especially the "transit-dependent" third of its people who don't own cars—in negotiations for transfer of the ailing Cleveland Transit System to a regional authority. The city planners demanded—and got—reduced fares, expanded bus service, and agreement to spend about $1 million a year for a "dial-a-ride" pre-notification pick-up and delivery service for elderly and infirm transit-dependent passengers.

Krumholz also forced a moratorium on proposed rapid-rail extensions, a position that brought him into conflict with environmentalists, transit officials and business leaders who view rail expansion as a way to bolster development and inflate the value of downtown real estate.

His latest challenge to big business is an idea for a special downtown property tax, on top of existing real-estate taxes, to finance center-city public improvements that increase profits for landowners there.

All this places Krumholz in league with the neighborhood movement, now fast developing in Cleveland and other cities. By fighting for the poor on immediate issues, he provides them with the research backup that their grass-roots organizations often lack.

Krumholz is a pioneer, Columbia University sociologist Herbert Gans suggests, in "cutback planning"—chartering for an era of population and economic decline in aging cities like Cleveland.

Krumholz rightfully insists that the residue of poor left in center cities should not be forced to pay inordinate costs in the era of decline, or be ripped off by the business-labor coalitions intent on new freeways and downtown edifices that benefit suburban workers and executives. More of the costs, he says, must fall on businesses, suburbanites, and the federal government through income-maintenance plans for the poor.

But the poor are ill-served unless there are also creative plans to encourage investment, to create jobs in the older cities. Krumholz has some ideas along those lines—but not many.

The ultimate test will be to devise plans that stop the rip-offs but also encourage investors and new job opportunities. "Stormin' Norman" may not have arrived there yet. But he has made a beginning.

ROMULUS WILL HONOR UNIVERSITY OF DETROIT BASKETBALL STAR

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. FORD of Michigan. Mr. Speaker, a 20-year-old youth from Romulus, in my congressional district, will be recognized by a special day in his honor during Michigan Week festivities on May 21.

That date will be named "John Long Day" in Romulus in honor of a young man who has become a hometown hero for his outstanding abilities as a basketball player with the University of Detroit Titans.

I am proud to bring the story of this young athlete to the attention of my colleagues, and I am inserting at this point in the RECORD an article from the Romulus Roman of April 13, which outlines his accomplishments:

ROMULUS WILL HONOR UNIVERSITY OF DETROIT BASKETBALL STAR

John Long learned to play basketball on a rough, outdoor court near the Romulus Civic Center.

"We would watch professional basketball on television and then go out and practice what we saw," said the 6-foot, 5-inch star forward of the University of Detroit Titans basketball team.

Although the city has torn down the court Long learned to play on, Romulus has not forgotten its newest hometown hero.

The city will honor him with a special "John Long Day" May 21 as part of its Michigan Week Youth Day festivities at the civic center, 11495 Warham.

Romulus will present the 20-year-old junior with a key to the city and a recognition plaque commending him for his outstanding high school and college basketball career.

As a senior on the 1974 Romulus High School basketball team, Long averaged 25 points a game and was named to the Michigan All-State squad.

As a starter for the Titans, Long has been one of the team's most consistent performers, with coach Dick Vitale calling him a budding superstar. Long averaged 21 points and 10 rebounds a game this season to lead the Titans to their best season ever.

In the nationally televised match-up between the U. of D. and the University of Michigan during the NCAA regional playoffs, Long dumped in 25 points in the Titan's losing effort.

"When the broadcaster announced John's name before the game and told the entire nation he was from Romulus, I think everyone in the city had a very proud moment," said Jay Young, Romulus public information officer

"He is a lifetime resident of the city, one of 10 children from a poor family, who has been able to distinguish himself. We are very proud of John."

The Romulus Civic League also honor Long with a fundraising millionaire's party at 8 p.m., May 28, in the civic center. All income from the party will go to build a basketball court on civic property to replace the one Long practiced on as a child.

" I think it's appropriate to use the money to build another court," Long siad.

"I appreciate the thought. It is a great honor to have the city you grew up in set aside a special day for you."

The court will be dedicated to Long, who said he still considers himself a Romulus resident and lives with his mother, Mrs. Minnie Davis, when not on campus.

PENNSYLVANIA'S 16TH CONGRESSIONAL DISTRICT QUESTIONNAIRE RESULTS

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. WALKER. Mr. Speaker, in early February I mailed a questionnaire to each household in Pennsylvania's 16th Congressional District. I did so in an effort to get a better understanding of the views and opinions of those I represent. I intend to use these views and opinions as an important guide in voting on the many issues of national importance that are considered and discussed before the House.

Now that the results of that questionnaire have been tabulated, and to establish what will become a regular procedure for me, I am submitting the results of my questionnaire for the RECORD and for the information of my colleagues.

The questions and results are as follows:

[In percent]

1. Some economists feel a balanced Federal budget is needed to help solve our economic problems. Other economists feel the Federal Government should spend more than it gets as a way of stimulating the economy. Where do you stand? [1] [2]

Balanced budget:	
1	74
2	18
3	5
Spend more:	
4	3

2. President Carter wants Congress to give him the power to reorganize the Federal Government. Others insist that Congress should be a partner in the reorganization effort. Where do you stand?

Carter:	
1	31
2	21
3	16
Congress:	
4	32

3. Many Americans, including President Carter, favor amnesty for Vietnam era draft evaders. Others, including some Members of Congress, oppose the President's plan. Where do you stand?

Favor amnesty:	
1	21
2	11
3	13
Oppose amnesty:	
4	55

4. Some experts believe we must build the B–1 Bomber in order to maintain an adequate national defense. Other experts feel our defense is stronge enough and the B–1 is unnecessary. Where do you stand?

Build B–1:	
1	35
2	25
3	14
Unnecessary:	
4	26

5. A pay raise for top Federal officials, including Members of Congress and judges, has been recommended as one way of attracting top-notch people to government service. It is being opposed as too expensive. Where do you stand?

Favor raise:	
1	6
2	8
3	13
Oppose raise:	
4	73

6. Some experts feel our present policy toward the Soviet Union (détente) is good for the United States and should continue. Other experts feel we are not being strong enough in our dealing with the Russians and a harder line is needed. Where do you stand?

Maintain present policy:	
1	16
2	15
3	23
Adopt harder line:	
4	46

7. Deregulation of the price of natural gas will result in increased prices to the consumer but means more gas can become available to insure that factories and schools can remain open. Where do you stand?

Deregulation:	
1	3
2	23
3	16
Regulation:	
4	26

8. A Federal Consumer Protection Agency has been proposed to promote consumers' views at the national level. Opponents of this proposal say there is enough protection for consumers and the proposed agency means more bureaucrats and more spending. Where do you stand?

Establish agency:	
1	19
2	12
3	13
Agency unnecessary:	
4	56

9. A Congressional investigation of the assassinations of President Kennedy and Dr. Martin Luther King has been proposed. Opponents of such an investigation say it is not a priority matter for new spending. Where do you stand?

Investigation needed:	
1	11
2	8
3	9
Investigation unnecessary:	
4	72

[1] Numbers 1 and 4 indicate directly opposing views on an issue and those positions are noted directly above those numbers. Number 2 indicates those individuals "leaning" toward the Number 1 position but not definite about it and Number 3 indicates those individuals "leaning" toward the Number 4 position but not definite about that view.

[2] The number of responses to each question which indicated "no opinion" were negligible and were, therefore, not considered in tabulating the percentages.

WHAT IS A MOTHER?

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. MURTHA. Mr. Speaker, on this past Sunday which was very appropri-

ately set aside to honor the mothers in our Nation, I came across some remarks prepared by a good friend of mine, Joseph F. Pencek. These comments properly commemorate the Nation's mothers, and I would like to share them with the Members:

WHAT IS A MOTHER?

A mother is a jewel, gold, wonderful and gentle, she rocks the cradle of those who run the world. Mother is the one who has sustained me in time of need, she was there when I needed her, her love will prevail as long as there is a breath of life in me. Oh mother, sweet mother, I couldn't in a million years writing in a million books tell of the bond between mother and son/daughter for it is . . . God's bond, it shall never perish—even beyond the grave! The sage has said: "The well known sounds so sweet to mortals given . . . are heard in mother, home, and heaven." And "men are what their mothers made them." We should not fail to mention—"What the mother sings to the cradle goes all the way down to the grave." "All that I am or hope to be, I owe to my angel mother!"

A mother is unique, we can only have one, that is to say, the one whose womb brings us into this world. When we are sad, mother is sad, when we are glad, mother is glad. When mothers know that her children are in pain, her tears of anguish flow; many times these tears aren't seen, for they are hidden, but believe me, they are there. An old proverb wisely states—God could not be everywhere and therefore he made mothers. When all of your friends forsake you and you are feeling blue, always remember mother—for she is still with you. To those of you who have a living mother, by all means visit her, constantly show your love, for alas, you won't always have mother around; to those whose mother is gone, remember her in your prayers! As long as you live, never forget, she gave you the gift of life; you are always in her debt.

JOSEPH F. PENCEK,
Jury Commissioner of Cambria County.

PHILADELPHIA FIRE DEPARTMENT OBSERVES FIRE SERVICE RECOGNITION DAY

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. EILBERG. Mr. Speaker, the Philadelphia Fire Department will observe Fire Service Recognition Day on Saturday, May 14, with open house at all its fire stations.

Fire Service Recognition Day is a national observance in every city in the country to focus attention on the important role fire departments play in protecting the public's safety.

Fire Commissioner Joseph R. Rizzo has extended a special invitation to all Philadelphians to visit their local fire stations, meet their firemen, examine the modern firefighting equipment, and learn about the vital services the men provide.

Mayor Frank L. Rizzo has issued a proclamation designating Saturday, May 14, as Fire Service Recognition Day. He will present it to Fire Commissioner Rizzo during a ceremony at city hall.

The city's fire department is nationally recognized as the country's No. 1 major professional fire service agency.

It previously won 18 first place awards from the National Fire Protection Association for the best fire service record of cities of 500,000 or more population.

During this same period it also won four Grand Awards from the NFPA for the best fire safety record of any city in the country.

In the first year of the NFPA's "Learn Not to Burn" competition, the fire department received an award for its outstanding fire prevention program in the public, parochial, and private schools.

The fire department has also received 13 George Washington Medals from the Freedoms Foundation of Valley Forge, including the foundation's highest medal, the Principal Award four times, for its innovative fire safety education programs.

It is recognized nationally for its excellent award-winning fire prevention programs involving every segment of the community and its work in educating youngsters about the hazards of fire and how to prevent fires from occurring in the home.

LOCAL 718, INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. MOAKLEY. Mr. Speaker, I would like to commemorate today the 35th birthday of local 718 of the International Association of Fire Fighters in Boston, Mass.

This union was started on April 17, 1942, at the Hotel Bradford, with 300 signatures from firefighters across the Boston area. Membership quickly rose to 600 and loyalty has remained strong in this group until today.

In its beginning, local 718 worked hard to combat long hours and low wages and poor working conditions of Boston firefighters. It overcame much opposition from company officers to communicate with fellow workers and promote fair treatment of their fellow members. It slowly accomplished its membership's goals of better working conditions and adequate wages, never forgetting that public service is the basis of the firefighter's work for society.

Early critics predicted that the union would not last 6 months, but hard work and close cooperation with city officials led to a strong and healthy group. The late Honorable Maurice J. Tobin; Fire Commissioner William A. Reilly, and Chief of Department Samuel Pope all helped to build local 718 and thus to better the lot of the Boston firefighter.

Today, local 718 is a model of responsible self-organization. Members serve their union and the Boston public with great distinction. I am proud to mark the 35th anniversary of local 718's dedication to the Boston community.

FACING HAVANA AND HANOI WITHOUT IFF

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. DERWINSKI. Mr. Speaker, Prof. John P. Roche, whose column appeared in the Washington Star of May 10, is noted not only for his career in academic circles, but also for his practical experience in government.

He expresses very pertinent observations of the national scene in his column discussing our relations with Hanoi and Havana. In my judgment, he very properly makes his point.

The article follows:

FACING HAVANA AND HANOI WITHOUT IFF

(By John P. Roche)

The more I learn about our negotiations with Hanoi and Havana, the more I wish my Himalayan cat, Mariah, were handling them.

I have seen Mariah, apparently asleep in the driveway at one moment, rocketing to the roof of a car the next, just before a dog appeared. In contrast, I have seen her napping untroubled on the flagstones when a huge Newfoundland ambled up and lay down beside her. And there is a ructious spaniel who appears from time to time, runs a circle or two around her and yaps: Mariah yawns and rolls over.

Clearly, she has what in World War II was called "IFF Radar." She instinctively Identifies Friends and Foes, and reacts accordingly.

We, on the other hand, seem to have lost our capacity to distinguish friend from foe.

Begin with the objective situations in Vietnam and Cuba: both are bankrupt totalitarian countries desperately in need of economic and technical assistance. Both are dedicated opponents of human rights and, or course, of the United States. Both are attempting to "normalize" relations with the United States in hopes we will bail them out.

No one can blame them for trying to roll a drunk, but a serious case can be made against our getting stoned. As suggested here, when Castro pulls his army out of Africa and the Middle East its members could make a significant contribution to Cuba's gross domestic product. Moreover, a democratization of Cuba could lead to the return of 700,000 exiles—mostly middle class technicians and artisans. On a population base of roughly 8 million, they could provide quite an economic stimulus.

But democratization could create problems for the Caudillo. Senator George McGovern told the Havana periodical *Bohemia* that Fidel "is one of the most important leaders in the world today," but the exiles—who have IFF—are skeptics. McGovern may be a nice man, but they question his view that Castro has successfully guaranteed fundamental rights in Cuba. McGovern does not run the DGI, Fidel's KGB-trained secret police. So exchange ambassadors, but let Moscow pick up Fidel's tab.

Now to the American-Vietnamese negotiations in Paris, where Mariah would certainly be on the roof of a Renault. Asst. Secretary of State Richard Holbrooke strikes me as decent, but to put him in the ring with a veteran cutthroat like Vietnam's Deputy Foreign Minister Phaerm Hien is absurd. You see, Holbrooke feels guilty about our Vietnam commitment.

I feel guilty about it too, but for different reasons: We botched it; and we then abandoned 16 million South Vietnamese to savage totalitarians.

In the words of an impartial witness, "Now, after the Communist victory, the South Vietnamese, realize they lost a precious thing. They realize the intervention of the United States was right. Only its manner was debatable. Now they would like substantial military help to regain that freedom."

Doubtless some CIA stooge? No, alas, 10 years late, a leader of the anti-Thieu forces in Saigon learned there can be things worse than war. Nguyen Kong Hoan, a former Saigon deputy and leader of the anti-Thieu peace group, who was rewarded with a place in the new unified Hanoi legislature, managed to escape and boggled the minds of the anti-war partisans here with these sentiments. For some odd reason, his remarks received little media coverage.

Perhaps we should ship Nguyen Kong Hoan to Paris to advise Holbrooke, but at the moment an utterly unfazed Hanoi delegation is simply demanding that we live up to our end of a secret 1973 bargain and provide Vietnam with $4.7 billion for "reconstruction." (They've backed away from the word "reparations.")

President Nixon, of course, had no right to make such a commitment; if he had, it would be worthless. The $4.7 billion was meant as a bribe to Hanoi to honor the 1973 "peace" agreement.

Two years ago the massive invasion of South Vietnam taught us how seriously Hanoi took the Paris accord. Now they have the gall to demand payment for breach of contract! Their new scenario: we recognize them, allow them into the U.N. and fork over billions in return for some more caskets and good will. The first two are acceptable, but please, Mr. President, if you must do penance, send them $4.7 billion—in Confederate money.

EVERYBODY'S AUNT BESS

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. BYRON. Mr. Speaker, May 13 is a special day in Hampstead, Md. Aunt Bess Snyder is celebrating her 85th birthday and the day is important because Aunt Bess is important. She is affectionately known as everybody's Aunt Bess. Throughout her 85 years in this central Maryland community she has been a continuing source of inspiration and upstanding Christian values. I would like to share with my colleagues in the U.S. House of Representatives some of the outstanding qualities that make Aunt Bess a shining light to all whose lives she touches.

During World War II this remarkable lady corresponded with 160 servicemen and 1 WAC, writing at least 30 letters each and every Sunday afternoon. She always enclosed a bulletin from Saint Mark's Lutheran Church where she is been a member for more than 70 years.

For many years she has gone out of her way to visit the ailing in hospitals, often many miles from her home. She brings with her a ready smile, perhaps a flower or some produce from her garden and a cheery visit. Every day she is sure to make several calls to friends with problems or sickness to ease their burden.

Aunt Bess says:

These days my main joy still comes from helping the sick and aged.

My fellow residents of central Maryland and myself say one of our great joys comes from knowing this wonderful lady. To everybody's Aunt Bess, congratulations on your birthday and thank you for the 85 years you have given to your fellow man.

"VILLA ALLEGRE": BILINGUAL CHILDREN'S TELEVISION PROGRAM

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. STARK. Mr. Speaker, I would like to bring to the attention of my colleagues California Senate Joint Resolution No. 3, memorializing the President and the Congress of the United States to enact legislation assuring the continuance of the bilingual children's program, "Villa Allegre." This series is presented by over 260 stations across the United States, and is viewed by an audience of 10 million. Bilingual television programing has shown itself to be an effective learning tool and means to combat racial isolation available for both the non-English speaking as well as the English-speaking child.

The "Villa Allegre" series was recently nominated for an Emmy award by the Academy of Television Arts and Sciences. This is a tribute to both Bilingual Children's Television, Inc., as well as HEW and the U.S. Office of Education for their continued support of "Villa Allegre."

I hope that my colleagues, in recognizing the educational importance of this and other similar children's programs, will demonstrate their support by endorsing the continued funding of "Villa Allegre." I would also hope the Appropriations Subcommittee on Health, Education, and Welfare will indicate, through appropriate language in its report, its support for the continuation of "Villa Allegre" objectives. Below is a reprint of the California Senate Resolution:

SENATE JOINT RESOLUTION No. 3

Senate Joint Resolution No. 3—Relative to bilingual television programming

Whereas, In the fall of 1974, an innovative bilingual children's television program known as "Villa Alegre" made its debut nationally; and

Whereas, "Villa Alegre" is produced by Bilingual Children's Television, Inc., a California nonprofit corporation based in Oakland, California; and

Whereas, Utilizing the most singularly powerful medium in existence today, "Villa Alegre" is aimed for children at the formative years where its impact can be of most value to the viewer; and

Whereas, "Villa Alegre" provides a sense of identity as well as understanding and appreciation of the Spanish and English languages, instills a sense of pride and confidence in the heritage of the Spanish-speaking community, introduces monolingual children to a new linguistic melody, and broadens curriculum experiences, while celebrating cultural diversity; and

Whereas, The program helps to create a linguistic and cultural bridge within the home, school, and total community and can serve as an effective educational tool in complying with recent United States Supreme Court decisions involving bilingual education: and

Whereas, Bilingual Children's Television, Inc., producers of "Villa Alegre," has developed invaluable expertise in bilingual children's television programming, has compiled extensive research data on bilingual children, and has gained a keen insight into the educational needs of children during the formative years; and

Whereas, The value and impact of "Villa Alegre" on all children in the United States is manifest in its institutional, civic and community support and its utilization in homes and classrooms nationally; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact legislation to assure the continuation of "Villa Alegre" for all children; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

FAIRMOUNT PARK COMMISSION IN PHILADELPHIA GETS EXTRA LAND FOR RECREATIONAL USE

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. EILBERG. Mr. Speaker, I am pleased to report that Philadelphia Mayor Frank L. Rizzo has announced that over 205 acres of city-owned land in northeast Philadelphia is being turned over to the Fairmount Park Commission for open space and recreational use.

I am always delighted, Mr. Speaker, when additional land is made available for this purpose; my delight is magnified in this instance because I have the high honor of representing northeast Philadelphia in the Congress.

The acreage which is being made available for recreational use had been held by the police, streets, and welfare departments and had been considered for other uses.

In making the land available in this manner, Mayor Rizzo pointed out that the community has wanted the land for some time, and that he was happy to have been able to resolve this matter to the community's satisfaction.

Robert W. Crawford, president of the Fairmount Park Commission and Recreation Commissioner, has called the area virtually the only remaining open space along the Delaware River within the Philadelphia city limits. He has said that it would make a fine site for water-related activities, including the city's second boat ramp.

THE NEED TO CURB PLUTONIUM BREEDER REACTOR DEVELOPMENT

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. BINGHAM. Mr. Speaker, I am pleased to call my colleagues' attention to an extremely significant news story from this morning's New York Times entitled "Bonn, Under Domestic Pressures, Slows Breeder Reactor Research." The article, which follows my remarks, notes that domestic pressures in the West German Parliament—which are so serious that they may threaten Chancellor Schmidt's government—have forced the West Germans to freeze their development of breeder reactors. Today's news suggests that the FRG may follow the American lead in reassessing its commitment to nuclear power and to a future plutonium economy.

Mr. Speaker, I am very concerned that no action taken by this Congress should undermine President Carter's courageous effort to curb nuclear proliferation. Congress should support the President's decision to defer indefinitely commercialization of plutonium-fueled reactors and nuclear fuel reprocessing plants. To this end, we must reject any attempt to undercut the President's policy by restoring funds for the Clinch River breeder reactor. I pledge my best efforts to block any such attempt because I believe it is only fair that we in Congress give the President's rejection of the plutonium economy for the present a chance to bear fruit overseas. The news from Bonn would seem to indicate that such a harvest may be forthcoming.

The text of the Times article follows:

BONN, UNDER DOMESTIC PRESSURES, SLOWS REACTOR RESEARCH

(By Craig R. Whitney)

BONN, May 11.—The West German Government, faced with political criticism of its nuclear energy policies, is being forced to slow down research on the plutonium-based breeder reactors that President Carter opposes.

The Government still is committed to develop breeders, which produce plutonium, the prime ingredient of nuclear weapons. But, officials said today, $51.7 million in funds for research and development have been frozen until skeptics in Parliament can be convinced that this avenue to nuclear power is neither costly nor dangerous.

Last month President Carter cut off support for breeder development in the United States. He did not call on other nations to follow suit but he clearly hoped that the American example would be taken seriously elsewhere.

DOMESTIC PRESSURES ARE KEY FACTOR

The West German Government, committed to making the nation's nuclear power industry a world leader, announced only two weeks ago that it would request $96 million over the next five years for breeder research and development.

Dr. Armin Grunewald, an aide of Chancellor Helmut Schmidt, said today that as far as he knew, the Chancellor did not mention the possibility of freezing development funds in talks with President Carter in London last weekend.

The reason for the freeze is more closely connected with domestic politics and with the governing Social Democratic Party's weakness and disunity than with Mr. Carter's opposition to breeder technology.

A small group of left-wing members of Parliament from Schleswig-Holstein, where antinuclear feeling has been particularly strong, said they would break party discipline and vote against the government budget if the breeder program stayed in. This could have meant the end of Mr. Schmidt's precarious majority in Parliament since only five defections could bring the Government down.

The Ministry of Research and Technology agreed to the freeze yesterday, denying any connection with the threatened revolt. According to the ministry's spokesman, the prototype breeder that has been under construction near the Dutch border will not be affected.

WIDE INTEREST IN BREEDER TECHNOLOGY

The French, British and West German governments have all supported research into breeder technology because, unlike the United States, they must import all the nuclear fuel they use, and breeders produce more fissionable material than they burn. The Soviet Union, too, has been developing breeder reactors.

West Germany plans to have 29 nuclear power plants generating 30,000 megawatts of electricity by 1985, and the Government believes that both breeders and reprocessing of spent fuel will be essential after that. President Carter opposes this approach. The industrial democracies at the London meeting did not come to an agreement, but set up a committee that is to report in two months.

As the debate has grown more intense, so has skepticism about whether West Germany's course is realistic. Citizens' lobbies have sprouted in opposition to Mr. Schmidt's plans. A conservative, Christian Lenzer, said today:

"One can have differences of opinion about the necessity of fast breeder reactors but this surprising reversal is a sign that the Minister of Research and Technology can't even get his views through over the objections of leftist comrades in his own party."

TRIBUTE TO THE NEW ARTEF PLAYERS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. WAXMAN. Mr. Speaker, we are fortunate, in southern California, to be enriched by a Jewish repertory company called the New Artef Players. Named after a Yiddish theater ensemble active in the 1920's and 1930's, this group of actors, writers, designers, and musicians, led by Paul Bennett, its administrative director, and Armand Volkas, artistic director, is contributing greatly to the cultural life of the communities it reaches. In the most exciting manner, the traditions of Jewish consciousness are preserved and fostered for the enjoyment of Jews and non-Jews alike. The company performs at synagogues, college campuses, and has a special education program for children which is presented at public schools.

On April 30, 1977, the New Artef Players will open a new and original play at Temple Emmanuel of Beverly Hills, titled, "Passions," the production explores Jewish life during the medieval period, Jewish-Christian relationships, and the roots of anti-Semitism. The date marks the 1-year anniversary of the opening of "Survivors," a chronicle of the emotional aftereffects of the European holocaust of World War II. The company, in a lighter vein, also has in its repertory, "The Tales of Chelm," colorful adaptations of old Eastern European folk tales about the legendary town of fools.

I am happy to be the means of bringing this exceptional theater group to the attion of the House, so that we may join in the New Artef Players anniversary celebration.

JUST WALK IN AND VOTE?

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. LAGOMARSINO. Mr. Speaker, this body has before it legislation to "reform" the voter registration laws now in force for all Federal elections. This proposal for "universal voter registration" has resulted in considerable controversy over the merits and feasibility of such reform. As you know, I strongly oppose this proposal and was most pleased to read a perceptive editorial on this matter in the San Luis Obispo Telegraph and Tribune. I would like to bring this editorial to the attention of my colleagues at this time:

JUST WALK IN AND VOTE?

The Democrats on Capitol Hill are attempting to increase the turnout of Americans for federal elections by pushing a bill which would allow "walk-in registration" on election day, in such elections, by anyone who's living in the precinct (even if he just moved in that day).

The Democrats in Sacramento, not to be outdone, are preparing their own version of "walk-in registration," which would allow this kind of thing for state, county, city and special district elections.

It's mostly Democrats who are pushing this instant-registration, because the voter who hasn't registered in the usual way, 29 days or more before election, is more often than not inclined to vote Democratic.

This walk-in registration could be dangerous.

It's bad enough when a person can walk into a polling place, identify himself with a driver's license, announce he's just moved in and vote in a contest for, say, Congress. It would require voter fraud on a massive scale, probably, to influence the outcome of an election in a congressional district.

But it's potentially very dangerous to apply the same rule to elections on the local scale, where the number of qualified voters (for a seat on a city council or board of supervisors, say) is small, and where irresponsible people, bent on mischief, could drastically affect the election results. Few of us, in any supervisorial district, could be comfortable with a system which allowed total strangers to walk in, be introduced by a friend who'd already voted, announce they'd just moved into the precinct, and cast a vote.

The Democratic proposals in Sacramento

are as vague as those in Washington, and just as costly.

They would require county clerks, for instance, to mail election materials and registration affidavits to all "residential households," including addresses where nobody is registered. How a county clerk is supposed to find a list of houses where nobody is registered is best left to the imagination.

Another section of the proposed laws would require county clerks to supply election material enough to provide ballots for everyone "reasonably" believed to live in a precinct—and other material for not only that precinct but the five precincts closest, on the chance that someone will wander into the wrong polling place.

The identification requirement, in the California version of the proposed easier-voting law, would include a driver's license. This, in the case of young people, might be sufficient proof of age, since driver's licenses aren't issued to young people without birth certificates or the like. But it gives no clue whatsoever to the license-holder's current address—when he can walk in and say he's just moved the day before to the precinct in which he seeks to cast a ballot.

Voter registration, for anyone who cares, is a very easy procedure the way it is. The person who doesn't care enough to get registered in the normal way doesn't deserve a chance to vote, however it might swell the total of ballots cast.

COMMUNIST DRIVE TO REHABILITATE VIETNAM'S IMAGE IS UNDERWAY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. ASHBROOK. Mr. Speaker, readers of the New York Times were treated to some real Communist propaganda in Sunday's Review of the News section. It was a case of a pro-Communist writer, Wilfred Burchett, writing an article in a Communist-lining newspaper, the Guardian, which was picked up by an old line Communist-fronter, Corliss Lamont, who paid for the ad. To top it off, it was printed, as I have already stated, in a paper which, to be charitable, is soft on communism and has a readership gullible to leftist entreaties.

Here is the leadoff paragraph in the Lamont-Burchett-Guardian propaganda ad:

Vietnam's reeducation of former puppet officers and officials of the Saigon regime has succeeded to a degree almost incomprehensible.

On and on the propaganda goes. No mention of executions or terror. Few Americans except those in the State Department believe the Burchett drivel. Last week my amendment to prevent any American aid to Vietnam passed this House overwhelmingly. The State Department has launched a campaign to rescind it. Maybe they can recruit Wilfred Burchett, Corliss Lamont, and the Guardian in their propaganda drive. Few Americans, however, will agree that the Cambodian or Vietnamese Governments are deserving of any aid whatsoever. Even fewer will believe that the idyllic conditions these pro-Communists present really exist in that tyrannical country.

1,001 YEARS OF NATURAL GAS

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. TEAGUE. Mr. Speaker, on April 27, in the Wall Street Journal, there appeared an editorial concerning natural gas which evokes food for thought. The article follows:

1,001 YEARS OF NATURAL GAS

The conventional wisdom about President Carter's energy program seems to be that the gasoline tax won't fly in Congress, but that the other elements of the plan will sooner or later be enacted. Indeed, there is a deep suspicion among the political crowd that the gas tax was designed to lose, in the process drawing off the opposition's energies so the rest of the package could go through unmolested.

Our own estimate, though, is that the whole package will collapse a piece at a time. This estimate is not merely wishful thinking, although it certainly expresses our hopes. But it is more firmly based on the fact that the United States has been seriously thinking about energy for more than three years. Not only the general public, but also Congress and the press corps have developed a sophistication about energy issues, and we think we are now past the point of being vulnerable to blindly adopting scare scenarios and emergency solutions.

The notion that we may soon be freezing in the dark unless we sacrifice by paying higher taxes to Washington could not be sold to Congress by President Ford and Vice President Rockefeller when we were all relative greenhorns at the energy game. Yes, Mr. Carter certainly deserves his chance to scare Congress into action. But because he seems to learn quickly and is flexible rather than stubborn, there is a good chance Mr. Carter will discover the true shape of the energy problem in the process of failing to get any major portion of his package adopted.

Take natural gas, for example. Mr. Carter apparently thinks the United States is running out of the stuff. If that were true, we might be as scared as he seems to be. But in the course of the debates on his plan, the President will discover that while we are now consuming 20 trillion cubic feet of natural gas every year and that—if prices were only decontrolled—we have roughly 20,000 trillion cubic feet of natural gas at hand, with some estimates that there may be 50,000 trillion cubic feet of it. That is, enough to last between 1,000 and 2,500 years at current consumption.

The President's energy advisers know this. It was explained to them recently in a briefing by specialists of the American Gas Association. Experts in ERDA have been trying to tell the White House

What Mr. Carter has been told is that we have only 216 trillion cubic feet of proven reserves of natural gas, 10 years' supply. But that number was developed by the U.S. Geological Survey in 1974 relating resources available at 1974 technology and 1974 prices, of 52 cents per thousand cubic feet. USGS does not and never has projected what resources would be available at higher prices.

ERDA, though, has unofficially estimated that at an uncontrolled price of $2.25 the nation would be awash with natural gas. It would bring in 230 trillion cubic feet of what USGS calls "inferred reserves," make economic the 285 trillion cubic feet of Devonian shale in Appalachia, the 600 trillion cubic feet of Western "tight sands" and between 200 trillion and 300 trillion cubic feet of coal-seam methane.

At somewhere between $2.50 and $3.00 per thousand cubic feet, the industry could tap the big deposit—geopressured methane that exists at depths of 15,000 feet, both onshore and offshore, in the Gulf region. This natural gas dissolved in water runs to between 20,000 and 50,000 trillion cubic feet. If you consider that 1,000 cubic feet of natural gas is roughly equivalent to one million British Thermal Units, this exotic natural gas is not all that expensive at $3 per million BTUs. Americans now pay about $2.05 per million BTUs of natural gas delivered at their homes, $3 per million BTUs of fuel oil and $10 per million BTUs of electricity.

The only conceivable way Americans would freeze in the dark anytime in the near future is if the government continues to keep the price of natural gas from getting into the ranges that would finance tapping these reserves. Holding down the price is of course precisely what President Carter proposes, a ceiling of $1.75 per thousand cubic feet.

We can't believe that President Carter genuinely desires that we freeze in the dark because of his policies. Instead, we assume it will take him a little time to get fully informed on the true nature of the energy problem. Perhaps some friend will call him up and tell him about this editorial, and we can begin thinking of dancing in the dark instead of freezing in it.

PERSONAL FINANCIAL STATEMENT

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. PATTERSON of California. Mr. Speaker, I believe the best interest of the American people requires that personal financial disclosure statements should be made to the public by the President and Vice President, Members of Congress, candidates for Federal office, and highly paid employees of the legislative, executive, and judicial branches of our Government. I have cosponsored the Financial Disclosure Act which would make that a requirement, and which I believe would do much to restore trust in our Government and give the public the ability to evaluate the financial integrity of its public officials.

Consistent with my cosponsorship of that measure, and with my philosophy of honesty and openness in government, I am at this time making public a statement of my own personal financial status including the amount and source of my income, assets, liabilities, and taxes paid.

The material follows:

PERSONAL FINANCIAL STATEMENT OF JERRY M. PATTERSON, U.S. CONGRESSMAN, MAY 15, 1977

I. 1976 Income:	
Jerry M. Patterson—salary	$44,600.00
Speaking fees and honoraria	2,500.00
Mary Jane Patterson—salary	14,585.60
Total income	61,685.60
II. Present assets (itemized if over $5,000):	
Real property, Annandale, Va.	90,000.00

PERSONAL FINANCIAL STATEMENT OF JERRY M. PATTERSON, U.S. CONGRESSMAN, MAY 15, 1977—Continued

Real property, Buena Park, Calif.	$60,000.00
Real property, Washington, D.C.	40,000.00
1974 automobile	9,000.00
1976 automobile	7,500.00
1976 automobile	4,500.00
1971 automobile	1,700.00
Savings	10,000.00
Furniture, furnishings, paintings, and jewelry	35,000.00
All other and miscellaneous items	5,000.00
Total estimated value of assets	262,700.00
III. Present liabilities (itemized if over $1,000):	
First trust deed on Annandale property	85,000.00
First trust deed on Buena Park property	40,400.00
First trust deed on Washington, D.C., property	31,150.00
Legal lien on 1974 automobile	4,414.00
Legal lien on 1976 automobile	2,900.00
Bank of Washington	2,000.00
All other nonitemized debts	500.00
Total liabilities	166,364.00
IV. Major taxes paid in 1976:	
Federal income taxes	13,891.30
State income taxes	2,742.00
Local property taxes	2,040.06

THE HOUSING PROBLEM

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. McHUGH. Mr. Speaker, when Franklin Roosevelt assumed the Presidency in 1933, he said that he found a nation one-third of which was ill-housed, ill-clad, and ill-fed.

Fortunately, we have made a great deal of progress since President Roosevelt took office. We survived that depression, and large numbers of us have prospered. Yet, many of our citizens still suffer from lack of adequate food and shelter. The deprivation is surely not so dramatic as in the 1930's, but it is still there.

As a member of the House Agriculture Committee, I have seen the desperation of people who have trouble feeding themselves and their families. I have seen how inadequate diets have contributed to ill health, and ultimately to a national health care bill which continues to escalate.

I do not serve on any of the congressional committees which relate most directly to our Nation's housing programs. However, in recent months I have become much more conscious of how real our housing problems are. While we recovered our economic health following the Great Depression of Roosevelt's day, it is clear that an increasing number of Americans today are facing a crisis in finding a decent home. The problem is reflected in the housing supply itself, in the condition of the existing housing stock, and in the high cost of buying or renting a home.

HOUSING POLICY: PROMISE VERSUS PERFORMANCE

At the very beginning I should stress that our present housing problems do not result from lack of a national housing policy. We do have a housing policy, a policy contained in the National Housing Act of 1949. In that legislation, Congress firmly committed this Nation to a housing goal, "the goal of a decent home and a suitable living environment for every American family," as the legislation itself put it.

Almost 20 years later, in the Housing and Urban Development Act of 1968, Congress reaffirmed this goal, and it set forth specific housing production targets to be achieved between 1969 and 1978.

Those targets called for the production of 26 million housing units over that 10 year period, of which 6 million were to be designed for low- and moderate-income families. The goal was ambitious: 2½ million new housing units per year, 600,000 to be built for those with the greatest need.

Sadly, even as that goal was forward looking and promising, our failure to achieve it has been as dramatic and distressing.

Until 1972, it appeared possible that the Nation would meet its 10 year goal. Housing was being produced at record levels and we were on target. Then in 1973, without consulting Congress, the Nixon administration placed a moratorium on most housing programs administered by the Department of Housing and Urban Development. Congress continued to appropriate funds for those programs, and it sought to pressure the administration into acting. However, through the use of impoundments and other administrative techniques, and partly as a result of its inability to resolve deepening economic problems, the Nixon administration effectively brought to an end this effort to upgrade our housing stock and meet our housing needs.

Numbers tell the story most clearly. In the last 3 years, new housing starts have averaged a little over 1.3 million units per year, or about one-half the goal we set for ourselves in 1968.

Even counting large shipments of mobile homes, we now have a backlog of needed housing of at least 2.3 million units. Let me put it another way. Assuming the typical home houses four persons, we are talking about a backlog, for the last 3 years alone, which could house the entire population of the State of Michigan.

This year assuming interest rates and the weather remain stable, we may produce as many as 1.8 million housing units. But that will still add another 450,000 units to our backlog.

As with most things, the burden of our failure falls most heavily upon those least able to carry it. Our stated policy calls for 600,000 new units per year of Government assisted housing for people with low and moderate incomes. Yet, over the last 3 years, we have produced only 154,000 units, less than 10 percent of the goal we committed ourselves to in 1968.

HUD estimates that in 1977 we will see 100,000 new units started for low- and moderate-income families, and another 200,000 units in 1978. If these estimates are fulfilled, our net assisted housing backlog would be 900,000 units 900,000 units to be added to the existing backlog of 1.65 million units from the last 3 years alone.

How tragic this is. It means a backlog of needed housing for people with low and moderate incomes equivalent to the populations of Marvland and Massachusetts combined. In the largest city in my own district, Binghamton, N.Y., it translates into a backlog of 4,500 units of decent and affordable housing.

THE CONSEQUENCES OF OUR FAILURE ON PEOPLE

Statistics are always cold and impersonal. We must remember that they impact upon people, people to whom promises have been made. In the Older Americans Act of 1965, for example, we stated as a matter of policy that our elderly have a right to suitable housing at prices they can afford. In 1971, to give meaning to that policy, the White House Conference on Aging called for a minimum of 120,000 new federally assisted housing units annually for our elderly. That target has never been reached.

Just what impact does our failure have on people? It means that almost 3 million families must live in housing infested by rats and mice. It means that over 1 million households lack some or all plumbing. It means that bedrooms are occupied by 3 or more people in over 2 million households. According to a recent study, one-quarter of all Americans, one-quarter of our fellow citizens, live in conditions of housing deprivation.

And just how does our failure in housing impact upon the unemployed? The slowdown in housing construction has taken an enormous toll in the construction industry, where unemployment has been at an intolerable level for some years now. It reached its peak late in 1975, when the unemployment rate was recorded at 18.1 percent. Even as late as February of this year, however, unemployment was over 15 percent, which means that more than 700,000 construction workers were unable to find jobs.

Here we have hundreds of thousands of American workmen, with skills in their hands and frustration in their hearts, men who are capable of producing housing, but who sit idle even as we talk, not working, not meeting one of our most serious national problems. We know that every new housing start can put two of these men on the job for at least a year, but yet they remain idle.

The point is that, in setting our priorities for the late 1970's, we must face up to the fact that we have failed miserably in meeting our housing goals, and this failure has had, and continues to have, a substantial impact upon people. Parenthetically, this impact has been especially heavy in the Northeast, an area which can least afford to carry it.

THE CONSEQUENCES OF OUR FAILURE ON PRICE

The consequences of our failure on the cost of housing have also been dramatic.

In 1970, 50 percent of American families could afford to purchase a median priced new home. Today, only 27 percent can do so. In the last 6 years, the median sale price for new homes jumped about 90 percent, and a recent study predicts that by 1980 the average price of a new home will be $78,000. Prof. Kenneth Rosen of Princeton says it will be $90,000 by 1986.

The market for existing homes is not much better. Their median sale price increased by 65 percent between 1970 and 1976, so that now only 36 percent of our families can afford to purchase one.

Finally, a recent study by the Congressional Budget Office found that the downpayment required on a new home rose one and two-thirds times as fast as income and the downpayment required on an existing home rose one and one-quarter times as fast between 1971 and 1975.

Who can afford to buy a home under these circumstances? Clearly, only the most affluent among us. Homeownership, one of the cherished goals of most American families, is fast becoming a luxury beyond their reach. According to the National Association of Home Builders, 8 out of every 10 potential home buyers are now priced out of the market.

Moreover, if a family is fortunate enough to already own their home, they may be having some trouble maintaining it. Since 1970, the cost of maintaining a new home has increased by more than 100 percent, while that cost has gone up by 73 percent for an existing home. These figures make clear what it means to be "house poor."

And, of course, those who cannot buy must rent. As you may have already guessed, the cost of rental property is on the same upward curve. More than 40 percent of those who rent must now devote more than one-quarter of their income to housing. Once again, the poor are worse off. In 1975, of the 8 million households with incomes less than $5,000 per year, the median percentage of income devoted to rent was 35 percent.

From our close examination of the food stamp program in the Agriculture Committee, we know that shelter costs, particularly in the North, are the most substantial expense for poor families, and many have to shortchange themselves on food in order to meet these shelter costs.

WHAT CAN BE DONE?

What can be done about it?

Frankly, it is much easier to describe the problem than to fashion the solutions. As I said earlier, we do not lack a national housing policy, or a clearly defined set of goals. These have been stated in prior legislation.

What we have lacked in recent times is a healthy economic climate, and a genuine commitment to housing.

Our inflationary economy has had the usual impact on land values, interest rates, building materials, and labor. Until we can bring this inflation under reasonable control, we cannot expect substantial progress in the housing industry. To the extent that Federal deficits have contributed to this inflation, and they have, we must strive to reduce those deficits. President Carter's pledge to work toward a balanced budget is encouraging, and I am hopeful that Congress will match the President's determination, not be emasculating needed programs, but by making some hard choices on priorities.

The Federal Government has become too inefficient and wasteful. This is costly, and meaningful reorganization can help. Again, I sense a real commitment in this area, but it will take time. Our Government did not grow to its present size in a hundred days, and it will take longer than that to rationalize it.

Finally, of course, no discussion of inflation is complete without a bow toward spiraling energy costs. They have clearly had the most dramatic impact on our economy, and here again we will not see an immediate solution. I do have every hope, however, that we will finally be able to summon the wisdom and courage needed to fashion a comprehensive energy policy.

Putting people back to work is also part of the solution. For every 1 percent of unemployment, the Federal Government now loses about $20 billion. Why? Because people who do not work, do not pay taxes, and we lose that revenue. In addition, people who do not work are generally receiving unemployment benefits or some form of public assistance, and that costs us money. The same phenomenon takes place at the State and local level. This means that in many cases local governments have to raise taxes to maintain current services, and those increased taxes affect the cost of housing.

Beyond these larger economic concerns, concerns which relate to our economy in general, there is something else we can do. We can insist that our Federal agencies have a more genuine commitment to housing. I am speaking here more about attitude than programs. We have some decent programs. What has often been lacking is a firm commitment to implementing them, to getting housing built or rehabilitated.

To be sure, some of our programs can be improved. However, in my 2 years in Congress I have seen more problems with administration than with programs. It has often appeared that agency people were there to place roadblocks in the way of groundbreaking.

I hope I am not being unfair in saying that the Nixon-Ford administrations were not really committed to our Federal housing programs, and this hostility was at times reflected in HUD. It is still too early to say with certainty whether the Carter administration will bring a fresh enthusiasm to these programs. The new Secretary of HUD, Patricia Roberts Harris, has given us some reason for hope. For example, in a statement to the National Housing Conference, she said:

> We must affirm as a Nation that a decent house is a right, and that adequate shelter is a basic commodity equivalent to food and clothing in the spectrum of human needs.

Of course, those are just words, but encouraging ones indeed.

Finally, beyond bringing inflation under control and lighting a new fire under existing housing programs, we must be open to new ideas. New ideas often abound in Washington. For example, Senator BROOKE has proposed allowing graduated mortgage payments so that young families could make smaller monthly payments when they first take out a loan and larger payments later on, when family income would presumably rise.

Last year, I joined with some other Members of Congress in cosponsoring a bill which would have subsidized a portion of the interest on mortgages for low- and middle-income homeowners. It would have reduced the monthly payments for those who qualified, and thus would have made it easier for them to enter the housing market. The Government subsidy would be repaid when the house was sold or the mortgage retired. By that time, of course, it can be assumed that the home would have appreciated in value, making it possible for the subsidy to be re-repaid.

CONCLUSION

These proposals and others may or may not be workable. The point is that there are new ideas and innovations, and we should be prepared to consider them. This willingness to be open to experiment has been lacking in recent years. I can only hope that with a new administration, an administration which prides itself on innovation and openness, we can celebrate a new day in housing. How Mr. Carter and his administration respond in the coming months will tell much about them.

STATE PENSION SYSTEMS

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. SIMON. Mr. Speaker, one of my long-time friends, Charles C. Clayton, president-elect of the State Universities Annuitants' Association of Illinois and former journalism professor and newspaper publisher, has sent me a statement by Dr. Henry Rehn, head of the Annuitants' Chapter of Southern Illinois University and former dean of the school of business there.

It points out the difficulty in one State pension system in the State of Illinois.

We have at least two State pension systems that are not in good shape in Illinois and I know from contacts I have had that some pension systems in other States are in significantly worse shape.

The article is a good illustration of why it is imperative that the Federal Government gets inflation under control.

It is also a good illustration of why we have the responsibility at the Federal level to take a good, hard look at State and local pension systems. I have never favored excessive Federal control over any area, but if State and local pension systems are permitted to follow practices that result in long-range damage to

those who are supposed to be the recipients, ultimately the Federal Government will have to be assuming an increase in responsibility. The State and local pension area is a good illustration of the truth of the old adage, "An ounce of prevention is worth a pound of cure."

I hope that some of my colleagues will take a look at this statement:

THE STATE UNIVERSITIES RETIREMENT SYSTEM, ILLINOIS

This system established in 1941 when the dollar was worth as much as $2.65 is today, was a good system but over a hundred changes have been made and more are needed to meet present day needs.

We who are covered by the system have faithfully made our full contributions through payroll deductions. The State however has consistently failed to make its full contribution as required by law. By 1967 this consistent failure to live up to the law resulted in underfunding of the system aggregating 144 million. The very size of the figure was impressive enough to bring about legislation to keep this underfunding from going further. This law too was ignored by the State administration and now the underfunding amounts to about 660 million. Three years ago the State Universities Annuitants' Association put adequate funding as its top priority request. That request was not granted.

The funding issue is one in which the presently employed should take the lead and there is evidence that they are going to do so. In this effort, we of course, join wholeheartedly. In December, Charles Clayton, ex-president of our Carbondale Chapter and President-elect of the State Universities Annuitants' Association, presented our views to the Faculty Senate of SIU–C. I have met with Hobart Hester, head of our Civil Service Employees Council, John Jackson, III, President of the Faculty Senate, Barbara Spears, head of the Professional and Clerical Staff Personnel, and Arthur Aikman, the University's advisor to the Board of the State Universities Retirement System to present our views. Unfortunately, I have not yet gotten in touch with Paul Davis, the other advisor from SIU–C.

Important though the funding is, there are two other concerns that stand out because they touch almost everyone under our system, employee or annuitant and because that impact is frightening and for many it is here and now. It is not only here now, it has been here working to our disadvantage and promises to continue to do so unless positive action is taken to stop it. These two concerns merit top priority consideration not only from our standpoint but from the standpoint of everyone under our system. They are the present treatment of survivors and the continuing inflation.

There are now four different groups of survivors receiving different treatment under our system. One group, the survivors of annuitants who retired before 1959, receive no annuity whatsoever. A second group, those survivors of annuitants who retired between 1959 and 1969 receive annuities up to $200 a month. The third group, those survivors of annuitants that retired between 1969 and 1971, receive annuities up to $250 a month. The fourth group, those survivors of annuitants that retired after 1971 receive half of the annuitants' annuity based on the amount established at retirement not on the amount at time of death. None of these survivors receive even the modest cost-of-living increase given to annuitants. Why should these four groups be treated so differently? Today's prices are the same for all of them. Our Annuitants Association is making this our first priority. Surely the presently employed are just as eager as we are to provide for their survivors. Our Federal government is concerned with this matter. Our own Congressman Paul Simon is co-sponsor of a bill before the House which is to bring more uniformity to the treatment of survivors of Federal employees.

We know, in a general way, that inflation is a serious matter, but not many of us realize the full impact of this hurt that falls so heavily on us, the retired. Since the end of 1966, the cost of living has gone up almost 74 percent for urban and clerical workers according to the U.S. Bureau of Labor statistics. For those employed salaries and wages do adjust to inflation. Annuities do not normally have that characteristic. To provide it the State of Illinois, to its credit, took action demonstrating that in this as in a number of other cases including legislators themselves, it can do what is considered RIGHT even if it is not legally required to do so.

In 1969, with inflation exceeding 5 percent on a yearly basis an annual 1½ percent increase on the annuity as established at retirement was authorized. Instead of dropping off, inflation continued right on upward to 5.9 percent for 1970, then eased off to 4.3 percent in 1971, and 3.3 percent in 1972. However, it became obvious that it was not going down to 1½ percent so the figure was increased to 2 percent, but inflation went up to 6.2 percent in 1973, 11 percent in 1974, 9.1 percent in 1975, and 4.8 percent in 1976. Now it has turned sharply upward and it seems most estimates are that it will be an achievement to hold it to 6 percent. Even the contemplated increase from 2 percent to 3 percent will thus fall far short. No fixed percentage figure will be satisfactory in the face of an unpredictable and fluctuating inflation. Our Federal Government has recognized that and bases its cost-of-living increase given to its Civil Service, Military and Social Security retirees on the actual inflation figures. Why should not the State of Illinois do the same?

Let us assume the case of a person retiring at the end of 1966, with an average best salary of $10,000, not an unusual figure at that time. With 40 years of service that would provide a base annuity of $8,000. However, for the 335 retirees listed in a late 1974 tabulation, the average years of service was substantially below 27 years. For our illustration, therefore let us assume 27 years of service with a base retirement of 50 percent, i.e., $5,000, quite an adjustment but there is more to come. Continuing inflation has and is cutting that person's purchasing power, as indicated in the following tabulation:

	Annuity amount	Net amount	Purchasing power lost		
			Total	System	You
1967, 1st yr of retirement	$5,000	$4,860	$140	----------	$140
1971, 5th yr of retirement	5,225	4,185	1,040	$225	815
1976, 10th yr of retirement	5,775	3,295	2,430	775	1,705
1967–71, 1st 5 yr	25,450	22,505	2,945	450	2,495
1971–76, 2d 5 yr	27,625	18,420	9,205	2,645	6,580
1967–76, the decade	53,075	40,925	12,150	3,075	9,075
Suppose you retire in 1972:					
1972 with base retirement	$10,000	$9,680	$320	----------	$320
1976	10,800	7,760	3,040	$800	2,240
The 5 years	52,000	43,255	8,745	2,000	6,745
Suppose you retired in 1972 and the 2-percent increase had been 3 percent:					
1972 with base retirement	10,000	9,680	320	----------	320
1976	11,200	8,045	----------	1,200	1,955
The 5 years	53,000	44,020	8,980	3,000	5,980

These figures escalate at an alarming rate. No one is going to make up to us the losses this retiree has sustained. It is high time, however, that our State said, "this has gone far enough."

TEAGUE SPEAKS OUT ON NUCLEAR ENERGY

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. McCORMACK. Mr. Speaker, I wish to submit, for the RECORD, a most thoughtful and well researched letter by Congressman TEAGUE to the American people on nuclear power. Mr. TEAGUE is, as you know, chairman of the Committee on Science and Technology. This letter provides a concise description of the nuclear process as well as a thorough discussion of the issues involved in nuclear power generation. I highly recommend this letter as important reading for all Members of Congress:

NUCLEAR POWER: CONGRESSMAN TEAGUE SPEAKS THE PEOPLE'S LANGUAGE

Congressman Olin E. Teague, Chairman of the Committee on Science and Technology in the House of Representatives, recently expressed concern that the general reading public has not been given clear and easily understandable information about nuclear energy.

He stated, "Although the debate over nuclear energy will affect each and every one of us, the facts are presented in complex scientific terms, too difficult for most of us to understand. And yet the voting public is repeatedly asked through referendums and the like to make crucial decisions concerning the future of nuclear power in America. If the people of this democracy are to make responsible decisions they must have facts and information they can comprehend on which to base those decisions."

In the open letter to the American public which follows, Mr. Teague has sought to clarify the nuclear issue.

This nation has survived and prospered for 200 years on decisions made by an informed and concerned voting public. Today, we are faced with major decisions that will affect not only living Americans but the many generations of Americans that will come after us. One of these decisions concerns nuclear power in America.

Experts tell us that familiar energy sources such as oil and natural gas, which have served this nation in such abundance and at such economical costs, are dwindling and will meet less than half of our demand by the end of the century, at the rate we are consuming them today.

What will remain for us will be coal and

nuclear power, for the near future, with the hope that continued research in solar and other energy sources will develop these technologies as quickly as possible to assume increasing portions of our energy burden. However, the present research and development of these new energy areas is not enough to project their ultimate potential. Although we have perfected solar energy to heat water and heat and cool homes—techniques that can now be marketed commercially—we still do not know whether solar energy may someday produce enough power to operate a steel mill.

We are all very familiar with coal and the fact that America has some of the most abundant coal reserves in the world. We are also painfully aware that our present methods of burning coal pollute the atmosphere and pose serious health hazards. In addition, many of the current methods of mining coal devastate our land.

Making our present methods of burning coal cleaner has presented new problems. The new federal clean air standards have required the installation of a system of scrubbers in coal burning power plants. These scrubbers are located at the bottom of the plant's smoke stacks to help purify the exhausts before they are released into the air. Even with the use of scrubbers, though, we do not achieve clean air but merely air that is less dirty. In addition, this cleaning-up process will generate about half a billion tons of waste material by 1980. In an attempt to solve the problem of getting rid of this waste, a power station in Pennsylvania is just completing a $90 million disposal system which has entailed a major construction project. Coal is useful and abundant and we cannot abandon it as an energy resource—in fact, we must greatly increase this production to conserve our remaining oil and natural gas for priority use. We must also be prepared to bear the burden of cleaning up the coal process and to weigh the cost and problems associated with this new burden against those of other energy sources.

Scientists are working on new methods to use coal in more environmentally acceptable yet economical ways. The new methods that have been developed, reducing coal to a gas or a liquid, require massive amounts of money and we cannot expect them to be commercially competitive for a number of years. We need to drastically increase our coal production now, while continuing to search for better methods to mine, burn and transport coal and new methods to reclaim the stripped land to its original or an improved condition. Nevertheless, coal is a depletable resource like oil and natural gas and it is important that we not rely on it or any other energy source exclusively.

Nuclear power is one of our newest energy sources. It was not until 1957 that nuclear energy was used for the first time to produce electric power for civilian use.

Today, America has 65 nuclear plants in operation that provide electricity to heat our homes and run our factories and farms. These 65 nuclear plants generate nine percent of the total U.S. electric capacity.

However, during the bitter cold January–February period this winter, when oil tankers were marooned in icy rivers and coal was frozen in hoppers and on barges, nuclear power accounted for 12 percent of all the electricity generated in the United States. In some regions this percentage rose much higher. In January, Chicago and northern Illinois received 47.1 percent of their electricity from nuclear power and Connecticut and parts of western Massachusetts 50.5 percent. Even if we tripled our coal production by the year 2000, we would still need a substantive reserve of nuclear energy or we would be in critical danger.

The word nuclear immediately calls to mind complex scientific formulas and technical language but much of this information can be simply explained.

Since 1939, we have known how to release energy that is locked inside the atoms of the metal uranium. This form of energy is known as nuclear energy and is released from a microscopic particle (atom) of uranium by splitting that atom. Every element that exists in nature, be it oxygen, carbon, uranium or any other, consists of these small units called atoms. Each atom has a central core—known as its nucleus—which contains two kinds of even smaller particles, protons and neutrons. Orbiting around the nucleus or central core are tiny particles called electrons. The process of splitting the atom jars a neutron loose, which then hits another uranium atom and starts a chain reaction. This process is known as fission. When an atom of uranium is split, part of its mass is converted into energy or heat. By the continuous splitting of the many atoms in a tiny pellet of uranium (one-half inch long and as thick as a lead pencil) we can produce as much energy as burning 2.2 tons of coal or 56,000 cubic feet of natural gas. This process of splitting the uranium atoms is carried out in an intense furnace known as a reactor.

The uranium found in nature is a mixture of uranium atoms, some with 235 protons and neutrons in their central core (uranium 235), some with 238 protons and neutrons (uranium 238), and some with 234 (uranium 234). They are all uranium atoms and are chemically indistinguishable.

In nature, the central core of most atoms remains the same unless disturbed from the outside. The central cores or nuclei of certain atoms in nature are not stable and can explode all by themselves, firing out some particles. Streams of these fired out particles are called rays or radiation. Atoms with central cores that explode spontaneously are called radioactive. All uranium atoms are radioactive but, of those found in nature, only the uranium 235 atoms are fissionable. In other words, uranium 235 atoms are so naturally excitable that they can keep splitting to produce a chain reaction. Unfortunately, uranium 235 is only a very small part of the natural uranium that we extract from the earth. Uranium ore contains about seven parts of uranium 235 out of every 1,000 parts of uranium. Nearly all the rest is uranium 238, which is not fissionable and whose atoms cannot split spontaneously in a continuing process (releasing large amounts of heat or energy).

The unstable condition in a uranium 235 atom creates such motion that neutrons will leave a U_{235} atom, thus destroying that atom, and bombard the nucleus of a neighboring atom. A neutron will, by its impact, cause the U_{235} nucleus or central core to split and release, among other things, two or three neutrons held in that nucleus or core. If conditions are right, at least one of these neutrons released from the core will hit and split another uranium 235 nucleus. This will release more neutrons to split more nuclei and a chain reaction will result.

Since natural uranium contains very little of the fissionable uranium 235, a chain reaction is only possible under very special conditions. In order to change natural uranium into a fuel that will cause the necessary chain reaction more easily, we must "enrich" the natural uranium by adding or raising the amount of uranium 235 in it from seven parts in 1,000 to 30 parts in 1,000.

This is a process of increasing the amount of U_{235} in the uranium or making it richer in U_{235}. This "enrichment" now makes the uranium about three percent uranium 235, the level necessary for use in a nuclear reactor. The process of "enriching" uranium with more uranium 235, so it can be used as fuel in a nuclear reactor, is carried out in three government plants in the United States.

This "enriched" uranium, after chemical treatment, is then formed into slugs several inches in length and packed in tightly sealed containers. These containers are known as fuel rods and in this state are shipped to nuclear plants to be used as fuel in the reactors. The closely controlled chain reactions occurring in these fuel rods create the heat that is needed to produce electricity.

After a fuel rod has been in the reactor for three or four years it is no longer useful and must be replaced by a new fuel rod. This means that we are constantly using up our supply of natural uranium to make new fuel rods.

This poses the same dilemma that we have faced with oil and natural gas and that we will eventually face with coal. Once these resources are depleted there is no way to create them again, for it has taken billions of years for them to evolve in the earth's crust.

Estimates of our uranium supply vary considerably, but if we consider our known reserves plus our probable reserves we come up with a figure of 1.8 million tons. The cost of uranium ore has risen from $8.00 a pound in 1973 to $41.00 a pound in 1976. Although our uranium supply and the future price of a pound of uranium can only be estimated, we do have some absolute facts about uranium. We know that uranium being used in a nuclear reactor can create heat and energy from the fissionable uranium 235, and that the reactor process can also cause a chemical change in the abundant uranium 238. If a neutron hits an atom of uranium 238 it will be absorbed by the nucleus, creating an unstable condition in the nucleus. This unstable condition will eventually transform the uranium 238 atoms to a man-made fissionable material known as plutonium 239.

Thus, a nuclear reactor which uses the scarce uranium 235 as its fuel also produces a by-product, plutonium 239, which is a man-made fissionable material.

The "spent" or used fuel rods removed from a reactor contain, in their waste, some unused uranium 235 plus the by-product, plutonium 239. This "spent" fuel can be "reprocessed," a method of separating the unused uranium 235 and the plutonium 239 from other waste material of no value. Once "reprocessed" or separated, the uranium 235 and plutonium 239 can be "recycled" into new fuel and used in other reactors.

If we reprocess the spent fuel from our working reactors, we can stretch our natural supply of uranium over more time. If we do not reprocess spent fuel we automatically discard usable energy producing material since the spent fuel rods contain 25–30 percent of uranium 235 which is still usable, plus the plutonium 239.

In principle, reprocessing spent fuel is not unlike recycling of old newspapers, tin cans, glass and other materials we have previously considered garbage or waste. The waste from the nuclear process has similar value and cannot be overlooked in an era of scarce resources.

There are no civilian reprocessing plants currently in operation in the United States. One plant, in West Valley, New York, operated until 1972, when it was closed for efficiency improvement and expansion. At the time the West Valley plant operated it reprocessed primarily fuel elements from military reactors. It has not been reopened because the cost of making the alterations in accordance with new regulatory requirements has been estimated to be too great and such alterations would take up to 12 years. A new plant in Barnwell, South Carolina, has been completed, except for newly required waste processing equipment. It is not yet licensed to open. Reprocessing will not only give us the use of the 25–30 percent of uranium 235 not used the first time around plus the by-product plutonium

239, but reprocessing or separation also simplifies the management of nuclear waste products.

NUCLEAR REACTORS

The only type of nuclear reactor in commercial use in the United States today is known as a light water reactor.

In these light water reactors ordinary water surrounds the fuel rods and acts as a coolant. All light water reactors either need continuous new supplies of enriched uranium or a combination of enriched uranium and their reprocessed and recycled spent fuel (containing the unused uranium 235 plus the plutonium 239 by-product). In order to keep light water reactors running, we will always have to extract some natural uranium from the earth. If we reprocess the spent fuel we will merely have to use less of our natural uranium.

Another type of reactor, which is not yet in commercial use in the United States but has been through several successful experimental plant phases, is known by the breeder reactor. It is called breeder because it has the unique quality of producing more fuel than it uses, thus actually breeding fuel.

The breeder uses the by-product plutonium 239 as a fuel. The plutonium fuel rods needed to fuel the reactor are wrapped in a blanket of uranium 238. At the time the plutonium 239 atoms split to cause the desired chain reaction that produces heat for electricity, they also bombard the blanket of uranium 238 with neutrons which are absorbed by the uranium 238. The same unstable condition as described previously occurs in the uranium 238, eventually changing it to plutonium 239. This means that a breeder uses plutonium 239 not only to produce energy but also to produce more plutonium 239. Thus a breeder produces more fuel than it can use.

If breeders are commercialized then this nation would not have to continue mining uranium ore.

Since uranium 238 comprises 99 percent of natural uranium ore, we now have a huge stockpile of the mined and purified uranium 238 that was not usable in light water reactors. The breeder can turn this uranium 238 into a nuclear fuel of extraordinary value by converting it to plutonium 239. It is estimated that our current stockpile of uranium 238 would last centuries in a breeder program. This otherwise useless material fed into breeder reactors could produce electricity equal to that produced by five times all the oil in existence in all the OPEC countries combined. The breeder technology offers us an almost unlimited supply of energy.

The U.S. has a background in breeder technology that goes back to 1951 when we began operation of our first experimental breeder.

We have had a small breeder in operation in Idaho since 1963. There is a somewhat larger one, about 80 percent complete, in the state of Washington. These predecessors will give us the experience and know-how to proceed with a larger breeder, demonstration size, now being designed for construction on the Clinch River at Oak Ridge, Tennessee. We need the operating experience of the Clinch River Breeder Reactor before we are able to make a decision on a commercial size breeder.

In President Carter's recent energy message, he outlined plans to defer construction of the Clinch River Breeder and the reprocessing of spent fuel. These proposals will be debated in the Congress within the next few months and the voting public will have the opportunity to influence these decisions through their Representatives. Two critical facts to keep in mind at this point are that without reprocessing of spent fuel we lose the use of both the leftover uranium 235 and the by-product plutonium 239, and, in addition, we cannot go forward with a breeder program because the reprocessed or separated plutonium 239 is necessary for the breeder.

RADIOACTIVE WASTE

Nuclear power is cheaper, cleaner and safer than burning coal. Nuclear power plants emit almost no polluting elements into the air. However, the waste products from the operation of a nuclear plant are radioactive and must be handled with great care. These wastes can be divided into two categories—low level radioactive wastes and high level radioactive wastes. The low level radioactive waste products are buried in commercial burial grounds that must be licensed by the Nuclear Regulatory Commission. Plans for the disposition of various forms of high level wastes are now being formulated. The federal government will most porbably dispose of them in salt bed formations deep in the earth after they have been turned into a solid glass form and sealed in steel containers. Converting the liquid high level wastes to solid glass much like pyrex reduces its volume, makes it easier to transport and store and reduces the chance of the waste ever getting back into man's environment. This is necessary because these materials, just like the natural ore they come from, will continue to be radioactive for many thousands of years.

The intense radioactivity contained in the waste is continually diminishing so that after several hundred years the waste is actually less radioactive than the uranium ore found in the earth.

NUCLEAR SAFETY

Like many of our daily activities—driving an automobile, working in a coal mine, and so on—operating nuclear reactors is not risk free. The risks involved in these vocations and pastimes, however, have not been sufficient to cause us to abandon our automobiles and airplanes or close our coal mines and oil refineries; rather, we have made concerted efforts to minimize the risks involved in all of these and many other activities.

Perhaps because we have always been acutely aware of the risks involved in nuclear reactors we have been even more conscientious about their safety features.

Whereas it took us many years and many thousands of highway deaths to make seat belts standard equipment in automobiles, we have constructed and operated our nuclear reactors with such care from the very beginning that our nuclear safety record to date is perfect. In nearly two decades of commercial nuclear power generation there has been no injury to any member of the public and no radiation injury to any plant worker.

In 1975, a study conducted on nuclear reactor safety compared the risk of possible nuclear accidents with natural and man-made occurrences to which society is exposed. Even with 100 nuclear plants in operation by 1980, the study concluded that non-nuclear events such as air crashes, dam failures, tornadoes, hurricanes, earthquakes and falling meteors are about 10,000 times more likely to produce large numbers of fatalities than nuclear plant accidents.

These comparisons are important for all of us to understand, because they present a perspective of nuclear risk based on factual information. The American public will be the final judge as to whether the benefits from nuclear power outweigh the risks presented by it, and they must have the most accurate information available for their decision.

SPREAD OF NUCLEAR WEAPONS

The most complex nuclear issue that faces the United States and the world today is the concern over increased availability or proliferation of weapons made from nuclear material. Once the spent fuel from today's operating light water reactors has been reprocessed or separated the plutonium 239 by-product can be used in an explosive device. However, it is the reprocessing that gives us the use of the remaining energy in the spent fuel. In addition, the plutonium 239 is needed to start up the breeder reactors. If the United States chooses not to reprocess spent fuel we would not preclude groups or other nations from making explosives from reprocessed plutonium 239. Several other nations have reprocessing capability and have already used this to make weapons.

It is not realistic to believe that today, with 45 nations in the world generating varying amounts of nuclear power and several nations possessing both enrichment and reprocessing plants, any United States policy could give us absolute control over the availability or spread of nuclear weapons.

On the other hand, we as a nation can have considerable influence in the world community over limiting the spread of these weapons through both cooperation and reliable export policies.

The issues of safety and weapons have come up most often in discussing plutonium and breeders. There are many who believe that only a breeder reactor produces plutonium 239. However, the fact is that before the breeder can make plutonium 239, it must be fed this plutonium 239 as a fuel. This fuel will come from the reprocessed spent fuel from our operating light water reactors.

Plutonium is a product of the nuclear process—with or without breeders. In fact, the Clinch River Breeder Reactor, since it will be a small demonstration size plant, will produce only about one-third as much plutonium as is produced in any of the conventional reactors now being built in the United States.

The valid concern voiced about plutonium is that, once it has been reprocessed, or separated from the spent fuel, it will be easier to divert for weapons. This is a major issue to address. However, rather than deny ourselves the value of reprocessing by prohibiting it, we should concentrate on perfecting the strictest controls over plant operation. The Nuclear Regulatory Commission has the power to grant licenses for nuclear plants to operate and to grant permission to use new processes such as the separation and recycling of plutonium. The Nuclear Regulatory Commission is currently conducting hearings to decide if plutonium recycling will be permitted in the United States.

If a nation or group is determined to make a nuclear explosive it can do so wtihout stealing reprocessed fuel. When India stunned the world by detonating a nuclear explosive, the material it used came from a small research reactor sold to India by Canada. There are hundreds of research reactors in existence throughout the world today.

While the United States reviews the issue of reprocessing, other nations have already gone ahead both with reprocessing spent fuel and with breeder programs.

Britain, France and the U.S.S.R. all have operated successful experimental breeder plants. The U.S.S.R. has had a demonstration plant (larger than experimental, smaller than commercial) in operation since 1972. The French have had one in operation for two years. This means that both Russia and France are far ahead of the United States in their breeder programs, and other nations such as Japan, England and Germany may also be soon. France is even beginning to make plans for selling breeders on the international market. In addition, England, France, the U.S.S.R., India and China all have facilities for reprocessing or separating spent fuel. Other nations such as Japan and Germany are actively planning facilities. All of this clearly indicates that, with or without the United States, the rest of the world is steadily moving toward increased dependence on nuclear power.

The United States has, in the past, been the world leader in nuclear technology and has made its expertise in the field available to other nations on a selective basis. The enrichment and reprocessing steps involve technology that could easily be used to make nuclear weapons. Our goal has always been to prevent increasing numbers of nations from obtaining the technical know-how to enrich uranium and reprocess spent fuel. To this end, we have established a policy of prohibiting the export or transfer of enrichment and reprocessing technology to other nations and have chosen instead to provide enrichment services to these nations.

ENRICHMENT SERVICES

In the past, 90 percent of the western world's reactor fuel has been enriched in one of the three United States government plants. Since June of 1974, enriched uranium from these plants has been fully committed and we have not been able to take new orders. Where does this leave our customers, throughout Europe, Asia and the rest of the free world, who have depended on us to furnish them nuclear fuel? It leaves them with three choices: shut down their nuclear power plants for lack of fuel; build their own enrichment plants; or take their business elsewhere, perhaps to the U.S.S.R. or China, who have enrichment facilities in operation now. Some European nations have the technical know-how for enrichment and will have operating facilities soon.

THE UNITED STATES AS A SUPPLIER

United States law allows this nation to export reactors and the enriched uranium to fuel them, but only to nations who have agreed to certain safeguards against diversion of the materials for weapons' use. However, we do not have a monopoly in commercial nuclear technology.

There are, in fact, six nations in the world today where a larger percentage of electrical power is generated from nuclear energy than in this country.

Until 1972, the United States filled 85 percent of the world export orders for nuclear plant equipment. Since then, the United States share of export trade has decreased to 42 percent. This decline is due both to the expansion of other countries into the export trade and to increasing doubts about this nation as a reliable supplier of equipment and, most importantly, of enriched uranium.

INTERNATIONAL AGREEMENTS

America's overriding concern over the spread of nuclear weapons has spurred our strong support of international agreements and organizations to monitor and insure the safe use of nuclear material. We have tried to use our influence in controlling the spread of nuclear weapons through the Nonproliferation Treaty. To date, 98 nations who do not possess nuclear weapons have agreed to the treaty while another 12 have signed but not yet ratified it. In exchange for agreeing to the treaty terms, a non-weapon nation will receive assistance, from those nations with nuclear weapons, in developing their own civilian nuclear capacity. However, there are a number of nations who have the capability of producing nuclear weapons who have so far refused to agree to the treaty. The treaty thus becomes only a partial deterrent to proliferation of weapons.

UNITED STATES ROLE

The world is faced with the stark reality of running out of oil and natural gas. Most nations are not so fortunate as the United States, which has great reserves of coal. Thus the need for nuclear energy is more urgent abroad than in America. It is not unreasonable to state that several of the world's industrial nations have launched a nuclear initiative that we would be powerless to stop. We can also assume that many more nations will develop increasing dependence on nuclear power as their demand for energy increases and their supply of other energy resources diminishes.

What role, then, can we play in the world nuclear arena? Our ultimate goal should be to insure that no nation is denied the peaceful use of nuclear energy—so long as they give assurance not to make explosives. Of equal importance, we must promote the safest possible production of nuclear energy throughout the world.

We must not adopt ostrich-like behavior toward reprocessing and some form of breeder development. Our refusal to confront the issues involved here will not make either reprocessing or breeders magically disappear throughout the world. We must not abandon the opportunities afforded by reprocessing or the unlimited energy that breeders can provide. We must promote the strictest controls and safeguards over reprocessing spent fuel and recycling new fuel from it. We must influence other nations to sign the Nonproliferation Treaty and in turn be a reliable and committed supplier of technology and services for civilian nuclear power abroad. We must not step aside but step out in front, using our leadership and prestige to clear the path of a secure energy future for all nations while insuring the safety of present and future generations.

HATCH ACT NEEDS REFORM, NOT REPEAL

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. FISHER. Mr. Speaker, in the near future the House of Representatives will be considering amendments to the Hatch Act known as the Federal Employee Political Rights Act. I agree with the principle of this legislation—that Federal employees should be encouraged to increase their participation in civic and political life—but think that the committee bill goes too far. My views were recently spelled out in an article which appeared in the Federal Times. I would like to share this article with my colleagues before the debate on the Hatch Act:

HATCH ACT NEEDS REFORM, NOT REPEAL

(By JOSEPH L. FISHER)

What is the proper balance between a federal employee's right to participate in the political process and the need to maintain a politically neutral civil service?

This question has been the topic of continuous congressional debate since 1791. Enactment of the Hatch Act in 1939, which attempted to resolve this matter legislatively, neither interrupted nor stilled the debate.

The Hatch Act has withstood three Supreme Court challenges. Most recently, in 1973, the court upheld the constitutionality of a section of the Hatch Act prohibiting federal executive agency employees from taking an active part in political campaigns.

The court, in its opinion, declared, "It is in the best interest of the country, indeed essential, that federal service should depend on meritorious performance rather than political service."

In 1966 a congressionally authorized bipartisan Commission on Political Activity of Government Personnel was charged with investigating federal laws which limit or discourage the participation of federal or state officers and employees in political activity. Their report, issued the following year, concluded that the degree of political activity permitted federal employees should be expanded "within limits" and that "sanctions at all levels of government against coercion and misuse of position" should be strengthened.

The draft bill proposed by the commission attempted to spell out permitted and prohibited political activities. In considering which political offices Federal employees could run for and which they could campaign for, the nature of the office was the determining factor. The commission's recommendation was that employees could work in campaigns for local offices and run for part-time local offices. It also recommended a prohibition on the holding of office in political organizations. Additional provisions dealt with prohibitions on corrupt political practices and coercion as well as providing administrative arrangements for enforcement.

A bill to revise the Hatch Act was passed in the last session of Congress but vetoed by President Ford. The veto was sustained by the House of Representatives.

A similar bill is soon to be voted on by the House Post Office and Civil Service Committee.

The present Hatch Act is confusing and could profit from revisions to clarify what is prohibited and to encourage Federal workers to take part in permissible activities. My concern lies with the major provision that would lift all restrictions on political activity by Federal employees. Enactment of this provision, in my opinion, would jeopardize the merit system as we know it and threaten impartial administration of the law.

I come to this position both from my own experience as a civil servant for many years and from contact with residents of my congressional district, which contains the largest number of government workers in any district outside of Washington, D.C.

Contact with residents of my district has served to reinforce my own opinion about the necessity for some revision of the Hatch Act, but not the sweeping change that has been proposed.

In the last session of Congress, I sent out a questionnaire which included a question on the desirability of changing the Hatch Act. More than 20,000 persons responded. And I would estimate that about a third of the responses were from civil servants. Fifty-nine percent were against any change in the Hatch Act and 34 percent for some change.

Judging from all of this, Federal employees do not want changes that would permit supervisors in Federal agencies in subtle ways to influence career advancement, salary, and working conditions improperly.

Even under the present law, we have seen a vicious attempt in recent years to politicize many of the bureaus and departments of government. If, in addition, federal workers were thought of as a political campaign force, I think the merit system as we know it and the impartial administration of the laws would be jeopardized.

For example, suppose all restrictions on political activity were lifted. Ms. Rogers and Ms. Dawson are the two candidates for one promotion slot in a department of the Social Security Administration. The supervisor, Ms. Smythe, is the campaign manager for a candidate for the House of Representatives. Ms. Dawson volunteers to be a speech writer in the campaign. Valid or not, this situation is certainly ripe for a charge of playing politics.

As another example, suppose Mr. Jones, a claims clerk in the Veterans Administration, is vice chairman of the county Democratic Party. Mr. Burt, who happens to be a precinct chairman for the Republicans has filed a claim. The case drags on for six months. Are Mr. Burt's and Mr. Jones' political differences responsible for the delay?

The Hatch Act seeks to protect by prohibiting. Thus two major considerations collide: the right of a citizen to free speech, assembly, and petition on the one hand, and the right of a citizen to expect impartial administration of the laws, along with the right of federal employees to a work environment free from political pressures on the other.

Questions to be resolved: How much political activity can government employees be allowed while still insuring the fair administration of government policy and the full protection of government employees? Is all political activity equally damaging? A proper balance must be found between rights and responsibilities.

Under our system of government, a citizen has the right to petition his government and the government has an obligation to deal with that citizen impartially. A citizen can be reasonably certain of impartial dealing from government employees when he knows they are politically neutral. His case will not be harmed because his political affiliation is different from that of the bureaucrat with whom he must deal, nor will it be helped because his affiliation is the same. Dangers inherent in a politicized bureaucracy can range from unquestioning loyalty to the administration to foot-dragging in carrying out the orders of elected officials.

A public employee, just as a private citizen, should be guaranteed that the government will not attempt to influence his political opinions. Federal employees should not be made vulnerable to subtle or direct coercion to engage in political activities. The most effective way to prevent the coercion is to forbid such activities. That, of course, is the rationale behind the Hatch Act.

Under the present Hatch Act all federal employees may express political opinions as private citizens, but may not actively engage in political campaigns other than non-partisan campaigns.

In metropolitan Washington and a few other areas with large concentrations of federal employees, a partial exemption from the Hatch Act permits federal employees to participate fully in local (city and county) political campaigns for non-party candidates even in partisan elections. This exemption covers approximately 11 percent of the federal work force. The remainder can be active only in non-party elections. Thus there appears to be an underlying assumption that all political activity is not equally damaging.

I believe that any improper pressure on the federal employee to take part in election activities would most likely come in connection with a campaign for federal office where the outcome might make a difference to the employee's supervisor or to the agency for which he works. Similarly, an employee's participation in a federal campaign would be the most likely to make the employee vulnerable to charges of playing politics on the job.

State and local political campaigns, on the other hand, have relatively little significance for or influence on the federal bureaucracy. I do not think that a federal employee's impartiality would be affected significantly by his involvement in a state or local campaign on his own time. Nor do I think that there would be great likelihood of fellow employees or supervisors improperly influencing other employees to become involved in campaigns with little direct relevance to the federal government.

That is why I have introduced a bill intended as a compromise between lifting restrictions on all political activity by federal employees and preserving the Hatch Act as is. The bill (HR 3645) would considerably broaden the political opportunities for federal workers, especially in their own communities by permitting their participation in state and local politics. Under my bill, federal employees could run for part-time state and local office and campaign for others running for state and local office, whether full or part-time.

Tradition, typical duties, and number and frequency of official meetings would be used in defining "part-time" offices. Federal workers would be eligible to run for 78 percent of the mayoral and 94 percent of the city council positions, more than half of the county board positions and some state offices such as lieutenant governor in my own state of Virginia.

At the same time, the limits on full political activity at the federal level would be retained. As under the present Hatch Act, federal employees would be allowed to belong to political organizations, but would still be prohibited from holding office in political parties at any level of government. The public would be likely to question the impartiality of public servants holding official political party positions.

Suppose a young woman, employed by the U.S. Department of Agriculture and living in Arlington, Va., wants to become politically involved. Under the present Hatch Act, she can join the Young Democrats or Young Republicans and attend their meetings.

She can, because of a special exemption in the Hatch Act, join and hold office in a local, nonpartisan organization which nominated candidates for election to the county board even though the election is partisan. This would not be allowed, however, if she lived in Youngstown, Ohio, which does not enjoy Arlington's partial exemption from the Hatch Act.

Suppose this young woman wants to become involved in a political campaign. This year in Arlington there will be campaigns for all elected state officials: governor, lieutenant governor, attorney general, four state delegates, clerk of the court in Arlington, and one member of the Arlington County Board. Under the present Hatch Act, the only campaign in which the Arlington woman can become involved is the county board campaign. Under my bill, she would be able to canvass voters, stuff envelopes, or manage a campaign for any of these offices. My bill would also allow her to run for lieutenant governor, state delegate or member of the county board.

I believe my bill is a balanced proposal—permitting federal employees to take part in much of the political life of this country without exposing them to political pressures that could jeopardize their jobs, working conditions, and chances for promotion. No compromise, of course, is perfect. But I believe we should experiment with this partial lifting of Hatch Act protections in order to see the effect before proceeding further.

THE TRAVELING TEXAS AGGIE

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. TEAGUE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an article from the May 10 edition of the Washington Post concerning my alma mater, Texas A. & M. University, one of the finest schools in the Nation.

The article follows:

SAY, DID YOU HEAR THE ONE ABOUT THE TRAVELING TEXAS AGGIE?

COLLEGE STATION, Tex.—Almost everyone in the Lone Star State has heard the story about the angry Texas Aggies who got into an argument with a group of Louisiana Cajuns visiting the Texas A and M University campus here.

The Aggies, the story goes, became so riled that they began throwing sticks of dynamite at the Cajuns, who lighted them and threw them back.

And because every Texan has heard the story about the Aggie who thought bacteria referred to the rear entrance of a cafeteria, the Aggie who invested heavily in frozen radio dinners, and the Aggie who went to the butcher shop and ordered five karate chops.

These sound a lot like the Polish jokes that got Polish groups up in arms a few years ago, they are. But there is one difference: Aggie jokes are spread mainly by the sons of Texas A and M, the Aggies themselves.

Put two Texans together anywhere around the world and the chances are that they soon will while away the time telling each other Aggie jokes. A few of the jokes are very funny, most are corny and some are even racist, but somehow Aggie jokes have survived for years and are thriving.

Perhaps the oddest thing about this Aggie putdown is that the jokes conceal the fact that Texas Agricultural and Mechanical University has become something like the MIT of Texas. The big oil and gas, engineering and construction companies pick off the Aggie graduates for high-paying jobs as fast as they come off the assembly line with their diplomas.

"There's something different about an Aggie graduate," one recruiter for a large firm said. "He's usually level-headed and sober, he has good grades and he's not afraid to work. He's science-oriented, and he hasn't spent a lot of time playing around in college."

If the university is so good, then why all the corny self-deprecation?

"We think that when you're No. 1, people make jokes about you," Edwin H. Cooper, director of admissions, said. But that doesn't explain why—when Poles complain about Polish jokes, Cajuns bristle at Cajun jokes and Mafia jokes bring an Italian Defamation League into existence—most Aggie jokes originate with Aggies.

Dr. James H. Copp, a university professor of psychology, called it the "Okie from Muskogee syndrome," a reference to the popular country-western song of a few years ago that proclaimed that Okies from Muskogee don't smoke marijuana or engage in promiscuous sex and so forth.

In other words, the Okie from Muskogee was proud to be a rather square individual.

Copp, like many other Texas A and M faculty members, gladly admits that the school "is a little bit square."

Copp said Aggies don't relish hearing Aggie jokes told by outsiders. But when those jokes are made up and told by outsiders, such as rivals at the University of Texas in Austin, it is usually because Aggies are admittedly "easy targets" because of the school's conservative image, according to Lane B. Stephenson, the school's public relations spokesman.

It is a rare Aggie that can withstand the temptation to tell another Aggie joke.

On the desk in his dean's office, Copp continued, is a model of an "Aggie car" with very lopsided wheels.

"The administration really rejoices in this squareness," he said. "They simply say, 'Thank goodness we aren't like the rest of the world,'" Copp said.

The Texas A and M campus, for one thing, is a hodge-podge of architectural styles where few buildings match, and it is ringed by fast-food franchises.

The school is not only conservative in its image, but occasionally conservative in spending too. A new medical school will cost

only about $4 million, because present buildings will be renovated and used. But on the other hand a new student center a couple of years ago cost millions of dollars, and was done in atrocious design—lending credibility to stories of Aggie poor taste.

In 1970, at a time when many other college students were demonstrating, several thousand Aggie students marched on the president's house. But not to protest.

They went to honor and to welcome Dr. Jack K. Williams and his wife on his first full day in office.

George W. Strake Jr., a Houston oil and real estate magnate, was so proud of the students that he ordered his foundation to give two $5,000 contributions to the Aggie student government.

When streaking was a college fad, only one streak took place in Aggieland. But it gained national headlines. Not because the nude streaker was on a motorbike on the campus, but because a conservative, short-haired and angry Aggie tried to lasso the streaker with a rope.

Texas A and M maintains its conservative image, partly, some school officials indicate, by continuing to be a state school that refuses to drop its high entrance requirements or make an effort to recruit racial minorities. Out of an enrollment of about 28,000, only about 100 are blacks, about half of them on athletic scholarships, and only about 500 are Mexican-Americans—in a state that has a high percentage of both blacks and Mexican-Americans.

There is, however, one minority group the school has recruited: women. Although they were banned from the school until a few years ago, there are now 7,000 of them.

But Texas A and M also is a military school, with a corps of 2,000 cadet officers who wear uniforms at all times. Their training is conducted separately from that of the ROTC students. The school's long military tradition dates back to its founding in 1876. During World War II it provided more military officers than West Point, and over the years 150 Aggies have become generals and admirals. Seven Aggies won medals of honor in World War II.

Except for the official military academies such as Annapolis and West Point, Texas A and M commissions more officers than any school in the country.

In addition to its military cadets, the university has the largest agricultural enrollment in the nation, about 6,000, and more than 6,000 other students study engineering.

The university is just getting around to placing some emphasis on the liberal arts.

"We devote the major portion of our energies and resources to practical studies—in the classroom and the laboratory," Stephenson said.

Texas A and M has never gone in for fads, he added, but "we taught ecology and environmental studies five to six years before it became fashionable elsewhere."

Aggie alumni around the world give more money to their alma mater than do those of any other public university with the exception of the much larger university of Michigan. They must be the most loyal alumni in the nation, and perhaps around the world, and they are the only ones to hold "muster" annually, 400 special services around the world to honor Aggies who have died in the preceding year.

Somewhere in all this madness there must be some method, says sociologist Dr. Edward Joubert of the University of Southern Louisiana. Joubert is a Cajun and an Aggie graduate so he has sampled the best, or perhaps the worst, of the jokes about both Cajuns and Aggies.

Joubert said the Aggie joke syndrome has its basis in the fact that Aggies need a sense of identity and brotherhood because they have been a "threatened minority."

FAULTY LOGIC BEHIND CONSUMER AGENCY

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. GRADISON. Mr. Speaker, among the proposals which seem to continually reappear before Congress, is the idea of a Federal Agency for Consumer Protection—ACP. Once again we are faced with a proposal, H.R. 6805, which would establish such an agency. The premise for creating a consumer protection agency is based on faulty logic, and this proposal would cause numerous problems.

Everyone agrees that existing departments and agencies are not doing an adequate job of protecting consumers. This is not, however, due to a disregard for the needs and views of consumers. Rather, this is a consequence of inefficient decisionmaking processes which have produced unforeseen and sometimes catastrophic results.

The question then becomes how to most effectively remedy this situation. It seems illogical to me, to attempt to remedy the inefficacy of several agencies by creating a new agency. Such an agency will not only be afflicted with the problems of the existing agencies, but in addition will cause increased confusion, delay, and consequent dissatisfaction.

Proponents of this legislation feel that this agency would advocate the interests and views of consumers to other agencies and departments, to balance the lobbying influence of groups representing special interests. Such a view fails to acknowledge that the basic purpose of every Federal agency or department is to decide what is best for the citizens of our country, the consumers.

The sensible solution to this problem is to reform the existing agencies, rather than adding a new one. If the problem is a lack of consumer representation, reforms should be made within each agency to insure that consumers' interests are given primary consideration. If there are other problems, these also should be solved by altering an agency's structure.

Some have argued that while regulatory reform of this nature is desirable, it simply has not come about. However, it is Congress fault that it has not occurred. Congress is responsible for overseeing agencies and assuring their effectiveness, but has been remiss in carrying out this duty. I feel that we should begin to exercise our proper responsibilities instead of passing off this function to a new agency.

The creation of an Agency for Consumer Protection assumes that consumers have some type of consensus of their objectives, needs, and preferences. In reality, such agreement hardly ever exists. To ascertain what is best for consumers, the ACP would often have to reconcile the competing preferences of various groups of consumers. The ACP would thus utilize a decisionmaking process similar to that of existing agencies, rather than advocating an obvious consumer viewpoint as many of this agency's proponents expect.

The cost of an Agency for Consumer Protection should not be ignored. The estimated price of such an agency fails to take account of increases in both the paperwork burden of businesses and the additional costs of regulation caused by such bureaucratic infighting. All of these costs are eventually paid by the consumer in the form of higher prices and taxes.

Instead of establishing this new agency, Congress should face up to the problem squarely and bring agencies which have gotten out of hand back under control. Passage of legislation establishing the ACP would constitute an admission to the American people that Congress can no longer control the agencies it has created.

THE IMPACT ON THE ELDERLY OF OUTRAGEOUS HEALTH CARE COSTS

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. PEPPER. Mr. Speaker, as chairman of the Select Committee on Aging and its Subcommittee on Health and Long-Term Care, it was my privilege to testify this morning on the administration's hospital cost-containment proposal before a joint hearing of the Subcommittees on Health of the Ways and Means and Interstate and Foreign Commerce Committees.

Controlling the outrageous escalation of health care costs must be a priority for every American. I insert the text of my remarks at this point in the RECORD:

STATEMENT BY CONGRESSMAN CLAUDE PEPPER

Chairman Rogers, Chairman Rostenkowski, I am pleased to have this opportunity to comment on the Administration's proposal to contain hospital costs.

The time for decisive action has long since come, and I commend the Administration and my colleagues in Congress for giving us this bold and important proposal.

As Chairman of the Select Committee on Aging and its Subcommittee on Health and Long-Term Care, I will address the issue from the viewpoint of elderly patients. It is they who are most in need of ongoing health care, and it is the elderly and the poor whose suffering is greatest when we fail to hold down the cost of this care.

Americans over 65 accounted for over 44% of the $46.6 billion we spent on hospital care in fiscal year 1975, and some 29.4% of the $103.2 billion spent for personal health care expenditures that year, despite the fact that they comprise only 11% of the population.

In fiscal year 1976, Medicare alone cost the Federal Government $17.8 billion. The Congressional Budget Office projects that it will cost almost $46 billion by fiscal year 1982.

This is a staggering amount. But unless we act now to make our health care system efficient, even this will not buy health security for older Americans in the years to come.

Rising hospital costs have a direct and devastating effect on the elderly. The American Hospital Association has reported that their hospital use has increased at a rate that is three times that for the rest of the population.

As hospital costs increase, so do the deductible and coinsurance the elderly are required to pay out of their pockets. In January of this year, we saw a 19 percent increase in these out-of-pocket expenses for Medicare beneficiaries, who now pay more for health care than they did when Medicare was enacted in 1965. Hospital costs alone account for a great deal of this expense, for in this same period, since 1965, tney have quadrupled.

Comparing the 19 percent increase in Medicare out-of-pocket payments with the 5.9 percent increase in Social Security that takes effect July 1, it takes no great wisdom to figure out that the elderly are losing ground, and losing it fast. There are people living in or approximate to my district who have to make a choice every day between a cup of coffee and a morning newspaper. Rising costs erode the protection Medicare was meant to provide for the elderly. We must be committed to beat the rampant inflation in health care. The success of our efforts now will affect the quality and availability of health care in America for the rest of this century and into the next.

The bill before your Committees represents an important first step toward these goals, and I believe it should be enacted.

Its approach is a sound one. Limiting increases in hospital revenues by restricting the increased amounts third-party and charge payors may cover will encourage efficiency and good management on the part of the 6,000 hospitals covered by the plan. Moreover, I believe it will encourage new approaches to the delivery of inpatient hospital care.

But this proposal must be viewed as an experimental one. The Department of Health, Education and Welfare must carefully monitor the effect of these steps to insure that they do not in any way promote inferior care of patients in these hospitals.

I am especially pleased that the Administration proposal seeks to encourage the development of health maintenance organizations by exempting hospitals which receive at least 75 percent of their revenues from Federally-defined HMOs. Time and again, HMOs have demonstrated that preventive health care can reduce the incidence of hospitalization and therefore hold down overall costs. They promote appropriate utilization of hospital facilities. This is a healthy exception.

I will shortly introduce legislation which seeks to further encourage the development of health maintenance organizations by providing them with incentives to enroll elderly and poor Americans. It makes no sense to restrict the availability of such innovative services which stress primary and preventive care first and then hospitalization only as required. In that legislation I also will propose cost controls on HMOs which guarantee that they will spend their dollars on patient services and not exceed the cost of similar services available in the area.

The provisions in the bill before you represent an important beginning, but there are other steps I believe we should consider now or in the near future—steps which can help to further contain costs and, at the same time, improve the quality of care that is available to all our people.

The effort to control hospital revenues is a logical place to begin, since they represent the largest chunk of health care expenditures, but this is not enough. Unless we impose similar restraints on suppliers and others who play a role in the health care system, we will not realize a real across-the-board saving.

I would recommend, for example, a careful look at the level of physician charges. Since 1965, physicians' services have tripled.

The April issue of the Social Security Bulletin reconfirms what we already know about the role of doctors in rising health costs:

"The physician community probably has the most influence on expenditures within the American health care system. Physicians are the most important determinant of who will receive hospital care, what care will be provided, and what the duration of care will be. They thus exert a major influence on hospital expenditure levels."

There are several methods that might be employed, other than an outright cap on increases in charges. We might, for example, consider instituting a negotiated fee schedule for specific services.

And we must make an effort to reduce costs by reducing what it costs to practice medicine.

For example, since the 1970–71 school year, the average cost of getting a medical education has doubled. Medical malpractice insurance has increased by about 400% since 1970.

The start-up costs for doctors are staggering, as are the prices of medical equipment considered by most to be necessary.

We should explore alternative health delivery methods—promoting group practice, outpatient clinics, home health services, and, as I emphasized earlier, health maintenance organizations.

Second, we should encourage the sharing and exchange of medical education and information, especially highly-developed and expensive medical equipment. The Health Services Agencies can and should play a significant role in the process of coordinating facilities and information as well as the certificate of need procedures. They should be part of the process from the beginning, compiling demographic information, keeping files on the health needs of the area, and making recommendations to the States and to HEW with regard to the need for capital expansion, including the purchase of new and expensive equipment. I would hope the Administration would investigate this as a potential area for future cost control.

Third, I believe we must place more emphasis on Professional Standards Review Organizations and the in-house utilization review committees already established in hospitals. Legislation I have introduced, H.R. 1116 and H.R. 1126, include among their provisions a requirement that nurses, social workers, guidance counselors, and other health professionals be included in PSROs. I would go a step further and propose that hospital utilization review committees be encouraged to include registered nurses, at the very least. These committees make critical decisions about the kinds of services that are provided, and nurses, who deal with patients on a continuous basis, should be given a role in the decision-making process about the kinds and amount of services that are rendered.

Fourth, I believe we must take strong action to hold down the price of prescription drugs. Drugs and drug sundries accounted for over $11 billion of the nation's health bill in fiscal 1976. While Americans over 65 comprise only about 11% of the population, they account for 25% of the prescriptions purchased.

And most of this cost now comes right out of their pockets. The time has come to promote greater competition among drug manufacturers. I believe we also should re-examine our patent laws and pricing practices. Generic drugs should be used whenever possible. And we must promote more efficient management of the drug industry.

Finally, and in my view, most importantly, we need to restructure our thinking on the subject of health care. The time has come to stop thinking strictly in terms of acute and corrective care and turn our attention to preventive health care. We have been saddled for many years with a "crisis" orientation, and it's an expensive habit. Our neglect of preventive medicine has cost the nation billions of dollars in unnecessary medical services. Last fall, President Carter addressed this issue in a speech to the American Public Health Association, in which he called for a new emphasis on preventive health care.

There can be no hope of permanently reducing health costs until we move toward a system of health maintenance. And now is the perfect time to change our thought structure. Today when we realize that money does not necessarily guarantee good health, we can and must prepare our health maintenance structure.

Briefly, this will mean that we redouble our efforts to isolate and treat childhood disease, and I commend the Administration's recent steps in this regard.

It will mean greater emphasis on regular physical examinations and early diagnosis and treatment.

It will mean, especially for the elderly, the assurance of home health care—not just after hospitalization, as is now the case, but as a way to prevent the need for hospitalization.

I urge your Committees not only to act quickly on the President's plan but also to consider methods of strengthening the Administration's proposals even more. I respectfully recommend that you consider the following questions:

Should suppliers and physicians be included in a cost-containment plan?

Should the Nation's 20,000 nursing homes be included?

Finally, as we implement a cost-containment program, can we now press forward with plans for a national health insurance system which provides comprehensive medical coverage for every man, woman and child in America?

CARTER STYLE: IMAGE FIRST, SUBSTANCE LAST

HON. JOHN M. ASHBROOK

IN THE HOUSE OF REPRESENTATIVES

OF OHIO

Thursday, May 12, 1977

Mr. ASHBROOK. Mr. Speaker, if there ever were any doubt about it, the surfacing of the Caddell memorandum makes official what most Carter watchers had known all along: President Carter is charting a course of imagery and public relations to establish an identity with the American people that will survive his later liberal legislative drives. Give the image of cutting down the thermostat and on the use of limousines but in fine print offer $20 billion more in red ink right off the bat, phase in national health insurance, propose more foreign aid, and so forth, right down the line.

John Roche has an excellent article on this subject which appeared in the Washington Star. Mr. Carter reminds us of the old political truism: Establish the reputation for working hard and you can sleep until noon. It is time that he be called to account for his double standard. The article is as follows:

CADDELL TO CARTER: WHEN IN DOUBT, SMILE

(By John R. Roche)

Well, who would have thought it? Jimmy Carter has a Machiavelli in the White House closet, Patrick H. Caddell. This came to light when some anti-intellectual-in-residence leaked Caddell's 56-page version of *The Prince* to the press. Prepared last December,

it is quite a document. Presidents have long been told the virtues of positive thinking, but Caddell hit a novel note: he focused on the merits of charismatic inertia!

"Too many good people have been beaten because they tried to substitute substance for style," observed Niccolo Caddell to the Georgia Lorenzo. He proceeded to indicate in Hegelian-Marxist terms that since neither the "thesis" nor the "antithesis" would provide any political mileage, the thing to do was wait for a new "synthesis," smiling all the while. He also recommended a number of cosmetic ventures—fireside chats, visits with folks around the country, and a cutback on limousines—as stand-by measures while the President waited for Hegel's world-spirit to do its thing.

Providing philosophical advice to princes is an ancient and—as Caddell may discover—risky art. Plato spent a couple of years slaving in Sicilian mines when the tyrant of Syracuse rejected his admonitions, and Machiavelli died broke. In Carter's case, I announced last summer that basically his style was his substance. But then I wasn't looking for a job. Though not the seventh son of a seventh son in the Gaelic tradition, I have always known in advance the day and hour of the trains I would miss.

However, setting out the President's posture in this realistic fashion is hardly a political masterstroke. Frederick the Great's first book was entitled *The Anti-Machiavelli*. Voltaire then remarked that the first thing a Machiavellian would do was denounce Machiavelli, but he was a well-known wise guy and Frederick remained "the Great," despite his patent cynicism. (His cannon were inscribed "Ultimat ratio regum," the ultimate legitimation of the King!)

Forgive this compulsive pedantry: I am a professor of political theory. But putting aside the fun and games, even assuming that Jimmy may not have followed the Hegelian references too closely, what are the practical premises of Caddell's tract? Here I can speak from personal experience. Well-meaning high theorists used to ship President Jonnson extensive reflections on his character and the appropriate philosophical course of his Administration. Some ran to 150 pages.

Inevitably they would land on my desk with a note: "What's he trying to say?" or some variant query. Johnson wanted desperately to be taken seriously by the intellectuals, was an extraordinarily intelligent man, but could hardly take time out from Vietnam or the Middle East to absorb 150 pages. So I would take the treatises home, labor through them, and present him with summaries. After we got to know each other well, I would add a grade—the highest ever awarded was one B-plus.

In essence, the advice came down to "Stop Being Lyndon Johnson." The options suggested ranged from Winston Churchill to Jesus Christ; invariably he was urged to "communicate" with the American people, and from 1966 on a common theme was "Don't lose Vietnam, but quit fighting." This was quite unrealistic: LBJ for better or worse was LBJ, incapable of being born again either as Winston Churchill or Jesus Christ.

Indeed, because he was somebody, an elemental giant, he generated intense love and intense hatred. If I had ever gone into the Oval Office and said, "You must stress style over substance," he would have choked me with his bare hands. And, by God, given the liberal commitments of the Democratic Party, I would have deserved it.

Now comes Niccolo Caddell with a treatise which must have received an A from his master; otherwise the President would have kicked him through the French windows. His advice, translated into my English, is: when in doubt, Smile. When George Meany growls about unemployment, visit a veterans' hospital in Iowa—and Smile. When you learn that 1977 inflation is running at over 13 per cent, close down two fancy dining rooms at the Pentagon, fire Joe Califano's chef—and Smile.

In short, since nobody in the United States really believes anything, the way to get reelected in 1980 (and Caddell is already on that track) is to avoid all matters of substance—and Smile. I doubt if Caddell will suffer the plight of Plato, but if the President takes his advice, they both may be unemployed in 1981.

VONNIE EASTHAM HONORED BY CALIFORNIA STATE UNIVERSITY, CHICO

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. JOHNSON of California. Mr. Speaker, today the California State University at Chico is honoring one of its most distinguished alumni and supporters for her outstanding contributions to the university and to her community. Because her efforts in behalf of the university are unparalleled, the university has established a new award designed to fittingly honor Mrs. George M. (Vonnie) Eastham. She will be presented with the university's first distinguished service award.

It has been my pleasure to work with Vonnie for many years, and I know from first hand experience of her sincere dedication, unlimited energy, and total devotion to university projects and constant improvement and fostering of campus-community relations. My wife Albra and I join with the many people of the university and in the city of Chico in wishing her well, in congratulating her on the receipt of this honor, and in saying thank you for her many significant contributions.

Vonnie has set a challenging example for all of us to follow. She is truly unselfish in sharing her many talents with the university and community which she obviously loves so much. The list of her accomplishments and contributions is long. I feel I can best share with you the scope of her activity and generosity by including in the RECORD at this point a copy of the editorial which recently appeared in the May 4 issue of the Chico Enterprise-Record entitled "Well-Deserved Honors." I am sure that you will agree with me that the university has made a very wise selection in presenting its first distinguished service award to Vonnie Eastham.

WELL-DESERVED HONORS

Recognition and appreciation of several hundred years of combined endeavor in diverse fields of higher education will be the theme of a special dinner scheduled for next Thursday in the Bell Memorial Union at Chico State University.

The purpose of the dinner is to pay tribute to 11 members of the university faculty who are retiring at the close of the present school year.

Under ordinary circumstances, such a dinner would be of interest primarily to fellow educators and of little import to citizens of the community. But as the list of retirees is examined, it becomes apparent that almost all of them have over the years developed meaningful cultural and civic connections with the people on both a local and regional basis. Look through the list (in alphabetical order) and see how many such names you recognize:

Robert Bain, art; Robert Biehler, psychology; F. Marian Roberts, nursing; Minnetta Millard, nursing; Florence Hadley, nursing; Russell Morris, education; James Kinnee, music; Einar Siro, industry and technology; Harold Petersen, health science; Garrett Starmer, speech pathology and audiology; Robert Wallace, animal science, agricultural business, education and mechanics.

An added feature of the faculty retirement dinner will be the presentation of a new honor—the first annual Univerity Distinguished Service Award—in recognition of significant contributions to the well-being of Chico State by a member of the community.

Devised as a means of placing emphasis on the importance of town-gown relationships, the new award will honor lay citizens of the vast Northeastern California service area of Chico State University.

We believe it is especially appropriate that the first recipient of this new award will be Mrs. George M. (Vonnie) Eastham, of Chico. In our opinion, they could not have made a better choice.

As a student and as an alumna over the past quarter century, Vonnie Eastham has had a continued "official" relationship with the university. But it has been the positive impact of her endeavors as a citizen—in the capacity of innovator, helper and go-between, you might say—that has set her aside as eminently deserving of this important new award.

Mrs. Eastham's contributions have been many in number, but it has been our feeling that her endeavors in three categories have been exceptional.

One is the role she has played as a patron, ticket campaigner and general booster of Chico State's outstanding Chico Court Theatre during its decade of superb summer season productions. Largely through her efforts, the Chico Women's Club and Chico Junior Women's Club took over the promotional and ticket-handling chores when the project was first devised as the Theatre in the Glen by exemplary Dr. Lawrence Wisner and his drama students. Vonnie Eastham's work with the project helped it become a model scholarship-assisted program viewed with envy by other universities and communities.

A second special category of contribution grew out of a close relationship Mrs. Eastham developed over the years with the Hearst family as a result of her research and authorship of a definitive volume on the life of Phoebe Apperson Hearst, famed philanthropist and mother of the late William Randolph Hearst.

Mrs. Eastham has been honored several times by the Phoebe Apperson Historical Society in St. Clair, Mo. But her relationship became of significant value to Chico State several years ago when the Hearst Foundation came forth with an initial grant of $20,000 to finance a special Indian research project under the direction of Dr. Norris Bleyhl, Chico State director of Regional Information and Records Project. A second Hearst grant was subsequently accorded.

Yet perhaps the most lasting and far-reaching of Mrs. Eastham's contributions has been her untiring work on behalf of the General Douglas MacArthur Scholarship program she helped found back in 1955. Mrs. Eastham's husband served on Gen. MacArthur's staff in Japan following World War II, and the relationship led to the naming of the scholarship program. Over the years, it has provided modest financial assistance—and, more importantly, a "people to people" relationship—for scores of youngsters from

foreign lands attending Chico State. Just last month, Mrs. Eastham added another chapter to the scholarship program story with announcement of a $10,000 grant from the Hearst Foundation.

Despite these and other contributions, it would be erroneous to consider Vonnie Eastham's relationship with Chico State as that of a mere booster, flatterer or sycophant. On the contrary, she has had her "outs" with segments of the university at times and has labored valiantly on behalf of voiceless causes. Even in that capacity, however, her efforts have helped produce the positive results of re-examination and have worked to the benefit of the institution.

Here at The Enterprise-Record, we have come to value Vonnie Eastham as a helpful combination news source and "press agent," so to speak, for her diverse interests and projects ranging from the CSU-related matters listed above through ordinary civic affairs and campaign activities of her beloved Democratic Party.

Under such circumstances, we feel that the 11 retiring faculty members and Mrs. Eastham will constitute a harmonious group worthy of applause and honor at next Thursday's dinner. We salute all 12 of them and remind that tickets still can be obtained (before the Monday deadline) by telephoning 895-5201, the office of CSU President Stanford Cazier.

ARBITRATION FOR POSTAL SUPERVISORS

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. CLAY. Mr. Speaker, since the enactment of the Postal Reorganization Act of 1970, we in Congress, the people throughout this country, and the employees of the Postal Service have become, with each day, more acutely aware of the insensitivity of postal management to the needs of Congress, the public and postal employees.

The most recent example of this insensitivity occurred only last month, on April 19, when Postal Service management requested a meeting of postal union leaders to discuss the implementation of a reduction in delivery service from 6 days a week to 5 days, as recommended to Congress by the "blue ribbon" Commission on Postal Service. Reaction from Congress to the Postal Service's unilateral action was not long in coming. On April 20, the chairman of the Subcommittee on Postal Personnel and Modernization of the House Post Office and Civil Service Committee, Mr. WILSON of California, wrote the Postmaster General and in the strongest possible terms advised him against any further action on his part until the Congress and the administration had an opportunity to examine the full report of the Commission. The complete text of that letter follows:

COMMITTEE ON POST OFFICE AND CIVIL SERVICE, SUBCOMMITTEE ON POSTAL PERSONNEL AND MODERNIZATION,

Washington, D.C., April 20, 1977.

HON. BENJAMIN F. BAILAR,
Postmaster General, U.S. Postal Service, Washington, D.C.

DEAR MR. POSTMASTER: It has been brought to my attention that one of your subordinates, Mr. James V. P. Conway, Sr. Assistant Postmaster General for Employee and Labor Relations Group, has written a letter to the leaders of the unions that are signators to the collective bargaining agreement with the Postal Service stating that it is the Postal Service's obligation "to give careful consideration to the (Postal Service) Commission's recommendations" [to pursue the recommendation that mail delivery now in effect be reduced from six days to five days a week].

In reading Mr. Conway's letter, this first step in reducing service to the American public is based on the assumption that the United States Postal Service should positively respond to the recommendations contained in the report of the Commission on Postal Service which was issued on April 18, 1977. Because of the apparent necessity to educate you and your subordinates on the law that created the Postal Study Commission, I felt it incumbent upon myself to stress that the Commission's mandate was to report to the President and the Congress of the United States—not to the United States Postal Service.

As you know, I strongly opposed the creation of the Postal Study Commission because I felt that it would be just another case of a blue ribbon committee being created to obliterate the issues and to prolong the answers at an unnecessary expense to the taxpayers. Quite frankly, I thoroughly read the Commission's report and I sadly observe that my worst fears are realized.

Be that as it may, the purpose of this letter is not to comment on the contents of the report at this time, as I plan to release a statement in the very near future, on its value. However, I am concerned that an official of the United States Postal Service would take any superfluous action in response to the Commission's report until the President of the United States and the Congress has an opportunity to react. It should be obvious to those who followed the history of H.R. 8603, which culminated in Public Law 421 that the Study Commission, if it had any meaningful purpose at all was to give the President and the Congress an opportunity to revise Title 39, USC, to better enable the Postal Service to meet the public's demand for service at an acceptable cost.

In reading Mr. Conway's letter, I can only assume that the Postal Service has determined again to move unilaterally in a direction without regard to the interest of the postal employee or the public on how the USPS should function. Candidly, this is disillusioning for me and counterproductive for the Postal Service.

I assume that my speech which appeared in the Congressional Record on March 17, 1977 concerning the reduction of mail service was brought to your attention. I utilized that opportunity to raise some reasonable questions on the feasibility of implementing a five day delivery service. If you have not had an opportunity to review the statement, I recommend it to you. The point being that since I, as a Congressman and Chairman of the Postal Personnel and Modernization Subcommittee was reluctant at that time to draw any firm conclusion as to the recommendations that might be issued by the Postal Study Commission, I think it is only reasonable to expect the same type of restraint by the Postal Service.

In conclusion, let me say that the precipitous action by Mr Conway could well lead to the destruction of the Postal Service as we have known it. I would sincerely counsel that the Postal Service's management restrain its reaction to the Postal Commission's recommendations until the President and the Congress have had an opportunity to offer their observations.

Very truly yours,

CHARLES H. WILSON,
Chairman.

On April 21, Chairman NIX of the House Post Office and Civil Service Committee, along with 21 other members of that committee, also wrote the Postmaster General questioning his "precipitous action" in the proposed implementation of the reduction of delivery services. The text of Chairman NIX's letter follows:

APRIL 21, 1977.

HON. BENJAMIN F. BAILAR,
Postmaster General, U.S. Postal Service, Washington, D.C.

DEAR MR. POSTMASTER GENERAL: A letter dated April 19, 1977, relating to the Report of the Commission on Postal Service, sent by Senior Assistant Postmaster General for Employee and Labor Relations, James V. P. Conway, to the four craft unions, has come to my attention.

I am somewhat intrigued by the thrust of that letter. Mr. Conway, who appears to be speaking for the United States Postal Service, states that the Postal Service, "pursuant to the recommendation of the Commission on Postal Service," is immediately "commencing serious study of the proposed change to five day delivery service" from the six day service currently provided.

I would not object to the Postal Service beginning such a study on its own initiative and pursuant to its existing statutory authority, which, in fact, it began some time ago. I do question the propriety and wisdom of the Postal Service in using the Commission's report and recommendations as justification for this study.

I would remind you that the Commission on Postal Service was created to make its report and recommendations to the President and the Congress—not to the Postal Service. Obviously, the Commission also construed its mandate in this manner, since its initial sentence under "Major Recommendations" reads as follows: "Based on these major conclusions, the Commission on Postal Service makes the following major recommendations to the President and Congress."

I fail to understand how you feel "obligated to give careful consideration to the Commission's recommendations," albeit that you have selected only one of many, which, coincidentally, seems to support a view generally believed to be that currently advocated by the Postal Service.

Serious questions also come to mind as to the timing of your invitation to the four craft unions to discuss the matter of five day delivery. It seems to me that since this matter has been under consideration for quite some time by the Postal Service and if such consultation is required or even desirable on your part, that the invitation should have been extended when you initially began consideration of this matter. I sincerely hope that your motivation does not stem from the fact that the Postal Service can now justify or defend this action because of the Commission's recommendation.

Further, it is obvious that the Commission intended its recommendations as a total "reform" package, not one that should be selectively supported as one sees fit or as they meet one's wishes.

It seems clear to me that these recommendations were intended to be considered by the President and the Congress. I assure you that after careful and timely study, the Committee will make both administrative and legislative recommendations to which, I suggest, you should feel "obligated to give careful consideration."

In the event you continue to be of a different opinion, kindly inform me at the earliest possible time whether you will commence serious study of some other Commission recommendations and whether they seem to have general support in the Postal Service, such as:

(1) the restriction on the closing of small post offices;

(2) an increase in public service appropriations;

(3) an appropriation to eliminate current indebtedness for previous operating losses;

(4) the retention of the four major classifications of mail;

(5) a relaxation of the private express statutes for time-value letter mail when the Postal Service cannot offer comparable service; and

(6) giving the Postal Rate Commission final authority in rate and classification proceedings.

Before concluding, let me make one point crystal clear. It is totally incongruous and I will not support and will not recommend increased public funding for public service costs while further reductions in mail service over current levels are being considered or implemented by the United States Postal Service. For to provide less service at greater costs, both to the mail user and the general treasury, is simply not justified.

In fact, because of other pronouncements by the Postal Service, I am further puzzled by your precipitous action in this regard. For some six months now, you have made statement after statement asserting the improved financial condition of the Postal Service. As recently as two days ago, you stated in Miami that for the past twelve months the Postal Service has "achieved a surplus of approximately $5 million." This "achievement" has obviously come about with a six day delivery standard. Also, the Postal Service has surely determined, that even with current service requirements, it will not need additional revenues at least until March of 1978. In light of these facts, it seems to me that the Postal Service's decision to use the Commission recommendation as the reason for an immediate study of five day delivery is extremely suspect, to say the least.

As you can see, other Members of the Committee, with whom I have had an opportunity to discuss this matter, have joined with me in sending this letter to you.

We urge you not to use this Commission report to the President and the Congress as the basis or justification for any unilateral action on your part. It was not intended, nor should it be used for that purpose.

We also urge you to suspend any actions which may be related to the report and its recommendations until the President and the Congress have had a reasonable time to review and study the report. We assure you that we will offer solutions to postal service problems which will be responsive to the needs of all our citizens.

Sincerely yours,

Robert N. C. Nix, Chairman, Morris K. Udall, William D. Ford, Richard C. White, James J. Howard, Ralph H. Metcalfe, Edward J. Derwinski, Tom Corcoran, James M. Hanley, William Lehman, Herbert E. Harris II, Stephen J. Solarz, Leo J. Ryan, Michael O. Myers, Gene Taylor, Jim Leach, Charles H. Wilson, William Clay, Gladys N. Spellman, Cecil Heftel, Patricia Schroeder, and Benjamin A. Gilman.

Mr. Speaker, I cite the above instance of postal management's lack of understanding and sensitivity to the needs of the public and to the will of Congress, as only the latest example of 7 long years of misunderstanding and insensitivity. My purpose in rising today is to speak out against the long standing practice of top postal management to treat one of its most dedicated groups of employees, postal supervisors, as second-class postal citizens.

On March 30, 1977, the Postmaster General in a speech before the Institute of Collective Bargaining in New York City stated:

One final important difference between ourselves and the private sector is that the Reorganization Act also set certain stipulations regarding our relationship with our so-called managerial organizations. I say so-called because the leaders of these organizations act like union leaders, yet want to be treated as managers. They want all of the benefits of organized labor while retaining the prerogatives of management. As you can imagine this mentality presents a continuing problem to postal management, particularly when, as required by law, we consult with them on pay levels and other management policies.

To my mind, Mr. Speaker, if the above quoted words of the Postmaster General indicate any "mentality" at all, it is clearly that of the Postmaster General's inability to understand section 1004 of the Postal Reorganization Act and to belittle the absolute importance of these "so-called managerial organizations" to carry out the primary mission of the Postal Service. that is to provide a service to the public. I am disturbed to learn that the present Postmaster General finds that consulting with these organizations to be a "continuing problem to postal management," whatever that term may mean in light of continued postal problems and failures.

It is precisely because of his failure and the failure of top postal management to consult with these managerial organizations, as required by law, that I am compelled to speak and introduce legislation today which will allow at least one of these organizations the right to a fair determination of whether or not the Postal Service has, in fact, carried out the dictates of the law.

It behooves the Postmaster General, I believe, to look into the past and determine why these managerial organizations exist. They are not, as the Postal Service would have you believe, some hybrid of union and management, nor merely social clubs established for the purposes of comradeship. They were established and exist today to protect the often neglected and constantly trampled upon right of their members. If the top management of the Postal Service were to act in a responsible and fair manner toward these groups of employees, certainly the need for such organization's existence would diminish. Their existence, not unlike unions, will continue so long as top management sees fit to ignore what is fair, what is right, and what is just for all of its employees.

The National Association of Postal Supervisors, along with the other two managerial organizations, has made every effort to work and consult openly and fairly with top postal management.

But such management views that right of consultation—a right guaranteed by the law to the managerial organizations—as no more than their absolute right to change policies immediately after telling these organizations about these changes.

On three separate occasions, top management has so abused this right of consultation that these organizations have been compelled to file suit in Federal court in order to obtain real consultation as provided by law. In all three cases, the positions of these organizations have been upheld. Because of the continuing necessity of these organizations to take the Postal Service to court to enforce their rights, they have come to believe that a better system of determining their rights must be available.

In the 94th Congress, legislation was introduced and passed by the House which provided that such disputes between supervisory organizations and the Postal Service be settled through binding arbitration. The Senate failed to act on this legislation; and I, therefore, am introducing that bill today. I urge my colleagues to add their names to this bill and support my efforts to obtain its enactment in this Congress.

The bill provides simply that in matters of consultation, as provided by the law, either party may refer disagreements on national policy to final and binding tripartite arbitration.

There are some critics of this legislation who say that such a law equates this supervisory organization to that of a union and that it is unheard of for such a nonunion organization to have arbitration rights. The right of arbitration of differences is not a right peculiar to unions, not a collective bargaining right, but rather is a right which is commonly used to settle any contractual differences between parties. It has the advantage of saving time and money. The alternative to arbitration is the courts. The need for arbitration, in this instant case, stems from the need for fair and just treatment by top management, no more, no less. Its protection must flow to all the citizens of the corporate community, not just those belonging to some organizations, but to all where there is a past and present record of insensitivity, of misunderstanding, of apathy by top management to the very real needs of all of its employees.

Mr. Speaker, we are all well aware of the past 7 years of insensitivity of the Postal Service's top management to Congress. I have cited earlier in this statement the most recent example. I introduce this legislation today which only touches a small group of persons subject to that same insensitivity. Perhaps it shall put the Postal Service management on notice that Congress will no longer tolerate the indifference of the Postal Service to Congress, to the public, or to its employees.

There may be some situations in which there may be a lack of clarity between the intent of my bill referring to supervisors or crafts employees, a determination will be made in favor of the latter.

The text of my bill to provide arbitration to settle disputes between supervisory organization and the Postal Service follows. I urge my colleagues to join in sponsoring this legislation and its earliest possible enactment by the Congress.

AN EXPERT'S VIEW OF THE NEED FOR A CONSUMER PROTECTION AGENCY

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. RICHMOND. Mr. Speaker, it was my privilege today to attend a luncheon at the Women's National Democratic Club in honor of that valiant proponent and defender of consumer rights, Ms. Esther Peterson. As I mentioned when I introduced Ms. Peterson to our distinguished hosts, I think we can all be confident in knowing that Esther has returned to Government at a post which she helped to create.

The subject of Ms. Peterson's speech was an eloquent and I might add nonsense argument in favor of creation of a Consumer Protection Agency. Since this issue is of great interest to the Members of the House, I am placing Ms. Peterson's speech into the RECORD:

AN ADDRESS BY ESTHER PETERSON

It is a pleasure to be here today with so many good friends.

Those of you who know me, know that I am a gentle person. It is not my nature to get angry—unless there is a darn good reason. Well, the events of the past few weeks, since I took office as special assistant to President Carter, have given me a darn good reason. And I am angry.

As many of you know, the keystone of President Carter's consumer program is creation of an Agency for Consumer Protection. The ACP bill, as it is now called, is probably the most misunderstood legislation on Capitol Hill. What it would do is set up a nonregulatory advocate which would present the consumer's case before the many Federal agencies which make decisions affecting consumers. It would fill the "empty chair" in Agency proceedings where now only the voice of industry is heard.

For eight years, consumer groups, senior citizens organizations, labor unions, women's groups and other citizen groups across the country have fought for this legislation, only to be disappointed time after time by close votes in the House or Senate. Last year these grass roots organizations did get the Consumer Protection Agency bill through both Houses—with the support of consumer-minded Members of Congress—but the victory quickly turned sour when President Ford let it be known that he would have no part of the legislation. With the threat of veto hanging over Congress like a sword of Damocles, the Congress abandoned its efforts.

Why, you may wonder, should it be so tough to get a consumer agency—particularly an agency which is merely an advocate—an agency with absolutely no power to set standards, prosecute wrongdoers, issue licenses or force businesses to change their practices in any way. Why, you may wonder . . .

The answer, pure and simple, is big business lobbying. And so we come to the source of my anger.

First, let me make clear that I am not talking about responsible companies like Levi Strauss, Arco and others that have expressed support for the Consumer Agency. And remember that I come to my job fresh out of business where, I believe, my experience showed that business can flourish while at the same time being responsive to consumers' needs. I am talking here about the traditional bastions of big business representation in Washington. These big business representatives, led by the U.S. Chamber of Commerce, the National Association of Manufacturers, the Grocery Manufacturers of America, Procter and Gamble, General Motors, and the business roundtable, have attacked the Consumer Protection Agency bill with forces that General Patton would have envied. Big business is using every tactic money can buy to insure that consumers are deprived of the same rights of representation in Washington that large companies have long enjoyed.

Big business, in short, wants to protect their virtual monopoly over access to Federal decisionmakers.

Let me say right off the bat that I like a good fight as much as the next guy, but a good fight has to be fair. In this fight, the big business community has persistently used distortions, scare tactics and, frequently, outright lies. In this regard, I want to share with you part of a letter I have just sent to Dick Lesher, president of the U.S. Chamber of Commerce. I said:

"It appears to me that the chamber's dogmatic refusal to accept the consumer's right to be heard by regulatory technicians is causing the chamber to deliberately misstate the case for a small consumer agency as proposed by President Carter. Despite numerous refinements and safeguards for business, accepted over the course of eight years of congressional debate, the Chamber is still on square one, frozen in its prejudice against the voice spoken on behalf of consumers, unwilling to concede even the existence of numerous accommodations incorporated into the legislation by Congress."

I cannot emphasize strongly enough that legitimate business concerns have been addressed during the long legislative battle over this bill. For eight years, sponsors of the bill have worked with business to smooth the rough edges of this legislation. The information gathering and advocacy powers which the ACP would have are subject to a wide array of safeguards. And, in the month that my office has been in existence, I have time and again emphasized to business that my door is wide open to those with a positive interest in improving—as distinct from gutting—this legislation. Some have responded—bless them—and we intend to keep working with responsive and responsible elements of industry.

Up against this massive expenditure of time, manpower and money are the consumer groups which, with a few phone lines, a modest postage budget, a few mimeograph machines, and a lot of energy and guts pass the message on to a handful of underfunded groups throughout the country. The imbalance in resources speaks for itself, and it is precisely that imbalance which the consumer agency bill seeks to redress.

On the matter of resources, I should add that the budget of what the chamber is fond of calling a "super agency" is only $15 million per year. The chamber of commerce lobbying budget in 1975 was $20 million. Proctor and Gamble, another leading opponent, spent $365 million last year on advertising alone—25 times the ACP's proposed budget. And ACP's cost is equal to the cost of running the Pentagon for about 90 minutes.

In all of the catch phrases about the bill, we sometimes lose track of how it all affects us as individual consumers. Let me give you an example.

Suppose the Federal Energy Administration is considering whether to remove price and allocation controls from home heating oil—who among us could go before the FEA and offer a technically adequate presentation of why this should or should not occur? Who among us could marshal an argument to counter that presented by the oil company lawyers, economists, statisticians, and research specialists armed with graphs and charts and mounds of data. Who among us could formulate viable alternatives to those proposed by the regulated industry? And what is wrong with having the regulators listen to another point of view?

Let me turn from the chamber and its distortions to another well-financed and visible opponent of the consumer agency: The business roundable. This group of Fortune 500 companies carries considerable weight around this town, as you well know. Recently, they hired Leon Jaworski to help lobby against this bill. I wonder what has happened to Leon Jaworski. I've had great respect for this man. Our country owes him a great debt. But, for the life of me, I can't understand how he could misread our proposed law.

In his capacity as counsel to the Roundtable, Mr. Jaworski sent a letter to every member of the House Government Operations Committee outlining his concerns about the ACP bill. The Jaworski letter pictures the ACP as a kind of Gorgon with authority so broad that "the stability and effectiveness of Government" would be threatened by it. Jaworski also said that the proposed agency—which I remind you has no regulatory authority—would wield "practically limitless statutory authority." I'm certainly not denying Mr. Jaworski's right to select any client he chooses. I'm not a lawyer, but it seems to me that he's really stretching on that one.

Ironically, the lobbying against this bill shows why the bill is necessary. Every member of the 43-member government operations committee—which this week approved the bill by a single vote—was barraged with phone calls, visits and constituent letters parroting the fallacious arguments which had spewed forth efficiently from corporate lobbying headquarters in Washington to their congressional districts.

A consumer voice should also be heard when the Federal Government considers air fares, backhaul restrictions for ground transportation of consumer goods, and deceptive advertising which confuses and misleads consumers. A consumer voice should be heard in complex rate-making proceedings and in proceedings where safety standards for consumer goods are being considered.

When I took this job, President Carter stressed to me his commitment to making Government more efficient and more responsive to consumers. This legislation is a crucial part of his program to reorganize Federal activities and to give consumers a stronger voice in Government decisionmaking. We have a tough battle ahead but we intend to win. I hope that each of you will be an active soldier in this battle. Mark Twain once said, "when angry, count to four; when very angry swear." To that I would add, "when extremely angry, grit your teeth, gather your forces and win on the merits." With your help, that is exactly what we intend to do.

CAMPBELL COUNTY, TENN., BLACK LUNG CLINIC

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. DUNCAN of Tennessee. Mr. Speaker, as a longtime supporter of improved benefits for those who suffer from "Black Lung Disease." I commend to my colleagues in the House the following article which appeared in the May 1, 1977, edition of the Knoxville News Sentinel.

The article describes the outstanding

care the Campbell County Black Lung Clinic is providing to coal miners who suffer from this dread disease.

I applaud the men and women who work at the Campbell County Clinic for their service to their fellow man and reaffirm my commitment to foster legislation which will help relieve the great suffering which is brought about by black lung.

CAMPBELL COUNTY BLACK LUNG CLINIC OFFERS COAL MINERS ROOM TO BREATHE

(By Willard Yarbrough)

JACKSBORO.—Campbell County has abundant clean air but men with coal-mining backgrounds at times find it difficult to breathe.

They are victims of the industry's major occupational health hazard, pneumoconiosis. The illness is commonly called "black lung" because coal dust settling in the lungs not only reduces breathing capacity, but actually turns them black.

The Jacksboro Black Lung Health Center is treating hundreds of ex-miners, examining others for black lung symptoms, and teaching victims how to live with their illness.

"Press this pillow into your tummy and exhale all air possible," nurse Jane Davis told black lung victim Columbus McGhee in a demonstration at the mobile home-center. "Now breathe deeply through your nose, purse your lips and breathe out slowly."

Mrs. Davis explained that black lung victims must force themselves to breathe. They are taught at the clinic and disciplined to continue therapy at home.

Louise Watkins, a licensed practical nurse, rolled McGhee onto his stomach, and beat a staccato on his back with her open palms.

"This treatment helps a victim loosen the mucus in his lungs so he can expel it, making more room for air in breathing," she said.

Black lung victims also are taught how to cough. Family members are likewise trained for the home therapy. Breathing exercises are recommended three times daily for 15-minute intervals.

An ex-miner told Bedford W. Bird he once tried to sleep by using two pillows for props, but he was so frightened he would suffocate during the night that he couldn't go to sleep. The miner underwent similar training for three months and now sleeps without waking, said Bird.

Bird is deputy director of the Department of Occupational Health with the United Mine Workers union and is in technical charge of the Jacksboro center.

McGhee is president of the La Follette Black Lung Association and has led demonstrations in these hills and in Washington on behalf of miners welfare and legislation to both protect victims' health and for quicker qualification for pensions. He says he wants red tape sliced so that victims can obtain pensions short of more than two years time.

"Unless a pending bill in Congress is approved, hundreds of pensioned miners stand to lose their income and thousands of others waiting for pensions will never live to receive theirs," he said.

"It's time to cut out this Government red tape and to provide for miners disabled by breathing coal dust in the mines. The miners and their dependents deserve better treatment," he added.

McGhee says the U.S. Department of Labor and other agencies responsible do not protect miners properly, saying that inspection lags as to coal dust residue breathed by miners and enforcement generally "is a farce."

Bird said the Black Lung Center here will close by November unless Congress adopts the Dent-Perkins Bill which carries a $10 million funding to continue the black lung centers. This center was founded 18 months ago, has examined 300 and administered 1550 treatments for men suffering respiratory ailments, he said.

Dr. Perry Huggin, respiratory expert who once directed Knoxville's East Tennessee Chest Clinic, is the center's medical director. He has detected black lung victims via X-rays performed by the Knoxville mobile unit (21 persons were X-rayed by the unit here one day this past week). His findings are subject to confirmation at the state's Knoxville clinic, but that doesn't necessarily guarantee a miner his black lung pension.

"Present Federal law requires a review both by the Labor Department and the coal operator," said Bird. "Standards are so rigid that it is difficult for two experts to agree that a miner is qualified for a pension. But the Dent-Perkins bill would ease this exactitude, trim red tape, and bring quicker decisions as to pensions."

Campbell County can count 1243 ex-miners who have been approved for black lung pensions, but there are many more claimants awaiting action. Anderson County has 726 approvals, 332 of them in Lake City; Roane has 495 with 302 of those living in Oliver Springs; Marion County 394 and Grundy County 392.

The Jacksboro Center, under direction of John Cruze, continues to detect and treat miners and ex-miners, along with anyone else seeking help, suffering from respiratory problems. Satellite clinics are held on various schedules, with medics including Dr. Huggin taking the program to Clairfield, Wynn-Habersham, Petros, Norma, Jellico and Briceville. Many patients come here from surrounding counties.

A three-member team follows leads on miners and their families, seeking them out at their remote homes to inform them of the program and to urge them to report for examination and treatment.

A board of directors, with membership primarily from within the Black Lung Association, is an advisory body for the Jacksboro Center. One is W. H. (Willie) Cooper, a retired miner who'll turn 80 in June.

"The center is providing great help to all of us," he said. "Somehow, Congress must find a way to keep it and others operating.

"I was a miner most of my life and realize the benefits of such care. My father, John L. Cooper, and Uncles Jimmy and Thomas Cooper, were among those 184 victims of the mine explosion at Fraterville in 1902. I remember as a boy hearing the explosion at Cross Mountain in 1911 that killed another 84 miners.

"Men risk their lives to produce coal. Those who do deserve all the consideration and welfare possible, particularly those men suffering from the black lung disease. Congress can't do too much for them and their families."

WELFARE REFORM WITHOUT INJUSTICE: A TOP AGENDA ITEM FOR THIS CONGRESS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1977

Mr. KEMP. Mr. Speaker, earlier this year I participated in the extensive hearings on welfare reform conducted by the Secretary of Health, Education, and Welfare. Those hearings were the basis for the recommendations made by the Secretary to the President and for the subsequent proposals of the President.

With the exception of a welfare lobby, virtually everyone participating in those hearings expected reform to reduce the size of the welfare rolls and thereby provide improved benefits to the truly needy.

This is not going to happen under the administration's current proposals, for the guaranteed jobs provision President Carter announced would not take people off public dependency. These jobs are public service jobs just like those proposed in the discredited Humphrey-Hawkins bill of the last Congress. It is almost as if the President incorporated that bill into his proposals. Expanding Government and Government jobs is just not the answer to welfare problems.

The basis for what the President should have recommended is, by coincidence, found in the current issue of Modern Age, the quarterly review. Authored by Dr. Donald J. Devine, a professor of politics and government at the University of Maryland, and entitled, "Welfare Without Injustice," this essay constructs a frame of reference in which policymakers can decide how best to refashion the Nation's welfare system.

Welfare reform has to be a top-priority item for this Congress. The people expect it—as they should. I commend this article, therefore, to all my colleagues.

It follows:

WELFARE WITHOUT INJUSTICE

(By Donald J. Devine)

WELFARE WITH COERCION

The welfare state promises that a fully free society may be retained in its essentials if only the national government is given the single additional power of caring for those in need. This promise is alluring since it starts with a free and unhampered market to provide for the overwhelming number of individual preferences. It will only use the state to override these preferences with positive government intervention when these free decisions will lead to insufficient "food, safety, clothing, shelter, medical care, education, congenial employment or companionship" for the minority who are in need.

The promise, however, also has problems which are so manifest that they cannot be ignored. The best modern philosophical defense of the welfare state, consequently recognizes that in order to use positive government intervention for these purposes, it is necessary to abandon the "perfectionist perspective" which demands that no individual rights be overriden. It even admits that popular preferences must be overcome on occasion and that this could be abused so that "all sorts of tyrannies" could be excused. This defense expects that widespread understanding of who deserves welfare, how much they are due and whether real welfare has been provided will weigh against the negative possibilities and will control abuses; but this is certainly something to be tested rather than assumed.

Beyond the problem of whether real welfare is provided and whether this reaches those who deserve it, is the fundamental problem that coercion, including government coercion, can cause injury which is typically feared as the worst injustice which can be inflicted upon a society. Government injury may be done to those who are forced to contribute so that others may have more goods or services, or to those who are forced to behave in a certain manner so that others may have a congenial environment and social companionship. More critically, not only may those perceived to be giving be harmed but those perceived to be receiving also may be aggrieved—either because by stating that the problem has been solved by government alternative assistance is not given; or as a result of an injury from an intended or, more

often, an unintended consequence of this or another government policy.

As one looks at national government welfare involvement in the United States, moreover, injury seems a characteristic aspect of its conception and implementation in virtually every area of policy. Taking the areas of involvement given above as ones necessary for welfare state involvement in reverse order, much has been said already in the area of government attempts to force companionship—especially in the area of race relations. It perhaps is sufficient to add here merely that three-fourths of whites are totally opposed to forced busing, that the whites affected by these policies have become enranged by them, and that they have reacted to what they perceive as government-enacted injustice against them even in violent ways. At the same time, while blacks are the one group in society which will support forced busing when given no other alternatives, only 6 percent of blacks support it when given less coercive alternatives. Indeed, in one study of blacks in Los Angeles where a sample was given a wide range of choices on how integration should be achieved, only 3 percent chose private coercion and only 19 percent chose government at all while 56 percent thought that voluntary means would achieve integration best. The welfare state, nonetheless, routinely continues to coerce companionship in the name of better welfare for all when it is approved by almost no one.

Much of the justification of the welfare state has been that it guarantees employment. Besides the fact that when one looks at employment percentages since 1900 unemployment does not seem to have been much if any lower since the welfare state began, it is clear that the unemployment insurance laws themselves (and many others as well) create disincentives for employment. Government job training programs, moreover, are very expensive and the best of them increase earnings very little even for those few who complete the programs. Most importantly, the minimum wage laws imposed in the name of better employment increase unemployment especially among the poor, the young and minority groups since they do not allow employers to offer or potential employees to accept wages lower than the artificial minimum even if both wish to do so. This is most unjust for the unskilled young since it does not allow them to engage in apprentice programs which cannot economically afford higher immediate salary but which can pay better over the long run.

By and large education is a relatively new area for extensive involvement by the national government but expenditures already total near thirty billion dollars. It is doubtful that this national involvement has increased educational quality, though, as it appears that beyond a certain threshold, increased expenditures do not assist education. Yet increased centralization does lead to a uniformity of education which not only frustrates innovation but which also may assault the values of cultural minorities. Indeed, the major monetary effect of increased national involvement appears to be higher rewards to already advantaged teachers, educational administrators and contractors. Expenditures for higher education are much more unjust, moreover, as they redistribute wealth from the poor who cannot afford college and the uneducable who cannot benefit from it, towards the well-off upper middle classes who attend college and benefit extraordinarily in higher salaries, greater prestige and more secure self-esteem.

Medical care is also a relatively new area of great government involvement. Yet, the data which are available suggest that these programs also have resulted in injury. Thus, not only have all citizens been taxed over $30 billion since the 1966 beginning of the plan to pay for it but the greater demand encouraged by the program has increased medical costs to those taxed. Even more amazing, according to the testimony before Congress in 1973 of Karen Davis of the Brookings Institution, costs went up even for the elderly in whose benefit Medicare and Medicaid presumably were enacted. She estimated that the elderly paid $309.00 per capita for medical care in fiscal 1966 before Medicare and $404.00 in 1972 after six years of government "help"—including $67.00 in premiums for Medicaid.

There is a long history of government involvement in the area of providing shelter to the needy, however (indeed it was the premier welfare program of the New Deal), and this allows some detailed analysis over a good period of time. The earliest program of public housing, though, not only has been cost inefficient and has built only 822,000 units in over three decades but it also has destroyed 320,000 units (up to 1967). Moreover, when one adds 330,000 destroyed by building highways through urban neighborhoods using eminent domain, it appears that government social programs created little net gain for a tremendous financial investment at a great cost in destroying traditional neighborhoods—many of which had vibrant social patterns. Moreover, the programs aid very selectively, often on the basis of political favoritism. Consequently, only 7 percent of those eligible can live in the housing but those favored few receive a service which increases their income by the equivalent of a 30 percent addition. And this is partially subsidized by the 93 percent of the poor who do not receive the benefits.

The urban renewal program, at the same time, makes government a net destroyer of housing since over the period of its existence at a cost of $12 billion it has destroyed a half a million more units than it has built. More importantly, half of the units which were built went to relatively wealthly individuals at the expense of what was previously housing available to the poor. Furthermore, as government housing planners have come to realize these problems and have shifted to subsidizing private construction, housing costs have been increased 2.5 percent for all consumers through increased demand, while a subsidy of $5,440 is given to a very few people. Most importantly, in the name of making assistance available to the widest possible number of the "needy," eligibility requirements are set almost at the median income level. But those who are most attractive to lenders, not surprisingly, end up being those at the high end of the requirements level and this program also ends up aiding those less in need of assistance. Indeed, it would be difficult to plan a housing program which could do more harm than federal housing policy actually has done.

Perhaps the welfare state is most injurious in the areas of necessities such as food and clothing, however, since these are so basic to life. Policies of price supports for food and materials, accordingly, directly increase costs for basic necessities and programs which encourage less production do the same—in both cases with the costs falling especially hard on those least able to bear it. Prices are increased further by government regulations: for example, the DES ban was estimated to increase meat costs from 3 to 15 cents a pound; and when the courts held that certain goods fell under the agricultural exemption from ICC regulation, frozen fruit and vegetable prices fell an average of 19 percent and poultry prices fell 33 percent. Of most importance, the welfare state seems cruelest to those who are most defenseless and who usually only ask for the basic necessities. Thus, the aged are brutalized by the inflation intrinsic to the development of the welfare state as their savings are reduced to the degree that none but the most affluent can avoid becoming dependent upon the state even after a lifetime of self-sufficient earning and saving.

The only alternative which seems able to reduce these problems for the welfare state is to rely more upon direct payments of cash or vouchers to the needy either for single programs or through a general plan of negative income taxes. Yet, if separate programs are used, the inequities become overwhelming. Thus, a non-working woman on welfare with three children could obtain the equivalent income of $6,015 per year in 1972—or $1,400 more than the median income for women who work. Consequently, it is rational to shift to more general aid. But these programs (food stamps, for example) have many problems not the least of which is that they never reach anywhere near all those who are qualified nor do they achieve their purpose (*e.g.* increasing nutrition). So, the tendency is to switch to a negative income tax to cover all. Here, however, there is the problem of decreasing incentives to work since even when plans are devised to build-in incentives, there is decreased working. Thus, "successful" programs show more than a ten percent reduction in work. And any decrease in being self-supporting seems unjust as it takes self-respect from an individual and subjects him to the indignities of self-important social workers and insensitive bureaucrats.

In addition, it is relevant to consider the inefficiencies involved in these general programs as the working and middle classes pay the overwhelming percentage of these costs from their limited earnings. For years welfare administrators maintained that there were very few on welfare who were not eligible to receive it. But in late 1972 the new administrator of the Aid to Families with Dependent Children program demanded that local units end mispayments or bear the cost and within nine months—after an unbroken increase in the size of the program for two decades—there was a decrease of 342,000 eligibles. In addition, the mere size of a general program can mean that clerical errors have monumental effect as did the $800 million in overpayments made under the Supplemental Security Income program of the Social Security Administration in 1974–1975. Furthermore, there are even flagrant abuses as the clever find ways to subvert the intent of welfare programs—such as privileged college students collecting food stamps: *e.g.* one-third to one-half of all food recipients in Ingram County, Michigan were students at Michigan State University.

The greatest problem, though, is that politicians like to pass such programs which symbolically deal with problems but which, because of anticipated complaints from taxpayers, are not adequately funded. And the further removed they are from taxpayer scrutiny the more skillful politicians are able to confuse the issue and "succeed" with apparently costless programs. Accordingly, the national government old age social security insurance system was never funded as insurance under actuarial standards and benefits were covered by taxes on current workers. Because population demographics since the 1935 beginning of the program initially had many workers supporting one retiree, the program remained solvent, coverage was expanded and expensive new programs like Medicare even were added to the system, while benefits to those already in the program were increased continually.

During these years there were negative effects resulting from the fact that only a

small proportion of the program was backed by real reserves. Most actually were "obligations" of one agency of the federal government to pay another. Since actual savings were not used to cover the program, it has been estimated that overall savings were reduced about 38 percent and, consequently, that GNP was reduced by almost $120 billion as of 1974. As a result of this it is estimated that overall wages on the average were about 15 percent lower than they would have been without a social security program.

Financial irresponsibility has a way of catching up eventually, though. As the "baby boom" of the 1940's turns into the "elderly boom" of the end of the century and as the declining birth rate of the 1970's "zero population growth" period guarantees fewer worker-contributors at the same time, in thirty years or so there will only be two workers available to support one recipient. If the system accepts no new beneficiaries over the next seventy-five years planned outlays will exceed receipts by $2.5 trillion and it now looks like the system will become unbalanced as early as 1980. Unfortunately, this immense obligation will not be met from taxes alone and the system will probably not be reformed so that it becomes fiscally sound. The almost certain response of the politicians will be an incedible inflation which will create more injury to the aged of the future (*i.e.* today's young) than any possible benefits which have accrued to beneficiaries in the past. And the only response of the welfare state is to brand anyone who discusses the subject an extremist.

After four decades of experience, then, the promises of the welfare state have not been realized and, indeed, its costs have been immense. Not only have hundreds of billions of dollars in national wealth been squandered which could have been used for constructive social purposes but there have been staggering social costs as well. Hundreds of thousands of youth, and especially minority youth, have been made unemployed or underemployed through minimum wage and related employment laws; millions of children are taught values their parents object to and thousands of children are transported out of their neighborhoods while the poorer support the better-off to obtain more income and higher education. At the same time, almost everyone is forced to pay more dearly for medical and hospital care in the name of medical care for all while, at the cost of tens of billions of dollars, housing programs have resulted in less and more costly housing for the poor. In addition, even food and clothing essentials have been made more difficult to obtain for those most in need as a direct and indirect result of government regulation while everyone's savings have been ravaged by inflation.

This would seem to represent a tremendous regressiveness in societal welfare which would have been critical if the market sector had not produced great increases in wealth to offset many of the costs. More critically, it seems as if the problem is inherent in the idea of a welfare state as its rejection of the "perfectionist perspective" on individual welfare and rights appears to lead it too easily to become insensitive to personal and property rights of individuals. Moreover, the welfare state tool of central government planning simply seems too gross an information-gathering and implementation mechanism not to unintentionally injure many of its intended beneficiaries and, thus, to do injustice to them. The programs, in sum, just seem too sweeping to deal with the complexity of individual personal problems.

Finally, the expectation that using the concept of welfare to control what the state does fails because national legislators pass so many complex programs, voters find it impossible to evaluate their success of failure. Especially do national authorities have control of the money supply and can increase taxes through inflation without visible legislation—the inflation causing all sorts of difficult to discern economic dislocations and social inequities. And under the cover of this confusion, actual welfare state policy seems to create more injustice than it solves.

HOUSE OF REPRESENTATIVES—*Friday, May 13, 1977*

The House met at 11 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

As many as are led by the Spirit of God, they are the children of God.—Romans 8: 14.

Our Father God, with the dawning of a new day we pause in Thy presence to pray for guidance and wisdom as we live and labor through the coming hours. Be in our minds that only worthy thoughts may enter. Be on our lips that only words of truth may be spoken. Be alive in our hearts that only love may live in us.

Direct us, O Lord, in all our doings, with Thy most gracious favor and further us with Thy continual help, that in all our works begun, continued, and ended in Thee, we may glorify Thy holy name and finally, by Thy mercy, obtain everlasting life: through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 126. An act to reduce the hazards of earthquakes, and for other purposes.

REPORT ON RESOLUTION PROVIDING FOR THE CONSIDERATION OF H.R. 1139, NATIONAL SCHOOL LUNCH ACT AND CHILD NUTRITION AMENDMENTS OF 1977

Mr. MURPHY of Illinois, from the Committee on Rules, submitted the following privileged report (Rept. No. 95–304) on the resolution (H. Res. 569) providing for consideration of H.R. 1139, National School Lunch Act and Child Nutrition Amendments of 1977, which was referred to the House Calendar and ordered to be printed.

LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the majority leader as to the program for the balance of the week and next week.

Mr. WRIGHT. Mr. Speaker, will the distinguished minority leader yield?

Mr. RHODES. I am glad to yield to the distinguished majority leader.

Mr. WRIGHT. Mr. Speaker, it is our hope, I should say, to finish action on the countercyclical measure pending before us and if the time remains, to take up the conference report on the Tax Reduction and Simplification Act of 1977.

In any event, it is our plan to rise and adjourn at 3 o'clock today. If we have not completed action on the latter bill, it would have to be carried over until next week.

On Monday the House would meet at noon. We will consider six bills under suspension, as follows:

H.R. 4301, national sea grant program authorization;

H.R. 3849, authorization for National Advisory Committee on Oceans and Atmosphere (NACOA);

H.R. 5493—extend authorizations for Seal Beach, Great Dismal Swamp and San Francisco Bay Natural Wildlife Refuges;

H.R. 3348, increase authorization limitation for Canal Zone Biological Area;

H.R. 4140, extend provisions of Fisherman's Protective Act of 1967; and

H.R. 6823, Coast Guard authorization, fiscal year 1978.

Votes on suspensions will be withheld until debate is concluded on all suspensions.

If we do not consider or complete the conference report on H.R. 3477 today, we would then take that report up next.

We then would take up H.R. 1139, Amendments to National School Lunch Act, subject to a rule being granted.

On Tuesday, the House again would meet at noon and would call the Private Calendar.

We then would take up some 13 suspension bills:

H.R. 6138, Youth Employment and Training Act of 1977. This is a most important piece of legislation. It is a major building block in the congressional program this year;

H.R. 5742, Drug Enforcement Administration;

H.R. 3722, SEC Act authorizations, fiscal year's 1978–80;

H.R. 4992, authorization for Indian business development program;

H.R. 4746, saline water research extension;

H.R. 6752, Water Resources Planning Act amendment;

H.R. 2501, survey correction in Wyoming;

H.R. 5885, further river basin authorizations;

H.R. 6010, extension of aviation war risk insurance;

H.R. 6197, further authorizations for disaster relief;

H.R. 6401, further authorizations for deepwater ports;

H. Res. 322, direct Architect of Capitol to study possible use of solar energy for House Office Building complex; and

H.J. Res. 424, John F. Kennedy Library.

Votes on suspensions will be withheld until completion of debate on all suspensions.

Following that we would expect to take up the conference report on Senate Concurrent Resolution 19. That is the budget resolution.

On Wednesday the House would meet at 10 o'clock. It might be important at this point to remind the Members that our agreement early in the session was that we would follow a certain course through May 15. Next week will begin the second phase. Following May 15, on Wednesdays and Thursdays and Fridays, if there is a session on Friday, the House would meet at 10 a.m.

We would expect to come in at 10 a.m. on Wednesday, the 18th, and we would consider H.R. 6684, the International Security Assistance Act for fiscal year 1978. That is the military phase of the foreign aid program. Then we would consider H.R. 10, amendments to the Hatch Act. Both of those are subject to the granting of rules.

On Thursday again we would meet at 10 o'clock and consider H.R. 6111, the Juvenile Justice and Delinquency Prevention Act, subject to the granting of a rule.

Then the House would receive former Members of Congress on Thursday.

There will be no session on Friday of next week.

Conference reports may be brought up at any time and further program will be announced later.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding.

I just want to ask the majority leader, inasmuch as the Speaker made a very eloquent and proper warning to the House that committee should stop meeting during the House sessions, particularly out of town, and since we are going to the schedule of 10 o'clock sessions after May 15 for 3 days every week, would it be the intention of the leadership to discourage meetings of committees so that we can devote ourselves to floor activities? I noticed in the last 2 weeks that many committees were meeting during the 5-minute rule and floor absences were noticeable.

Mr. WRIGHT. If the distinguished minority leader would yield further, I thank the gentleman from Maryland for his quite accurate characterization of the Speaker's comments. The Speaker is always eloquent and always proper.

Mr. BAUMAN. I find him so.

Mr. WRIGHT. I think the Speaker's admonition was well taken. I think what the Speaker was saying was a reminder to all committees that under the budget process authorizing legislation that carries with it financial expenditure, authorizations must be reported from the committees by today. Next week that no longer obtains.

The committees always can meet earlier than 10 o'clock in the morning if they have business to transact on those days we go in early. We would hope that our meeting at 10 o'clock in the morning on 3 days each week will expedite the transaction of the business of the House and permit us to work our will upon this great volume of legislation which has emanated from the committees.

Mr. BAUMAN. If the gentleman will yield further, I will ask the majority leader, Do I then understand that there will be an effort to discourage committee meetings during the sessions of the House at least for the next phase of the legislative year?

Mr. WRIGHT. I think that is a fairly proper conclusion. There must perforce be exceptions, and there will be occasions, I am sure, on which committees will have to meet and will seek and gain the permission of the House to do so.

Mr. BAUMAN. I thank the gentleman.

Mr. RHODES. Mr. Speaker, I yield back the remainder of my time.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask uanimous consent that the business in order under the Calendar Wednesday rule on Wednesday next may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING THE SPEAKER TO DECLARE RECESS ON THURSDAY, MAY 19, 1977, FOR THE PURPOSE OF RECEIVING FORMER MEMBERS

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that it be in order for the Speaker to declare a recess on Thursday, May 19, 1977, subject to the call of the Chair, for the purpose of receiving in this Chamber former Members of the House of Representatives.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT OVER TO MONDAY, MAY 16, 1977

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

INTERGOVERNMENTAL ANTIRECESSION ASSISTANCE ACT OF 1977

Mr. BROOKS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6810) to amend and extend title II of Public Law 94-369, to establish a new title to the State and Local Fiscal Assistance Act of 1972, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. BROOKS).

The question was taken.

Mr. ASPIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 322, nays 0, not voting 110, as follows:

[Roll No. 230]

YEAS—322

Abdnor	Coughlin	Harkin
Addabbo	Crane	Harrington
Akaka	D'Amours	Harris
Alexander	Daniel, Dan	Hawkins
Ambro	Daniel, R. W.	Hefner
Ammerman	Danielson	Hightower
Anderson, Ill.	Davis	Hollenbeck
Andrews, N. Dak.	de la Garza	Holt
	Delaney	Holtzman
Annunzio	Dellums	Horton
Applegate	Derwinski	Howard
Armstrong	Devine	Hubbard
Ashbrook	Dicks	Huckaby
Ashley	Dodd	Hughes
Aspin	Dornan	Hyde
AuCoin	Downey	Jacobs
Bafalis	Drinan	Jeffords
Baldus	Duncan, Oreg.	Jenrette
Barnard	Duncan, Tenn.	Johnson, Calif.
Baucus	Early	Jones, N.C.
Bauman	Edgar	Jones, Tenn.
Beard, R.I.	Edwards, Calif.	Jordan
Beard, Tenn.	Edwards, Okla.	Kasten
Bedell	Eilberg	Kastenmeier
Beilenson	Emery	Kelly
Benjamin	English	Keys
Bennett	Erlenborn	Kildee
Biaggi	Ertel	Kindness
Bingham	Evans, Colo.	Koch
Blanchard	Evans, Del.	Kostmayer
Blouin	Evans, Ga.	Krebs
Boland	Evans, Ind.	Krueger
Bonior	Fary	Lagomarsino
Bonker	Fascell	Latta
Bowen	Fenwick	Leach
Brademas	Findley	Lehman
Breaux	Fisher	Lent
Breckinridge	Flippo	Levitas
Brinkley	Flood	Lloyd, Calif.
Brodhead	Flowers	Lloyd, Tenn.
Brooks	Flynt	Long, La.
Broomfield	Foley	Long, Md.
Brown, Calif.	Fowler	Lott
Brown, Mich.	Frey	Luken
Buchanan	Fuqua	Lundine
Burke, Mass.	Gammage	McClory
Burleson, Tex.	Gaydos	McCloskey
Burlison, Mo.	Gephardt	McCormack
Burton, John	Giaimo	McDade
Burton, Phillip	Gilman	McEwen
Butler	Ginn	McFall
Caputo	Glickman	McHugh
Carr	Goldwater	McKinney
Carter	Gonzalez	Madigan
Cavanaugh	Goodling	Maguire
Clausen, Don H.	Gore	Mann
	Grassley	Markey
Cleveland	Gudger	Marlenee
Cochran	Guyer	Martin
Cohen	Hagedorn	Mathis
Coleman	Hall	Mattox
Conte	Hamilton	Mazzoli
Corcoran	Hammerschmidt	Meeds
Cornell	Hannaford	Meyner
Cornwell	Hansen	Michel
Cotter		Mikulski

Mikva	Preyer	Steed
Milford	Pritchard	Steers
Miller, Calif.	Pursell	Stockman
Miller, Ohio	Quayle	Stokes
Minish	Rahall	Studds
Mitchell, Md.	Railsback	Symms
Mitchell, N.Y.	Rangel	Taylor
Moakley	Regula	Thompson
Moffett	Reuss	Thone
Mollohan	Rhodes	Thornton
Montgomery	Richmond	Traxler
Moore	Rinaldo	Treen
Moorhead, Calif.	Robinson	Trible
	Rodino	Tsongas
Moorhead, Pa.	Rogers	Ullman
Moss	Rooney	Vander Jagt
Mottl	Rosenthal	Vento
Murphy, Ill.	Rostenkowski	Waggonner
Murphy, N.Y.	Rousselot	Walgren
Murtha	Roybal	Walsh
Myers, Gary	Ruppe	Wampler
Myers, Michael	Ryan	Waxman
Myers, Ind.	Santini	Weiss
Natcher	Sarasin	Whalen
Nedzi	Satterfield	White
Nix	Sawyer	Whitehurst
Nolan	Scheuer	Whitley
Nowak	Schroeder	Whitten
O'Brien	Schulze	Wilson, Bob
Oakar	Sharp	Wilson, C. H.
Oberstar	Shipley	Wirth
Obey	Shuster	Wolff
Ottinger	Sikes	Wright
Patten	Skelton	Wydler
Patterson	Skubitz	Wylie
Pattison	Slack	Yates
Pease	Smith, Nebr.	Yatron
Pepper	Snyder	Young, Fla.
Perkins	Solarz	Young, Mo.
Pettis	Spellman	Young, Tex.
Pickle	Spence	Zablocki
Pike	Stangeland	Zeferetti
Poage	Stanton	

NAYS—0

NOT VOTING—110

Allen	Ford, Mich.	Panetta
Anderson, Calif.	Ford, Tenn.	Pressler
	Forsythe	Price
Andrews, N.C.	Fountain	Quie
Archer	Fraser	Quillen
Badham	Frenzel	Risenhoover
Badillo	Gibbons	Roberts
Bevill	Gradison	Roe
Boggs	Hanley	Roncalio
Bolling	Harsha	Rose
Brown, Ohio	Heckler	Rudd
Broyhill	Heftel	Runnels
Burgener	Hillis	Russo
Burke, Calif.	Holland	Sebelius
Burke, Fla.	Ichord	Seiberling
Byron	Ireland	Simon
Carney	Jenkins	Sisk
Cederberg	Johnson, Colo.	Smith, Iowa
Chappell	Jones, Okla.	St Germain
Chisholm	Kazen	Staggers
Clawson, Del	Kemp	Stark
Clay	Ketchum	Steiger
Collins, Ill.	LaFalce	Stratton
Collins, Tex.	Le Fante	Stump
Conable	Lederer	Teague
Conyers	Leggett	Tucker
Corman	Lujan	Udall
Dent	McDonald	Van Deerlin
Derrick	McKay	Vanik
Dickinson	Mahon	Volkmer
Diggs	Marks	Walker
Dingell	Marriott	Watkins
Eckhardt	Metcalfe	Weaver
Edwards, Ala.	Mineta	Wiggins
Fish	Murphy, Pa.	Wilson, Tex.
Fithian	Neal	Winn
Florio	Nichols	Young, Alaska

Mr. DICKS changed his vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6810, with Ms. HOLTZMAN in the chair.

The CHAIRMAN. When the Committee rose on Thursday, May 12, 1977, the committee amendment in the nature of a substitute had been considered as having been read and open to amendment at any point.

Are there any amendments to the committee amendment in the nature of a substitute?

AMENDMENT OFFERED BY MR. ASPIN

Mr. ASPIN. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPIN: Page 26, strike out line 1, and everything that follows through page 28, line 10, and insert in lieu thereof the following:

SEC. 3. (a) Section 203 of the Public Works Employment Act of 1976 is amended to read as follows:

"ALLOCATION

"SEC. 203. (a) IN GENERAL.—There shall be allocated for each State for each calendar quarter out of amounts appropriated out of section 202(b) for that quarter, an amount which bears the same ratio to the amount appropriated under that section for that period as the amount allocable to the State under subsection (b) bears to the sum allocable to all States under such subsection.

"(b) DETERMINATION OF ALLOCABLE AMOUNT.—

"(1) IN GENERAL.—For the purposes of subsection (a) the amount allocable to a State under this subsection for any calendar quarter is the amount which bears the same ratio to the amount appropriated as—

"(A) the aggregate taxes of that State, multiplied by the relative tax effort factor of that State, bears to—

"(B) the sum of the products determined under subparagraph (A) for all States,

except that—

"(i) the product determined under subparagraph (A) for the State described in subsection (e)(1)(B) shall be deemed to be equal to two-thirds of the product of the aggregate taxes of that State, multiplied by the relative tax effort factor of that State; and

"(ii) the product determined under subparagraph (A) for each State described in subsection (e)(1)(C) shall be deemed to be equal to the population of such State multiplied by the lowest per capita product (as determined under paragraph (6)) of any of the States described in subsection (e)(1)(A).

"(2) AGGREGATE TAXES OF A STATE.—For purposes of paragraph (1) the aggregate taxes of a State is the total taxes taken into account under paragraph (2) of section 109(c) of the State and Local Fiscal Assistance Act of 1972 for the most recent reporting year.

"(3) RELATIVE TAX EFFORT FACTOR.—For purposes of paragraph (1) the relative tax effort factor of a State is a percentage equal to the quotient of the general tax effort factor of that State divided by the average tax effort factor for all the States described in subsection (e)(1)(A) and (B).

"(4) GENERAL TAX EFFORT FACTOR.—The general tax effort factor of any State is the general tax effort factor determined under section 109(c)(1)(A) of the State and Local Fiscal Assistance Act of 1972 for the most recent entitlement period.

"(5) AVERAGE TAX EFFORT FACTOR.—The average tax effort factor for all the States is equal to the sum of the general tax effort factors of all the States described in subsection (e)(1)(A) and (B) divided by the number of States described in subsection (e)(1)(A) and (B).

"(6) Lowest per capita product.—The lowest per capita product for any State described in subsection (e)(1)(A) is the smallest quotient resulting from the division of—

"(A) each product determined under paragraph (1)(A) for each such State; by

"(B) the population of such State.

"(c) DIVISION BETWEEN STATE AND UNITS OF LOCAL GOVERNMENT.—Division between State governments and units of local government.—The State government shall be entitled to receive one-third of the amount allocated to that State under subsection (a) for each calendar quarter. Except as provided in subsection (f), the remaining portion of each State's allocation shall be distributed among the units of local government of that State as provided in subsection (d).

"(d) LOCAL ALLOCATION.—

"(1) Indian tribes and Alaskan native villages.—If within a State there is an Indian tribe or Alaskan native village which has a recognized governing body which performs substantial governmental functions, then there shall be allocated to such tribe or village a portion of the amount allocated to the units of local government of such State for the calendar quarter which bears the same ratio to such amount as the population of that tribe or village within that State bears to the population of that State.

"(2) ALLOCATION TO UNITS OF LOCAL GOVERNMENT.—The amount remaining for allocation within a State after the application of paragraph (1) shall be allocated among the units of local government located in that State so that each unit of local government will receive an amount which bears the same ratio to the total amount to be allocated to all units in such State as—

"(A) the aggregate adjusted taxes of that local unit of government, multiplied by the relative tax effort factor of that local unit of government, bears to—

"(B) the sum of the products determined under subparagraph (A) for all units of local government located in that State.

"(3) AGGREGATE ADJUSTED TAXES OF A UNIT OF LOCAL GOVERNMENT.—For purposes of paragraph (2) the aggregate taxes of a unit of local government is the total nonschool taxes taken into account under paragraph (2) of section 109(e) of the State and Local Fiscal Assistance Act of 1972 for the most recent reporting year.

"(4) RELATIVE TAX EFFORT FACTOR.—For purposes of paragraph (2) the relative tax effort factor of a unit of local government is a percentage equal to the quotient of the general tax effort factor of that unit of local government divided by the average tax effort factor of all units of local government within that State.

"(5) GENERAL TAX EFFORT FACTOR.—The general tax effort factor of any unit of local government is the general tax effort factor determined under section 109(e)(1) of the State and Local Fiscal Assistance Act of 1972 for the most recent entitlement period.

"(6) AVERAGE TAX EFFORT FACTOR.—The average tax effort factor for all the units of local government within a State is equal to the sum of the general tax effort factors of all units of local government within the State divided by the number of units of local government within the State.

"(e) GOVERNMENTAL DEFINITIONS AND RELATED RULES.—For purposes of this title—

"(1) STATE.—The term 'State' means—

"(A) each of the fifty States;

"(B) the District of Columbia; and

"(C) each of the following: Puerto Rico, Guam, the Virgin Islands, and American Samoa.

"(2) UNITS OF LOCAL GOVERNMENT.—The term 'unit of local government' means the government of a county, municipality, township, or other unit of government below the State which is a unit of general government (determined on the basis of the same principles as are used by the Bureau of the Census for general statistical purposes).

"(3) TOWNSHIPS.—The term 'township' includes equivalent subdivisions of government having different designations (such as "towns"), and shall be determined on the basis of the same principles as are used by the Bureau of the Census for general statistical purposes.

"(4) UNITS OF LOCAL GOVERNMENT LOCATED IN LARGER ENTITY.—A unit of local government shall be treated as located in a larger entity if part or all of its geographic area is located in the larger entity.

"(5) ONLY PART OF UNIT LOCATED IN LARGER ENTITY.—If only part of a unit of local government is located in a large entity, such part shall be treated for allocation purposes as a separate unit of local government, and all computations shall, except as otherwise provided in regulations, be made on the basis of the ratio which the estimated population of such part bears to the population of the entirety of such unit.

"(6) BOUNDARY CHANGES, GOVERNMENTAL REORGANIZATION, ETC.—If, by reason of boundary line changes, by reason of State statutory or constitutional changes, by reason of annexations or other governmental reorganizations, or by reason of other circumstances, the application of any provision of this section to units of local government does not carry out the purposes of this subtitle, the application of such provision shall be made, under regulations prescribed by the Secretary, in a manner which is consistent with such purposes.

"(f) Limitation as to Territorial Governments.—The amount available under subsection (c) for allocation to the local governments of each of the States as defined in subsection (e)(1)(C) shall be held by the Secretary in trust until such time as the government of such State submits an allocation plan which has been approved by the legislature of such State, which meets the requirements set forth in section 206(a), and which is approved by the Secretary under the provisions of section 206(b). The Secretary may provide by regulation for the development of an alternative definition of local government for each such State and take such other measures as may be necessary to assist each such State in developing such an allocation plan.".

(b) Section 206(a)(2) of the Public Works Employment Act of 1976 (42 U.S.C. 6726(a)(2)) is amended by striking out "unemployment rate data" and inserting in lieu thereof "aggregate adjusted tax rate data".

Redesignate sections 5, 6, and 7 as sections 4, 5, and 6, respectively.

Mr. ASPIN (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

POINT OF ORDER

Mr. ROSENTHAL. Madam Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ROSENTHAL. Madam Chairman, the amendment changes the formula in a bill that is described as establishing a new title to the State and Local Fiscal Assistance Act of 1972.

In the present law, which is commonly known as the countercyclical bill, the Congress enunciated as among its purposes to deal with recession phenomena, and the act is cited as the Intergovernmental Antirecession Assistance Act of 1977.

It originally came from the Public Works Employment Act of 1976 (42 U.S.C. 6722(b)).

The formula that is used, beginning on page 26, line 4 says: "Applicable State Percentage."

On lines 20 and 21 on page 26 it says:

Subparagraph (A) of section 203(b)(3) of the Public Works Employment Act—

On page 27, line 3 it says:

of the Public Works Employment Act—

On line 19 on page 27 it says:

of the Public Works Employment Act—

And on line 25, page 27, it says:

of the Public Works Employment Act—

Et cetera.

The formula for State percentages and allocations under the existing bill is based on unemployment in given areas of the country. The bill is founded on a response to unemployment in communities around the country and, thus, the applicable State percentages are based on unemployment.

The amendment offered by the gentleman from Wisconsin (Mr. ASPIN) changes the very foundation of that formula and takes it away from the unemployment underpinning and changes it to something else. The gentleman wants to change this bill that is for the local fiscal assistance based on the Public Works Employment Act of 1976 and put in a new basis for allocation of the formula.

I am not sure I know what his basis is, whether it is the size of the community, the size of the people in the community, or the dress of the people in the community, but it has nothing to do with unemployment upon which this bill is founded.

The gentleman also has other irrelevant bases for changing the formula.

Thus I would urge, Madam Chairman, that a point of order lies against the amendment offered by the gentleman from Wisconsin (Mr. ASPIN).

The CHAIRMAN. Does the gentleman from Wisconsin desire to be heard upon the point of order?

Mr. ASPIN. Madam Chairman, I do desire to be heard upon the point of order.

The CHAIRMAN. The gentleman from Wisconsin is recognized.

Mr. ASPIN. I believe that the points raised by the gentleman from New York (Mr. ROSENTHAL) clearly do not constitute a point of order.

The purpose of this bill is to provide countercyclical funds. The trigger in the bill is still unemployment. The amounts of money in this bill are determined by the unemployment rate. Beginning October 1, 1977, the amount of money available for distribution to States and localities will be determined upon the unemployment rate. How many percentages or how many tenths of a percent it is above 6 percent; so the unemployment principle is still in the bill.

Once the percent has been determined this formula does indeed change the distribution formula and changes it in a way in which I believe it is much better—as I will explain when I have a chance to talk about my amendment—because the unemployment rate is already below the national average and is almost useless.

The CHAIRMAN. Does the gentleman from New York desire to be heard further on his point of order?

Mr. ROSENTHAL. I do, Madam Chairman.

Very briefly, Madam Chairman, the amendment offered by the gentleman from Wisconsin (Mr. ASPIN) is founded on the tax effort of communities. It is to that response that I feel and believe a point of order would lie because it does not deal with the basic fundamentals of the existing law which is based on the percentage of unemployment in various communities.

The point that the gentleman is making is clearly not a point of order against the amendment. The amendment does not apply unless the unemployment rate is above 6 percent. The triggering-in is still unemployment. It distributes the money differently. I understand the concern of the gentleman from New York. Under the present formula New York City gets one-quarter of the money, and what we are trying to do is change the formula a little bit. I understand the gentleman's concern, but why does he not just vote against the amendment and not raise a point of order?

The CHAIRMAN. The Chair is ready to rule on the point of order.

The Chair finds, first, that the amendment offered by the gentleman from Wisconsin (Mr. ASPIN) amends the same section of the law as the committee amendment; and, second, finds that the amendment is germane under the precedents since it accomplishes the same result by a different but related method. The use of a different method to accomplish the same result does not in any way offend the germaneness doctrine. The amendment does not remove the unemployment factor which triggers the authorization in the committee bill. For that reason the point of order is overruled.

The gentleman from Wisconsin (Mr. ASPIN) had asked unanimous consent that his amendment be considered as read and printed in the RECORD.

Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ASPIN. Madam Chairman, the amendment that I am offering here is an amendment on not only my behalf but also on behalf of the gentleman from Iowa (Mr. BLOUIN) and the gentleman from Illinois (Mr. CORCORAN). We are offering this amendment which is an amendment to change the distribution formula in the bill. It does not change the amount of money to be distributed in any way. The amount of money stays the same. It does not change the number of quarters over which this money will be spent. That stays the same in either case. What it does change is the way in which the money is allocated, and the amendment changes it to base the distribution on the basis of tax effort rather than on the basis which is in the bill, which is the totally inadequate unemployment statistics which are in the bill.

The reason why the formula which is in the bill at this time is inadequate is because it is based upon unemployment statistics, and unemployment statistics below the national level are notoriously inaccurate. The national unemployment rate is probably fairly adequate. Below the national level by State, by city, it becomes less accurate. As the Bureau of Labor Statistics has testified before our subcommittee, unemployment statistics

for small communities, anything less than 50,000, is almost a random number.

The second reason why the unemployment rate is an inadequate measure is that what we are trying to deal with here is countercyclical funds. We are trying to deal with recessions. We are trying to stimulate the economy at the time of a recession, but the unemployment statistics do not distinguish between layoffs due to the recession and structural unemployment. So this distribution formula confuses the recession with the structural problems and sends the money to the places where the structural problems exist rather than to the places where the recession is causing the layoffs. It is important to remember what the Senate Committee on Government Operations said in their report, and I quote:

> The purpose of countercyclical assistance is neither to correct the problem of structural unemployment in certain areas of the country nor to redistribute tax dollars from affluent to poor jurisidctions.

We have other programs to do those. The purpose of this program, the countercyclical program, is to fight recession and stimulate the economy. It is the purpose of this countercyclical assistance, which is at the heart of the reason why we are offering this amendment based upon tax effort as the best way to distribute the funds.

When a country goes into a recession, the taxing and financing policies of State and local governments exacerbate the recession. What happens is that they get less money and they have more increased demand for services at the local level. When that happens, local governments are forced to either cut back on services and/or raise taxes. That exacerbates the recession and makes the recession worse. So the purpose of countercyclical funds is to send the money into these places which are forced to cut back on these services and/or to raise taxes in order to counter that effect, so that we do not make it worse. That is the purpose of countercyclical funds.

If we distribute money on the tax effort basis, that will be the way to get the money to where it will be most likely spent. What happens is that the places which have a high tax effort also have a high level of services. Those are the places most likely to cut back on the services. We do not want them to cut back on the services. We do not want them to raise taxes. We want them to have the services and the taxes kept at the same level. That is why we distribute money according to this method.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

(By unanimous consent, Mr. ASPIN was allowed to proceed for an additional 3 minutes.)

Mr. ASPIN. Madam Chairman, what places will be helped with this new distribution formula? First of all, major cities will be helped if we adopt this new distribution formula. Out of 31 major cities in the country, 24 will be helped under the formula, as opposed to 7 helped under the bill the way it is.

Second, it will distribute the money more equitably throughout the country. Under the present formula, New York State gets 22 percent of the money. Nebraska gets zero. North Dakota gets zero. South Dakota gets zero. Wyoming gets zero.

Madam Chairman, how can we justify such a distribution formula when there are 50 States. All 50 States are more or less to some degree feeling the effect of the recession. How can we justify a program which sends almost one-quarter of the money to just one State? It cannot be defended. It is not right.

Under the proposed amendment, New York does very, very well. It is still No. 1, but we should not have a distribution formula which sends one-quarter of the money to one State in the Union.

Madam Chairman, the formula I am proposing will correct that imbalance. It is not a formula that has just been picked out of a hat. It is a formula, the basis for which is in the revenue sharing formula. It is a formula which the subcommittee recommended. The Subcommittee of the Committee on Government Operations held hearings on it, had extensive staff studies on the subject, and decided that that was the formula that was the best. When it got to the full committee, in the shuffle the formula was changed; but I think that the original subcommittee formula was the better formula.

Madam Chairman, I urge that we put that formula back in the bill by adopting this amendment.

Mr. JOHN L. BURTON. Madam Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from California.

Mr. JOHN L. BURTON. Madam Chairman, just one question on tax effort. Local government tax effort is basically a property tax. How does that suffer in a recession? The tax base, unless the businesses close down, the property tax efforts are not really relevant.

Mr. ASPIN. Yes; but the businesses do close down.

Mr. JOHN L. BURTON. Not that much.

Mr. ASPIN. Yes it does. The property tax does drop off when we get a recession. Businesses go out of business. People just stop paying their taxes. Some of them go delinquent and their property gets taken away; but property taxes, not as much as the income taxes, but property taxes decline in a time of recession.

Mr. JOHN L. BURTON. But certainly not as much as income tax or excise tax or sales tax.

Mr. ASPIN. That is true.

Mr. JOHN L. BURTON. Madam Chairman, I thank the gentleman.

Mr. ROSENTHAL. Madam Chairman, I rise in opposition to the amendment.

Madam Chairman, I do want to correct the record in one instance. First, under the Aspin formula New York City would get more money than under the committee formula, so that I want the gentleman to understand that my interest is somewhat broader than the gentleman from Wisconsin would indicate.

The Aspin amendment actually does violence to the whole bill, the thrust of the bill, and does violence to the administration's efforts at an economic stimulus package. It is the committee bill that is supported by the Secretary of the Treasury and the President for very, very good reasons.

The Aspin amendment lifts unemployment out of the formula used to distribute the countercyclical funds, and replaces unemployment by taxes collected and by tax effort. In other words, at a time when the Nation's unemployment rates stand at 7 percent, with more than 6.7 million Americans out of work, the Aspin amendment would disregard unemployment in assessing the State or local economy. The arguments in support of Mr. ASPIN's amendment are that it is unfair that New York would get 21 point some percent of the money; that unemployment figures are inaccurate: that unemployment is not a good indicator of the impact of recession; and tax effort is a better indicator.

The committee, in adopting this formula which the other body adopted, felt that the money ought to go where the people are unemployed because under the Aspin formula Montgomery County, Md., with 3 percent unemployment, would get the same amount of money per capita as Oakland, Calif., with 13 percent unemployment. In general terms, the Aspin amendment would distribute almost 25 percent of the total money to areas with unemployment of less than 6 percent, and 10 percent to areas with unemployment of less than 4.5 percent.

It does violence to the whole program, and while there has been some imprecision in unemployment figures in communities of less than 50,000, Dr. George Peterson, director of the public finance programs of the Urban Institute testified before our subcommittee:

> The particular allocation formula in this program, I think, has shown to be very effective at reaching pockets of unemployment. It is much more effectively targeted toward this objective than is general revenue sharing or most of the other Federal aid programs.

The Aspin formula is the exact same formula as the general revenue sharing program Dr. Peterson was critical of. He continued:

> Although we can question whether unemployment has been an important cause of the fiscal distress of local areas, unemployment rates are highly and regularly associated with almost all other indicators of fiscal weakness.

When Dr. Shiskin, head of the Bureau of Labor Statistics, testified before the subcommittee, he referred to the fact that Congress uses unemployment statistics in a number of programs; in the CETA law of 1973, the Public Works Employment Act of 1976, and the Public Works and Economic Development Act of 1965. He suggested that there were 4,300 geographic locations where they collect available, dependable unemployment statistics every month. Now, the Aspin amendment does violence to what the Secretary of the Treasury testified in support of before the subcommittee. Mr. Blumenthal testified:

> It, therefore, seems to me to make a good deal of sense to relate this particular countercyclical mechanism to a trigger that measures the state of the economy—in this case, the unemployment approach.

Mr. ASPIN presumably would like to get some votes on this floor by suggesting that New York State would get 21.5 percent or 21.6 percent of the money. We would prefer not to get any of this money, the same way as the States he referred to.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent Mr. ROSENTHAL was allowed to proceed for 2 additional minutes.)

The program was designed to deal with unemployment in places where it was. We would wish that the unemployment would go away in some of these major cities of the country, but it simply has not done that. While saying that unemployment is not a good indicator of the impact of a recession-related distress, high unemployment can result from structural or chronic problems not directly related to the recession, there is little doubt that a recession seriously aggravates such long-term problems.

Even if we assume that a city like Detroit would have 8-percent unemployment in the absence of a recession, it is the recession which explains the sharp rise in Detroit's unemployment to over 20 percent in 1975 and as much as 11.6 percent today. The same is true of cities such as Pittsburgh and Buffalo, with high chronic unemployment problems.

Tax effort, which the Aspin amendment would substitute for unemployment in the countercyclical formula, not only does not reflect recessionary pressures accurately, it does not even necessarily reflect economic distress. Many affluent suburbs, for example, have relatively high tax efforts due to the strong local demand for services and the ability of the populace to afford high taxes. These affluent areas, such as the ones I have already mentioned, would benefit substantially under the Aspin amendment.

So I would urge all of my colleagues to think seriously why the program is here, in the first place. It is here to deal with unemployment in chronically high unemployment areas. These are the areas that the money ought to go to, these are the areas that the distress is most acute. The Aspin amendment would substitute tax effort of a totally irrelevant formula that deals with these problems.

I urge the Members to support the administration and support the President in support of the countercyclical program and vote against the Aspin amendment.

Mr. PATTISON of New York. Madam Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from New York (Mr. PATTISON).

Mr. PATTISON of New York. Madam Chairman, I congratulate the gentleman on his statement.

Madam Chairman, I rise in opposition to the amendment offered by my colleague, Mr. ASPIN. I have had a great deal of difficulty understanding the rationale for the amendment. It has been my understanding throughout the life of the program that its purpose was to provide funding for communities which are hard hit by the recession. The program was created to lessen the impact of the recession on State and local communities so that the communities would not be forced to take actions that undercut national economic recovery—reductions in services and tax increases.

Unemployment is an obvious indication of the recession's impact. To delete this factor from the program's formula, would be to take away the prime motivation behind it. It has been shown that the countercyclical aid program puts the money where the needs are. Over 75 percent of the funds have gone to communities with unemployment rates in excess of 8 percent and over 85 percent of the funds have been distributed to governments with unemployment rates above 7 percent. This proves that the formula is working well.

Unemployment is an important indication of a community's well-being. It is synonymous with need. As the law is written, where need is low, payments are not authorized. We must continue to target these funds in the way which we have found effective.

The Government Operations Committee has addressed this issue squarely. The committee members voted to reject this proposal even though in the majority of cases, their own districts were scheduled to benefit under the Aspin suggestion. I applaud my colleagues who would not forfeit the benefits for the Nation because of parochial interests. I must agree with the committee and urge my colleagues to defeat this proposal.

Mr. WYDLER. Madam Chairman, I move to strike the requisite number of words, and I rise in opposition to the Aspin amendment.

Madam Chairman, what we are actually being asked to do here today with the Aspin amendment is to make a massive determination that because we have some trouble with some of the statistics relating to unemployment, we are from this day forward not going to use unemployment figures as a measure of the need of the communities around this Nation for Federal aid and help. If unemployment is not an accurate statistic for this program, then of course it would logically follow that it would not be an accurate statistic for any Federal program.

The gentleman from Wisconsin (Mr. ASPIN) has stated his position on this matter, saying that unemployment is not reliable and it should not be a method and the means by which we distribute these funds.

I disagree with him. I sat on the subcommittee as the ranking Republican and, actually, the bill we have before us, the committee bill, is my bill. It was an amendment that I offered in the committee, a substitute amendment.

I find myself in the odd position of being in agreement and supporting the administration on this matter.

I have in my hand a letter that only came to me today, from the Secretary of the Treasury, Mr. Blumenthal, in which he disagrees with the gentleman from Wisconsin (Mr. ASPIN). Mr. Blumenthal says the administration strongly supports all provisions of the committee bill. And he says, regarding the Aspin amendment, the following:

> Other formulae, most notably one based on local tax effort, have been suggested as substitutes for the unemployment based formula. These substitutes, particularly the tax effort formula, have one important shortcoming—they do not necessarily reflect in any way the impact of recession on State and local governments. To the extent that they measure need they measure "permanent need," that is present in good times and bad times, not the cyclical need caused by the recession. Whatever the value of these formulae for other general assistance programs, they are not appropriate for a countercyclical program.
>
> Therefore, any amendment to the Committee bill that would revise the local allocation formula from one based on unemployment to one based on tax effort would be contrary to the purpose of the legislation and thus, would be undesirable.

Of course, I understand the realities of the situation. Members are going to look at lists with column A and column B that are handed to them and decide how much money their particular districts or States may get, and they will make determinations.

In this particular case, the Aspin amendment would probably help my district much more than it would hurt it, but I think there is something more important that is involved here. That is the question of whether we are going to help those parts of the country that are still suffering from nagging unemployment.

Many of the areas of the country have recovered, and many are well on the road to recovery, but there are many that are not recovering. The Northeast section and the Midwest section of the country and the New York City area in particular are still plagued by heavy and very desperate unemployment.

So I am asking the Members to think about that and conclude that maybe in this one case we should consider something besides just the self-interest of our districts.

Not all areas will gain under the Aspin amendment by any means. Many will lose, and I am just going to give the Members an idea of some of the States that will lose under the Aspin amendment.

These are the States that will lose: Alabama, Alaska, Arizona, Arkansas, California, Connecticut, Delaware, the District of Columbia, Florida, Georgia, Hawaii, Louisiana, Maine, Michigan, Mississippi, New Jersey, New Mexico, New York, Ohio, Oregon, Pennsylvania, South Carolina, Vermont, Washington, and West Virginia.

Those are just some of the States that will lose under the Aspin formula.

Let me say to those Members who represent States that might gain under the Aspin formula that they may be running the danger of losing whatever aid their districts or their States are now getting. If we at this time try to come in and impose a totally new formula under this program, this matter is going to have to go back to the other body, and the new formula would have to be agreed to there. We all know that the current program has been passed by the other body. It is their program, and I understand from the proponents of it that they feel this program should be extended for the next year, and that all the Members who would be on the conference committee in this matter are strongly determined

to continue the present program, which is the committee bill.

If we come in with a totally new program, there is a good chance that we may end up with no program at all, in which case all of these column A's and column B's become meaningless. Then we will get nothing; nobody will get anything, and that may be the result of the decision we make today if we support the Aspin amendment.

So I ask the Members to consider that. I ask them also to consider this point: The gentleman from Wisconsin (Mr. ASPIN) made the argument as to why a tax effort is better than unemployment figures. He explained why it would help the cities and other areas. But let us listen to the groups that are opposed to the Aspin amendment and are in support of the committee bill: The National League of Cities, the National Association of Counties, the Conference of Mayors, the Governors' Conference, and the Association of State Legislators. Those people are out on the firing line; they know what the problem is and where it is.

Madam Chairman, I ask this House and this committee to consider that we will achieve our objectives by voting down the Aspin amendment.

Mr. MOORHEAD of Pennsylvania. Madam Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Madam Chairman, I rise in support of the committee bill.

I think it might be helpful to give the Members a little history about how this legislation came to pass. In the Joint Economic Committee's subcommittee which I chaired, we looked into the problem of what happens when a national recession occurs. We found that States and localities that were particularly hard hit by the recession—and, incidentally, ask any man in the street what recession is, and he says, "Unemployment"—we found that the areas of the communities that were hardest hit did one of three things and maybe all of them. They increased taxes to balance their budget, they cut back on employment and services, or they postponed capital improvements.

Madam Chairman, at the very time that it was national policy to stimulate the economy we were forcing the localities to take exactly the opposite course, and we found that it was those communities which had the highest unemployment that had to take the strongest action in opposition to the national effort.

Therefore, Madam Chairman, I introduced in this body the countercyclical antirecession bill, and we had 50 or 60 cosponsors. As it properly should have been, it was referred to the Committee on Government Operations.

However, the other body, not being bound by as strict rules as we are, attached the same bill to the public works bill. In conference, after a lengthy conference, the House conferees agreed to a limited extension of the countercyclical bill as part of the public works economic stimulus package; and the bill came back to this House.

Understandably, Madam Chairman, some of the members of the Committee on Government Operations, believing that this was an invasion of their jurisdiction, moved to strike title II, the countercyclical bill, from the package. Even though this House recognizes the importance of committee jurisdiction, that motion was defeated by a vote of 153 to 250. The debate was not over the merits of a bill based on unemployment, but it was based on a jurisdictional dispute.

Madam Chairman, let us look at the difference between the Aspin formula and the formula proposed in the committee bill. The Aspin formula is focused on something called tax effort.

Some of the wealthiest suburbs in the Nation which do not have to take these actions counter to the national policy of stimulating the economy will fare better than some of the hardest hit communities of this Nation because the hardest hit ones are the ones that have high unemployment. Therefore, the Aspin substitute is really a general revenue sharing bill unrelated to need, unrelated to the need to counter the antistimulus stance that the hard-hit localities and States are forced to take. Furthermore, the Aspin formula is based on a totally irrelevant consideration.

For those reasons and also for the procedural reasons suggested by the gentleman from New York, Madam Chairman, we should pass the committee bill, support the committee, support the administration, and support the various interest groups that the gentleman from New York (Mr. WYDLER) has listed.

Mr. CORCORAN of Illinois. Madam Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Madam Chairman, I am pleased to rise in support of the amendment sponsored by the gentleman from Wisconsin (Mr. ASPIN) and cosponsored by the gentleman from Iowa and myself.

This amendment focuses on the distribution formula contained in the bill as reported from committee and makes a significant change in the distribution formula for the current countercyclical program.

Madam Chairman, in testimony before our subcommittee, of which I am pleased to be a member, it was demonstrated that the current factor in the distribution of the funds is a faulty factor and very much in need of reform. Unemployment, which is the current factor in the distribution formula, is not a good measure of cyclical problems in the economy. An employment-based program disburses money into the economy regardless of cyclical indicators of economic activity. Furthermore, unemployment data is severely inadequate.

As Dr. Julius Shiskin, the Director of the Bureau of Labor Statistics, indicated in his testimony before our subcommittee, the unemployment rates for jurisdictions with populations of less than 50,000 are no better than random numbers. Furthermore, there are error rates for jurisdictions of 50,000 or more which are quite high.

Thus there are many local governments with unemployment problems that are not participating in the current program.

Finally, Madam Chairman, unemployment rates tend to be a lagging indicator of recession. As a consequence, any formula based on unemployment rates will not trigger in until the economy is well into a recession, and for many smaller communities they will never participate in the current program.

On the other hand, the formula based on tax effort is a good means of disbursing the funds into the communities where they can be used for the various purposes intended in the original design of the countercyclical program.

Taxes are a good indicator of government size and activity. Governments with higher taxes by definition have a greater taste for public services. As a consequence, giving economic stimulus money to these governments greatly increases the chances they will spend it and get the money into the economy. Also it is a good indicator of how well the local community is working to help itself.

Furthermore, tax effort tends to be positively correlated with need.

So, Madam Chairman, I urge that the committee adopt the Aspin-Blouin-Corcoran amendment because, in addition to the changes in the formula itself, it provides one other important benefit. I first of all wish to associate myself with the remarks of the gentleman from Wisconsin, (Mr. ASPIN) in talking about the benefit of the program as the gentleman provides in his amendment in terms of spurring the economy and moving the funds out to help as a countercyclical measure when we are in an unfortunate recession but, in addition to that it seems to me that we must recognize that State and local governments do need some assistance in time of a recession.

They, because of the increasingly elastic character of their tax system have a reduction in revenues when we are in a recession. At that point they are being hurt by something over which they have no control. In fact, a recession is more a factor of Federal Government policies than it is of State and local communities. As a result, in the opinion of the subcommittee it is better to have a more properly designed program which would provide some compensation to those State and local governments for their loss of revenue. Therefore, again, using the tax effort as a factor in the distribution of those funds, we provide a means of getting the money to those local governments which are in a position to use the money properly and in compensation for the problems that they are suffering during the course of the recession.

For these and other reasons I am pleased to submit this amendment, as a cosponsor, to the Members of the House and I ask for their support.

Mr. FASCELL. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, may I say at this time that I am in support of the committee bill and against the Aspin amendment. I take this time to ask some questions so that we can establish something on the record. I will address these questions to the proponents of the amendment offered by the gentleman from Wisconsin (Mr. ASPIN).

If the gentleman from Wisconsin (Mr. ASPIN) would be kind enough to help me

out on this, as I say, I am opposed to the amendment he has offered. The questions I ask are legitimate ones, and I do this in order to get the answers on the record.

First, Madam Chairman, in establishing the formula derived on a tax effort, as I understand it, it is taxes divided by income, is that correct?

Mr. ASPIN. That is correct.

Mr. FASCELL. As to the definition of taxes, as I understand it, it is taxes collected, but not levied, is that correct?

Mr. ASPIN. I am sorry, Madam Chairman, but I am not sure I understand the gentleman from Florida.

Mr. FASCELL. As an example, it is one thing for me to levy a tax, as a municipality on my books, but it is another thing to collect them.

Mr. ASPIN. That is correct.

Mr. FASCELL. As I understand taxes, in the formula for tax effort, in the gentleman's formula, this means taxes collected but not levied?

Mr. ASPIN. Taxes levied and collected, I am told.

Mr. FASCELL. It is taxes levied and collected?

Mr. ASPIN. That is what the gentleman says. It is imposed upon the local population.

Mr. FASCELL. You say taxes levied and collected, imposed upon the local population? Is that spelled out in the bill?

Mr. ASPIN. I believe it is.

Mr. FASCELL. Or is that a guideline adopted by ORS for revenue sharing?

Mr. WYDLER. Madam Chairman, will the gentleman yield to me? Possibly I can help.

Mr. FASCELL. I yield to the gentleman from New York.

Mr. WYDLER. I thank the gentleman for yielding.

I will just read the gentleman the language if that will help. Does he want me to?

Mr. FASCELL. I do not know. Does the gentleman mean the language in the bill?

Mr. WYDLER. Yes. It is a definition.

Mr. FASCELL. I know, but the point is where is the definition?

Mr. ASPIN. If the gentleman will yield further, if he will tell me where he is trying to go, maybe we can help him.

Mr. FASCELL. All I am trying to find out is what is the formula, No. 1; and, No. 2, what are the definitions which are used? Are the definitions in the bill? Are the definitions in the report? Are the definitions in the guidelines by ORS, or where are they? That is all I am trying to ask.

Mr. ASPIN. The problem that the gentleman is trying to point to is what?

Mr. FASCELL. I am, first, trying to find what is "tax effort" in the gentlemans' formula simply by looking at the definition. I have gotten two different answers already which worries me considerably, and before we get through, we are going to have about four answers. That is what worries me. Again I assure the gentleman all I am trying to do is to get it nailed down under the gentleman's best definition, not mine.

Mr. ASPIN. I am told here that the definition is the definition that was used in the general revenue sharing provisions.

Mr. FASCELL. All right, that helps some, but where is the definition? It is not in the law. Is it in the ORS guidelines?

Mr. ASPIN. No. In part it is in the law, 109(c)(2) of the State and Local Fiscal Assistance Act.

Mr. FASCELL. What does that mean in English?

Mr. ASPIN. That is where it is stated. If I can explain, basically what it is is it is all taxes. Taxes are defined as compulsory payments paid by people which are imposed by the State and by the local government.

Mr. FASCELL. That is a different definition, I will say to the gentleman. Wait a minute and let me finish, because this is a very important point. If it is taxes collected, for example, and not levied, we have a very great disparity. Obviously if we levy as per assessment rolls but cannot collect because our people do not have the money, and we are using taxes as part of the tax effort, I say we are distorting and discriminating. If, on the other hand, we are using taxes levied and collected, we have to average that out as part of the fraction used in your formula before we can get to the definition of income which I have not yet inquired about.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. FASCELL was allowed to proceed for 5 additional minutes.)

Mr. FASCELL. Definition in the law and understanding of it in legislative history is very important. Because if the definition is not in the law and it is down in the ORS guidelines, it could change tomorrow if they want to change it, depending on some assumption or statistical model. That is the point.

Mr. ASPIN. First of all, what we are talking about is a distribution, a ratio of taxes to the total income.

Mr. FASCELL. No; that is what the gentleman is talking about.

Mr. ASPIN. Yes, that is what I am talking about. But the gentleman is talking about a situation when a recession hits, then both are affected.

Mr. FASCELL. I am not arguing about how the formula works. I am simply trying to find out what the gentleman's formula is, first. We can then argue how it works. So all I need to know, again, is a definition of taxes under the gentleman's formula. I have heard that it is taxes levied. I have heard it is taxes collected. I have heard it is both. I am not doing this to embarrass anybody, believe me. It is just a serious problem that I am having. Anyway, let me make the point.

Mr. ASPIN. As I said before, it is taxes levied and collected which, as I understand, under the distinction of the gentleman from Florida, would be taxes collected.

Mr. FASCELL. All right. That is what I had understood originally. All right, if it is taxes collected and not levied, let me just make the point, and then I am going to leave it and go to the next part of the definition. If it is taxes collected and not levied—suppose I am a municipality. I am doing the best I know how. I levied all my taxes. I only collect 20 percent, because of economic conditions, people are unemployed and cannot pay taxes which were levied in good faith—why should that municipality be penalized?

Under your definition, all the gentleman is going to give me credit for in tax effort is what I am able to collect.

Mr. ASPIN. That is not true.

Mr. FASCELL. That is what the gentleman just got through saying.

Mr. ASPIN. Let me explain this. The ratio of taxes to income was determined before the recession hit. Before the recession they should be collecting a high percentage of tax levies.

Mr. FASCELL. I am not getting into that. All I am saying is that at whatever point we apply the formula, before, after, during, or in the middle, we are going only on taxes collected and not on taxes levied.

Next point: Does this include nontax sources or not?

Mr. ASPIN. What sources?

Mr. FASCELL. Does this include nontax revenues?

Mr. ASPIN. It includes nontax revenues if they are collected in a way which is not related to the use of the tax.

Mr. FASCELL. Translated, that means if we have a user tax, if we have a water tax, if we have a sewer tax, if we have a road tax, if we have a sanitary tax, which is city taxes, it is not counted in this formula.

Mr. ASPIN. If it is related to the degree of use it is not.

Mr. FASCELL. It is all user tax.

Mr. ASPIN. No, not all of them are related this way.

Mr. FASCELL. In my area, we do not have general revenue special taxes. We have either general revenue based on ad valorem, we have user taxes and we have special district user and ad valorem taxes.

Mr. ASPIN. Let me explain.

Mr. FASCELL. All I am saying is that nonsource taxes are not included in the computation of taxes, so all of us who collect special revenue based on user tax do not get credit for that in your formula.

Mr. ASPIN. That is not necessarily true. It depends on whether the levy changes with the amount of use and there are a number of special fees which are applied in which the rate does not change based upon use and this would be included as a tax under this bill so the gentleman is not correct.

Mr. FASCELL. I am correct, except in the case the gentleman states.

Madam Chairman, let me raise another problem as an example of why I think this new formula is highly discriminatory and I cannot support it. For example, Florida has a law that requires 100 percent assessment of actual value. Does every State have that? No.

Mr. ASPIN. It does not matter.

Mr. FASCELL. It does But why not? Does not that assessment and millage—which is levy go into the tax effort. We do have a law requiring assessment at 100 percent value.

Mr. ASPIN. It does not matter.

Mr. FASCELL. We do in Florida. I do not know what you do in Wisconsin.

Mr. ASPIN. Madam Chairman, will the gentleman yield further?

Mr. FASCELL. Wait a minute. Let me finish.

The CHAIRMAN. The time of the gentleman from Florida has expired.

(By unanimous consent, Mr. FASCELL was allowed to proceed for 1 additional minute.)

Mr. FASCELL. Madam Chairman, the other part of the problem is if a State has a cap on millage which a municipality may levy and requires 100-percent assessment, it receives unfair treatment as compared with a State that has no mandatory 100-percent assessment and unlimited millage. I think this is discriminatory.

Mr. MOFFETT. Madam Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Madam Chairman, it is obvious that the revenue sharing concept which has been knocking around this place for some time and has been endorsed any number of times is at work again.

It is also obvious, it seems to me, that whenever that concept is laid before this body, there is a tremendous temptation to embrace and adopt it. It is very natural that that is the case. This was the essence of the politics behind the New Federalism, and we all know it. Some of us who have accepted and approved revenue sharing provisions in the past have done so somewhat halfheartedly because of this because almost every Member here knows of examples in his or her district where categorical programs in a city, even in a medium-sized city, were dismantled and right nearby, 5 or 10 minutes away revenue sharing which was supposed to supplement these categorical programs gave a rather affluent town money it did not need, money it used to lower its tax rate or keep that tax rate where it was. There is no question that it puts us in a very difficult political position whenever revenue sharing is put before us.

But, I would ask my colleagues, what if we took a flood relief program and we said, "Well, do you have any floods in Indiana? Do you have any floods in Iowa?" and Members say, "No, we do not have any, but we would sure like to get some of that cash. Why don't we take some of that money and put it into road-building, because everybody needs roads."

That is exactly what is being proposed. It is as if we have a program to feed disadvantaged children, and we say to a Member, "Do you have disadvantaged children in your district" and they say, "We really do not have too many disadvantaged children, but let's put that in a program to feed everybody across the board."

A little more on point, if we took the unemployment compensation program and we said, "Well, in certain States they don't have many unemployed, so let us just turn it into a general welfare program." Take the general revenue sharing concept, take that loaf of bread, but do not take the biggest chunks of bread and give them to the people who are most hungry. Instead, break up the loaf and sprinkle it around the country without regard to who is hungry or undernourished. That is what we are doing today if we adopt the Aspin amendment.

We are taking this money away from the people who need it most, there is no question about that, and giving way to that admittedly tremendous temptation to grab the revenue sharing aspects and apply them. That is what we are confronted with, whether or not we can really act as a national body, a national legislature, and not act parochially.

Mr. KOCH. Madam Chairman, will the gentleman yield?

Mr. MOFFETT. I yield to the gentleman from New York.

Mr. KOCH. Madam Chairman, I want to commend the gentleman, and the arguments he makes, and I would like to expand upon them. I find a bizarre quality in the debate, introduced by those in support of the Aspin amendment. Logically if we talk about assisting dairy farmers, we talk about milk; if we talk about assisting people to get hydroelectric power, we talk about dams; if we talk about assisting the shipping industry, we talk about ships; if we talk about providing assistance for counties where the Federal Government owns and does not pay tax on vast park lands, we talk about the Western States. Those are the kinds of things we talk about to help in those situations. And those of us who do not have those problems do not ask to come to this Chamber and ask to share in the munificence of the Federal Government provided for such assistance.

Now, in this bill we are addressing the problems of the recession. Recession means unemployment, and it is outrageous to bring in other criteria for the very reasons that the gentleman in the well has expressed so well. If we want to talk about recession, we must talk about unemployment; we can not talk about tax effort.

The fact is that in areas that have the unemployment, they cannot raise their taxes. Now, as the gentleman from New York (Mr. ROSENTHAL) mentioned at the very outset, New York City stands to gain under the Aspin amendment, but there is something more important than simply gaining under the Aspin amendment. There is the question of principle.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

(On request of Mr. KOCH and by unanimous consent Mr. MOFFETT was allowed to proceed for 1 additional minute.)

Mr. KOCH. If, each time we come in here and there is legislation, are we then to take out a chart and say, "How do we do under this or that formula?" and then vote solely on that basis, or do we say, "What is best for this country?" If each of us is going to stand up on the floor and solely vote on how many dollars come into our districts on a parochial basis without regard to the national need then this Chamber will not be held in high repute by the general public, nor will it deserve the public's high regard.

Mr. MOFFETT. I would like to make one more point before I conclude. When I arrived here in 1974—and I think many of the other people who arrived in Congress then feel this way—I had the feeling that the regional cleavages were starting to be reduced, and that we were not going to have any longer that kind of balancing between the rural areas and the city areas. It was going to be, "Do we really work together?"

The kind of amendment being offered here today, with all due respect to the gentleman from Wisconsin, only further exacerbates and further puts us at a distance from one another.

The CHAIRMAN. The time of the gentleman from Connecticut has again expired.

(On request of Mr. DELLUMS and by unanimous consent, Mr. MOFFETT was allowed to proceed for 2 additional minutes.)

Mr. MOFFETT. I am not saying that this Member or any other Member acts selflessly with regard to one's district. We are all parochial to some degree, and we should be, but I know that this Member and some of the other Members are working to try to get support for the farm bills, for the Midwest and for other areas. All we ask is for some fairness when a program is created to deal with a very, very important problem which involves misery, heartache, increases in illness and crime. I am speaking of employment and its various manifestations. Let us resist the temptation to spread the wealth all over the country.

Mr. DELLUMS. Madam Chairman, will the gentleman yield?

Mr. MOFFETT. I yield to the gentleman from California (Mr. DELLUMS).

Mr. DELLUMS. I thank the gentleman for yielding.

Madam Chairman, I applaud the gentleman in the well for making what I consider a very profound statement. I also applaud the gentleman from New York (Mr. KOCH) for making such an eloquent statement.

Madam Chairman, I would like to add one comment to both of the arguments that have been made by these gentlemen.

I have in my hand a document which I assume was prepared by the people who are in support of the amendment offered by the gentleman from Wisconsin (Mr. ASPIN), and at the end are statistics based on various congressional districts. There is an asterisk after 247 of them and, if one looks at the footnote, it says, "Winner Under the Aspin Amendment." That is the mentality that is being displayed here: The "winner." Winning a few dollars.

We are talking about people in desperate need throughout the country. We are not talking about spreading the wealth on a general revenue basis unless we come here with a general revenue bill.

This is the tragic mentality here on the floor. Rather than focusing on that need, we call it the winners under the Aspin amendment. "I win under the program so I cannot afford to vote against it."

The CHAIRMAN. The time of the gentleman from Connecticut (Mr. MOFFETT) has expired.

(On request of Mr. DELLUMS and by

unanimous consent, Mr. MOFFETT was allowed to proceed for 2 additional minutes.)

Mr. DELLUMS. If the gentleman will yield further, I have heard several of my colleagues make the very same statement, that they think there is mischief in this particular amendment, that it does not go to the need that is clearly focused in this particular piece of legislation, but they cannot politically do anything about it because now there is a document printed which says their district is a winner, whether their district needs the money or not. Based upon the stated need of the legislation, I think that is tragic.

I did not come here to play parochial games, and I do not think any of us are elected to play parochial games. We are elected to do the national business of 215 million American people, and I do not think, provided with this kind of data, that anyone wins in the long run. Who loses? The poor people of New York?

I am saddened by the gentleman from Wisconsin, who picks out New York, because many of the more conservative Members of Congress over the last 2 or 3 years have beaten New York to death. And to see my liberal colleague taking on New York and making it another whipping boy on the floor of this House greatly saddens me.

Madam Chairman, I urge my colleagues to reject this amendment. It has no basis in this bill.

Mr. LEVITAS. Madam Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Madam Chairman, we have heard some very eloquent, indeed passionate, pleas on behalf of this amendment and in opposition to this amendment. Perhaps passion will carry the day. But I think it is appropriate to get a little logic and fact in the argument.

I am not sure logic or fact will carry the day, but I think at least for the record they ought to be here.

First of all, let us talk about the sectionalism argument that the gentleman from California and others have referred to. The support of the Aspin amendment should not be based on sectionalism.

Last Wednesday in this very body the gentleman from California (Mr. HANNAFORD) offered an amendment which would strike out the dual formula of the community development block grant programs.

That particular amendment might have favored the congressional district I represent in the State of Georgia and might have favored the South in general. But I voted against the Hannaford amendment because the aging cities in the Northeast need that additional assistance. In that instance, I felt they are entitled to that additional assistance, and I was prepared to support that position out of equity and national purpose so I voted against the Hannaford amendment, which would have benefited the Sun Belt.

But there comes a point where a little bit of equity needs to be injected in these programs, and we must recognize that an unemployed person in Iowa is as much unemployed as an unemployed person in New York City. What this present program, the one that we now have, ignores is the fact that the people who are suffering in pockets of unemployment in rural areas around this Nation are being totally ignored. I think the time has come to inject some equity into this program.

Madam Chairman, let us focus on the program we are talking about, the so-called title II countercyclical aid program that was forced down the throats of this body during the last Congress. This is a countercyclical program to aid those communities that are experiencing a decline because of the recession.

Does this program accomplish that? The gentleman from Pennsylvania (Mr. MOORHEAD) very constructively proposed that we need to have a countercyclical program, and I fully agree with the gentleman. But let us see what the General Accounting Office, an impartial arm of this Congress, said about this program, not some other program, to help cities, towns, and States, and to help the unemployed people in those areas. Let me quote the testimony of the General Accounting Office before our subcommittee:

> At the present time the manner in which the unemployment rate is used in the allocation formula appears to shift funds toward areas that are suffering from secular decline and have long-term high unemployment rates. Our preliminary analysis indicates that this may be the situation. However, further work is needed before a definitive conclusion can be drawn.

And they give us further evidence of that as follows:

> Our presumption is that the legislation was intended to concentrate on problems associated with the business cycle, rather than the long-term decline of areas. If so, and if our preliminary conclusions are borne out, the Congress may wish to reconsider the use of the unemployment rate as a basis for allocating funds. If the Congress also wishes to address the matter of assistance to jurisdictions experiencing secular decline, we believe a formula could be designed which would more directly recognize that problem.

Madam Chairman, that is what the General Accounting Office has said; that is not what I said. That is a fact. If we want to clutter our minds with facts, that is a fact we can use to begin to clutter our minds when we make this decision.

Mr. MOORHEAD of Pennsylvania. Madam Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Pennsylvania.

Mr. MOORHEAD of Pennsylvania. Madam Chairman, I agree entirely with the gentleman when he says that the unemployed individual in Iowa suffers just as much as the unemployed individual in Pennsylvania, New York, or California. But if there are fewer unemployed in Iowa, then there should be less money because there are fewer people to take care of.

I do agree with the gentleman when he says that there may be some imperfections in the formula that can be cured, but the subcommittee did not attempt to cure the problem of unemployment formula; it went to an entirely different basis. The full committee recognized that perhaps we can improve this legislation and, therefore, directed the Secretary to come back with recommendations next year.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. LEVITAS) has expired.

(By unanimous consent, Mr. LEVITAS was allowed to proceed for 3 additional minutes.)

Mr. LEVITAS. Madam Chairman, I thank the gentleman from Pennsylvania (Mr. MOORHEAD) for his constructive comments. I think that the subcommittee did endeavor to deal with this problem of secular decline. I believe that is what the formula of the gentleman from Wisconsin (Mr. ASPIN) does.

Let me just make the point that there are a lot of Members in this body who think that this program ought to be ended completely, not extended in any form, and that there is no need to continue this program as a countercyclical program.

There is an argument, on the other hand, that the cities and counties and some States have already budgeted this money for the next fiscal year, and that we need to sort of relieve their pain by slow withdrawal, as though we would phase out this program and treat it as we would a methadone program which might be used to get somebody off heroin. Maybe that is a justification for this program.

However, if we are going to continue the program, let us make it a program that really has some equity in countercyclical distribution. The cities, the counties, and the States of this Nation do need additional fiscal assistance, in my judgment. The problem of unemployment needs to be addressed. The present unemployment rate is far too high.

Madam Chairman, all I am suggesting to the Members is this—and I believe this is based on the facts—No. 1, this is not an effective economic stimulus. There are much better ways to get money out into the economy to help the unemployed. We are talking about overall unemployment rates.

But where is the money going? It is going to local governments. It is not going to the unemployed generally; it is going to State and local governments. So there are better ways to stimulate the economy. In terms of dealing with the unemployment trend, quite clearly the present unemployment rate formula is not working.

There are areas of this Nation where there are suffering human beings who cannot get jobs, who could benefit from this program, and are being totally ignored by a system which we have now built into title II.

Madam Chairman, all I am speaking of—and I really despair that the facts will carry the day—is that if we look at the facts, the present title II program should be done away with. We should

replace it with a better, more effective program, and I urge the Members to support my position.

Mr. BROOKS. Madam Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Texas.

Mr. BROOKS. Madam Chairman, there has been some talk about this legislation's being supported by the President and some talk about the President's taking an adverse position toward this amendment. The President has proposed this program as being part of the economic stimulus package, and the Aspin amendment is totally consistent with that proposal.

The same number of dollars will be pumped into the economy on the Aspin proposal as would be pumped into it under the Wydler proposal. They are both triggered by the same factor.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. LEVITAS) has expired.

(On request of Mr. BROOKS and by unanimous consent, Mr. LEVITAS was allowed to proceed for 1 additional minute.)

Mr. BROOKS. Madam Chairman, will the gentleman yield further?

Mr. LEVITAS. I yield to the gentleman from Texas.

Mr. BROOKS. Madam Chairman, to continue, the amendment would pump into the economy the same amount of money, being $1.25 billion up to $2.25 billion, depending on the level of unemployment.

Both are exactly the same, and I would say that the Aspin amendment, for that reason, is certainly not adverse to the President's economic stimulus package. It is just that it would make the distribution of those economic stimuli more equitable.

Mr. LEVITAS. Madam Chairman, I thank the gentleman for his comment and I agree that the Aspin amendment puts out the money the President has requested by economic stimulus.

I think the Aspin amendment will actually get more money out quicker because it gets into the hands of those communities which are able to distribute it more rapidly.

Mr. JENRETTE. Madam Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from South Carolina.

Mr. JENRETTE. Madam Chairman, I thank the gentleman for yielding.

To my distinguished chairman I would point to the letter from the Secretary of the Treasury, from which the gentleman from New York (Mr. WYDLER) read earlier.

I would like to read the last sentence very briefly:

> Therefore, any amendment to the Committee bill that would revise the local allocation formula from one based on unemployment to one based on tax effort would be contrary to the purpose of the legislation and, thus, would be undesirable.

Madam Chairman, I do not know who would speak for the administration any stronger than the Secretary of the Treasury. It is one of the three programs that the President wants to stimulate the economy, and I hope that the Aspin amendment will be defeated.

Mr. BLOUIN. Madam Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Madam Chairman, I ask unanimous consent that I may be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The gentleman from Iowa (Mr. BLOUIN) is recognized for 10 minutes.

Mr. BLOUIN. Madam Chairman, my colleagues, the gentlemen from California and Connecticut, who are my very good friends, have tried a very interesting and politically wise ploy of trying to divide this House on this amendment along urban and rural lines.

I thought it ought to be made abundantly clear that the Aspin amendment simply does not follow that test.

Madam Chairman, of the 31 major urban centers in this country, 24 of them receive more dollars totally under the Aspin amendment, the Aspin formula, the subcommittee-approved approach, than under the approach finally approved by the committee. I think that is significant, because I think it proves the fallacy of the argument that is being put forth.

Madam Chairman, this amendment was not devised or was not dreamed up in an effort to pit one element of this country against another. It was not devised in an effort to shift money needlessly to one segment of the country instead of another.

It was devised to overcome the inequities of unemployment statistics which the present program is required to follow.

Madam Chairman, I do not know how many people in this body follow the problems of unemployment statistics; but when we get into that can of worms our eyes are opened pretty quickly. They are the most inaccurate and in many cases totally unacceptable ways of determining hurt that anyone could possibly devise.

In the majority of the States of this country those statistics simply do not reflect accurate recessionary hurt. In the majority of local communities, big and small, those statistics simply do not reflect hurt.

Madam Chairman, a tax effort approach is not perfect. The tax effort approach has some inherent inequities in it.

Mr. FASCELL mentioned very clearly that where there is a State that has decided not to carry its own weight, and where there is a State that has put an arbitrary, constitutional, or legal limit on the millage levy and said, we will not provide any more services that cost more beyond this level, they are hurt under the tax effort.

Mr. FASCELL. Lack of a millage CAP by itself does not mean anything, because if you do not have 100 percent valuation and assessment which we mandate by State law, if you are only assessing at 1, 10, 20, or 30 percent of actual value, then you are not doing anything, either because taxes collected under those conditions is not a true indicator of effort.

Mr. BLOUIN. What is the Florida millage?

Mr. FASCELL. Our CAP is 20 mills on 100 percent valuation.

Mr. BLOUIN. The millage rate in my own hometown in Iowa is 150 mills on 30 percent valuation.

Mr. ASPIN. Madam Chairman, will the gentleman yield?

Mr. BLOUIN. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Madam Chairman, I am happy the gentleman from Iowa raised that point, because I did want to point out earlier, although the gentleman from Florida (Mr. FASCELL) did not give me a chance when he was in the well, that the system of assessed evaluation means absolutely nothing. What we are talking about is the amount of taxes raised. You can have a low percentage of assessment and a very high rate or you can have a high assessment and a low rate. But the formula that we are talking about under the tax effort formula, is the total taxes collected—dollars—over total income—dollars—and that is the tax effort under the formula, not the assessed value.

Mr. BLOUIN. I believe the point made by the gentleman from Wisconsin is very well made.

The unemployment rate which is now being used to determine the formula for the distribution of these funds is not an accurate reflection of the impact of the economic recession on State and local governments across this country. In some large urban areas, the unemployment rate does not reflect the serious, ongoing, economic problems that exist in that area. They generally average a higher unemployment rate; as a result, they generally will have higher needs. But under the tax effort you will find that in almost every one of those communities their backs are up against the wall in terms of effort over income and are helped even more, because of that basic underlying problem that exists in those centers. So instead of ignoring that point in the determination of New York City, it helps the city far more than the committee version.

Instead of ignoring the problems of San Francisco, or Chicago, it gives them more dollars to work with, not less.

Because we realized the inherent problems that exist in those centers.

I think that is a positive feature of this approach that has not been brought out totally.

The gentleman from New York (Mr. ROSENTHAL) said earlier that this amendment does violence to the program. I believe that is the farthest point from the truth that has been made today. The gentleman from New York (Mr. ROSENTHAL) is a good member of this committee and I enjoy very much serving with him. But, contrary to his remarks this amendment brings equity to

the majority of the States, 27, and they are a majority of the areas in this country. Certainly 247 congressional districts do better under the Aspin approach. That is, because they are losers under the formula that exists. Certainly the emphasis ought to be placed on areas with high unemployment. But the problem is that statistics are not available to select areas of high unemployment in rather sparsely populated centers in this country. Because of this we end up holding the short end of the stick. Not rural areas, but across this Nation in various pockets, with every program that uses the unemployment formula according to the way you distribute dollars.

It is better than nothing. It is better than going home without any package at all—not in my area, but it is better for the majority of the country. But the Aspin approach is so far superior to it that it bothers me immensely to see so many misguided and misrepresented comments made about it, and I hope we put some of those to sleep.

Mr. JENRETTE. Madam Chairman, will the gentleman yield?

Mr. BLOUIN. I yield to the gentleman from South Carolina.

Mr. JENRETTE. I thank the gentleman for yielding.

I just hope that when this body acts today it will act with the caution that the gentleman from New York (Mr. WYDLER) commented on yesterday and again today. Monkeying with this formula might put us out of business, and I would hate to see us running around to see what area gets how much, which district gets how much, as a criterion for how we vote. This is a need bill, not a revenue sharing formula, and I think we should go where the need is.

Mr. BLOUIN. I agree with my colleague that we should not destroy this bill. I intend to vote for it no matter what amendment is passed, because I think the economy needs the stimulus. But we do not want to bow and kneel in front of the Senate, because one Member of that body said that without my formula it is not going to happen. If we are going to do that, we might just as well become a subcommittee of the Senate and forget what we are doing, just abolish the system of this dual-House approach and go along with what they want, and we will save ourselves a lot of time.

Mr. WYDLER. Madam Chairman, will the gentleman yield?

Mr. BLOUIN. I yield to the gentleman from New York.

Mr. WYDLER. I thank the gentleman for yielding.

The gentleman said that unemployment should be taken into account, and then he went on to his next statement saying that, because we do not have very good statistics in very small communities, maybe we should not do it, and maybe we should totally ignore it, throw it out, and bring in another formula altogether. I do not think that is a sensible approach, if I may suggest to the gentleman. I suggest we use the figures we have now. They are not the worst figures in the world by any means. They are pretty good figures in most instances. But what I am suggesting—and I have it right in the bill; it is there now—is that the Secretary of the Treasury is going to look into the way to improve the formula within fiscal year 1978 and give us a plan to make it a better plan, and possibly it will be a combination of the unemployment and the tax effort. Maybe we can combine the two. But I do not think we should endanger the whole program here today for everybody by trying to come in with a totally new formula which I do not think very many people understand, and which I do not think anybody can really test too well.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. BLOUIN was allowed to proceed for 1 additional minute.)

Mr. BLOUIN. I thank my colleague, the gentleman from New York. I appreciate his concerns. The trouble is that the formula today in the bill ignores the unemployed and the need in many, many areas of the country.

Mr. ASPIN. Madam Chairman, will the gentleman yield?

Mr. BLOUIN. I yield to the gentleman from Wisconsin.

Mr. ASPIN. I thank the gentleman for yielding.

I think the point is right that the House should pass its own bill, and we will work whatever we can in the conference. I do not think we have to automatically pass what the Senate wants or what the Senate recommends or what the rumor is that the Senate wants.

The second point to remember is that this is not a formula that has just come up out of thin air. This is the formula worked out by the subcommittee. There is a lot of effort and staff effort that has gone into this. In fact, if the normal progression had been accomplished, the amendment I am offering is the formula which should have been in the bill. That is what came out of the subcommittee, and because of the shuffle over how many quarters it is to be spent, we lost it in the full committee. But this is the recommendation of the subcommittee.

Mr. ANDERSON of Illinois. Madam Chairman, I move to strike the requisite number of words.

Mr. GILMAN. Madam Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding.

Madam Chairman, I rise in support of H.R. 6810, providing countercyclical anti-recession assistance to State and local governments and in opposition to the Aspin amendment. Countercyclical grants of this nature have shown to provide State and local governments much needed help in avoiding service cutbacks, employee layoffs, tax increases, and other actions impeding these governments' chances of coping with the deleterious effects of recession.

Of the various formulas offered for allocating Federal funds to ease the fiscal crunch of recession, the committee's formula, as provided in H.R. 6810, is in my opinion the most well-reasoned and most equitable method for distributing those funds.

As my colleagues know, under present law, funds are allocated to State and local governments based on a formula of unemployment rate times revenue sharing entitlement. The committee bill continues this formula.

Moreover, the revised funding mechanism for this program approved by the Committee would authorize $125 million per quarter plus $30 million for each 0.1 percent by which the national unemployment rate exceeds 6 percent. This new formula would in effect approximately double the amount of money available to financially hard-pressed State and local communities. Such a responsive device to accelerating unemployment after entitlements have been provided, is a much needed addition to current Federal assistance to State and local governments.

The need for immediate increased funding is underscored by the fact that because of continuing high unemployment, fiscal 1977 appropriations are virtually exhausted. Mr. Chairman, the program that H.R. 6810 will continue, has been extremely helpful in directing the money to where the need is. According to research complied by the National League of Cities, nearly 75 percent of the funds allocated to local governments for the first 3 quarters has gone to localities with unemployment in excess of 8 percent and over 85 percent to places with unemployment over 7 percent.

The local governments in my own 26th Congressional District in New York would stand to lose almost half of their entitlements under the amendment introduced by my colleague from Wisconsin (Mr. ASPIN). Other districts in New York would also find those funds to which they are entitled severely trimmed if the committee allocation formula is not retained.

Accordingly, I urge my colleagues to vote in favor of H.R. 6810 as reported by the committee and in opposition to the Aspin amendment.

Mr. ANDERSON of Illinois. Madam Chairman, we heard the charge made a few minutes ago by the gentleman from California that somehow those of us who are supporting the Aspin amendment are doing so simply because we want to spread the money around and that we are taking a very narrow regional parochial view of this whole problem. It seems to me that if we look at this supposedly impartial testimony that was presented to the subcommittee by the General Accounting Office, the reason why we are supporting the Aspin amendment is that the GAO said that this program on the basis of their review was not meeting the goals of the program, and that the funds were not being effectively targeted.

I think that it is the supporters of the committee bill, rather than the supporters of the Aspin amendment, that want to spread the money around, because I am told by a member of the committee,

the gentleman from Illinois (Mr. CORCORAN) that out of the 39,000 jurisdictions that are eligible under the program that 24,000 of them are getting amounts of between $100 and $200.

Now, how effective is that going to be in meeting the cyclical problem of unemployment and the structural problems of unemployment that afflict many of the cities of the Northeast?

I do not mind coming into the well and helping New York State. I did earlier in the week when we adopted the dual formula under the Housing Act which we passed in this body. I think we are entitled to a little skepticism when they are going to target 25 percent of the money for one single State and do so at the expense of more than one-third of the remaining States. If that be paranoid, make the most of it.

Madam Chairman, let me say why I am supporting the Aspin amendment. It is because I have always been a supporter of the concept of countercyclical revenue sharing as an antirecession program. What we are trying to do something about here is to deal with the taxing and spending policies of local governments, that when they are impacted by the initial stages of a recession that then we have to compound that recession still further. That is what we are trying to aim at in this program.

We are never going to solve the problems of long-term cyclical unemployment that afflict many of the cities of this Nation with this bill. We are distorting the entire purpose of the legislation when we stand up here and argue that unemployment is the sole measure by which we should judge the wisdom or the lack of wisdom of the amendment of the gentleman from Wisconsin.

The objection has been made, let us be a little more specific now, that under the Aspin formula there is some money that might go into certain areas that have lower unemployment rates than other areas that would be bypassed; but this argument, I think, and again if it be repetition, I think it is important that we do it, it ignores completely in many of these areas that high unemployment rates are cyclical, they are long-term, and this program was not designed to meet that problem.

On Monday, as I look at the list of suspensions, we are going to have the youth unemployment bill. We are going to have other legislation that will try to deal with the unemployed youth of our Nation and with some of the other structural problems of unemployment that are going to be met. I will support many of these measures, but I do not think we should try to convert this program, which is designed to be antirecessionary in nature, into something that it was never intended to be.

So it is not simply paranoid or regional feelings that lead me to support the gentleman from Wisconsin.

Madam Chairman, I yield to my friend, the gentleman from New York (Mr. WYDLER). I understand and admire the very able and articulate fashion in which the gentleman has defended New York State, which would benefit tremendously and handsomely and generously by this legislation.

Mr. WYDLER. Madam Chairman, I appreciate those kind remarks.

It is true the gentleman offers a redeployment formula. That is a fact. I do not like suggesting that the gentleman is getting 22 percent.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(By unanimous consent, Mr. ANDERSON of Illinois was allowed to proceed for 1 additional minute.)

Mr. WYDLER. Madam Chairman, if the gentleman will yield further, I suggest that the gentleman is supporting the Aspin amendment, because the gentleman's district gets 42 percent.

Mr. ANDERSON of Illinois. Madam Chairman, I make no apology when I look down the list and see 22 out of 24 congressional districts in the State of Illinois would do better under that amendment. I make no apology for the way I am supporting it; but I hope that I have been able to demonstrate that I am trying to support the basic concept of countercyclical revenue sharing. That is why I am for the amendment.

I am not too impressed by the argument of the gentleman from New York (Mr. ROSENTHAL) that even under the Aspin amendment New York City would do a little bit better than they would under the committee bill approach.

When we consider that almost a quarter of the funds would pour into the treasury in New York State, I am sure that maybe the gentleman's friend, Governor Carey, would find it a little bit easier to meet the fiscal needs of New York City with other moneys and other programs if he were to benefit so generously as a result of the largesse of the Federal Government.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

(On request of Mr. WYDLER and by unanimous consent Mr. ANDERSON of Illinois was allowed to proceed for 1 additional minute.)

Mr. WYDLER. Madam Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from New York.

Mr. WYDLER. The gentleman stated during the course of his statement that he made here to the committee that it distorts the situation to have unemployment as the sole determinant of where the money should go under this program. I have great respect for the gentleman's fairness. Does not the gentleman think that it would greatly distort it to have it go solely under a tax effort formula?

Mr. ANDERSON of Illinois. Of course, I think that question was answered previously by the gentleman from Wisconsin himself, who indicated that unemployment is going to continue to be a very important part of this bill, but the fact is that when recession hits and revenues decline, and cities are faced with the problem of deciding whether to cut back on services and/or raising taxes, that is when this bill is designed to help, by putting the money in where it is going to be spent; send the money where they will spend the money. That ought to be the slogan by which we operate under this bill—send it to where they will spend it.

Mr. MAGUIRE. Madam Chairman, I move to strike the last word, and I rise to speak against the amendment.

Madam Chairman, the gentleman from Georgia (Mr. LEVITAS) earlier asked that we focus on the facts. I would like to recite a few facts which I think will be of interest to the Members.

The following five rather well-to-do communities would come out under the Aspin formula and under the committee formula in the following way:

First, Greenwich, Conn., with an unemployment rate of 4.3 percent, would get zero funds under the committee proposal; it would get $111,000 under the Aspin proposal.

Brookline, Mass., with a 5.1 percent unemployment rate, would get $7,000 under the committee proposal and $103,000 under the Aspin proposal.

Shaker Heights, Ohio, with a 5.2 percent unemployment rate, would get $1,000 under the committee proposal and $26,000 under the Aspin proposal.

Montgomery, County, Md., with a 3.3 percent unemployment rate, would get zero under the committee proposal and $522,000—more than half a million dollars—under the Aspin proposal.

Beverly Hills, Calif., would get 12 times the amount of money under the Aspin proposal that it would get under the committee bill.

Lest anyone think those are special cases, let me give the Members the figures for all of the communities with unemployment rates below 6 percent. Under the committee bill, those communities with unemployment rates under 6 percent—and let us remember that this legislation would not even exist if we had a national unemployment rate below 6 percent—those communities under the committee bill would get 4.7 percent of the funds, leaving for the balance of communities with unemployment rates above 6 percent, which is what this legislation is designed for, to get 95.3 percent of the money. Under the Aspin proposal, those communities with unemployment rates below 6 percent would get 24 percent of the money, and only 76 percent would go to the remaining communities.

Now, the gentleman from Illinois (Mr. ANDERSON), for whom I have great respect, indicated that he felt it would be a distortion of original legislative intent if we did not adopt the Aspin proposal, but I think if we look back over the history of this program, and look at the way it was originally constituted, we find that the committee proposal is closer in terms of how funds will actually be allocated.

The fact of the matter is that we are trying to deal with need. That is the object of this program. So, I do not think that anyone who wants really to look at the purpose of the program can come to any other conclusion but that the committee bill is the one we must adopt.

I agree with the gentleman from Iowa (Mr. BLOUIN) that this should not be discussed as urban versus rural or any other simple categories. There are some big cities that will have lesser need than others. There are some rural areas that will have greater need. What we ought

to focus on is the unemployment rate. What we ought to focus on is targeting these moneys to where they will do the most good.

We end up with other absurdities if we adopt the Aspin amendment. Local governments are under pressure when the private sector goes into recession, and do we really want to punish those localities that cut corners and reduce levels of expenditures and keep their taxes down? Do we really want to punish them by using a tax effort formula? For example, are we going to raise taxes for large numbers of senior citizens who are living on fixed incomes in order to qualify for additional Federal aid? I would suggest that we keep our minds and our votes riveted on the proposition that this is a need-oriented program. There is not any other way of parsing the argument, when we finally come down to it. Need is what this program is designed for, and that is what it ought to do.

Mr. ASPIN. Madam Chairman, will the gentleman yield?

Mr. MAGUIRE. I yield to the gentleman from Wisconsin (Mr. ASPIN).

Mr. ASPIN. I thank the gentleman for yielding.

Madam Chairman, the point the gentleman is making about unemployment rates unfortunately is again based on the very premise under which the whole bill is being questioned, namely, that those unemployment rates in those rural areas are not worth the paper they are printed on.

The CHAIRMAN. The time of the gentleman from New Jersey (Mr. MAGUIRE) has expired.

(On request of Mr. ASPIN and by unanimous consent, Mr. MAGUIRE was allowed to proceed for 2 additional minutes.)

Mr. ASPIN. Madam Chairman, if the gentleman will yield further, the gentleman says that the amendment would give more money to those places which are under 6 percent unemployed. But the problem is because that is how they are listed now in the unemployment rates, as being under 6 percent unemployed.

The point is that in these rural areas there is a lot of unemployment, and it is not being counted because the unemployment statistics are totally crummy. This formula is supposed to give it where the unemployed are.

Is the gentleman telling me that 22 percent of the unemployment in this country is in New York State? Is 22 percent in New York State?

Mr. MAGUIRE. Madam Chairman, I will reclaim my time.

I wonder if the gentleman is one of those who earlier, in the public works bill, pressed to use unemployment rates of the smallest possible local units for the formula in that legislation. I find it very ironic that at least some Members of this body, who are now opposing the unemployment method of calculation here, earlier voted in the public works bill to include pockets of poverty within localities through use of an unemployment indicator.

I do not know why we should have it any differently in this instance.

Mr. ASPIN. If the gentleman will yield, it is not the members of this subcommittee the gentleman is talking about. The members of the subcommittee would like to send the money where it is needed. But we do not do it on an unemployment basis, because that does not reflect where the need is.

Mr. FOUNTAIN. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, there have been a lot of legalistic arguments here, which reminds me of lawyers in the courtroom trying to confuse the jury. I think there has been some of that here, in an effort to confuse the Members of the House as to just what we are doing.

First, let me say that the Aspin amendment is the amendment adopted overwhelmingly by the subcommittee, which I have the honor of chairing. It was adopted after we took testimony from the appropriate agencies of the Government, from economic experts, and from State and local governments, and after several months of close consultation and collaboration with officials and experts in the Department of the Treasury, the Department of Commerce, the Department of Labor, the GAO, and elsewhere.

Frankly, I was surprised when questions were raised in the subcommittee hearings about the adequacy of unemployment figures. I had been under the impression that unemployment rates were reliable for Federal assistance formulas. I now know that is not the case.

I have heard unemployment mentioned over and over again by opponents of the Aspin amendment, opponents who come from States which benefit unfairly from the use of unemployment figures in the title II program.

Let us get something straight: This program does not help the unemployed in the private sector and it was not intended to do so. This is virtually a duplicative revenue-sharing program; it is another revenue-sharing program on top of the revenue-sharing program we passed last year.

I had the opportunity of chairing the subcommittee which brought that legislation to the floor, and the subcommittee's recommendations were enacted into law.

Madam Chairman, unemployment is a problem with which the Federal Government must deal. The Federal Government should deal with it. It is, in fact, dealing with it in a number of other pieces of legislation.

But unemployment is not a relevant measure of the budgetary needs and responsibilities of local and State governments. Moreover, the unemployment problem is in the private sector, not in the local governments.

So let us talk sense and stop confusing the issues and the purposes of this particular legislation.

I want to commend the gentleman from Iowa (Mr. BLOUIN) for bringing to our attention the thought that the House of Representatives ought to do its own thinking and pass what we believe is appropriate legislation. We should not have this crammed down our throats by the other body.

The worst feature of the committee bill—and I am speaking of the full committee bill and of the title II program—is the irrational use of unemployment rates to determine which units of government will receive money and how much they will receive. Without that improper use of a weak and volatile figure, my strongest criticism of the committee bill would be that it continues a duplicative revenue-sharing program.

In view of the enormous growth in recent years both in the number of separate grant programs and in total Federal aid, it is poor public policy to continue to proliferate the grant structure and thereby cause confusion, more bureaucratic redtape, and higher administrative costs. These are things that I think we have a responsibility as Members of Congress, individually and collectively, to take into account; and the time has long since passed for us to start doing it.

What the President has said about the need for streamlining the structure of the Federal Government applies equally to the present haphazard, overlapping, and duplicative grant structure.

It has been well documented, Madam Chairman, that the quality and the reliability of unemployment rates below the national levels are simply not adequate for a fair distribution of Federal funds to local and State governments.

We do not have acceptable unemployment figures below the State level, and even the State figures are not reliable on a monthly basis. The Commissioner of Labor Statistics—this has already been mentioned but it deserves repetition—told the subcommittee that the unemployment rates for communities of less than 50,000 population may be no better than "random numbers."

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. FOUNTAIN) has expired.

Mr. FOUNTAIN. Madam Chairman, I ask unanimous consent that I may be permitted to proceed for 5 addtional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. HORTON. Madam Chairman, I do not want to object, but reserving the right to object, I would like to ask the chairman of the committee as to whether he intends to limit debate. We have been going on now for approximately 2 hours.

I understand the House is going to complete its work today at 3 o'clock, and I would hope that we could get finished with all the amendments today.

Mr. BROOKS. Madam Chairman, if the gentleman will yield, we have several other members of the committee who wish to make some comments, including the gentleman from South Carolina (Mr. JENRETTE) and myself. There may be some other Members who wish to speak. I thought certainly that we should give the members of the committee time to speak, and I would like to make a few comments on this before we move to close debate.

Madam Chairman, I would hope that we could finish this by 1 30, but with all the Members I see standing up, I am not sure that we can.

Mr. HORTON. Madam Chairman, further reserving the right to object, there are several amendments pending, and there are quite a few Members on the floor who wish to speak on this amendment. It appears to me as though we are not going to be able to finish by 3 o'clock.

Madam Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. HOWARD. Madam Chairman, reserving the right to object, I shall not object, but I would just like to state that I believe the members of the committee certainly should be entitled to speak. I have listened to the debate here, and I was able to watch some of the debate in my office. I have noted that several Members have been able to speak for 12 or 13 minutes; some of the Members have requested additional time and have spoken for 10 minutes. I believe the members of the committee ought to have the opportunity.

However, I do believe that other Members who have a vital interest in this and whose constituents are hurt most by the Aspin amendment also ought to be permitted to speak. So I would like to suggest to the chairman of the committee that we could move to limit debate or put some limitation on the time after these Members who are not on the committee and who oppose the Aspin amendment have had an opportunity to speak.

Mr. BROOKS. We could make the motion to limit debate. It could be agreed to by unanimous consent, or we could move it.

Madam Chairman, if the gentleman will yield further, is there disposition to close all debate by 1:45, reserving the last 10 minutes, 5 minutes to the gentleman from South Carolina (Mr. JENRETTE), and 5 minutes to me, we having had none?

Is there objection to that?

Mr. HOWARD. Madam Chairman, I would object to such a request.

The CHAIRMAN. There is presently pending a unanimous-consent request to proceed for 5 additional minutes.

Mr. HOWARD. Madam Chairman, I withdraw my reservation of objection.

Mr. JOHN L. BURTON. Madam Chairman, reserving the right to object, and I shall not object, but at some time I would like to know whether it would be proper to have this amendment referred to the Committee on Standards of Official Conduct to see whether there are any enticements in it to Members to vote for it, because it is enticing me to a farethee-well, and I definitely would like a ruling.

Madam Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina (Mr. FOUNTAIN) to proceed for 5 additional minutes?

There was no objection.

Mr. FOUNTAIN. Madam Chairman, I would like to say that I think the gentleman is right in saying that his proposed amendment ought to have the opportunity to be heard.

Let me repeat what the Commissioner of Labor Statistics told the subcommittee in his testimony. He said the unemployment rates for communities of less than 50,000 may be no better than "random numbers."

Yet, it is these arbitrary numbers that determine which of our local communities receive title II funds and the amount of that assistance.

Madam Chairman, the Commissioner of Labor Statistics has warned that "Congress has legislated requirements for local area unemployment rates that are years ahead of the data base available."

This is not a responsible arrangement.

The title II program uses 4.5 percent as a "full employment" yardstick in computing the "excess" unemployment rate that determines the amount of payments for State and local governments. Even if these rates were reliable for local governments, they would not be good indicators of a recession since the very high rates for many older central cities reflect conditions of long-term decline.

Prior to the 1974–75 recession, for example, the unemployment rate was above 6 percent for such cities as Cleveland, Philadelphia, Washington, D.C., New York, and Los Angeles, and above 10 percent for San Francisco and Detroit.

The limitations of unemployment rates pertain not only to the poor quality of the data, but to their usefulness as well. While unemployment figures can be useful for some purposes, they are not a good indicator of the budgetary needs of State and local governments because the estimated rates are not comparable between governmental units. Their inclusion in formulas for distributing Federal assistance leads to serious distortions and inequities.

For example—and I believe the gentleman from Illinois, made reference to this—there are high unemployment cities that do not have the budget responsibility for costly services such as welfare, health and education. These service costs are usually State or county responsibilities.

To illustrate this point, local governments do not participate at all in welfare costs in 38 States. They are required to pay a substantial share of the welfare costs in only eight States, most notably in New York where the counties and New York City pay half the non-Federal share.

The objective of the subcommittee formula is to put the money where the fiscal responsibilities really are. This cannot be done by relating Federal payments to a measure like unemployment which, even if accurate, would tell us absolutely nothing about a community's program and budget responsibilities. I think we would all agree that there is no logic or justification, in rewarding a city for welfare payments made to its citizens, if those payments are actually the budgetary responsibility of an overlying county or the State.

In addition, focusing exclusively on unemployment and ignoring the present record level of employment throughout the Nation creates a false picture of the fiscal situation, even in those States and local governments where unemployment remains high.

I could continue at length about the arbitrary and discriminatory effects of using unemployment rates to allocate funds in a program that is essentially another form of general revenue sharing. I am surprised that Members of Congress and other public officials from States such as Iowa, Kansas, Wyoming, South Dakota, North Dakota, and New Hampshire have not protested the complete exclusion of their State and local governments from this program. These States receive no payments simply because their estimated unemployment rates are below the arbitrary and meaningless 4.5% cutoff. The fact that unemployment tends to be understated in rural States due to the way the rates are estimated is not taken into account. Moreover, some industrial States have received very little funding because the irrelevant and faulty unemployment rates assigned to them are relatively low.

In place of the faulty unemployment rates, the subcommittee bases the State and local distributions on two objective and readily available measures—taxes collected and tax effort, which are now used in the general revenue sharing program.

Madam Chairman, the subcommittee selected these factors because they are the best available measure of the size of each jurisdiction's service responsibilities and the extent to which each government taxes its citizens for the support of public services.

Mr. FASCELL. Madam Chairman, will the gentleman yield?

Mr. FOUNTAIN. I yield to the gentleman from Florida.

Mr. FASCELL. Madam Chairman, the formula for tax effort, however, on the top part of it, for taxes, does not include school taxes; is that not correct?

Mr. FOUNTAIN. It does not include school taxes for local government allocations, although the funds distributed within each State do include taxes for education.

Mr. FASCELL. In my district that is an ad valorem figure.

Mr. FOUNTAIN. To continue, Madam Chairman, while these measures are certainly not ideal, they are far more objective, equitable, and representative of local fiscal needs than unemployment rates or other currently available data.

As such, they are likely to target funds most effectively to those governments that can absorb additional Federal assistance for current purposes and, therefore, help accomplish the President's economic stimulus objective.

To borrow a phrase sometimes used by President Carter, this program in its present form is a disgrace to this Nation. I am certain that the irrationality and unfairness of the title II program was not brought to the President's attention when he agreed to make it part of his economic stimulus package.

Madam Chairman, I thank the Members for listening and I urge them to support the Aspin amendment.

Mr. MINETA. Madam Chairman, I

move to strike the requisite number of words, and I rise in opposition to the Aspin amendment .

Madam Chairman, I would like to rise in support of the bill presented by the Committee on Government Operations that is now before us, but against the amendment proposed by my colleague, the gentleman from Wisconsin (Mr. ASPIN).

I guess I still relate very strongly to my experiences in local form of government, having been the mayor of a city of some 575,000 people. I believe we have to take into consideration a distinction that has to be maintained, and that I think is the purpose of this program. The distinction is this: There are two kinds of unemployment that have been brought to our attention: The structural or secular unemployment in local governments and the other one is cyclical unemployment. In terms of secular or structural unemployment, we have programs such as CETA, unemployment compensation, vocational education, youth unemployment programs, apprenticeship programs, and many others. But, in terms of dealing with cyclical unemployment this is the only antirecession type of program. It is a formula that is based on trying not to take a shotgun approach to assist local government but to target in on those areas that are in trouble. Its allocation formula is highly targeted to provide the most money to those jurisdictions where the impact from the recession has been the most severe.

As a result of the program, over 70 percent of the funds allocated so far have gone to jurisdictions with unemployment over 8 percent. Equally important, virtually no money has gone to jurisdictions with very low unemployment which have not suffered because of the recession. Not a dime goes to jurisdictions with full employment; that is, unemployment of less than 4.5 percent. And less than 5 percent of the funds have gone to places with unemployment of less than 6 percent.

President Carter in his economic stimulus package requested an extension of this antirecession program in recognition of the fact that although the recession has eased, its effects linger on in many communities throughout the Nation. The bill before us today is in response to that request.

Yet the amendment proposed by my colleague, the gentleman from Wisconsin (Mr. ASPIN) would totally negate the antirecession nature of this program.

This amendment would substitute local tax effort, based on 1974 figures for local property tax and per capita income figures of 1972, and would substitute that local tax effort for local unemployment which is calculated on the most current quarter in the allocation formula. How those 1974 figures and those 1972 figures are more accurate or better to use than the unemployment allocation formula with the latest figures in terms of unemployment, I do not understand. Tax effort bears no relationship to recession-related fiscal distress.

As a result, under a tax effort formula, that is now being proposed, 10 percent of the funds would go to jurisdictions with full employment. A whopping 25 percent of the funds would go to places with unemployment below 6 percent.

Mr ASPIN. Madam Chairman, will the gentleman yield?

Mr MINETA. I would be more than pleased to yield to my colleague, the gentleman from Wisconsin.

Mr. ASPIN. Madam Chairman, the point is that the unemployment statistics in those so-called local unemployment areas are so bad.

The point that we are questioning is those unemployment statistics. The gentleman says 25 percent goes to low unemployment areas. That assumes that the unemployment statistics are any good.

Mr. MINETA. As a member of the Committee on the Budget, we had the Bureau of Labor Statistics before us. They develop monthly unemployment data for every county in this country. There is some concern that the figures for communities under 25,000 may be inaccurate or even unreliable, but for those communities we then use the county figure which is accurate.

Mr. FASCELL. Madam Chairman, will the gentleman yield?

Mr. MINETA. I yield to the gentleman from Florida.

Mr. FASCELL. I thank the gentleman for yielding.

They are certainly no more inaccurate than using a fraction in determining tax effort, the top half of which ignores more than 50 percent of the tax effort, and the bottom fraction which is based on an income determination of 1974 income taxes updated by some statistical model, the nature of which we do not even know.

Mr. MINETA. That is correct. I agree with that position.

I suggest that giving antirecession funds to jurisdictions with full or relatively high employment is simply a waste of the taxpayers' money, and it is clearly not consistent with the purpose of the program that was enacted last year.

The problem with using tax effort in an antirecession allocation formula, Madam Chairman, is that the level of a jurisdiction's tax effort can mean many things other than fiscal need.

For example, in a place like Montgomery County, Md., one of the wealthiest counties in the country, a high tax effort is a sign of affluence substantial enough to support high taxes to pay for high quality services.

In a place like Buffalo or Newark, on the other hand, the city tax effort is not necessarily an indicator of needs, because each of these cities cannot raise its taxes beyond a ceiling imposed by the State government.

And yet under the tax effort allocation, the Montgomery Counties of the country do substantially better, while the Buffaloes and the Newarks—clearly among the very hardest hit and suffering from the greatest need—lose substantially.

The second point I would like to make in opposition to the Aspin amendment, Madam Chairman, is a very practical one. The Senate has already passed an extension of this program which is very similar to the House committee bill. On the important question of the distribution formula, the Senate bill and the House committee bill are identical. Furthermore, the Senate conferees are not likely to look kindly upon a totally different formula for the program.

So if we are interested in seeing this program continued, I suggest that it makes all good sense for us to adopt the House committee's version of the bill today.

Toward that end, I urge my colleagues to oppose the Aspin amendment and vote to extend the program as President Carter has requested.

Mr. JENRETTE. Madam Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Madam Chairman, I shall not take the full 5 minutes, because I think everything that ought to be said or can be said has been said. But I do want to point out—and I will try to be very brief—that it has been said already, however, that this is one of three programs that the President has asked that we act on to stimulate the economy. I have heard today about how it is going to help New York City. If it does, so be it. If it helps the State of New York, a lot of people from the South have gone to New York and have helped bring about some of the problems that New York City is facing today. So I have no opposition to helping the State of New York or the city of New York.

But everybody is going around and looking at the formula and seeing which area or which formula they will receive more money under. I say to the Members that is not the purpose of this bill. I know the political realities, but that is not the purpose. It is targeted. It is revenue need and not another revenue sharing sort of program.

I will say to my colleagues as they go to vote—and I hope we vote in just a few minutes—that I hope that they will look at this as a targeted need for money and not just allocating it on a person-by-person basis. New York gets 24 percent, if that figure is correct. But let us look at the Aspin amendment. Areas with zero to 4.5 percent unemployment would get 10 percent, or would be eligible for 10 percent of the funds under that formula regardless of need. How can there be equity in giving 10 percent where there is no need. Also 24 percent of the funds would go to governments that have between 4.5 and 6 percent unemployment. That would leave 76 percent of the rest of the funds to go to other areas, regardless of how much they are in need. So that is the flaw in the amendment.

Let me say this: The unemployment data has been talked about quite a bit. Beginning in May 1977, according to a letter that I received from Mr. Shiskin, 600 acres of 25,000 to 50,000 population will have unemployment data available.

The Department of Labor, therefore, is moving to provide sufficient data on unemployment. Let me say this as well: This committee bill that I have had the pleasure of working on with my friend, the gentleman from New York (Mr. WYDLER), and the gentleman from North Carolina (Mr. FOUNTAIN) and all of the subcommittee—and I am happy to be on the subcommittee—mandates a study. It mandates a study by the Treasury Department and the Department of Commerce so that after this period is over, the study will be available, and then we can make needed changes. I worked very hard through the leadership to see that this bill came up before the tax conference report so that we on this very fine committee could have our say. Therefore, I would encourage the members of the committee to vote against the Aspin amendment, and let us go on with the other amendments and try to help bring about a stimulus for the economy.

Mr. ASPIN. Madam Chairman, will the gentleman yield?

Mr. JENRETTE. I yield to the gentleman from Wisconsin.

Mr. ASPIN. I thank the gentleman for yielding.

Does the gentleman believe that the formula based on unemployment is a good one?

Mr. JENRETTE. No; it is not perfect.

Mr. ASPIN. The gentleman agrees that this bill provides 22 percent to New York City. Would the gentleman then conclude that 22 percent of the unemployment in this country is in the State of New York?

Mr. JENRETTE. No; I would not.

Mr. ASPIN. So the formula is obviously bad.

Mr. JENRETTE. Well, it is no worse than that we have been working with called tax effort. They are improving the unemployment data. Unemployment data is in the law now, and I think it is better to go that way.

Mr. WYDLER. Madam Chairman, will the gentleman yield?

Mr. JENRETTE. I yield to the gentleman from New York.

Mr. WYDLER. I thank the gentleman for yielding.

I just want to congratulate the gentleman for the tremendous work he did on the committee and on the full committee on this bill. I might just say we keep hearing those figures thrown around about New York State. The amazing fact, as has been stated time and time again today, is that under the Aspin amendment, New York City gets more money than under the committee bill.

Mr. JENRETTE. I thank the gentleman for that contribution.

Madam Chairman, I yield back the remainder of my time.

Mr. BROOKS. Madam Chairman, I move to strike the requisite number of words. I rise in support of the amendment.

Madam Chairman, this amendment addresses itself to one of the most serious defects in the current program.

We have been distributing $1.25 billion, and it can go up as much as another $2.25 billion with this bill—this Federal money has been handed out largely on the basis of unemployment figures that are regarded by the people who put them out as unreliable or nonexistent by that very agency.

The Commissioner of the Bureau of Labor Statistics told the Intergovernmental Relations Subcommittee:

> Major deficiencies exist in the unemployment data the Bureau is forced to come up with under this legislation. This legislation is really years ahead of the Bureau of Labor Statistics' ability to produce required statistics at reasonable levels of accuracy.

Madam Chairman, at those same subcommittee hearings, a representative of the General Accounting Office said:

> If this is really supposed to be an antirecession program—

And I am quoting the GAO—

> Congress may wish to reconsider the use of the unemployment rate as a basis for allocating funds.

Supporters of the current program tell us we need more time to study the formula to see how it works before we change it. They provide for such a study in the committee bill.

Madam Chairman, that study has already been conducted. The Intergovernmental Relations and Human Resources Subcommittee has come up with a better formula. It it not only better, more equitable and objective, but one that uses accurate, available data.

We do not need to wait another year and a quarter and spend another $2.25 billion under a formula that is obviously faulty before we try to improve it. We can do it right now by adopting the amendment of the gentleman from Wisconsin.

Mr. KREBS. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I will not take the 5 minutes.

I want to confess right now that my congressional district stands to lose somewhat under the Aspin amendment, but I hope that my motives will not be questioned anymore than the motives of anybody else.

I think we have had a little too much discussion about parochialism in this debate. I do feel that the criteria for determining where this aid should go is really faulty on its face. I say this not only for some of the reasons that have been so well articulated by the gentleman from California (Mr. DELLUMS) and others. I submit that the test in anybody's mind as to what a recession is all about is in terms of employment versus unemployment. I, however, am concerned that we are using a criteria that is totally nongermane. To point out how nongermane this criteria really is, and I am very surprised that none of my fiscally conservative colleagues have bothered to mention this, is the fact that what we are really doing here is to assume that high taxes are necessarily virtuous and that low taxes necessarily means that a government is being operated in a less efficient manner. I would hope that the very opposite is true. I would hope that we are not going to embark on a course that is going to penalize those communities which have put their house in order fiscally and who have tried very hard to keep the tax rate of their communities as low as possible.

So, on those grounds, Madam Chairman, and on many of the grounds that have been stated by prior speakers, I urge this committee to vote down this amendment.

Mrs. FENWICK. Madam Chairman, will the gentleman yield?

Mr. KREBS. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Madam Chairman, I would like to associate myself with the gentleman's remarks, and to thank him.

Mr. ROSENTHAL. Madam Chairman, will the gentleman yield?

Mr. KREBS. I yield to the gentleman from New York.

Mr. ROSENTHAL. Madam Chairman, I want to point out again the question of where the money is going. I would like to read to the committee some of the testimony of Secretary of the Treasury Bloomenthal. He said:

> It has, however, successfully targeted funds to those areas where the highest unemployment rates occur. Seventy-five percent of the funds available to localities have been paid to areas with unemployment rates in excess of 8 percent. I think that's a pretty good indication that it has, in fact, worked to put the money where it is most needed.
>
> In addition, disbursements have favored those urban areas under particular fiscal pressure. The large, central cities with the highest unemployment rates have consistently received larger per capita allocations than the suburbs and surrounding counties which have been less hard hit during this difficult period.

Mrs. BROOKS. Madam Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close at 1:45 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. HOWARD. Madam Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. BROOKS. Madam Chairman, I move that all debate on the Aspin amendment and all amendments thereto conclude by 1:45 p.m.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas (Mr. BROOKS).

The motion was agreed to.

The CHAIRMAN. Members standing at the time the motion was made will be recognized for 50 seconds each.

The Chair recognizes the gentleman from Pennsylvania (Mr. MOORHEAD).

Mr. HOWARD. Madam Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, she will vacate pro-

ceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Chair recognizes the gentleman from Pennsylvania (Mr. MOORHEAD).

Mr. MOORHEAD of Pennsylvania. Madam Chairman, we have a clear choice: another general revenue-sharing bill or a bill that is carefully targeted to areas of need, with an automatic cutoff whenever the Nation recovers from the present recession and the need is no longer there.

I urge the support of the Members for the committee bill.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. FORD).

Mr. FORD of Michigan. Madam Chairman, I rise in opposition to the amendment.

Although I have communities in my district that would appear to be benefited by this amendment, the truth is that no community that I represent would be benefited to any great extent or to an extent that would justify the adoption of this amendment.

It is inconceivable that the Senate would agree to the Aspin amendment and if it is adopted it will have the effect of delaying or killing this legislation.

Madam Chairman, members of the committee, we need this program now; this money is needed in Michigan to aid hard-pressed communities where unemployment is high now. Michigan, which has been leading the Nation in unemployment for years, would receive some $35 or $36 million less under the Aspin amendment than under the committee bill. I urge a no vote on this amendment and a yes vote on the passage of the bill when this amendment is defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. BENJAMIN).

Mr. BENJAMIN. Madam Chairman, I rise in support of the position of the Subcommittee on Intergovernmental Relations and Human Resources of the Committee on Government Operations and the amendment now pending to change the allocation formula to account for the tax effort of State and local governments.

In attempting to be a statesman, I find it incumbent to think about my State. Indiana, the 13th State in population, would receive 0.47 percent of the funds allocated under the committee bill. On the other hand, it would receive 1.71 percent of the funds proposed to be allocated by the pending amendment. In dollars, for the last quarter of fiscal year 1977—July–September—this would mean approximately $10.2 million versus $2.5 million and $0.9 million more for the metropolitan section of northwest Indiana.

I do not enjoy these fraticidal debates and I do not care to characterize this as another New York versus the Nation epic. Rather, I would like to ask the distinguished representatives from New York for their understanding. By our recent passage of the Emergency Unemployment Compensation Extension Act of 1977 (H.R. 4800), now Public Law 95–19, and the Public Works Capital Development and Investment Act (H.R. 11), hopefully soon to become a public law. The final versions of these bills sought to accommodate some of the unemployment problems of the Empire State. I am sure that we will continue to recognize and work toward the resolution of the unemployment problems of New York. But likewise, we must be considerate of the rest of the Nation and local government and its attendant problems.

As the testimony of Mr. Harry S. Havens, Director, U.S. General Accounting Office, delivered March 2, indicates, excess unemployment is not a good approximation of the recession's impact. He further notes that a more precise measure is needed to distinguish between cyclical and chronic problems. This bill is fashioned as the Intergovernmental Antirecession Assistance Act and its aim is at the effect of a recession on the local community and local government, not a panacea to chronic unemployment which must yet be handled by this Congress.

Many of my more articulate colleagues have already addressed the positive as well as the negative positions on this issue. I will not be repetitive except to reemphasize. Let us focus on the real issue—the necessity of the bill. If it is to retain needed local government services and not compound the recession by the unnecessary discharge of governmental employees, then the pending amendment should be adopted as the better treatment of fund allocation. If it really should be an answer to chronic unemployment, then the committee bill should be maintained intact. In my compartmentalized mind, I believe that the former is the more accurate description of the issue.

With this in mind, I now add my voice and support to those of my colleagues in support of the subcommittee amendment requiring future allocations to be made based on a formula of each government's tax collections and tax effort.

The use of such a formula would insure the effective targeting of funds to those governmental bodies most in need and it would prevent the perpetuation of the present capricious and inequitable system.

The Congress expressed a legislative goal last year. We have not met that goal with the legislation as drafted. We know why we have failed. If we are to extend this act and continue funding we must acknowledge our error and correct it.

I call upon the committee to support and adopt the amendment now pending.

(By unanimous consent, Mr. BLOUIN yielded his time to Mr. DELLUMS.)

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. DELLUMS).

Mr. DELLUMS. Madam Chairman, I rise in opposition to the amendment, but I would like to point out that I think the gentleman from Wisconsin (Mr. ASPIN) does have a point. There are flaws in using data that are the basis of this legislation. The tax effort certainly is not the way to do it.

I think, for example, in Indian reservations we literally kill the Indians by using that formula.

Madam Chairman, I think the cleanest data available are the percentage employed in the total population.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. ASPIN).

The question was taken and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ASPIN. Madam Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—yeas 127, noes 216, answered "present" 1, not voting 88, as follows:

[Roll No. 231]

AYES—127

Abdnor	Fisher	Moorhead, Calif.
Allen	Flynt	Myers, Ind.
Anderson, Ill.	Fountain	Natcher
Andrews, N.C.	Fraser	Neal
Andrews, N. Dak.	Gammage	O'Brien
Aspin	Glickman	Obey
Baldus	Goldwater	Pickle
Baucus	Gore	Poage
Bauman	Grassley	Preyer
Beard, Tenn.	Gudger	Pritchard
Bedell	Hagedorn	Quayle
Benjamin	Hamilton	Railsback
Blouin	Hansen	Reuss
Breckinridge	Harkin	Robinson
Brooks	Harris	Rousselot
Buchanan	Hightower	Ryan
Burke, Mass.	Holt	Satterfield
Burleson, Tex.	Hubbard	Schroeder
Burton, Phillip	Hyde	Sharp
Butler	Jacobs	Shipley
Byron	Jones, N.C.	Sisk
Carter	Jordan	Skelton
Cavanaugh	Kasten	Skubitz
Cleveland	Kastenmeier	Smith, Nebr.
Coleman	Keys	Snyder
Corcoran	Lagomarsino	Spellman
Cornell	Leach	Spence
Cornwell	Levitas	Stangeland
Coughlin	Lloyd, Tenn.	Steed
Crane	Luken	Steers
D'Amours	McClory	Symms
Daniel, Dan	Madigan	Taylor
Daniel, R. W.	Mahon	Thone
Danielson	Mann	Treen
Derwinski	Markey	Trible
Dornan	Marlenee	Vento
Drinan	Martin	Wampler
Edwards, Okla.	Mattox	Waxman
English	Mazzoli	Whitehurst
Erlenborn	Michel	Wiggins
Evans, Ind.	Milford	Young, Tex.
Findley	Moakley	Zablocki
	Moore	

NOES—216

Addabbo	Foley	Murtha
Akaka	Ford, Mich.	Myers, Gary
Alexander	Fowler	Myers, Michael
Ambro	Frey	Nedzi
Ammerman	Fuqua	Nix
Annunzio	Gaydos	Nolan
Applegate	Gephardt	Nowak
Armstrong	Giaimo	Oakar
Ashbrook	Gilman	Oberstar
AuCoin	Ginn	Ottinger
Badillo	Gonzalez	Panetta
Bafalis	Goodling	Patten
Barnard	Guyer	Patterson
Beard, R.I.	Hammer-schmidt	Pattison
Beilenson	Hanley	Pease
Bennett	Hannaford	Pepper
Biaggi	Harrington	Perkins
Bingham	Hawkins	Pettis
Blanchard	Hefner	Pike
Boggs	Hollenbeck	Pursell
Boland	Holtzman	Rahall
Bonior	Horton	Rangel
Bonker	Howard	Regula
Bowen	Huckaby	Rhodes
Brademas	Hughes	Richmond
Breaux	Jeffords	Rinaldo
Brinkley	Jenrette	Rodino
Brodhead	Johnson, Calif.	Rogers
Broomfield	Jones, Tenn.	Rooney
Brown, Calif.	Kelly	Rose
Brown, Mich.	Kildee	Rosenthal
Burlison, Mo.	Kindness	Rostenkowski
Caputo	Koch	Roybal
Carr	Kostmayer	Ruppe
Chappell	Krebs	Santini
Chisholm	Krueger	Sarasin
Clausen, Don H.	Latta	Sawyer
Cochran	Le Fante	Scheuer
Cohen	Lehman	Schulze
Collins, Ill.	Lent	Shuster
Conte	Lloyd, Calif.	Simon
Conyers	Long, La.	Slack
Cotter	Long, Md.	Solarz
Davis	Lott	Stanton
de la Garza	Lundine	Stockman
Delaney	McCloskey	Stokes
Dellums	McDade	Studds
Derrick	McDonald	Thompson
Devine	McEwen	Thornton
Dickinson	McFall	Traxler
Dicks	McHugh	Tsongas
Diggs	McKinney	Ullman
Dodd	Maguire	Vander Jagt
Downey	Mathis	Waggonner
Duncan, Oreg.	Meeds	Walgren
Duncan, Tenn.	Meyner	Walsh
Early	Mikulski	Weiss
Eckhardt	Mikva	Whalen
Edgar	Miller, Calif.	White
Edwards, Calif.	Miller, Ohio	Whitten
Eilberg	Mineta	Wilson, Bob
Emery	Minish	Wilson, C. H.
Ertel	Mitchell, Md.	Wirth
Evans, Colo.	Mitchell, N.Y.	Wolff
Evans, Del.	Moffett	Wydler
Evans, Ga.	Mollohan	Wylie
Fary	Moorhead, Pa.	Yates
Fascell	Moss	Yatron
Fenwick	Motti	Young, Alaska
Flippo	Murphy, Ill.	Young, Fla.
Flood	Murphy, N.Y.	Young, Mo.
Flowers	Murphy, Pa.	Zeferetti

ANSWERED "PRESENT"—1

Burton, John

NOT VOTING—88

Anderson, Calif.	Fithian	Leggett
Archer	Florio	Lujan
Ashley	Ford, Tenn.	McCormack
Badham	Forsythe	McKay
Bevill	Frenzel	Marks
Bolling	Gibbons	Marriott
Brown, Ohio	Gradison	Metcalfe
Broyhill	Hall	Montgomery
Burgener	Harsha	Nichols
Burke, Calif.	Heckler	Pressler
Burke, Fla.	Heftel	Price
Carney	Hillis	Quie
Cederberg	Holland	Quillen
Clawson, Del	Ichord	Risenhoover
Clay	Ireland	Roberts
Collins, Tex.	Jenkins	Roe
Conable	Johnson, Colo.	Roncalio
Corman	Jones, Okla.	Rudd
Dent	Kazen	Runnels
Dingell	Kemp	Russo
Edwards, Ala.	Ketchum	Sebelius
Fish	LaFalce	Seiberling
	Lederer	Sikes
Smith, Iowa	Teague	Watkins
St Germain	Tucker	Weaver
Staggers	Udall	Whitley
Stark	Van Deerlin	Wilson, Tex.
Steiger	Vanik	Winn
Stratton	Volkmer	Wright
Stump	Walker	

The Clerk announced the following pairs.

On this vote:

Mr. Teague for, with Mr. Dent against.

Mr. Bevill for, with Mr. Kazen against.

Mr. Nichols for, with Mr. Dingell against.

Mr. Risenhoover for, with Mr. LaFalce against.

Mr. Whitley for, with Mr. Staggers against.

Mr. Volkmer for, with Mr. Sikes against.

Mr. Archer for, with Mr. Brown of Ohio against.

Mr. Badham for, with Mr. Burke of Florida against.

Mr. Broyhill for, with Mr. Cederberg against.

Mr. Del Clawson for, with Mr. Conable against.

Mr. Collins of Texas for, with Mr. Fish against.

Mr. Gradison for, with Mr. Kemp against.

Mrs. Heckler for, with Mr. Lujan against.

Mr. Hillis for, with Mr. Marks against.

Mr. Marriott for, with Mr. Rudd against.

Mr. Pressler for, with Mr. Florio against.

Mr. Quie for, with Mr. Ford of Tennessee against.

Mr. Sebelius for, with Mr. Stark against.

Mr. Steiger for, with Mrs. Burke of California against.

Mr. Frenzel for, with Mr. Seiberling against.

Messrs. ALLEN, BYRON, and BAUCUS changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. LEVITAS

Mr. LEVITAS. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEVITAS: Page 25, strike out lines 1 and 2 and insert in lieu thereof the following:

That this Act may be sited as the "Special Fiscal Assistance to Certain State and Local Governments Act of 1977".

Mr. LEVITAS. Madam Chairman, this is a very simple amendment. This amendment simply changes the name of the program. It does not have a substantive effect as far as the allocation of funds is concerned. It has been readily acknowledged by both the proponents and the opponents of the Aspin amendment that what we are talking about is a special program of additional fiscal assistance to those State and local governments that need it.

Mr. BROOKS. Madam Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Texas.

Mr. BROOKS. Do I understand that this amendment will simply change the name? To what?

Mr. LEVITAS. The "Special Fiscal Assistance to Certain State and Local Governments Act of 1977."

Mr. BROOKS. I have no objection to that.

Mr. WYDLER. Madam Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from New York.

Mr. WYDLER. I do not understand the nature of the amendment. The act now is called the "Intergovernmental Antirecession Assistance Act of 1977." That is the program under which the President has suggested we direct the funds as a stimulus to the economy as an antirecession measure. Actually, if we change the name in any way, it would seem to me that the name should in some way retain the fact that it is an act directed against unemployment in high unemployment areas of the Nation. That would be a correct definition of the act. I think the gentleman is trying to put the House on here a little bit.

Mr. LEVITAS. I am quite serious about this. It has been conceded by every person who has discussed this particular legislation, both during 1976 and 1977, that this is a program which will provide additional financial assistance to those needy cities and counties and States where there is high unemployment. It is a special 1-year fiscal assistance program. It has been clearly demonstrated not to be a permanent program. I think even my distinguished friend from New York would not quarrel with me on that point.

I think, in fairness, it is to make certain that the American public is not misled into thinking that this is a countercyclical program. Let us call it what it is. I think that in the event this amendment is accepted, I would be inclined not to offer the next amendment which I have, relating to the formula.

Mr. WYDLER. I am tempted by that offer, but on the other hand I think that would be an excellent idea, but I really have to ask the gentleman a question. This says, "Special Fiscal Assistance to Certain State and Local Governments Act." There are no certain States or local governments other than the ones that the formula may from time to time apply to. This is not an act limited to any particular State; it is limited by formula. It is not limited to any specific areas or counties. It is very misleading.

Mr. LEVITAS. As the gentleman knows, the bill as it is now written will provide no financial assistance to a number of States. It will provide no financial assistance to a number of local communities, and I do not see any reason why we just should not say what this bill does. There is nothing wrong with it. It is financial assistance to certain State and local governments. In fact, one of the arguments the gentleman was making before was that there are certain places which have greater needs and, therefore, we have to supply their needs. That is all this amendment does. It does not change the substance of the bill.

Mr. WYDLER. On the contrary, I think when we try to make it sound, as in the language of this title, certain areas, certain States, certain local governments are excluded from the provisions of the act, we are misleading the Congress, the people and the country. No one is excluded by words in the act. They have a formula which may not apply at this

particular moment to the gentleman's State or some other State, but that might apply next year.

Mr LEVITAS. Let me say that there are provisions in the general revenue sharing formula which I have in my next amendment, which would apply to every State and every jurisdiction.

The CHAIRMAN The time of the gentleman from Georgia has expired.

(On request of Mr. BROOKS and by unanimous consent Mr LEVITAS was allowed to proceed for 30 additional seconds.)

Mr. BROOKS. Madam Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Texas.

Mr. BROOKS. It is true that this changes the name of the act, and that is all it does?

Mr. LEVITAS. That is all in world it does.

Mr. BROOKS. It does not change the formula and does not change that 22 percent going to New York at all?

Mr. LEVITAS. Not at all. It would be a great inducement to me not to offer the next amendment.

Mr. ROSENTHAL. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I wonder if I could ask my distinguished colleague, the gentleman from Georgia (Mr. LEVITAS) what his motivation is in offering this amendment other than attempting to persuade us not to sit still for his next amendment.

Mr. LEVITAS. If the gentleman will yield, I will say that there are two reasons. First of all, as I said, it does not affect the 22 percent that goes to New York at all.

Mr. ROSENTHAL. The gentleman has said that two times already.

Mr. LEVITAS. Really, in deference to the gentleman from New York, who is a leading proponent of consumer legislation, so that the gentleman will not be confused in any way, I am trying to call this program what it is. It is not a countercyclical program. There is nothing wrong with there being special financial assistance. I think it is needed. I support this legislation. But I think we ought to call it what it is, and that is the purpose of my amendment.

Mr. ROSENTHAL. Madam Chairman, I thank the gentleman for his observation. I think the gentleman is somewhat unhappy with the result of the vote this afternoon and because of some petulance he would like to change the title. I think the majority view is to keep the title as it is. It is a national program, countercyclical in nature, dealing with antirecession components of unemployment. The title that has been given to it already is the same title as the other body has seen appropriate to give it, and I do not think we should change the title of the bill based on the petulance of either proponents or opponents of amendments.

Madam Chairman, I would urge the defeat of the amendment.

Mr. MOORHEAD of Pennsylvania. Madam Chairman, would the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Pennsylvania (Mr. MOORHEAD).

Mr. MOORHEAD of Pennsylvania. I thank the gentleman for yielding.

Madam Chairman, I would like to ask the gentleman if it is not correct, as indicated in the report, that "the program is to terminate if the national unemployment rate drops below 6 percent."

So it is clearly an antirecessionary bill, because it automatically terminates if the recession terminates.

Mr. ROSENTHAL. The gentleman is absolutely correct.

Madam Chairman, I think we should not change the title of bills depending upon whether amendments win or lose.

Mr. BROOKS. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I do not see any objection whatsoever to changing the name of the bill. It is not going to change the formula or the amount of money that the various recipients would receive.

Madam Chairman, I would ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. LEVITAS).

The question was taken; and on a division (demanded by Mr. LEVITAS) there were—ayes 26, noes 48.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OBEY: Page 27, strike out line 25 and everything that follows through page 28, line 10, and insert in lieu thereof the following:

(b) Section 203(c)(1) of such Act is amended by striking out "paragraphs (3) and (5)" and inserting in lieu thereof "paragraph (4)".

(c) Section 203(c) of such Act is amended by striking out paragraph (3) and redesignating paragraphs (4) and (5) as (3) and (4).

(d) Section 203(c)(3)(B) of such Act is amended by—

(1) inserting "or assigned" after the word "determined", and

(2) striking out the parenthetical phrase and inserting in lieu thereof "(in the case of a local government for which the Secretary of Labor cannot determine a local unemployment rate, he shall assign such local government the local unemployment rate of the smallest unit or subunit of local government for which he has determined a local unemployment rate and within the jurisdiction of which such local government is located, unless

"(i) the Governor of the State in which such local government is located has provided the Secretary of Labor with a local unemployment rate for such local government, and

"(ii) the Secretary of Labor finds that such local unemployment rate provided by the Governor has been determined in a manner consistent with the procedures and methodologies used by the Secretary of Labor in determining local unemployment rates,

in which case the Secretary of Labor shall assign such local government the local unemployment rate provided by such Governor)".

(e) Section 203(c)(3)(C) of such Act is amended by—

(1) striking out "for the one-year period beginning on July 1, 1975" and inserting in lieu thereof "for the most recently completed entitlement period, as defined under section 141(b) of such Act"; and

(2) striking out the parenthetical phrase.

(f) Section 203(c)(3) of such Act is amended by striking out subparagraph (D) and redesignating subparagraph (E) as (D).

(g) Section 203(c)(3)(D)(i) of such Act is amended by striking out "Social and Economic Statistics Administration" and inserting in lieu thereof "Bureau of the Census"

(h) Section 203(c)(3) of such Act is amended by striking out "For the purpose of paragraph (4)(D), the Secretary of Labor shall, notwithstanding any of the provisions of law, continue to make determinations with respect to the rate of unemployment for the purposes of such title VI."

(i) Section 206 of such Act is repealed.

Mr. OBEY (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD, and that I might be permitted to explain it.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. OBEY. Madam Chairman, this amendment that is being offered by myself and by the gentleman from Kentucky (Mr. PERKINS) is a very simple amendment. Very simply, what it does is this: It changes the way rural areas and smaller communities are treated under this program without injuring larger ones. I know that there are many of my colleagues who share my concern that smaller communities have been unfairly denied funding under this program because unemployment data does not get computed for them.

Currently, money is distributed only to areas designated prime sponsors. Communities outside prime sponsor areas are lumped together in computing the so-called balance-of-State unemployment rate. If this average balance-of-State rate is 4.5 percent or less, none of these small communities will get any money, even though their own unemployment rate may be far above the 4.5 percent level. In my own district, for example, out of 17 counties, 15 of them had unemployment rates above 4.5 percent and 9 of them had been above 6 percent for the last calendar quarter of 1976—some as high as 12 to 15 percent. Yet, under current law and under the bill as reported from committee, these counties received no funding in the most recent release of funds. This quirk in the current legislation throws all these struggling rural communities in the same balance-of-State pot with well-to-do rural communities. The unemployment rate for prosperous communities is averaged in with the high unemployment areas and no one in those areas receive funds. That is grossly unfair.

My amendment brings the House bill into conformance with the Senate bill on this one narrow point. It makes it possible for the program to use county by county unemployment data which is now being computed by the Bureau of Labor Statistics. Rather than bunching large numbers of rural counties and towns together and determining eligibility and

allocations on a fictionalized aggregate unemployment rate which exists for no unit of Government, my amendment provides that the most accurate unemployment data be used. That would be the county-by-county data. Rural counties and small cities and towns will then have a fair opportunity to be eligible for assistance based on actual conditions of unemployment in their areas. Inaccurate though that data may be, it is better than the present technique which is admittedly out and out fiction. This change is supported by the Secretary of Labor.

My amendment simply gives rural communities a chance to be treated like all other areas for which unemployment data is now available. It is grossly inequitable for small counties and towns that have unemployment rates two or three times the national average to be denied assistance simply because other communities, some hundreds of miles away, which are also small, are fortunate enough to have low unemployment rates. If this program is really designed to help local governments that are in trouble, then let us be sure the money gets through to the areas that critically need it.

Mr. WYDLER. Madam Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from New York.

Mr. WYDLER. Madam Chairman, I have examined the gentleman's amendment, and by the amendment the gentleman does intend to deal with some of the problems in the current program relative to the unemployment figures of small communities. I think this is a constructive amendment, that it can prove helpful, and I have no objection to it on this side.

Mr. BROOKS. Madam Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Texas.

Mr. BROOKS. Madam Chairman, I have no objection to this amendment, as I stated earlier, and I will gladly accept it. I believe it will do nothing that is constructive or completely destructive of this legislation.

Mr. OBEY. Madam Chairman, I thank the gentleman for accepting the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. OBEY).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. CORRADA

Mr. CORRADA. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CORRADA:

Page 26, line 1, strike out "(a)".

Page 26, line 12, strike out the comma and insert in lieu thereof a period and a close quotation mark.

Page 26, strike line 13 and everything that follows through page 27, line 18.

At the end of bill, add a new section:

SEC. 8. The Public Works Employment Act of 1976 (42 U.S.C. 6735) is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR PUERTO RICO, GUAM AND THE VIRGIN ISLANDS

"SEC. 216. (a) IN GENERAL. There is hereby authorized to be appropriated for each of the five succeeding calendar quarters (beginning with the calendar quarter which begins on July 1, 1977) for the purpose of making payments under this title to Puerto Rico, Guam, American Samoa, and the Virgin Islands, an amount equal to 1 percent of the amount authorized for each such quarter under Section 202(b).

"(b) ALLOCATIONS.—

"(I) The Secretary shall allocate from the amount authorized under subsection (a) an amount for the purpose of making payments to such governments equal to the total authorized for the calendar quarter multiplied by the applicable territorial percentage.

"(2) For the purposes of this subsection, the applicable territorial percentage is equal to the quotient resulting from the division of the territorial population by the sum of the territorial population for all territories.

"(3) For purposes of this section—

"(A) the term "territory" means Puerto Rico, Guam, American Samoa and the Virgin Islands.

"(B) the term "territorial population" means the most recent population for each territory as determined by the Bureau of Census.

"(b) the provisions of sections 203(c) (4), 204, 205, 206, 207, 208, 209, 210, 211, 212 and 213 shall apply to the funds authorized under this section.

"(c) PAYMENTS TO LOCAL GOVERNMENTS.— The governments of the territories are authorized to make payments to local governments within their jurisdiction from sums received under this section as they deem appropriate."

Mr. CORRADA (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Puerto Rico?

There was no objection.

Mr. CORRADA. Madam Chairman, I rise in support of the amendment to H.R. 6810, to include the territories—Puerto Rico, Guam, the Virgin Islands, and American Samoa—at a level of 1 percent of the total amount authorized nationally in the countercyclical program.

One percent is a modest amount to be set aside for the territories. The number of poor people living in Puerto Rico represents over 6 percent of the number of poor living in the United States. The total number of unemployed in Puerto Rico represents over 2 percent of the total number of unemployed in the United States. The population of Puerto Rico represents roughly 1.4 percent of the U.S. population. Despite these relatively higher percentages, Puerto Rico and the territories would receive, under this amendment, only 1 percent of the funds authorized for countercyclical assistance.

Based on figures from the Congressional Budget Office this 1 percent setaside would equal approximately $4 million for the territories in each of the next five quarters. A similar amendment has already passed the Senate and is contained in the countercyclical provisions of the tax bill. Furthermore, the 1 percent for the territories would not in any way reduce the amounts authorized to other States under the bill. Thus, no State would suffer as a result of this amendment.

The 1-percent set-aside would still leave the territories with an allocation far below what they would be eligible to receive if they were treated as a State. By correspondence to me dated April 8, 1977, the U.S. Department of Treasury indicated that payments to Puerto Rico alone, if it were treated as a State under the general revenue sharing formula, would be in excess of $83 million. In the case of Puerto Rico, estimates of general revenue sharing payments were used since we do not participate in the Federal revenue sharing program

Looking at it another way, the bill authorizes $515 million for all the States in the first quarter of the program. This translates on a national per capita basis to payments of approximately $2.70. Under the bill in its present form, the per capita allocation for Puerto Rico would be approximately 10 cents. Under the 1-percent set-aside, the per capita allocation would be only about $1.70, still far below the national average.

This amendment would also serve to clear up certain inequities contained in the allocation presently set forth in the bill. Under the existing committee bill the territories would receive less than $300,000 per quarter. This converts to roughly 10 cents per person in the territories. Part of the reason this allocation is so low is that the local government units of the territories were inadvertently excluded from participation in the countercyclical program. Since local government units generally are to receive two-thirds of all the countercyclical funds going to any State, this exclusion was especially costly to the territories. The amendment would eliminate this inequity. Local government units of the territories could share fully and equally with the territory governments.

The proposed amendment is simple and straightforward. It would make all restrictions contained in the bill, such as nondiscrimination, labor standards, and so forth applicable to payments going to the territories. Further, the amendment would avoid any concerns about the consistency and validity of data for the territories relating to unemployment rates, tax receipts, and personal income estimates, some of which may be difficult to conform to national data standards.

Mr. Speaker, the territories suffer substantially and directly from the U.S. recession. We desire to be and are, included in other components of the Carter administration's economic recovery program, in such Federal assistance efforts directed at development such as the local public works bill and the Comprehensive Employment and Training Act programs, all of which directly benefit Puerto Rico and will help the island toward some equitable share in the national economic recovery effort.

The amendment to H.R. 6810, which I support would provide one more tool in the national arsenal to fight the evils of poverty, of deep unemployment, of municipal governments and cities struggling to keep up with the needs of their citizens for basic services when and if a national recession should reoccur. We wish this situation did not exist in Puerto Rico, in any case, but the sad fact is that it does, and at a level more severe than

almost any other political jurisdiction under the American flag.

For reasons of equity and sound economic policy, I urge the adoption of the amendment.

Mr. BROOKS. Madam Chairman, will the gentleman yield?

Mr. CORRADA. I yield to the distinguished chairman of the committee.

Mr. BROOKS. Madam Chairman, I want to thank the gentleman very much for yielding.

This legislation will give Puerto Rico more than what 28 of the States are getting in total dollars, and it does not go to local communities; it goes only to the major communities.

However, if the gentleman from South Carolina (Mr. JENRETTE), the gentleman from New York (Mr. ROSENTHAL), and the gentleman from New York (Mr. WYDLER) will accept the amendment, I would not object. I will accept it so we can proceed with the legislation.

Mr. JENRETTE. Madam Chairman, will the gentleman yield?

Mr. CORRADA. I yield to the gentleman from South Carolina.

Mr. JENRETTE. Madam Chairman, I certainly support the amendment, and I have the assurance of the gentleman from New York (Mr. ROSENTHAL) that he will support the 1 percent set-aside. If my colleagues do not oppose the amendment, I see no reason why we should not accept it.

Mr. STEERS. Madam Chairman, will the gentleman yield?

Mr. CORRADA. I yield to the gentleman from Maryland.

Mr. STEERS. Madam Chairman, I would just like to clarify what the gentleman from Puerto Rico (Mr. CORRADA) said with reference to his amendment as resulting in a set-aside. However, he also said that it would not decrease what the other States would get, and unless it increases the total amount that this bill involves, I cannot understand how the gentleman could get more without the rest of us getting less.

Mr. CORRADA. It is because the authorization of the 1-percent set-aside would be over the level of authorization for the entire program.

The CHAIRMAN. The time of the gentleman from Puerto Rico (Mr. CORRADA) has expired.

(By unanimous consent, Mr. CORRADA was allowed to proceed for 1 additional minute.)

Mr. CORRADA. To continue, Madam Chairman, the amount of the 1-percent set-aside would depend on the future unemployment rate. Since the unemployment rate is expected to decline, there should be sufficient budget amounts in the President's program to fund fully any amounts, including the 1-percent set-aside, authorized by this legislation.

Mr. STEERS. Madam Chairman, if the gentleman will yield further, I would appreciate a little further explanation.

Why should not my State or any State pursue the same principle and have a set-aside for that State, with the same qualifications and for the same reasons?

Mr. CORRADA. I will just state to the gentleman that it perhaps might be proper to do so. However, basically the amendment that I am proposing would only allow Puerto Rico and the territories much lower amounts than the national average, even though we have been adversely affected by the recession to a greater degree than any other State and we are now staggered by a 20-percent level of unemployment.

We are merely trying to do something that will help alleviate our case without keeping anything the States would receive under this program.

Mr. BROOKS. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I would like to ask the gentleman from New York (Mr. WYDLER) whether they object to it or not.

Mr. WYDLER. Madam Chairman, if the gentleman will yield, I do not object to the amendment. Emotionally, I am tempted to be for it.

The problem with the amendment in my own mind is the effect it might have on the budget.

Madam Chairman, I do not know whether there is anyone here from the Committee on the Budget; but since they are talking about adding on funds, I do not know what the budgetary situation might be. I am afraid——

Mr. BROOKS. Madam Chairman, I will yield no further to the gentleman from New York (Mr. WYDLER) when we are voting for legislation like this.

Mr. WYDLER. Then, Madam Chairman, I am not answering any further.

Mr. BROOKS. Pardon me. Madam Chairman, I would state in reply to my friend, the gentleman from New York (Mr. WYDLER), that when he votes for legislation like this, he should not be nitpicking about an extra 1 percent.

Madam Chairman, if the Chair would put the question, I have no objection. I would think that that might dispose of this matter now.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Puerto Rico.

The amendment was agreed to.

The CHAIRMAN. Are there further amendments?

Hearing none, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the committee rises.

Mr. WAGGONNER. Madam Chairman, I was seeking recognition by the Chair.

The CHAIRMAN. The Chair will advise the gentleman that the Chair had put the question on the committee amendment in the nature of a substitute. There were no further amendments and, under the rule, the committee rises.

Mr. FOUNTAIN. Madam Chairman, I would like to say that I was standing and was prepared to make a statement about an amendment which I was going to offer but can no longer offer because I was not recognized.

The CHAIRMAN. Without objection, the Chair will vacate the proceedings so as to permit the gentleman from North Carolina (Mr. FOUNTAIN) to make a statement.

There was no objection.

The CHAIRMAN. The gentleman from North Carolina (Mr. FOUNTAIN) is recognized for 5 minutes.

Mr. FOUNTAIN. Madam Chairman, I thank the Chair.

I was planning to offer an amendment to strike section 7 of the committee bill which directs the Secretary of the Treasury to conduct an investigation that has already been made as part of the subcommittee's comprehensive examination of the title II program. The subcommittee has already developed a true and reliable antirecession formula to take care of future recessions.

However, in view of the hour and the mood of the Members, I shall not put the House through the exercise of voting on it today.

Instead, Madam Chairman, I do want the House to take note of the fact that my amendment would have added a new title IV to the State and Local Fiscal Assistance Act for the purpose of providing aid during periods of national recession. This is a logical and desirable addition to the basic general revenue sharing legislation.

This new program, which would have been authorized for a 5-year period beginning October 1, 1978, represents an innovative approach to helping offset the revenue losses State and local governments experience when the economy turns down and purchasing power falls off.

Payments would be activated by two consecutive quarterly declines of private sector real wages and salaries; that is, dollars adjusted for inflation—provided that these declines parallel or follow two consecutive quarterly declines in real gross national product. Two consecutive quarterly declines in real GNP is generally accepted as the definition of a recession.

The amount of funds authorized for national distribution would be determined by two steps: First, calculating the dollar decline in real wages and salaries each quarter in relation to a base period—which is defined as the average amount of real wages and salaries for the four quarters preceding the first quarter of decline, and second, multiplying the resulting dollar decline by 3.5 percent to represent the potential tax loss experienced by State and local governments due to the recession. The 3.5-percent figure, was selected by examining four past recessions to determine the amounts of money that various percentages would have provided. We believe it would permit the Appropriations Committee sufficient leeway to conform payments to the Government's fiscal policy at the time.

Once started, antirecession payments would continue for all quarters in which real wages and salaries are less than in the base period. In other words, Federal assistance would be paid until the econ-

omy recovered to its previous state of health immediately before the recission. This means payments would have been continued in the past recession for several quarters after the economy turned around.

At that time, both gross national product and real wages and salaries began to decline in the first quarter of 1974, and continued to decline until the end of 1975 for GNP, and through the first quarter of 1976 for wages and salaries.

However, it took until the fourth quarter of 1976 for real wages and salaries to reach the 1973 base period that preceded the recession. For those 9 quarters, the 3.5 percent factor would have produced an authorization ceiling of about $4.6 billion for antirecession payments.

Once the amount of money for distribution has been determined, the State and local allocations would be made on the basis of relative tax collections and tax effort, as in the Aspin amendment.

The subcommittee concluded that this kind of program is desirable both on its own merits and as a way of counteracting pressures for the further extension of the unneeded and duplicative title II program at the end of fiscal year 1978.

Unless we cap this program, it may never end. If the Congress wishes to provide higher payments for general revenue sharing, we should put the additional money into that program. If we are sincere about desiring to help State and local governments in times of recession, we should adopt my amendment when it is offered.

This Nation has a great many unsolved social problems that will require large amounts of money. Passing out more revenue sharing under a mislabeled and duplicative program will not help solve those problems. And, of course, our resources are not unlimited, unless we count as resources the huge deficits we are piling up for future generations.

There is no question that we have unemployed people in this Nation, and we must do everything possible to find jobs for those who want to work. But, the unemployment rate does not even remotely indicate a national recession.

What it does indicate is the existence of pockets of unemployment in certain areas and structural changes in the labor force.

For example, the Commissioner of Labor Statistics has brought to the subcommittee's attention that the principal explanation for the high national unemployment rate is the increasing proportion of women joining the labor force. At the present time, about 47 percent of the women 20 years and over are in the labor force compared with far lower rates in past years. However, the comparable figure is 95 percent in Sweden. Consequently, if this trend were to continue here, it is conceivable that we would never again see a national unemployment rate below 6 percent, even in the most prosperous of times.

The solution to the unemployment problem lies in identifying the unemployed and devising intelligent policies and targeted programs to help those individuals.

Clearly, unemployment today is not high in the public sector, and a so-called countercyclical program such as title II is not an appropriate answer to high unemployment today when there is no national recession.

I think it is time to talk sense to the American people and to stop the practices of giving away the taxpayer's money through falsely labeled programs.

Mr. WYDLER. Madam Chairman, will the gentleman yield?

Mr. FOUNTAIN. I yield to the gentleman from New York.

Mr. WYDLER. Madam Chairman, I just want to say I think the subcommittee chairman has done a most conscientious and hard-working job in trying to come up with a formula under great pressure, which was not caused by his own action.

I am going to work with the gentleman as best I can to try to come up with a better formula but I hope the gentleman will consider unemployment as some part, at least, of the factor in any new formula that we devise.

Mr. FOUNTAIN. Madam Chairman, if I may say to the gentleman from New York, that portion of the bill that says that the study should be made by the Secretary of Commerce and the Secretary of the Treasury, that study has already been made very thoroughly by the Subcommittee on Intergovernmental Relations, they have been working with the Secretaries of Commerce, Treasury, and Labor, so actually that part of the bill, it seems to me, is rather perfunctory, but it is in it, and we will take a look at it.

Mr. WAGGONNER. Madam Chairman, I move to strike the last word.

Madam Chairman, I would like to ask a question of the distinguished floor manager of the bill, the gentleman from Texas (Mr. BROOKS). I am referring to page 8, section 6, entitled "Nondiscrimination" of the committee report. The purpose of the question is to try to be sure that the nondiscrimination provisions are made to coincide with those provisions which are a part of the revenue sharing legislation. This is the question that I would like to have clarified:

The committee report indicates that a recipient Government is exempt from the nondiscrimination provisions if it demonstrates with clear and convincing evidence that the program was not funded, directly or indirectly, with moneys allocated under this act.

Mr. BROOKS. Madam Chairman, will the gentleman from Louisiana (Mr. WAGGONNER) yield so that I may reply to him?

Mr. WAGGONNER. I would be most happy to yield to the gentleman from Texas.

Mr. BROOKS. Madam Chairman, the nondiscrimination provision included in H.R. 6810 incorporates the nondiscrimination provisions of the general revenue sharing statute passed last year. The section prohibits the use of funds made available under the countercyclical program in any discriminatory activity or program of a State or local government.

The nondiscrimination provision does not apply where any State or local government can demonstrate by clear and convincing evidence that the program or activity alleged to be discriminatory is not funded in whole or in part with funds available under this legislation. The words "directly or indirectly" do not appear in either this legislation or the general revenue sharing legislation. They were inadvertently included in the section-by-section analysis in the report on this legislation. That language is not intended in any way to affect the provision contained in the legislation itself.

Mr. WAGGONNER. Then it more properly should read "in whole or in part" since it was intended that we add that language, is that correct?

Mr. BROOKS. That is correct.

Mr. WAGGONNER. I thank the distinguished gentleman from Texas.

Mr. EDWARDS of California. Madam Chairman, I opposed the amendment when it was offered by Mr. ASPIN to H.R. 6810. The purpose of these countercyclical funds is to maintain basic services during times of high unemployment. Funds are distributed based on a formula which takes into account the unemployment rates of the various States and localities. This is the approach favored in the committee bill. Mr. ASPIN, on the other hand, has offered an amendment which provides for the use of a formula based on the tax effort of the State and local governments. The trouble with this approach is that an area's taxing effort does not accurately reflect the impact of a recession on the State and local government. This amendment would be detrimental to many parts of the country which suffer from high unemployment but which do not tax heavily enough for the Aspin formula.

For example, in my own district, this amendment would give local government $1.5 million less than under the committee formula. I urge the Members to reject the amendment.

Mr. LAGOMARSINO. Madam Chairman, there are a dozen reasons why H.R. 6810, the Counter-Cyclical Assistance Act, is a bad bill, but I will limit myself to just two. First, it is not needed. Second, the program does not work.

This bill is being sold to us as a cure for a recession which ended almost 2 years ago. Newly reported figures for the past seven quarters indicate that the current economic recovery is the strongest business cycle upturn since 1950 in terms of basic employment and output growth. Real GNP in the past seven quarters has grown 10.2 percent. Total employment has grown 6.9 percent. The pace of this recovery outstrips that experienced in any of the four previous recessions we have had in the past quarter century.

To take just two examples, in our two most basic industries: March auto sales reached a 12.6 million annual rate, practically a record high. This figure is 42 percent higher than the 1975 rate, and 25 percent above even last year's healthly total of 10.1 million cars. Also in March, the annual rate of new housing starts

was 2.1 million, nearly double the 1975 rate of 1.1 million.

So we are in the position of prescribing surgery for a patient well on the way to recovery.

My second point is that even in bad times this surgery is misapplied. According to the report of the subcommittee which heard this bill, the program has simply not been effective in curing the ills for which it was devised. The subcommittee found that countercyclical aid is not an antirecession cure, and does not reduce unemployment. In fact the subcommittee felt so strongly about the failures of the program that it recommended that it be scrapped and a new one devised.

Well I agree with their diagnosis, if not with their cure. The fact is, we do not need this program. The General Accounting Office, in looking into the conduct of last year's program, found that of 21 recipient governments surveyed as of February 7, only 6 had spent any of their funds. In fact, of the 20,000 governments receiving payments in the first three-quarters of the program 9,000, or almost half, received a total of $1,000 or less.

Consequently, GAO believes the bill, rather than curing our economic ills, could have an inflationary impact on the economy by the time it finally takes effect. In fact, many of the governments receiving funds under this program have simply deposited them in the bank.

At a time when rising prices have shrunk real income for wage earners and those on fixed pensions, it seems absurd to lay out up to $2¼ billion in revenues we do not have. The real result, rather than providing antirecession aid, could be a renewal of the boom and bust cycle which got us into this fix in the first place. I urge a no vote.

Mr. ZEFERETTI. Madam Chairman, I want to add my voice of support for the passage of the Intergovernmental Antirecession Assistance Act of 1977.

The bill extends the countercyclical aid program, which has proven vital to our local governments during the past year and is an integral part of President Carter's economic stimulus program.

The major thrust of this legislation is two-fold: To provide funds for getting thousands of our unemployed off the unemployment roles and into productive jobs, and to enable our local communities to maintain essential public services without drastically increasing taxes.

The original legislation passed last year, the Public Works Employment Act, has proved to be a constructive element in steering our economy out of a period of deep recession and on the road to recovery. It has helped to reduce our unemployment, it has helped in preventing the further deterioration of vital public services and it has provided funding for the construction of sorely needed public works projects such as schools and libraries.

There are those who will argue that countercyclical aid is inflationary and that it merely provides funding for "make-work" projects that are short-term in nature. Let me remind those critics that unemployment is extremely costly to the American people. We are currently spending nearly $20 billion yearly on the costs of unemployment, which accounts for a tremendous drain on the Federal Treasury. In addition, most of the jobs resulting from this program have been in the private sector. The overall effect has been an input of more consumer dollars back into circulation, stimulating economic recovery and providing still more jobs.

The formula of using local unemployment rates as the key element in the program assures that the assistance is targeted effectively to those areas that need it most, and I applaud the retention of this provision.

However, countercyclical assistance will continue to provide aid to State and local projects, generating many useful jobs while at the same time providing better governmental services to our citizens at the local level. This program has been successful in meeting those needs and I am confident that, with a vote of approval from this distinguished body, it will continue to stimulate and strengthen this Nation's economy.

Mr. DE LUGO. Madam Chairman, I rise in support of the amendment offered by the gentleman from South Carolina.

This amendment, which conforms to the language in the Senate bill, authorizes a 1 percent set aside for the U.S. territories under the countercyclical program. It would not take away funds from any other State or local government, and it is similar to the distribution formulas that Congress has enacted for the offshore areas in a number of other Federal programs.

This amendment would help meet the needs of these U.S. territories that have been hard hit by recession. It would replace the existing distribution formula, which, unfortunately, is not based on need or equity.

By providing assistance to the hard-pressed governments of these areas, it would reaffirm that the Federal Government has a responsibility to promote the economic recovery of the U.S. territories during periods of severe recession, as well as the several States.

In supporting the Senate amendment which is substantially the same as the one presently before this body, Senator MOYNIHAN called the 1 percent set aside "a modest proposal" in light of the high unemployment in these areas and the economic havoc caused by the recent recession.

Under this amendment, the Virgin Islands would receive less than $1 million a year to supplement its efforts to maintain vital public services during times of severe economic downturn. It is a reasonable amendment, and I strongly urge its adoption.

Mr. MURPHY of New York. Mr. Speaker, the countercyclical assistance authorizing legislation before us is a program of aid to State and local governments which have been very hard hit by recession. It is critically needed by New York State and New York City, and is probably the only measure which will enable the city to avoid serious budgetary problems in fiscal year 1978.

In the city, this bill would allow us to reopen libraries which have been closed for far too long. It would allow us to rehire up to 1,500 police men and women whose absence has been one of the major spurs to increased crime in the city. The countercyclical program is a key part of Mayor Beame's program, and is an equally key part of President Carter's package of aid to the States and cities.

Congressman ASPIN's amendment, while I am certain it is well-intended, has some unfortunate and extremely damaging aspects which would destroy the intent of the program.

Countercyclical means just that: It is intended to counter the problems engendered by a declining economy. In the same fashion, an improving economy would demand less countercyclical application of funds.

The Government Operations Committee investigated the alternatives most thoroughly, and reported out a bill which depends on an allocation formula based on, among many other factors, a fluctuating unemployment data base. The Aspin amendment would remove that factor, and in its place substitute a tax-base effort criteria schedule which has one very obvious defect of inflexibility among others.

I continue to hear grumblings that New York City will receive about 22 percent of this money. There is a very basic reason for this: We suffer from a great deal more than 22 percent of the problems of recession. We are the largest city in the Nation with over 9 million people, which is more than many entire States. Our unemployment rate is among the highest in the country, due to a raging recession which has affected the entire national economy. Again, I note the countercyclical nature of the legislation is to place the assistance where it is most needed, in areas of high unemployment. This cannot be determined by the tax base, which is by definition, a subjective assessment of value based on prior wages and market values rather than an objective view of current economic conditions.

I would also like to point out that the Aspin amendment, while it seems superficially to give more money to New York City, in reality it does so at the expense of the State, which receives considerably less, proportionally. Thus, the city's share of State countercyclical funds is sizably reduced—again defeating the entire purpose of countercyclical legislation.

The committee has expended considerable time and effort to devise a fair, rational, and reasonable bill in this time of economic reorganization. I can find no reason to alter those recommendations through a hasty amendment.

Mr. CONYERS. Mr. Speaker, I rise in strong support of the extension of the countercyclical program. Regardless of the optimistic economic indicators and predictions, by official rates the country is still at an unacceptable 7 percent unemployment rate and in the city of Detroit 10.7 percent, or 50,000 workers, still need a job. I regret to say that recession is still alive and well in Detroit, and the $20 million the city was granted in antirecession funds is largely responsible for the modest gains Mayor Coleman Young has been able to point to.

In his recent budget message, Mayor Young does indicate a real improvement in city services and finances, but reminds us that the level of services is not yet back to that of 2 years ago. Other incom-

ing Federal aid will be inadequate to meet the remaining 600 person shortfall in police ranks, or the $3 million underfunding of the public transportation system, or the rehabilitation of unlivable public housing units, or the 40-plus vacancies in the recreation department.

I have no doubt that many other recession-stricken areas are still below "restoration levels" of basic city services to their citizens. Widespread unemployment and struggling inner-city businesses are still undercutting the already declining municipal tax bases. Extra compensation and welfare cases are still draining city treasuries.

In May 1975, the Senate Government Operations Subcommittee on Intergovernmental Relations heard Mayor Young testify that "Detroit is in the strangling grip of a major depression," the subcommittee staff study claimed that:

> The recession has had an absolutely devastating effect on State and local government budgets.

Unlike the Federal Government which can easily borrow or print money, localities through tax increases and slashed services bear the brunt of recessions they did not create. Countercyclical aid is a critical component of urban economic recovery—a recovery which is far from attained.

The CHAIRMAN. Are there further amendments? If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Ms. HOLTZMAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6810) to amend and extend title II of Public Law 94-369, to establish a new title to the State and Local Fiscal Assistance Act of 1972, and for other purposes, pursuant to House Resolution 560, she reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken.

Mr. WYDLER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 243, nays 94, not voting 95, as follows:

[Roll No. 232]

YEAS—243

Addabbo	Fenwick	Murtha
Akaka	Fisher	Myers, Michael
Alexander	Flippo	Natcher
Allen	Flood	Nedzi
Ambro	Flowers	Nix
Ammerman	Flynt	Nolan
Anderson, Ill.	Foley	Nowak
Annunzio	Ford, Mich.	O'Brien
Applegate	Fowler	Oakar
Ashley	Fraser	Oberstar
Aspin	Frey	Obey
AuCoin	Gaydos	Ottinger
Badillo	Gephardt	Panetta
Baldus	Giaimo	Patten
Baucus	Gilman	Patterson
Beard, R.I.	Ginn	Pattison
Bedell	Gonzalez	Pepper
Beilenson	Gore	Perkins
Benjamin	Guyer	Preyer
Bennett	Hamilton	Pritchard
Biaggi	Hanley	Pursell
Bingham	Hannaford	Rahall
Blanchard	Harrington	Rangel
Blouin	Harris	Regula
Boggs	Hawkins	Reuss
Boland	Hollenbeck	Richmond
Bonior	Holtzman	Rinaldo
Bonker	Horton	Rodino
Bowen	Howard	Rooney
Brademas	Huckaby	Rose
Breaux	Hughes	Rosenthal
Breckinridge	Hyde	Rostenkowski
Brinkley	Jeffords	Roybal
Brodhead	Jenrette	Ruppe
Broomfield	Johnson, Calif.	Ryan
Brown, Calif.	Jones, Tenn.	Santini
Brown, Mich.	Jordan	Sarasin
Buchanan	Kastenmeier	Sawyer
Burke, Mass.	Keys	Scheuer
Burlison, Mo.	Kildee	Schroeder
Burton, John	Koch	Schulze
Burton, Phillip	Kostmayer	Sharp
Byron	Krebs	Shipley
Caputo	Latta	Simon
Carr	Le Fante	Sisk
Carter	Lehman	Slack
Chisholm	Lent	Solarz
Clausen, Don H.	Lloyd, Calif.	Spellman
	Lloyd, Tenn.	Stanton
Cohen	Long, La.	Steers
Coleman	Lundine	Stokes
Collins, Ill.	McClory	Studds
Conte	McCloskey	Thompson
Conyers	McDade	Thornton
Cornell	McEwen	Trible
Cornwell	McFall	Tsongas
D'Amours	McHugh	Ullman
Danielson	McKinney	Vander Jagt
Davis	Madigan	Vento
de la Garza	Maguire	Walgren
Delaney	Markey	Walsh
Dellums	Mathis	Wampler
Derrick	Mazzoli	Waxman
Dicks	Meeds	Weiss
Diggs	Meyner	Whalen
Dodd	Mikulski	White
Downey	Mikva	Whitten
Drinan	Miller, Calif.	Wilson, Bob
Duncan, Oreg.	Mineta	Wilson, C. H.
Duncan, Tenn.	Minish	Wolff
Early	Mitchell, Md.	Wydler
Eckhardt	Mitchell, N.Y.	Wylie
Edgar	Moakley	Yates
Edwards, Calif.	Moffett	Yatron
Eilberg	Mollohan	Young, Alaska
Emery	Moore	Young, Fla.
Ertel	Moorhead, Pa.	Young, Mo.
Evans, Colo.	Moss	Young, Tex.
Evans, Del.	Motti	Zablocki
Evans, Ga.	Murphy, Ill.	Zeferetti
Fary	Murphy, N.Y.	
Fascell	Murphy, Pa.	

NAYS—94

Abdnor	Corcoran	Grassley
Andrews, N.C.	Coughlin	Gudger
Andrews, N. Dak.	Crane	Hagedorn
	Daniel, R. W.	Hammerschmidt
Armstrong	Derwinski	
Ashbrook	Devine	Hansen
Bafalis	Dickinson	Harkin
Barnard	Dornan	Hefner
Bauman	Edwards, Okla.	Hightower
Beard, Tenn.	English	Holt
Brooks	Erlenborn	Jacobs
Burleson, Tex.	Evans, Ind.	Jones, N.C.
Butler	Findley	Kasten
Cavanaugh	Fountain	Kelly
Chappell	Gammage	Kindness
Cleveland	Goldwater	Krueger
Cochran	Goodling	Lagomarsino
Leach	Myers, Gary	Smith, Nebr.
Levitas	Myers, Ind.	Snyder
Long, Md.	Neal	Spence
Lott	Pease	Stangeland
Luken	Pettis	Steed
McDonald	Pickle	Stockman
Mahon	Poage	Symms
Mann	Quayle	Taylor
Marlenee	Railsback	Thone
Martin	Rhodes	Treen
Mattox	Robinson	Waggonner
Michel	Rogers	Whitehurst
Milford	Rousselot	Wiggins
Miller, Ohio	Satterfield	Wirth
Moorhead, Calif.	Shuster	
	Skubitz	

NOT VOTING—95

Anderson, Calif.	Gradison	Risenhoover
	Hall	Roberts
Archer	Harsha	Roe
Badham	Heckler	Roncalio
Bevill	Heftel	Rudd
Bolling	Hillis	Runnels
Brown, Ohio	Holland	Russo
Broyhill	Hubbard	Sebelius
Burgener	Ichord	Seiberling
Burke, Calif.	Ireland	Sikes
Burke, Fla.	Jenkins	Skelton
Carney	Johnson, Colo.	Smith, Iowa
Cederberg	Jones, Okla.	St Germain
Clawson, Del	Kazen	Staggers
Clay	Kemp	Stark
Collins, Tex.	Ketchum	Steiger
Conable	LaFalce	Stratton
Corman	Lederer	Stump
Cotter	Leggett	Teague
Daniel, Dan	Lujan	Traxler
Dent	McCormack	Tucker
Dingell	McKay	Udall
Edwards, Ala.	Marks	Van Deerlin
Fish	Marriott	Vanik
Fithian	Metcalfe	Volkmer
Florio	Montgomery	Walker
Ford, Tenn.	Nichols	Watkins
Forsythe	Pike	Weaver
Frenzel	Pressler	Whitley
Fuqua	Price	Wilson, Tex.
Gibbons	Quie	Winn
Glickman	Quillen	Wright

The Clerk announced the following pairs:

On this vote:

Mr. Sikes for, with Mr. Teague against.

Mr. Wright for, with Mr. Montgomery against.

Mr. Kazen for, with Mr. Archer against.

Mr. Staggers for, with Mr. Badham against.

Mr. Tucker for, with Mr. Burgener against.

Mr. Carney for, with Mr. Burke of Florida against.

Mr. Fish for, with Mr. Del Clawson against.

Mr. Gradison for, with Mr. Collins of Texas against.

Mrs. Heckler for, with Mr. Frenzel against.

Mr. Kemp for, with Mr. Marriott against.

Mr. Marks for, with Mr. Rudd against.

Mr. Steiger for, with Mr. Sebelius against.

Mr. Lederer for, with Mr. Winn against.

Mr. Dent for, with Mr. Whitley against.

Mr. Fuqua for, with Mr. Dan Daniels against.

Mr. Heftel for, with Mr. Nichols against.

Mr. Russo for, with Mr. Bevill against.

Until further notice:

Mr. Hubbard with Mr. Anderson of California.

Mr. Ireland with Mr. Gibbons.

Mr. St Germain with Mr. Leggett.

Mr. Skelton with Mr. Metcalfe.

Mr. Stratton with Mr. Cederberg.

Mrs. Burke of California with Mr. Quie.

Mr. Hillis with Mr. Price.

Mr. Dingell with Mr. Quillen.

Mr. LaFalce with Mr. Broyhill.

Mr. Harsha with Mr. Weaver.

Mr. Smith of Iowa with Mr. Walker.

Mr. Edwards of Alabama with Mr. Vanik.

Mr. McCormack with Mr. Udall.

Mr. Conable with Mr. Lujan.

Mr. Pike with Mr. Pressler.

Mr. Florio with Mr. Brown of Ohio.

Mr. Corman with Mr. Hall.

Mr. Clay with Mr. Ichord.
Mr. Jenkins with Mr. McKay.
Mr. Volkmer with Mr. Risenhoover.
Mr. Charles Wilson of Texas with Mr. Holland.
Mr. Traxler with Mr. Watkins.
Mr. Stump with Mr. Van Deerlin.
Mr. Stark with Mr. Roberts.
Mr. Fithian with Mr. Runnels.
Mr. Ford of Tennessee with Mr. Glickman.
Mr. Jones of Alabama with Mr. Roncalio.

Messrs. EVANS of Indiana, DERWINSKI, and RAILSBACK changed their vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to amend and extend title II of Public Law 94-369, and for other purposes."

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON HOUSE ADMINISTRATION TO FILE REPORT ON H.R. 5400

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent that the Committee on House Administration may have until midnight tonight to file a committee report on the bill H.R. 5400.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO HAVE UNTIL MIDNIGHT, SATURDAY, MAY 14, 1977, TO FILE REPORTS

Mr. YOUNG of Missouri. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight, Saturday, May 14, 1977, to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ONE-THIRD OF OUR FIRSTLINE CARRIER FLEET OBSOLETE?

(Mr. MILFORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MILFORD. Mr. Speaker, yesterday, in response to a reporter's question, President Carter stated that the Navy's A-7E aircraft were obsolete, overpriced, and that the Navy would be better off to rely on the replacement model.

I am astonished at Mr. Carter's apparent lack of knowledge about our Navy's aircraft inventory. Also about his lack of knowledge of the Navy options for present and future aircraft procurement.

Apparently President Carter is not aware that 25 to 30 percent of our present Navy first-line carrier fleet consists of A-7 aircraft. Surely the President is not telling the world that nearly one-third of our firstline Navy aircraft are obsolete.

Further, the President said the decision not to order new A-7's "was based on the fact that we have superior aircraft to replace it."

The only airplane I have heard mentioned to replace the A-7 is the A-18, and that airplane is still in the design stage. If every factor works to the very best—which seldom happens in new aircraft development—we will not see an A-18 on a carrier for at least 5 years.

Mr. Speaker, I would like to take a look at the President's remarks on the A-7E aircraft one by one, along with the U.S. Navy's own evaluation of that aircraft.

The President states that the A-7E is "obsolescent." Vice Adm. Frederick C. Turner, Deputy Chief of Naval Operations for Air Warfare, in an exchange before the Senate Appropriations Committee on March 10 of this year, had this to say:

Senator INOUYE. Is it not true that in the A-7E the Navy has a light attack aicraft capable of carrying very large loads of air-to-surface weapons to distant targets for which the weapon control systems in the airplane provide highly accurate target impacts?

Admiral TURNER. The A-7E is a very capable light attack aircraft with excellent range and payload characteristics. It is capable of carrying and delivering most of the Navy's air-to-ground ordnance with extremely high accuracy.

Now, Mr. Speaker, let us hear what Admiral Turner had to say in the same hearings which might apply to President Carter's remarks that "as far as our return on very scarce military dollars invested it (the A-7E) was not the best investment to make."

In the Senate hearing this exchange took place:

Senator INOUYE. It is my understanding also that the unit price of the A-7E is low—as combat aircraft costs go these days—so that this aircraft does in fact offer a high measure of target destruction potential for the dollar investment? In other words, is the A-7E very cost-effective?

Admiral TURNER. With a flyway cost of approximately $5 million, the A-7E is the least expensive carrier-based tactical aircraft in production today. In view of its demonstrated capability and reliability, the A-7E would have to qualify as a very cost-effective and very satisfactory light attack aircraft.

That same hearing also addressed another point which the President mentioned in his press conference.

In the press conference, the President said:

I don't believe our defense capability will be damaged by not going ahead and acquiring this plane (the A-7E).

The hearing transcript, still with Admiral Turner, shows this exchange:

Senator INOUYE. Did the Navy appeal or reclama the decision to cancel the procurement of the A-7E?

Admiral TURNER. Yes, sir; the Navy did submit a reclama to the OSD decision to terminate the A-7E procurement. The Navy requested the procurement of the six aircraft which were deleted from the FY-78 budget. That reclama further stated a requirement for the procurement of 36 A-7Es subsequent to the FY-77 buy to preclude a light attack force level shortfall.

Mr. Speaker, what all this indicates to me is that we in the Congress and the American people are not getting the true story about the Navy's airpower status and needs.

The heart of the matter is that the Navy has steadfastly maintained that it has an absolute minimum requirement for 36 A-7E aircraft to fill the complement of a 12-carrier fleet until the A-18 becomes operational.

Let me cite you some recent history which shows how the A-7E has suffered at the hands of two administrations, with little or no regard for the Navy's real need or the real need of our national defense. This story also illustrates the capricious nature of recent defense "planning."

In January 1976, the Five Year Defense Plan called for 120 new A-7E's to meet the 36 aircraft minimum, including attrition and reconnaissance requirements.

Then, in May 1976, for reasons other than national defense, a series of games started with these plans when a 10-percent cut was imposed, reducing the procurement to 108, and in November it was cut again—this time to 54.

During December alone, the procurement was cut back to zero, increased to 36, and then cut back to 6.

In January 1977, it was cut back to zero again.

This Congress has to take a very skeptical and doubting view of such excursions. The United States either has a defense plan, or it does not. From the looks of this situation, it does not—at least, not where the A-7E is concerned.

If there is such a plan, it is much too vulnerable to the capricious political expediencies of every small political breeze which blows.

This Congress must know what is really needed for national defense, what the plan is, and how to follow it, in spite of the political whims of every administration.

Mr. Speaker, now I would like to address the issue of the replacement airplanes for the A-7E.

According to a report in the Aerospace Daily, on March 21, 1977, internal Navy documents indicate the Navy has very serious reservations about the A-18 attack aircraft.

In fact, according to this report, internal Navy studies indicate that the A-18 attack version of the F-18 fighter is "less capable than the present Vought A-7E in all areas except aerodynamic performance" and that the "A-18 cannot meet mission requirements for the 1980's in terms of strike capability, electronic warfare survivability and mission flexibility."

In the same reports, there are serious questions raised about the cost of the A-18, should such an aircraft ever come about.

Mr. Speaker, I would like to have this entire report appear at the end of my remarks.

The real question which I believe is pertinent here is what happens if the President prevails and the A-7E program is cancelled and the Vought production line is shut down?

The Navy says we are short 36 A–7E's right now, and it has already been established that the A–7E is the only light attack aircraft on our carriers today.

If the line is closed, and even one of those aircraft is lost in combat in the next 5 or more years, there will be no way to replace it.

If we should have a major military confrontation and lose A–7E's in large numbers, then—without the Vought line open and producing airplanes—we are left completely without the ability to replenish our losses.

Mr. Speaker, none of this makes sense from a cost standpoint or from a national defense standpoint.

Someone, somewhere, is playing some very dangerous games.

The Aerospace Daily report follows:

NAVY STUDIES FIND A–18 LESS CAPABLE THAN A–7E IN MOST AREAS

Internal Navy studies have concluded that the A–18 attack version of the McDonnell Douglas F–18 Hornet fighter is less capable than the present Vought A–7E in all areas except aerodynamic performance and cannot meet mission requirements for the 1980s in terms of strike capability, electronic warfare survivability and mission flexibility, The Daily has learned.

The analyses were completed by Air Test and Evaluation Squadron Five, China Lake, Calif., last October, and have been circulated around the Pentagon for the past month. The A–18's key shortcomings, according to the report, are its limited weapons carriage, outmoded electronic countermeasures (ECM) suite and inadequate internal fuel capacity.

These shortcomings threaten the viability of more than just the attack version, moreover, since the whole F–18 program depends on the procurement of the full Navy request for 800 aircraft in order to achieve an acceptable program unit cost. Out of those 800, the Navy plans to procure 430 fighter versions, 310 attack aircraft and 60 trainers. An additional 11 aircraft are in the development program. Total program cost is estimated at $12.8 billion, including inflation.

Based on the latest Selected Acquisition Report (SAR) dated Dec. 31, that works out to a program unit cost of $16 million in "then year dollars" for the F–18, which puts it uncomfortably close to the $20.5 million for the Grumman F–14. (The latter figure is based on the revised plan for 521 F–14s at a total cost including inflation, of $10.56 billion.)

The issue came to a boil last Wednesday during closed-door hearings before the House defense appropriations subcommittee. Congressmen favoring the A–7 grilled Robert Parker, acting director of Defense Research and Engineering, about the rumored deficiencies in the A–18. Among those leading the questioning was Rep. Bill Chappell Jr. (D–Fla.).

Their goal was to keep the A–7 program alive, at least until the Pakistani sale could be resolved, but they succeeded in restoring only six of those aircraft to the FY '78 DOD budget after earlier attempts to put in 24 and then 12 were voted down in the subcommittee by substantial margins.

A–7 UNIT COST COULD DROP TO $4.5 MILLION

Unit cost of the A–7 this year is running less than $5 million, but it could drop down to $4.5 million if Congress finally approves an FY '78 request for 12–24 more. Conversely, it will rise well above $6 million if the FY '78 buy is held at six aircraft.

In the past the pro-A–7 faction, concentrated in the Texas congressional delegation, has been limited essentially to the economic argument that closing the production line would amount to driving a major airframe contractor, Vought, out of business. The new revelations give them some technical ammunition.

Probably the most damaging argument to come out of the test and evaluation report is that the inadequate internal fuel capacity will dictate external fuel tanks and this, in turn, will limit performance. The high fuel consumption of the aircraft's two low bypass ratio afterburning turbofan engines means that for most missions three external tanks will be needed, leaving only two air-to-ground stations.

But to meet the survivability requirements of those missions four weapons stations will be needed, allowing carriage of only one external tank This, according to the internal Navy studies, results in a calculated mission radius that is 25–35 percent less than for an A–7E with the same weapon loads and no external tank.

Furthermore, the Navy testing team doubted that a centerline tank could be added because of catapult clearance problems and added that the A–18 has not been designed for aerial refueling.

The A–18 will have to carry anti-radiation missiles to defend itself against surface-to-air missiles in addition to bombs to complete its mission. Yet there are no Shrike or Standard Arm interfaces, which means the A–18 must depend on the availability of the high-speed anti-radiation missile (HARM). The aircraft will have only limited capability to carry laser-guided bombs (one per rack) and no capability to carry Walleye, mines, pods or dispensers.

In the electronic warfare area the evaluation team was particularly critical of what it called the A–18's "outmoded" ECM suite consisting of the ALR–45, ALR–50, ALE–39 and ALQ–126. These systems were said to be only marginally effective against a small portion of the future threat.

The A–18 is eventually due to get the newer technology ALR–67 radar warning receiver and advanced self-protection jammer (ASPJ), but the Navy study team complained that the aircraft as now designed will not be compatible with these systems. The team said that ECM and ARM were even more important than aerodynamic performance for survival in combat, and that the present ECM suite was "totally inadequate." The proposed solution was to build in the necessary ECM and defense suppression now—specifically the ASPJ and ALR–67—so that the aircraft could meet the threat of the 1980s.

DAVIS-BACON ACT

The SPEAKER. Under a previous order of the House, the gentleman from Minnesota (Mr. HAGEDORN) is recognized for 5 minutes.

Mr. HAGEDORN. Mr. Speaker, the Assistant Administrator of the Wage and Hour Division of the Department of Labor has more influence over construction rates in this country than does any other single individual. As the individual designated by the Secretary of Labor to carry out the Secretary's duties under the Davis-Bacon Act, he has the power to compel the expenditure of hundreds of millions of unnecessary public dollars every year. Through a variety of administrative techniques, he has the power to manipulate public construction costs to an extent inevitably impacting upon construction costs in the private sector. There is simply no way that wage rates imposed upon the 30 percent of construction in this country that is public can fail to influence remaining construction markets. Dr. Armand Thieblot, in a study for the Wharton School of Business, concluded that—

If it is easy to pass along higher wage costs as it is to the price-inelastic government construction user, then higher wage demands will not be as strongly resisted. The greater the proportion of Davis-Bacon work in an area, the higher the wage scale will be.

Mr. Speaker, in the RECORD of May 11, I suggested a number of new interpretations of the Davis-Bacon Act being pursued by the Department of Labor designed to insure that "prevailing wages" are established as near as possible to the highest wages in given areas. At this point, I would like to insert a memorandum by an attorney, Mr. Carl Trieshmann of Smith, Currie & Hancock in Atlanta, Ga., wherein he notes specific examples of how the Department contorts the basic premises of Davis-Bacon to justify wage determinations far in excess of actual "prevailing" wages. I call these examples to the attention of my colleagues as being illustrative of what the Department is doing on a daily basis to insure needlessly high public construction costs.

MARTA I

MARTA I is a shorthand designation for the first case where the assistant administrator sought to raise construction costs for the Metropolitan Atlanta Rapid Transit Authority's rapid rail system. In this particular case, he sought to conduct a survey of construction projects of a similar character to the at-grade construction projects MARTA was advertising for bids as part of the early days of construction of the rapid rail system. The MARTA contracts involved were to clear and grade various segments of the proposed right-of-way with minimal tunneling or heavy concrete work. In short, these particular projects were very similar to at-grade highway construction and did not involve any actual track laying.

More than 90% of the wage data from the projects surveyed by the assistant administrator and used to establish the wage rates for the MARTA contracts in this particular case was derived from water pollution control and sewage treatment plant projects. These projects entail heavy concrete work, elaborate and extensive mechanical, electrical, and plumbing systems, and can in no way be viewed as comparable to the clearing and grading of right-of-way which MARTA was undertaking.

MARTA requested that the assistant administrator review and reconsider his wage decision but he did not offer any meaningful response. As a result, MARTA as well as the Georgia Highway Contractors Association appealed his decision to the Wage Appeals Board. As a result of this appeal, the Wage Appeals Board ruled in favor of MARTA and GHCA and directed that the Labor Department redetermine the wage rates for these projects and exclude water pollution control and sewage treatment plant projects in such redetermination.

MARTA calculated that had the assistant administrator's decision been upheld, it would have added a minimum of One-Hundred Million Dollars to the construction costs of MARTA's rapid rail system.

MARTA II

MARTA II is another case involving wage rates applicable to the construction of the aerial portion of MARTA's rapid rail system. Rather than utilizing manipulated survey data to raise construction costs as he had attempted in MARTA I, the assistant administrator endeavored to achieve his same desired result of increasing the wage rates above and beyond those which actually pre-

vailed in Fulton and DeKalb Counties by characterizing the aerial construction as "building" construction. "Building" construction is normally applied by the Department of Labor to building structures, such as Federal office buildings, high-rise apartments, and similar structures. The assistant administrator took the position that the aerial portions of the MARTA system, best perceived or understood as a series of bridges, were "buildings" and the wage rates to be paid for this aerial construction were those paid for "building" construction in Fulton and DeKalb Counties.

The Georgia Highway Contractors Association and the Associated General Contractors, Georgia Branch, requested the Department to reconsider its decision to characterize the aerial construction projects as "building" and requested that he conclude that they are "heavy" construction projects. "Heavy" construction projects are those that are neither "buildings", "residential construction", or "highways." The Assistant Administrator refused to alter his initial decision on the aerial construction projects.

GHCA and AGC then appealed his decision to the Wage Appeals Board and was completely successful. The Wage Appeals Board ruled that the aerial structures were not buildings, but were "heavy" construction projects like bridges, and, therefore, the "building" wage rates were inappropriate for these projects. As a result of this decision, the Assistant Administrator was directed to issue "heavy" wage rate schedules for these projects resulting in savings of millions of dollars for aerial construction costs connected with the MARTA rapid rail system.

COBB COUNTY I

Cobb County I is a shorthand reference to another case involving the Assistant Administrator's efforts to unnecessarily increase by millions of dollars the cost of constructing water pollution control plants. Previously, water pollution control plants which were Federally financed carried two wage rate schedules. One schedule was designated "building" and the other schedule was designated "heavy". Contractors were to pay "building" structures built in connection with the water pollution control plant project, and pay "heavy" wage rates for the nonbuilding aspects of the water pollution control plant projects. Because of the nature of such projects, the "Building" portion accounted for less than 20% of the total project; the remainder being "Heavy" construction.

The Assistant Administrator decided that water pollution control plant projects were really "building" projects and eliminated the "heavy" wage rate schedule. Thus, contractors bidding on water pollution control plant projects would do so knowing that they would have to pay the much higher "building" wage rates for the entire project where, before, such rates were paid on less than 20% of the total project.

The Georgia Utility Contractors Association requested reconsideration of this decision, but to no avail. GUCA then appealed the decision to the Wage Appeals Board and won. The Assistant Administrator was instructed by the Wage Appeals Board to issue both "building" and "heavy" wage rate schedules for the particular water pollution control plant project there involved and to do so on all other water pollution control plant projects throughout the country.

Had this decision not been reversed by the Wage Appeals Board, the increased cost on the single project involved in this case would have exceeded one million dollars. The total cost of the Federal Government would have been in the tens and perhaps hundreds of millions of dollars if the decision had been sustained and become the "law" for all other water pollution control plant projects to be constructed in all fifty states.

Unfortunately, the Assistant Administrator's decision in Cobb County had previously been made on a similar project in Gwinnett County, Georgia. His decision in Gwinnett County was not appealed timely and the contract was awarded to a contractor on the basis of the single "building" wage rate schedule basis. Interestingly, Gwinnett County initially requested bidders to submit two bids, one bid based on the "building" wage rate schedule alone, and the other bid to be based utilizing the "building" and "heavy" wage rates. The difference between the low bids was $300,000. In short, the low bidder utilizing the "building" and "heavy" wage rate schedules was $300,000 lower than the low bidder utilizing only the "building" wage rates. However, because the decision was not timely appealed, the County was left with no alternative but to award the contract to the low bidder who used only the "building" rates. The water pollution control plant project awarded by Gwinnett County cost three hundred dollars more than it should have cost due solely to the Assistant Administrator's decision and an erroneous decision as subsequently demonstrated by the Wage Appeals Boards' decision.

COBB COUNTY II

Cobb County II is a case involving a second water pollution control plant project to be undertaken in Cobb County. Knowing that he cannot raise wage rates by mis-characterizing this project as a "building" project as he had tried, but failed to do, in Cobb County I, the Assistant Administrator has endeavored to manipulate through timing of surveys and the content of surveys the wage rates applicable for this project. Thus, at his instructions, the Department of Labor carried out an expedited and highly abbreviated "heavy" survey in Cobb County which has resulted in dramatic increases in wage rates on the "heavy" wage rate schedule. While the Department of Labor normally takes at least sixty (60) days to conduct a wage rate survey, this survey was conducted in less than fifteen (15) days.

Furthermore, the Assistant Administrator has decided to exclude various projects simply because they carry low wage rates notwithstanding the fact that such projects have always been included in "heavy" surveys in Cobb County previously. Thus, through selectively including and excluding projects, he has effectively raised the "heavy" wage rate schedule dramatically.

Although he has been presented with substantial wage rate data demonstrating that the "building" rates are erroneous by the County, the Assistant Administrator refuses to initiate a "building" survey to establish accurate rates for such construction. Not surprisingly the "building" rates presently issued by him are union rates and the data collected by the County clearly demonstrates that open-shop construction rates prevail in the County for "building" construction.

Clearly, while he conducted an unusually expedited and abbreviated "heavy" survey at the request of labor organizations, and without any supporting data indicating that the then existing "heavy" wage rates were inaccurate, the Assistant Administrator refuses to conduct a survey of "building" wage rates at the request of Cobb County and such refusal is made in the face of substantial data demonstrating that those "building" wage rates are wrong and do not reflect prevailing wage rates in Cobb County for that type of construction.

As a result of the wage decision issued, Cobb County and the Georgia Utility Contractors Association requested that he reconsider his decision. No meaningful action has been taken by the Assistant Administrator to correct the errors brought to his attention by the County and GUCA. Furthermore, he has issued a new decision which raises the wage rates for twelve (12) job classifications on the "building" wage rate schedule in the face of the substantial evidence presented demonstrating that the entire schedule is wrong and the rates should be lowered drastically.

EXPLANATION OF AMENDMENT TO CLEAN AIR ACT AMENDMENTS

The SPEAKER. Under a previous order of the House, the gentlewoman from Nebraska (Mrs. SMITH) is recognized for 10 minutes.

Mrs. SMITH of Nebraska. Mr. Speaker, on May 5, I had printed in the RECORD a copy of an amendment I plan to offer to H.R. 6161, the Clean Air Act amendments, when it reaches the floor of the House of Representatives.

Briefly, the amendment, if adopted, will offer relief for small gasoline refineries throughout the country which are being forced to comply with Environmental Protection Agency regulations regarding the phasedown of lead in gasoline that were designed for large refineries.

In its effort to get down to the 0.5 grams per gallon standard for lead in gasoline by October 1, 1979, the EPA has placed an almost intolerable burden on the small refinery. The cost of complying with these rules is prohibitive for most of these refineries and many might have to be closed.

As an alternative, I am proposing that small refineries—those with a production capacity of 50,000 barrels per day or less and owned or controlled by a refiner with a total capacity of 175,000 barrels per day or less—meet a lead standard per gallon of gasoline in inverse proportion to its size. The specific requirement is contained in the amendment.

The EPA itself is concerned about the effect of the phasedown regulations on small refiners and refineries. It commissioned a study to be done on the subject by Sobotka and Company, Inc. One of the findings of Sobotka was that "some small refineries or refiners will consider termination of their gasoline business and some of those that elect to do so may close their facilities unless they are granted either a complete waiver for lead limitations or unless an intermediate standard * * * is applied to them."

My amendment sets some realistic standards for the industry and meets the goals for clean air set by the Congress and enforced by the Environmental Protection Agency.

The copy of the amendment on page 13876 of the May 5 RECORD was a preliminary effort. The amendment printed in today's RECORD contains some minor, technical changes from the first version.

The most significant of these is in the definition of a "small refinery." So there would be no opportunity to abuse the new standards, a 175,000-barrel-per-day capacity limit is placed on refiners that would be eligible to have refineries included under the new regulations.

The following, then, is the amendment as I intend to offer it when H.R. 6161 is considered:

AMENDMENT TO H.R. 6161, AS REPORTED, OFFERED BY MRS. SMITH OF NEBRASKA

(New provision to be added to section 220 of H.R. 6161)

Add the following new subsection to section 220:

"(g) (1) For the purposes of this subsection—

"(A) The terms 'gasoline' and 'refinery' have the meaning provided under regulations of the Administrator promulgated under this section.

"(B) The term 'small refinery' means a refinery producing gasoline which—

"(i) was in operation or under construction on October 1, 1976, and

"(ii) has a crude oil or bona fide feed stock capacity (as determined by the Administrator) of 50,000 barrels per day or less, and

"(iii) is owned or controlled by a refiner with a total combined crude oil or bona fide stock capacity (as determined by the Administrator) of 175,000 barrels per day or less.

"(2) No regulations of the Administrator under this section (or any amendment or revision thereof) respecting the control or prohibition of lead additives in gasoline shall require a small refinery to reduce the average lead content per gallon of gasoline refined at such refinery below the lower of the applicable amount specified in table A or table B below:

TABLE A

If the gasoline production is no greater than 50 per cent of refining capacity and if the refinery capacity in barrels per day is—	The applicable amount (in grams per gallon) is—
2,000 and under	3.0
2,001–4,000	2.9
4,001–6,000	2.8
6,001–8,000	2.7
8,001–10,000	2.6
10,001–12,000	2.5
12,001–14,000	2.4
14,001–16,000	2.3
16,001–18,000	2.2
18,001–20,000	2.1
20,001–22,000	2.0
22,001–24,000	1.9
24,001–26,000	1.8
26,001–28,000	1.7
28,001–30,000	1.6
30,001–32,000	1.5
32,001–34,000	1.4
34,001–36,000	1.3
36,001–38,000	1.2
38,001–40,000	1.1
40,001–42,000	1.0
42,001–44,000	0.9
44,001–46,000	0.8
46,001–48,000	0.7
48,001–50,000	0.6

TABLE B

If the gasoline production is no greater than refining capacity and if the average gasoline production of the refinery (in barrels per day) for the immediate preceding calendar year was—	The applicable amount (in grams per gallon) is—
1,000 or under	3.0
1,001 to 2,000	2.9
2,001 to 3,000	2.8
3,001 to 4,000	2.7
4,001 to 5,000	2.6
5,001 to 6,000	2.5
6,001 to 7,000	2.4
7,001 to 8,000	2.3
8,001 to 9,000	2.2
9,001 to 10,000	2.1
10,001 to 11,000	2.0
11,001 to 12,000	1.9
12,001 to 13,000	1.8
13,001 to 14,000	1.7
14,001 to 15,000	1.6
15,001 to 16,000	1.5
16,001 to 17,000	1.4
17,001 to 18,000	1.3
18,001 to 19,000	1.2
19,001 to 20,000	1.1
20,001 to 21,000	1.0
21,001 to 22,000	0.9
22,001 to 23,000	0.8
23,001 to 24,000	0.7
24,001 to 25,000	0.6

"(3) Effective on the date of the enactment of this subsection, the regulations of the Administrator under this section respecting fuel additives (40 C.F.R. Part 80) shall be deemed amended to comply with the requirement contained in paragraph (2)."

FORTY-SIX CONGRESSMEN CO-SPONSOR TRIBLE HOMEMAKER RETIREMENT BILL

The SPEAKER. Under a previous order of the House, the gentleman from Virginia (Mr. TRIBLE) is recognized for 10 minutes.

Mr. TRIBLE. Mr. Speaker, 30 to 50 million American homemakers are rapidly approaching retirement age without any type of retirement plan. These hard working men and women compose approximately one-third of our adult population. Unfortunately, they face the dismal prospect of old age without any source of outside income.

I am pleased to reintroduce with 46 cosponsors H.R. 4649, the Trible homemaker retirement bill. This bill would permit every homemaker in America who is not now participating in a retirement plan to own an individual retirement account—commonly known as an IRA.

The cosponsors are: Representatives CLIFFORD ALLEN, BILL ARMSTRONG, ROBERT BADHAM, HERMAN BADILLO, ROBERT BAUMAN, CALDWELL BUTLER, LAWRENCE COUGHLIN, PHILIP CRANE, RICHARD GEPHARDT, WILLIAM GOODLING, CHUCK GRASSLEY, MICHAEL HARRINGTON, MARJORIE HOLT, ROBERT KASTENMEIER, JACK KEMP, THOMAS KINDNESS, PETER KOSTMAYER, RAYMOND LEDERER, MARILYN LLOYD, TRENT LOTT, BARBARA MIKULSKI, ROBERT NIX, MARY ROSE OAKAR, RICHARD OTTINGER, JERRY PATTERSON, SHIRLEY PETTIS, JOEL PRITCHARD, J. DANFORTH QUAYLE, ALBERT QUIE, JOHN ROUSSELOT, PATRICIA SCHROEDER, GLADYS SPELLMAN, FORTNEY STARK, NEWTON STEERS, ARLAN STANGELAND, DAVID TREEN, GUY VANDER JAGT, ROBERT WALKER, G. WILLIAM WHITEHURST, CHARLES WILSON of Texas, and DON YOUNG.

THE PRESENT STATE OF THE LAW

At the present time, any self-employed person who earns wages and is not participating in a retirement plan may own an IRA. IRA's are generally available from banks, savings and loan associations, insurance companies, mutual funds, and other financial institutions. Once a person establishes an account, he or she can make annual contributions to the account of up to $1,500 or 15 percent of the first $10,000 of earned income.

For Federal income tax purposes, contributions to an IRA are fully deductible from the gross income of the wage earner. In addition, the annual earnings on the investment in the account are tax sheltered. Taxes are paid on the IRA only when money is withdrawn from the account. These tax benefits can increase after tax retirement income by as much as $13,289 per year. An investment in an IRA will usually return 35 percent more after tax income than the same investment without the tax benefits of an IRA.

Last year, the Congress passed the so-called "spousal IRA." This law extended IRA benefits to a selected group of homemakers under five very narrow conditions.

To qualify, a homemaker had to: First, not be a participant in a retirement plan; second, earn no wages; third, have a spouse who could own an IRA; fourth, have a spouse who elected to invest in an IRA; and, fifth, have a spouse who was willing to reduce the contribution to his or her IRA from a maximum of $1,500 to $875. Quite simply, there are very few homemakers who can meet all five of these tests.

My bill would eliminate the last four tests. To qualify to own an IRA, a homemaker would have to meet only the first test. If a homemaker is not participating in a retirement plan, he or she could own an IRA.

Each homemaker could participate in an IRA under the same limits on plan contributions as any other self-employed worker. They would not be treated as half-citizens. They could contribute up to $1,500 to their IRA's.

HOW THE BILL WORKS

Today, there is only one reason why homemakers who want an IRA cannot get one: homemakers are not paid wages for their work in the home. The law now requires earned income before anyone can have an IRA. Consequently, homemakers cannot participate because the law defines their labor as being economically worthless.

I think this is an irrational provision in the law which should be eliminated. You and I are both well aware of the great worth of the American homemaker's work. Yet, in spite of our common agreement, homemakers cannot own an IRA because they do not draw a paycheck for their work in the home.

My bill would amend the present law and allow homemakers to count as their own income the compensation of their spouse. In other words, the bill recognizes the economic value of a homemaker's work.

H.R. 4649 would not make an arbitrary distinction between homemakers who earn wages and those who do not. If a homemaker earns wages and does not participate in a retirement plan, the homemaker would have the same opportunity to own an IRA as a homemaker who does not earn wages. Both homemakers could elect to count as their own

income the compensation of their spouses.

In terms of the mechanics of an IRA, H.R. 4649 would make no changes. The law would remain the same except for the addition of homemakers as a group of persons who can own IRA's.

WHY THE TRIBLE BILL

Allowing homemakers to own an IRA is basically a question of fairness. Ask yourself, is it fair that the largest group of workers in America should be deprived of the opportunity to prepare for their retirement? Should self-employed workers who are paid wages be treated differently from self-employed workers who are paid the services in kind? Finally, should homemakers be forced to depend solely on their spouse's retirement plan?

My answer to each of these questions is no. Homemakers should have the opportunity to plan for their retirement. They should not be discriminated against just because they are not paid in cash. If their spouse earns wages, they should be given the same treatment as other self-employed workers. As the law now stands, it discriminates against homemakers.

Further, as a matter of sound planning for the future, we must accept the ultimate reality—homemakers will reach retirement age and will need retirement income. Our population is growing older and older. In the not too distant future, we will have 40 to 50 people over 65 for every 100 people in the work force. We cannot ignore this fact. If we accept the premise that someone will ultimately have to provide the retirement income for these citizens, only one question remains unanswered: Who will provide the retirement income for homemakers? There are only three possible sources—business, Government, or the homemakers, themselves.

Presently many businesses extend their health insurance policies to the spouses of their employees. In the near future, businesses may begin providing retirement benefits in the same way. However, we do not have the time to wait and see if this trend develops. Even if it does begin, large numbers of homemakers will still not be able to participate in a retirement plan. Something more comprehensive is needed. Just as there are pressures now for a comprehensive national health insurance, we can expect pressures for a comprehensive retirement system managed by the Government and funded through higher taxes.

I believe we should not depend on Government to provide retirement income for our homemakers. The cost of dependence on Government would be almost prohibitive. Social security is now on the brink of bankruptcy. The situation can only get worse. Our population growth has nearly come to a stop, but the number of persons reaching retirement age is increasing rapidly. When the baby boom generation of the post-World War II and Korean war era reaches retirement, as much as 40 cents of every payroll dollar could go to social security. The present estimates for 1985 are 27 cents of every payroll dollar. With this much tax money going to retirement income, the money available for other Government programs will shrink.

Further, Government social programs are traditionally more expensive, less efficient, and more impersonal than comparable private programs. If we act now, we will not force our homemakers onto welfare lines. Passage of my bill would offer them a third alternative, self-help, which would permit them to avoid the impersonality of a mountain of redtape and the inefficiency of the bureaucracy while keeping the cost of administration down and the benefits up.

COSTS AND BENEFITS

Mr. Speaker, this is a bill in which there can be no losers, only winners. The only unanswered question is the magnitude of the benefits. Passage of this legislation will open up the IRA market to millions of potential investors. Projecting how many homemakers will actually choose to invest in an IRA is difficult, if not impossible. However, the effects from their investments should be the same. The benefits should expand in direct proportion to the number of homemakers who do participate.

For many homemakers, this will be the first opportunity to prepare for retirement. For others, it will be a way to improve their retirement savings. At the very least because of this bill, homemakers will be able to live with dignity in their retirement years. Without the opportunity to invest in an IRA, most homemakers will enter retirement with little or no income and many will be forced to stand in welfare lines.

Passage of this bill could save the Government billions of dollars. By investing in an IRA, homemakers will be shifting the cost of their retirement years from the Government to themselves. Homemakers over the age of 65 will soon compose almost one-sixth of our adult population. If homemakers are not given sufficient incentives to save for their retirements, these costs will have to be borne by Government. The demand for services will not lessen. The only issue in doubt is whether the homemaker or the Government will pay the costs of income maintenance, health care, institutionalization, and other retirement needs. If homemakers pay for at least a portion of these services through their IRA investments, the long-term savings to the governments should more than offset the revenue lost from the tax deduction and deferral features of an IRA.

Homemaker investment in IRA's should also benefit the poor. In the future, there will be a relatively fixed amount of money which Government can spend on retirement programs. Thus, a shift of homemakers from dependence on Government to self-reliance for retirement income will mean that fewer people will be dividing up the Government retirement pie. In the long run, this should mean a higher level of benefits and services for those who are unable to save for their retirement.

Further as contrasted with social security and non-IRA savings for retirement, the income from a homemaker IRA will be taxable when the homemaker begins to draw funds from the account. This tax money will offset some of the revenue lost from the original investment in the account. It will also provide a much needed source of Government revenue when nearly a third of our adult population will be retirement age with little or no taxable income.

Investments in IRA's should increase the aggregate level of savings. From increased savings, we can expect spillover benefits which may far outweigh the initial revenue loss. For example, greater savings can lead to more capital investment which, in turn, could reduce unemployment, produce real economic growth, lower interest rates, and, ultimately, raise Government revenues.

There are also intangible social benefits which must be weighed. How much is it worth to point people in the direction of greater self-reliance and less dependence on Government? How much is it worth to know homemakers will no longer have to choose between no retirement protection and leaving home to find a job where he or she can acquire pension rights? And how much is it worth to finally recognize in the law that the homemaker's work does have economic value?

The answers to these questions are not easy, but they demand an answer. American homemakers should have an equal opportunity to prepare for their retirement.

Further, as a matter of equity, it is unfair to treat homemakers differently from corporate employees or self-employed wage earners with IRA's. All of these individuals have a need for retirement income but homemakers are the only ones who have to pay taxes on the earnings from their retirement plans.

There is no reason to discriminate against homemakers. They work just as hard and will need retirement income just as much as employees of business and government. If homemakers should pay taxes on their retirement contributions and earnings, so should all other workers. It is unfair to single out homemakers for special treatment.

The time to act is now, before too many homemakers get too close to retirement age to save for their retirements. We need to encourage homemakers to help themselves. Otherwise, future generations will be taxed to the point of breaking just to provide homemakers with a minimum level of income. It is unfair for us to shift the cost of homemakers' retirements to our children. We should accept the responsibility today.

SCRAPPING WELFARE

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, as one very much concerned with the state of our Nation's welfare program, I have long advocated a revamping of the system.

It is time we made this program more responsive to those in actual need and less subject to abuse by those who view it as a permanent source of income to which they are entitled regardless of their ability to work.

In this regard, I would like to call to your attention an editorial which appeared in a recent edition of the Zanesville, Ohio, Times-Recorder which I feel outlines the issue very well.

SCRAP IT

Scrapping of our nation's present welfare system and replacing it with a new one as proposed by President Carter Monday is commended as long as the new one is not worse than the one we have.

The President, who said a study has shown the present system "is worse than we thought," has proposed throwing it out and putting in a multi-tiered program to provide jobs for those who can work, cash for those who can't and income tax credits for the working poor.

The Carter plan includes:

Up to two million public service jobs designed to give access to a job to every family with children and a family member able to work.

Earned income tax credit for the working poor, possibly higher than present levels or supplemented with cash.

"A decent income" for those who can't work, with the benefits now provided by Aid to Families with Dependent Children, Supplemental Security Income and food stamps consolidated in one cash payment. The payment would be the same for all recipients nationwide except where adjusted for cost-of-living differences.

He said the initial cost of the revised system he will propose will not cost any more than the present system, now budgeted at $23.6 billion for fiscal 1978.

The welfare monster needs to be conquered though the nation will continue to need some program to care for those who are disabled, cannot work or are unemployed due to conditions beyond their control.

Even the most ultra-conservative would agree that Americans have an obligation to care for their sick and disabled citizens. Jesus taught charity as He walked on earth.

But as the system is redesigned safeguards must be included to be sure that those who can work and for whom jobs can be located are forced to do so instead of lazily relying on welfare.

Safeguards must be woven into the system to prevent or at least control fraud. There must be more investigation of all welfare recipients and applicants to assure qualification and need.

The Carter plan, as noted previously, includes two million public service jobs designed to give access to a job to every family with children and a family member able to work.

Swelling the public payroll does not seem like the best answer. Tax credits to industry and other companies that could earn it by expanding and adding to their payrolls would be preferred. Private industry will make every job count while governmental agencies have been known from the city to the federal levels to create jobs only to use up grant money when there are actually no duties involved and no "work" to be performed.

Guaranteed annual wages are not conducive to production since there are many who would work harder to earn more and even perform two jobs a day if necessary to make ends meet but would not if guaranteed a certain income. It would continue to reduce the initiative to work harder and get ahead.

Some persons will turn down jobs because it will reduce their welfare checks or disqualify them for handouts. What a sham of justice and abuse of welfare.

There are those who will turn down jobs offered through the employment services because they are "below my level" while they do not seem to consider accepting welfare, food stamps and so forth as being "below" their level.

There are too many persons sitting back raking in the various forms of welfare, special benefits, subsidized rent and so forth who could be out working, producing and earning their own way.

They should be earning an income and helping, through their taxes, to support the welfare system for those truly sick and too disabled to work instead of draining from the funds.

As the United States has turned more and more into a welfare state with snowballing socialistic programs it has become apparent that, as President Carter said, the system should be scrapped and a new one written.

Maybe if they'd cut it all out for a while those who can work would be forced to do so leaving the nation more able to help those who cannot.

The President's aim is good, as long as it doesn't give birth to a still bigger welfare monster.

It could happen.

ELK HILLS REVISITED

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. Moss) is recognized for 5 minutes.

Mr. MOSS. Mr. Speaker, during the last Congress there was a great hue and cry over the Navy's petroleum reserves, notably Elk Hills, Calif., numbers of Members, some still here and others since departed for other climes, hymned Elk Hills to the sky as one major potential solution to the energy crisis. These protestations mushroomed into a series of pieces of proposed legislation, all calling for an openup of Elk Hills to commercial exploitation. Hundreds of thousands of barrels of oil daily from this Navy reserve would save us from freezing to death in the dark, from cowering before Arab oil cutoffs, from imminent dissolution of the republic, from ghosties and ghoulies of various shades, hues, and sizes.

A few of us, skeptical as usual in the face of such vehemence, asked some pertinent questions. We asked about antitrust implications of Elk Hills and any openup. Who would get the oil? What would it go for? Where would it go? Would the Nation benefit? Would energy shortages truly be alleviated? Would national defense readiness be harmed?

Our answers came slowly but definitively. We discovered that for years commercial interests had tried to open up Elk Hills. That this reserve was the last remaining reliable reserve of energy the Navy had. That for years an antitrust investigation had been conducted into the stranglehold Standard Oil of California, Socal, had obtained on this oil field. That if an openup occurred, Socal would garner the best of the yield from this field. That Navy did not want to open up, and had for years had its budget squeezed to prevent it from getting the field ready for exploitation. That the oil would reach only our three west coast States, the only energy self-sufficient area of the Nation. That energy-starved portions of America would get none of the oil retrieved. That Elk Hills oil would do little or nothing to alleviate growing energy shortages besetting the Nation. That it would do nothing to prevent our growing dependence on Arab oil imports.

As the outcry for an Elk Hills openup mounted in the Congress, aided and abetted by industry lobbyists, some well-meaning but wrong-headed media people and friends of industry in Congress, myself and a few like-minded Members provided our opposing conclusions openly, in and out of Congress. To no avail. Congress whooped through an Elk Hills openup with only three Members, including myself, in opposition. On that day, I predicted the openup was a farce, would be reversed, and would be determined in short order to be an industry plum that would not aid the Nation one whit. Time has proved me correct.

Since the openup, Socal has taken its own 20 percent of the reserve's production, and has successfully bid upon and obtained at least another 20 percent. Since it sets prices in most California oilfields, it is not difficult for this company to obtain much of the rest of all production. As a result, as was predicted, much of Elk Hills production is becoming Chevron gasoline, to the immense profit of that company.

Now another element of the predictions is about to come true. Another flood of crude oil is about to flow, not to where it is needed in the United States, but to west coast States through the Alaska pipeline and tankers. Elk Hills production now looms as an embarrassment as well as a surplus. With 2 million-plus barrels daily of North Slope crude about to drench California, why produce 140,000 barrels daily from Elk Hills? Therefore, the Carter administration, to its credit, is about to seek legislation to cut back the Elk Hills flow; another event predicted by that lonely three that day in the House.

Where, I wonder, are the eloquent seers of yesterday, who so lugubriously predicted that we lived in the last gaudy days of the republic's noon, and would soon lapse into darkness, decline and barbarism if Elk Hills were not opened? Where are the monuments to their foresight and vision? Lead me to them, for I and admiring multitudes would worship humbly at the shrine of their success.

If ever a piece of congressional action and legislation illustrated how wrong a body of legislators can be, the Elk Hills openup is the prime illustration. In future, when the next public bellow goes up over Elk Hills or any other irreplaceable national resource, when we are told that we must act hastily or all is lost, let us remember that some special interest stands to gain at the public expense.

Finally, even if the openup is reversed, once the field is opened it cannot be shut down as one would turn off a faucet. Oilfields must be shut down gradually, maintaining pressure, or the field would be ruined. Therefore, for some years, 30,000 barrels daily must continue to be produced, whether we need it or not. And of course, all that oil must continue to be sold commercially, lost to the field and gained by private industry. Another monument to foresight.

HOUSE ACTION ON CUBA MISUNDERSTOOD

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 5 minutes.

Mr. BINGHAM. Mr. Speaker, unfortunately the press has reported the House action yesterday approving the Ashbrook amendment in a manner that, I believe, misstates the actual meaning and effect of that amendment for possible resumed trade with Cuba and Vietnam.

It is true that the amendment mentions both trade and aid to Vietnam and Cuba. But it prohibits only the use of funds authorized by the Foreign Assistance Act—that is, foreign aid funds—for that purpose. Since any resumption of trade with Cuba or Vietnam would presumably not, in any case, involve use of any foreign aid funds, as a practical matter the amendment precludes only aid, not trade.

It is unfortunate that trade and aid were lumped together in a single amendment since they are quite separate kinds of relations, about which most Members of the House, I believe, have different views which could not be reflected in a single vote on both trade and aid. Certainly the House is firm in its view that the time has not arrived when aid to Cuba or Vietnam is appropriate. But House approval of the Ashbrook amendment is, I believe, neither a fair indication of House views on simple commercial trade with Cuba and Vietnam, nor a binding prohibition on such trade, even if sustained by the Senate.

CADELL POLL: AID TO ELDERLY FIRST AREA WHERE GOVERNMENT SPENDING SHOULD BE INCREASED

The SPEAKER. Under a previous order of the House, the gentleman from Florida (Mr. PEPPER) is recognized for 5 minutes.

Mr. PEPPER. Mr. Speaker, as chairman of the House Select Committee on Aging and as a 76-year-old citizen, I have been especially concerned with the problems facing the Nation's 22.3 million elderly. For too long the elderly have suffered the indignity of a confused and confusing bureaucracy, the indignity of mandatory retirement, the indignity of a system which favors costly and often needless institutionalization, the indignity of nursing homes which are too often tinderboxes, and the indignity of stereotypes which dictate that to be old is to be feebleminded and worthless.

Yet we all realize that the resources that the Federal Government has for efforts to help older persons are limited and that priorities must be set. Consequently, I was pleased to note a recent finding by Patrick Cadell, the President's pollster, that the public supports increased aid to the elderly over increased Government spending in any other area. As we consider the legislative changes that are so important to the lives of elderly people, it is important to keep in mind the support for these kinds of changes among the Americans who have elected us. If this poll is any indication, they expect us to take such steps as passage of legislation.

I believe we must end mandatory retirement—either H.R. 65, which would end age discrimination in both the public and private sectors or H.R. 1115 which would apply only to the Federal Government and be an extremely important first step.

We should increase the Federal Government's efforts to encourage alternatives to institutionalization which frequently are less costly and always are a more humane way of life, as provided in H.R. 1116 now awaiting action.

I am hopeful that these measures and others such as H.R. 1127, which would extend medicare to include eyeglasses, hearing aids, and dentures will be enacted.

The time has come for the Congress to match the American people's desire for a greater Federal role on behalf of the elderly with action.

For the benefit of my colleagues, I am inserting the important information from this poll in the RECORD:

AREAS FOR BUDGET INCREASES

Our next two questions asked people to place price tags on their concerns. The following table shows the areas where respondents think government spending should be increased, along with comparative figures from Report 3. Overall, there has been very little change from a year ago. The top six concerns are still the same: aid to the elderly and health care are way out front—although they have traded places—followed in the same order as last time by education, prevention of crime and drug abuse, Social Security, and control of air and water pollution.

The Cambridge report—second quarter 1976
[In percent]

	First	Second	Third	Total	R3—1975 II
Military spending and national defense	10	2	3	15	11
Health care	17	13	12	42	46
Aid to the elderly	20	14	9	43	43
Aid to veterans	1	2	3	6	12
Education	16	12	9	37	32
Scientific research	4	5	4	13	14
Space exploration	--	2	2	4	3
Social Security	6	9	9	24	25
Welfare	1	2	3	6	7
Aid to business	--	--	1	1	4
Aid to farmers	1	2	3	6	7
Foreign aid	--	--	--	--	--
Aid to cities	2	2	3	7	6
Roads and transportation	--	2	1	3	6
Controlling air and water pollution	6	9	7	22	15
Housing construction	2	2	3	7	10
Parks and recreation	--	2	2	4	4
Aid to minority groups	2	2	2	6	6
Aid to the handicapped	2	7	8	17	14
Crime and drug abuse prevention	9	9	15	33	28

SLAUGHTERING PORPOISES IS NOT DEFENSIBLE

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 5 minutes.

Mr. KOCH. Mr. Speaker, today the Merchant Marine and Fisheries Committee is holding hearings on a bill just introduced by its chairman, JOHN MURPHY of Staten Island, which would amend the Marine Mammal Protection Act to raise the limit on the number of porpoises that can accidently be killed by the American tuna fishing fleet from the present limit for 1977 of 59,050 set by the National Fisheries Service to 78,000 for the remainder of this year.

I strongly oppose any change in the present limit on the number of porpoises that can be killed, and I favor a rapid transition to a kill limit approaching zero, because tuna can be fished efficiently without killing porpoises if captains adopt slightly modified techniques that have already been effectively demonstrated. I am inserting into the RECORD a letter to the editor from the May 4, New York Times in which three scientists who have studied the tuna-porpoise problem in depth attest to the needlessness of killing porpoises to catch tuna.

One boat is described in the letter that "encircled 45 schools of porpoises and tuna, caught over 1,000 tons of tuna and caught and released unharmed 30,233 porpoises, with a mortality of only 16." If all the boats in the tuna fleet employed the same system, there would be no need to argue over how many thousand porpoises should be killed each year.

Another pertinent point made by the three scientists is that the present position of the tuna industry is very shortsighted. The schools of valuable tuna are easily located because they swim underneath schools of porpoises which swim on the surface and can be spotted by the fishermen. By slaughtering porpoises, they are methodically killing the goose that laid the golden egg.

I am also inserting an editorial from this morning's Times that aptly points out that the 78,000 limit for the remainder of 1977 proposed in Chairman MURPHY's bill is higher than the 85,000 limit for all of 1977 requested by the owners of the fishing fleet in hearings before Congress last year.

One thing I wish to make clear is that I am sympathetic to the plight of the American tuna industry, an industry which provides thousands of precious jobs. Moreover, it is disturbing that while our fleet is tied up in port over the por-

poise-kill controversy, much more ruthless foreign fleets are enjoying the lack of American competition and making no effort at all to conserve porpoises. But this is one situation where a reasonable solution is already available which will not unduly damage the competitive position of the American fleet. Then, our next task will be to persuade foreign tuna fleets to embrace the same practices so that the schools of friendly and highly intelligent porpoises will not disappear from our oceans forever.

The letter and the editorial from the Times follow:

[From the New York Times, May 4, 1977]

PORPOISES AND OUR TUNA FLEET: NEEDLESS PERILS

To the Editor:

As scientists actively involved in research on the tuna/porpoise problem we are appalled at the tragic irony in the present situation, a situation which may lead not only to the loss of the American tuna fishing fleet but also to the ultimate loss of the porpoise population involved.

Schools of adult yellowfin tuna aggregate under schools of certain kinds of porpoises in the eastern tropical Pacific, perhaps because tuna and porpoise both feed on the same kinds of small prey. The porpoises can be easily spotted and herded and the tuna stay beneath them. Fishermen set their nets around both tuna and porpoise, and then sink a portion of the rim of the net to set the porpoises free over the top while retaining the tuna.

By the fall of 1976, after some years of effort, improved net designs and new behavioral techniques for releasing porpoises from the nets resulted in almost perfect porpoise safety records for some boats. One ship, observed by scientists throughout a single fishing trip in October-November, encircled 45 schools of porpoises and tuna, caught over 1,000 tons of tuna and caught and released unharmed 30,233 porpoises, with a mortality of only 16. We have observed these techniques and dived in the nets far at sea to observe the porpoises, which under this improved system are able to wait safely in the center of the net and then go quietly out the net opening like cattle going through a gate.

The irony is that fishing has been halted, leaving the porpoises to the mercy of unregulated, unmotivated and unimproved foreign fleets, just when a reasonably good way of fishing safely "on porpoise" has been developed.

The American fishermen by now are highly motivated to adopt the new net designs and techniques. They are well aware that they need to preserve the porpoises, and the new techniques are safer for the crew, more efficient and cost-effective. The fishing industry, however, seems reluctant to defend itself on the basis of the new capability, perhaps lest regulations become even tighter before every boat has acquired the new gear and mastered the new techniques. Also, they have been confident of net improvements in the past which were only partially successful; now perhaps they fear they will not be believed in any case. Furthermore, some of the environmental opponents of the industry are ignoring or dismissing the highly successful results of last year's research, perhaps because it is not helpful to their own position.

As a result, an industry is dying and a major piece of ocean is in for more ecological damage than ever. As scientists, citizens and porpoise admirers we urge the Government and the public to find a mechanism for the reasonable management of what has become a remarkably irrational situation.

KAREN PRYOR, PHILIPPE VERGNE,
Biologists, Porpoise Rescue Foundation,
WARREN STUNTZ,
Program Manager, Tuna/Porpoise Behavior Study, University of California at Santa Cruz.

New York, April 26, 1977.

[From the New York Times, May 13, 1977]

LET THE PORPOISES LIVE

The House of Representatives is being asked to rush through a bill that would permit increased killing of porpoises by the nation's tuna fishing fleet. The haste is held necessary to get the tuna boats back into profitable operation following a self-imposed docking in protest against Government regulations.

No doubt the fleet has lost money in the past two and a half months. Its owners have been arguing that they lose money even when they do sail because of the time and effort taken to hold down the number of porpoises, or dolphins, that are trapped and suffocated in their great tuna nets. That is arguable; but the kill quota that would be legislated by Representative John Murphy of Staten Island is higher even than the industry demanded. Testifying in Congress last year, the fleet owners asked for license to kill 85,000 of these highly intelligent and attractive creatures in all of 1977. The Murphy bill would let 78,000 be killed in the remaining seven months.

Under the Marine Mammal Protection Act, the useless and unnecessary killing of porpoises—which accompany schools of tuna and thus, ironically, help the fishermen locate their quarry—is to be gradually reduced to "insignificant levels approaching a zero mortality." Representative Murphy would not only reverse the downward trend; he would also have Congress rather than the scientists of the National Fisheries Service set the necessary limits.

Alerted to the danger of this misguided legislation, the Administration is now said to be preparing its own bill. Until it is drawn, Mr. Murphy and his colleagues should hold their fire. They should at least compare his proposal to that of a Government that seems committed to carrying out the original and admirable long-term intensions of Congress itself.

LEGISLATION FOR RENEWAL OF OVERDUE ADJUSTMENT IN BANKING SYSTEM

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. HANLEY) is recognized for 5 minutes.

Mr. HANLEY. Mr. Speaker, an imbalance has existed within the financial institutions structure of this Nation vis-a-vis the status of mutual savings banks. Despite the duality of our banking system in other regards, there is not any provision which will allow a State-chartered mutual savings bank to solicit or be granted Federal chartering privileges.

On other occasions in the past both this House in its wisdom and our sister body have both moved to redress this disparity of opportunity. However, fate or circumstance has always seemed to intervene and frustrate this effort at establishing equity.

Mr. Speaker, the bill which I introduce today may well be a vehicle for the renewal of this long overdue adjustment in the banking system. Hopefully, the House Banking, Finance, and Urban Affairs Committee through its Financial Institutions Supervision, Regulation, and Insurance Subcommittee can deal with this matter expeditiously and fairly.

Not that there is not some historical resistance to this Federal chartering, Mr. Speaker. There has been opposition in the past. However, a fresh look at this matter will disclose that refinements and stricter conditions have met the major objections of the past.

Unlike prior Federal charter proposals, this one would clearly restrict Federal savings banks to those States which charter mutual savings banks. Moreover, no institution which is not a State mutual savings bank at the time of its conversion to Federal charter could call itself a Federal mutual savings bank. The FHLBB could not charter de novo any institution to be called a Federal mutual savings bank.

Section 3 "grandfathers" the service powers and investment authority of converting State mutual savings banks but imposes a limitation on the extent of equity, corporate bond, and consumer loan investments.

Section 6 is a necessary technical amendment which would provide positive Federal authority for State-chartered savings banks to convert to Federal charter.

This bill differs from its predecessors not only in that it limits Federal mutual savings bank charters to institutions that were State mutual savings banks at the time of conversion, but in addition would confer no new powers on converting savings banks. Indeed, the recommended grandfather clause in section 3 would limit investment alternatives to some extent because State-chartered institutions would not be subject to the 5-year floating average.

The Congress should enact legislation to provide a Federal charter alternative for existing State-chartered mutual savings banks. Such action would complete the dual banking system, correct a long-standing inequity in the Nation's financial structure and provide significant long-run benefits to consumer savers and home mortgage borrowers.

Mutual savings banks operate as State-chartered institutions in 17 States and do not have the option of being chartered and regulated by the Federal Government. Commercial banks, savings and loan associations, and credit unions, by contrast, have long had the choice of being chartered and regulated by the various States or by the Federal Government.

The benefits to the public of such a dual chartering system in promoting progressive financial legislation and regulation, financial innovation, increased competition, and improved services in financial markets are widely recognized. There is no logical reason to deny mutual savings banks, and the consumers and communities they serve, equal access to the benefits of a dual system that are

available to all other depository institutions.

Providing a Federal alternative and the benefits of a dual system for existing State-chartered mutual savings banks is widely supported. There is no known opposition to this noncontroversial public-interest goal. Providing a Federal alternative could easily be accomplished, moreover, by a few simple amendments to the Federal savings and loan law. These amendments would, in effect, give existing State-chartered mutual savings banks the option of converting into Federal savings and loan associations.

Those savings banks which might choose to exercise this option would be known as Federal mutual savings banks and would be permitted to maintain certain assets and consumer services available to them at the time of conversion, in order to make a Federal alternative a real possibility. Federal mutual savings banks would not be authorized in those States which do not authorize State-chartered mutual savings banks.

These simple amendments to provide a dual system for existing State-chartered mutual savings banks would confer no new powers. The availability of existing Federal savings and loan powers—especially with regard to branching and full access to the Federal Home Loan Bank System's advances mechanism—could be attractive to some State-chartered savings banks. Future changes in Federal savings and loan powers, moreover, would apply equally to Federal mutual savings banks, and would provide continuing incentives for progressive savings bank legislation and regulation at the State level.

By establishing a progressive framework for the future evolution of savings banking within a dual system, a Federal alternative for existing State-chartered savings banks would strengthen their long-run viability and reduce future pressures to convert into commercial banks. The preservation of strong mutual thrift institutions in the financial system is the best long-run guaranty that consumers will earn the maximum long-run return on their deposit savings, and that the Nation's critical housing credit needs will be met.

These long-run benefits to the public argue strongly for congressional action to provide a Federal charter alternative for existing State-chartered mutual savings banks. In view of the widespread support for a Federal alternative, there is no reason to delay any longer in extending the dual banking system to mutual savings banking.

Providing a Federal charter alternative for existing State-chartered mutual savings banks is the least controversial issue in the entire area of structural reform for depository institutions. This is clearly evident in the extensive record of hearings on the Senate-passed Financial Institutions Act of 1975, on the Fine study "discussion principles" and on the committee print of the Financial Reform Act of 1976, which all provided such an alternative. This record reveals no opposition to a Federal alternative for State-chartered savings banks and widespread support for such a provision.

It is particularly significant that a Federal alternative for existing State-chartered savings banks has been supported in recent testimony before the House Banking Committee by the major trade associations of the commercial banking, savings and loan, credit union, home building, and real estate industries.

The American Bankers Association in December 1975, testified:

> The Association does not oppose Federal chartering of mutual savings banks but would limit the availability of Federal charters to states which specifically authorize the formation of mutual savings banks.[1]

The National Association of Home Builders in March 1976, testified:

> We are also, of course, in support of granting mutual savings banks the power to obtain Federal charters. . . .[2]

The National Savings & Loan League in March 1976 testified:

> We are in agreement with extending the principle of the dual system of both Federal and State charter options now applicable to commercial banks and savings and loan associations to mutual savings banks. . . . Such a system applied to mutual savings banks, will in our opinion, significantly strengthen the mortgage market. . . .[3]

The United States League of Savings Associations in December 1975 strongly endorsed dual chartering systems and testified:

> We believe the public has been well-served by the dual system of chartering and examination . . . we remind the Subcommittee that the differing types of financial institutions—savings and loan associations, commercial banks, mutual savings banks and credit unions—need differing types of supervision.[4]

The National Savings & Loan League in March 1976 testified:

> The League also supports the conversion of mutual savings banks to Federally-chartered institutions. . . .[5]

The Credit Union National Association in March 1976, testified:

> The proposal for Federal chartering of mutual savings banks opens the door for even more competition in the consumer credit and savings market.[6]

The record of recent testimony before the House Banking Committee also shows that a Federal alternative for savings banks is supported by the Federal regulatory agencies. For example:

The Federal Reserve Board in January 1976 testified:

> We support the proposal which would permit Federal chartering of mutual savings banks.[7]

The Chairman of the Federal Deposit Insurance Corporation in March 1976 testified:

> I have previously testified for the Corporation in general support of the objectives and provisions of the Senate-passed Financial Institutions Act, particularly those provisions which would enlarge the asset and liability powers of thrift institutions [and] provide a Federal charter option for mutual savings banks. . . . Naturally, the Corporation would favor those same provisions in the House bill. . . .[8]

Support for a Federal alternative for savings banks was also expressed in recent testimony before the House Banking Committee by the Conference of State Bank Supervisors and by individual State banking regulators. For example:

The Conference of State Bank Supervisors in March 1976, testified:

> CSBS supports the Federal charter option for mutual savings banks in those 17 states in which they operate today under state charter, or in other states in which state administrations and legislatures may in the future choose to enact enabling legislation relative to mutual savings banks.[9]

The New York State superintendent of banks in March 1976 testified:

> The existence of a Federal option for savings bank chartering is an essential part of the dual banking system. . . . I support this Federal chartering and conversion option for mutual savings banks.[10]

Consumer groups have supported a Federal alternative for savings banks.

The Kennedy, Johnson, Nixon, and Ford administrations have supported a Federal alternative for savings banks.

The House Banking Committee has supported a Federal alternative for savings banks. In 1967, the committee voted to report the Federal Savings Institutions Act (H.R. 13718), which provided such an alternative.[11] A Federal alternative for savings banks was again recommended by the committee's staff in August 1973, in a comprehensive report on financial institutions.[12]

The Senate voted in December 1975, to provide a Federal alternative for savings banks when it passed the Financial Institutions Act of 1975 by an overwhelming margin.

Finally, it is highly significant that a Federal alternative for savings banks was recommended by three major study groups charged with examining the overall efficiency of the Nation's financial system in recent years—the privately sponsored Commission on Money and Credit in 1961; President Kennedy's Cabinet Committee on Financial Institutions in 1963; and the Hunt Commission in 1971.[13]

FOOTNOTES

[1] American Bankers Association, testimony on the FINE Study "Discussion Principles" presented to the House Subcommittee on Financial Institutions Supervision, Regulation and Insurance, December 17, 1975, page 24.

[2] National Association of Home Builders, testimony on the Committee Print of the Financial Reform Act of 1976 presented to the House Subcommittee on Financial Institutions Supervision, Regulation and Insurance, March 23, 1976, page 7.

[3] National Association of Realtors, testimony on the Committee Print of the Financial Reform Act of 1976 presented to the House Subcommittee on Financial Institutions Supervision, Regulation and Insurance, March 23, 1976, page 2.

[4] United States League of Savings Associations, testimony on the FINE Study "Discussion Principles" presented to the House Subcommittee on Financial Institutions Supervision, Regulation and Insurance, December 18, 1975, page 32.

[5] National Savings and Loan League, testi-

mony on the Committee Print of the Financial Reform Act of 1976 presented to the House Subcommittee on Financial Institutions Supervision, Regulation and Insurance, March 4, 1976, Addendum, page 7.

[6] Credit Union National Association, Inc., testimony on the Committee Print of the Financial Reform Act of 1976 presented to the House Subcommittee on Financial Institutions Supervision, Regulation and Insurance, March 9, 1976, page 5.

[7] Robert C. Holland, Member, Board of Governors of the Federal Reserve System, testimony on the FINE Study "Discussion Principles" presented to the House Subcommittee on Financial Institutions Supervision, Regulation and Insurance, January 22, 1976, page 12.

[8] Frank Willie, Chairman, Federal Deposit Insurance Corporation, testimony on the Committee Print of the Financial Reform Act of 1976 presented to the House Subcommittee on Financial Institutions Supervision, Regulation and Insurance, March 16, 1976, pages 1–2.

[9] Conference of State Bank Supervisors, testimony on the Committee Print of the Financial Reform Act of 1976 presented to the House Subcommittee on Financial Institutions Supervision, Regulation and Insurance, March 16, 1976, page 19.

[10] John G. Heimann, New York State Superintendent of Banks, testimony on the Committee Print of the Financial Reform Act of 1976 presented to the House Subcommittee on Financial Institutions Supervision. Regulation and Insurance, March 16, 1976, page 17.

[11] *Federal Savings Institutions*, Report on H.R. 13718, House Report No. 1042, Committee on Banking and Currency, House of Representative- 90th Congress, 1st Session, December 13, 1967, page 6.

[12] *Financial Institutions: Reform and the Public Interest*, Staff Report of the Subcommittee on Domestic Finance of the Committee on Banking and Currency, House of Representatives, 93rd Congress, 1st Session, August 1973, page 89.

[13] *Money and Credit: Their Influence on Jobs, Prices and Growth*, the Report of the Commission on Money and Credit, Prentice-Hall, Inc., Englewood Cliffs, New Jersey, June 1961, page 164; *Report of the Committee on Financial Institutions to the President of the United States*, U.S. Government Printing Office, Washington, D.C., April 1963, pages 33–35; *The Report of the President's Commission on Financial Structure and Regulation*, U.S. Government Printing Office, Washington, D.C., December 22, 1971, pages 59–60.

PERSONAL EXPLANATION

(Mr. CAPUTO asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CAPUTO. Mr. Speaker, I was necessarily absent during the late afternoon yesterday on account of official business previously scheduled in my congressional district in New York. During that period three rollcalls were taken, and I wish to state my position with respect to them.

On rollcall No. 227, a motion to recommit the International Economic Development Assistance Act, for the purpose of prohibiting aid to Vietnam and to Cuba, I would have voted "yes."

And on rollcall No. 228, for the passage of that measure including the prohibition, I would have voted "yes."

On rollcall No. 229, on the passage of the rule for the consideration of H.R. 6810, the Intergovernmental Antirecession Assistance Act of 1977, I would have, of course, voted to permit the consideration of that legislation.

SEPARATE VIEWS, DINGELL-BROYHILL, AND OTHERS, ON H.R. 6161, CLEAN AIR ACT AMENDMENTS, MOBILE SOURCES

(Mr. FORD of Michigan asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FORD of Michigan. Mr. Speaker, I am pleased to insert in the CONGRESSIONAL RECORD the separate views of Representatives JOHN D. DINGELL, JAMES T. BROYHILL, DAVID E. SATTERFIELD III, CLARENCE J. BROWN, BOB GAMMAGE, DAVE STOCKMAN, BOB KRUEGER, SAMUEL L. DEVINE, FRED B. ROONEY, JAMES M. COLLINS, THOMAS A. LUKEN, MARC L. MARKS, PHILIP R. SHARP, LOUIS FREY, JR., MARTY RUSSO, EDWARD R. MADIGAN, CHARLES J. CARNEY, and W. HENSON MOORE, who are members of the House Interstate and Foreign Commerce Committee and disagree with the committee's action on certain sections of title II of H.R. 6161, the Clean Air Act Amendments of 1977, as reported by the committee. The sections of the bill that the Dingell-Broyhill separate views discuss concern mobile source emission control standards, related sections dealing with emissions, the automobile parts and warranty sections of H.R. 6161, and other matters.

On behalf of Representatives DINGELL and BROYHILL, and many of us in the House who are supporting the Dingell-Broyhill legislation, H.R. 4444, to be the basis of their amendment on the House floor, I urge my colleagues to study the following views contained in House Report 95–294, as filed with H.R. 6161, Thursday, May 11, 1977:

SEPARATE VIEWS OF REPRESENTATIVES JOHN D. DINGELL, JAMES T. BROYHILL, DAVID E. SATTERFIELD III, CLARENCE J. BROWN, BOB GAMMAGE, DAVE STOCKMAN, BOB KRUEGER, SAMUEL L. DEVINE, FRED B. ROONEY, JAMES M. COLLINS, THOMAS A. LUKEN, MARC L. MARKS, PHILIP R. SHARP, LOUIS FREY, JR., MARTY RUSSO, EDWARD R. MADIGAN, CHARLES J. CARNEY, AND W. HENSON MOORE ON H.R. 6161—CLEAN AIR ACT AMENDMENTS OF 1977

Our views are directed to Title II, mobile source issues, contained in H.R. 6161, Clean Air Act Amendments of 1977, as ordered reported by the Commerce Committee. We must disagree with certain sections of Title II.

The nation must be assured that the strictest and most feasible clean air, environmental and consumer protection standards for control of automobile pollution be enacted and regulated with strong enforcement by the Federal Government and the States.

Strict environmental and consumer protection regulations for air pollution control must be balanced with the urgent national need to secure energy savings and consumer savings with regard to the use, purchase and maintenance of automobiles.

Jobs in the auto manufacturing, supply, distribution, service, and sales industries must be protected to maintain a strong American economy.

Proven auto emission control technology must be utilized on new vehicles to ensure in-use compliance with clean air standards and the emission control schedule must be properly timed to allow for final engineering and testing of advanced control systems to be introduced in the early 1980's, as testified to by both emission control equipment and automobile manufacturers.

The public health and welfare of the American people, the strength of the total U.S. economy, and the requirements for energy conservation demand this balance on automobile emission control standards as Congress acts on amendments to the Clean Air Act of 1970.

The strength of the American economy also depends on the viability of the network of businesses, both large and small, that are engaged in auto parts supply and maintenance work. There must be fairness and continued competition in the aftermarket parts business and freedom of choice for consumers regarding the maintenance of their motor vehicles.

The Committee bill, its auto emission section and certain other automotive related sections which we will address do not provide balance nor properly consider these important points, their interrelationship, and overall impact on the economy, the total environment, employment, or energy conservation objectives.

Therefore, we disagree with certain sections of the Commerce Committee's bill and views regarding Title II, Amendments Relating Primarily To Mobile Sources, of H.R. 6161, the Clean Air Act Amendments of 1977, as ordered reported by the Committee.

AUTO EMISSIONS ACTION TO DATE

The House is aware that when the Dingell-Broyhill bill was offered as the basis of an amendment to H.R. 6161 in the Commerce Committee April 27, it resulted in a 21 to 21 tie vote, certainly not a conclusive vote. Rightfully, the full House will vote on these issues which affect the entire nation. We strongly urge adoption, by the widest vote margin, of the Dingell-Broyhill amendment on the Floor when the clean air legislation is scheduled.

Our colleagues will recall that the slightly less stringent, 1976 version, of the Dingell-Broyhill auto emission amendment only lost by three votes when it was offered in the Committee. Later, on the Floor of the House, September 15, 1976, the amendment was overwhelmingly adopted, 224 to 169, a 55 vote margin. The Clean Air bill was not enacted.

PROMPT ACTION BY CONGRESS REQUIRED

It is essential that new statutory auto emission standards be swiftly enacted for the 1978 auto production model year. The production timetable must start on schedule with the normal summer manufacturing cycle upon which much of the nation's economy, industry and jobs depend. The 1979 model year manufacturing cycle also depends on prompt action. Any delays by Congress, such as those of 1976, on the Committee bill and the Dingell-Broyhill amendment may lead to the necessity to act on only an automotive related measure with stationary scource emission control issues to be considered at a near future date.

DINGELL-BROYHILL

We favor the provisions contained in H.R. 4444, the Mobile Source Emission Control Amendments of 1977, as introduced by Representatives Dingell and Broyhill and well over 100 other House Members. We favor this bill which will be the basis of an amendment to be offered on the Floor of the House to H.R. 6161.

ENVIRONMENTALLY SOUND

The balanced auto emission section of the Dingel-Broyhill bill we favor is environ-

mentally sound. The standards are somewhat tighter in the schedule this year due to promising technological capabilities of auto manufacturers and automobile emission control parts suppliers.

ENERGY SAVINGS

The emission schedule in Dingell-Broyhill would continue to produce fuel efficiency in motor vehicles and overall energy savings for the country while the Committee/Administration schedule could waste fuel, conservatively estimated to be 2.41 billion gallons a year, or 140,000 barrels of oil per day, based on government analyses, "Data and Analysis for 1981–1984 Passenger Automobile Fuel Economy Standards," Summary Report, February 28, 1977, prepared by the Department of Transportation, National Highway Traffic Safety Administration, Office of Automotive Fuel Economy, and the "Analysis of Effects of Several Specified Alternative Automobile Emission Control Schedules Upon Fuel Economy and Costs," February 1977, prepared by five agencies, the Department of Commerce, Department of Transportation, Energy Research and Development Administration, Environmental Protection Agency, and Federal Energy Administration. There are further estimates that indicate the fuel penalty may be double this estimate.

CONSUMER SAVINGS

Savings for consumers also is accomplished under Dingell-Broyhill inasmuch as the more stringent standards of the Committee bill would require higher initial purchase costs of $350 per car, according to testimony by Mr. Douglas Costle, Administrator, EPA, in Commerce, Energy and Power Subcommittee hearings on auto fuel economy, April 25, 1977. In addition, EPA's support data, the March 21, 1977, "Cost/Technology Analysis," revised April 11, also indicates that under the Committee bill standards, maintenance costs to consumers might be increased as much as $100 per vehicle.

JOB CERTAINTY

Jobs in the automotive industries would be protected under the standards in Dingell-Broyhill as customers would find the fuel efficient, clean burning, reasonably priced, and dependable vehicles produced under such standards more desirable and acceptable.

TECHNOLOGY

The Dingell-Broyhill schedule and its more gradual phase-in of tighter standards permits automobile and emission control parts manufacturers to maximize efforts to produce innovative fuel and emission control devices and systems.

PUBLIC HEALTH PROTECTION

The new cars in the model years affected under Dingell-Broyhill would be cleaner burning with the reduction from the current emission standards and would result in assured protection for public health.

Therefore, we *strongly disagree* with the Section 203 provisions on automobile emission standards in H.R. 6161 which substantially affect both automobile fuel efficiency and consumer costs in an adverse manner. Meanwhile, there are no proven benefits to health with the unnecessarily stringent emission standards of the Committee bill.

We urge that the following schedule of auto emission standards contained in Section 2 of H.R. 4444 be enacted:

Dingell-Broyhill

	HC (gpm)	CO (gpm)	NO_x (gpm)
1978–79	1.5	15.0	2.0
1980–81	.41	9.0	2.0
1982 and thereafter	.41	9.0	[1] 1.0–2.0

[1] Suspension or waiver for NO_x based on EPA Administrator decision that a NO_x standard above 1.0 would not endanger public health but would produce fuel and consumer savings.

HC—Hydrocarbons.
CO—Carbon monoxide.
NO_x—Oxides of nitrogen.
gpm—Grams per mile.

LABOR SUPPORT

The Dingell-Broyhill schedule of emission standards in H.R. 4444 reflect the agreement reached by Representatives Dingell and Broyhill and Senators Riegle and Griffin, S. 919, and Mr. Leonard Woodcock of the United Auto Workers.

Supporting this schedule and the entire Dingell-Broyhill-UAW measure are the AFL–CIO, foreign and domestic auto manufacturers, auto dealers, auto parts suppliers, garagemen, service station owners, transportation businesses, and numerous other supplier industries and automotive consumer organizations.

This agreement provides that automobiles manufactured during model years 1978 and 1979 meet the same emissions standards applicable for model year 1977, that is: 1.5 grams per mile hydrocarbons, 15.0 gpm carbon monoxide, and 2.0 gpm oxides of nitrogen. For 1980 and subsequent model years the hydrocarbon standard requires a full 90 percent reduction from the levels emitted in model year 1970, or .41 gpm hydrocarbons. For 1980 and subsequent model years the carbon monoxide standard is 9.0 gpm. For 1980 and 1981 the oxides of nitrogen standard is 2.0 gpm.

REVISION FOR NO_x

For 1982 and subsequent model years the NO_x standard is 1.0 gpm but latitude is granted to the EPA Administrator to revise up to 2.0 gpm for periods of two or more model years if he determines in a suspension proceeding that such standard should be revised due to (1) the lack of available, practicable, emission control technology to meet such standard during such period, (2) the cost of compliance with such standard, (3) the impact of such standard on motor vehicle fuel consumption. However, no such revision may be made if the Administrator determines that it would endanger public health.

NEW TECHNOLOGY PERMITTED

Additionally, the Administrator may waive the standard of 1.0 gpm NO_x up to 2.0 gpm during any period of four or more model years beginning with the model year 1982 if he determines that a waiver is necessary to permit the use of an innovative power train technology that can produce a substantial energy saving compared to conventional power trains. No waiver may be granted if the Administrator determines it would endanger public health.

UPDATED 1977 INTEGRATED ANALYSIS UNAVAILABLE

Representatives Dingell and Broyhill, in March 11, 1977, request to President Carter and several Administration departments and agencies, asked for an updated, fully integrated comparative analysis of the fuel consumption, consumer cost and health data impacts of the various auto emission schedules under consideration in Congress.

It was requested that the April 8, *1976*, Interagency Analysis of Several Specified Alternative Automobile Emission Control Schedules, prepared by EPA, FEA, and DOT, be updated to reflect the comparative differences of proposed emission schedules. It was asked that data from the February, 1977, analysis of fuel consumption and consumer costs, previously cited in our views, be utilized in a new study for Congress.

No integrated study was done.

On April 18, EPA Administrator Costle, before the Health and Environment Subcommittee released, following the President's review, the Administration's proposed auto emission schedule *without* sufficient supporting data. Only assumption papers from EPA were delivered to the Committee shortly before the action on auto emissions April 27, but the data was not integrated nor did it include a comparative analysis relative to any benefits to be derived by the Administration proposal.

Nevertheless, we can draw from certain information contained in EPA data and testimony and from various analyses, and other government documents, recently released to Congressmen Moss and Dingell, and make the determination that the advantages of the Dingell-Broyhill emission control schedule are certain and provide more assurance of protection for the nation and the public interest.

This is the same EPA that last year supported a five year freeze of the standards and abolition of 0.4 grams/mile for nitrogen oxides. (It also is the same EPA that later, along with the White House in 1976, came out in support of the Dingell-Broyhill emission schedule.)

That afternoon, April 18, 1977, EPA presented this new (1977) position at a hearing before the Subcommittee on Health and Environment of the House Committee on Interstate and Foreign Commerce. Then markup began.

The auto industry, labor, environmentalists and other Federal agencies were *not* given an opportunity to comment on the new EPA-Administration position, *nor* were Committee Members given an opportunity to question other Federal agencies to see if they supported EPA.

THE FEDERAL AGENCIES CHALLENGE EPA'S NEW POSITION BEHIND CLOSED DOORS, BUT NOT IN PUBLIC

Congress has sought over the past several years to achieve openness in government. No where is this concept so important than when Congress and the public is debating over highly technical health and safety issues that could impact severely on our economy. We need to know the pros and cons of each position so we can make informed judgments.

However, it appears that, once again, we are being treated with a so-called "uniform" Administration position with EPA establishing that position. Divergent views within the Administration appear to be suppressed as indicated in this April 18, 1977 DOT memorandum to the "FILE":

"5. Within the Administration there is not yet a policy on the auto emission control schedule. The Environmental Protection Agency has proposed a schedule that holds the current Federal standards through 1978, switches to the current California standard of 0.41/9.0/1.5 for 1979 and 1980, then drops to the statutory HC and CO standards and 1.0 NOx standard for 1981 and 1982, and then goes to the statutory 0.4 NOx in 1983. There would also be waiver provisions on the NOx standard to permit diesels to be used in their NOx emissions are about 1.0 gpm or below. The EPA position paper went to Stuart Eizenstadt who circulated it to Treasury, DOT, Schlesinger, CEA, OMB, CEQ, and FEA for review and comment on March 26, 1977. Eizenstadt requested comments by March 29, 1977, and by April 1, EPA had the comments and was responding to them.

"The Environmental Protection Agency, presents the case for pushing emission controls to the limit from the point of view that air pollution is bad for health, reducing emissions will reduce air pollution, that it

is possible to reduce emissions from automobiles, that the cost of emission control is only a small percentage of the overall cost of purchasing and operating cars. This general position is supported by the inclusion of a number of technical and economic analyses reflecting EPA's substantial expertise.

"Other agencies within the Administration are reluctant to challenge the EPA position except on separate technical issues. DOT has taken exception to the EPA estimates of fuel economy penalty. CEQ staff disagrees strongly with EPA's projections of air quality, and FEA and HEW staff take exception to the EPA assessment of health effects. OMB staff are dissatisfied with EPA's technical justification in support of tighter emission standards. Commerce staff are usually concerned about the technological optimism of EPA's analyses, in regard to pace of development and cost to industry. I do not know that CWPS or CEA have any concern over the cost/benefit relations; but it would not surprise me to learn that they do. *Nevertheless, with EPA taking the lead in developing the Administration's position and controlling the correspondence and with the political leadership of the other affected agencies seeing a non-win situation for themselves, there is not much prospect of either (a) an objective discussion of the issues for a Presidential decision or (b) an Administration position much different from EPA's going in position.*

"Congress is faced with the requirement to act on the 1978 model year emission standards or take the blame for shutting down the auto industry. In the simplest analysis, it can either set standards that the industry can certainly achieve with little penalty (fuel economy, cost, disruption) or set standards that require the industry to stretch (with the attendant possibility of failure) and continue the need for further Congressional action. There is also the possibility that Congress would return to EPA the substantial administrative discretion that it withdraw by taking onto itself the decision to establish specific emission standards, but this does not seem likely, except in minor ways." (Emphasis supplied)

OMB OPINIONS CONSISTENT WITH DINGELL-BROYHILL

This point is further substantiated by an undated memorandum from Mr. Donald E. Crabill of OMB (the Office of Management and Budget) to Ms. Kitty Shirmer of the Domestic Council. He states that he review "Mr. Eizenstadt's memorandum of March 26" and makes a number of comments concerning the mobile source issue on pages three through seven as follows:

Automobile strategy

1. *General:*

Air quality is a murky science at best. The memo gives no feeling for the uncertainties involved, and presents specific numbers with no context. An example is the NOx discussion stating that 32 million people are affected vs. the 40 million for less stringent standards. Air quality violations are based upon the worst level recorded at the worst monitoring sight in the region. This means that in some cases only a small proportion of the population of the region actually are subjected to violations.

One major point absent in the discussion is that by 1985 the contribution of the automobile to oxidant and NO_2 air quality violations is small (less than 20%) even at the current (1.5/15/2) auto standards. It is the stationary sources which are projected to cause 80 percent of the problem.

If HEW and EPA have a considered scientific judgment on the adequacy of a standard, it should be presented. If not, a topical discussion such as the discussion of the NO_2 standard is questionable. On such a level one might equally argue that considering background HC levels and reactivity of various hydrocarbons, the oxidant standard is too high.

2. *The HC Standard:*

By 1990 (13 years, not 30 years) the two worst cities (Los Angeles and Houston) will account for 67 percent of all projected air quality violations and an additional 23 percent will come from 8 cities which have a high proportion of stationary sources.

By 1999 (22 years, not 30 years) violations in areas outside of Los Angeles and Houston will be minimal. This could be achieved by 1990 if a tough stand were taken on growth rates and degree of control of stationary sources.

We have no objection to the EPA recommendation.

3. *The NOx Standard:*

Only four regions are currently in violation of the NOx standard and will continue to be so even if the statutory standards are enacted.

Additional air quality violations will only occur at high growth rates for a 2 gm./mile standard. Even then the cities are projected to be within 5 percent of the standard by 1990. This is beyond the error margin of such calculations.

The discussion gives no idea of the trade-off between CO and NOx control with the three-way catalyst teechnology. In order to go to 1.0 NOx the CO standard may need to be above the statutory level.

Diesel NOx exemption—it is stated that diesels can achieve .41/3.4/1.0 NOx for 100,000 miles. This is in opposition to the Feb. 17 memo which says that the diesel would not be produced at these levels of standards. DOT, FEA, and ERDA believe this number for NOx should be in the 2.0 to 1.5 gm./mile range.

We recommend an exemption for alternative engines of 1.5 gm./mile NOx.

We recommend a 1.0 gm./mile NOx standard if the CO standard is allowed to be 9 gm./mile.

4. *The CO Standard:*

The discussion indicates that deterioration is a problem. This is currently true but will not be so from the year three-way catalysts will be required. The air/fuel controls of the three-way catalysts will greatly limit deterioration. A 9 gm./mile standard with the three-way catalyst will be roughly equivalent to a 3.4 gram/mile standard with current technology.

Makes no mention of EPA's regulatory fix for adjustment of carburetors.

Makes no mention of EPA's test procedure possibly over-stating the CO emission during operation in problem areas.

We recommend the 9.0 gm./mile level with a 1.0 gm./mile NOx standard.

EPA and OMB recommended standards by year:

	EPA Proposal
1978	1.5/15/2
1979	.41/9/1.5
1980	.41/9/1.5
1981	.41/3.4/1.0
1982	.41/3.4/1.0
1983	.41/3.4/.4
1984	.41/3.4/.4
1985	.41/3.4/.4
	OMB Proposal
1978	1.5/15/2
1979	1.5/15/2
1980	.41/9/2.0
1981	.41/9/1.0
1982	.41/9/1.0
1983	.41/9/1.0
1984	.41/9/1.0
1985	.41/9/1.0

3. *Cost and Fuel Economy Impacts:*

These figures are a dramatic departure from EPA's public paper of Feb. 17th. The new figures have not been subject to scrutiny by FEA, DOT, ERDA and Commerce and support EPA's position. Specifically:

.41/9/1.5 by 1979 will cause a 10–14% fuel economy penalty as three-way catalysts could not possibly be in production by then—1979 certification starts in 6–8 months.

.41/3.4/.4 (statutory) in 1983 previously was said to cost $160–480 more than the $330 (240 sticker and 90 maintenance) which EPA now maintains is the cost. Also, the current memo states there is minimal fuel economy penalty associated with this standard in 1983. The previous EPA position was 4–13% penalty.

The EPA standards cost $140 (not $105) more than the UAW proposal according to this new analysis. Previous costs differentials were higher.

The employment and sales impacts mentioned are losses and unemployment and should be clearly stated as such.

No mention is made of the total cost of compliance to Federal emissions, safety and fuel economy standards which are estimated to add $964 to the 1985 new car sticker price.

We do not believe a vastly more complex automobile, including electronic fuel injection and other electronic controls, will cost only $9 additional maintenance per year. This is innovative, sophisticated equipment. It will probably cost more than $9 just to figure out what is wrong.

The actual alternatives should be presented—a simple three-way system without additonal oxidation catalyst at .41/3.4/1.5 or .41/9/1.0. and a much more costly and sophisticated system with electronic fuel injection and an oxidation catalyst which may get to .41/3.4/.4.

4. *Ensuring Vehicles Compliance In-use:*

This is a moot point as any standard considered will force three-way catalyst technology which will limit CO deterioration. HC deterioration has never been a serious problem. At best, inspection and maintenance will help in the short-term until the three-way catalyst technology is fully introduced.

The reduction from I&M from either current technology with a 3.4 gram/mile standard or three way catalyst technology with a 9 gram/mile standard is of questionable necessity. There are at these levels, 7 violations of the 8 hour CO standard projected in the worst area (New York City) as early as 1985.

The reduction if there is no I&M for hydrocarbons is only 1 or 2% less than with I&M and the actual air quality impact in any given region is only a few less hourly violations per year.

I&M programs will have no impact on NO_x emissions as the test procedure covers only HC and CO.

We concur that the program will be unpopular.

This will particularly be the case when it is realized that there is not a great CO problem, that oxidant violations are only reduced by a few hours per year and that the expense will be on the car owners. Last year's Conference bill limited manufacturer's warranty to 18 months or 18,000 miles down from 5 years or 50,000 miles which is still only half of the true useful life of an auto.

No mention is made of the current suits before the Supreme Court by State governors who question the constitutionality of EPA ordered I&M programs and any way want to avoid having them.

The funding level for this program could be very substantial. EPA's modest proposal last year for 15 cities with start-up costs only was $10 million.

For 25 cities this number would be more than doubled. To fully fund 25 programs would cost several hundred million dollars annually.

Additionally, EPA suggests that the program repay car owners for failed emission control parts. This is then to be repaid by manufacturers. It is likely to be difficult to accomplish the second phase, leaving the States, with EPA grants, to a possible yearly liability of hundreds of millions if not billions of dollars.

No mention is made of all the regulatory and bureaucratic impact I&M would have.

We recommend that the EPA proposal be rejected in total. (End of OMB memo)

The Congress has not seen this memorandum. Indeed, until a few days ago when Congressmen Moss and Dingell insisted on being provided background data in DOT, FEA, and EPA files, we did not know of these OMB concerns and critiicsms.

THE DOT ALSO IS CRITICAL OF EPA

On March 29, 1977, the Chief, Energy and Environment Division, Mr. Richard L. Strombotne, sent a memorandum to his superiors entitled, "Comments on EPA Recommendations on Clean Air Act Amendments." The DOT memorandum follows:

MARCH 29, 1977.

Comments on EPA Recommendations on Clean Air Act Amendments

Chief, Energy and Environment Division, TST-46

Executive Assistant, S-2

Per your request, we have reviewed EPA's recommendations on the Clean Air Act Amendments and have the following observations and comments, limited to the recommendations on automobile emission standards for future years.

The schedule of automobile emission standards proposed by EPA, namely,

	HC (g/mi)	CO	NO_x
1978	1.5	15	2.0
1979–1980	0.41	9.0	1.5
1981–1982	0.41	3.4	1.0
1983 and thereafter	0.41	3.4	0.4*

*NOx waiver between 1.0 and 0.4 gpm.

may have important implications for fuel economy.

First, we disagree with EPA's position that "the full statutory standards of 0.41/3.4/0.4 can very probably be met without incurring fuel economy penalties relative to what could be achieved if today's standards were retained." We believe that a fuel economy penalty of five percent or more in the early 1980's is most likely for a variety of technical reasons, including the need to develop and implement a durable NOx reduction catalyst with very high NOx conversion efficiency so that engine detuning will not be necessary.

Second, a NOx standard below 1.5 g/mi will probably be an important disincentive to manufacturers to use diesel engines to improve fuel economy.

Note that the EPA proposal on NOx standards to "allow cars meeting the 1.0 gpm level but failing to meet 0.4 gpm to be sold subject to a NOx charge equivalent to the economic value of not complying with the 0.4 standard (up to $60–$140 per car) offers a point of departure for an option that would eliminate both objections made above. *The option I suggest is to change the ceiling to 1.5 gpm rather than 1.0 gpm.*

RICHARD L. STROMBOTNE.

Mr. Strombotne also provided some very revealing comments in an April 18, 1977, DOT memorandum as follows:

6. I have touched bases with EPA's staff in Washington and in Ann Arbor, with CEQ, OMB, and FEA, and have received and reviewed copies of relevant documents from GM and the American Petroleum Institute. Moreover, I have been involved in this issue for several years. I consider the following to be a fair summary of the political economic, and technical isues.

7. Technical Issues—Emission Control

Both EPA and DOT technical staffs believe that there will be significant advances in emission control technology but differ in their assessments of the pace of development of technology for the industry as a whole. In general the EPA technical staff considers it very likely that the automobile manufacturers and their suppliers will overcome all of the obstacles and difficulties associated with advanced engine and emission controls so that even the statutory standards can be met with no fuel economy penalty by the early 1980's, say 1983 or 1984. The DOT technical staff tends to the view that the advanced engine controls will probably permit an 8 to 10 percent improvement in fuel economy at current emission standards, that the fuel economy improvement will be reduced or eliminated as emission standards are tightened, and that one cannot count on all the technical breakthrough identified by EPA. Lower NOx standards require lower combustion temperatures resulting in lower efficiency.

The automobile manufacturers do not have a uniform view on this issue (Ford is more optimistic than General Motors) but are consistent in pointing out their need to have good solid experimental data on complete emission control systems that pass EPA's entire emission compliance procedure, including 50,000 mile durability tests, before they can be sure of the technology and that they cannot afford to spectualate as the government does.

8. Technical Issues—Air Quality

EPA projects air quality in future years based on (a) measurements of various pollutants in past years (b) estimates of emissions in past and future years and (c) models of the relationships between emissions and ambient concentration of pollutants in the air. The general picture is that emissions from the fleet of cars will decline as older, dirtier cars are replaced by cleaner cars. Nevertheless, almost every feature of the EPA projection procedures for oxidant, carbon monoxide, and NO_2 concentrations is controversial from the scientific point of view. For example, in the case of photochemical oxidants, according to the critics, EPA measures ozone rather than photochemical oxidant, selects a high value of oxidant concentration for the base year rather than a representative value, has two different methods of projecting oxidant concentration which give widely differing results, uses a high value for the rate of growth of VMT, and does not take the spread of urban areas into account. In addition, EPA has widely varying estimates of the grams per mile emission of hydrocarbons from automobiles. The EPA technical staff acknowledge many of the criticisms and are trying to resolve them in some cases.

The net result is that the air quality benefits of automotive emission control are highly uncertain with much greater variation in the results due to changes in assumptions about growth rates, the effectiveness of inspection and maintenance programs, and the type of projection technique that can be attributed to changes in auto emissions alone.

9. Technical Issues—Health Effects

Here, too, there is great controvery. Little is known about the dose-response relationships for oxidant, carbon monoxide, and NO_2 for various susceptible groups in the population and their potential exposure, although EPA has made much progress in developing the methodology for analyses. While the national ambient air quality standards have come under attack as being too strict and as not being strict enough, the National Academy of Sciences, a few years ago, concluded that there was no basis for changing the National Ambient Air Quality Standards.

10. Economic Issues

About three years ago the NAS concluded that costs and benefits of air pollution control at that time were approximately equal, subject to wide uncertainty in the benefits of controlling air pollution. More recently this analysis has been criticized to the effect that the marginal costs and marginal benefits are the more significant decision criteria, the analysis has been revised with new data, and the conclusion drawn that marginal costs of air pollution control already exceed marginal benefits.

As to the costs and benefits of future emission standards, EPA's estimates are generally in the range of $250 to meet the statutory standards above the cost of meeting current standards. In addition, for a car with fuel economy of 20 mpg and using 5,000 gallons of gasoline over its 100,000 mile life, the effect of a 5 percent penalty in fuel economy due to emission controls would cost the owner an additional $190 at 75¢ per gallon. For the 100 million national car fleet the aggregate numbers run into the billions of dollars. While the additional costs are relatively certain, the additional benefits are relatively uncertain and appear to be less than the costs.

EPA's own economic analyses of cost-effectiveness of different emission control techniques have concluded that tightening the NOx standard from 1.0 gpm to 0.4 gpm is the least cost effective method of all the alternatives considered and that tightening the NOx standard from 2.0 gpm to 1.0 gpm is in the middle range of cost-effectiveness.

(End DOT memo)

DINGELL-BROYHILL COMPARED TO COMMITTEE/ADMINISTRATION

Section 2 of the Dingell-Broyhill bill, relating to auto emissions, will be offered as the basis of the Dingell-Broyhill amendment to the Committee bill on the Floor, and it differs from the Committee emission schedule in four areas.

1 The Committee bill, containing the Administration's much too stringent proposal, establishes new HC, .41, and CO, 9.0, standards in model year 1979, a year too soon in terms of the manufacturing industry's capability to change engineering plans and retool for that year's fleet of cars. Adequate lead-time for designing, engineering, building prototypes, retooling, testing, and preparing applications for EPA on 1979 models has been lost due to delays in enactment of new emission standards. The 1979 levels must remain identical to the 1977 and 1978 standards, that is, 1.5 HC, 15.0 CO, and 2.0 NOx, if we are to avoid disruption within the automobile industry.

2. The next difference occurs in model year 1981 on CO with the Committee bill imposing the unnecessary 3.4 CO standard, which jeopardizes the nation's potential for improved gasoline savings and smaller and more efficient engines and provides no needed improvements in air quality nor protection for public health. The 9.0 CO standard, permanently imposed under Dingell-Broyhill, model 1980 and onward, is sufficient for clean air according to the previously noted governmental studies. (Motor Vehicle Goals)

3. The next difference also occurs in 1981 with the Committee bill containing the new 1.0 NOx standard while Dingell-Broyhill establish the 2.0 NOx standard through model year 1981 before reducing the standard to 1.0 in 1982. This again maximizes fuel effi-

ciency under the Dingell-Broyhill schedule with national energy savings. Also, according to manufacturers of the three-way catalytic converter, this advanced technology emission control device will not be available for mass auto production until model year 1982 and be fully developed and tested to meet the 1.0 NOx standard, the advanced catalytic converter is discussed in further detail elsewhere in our views. Beginning in 1982 with the 1.0 NOx level, under Dingell-Broyhill, that level could be administratively suspended or waived up to, but not in excess of, 2.0 NOx, *if public health would not be endangered.*

4. The last major difference concerns model year 1983 when the EPA Administrator has testified, April 18, Health and Environmental Subcommittee, that he would, under the Administration proposal now in the Committee bill, reduce the NOx standard to 0.4 if he makes the judgment by 1980 that the reduced standard is necessary. Administrator Costle testified, "As you know, there are indications that a more stringent (0.4) NOx standard may be needed. *However*, the health data are not sufficiently firm at this stage to make an absolute commitment to this level of control." Doubt remains as to the health requirements or other trade off justifications for a standard as low as .4 NOx. If the Committee/Administration emission schedule is enacted, it appears certain that EPA is definitely leaning in favor of imposing the 0.4 NOx standard despite conflicting studies warning that this reduced standard is not necessary for public health and that it is beyond being cost-beneficial.

For comparative purposes, a complete listing of the emission control schedules is contained at the end of our views on auto emissions.

RATIONALE FOR DINGELL-BROYHILL AUTOMOBILE EMISSION CONTROL STANDARDS

1978–79 standards

Each of the auto emission schedules approved in legislation during the 94th Congress by the Senate, the House, and the Conference Committee provided for standards of 1.5/15/2.0 for 1978 models. Congress recognized in the 1976 Conference Amendments to the Clean Air Act that the statutory standards required by the current law for 1978 models were unnecessarily stringent and infeasible. Government agencies, the motor vehicle manufacturers, the Committee, and the Dingell-Broyhill standards are in agreement that the current 1977 emission standards continue for 1978.

Realistically, as this bill will not be enacted into law until June or perhaps July of this year, the 1978 standards also should be carried through 1979. Inasmuch as the year-long EPA certification process for the 1979 model cars begins in mid-summer this year, there is already an inadequate lead-time for designing, planning, engineering, testing, building of prototypes and retooling for 1979 models if standards are changed for that year. Such a situation not only will result in disruption within the automobile industry, but may also result in sustantial unemployment to automotive workers. As we have recently observed, the effect of such an occurrence is to produce significant adverse impacts throughout our national economy. It is just not worth the risk.

The public interest, business and labor will best be served by an extension of the 1977 standards through the 1979 model year. Also, keeping standards of 1.5/15/2.0 for 1979 would allow the nation to continue to maximize fuel economy gains which is consistent with President Carter's objective to conserve energy.

We urge that this total impact be considered as we must enact 1979 emission levels identical to the 1978 standards in the Dingell-Broyhill measure in order for certainty within the total industry, including its parts suppliers and the various transportation modes that ship autos to the marketplace—all of which are affected by this cycle.

We regret the emission schedule proposed by the Administration, April 18, now contained in the Committee bill, does not reflect this necessary certainty for the American economy and jobs. It must be recalled that a year ago on this legislation both the Health and Environment Subcommittee, the full Committee, and the full House agreed, that it was necessary to continue the revised 1978 standards through model year 1979. The time frame is now substantially tighter than it was at that time—the auto industry is a whole year closer now to the required testing, certification and production deadlines for 1979 models.

1980–81 standards

Autos already have made major contributions towards attaining our clean air goals. As older cars are replaced with new, cleaner burning cars, the pollution clean up by autos rapidly progresses.

Beyond 1979, as the domestic and foreign manufacturers have recently testified at Congressional hearings, the disadvantages in meeting excessively stringent standards include fuel economy penalties, higher costs to the consumer (increased equipment and maintenance costs), and at least initially, poorer driveability and performance and reduced model availability. The impact of these disadvantages, which would result if auto emission standards were tighter than the Dingell-Broyhill standards, must be weighed against the fact that analytical data available shows there also would be statistically insignificant improvements in the nation's ambient air quality. Congress has previously agreed that the statutory standards must be changed. New standards must truly be cost-beneficial and implemented at the proper time when advanced automotive emission control technology is available.

For 1980 and subsequent models, hydrocarbons (HC) will be controlled at the .41 gpm level called for by current law. The Federal Motor Vehicle Goals Study, or "300 Day Study," clearly indicates that it would make very little difference in air quality gains to wait the year or two it would take to integrate technology which would alleviate the fuel economy penalty in moving to more stringent hydrocarbon control. However, of the three pollutants, automotive hydrocarbon emissions are strongly implicated in smog formation; and if any clean-up should be accelerated, it is agreed that hydrocarbon control should be given the priority, as it is in the Dingell-Broyhill emission schedule.

The carbon monoxide (CO) standard for 1980 and subsequent models should be 9.0 grams/mile. The recent "300 Day Study" of the Department of Transportation shows that air quality goals can not only be met, but exceeded with this standard, and that only minimal improvement would result from the statutory 3.4 gpm standard. For example, as compared with 1971–73, projected 1990 air concentration levels of CO would be 80 percent lower with a 9.0 grams/mile standard, or 83 percent lower with a 3.4 grams/mile standard. On the other hand, imposing the lower standard would put a particular burden on cars with small engines, and those are the ones that will be needed to achieve desired fuel economy goals. It should also be noted that use of a more stringent standard is not an effective way to solve the problem of cars which are not properly maintained in use, and thus emit high CO levels.

Recent evidence indicates that California's carbon monoxide standard of 9 gpm, which has been adopted by the California Air Resources Board for the long term, is not only adequate for that State, which has the most serious air pollution problem, but is more than adequate to protect public health for the rest of the nation. This is significant, because this CO level permits the operation of three-way catalyst technology to achieve low NOx levels while still providing more fuel-efficient operation.

1982 and subsequent standards

With regard to NOx, the ultimate level which represents the best tradeoff between fuel economy and air quality will fall within the 1 to 2 gram per mile range. Not enough is known at this point to specify the precise standard. Therefore, the Administrator of EPA would be given the authority to adjust the standard within this range. There is substantial argument over what level of NOx control is needed for public health reasons. When vehicles are controlled to levels as stringent as 2 grams per mile NOx, as they are today, stationary sources become the major NOx emitters. The Motor Vehicle Goals or "300 Day Study" identified five strategies to control NOx in the atmosphere, each of which would be more cost-effective than reducing auto emissions below 2 grams per mile.

There are many unsettled questions regarding the control of oxides of nitrogen (NOx). Recent technological developments (such as those used by Volvo) indicate that the recommended level of 1.0 grams/mile can be achieved, but much additional work is needed if that technology is ever to be made sufficiently applicable to a wide range of cars. In fact, there is some question whether that standard will actually be needed to protect public health. Therefore, the EPA Administrator, for the model years 1982 and beyond, should be given authority to revise the NOx standard, up to 2.0 grams/mile, unless he determines that upward revision would endanger public health.

NOx standards below 1.5 or 2.0 also present special problems for many engines, such as diesels, stratified charge, lean burn, and several others, which can help conserve energy. As a matter of fact, a NOx standard below that level would probably prohibit the use of these innovative technologies. Thus, Dingell-Broyhill propose that the EPA Administrator be given authority to set a NOx level up to 2.0 grams/mile for specific categories of cars if that is necessary to allow them to be built and sold and, further, if they could achieve substantial energy savings. Here again, the higher NOx level would not be permitted if the Administrator determines that would endanger public health.

It is essential that the standards be set for at least two year intervals to ensure certainty in the manufacturing cycle.

HEALTH

The auto emission standards were set in 1970 on the basis of information then available on the relationship between auto emissions and air quality. Since that time, new information has come to light that casts doubt on the need for such stringent standards. In fact, evidence continues to mount from prestigious scientific bodies and eminently qualified scientists which questions both the basis and need for the present statutory auto emission requirements. Following are a number of relevant excerpts and findings from highly competent scientific and medical studies.

First, the NO_2 ambient measurement techniques were found to be in error, and instead of 43 regions being in violation of the NO_2 ambient standards, less than 10 were found to be a problem. (1973 Hearings, p. 552). Second, a study by a panel of the Committee on

Motor Vehicles of the National Academy of Sciences concluded, "Present Federal emission requirements for 0.41 gm/mi. (HC) and 0.4 gm/mi. (NO_x) seems more restrictive than need be by a factor of about three.

Third, a 1975 Yale Medical School study concluded that the CO and NO_x standards were too stringent, also by a factor of four.[1] Fourth, a study undertaken by Columbia University—MIT—and Harvard for the National Science Foundation concluded that, "Recent corrections to measurements of ambient NO_2 levels indicate that the statutory NO_x emission standard may be more stringent than is necessary to achieve NO_2 ambient air quality standards nationwide in 1985."[2] A study dated March 22, 1976, by Professor S. Fred Singer, University of Virginia Department of Environmental Sciences, found that costs and benefits of achieving 1975 standards are about even, but going beyond that *costs exceed benefits* by up to $13 billion.[3]

Excerpts from a new Yale University Study of NO_x include "an emission standard for NO_x of 1.0 grams per mile would eliminate excess incidences of acute respiratory disease by 1981 . . . or have roughly the same effect as the 0.4 grams per mile standard.

"The California 1975 and Federal 1977 automotive emission standard of 2.0 grams per mile would result in an acute respiratory illness rate of only approximately 5 percent that of 1973 by 1984."[4]

Regarding health effects, ". . . any excess morbidity of chronic lung disease, *if it occurs at all*, due to air pollution in a typical U.S. industrial town (Ansonia, CT) is exceedingly difficult to document *with objective data*." (Emphasis added.)

"In conclusion, we have found no evidence that outdoor air pollution with particulates, NO_2 and O_3 at levels ranging from well below to slightly higher than current primary air quality standards bears a demonstrable relation to morbidity of chronic lung diseases in three communities.

"Even if air quality throughout the United States were improved to match that found in rural Lebanon, Connecticut, any resulting improvement in respiratory health might be minimal, and objective evidence of such an improvement will be very difficult to obtain."[5]

The EPA/Committee proposal for auto emission standards in H.R. 6161 is said by Mr. Costle to be based on "increasing evidence" of adverse health effects from NO_x. The only evidence he cited was the World Health Organization study not yet published—but which he admitted was based on data five or more years old.

The WHO study draft summary does *not* support EPA. In fact, its own disclaimers refute, rather than support, the EPA conclusions.

Excerpts from this six-page summary are as follows:

"5.3 *General population exposures*

Several studies have been reported in which an attempt has been made to relate pulmonary function to nitrogen dioxide exposure. However, the results of all of these studies have either failed to demonstrate a significant difference in lung function between the groups exposed to different levels of nitrogen dioxide, or have been confounded by the fact that relatively high concentrations of other pollutants were present.

This also applies to studies conducted to correlate the frequency of acute respiratory disease and chronic respiratory illness with concentrations of nitrogen dioxide.

For example, a study to evaluate the effects of nitrogen dioxide on the incidence of acute respiratory disease in children and their parents living near a large point source of this pollutant demonstrated an excess rate of respiratory illness in comparison with a control group. However, the probable contribution of other pollutants such as sulfuric acid aerosols, nitric acid fumes, and suspended nitrates made it difficult to attribute this excess to the presence of nitrogen dioxide.

Similarly, because of relatively high expoeure to other air polluents, It has not been possible to associate observed increases in the frequency of chronic respiratory illness with a measured level of nitrogen dioxide.

"6. *Evaluation of health risks*

As it has not yet been shown that the concentrations in ambient air oxides of nitrogen, other than nitrogen dioxide, have any significant biological activity, a guideline for the protection of public health has been developed only for nitrogen dioxide."[6]

Further, no one has demonstrated the need for a .4 NO_x standard—as evidenced by the fact that even the Committee bill requires further study before the standard would go to .4. EPA has acknowledged that stationary sources already contribute the majority of NO_x in many cities and that further reductions can be achieved at lowest cost by control of stationary sources.

During the Health and Environment Subcommittee hearings in 1975, and again in 1977, it was generally agreed to by the testimony that a .4 NO_x standard was not technologically feasible in the foreseeable future. The Senate Committee bill has already abandoned .4 grams per mile as a standard and goes no lower than 1.0 grams per mile. Furthermore, only catalytic converter technology appears to have possible potential in later years to meet a .4 NO_x standard, while other methods—lean burn, diesel, stratified charge—are unable to do so.

Thus, retaining the potential for a .4 NO_x standard would inhibit development of these other innovative and fuel efficient engines. This is precisely contrary to the purpose of the Act stated elsewhere in this report, i.e., to encourage improvement of technologies with significant fuel economy and emissions control potential.

In the Dingell/Broyhill amendment, on the other hand, we impose the 1.0 NO_x in 1982, but again, due to EPA's admitted uncertainty on health and air quality, and due to the Administration and nation's energy conservation demands, Dingell/Broyhill provide for that NO_x standard to be suspended or waived up to, but not in excess of, 2.0, if it will not endanger public health and would save fuel and economic cost. This procedure also provides automakers incentive for more research and test cars if they know there are provisions in the law to permit their manufacture of a new system.

Moreover, there is no basis for concluding that a .4 NO_x standard (along with .41 HC and 3.4 CO) can be met, even with catalyst technologies.

The Interagency Task Force on Motor Vehicle Goals Beyond 1980 cited earlier has concluded that the 9.0 CO standard proposed by Dingell/Broyhill would adequately protect public health enabling the U.S. to achieve compliance with the national ambient air quality standard for carbon monoxide.

In light of these studies, there is little justification for the extreme CO and NO_x standards contained in the Committee bill.

FUEL WASTE OF H.R. 6161

There is a waste of motor fuels under the Committee/Administration emission standards, which have no proven cost-benefit. This is concluded from specific information pertaining to gasoline consumption by light duty motor vehicles as discussed by the several government analyses cited and the Administration agency memoranda obtained by Congressmen Moss and Dingell.

Fuel penalty estimates of the Committee standards range from eight to 20 percent compared to current emission levels. EPA's own penalty estimate is as high as eight percent, based on its March 21, 1977 Impact Of Several Alternative Automobile Emission Control Standards Upon Fuel Economy And Costs, revised, April 11, 1977. DOT's estimates are at least five percent or higher, based on recently obtained DOT documents. OMB's high 13 percent penalty estimate is based on other obtained Administration documents. The manufacturer estimates are as high as 20 percent fuel penalties as cited in DOT's February 28, 1977, "Data And Analysis For 1981–1984 Passenger Automobile Fuel Economy Standards."

The more stringent California emission standards for 1977 of .41 HC, 9.0 CO and 1.5 NOx, are penalizing fuel economy of that fleet of cars compared to the current Federal, 49-state fleet. The California penalty is found to be as high as 12 percent with model availability, especially the more fuel efficient cars, restricted from the state due to the tighter standards in effect.

Therefore for purpose of analysis, we assume that fuel penalty estimate, based on the Committee bill, to be in the range of 10 percent. That fuel penalty would be mainly for automobile model years 1981 through 1985. We have computed fuel losses through 1985 as the statutory program on mandated auto fuel mileage standards under the Energy Policy and Conservation Act of 1975 extend through 1985 while the proposed auto emission schedules reach new statutory standards, with waivers or suspensions, early in the 1980's and are in effect for the future model years unless Congress revises the law.

Again, the range of a 10 percent fuel penalty assumption also is concluded by referring to data from the Administration documents which include auto manufacturer fuel loss reports filed with the government to fulfill governmental agency requirements.

The Department of Transportation, "Data and Analysis for 1981–1984 Passenger Automobile Fuel Economy Standards," February 28, 1977, the Executive Summary, "Impact of Emission Standards," states, *"Emission standards more stringent than current values (1.5/15.0/2.0) could, however, reduce engine-related fuel economy improvements. The extent of such effects will be a function of the time phasing of the stand-*

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[1] Stolwijk, et. al., "Evaluation of the Clean Air Act Amendments of 1970" (June 1975), page 3.

[2] Grad, et. al., *The Automobile and the Regulation of Its Impact on the Environment* (1974), page 108.

[3] "A Re-examination of Costs and Benefits of Automobiles Emission Control Strategies," (March 22, 1976). Supporter by the National Science Foundation under Grant No. STP75–21384. Prepared by Professor S. Fred Singer, Department of Environmental Sciences, University of Virginia.

[4] P. 6, *Estimates of Health Benefits due to Reductions in Ambient NO_2 Levels.* Authors: Brian P. Leaderer, Ass't. Prof. of Epidemiology, Yale University; Rebecca T. Zagraniski, Research Ass't., Yale University; Jan A. J. Stolwijk, Prof. of Epidemiology (Env. Health), Yale University.

[5] *Outdoor Air Pollution & Lung Disease,* Statement to Subcommittee on Environmental Pollution, Committee on Public Works, United States Senate, February 11, 1977, by Arend Bouhuys, M.D., Professor of Medicine and Epidemiology, Yale University Lung Research Ctr., New Haven, CT.

[6] "This summary is an extract from "WHO Environmental Health Criteria 5: Oxides of Nitrogen" which is now being prepared for publication. It is a preprint issued for the use of national focal points for the WHO environmental health criteria programme and national experts, and is subject to editorial changes. The criteria document on oxides of nitrogen is a report of a WHO Task Group and does not necessarily represent the views or the policy of the Organization."

ards, as well as a function of the engine and emission control technologies employed."

The Dingell-Broyhill schedule would set a certain and attainable timetable for more stringent emission standards which would not adversely affect fuel economy to the degree by which H.R. 6161 would penalize fuel efficiency and the nation's balanced objectives for clean air and energy conservation.

The DOT analysis was prepared to aid the Department as it is required by authority under EPCA, to establish mandatory auto fuel mileage standards, by July 1, 1977, for model years 1981–1984, reaching the statutory standard of 27.5 for 1985.

We agree with DOT that there will be substantial downsizing, weight reduction, stream-lining, wider spread use of radial tires, improved gasoline, spark ignited engines and drivelines, greater use of electronics and increased production of the fuel efficient diesel engine, which will contribute to national fuel savings, *but, nevertheless,* and as the DOT analysis states, "This projected improvement is, however, not only a sensitive function of particular drivetrain/vehicle combinations, but also is *subject to the required emission level.*" The DOT analysis further states, "In both the spark ignition engine improvement and dieselization cases, there is an *added risk* associated with the timing of future emission control standards." (Emphasis added.)

A fuel economy/emission control table comparing 1.0 NOx to 0.4 NOx, in the DOT analysis quotes manufacturer estimated fuel losses ranging as high as a "20 percent" fuel loss stated by one automaker while two other major manufacturers could not submit a loss figure. The inability to supply such loss figures results from the fact that the companies have been unable to identify specific technologies which might be available to attain 0.4 NOx on projected mass produced vehicles.

This is one-half of the highest range estimate, if 0.4 NOx were mandated in 1983 under the Committee/Administration proposal which appears most likely based on EPA comments and testimony. Using the 10 percent penalty, and comparing the Dingell-Broyhill 1.0 NOx standard (beginning in 1982) with the Committee/Administration probable standard of 0.4 NOx (beginning in 1983) results in the following fuel penalty, 1983–1985:

11.56 billion gallons of gasoline—1983 through 1985.

This figure is derived by comparing the 1.0 to the .4 standard for model years 1983, 1984 and 1985.

The calculation is made on the assumption that there will be continued annual new car sales of 10 million units each of which can be expected to attain a useful lifetime of 100,000 miles. Using the new car fleet expected average fuel economy data contained in the five-agency analysis: 24.7 miles per gallon in model year 1983; 26.2 mpg in 1984; and 27.1 mpg in 1985; the total gasoline consumption of the Dingell-Broyhill car for model years 1983–85 would be 115.6 billion gallons. Assuming the 10 percent fuel penalty of the Committee/Administration car and its .4 NOx standard for those model years the fuel consumption of H.R. 6161 would be 126.5 billion gallons, or a waste of 11.56 billion gallons relative to the Dingell-Broyhill standards.

The calculation again is based on data from the Administration's, February, 1977, "Analysis Of Effects Of Several Specified Alternative Automobile Emission Control Schedules Upon Fuel Economy And Costs," as prepared by the five agencies.

Furthermore, while the above calculation refers to the fuel loss of model years 1983–1985, analysis based on the February, 1977, five agency, interagency study yields additional fuel losses for model years 1981 and 1982. For example, in 1981 the Dingell-Broyhill proposal remains at 2.0 NOx while H.R. 6161 reduced to 1.0. This would result in a fuel penalty of 3.16 billion gallons of gasoline for model year 1981. In 1982, the Dingell-Broyhill standards remain slightly less stringent than the Committee/Administration proposal which results in a .7 billion gallon penalty for H.R. 6161 for model year 1982. The cumulative fuel penalty associated with the Committee/Administration proposal for model years 1978–1985 is in excess of 15 billion gallons of gasoline, or 2.41 billion gallons of gasoline a year, or 5.87 million gallons of gasoline a day, or 140,000 barrels of oil per day.

The government analyses available to Congress, although none are integrated to aid the Congress, are overly optimistic in cases where fuel economy estimates are lower than those high estimates we have pointed out. The previously noted OMB memo, and others cited, make this point as do the manufacturers of automobiles and auto emission parts. The three-way catalytic manufacturers have testified their product may meet the tighter 1.0 NOx standard by 1982 for full fleet production. The automakers have testified they cannot meet the 0.4 NOx standard that likely would be imposed under the Committee bill by 1983 and cite fuel penalties of the 1.0 NOx level.

The technology is not there and the fuel penalty and consumer costs of the Committee's stringent standards are unnecessary as there are no proven major air quality gains to be achieved and, if there are any, they are minimal.

EMPLOYMENT

Full employment of the nation's automotive industry work force depends greatly on the availability of supplies for the industry, and supplies for its product—oil and gasoline—once it leaves the manufacturing process. Another major factor that dictates the stability of the work force is automobile sales. Employment in the automotive aftermarket business also is dependent on these factors as are numerous other financial and service industries.

Increased fuel costs due to the oil embargo and reduced purchasing power due to inflation combined in 1973–1975 to produce a drastic decline in auto sales. The result was assembly-line shutdowns, layoffs, job dislocations, inventory surpluses, cancelled orders to suppliers, and a spiral of nonproductivity and unemployment. This affected not only the auto industry, but also allied industries, such as steel, rubber, glass, etc. In fact, the economic health of the entire country was strained.

Energy penalties and/or higher consumer costs would result, due to too strict emission standards, in the inflationary spiral drastically increasing with consequent reduction in consumer purchasing power and employment—all which could create new unnecessary economic burdens and agonizing unemployment and welfare problems.

Autos, still the major source of transportation for the majority of Americans, must remain affordable, dependable and be made more fuel efficient even with tighter emission control standards of the Dingell-Broyhill measure. However, the too severe and unnecessarily stringent standards contained in the Committee bill could deter consumers and cause major downturns in the economy. Incentives and encouragements must be protected and provided for Americans to purchase the newer, clean burning and fuel efficient smaller vehicles in order to conserve energy to meet our national energy goals and to remove the older, pollution-prone vehicles from traffic to meet our national clean air standards. This would have an advantageous impact on employment opportunities.

TEST CARS AND AUTO EMISSIONS

Getting an automobile from the test laboratory to production and for sale nationwide in interstate commerce and conform with all Federal regulations—is not an overnight possibility nor, necessarily, a possibility in one, two, five years, or more.

While automakers—both foreign and domestic—may have a dozen or more test cars for emission controls or fuel mileage research programs and may occasionally find one vehicle that produces greatly lowered pollution emissions or increased fuel economy, the massive amount of investment required by that automaker may not produce a car that will work in the real world nor clear all Federal regulations. General Motors just reported that it has concluded—at an estimated cost of over $100,000—that the rotary engine, famed earlier as a potentially great fuel saver, is not economically suited for mass production. Continued testing showed that its anticipated fuel economy gains and control of pollution exhaust did not test out as had been hoped. It has been shelved by GM. Research and investment by automakers continues into several alternate engine models and drivelines to develop improved fuel economy and lower emissions.

Volvo, when it met California emission levels in certification last summer for its 1977 model car, including its sophisticated and expensive total emission control system (Lambda-sond) on its base priced, $6500, in-line four cylinder car, did reach reduced emission levels but not consistently below 1978 statutory standards of .41 hydrocarbons, 3.4 carbon monoxide and .4 oxides of nitrogen. When it was certified to meet the California standards of .41 HC, 9.0 CO and 1.5 NOx, it did so at a small fuel economy improvement compared to its sister 1976 model cars, but still at almost a ten percent fuel economy penalty when compared to the foreign and domestic U. S. Federal fleet of cars meeting 1.5 HC, 15.0 CO and 2.0 NOx for 1977 model cars.

Volvo, in confirming that it did not meet the statutory standards last summer and that it had not attempted to do so in the California test, replied to several in Congress in the following manner:

"As Volvo and others in the auto industry have stressed obtaining low emission levels from relatively few test vehicles, even during certification testing, is a different matter than insuring that all vehicles from a particular year's production will achieve the same results, which is what current federal requirements demand. A manufacturer must in effect, guarantee that the emission performance of each and every vehicle will fall below the standards, and no manufacturer is likely to do so unless convinced that adequate margins exist between test results and the regulated emission levels, so as to insure that all production vehicles will comply given required in-use maintenance."

Some still would argue that Volvo did meet the tight statutory standards for 1978. The Volvo did not. It could not have been certified by the Environmental Protection Agency for the 50,000 mile durability test. Volvo's development is to be commended for coming close, but "coming close" does not satisfy standards in Federal law. Volvo has again publicly confirmed that their California certification car of last summer did not pass the statutory standards test by EPA. Volvo testified March 9, 1977, before the Commerce Committee's, Health and Environment Subcommittee:

"In discussing the emissions results to date, it is important to note that the very low emissions figures which have recently been quoted for the Volvo Lamda-sondTM system are the average results from four 4,000-mile certification test vehicles with 4 cylinder in-line engines. It should also be

noted that during the 50,000-mile durability portion of the EPA test procedures the durability vehicle equipped with Lamda-sondTM exceeded the statutory limits according to the Federal certification procedure, thus *we could not* (emphasis added) have been certified to the statutory emissions levels."

Volvo began development of what became its sophisticated 1977 model year emission control system in 1972. It incorporates electronic fuel metering, electronic fuel injection and, at that time, the relatively unknown three-way catalytic converter and oxygen sensor device in the exhaust system, to name a few of the 1977 car's components. It took Volvo five years to get that vehicle ready for its 1977 test, a test that Volvo has said was not intended to be aimed at meeting the 1978 Federal standards of the Clean Air Act, but just to meet the less stringent California levels.

Volvo sells four and six cylinder cars in the "upper price classes" ($6500—$11,000). Its total emission system is estimated to cost from $500 to $600.

Volvo, in the Health and Environment Subcommittee hearings testified that its system was working on the in-line four cylinder engine in its small, four passenger car, but was much more difficult to adapt to the "VEE (V–6 and V–8) type engine because of basic configuration."

Volvo went on to say to the Subcommittee:

"In order to provide the stability necessary to optimize emission control systems, Volvo has recommended that U.S. exhaust emission levels be set at 0.9/9.0/2.0 gms/mi HC, CO and NOx respectively for model years 1978–1982. We still believe this is a reasonable compromise to achieve clean air and good fuel economy with a variety of powerplants."

This important testimony by Volvo, and testimony by other auto manufacturers further confirms the automotive engineering community's, and others', agreement for the need of the 9.0 CO and 2.0 NOx standards contained in the Dingell-Broyhill (H.R. 4444) legislation to amend the Clean Air Act. The Dingell-Broyhill standards are only slightly tighter than Volvo's recommendation for these same model years and are tighter due to our understanding of the technological achievements by the industry at large in the past year and the need to control hydrocarbons by our more stringent .41 HC standard to begin in 1980.

We point out that there remains uncertainty and lack of confirmed health data for the standard to go as low as 1.0 NOx or as low as .4 NOx. Even the Administration's schedule does not impose a .4 NOx standard due to the uncertainty and calls for further study of the issue. In the Dingell-Broyhill schedule we impose the 1.0 NOx in 1982, but again, due to uncertainty on health and air quality, and due to the Administration and nation's energy conservation demands, we provide for that NOx standard to be suspended or waived up to, but not in excess of, 2.0, if it will not endanger public health and would save fuel and economic cost. This procedure also provides automakers incentive for more research and test cars if they know there are provisions in the law to permit their manufacture of a new system. Innovative technology, such as the Volvo system, stratified charge, lean-burn, and other systems, may be developed and placed in mass production. This may then lead to greatly improved, cleaner burning, fuel efficient and cost effective systems on automobiles to protect consumers, the economy, the environment, energy conservation objectives, and have a resulting wholesome impact on automotive industry employment.

DIESEL SAVINGS

It is important to note that auto manufacturers testifying before both the Health and Environment Subcommitee on clean air and before the Energy and Power Subcommittee on auto fuel economy recently, agreed to the need for the NO_x suspension or waiver proceeding by EPA under the Dingell-Broyhill emission schedule for 1982 and beyond. Automakers, both foreign and domestic, who produce or plan to produce, diesel engines for their models, testified to the need for the Dingell-Broyhill 1.0 NO_x standard in 1982 and future model years to include the waiver to allow for the energy savings of the diesel engine to be realized and for the diesel to be put into mass production. Emission testing by manufacturers and government agencies of the various small and large diesel engines concludes that the NO_x standard should not be set below 1.5, or the diesel would be lost for mass production. They have, in fact, urged that the NO_x standard remain at 2.0. The diesel can claim up to a 25 percent fuel efficiency improvement above the spark ignited, gasoline powered vehicle, but that savings could be lost for the nation if diesels are outlawed or not encouraged for mass production.

The Committee bill would have the effect of outlawing diesels under 4,500 pounds which are, of course, the most fuel efficient diesels. Both small and large diesels, including the GM Oldsmobile diesel to be introduced in model year 1978 at current emission standards, would be lost under the Committee's proposed standards and authority for EPA to lower the NO_x level to 0.4. The 1978 model GM Oldsmobile diesel is projected to weigh less than 4500 pounds. Diesels cannot now attain 0.4 NO_x and could not be certified under EPA durability test procedures at 1.0 NO_x. Dingell-Broyhill encourages increased production of diesels and their related fuel economy improvement. The Committee bill does not.

Several manufacturers, Volvo, Toyota, Volkswagen, GM and others do have diesel plans. Mercedes, Peugeot, and others have diesels in production and the vast majority are diesels under the 4,500 pound class. They would be lost under the Committee bill.

CATALYTIC CONVERTER

The catalytic converter makers, who have undertaken development of the three-way converter to control auto emissions, stated in the March 9, 1977 Commerce, Health and Environment Subcommittee's clean air hearings that the systems that they have tested, which include the three-way catalyst, would not be ready for mass production until 1982 and then only—and we quote them—"if the whole system (emission system) holds together." (Page 91 of Health and Environment Subcommittee transcript, 3/9/77)

They further said that using a 19 to 1 loading of rhodium, which is the mine ratio, that the three-way catalyst would have only an 80 percent efficiency which would allow NO_x to be controlled down to a level of 1.0 grams per mile NO_x. (Page 182)

Any further reduction in NO_x would have to employ a system of exhaust gas recirculation (EGR) which all the catalytic converter manufacturers agreed before Representative Paul Rogers' Health and Environment Subcommittee would result in a fuel penalty. (Pages 180–183)

This testimony confirms that the earliest that even a 1.0 NO_x standard could be attained across the board on a mass production basis without a substantial potential for a large number of failures is in model year 1982 which is exactly the NO_x standard provided in the Dingell-Broyhill auto emission schedule.

RHODIUM SUPPLY AND THE CATALYTIC CONVERTER

Rhodium is an essential component in the manufacture of three-way catalysts. This metal, combined with platinum, creates the catalytic agent that interacts with exhaust gases reducing the emissions of oxides of nitrogen, carbon monoxide, and unburnt hydrocarbons.

Rhodium is a member of the platinum group metals. It varies in concentration so that a deposit may contain almost no rhodium, as in the Stillwater igenous complex in Montana, or it may be found in concentrations as high as one part rhodium to fifteen parts platinum in the Soviet Union.

The platinum metals group, including rhodium, are found in significant reserves in three countries: the Republic of South Africa, the Soviet Union, and Canada. According to the U.S. Bureau of Mines, South Africa contains approximately 70 percent of the world's reserves of platinum group metals which includes 80.9 percent of the rhodium reserves. The Soviet Union has approximately 26 percent of the reserves, including 17.3 percent of the rhodium. Canada, the third largest with 3 percent of the reserves, which includes 1.7 percent of the rhodium. The rest of the reserves are scattered among seven other countries. Only Canada, and its limited supply, can be considered reliable in the immediate or long-term future. The foreign sources are not reliable.

In 1976, consumption of platinum groups metals by the United States surged upward by 30 percent over 1975. The auto industry maintained its position as the largest user of these metals. Sales of platinum and palladium (another member of the platinum group metals) to the automotive industry for use in emission control catalysts in 1976 were nearly double the 1975 level, accounting for more than half of the platinum and more than one-quarter of the palladium sold in the United States. In sum, the automotive industry accounted for 41 percent of all platinum group metals consumed.

To meet this demand the U.S. imported 2.9 million troy ounces of platinum group metals in 1976. This constitutes a 50 percent increase over 1975 and represents one-half of the world's production.

World production of rhodium in 1976 was approximately 140,000 troy ounces. U.S. demand in the same year was 64,000 troy ounces. Assuming, for the sake of argument, that catalyst manufacturers could reduce the amount of rhodium needed for an effective three-way catalyst (down to a nineteen part platinum, one part rhodium—the mine ratio), according to the EPA, the absolute minimum increase in demand would be 27,000 ounces. This would raise U.S. demand to 91,000 troy ounces of rhodium or 65 percent of the world's production of rhodium. This would create a demand pull situation resulting in explosive increases in the price of rhodium.

Additionally, production of rhodium takes much longer than platinum or palladium. Typically, platinum and palladium emerge from the refinery a few weeks after entry. Rhodium may require refinery residence time of up to a year. This difference in processing time may result in a slower accumulation of rhodium to meet the large increases in demand created by three-way catalyst production. This potential lag may aggravate the inherent supply limitations of rhodium. The supply lag may well accentuate the effect of demand pull on price in as much as automotive applications of rhodium will not only guarantee a continuing demand of this metal, but will annually increase demand as auto production increases. The supply lag would argue for a two year extension of present auto emission control standards (Dingell-Broyhill), to allow the platinum group metals processes to take steps to meet the increased demand for rhodium due to its use in the three-way converters.

A method to alleviate the demand in primary sources of platinum is to recycle the used platinum and thus increase the supply by secondary metal production. In the past, secondary metal production of platinum group metals has provided American users with as much as 10 percent of their supply. The year 1976 saw secondary

production decrease by one-third of 1975 levels to 190,000 troy ounces. Formerly, sales of platinum group metals have been made to industries whose use of the metal allowed for extensive recycling. The problem of dispersion with a concomitant reduction of available recyclable metals is most pronounced in the use of the platinum group metals in automotive exhaust catalysts. Industry estimates of 60 percent recyclable platinum group metals in used catalytic converters necessitate study of systems to recover and recycle used converters. The automobile industry is the single largest user of platinum metals. The reduction of its demand on primary sources of platinum would aid the effort to reduce the dependence on potentially unstable sources for platinum group metals. The logistics of setting up a recovery and recycling system would require at least two years (and probably longer) to implement such a plan. Access to technology that would enable recycling of platinum group metals for automotive applications is possessed by at least five firms other than the two that dominate the automotive catalyst industry. The widespread access to recycling technology would assure sufficient competition in the supply of aftermarket, replacement catalysts. The potential for competition depends upon market entry costs, availability of supplies, marketing options, and the durability of the advanced three-way catalytic converter technology yet unproven in mass automobile production.

Rhodium poses problems of supply and demand that require close coordination that only a longer term phased-in emission schedule could provide. The Dingell-Broyhill schedule is the balanced and proper timetable.

	HC	CO	NO_x
I. H.R. 4444 Dingell-Broyhill; S. 919, Riegle-Griffin, 1977:			
1977	1.5	15.0	2
1978	1.5	15.0	2
1979	1.5	15.0	2
1980	.41	9.0	2
1981	.41	9.0	2
1982 and thereafter	.41	9.0	[1] 1
II. Administration—Commerce Committee 1977:			
1977	1.5	15.0	2
1978	1.5	15.0	2
1979	.41	9.0	2
1980	.41	9.0	2
1981	.41	3.4	[2] 1
1983 and thereafter	.41	3.4	[2] 1
III. S. 253—1977, Conference Report 94th Congress:			
1977	1.5	15.0	2
1978	1.5	15.0	2
1979	.41	3.4	2
1980	.41	3.4	2
1981 and thereafter	.41	3.4	1
IV. S. 252, Muskie, 1977:			
1977	1.5	15.0	2
1978	1.5	15.0	2
1979	.41	3.4	[4] 2 [5] 1
1980 and thereafter	.41	3.4	1
V. Dingell-Broyhill (Train). 1976:			
1977	1.5	15.0	2
1978	1.5	15.0	2
1979	1.5	15.0	2
1980	.9	9.0	2
1981	.9	9.0	2
1982 and thereafter	.41	3.4	[6]

[1] Suspension or waiver allowing NO_x to be set up to 2 if EPA determines that such action is necessary to allow production of innovative power train technologies, such as lean burn, diesel, stratified charge, and others, if it will not endanger public health.

[2] Possible waiver to 1.5 for "large diesels."

[3] 1 unless by 1980 the EPA Administrator determines, based on health effects, that 0.4 is necessary by model year 1983. If 0.4 is determined to be necessary, vehicles meeting 1 will be charged an amount equal to the economic value of not complying with the 0.4 standard. Diesels may obtain a waiver to the NO_x charge if they can meet the 1 standard for 100,000 mi.

[4] On 90 percent of fleet.

[5] On 10 percent of fleet.

[6] EPA Administrator would have had administrative authority to set NO_x standard for 1982 and thereafter.

HIGH ALTITUDE EMISSIONS

We disagree with the Committee's Section 215, High Altitude Performance Adjustments, and support the provisions of H.R. 4444, Section 5, to correct this matter.

The EPA high altitude automobile certification regulation, which went into effect with the commencement of model year 1977 and which requires manufacturers to certify separately all light duty vehicles sold for principal use in counties above 4000 feet, has created a significant disruption in the new car market in high altitude areas of the country.

Due to the high cost of certification, relative to the comparatively small size of the high altitude market (2–3% of the national market), the manufacturers have concluded that it is economically practicable to certify only about 50% of their normal product offerings. In addition, EPA's required high altitude emission control equipment causes available models to be priced significantly higher than their low altitude counterparts. The reduced availability of items which would otherwise be offered as standard equipment often forces high altitude customers to pay as much as $500 more for comparable high altitude vehicles. There has been a marked reduction in fuel economy and a negative impact on performance and driveability experienced in high altitude vehicles.

Despite the severity of these problems, the current EPA regulation offers little in the way of improving air quality in the high altitude metropolitan areas to which it applies. Due to the large influx of tourist vehicles into these areas, the percentage of cars equipped with high altitude controls is minimal.

In short, the EPA high altitude certification regulation has created a serious anticompetitive situation for high altitude dealers relative to low altitude dealers while at the same time offering negligible improvement in air quality for which it was designed. Because of the adverse impact which has already been experienced, the Dingell-Broyhill amendment, based on H.R. 4444, Section 5, would require EPA to conduct further investigation into the merits of high altitude certification and to determine a more equitable approach to the problem of high altitude emissions. This section contains the criteria to be examined by the EPA Administrator prior to the promulgation of any new regulation. These criteria include the economic impact which would be experienced by consumers, new car dealers, and the automobile industry, the availability of emissions control technology, and the probable impact on air quality in areas to which any such regulation would apply.

We urge the House to adopt Dingell-Broyhill.

DINGELL-BROYHILL CORRECTS AFTERMARKET PARTS AND SERVICE WARRANTY PROBLEMS

We disagree with the provisions in H.R. 6161 regarding automobile warranty and motor vehicle parts certification, Section 209, and support the provisions, Sections 6 and 9 of H.R. 4444, to be offered on the Floor as a part of the Dingell-Broyhill amendment to the Committee bill.

The Clean Air Act of 1970 mandates warranty provisions on the vehicle manufacturer. The Act's five-year/50,000 mile performance warranty presents a serious threat to the independent automotive aftermarket and service industry and to the millions of consumers that utilize the products and services of that industry to maintain and operate their cars and trucks. It also impacts on employment in this small business industry. The law mandates both a production and performance warranty to the ultimate consumer, that the emission control system installed by that manufacturer will comply with applicable standards for that length of time. The production warranty went into effect shortly after the passage of the Clean Air Act. The performance warranty provisions of Dingell-Broyhill deal effectively with the industry and consumer problems while the Committee bill only superficially attempts to deal with the issues.

Under the law, the performance warranty, which has not been implemented, is mandated to become effective once the Administrator of the Environmental Protection Agency develops a quick tailpipe test correlatable with the Federal test procedure.

Although both the Committee bill and our measure deals only with the performance warranty, it is important to note here briefly that the provisions of the production warranty which are already in effect adequately protect the consumer with mandated durability enforced through EPA recall. Under the production warranty 207(a) of the Act, the vehicle manufacturer must warrant that the emission control system is designed, built and equipped in a manner that will enable it to comply with emission regulations which exist at the time the vehicle was first sold and that it is free from defects in materials and workmanship that would cause the system to fail to conform with applicable regulations for its useful life, which is defined in the Act as five-years or 50,000 miles, whichever occurs first. Enforcement of this production warranty is through a general recall order by EPA after a finding that a "substantial" number fail to comply with applicable standards. This is very similar to the actions taken today on safety-related devices by the Department of Transportation and neither we nor the independent automotive aftermarket industry have any objection to the production warranty provisions. They effectively control the durability and the reliability of emission control systems and protect the consumer.

PERFORMANCE WARRANTY

The performance warranty provisions require the vehicle manufacturer to repair, at his cost, every vehicle on the road that fails an emissions inspection, so long as the vehicle owner has complied with the maintenance and operations instructions mandated by the vehicle manufacturer for 5 years/50,000 miles. These maintenance and operations instructions are the critical points insofar as the independent automotive aftermarket and the consumer are concerned. The cost of the performance warranty will be built into the price of the vehicle. The owner is not going to jeopardize his position with respect to keeping that warranty valid and will return to the franchised dealer of the vehicle manufacturer, not only for warranty work, but also for non-warranty routine maintenance work performed at the same time, thus effectively shutting off the independent aftermarket from those they now serve. Currently, the 75–80% of the service work in the United States is done by the independent industry.

The consumer no longer would have the freedom of choice to use the parts and services he wishes, and the 1970 Act's performance warranty would create a monopoly for the vehicle manufacturer and their franchised dealers in parts and service. The vehicle manufacturers have stated that, when faced with the tremendous liability under the performance warranty, they will be forced to insist on only the use of their parts and service to maintain the vehicle and the validity of that warranty. We believe it is legitimate for the vehicle manufacturer to demand some control over the liability he may face down the road if the vehicle does fail an emissions inspection.

The vehicle manufacturers maintenance instructions under the performance war-

ranty which will be required to be followed by the consumer to prevent voiding the warranty will have a major impact on the car-owning public. The vehicle owner is obligated to have stipulated parts replaced and have service performed at the vehicle manufacturer's designated intervals, at his or her own expense. Should the vehicle fail to comply with an applicable emission standard under the performance warranty, it is not the obligation of the vehicle manufacturer to repair the emission control system if the required maintenance has not been performed at the established time. (Section 207(c)(3) of the Clean Air Act of 1970 authorizes the manufacturer to stipulate maintenance instructions for the performance warranty).

These maintenance instructions will have the effect of causing car owners to have all servicing—whether related to the warranties or not—performed by their franchised dealers, which is a serious inconvenience and poses a serious problem for both the car-owning public and the independent automotive aftermarket and service industry.

Congress obviously agreed that the anticompetitive and anticonsumer aspects of the performance warranty should be altered during the last session when the House overwhelmingly voted to reduce the performance warranty to 18 months, 18,000 miles.

SMALL BUSINESS COMMITTEE HEARINGS AND RECOMMENDATIONS

The Small Business Committee held extensive hearings and studied the impact of the performance warranty for almost a year prior to issuing its Report No. 93-1628. After carefully reviewing the warranty provisions of the Clean Air Act, the Small Business Committee found the performance warranty when implemented would be anticonsumer, anticompetitive, and unnecessary to the protection of clean air. It must be noted that neither of the legislative committees that developed the Clean Air Act of 1970 had the opportunity to hold hearings on the warranty provisions of the Act which might have highlighted the monopolistic and anticonsumer aspects of the law.

Of course, the antitrust laws prevent vehicle manufacturers from requiring that only their parts be used to replace those they know will wear out prior to the expiration of the five-year, 50,000 mile warranty, or from requiring that the servicing of these parts be performed only by a franchised dealer. However, because of the potential liability the vehicle manufacturers would face when the quick tailpipe test of EP Ais approved, they must protect themselves. It is reasonable that the validity of these warranties be conditioned on the use of original equipment manufacturers—OEM—parts or their "equivalent," and the use of franchised dealers or a "qualified service outlet," and then reserve to the manufacturer the right to determine what is an "equivalent" part and a "qualified service outlet." In all likelihood, neither "equivalent" parts nor "qualified service outlets" will be acceptable to the vehicle manufacturer. It is clearly inequitable for the vehicle manufacturer to be held responsible for parts and service over which he has no control.

The Small Business Committee heard from representatives of the vehicle manufacturers, automotive aftermarket, repair garages, service stations, EPA, the Federal Trade Commission, and the antitrust division of the Department of Justice during their hearings. All their testimony and the documentation compiled convinced all 19 members of the House Small Business Committee who unanimously agreed that "the performance warranty of the Clean Air Act is anticonsumer, anticompetitive, and unnecessary to the maintenance of clean air." The Committee noted, "the Clean Air Act of 1970 performance warranty provision, would enable the vehicle manufacturers to accomplish what the free workings of a competitive market have prevented." That is, a monopoly on parts and service.

One of the major recommendations of the Small Business Committee in their report was "that the performance warranty of the Clean Air Act should be reduced to a period comparable to that presently established by the competitive forces operating in the open marketplace, such as for 12 months or 12,000 miles, whichever comes first."

DEPARTMENT OF JUSTICE STATEMENT TO EPA, MARCH 16, 1976, REGARDING CLEAN AIR ACT WARRANTIES

In response to an EPA proposal of November, 1976, to substantially alter the production warranty, by regulation, into something equivalent to a performance warranty, the Justice Department noted that they were "not convinced that expanding the warranty—in effect, transforming it into a performance guarantee—will lead to an improvement in its cost effectiveness. The potential cost of extending the present production warranty to control emissions subsequent to vehicle purchase will, in all probability, far outweigh the potential benefits."

The Justice Department also pointed out that ". . . in addition to the direct cost to the consumer of such a performance guarantee, the social costs associated with the competitive disadvantage that potentially could be imposed on a sizable class of vehicle service businesses is a particular concern of the Department of Justice. This would come about if the warranty is honored only by manufacturer-affiliated dealers. Then, vehicle owners can be expected to take their vehicles exclusively to dealers for all emission related repairs and service. Independent garages and service stations that may be equally skilled in making such repairs will be placed at a disadvantage relative to dealers. Without a comprehensive (five year/50,000 mile) warranty, non-dealers would succeed or fail depending upon their ability to compete in the marketplace next to dealers; however, the presence of the five-year/50,000 mile warranty would make it next to impossible for non-dealers to attract customers for emission related repairs, regardless of their price and their quality of work . . ."

The department charged ". . . the federally-mandated warrantly would have severe implications for the long run viability of independent garages and service stations. Indeed, it would effect a significant increase in concentration in the service industry to the point where substantial adverse impact on the price of service and repair could be expected. In any event, the impact on the concentration would be directly related to the comprehensiveness of the warranty . . . it would become impossible for the independent service station and garage to compete with the service departments of dealers that are franchised by the national automobile manufacturers. Concentration in the automobile aftermarket would increase substantially and the advantages of free competition would be lost."

The department continued by pointing out, ". . . presumably, regulations will be promulgated to require that once an automobile is brought into a shop for repairs under the warranty, it would not leave until it met federal emission standards. A warranty of this nature, however, can be expected to result in enormous cost to the consumer."

In regard to allowing the independent aftermarket to do warranty work and be paid by the manufacturer, the Justice Department noted, ". . . if the manufacturer were required to honor a performance guarantee regardless of the indentity of the repair shop, the supply cost of the warranty could be expected to inflate rapidly. Although such a requirement would eliminate the disadvantage one class of business would be put at relative to another, the manufacturer would be put in a situation in which it could exercise no effective cost control. In this event, not only would the perverse consumer incentive described earlier be present, but perverse repair shop incentives could also be expected. That is, with the knowledge that the manufacturer would be required to honor any work done, the repair shop could charge, in effect, anything it wanted to for services rendered. Once the vehicle owner purchased a comprehensive warranty, he could be expected to be indifferent to the price of repairs and service. At the very least under these conditions the price of new vehicles would skyrocket."

Additionally, the Justice Department statement recommended that the agency (EPA) promulgate ". . . a list of emission control devices that would be covered under the production warranty. This list should be limited to those devices that would not have been included in the vehicle if the Clean Air Act had not been passed."

EPA ACTIONS

On November 16, 1976, in docket FRL 630-2, issued an advance notice of proposed rulemaking on the production warranty in the Federal Register which would ". . . be applicable in some cases where no specific defect was identified; in essence becoming a type of performance warranty." The proposal also contained a listing of roughly 165 parts and systems which would be considered as emissions related components and a list of 67 failure modes, most of which are driveability and fuel economy, under which a consumer could supposedly claim an emissions defect. This is precisely the problem that the Department of Justice identified in its comments.

COMMENTS BY CHAIRMAN ROGERS, SUBCOMMITTEE ON HEALTH AND ENVIRONMENT, REGARDING THE PERFORMANCE WARRANTY

In a recent letter to the aftermarket industry dated April 25, 1977, Chairman Rogers noted, "As you may know, I originally opposed the rollback of the Clean Air Act performance warranty from five-years/50,000 miles to 18 months/18,000 miles. However, I have been persuaded that the current provisions of the Clean Air Act might appear to lack adequate safeguards for free competition by the aftermarket parts and service industry and for the consumer."

We appreciate Chairman Rogers' recognition of the anticompetitive and anticonsumer aspects of the performance warranty of the Clean Air Act of 1970 and only disagree with the Chairman in that the bill reported from his Committee gives only temporary relief to the situation and, even in the face of the findings of the Small Business Committee and Justice Department, would mandate the problem again be studied by another Federal agency and for Congress to once again act in three years, to protect the consumer and the independent parts and service industry.

WARRANTY PROVISIONS OF H.R. 6161

We firmly believe that the provisions included in H.R. 6161 that deal with the anticonsumer and anticompetitive impacts of the Clean Air Act of the 1970 performance warranty are inadequate and fail to carry out their stated purpose, simply because they contain only temporary relief of the problem and rely on Congress taking up the issue again and acting at the end of a three-year span.

H.R. 6161 reduces the performance warranty to 18 months, 18,000 miles for a period of only three years at which time it automatically reverts to five years and 50,000 miles, unless Congress acts to the contrary. It additionally mandates a two-year Federal Trade Commission study analyzing the performance warranty and its effects on competition.

We contend that more than enough study of the issue has taken place. All 19 members of the House Small Business Committee unanimously agreed that the performance warranty of the Clean Air Act once implemented, would be ". . . anticonsumer, anticompetitive, and unnecessary to the maintenance of clean air." There is no justification for only reducing the warranty for only a three-year period and mandating yet again another study of the issue. The facts are clear and the warranty should be permanently reduced to respond to those facts.

H.R. 6161, even in light of the Justice Department recommendation noted earlier regarding a definition of emission control device or system, would nevertheless mandate the FTC study to include ". . . an analysis of alternative definitions of the term 'emission control system or device' for the purposes of the performance warranty and the effect such definitions might have on competition, health and welfare and the durability of components which may affect emissions."

Since the Clean Air Act of 1970 was passed, one of the major questions has always been, what is an emission control device or system? Once again, we believe this issue has been studied to death and that the Justice Department recommendation regarding a definition should be followed—not just another study mandated.

The Committee measure would ". . . permit the actual remedying of the nonconformity to be performed by any person engaged in the business of repairing or servicing motor vehicles, by any class or category of such persons, by the owners of such vehicles or engines, by any other individual, or by any combination thereof, at the option of the owner in accordance with regulations promulgated pursuant to Subsection (b)(5)."

The measure also stipulates that EPA will establish orderly procedures for the implementation of a system where the manufacturer would reimburse the independent industry for performing its warranty work. As noted earlier in our comments, the Justice Department stated the following regarding such a proposal, ". . . if the manufacturer were required to honor its performance guarantee regardless of the identity of the repair shop, supply costs of the warranty could be expected to inflate rapidly . . . at the very least under these conditions, the price of new vehicles would skyrocket."

Very few in the independent aftermarket industry have ever wanted or urged that they be allowed to do warranty and recall work and be reimbursed for such work by the vehicle manufacturer. The Committee bill is, in effect, a proposal for "national health insurance for cars" and would create an unmanageable problem and enormous costs to the consumer. The question involved in the performance warranty of the Clean Air Act is not the ability of the independent aftermarket industry to do the vehicle manufacturer's warranty work, but the right for independent parts and service to be used to repair and maintain the vehicle unencumbered by consumer ties to the dealers which have been created by the present provisions of the Clean Air Act. Most of those in the aftermarket industry believe that any warranty work which is paid for by the manufacturer should be done by the manufacturer. We agree.

Under the 1970 law, the maintenance of the vehicle is *not* paid for by the vehicle manufacturer, and is not considered warranty work as such. The consumer has and will continue to be the person who pays for the proper maintenance of his vehicle. There is no such thing as "free manufacturer-paid maintenance." The manufacturer has and will continue to do what is necessary to honor his economic and Clean Air Act-mandated warranty commitments to the consumer at his own facility, but this does not include free maintenance work on the vehicle.

WARRANTY PROVISIONS OF H.R. 4444, DINGELL-BROYHILL, SOLVES CONSUMER AND INDUSTRY PROBLEMS

In response to findings of the House Small Business Committee and the Justice Department, H.R. 4444, the basis of the Dingell-Broyhill amendment to H.R. 6161, effectively and permanently would solve the anticonsumer and anticompetitive situations inherent in the performance warranty, prior to its implementation.

Dingell-Broyhill would permanently reduce the performance warranty to 18 months/18,000 miles from its current 5 years/50,000 miles, unless Congress, at a later date, acts to extend the warranty. This is 6 months longer than the 12 months/12,000 miles recommended by all 19 members of the Small Business Committee and is completely acceptable to all of the independent automotive aftermarket and service industries and to automobile dealers and manufacturers.

Dingell-Broyhill sets up an EPA certification program for independent aftermarket parts and provides that no warranty shall be invalid on the basis of any part used in the maintenance or repair of a vehicle, if such part is certified that it will not result in a failure of the vehicle or engine to comply with emission standards. This certification proposal will help the independent automotive aftermarket parts industry to deal with its problems, but the service and maintenance problems would remain. To date, no effective means has been found to solve the service and maintenance problems other than a reduction of the warranty. The ill-conceived approach of forcing the manufacturer to accept and pay for both parts and service regarding warranty work was discussed earlier.

Dingell-Broyhill, specifically in line with the Justice Department recommendations, indicates that the vehicle manufacturer has the right to do his own "warranty work" as long as it is being paid for by the manufacturer. As noted earlier, this is not objected to by the independent aftermarket industry. This provision does not, and is not intended to, speak at all to "maintenance work" required to maintain the warranty. Once again, that always has been, and will continue to be, paid for by the consumer. That is not considered "warranty work"; it is "maintenance" of the vehicle to maintain the warranty. There is a vast and very important difference between "warranty" and "maintenance" work.

Dingell-Broyhill, in harmony with the Justice Department recommendation which stated that the EPA should promulgate a list of the emission control devices that would be covered under the warranty and limit such devices to those that would not have been included on the vehicle if the Clean Air Act had not been passed, defines "an emission control device or system" as "a catalytic converter, thermal reactor, or other component installed on or in a vehicle for the sole or primary purpose of reducing vehicle emissions. Such term shall not include those vehicle components which were in general use prior to model year 1968."

This Justice Department recommendation and the subsequent recognition of that recommendation in our definition in Sec. 9 of H.R. 4444 is in direct conflict with the EPA's attempt, 2 years ago, to indicate that over 430 component parts and systems were emission related devices or systems, and its more recent November 1976 list which contains roughly 165 component parts and systems. When such ridiculous things are included in the EPA list as hoses, clamps and pipes, gaskets and seals, pulleys, belts and idlers and electrical connections to name just a few, it can be easily seen that the agency has gone well beyond the limits of reasonableness regarding what should be considered as an emissions-related device or system.

It is also noteworthy that during debate of the Clean Air Act performance warranty provision in the Senate last year unquestionably the most knowledgeable Member of the United States Senate regarding antitrust matters, Senator Philip Hart, was in firm support of reduction of the performance warranty to 18 months/18,000 miles as the only solution to the problem. Also, the American Automobile Association, the world's largest automotive consumer organization, on behalf of its 14 million members urged, . . . "that the warranty not be implemented until it is proven that it is not a burdensome and expensive illusion."

In light of the extreme complexity of this issue, the following are the 10 most often asked questions regarding the performance warranty and the answers to those questions:

Question 1. If we reduce the length of the performance warranty as in H.R. 4444 to 18 months/18,000 miles, how can Congress assure that the vehicle manufacturer will continue to produce durable emission systems?

Answer. Vehicle manufacturers will still be required to produce a durable system in order to pass the 50,000 mile EPA certification test under the production warranty. We propose no change in the length of the production warranty. Under the production warranty the EPA not only certifies that the car's emission control system will last for 50,000 miles, but if a substantial number of systems fail during their on-the-road operation, the EPA can recall the entire lot for repair at the manufacturer's expense. Reduction of the performance warranty will not let the manufacturers "off the hook" regarding the requirement to produce a durable emissions system. On the contrary, the potentially huge liability that would be incurred by the manufacturer in the case of a large recall provides a substantial economic incentive to manufacturers to produce reliable and durable emission control systems.

Question 2. Doesn't the performance warranty guarantee that the emissions system will perform for 5 years-50,000 miles?

Answer. No, it only attempts to define who will pay for repairs if the system does not perform.

Question 3. Will consumers lose the protection they now enjoy under the performance warranty?

Answer. No, consumers do not now have, nor have they ever had, any protection under the performance warranty. In fact, only the EPA, the industry and some concerned attorneys even know this warranty is planned. It has never been implemented because the EPA has not yet developed a correlatable "short test." If it is not significantly altered before it is implemented, consumers will react as they did to the seat belt interlock requirement when they are told that their cars *must* be maintained only at the expensive dealership during their first five years or 50,000 miles of operation of the vehicle.

Question 4. How does the production warranty work to protect the consumer?

Answer. When the EPA is notified or discovers through its own testing program that five or more systems have malfunctioned due to defects in materials or workmanship (as opposed to improper maintenance), it will instigate an investigation which could lead to a recall of all of that model vehicle or engine type. This recall authority protects the consumer against shoddy workmanship or the possibility that the engines actually produced do not duplicate the engine originally certified. EPA has already had emission recalls under the production warranty.

Question 5. Why doesn't Congress just in-

sist that the manufacturers accept parts and labor from anyone as satisfying the maintenance requirements of the performance warranty?

Answer. Because the vehicle manufacturer has a legitimate right to protect itself from extremely large potential liabilities under the warranty by demanding that adequate replacement parts be used and that they be properly installed. While the issue was being fought out in the courts, consumers would protect their interests by following the maintenance instructions to the letter and the aftermarket small business would be crippled, perhaps fatally. In addition, it is likely the courts would sustain the manufacturers on this point. It is difficult to believe that the courts would hold that the vehicle manufacturers could be held liable for service work done outside the franchised dealership where a mechanic may have either put on the wrong part or put it on upside down.

Question 6. Why not just delegate the authority to correct this problem to the EPA?

Answer. Because the EPA has not shown any sensitivity to this problem, and because it would just be ducking the issue on the part of the Congress. Also, EPA could not deal with the antitrust problems associated with the warranty. EPA thinks the problem can be corrected with a parts certification program. It can't.

Question 7. Won't a parts certification program completely solve the problems of the aftermarket industry?

Answer. No. In fact, the House Small Business Committee found that the certification program itself was anticompetitive. Their objections: the great cost of even self-certifying will destroy many smaller manufacturers; the vehicle manufacturers could control certification to limit competition; there are expensive problems of due process; and it would require at least partial exemption for the industry from present antitrust laws. The aftermarket industry has been working with EPA since 1972 trying to develop a workable parts certification program. The EPA effort to get a parts certification program off the ground has been hampered by EPA's proposal to include 430+ parts in its definition of the emissions system two years ago, and more recently, 165 parts and components.

Question 8. What evidence exists that the present 50,000 mile performance warranty has added to the cost of the cars, and has proved anticompetitive, or has induced business away from the independent parts and service industry?

Answer. There can be no answer to these questions until the 5 year/50,000 mile performance warranty is implemented by the EPA. The fact is that there is no present 5 year/50,000 mile performance warranty. The Act provides that when the "short test" is developed, EPA shall issue regulations implementing the performance warranty. However, both the House Small Business Committee and the Justice Department, after studying the issue, are firmly convinced that the warranty would be anticompetitive and anticonsumer.

We have heard from many different sources that the problems posed by the warranty have not occurred even though the warranty has been on the books for seven years. The reason for this is too often overlooked. There can be no problem until the EPA implements the warranty, and this has not been done as of this date.

Question 9. It has been seven years since the 5 year/50,000 mile performance warranty was written into law. What percentage of the service work performed in the nation is done by the independent garage industry?

Answer. This question is closely intertwined with the previous question. The 5 year/50,000 mile performance warranty has been a part of the Clean Air Act for seven years, but, and this is vitally important, it has not been in operation for a single day. Because it has not been implemented by the EPA, there can be no valid comparisons of the respective shares of aftermarket business before such implementation. At the present time, without the performance warranty in effect, free market competitive conditions have the aftermarket doing 75 to 80% of all the repair work in the nation. After implementation of the performance warranty, the consumer loses his freedom of choice, and a government-mandated monopoly replaces that free competitive market. Immediate remedial legislative action to eliminate this monopolistic effect is vitally needed and is contained in H.R. 4444, the Dingell-Broyhill proposal.

Question 10. Since the performance warranty has not yet been implemented by EPA, is it a "real" problem to the aftermarket and consumers?

Answer. Indeed, the problem hangs over the head of the independent automotive aftermarket waiting to strike once the EPA develops the short test required for implementation of the warranty. Once the performance warranty is implemented, at 5 years/50,000 miles, the result would be disaster for the independent garagemen and a monopoly over all parts and services by the vehicle manufacturers. The consumer will suffer tremendously both from substantially increased costs of his vehicle and his loss of freedom of choice as to who services his vehicle and what parts are used. The economic fact of life is that the vehicle manufacturer, once he is faced with the tremendous legal obligation of the performance warranty, must include the cost of that obligation in the price of the vehicle, and the consumer who must pay that price has no choice except to return to the vehicle manufacturer not only for warranty work, but for all his maintenance and service, since to do otherwise might void his warranty. The consumer cannot risk the loss of his substantial investment, regardless of any niceties in the law which he will not understand, nor will care to understand.

There is no question in our mind that significant and fully supportive evidence has already been developed by action in the Congress last year, by the House Small Business Committee, and by the Justice Department this year to reduce the performance warranty permanently to 18 months/18,000 miles, as is done in Dingell-Broyhill. There is no sound reason why the warranty should be reduced temporarily as in H.R. 6161, while yet again another study (which will undoubtedly come to the same conclusions) be conducted and Congress finds itself in the position of having to deal with the issue again in three years, in order to protect the consumer and eliminate a Federally-mandated monopoly on parts and service to the vehicle manufacturer.

INSPECTION AND MAINTENANCE

EPA has had authority since the 1970 amendments to the Clean Air Act to require emission control inspection and maintenance. While such a program would be unnecessary and wasteful in some areas of the country, there are indications that an emissions inspection effort in larger polluted metropolitan areas would assist in improving air quality. We cannot, of course, mandate such a program until we are certain that adequate and reliable technology is available to insure to consumers that such inspections can and will be conducted with promptness and accuracy. It is our understanding that EPA is not yet fully convinced that such technology is ready for application. Consequently, we would not want to force EPA to institute a program too early and cause great inconvenience to the public without commensurate air quality benefits.

On the other hand, we strongly feel that the EPA should move forward in this area with reasonable and due speed to institute emission inspection programs where they could have beneficial effects on air quality. For this reason, a part of the Dingell-Broyhill Floor amendment will include a provision which will insure that EPA moves as rapidly as possible in its promulgation and implementation of emission inspection programs.

DELETE CALIFORNIA STANDARDS FOR OTHER STATES

We disagree with the Committee's Section 221, Preemption of State Law, which would permit other States to adopt the more stringent California emission control standards for automobiles. As this section also was added by the Health and Environment Subcommittee after the introduction by Dingell and Broyhill of H.R. 4444, the Mobile Source Emission Control Amendments, we did not know that this section would become a part of the Committee bill. It must be deleted.

There is a substantial history for federal preemption of emission standards except for California. The reasons were so compelling that the Congress wrote federal preemption into the Clean Air Act and has maintained it through the several amendments to the Clean Air Act.

Automobiles are a major item in interstate commerce, both new and used. The entire manufacturing and marketing system which has produced low cost personal transportation is based on the uninterrupted and uninhibited flow of motor vehicles in interstate commerce. Almost every family has a major investment in a motor vehicle, and any inhibition to free traffic in used cars diminishes this investment.

To permit California to be an exception to this process has been possible only because of its unique geographical situation, isolated on all sides from any large metropolitan area or even heavily populated areas. Therefore, the temptation to buy cars back and forth across state lines has been minimal.

On the other hand, allowing a state like New Jersey to have automobile emission standards different from the surrounding states would create havoc in the policing of the administration of new and used car sales. New Jersey dealers would undoubtedly lose many sales to the surrounding neighborhoods. In addition, since it has not been possible to make all cars meet the California standards, model selection would be diminished for New Jersey dealers as opposed to their competitors across the state lines. California has accommodated this situation, again because of its isolation, but dealers, nonetheless, are handicapped perceptibly by not having the full range of models.

From the manufacturing and marketing point of view, the situation is equally unsatisfactory. Ordering, shipping, and transshipping of vehicles in the face of a variety of state laws creates additional costs and severe inconvenience to consumers.

States adopting the California standards would be adding to unnecessary fuel usage. The 1977 California fleet carries a fuel penalty of at least 11 percent vis-a-vis its federal counterparts—which amounts roughly to a 2 mile per gallon penalty. Such increased fuel usage should be justified by some benefit to public health. Such benefits cannot be established on the basis of any health data available at this time.

We urge the House to delete Section 221 from H.R. 6161.

CONCLUSION

For the forgeoing reasons we urge adoption by our House colleagues of Dingell-Broyhill on the House Floor and urge our colleagues to assist in our efforts to ensure that it is finally and promptly enacted into law.

Separate Views, to be included in the Commerce Committee report to accompany H.R. 6161, Clean Air Act Amendments of 1977, of:

John D. Dingell, James T. Broyhill, David E. Satterfield, III, Clarence J. Brown, Bob Gammage, Dave Stockman, Bob Krueger, Samuel L. Devine, Fred B. Rooney, James M. Collins, Thomas A. Luken, Marc L. Marks, Philip R. Sharp, Louis Frey, Jr., Marty Russo, Edward R. Madigan, Charles J. Carney, and W. Henson Moore.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. RONCALIO (at the request of Mr. WRIGHT), for today, on account of official committee business.

Mr. STUMP, for today, on account of official business.

Mr. CORMAN (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. MARRIOTT (at the request of Mr. RHODES), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SAWYER), to revise and extend their remarks, and to include extraneous matter to:)

Mr. HAGEDORN, for 5 minutes, today.

Mrs. SMITH of Nebraska, for 10 minutes, today.

Mr. TRIBLE, for 10 minutes, today.

Mr. MILLER of Ohio, for 5 minutes, today.

(The following Members (at the request of Mr. YOUNG of Missouri) to revise and extend their remarks and include extraneous material:)

Mr. MOSS, for 5 minutes, today.

Mr. BINGHAM, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. PEPPER, for 5 minutes, today.

Ms. HOLTZMAN, for 60 minutes, today.

Mr. KOCH, for 5 minutes, today.

Mr. HANLEY, for 5 minutes, today.

Mr. BURKE of Massachusetts, for 5 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BADILLO, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,691.

Mr. FORD of Michigan, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,851.50.

(The following Members (at the request of Mr. SAWYER), and to include extraneous matter:)

Mr. CRANE.

Mr. SARASIN.

Mr. SHUSTER.

Mr. ANDERSON of Illinois.

Mr. KASTEN.

Mr. LAGOMARSINO in two instances.

Mr. BROOMFIELD.

Mr. GILMAN.

Mr. GRASSLEY.

Mrs. HOLT.

Mr. STEERS in two instances.

Mr. DORNAN.

Mr. HYDE.

Mr. MILLER of Ohio in four instances.

Mr. DERWINSKI in two instances.

Mr. MCCLOSKEY.

(The following Members (at the request of Mr. YOUNG of Missouri) and to include extraneous material:)

Mr. ROSENTHAL.

Mr. TEAGUE.

Mr. MIKVA.

Ms. OAKAR.

Mr. AKAKA.

Mrs. SCHROEDER.

Mr. GINN.

Mr. WIRTH.

Mr. EILBERG in 10 instances.

Mr. SIMON in two instances.

Mr. LEDERER.

Mr. EDWARDS of California.

Mr. JACOBS.

Mr. VANIK.

Mr. PICKLE in 10 instances.

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. HAWKINS.

Mr. JOHNSON of California.

Mr. LONG of Maryland.

Mr. AMMERMAN.

Mrs. COLLINS of Illinois.

ADJOURNMENT

Mr. YOUNG of Missouri. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 53 minutes p.m.), under its previous order, the House adjourned until Monday, May 16, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1484. A letter from the Architect of the Capitol, transmitting his report of expenditures during the period October 1, 1976 through March 31, 1977, pursuant to section 105(b) of Public Law 88-454, as amended; to the Committee on Appropriations.

1485. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions supported by Eximbank during March 1977 to Communist countries, to the Committee on Banking, Finance and Urban Affairs.

1486. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 2-35, "To allow the celebration of Dr. Martin Luther King, Jr.'s birthday on Fridays when it falls on Saturdays," pursuant to section 602(c) of Public Law 93-198, to the Committee on the District of Columbia.

1487. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting notice of four proposed new records systems for the Office of the Secretary of Defense, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1488. A letter from the Secretary of Health, Education, and Welfare, transmitting the second annual report on the Health Maintenance Organizations program, pursuant to section 1315(a) of the Public Health Service Act, as amended; to the Committee on Interstate and Foreign Commerce.

1489. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on national standards for community mental health centers, pursuant to section 304(b) of Public Law 94-63; to the Committee on Interstate and Foreign Commerce.

1490. A letter from the Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of February 28, 1977, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

1491. A letter from the Chairman, Federal Power Commission, transmitting copies of publications entitled "Statistics of Interstate Natural Gas Pipeline Companies, 1975," and "Hydroelectric Power Resources of The United States Development and Underdeveloped 1976" to the Committee on Interstate and Foreign Commerce.

1492. A letter from the Chief Justice of the United States, transmitting the proceedings of the Judicial Conference of the United States held on March 10 and 11, 1977 (H. Doc. No. 95-154); to the Committee on the Judiciary and ordered to be printed.

1493. A letter from the Comptroller General of the United States, transmitting a report on the examination of financial statements of the Rural Telephone Bank, Department of Agriculture, for the 15-month period ended September 30, 1976, pursuant to section 106 of the Government Corporation Control Act, as amended (FOD-77-02, May 12, 1977) (H. Doc. No. 95-155); jointly, to the Committees on Government Operations, and Agriculture, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. CHISHOLM: Committee on Rules. House Resolution 569. Resolution providing for the consideration of H.R. 1139. A bill to extend through fiscal year 1982 certain child nutrition programs under the National School Lunch Act and the Child Nutrition Act of 1966 (Rept. No. 95-304). Referred to the House Calendar.

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 3348. A bill to amend the act of July 2, 1940, as amended, to increase the amount authorized to be appropriated for the Canal Zone Biological Area; with amendment (Rept. No. 95-305). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4746. To extend certain authorities of the Secretary of the Interior with respect to water resources, research, and saline water conversion programs, and for other purposes; with amendment (Rept. No. 95-306). Referred to the Committee of the Whole House on the State of the Union.

Mr. MEEDS: Committee on Interior and Insular Affairs. H.R. 6752. A bill to amend the Water Resources Planning Act (79 Stat. 244) as amended; with amendment (Rept. No. 95-307). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 6823. A bill to authorize appropriations for the U.S. Coast Guard for fiscal year 1978, and for

other purposes; with amendment (Rept. No. 95–308). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on House Administration. H.R. 6936. A bill to amend the Federal Election Campaign Act of 1971 to extend the authorization of appropriations contained in such act, (Rept. No. 95–309). Referred to the Committee of the Whole House on the State of the Union.

Mr. KASTENMEIER: Committee on the Judiciary. H.R. 6666. A bill to amend the Legal Services Corporation Act to provide authorization of appropriations for additional fiscal years, and for other purposes (Rept. No. 95–310). Referred to the Committee of the Whole House on the State of the Union.

Mr. REUSS: Committee on Banking, Finance and Urban Affairs. H.R. 2777. A bill to provide for consumers a further means of minimizing the impact of inflation and economic depression by narrowing the price spread between costs to the producer and the consumer of needed goods, services, facilities, and commodities through the development and funding of specialized credit sources for, and technical assistance to, self-help, not-for-profit cooperatives, and for other purposes; with amendment (Rept. No. 95–311). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 4287. A bill to promote safety and health in the mining industry, to prevent recurring disasters in the mining industry, and for other purposes; with amendment (Rept. No. 95–312). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 6111. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974, and for other purposes; with amendment (Rept No. 95–313). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 6138. A bill to provide employment and training opportunities for youth; with amendment (Rept. No. 95–314). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 6761. A bill to provide for the development and implementation of programs for youth camp safety; with amendment (Rept. No. 95–315). Referred to the Committee of the Whole House on the State of the Union.

Mr. REUSS: Committee on Banking, Finance and Urban Affairs. H.R. 6951. A bill to amend the Council on Wage and Price Stability Act to extend its termination date, and for other purposes; with amendment (Rept. No. 95–316). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 5493. A bill to extend until October 1, 1980, the appropriation authorizations for the Seal Beach, Great Dismal Swamp, and San Francisco Bay National Wildlife Refuges (Rept. No. 95–317). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on House Administration. H R. 5400. A bill to establish a universal voter registration program, and for other purposes; with amendment (Rept. No. 95–318). Referred to the Committee of the Whole House on the State of the Union.

Mr MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 4140. A bill to extend the provisions of the Fishermen's Protective Act of 1967, relating to the reimbursement of seized commercial fishermen, until October 1, 1980 (Rept. No. 95–319). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAUCUS:

H.R. 7163. A bill to provide housing and community development assistance for Indians and Alaska Natives; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BRODHEAD (for himself, Mr. BROYHILL, Mr. EDWARDS of Oklahoma, Mr. CARR, Mr. GEPHARDT, Mr. PRICE, Mr. SOLARZ, Mr. STEERS, Mr. PATTERSON of California, Mr. BLANCHARD, Mr. STARK, and Mr. BEDELL):

H.R. 7164. A bill to prohibit Members of the House of Representatives from soliciting or accepting gifts of money for their personal use; to the Select Committee on Ethics.

By Mr. COHEN (by request):

H.R. 7165. A bill to provide comprehensive services for the blind; to the Committee on Education and Labor.

By Mr. COHEN:

H.R. 7166. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on ways and Means.

By Mr. DRINAN (for himself and Mr. OBERSTAR):

H.R. 7167. A bill to strengthen the warning label required on cigarette packages, extend such warning to cigarette advertisements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7168. A bill to amend the Federal Food, Drug, and Cosmetic Act to authorize the regulation of tobacco products under that act in the same manner as food is regulated under that act; to the Committee on Interstate and Foreign Commerce.

H.R. 7169. A bill to establish a health protection tax on cigarettes, and for other purposes; to the Committee on Ways and Means.

H.R. 7170. A bill to regulate smoking in Federal facilities and in facilities serving interstate common carrier passengers, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, and Public Works and Transportation.

By Mr. FOLEY (for himself, Mr. POAGE, Mr. JEFFORDS, Mr. AKAKA, Mr. AMMERMAN, Mr. BALDUS, Mr. BEDELL, Mr. BOWEN, Mr. BRECKINRIDGE, Mr. BROWN of California, Mr. COLEMAN, Mr. DE LA GARZA, Mr. HUCKABY, Mr. JENRETTE, Mr. JONES of North Carolina, Mr. JONES of Tennessee, Mr. KREBS, Mr. MATHIS, Mr. MOORE, Mr. PANETTA, Mr. RICHMOND, Mr. ROSE, Mr. SKELTON, Mr. THORNTON, and Mr. VOLKMER):

H.R. 7171. A bill to establish more responsive programs for the benefit of farmers and consumers of farm products; to extend and improve the programs conducted under the Agricultural Trade Development and Assistance Act of 1954, as amended; and for other purposes; to the Committee on Agriculture.

By Mr. FOLEY (for himself, Mr. WHITLEY, and Mr. WEAVER):

H.R. 7172. A bill to establish more responsive programs for the benefit of farmers and consumers of farm products; to extend and improve the programs conducted under the Agricultural Trade Development and Assistance Act of 1954, as amended; and for other purposes; to the Committee on Agriculture.

By Mr. FOLEY (for himself, Mr. AMMERMAN, Mr. BEDELL, Mr. NOLAN, and Mr. ROSE):

H.R. 7173. A bill to authorize the marketing of saccharin under section 409 of the Federal Food, Drug, and Cosmetic Act; to the Committee on Interstate and Foreign Commerce.

By Mr. FORD of Michigan (for himself, Mr. BLANCHARD, Mr. BONIOR, Mr. BRODHEAD, Mr. CARR, Mr. DIGGS, Mr. DINGELL, Mr. KILDEE, Mr. MOSS, Mr. NEDZI, Mr. RUPPE, and Mr. TRAXLER):

H.R. 7174. A bill to amend the Toxic Substance Control Act to provide for a method of effectively responding to toxic chemical contaminations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. EILBERG (for himself, Mr. EVANS of Georgia, Mr. FISH, and Mr. SAWYER):

H.R. 7175. A bill to amend the Immigration and Nationality Act to revise the procedures for the admission of refugees, and for other purposes; to the Committee on the Judiciary.

By Mr. GOLDWATER:

H.R. 7176. A bill to amend the Internal Revenue Code of 1954 to provide an additional itemized deduction for the use of a passenger automobile in a carpool; to the Committee on Ways and Means.

By Mr. HAGEDORN:

H.R. 7177. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. HAMMERSCHMIDT:

H.R. 7178. A bill to protect the public from traffickers in heroin and other opiates, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, the Judiciary, Banking, Finance, and Urban Affairs, and Ways and Means.

By Mr. HANLEY:

H.R. 7179. A bill to improve the flow of funds for mortgage credit, to expand competition and the dual banking system, and to provide improved consumer services; to the Committee on Banking, Finance and Urban Affairs.

H.R. 7180. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; to the Committee on Ways and Means.

By Mrs. HECKLER:

H.R. 7181. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. JACOBS:

H.R. 7182. A bill to extend post exchange privileges to veterans with service-connected disabilities rated at 50 percent or more; to the Committee on Armed Services.

By Mr. KASTEN:

H.R. 7183. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. KOCH:

H.R. 7184. A bill to amend the Social Security Act to authorize international agreements with respect to social security health insurance benefits; to the Committee on Ways and Means.

By Mr. McCLOSKEY:

H.R. 7185. A bill to establish an Agency for Consumer Advocacy in order to secure within the Federal Government effective protection and representation of the interests of consumers, and for other purposes; to the Committee on Government Operations.

By Mr. MARLENEE:

H.R. 7186. A bill to modify the project for the Fort Peck Dam, Mont., to require the

Secretary of the Army to repave, upgrade, and extend the roads which provide access to Fort Peck Lake, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 7187. A bill to modify the project for the Fort Peck Dam, Mont., to require the construction and maintenance of a rock breakwater; to the Committee on Public Works and Transportation.

By Mr. GARY A. MYERS:

H.R. 7188. A bill to amend the Internal Revenue Code of 1954 to allow a married individual whose spouse has a small amount of earned income to qualify for the deduction provided for retirement savings for certain married individuals; to the Committee on Ways and Means.

By Mr. NEAL:

H.R. 7189. A bill to amend the Internal Revenue Code of 1954 to exempt small manufacturers and producers from the excise tax on firearms; to the Committee on Ways and Means.

By Mr. PATTERSON of California:

H.R. 7190. A bill to provide for limited public financing of congressional general election campaigns through the matching of private contributions, and for other purposes; to the Committee on House Administration.

By Mr. RICHMOND (for himself, Mr. ABDNOR, Mr. AMMERMAN, Mr. EVANS of Delaware, Mr. MOLLOHAN, and Mr. SCHULZE):

H.R. 7191. A bill to amend the Internal Revenue Code of 1954 to exempt nonprofit volunteer firefighting or rescue organizations from the Federal excise taxes on gasoline, diesel fuel, and certain other articles and services; to the Committee on Ways and Means.

By Mrs. SCHROEDER (for herself, Mr. CARR, Mr. DOWNEY, Mr. WON PAT, and Mr. KASTEN):

H.R. 7192. A bill to provide for legal assistance to members of the Armed Forces and their dependents, and for other purposes: to the Committee on Armed Services.

By Mr. SIMON:

H.R. 7193. A bill to require the Secretary of Labor to establish a pilot program for the provision of guaranteed employment opportunities in selected counties of the United States; to the Committee on Education and Labor.

By Mr. STEERS:

H.R. 7194. A bill to amend the Internal Revenue Code of 1954 to provide cost-of-living adjustments to the adjusted gross income limitation on the exclusion for certain disability payments; to the Committee on Ways and Means.

By Mr. CHARLES H. WILSON of California (for himself and Mr. MILLER of California):

H.R. 7195. A bill to amend title 10, United States Code, to authorize the use of health maintenance organizations in providing health care; to the Committee on Armed Services.

By Mr. WIRTH (for himself, Mr. BAUCUS, Mr. MCCLOSKEY, Mr. PATTISON of New York, and Mr. MOORHEAD of California):

H.R. 7196. A bill to regulate commerce to assure increased supplies of natural gas at reasonable prices for consumers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GRASSLEY:

H.J. Res. 464. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

By Mrs. FENWICK:

H. Con. Res. 221. Concurrent resolution to express the commitment of the American people to human rights and a thorough discussion of all violations of the Helsinki Final Act at the Belgrade Conference on European Security and Cooperation; to the Committee on International Relations.

By Mr. HAWKINS:

H. Con. Res. 222. Concurrent resolution to authorize the printing of a revised edition of "The Capitol," as a House document; to the Committee on House Administration.

By Mr. JACOBS:

H. Con. Res. 223. Concurrent resolution to repeal the Parkinson Law as it applies to Federal Government activity; to the Committee on Government Operations.

By Mr. DELANEY (for himself and Mr. NEAL):

H. Res. 570. Resolution concerning committee hearings on the future telecommunications policy of the Nation; to the Committee on Interstate and Foreign Commerce.

By Mr. DOWNEY:

H. Res. 571. Resolution requesting a proclamation commemorating the 50th anniversary of Col. Charles A. Lindbergh's historic solo flight from New York to Paris; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

143. By the SPEAKER: Memorial of the Legislature of the State of Rhode Island and Providence Plantations, requesting that Congress call a convention for the purpose of proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

144. Also, memorial of the Legislature of the State of New York, relative to the importation of cattle from Canada; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HOWARD:

H.R. 7197. A bill for the relief of Laurice Saniuk; to the Committee on the Judiciary.

By Mr. NEAL:

H.R. 7198. A bill for the relief of John Czarnecki; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 6161

Offered by Mrs. SMITH of Nebraska:

(New provision to be added to section 220 of H.R. 6161.)

Add the following new subsection to section 220: "(g)(1) For the purposes of this subsection—

"(A) The terms 'gasoline' and 'refinery' have the meaning provided under regulations of the Administrator promulgated under this section.

"(B) The term 'small refinery' means a refinery producing gasoline which—

"(i) was in operation or under construction on October 1, 1976, and

"(ii) has a crude oil or bona fide feed stock capacity (as determined by the Administrator) of 50,000 barrels per day or less, and

"(iii) is owned or controlled by a refiner with a total combined crude oil or bona fide stock capacity (as determined by the Administrator) of 175,000 barrels per day or less.

"(2) No regulations of the Administrator under this section (or any amendment or revision thereof) respecting the control or prohibition of lead additives in gasoline shall require a small refinery to reduce the average lead content per gallon of gasoline refined at such refinery below the lower of the applicable amount specified in table A or table B below:

TABLE A

If the gasoline production is no greater than 50 per cent of refining capacity and if the refinery capacity in barrels per day is—	The applicable amount (in grams per gallon) is—
2,000 and under	3.0
2,001–4,000	2.9
4,001–6,000	2.8
6,001–8,000	2.7
8,001–10,000	2.6
10,001–12,000	2.5
12,001–14,000	2.4
14,001–16,000	2.3
16,001–18,000	2.2
18,001–20,000	2.1
20,001–22,000	2.0
22,001–24,000	1.9
24,001–26,000	1.8
26,001–28,000	1.7
28,001–30,000	1.6
30,001–32,000	1.5
32,001–34,000	1.4
34,001–36,000	1.3
36,001–38,000	1.2
38,001–40,000	1.1
40,001–42,000	1.0
42,001–44,000	0.9
44,001–46,000	0.8
46,001–48,000	0.7
48,001–50,000	0.6

TABLE B

If the gasoline production is no greater than refining capacity and if the average gasoline production of the refinery (in barrels per day) for the immediate preceding calendar year was—	The applicable amount (in grams per gallon) is—
1,000 or under	3.0
1,001 to 2,000	2.9
2,001 to 3,000	2.8
3,001 to 4,000	2.7
4,001 to 5,000	2.6
5,001 to 6,000	2.5
6,001 to 7,000	2.4
7,001 to 8,000	2.3
8,001 to 9,000	2.2
9,001 to 10,000	2.1
10,001 to 11,000	2.0
11,001 to 12,000	1.9
12,001 to 13,000	1.8
13,001 to 14,000	1.7
14,001 to 15,000	1.6
15,001 to 16,000	1.5
16,001 to 17,000	1.4
17,001 to 18,000	1.3
18,001 to 19,000	1.2
19,001 to 20,000	1.1
20,001 to 21,000	1.0
21,001 to 22,000	0.9
22,001 to 23,000	0.8
23,001 to 24,000	0.7
24,001 to 25,000	0.6

"(3) Effective on the date of the enactment of this subsection, the regulations of the Administrator under this section respecting fuel additives (40 C.F.R. Part 80) shall be deemed amended to comply with the requirement contained in paragraph (2)."

SENATE—*Friday, May 13, 1977*

(Legislative day of Monday, May 9, 1977)

The Senate met at 9:45 a.m., on the expiration of the recess, and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

For beauty of sight and sound and thought, we give Thee thanks, O Lord. For the world without and that deeper world within, we give Thee thanks. May the beauty of the world without nourish the thoughts and prayers of our inmost being that we may live in a miniature of Thy Kingdom. Accompany us with Thy blessing and with the spirit of service until the day is done.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 13, 1977.

To the Senate.

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of yesterday, Thursday, May 12, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REPUBLICAN ENERGY INITIATIVE

Mr. BAKER. Mr. President, on yesterday, the Republican policy committee released to the press a "Republican Energy Initiative." There can be no doubt in anyone's mind that America faces a serious energy challenge, the impact of which will affect jobs, national security, and our overall way of life.

The President addressed the Nation 2 weeks ago regarding this challenge and some of his ideas will be reflected as points of agreement in our initiative. We commend the President for bringing this issue more forcefully to the minds of the American people and for sending specific legislative proposals to the Congress.

There are, however, many basic differences and improvements which we feel can be made to the President's proposals. The Republican plan calls for an increased domestic production in regard to new technologies and fossil fuels, rather than increasing dependence on foreign energy sources. Our plan calls for less, rather than more, governmental regulation of America's productive energy capacity. Our plan calls for no punitive taxes on the American consumer, but for excess profits taxes on oil companies and other energy producers. Generally, we express a faith in American technology to produce, and the American people to conserve, that was not reflected in the administration's proposals.

I particularly want to thank my colleagues, Senator TOWER, chairman of the Republican policy committee, and Senator HANSEN, chairman of the Energy Subcommittee, for their work on this effort.

Mr. President, so that the ideas of the Republican conference might be more widely disseminated, and so that the American people may more fully understand our position on the Nation's energy needs, I ask unanimous consent that these remarks and the "Republican Energy Initiative" be made a part of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PREFACE TO THE SENATE REPUBLICAN ENERGY INITIATIVE

To maintain a healthy and expanding economy, we believe we must expand our overall supply of energy. Conservation alone, important as it is, will not provide the vital industrial growth that future generations will depend upon for jobs, security and a better life. A "no-growth" energy policy consigns our children and their children to a bleak future indeed.

It is to President Carter's credit that he has dramatized the energy crisis, so that there are very few left today who do not believe that the problem is real.

The solutions the Administration offers, however, call for further regulation, further bureaucratization, further governmental intervention into every facet of the energy problem.

The results of the Administration proposals, if fully put into effect, will almost certainly be:

The loss or denial of jobs for millions;

An increased dependence on imported oil, brought by giant tankers across a vulnerable ocean route around the Cape of Good Hope;

In summers to come, long lines of waiting cars at every service station; in wintertime, closed schools and factories in the Northeastern states and elsewhere;

An increase in price levels for all commodities; serious shortages of food and agricultural products; further inflation.

We make these gloomy predictions because of the internal contradictions in the Administration program. While the recommendations on energy conservation have merit, the Administration's proposals on energy sources are self-defeating:

The Administration encourages an increase in domestic supplies of oil, while failing to remove the dual price system and other controls that make exploration and extraction economically unfeasible or impossible.

The Administration encourages the expansion of oil-refining capabilities, at the same time failing to remove the roadblocks to increasing those capacities.

The Administration deplores the shortages of natural gas, but instead of removing the artificial system of allocations and the economic and regulatory disincentives to its production and sale, it proposes additional complex formulas governing sales and pricing in intrastate as well as interstate commerce.

No provisions are made for accelerating the building of deepwater ports to receive liquified natural gas or crude oil; there is no improved program for facilitating the construction of needed pipelines, whether for crude oil, natural gas, or coal slurry.

The Administration strongly encourages the shift from oil and natural gas to coal and expresses a hope for greater coal production; however, it calls at the same time for stronger (and more expensive) anti-pollution and environmental controls on coal use and production.

The Administration expresses great hopes for the expanded possibilities of nuclear energy; at the same time it has closed down all further development of the breeder reactor, despite its ability to vastly extend our limited uranium resources.

The Administration proposals, despite their pious hopes for increased energy resources, call for more of the same measures that created our national inability to respond swiftly and adequately to the problems created by the OPEC oil embargo.

The only practical way in which solutions can be found for our energy crisis is by greater reliance on competitive pricing and on the resilience, resourcefulness and the drive of our market system when confronted with difficult challenges.

We look on the present challenge with confidence. With a determined effort, the expectations for the future can be good. Energy sources are present in this nation, as is the genius to devise new sources. We recognize the extent of the problem and the need for action. We can now proceed to get our house in order for the next hundred years of economic strength and human freedom in this nation.

SENATE REPUBLICAN ENERGY INITIATIVE

No one should mistake the energy problem for what it is—a fundamental crisis that threatens Americans and America's way of life.

We look on this challenge with relish. With a determined effort, expectations for the future are good; energy sources are present in this nation, as is the genius to devise new sources. We recognize the extent of the problem and the need for action. We can now proceed to get our house in order for the next hundred years of economic strength and human freedom in this nation.

Above all, the energy problem is a people problem. Shortages and soaring costs hurt people, often striking at those least able to protect themselves.

Republicans specifically reject the standby gasoline tax, although we do accept the premise that Americans must move to the more efficient automobile.

In those millions of cars lined up at gas stations throughout the nation that fateful

winter of 1974 were millions of people. The most grievous statistics of this past winter's natural gas shortage were the hundreds of thousands of Americans whose lives were disrupted because the plant where they worked closed, the school their children attended shut down, and the drugstore they used to buy medicine had to lock its doors early.

We, as Republicans, believe that people of this nation come first as we work with the President to forge an energy policy.

Any proposed energy plan under which the rich get richer, the poor poorer, or the consumer victimized invites social tension and erodes the vitality not only of our free enterprise system, but of representative and democratic government.

Republicans believe that the nation's energy needs can be met without creating social injustice. We pledge ourselves to that end.

Meeting future energy needs alone is not the goal of our package. We also must meet other tests:

Fairness to all Americans;

Restraining inflation;

Protecting our environment;

Strengthening the national defense;

Building a fundamentally strong and stable economy;

Reducing unemployment, making use of the maximum potential of the private sector; and

Conserving non-renewable resources for those who come after us.

Regulations once devised to help people have long outlasted their usefulness. These rules have caused much of our present energy problem and now hurt the very people they were designed to help.

The Republican Party does not believe that punishing the consumer with prices unrelated to real costs will provide any better solution to long term energy demands than the artificially low prices of the past have given us.

Excessive use of energy, quickened by outmoded regulation, must end. We have seen already improper use of some energy resources, such as natural gas, and view with alarm shortages now occurring in the supply of insulation materials. The trend is clear and dangerous. Ending unwise use, and excessive consumption, a condition that Americans have accepted too easily and for too long, is one of the cornerstones of our policy.

In short, the Republican Party believes that the American people can make decisions that will eventually solve the energy problem better than any regulator. We recognize that an artifically high world market price for oil now exists and we reject merely allowing "free market forces" to operate when the market is, indeed, not free.

We advocate a transition to a market free of regulation, but we realize that this transition's length depends upon how soon a true world market price for energy resources emerges.

During this transition we propose that that portion of our population that cannot protect itself be protected through government policies outlined in this Republican Energy Initiative.

We emphasize in this document the central importance of the automobile in American life and accept the need for mandated efficiency standards for gas consumption. We reject a complicated system of taxes and rebates, however, to change consumption habits by Americans. In that same spirit, we reject the notion that any American should be able to buy his way out of our national need to conserve. We also propose tax credits to encourage consumers to become more careful in their energy use and we advocate incentives to industries to produce not only more energy, but insulation and other energy-saving products.

The Senate Republican Conference recommends the following energy initiatives be undertaken by the United States:

DEDICATION

The people of the United States dedicate themselves to the task of solving the energy problem through energy development, energy conservation, and a rational use of the best energy sources for each job we confront.

REGULATION

Regulation that looks at the past to fix the future, or interferes with the right of free choice, is a major cause of excessive demand. Supply shortages, unrealistic prices, market dislocation, and failure of certain alternatives to be developed all stem in large part from out-dated regulation.

We must return to a competitive market in energy. The collective decisions of Americans will make better energy policy than any system of regulations or allocations through a government agency.

The dislocations of the past quarter of a century will not be resolved quickly. Returning to a competitive energy market should be hastened. During the transition period the Congress must ensure that any excess energy profits are reinvested by the energy industry to find and produce yet more energy, or taxed with revenue returning to the consumer.

To maintain a healthy and expanding economy, we believe we must expand our overall supply of energy. Conservation alone, important as it is, will not provide the vital industrial growth that future generations will depend upon for jobs, security and a better life. A "no-growth" energy policy consigns our children and their children to a bleak future indeed.

CONSERVATION

Inexpensive and easily obtained domestic oil and gas resources as well as Federal controls over the price of energy have resulted in inefficient and wasteful energy consumption patterns in the U.S. Improvements must be made in how much energy this Nation uses to sustain its economic growth and how well that energy is used. We, therefore, should:

Support an Energy Extension Service to facilitate implementation of energy conservation measures at the State and local level.

Support comprehensive public education programs with a conservation message, including programs specifically directed at schools.

Support the implementation of all current energy conservation laws.

Intensify Government energy conservation research, development, and demonstration programs.

Require an effective effort to reduce all Federal, State, and local government energy use.

Require Government to adopt appropriate energy efficiency criteria as part of its procurement policies.

Expedite development of a building efficiency performance standard by HUD.

Provide tax credits for insulation, retroactive to January 1, 1977, and for other energy-saving equipment.

Enlarge the program of direct grants to pay for insulating houses of low-income families.

Encourage utilities, by appropriate State standards, to insulate homes and to recover their costs through monthly utility billings to those homes.

Support stringent new product appliance efficiency standards and, where necessary, strengthen the standards now on the books.

Require energy efficiency labeling for all major consumer appliances.

Encourage through loans or loan guarantee programs the use of waste heat and process steam to generate electricity.

Consider programs to stimulate energy efficiency in industrial production such as target setting, loans for energy improvements, tax credits, voluntary energy audits of individual companies, and provisions of information to small companies.

Implement load management techniques and incorporate those rate structures which will ensure the most efficient use of electric power.

Enforce and strengthen EPCA fuel efficiency standards.

Support Government funding for research and development of advanced automobile propulsion systems, including but not limited to combustion engines which do not burn petroleum products and electric vehicles.

Support the creation of an Under Secretary for Conservation within the Department of Energy.

Support the designation of an Assistant Secretary in DOC, HUD, DOE, DOI, DOT, and DOD, and appropriately designated officials in GSA and the Postal Service, to be responsible for conservation.

MASS TRANSIT

The transportation sector consumes 26% of our total national energy input and 53% of the petroleum we use. Our life style is highly dependent upon flexible, easily available, and inexpensive transportation. It is possible to achieve significant energy savings in the transportation sector without reducing the convenience and flexibility to which we have become accustomed. We, therefore, should:

Encourage programs to increase load factors on transportation modes with excess capacity (e.g., car pools, public transportation).

Place priority for Government funding on energy efficient public transport, bus and rail rather than on less energy efficient modes.

PETROLEUM

The sharp decline in domestic oil and gas production at a time when demand is rising is clear proof that present Federal policies toward energy production are not working. The system of oil and gas price controls has served to encourage wasteful overutilization of oil and gas, and at the same time has served as a disincentive to increased production. Federal price controls on crude oil and petroleum products produced in the U.S. are a major contributor to our growing dependence on foreign sources of oil. We have the resources, the technology, and the experience to become less dependent on foreign sources.

Gradually, through a self-executing formula so as to minimize the impact on the American consumer, prices should be allowed to increase to replacement costs. We, therefore, should:

Decontrol the price of newly discovered oil, enhanced recovery oil, and economically marginal oil.

Institute tax incentives to capital recovery and formation for exploration and development.

Remove price and allocation controls from all refined products.

Remove roadblocks to increasing U.S. crude oil refining capacity.

Provide for equitable distribution of West Coast surplus of Alaskan crude oil.

Provide adequate safeguards to prevent unacceptable environmental damage from oil discharges, and provide for compensation for damages that do occur.

Encourage and facilitate construction of deepwater ports.

Accelerate the development and implementation of a National Energy Emergency Preparedness Plan and a viable Strategic Petroleum Reserve.

Support a strong research and development effort by the Federal Government, in close cooperation with the States and the private sector, to exploit the vast energy reserves contained in oil shale and tar sands.

OUTER CONTINENTAL SHELF

The Outer Continental Shelf of the United States offers great potential oil and gas reserves for an energy intensive nation. The public stands to benefit in many ways from an environmentally responsible, accelerated OCS development. We believe that increased Federal offshore oil and natural gas production is an attractive option for significantly increasing domestic energy production. We, therefore, should:

Avoid legislation to overhaul the Outer Continental Shelf Lands Act, as the present public law is suitable for maximizing OCS development.

Reinstitute the accelerated leasing and development of OCS oil and gas resources under existing authority.

Continue to encourage coastal State, public and private participation as a means of assisting the Federal Government in its role of developing OCS resources.

Make cash bonus and royalty requirements covering OCS leasing more flexible so that more concerns will be involved in exploration and development of offshore resources.

NATURAL GAS

Demand for natural gas, our Nation's premium fuel, remains at record levels. However, a critical supply shortage in the interstate marketplace has developed, because producer sales of natural gas in interstate commerce have been subject to excessive Federal regulation since 1954. Due to economic and regulatory disincentives which have restrained the sale of natural gas outside of the State of production, disparities between the unregulated intrastate market and the regulated interstate market have developed. As a result, the interstate natural gas supply situation has reached crisis proportions. We, therefore, should:

Remove Federal regulations over the wellhead sale of new, onshore natural gas in interstate commerce and phase in the decontrol of new sales from the outer continental shelf.

Permit new wells in old reservoirs to be allowed new natural gas treatment only if it can be shown that such new wells are necessary to increase deliveries and to promote increased overall production of natural gas.

Streamline the regulatory process with respect to the transportation and distribution of natural gas.

Ensure early delivery of natural gas from Alaska at the lowest reasonable cost.

Establish curtailment priorities for essential residential, commercial, agricultural, and industrial users.

WINDFALL PROFITS TAX

A return to competitive market pricing of energy and energy commodities must take place in order to remove the distortions that currently exist in the domestic and international energy marketplace. The current two part system of U.S. Government and OPEC pricing of oil, together with disparities in interstate and intrastate natural gas markets, has resulted in ever increasing levels of foreign energy imports and ever depressing levels of domestic oil and natural gas production.

Allowing phased-in free market pricing to stimulate domestic oil and natural gas production may result in excessive revenues over a period of time while domestic energy supply and demand once again come into balance. In order to ensure proper utilization of these large cash flows, we recommend implementation of a windfall profits tax which would be applied when producers fail to reinvest any excess revenues into expanded domestic energy exploration and development. This tax, with a credit for "plowback" of available capital, will assure American consumers that the price they pay for energy is being invested towards United States energy self-sufficiency.

ELECTRICITY

The U.S. is moving perilously close to a protracted electrical supply crisis. Increased industrial activity and shortages of natural gas are pushing demand for electricity to record levels. In 1976, the demand for electricity was 6.3 percent higher than in 1975. It is unclear to what extent conservation can reduce the rate of growth in demand, and it is unclear whether utilities are now in a position to provide for a continued growth in demand of similar proportions. Efforts must be undertaken now to improve the efficiency of electrical generation and end use and to facilitate and accelerate the construction of new electrical generating capacity, including hydroelectric, to avoid power shortfalls in the next decade. Because of the limited number of sites available for new hydroelectric facilities, there are only two fuels capable of meeting these large new electrical demands—coal and uranium. Both are prime fuels; neither can be considered alone. We, therefore, should:

Coal

Expedite coal resource development on Federal land.

Increase Federal funding for research, development, and utilization of U.S. coal resources, including mining technology.

Stimulate the development of plants which convert coal to gas and coal to oil.

Support Federal policies to expedite the improvement of existing rail and water systems as well as the development of reliable and efficient alternative coal transportation systems.

Promote conversion to coal based on sound economic and engineering principles keeping the economic impact on the consumer in mind.

Stimulate conversions by investment tax credits or other tax incentives.

Accelerate research, development, and demonstration of pollution control technology and research on efforts to understand how natural and man-made pollutants are produced and dispersed.

Nuclear power

Support private industry initiatives or quasi-private corporation plans for financing and building new enrichment capacity, and commit to such new capacity now.

Accelerate schedule for demonstration of a nuclear waste repository.

Expedite program to evaluate adequacy of and plans to develop domestic uranium resources on public and private lands.

Reduce time to build and license nuclear power plants by encouraging States to preselect sites and by eliminating duplication in reviewing standardized plant designs.

Continue research, technical development and demonstration of nuclear fuel reprocessing and continue efforts to secure binding international agreements between nations which taken together provide sufficient assurance that plutonium will be used safely internationally.

Move forward with current plans to build a breeder demonstration plant in order to understand the technical, economic, licensing and operational problems inherent in such technology.

Maintain the leadership of the U.S. in export sales of nuclear power plants and materials in order to preserve and ensure effective nonproliferation.

SOLAR ENERGY AND ADVANCED TECHNOLOGIES

For more than two years there has been an intense focus on the ability of new and advanced technologies to meet our growing energy needs, both in the near term and the long term. It is very clear, however, that most advanced energy technologies cannot be considered as major contributors to energy supplies for the immediate future.

Nevertheless, since this Nation will need a broad based energy supply system in the long term, the research and development programs undertaken now are our only hope of having a secure energy future. We, therefore, should:

Continue strong and comprehensive Federal solar research, development, demonstration, and commercialization programs where such efforts are insufficiently supported in the private sector.

Institute a system of tax credits to stimulate installation of solar heating, cooling, and hot water systems for residential and public buildings.

Institute a system of tax credits to stimulate the use of solar energy systems, including solar thermal, solar electric, wind electric, etc., to remote applications where conventional fuels are inconvenient and expensive to use.

Advocate reasonable Government support to facilitate the entry into the market place of nearly commercial technologies, including biomass/organic waste generation of fuels.

Continue and expand current Federal research and development efforts to develop commercially competitive geothermal energy systems.

Support increased levels of funding for fusion R&D, especially for demonstration reactor systems, which will result in an earlier test of their long term commercial viability.

Support conservation of helium as a critical resource necessary for commercialization of fusion reactors and other advanced energy systems requiring superconductive magnets and components.

Support Federal and promote private research and development efforts aimed at exploiting hydrogen as an energy source.

Proceed with a program for determining the feasibility of using an alcohol blend in motor fuel, with alcohol which is made from surplus farm and forest products, waste material, and other like sources, through further research and pilot plant operations.

CONCLUSION

While all Republican Senators may not endorse every recommendation of the preceding proposal, we pledge to work diligently with the Administration and Democratic majority in the Senate to come to grips with implementing a national energy policy.

Nobody can predict the nature or magnitude of our next energy crisis, but we must be prepared. Further delays can only increase our danger, and indicate to the world that the United States can no longer take care of itself.

We believe our proposal represents a course that is prudent and possible, as well as paramount to our national interest and, perhaps, our national survival.

The 95th Congress must act.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I yield back my time under the order.

The ACTING PRESIDENT pro tempore. The distinguished Republican leader is recognized.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, there are four nominations on the Executive Calendar beginning with the Department of Justice. I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar beginning with the Department of Justice.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will go into executive session.

Mr. STEVENS. Mr. President, we have no objection to the nominations under the Department of Justice, the Asian Development Bank, and the Inter-American Development Bank.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc and will be confirmed en bloc—Calendars Nos. 208, 209, 210, and 211.

Mr. ROBERT C. BYRD. Mr. President, I ask that the President be immediately notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified of the confirmations.

The nominations considered and confirmed are as follows:

DEPARTMENT OF JUSTICE

Anthony G. Dirienzo, Jr., of Connecticut, to be U.S. marshal for the District of Connecticut for the term of 4 years

ASIAN DEVELOPMENT BANK

Lester E. Edmond, of Florida, to be U.S. Director of the Asian Development Bank, with the rank of Ambassador.

INTER-AMERICAN DEVELOPMENT BANK

Ralph Anthony Dungan, of New Jersey, to be Executive Director of the Inter-American Development Bank for a term of 3 years, and Eugene Jay Finkel, of the District of Columbia, to be Alternate Executive Director of the Inter-American Development Bank.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will return to legislative session.

Mr. ROBERT C. BYRD. Mr. President, I have no further need for my time under the order.

Mr. STEVENS. Mr. President, I yield 5 minutes of the minority leader's time, or such amount as he needs of the minority leader's time, to Senator HEINZ, who has a special order already.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. At this time, according to the previous order, the Chair recognizes the distinguished Senator from Pennsylvania (Mr. HEINZ) for not to exceed 20 minutes.

Mr. HEINZ. Mr. President, I thank the distinguished Senator from Alaska for yielding.

OUR PRISONERS IN BOLIVIA: AN AMERICAN TRAGEDY

Mr. HEINZ. Mr. President, I bring to the attention of colleagues a serious problem involving violations of human rights and due process of law that has an impact ultimately on all American citizens.

Currently there are 33 Americans in prison in the country of Bolivia. They are imprisoned on drug charges. Many of them were arrested simply because they were in the same room as someone—not necessarily an American—who possessed drugs. The result has been group arrests on charges of trafficking in drugs, even of those who, by everyone's admission, including that of Bolivian authorities, are innocent.

More important, however, are the abuses, both legal and physical, to which these young Americans have been subjected. Of the 33 Americans, only 5 have actually had their cases decided and been sentenced. By the time the sentences were handed down, two of them had already served longer than their sentences, and two others had only a few months to go. None, however, have been released.

The other prisoners, some incarcerated since 1974, have yet to have their cases disposed of. Such extended delays have made a mockery of Bolivian due process and have affected the hopes of these young people and their families who have been supporting them in prison at considerable expense. Cases where there is no evidence linger on without summary decision, and cases where evidence exists move no faster, leaving the prisoners in a judicial limbo, incarcerated with no finding of guilt and no definitive sentence and no specific time at which judgment can be expected.

Moreover, conditions in Bolivian prisons, not unexpectedly, leave much to be desired. Sanitation facilities are primitive, the prisoners must bear the cost of their confinement, and some prisoners have, according to their families, been subjected to physical abuse, including beatings.

As serious as these problems, however, is the charge that our State Department has not been diligent in dealing with these problems. The families of the prisoners, who have had frequent contact with American officials, both in Washington and in Bolivia, are bitterly disappointed that our ambassador and his staff have not taken a more active role in seeking the release of the prisoners and in providing aid and comfort to them. These families have charged that the embassy has been deficient in fulfilling their lawful responsibilities and have shown little sympathy for the plight of the prisoners.

Every American citizen has the right to expect the full help of our Government when they run into trouble abroad, but it appears that the State Department has virtually abandoned 33 imprisoned Americans to fend for themselves in the labyrinth of a foreign "legal" system.

The families of the prisoners have made public charges in this regard which I feel impact seriously on the reputation of the State Department, the credibility of our foreign policy, and our Nation's commitment to its overseas citizens. The situation demands an investigation—which is one of the requests of the families—and I fully support such action. Assistant Secretary of State Todman is touring Latin America now and has added Bolivia to his itinerary. In fact, Mr. President, I believe he is there today, and he is there, in part, to investigate this situation and the complaints to which I have referred. I look forward to this report when he returns.

Along that same line, a number of Senators from States which have prisoners in Bolivia have joined me in writing Secretary of State Vance to make sure he is aware of the real importance of this issue to us and the concern with which we view the charges that have been made public. Our letter both urges that our Government take steps to insure more expedited handling of the cases and that this effort be carried out at a higher level of Government than has thus far been the case. I have also cabled a copy of this letter to Assistant Secretary Todman in La Paz, in anticipation of his arrival there.

I intend to keep pressing Secretary Vance to personally intervene in this matter and make sure that these 33 American citizens receive all the help our Government can properly offer.

Mr. President, I ask unanimous consent that the text of the letter to Secretary Vance be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., May 11, 1977

Hon. CYRUS VANCE,
Secretary, Department of State,
Washington, D.C.

DEAR MR. SECRETARY: We are writing to express our deep concern over the treatment

of Americans imprisoned in Bolivia on narcotics charges, and the inadequate action by the State Department, particularly our representatives in Bolivia, on behalf of the prisoners.

Several facts stand out in what has by now become a long story. There is no question that 33 prisoners have been denied due process under Bolivian law. Most have been incarcerated for more than a year without any disposition of their cases. Some, when finally convicted and sentenced, had already been jailed longer than their sentences. Others, by the admission of all parties, are clearly innocent and appear to have been arrested only because of their presence in the same room with others who were arrested for possession of narcotics.

Beyond the routinely intolerable conditions of Bolivian prisons, it is clear that some of the prisoners have been subjected to physical abuse, including beatings, and have been denied medical treatment, even when clearly needed.

What is of particular concern, of course, is the apparent failure of our embassy personnel to take action—or display much sympathy—on behalf of these prisoners. The families of those incarcerated, who have met with Ambassador Stedman and the Consul, Mr. Milburne, are bitterly disappointed that they and their staffs have not taken a more active role in seeking the release of the prisoners and in providing aid and comfort to them. These families have charged that the Ambassador and his staff have been deficient in fulfilling their responsibilities and have shown little sympathy for the plight of the prisoners, and they have presented considerable evidence to that effect. For example, they claim that Ambassador Stedman has never sought to visit any of the American prisoners.

Mr. Secretary, it is our firm belief that in this case, our Foreign Service has neglected its obligation to come to the aid of beleaguered Americans. Too much time has already elapsed without effective action. Accordingly, we believe it is now necessary that this situation be given your personal attention and that contact at the highest level of the Bolivian government be initiated.

We would appreciate your earliest possible response.

Sincerely,

John Heinz, U.S.S., Warren G. Magnuson, U.S.S., John Tower, U.S.S., Lowell P. Weicker, Jr., U.S.S., Clifford P. Case, U.S.S., Alan Cranston, U.S.S., Abraham Ribicoff, U.S.S., Frank Church, U.S.S., Richard (Dick) Stone, U.S.S., Paul S. Sarbanes, U.S.S., and Lloyd Bentsen, U.S.S.

Mr. HEINZ. Mr. President, this is a very grave matter, indeed. We are talking about a situation where it has taken 3 years, on the average, after the arrest of these citizens for sentencing to take place. Three years, whether someone is young or old, is a lifetime.

I think this is a very grave outrage to civil rights. It is a very grave injustice.

I mentioned that I was going to work very hard and insist that the State Department fulfill its share of responsibilities in solving this problem.

I am committed to doing so because if the State Department or any part of our Government becomes insensitive to injustice or to the civil rights of some Americans, even as few as 33 Americans in as distant a locale as Bolivia, then all Americans can ultimately be subjected to and threatened by the same kind of insensitivity to injustice or civil rights.

Mr. President, that concludes my statement.

ORDER OF BUSINESS

Mr. STEVENS. Mr. President, have I yielded back the remainder of the time for the minority leader?

The ACTING PRESIDENT pro tempore. Does the Senator wish to yield back the remainder of his time?

Mr. STEVENS. We do yield back the remainder of our time.

The ACTING PRESIDENT pro tempore. All time of the leadership has been yielded back.

FIRST CONCURRENT BUDGET RESOLUTION, SENATE CONCURRENT RESOLUTION 19—CONFERENCE REPORT

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, the Senate will proceed to the consideration of the conference report on Senate Concurrent Resolution No. 19, which will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 19) setting forth the congressional budget for the U.S. Government for the fiscal year 1978 having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of May 11, 1977.)

The ACTING PRESIDENT pro tempore. The time for debate on this conference report is limited to 1 hour to be equally divided between the distinguished Senator from Maine (Mr. MUSKIE) and the distinguished Senator from Oklahoma (Mr. BELLMON).

Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and I ask unanimous consent that the time not be charged against either side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. METZENBAUM). Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the following members of the staff of the Committee on the Budget be allowed to remain on the floor during consideration of and votes on Senate Concurrent Resolution 19:

John McEvoy, Karen Williams, Sid Brown, Van Ooms, Jim Storey, Dan Twomey, Tom Dine, Faye Hewlett, Mary Jane Checchi, Bob Sneed, Charles Flickner, Terry Finn, John Giles, Rodger Schlickeisen, Don Campbell, Tony Carvevale, George Merrill, Becky Beauregard, Pat Gwaltney, Mike West, Ira Tannenbaum, and Peggy Watts.

Mike Joy, on behalf of Senator Hollings; Hal Gross, on behalf of Senator Cranston; Rick Brandon, on behalf of Senator Chiles; Alan Chvotkin, on behalf of Senator Abourezk; Dick Andrews, on behalf of Senator Biden; Alan Yuspeh, on behalf of Senator Johnston; John Haynes, on behalf of Senator Anderson; and Paul Clark, on behalf of Senator Sasser.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the presence and use of small electronic calculators be allowed on the floor of the Senate during the consideration of the concurrent resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. I ask unanimous consent that the Joint Explanatory Statement of the managers which accompanies the conference report on Senate Concurrent Resolution 19 be printed in the RECORD at this point.

There being no objection, the excerpt from the conference report (No. 95-134) was ordered to be printed in the RECORD, as follows:

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 19) setting forth the congressional budget for the United States Government for the fiscal year 1978 (and revising the congressional budget for fiscal 1977), report that the conferees have been unable to agree. This is a technical disagreement, necessitated by the fact that the revised deficit and public debt amounts for fiscal year 1977 are lower than the corresponding House and Senate provisions and the revenue figure in the substitute is greater than either the House or Senate provision.

It is the intention of the conferees that the managers on the part of the Senate will offer a motion in the Senate to recede and concur in the House amendment to the Senate-passed resolution with an amendment (in the nature of a substitute) consisting of the language agreed to in conference. Upon the adoption of such amendment in the Senate, the managers on the part of the House will offer a motion in the House to concur therein.

The managers on the part of the House and the Senate submit the following joint statement in explanation of the action agreed upon by the managers:

The substitute language which is to be offered as described above (and which should be considered the language of the concurrent resolution as recommended in the conference report for purposes of section 302(a) of the Congressional Budget Act of 1974)—hereinafter in this statement referred to as the "conference substitute"—is as follows:

That the Congress hereby determines and declares, pursuant to section 301(a) of the

Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1977—

(1) the recommended level of Federal revenues is $396,300,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $17,600,000,000.

(2) the appropriate level of total new budget authority is $503,450,000,000;

(3) the appropriate level of total budget outlays is $460,950,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $64,650,000,000; and

(5) the appropriate level of the public debt is $784,900,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $83,600,000,000.

SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares pursuant to section 301(a)(2) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1977, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):
(A) New budget authority, $118,500,000,000;
(B) Outlays, $111,000,000,000.
(2) International Affairs (150):
(A) New budget authority, $9,300,000,000;
(B) Outlays, $7,300,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $4,900,000,000;
(B) Outlays, $4,700,000,000.
(4) Natural Resources, Environment, and Energy (300):
(A) New budget authority, $20,700,000,000;
(B) Outlays, $20,000,000,000.
(5) Agriculture (350):
(A) New budget authority, $2,200,000,000;
(B) Outlays, $4,350,000,000.
(6) Commerce and Transportation (400):
(A) New budget authority, $20,000,000,000;
(B) Outlays, $19,400,000,000.
(7) Community and Regional Development (450):
(A) New budget authority, $8,200,000,000;
(B) Outlays, $10,800,000,000.
(8) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $26,800,000,000;
(B) Outlays, $27,200,000,000.
(9) Health (550):
(A) New budget authority, $47,900,000,000;
(B) Outlays, $44,300,000,000.
(10) Income Security (600):
(A) New budget authority, $179,900,000,000;
(B) Outlays, $146,700,000,000.
(11) Veterans' Benefits and Services (700):
(A) New budget authority, $20,250,000,000;
(B) Outlays, $20,200,000,000.
(12) Law Enforcement and Justice (750):
(A) New budget authority, $3,700,000,000;
(B) Outlays, $3,850,000,000.
(13) General Government (800):
(A) New budget authority, $3,800,000,000;
(B) Outlays, $3,850,000,000.
(14) Revenue Sharing and General Purpose Fiscal Assistance (850):
(A) New budget authority, $9,800,000,000;
(B) Outlays, $9,700,000,000.
(15) Interest (900):
(A) New budget authority, $43,000,000,000;
(B) Outlays, $43,000,000,000.
(16) Allowances:
(A) New budget authority, $800,000,000;
(B) Outlays, $900,000,000.
(17) Undistributed Offsetting Receipts (950):
(A) New budget authority, —$16,300,000,000;
(B) Outlays, —$16,300,000,000.

SEC. 3. In the Third Budget Resolution for fiscal year 1977, the Congress provided for revenue and spending proposals designed to stimulate the Nation's economy in order to reduce unemployment. These proposals, together with recent indications of more vigorous economic growth in the private sector, provide evidence that the Nation's economy may be returning to the levels needed to provide jobs to millions of our unemployed.

The Congress recognizes, however, that unusual uncertainties surround the current economic outlook for 1977 and 1978—primarily, the economic impact of the stimulus proposals and the likelihood of continued economic growth in the private sector—and that additional time and information are needed to make final determinations with respect to fiscal policy for fiscal year 1978; and declares that, if economic recovery does not proceed satisfactorily during the months immediately following adoption of the First Budget Resolution for Fiscal Year 1978, it will be necessary to provide additional stimulus to the economy in appropriate amounts to be determined in the Second Budget Resolution for Fiscal Year 1978. On the other hand, if the recovery continues to show signs of long-term renewed growth, it may be desirable to reduce some of the economic stimulus provided for fiscal year 1978 in order to make more rapid progress toward a balanced budget.

SEC. 4. (a) Pursuant to section 304 of the Congressional Budget Act of 1974, the appropriate aggregate amounts for the fiscal year 1977 set forth in the first section of S. Con. Res. 10 are revised as follows:

(1) the recommended level of Federal revenues is $356,600,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $2,600,000,000;

(2) the appropriate level of total new budget authority is $470,200,000,000;

(3) the appropriate level of total budget outlays is $409,200,000,000;

(4) the amount of the deficit in the budget which is appropriate in light of economic conditions and all other relevant factors is $52,600,000,000; and

(5) the appropriate level of the public debt is $701,300,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $1,300,000,000.

(b) Pursuant to section 304 of the Congressional Budget Act of 1974, the allocations for the fiscal year 1977 made in section 2 of S. Con. Res. 10 are revised so that the appropriate levels of new budget authority and the estimated budget outlays for the various functional categories are as follows:

(1) National Defense (050):
(A) New budget authority, $108,800,000,000;
(B) Outlays, $98,900,000,000.
(2) International Affairs (150):
(A) New budget authority, $7,900,000,000;
(B) Outlays, $6,500,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $4,500,000,000;
(B) Outlays, $4,600,000,000.
(4) Natural Resources, Environment, and Energy (300):
(A) New budget authority, $18,700,000,000;
(B) Outlays, $16,100,000,000.
(5) Agriculture (350):
(A) New budget authority, $2,300,000,000;
(B) Outlays, $4,500,000,000.
(6) Commerce and Transportation (400):
(A) New budget authority, $17,300,000,000;
(B) Outlays, $14,900,000,000.
(7) Community and Regional Development (450):
(A) New budget authority, $14,800,000,000;
(B) Outlays, $10,100,000,000.
(8) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $30,400,000,000;
(B) Outlays, $20,900,000,000.
(9) Health (550):
(A) New budget authority, $40,600,000,000;
(B) Outlays, $39,000,000,000.
(10) Income Security(600):
(A) New budget authority, $167,700,000,000;
(B) Outlays, $137,100,000,000.
(11) Veterans' Benefits and Services (700):
(A) New budget authority, $18,900,000,000;
(B) Outlays, $18,100,000,000.
(12) Law Enforcement and Justice (750):
(A) New budget authority, $3,500,000,000;
(B) Outlays, $3,600,000,000.
(13) General Government (800):
(A) New budget authority, $3,500,000,000;
(B) Outlays, $3,600,000,000.
(14) Revenue Sharing and General Purpose Fiscal Assistance (850):
(A) New budget authority, $7,600,000,000;
(B) Outlays, $7,700,000,000.
(15) Interest (900):
(A) New budget authority, $38,000,000,000;
(B) Outlays, $38,000,000,000.
(16) Allowances:
(A) New budget authority, $800,000,000;
(B) Outlays, $700,000,000.
(17) Undistributed Offsetting Receipts (950):
(A) New budget authority, —$15,100,000,000;
(B) Outlays, —$15,100,000,000.

BUDGET AGGREGATES

The budget aggregates for fiscal year 1978 would be as follows:

Revenues.—The Senate resolution provided for revenues of $395.7 billion. The House resolution provided for revenues of $398.094 billion. The conference substitute provides for revenues of $396.3 billion and, to achieve that level, provides that revenues should be decreased by $17.6 billion.

The conference substitute (1) assumes the level of fiscal stimulus in fiscal year 1978 provided in the Tax Reduction and Simplification Act as recently agreed to by House and Senate conferees; (2) accepts the House position of a $65 million allowance for miscellaneous tax and tariff legislation; and (3) accepts the Senate position for this First Budget Resolution that the entire cost of the earned income credit be reflected as a reduction of revenue. The conferees agree that the treatment of tax credits in excess of recipients' tax liabilities shall be considered *de novo* during the development of the Second Budget Resolution later this year.

Budget Authority.—The Senate resolution provided for total new budget authority of $504.6 billion. The House resolution provided for budget authority of $502.267 billion. The conference substitute provides for budget authority of $503.45 billion.

Outlays.—The Senate resolution provided for outlays of $459.2 billion. The House resolution provided outlays of $464.477 billion. The conference substitute provides for outlays of $460.95 billion.

Deficit.—The Senate resolution provided for a deficit of $63.5 billion. The House resolution provided for a deficit of $66.383 billion. The conference substitute provides for a deficit of $64.65 billion.

Public Debt.—The Senate resolution provided for a public debt level of $789.9 billion. The House resolution provided a public debt level of $792.714 billion. The conference substitute provides a public debt level of $784.9 billion.

ECONOMIC OBJECTIVES AND ASSUMPTIONS

The fiscal policy contained in the conference substitute is designed to maintain a sustained economic recovery. Enactment of

the legislation assumed in the totals, in conjunction with a supportive monetary policy, will provide the balanced expansion necessary to move the nation steadily towards full employment and a lower rate of inflation. The economic assumptions underlying the revenue and spending ceilings contained in the conference report are as follows:

[*Calendar year; dollars in billions*]

Item	*1978*
Gross National Product:	
Current dollars	2088
Constant (1972) dollars	1393
Incomes:	
Personal income	1690
Wages and salaries	1117
Corporate profits	188
Unemployment rate (percent):	
Calendar year average	6.5
Fourth quarter	6.3
Consumer price index (percent change, year over year)	5.4
Interest rate, 3-month Treasury bills (monthly average)	5.2

FUNCTIONAL CATEGORIES

NATIONAL DEFENSE (050)

The Senate resolution provided budget authority of $120.3 billion and outlays of $111.6 billion. The House resolution provided budget authority of $117.136 billion and outlays of $109.947 billion.

The conference substitute provides budget authority of $118.5 billion and outlays of $111.0 billion. This substitute assumes that financial adjustments can be made to the Administration's budget request in order to remain within these targets. Such adjustments may include a possible slowdown in projected foreign military sales, the utilization of prior-year unobligated funds to finance a portion of the FY 1978 program, a lower inflation rate from that now assumed in the Administration's budget, and a partial absorption of the October pay raise.

INTERNATIONAL AFFAIRS (150)

The Senate resolution provided budget authority of $9.3 billion and outlays of $7.3 billion. The House resolution provided budget authority of $9.543 billion and outlays of $7.397 billion. The conference substitute provides budget authority of $9.3 billion and outlays of $7.3 billion. The conference substitute reflects a lower estimate of the activities of the Export-Import Bank than assumed in the House resolution.

GENERAL SCIENCE, SPACE AND TECHNOLOGY (250)

The Senate resolution provided budget authority of $4.9 billion and outlays of $4.7 billion. The House resolution provided budget authority of $4.930 billion and outlays of $4.737 billion. The conference substitute provides budget authority of $4.9 billion and outlays of $4.7 billion.

NATURAL RESOURCES, ENVIRONMENT, AND ENERGY (300)

The Senate resolution provided budget authority of $20.5 billion and outlays of $19.9 billion. The House resolution provided budget authority of $20.950 billion and outlays of $20.677 billion. The conference substitute provides budget authority of $20.7 billion and outlays of $20.0 billion. The decrease in outlays from the House resolution is due primarily to acceptance of a recent lower estimate for outlays from prior-year budget authority in the EPA construction grant program.

AGRICULTURE (350)

The Senate resolution provided budget authority of $2.2 billion and outlays of $3.7 billion. The House resolution provided budget authority of $2.153 billion and outlays of $4.395 billion. The conference substitute provides budget authority of $2.2 billion and outlays of $4.35 billion. The increase over the Senate outlay level is provided for reestimates by the Administration of agriculture price support programs.

COMMERCE AND TRANSPORTATION (400)

The Senate resolution provided budget authority of $19.4 billion and outlays of $19.1 billion. The House resolution provided budget authority of $20.569 billion and outlays of $20.277 billion.

The conference substitute provides budget authority of $20.0 billion and outlays of $19.4 billion. The conference substitute permits increases in funding above current policy for transportation programs and for Small Business Administration credit assistance programs. Estimated outlays of the Highway Trust Fund are reduced from those included in the House resolution to reflect a lagging rate of obligations in fiscal year 1977.

COMMUNITY AND REGIONAL DEVELOPMENT (450)

The Senate resolution provided budget authority of $8.1 billion and outlays of $10.7 billion. The House resolution provided budget authority of $8.237 billion and outlays of $10.926 billion. The conference substitute provides budget authority of $8.2 billion and outlays of $10.8 billion.

EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES (500)

The Senate resolution provided budget authority of $27.1 billion and outlays of $27.0 billion. The House resolution provided budget authority of $22.739 billion and outlays of $27.756 billion. The conference substitute provides budget authority of $26.8 billion and outlays of $27.2 billion. The conference substitute assumes $3.8 billion in forward funding for the public service jobs program.

HEALTH (550)

The Senate resolution provided budget authority of $48.0 billion and outlays of $44.4 billion. The House resolution provided budget authority of $47.685 billion and outlays of $44.238 billion.

The conference substitute provides budget authority of $47.9 billion and outlays of $44.3 billion. The conference substitute assumes budget authority of $28.4 billion and outlays of $25.2 billion for the medicare program and budget authority and outlays of $11.5 billion for the medicaid program. The medicare and medicaid figures reflect the net effect of cost control savings and possible legislative improvements in medicaid. The conference substitute assumes budget authority of $8.0 billion and outlays of $7.6 billion for the remaining programs in the health function.

INCOME SECURITY (600)

The Senate resolution provided budget authority of $179.9 billion and outlays of $145.9 billion. The House resolution provided budget authority of $182.688 billion and outlays of $148.309 billion. The conference substitute provides budget authority of $179.9 billion and outlays of $146.7 billion.

VETERANS BENEFITS AND SERVICES (700)

The Senate resolution provided budget authority of $20.3 billion and outlays of $20.2 billion. The House resolution provided budget authority of $20.235 billion and outlays of $20.203 billion. The conference substitute provides budget authority of $20.25 billion and outlays of $20.2 billion.

LAW ENFORCEMENT AND JUSTICE (750)

The Senate resolution provided budget authority of $3.8 billion and outlays of $3.9 billion. The House resolution provided budget authority of $3.620 billion and outlays of $3.820 billion. The conference substitute provides budget authority of $3.7 billion and outlays of $3.85 billion.

GENERAL GOVERNMENT (800)

The Senate resolution provided budget authority of $3.8 billion and outlays of $3.8 billion. The House resolution provided budget authority of $3.891 billion and outlays of $3.991 billion. The conference substitute provides budget authority of $3.8 billion and outlays of $3.85 billion.

REVENUE SHARING AND GENERAL PURPOSE FISCAL ASSISTANCE (850)

The Senate resolution provided budget authority of $9.8 billion and outlays of $9.7 billion. The House resolution provided budget authority of $9.822 billion and outlays of $9.783 billion. The conference substitute provides budget authority of $9.8 billion and outlays of $9.7 billion.

INTEREST (900)

The Senate resolution provided budget authority of $43.0 billion and outlays of $43.0 billion. The House resolution provided budget authority of $1.069 billion and outlays of $43.000 billion. The conference substitute provides budget authority of $43.0 billion and outlays of $43.0 billion.

ALLOWANCES (920)

The Senate resolution provided budget authority of $0.8 billion and outlays of $0.9 billion. The House resolution provided budget authority of $1.069 billion and outlays of $1.021 billion. The conference substitute provides budget authority of $0.8 billion and outlays of $0.9 billion.

UNDISTRIBUTED OFFSETTING RECEIPTS (950)

The Senate resolution provided budget authority of —$16.6 billion and outlays of —$16.6 billion. The House resolution provided budget authority of —$16.000 billion and outlays of —$16.000 billion. The conference substitute provides budget authority of —$16.3 billion and outlays of —$16.3 billion.

BUDGET AGGREGATES AND FUNCTIONAL CATEGORIES, FISCAL YEAR 1978

[In billions of dollars]

	House passed	Senate passed	Conference agreement
Revenues	398.094	395.7	396.3
Budget Authority	502.267	504.6	503.45
Outlays	464.477	459.2	460.95
Deficit	66.383	63.5	64.65
Debt subject to limit	792.714	789.9	784.9
050—National Defense:			
Budget authority	117.136	120.3	118.5
Outlays	109.947	111.6	111.0
150—International Affairs:			
Budget authority	9.543	9.3	9.3
Outlays	7.397	7.3	7.3
250—General Science, Space, and Technology:			
Budget authority	4.930	4.9	4.9
Outlays	4.737	4.7	4.7
300—Natural Resources, Environment, and Energy:			
Budget authority	20.950	20.5	20.7
Outlays	20.677	19.9	20.0
350—Agriculture:			
Budget authority	2.153	2.2	2.2
Outlays	4.395	3.7	4.35

	House passed	Senate passed	Conference agreement
400—Commerce and Transportation:			
Budget authority	20.569	19.4	20.0
Outlays	20.277	19.1	19.4
450—Community and Regional Development:			
Budget authority	8.237	8.1	8.2
Outlays	10.926	10.7	10.8
500—Education, Training, Employment, and Social Services:			
Budget authority	22.739	27.1	26.8
Outlays	27.756	27.0	27.2
550—Health:			
Budget authority	47.685	48.0	47.9
Outlays	44.238	44.4	44.3
600—Income Security:			
Budget authority	182.688	179.9	179.9
Outlays	148.309	145.9	146.7
700—Veterans' Benefits and Services:			
Budget authority	20.235	,20.3	20.25
Outlays	20.203	20.2	20.2
750—Law Enforcement and Justice:			
Budget authority	3.620	3.8	3.7
Outlays	3.820	3.9	3.85
800—General Government:			
Budget authority	3.891	3.8	3.8
Outlays	3.991	3.8	3.85
850—Revenue Sharing and General Purpose Fiscal Assistance:			
Budget authority	9.822	9.8	9.8
Outlays	9.783	9.7	9.7
900—Interest:			
Budget authority	43.000	43.0	43.0
Outlays	43.000	43.0	43.0
920—Allowances:			
Budget authority	1.069	.8	.8
Outlays	1.021	.9	.9
950—Undistributed Offsetting Receipts:			
Budget authority	−16.000	−16.6	−16.3
Outlays	−16.000	−16.6	−16.3

REVISED CONGRESSIONAL BUDGET FOR FISCAL YEAR 1977

The Senate resolution revised the Congressional budget for fiscal year 1977 to reflect the current budget situation. The revised budget aggregates and functional spending totals reflected adjustments in revenues of a technical nature; the latest estimates of budget authority and outlays, including the effects of shortfalls in outlay projections; and withdrawal of the President's proposal for rebates to taxpayers in excess of tax liability and special payments to non-taxpayers.

The House resolution revised the Congressional budget for fiscal year 1977 to reflect the withdrawal of the rebate for taxpayers and special payments to non-taxpayers.

The conference substitute provides revenues of $356.6 billion, budget authority of $470.2 billion, outlays of $409.2 billion, a deficit of $52.6 billion, and a public debt of $701.3 billion.

Reductions in the Fiscal Year 1977 Deficit

The effect of the above revisions is to reduce the fiscal year 1977 deficit by $17.15 billion to $52.6 billion.

BUDGET AGGREGATES AND FUNCTIONAL CATEGORIES, FISCAL YEAR 1977

[In billions of dollars]

	3d budget resolution	Conference agreement
Revenues	347.7	356.6
Budget authority	472.9	470.2
Outlays	417.45	409.2
Deficit	69.75	52.6
Debt subject to limit	718.4	701.3
050—National Defense:		
Budget authority	108.8	108.8
Outlays	100.1	98.9
150—International Affairs:		
Budget authority	7.9	7.9
Outlays	6.8	6.5
250—General Science, Space, and Technology:		
Budget authority	4.5	4.5
Outlays	4.4	4.6
300—Natural Resources, Environment and Energy:		
Budget authority	18.7	18.7
Outlays	17.2	16.1
350—Agriculture:		
Budget authority	2.3	2.3
Outlays	3.0	4.5
400—Commerce and Transportation:		
Budget authority	17.3	17.3
Outlays	16.0	14.9
450—Community and Regional Development:		
Budget authority	14.8	14.8
Outlays	10.55	10.1
500—Education, Training, Employment, and Social Services:		
Budget authority	30.4	30.4
Outlays	22.7	20.9
550—Health:		
Budget authority	40.6	40.6
Outlays	39.3	39.0
600—Income Security:		
Budget authority	170.9	167.7
Outlays	141.3	137.1
700—Veterans' Benefits and Services:		
Budget authority	18.9	18.9
Outlays	18.1	18.1
750—Law Enforcement and Justice:		
Budget authority	3.5	3.5
Outlays	3.6	3.6
800—General Government:		
Budget authority	3.5	3.5
Outlays	3.5	3.6
850—Revenue Sharing and General Purpose Fiscal Assistance:		
Budget authority	7.6	7.6
Outlays	7.7	7.7
900—Interest:		
Budget authority	38.0	38.0
Outlays	38.0	38.(
920—Allowances:		
Budget authority	.8	.8
Outlays	.8	.7
950—Undistributed Offsetting Receipts:		
Budget authority	−15.6	−15.1
Outlays	−15.6	−15.1

ALLOCATIONS OF BUDGET AUTHORITY AND OUTLAYS TO HOUSE AND SENATE COMMITTEES

Pursuant to section 302 of the Congressional Budget and Impoundment Control Act of 1974, the conferees make the following estimated allocation of the appropriate levels of total new budget authority and total budget outlays for fiscal years 1977 and 1978 among the committees of the respective Houses:

SENATE COMMITTEE ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT

[In billions of dollars]

Committee	Direct spending jurisdiction		Entitlements requiring appropriations action [1]	
	Budget authority	Outlays	Budget authority	Outlays
FISCAL YEAR 1977				
Appropriations	319.7	276.1	----	----
Agriculture, Nutrition, and Forestry	1.5	.2	7.3	7.7
Armed Services	[2]	[3]	8.4	8.3
Banking, Housing, and Urban Affairs	.5	−2.1	----	----
Commerce, Science, and Transportation	.9	[4]	.2	.2
Energy and Natural Resources	.5	1.4	[5]	[5]
Environment and Public Works	3.7	.2	----	----
Finance	171.3	168.2	36.2	30.2
Foreign Relations	6.7	7.8	.1	.1
Governmental Affairs	20.7	13.3	----	----
Human Resources	4.1	4.1	2.3	2.2
Judiciary	.1	.1	.2	.2
Rules and Administration	[6]	[7]	----	----
Veterans' Affairs	1.0	.6	13.0	11.4
Indian Affairs	.3	.1	[7]	[7]
Small Business	[8]	[8]	----	----
Not allocated to committees	−60.8	−60.8	----	----
Total	470.2	409.2	67.8	60.2

Footnotes at end of table.

SENATE COMMITTEE ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT—Continued

[In billions of dollars]

Committee	Direct spending jurisdiction		Entitlements requiring appropriations action [1]	
	Budget authority	Outlays	Budget authority	Outlays
FISCAL YEAR 1978				
Appropriations	330.1	303.4	----	----
Agriculture, Nutrition, and Forestry	.3	3.1	7.1	8.5
Armed Services	[2]	[4]	9.1	9.1
Banking, Housing, and Urban Affairs	2.1	−.3	----	[4]
Commerce, Science, and Transportation	1.0	[4]	.2	.2
Energy and Natural Resources	.7	2.1	[3]	[3]
Environment and Public Works	7.1	.2	----	----
Finance	186.7	182.5	34.1	34.5
Foreign Relations	5.6	7.4	----	----
Governmental Affairs	22.3	15.7	[8]	[8]
Human Resources	4.5	4.3	2.8	2.8
Judiciary	.2	.2	.1	.1
Rules and Administration	[3]	[4]	----	----
Veterans' Affairs	1.1	.7	13.5	14.0
Indian Affairs	.3	.2	----	----
Small Business	[5]	[5]	----	----
Not allocated to committees	−58.8	−58.7	----	----
Total	503.45	460.95	67.0	69.2

[1] These amounts are included under "Direct spending jurisdiction" for the Appropriations Committee.
[2] Less than $15,000,000.
[3] Less than $40,000,000.
[4] Less than $20,000,000.
[5] Less than $45,000,000.
[6] Less than $10,000,000.
[7] Less than $25,000,000.
[8] Less than $500,000.
[9] Less than $5,000,000.

Note: Committee's allocation revised by this resolution; committee required to file report pursuant to sec. 302(b) of the Congressional Budget Act.

FISCAL YEAR 1977

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT

[In thousands of dollars]

House committee and function	Budget authority	Outlays
Appropriations Committee:		
National defense	111,694,584	100,735,503
International affairs	7,202,684	7,070,639
General science, space, and technology	4,498,726	4,596,874
Natural resources, environment, and energy	20,413,285	16,960,739
Agriculture	2,253,913	4,427,948
Commerce and transportation	13,858,340	16,959,260
Community and regional development	14,451,753	9,969,761
Education, training, employment, and social services	29,805,322	20,333,727
Health	23,476,053	23,265,229
Income security	57,999,237	36,575,867
Veterans' benefits and services	18,434,328	18,228,106
Law enforcement and justice	3,502,189	3,608,653
General government	6,903,150	7,016,894
Revenue sharing and general purpose fiscal assistance	5,402,481	5,384,753
Interest	1,000	1,000
Allowances	800,000	700,000
Committee total	320,697,045	275,834,953
Unassigned to committees:		
National defense	−9,413,403	−9,413,403
International affairs	−648,957	−648,957
General science, space, and technology	−1,781	−1,781
Natural resources, environment, and energy	−2,080,818	−2,080,818
Agriculture	−50,962	−50,962
Commerce and transportation	−67,061	−67,061
Community and regional development	−190,010	−190,010
Education, training, employment, and social services	−15,722	−15,722
Health	−6,006,017	−6,006,017
Income security	−7,956,288	−7,956,288
Veterans' benefits and services	−509,486	−509,486
Law enforcement and justice	−8,100	−8,100
General Government	−7,781,070	−7,781,070
Revenue sharing and general purpose fiscal assistance	−6,732,530	−6,732,530
Interest	−4,301,836	−4,301,836
Undistributed offsetting receipts	−15,100,000	−15,100,000
Committee total	−60,864,041	−60,864,041
House Agriculture Committee:		
Natural resources, environment, and energy	126,428	56,696
Agriculture	97,049	123,014
Community and regional development	126,301	3,207
Income security	83,747	38,945
Revenue sharing and general purpose fiscal assistance	70,039	70,039
Committee total	503,564	291,901
House Armed Services Committee:		
National defense	10,152	−15,070
Commerce and transportation	30	30
Veterans' benefits and services	12	15
General Government	1	1
Committee total	10,195	−15,654
House Banking, Finance and Urban Affairs Committee:		
National defense	0	600
International affairs	1,273,531	0
Commerce and transportation	−948,840	−1,981,492
Community and regional development	116,905	116,274
Education, training, employment, and social services	446	−813
Health	0	−86
Income security	15,378	−6,929
Veterans' benefits and services	0	−7,660
General government	3,500	2,955
Interest	7,836	7,836
Committee total	468,756	−1,869,315
House District of Columbia Committee:		
Community and regional development	832	832
Law enforcement and justice	5,911	5,894
Revenue sharing and general purpose fiscal assistance	40,000	40,000
Committee total	46,743	46,726
House Education and Labor Committee:		
Education, training, employment, and social services	59,232	31,987
Income security	3,916	3,317
General government	21	21
Committee total	63,169	35,325
House International Relations Committee:		
National defense	6,508,667	7,593,000
International affairs	70,414	75,990
Commerce and transportation	4,252	4,884
Income security	159,301	83,015
Committee total	6,742,634	7,756,889
House Government Operations Committee:		
General government	1,155	1,096
Revenue sharing and general purpose fiscal assistance	8,318,475	8,439,710
Committee total	8,319,630	8,440,806
House Administration Committee:		
General science, space, and technology	55	67
Education, training, employment, and social services	4,573	4,672
General government	35,000	7,970
Committee total	39,628	12,709
House Interior and Insular Affairs Committee:		
Natural resources, environment, and energy	120,765	39,581
Community and regional development	251,969	148,610
General government	32,641	37,391
Revenue sharing and general purpose fiscal assistance	162,050	161,218
Committee total	567,425	386,800
House Interstate and Foreign Commerce Committee:		
Commerce and transportation	15,593	15,973
Health	1,600	1,802
Income security	3,981,532	4,085,515
Revenue sharing and general purpose fiscal assistance	5,185	85
Committee total	4,003,910	4,103,375
House Judiciary Committee:		
Natural resources, environment, and energy	300	278
Income security	34,176	3,403
Law enforcement and justice	0	−6,447
General government	167,018	167,025
Committee total	201,494	164,259

House committee and function	Budget authority	Outlays
House Merchant Marine and Fisheries Committee:		
International affairs	2, 328	2, 328
Natural resources, environment, and energy	105, 931	91, 783
Commerce and transportation	369, 276	−34, 502
Revenue sharing and general purpose fiscal assistance	4, 300	7, 000
Committee total	481, 835	66, 609
House Post Office and Civil Service Committee:		
Commerce and transportation	5, 171	4, 771
Health	0	−10, 928
Income security	16, 564, 900	9, 118, 337
General government	4, 134, 566	4, 143, 698
Committee total	20, 704, 637	13, 255, 878
House Public Works and Transportation Committee:		
Natural resources, environment, and energy	43, 173	1, 060, 805
Commerce and transportation	4, 063, 239	−1, 863
Community and regional development	42, 078	51, 154
Committee total	4, 148, 490	1, 110, 096
House Science and Technology Committee:		
General science, space, and technology	3, 000	4, 840
Natural resources, environment, and energy	−29, 064	−29, 064
General government	0	1
Committee total	−26, 064	−24, 223
House Small Business Committee:		
Community and regional development (committee total)	172	172
House Veterans Affairs Committee:		
Veterans benefits and services (committee total)	975, 146	389, 025
House Ways and Means Committee:		
Education, training, employment, and social services	546, 149	546, 149
Health	23, 128, 364	21, 750, 000
Income security	96, 814, 101	95, 154, 818
(New entitlement authority)	(508, 000)	
General government	4, 018	4, 018
Revenue sharing and general purpose fiscal assistance	330, 000	329, 725
Interest	42, 293, 000	42, 293, 000
Committee total	163, 115, 632	160, 077, 710

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 302(A) OF THE CONGRESSIONAL BUDGET ACT

[In thousands of dollars]

House committee and function	Fiscal year 1978 Budget authority	Fiscal year 1978 Outlays
House Agriculture Committee:		
300 Natural resources, environment, and energy	181, 902	163, 253
350 Agriculture	61, 886	2, 802, 952
(New entitlement authority)	(410, 000)	
450 Community and regional development	93, 547	33, 553
600 Income security	0	0
(New entitlement authority)	(5, 358, 000)	
850 Revenue sharing and general purpose fiscal assistance	190, 529	190, 529
Committee total	527, 864	3, 190, 287
Appropriations Committee:		
050 National defense	121, 024, 904	111, 549, 603
150 International affairs	9, 009, 652	7, 889, 623
250 General science, space, and technology	4, 897, 823	4, 697, 820
300 Natural resources, environment, and energy	22, 629, 714	20, 684, 405
350 Agriculture	2, 189, 752	1, 598, 686
400 Commerce and transportation	11, 095, 176	19, 540, 870
450 Community and regional development	7, 913, 308	10, 608, 121
500 Education, training, employment, and social services	26, 109, 683	27, 147, 080
550 Health	26, 499, 310	26, 124, 126
600 Income security	58, 338, 423	32, 966, 809
700 Veterans' benefits and services	19, 740, 633	20, 130, 389
750 Law enforcement and justice	3, 700, 229	3, 856, 593
800 General government	5, 945, 015	6, 025, 899
850 Revenue sharing and general purpose fiscal assistance	8, 995, 386	8, 934, 744
900 Interest	0	0
920 Allowances	800, 000	900, 000
Committee total	328, 889, 008	302, 654, 768
House Armed Services Committee:		
050 National defense	7, 700	3, 700
400 Commerce and transportation	30	30
700 Veterans benefits and services	12	12
800 General government	1	1
Committee total	7, 743	3, 743
House Banking, Finance and Urban Affairs Committee:		
050 National defense	0	300
150 International affairs	879, 248	0
400 Commerce and transportation	1, 023, 379	−33, 396
450 Community and regional development	83, 534	125, 247
500 Education, training, employment, and social services	0	3, 754
550 Health	0	−137
600 Income security	33, 852	−9, 000
700 Veterans benefits and services	0	−7, 245
800 General government	3, 200	2, 797
900 Interest	7, 775	7, 775
Committee total	2, 030, 988	90, 095
House District of Columbia Committee:		
450 Community and regional development	832	832
750 Law enforcement and justice	8, 006	7, 970
850 Revenue sharing and general purpose fiscal assistance	0	0
Committee total	8, 838	8, 802
House Education and Labor Committee:		
500 Education, training, employment, and social services	62, 187	60, 471
600 Income security	4, 417	3, 772
(New entitlement authority)	(137, 000)	
Committee total	66, 604	64, 243
House Government Operations Committee:		
800 General government	1, 195	1, 121
850 Revenue sharing and general purpose fiscal assistance	6, 854, 924	6, 813, 888
Committee total	6, 856, 119	6, 815, 009
House Administration Committee:		
250 General science, space, and technology	55	58
500 Education, training, employment, and social services	4, 444	4, 293
800 General government	30, 000	0
Committee total	34, 499	4, 351
House Interior and Insular Affairs Committee:		
300 Natural resources, environment, and energy	109, 062	33, 009
450 Community and regional development	256, 016	170, 099
800 General government	124, 536	124, 129
850 Revenue sharing and general purpose fiscal assistance	288, 100	288, 078
Committee total	777, 714	615, 315
House International Relations Committee:		
050 National defense	6, 816, 499	8, 795, 500
150 International affairs	81, 837	81, 114
400 Commerce and transportation	4, 309	5, 064
600 Income security	161, 187	96, 692
Committee total	7, 063, 832	8, 978, 370
House Interstate and Foreign Commerce Committee:		
400 Commerce and transportation	17, 494	17, 063
550 Health	1, 600	−8, 378
(New entitlement authority)	(71, 000)	
600 Income security	4, 228, 835	3, 987, 084
850 Revenue sharing and general purpose fiscal assistance	4, 585	5, 185
Committee total	4, 252, 514	4, 000, 954
House Judiciary Committee:		
300 Natural resources, environment, and energy	310	305
600 Income security	2, 333	1, 443
750 Law enforcement and justice	0	−6, 328
(New entitlement authority)	(33, 000)	
800 General government	42, 018	42, 018
Committee total	44, 661	37, 438
House Merchant Marine and Fisheries Committee:		
150 International affairs	2, 328	2, 328
300 Natural resources, environment, and energy	129, 636	108, 065
400 Commerce and transportation	350, 579	−38, 910
850 Revenue sharing and general purpose fiscal assistance	4, 400	6, 000
Committee total	486, 943	77, 483
House Post Office and Civil Service Committee:		
050 National defense (new entitlement authority)	(−168, 000)	
400 Commerce and transportation	4, 448	4, 048
550 Health	0	−23, 970
600 Income security	17, 360, 200	10, 772, 338
(New entitlement authority)	(7, 000)	
800 General government	5, 184, 409	5, 184, 409
920 Allowances (new entitlement authority)	(−42, 000)	
Committee total	22, 549, 057	15, 936, 825
House Public Works and Transportation Committee:		
300 Natural resources, environment, and energy	43, 200	1, 404, 787
400 Commerce and transportation	7, 597, 400	−1, 954
450 Community and regional development	43, 758	53, 143
Committee total	7, 684, 358	1, 455, 979
House Science and Technology Committee:		
250 General science, space and technology	4, 000	4, 000
300 Natural resources, environment, and energy	10, 186	10, 186
800 General government	0	0
Committee total	14, 186	14, 186

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 302(A) OF THE CONGRESSIONAL BUDGET ACT—Continued

[In thousands of dollars]

House committee and function	Fiscal year 1978 Budget authority	Outlays
House Small Business Committee:		
450 Community and regional development (committee total)	403	403
House Veterans Affairs Committee:		
700 Veterans benefits and services	1,067,319	634,808
(New entitlement authority)	(1,479,000)	
Committee total	1,067,319	634,808
House Ways and Means Committee:		
400 Commerce and transportation	0	0
500 Education, training, employment, and social services	639,686	402
(New entitlement authority)	(466,000)	
550 Health	28,375,148	25,184,417
600 Income security	102,705,982	101,816,091
(New entitlement authority)	(148,000)	
800 General government	4,025	4,025
850 Revenue sharing and general purpose fiscal assistance	337,000	336,500
900 Interest	48,315,627	48,315,627
Committee total	180,377,468	175,657,062
Unassigned to committees:		
050 National defense	−9,349,103	−9,349,103
150 International affairs	−673,065	−673,065
250 General science, space, and technology	−1,878	−1,878
300 Natural resources, environment, and energy	−2,404,010	−2,404,010
350 Agriculture	−51,638	−51,638
400 Commerce and transportation	−92,815	−92,815
450 Community and regional development	−191,398	−191,398
500 Education, training, employment, and social services	−16,000	−16,000
550 Health	−6,967,058	−6,976,058
600 Income security	−2,935,229	−2,935,229
700 Veterans benefits and services	−557,964	−557,964
750 Law enforcement and justice	−8,235	−8,235
800 General government	−7,534,399	−7,534,399
850 Revenue sharing and general purpose fiscal assistance	−6,874,924	−6,874,924
900 Interest	−5,323,402	−5,323,402
920 Allowances	0	0
950 Undistributed offsetting receipts	−16,300,000	−16,300,000
Committee total	−59,290,118	−59,290,118

EDMUND S. MUSKIE,
WARREN MAGNUSON,
ERNEST F. HOLLINGS,
ALAN CRANSTON,
LAWTON CHILES,
JAMES ABOUREZK,
HENRY BELLMON,
JAMES A. MCCLURE,
PETE V. DOMENICI,
H. JOHN HEINZ, III,
Managers on the Part of the Senate.

R. N. GIAIMO,
JIM WRIGHT,
R. LEGGETT,
PAUL SIMON,
BUTLER DERRICK,
OTIS G. PIKE,
DAVID R. OBEY,
WILLIAM LEHMAN,
JIM MATTOX,
MARJORIE HOLT,
RALPH S. REGULA,
Managers on the Part of the House.

THE CONFERENCE AGREEMENT

Mr. MUSKIE. Mr. President, the Senate today turns to consideration of the conference report on Senate Concurrent Resolution 19, the first concurrent resolution on the Federal budget for fiscal 1978.

The conference report reflects many hours of deliberation in which House and Senate conferees argued persuasively for their respective resolutions. In the end, after 3 long, difficult days, and five separate meetings of the conference, we achieved agreement.

As amended by the conference, the budget resolution provides slight increases over the Senate-passed aggregate amounts and more substantial reductions in the House-passed totals. Most notably, the higher deficit proposed by the House—$66.4 billion—has been reduced by $1.75 billion to $64.65 billion in the conference substitute. Amounts at least equal to the Senate-passed version of the budget are included in all but a few instances.

Mr. President, at the outset I wish to commend all the conferees on their dedication and commitment to the budget process. In recent weeks the congressional budget process has been tested and strained. But, it is my firm belief that the process has emerged stronger for this test. The overwhelming majority of the conferees signed the report, including the entire Senate delegation. The House conferees, with the exception of only two Members, also endorsed the report. For the first time in the history of the budget process minority Members on the House side signed the conference report.

Mr. President, the significance of this bipartisan support in both Houses speaks well of the continued viability and integrity of the budget process. I urge my colleagues to reflect the same unanimity expressed by the conferees in adopting this report.

PARLIAMENTARY SITUATION

This conference report is being submitted by the managers on the part of the two Houses in technical disagreement. The technical disagreements are very minor, and it is the intention of the conferees of both Houses to urge adoption of the substitute budget resolution described in the statement of managers which I have asked to have printed in the RECORD.

The disagreement is not over substance. It is a parliamentary technicality. This result has occurred because the Parliamentarians of the two Houses have ruled that, even on technical matters, a conference report on a budget resolution must in all its particulars remain within the range established by the action of the two Houses. Thus, where the numbers are even slightly below or above the range, the conference must report in disagreement. This is what has occurred here.

The conference agreement contains revised deficit and public debt figures for fiscal year 1977 that are lower than the corresponding provisions in either the House or Senate, and a revenue figure greater than either the House or Senate provision.

So, when the Senate votes today, we will first be voting to confirm the conference report in disagreement. A second vote will then occur to recede to the original House amendment to the Senate budget resolution, with an amendment which is spelled out in the statement of managers accompanying the conference report. Other than this two-step procedure, this consideration of the conference report can proceed as if it had been reported in agreement.

The conference report not only provides targets for the overall budget in fiscal year 1978, but also for the 17 budg-

et functions such as defense, agriculture, and so forth.

Mr. President, I believe that the conference report represents a sound and effective budget for fiscal year 1978. Although it is a tight budget, it will nonetheless provide significant help in reducing our country's continuing unemployment problem while at the same time avoiding the rekindling of inflation.

The conference agreement provides substantial real growth in defense spending and maintains a strong national defense posture. Likewise, the agreement accords a high priority to education and energy programs.

Mr. President, what follows is a brief description of the major features of the conference substitute.

MAJOR FEATURES OF THE CONFERENCE SUBSTITUTE BUDGET AGGREGATES

Mr. President, the recommended conference substitute contains aggregate budget totals for fiscal year 1978 as follows:

For revenues, the conferees agreed on a level of $396.3 billion. This is $1.8 billion below the House resolution and $600 million above the Senate resolution.

For budget authority, the conferees agreed on a level of $50.45 billion. This is $1.15 billion above the House and $1.15 billion below the Senate.

For outlays, the conferees agreed on a level of $460.95 billion. This is $3.55 billion below the House and $1.75 billion above the Senate.

For the deficit, the conferees agreed on a level of $64.65 billion. This is $1.75 billion below the House and $1.15 billion above the Senate.

For the public debt, the conferees agreed on a level of $784.9 billion. This is $7.8 billion below the House and $5.0 billion below the Senate.

A comparison of all three sets of totals—House, Senate, and conference—reveals that the conference compromise remains closer to the Senate version on outlays and represents a deficit closer to the lower Senate figure.

Mr. President, let me be candid. This agreement like any agreement between two firmly held points of view represents some compromise on both sides. I suspect that individual Members will find areas of the budget that they regard as too high or too low.

But, I ask my colleagues to remember that the purpose of a conference on the disagreeing votes of the two House is to resolve those differences. Neither side can expect to come away with its resolution intact. To shape a compromise, modifications are always necessary.

The Congressional Budget Act requires that the Congress establish national budget priorities. But the Budget Act does not indicate how difficult this might be to achieve. The Budget Act does not warn that deliberate choices among deserving programs might be acutely painful.

These challenges to the budget process became apparent in the conference on the first concurrent resolution for fiscal year 1978. But, should we have expected anything less, anything easier? The budget process, after all, is the political process with the choices within limited resources laid bare. When the process is working well, it is bound to force difficult and painful choices on all of us.

In the spirit of compromise the Senate conferees worked diligently to attain the most comprehensive resolution that would be endorsed by both the house and the Senate. Our task was not easy. Hard negotiation, and deliberate debate were essential. Difficult choices had to be made. Programmatic priorities had to be weighed and balanced against economic realities.

Mr. President, I ask unanimous consent that a table illustrating the differences between the House and Senate resolutions for fiscal 1978 and the conference substitute be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

BUDGET AGGREGATES AND FUNCTIONAL CATEGORIES, FISCAL YEAR 1978

[In billions of dollars]

	House passed	Senate passed	Conference agreement
Revenues	398.094	395.7	396.3
Budget authority	502.267	504.6	503.45
Outlays	464.477	459.2	460.95
Deficit	66.383	63.5	64.65
Debt subject to limit	792.714	789.9	784.9
050—National defense:			
Budget authority	117.136	120.3	118.5
Outlays	109.947	111.6	111.0
150—International affairs:			
Budget authority	9.453	9.3	9.3
Outlays	7.397	7.3	7.3
250—General science, space, and technology:			
Budget authority	4.930	4.9	4.9
Outlays	4.737	4.7	4.7
300—Natural resources, environment and energy:			
Budget authority	20.950	20.5	20.7
Outlays	20.677	19.9	20.0
350—Agriculture:			
Budget authority	2.153	2.2	2.2
Outlays	4.395	3.7	4.35
400—Commerce and transportation:			
Budget authority	20.569	19.4	20.0
Outlays	20.277	19.1	19.4
450—Community and regional development:			
Budget authority	8.237	8.1	8.2
Outlays	10.926	10.7	10.8
500—Education, training, employment, and social services:			
Budget authority	22.739	27.1	26.8
Outlays	27.756	27.0	27.2
550—Health:			
Budget authority	47.685	48.0	47.9
Outlays	44.238	44.4	44.3
600—Income security:			
Budget authority	182.688	179.9	179.9
Outlays	148.309	145.9	146.7
700—Veterans benefits and services:			
Budget authority	20.235	20.3	20.25
Outlays	20.203	20.2	20.2
750—Law enforcement and justice:			
Budget authority	3.620	3.8	3.7
Outlays	3.820	3.9	3.85
800—General government:			
Budget authority	3.891	3.8	3.8
Outlays	3.991	3.8	3.85
850—Revenue sharing and general purpose fiscal assistance:			
Budget authority	9.822	9.8	9.8
Outlays	9.783	9.7	9.7
900—Interest:			
Budget authority	43.000	43.0	43.0
Outlays	43.000	43.0	43.0
920—Allowances:			
Budget authority	1.069	.8	.8
Outlays	1.021	.9	.9
950—Undistributed offsetting receipts:			
Budget authority	−16.000	−16.6	−16.3
Outlays	−16.000	−16.6	−16.3

Mr. MUSKIE. Mr. President, let me say a word about the conference debate on the national defense function in which many Senators have a special interest. There should be no doubt that the conferees, on both sides of the table are committed to the national security of the United States. Our discussion focused only on the total level of spending necessary this year to achieve that goal.

Only a difference of about $3 billion separated the two Houses. At several junctures we considered reporting in disagreement on this vital issue. That road would have been easy, Mr. President, but it might have destroyed the budget process. The conferees determined instead that to preserve the budget process and to serve the Congress they should continue to talk and to work for a compromise agreement. We believe that the spending levels contained in the conference substitute reflect a determination that our national defense, the second highest spending category in the Federal budget, will be fully maintained.

Mr. President, at this point I wish to express my appreciation and gratitude to our distinguished colleagues, Senator STENNIS, chairman of the Armed Services Committee, and Senator MCCLELLAN, chairman of the Appropriations Committee, for their assistance in working out this agreement in the interest of maintaining the integrity of the budget process.

Mr. President, I wish to assure my Senate colleagues that this compromise package contains room for enactment of many worthwhile programs. Not all legislative proposals can be enacted, not all programs can be fully funded by the Congress. In comparison with the requests from the Senate authorizing committees the conference agreement represents a reduction of $37.4 billion in budget authority and $13.4 billion in out-

lays. In comparison with the request from the Senate Appropriations Committee, the conference agreement represents a reduction of $12.8 billion in budget authority and $3.8 billion in outlays.

If Congress is to exercise a responsible fiscal policy, restraint with respect to spending must be exercised by this body. Restraint exercised by the Budget Committee, or the Committee of Conference is meaningless without restraint by at least 51 Senators and 218 Members of the House. Cooperation in this effort is essential if the budget process is to succeed.

The conference substitute is a realistic budget. It takes account of today's political and economic circumstances and makes an important contribution to the establishment of broad congressional priorities.

FISCAL POLICY

The levels of revenue and spending in the conference budget proposal reflect the choice of a policy for steady long-term growth.

The continuation of unacceptably high levels of unemployment and inflation means that a steady and continuing economic recovery must be achieved. The current recovery must be extended over a much longer period than the 34 months averaged by other peacetime recoveries since World War II. At the previous average, the present recovery would end in 1978, leaving the economy stranded with high unemployment and continuing inflation.

Mr. President, we cannot allow this to happen. The costs of failure are too high. We are determined to follow policies for fiscal year 1978 that recognize the problems of both unemployment and inflation, and therefore offer the best hope for prolonged recovery.

JOBS

Over 6½ million Americans remain out of work in spite of the drop in the unemployment rate to 7 percent in April. Indeed, the fact that a 7-percent unemployment rate is now regarded as an achievement, rather than as a problem, indicates how severe the recession has been. We cannot rest on our laurels. We must continue and strengthen our commitment to steady economic growth.

We remain about twice as far from full employment as we were at this stage of other postwar recoveries. The plain fact is that employment has grown at about the same rate during this recovery as during other postwar recoveries, but the employment we lost in the downturn was much greater this time. We therefore have much further to go before full employment can be achieved.

The conference agreement provides for a steady recovery in employment in 1978. Total employment from the end of 1976 to the end of 1978 should increase by about 5.2 million jobs as a result of the policies established in this budget resolution.

INFLATION

Inflation is a concern to all Americans. While the inflation rate has fallen from the levels of several years ago, it remains unacceptably high. Recent increases in the Wholesale Price Index and Consumer Price Index are a cause for particular concern.

To achieve a decline in inflation, however, it will be necessary to follow steady fiscal and monetary policies. We cannot stop inflation with draconian policies which throw millions of Americans out of work, any more than we can cure unemployment with higher inflation. Progress toward full employment and lower inflation can be achieved only through consistent policies aimed at continued recovery.

In addition to general fiscal restraint, the recommendations of the conference are designed to discourage specific actions which increase prices and the inflation rate in particular sectors. The conference agreement recognizes, for example, an urgent need to curb the rapid inflation in medical care costs and recommends lower outlays in the health function to reflect enactment of legislation to reduce such cost inflation.

The committee endorses the "targeted" public service jobs concept which emphasizes employment and training for the structurally unemployed—unskilled workers, young people, and welfare recipients.

THE BUDGET DEFICIT

Mr. President, the conference report is consistent with movement toward a balanced budget when this is compatible with prevailing economic circumstances.

As in the past 3 years, the Federal deficit projected in these recommendations is largely a result of unacceptably low levels of economic activity and high levels of unemployment. A weak economy shrinks Government revenues at the same time that it raises costs of unemployment compensation and other income support programs. Because large budget deficits result from a weak economy, steady economic growth must be maintained. Unacceptably large budget deficits can be eliminated only by a strong economy.

Some Members have observed that the deficit in fiscal year 1978 is larger than that in the revised fiscal 1977 budget and feel that this is inconsistent with progress toward a balanced budget. However, this conclusion is incorrect.

The increase in the year-to-year deficit, Mr. President, results from a last minute, and, in my judgment, inappropriate decision by the administration to restrict fiscal policy in fiscal year 1977, not from an increase in the deficit for fiscal year 1978. I regret the withdrawal of stimulus for fiscal year 1977, which makes stronger investment and economic growth in 1978 less likely. We should not, however, conclude that the fiscal policy for fiscal year 1978 is inappropriate simply because the administration has weakened fiscal policy for fiscal year 1977.

COORDINATION OF FISCAL AND MONETARY POLICIES

In the next 2 years, coordination of fiscal and monetary policies will become increasingly important. As the Congress maintains fiscal discipline and restrains fiscal policy, it will be necessary that monetary policy be expansionary enough to encourage the private investment required for increases in productivity and growth.

It must also be recognized that price increases may result from supply considerations such as the recent food price increases produced by the severe winter, and higher energy prices resulting from foreign and domestic policies. The last several years have taught us that fiscal and monetary measures alone cannot prevent these price increases even at unacceptably high levels of unemployment. The social costs of fighting unemployment with inflation, or inflation with unemployment, are simply too high.

Mr. President, we can reconcile this dilemma only through careful coordination of fiscal and monetary policies. However, in pursuing these policies, we must not mistake inflation caused by restricted supplies with that caused by excess demand. Price increases caused by severe winters or by unavoidable increases in energy prices should not cause us to adopt restrictive fiscal and monetary policies.

REVENUES

The conference agreement provides for 1978 revenues of $396.3 billion. This is $0.6 billion more than had been provided under the Senate resolution, but $1.8 billion less than the House figures of $398.1 billion.

The conference agreement assumes the tax reductions provided in the Tax Reduction and Simplification Act as recently agreed to by House and Senate conferees. The agreement also assumes a small $65 million allowance for miscellaneous tax and tariff legislation. The conferees also agreed to continue to treat the entire cost of the earned income credit as a reduction of revenue, but that the treatment of tax credits in excess of recipients' tax liabilities shall be considered de novo during the development of the second budget resolution later this year.

Let me now indicate the major provisions of the conference agreement in the functional categories of the budget.

NATIONAL DEFENSE

Mr. President, the conference agreement for the national defense function provides for budget authority of $118.5 billion and outlays of $111 billion. These proposed targets allow for very significant increases in defense funding over the ceilings established by Congress in the third concurrent resolution for fiscal 1977, an increase of $9.7 billion in budget authority and $12.1 billion in outlays.

The Senate conferees' major concern is that the United States maintain real growth in defense spending for the modernization of our forces and for the operational readiness of equipment. The proposed conference targets allow for a defense budget which can provide for substantial improvements in U.S. force capabilities as a means to counterbalance growing Soviet attempts to strengthen its defense forces.

The conference agreement for the national defense function was particularly difficult to attain because of the widely divergent views of the two bodies on what an adequate level of defense spending is

in view of U.S. national security needs and the relationship of these needs to domestic requirements.

Mr. President, a very delicate balance exists here, and it must be maintained in setting our national priorities. The agreement, signed by all Senate conferees, accomplishes this aim. I commend the conferees on both sides of the aisle for their cooperation and support in achieving this decision.

The first concurrent resolution targets for national defense contained in this conference agreement are based on the following assumption. Reductions in manpower and its associated costs and in investment and readiness costs will not be used as the vehicle for accommodating the targets. Rather, it is assumed that significant financial adjustments can be made to the administration's request for the defense function in order to remain within these targets. These financial adjustments may include such items as a possible slowdown in projected foreign military sales, the utilization of prior-year unobligated funds to finance a portion of the fiscal year 1978 program, a lower inflation rate from that now assumed in the administration's budget, and a partial absorption of the October 1977 pay raise. It is anticipated that these types of adjustments may constitute a major portion of the actions necessary to meet the recommended defense targets.

INTERNATIONAL AFFAIRS

In the international affairs function, the House agreed to the Senate level of $9.3 billion in budget authority and $7.3 billion in outlays.

Although this proposed target is below the administration request, it would allow for substantial increases over the congressional budget for fiscal year 1977 and over current policy levels in the area of international affairs. During the course of the summer, there is room for Congress to work its will on programs for bilateral and multilateral development assistance, for initiatives in Africa, and for a balance-of-payments loan for Portugal.

Aware that the level assumed for activities of the Export-Import Bank has been reestimated downward by the Congressional Budget Office and the executive branch since Senate Concurrent Resolution 19 passed both Houses, the conferees felt, nonetheless, constrained by the limited range between the Senate and the House levels for this function. However, the Senate conferees were of the opinion that any downward reestimate for the Export-Import Bank should be reflected in the second budget resolution. Speaking for myself, I would discourage the Senate from enacting measures with costs in excess of the net figures of roughly $8.6 billion in budget authority and $7.2 billion in outlays which would be the levels for this function if the reestimates were fully taken into account.

HUMAN RESOURCES

In the human resources area, the conference agreement on the budget resolution makes room for additional Federal efforts in several high priority programs serving the Nation's human needs. The resolution agreed to in conference maintains the Senate resolution's assumption of substantial funding increases for education programs; the veterans' medical care system and other veterans' benefits; cost-of-living increases for recipients of social security and other such payments; programs aimed at improving health care services, planning, and research; and social services grants.

Mr. President, the first budget resolution for 1978 will continue the strong congressional commitment to public service jobs for unemployed adults and strong initiatives to combat youth unemployment. The economic stimulus supplemental for 1977 will fund 725,000 CETA jobs by the end of fiscal 1978, to be targeted mainly on the long-term unemployed and persons with low income. It will also fund a major expansion of youth jobs and training programs. The conference agreement anticipates the prompt implementation of these efforts. The conferees agreed to allow for a substantial forward funding of CETA jobs into fiscal 1979—$3.8 billion in budget authority—to assure local prime sponsors that this sizable program will not encounter the funding irregularities that plagued it last year.

A major problem confronting all Americans the past several years has been the rapid inflation in health care costs. The conferees agreed with the Senate that Congress should take measures this year to bring these costs under control. Senate Concurrent Resolution 19 now assumes such an effort will yield outlay savings of $700 million for the medicare and medicaid programs.

The resolution sets an outlay figure for income security programs that is $300 million below the estimate for continuing current policy. This adjustment represents the net effect of possible administrative and legislative savings that have been proposed by the President or suggested by other committees and increases for new legislative initiatives.

PHYSICAL RESOURCES

In the area of natural resources, environment, and energy, the conferees agreed upon budget authority of $20.7 billion and outlays of $20.0 billion, increases in budget authority of $0.2 billion and outlays of $0.1 billion above the Senate-passed levels. The conference targets permit new and ongoing programs in water resources and environmental quality. The targets also would allow major increases over last year in energy research and regulation. However, the report does not assume specific increases in funding for the yet uncertain impact of the President's proposed national energy plan. Any changes needed to implement a new energy plan can be accommodated in the second budget resolution after Congress has had an opportunity to work its will on the President's proposal.

For agriculture the level of budget authority agreed upon—$2.2 billion—is the amount proposed by the Senate. With respect to outlays, the conference level—$4.35 billion—is sufficient to accommodate the latest USDA revised estimate for commodity price support programs. The Senate-passed level of $3.7 billion was based on an earlier CBO estimate and did not reflect a more up-to-date review of income support payments to farmers which are expected to be made under current law.

In the commerce and transportation function, the conferees agreed upon budget authority of $20.0 billion and outlays of $19.4 billion. These targets represent increases of $0.6 billion in budget authority and $0.3 billion in outlays above the Senate-passed figures, and were reluctantly agreed to by the Senate conferees to provide for a conference compromise satisfactory to the House. The new targets could accommodate increased appropriations for transportation, Small Business Administration, or other programs in the function. If such increases are not required, they could be reduced in setting the second budget resolution ceilings.

To fund programs for community and regional development, the conferees agreed upon budget authority of $8.2 billion and outlays of $10.8 billion, both $0.1 billion above the Senate-passed levels. The agreed-upon targets thus can accommodate the Senate floor amendment of $0.5 billion in budget authority for community development block grants that many Senators persuasively advocated. The targets also permit some increases above current policy for action, the Community Services Administration, and other urban and rural economic development programs.

In the remaining functions, the conference made, at most, relatively small adjustments to the Senate targets to achieve reasonable compromises between the marks of the two Houses.

ALLOCATIONS TO SENATE COMMITTEES UNDER SECTION 302 OF THE CONGRESSIONAL BUDGET ACT

Mr. President, section 302(a) of the Congressional Budget Act provides that the statement of managers accompanying the conference report on the first budget resolution shall include an allocation of the budget totals among the committees of the House and Senate. This is the so-called crosswalk provision.

The allocations to the Senate committees pursuant to section 302(a) are contained in pages 12 and 13 of the joint statement of managers on Senate Concurrent Resolution 19.

The conference managers have provided separate allocation tables for the House and Senate to reflect the differing committee jurisdictions in each body and to allow for the differing approaches to certain legislation that each body may elect. I point out, however, that the allocations reflect a common agreement among the conferees regarding budget priorities that would affect the allocations. Thus, while the committee allocations are different for each body, they are based on the agreements reached in conference.

I should also point out, Mr. President, that the Senate allocation table is designed to comply with the requirements of the Budget Act as set forth in section 302(a). Thus, on the Senate side, we have provided only the total budget authority and outlays assigned to each committee and have not further sub-

divided these amounts by function. This is different from the House. In the next few days, the Senate Budget Committee will provide functional details and other relevant information to each Senate committee so that they can better understand our thinking with respect to the allocations. But since this information is not called for by the terms of section 302(a), we believe it is better to convey it separately from the conference report itself.

Let me now turn to the Senate committee allocations. The allocations to Senate committees under section 302(a) are in two parts.

The first part deals with committee spending jurisdiction. In this part, the budget totals are allocated among committees on the basis of their jurisdiction over bills and resolutions that directly provide the budget authority contained in the first budget resolution. Generally, all budget authority provided through the appropriations process is allocated to the Appropriations Committees and all budget authority provided apart from the appropriations process is allocated to the appropriate authorizing committees. With certain modifications, outlays resulting from budget authority follow a similar pattern.

The second part deals with entitlement programs that require appropriations action. Amounts for these programs are allocated both to the appropriations Committee and to the relevant authorizing committees, although they are counted only once—in the Appropriations Committee spending jurisdiction total. Nevertheless, these amounts are an equally important part of the allocations to the authorizing committees.

Pursuant to section 302(b) of the Budget Act, each committee receiving an allocation under section 302(a) is to report to the Senate as soon as practicable after adoption of the budget resolution, and after consultation with the counterpart committee or committees of the House, how it would subdivide its allocation among its subcommittees—in the case of the Appropriations Committee—or among its subcommittees or programs—in the case of the authorizing committees. In the case of the authorizing committees, this report will be in two parts—one part dealing with programs over which they have spending jurisdiction and the other part dealing with entitlement programs under their jurisdiction which requires appropriations action.

Section 401(b)(2) of the Budget Act requires a reference to the Appropriations Committee in the case of any entitlement that is reported which authorizes new spending authority exceeding the allocation previously made under this crosswalk procedure. The Appropriations Committee must then report within 15 days. Appropriations may report the bill in question with an amendment which limits the total new spending authority provided under that entitlement.

Mr. President, these reports under section 302(b) of the congressional Budget Act will be used to assess the relationship between the budget resolution and individual spending bills that are considered by the Senate over the summer. While the Budget Act indicates that these reports should be made to the Senate "as soon as practicable" after the budget resolution is agreed to, I should like to stress the importance of receiving them at the earliest possible time. Until these reports are received, it will be difficult for the Senate to assess the relationship of individual legislation to the budget resolution totals. Once they are received, we shall have a basis for comparing individual bills against the targets each committee has set for itself. That is what the Budget Act intended and that should be our objective. We believe that this process will facilitate budget scorekeeping.

BUDGET PRIORITIES

Mr. President, I know that many members of the Senate will be less than fully satisfied with the results of the conference. With the overall spending limits set by requirements of fiscal responsibility, hard choices, compromises, and even disappointments, have been inevitable.

In weighing national priorities, we have had to give special consideration to the conflicting needs of national defense and our domestic social responsibilities. We have examined the claims of jobs programs, of energy demands, of environmental improvement, agricultural development, and of grants to State and local governments. We have looked at requirements in the areas of health, income security, and veterans.

Mr. President, there were needs in all of these areas which could not be met. There may be deserving programs in many areas which will not be funded. The results of the conference agreement will please no one completely. Yet the conference agreement is the result of an arduous, considered, and careful process of debate and compromise as provided by the budget process. I urge my colleagues, as they consider the conference substitute, to reflect upon the careful and delicate balance of priorities which it reflects. I remind them that the budget process is built upon the balancing of needs, upon flexibility and compromise. I urge them to support the conference agreement.

CONCLUSION

I urge my colleagues to support this conference report and to continue to work with the Budget Committee so we can continue to proceed in an orderly and responsible manner to live within the constraints of this resolution. In my view, this is the best prescription for strengthening the public's confidence in the ability of the Government to cope with and to resolve our financial problems.

I express my sincere appreciation to the ranking minority member (Mr. BELLMON), and to the other Senate conferees for their splendid efforts, cooperation, and loyal support in the conference and in bringing this report to the floor for consideration today. I express again my thanks to House Budget Committee Chairman GIAIMO and his conferees for their cooperation in reaching this agreement.

Finally, I commend the staff of the Budget Committee for their superb and indefatigable performance over the months leading up to this report. We have come to expect such efforts from them but we are, nonetheless, deeply grateful.

Mr. President, in the course of the conference discussion, an issue emerged which is of concern to the distinguished chairman of the Senate Committee on Finance. That is the treatment of the earned income credit from the budgetary point of view. It is an issue on which House and Senate conferees have been in disagreement over all of this calendar year. It was decided to postpone final resolution of the issue until later in the year, in connection with the second concurrent budget resolution, thus maintaining the Senate position at this time.

For the purpose of enlightening Members of the Senate as to the nature of that issue, I ask unanimous consent to have printed at this point in the RECORD a letter addressed to the conferees by the distinguished chairman of the Committee on Finance (Mr. LONG) so other Members may have access to it.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U. S. SENATE,
COMMITTEE ON FINANCE,
Washington, D.C. May 12, 1977.

Hon. EDMUND S. MUSKIE,
Chairman, Budget Committee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Up to the present, the Congress has treated refundable tax credits both legislatively and in the budget process as reductions in revenues. I understand that the House Budget Committee has undertaken to change this aspect of the budget process in a way which would treat the refundable portion of those credits as outlays. I am pleased to note that the Senate Budget Committee has upheld the traditional Congressional approach to this issue and I strongly urge the Senate conferees to maintain this position.

A Change in the Congressional budget process to treat the refundable portion of tax credits as outlays rather than revenue reductions is unnecessary and undesirable for several reasons:

1. It makes the budget process less rather than more intelligible. Since the budget process deals with the total budget revenues and expenditures and the resultant deficit or surplus, there is no substantive difference in treating a refundable tax credit as an outlay or as a revenue reduction. However, since Congress has always legislatively dealt with such provisions as a part of revenue legislation, treating these credits as outlays would be inconsistent with those Congressional legislative procedures which the budget process is designed to support. In fact, such a change might obscure the total impact of a provision to the extent that part of its cost is accouned for as an outlay and part as a revenue reduction (the nonrefundable part).

2. The change proposed by the House would have some significant procedural and administrative problems. For example, if an individual had a tax liability of $200 and an earned income credit of $300, two-thirds of his credit would be accounted for as a revenue reduction and one-third as an outlay.

3. Treating refundable tax credits as outlays rather than as revenue reductions rep-

resents a fundamental change in the Congressional budget process which could hamper the ability of Congress to deal with tax legislation. The use of refundable tax credits makes it possible in dealing with tax legislation to provide more relief to certain categories of low income individuals than would be possible if we were limited to only non-refundable credits. It is possible, however, that treating refundable credits as outlays rather than as revenues could effectively preclude their use in some circumstances. If a second budget resolution allowed for a tax reduction but contained no allowance for increased outlays, it would be out of order to consider a refundable tax credit even if the Congress should decide that some portion of the total tax cut ought to go to low-income workers who bear the heaviest weight of payroll and sales taxes though they have no income tax liability.

4. The change the House proposes could even interfere with the consideration of tax legislation not dealing with refundable credits directly. For example, an increase in the minimum standard deduction reduces the tax liability of many low income taxpayers. This automatically has the indirect effect of increasing the refundable portion of their earned income credit. In such circumstances if refundable credits were considered outlays, the Congress might find itself in the position of having to avoid any tax relief to low-income individuals in order not to run afoul of the budget process.

The success of the Congressional budget process enjoyed to date is due in no small part to the fact that it has been seen as a means of enabling Congress to more effectively deal with legislation within an overall budgetary framework and not as a means of placing procedural and technical roadblocks in the way of spending and revenue legislation. For the reasons outlined above, I think the change in accounting procedures proposed by the House Budget Committee for the refundable part of tax credits is a step in exactly the wrong direction. It may be a more pleasing methodology for some theoreticians. But it makes no improvement in the operations or intelligibility of the Congressional budget process, and it places an unnecessary procedural constraint on the flexibility of the Congress in considering revenue measures benefitting low-income persons.

I hope the conferees on the budget resolution will not adopt this far-reaching and undesirable change in the budget process.

With every good wish, I am

Sincerely,

RUSSELL LONG,
Chairman.

Mr. MUSKIE. I wish to pay special tribute to Mr. Sid Brown, senior counsel, whose enormous knowledge, indefatigable energy, and unflappable competence make our work possible. Special recognition should be paid to Karen Williams as well. our committee's new chief counsel, who, in a matter of a few short months, has mastered the budget process and whose extraordinary grace under pressure has already made her a full working partner on the committee staff. I also want to recognize the contribution of Van Ooms, who became the committee's chief economist early this year. He, too, has already demonstrated his great value to the committee and is esteemed for his balance, clarity, and eloquence by committee members on both sides of the aisle.

I want to extend my thanks to each and every member of the Budget Committee staff, whose work includes not just the work on the budget and the committee's markup materials, but an analysis of every significant bill which passes through the Senate each session. Senator BELLMON and I spoke more than 60 times last year alone on major legislation. Not only did the staff help prepare those presentations, but they analyzed and prepared memoranda on hundreds of other bills as well. The Budget Committee staff is always in "adjournment rush" yet always does its job in an exemplary fashion.

Let me also pay tribute to the new staff director, John McEvoy, who succeeded to his task at a difficult time for the committee staff. Two of the five senior staff of the committee, our former staff director and our chief economist, both left the committee to accept cabinet level positions in the new administration earlier this year. But despite this 40-percent loss of senior staff, the committee has managed the markup, enactment, and conference of two complete budget resolutions in the past 90 days without missing a step.

Finally, I want to give special recognition to the spirit of cooperation and partnership which exists between the majority and minority staffs. That cooperation reflects the same bipartisan spirit which exists among the members of the committee and is facilitated by the open, cooperative, and constructive attitudes of Bob Boyd, minority staff director, and the very able staff he has assembled on the minority side. Bob's attitude, his energy, and his work have made it possible to disagree agreeably where that is necessary, but much more often to find areas of common concern where joint efforts can lead to economies, reforms, and improvements in the way our Government meets our people's needs.

This high competence, cooperation, and dedication on both sides of the Budget Committee staff are not only vital to the budget process. They are an example, I believe, to all committees.

Mr. President, in closing my remarks, again I express my deep appreciation to Senator BELLMON, the ranking Republican on the Senate Budget Committe and in conference. Without his assistance and that of his colleagues on the Republican side of the aisle, it would have been much, much more difficult, if not impossible, to resolve the major issues which arose in the conference. I am most grateful to them for their help and their understanding.

Mr. BELLMON. Mr. President, I thank our distinguished chairman for his overly kind comments. I express my personal appreciation to our distinguished chairman (Mr. MUSKIE) for the patience and sensitivity to everyone concerned that he demonstrated in getting out of a very dangerous dilemma during the conference with the House. He rendered a great service to the Senate, to Congress, and to the country by the firm, yet understanding, leadership he exhibited during this most difficult time in the history of the budget process.

Mr. President, perhaps more than in any previous budget conference report, the conferees from the Senate and House return to their respective Houses with a sense of pride and achievement. The budget process has been endangered in recent days and weeks. Yet, despite those dangers and despite sharply divided feelings about the appropriate level of defense spending, a conference agreement has been achieved. Moreover, the conference report was signed by all 10 Senate conferees—something that has not been achieved in other recent budget conferences, even when the controversies were significantly less sharply divided.

Further, it should be noted that for the first time the conference report was signed by two of the House Republican conferees. I believe this represents a major step in strengthening the budget process in the House. Republicans in both Houses must realize that the end product of the budget process in any one year will be shaped more to our liking if we are part of the process, working hard, function by function, to negotiate and choose among the priorities rather than merely taking the spectator role of voting no. Such a stance makes the minority ineffective and drives the entire budget process more in the direction of the big spenders. If fiscal conservatives always vote no, the only place votes needed to approve the resolution can be garnered is from those whose favorite programs have been treated generously.

Therefore, Mr. President, I believe that the Republicans made a significant step in the right direction when they participated more effectively and more positively in the budget process during our recent conference.

Thus, Mr. President, we have been through some rather difficult budget days, but here we are—back on the Senate floor with a conference agreement supported by conferees representing the full spectrum of views on the budget and its spending levels and its priorities.

History of past congressional budget efforts shows that in 1947 and again in the early 1950's, the process got off to a modestly successful start but in the second or third year, irreconcilable differences arose and the process failed. This time the process has not only survived but with our voting support today and with the support of the House next week, we can demonstrate that the process is even stronger for having been through these trials.

Now what is in this budget? We have revisions for fiscal year 1977 which represent reestimated spending levels and a withdrawal of the rebate program. The result is an $8.25 billion reduction in spending and a $17.15 billion reduction in the deficit—$69.75 billion reduced to $52.6 billion.

Mr. President, I believe those figures are significant enough to repeat them again. The result is an $8.25 billion reduction in spending and a $17.15 billion reduction in the deficit—$69.75 billion reduced to $52.6 billion.

For fiscal year 1978, we ended up with a budget which has less spending than the Carter budget—we have $460.95 billion in outlays versus the administration's April estimate of $462.6.

In other words, we are roughly $2 billion under the Carter budget. Moreover, our deficit figure loops different from

the Carter level simply because of economic assumptions behind revenue levels.

We take one assumption, Mr. Carter another, and that is what causes the different deficit figure. We believe the Carter level is too optimistic. The important point for my colleagues to remember is that, given equal economic assumptions, the Carter deficit is $1.65 billion higher than Congress budget, which this resolution anticipates. I trust that those who most loudly preach fiscal discipline will keep this fact in mind and express their support for this conference report by voting in the affirmative. It is hard to see how any fiscal conservative could vote otherwise.

Mr. President, I turn for a moment to the defense function in this conference report. Members are all aware of the difficulties this one area presented to the conferees. The House brought with it an unrealistically low defense target, but the polarized floor environment in the other Chamber made it more difficult than usual for the House conferees to compromise.

Parenthetically, let me say that it is never easy for the House to compromise.

Mr. President, I express my personal appreciation to our distinguished chairman, Senator MUSKIE, for the patience and sensitivity to everyone's concerns that he demonstrated in extricating us from this dangerous dilemma. The continued success of the budget process owes much to his leadership.

I also thank Senators HOLLINGS, CHILES, DOMENICI, and MCCLURE for their tenacious, persuasive efforts to keep the defense figures close to the more realistic Senate target. A measure of their success is the fact that while the conference recommendation for BA is $200 million below a halfway split, the more critical outlay target is $250 million over a 50–50 split. Nevertheless, I recognize the target recommended by the conference is very tight. It will require a concerned effort by all concerned to stay within this target. I believe, however, that if the committees involved and the Senate as a whole makes a good faith effort to live within this target, it can be done.

Mr. President, a budget process is basically one of setting priorities. In the Defense function the top priorities are clearly weapons procurement, research and development, and combat manpower. Hence, it follows that we should not make cuts in these areas in order to stay within the target recommended by the conference. I believe some savings probably can be achieved in lower priority areas and in the types of financial adjustments mentioned in the report language. I pledge to do my part in this difficult undertaking of staying within the target without cutting Defense muscle.

Mr. President, I would take this opportunity to provide some additional insights into economic policy for 1977 and 1978. I spoke more extensively on this vitally important matter when the Senate approved the first concurrent resolution last week. Mr. President, as I said earlier, the conference agreement removes room for further tax reduction initiatives from the fiscal year 1977 third concurrent resolution. Along with outlay reductions due to the shortfall in Federal spending, the budget deficit in this resolution is amended and reduced by some $17 billion.

At the same time, Mr. President, in raising the revenue floor due to removal of the rebate, it was assumed that there was no accompanying reduction in revenue projections to reflect somewhat slower economic performance. The economic data assumptions for 1978 are also unchanged from our earlier version of this resolution; the level of the economy in 1978 depends largely on how much progress the economy makes toward recovery in 1977.

Mr. President, essentially $17 billion of deficit and fiscal stimulus has been removed from 1977, and yet the economy is estimated to perform just as well as before.

I am not fully persuaded that these economic assumptions are correct, and I will comment more on this in a moment. I suggest that this remarkable adjustment in policies and expectations reflects two things: First, the great strength and potential of the private sector of our economy, and, second, a more modest assessment of the impact and importance of fiscal stimulus. More specifically, Government spending and the tax rebate apparently would not be so effective and were not so vital after all. Zealous supporters of fiscal stimulus to solve all the ills of our economy may wish to take note.

As I have stated before, I believe a tax rebate approach was the least appropriate way to boost the economy under current conditions and forecasts. But even this inefficient stimulus would have had a substantial impact according to the Congressional Budget Office. Again, according to CBO—and my staff concurs—the economic data for the first quarter was anticipated and does not warrant a stronger economic forecast at this time; it does not support an unchanged forecast in the absence of the rebate.

Mr. President, in spite of this wave of optimism, I would note that the economic assumptions and the associated revenue projections of this budget resolution are still more moderate than those of the administration. I sincerely hope that the administration's expectations are realized, but we believe it is more prudent to base our economic policies and budgetary plans on projections that appear more realistic.

Mr. President, my Republican colleagues and I continue to believe that an additional moderate reduction in tax rates would greatly improve the prospects for sustaining a strong economic recovery through the later part of 1977 and 1978. By offsetting the unlegislated automatic increase in taxes resulting from inflation, a further tax reduction would help sustain the strong trends in consumer spending and elicit the surge of business investment so badly needed to expand our productive capacity for future years. Such an expansion will reduce future inflationary pressures.

I will observe the next few months with great anticipation. If the economic data is not as favorable as the news as of 2 weeks ago, will the administration or congressional advocates ask for more fiscal stimulus in the second concurrent resolution? Most recently, reported retail sales for April actually declined very slightly from March; initial unemployment insurance claims in the first week of May showed an increasing trend. I question if a few more of these reports and then will we be asked to accommodate some new quick stimulus plan in our next budget resolution? Mr. President, I sincerely hope not. I hope the economic data continues strong. But, if we do return later this summer with an apparent need for action to strengthen the economy in fiscal year 1978, I trust my colleagues on both sides of the aisle will recall the analysis and policy proposals of my Republican colleagues. I hope we will look to the revenue side of the budget for fiscal stimulus and reconsider a permanent tax rate reduction.

Mr. President, I strongly urge my colleagues—especially those on the Republican side of the aisle here on the floor today—to support this budget. It is one that has been constructed under fire and I believe deserves the wide support of the full Senate. It will prove critically important in the months ahead as we review the authorizing and appropriating bills from the other committees. As much as at any previous time, the budget process will derive its strength from Senatorial support. I sincerely hope that support is again reflected in a strong vote of approval today.

Mr. President, again, I congratulate and thank our chairman for his very skillful leadership of the budget process and, particularly, for the very fair treatment he has accorded all Members of the Senate. I feel that the result we have before us today is largely due to his diplomatic, yet, at the same time, strong and firm leadership.

Mr. President, I ask unanmous consent that Gary Dickinson of Senator DOLE's staff be permitted access to the floor during consideration of the budget conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, if the Senator will yield, I wish to comment on some of the Senator's last remarks on the state of the economy. It is interesting to note the differences between the Carter administration budget and the budget we are about to approve with respect to revenues, outlays, and deficit for 1978.

I ask unanimous consent that a table showing this be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Carter budget compared to conference agreement on Senate Concurrent Resolution 19—fiscal year 1978

[In billions]

	Carter April estimate [1]	S. Con. Res. 19 conference agreement
Revenues	$403.8	$396.3
Outlays	461.7	460.95
Deficit	57.9	64.65

[1] Adjusted to treat refundable earned income tax credits as reductions in revenue, in line with the practice followed in S. Con. Res. 19.

Mr. MUSKIE. This demonstrates, as the Senator has already said, that our outlay figure is below that of the administration. The administration revenue figure is higher in large part because of its more optimistic—perhaps overly optimistic—view of the performance of the economy.

Now, if our revenue estimates were the same as those of the Carter administration, our deficit would be $57.2 billion, as compared to the Carter April deficit of $57.9 billion. So if we were attempting to indulge in that optimism, which, in our judgment, is not justified, we could show a smaller deficit than the administration shows. I think it is important to indicate that in the record.

Mr. BELLMON. Mr. President, I join our chairman in sharing the sense of importance he has expressed. I feel the budget process owes a part of its success to the fact that we tried to be responsible and did not indulge in some of the optimistic estimates that could make our deficit figures look a lot better. But, I think, in the long run Members of Congress will come to appreciate the fact that we are not trying to play games but that we are here trying to tell it like it is, and I think the budget reflects this attitude.

Mr. MUSKIE. I say to the Senator that we are not being different just for the sake of being different. I told the President a week or two ago that what he has to understand about this budget process is that unless it is an independent process, an opportunity for Congress to exercise its independent judgment on these matters, it will not survive, it will not succeed; and when we have our differences, so long as each one believes his own position is the right one, then the process is working.

Mr. STENNIS. Mr. President, will the Senator yield to me?

Mr. MUSKIE. I yield.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I wish to commend as well as thank the entire membership of our Budget Committee for a very signal service they are rendering and for their leadership in this matter, which comes, of course, partly from the Senator from Maine and the Senator from Oklahoma, but all have contributed.

The Senator has been generous with something he said with reference to the fact that he and I had a conference. I do not deserve any credit at all. He called me and we merely conferred over these figures. I had been preparing for debate on the military authorization bill which, I hope, will come up Monday, and I had all of these things on my mind, anyway. I merely tried to reflect these figures as they relate to our bill.

Mr. President, may I mention another matter. I want to highly commend members of the minority for supporting the congressional budget concept, for carrying on their part of their obligation and duty, and for their support. Certainly no political party can solve these budget problems absolutely. It is beyond comprehension to think that they could. It just takes a lot of hard work.

I again say I thank the Senator because of the work he has done, and it will be appreciated more and more in the years to come.

Mr. MUSKIE. I thank the Senator. The kind of consultation we were able to have in this connection is a good precedent if we are to make this budget process work, because, as I said to the Senator privately, unless every Senator takes it upon himself to help make it work, it will not work. ED MUSKIE cannot do it alone, HENRY BELLMON cannot do it alone, and JOHN STENNIS cannot do it alone. Working together, we can do it, and I repeat my gratitude to the Senator for his help.

I am happy to yield to the Senator from Idaho. I wish to express my personal appreciation to the Senator from Idaho for the assistance he has given in the committee and in the conference. He contributes to an intelligent, constructive dialog. He has a philosophy different from mine, but we found it possible, I think, to discuss matters in a way that have been resolved in the public interest, and I am most appreciative.

Mr. McCLURE. Mr. President, I thank the Senator from Maine for those kind words as well as yielding at this time.

I want to underscore what the Senator just said in regard to the distinguished Senator from Mississippi, the chairman of the Armed Services Committee, who, in spite of his modesty, I think, made a very great contribution to the deliberations that made it possible for us to come to agreement in the conference.

Mr. President, this is the sixth budget resolution in which I have been involved and which the Budget Committee has reported for approval of the full Senate. Over these 3 years, we have diligently reported and have become accustomed to working with budget authority and outlay figures for all 17 functional categories and the budget aggregates. These concepts have been complex for us all and it is only now that we are beginning to understand that it is budget authority which we must scrutinize fully to exert any influence over future year spending. Yet, there are a myriad of further complexities, two of which I wish to describe to you now, Mr. President.

First, the resolution calls for a level of public debt no greater than $701.3 billion in fiscal year 1977 and $784.9 billion in fiscal year 1978. The amount is staggering equal to one-third of our Nation's GNP. But note further that the public debt jumps $83.6 billion from fiscal year 1977 to fiscal year 1978, or $18.95 billion more than the amount of the deficit. This massive increase in the national debt is more than 18 percent of the total budgeted outlays. About two-thirds of this increase is caused by the borrowing activities of so-called off-budget agencies. Nevertheless, these agencies exert their influence in credit markets in a degree every bit as great as borrowing to cover our reported deficit. It is unwise to believe that only numbers reported in our functional targets pose a threat to fiscal soundness and integrity.

Second, Mr. President, if we were to look at the total financial obligations during fiscal year 1978 of even our "on-budget" agencies and compare those obligations with the numbers we report as "budget authority," we would find a staggering difference. This is because many agencies are able to utilize budget authority granted in previous years, offset loan repayments and asset sales against their reported obligations, and often sell securities or paper of their own to reduce reported budget authority.

For example, in function 050—national defense—obligations are $40 billion more than new budget authority requested. In function 300, natural resources, environment, and energy, obligations are about $3.2 billion greater than new budget authority—$7.1 more for function 350, agriculture; $12.6 billion for function 400, commerce and transportation; $3.1 billion for function 500, education, training, employment, and social services; $7.0 billion for function 600, income security; and $4.9 billion for function 850, revenue sharing and general purpose fiscal assistance.

Even though these numbers do not add to our national debt—they reflect revenues from other sources—they must be considered when discussing the size and scope of the Federal bureaucracy. These functions in recent years have grown enormously and one should not think the budget we present today, or any other single measure of spending, fully reflects the size and scope of government. It requires several perspectives to gain the necessary insight.

Mr. President, the technical complexities of this budget are as great as its political complexities. I raise these two issues so that we might all better focus on what we are voting on today and better understand what we are not voting on today.

Mr. President, I shall join with my colleagues on the Budget Committee in voting for this conference report not because I approve of all the figures that are in it, but because I recognize the very great difficulty that confronted the chairman of this committee and the other members of the committee in the conference in trying to arrive at an agreement with the other body, and I think the agreement that we came out with was the best possible product of that conference process.

So I support the process, and I wish it to work. I commend both the Senator

from Maine, the chairman of the committee, and the Senator from Oklahoma (Mr. BELLMON), the ranking minority member for the immense amount of work that they did on this. I am certain that they both share with me the commendations to the staff for the tremendous technical assistance that went to each of us not only in the budget markup in the initial stages but also in the conference.

Mr. President, I thank the Senator for yielding me this time.

Mr. HEINZ addressed the Chair.

Mr. MUSKIE. How much time does the Senator wish?

Mr. HEINZ. Mr. President, will the Senator yield me 10 minutes?

Mr. MUSKIE. I think we have 10 minutes remaining, and I yield 10 minutes.

I am glad to yield with an expression of appreciation to my good friend from Pennsylvania. This is his first year on the Budget Committee. He has attended faithfully and contributed effectively and intelligently to the dialog of the committee and has not been reluctant to give us support when the crucial votes come. I am most appreciative to him and delighted to yield to him at this point.

Mr. HEINZ. Mr. President, I would be happy to yield more of my time to the distinguished chairman of the committee if he wishes to continue in that vein for a while.

The PRESIDING OFFICER. The Senator has 10 minutes.

Mr. HEINZ. Mr. President, first of all, I thank the distinguished Senator from Maine, the chairman of the committee, for the absolutely outstanding work and leadership he has provided to the Budget Committee. I cannot be more sincere when I say that without his perseverence, fairness, commitment to hanging tough when called for, and willingness to compromise as need be, we might well have lost the budget process this year.

Had we done so, we would have lost, I think, a very valuable tool in trying to bring under control the various vagaries, wastefulness, and incompatibilities of the Federal budget.

Mr. MUSKIE. Mr. President, will the Senator yield briefly?

Mr. HEINZ. I am happy to yield.

Mr. MUSKIE. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays on the second vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote occur at 12:30 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEINZ. Mr. President, I also particularly commend the Senator from Oklahoma, my good friend and colleague, HENRY BELLMON, for the role he has played, which has been one of great responsibility, sticking up, time and again, for positions that might not always be conventionally popular. In my view, however, they have clearly been based not only on conviction but also on considerable depth of insight into what is good and right for the United States of America.

In my comments, Mr. President, I shall try to be as brief as possible. To begin with, there is one specific piece of legislative history I wish to reinforce with respect to a relatively modest function, function 150, because as a summer of spending goes by there may well be a tendency to forget it. Since our original markup of the First Concurrent Resolution, CBO has informed us that the level of Export-Import Bank activity will be about $700 million less than we expected in budget authority, and about $100 million less in outlays. Ideally, the conference should have been able to lower our figures automatically by this amount, but unfortunately we felt boxed in by the small range between the figures the House and Senate figures. The upshot is that the Senate's original figures of $9.3 billion in budget authority and $7.3 billion in outlays, though they remain on the record, are outdated. Our working assumption, though, should now be that the figures, respectively, are $8.6 billion and $7.2 billion. The matter can be formally corrected when we come to the Second Concurrent Resolution, and we might as well wait since some more reestimating is bound to occur. But in the meantime, not to heed the informal new figures will open the door to excessive spending, which the Budget Committee tried to rule out in its assumptions at the time the Senate bill was passed. For example, contrary to the House, it was assumed that, in addition to other reductions in the Carter request, $300 million in budget authority would be cut from foreign economic and financial assistance, and $200 million in outlays. In the April deliberations of the committee, we were quite determined that no category of spending be exempted from belt-tightening. It would be inexcusable if our painstaking decision were now undermined on technical grounds.

As for the defense function, 050, I think it is clear from the consensus that finally emerged in conference, considering the wide political spectrum represented, that reductions from the Senate figures do not in the least endanger our national security or defense posture. All bureaucracies have fat, even the Pentagon. Yet it is in defense above all that we should have efficiency. Rather than cut into any muscle, we simply made some commonsense financial adjustments, as the language of our report makes clear. In the critical investment accounts of procurement and research and development, we have assumed a real growth of at least 8 percent. This insures a defense second to none. It is my hope that in the future we will delve more into prospective manpower efficiencies and savings since—contrary to the popular impression that defense money mainly goes for hard stuff like tanks and bullets—manpower costs represent, in fact, 55 percent of the Pentagon's budget. Furthermore, it is encouraging that for fiscal year 1979, agencies will be justifying their budget requests along mission lines. This should make for a leaner military. Rather than voting willy-nilly for all the latest gadgets, because another superpower on the block has them, the Pentagon will have a burden of proof to show that they fit into a logical, cost-effective framework. If the Pentagon can show this on a particular weapons system or whatever, I will be its biggest booster. Since the Budget Committee has the assignment to bring down the deficit, it simply must enforce the distinction between things that are essentials and things that are luxuries.

It is gratifying that we were able to cut the Ford-Carter defense budget of some $123.4 billion down to $118.5 billion in budget authority without sacrificing the muscle. That $5 billion cut from those budget levels, I think, makes a great deal of sense, and that is why I am supporting the 050 function as well as the resolution.

Now, if I may address myself to a larger issue, one that always comes up at budget time; namely, the balance between military spending and social spending. I sometimes get a little concerned, Mr. President, at the way we talk about that. There are some who suggest that in order to raise one we have to lower the other, and vice versa. I do not think that is necessarily so.

I think our job, particularly those of us who are conferees of the Budget Committee, is to judge each and every function on its own merits. I think that is what we have done. It has resulted, compared to the original Senate position, in a modest and, I think, fiscally correct reduction in budget authority for the military and an increase in budget authority for socially oriented expenditures. No one is going to tell me that, by talking like this, I support anything less that whatever is necessary to defend this country and its Constitution from all enemies, foreign and domestic. I took this oath solemnly on coming to Congress. My concern is, however, that our real security is much more than a matter of raw military might. It is as much a matter of the economic and moral strength we project to the world, and the health and happiness of our people. That is why I supported the Senate Budget Committee in taking new initiatives for medical care for veterans, education for the handicapped and disadvantaged, grants to State and local governments who are suffering still from the recession, and energy research and conservation. That is also why I supported Senator PROXMIRE's floor amendments for increased funding in housing and community development.

I do not support such spending blindly. We have a whopping big deficit, and no one should paper over that fact. It gives one second and third and fourth thoughts about voting for this budget resolution. But we do not make deficits just for fun. If it were easy to eliminate them, we would do it pronto. The Budget Committee has done its darndest to get a grip on them, but the practical difficulties must be understood. Almost one-half of the budget is in the form of congressionally mandated entitlements, such as those for social security. Add to that

the legal obligations and contracts the Government has incurred, and over three-fourths of the Federal budget is regarded as "relatively uncontrollable." As if that were not enough, inflation this year has slapped on a $25 billion surcharge. I do not think Congress is willing to rescind cost-of-living increases for pensions, social security, retirement or, for that matter, the Department of Defense. In addition, Congress has made decisions in previous years, especially in the defense area, for real growth in budget authority, and these are only now spending out. Finally, the recession has severely aggravated the deficit. Unemployment means the loss of tax revenue and a slowdown in the normal overall expansion of the economy. The estimate commonly cited is that for each percentage point reduction in the unemployment rate, $45 billion GNP is generated, and in turn $14 billion in additional tax revenues. Unemployment also means more unemployment compensation—which is projected to be $13 billion this year—the need for more CETA jobs, and an untold number of other ramifications.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. HEINZ. Mr. President, will the Senator yield 1 more minute.

Mr. MUSKIE. Yes.

Mr. HEINZ. I appreciate that.

I do think that we are all committed to bringing those deficits into line, and as long as the Budget Committee has this kind of commitment, both on the part of the House and on the part of the Senate, and particularly the kind of leadership evidenced by the Senator from Maine and the Senator from Oklahoma, I think we will be able to meet our responsibilities to the American people.

INTEREST ON METRO BONDS FOR FISCAL YEAR 1978

Mr. MATHIAS. I wish to compliment the chairman of the Budget Committee and support the committee's recommendation that will insure the Washington, D.C., subway construction remains on schedule.

As a member of the Appropriations Committee, I interpret the Budget Committee proposal as providing sufficient flexibility for the Appropriations Committee to make a direct appropriation for the 80 percent Federal share of the interest charges on Metro construction bonds rather than relying on interstate transfer funds.

Metro construction bonds are 100 percent federally guaranteed and therefore the Federal Government is obligated by the Metro Bonds Guarantee Act to support the interest on these bonds. The local jurisdictions in the Washington metropolitan area have agreed to provide a 20-percent share of that interest cost in keeping with the national policy on mass transit funds which uses an 80/20 cost-sharing formula.

I think that at this point direct appropriations are the best way to handle the debt service problem of the Washington Metro. I hope that in the near future we will be able to work out a long-term solution to this debt servicing problem.

Mr. DOLE. Mr. President, the Senator from Kansas rises to comment on the revised first concurrent resolution.

As a member of the Senate Budget Committee, the Senator from Kansas has participated in the 4-month process which preceded the reporting out of this resolution. As a member of the Budget Committee, I am also aware of the amount of effort the process requires. I would first like to thank Senator MUSKIE, and the ranking minority member, Senator BELLMON, for their strong leadership during this process in committee, and during the Senate-House conference on this resolution.

Mr. President, the Senator from Kansas voted to report the first concurrent resolution out of the Budget Committee. At that time, even though there were some functions about which I had reservations, on the whole, it seemed to me that we had done an effective job of establishing priorities and maintaining some discipline over the budget process.

On May 4, amendments were added to this resolution, which in total added an additional $7.2 billion to budget authority, and $400 million to outlays, raising the expected deficit in 1978 and committing us to even higher nondiscretionary spending levels in future years. While the Senator from Kansas supported an amendment for a small increase in BA for veterans—$0.5 billion—I could not support the aggregate BA figure after the additional $6.7 billion was added by other amendments.

The budget resolution which we are considering today, however, is superior in two particular areas.

NEED FOR PRICE SUPPORT RECOGNIZED

First, in Agriculture, the conferees have recognized that outlays for fiscal year 1978 will have to increase to reflect farm commodity price support expenses. The most recent OMB estimates indicate that market prices will be low this 1977 planting season, particularly impacting wheat and feed grains, assuming good weather this summer.

The budget now reflects these most recent estimates for price support, which I firmly believe it should. It will be reassuring to the Nation's farmers that we have not overlooked their needs. However, market prices for commodities such as wheat and feed grains are extremely variable, and may need adjustment again for the second concurrent resolution. As the distinguished chairman, Senator MUSKIE, pointed out in a letter to the chairman of the Agriculture Committee, the amount of outlays for commodities support could vary by as much as $2 billion during the year.

REDUCED BUDGET AUTHORITY, LOWER SPENDING

The second area in which this budget resolution shows improvement, Mr. President, is the $1.15 billion reduction in budget authority which is reflected in this resolution. I do not believe we can continue to obligate future budgets with nondiscretionary expenses if we ever expect to achieve a balanced budget; $1.15 billion of reduction does very little to counter the $7.2 billion in budget authority which was added to the Senate resolution by amendment on May 4, but it is certainly a step in the right direction.

I am also encouraged that the level of outlays in this resolution is still lower—by $1.65 billion, $460.95 for the Senate Budget Committee versus $462.6 for Carter—than the Carter administration budget proposal in their April estimate. As Senator BELLMON stated earlier, given equal economic assumptions, it means that this budget represents a lower deficit—by $1.65 billion—than the Carter budget proposal in April.

STRONG NATIONAL DEFENSE

Mr. President, I also want to comment on the reduction in the national defense function which is represented here. One area where I believe the budget should reflect real growth is in national defense. As passed by the Senate last week, budget authority and outlay figures were both higher than current policy. Because of the difficulties encountered by the House Budget Committee in getting approval for their budget proposal, the House budget was unrealistically low in both budget authority and outlays, posing a serious threat to conference agreement in this area. The resulting agreement was slightly lower than current policy in budget authority, but above current policy in outlays. Recognizing the difficulty of their task, I can agree with the earlier remarks of the distinguished ranking minority member. Focusing on the higher priority items, and assuming the financial adjustments described in the conference report to stay within the targets for this function, would seem appropriate. This compromise allows for reductions in budget authority and outlays in this function without significantly detracting from continued growth in national defense.

Mr. President, in this, the third year of the new budget process, it is important to recognize that two of the purposes of this process were "to assure effective congressional control over the budgetary process," and "to provide for the congressional determination each year of the appropriate level of Federal revenues and expenditures." This year, the process of controlling the budget seemed extremely difficult, and agreeing on the appropriate level of expenditures seemed to be more an acceptance of spending levels requested by our committees and the administration than an establishment of appropriate levels of revenues. I do not want the Senate to lose sight of the purpose of this process, it is my hope that we can retain a degree of fiscal responsibility throughout our consideration of this resolution and through the rest of this legislative session.

Mr. President, with these reservations, I voice my support for this resolution.

Mr. CHILES. Mr. President, the Senate is now considering the first concurrent resolution on the budget for 1978. This is the third year in which we have brought such a resolution, and a good time to assess the new congressional budget process.

We have shown the public that Congress can set itself firm limits on spending and stick within them. I think this is one reason that public opinion polls are

showing an increase in confidence about Federal economic policy.

We have also shown that Congress can move quickly to respond to changing conditions and either modify economic policy or shift spending priorities to meet new challenges.

Perhaps the most important part of the process is that we have brought to the public an open debate on spending priorities. We have brought forth a summary of all current and proposed spending at one point in time. The Senate has shown that it can debate those priorities, amend the resolution after debate, and still produce a workable total.

We have also learned a lot from 3 years of the budget process. We have found that we need a longer time perspective, since many programs start small then grow later. We need as much emphasis on budget authority, which controls future year spending, as on current year outlays which are largely beyond control.

This conference resolution represents many difficult choices and compromises within the Senate and between the Senate and the House. I have reservations about some of the individual targets and about the size of the overall spending totals. But I will support the resolution, because without it spending would probably be $10 or $15 billion higher. Without the resolution, we would not know what our priorities were until we got to the end of the year, looked back on what we had done, and added up the totals.

Mr. President, that would totally eliminate any public input into spending priorities. Each bill would be considered in isolation and at no point would it have to compete with other possible ways to use the same amount of money.

Overall, I think this resolution represents a well balanced set of expenditures, providing top priorities for new expenditures in defense, education, energy, job creation, and child health. The resolution will allow full cost-of-living increases for all Federal retirement programs—veterans, social security, military, and civil service retirees. At the same time, the total deficit is restrained so that it will not worsen the problem of inflation that inflicts a cost on all of us.

The target for defense spending was the major area of controversy in the conference. Over the last 2 years the Congress has committed ourselves to a real increase in the level of defense spending, particularly in weapons systems and maintenance of our capacity for ready response to emergency situations. I have strongly supported this renewed commitment to defense, while working on several committees to see that expenditures are made more efficient.

The Senate conferees argued to reduce the defense total adopted by the Senate only on the stipulation that the reduction be achieved from financial adjustments and savings from efficiency, rather than cuts in the real program growth provided in the President's budget. If these savings and adjustments do not work out, the totals may have to be modified.

The budget resolution assumes major program increases in many areas of the budget. I hope that in all areas Congress will carefully examine existing programs and possible trade-offs before it undertakes increased expenditures. I think we have to recognize that there are limits to both financial and human resources. Each new program means shifting the attention of both the public and the Government away from ongoing activities. I hope that we can recognize these trade-offs as we proceed through the authorizing and appropriating process. In many cases we may be able to come in below target and reduce the size of the deficit.

The American public expects us to show this kind of restraint and begin moving toward a balanced budget and stable economic policy. I am hopeful that with continued support for the congressional budget process we will be able to help restore the confidence of the American people that Government is acting reasonably and rationally.

Mr. THURMOND. Mr. President, on this vote, I am voting in the negative. While the conference substitute reduces the fiscal year 1977 budget by $17.15 billion, there still remains a $52.6 billion deficit. I cannot, in good conscience, sanction such a deficit.

Until the Congress accepts the basic law of economics as to the evils of deficit financing, we will not see significant long-range improvements in our economy.

Mr. HATCH. Mr. President, once again the Congress has passed up the opportunity to do something positive for the millions of productive people who provide the economic power of this Nation. Once again we have given precedent to building our spending constituencies. Once again we have made it clear that the people who work and produce exist, in our eyes, only to fund our spending programs. Once again the vested interests, the recipients of handouts, have triumphed over the working American. Once again the Congress chose to spend at the expense of the economic health of the Nation.

Five times this year the Congress has voted down permanent reductions in the personal income tax rates. Each time those of us who pushed for a tax reduction were told that there was no room in the budget. There was not any room in the budget for the spending programs either. But that did not keep us from spending. Any time that there is no room in the budget for spending, we find room in the deficit. This time there is a $60 billion deficit to accommodate the spending programs that could not find room in the budget.

This Congress has never explained why there can bes spending programs, but not tax cuts, when there is no room in the budget. However, this Congress has made it clear that it prefers spending money to cutting taxes.

I do not share this preference, and neither do the American people.

Mr. WALLOP. Mr. President, I want to take this opportunity to commend the members of the Senate Budget Committee for their diligent efforts in establishing budget targets for fiscal year 1978. The formation of this committee and its substantive contributions have done much to make the Senate, the Congress, and the American public aware of aggregate spending levels. After the passage of the Budget Act in 1974, Congress for the first time had an advance handle on aggregate spending levels. Before this act, Congress would spend some here, and some there, and pass a tax bill to raise some money, but there was no advance indication of where all that spending would lead us. Deficits depended on how much Congress spent, and Congress spent without any consideration of the deficits. The Budget Act appears to have changed much of that process, adding order and control where there was none before.

But while I can commend the process, I do not approve of the result. Senate Concurrent Resolution 19 sets the revenue levels at $396.3 billion for fiscal year 1978 and spending levels at $460.95 billion with an estimated deficit at $64.65 billion. Mr. President, that is too much. The public debt is pushing $800 billion, and with gigantic yearly deficits we will slide over the $800 billion mark all too soon. Although the Budget Act gives us the opportunity to incorporate some fiscal discipline into our lives, we have yet to maximize the potential of that process. Fiscal discipline means spending restraint, and a deficit of $65 billion is not spending restraint.

For this reason, I will not support the conference report on Senate Concurrent Resolution 19, the budget resolution. I look forward to the day when the process as well as the result merit commendation.

Mr. MUSKIE. Mr. President, to eliminate the technical question, at this time I move that the conference report be agreed to.

The PRESIDING OFFICER (Mr. ZORINSKY). The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. MUSKIE. Mr. President, at this time I yield 5 minutes to my good friend the Senator from New Mexico, an invaluable member of the Budget Committee from its inception.

The PRESIDING OFFICER. Does the Senator from Maine wish to make his motion at this time?

Mr. MUSKIE. Mr. President, I move that the Senate recede from its disagreement to the House amendment to Senate Concurrent Resolution 19 and concur therein with an amendment which is at the desk.

The amendment is as follows:

That the Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1977—

(1) the recommended level of Federal revenues is $396,300,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $17,600,000,000.

(2) the appropriate level of total new budget authority is $503,450,000,000;

(3) the appropriate level of total budget outlays is $460,950,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $64,650,000,000; and

(5) the appropriate level of the public debt is $784,900,000,000, and the amount by which

the statutory limit on such debt should accordingly be increased is $83,600,000,000.

SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares pursuant to section 301 (a)(2) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1977, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):
(A) New budget authority, $118,500,000,000;
(B) Outlays, $111,000,000,000.
(2) International Affairs (150):
(A) New budget authority, $9,300,000,000;
(B) Outlays, $7,300,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $4,900,000,000;
(B) Outlays, $4,700,000,000.
(4) Natural Resources, Environment, and Energy (300):
(A) New budget authority, $20,700,000,000;
(B) Outlays, $20,000,000,000.
(5) Agriculture (350):
(A) New budget authority, $2,200,000,000;
(B) Outlays, $4,350,000,000.
(6) Commerce and Transportation (400):
(A) New budget authority, $20,000,000,000;
(B) Outlays, $19,400,000,000.
(7) Community and Regional Development (450):
(A) New budget authority, $8,200,000,000;
(B) Outlays, $10,800,000,000.
(8) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $26,800,000,000;
(B) Outlays, $27,200,000,000.
(9) Health (550):
(A) New budget authority, $47,900,000,000;
(B) Outlays, $44,300,000,000.
(10) Income Security (600):
(A) New budget authority, $179,900,000,000;
(B) Outlays, $146,700,000,000.
(11) Veterans Benefits and Services (700):
(A) New budget authority, $20,250,000,000;
(B) Outlays, $20,200,000,000.
(12) Law Enforcement and Justice (750):
(A) New budget authority, $3,700,000,000;
(B) Outlays, $3,850,000,000.
(13) General Government (800):
(A) New budget authority, $3,800,000,000;
(B) Outlays, $3,850,000,000.
(14) Revenue Sharing and General Purpose Fiscal Assistance (850):
(A) New budget authority, $9,800,000,000;
(B) Outlays, $9,700,000,000
(15) Interest (900):
(A) New budget authority, $43,000,000,000.
(B) Outlays, $43,000,000,000.
(16) Allowances:
(A) New Budget authority, $800,000,000;
(B) Outlays, $900,000,000.
(17) Undistributed Offsetting Receipts (950):
(A) New budget authority,—$16,300,000,000;
(B) Outlays,—$16,300,000,000.

SEC. 3. In the Third Budget Resolution for fiscal year 1977, the Congress provided for revenue and spending proposals designed to stimulate the Nation's economy in order to reduce unemployment. These proposals, together with recent indications of more vigorous economic growth in the private sector, provide evidence that the Nation's economy may be returned to the levels needed to provide jobs to millions of our unemployed.

The Congress recognizes, however, that unusual uncertainties surround the current economic outlook for 1977 and 1978—primarily, the economic impact of the stimulus proposals and the likelihood of continued economic growth in the private sector—and that additional time and information are needed to make final determinations with respects to fiscal policy for fiscal year 1978; and declares that, if economic recovery does not proceed satisfactorily during the months immediately following adoption of the First Budget Resolution for Fiscal Year 1978, it will be necessary to provide additional stimulus to the economy in appropriate amounts to be determined in the Second Budget Resolution for Fiscal Year 1978. On the other hand, if the recovery continues to show signs of long-term renewed growth, it may be desirable to reduce some of the economic stimulus provided for fiscal year 1978 in order to make more rapid progress toward a balanced budget.

SEC. 4. (a) Pursuant to section 304 of the Congressional Budget Act of 1974, the appropriate aggregate amounts for the fiscal year 1977 set forth in the first section of S. Con. Res. 10 are revised as follows:

(1) the recommended level of Federal revenues is $356,600,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $2,600,000,000;

(2) the appropriate level of total new budget authority is $470,200,000,000;

(3) the appropriate level of total budget outlays is $409,200,000,000;

(4) the amount of the deficit in the budget which is appropriate in light of economic conditions and all other relevant factors is $52,600,000,000; and

(5) the appropriate level of the public debt is $701,300,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $1,300,000,000.

(b) Pursuant to section 304 of the Congressional Budget Act of 1974, the allocations for the fiscal year 1977 made in section 2 of S. Con. Res. 10 are revised so that, the appropriate levels of new budget authority and the estimated budget outlays for the various functional categories are as follows:

(1) National Defense (050):
(A) New budget authority, $108,800,000,000;
(B) Outlays, $98,900,000,000.
(2) International Affairs (150):
(A) New budget authority, $7,900,000,000;
(B) Outlays, $6,500,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $4,500,000,000;
(B) Outlays, $4,600,000,000.
(4) Natural Resources, Environment, and Energy (300):
(A) New budget authority, $18,700,000,000;
(B) Outlays, $16,100,000,000.
(5) Agriculture (350):
(A) New budget authority, $2,300,000,000;
(B) Outlays, $4,500,000,000.
(6) Commerce and Transportation (400):
(A) New budget authority, $17,300,000,000;
(B) Outlays, $14,900,000,000.
(7) Community and Regional Development (450):
(A) New budget authority, $14,800,000,000;
(B) Outlays, $10,100,000,000.
(8) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $30,400,000,000;
(B) Outlays, $20,900,000,000.
(9) Health (550):
(A) New budget authority, $40,600,000,000;
(B) Outlays, $39,000,000,000.
(10) Income Security (600):
(A) New budget authority, $167,700,000,000;
(B) Outlays, $137,100,000,000.
(11) Veterans Benefits and Services (700):
(A) New budget authority, $18,900,000,000;
(B) Outlays, $18,100,000,000.
(12) Law Enforcement and Justice (750):
(A) New budget authority, $3,500,000,000;
(B) Outlays, $3,600,000,000.
(13) General Government (800):
(A) New budget authority, $3,500,000,000;
(B) Outlays, $3,600,000,000.
(14) Revenue Sharing and General Purpose Fiscal Assistance (850):
(A) New budget authority, $7,600,000,000;
(B) Outlays, $7,700,000,000.
(15) Interest (900):
(A) New budget authority, $38,000,000,000;
(B) Outlays, $38,000,000,000.
(16) Allowances:
(A) New budget authority, $800,000,000;
(B) Outlays, $700,000,000.
(17) Undistributed Offsetting Receipts (950):
(A) New budget authority, —$15,100,000,000;
(B) Outlays, —$15,100,000,000.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maine.

The Senator from New Mexico is recognized.

Mr. DOMENICI. I thank my good friend from Maine. I do not think I will use the full 5 minutes. I have a statement which omitted a couple of points I think are important. I want to state them early, and then introduce the statement.

Mr. President, a great deal was made in the conference between the House and the Senate about whether or not the Senate's figures on military preparedness were sacrificing domestic programs, nonmilitary in nature, for an increasing percentage of either the GNP or the budget for the military.

As the conferees know and as the Senate should know, this became the focal issue that almost caused us not to have a budget resolution.

I have gone back over past budgets in my prepared statement for more than 10 years, and in real dollars the reviews shows the path of spending by the U.S. Government on military preparedness and domestic programs of all types, including those that deal with helping people with actual cash outlays and programs such as food stamps, and I think it is safe to say that but for the last 2 years, we have indeed not sacrificed domestic programs for the military. Quite to the contrary, and if there was a noticeable growth pattern, it was an annualized increase in domestic programs, nonmilitary, and a stagnant or even diminishing real dollar support for military.

President Ford's budget of 2 years ago began to move a little bit in the direction of real increases in military preparedness, and I think it is fair to say that this summary should clearly indicate that the Budget Committee in the Senate has not attempted to sacrifice domestic programs for exaggerated or bloated support for military, but quite to the contrary. We told the conferees that over and over, and we really hope that those in the House of Representatives who are genuinely concerned about that will do some analysis, will read these figures, and will conclude that we compromised significantly in lowering our outlay figure and budget authority figure for the military.

I wish to say for myself that I am not totally satisfied with the conference report. I think we have, indeed, set some extremely low targets for the military, and I raised that in the conference meetings. That is not my total concern, but as the Senate knows, I thought our budget authority figures were too high, especially after we added about $7.2 billion in budget authority here on the floor.

I tried to take that out, and did not succeed; so it would have been logical that I not vote for this budget conference report, because we are really close to those figures that we came up with, with the add-on.

But in all honesty, I want the Senate to know that I do not think there is a process more important to our institutions, to the House of Representatives and the Senate, and to the prosperity of America, than the budget process. We can talk all we want about programs, we can talk all we want about substantive changes in programs and levels of funding, but the stark facts are that a Federal Government that is uncontrolled in terms of what it is trying to do and how much it will spend was quickly losing the respect of the people of this country in terms of why they should be taxed, in terms of why we build up their expectations and then cannot meet them; and as I see it, this Budget Reform Act came about from the grassroots up. The American people were demanding priorities and discipline, and we felt the need here 2 or 3 years later than they felt it out in the byways and the grassroots of America.

I am genuinely concerned that if we do not have this process, which sets these goals and offers realistic targets, and does bring discipline to our almost unquenchable desire to use the Federal Government to solve all problems in our country, then I think there is little hope for credibility between these institutions here in Washington and the American people in the area of taxation, whether they will stand for it, in the area of social programs, whether they will support them, and in the area of those in need in our country, whether they have any confidence that we will try to help them.

Because of that, I felt that the stalemate in the conference was probably going to end up with the real probability of no Budget Act at all, because the cornerstone of the Budget Act is the first concurrent resolution, the one that sets the targets. We know it gets adjusted in the real world of legislation, and changed, but if we had come back without resolving it, then I think the Budget Reform Act and its tremendously important qualities for credibility in this democratic process could very well have gone by the board, as previous budgetary reform proposals have found their way onto the Hill and into the institutions and then somehow found their way out rather quickly.

If we can withstand that now, with the enormous pressures that have come upon this process because of economic conditions, economic stimulus needed and then not needed, differences of opinion in terms of inflation being more important than recission—and we have fought all of this in that field, and been battered around—if we had come back unresolved because of some couple of billions of dollars in disparity, I think we would not have had a budget process next year.

I have been on the Budget Committee for 2½ years—almost 3—as a part of this team, and I am proud of that. I think we might well, in this period, have saved in unneeded expenditures as much as $20 billion, maybe $10 billion each year, or maybe $13 or $14 billion 1 year and $10 or $11 billion the other.

The reason we have done that is that every time America has a crisis, especially an economic crisis, the nature of the institution and its committees is for everyone to want to solve it immediately. In my short 5 years here, I have seen that once without a Budget Reform Act. Every committee that thought it had a chance to help solve the economic crisis quickly called national hearings and got bills to the floor, whether it be new CETA programs for economic reform, extension of unemployment insurance and emergency employment programs, the reform of government operations through countercyclical revenue sharing, or any of the rest of those that preceded this particular kind of program.

I believe we would have had those here on the floor in the last 3 years in abundance, with no targets to measure them against and nothing but the individual persuasiveness of Senators to keep them from becoming law.

We now have the collective spirit of reasonable macrotargets in this budget, and we do not always succeed. The nature of the institution is such that the committees are still very important. Their jurisdictions are properly the pride of the committees. So they want to get into developing the solution when we have problems. That has caused us to have to adjust; it has caused us to have to stretch targets, it has even caused us to have to analyze what programs belong in some of these targets, as Senators well know.

With all that concern, that is why I came down on the side of supporting the compromise.

Let me say what my version of the military preparedness figures is.

Yes, we came down to $118.5 billion in BA and $111 billion in outlays. But we very clearly indicated in our position that we did that with certain savings assumptions. I hope everyone will read those. My version as one Senator—and I am glad the chairman of the Armed Services Committee is here—is that we are saying, "Try to do that." We are saying, "The figures would assume you could do that."

I want to add for myself that in the process of accommodating, in the appropriations process, and in analyzing inflation in the next 4, 5, or 6 months, if, as a matter of fact, those savings cannot be made, as far as this Senator is concerned I will seriously consider, for the second targets, the fact that these first might have to be breached. I want everyone to understand that is why I voted for it. I am not sure we can get those savings. I say that to the good chairman from Mississippi.

I did not vote for this to cut procurement because I believe the administration has already recommended procurement cuts that are right at the bottom of what we can stand.

I supported it on that score. I compliment those who thought up that approach as a way to break the stalemate and preserve the resolution and, in turn, preserve the budget process.

In conclusion, I would be remiss if I did not say to the good Senator from Maine and my good friend from Oklahoma that sometimes this process must seem to both Senators to be far less dramatic than the work of a substantive committee that is bringing new legislation to the floor, which gets a Senator all kinds of notoriety because, as a matter of fact, a Senator has a new idea to help solve a problem.

I commend the Senators for the time they have spent on the process and on this resolution. This is a rather difficult existence when contrasted with the glory of huge new programs that the Senators could be part of in other committees.

Let me say this: Basically, the economic system of America is what gives support to all the programs of which we could be part.

If it does not work, then we are going to have to be here dreaming up programs that are facades, that are trying to cover up the issue of the economic system weakening, which is the basic strength of Americans, their jobs, their capital investments, their improving standard of living. In turn, the budget process has, as its basic motivator, an appropriate relationship of government to the overall economy of America. That is what macroeconomics are about and that is what the priorities are about.

I want to say that I believe the Senators' time is more than well spent. The fact that most of the fights are in conferences and over numbers that many do not understand should not discourage persistence, for if we succeed in balancing government versus the other activities of people in this country with a proper mix, we may very well have found the route to an ever-increasing economy.

It could very well be that government size is out of balance with the economy and that the budget process might find that is the real inhibitor to growth. Maybe 23 percent of GNP for the Federal Government and 38 percent for total government expenditures may just be too much. That may be why the private sector which we pride ourselves in might not be working as well as it could. If that is the case, this process has a better chance of finding that out than anything in which we have been involved, institutionally, I would assume, in many, many decades.

I commend the Senators for their efforts. It is a privilege to join them in their work.

Mr. President, I ask unanimous consent that my prepared statement, including my detailed evaluation of domestic social programs versus military be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SUPPORT FOR CONFERENCE REPORT ON S. CON. RES. 19

It was with a considerable amount of reluctance and misgivings that I signed the Conference Report now before the Senate. I

had voted against the Senate version because I felt it was deficient in several respects, primarily because it projected an FY 78 deficit I found unacceptably high, particularly in comparison with the FY 77 deficit.

You will recall that three floor amendments were adopted which added $7.2 billion in Budget Authority and $0.4 billion in Outlays. You will recall further that I offered an amendment to eliminate those floor increases, an amendment which was defeated. My main arguments at that time was that we had casually increased Budget Authority by a totally unjustified amount without regard to the fact that Budget Authority is the force which drives future spending and fuels government programs, increasing the already too high degree of uncontrolability in the Federal budget.

Now we have before us a conference version of the resolution which has a higher deficit but a smaller number for Budget Authority. While these two factors tend to offset each other, these modifications are not significant enough, in themselves, to cause me to support the Conference Report.

I signed the Conference Report and I will support it today because the nation cannot afford to be again without a congressional budget process. The very foundation of the budget process is a budget resolution, and the conference version before us is a vast improvement over the House's Budget Resolution. In order to preserve the process and prevent adoption of a version closer to the House product, I am, reluctantly, as I said, supporting the Conference Resolution.

In the area of national defense, I am particularly pleased that we rejected the inadequate figures contained in the House's Budget Resolution. It was a difficult conference mainly because the conferees on the House side resisted reasonable defense expenditures. I am pleased that the Senate conferees stuck together and came out of conference with $118.5 billion in Budget Authority and $111.0 billion in outlays for national defense.

There are many undoubtedly who will argue, as House conferees did, that these figures are too high since they represent increases over this year of more than 9 percent in Budget Authority and more than 12 percent in Outlays.

In light of past budget trends it seems entirely proper to me to have increases of this magnitude in this nation's commitment to its national security.

By any measure one chooses to use, military spending has declined when compared to total federal expenditures, or as a portion of the GNP, and as compared to non-defense spending.

Critics of defense spending conventionally forget or overlook the fact that since 1968 defense outlays have gone down from 44% of Federal expenditures to less than 26% in this budget. During that same period payments to individuals and grants have gone up from 32% of Federal outlays to over 53%.

As I said previously, choose any comparison you want during the last two decades and you will confirm this alarming trend. Typical examples are found by comparing national defense with grants to State and local governments. Over the 20 year period ending in 1976, grants to State and local governments increased at the rate of about 14% per year or over 1000% for the period. During that same time, defense spending increased by only 126%. I support Federal assistance to State and local governments and I only point out this trend to demonstrate that people are simply wrong to say that we fund military programs at the expense of domestic assistance.

The 20-year period from 1955 to 1976 saw spending for defense and spending for direct payments to individuals, as a percentage of Federal outlays, almost change places. In 1955, defense spending was 56.5% of Federal outlays while direct payments to individuals was 14.8%. By 1976 defense spending had fallen to 24.4% of Federal outlays while payments to individuals accounted for 46.9% of Federal outlay.

So, it is time we reversed this trend and this Resolution contained an increase in defense spending to 25.7% of projected outlays, up from the 24.1% anticipated for fiscal year 1977.

Finally, Mr. President, the difference between the Senate Resolution and the Conference Resolution for the National Defense Function do not adversely affect the national security aspects of the military function. These reductions represent certain anticipated financial adjustments for unobligated balances, some absorption of inflation in operations and maintenance accounts, a possible realization of savings from increased personnel efficiencies and a lower inflation rate than assumed by the Administration. These downward adjustments will not affect the capability of the defense establishment to procure the weapons, conduct the research and development, and recruit and train the personnel required to maintain the defense posture envisioned in the Senate Resolution. If these adjustments cannot be achieved or these savings cannot be realized in spite of all efforts, we will have the opportunity, through the Second Concurrent Resolution, to reevaluate our numbers and adjust as necessary to reflect those realities.

In closing, Mr. President, I know that none of us is entirely satisfied with the Resolution. There are lots of things I would change were it up to me alone, but, we all must realize that there is no single budget document that would satisfy everyone. I am convinced that, under the circumstances in which we find ourselves in May of 1976, this is an acceptable blueprint for Federal actions in fiscal year 1978. Accordingly, I urge my colleagues to support it. It is certainly better than no blueprint at all.

Mr. MUSKIE. May I say in response to the Senator he has demonstrated a high level of statesmanship in contributing his support in the conference for a budget resolution that he found it necessary to vote against in reporting out of committee and on the floor of the Senate. He has demonstrated his concern for this process. I honor him for it, and I am grateful to him for it.

Mr. DOMENICI. I thank the chairman.

Mr. President, I yield back the remainder of my time.

Mr. MUSKIE. I believe there are no other speakers. I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 12:15 P.M.

Mr. CRANSTON. Mr. President, I move that the Senate stand in recess until 12:15 p.m.

The motion was agreed to, and at 11:17 a.m. the Senate recessed until 12:15 p.m.; whereupon, the Senate reassembled when called to order by the Acting President pro tempore (Mr. ALLEN).

FIRST CONCURRENT BUDGET RESOLUTION, SENATE CONCURRENT RESOLUTION 19—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 19) setting forth the congressional budget for the U.S. Government for the fiscal year 1978.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. Does the Senator ask that the time not be charged to either side?

Mr. SPARKMAN. Yes.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SARBANES). Without objection, it is so ordered.

UNANIMOUS CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are two measures on the Unanimous Consent Calendar that were carried over from yesterday. I ask unanimous consent that the Senate proceed to the consideration of Calendar Order Nos. 99 and 110.

The PRESIDING OFFICER. Without objection, it is so ordered.

NASA AUTHORIZATIONS, 1978

The Senate proceeded to consider the bill (H.R. 4088) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, which had been reported from the Committee on Commerce, Science, and Transportation with an amendment to strike out all after the enacting clause and insert the following:

That there is hereby authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1977:

(a) For "Research and development," for the following programs:

(1) Space Shuttle, $1,354,200,000;

(2) Space flight operations, $265,800,000;

(3) Expendable launch vehicles $136,500,000;

(4) Physics and astronomy, $226,200,000;

(5) Lunar and planetary exploration, $150,200,000;

(6) Life sciences, $33,300,000;

(7) Space applications, $239,800,000;

(8) Aeronautical research and technology, $231,000,000;

(9) Space research and technology, $97,700,000;

(10) Energy technology applications, $4,500,000;

(11) Tracking and data acquisition, $281,700,000;

(12) Technology utilization, $9,100,000.

(b) For "Construction of facilities," including land acquisition, as follows:

(1) Construction of central hydraulic system, Hugh L. Dryden Flight Research Center, $420,000;

(2) Construction of additional technical processing facilities, Goddard Space Flight Center, $3,100,000;

(3) Modifications to various buildings for seismic protection, Jet Propulsion Laboratory, $2,830,000;

(4) Modification of chillers in central heating and cooling plant, Lyndon B. Johnson Space Center, $2,540,000;

(5) Modifications for utility control system, John F. Kennedy Space Center, $2,130,000;

(6) Rehabilitation of main heating plant Langley Research Center, $790,000;

(7) Rehabilitation of unitary plan wind tunnel, Langley Research Center, $980,000;

(8) Modification of central chilled water system, Lewis Research Center, $860,000;

(9) Modifications for utility control system, National Space Technology Laboratories, $620,000;

(10) Large aeronautical facility: construction of national transonic facility, Langley Research Center, $23,500,000;

(11) Large aeronautical facility: modification of 40- by 80-foot subsonic wind tunnel, Ames Research Center, $13,500,000;

(12) Various locations: rehabilitation and modification of 64-meter antenna components, $1,750,000;

(13) Space Shuttle facilities at various locations as follows:

(A) Modifications to launch complex 39, John F. Kennedy Space Center, $40,700,000;

(B) Modifications for solid rocket booster processing facilities, John F. Kennedy Space Center, $1,730,000;

(C) Rehabilitation of barge channels, John F. Kennedy Space Center, $2,090,000;

(D) Modifications for crew training facilities, Lyndon B. Johnson Space Center, $860,000;

(E) Modification of manufacturing and final assembly facilities for external tanks, Michoud Assembly Facility, $18,610,000;

(F) Rehabilitation and modification of Shuttle facilities, at various locations, $1,750,000;

(14) Space Shuttle payload facility: modifications and addition for Shuttle payload vertical processing, John F. Kennedy Space Center, $6,410,000;

(15) Rehabilitation and modification of facilities at various locations, not in excess of $500,000 per project, $18,900,000;

(16) Minor construction of new facilities and additions to existing facilities at various locations, not in excess of $250,000 per project, $5,950,000;

(17) Facility planning and design not otherwise provided for, $11,780,000.

(c) For "Research and program management", $846,989,000, and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

(d) Notwithstanding the provisions of subsection 1(g), appropriations for "Research and development" may be used (1) for any items of a capital nature (other than acquisition of land) which may be required at locations other than installations of the Administration for the performance of research and development contracts, and (2) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities; and title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to insure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" pursuant to this Act may be used in accordance with this subsection for the construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $250,000, unless the Administrator or his designee has notified the Speaker of the House of Representatives and the President of the Senate and the Committee on Science and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate of the nature, location, and estimated cost of such facility.

(e) When so specified and to the extent provided in an appropriation Act (1) any amount appropriated for "Research and development" or for "Construction of facilities" may remain available without fiscal year limitation, and (2) maintenance and operation of facilities, and support services contracts may be entered into under the "Research and program management" appropriation for periods not in excess of 12 months beginning at any time during the fiscal year.

(f) Appropriations made pursuant to subsection 1(c) may be used, but not to exceed $35,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator and his determination shall be final and conclusive upon the accounting officers of the Government.

(g) Of the funds appropriated pursuant to subsections 1(a) and 1(c), not in excess of $25,000 for each project, including collateral equipment, may be used for construction of new facilities and additions to existing facilities, and not in excess of $50,000 for each project, including collateral equipment, may be used for rehabilitation or modification of facilities: *Provided*, That of the funds appropriated pursuant to subsection 1(a), not in excess of $250,000 for each project, including collateral equipment, may be used for any of the foregoing for unforeseen programmatic needs.

(h) The authorization for appropriation to the National Aeronautics and Space Administration of $6,500,000, which amount represents that part of the authorization provided for in section 1(b)(4) of the National Aeronautics and Space Administration Authorization Act, 1976, for which appropriations have not been made, shall expire on the date of the enactment of this Act.

(i) The authorization for appropriation to the National Aeronautics and Space Administration of $6,000,000, which amount represents that part of the authorization provided for in section 1(b)(14)(B) of the National Aeronautics and Space Administration Authorization Act, 1977, for which appropriations have not been made, shall expire on the date of the enactment of this Act.

SEC. 2. Authorization is hereby granted whereby any of the amounts prescribed in paragraphs (1) through (16), inclusive, of subsection 1(b)—

(1) in the discretion of the Administrator or his designee, may be varied upward 10 percent, or

(2) following a report by the Administrator or his designee to the Committee on Science and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate on the circumstances of such action, may be varied upward 25 percent,

to meet unusual cost variations, but the total cost of all work authorized under such paragraphs shall not exceed the total of the amounts specified in such paragraphs.

SEC. 3. Not to exceed one-half of 1 percent of the funds appropriated pursuant to subsection 1(a) hereof may be transferred to the "Construction of facilities" appropriation, and, when so transferred, together with $10,000,000 of the funds appropriated pursuant to subsection 1(b) hereof (other than funds appropriated pursuant to paragraph (17) of such subsection) shall be available for expenditure to construct, expand, or modify laboratories and other installations at any location (including locations specified in subsection 1(b)), if (1) the Administrator determines such action to be necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments, and (2) he determines that deferral of such action until the enactment of the next authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installations unless (A) a period of 30 days has passed after the Administrator or his designee has transmitted to the Speaker of the House of Representatives and to the President of the Senate and to the Committee on Science and Technology of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate a written report containing a full and complete statement concerning (1) the nature of such construction, expansion, or modification, (2) the cost thereof including the cost of any real estate action pertaining thereto, and (3) the reason why such construction, expansion, or modification is necessary in the national interest, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 4. Notwithstanding any other provision of this Act—

(1) no amount appropriated pursuant to this Act may be used for any program deleted by the Congress from requests as originally made to either the House Committee on Science and Technology or the Senate Committee on Commerce, Science, and Transportation,

(2) no amount appropriated pursuant to this Act may be used for any program in excess of the amount actually authorized for that particular program by sections 1(a) and 1(c), and

(3) no amount aporopriated pursuant to this Act may be used for any program which has not been presented to or requested of either such committee,

unless (A) a period of 30 days has passed after the receipt by the Speaker of the House of Representatives and the President of the Senate and each such committee of notice given by the Administrator or his designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 5. It is the sense of the Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

SEC. 6. The National Aeronautics and Space Administration is authorized, when so provided in an appropriation Act, to enter into and to maintain a contract for tracking and data relay satellite services. Such services shall be furnished to the National Aeronautics and Space Administration in accordance with applicable authorization and appropriations Acts. The Government shall incur no costs under such contract prior to the furnishing of such services except that the contract may provide for the payment for contingent liability of the Government which may accrue in the event the Government should decide for its convenience to terminate the contract before the end of the period of the contract. Facilities which may be required in the performance of the contract may be constructed on Government-owned lands if there is included in the contract a provision under which the Government may acquire title to the facilities, under terms and conditions agreed upon in the contract, upon termination of the contract.

The Administrator shall in January of each year report to the Committee on Science and Technology and the Committee on Appropriations of the House of Representatives and the Committee on Commerce, Science, and Transportation and the Committee on Appropriations of the Senate the projected aggregate contingent liability of the Government under termination provisions of any contract authorized in this section through the next fiscal year. The authority of the National Aeronautics and Space Administration to enter into and to maintain the contract authorized hereunder shall remain in effect unless repealed by legislation hereafter enacted by the Congress.

SEC. 7. Paragraph (1) of subsection 1(a) of the National Aeronautics and Space Administration Authorization Act, 1977 (Public Law 94-307), is amended by striking out "$1,288,100,000" and inserting in lieu thereof "$1,383,100,000".

SEC. 8. This Act may be cited as the "National Aeronautics and Space Administration Authorization Act, 1978".

Mr. STEVENSON. Mr. President, the fiscal year 1978 authorization bill for NASA will continue the balanced program of research and development in space and aeronautics that the agency now has under way. NASA had a successful year in 1976, and this bill will provide the support needed to maintain this record in the coming year.

This bill is the first item of NASA legislation to be reported since the Committee on Commerce, Science, and Transportation assumed jurisdiction over the agency. When we opened hearings on the NASA fiscal year 1978 authorization bill, I listed some general principles that would guide the Committee and the Subcommittee on Science, Technology and Space in evaluating the budget request.

We have applied these principles in our consideration of the authorization bill, and I would like to share them with the Senate.

First, there should be a continuing emphasis on programs that directly benefit the public.

Second, the NASA budget should remain fairly level, barring unforeseen exigencies, to avoid rapid increases or layoffs in personnel. Such actions are costly and make it difficult for NASA to plan effectively. New initiatives should be thoroughly evaluated and weighed against the needs of the Nation. Once Congress approves a new project, it should continue to support the work unless the project is mismanaged or its rationale no longer justified.

Third, a proper balance should be maintained between basic research and technology applications. Similarly, there should be an appropriate balance between aeronautics and space in what is now a space-oriented agency.

Fourth, the objective of space science projects should be science and not space spectaculars.

The NASA authorization for fiscal year 1978 recommended by the committee totals $4,038,789,000, which is about 9 percent higher than the fiscal year 1977 authorization. It is $4 million above the amount requested by the administration and $15 million below the total already authorized by the House.

Most of the funds authorized, about $3 billion, are for research and development. They provide for continued work on the Space Shuttle, space flight operations, research in space, applications of space technology here on Earth and aeronautical research.

The recommended authorization for construction of facilities is $161.8 million. It includes $72 million for Space Shuttle facilities and $37 million for two wind tunnels on which work began last year. The facilities request contains $9.6 million to start a new program of capital investment to achieve greater reductions in energy usage. NASA cut its consumption of energy 26 percent over a 3-year period and has the goal of achieving a 50 percent reduction by 1985.

The authorization for research and program management is almost $847 million. About three-quarters of this request is to pay salaries and related costs of NASA employees. It will provide for 23,737 permanent positions, 56 percent of which are scientific, engineering and technical jobs. The fiscal year 1978 budget request calls for 79 fewer personnel than in fiscal year 1977.

As in prior years, much of the funding that we recommend today is for scientific and applications projects with lead-times of 5 or 6 years. For example, funds that Congress authorized in the late 1960's and early 1970's resulted in the success last year of the Viking spacecraft which successfully landed on Mars. The results of this mission, particularly the color photos of the Martian landscape, generated excitement throughout the world and greatly expanded our scientific understanding of this neighbor in the solar system.

The authorization bill for fiscal year 1978 contains funds for several important new programs that will be completed in the early 1980's, including the Space Telescope, the Jupiter Orbiter Probe, the Search and Rescue Satellite System, and a fourth Landsat spacecraft.

NASA first started work on the concept of a large telescope in space in 1969. The bill before us includes $36 million to begin construction of such an instrument, which is scheduled to be placed in orbit in 1983 by the Space Shuttle. The Space Telescope is designed to operate for at least a decade, providing unparalleled opportunities to astronomers. The Space Science Board of the National Academy of Sciences has stated for several years that the Space Telescope has the highest scientific priority of any space program.

The Jupiter Orbiter Probe will be launched in 1981, and it is the next step in our exploration of the universe following the Voyager missions. The mission will consist of a spacecraft that will orbit Jupiter and make long-term observations of the planet and its satellites and a probe that will descend into the atmosphere of the giant planet. The $20.7 million authorized for this mission will also maintain the continuity needed for systematic and economical exploration of the solar system.

The Search and Rescue Satellite System is a joint effort with Canada that will develop special devices to be included in new satellites. These devices will make it much easier to locate distress signals from ships and aircraft. This bill authorizes $5.6 million to begin this work.

The fiscal year 1978 authorization bill includes $28.9 million to begin work on a fourth Landsat spacecraft. This satellite is due to be launched in 1981 and will carry a new instrument, the thematic mapper, on which development began this year. The new Landsat will provide higher resolution and increased data; it should expand greatly the uses of this program.

Nineteen hundred and seventy-six saw the debut of the first Space Shuttle orbiter. The Shuttle will change the way we do busines in space when it becomes operational in the early 1980's. It will give us routine and reliable access to the unique environment of space and open new opportunities for scientific and commercial activities. It will also become the principal launch system for Defense Department operations in space. The fiscal year 1978 authorization bill includes $1,354,200,000 to continue development of the Shuttle—leading to the first flight late in 1979—and to produce a national fleet of five vehicles for space operations in the 1980's.

This bill also continues support for developing more fuel-efficient commercial transports. This program will help save scarce petroleum products, as well as maintain the dominance of U.S. airplane manufacturers in this worldwide market.

NASA attempted 16 launches of spacecraft in 1976, and all of them succeeded. Of the total, two launches carried NASA payloads, two were cooperative projects—one with Canada and the other with West Germany—and the rest were reimbursable. This trend is continuing in 1977. Of the total, two launches carried NASA for paying customers such as other U.S. agencies, foreign governments and private companies.

Launches in 1977 include the two Voyager spacecraft in August. Both will fly past Jupiter and then Saturn, and NASA has the option later of sending one to Uranus for the first encounter with that distant planet. The third Landsat Earth

resources satellite is due to be launched in September. If successful, it will add to the data we have been receiving from the first two Landsats. These spacecraft have given us invaluable information in such areas as crop survey, mineral prospecting, geology and pollution detection and have altered and broadened the way we look at our planet.

The commitee recommends that the authorization for NASA's technology utilization program be increased $1 million to $9.1 million. Our intent is that the additional funds be used to develop expanded, innovative and flexible dissemination techniques and systems while protecting NASA technology advancements. NASA should develop better methods to restrict uncontrolled adoption of its technology by foreign industry and to increase the return to the U.S. Treasury from the public and private entities that benefit most from the agency's efforts.

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the NASA fiscal year 1978 authorization request by major program, the House action, and the committee's recommendation thereon.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1978 NASA AUTHORIZATION

[In millions of dollars]

	NASA request	House action	Apr. 26, 1977 committee markup	Difference from request
Research and development	3,026.000	3,047.500	3,030.000	+4
Space shuttle	1,349.2	1,349.2	1,354.2	+5
Space flight operations	267.8	270.8	265.8	−2
Expendable launch vehicles	136.5	129.5	136.5	0
Physics and astronomy	224.2	229.2	226.2	+2
Lunar and planetary exploration	158.2	161.2	150.2	−8
Life sciences	33.3	33.3	33.3	0
Space applications	233.8	211.9	239.8	+6
Earth resources operational systems	0	26.9	0	0
Aeronautical research and technology	231.0	236.5	231.0	0
Space research and technology	97.7	101.7	97.7	0
Energy technology applications	4.5	9.5	4.5	0
Tracking and data acquisition	281.7	278.7	281.7	0
Technology utilization	8.1	9.1	9.1	+1
Construction of facilities	161.8	158.34	161.8	0
Crew training facility	.860	0	.860	0
Tank facilities, Michoud	18.61	16.01	18.61	0
Research and program management	846.989	847.989	846.989	0
Grand total	4,034.789	4,053.829	4,038.789	+4
Fiscal year 1977 revision space shuttle	0	95.0	95.0	+95

Mr. STEVENSON. Mr. President, more details of this authorization bill are in the committee's report, a copy of which is before each Senator. The Subcommittee on Science, Technology, and Space held 7 days of hearings on this bill and has examined the NASA request in great detail. We believe it is prudent and responsible legislation. I urge the support of each Senator for this bill.

Mr. SCHMITT. Mr. President, I would like to expand only slightly on the remarks made by my colleague from Illinois. I believe that it is important to recognize there is a strong relationship between the so-called pure science of our endeavors in space and the growing number of technological applications we are enjoying today. For this reason I would like to add special emphasis on the value of two new starts in the NASA authorization bill.

The space telescope is a large conventional telescope which will be placed outside the veil of our atmosphere. This fact alone will result in a 250-fold increase in the volume of space accessible to astronomers. The program has also received a commitment of significant financial support from the European Space Administration. In view of the substantial scientific benefit available to us from this project, it was disappointing to review a recent GAO study which may well have been conducted in a professional manner, but which was reported in perforative and somewhat misleading language. It is my hope that thorough attention will be given this matter during the debate which will follow here and in the House.

The Jupiter orbital probe is a second major new start and another opportunity to vastly improve our knowledge and understanding of our planetary neighbors, as well as the process of navigating between them. This program is an increment in learning which is indispensible in the very long run exploration of our solar system. It is an incremental step which will be taken by our generation, or the next generation or the next.

Authorization of funds for NASA energy-related projects is one major disappointment in the package as it now exists. Assigning all energy research and development to ERDA will be most effective only if ERDA recognizes an even greater obligation to evaluate the potential returns from investigations conducted by NASA, as well as a number of other Federal agencies. Much cooperation is needed to take full advantage of the "seed money" concept used to fund new energy technology development within NASA. One project in which this concept was used is the Satellite Solar Power System, which offers considerable promise for increasing the terrestrial use of solar power, far beyond the capabilities of current earthbound systems.

It is important to reaffirm to all Members of the Senate that the elements of this authorization were carefully considered in light of an appropriate set of budget objectives ably prepared by the subcommittee chairman. As a result some projects were cut and others received authorizations somewhat below what was requested, and $15 million below House authorizations. I believe that the resulting bill generally reflects the desired balance between what is affordable in advancing our space program and in continuing the efforts of the distinguished community of scientists, engineers and managers, who have made it work, and what is not justified in terms of other budgetary imperatives. I urge you all to support the bill and to carry that support through the appropriation phase of our legislative responsibility.

Mr. PROXMIRE. I understand that the committee's report makes it clear that NASA is not authorized to design or produce a prototype of an SST and only specific congressional consent would provide such authorization. Is that accurate?

Mr. STEVENSON. Yes.

Mr. PROXMIRE. Based on the letter from the Office of Management and Budget, it also seems clear that this administration has not requested funds for developing plans for an American SST and does not support the development of such plans. Is that the committee's understanding?

Mr. STEVENSON. Yes, that is the committee's understanding.

Mr. PROXMIRE. The language "The administration does not support and has not requested funds for developing plans for an American SST"—this language indicates that OMB does not want NASA conducting an SST resurrection study. Is that also the position of the committee?

Mr. STEVENSON. I must point out that this is a House study requested by the House Science and Technology Committee. The Senate Committee on Commerce, Science and Transportation does not see a need for such a study at this time; we did not request such a study. But, by the same token, I do not see how the Senate can instruct a committee of the House on what information it may or may not request from the executive branch. Surely the Senate would take great offense if the House ever attempted to limit our prerogative in this regard.

Mr. PROXMIRE. Since the House report calls for an SST technology readi-

ness study by September 1977 and the OMB indicates it is opposed to such a study—how is that difference of opinion going to be resolved?

Mr. STEVENSON. In my view, the apparent difference between OMB and the House Committee on Science and Technology will be resolved in the process of apportioning funds by OMB to NASA for fiscal year 1978 activities.

Mr. PROXMIRE. Does the Senator from Illinois believe that questions of this significance—studying whether or not to resurrect an American SST should be authorized by report language instead of formally in the law itself—is this not a roundabout way of letting NASA conduct an SST resurrection study without specific authorization in the law?

Mr. STEVENSON. I must emphasize that the full House expressed itself on the SST issue by adopting a statutory prohibition against the design of an SST by NASA or the building of an SST prototype. The Commerce, Science, and Transportation Committee believed such a prohibition to be superfluous, since neither NASA nor the administration had any plans whatever for the design or production of a commercial SST. We so indicated in our report on H.R. 4088. It is clear that this country will move forward with a commercial SST only when Congress explicitly authorizes such action. Although I personally do not see a need for the study requested by the House committee, I am very reluctant to take the position that one House of Congress should ever attempt to instruct the other House, or the standing committees of the other body, as to the information or reports that may be requested from the executive branch. Moreover, there is no conceivable way that this study, even if it were carried out, could change the existing facts of life relating to congressional and administration opposition to a commercial SST.

Mr. PROXMIRE. Does the Senator agree with OMB that if any such study should be made in the future, "that some agency of the Government other than NASA should be responsible for such a wide ranging analysis of a possible future American SST"?

Mr. STEVENSON. Certainly. NASA is a research and development agency, not a transportation agency. If there was to be a study of the SST in the future, other agencies would take the lead. The Department of Transportation, for example, should examine the role of the SST from the perspective of national transportation policy. The Department of Commerce would play a role in assessing foreign trade implications of an American effort to produce an SST. OMB itself would play a vital role. NASA's role would be limited to that of advising the Government on the technical feasibility of moving forward.

Mr. PROXMIRE. Does the Senator agree with OMB that "the private sector is in the best position to assess the economic viability of an advanced SST and that marketplace and environmental considerations would be extremely important in any discussions concerning Federal support of the development of an advanced SST"?

Mr. STEVENSON. Absolutely.

Mr. PROXMIRE. Mr. Lance indicated that this House study would be produced prior to the normal budget cycle and before the President had an opportunity to review agency budget proposals. Does the Senator from Illinois see any urgency in conducting this kind of study—if it needs to be conducted at all? I might note that Mr. Lance's letter indicates that "the administration does not believe that the development of plans for achieving technology readiness for an American SST is particularly timely or urgent.

Mr. STEVENSON. I personally do not see an urgent need for such a study at this time. But, as I have noted, the fate of the particular study in question will have to be resolved between OMB, NASA, and the House committee.

Mr. PROXMIRE. Will this SST resurrection report be the subject of debate in the conference even though it is not part of the bill itself?

Mr. STEVENSON. I do not plan to inject this matter into the conference since it is not a part of the NASA bill. I wish only to stress the major point of this colloquoy, namely, that no commercial SST is contemplated, either by NASA or by the administration. There is no authority whatever for NASA or the administration to proceed with the design of an SST or the production of a prototype SST. Given these facts, I would not agree with your characterization of the House committee study as an "SST resurrection report." Only Congress, through explicit affirmative action, has the power to resurrect the SST.

Mr. MUSKIE. Mr. President, at this time I would like to comment on the relationship of the pending bill, H.R. 4088, the authorization measure for the National Aeronautics and Space Administration to the first budget resolution for fiscal year 1978.

I know that Senator STEVENSON and other Members interested in this bill will want to know how the measure stands in relation to Congress budget resolution.

H.R. 4088 authorizes $4 billion in budget authority for fiscal year 1978, with total outlays from this authority and from prior year authority estimated to be $3.9 billion. These amounts are almost identical to the amounts noted in the March 15 report to the Budget Committee by the Committee on Commerce, Science, and Transportation.

Of the $3.9 billion in outlays, $1.1 billion is derived from budget authority provided in previous years. The remaining outlays stem from the proposed new budget authority in H.R. 4088.

As I have stated before, the Budget Committee is not a line-item committee. We do not set budget targets for specific programs or for particular agencies. That is the task of the authorizing and appropriations committees.

What we do set is a target for the functional categories of the budget, and, with the assistance of the Congressional Budget Office, we try to keep the Senate informed as to how legislation is affecting and would affect the functional targets of the budget resolution.

Funding for the National Aeronautics and Space Administration falls primarily within function 250, general science, space, and technology. For this function, the budget resolution passed by the Senate on May 4 set targets of $4.9 billion in budget authority and $4.7 billion in outlays.

This budget authority target is equal to the budget authority total in function 250 recommended to the Budget Committee by the authorizing committees in their March 15 reports.

While the outlay target for this function is slightly below the total outlays recommended to the Budget Committee by the authorizing committees in their March 15 reports, I believe that it is reasonable to expect that actual outlays in function 250 in fiscal year 1978 will be consistent with the budget targets.

The Committee on Appropriations, in its March 15 report to the Budget Committee, indicated that function 250 spending in fiscal year 1978 should be $4.9 billion in budget authority and $4.7 billion in outlays, the same amounts as contained in the budget resolution as passed by the Senate. Moreover, the Committee on Appropriations has in the past funded the programs in this function at slightly below the amounts authorized.

With careful review of the appropriations for all programs in this function, I believe the Senate can hold to the function 250 targets in the first budget resolution. Enactment of H.R. 4088 will not hinder us in attempting to achieve that objective. Neither will the National Science Foundation authorization bill which authorizes the second major component of function 250. As passed by the Senate last week, the NSF bill also authorized funds at a level basically consistent with the functional targets of the budget resolution as passed by the Senate.

The third significant component of this function is the Energy Research and Development Administration's programs of basic research. The authorizing legislation for these programs is not far enough along to know what amounts may be set for the function 250 programs. But I think it is worth noting that the ERDA programs in this function are not in policy areas that are likely to increase greatly as a result of the energy crisis.

So I support H.R. 4088, and I look forward to supporting appropriations in function 250 that will comply with the targets of the budget resolution.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-120), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL ADJUSTMENTS TO NASA REQUEST FOR FISCAL YEAR 1978—SUMMARY

Fiscal year 1978	Budget request [1]	House action	Senate committee action
Research and development:			
Space Shuttle	$1,349,200,000	$1,349,200,000	$1,354,200,000
Space flight operations	267,800,000	270,800,000	265,800,000
Expendable launch vehicles	136,500,000	129,500,000	136,500,000
Physics and astronomy	224,200,000	229,200,000	226,200,000
Lunar and planetary exploration	158,200,000	161,200,000	150,200,000
Life sciences	33,300,000	33,300,000	33,300,000
Space applications	233,800,000	211,900,000	239,800,000
Earth resources operational systems	0	26,900,000	0
Aeronautical research and technology	231,000,000	236,500,000	231,000,000
Space research and technology	$97,700,000	$101,700,000	$97,700,000
Energy technology applications	4,500,000	9,500,000	4,500,000
Tracking and data acquisition	281,700,000	278,700,000	281,700,000
Technology utilization	8,100,000	9,100,000	9,100,000
Total	3,026,000,000	3,047,500,000	3,030,000,000
Construction of facilities	161,800,000	158,340,000	161,800,000
Research and program management	846,989,000	847,989,000	846,989,000
Grand total	4,034,789,000	4,053,829,000	4,038,789,000

[1] Includes Carter amendments to original fiscal year 1978 budget request.

PURPOSE OF THE BILL

The purpose of this bill is to authorize appropriations to the National Aeronautics and Space Administration totaling $4,038,789,000 for fiscal year 1978 as follows:

[In dollars]

Fiscal year 1978	Budget request	House action	Senate committee action
Research and development	$3,026,000,000	$3,047,500,000	$3,030,000,000
Construction of facilities	161,800,000	158,340,000	161,800,000
Research and program management	846,989,000	847,989,000	846,989,000

LEGISLATIVE HISTORY

The budget request for fiscal year 1978 for the National Aeronautics and Space Administration was introduced in the House under H.R. 2221 and in the Senate as S. 365. The subsequent amendments of President Carter to the fiscal year 1978 budget request were incorporated in a new authorization bill in the House as H.R. 4088. In view of the minimum changes reflected in the Carter budget amendment, no further legislation was introduced in the Senate.

After holding hearings and marking up H.R. 4088, the House Committee on Science and Technology reported H.R. 4088 with an amendment striking all after the enacting clause and inserting the committee amendment. The bill was passed by the House, after the adoption of two floor amendments, and subsequently referred to this committee.

The committee held hearings on S. 365 during February and March 1977. During its consideration of the bill, the committee determined that amendments were required.

The committee reported out H.R. 4088 with an amendment striking all after the enacting clause and inserting the committee amendment.

SUMMARY

The NASA budget request for fiscal year 1978 was for a total of $4,019,789,000, of which $3,011,000,000 was for "Research and development," $161,800,000 was for "Construction of facilities," and $846,989,000 was for "Research and program management." President Carter subsequently submitted a budget amendment increasing "Research and development" by $15 million to a new total of $3,026,000,000, and the total request to $4,034,789,000. No amendments were made to the other two appropriations categories.

The House approved an authorization total of $4,053,829,000, of which $3,047,500,000 was for "Research and development," $158,340,000 was for "Construction of facilities," and $847,989,000, was for "Research and program management." The House bill is $19,040,000 above the request.

The committee is recommending an authorization of $4,038,789,000, an amount $4 million above the NASA request and $15,040,000 below the amount in the House approved bill. Of the total amount, the committee recommends $3,030,000,000 for "Research and development," which is $4 million above the NASA request, and $17,500,000 below the House approved amount for this appropriations category; recommends $161,800,000 for the "Construction of facilities," which is identical with the NASA request, and $3,460,000 above the House amount; and, recommends $846,989,000 for "Research and program management," which is identical to the NASA request and $1 million below the amount approved by the House.

This authorization recommendation is approximately $343 million above the amount recommended for NASA programs in the prior fiscal year reflecting a slight increase in total program authorization after allowing for the effects of inflation in the intervening period. The NASA authorization, as it has in recent years, represents less than 1 percent of the total of new budget authority recommended in the fiscal year 1978 federal budget.

It was the committee's view in evaluating the NASA budget request for fiscal year 1978 that it was important to sustain a relatively constant level of funding for NASA activities in order to support ongoing programs approved in prior years, and to maintain through NASA a significant share of the national research and technology base—a base that is essential to advancing scientific and technical knowledge, to increasing national productivity, and to being able to respond to current and emerging national needs. Consequently, this bill will support research and development undertakings currently underway and within the constraints of a relatively constant level of expenditure, will support five significant new starts. These new projects are: (1) acquisition of a national fleet of five Space Shuttle orbiters, including the refurbishment of the two orbiters in the develpoment program, to support NASA, Department of Defense, other government agencies, commercial/industrial and international users space launch needs beginning in 1980; (2) initiation of the development of the Shuttle-launched Space Telescope for research in astronomy, the highest priority project of the scientific community; (3) Landsat-D, a third generation Earth resources survey spacecraft to carry an advanced scanning instrument, the thematic mapper, approved for development in fiscal year 1977; (4) initiation of a search and rescue satellite system as a cooperative project with the Government of Canada; and, (5) initiation of a Jupiter orbiter probe mission to continue exploration of the solar system with the launch scheduled for 1981. Each of the foregoing is a multiyear project, yet, as has been indicated, they are so programed that they can be supported, together with other NASA responsibilities, without major budget impacts in subsequent years.

With respect to ongoing activities, the bill provides funding for continued development of the Space Shuttle, the principal element of a reusable space transportation system designed to significantly reduce the cost of space operations and thereby provide a new capability to explore and to utilize space in support of national needs. Testimony presented to the committee states that this program is on schedule and within costs. This bill supports within the Aeronautical Research and Technology line item which underwrites NASA's statutory responsibility to conduct aeronautical research, the second funding increment of a fuel efficient aircraft technology development program designed to provide the technology, by 1985, to decrease the fuel consumption of commercial jet transports by 50 percent. This research initiative has the objective of assuring the continued competitiveness of U.S.-built aircraft in the world marketplace. In addition to these more significant undertakings identified, the bill will provide funds for many other projects such as the completion of Mariner Jupiter/Saturn, Pioneer Venus, Tiros N, and Seasat, for essential supporting activities such as launch and tracking and data acquisition services, and for a multiplicity of research and technology development tasks in space and aeronautics designed to advance the state-of-the-art, to carry out approved initiatives, and to maintain a balanced program that will provide the Nation with a base for undertaking new initiatives that it may desire to accomplish in the future.

The "Construction of facilities" authorization recommendation, about $40 million above the previous fiscal year, is influenced by the need for Shuttle facilities, particularly launch related facilities at the Kennedy Space Center and external tank manufacturing facilities at the Michoud Assembly Facility. The Shuttle facilities program is on schedule and within the cost estimate established in 1972. This bill will also support the second increment of funding for two aeronautical research facilities, namely, construction of the new transonic research facility at the Langley Research Center and the upgrading and expansion of the 40′ x 80′ subsonic wind tunnel at the Ames Research Center. Both of these facilities are an integral part of a joint NASA/DOD large aeronautical research facilities program designed to provide an adequate research capability to maintain the Nation's leadership in aeronautics in the years ahead.

The committee's recommended authorization for the "Research and program management" appropriation reflects an esentially stable budget posture except for the impact of the federal employees annual pay increases. The fiscal year 1978 personnel level of 23,737 to be supported by this bill is 79 positions below that authorized in the previous fiscal year. It does, however, represent a slowing in the very significant annual reductions in the NASA workforce experienced in recent years. With about 75 percent of this appropriations category devoted to salaries and with a very high percentage of the NASA personnel complement reflecting the technical skills forming a significant part of NASA's in-house research and develop-

ment capability, the committee is concerned about further decreases in the onboard NASA strength. The NASA roles and mission study, a comprehensive review of the several NASA field installations undertaken in 1975 to clarify and redefine functional assignments with the objective of increasing organizational efficiency and effectiveness, is in its second year of implementation and will be continued during fiscal year 1978. Against this background it is the committee's view that the "Research and program management" budget is tightly constrained and, therefore, should be supported at the request level.

The committee considered several language amendments as discussed in the report under "Legislative Changes". The most significant amendment, included as section 7 of the bill, amends the amount authorized for the Space Shuttle in the fiscal year 1977 NASA Authorization Act (Public Law 94-307), increasing the program amount by $95 million from $1,288,100,000 to $1,383,100,000. This action authorizes the funds included in the "Economic Stimulus Appropriations Act, 1977", H.R. 4876, and would advance to fiscal year 1977 the start of production on the national fleet of five orbiters thereby permitting the most efficient transition from design, development, test and evaluation activities to production through the retention of Shuttle skilled personnel now on subsequent rehiring which otherwise would be required.

The Subcommittee on Science, Technology, and Space held hearings on this bill on February 25, March 1, 3, 7, 9, 17, and 18, 1977. During the course of the hearings, the subcommittee received testimony from NASA, the Department of Defense, and the Energy Research and Development Administration, and from the scientific community and witnesses representing the general public. Also, statements for the record were received from other agencies conducting space and space-related programs and having significant interfaces with NASA in its research development activities. These are the Department of Agriculture, the U.S. Geological Survey of the Department of the Interior, the National Oceanic and Atmospheric Administration of the Department of Commerce, and the National Science Foundation.

The Subcommittee on Science, Technology, and Space met on April 5, 1977, to mark up the bill and prepare its recommendations to the full committee. The Committee on Commerce, Science, and Transportation met on April 26, 1977, and ordered the bill reported.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

DEFENSE PRODUCTION ACT EXTENSION AMENDMENT OF 1977

The Senate proceeded to consider the bill (S. 853) to extend the Defense Production Act of 1950, as amended.

Mr. PROXMIRE. Mr. President, the measure under consideration today, S. 853—the Defense Production Act Extension Amendments of 1977—is a brief bill which extends the programs and titles of the Defense Production Act for 2 more years—until September 30, 1979. It was first enacted in the opening months of the Korean war to improve the Nation's industrial and economic capacity to respond to conditions of war. Since that time, the Defense Production Act has become the primary vehicle for preparing our industrial mobilization base.

The titles of the act provide the authority for a number of on-going and standby programs designed to maintain the national defense industrial production base in peacetime, prepare mobilization programs, provide a pool of trained manpower for war production management, provide uniform cost accounting standards for negotiated national defense contracts, examine national policy with regard to material supplies and shortages, and for the establishment of the Joint Committee on Defense Production.

Among the ongoing programs are the defense priorities system, the defense materials system, the machine tool trigger order program, the borowing authority established for the expansion of productive capacity and supply, the Defense Production Act inventory, the national defense executive reserve, and the authority to grant immunity from antitrust action for voluntary agreements requested by the President.

This extension bill is noncontroversial. It has been requested by the administration, and by prior arrangement with the administration, the extension of the act has been made separate from any substantive amendments to the act, so as to speed up the renewal of the basic legislation. This had been the practice in the past but was departed from in 1974 and again in 1975, with the result that a succession of joint resolutions were necessary to accomplish short-term extensions while the details of substantive amendments were worked out.

This bill also extends the Joint Committee on Defense Production for 2 more years. The House members of the committee adopted the view that no benefits were to be gained by transferring the oversight duties to another committee. It was felt that such a transfer of functions would weaken congressional oversight of the defense production program, result in duplicated effort and, at most, amount to changing titles without lessening the workload. Therefore, they sought the extension of the Joint Committee on Defense Production. The House Committee on Banking, Finance, and Urban Affairs, in adopting H.R. 4962, voted 33 to 0 to extend the Defense Production Act and the Joint Committee on Defense Production. On May 2, the House adopted the committee's position by a vote of 385 to 8. Given the adamant position of the House, the Senate Banking Committee felt it would be futile to report legislation transfering the functions of the joint committee as provided for in Senate Resolution 4. Therefore, the Senate Banking Committee in recommending the extension of the Joint Committee on Defense Production feels it has discharged all obligations with respect to Senate Resolution 4.

The Senate Banking Committee unanimously reported this simple extension bill.

Mr. President, I urge favorable consideration of S. 853, which would assure continuance of this important act.

Mr. BAKER. Mr. President, I ask unanimous consent that the distinguished junior Senator from Massachusetts may have his statement on this matter printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR BROOKE

I should like to add a few comments to those of my distinguished Chairman, the Senator from Wisconsin.

The purpose of S. 853 is a simple but essential one. This bill, the Defense Production Act Amendment of 1977, would extend for two additional years the titles of the Defense Production Act of 1950, as amended. It is simple because the enactment of S. 853 would add no additional or different costs to those now being incurred in administering the Defense Production Act, which are $5 million by Congressional Budget Office estimates. It is essential because this act is the sole statutory authority for those programs whose aim is to maintain and ccordinate our vital national defense industrial base in peacetime.

Without this act, there would be no authority at the Federal level to provide a trained manpower pool for the management of war production, prepare mobilization plans, provide for uniform cost accounting standards for national defense contracts, or analyze national policy with regard to material supplies and shortages.

Passage of this bill will go a long way toward insuring that our Nation's industrial base will be kept in a state of readiness for rapid mobilization in the event of war. A particularly important provision of this bill, in this time of chronic raw material and energy shortages, is the authority it grants the President to require expedited performance on qualifying national defense or domestic energy contracts, including the authority to allocate scarce and critical materials to insure a high state of preparedness and an orderly mobilization of industrial and material resources in the event of national defense emergencies. Furthermore, the act assures the availability of raw materials essential for defense production through mandatory set-asides. The list of essential materials presently includes steel, copper, nickel, and aluminum, but this list could be extended to cover other essential minerals or commodities as the need arises.

This act also extends for two years the life of the committee with statutory oversight for the Defense Production Act, the Joint Committee on Defense Production. My colleagues and I on the Banking Committee were well aware of the admonition of S. Res. 4 to consider the merger of the Joint Committee on Defense Production into either the Joint Economic Committee or the Banking Committee itself. These alternatives were considered and rejected because it is our opinion that such a merger would not be practical and would result in the loss of the valuable services now being performed by the Joint Committee on Defense Production. During the 94th Congress, the Joint Committee on Defense Production held a number of important hearings on the subjects of conflict of interest and civil defense preparedness. The Joint Committee not only studied and analyzed these problems, but it made a series of positive recommendations and drafted legislation which has been introduced in the present Congress. Last week the Joint Committee released the first of three parts of its year-long study of Federal emergency preparedness measures, which revealed a disarray and confusion in these programs which is truly alarming.

We feel that these vital subjects would most probably be on the bottom of the priority list of either of the larger committees, and no useful purpose would be served other than organizational neatness. Our col-

leagues in the House concure in this assessment as evidenced by their 33–0 vote for the Defense Production Act in the Banking Committee and 385–8 vote on the House floor. In view of this position, and in view of the importance of the Joint Committee on Defense Production itself, our Committee saw no point in reporting legislation which would merge the Joint Committee into any larger committee.

I support the extension of the Defense Production Act and urge my colleagues to support S. 853.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–131), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

COMMITTEE DELIBERATIONS

On March 2, 1977, Senator Proxmire introduced S. 853, which was referred to the Committee on Banking, Housing, and Urban Affairs. At a meeting held on May 4, 1977, the committee determined that the extension of the Defense Production Act of 1950 for 2 more years is desired by the administration and is not opposed by the Congress. The committee took cognizance of the administration's view that the simple extension of the Defense Production Act should be accomplished separately from consideration of substantive amendments to the act. The bill was therefore reported without amendment.

I. PURPOSE OF THE MEASURE

The purpose of S. 853, the Defense Production Act Extension Amendment of 1977, is to extend for 2 additonal years the titles of the Defense Production Act of 1950, as amended. These titles provide the sole authority for a number of programs designed to maintain the national defense industrial production base in peacetime, prepare mobilization programs, provide a pool of trained manpower for war production management, provide uniform cost accounting standards for negotiated national defense contracts, provide for the examination of national policy with regard to material supplies and shortages and establish the Joint Committee on Defense Production.

II. SYNOPSIS OF THE LEGISLATION

Section 1: Enabling clause.

Section 2: Extends the Defense Production Act for a period of 2 years from its present termination date of September 30, 1977, until September 30, 1979.

At the request of the President, titles I, III, and VII of the Defense Production Act (DPA) have regularly been renewed by the Congress. Title I provides authorization for the Defense Priorities System, the Defense Materials System, and a new energy priorities system, and for the management of these systems. Title III authorizes the President to guarantee loans and take other financial measures necessary to expand productive capacity and supply in the interest of national defense. The general provisions of title VII prohibit discrimination against small business enterprises in achieving the objectives of the DPA, provide for the National Defense Executive Reserve, establish other authorities regarding personnel carrying out programs under the act, and provide for oversight of programs under the act. The permanent provisions of title VII, which are not affected by this extension legislation, are those that authorize the promulgation of uniform accounting standards and permit the President to grant antitrust immunity to industrial firms entering into voluntary agreements for national defense purposes at the request of the President.

Titles II, IV, V, and VI of the DPA have not been renewed since the periods following the end of the Korean War and are not affected by this act. They provided for condemnation authority, price and wage stabilization, the settlement of labor disputes, and control of consumer and real estate credit.

III. THE NEED FOR AND EXPLANATION OF THE LEGISLATION

The Defense Production Act is the sole statutory vehicle for insuring that the Nation's industrial base is kept in a state of readiness in peacetime so that new programs may be initiated and standby programs may be expanded in the event of mobilization. The preparedness functions served by the DPA are evident in the many programs authorized by the act. Title I of the act provides authority for the Defense Priorities System, the Defense Materials System, and the energy equipment production priorities system, through which the President is empowered to require expedited performance on qualifying national defense or domestic energy contracts and to allocate scarce and critical materials to insure a high state of preparedness and an orderly mobilization of industrial and material resources in the event of national defense emergencies.

The act also provides authority to guarantee and make loans, when necessary, so as to have a surplus of productive capacity in special industries where it may be required for national defense purposes.

Most of the programs authorized by the DPA are ongoing rather than standby in nature, in order to facilitate the smooth and rapid transformation of the Nation's economy and industry to a war footing, should the need arise. Therefore, these programs, especially those relating to defense production priorities and to defense materials allocation, have become integral parts of the defense procurement process. By exercising the priorities and materials systems in peacetime, the Government not only enhances its readiness for conversion to wartime production, but gains certain cost and scheduling advantages on its peacetime procurement.

The Defense Priorities System assigns priority ratings to important defense procurement which allows such procurement to receive preferential treatment in terms of access to productive capacity. Slightly over 75 percent of all defense procurement qualifies for DPA priority ratings. Rating is mandatory for all "authorized" programs and the Department of Defense states that virtually all "qualifying" contracts are so rated. Hence, using the fiscal year 1974 defense procurement figure of $40 billion, some $30 billion worth of contracts and orders were assigned priority ratings in that year, thereby avoiding the additional inflationary costs that would have been experienced through production delays in the absence of Defense Production Act priorities.

Likewise, the Defense Materials System assures the availability of basic materials for defense production through mandatory materials setaside, which at this time apply to nickel, steel, copper, and aluminum but which could be extended to cover other materials setasides, which at this time apply to Through this allocation mechanism, the Government avoids the upward pressure on defense costs that would result from the necessity of acquiring materials without mandatory setasides for high-priority programs.

Also significant in consideration of the authorities under the Defense Production Act is the establishment (through the Energy Policy and Conservation Act of 1975) of an energy priorities system under title I. This system is parallel in major respects to the already existing priorities system for national defense production and provides the President authority to require expedited performance of contracts for equipment to maximize domestic energy production and to allocate materials for this purpose, as well. This domestic energy priorities system and the national defense priorities system are, under the terms of the act, required to be administered by a single official of the Government on authority delegated by the President and in such a way as to avoid or minimize competition between national defense and domestic energy claims. This authority has already permitted several instances of potential conflict over productive capacity to be resolved in advance. Officials of the Department of Commerce expect that this authority will be increasingly resorted to as a means of avoiding competition between Government programs for scarce productive capacity in certain durable goods industries, competition that is expected to result from the President's energy program.

At present, the Department of Defense is less concerned with the need for a major mobilization of the economy of the type that occurred during World War II or, to a lesser extent, during the Korean War. Instead, defense officials believe that mobilization needs involve a "surge requirement," that is, the ability to mobilize certain, specific sectors of industry for a limited time to absorb the production requirements of a short but costly (in terms of combat consumables, weapon systems, and other military materiel) war, such as occurred in the Middle East in 1967 and 1973. In such a contingency, the ongoing programs of the Defense Production Act would play a major role in determining the swiftness, character and quality of the U.S. response.

Beyond the evident Department of Defense implications of the aforementioned DPA programs, there are other agencies, such as the Central Intelligence Agency, the Energy Research and Development Administration, and the National Aeronautics and Space Administration, which are entitled under the DPA to employ the national defense priorities ratings for qualifying contracts and orders.

IV. COST ESTIMATE

Enactment of S. 853 would entail no new or different costs from those incurred in administering DPA programs in the past. The Congressional Budget Office estimates the cost of the DPA programs to amount to $5 million in fiscal year 1978. The Congressional Budget Office analysis is contained in the following statement, which addresses the companion bill, H.R. 4962:

CONGRESSIONAL BUDGET OFFICE

Cost estimate

April 1, 1977.

1. Bill No.: H.R. 4962 (S. 853).

2. Description of bill: This bill amends titles I, III, and VII (in part) of the Defense Production Act of 1950 by changing the expiration date from September 30, 1977, to September 30, 1979. These titles authorize the following programs:

(*a*) Industrial defense mobilization activities funded in the Domestic and International Business Administration of the Department of Commerce;

(*b*) Certain emergency preparedness functions funded in the Federal Preparedness Agency;

(*c*) The payment of interest on (1) disbursements incident to the expansion of production capacity and supply of strategic materials, and (2) the current market value of inventory of materials procured under section 303 of the Defense Production Act. This is funded in the account Expenses, Defense Production Act within the General Services Administration;

(*d*) Loan guarantee activities administered by the General Services Administration funded in the account Defense Production Act, Loan Guarantee activities; and

(*e*) Loan guarantee activities of the Department of Defense funded in the account Defense Production guarantees.

3. Budget impact:

Authorization amounts and estimated costs:

	Millions
Budget function 050:	
Fiscal year 1978	$3
Fiscal year 1979	4
Budget function 400:	
Fiscal year 1978	2
Fiscal year 1979	2

4. Basis for estimate: The estimate assumes a continuation of a constant level of activities as estimated for fiscal year 1977, taking account of congressional action on the 1977 budget. The estimate adjusts the budget amounts to include CSO inflation assumptions.

The activities authorized in the act are broad, and in the event of a major increase in the level of defense expenditures the budget impact of this bill could be much larger.

5. Estimate comparison: None.
6. Previous CBO estimate: None.
7. Estimate prepared by: Robert Schafer.
8. Estimate approved by:

C. G. NUCKOLS,
(For James L. Blum,
Assistant Director for Budget Analysis).

V. REGULATORY IMPACT

The Defense Production Act Extension Amendment of 1977 does not have any regulatory impact within the meaning of rule XXIX(5)a of the Rules of the Senate. It merely extends the authority for such regulations as have been issued for the administration of the title I priorities and allocation systems and which have become a part of national defense procurements generally.

VI. EXECUTIVE COMMUNICATIONS

The executive branch transmitted to the Senate Committee on Banking, Housing, and Urban Affairs, the following letter endorsing the extension of the Defense Production Act of 1950, as amended, for an additional 2 years:

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., April 25, 1977.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In response to your April 6, 1977, letter to Leslie W. Bray, Jr., Director, Federal Preparedness Agency, General Services Administration, we wish to assure you of our support of our plan to first achieve early legislation to extend the expiration date of the Defense Production Act of 1950, as amended, and then consider separate legislation to accomplish any needed amendments to the act.

We were pleased to learn of your introduction in the Senate of S. 853, a bill to extend the Defense Production Act of 1950, as amended, and the introduction of similar legislation in the House of Representatives. As you know, GSA favors prompt extension of the act. We are also submitting in separate correspondence our proposed legislation which would extend and amend the act.

Because uninterrupted continuation of the Defense Production Act of 1950, as amended, is essential to the national security, we would have no objection to your plan to extend the act as soon as possible and to consider amendments later. The act is the cornerstone of the present legal structure that supports the Nation's programs for preparedness to meet national emergencies requiring mobilization of industrial and material resources.

We appreciate the opportunity you have afforded us to coordinate plans and to comment on the bill, S. 853, now before your committee.

The views and plans presented in this letter are being expressed in similar letter to Congressman Henry S. Reuss, chairman, Committee on Banking, Finance and Urban Affairs, U.S. House of Representatives.

The Office of Management and Budget has advised that, from the standpoint of the administration's program, there is no objection to the submission of this report to your committee.

Sincerely,

ROBERT T. GRIFFIN,
Acting Administrator.

VII. COMMITTEE RECOMMENDATION

The Committee on Banking, Housing, and Urban Affairs agreed unanimously that S. 853 should be reported favorably to the Senate and enacted.

VIII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In view of the fact that S. 853 merely changes a termination date in the statutes, the committee is of the opinion that the requirements of rule XXIX(4), requiring the altered text of the statute to be reproduced in the committee report, should be dispensed with in order to expedite the business of the Senate.

The bill (S. 853) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Defense Production Act Extension Amendments of 1977".

SEC. 2. The first sentence of section 717(a) of the Defense Production Act of 1950 (64 Stat. 822) is amended by striking out "September 30, 1977" and inserting in lieu thereof "September 30, 1979".

TRANSFER OF MEASURES TO UNANIMOUS CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are a number of measures on the General Orders Calendar which have been cleared for action by unanimous consent. They are Calendar Orders numbered 112, 113, 115, 117, and 118.

Mr. BAKER. Mr. President, these calendar order numbers are cleared on this side, to be passed by unanimous consent. We have no objection.

Mr. ROBERT C. BYRD. Mr. President, I ask the clerk to transfer those five measures to the Unanimous Consent Calendar.

The PRESIDING OFFICER. They will be so transferred.

Mr. ROBERT C. BYRD. Mr. President, I yield the floor.

RECESS FOR 1 MINUTE

Mr. ROBERT C. BYRD. Mr. President, I ask that the Senate stand in recess for 1 minute.

The PRESIDING OFFICER. There being no objection, the Senate, at 12:29 p.m., recessed until 12:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. SARBANES).

LT. GEN. IRA C. EAKER MEDAL

Mr. ROBERT C. BYRD. Mr. President, the clerk has just transferred Calendar Order No. 115 to the Unanimous-Consent Calendar. I ask unanimous consent that the Senate proceed to the consideration of that measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, reserving the right to object, there is no objection. I concur in the request of the distinguished majority leader.

The legislative clerk read as follows:

A bill (S. 425) to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to Lt. Gen. Ira C. Eaker, U.S. Air Force (Retired).

The PRESIDING OFFICER. Is there objection to the present consideration of the bill? There being no objection, the Senate proceeded to consider the bill.

Mr. GOLDWATER addressed the chair.

Mr. ROBERT C. BYRD. Mr. President, I have to say to the distinguished Senator from Arizona that I will have to wait to be sure that this has clearance with the Budget Committee. I think that can be done in a short time. So if I may withdraw my request at this point to consider the matter at the moment, I withdraw the request and will try to check that out with the Budget Committee. Hopefully, we can get that done shortly.

(Later, the following occurred:)

Mr. ROBERT C. BYRD. Mr. President, I now have clearance from the Budget Committee on Order No. 115, and I ask unanimous consent the Senate proceed to its consideration.

There being no objection the Senate proceeded to consider the bill.

Mr. GOLDWATER. Mr. President, I am delighted the Senate is acting today on the bill, S. 425, I introduced to authorize the President of the United States, on behalf of Congress, to present a gold medal to retired Lt. Gen. Ira Eaker in recognition of his distinguished career as an aviation pioneer and Air Force leader.

Now Mr. President, few Americans have contributed more to the development of the U.S. Air Force and to our country than Ira Eaker. This is not just an expression of my personal feelings about this dedicated American, but represents the feelings of many, many others who have spoken and written to me over the years.

Mr. President, anyone who wished to compile a summary of the accomplishments of Ira Eaker would certainly include the following landmarks of his career:

Became a military pilot in 1918.

Was chief pilot in January, 1929, of a Fokker C–2 which flew over 150 hours.

Set an endurance record by using in-flight refueling techniques.

Flew the first blind instrument transcontinental flight in June, 1936.

Served with the RAF in early World War II, studying their air operations to help develop the air arm of the United States.

Commanded the eighth Air Force in World War II, along with Mediterranean Allied Air Forces, both being vital to the allied victory.

Designated by General Arnold to to argue the case for a return to daylight bombing, following allied air losses in 1943. By helping to successfully per-

suade Prime Minister Churchill of this course of action, he helped pave the way to the allied victory.

Following World War II, served as Deputy Commander of the Army Air Forces and Chief of the Air Staff until his retirement as a Lieutenant General in 1947.

Mr. President, there is nothing unusual now about the type of medal I have proposed, although they were not available at the time General Eaker retired. For example, the Senate agreed to a House-passed bill in December of 1975 which provided for the presentation of a similar medal to Brig. Gen. Charles Yeager.

The administration and the Department of the Treasury have submitted a favorable report on the proposal, and I hope my colleagues will approve the special recognition that is due an outstanding American.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the President of the United States is hereby authorized to present, on behalf of the Congress, to Lieutenant General Ira C. Eaker, United States Air Force (retired), a gold medal of appropriate design in recognition of his distinguished career as an aviation pioneer and Air Force leader. For such purpose, the Secretary of the Treasury is authorized and directed to cause to be struck a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary of the Air Force with the approval of the Secretary of the Treasury. There are authorized to be appropriated not to exceed $5,000 to carry out the provisions of this subsection.

(b) The Secretary of the Treasury may cause duplicates in bronze of such medal to be struck and sold at not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses, plus 25 per centum of such cost of manufacture. The appropriation then current and chargeable for the cost of manufacture of such duplicate medals shall be fully reimbursed from the payment required by this section and received by the Secretary: *Provided,* That any money received in excess of the actual cost of manufacture of such duplicate medals shall from time to time be covered into the Treasury. Security satisfactory to the Director of the Mint shall be furnished to fully indemnify the United States for the payment required by this section.

(c) The medals provided for in this section are national medals for the purpose of section 3551 of the Revised Statutes (31 U.S.C. 368).

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider en bloc the votes by which the three bills were passed.

The PRESIDING OFFICER. Without objection, the motion is in order.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FIRST CONCURRENT BUDGET RESOLUTION, SENATE CONCURRENT RESOLUTION 19—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 19) setting forth the congressional budget for the U.S. Government for the fiscal year 1978.

The PRESIDING OFFICER. The hour of 12:30 having arrived, the question now recurs on the motion to recede and concur with the House amendment to Senate Concurrent Resolution 19 with an amendment. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Iowa (Mr. CLARK), the Senator from Iowa (Mr. CULVER), the Senator from New Hampshire (Mr. DURKIN), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from North Carolina (Mr. MORGAN), the Senator from New York (Mr. MOYNIHAN), the Senator from Rhode Island (Mr. PELL), and the Senator from Colorado (Mr. HASKELL) are necessarily absent.

On this vote, the Senator from Minnesota (Mr. HUMPHREY) is paired with the Senator from North Carolina (Mr. MORGAN).

If present and voting, the Senator from Minnesota would vote "yea" and the Senator from North Carolina would vote "nay."

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK), and the Senator from Rhode Island (Mr. PELL) would vote "yea."

Mr. STEVENS. I announce that the Senator from Massachusetts (Mr. BROOKE), the Senator from Michigan (Mr. GRIFFIN), the Senator from Oregon (Mr. HATFIELD), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from New Mexico (Mr. SCHMITT), and the Senator from Texas (Mr. TOWER) are necessarily absent.

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from New Mexico (Mr. SCHMITT). If present and voting, the Senator from Oregon would vote "yea" and the Senator from New Mexico would vote "nay."

I further announce that, if present and voting, the Senator from New York (Mr. JAVITS) would vote "yea."

The result was announced—yeas 54, nays 23, as follows:

[Rollcall Vote No. 142 Leg.]

YEAS—54

Anderson	Danforth	Lugar
Baker	Dole	Magnuson
Bayh	Domenici	Mathias
Bellmon	Eagleton	Matsunaga
Biden	Eastland	McClure
Burdick	Ford	McGovern
Byrd, Robert C.	Glenn	McIntyre
Cannon	Hart	Melcher
Case	Hathaway	Metcalf
Chafee	Heinz	Metzenbaum
Chiles	Huddleston	Muskie
Church	Inouye	Nelson
Cranston	Jackson	Packwood
Randolph	Schweiker	Stevenson
Ribicoff	Sparkman	Stone
Riegle	Stafford	Weicker
Sarbanes	Stennis	Williams
Sasser	Stevens	Young

NAYS—23

Allen	Garn	Nunn
Bartlett	Goldwater	Proxmire
Bentsen	Hansen	Roth
Bumpers	Hatch	Scott
Byrd, Harry F., Jr.	Hayakawa	Talmadge
Curtis	Helms	Thurmond
DeConcini	Johnston	Wallop
	Leahy	Zorinsky

NOT VOTING—23

Abourezk	Hatfield	Morgan
Brooke	Hollings	Moynihan
Clark	Humphrey	Pearson
Culver	Javits	Pell
Durkin	Kennedy	Percy
Gravel	Laxalt	Schmitt
Griffin	Long	Tower
Haskell	McClellan	

So the motion was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MILITARY CONSTRUCTION AUTHORIZATIONS, 1978

Mr. ROBERT C. BYRD. Mr. President, there is another measure on the calendar that, hopefully, the Senate can complete action on today and without too much time running. It is conceivable that it will require a rollcall vote or it may not.

I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 104, S. 1474, the military construction authorization bill.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (S. 1474) to authorize certain construction at military installations, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. HART. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HART. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate will be in order.

The Senator from Colorado is recognized.

Mr. HART. Mr. President, the bill before the Senate, S. 1474, is the fiscal year 1978 military construction authorization bill. This is an annual bill which authorizes funds for new construction for all the military services as well as funds to operate and maintain the inventory of military family housing.

The amended request this year was for $3,576,517,000 in new authority. The Committee on Armed Services recommended adjustments to that request resulting in a reduction of $230 million and has selectively added projects total-

ing nearly $370 million which provides a net increase in the bill of $149 million.

Mr. STENNIS. Mr. President, may we have order? This is an important bill encompassing over $3 billion in authorizations.

The PRESIDING OFFICER. The Senate will be in order. The Members will take their seats.

The Senator from Colorado.

Mr. HART. Mr. President, to explain the net effect of the committee action on the budget "target" for the defense function, some background may be helpful. The fiscal year 1977 supplemental appropriations bill recently passed by Congress contained $122 million for military construction projects "subsequently authorized." The House of Representatives wrote and passed a fiscal year 1977 supplemental military construction authorization. We in the Committee on Armed Services elected not to take up that bill which the Defense witness could not support; instead we took an "across-the-board" look at high-priority, unfunded requirements as a part of our consideration of this fiscal year 1978 bill. By virtue of the fact that they were appropriated in fiscal year 1977 as a supplemental to the other fiscal year 1977 appropriations, that $122 million will be "scored" against the fiscal year 1977 target. Therefore, even though we are recommending an increase of $149 million in authority for fiscal year 1978, corresponding appropriations—assuming appropriations for every authorized item—will increase by no more than $27 million.

The previous administration made a cut in military construction of $1 billion just before sending the request to Congress. Despite a restoration of $310 million by President Carter's budget amendment, the request before the committee was very austere. In addition, the committee was quite aware of the depressed state of the construction industry and felt that military construction projects that could be put under contract quickly could help the industry—just as the public works jobs bill will do—as well as benefit national defense. The Committee on Armed Services established two criteria for these projects: First, the project must be capable of being put under contract early in the fiscal year and, second, that project must be at a "hardcore" installation, that is to say, one not subject to closure or reduction. Using these criteria the services were asked for lists of unfunded projects in three categories—energy conservation, pollution abatement, and operational. From these lists, which the services presented to our committee, projects were selected very carefully to be added to the authorization program. In addition, to these categories the committee added back projects to improve the security of chemical weapons because of the high priority of this requirement. In all, the committee added 250 projects totaling slightly less than $370 million.

I shall highlight very briefly a few major items from the bill:

I have already mentioned the addition of energy conservation projects. We added nearly $100 million in that category. We also have emphasized in our report that we want the Department of Defense to use its technological expertise to pioneer in this field for the Federal Government. For example, the Department of Defense "owns" nearly 400,000 units of family housing. We are strongly urging the Department to consider the wholesale conversion of this housing to solar energy for domestic hot water needs. A major buy in this area would do much to bring down production costs, to stimulate a mass market, and to convince the general public that this is indeed a viable concept.

We have included again this year, section 612, relating to base realinements. Unlike last year when this bill was vetoed because of a similar provision, the Defense Department supports this provision and recognizes the benefits to all concerned to have established guidelines and to involve the public in the decision-making process for base realinements which are always traumatic to the local communities.

Mr. President, I feel that the bill presently before the Senate is a good bill and the Senate should proceed to act on it.

I compliment the ranking minority member, the Senator from South Carolina (Mr. THURMOND), for his contribution to the subcommittee's work, and I feel that with his support and the support of other Senators, this bill should be adopted forthwith.

Mr. THURMOND. Mr. President, I support S. 1474, the 1978 fiscal year military construction authorization bill.

This bill authorizes $3.7 billion in military construction requests for the three military services, defense agencies, and the Reserve forces.

This year's legislation is $145 million above that requested by the administration. As the Senate knows, both the Ford and Carter military construction proposals were considerably below the expected amounts. This resulted because of a deferral of military construction projects within the United States at any installation which might be subject to a cloture decision.

Mr. President, it is my opinion that far too many necessary operational requirements were deleted by the Defense Department before this bill reached Congress. Projects were cut from many installations which could not conceivably be closed if we are to continue to maintain even a marginal defense posture. While I certainly would not support funding for any installation which may be eliminated in the near future, it is my belief that by delaying many programs we are merely driving up the eventual cost.

Fortunately, the subcommittee did take cognizance of this situation and made modest additions, although they were mainly in the energy and pollution areas. These additions were based strictly upon priorities established by the separate services.

A significant feature of this bill is the base realinement provision which is very similar to that enacted in the Senate last year. The difference would be that the current amendment makes this provision permanent law and increases the applicability of the provisions to installations having at least 1,000 civilian personnel whereas the previous guideline was 500 personnel.

Mr. President, I urge favorable action on this legislation by the Senate, as it contains many projects essential to the maintenance of our national defense forces. Spending at overseas facilities has been kept to a bare minimum and allowed in only those cases where our continued deployment there is seen as a long-term proposition.

In conclusion, I would like to commend the able junior Senator from Colorado (Mr. HART), who so capably chaired the hearings and markup for this legislation. He was most ably assisted by Mr. James C. Smith, the professional staff member on armed services who assists the Members in military construction matters.

I also commend the able chairman of the Committee on Armed Services (Mr. STENNIS) for his fine cooperation in this matter.

Mr. MAGNUSON. Mr. President, will the Senator from Colorado yield for a question?

Mr. HART. I yield to the Senator from Washington.

Mr. MAGNUSON. I am looking at page 35 of the report, and am trying to understand just exactly what the committee did in relation to the Trident facilities. It says:

> The committee is authorizing for consideration all of the subelements included in the fiscal year 1978 budget request through the use of unused prior-year authorization, except for the specific reductions shown below:

They add up to a minus $55,000; is that $55,000?

Mr. HART. That is correct.

Mr. MAGNUSON. What confuses the Senator from Washington is that up above it says "in thousands of dollars." I was wondering if we had cut a thousand times that amount. But this is the total amount, $550,000. Is that correct?

Mr. HART. The Senator from Washington is correct. I am afraid that the report in this respect represents a misrepresentation. That figure should be flagged to make it very clear that it is a net reduction of $550,000.

Mr. MAGNUSON. So that would be an authorization of $106,910 million; is that correct?

Mr. HART. The Senator from Washington is correct.

Mr. MAGNUSON. And the only items that they ask for, that the committee did not approve, were these four items that add up to the $550,000; is that correct?

Mr. HART. The Senator from Washington is correct.

Mr. MAGNUSON. I thank the Senator.

The PRESIDING OFFICER (Mr. SASSER). Who yields time?

UP AMENDMENT NO. 204

Mr. THURMOND. Mr. President, I am offering an amendment on behalf of Senator TOWER that would permit the Secretary of the Army to exchange certain land at Fort Bliss, Tex., for lands that are currently being leased to provide maneuvering areas for armored units.

For more than 30 years, Fort Bliss has been using a large tract of land adjacent to its southeastern boundaries under a condemnation lease arrangement. This lease authority has been granted in 5-year increments with leases renewable and negotiable for 1-year periods. It is apparent that Fort Bliss will continue to require this additional maneuver area in the future. Accordingly, it has been proposed that the Secretary of the Army be authorized to gain title to the leased areas by a land exchange with the two private concerns involved.

Senator TOWER's amendment would simply authorize such an exchange, which I understand has been under consideration within the Department of the Army. I am informed that the Army has recommended to other agencies in the executive branch that such an exchange agreement be approved. This arrangement will cost the Army no funds and obviously would be a preferable resolution to this situation than the acquisition of these lands with appropriated funds.

Mr. President, this matter was not brought to the committee's attention until after this bill had been reported. Senator TOWER and I believe that it would serve to alleviate the current difficulties at Fort Bliss in the simplest manner possible. I hope that my colleagues can recognize the need for this provision and that it will be included in the pending legislation at the appropriate place.

I hope that the chairman of the subcommittee will see fit to accept the amendment so that it can be adopted.

The PRESIDING OFFICER. The clerk will first have to report the amendment.

The assistant legislative clerk read as follows:

The Senator from South Carolina (Mr. THURMOND), for Mr. TOWER, proposes an unprinted amendment numbered 204.

The amendment is as follows:

At the appropriate place in Title VI, insert the following:

"Notwithstanding any other provision of law, the Secretary of the Army is authorized to acquire by exchange, under such terms and conditions as he shall deem to be in the public interest, all rights, title and interests in lands, within a sixty thousand one hundred and sixty acre area contiguous to the eastern boundary of maneuver area numbered 1 of the Fort Bliss Military Reservation, El Paso, Texas. As consideration for this exchange, the Secretary of the Army is authorized to convey such land under the jurisdiction of the Department of the Army in El Paso County, Texas, equal in monetary value to the land to be acquired. The exact acreages and legal descriptions of such properties are to be determined by accurate surveys as shall be authorized by the Secretary of the Army."

Mr. HART. Mr. President, the Senator from South Carolina is correct. This is a matter that did not appear before our subcommittee or before the full committee prior to the bill being reported out.

As the Senator from South Carolina indicates, as far as we are able to tell there are no dollar amounts involved in the land exchange. This is an item that, according to my understanding, also will not appear in the House version of the bill, and therefore I believe, on behalf of the committee, that we can accept the amendment and take the issue to conference; and in the meantime have time to study and discuss it and take it up with our House colleagues.

So I would not have any objection to this amendment at this time.

Mr. THURMOND. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT NO. 205

Mr. INOUYE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Hawaii (Mr. INOUYE) offers an unprinted amendment numbered 205:

At Section 201, page 10, line 23, strike the amount of "$4,050,000" and insert in lieu thereof "$5,350,000." and;

At Section 602(2), page 33, lines 3 and 5, strike the amounts of "$426,787,000" and "$452,498,000" respectively, and insert in lieu thereof "$428,087,000" and "$453,798,000", respectively.

Mr. INOUYE. Mr. President, I offer an amendment that would increase the authorized funding for a project that is small in its cost and scope as proposed by the U.S. Navy but large in its significance. The project I speak of is a complete memorial complex or visitor center with adequate shoreside support facilities for the U.S.S. *Arizona* memorial at Pearl Harbor, Hawaii.

On December 7, 1941, Pearl Harbor endured an attack unlike any other in the history of our Nation. On that day, 1,102 officers and enlisted men aboard the battleship U.S.S. *Arizona* lost their lives as the ship succumbed and sunk under that heavy attack. The ship is no longer in active commission, having been stricken from the active list in 1942, but in memory of the brave men who lost their lives on that tragic Sunday morning, the battleship U.S.S. *Arizona* serves as a national cemetery for the dedicated fighting men entombed within.

The U.S.S. *Arizona* memorial, located in Pearl Harbor offshore from Ford Island, was completed and dedicated on May 30, 1962, nearly 12 years after the first introduction of legislation in the U.S. House of Representatives on August 31, 1950, to build an appropriate monument for ceremonies. In 1962, 102,471 persons waited at the boat landing in order to make the trip across the harbor to the U.S.S. *Arizona* memorial. Last year as we celebrated our Bicentennial birthday, the number of persons who chose to visit the national shrine, constructed at the site of the sunken ship in Pearl Harbor, was over a half a million.

Since the U.S.S. *Arizona* memorial was constructed, it has become apparent to many that the existing makeshift shoreside facilities, which were not fully satisfactory even in 1962, are completely inadequate today. According to one estimate, the number of visitors to the memorial is projected to increase to over 1 million by 1982. As more and more visitors from across the country come to Hawaii and visit the U.S.S. *Arizona* memorial, it has become necessary to build new shoreside facilities in order to accommodate the increased visitor flow. The $3.3 million shoreside facilities project the Navy has proposed for inclusion in the fiscal year 1978 military construction budget will complete the *Arizona* memorial complex envisioned over 25 years ago but never realized.

The existing shoreside facilities, which consist of a two-boat dock, covered sidewalk, covered waiting area and exhibit area, a souvenir shop, refreshment stand, a small toilet building, information booth, storage room and parking area, are too often overcrowded and cannot properly accommodate the visitors awaiting boat transportation. Visitors usually stand in line for over an hour and for more than 2 hours during the peak tourist season. With the visitor flow expected to double and pass 1 million within the next 5 years, viistors may be waiting as much as 3 or 4 hours standing in line. Furthermore, parking space and the present visitor waiting area are insufficient to permit full use of the shrine by interested visitors. In addition, the covered sidewalk offers no protection from wind-driven rain. If this project is not provided, the visitors to the *Arizona* memorial will have to tolerate the crowded, substandard conditions of the rather pathetic present shoreside facilities while awaiting the boat ride to the U.S.S. *Arizona* memorial. Moreover, they will not be able to see the full story of the *Arizona* and the attack on Pearl Harbor.

The requirement for adequate shoreside facilities has been apparent for the past 10 years. However, past attempts to obtain sufficient and public donations to finance the improvements have been unsuccessful. Since the National Park Service has agreed to manage and operate the *Arizona* memorial when adequate shoreside facilities are built, it would be prudent to act expeditiously now to provide adequate shoreside facilities so that they are in place before the present facilities further deteriorate and continue to detract from the visit to this most historically significant site.

The present concept for the new visitor center for the U.S.S. *Arizona* memorial is to divide the visitor load into various groups viewing exhibits in the lobby and museum, and to provide a movie theater presentation to tell the Pearl Harbor story prior to the actual memorial shrine visit. This will serve to simplify and heighten the experience while actually on board the *Arizona* memorial. The architectural character of the proposed shoreside facilities will be closely related to the architectural character of the *Arizona* memorial so that they will merit the respect due a national shrine.

Without an adequate visitor center with theaters, museums and exhibit areas, which could not be built with the $2 million recommended by the Senate Armed Services Committee, the opportunity to present important historical

background pertaining to this national shrine will be lost. The history of the Pearl Harbor attack and the valiant men who gave up their lives will not be adequately presented nor realistically portrayed without the addition of proper shoreside support facilities to complete the memorial complex for the U.S.S. *Arizona*.

I would not ask Senators to support the estimated outlay of $3.3 million for the construction of shoreside support facilities for the U.S.S. *Arizona* memorial to increase its appeal solely as a tourist attraction. I ask Senators to support a $3.3 million authorization, instead of the incomplete $2 million authorization recommended by the military construction subcommittee and the Senate Armed Services Committee, for this worthwhile project so that the people of our country shall never forget the meaning—the physical and psychological impact and the historic significance—of the attack on Pearl Harbor.

I urge Senators to support my amendment to the military construction authorization bill for fiscal year 1978, for I simply do not see how we can begrudge the extra money to adequately provide for the commemoration of those who gave their lives on one of the darkest days of our history so that we might live on in freedom. I only ask that my colleagues remember the U.S.S. *Arizona*.

Mr. President, I have discussed this amendment with the distinguished Senator from Colorado and the distinguished Senator from South Carolina. The amendment relates to the *Arizona* memorial in Pearl Harbor. If adopted, it will provide for the construction of a visitors' center and shoreside support facilities for this very important U.S.S. *Arizona* memorial.

As Senators will recall, on December 7, 1941, this valiant ship was sunk, together with 1,102 officers and men, and as a result we have a memorial there, a very important one. Throughout the years thousands of Americans have visited that memorial, but we have never had adequate shoreside facilities. People have had to stand out in the rain and wait for boats to come to take them to the memorial. This authorization will provide the necessary funds to build an adequate shoreside facility.

I have been advised by the managers of the bill that they will accept the amendment.

Mr. HART. Mr. Prseident, the Senator from Hawaii appeared before the subcommittee and made a very excellent presentation concerning this item and his support for it. The subcommittee looked into the matter with some deliberation. We examined the project very carefully. It is the only project in the entire bill, which is a bill of $3.5 billion to $4 billion, which was not in the budget request, nor which met the criteria which I mentioned in my opening statement.

The subcommittee agreed, and the full committee supported that agreement, that we would request authorization of $2 million from the Senate for this project. The Senator from Hawaii now requests full funding in the amount of the original request.

It is a request I believe we can accede to and take to conference for discussions with the House.

Therefore, Mr. President, I am prepared, on behalf of the committee, to not object to this amendment.

Mr. THURMOND. Mr. Prseident, this is a meritorious project. The only question is the amount which should be appropriated for construction of the project. The subcommittee appropriated $2 million. The distinguished Senator from Hawaii tells me the Navy says they just cannot do it for that, that it will take $3.3 million. The subcommittee was hoping it could be done for $2 million. Since it cannot be done for that amount, and we are convinced, according to the Navy figures, it will take $3.3 million, I shall not oppose the project and I will support the amendment.

Mr. STENNIS. Mr. President, if the Senator will yield, I am not familiar with the price. I am sure the Senator from South Carolina and the Senator from Hawaii are correct in their statements.

I do want to be on record as supporting this project. I have been there. I am delighted at the prospect of getting what should have been obtained before, to make this an additional shrine where our people can go to honor the dead as well as be inspired.

Mr. INOUYE. I thank the Senator.

Mr. MATSUNAGA. Mr. President, I rise in support of the amendment offered by my distinguished colleague and senior Senator from Hawaii, Mr. INOUYE, to increase the authorization for construction of a shoreside visitor facility for the U.S.S. *Arizona* memorial in Pearl Harbor.

The memorial, built in 1962 over the sunken hulk of the *Arizona*, commemorates the heroism and patriotism of the thousands of men who lost their lives on December 7, 1941 in Pearl Harbor, and as well those who made the ultimate sacrifice for their country in the Pacific theater of the Second World War. As a member of the Pacific War Memorial Commission which was responsible for its unmatchable beauty and uniqueness of construction, I take great pride in the the *Arizona* memorial.

Visitors to Hawaii who wish to pay tribute to our war heroes, many of whom still lie buried within the sunken hull of the battleship *Arizona* must wait at the docks in an open area to board a boat for the short trip out to the memorial. These visitors, who now number over a million a year, gather on the docks where there are no benches, food facilities, or restrooms. In fact, there is no shelter from the rain or the Sun.

Beginning in the 91st Congress and every Congress thereafter, as a Member of the House of Representatives I introduced measures which would have provided a variety of essential shoreside facilities, within a museum and theater complex. Historical exhibits and motion picture films of the actual attack on Pearl Harbor would be shown to enhance the experience of visitors to the memorial. In 1972 such a bill passed the House, but was not acted upon in the Senate.

I am delighted, therefore that the Armed Services Committee under the leadership of the distinguished Senator from Mississippi, has included funds for the project in S. 1474.

Senator INOUYE today offers an amendment to add $1.3 million to the $2 million contained in S. 1474, as reported to the floor. The additional funds would bring the authorization into line with the Navy's estimate that the construction of these facilities would cost $3.3 million. The Navy and the Department of the Interior, as the Departments directly concerned with the construction and operation of these proposed facilities, have expressed a willingness to assume their respective responsibilities as soon as Congress authorizes it and provides the necessary funds, therefore, expect that authorization and appropriation of the funds will lead to swift action in that direction.

I urge my colleagues to support Senator INOUYE's amendment to increase the authorization for the type of shoreside facilities at the *Arizona* memorial that are commensurate with the deep significance which this national shrine holds for all Americans.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HART. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 206

Mr. CRANSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from California (Mr. CRANSTON) proposes an unprinted amendment numbered 206.

Mr. CRANSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in Title VI, General Provisions, insert the following new section:

"Sec. 6. (a) The first section of the Act entitled "An Act authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco", approved October 13, 1949 (63 Stat. 844), is amended by adding "or jointly for public park and recreational uses and other public purposes."

(b) The Secretary of the Army shall issue such written instructions, deeds, or other instruments as may be necessary to bring the conveyance made to the city and county of San Francisco, California, under authority of the Act of October 13, 1949 (63 Stat. 844), into conformity with this section.

Mr. CRANSTON. Mr. President, this amendment relates to the conveyance of former military land to the city and county of San Francisco. In 1949, by act of Congress, 42 acres of Army land south of the San Francisco zoo were trans-

ferred to the city and county of San Francisco for park and recreation purposes. San Francisco has now determined that this property is the best site for its southwest sewage treatment facility, but the restrictions on the deed make legislation necessary. This amendment would amend Public Law 81–354 to permit the use of the property jointly for public park and recreational uses and other public purposes.

The Department of the Army supports the change I am proposing. I ask unanimous consent that the Department's May 12 letter to the Armed Services Committee endorsing the amendment be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
Washington, D.C., May 12, 1977.

Hon. JOHN C. STENNIS,
Chairman, Committee on Armed Services, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Reference is made to your request to the Secretary of Defense for the views of the Department of Defense on S. 700, 95th Congress, a bill "To amend the Act of October 13, 1949, relating to the conveyance of certain land to the city and county of San Francisco, California." The Department of the Army has been assigned responsibility for expressing the views of the Department of Defense on this bill.

The purpose of the bill is to amend the first section of Public Law 354, 81st Congress (63 Stat. 844), by striking out "for public park and recreational purposes," and inserting in lieu thereof "for public purposes,". The bill further provides that the Secretary of the Army shall issue such written instructions, deeds, or other instruments as may be necessary to bring the conveyance made to the city and county of San Francisco, California, under authority of Public Law 354, 81st Congress, into conformity with the amendment made by the first section of the bill.

Pursuant to Public Law 354, 81st Congress, the Secretary of the Army conveyed by quitclaim deed to the city and county of San Francisco, for public park and recreational purposes, forty-two acres of land, more or less, being a portion of the Fort Funston Military Reservation. As provided by section 2a of the Act, the deed reserved to the United States the right to use and occupy the family living quarters located within the 42 acres of land. The deed also provided that should the city and county of San Francisco, without expense to the United States, construct or provide for construction of eight family units of quality and at a location satisfactory to the Army, as a substitute for the reserved quarters, the reservation would have no further force and effect.

Public Law 354 and the deed provided for the city and county of San Francisco to grant to the State of California, for National Guard purposes, the use of 7.69 acres of land for a period of 99 years, reserved existing facilities to the National Guard, and allowed National Guard construction of new facilities on the parcel.

The Act and the deed further provided that, in the event of breach by the grantee of any of the terms, conditions, restrictions, and reservations contained in the deed, or if the property conveyed is used for any purpose other than mentioned in the Act, title to the property, together with all improvements, shall revert to the United States.

The city and county of San Francisco, in order to comply with imposed water pollution standards, proposes to construct a major sewage treatment facilitiy at a site which includes the Fort Funston living quarters and the area on which the California National Guard has an armory, storage and maintenance facilities.

The Department of the Army has a need for continued use of either the living quarters located on the area reserved for that use, or for the eight quarters the city and county of San Francisco would be required to construct as replacement quarters. The California National Guard also has a need for continued use of its armory, storage, and maintenance facilities on the portion of Fort Funston granted for its use.

Section 2 of the bill contains sufficient provision for the Secretary of the Army to protect the interests of the United States and to hold the grantee to all of the remaining provisions of the quitclaim deed granted pursuant to Public Law 354, 81st Congress.

The Department of the Army, on behalf of the Department of Defense, interposes no objection to the enactment of the bill.

The fiscal effects of this legislation are not known to the Department of Defense.

This report has been coordinated within the Department of Defense in accordance with the procedures prescribed by the Secretary of Defense.

The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this report for the consideration of the Committee.

Sincerely,

PAUL W. JOHNSON,
Deputy for Installation and Housing, OASA (I. & L.).

Mr. CRANSTON. Mr. President, I further understand that the amendment is acceptable to the committee and I trust that will be the case with the Senate.

Mr. HART. Mr. President, the committee has examined the request of the Senator from California in amendment form and does understand that the amendment has the acceptance and approval of the administration in the form of the Office of Management and Budget. There is no cost involved. There is no impact on the bill one way or the other. No budget implications exist, as we understand it. Therefore, for the majority of the committee, I am prepared to accept the amendment of the Senator from California.

Mr. THURMOND. Mr. President, in view of the statement by the distinguished Senator from California that the Defense officials and the administration approve this amendment, and since it would appear also that there is no money involved, we have no objection to the adoption of the amendment.

Mr. CRANSTON. Mr. President, I thank the Senator from Colorado and the Senator from South Carolina.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. STENNIS. Mr. President, I believe the Senator from Kansas has a matter he is interested in presenting. Before third reading of the bill, I believe we should hear from him.

Mr. HART. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 1 minute only.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF PATENT TO THE UNITED DAUGHTERS OF THE CONFEDERACY

Mr. ROBERT C. BYRD. Mr. President, S. 810 was reported earlier today from the Committee on the Judiciary. I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill (S. 810) granting an extension of patent to the United Daughters of the Confederacy, which was read the first time by title and the second time at length.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 810) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a certain design patent issued by the United States Patent Office of date November 8, 1898, being patent numbered 29,611, which is the insignia of the United Daughters of the Confederacy, which was renewed and extended for a period of fourteen years by Public Law Numbered 213, Eighty-eighth Congress, approved December 18, 1963, is hereby renewed and extended for an additional period of fourteen years from and after the date of enactment of this Act, with all the rights and privileges pertaining to the same, being generally known as the insignia of the United Daughters of the Confederacy.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I thank the able, distinguished majority leader for such prompt and expeditious action on this measure.

Mr. ROBERT C. BYRD. Mr. President, the Senator is entitled to it.

MILITARY CONSTRUCTION AUTHORIZATIONS, 1978

The Senate continued with the consideration of the bill (S. 1474) to authorize certain construction at military installations, and for other purposes.

UP AMENDMENT NO. 207

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes unprinted amendment No. 207:

On page 4, strike out lines 16 and 17.

Mr. DOLE. Mr. President, I might say at the outset that the Senator from Kansas does not intend to press this amendment. I want to discuss the implication of the amendment with the Senator from Mississippi; then the Senator from Kansas will withdraw the amendment.

It does reflect a problem in the State of Kansas—in Parsons, Kans. On the House side, my distinguished colleague, Representative JOE SKUBITZ, offered an amendment to strike similar language. That amendment was adopted.

There is some concern that if the funds are added, with reference to the Bay St. Louis proposal, that the Parsons Ammunition Depot in Kansas, and also one in Texas, might be relegated to some inferior status, which could mean the phasing out of those plants in the next 2 to 4 years. I have discussed this with the distinguished Senator from Mississippi.

Perhaps we could have a brief exchange on the future of the plant, what impact the expenditure at Bay St. Louis will have on the Parsons plans. What are the Army's requirements for 155 mm ammunition, and what can we expect in the future, particularly for the Parsons plant, when the new structure is completed?

Mr. STENNIS. Mr. President, if the Senator will yield to me, I shall be glad to discuss the facts of this matter with him.

The Army now is in the midst of overcoming what was a very serious situation during the war in Vietnam—costly war, although not one that was as extensive as earlier wars. During the Vietnam war, we actually got into a serious situation, bordering on a very grave shortage of ammunition. There is spelled out in very clear fashion a need for a greater ammunition production capacity, and also for dispersing our production facilities—not putting so many of our eggs in one basket, so to speak. There is also spelled out a need for production of the new modern shells that are far more effective than the old shells were.

This plant in Kansas—I am referring now to the one at Lawrence—I believe is the one the Senator first mentioned.

Mr. DOLE. Parsons, Kans.

Mr. STENNIS. Well, Parsons and Lawrence. I shall discuss them both here and spell out what their future is in the Army expansion plan for their ammunition production facilities. This is the ammunition for the men who carry a rifle and those that fire the small and larger artillery guns.

At Lawrence, the Army has new construction underway that involves, in round numbers, $100 million. That construction is ongoing for the modernization and expansion of that plant. It has been inactive since 1971, but they tell us very definitely that they plan to reactivate the plant on completion of the nitroguanidine plant in the 1979 time frame. The employment there then will be approximately 450 personnel.

The future projects definitely listed in the Army plan for the Lawrence plant for the immediate future are: Igloo magazines, $2.5 million; product assurance line, $8 million; continuous nitrocellulose line, $14.1 million; modernization of multibase propellant line, $36 million; for a total of $50.6 million over the next few years. A total of $50.6 million. They are very definitely planning to go ahead with this new construction. I expect them to seek authorization, not this year, but in the next few year, and I expect the Army to ask for appropriations.

Looking further at Kansas, we have Parsons, Kans. Present employment as of July 1975, was 1,059. In May 1977, it is down some, down to 764. They have a plan for the future expansion of that plant, $36.5 million worth of construction. I will put the details of that in the RECORD later by unanimous consent.

If all these capacities are added up, together with the additional capacity proposed in this bill to which the Senator has referred, they will still have a capacity of barely half—barely half—of what their maximum needs should be should we get in a war.

I mention that just to show the pattern. We must have more capacity in hand, subject to rapid mobilization, more than we would need or use in peacetime.

There is another part of the problem of any expansion and extension program. We did get caught largely without mobilization capacity—we had cut it down too thin before we got into this war in Vietnam.

As far as I am concerned, I expect to support this modernization effort as long as the need is shown and I think that would be the attitude of the committee. Those of us who were on the committee during the war know what a close call we had.

Mr. DOLE. I thank the distinguished Senator from Mississippi.

It seems to those of us who live in Kansas, and also the distinguished Senator from Texas (Mr. TOWER), and I assume the other Senator from Texas (Mr. BENTSEN), as well as my colleague from Kansas (Mr. PEARSON), that we have a concern. We are not quarreling with what may be done in Bay St. Louis, but we are trying to protect what we believe are outstanding installations in our State where we are producing 155 millimeter M483 ICM rounds.

It seems to us that we want the assurance we think we have had now from the distinguished Senator from Mississippi that this will in no way threaten the future operation of these plants, because there is a shortage, as the Senator said, of production capacity.

Mr. STENNIS. Mr. President, may we have quiet, this is an important matter?

The PRESIDING OFFICER. The Senate will be in order.

Mr. DOLE. As the Senator said, we should not put all our eggs in one basket.

The House report that was issued in this particular area had the following language:

> The committee believes that a more orderly program would result from upgrading old facilities or constructing new facilities near old facilities being phased out rather than constructing new facilities where no experienced personnel are available.

That was in reference to the Bay St. Louis plant. But I can understand the need for greater production of 155 millimeter M483 ICM rounds.

I take it from the distinguished Senator's remarks that he shares that view, that we are not in any way curtailing the operation of the Kansas Army ammunition plant in Parsons, nor in any way interfering with the one in Texas, the Lone Star plant.

Mr. STENNIS. I certainly do not think it interferes at all, especially when we give consideration to the overall plan. Even having this new capacity, we will have just barely half enough capacity.

Even if we put all of the proposed production of this new weapon, this improved 155 millimeter shell, and this should be emphasized greatly, take all this new production and build it in one place, as the Army has proposed at Bay St. Louis, we would not have enough capacity to manufacture half of the contemplated need.

Mr. DOLE. Is it safe to assume then, based on our exchange, that there is a long-term role, possibly an expanded role, for the plant I discussed in Parsons, Kans., and also the one in Texas?

Mr. STENNIS. I think so, and all the evidence I have points that out and proves it. I know nothing to the contrary.

Mr. DOLE. And the Senator understands our interest?

Mr. STENNIS. Yes. I always understand the interests of the Senator from Kansas.

Mr. DOLE. We want progress. We want to make certain we have what we may need down the road as far as the munitions are concerned. But we want to protect what little we have in the State of Kansas in this area. That is why we are asking for some assurance.

Mr. STENNIS. I think the Senator is constructive in what he is doing now. As best as I can, I assure him of what is in the Army's plan. I think their program will be adopted, because Congress takes this matter seriously. The Kansas plant is going to be in good shape.

Mr. DOLE. And this will be a matter in conference?

Mr. STENNIS. Yes. That is correct.

Mr. DOLE. Well, based on the colloquy and the assurances I have had with the distinguished Senator from Mississippi, the Senator from Kansas withdraws the amendment.

Mr. STENNIS. I thank the Senator.

We will go into it in conference and, of course, I will favor it.

I thank the Senator very much.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. MUSKIE. Mr. President, I speak today in support of the military construction authorization bill which the Committee on Armed Services has reported.

First, I extend my congratulations to my friend, the distinguished Senator from Colorado (Mr. HART), for the effort he has devoted to this important legislative measure. He has brought his first military construction bill before the Senate; he is serving the interests of the Senate and the country well in developing this initial piece of legislation.

S. 1474 proposes an authorization level of $3.7 billion in budget authority. Associated with the bill are a few technical financial adjustments whereby the fiscal year 1978 authorization for new appropriations totals $3.5 billion, or approxi-

mately $0.1 billion under the administration's request. Fiscal year 1978 outlays resulting from the bill are slightly above $1.0 billion and less than $30 million over the administration's request.

Mr. President, the Senate has adopted the conference report of the First Budget Resolution for fiscal year 1978. The effect of the military construction authorization, if appropriated at the levels discussed here, would be under the budget request in budget authority, a first step toward achieving the national defense targets accepted by this body in the budget resolution.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1474

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—ARMY

SEC. 101. The Secretary of the Army may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment for the following acquisition and construction:

INSIDE THE UNITED STATES

UNITED STATES ARMY FORCES COMMAND

Fort Bragg, North Carolina, $15,976,000.
Fort Campbell, Kentucky, $553,000.
Fort Carson, Colorado, $2,301,000.
Fort Hood, Texas, $13,142,000.
Fort Lewis, Washington, $985,000.
Fort Meade, Maryland, $3,168,000.
Fort Ord, California, $4,149,000.
Presidio of San Francisco, California, $500,000.
Fort Polk, Louisiana, $48,720,000.
Fort Richardson, Alaska, $1,990,000.
Fort Riley, Kansas, $531,000.
Schofield Barracks, Hawaii, $10,189,000.
Fort Stewart/Hunter Army Air Field Georgia, $10,991,000.
Fort Wainwright, Alaska, $6,985,000.

UNITED STATES ARMY TRAINING AND DOCTRINE COMMAND

Fort Belvoir, Virginia, $5,503,000.
Fort Benjamin Harrison, Indiana, $1,796,000.
Fort Benning, Georgia, $23,099,000.
Fort Bliss, Texas, $1,881,000.
Fort A. P. Hill, Virginia, $423,000.
Fort Jackson, South Carolina, $366,000.
Fort Knox, Kentucky, $15,541,000.
Fort Lee, Virginia, $313,000.
Fort McClellan, Alabama. $1,805,000.
Fort Rucker, Alabama, $1,250,000.
Fort Sill, Oklahoma, $1,100,000.

UNITED STATES ARMY MATERIAL DEVELOPMENT AND READINESS COMMAND

Aberdeen Proving Ground, Maryland, $8,458,000.
Anniston Army Depot, Alabama, $4,828,000.
Badger Army Ammunition Plant, Wisconsin, $688,000.
Corpus Christi Army Depot, Texas, $7,583,000.
Detroit Arsenal, Michigan, $228,000.
Harry Diamond Laboratory, Maryland, $1,305,000.
Holston Army Ammunition Plant, Tennessee, $26,846,000.
Indiana Army Ammunition Plant, Indiana, $1,004,000.
Iowa Army Ammunition Plant, Iowa, $708,000.
Letterkenny Army Depot, Pennsylvania, $310,000.
Lexington Blue-Grass Army Depot, Kentucky, $1,827,000.
Lone Star Army Ammunition Plant, Texas, $816,000.
Picatinny Arsenal, New Jersey, $9,593,000.
Pine Bluff Arsenal, Arkansas, $4,439,000.
Pueblo Army Depot, Colorado, $3,011,000.
Red River Army Depot, Texas, $1,193,000.
Redstone Arsenal, Alabama, $962,000.
Rock Island Arsenal, Illinois, $6,384,000.
Tooele Army Depot, Utah, $17,415,000.
Umatilla Army Depot, Oregon, $2,921,000.
White Sands Missile Range, New Mexico, $866,000.

AMMUNITION FACILITIES

Holston Army Ammunition Plant, Tennessee, $4,616,000.
Indiana Army Ammunition Plant, Indiana, $1,009,000.
Iowa Army Ammunition Plant, Iowa, $11,192,000.
Longhorn Army Ammunition Plant, Texas, $555,000.
Louisiana Army Ammunition Plant, Louisiana, $4,345,000.
Milan Army Ammunition Plant, Tennessee, $10,467,000.
Mississippi Army Ammunition Plant, Mississippi, $181,200,000.
Newport Army Ammunition Plant, Indiana, $822,000.
Radford Army Ammunition Plant Virginia, $203,000.
Riverbank Army Ammunition Plant, California, $584,000.
Sunflower Army Ammunition Plant, Kansas, $2,396,000.
Unspecified Location, $334,710,000.
Volunteer Army Ammunition Plant, Tennessee, $597,000.

UNITED STATES ARMY COMMUNICATIONS COMMAND

Fort Huachuca, Arizona, $1,279,000.

UNITED STATES MILITARY ACADEMY

United States Military Academy, West Point, New York, $3,047,000.

UNITED STATES ARMY HEALTH SERVICES COMMAND

Walter Reed Army Medical Center, District of Columbia, $2,089,000.

MILITARY TRAFFIC MANAGEMENT COMMAND

Bayonne Military Ocean Terminal, New Jersey, $442,000.
Sunny Point Military Ocean Terminal, North Carolina, $631,000.

UNITED STATES ARMY INTELLIGENCE AND SECURITY COMMAND

Vint Hill Farms, Virginia, $960,000.

NUCLEAR WEAPONS SECURITY

Various locations, $7,764,000.

OUTSIDE THE UNITED STATES

UNITED STATES ARMY, JAPAN

Various locations, $3,898,000.

KWAJALEIN MISSILE RANGE

National Missile Range, $2,603,000.

UNITED STATES ARMY INTELLIGENCE AND SECURITY COMMAND

Various locations, $1,331,000.

UNITED STATES ARMY, EUROPE

Germany, Various locations, $167,428,000, including funds for the completion of the medical/dental clinic, Building 504, Pendleton Barracks, Giessen.
Italy, Various locations, $3,770,000.
Various locations: For the United States share of the cost of multilateral programs for the acquisition or construction of military facilities and installations, including international military headquarters, for the collective defense of the North Atlantic Treaty Area, $85,000,000. Within thirty days after the end of each quarter, the Secretary of the Army shall furnish to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives a description of obligations incurred as the United States share of such multilateral programs.

NUCLEAR WEAPONS SECURITY

Various locations, $6,800,000.

EMERGENCY CONSTRUCTION

SEC. 102. The Secretary of the Army may establish or develop Army installations and facilities by proceeding with construction made necessary by changes in Army missions and responsibilities which have been occasioned by (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $10,000,000. The Secretary of the Army, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of constructiton of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire upon the date of enactment of the Military Construction Authorization Act for fiscal year 1979 except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to such date.

TITLE II—NAVY

SEC. 201. The Secretary of the Navy may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment for the following acquisition and construction:

INSIDE THE UNITED STATES

TRIDENT FACILITIES

Various locations, $106,910,000.

MARINE CORPS

Marine Corps Supply Center, Albany, Georgia, $650,000.
Marine Corps Air Station, Beaufort, South Carolina, $1,100,000.
Marine Corps Base, Camp Lejeune, North Carolina, $13,400,000.
Marine Corps Base, Camp Pendleton, California, $1,380,000.
Marine Corps Air Station, Cherry Point, North Carolina, $4,500,000.
Marine Corps Air Station, El Toro, California, $600,000.
Marine Corps Air Station, Kaneohe Bay, Hawaii, $160,000.
Marine Corps Recruit Depot, Parris Island, South Carolina, $750,000.
Marine Corps Recruit Depot, San Diego, California, $1,200,000.
Marine Corps Air Station, Santa Ana, California, $750,000.
Marine Corps Base, Twentynine Palms, California, $11,965,000.

CHIEF OF NAVAL OPERATIONS

Naval Academy, Annapolis, Maryland, $365,000.

Naval Observatory, Flagstaff, Arizona, $80,000.
Commander in Chief Pacific, Headquarters, Pearl Harbor, Hawaii, $4,200,000.
Naval Support Activity, Mare Island, Vallejo, California, $2,900,000.
Naval District Headquarters, Washington, District of Columbia, $1,200,000.

COMMANDER IN CHIEF, ATLANTIC FLEET

Naval Air Station, Brunswick, Maine, $3,750,000.
Naval Air Station, Cecil Field, Florida, $90,000.
Naval Station, Charleston, South Carolina, $180,000.
Fleet Combat Direction Systems Training Center, Dam Neck, Virginia, $400,000.
Naval Amphibious Base, Little Creek, Virginia, $3,600,000.
Naval Station, Mayport, Florida, $1,310,000.
Naval Submarine Base, New London, Connecticut, $470,000.
Flag Administrative Unit Atlantic, Norfolk, Virginia, $90,000.
Fleet Intelligence Center Europe and Atlantic, Norfolk, Virginia, $1,137,000.
Naval Air Station, Norfolk, Virginia, $14,350,000.
Naval Station, Norfolk, Virginia, $4,340,000.
Naval Air Station, Oceana, Virginia, $640,000.

COMMANDER IN CHIEF, PACIFIC FLEET

Naval Station, Adak, Alaska, $11,000,000.
Naval Air Station, Barbers Point, Hawaii, $7,197,000.
Naval Amphibious Base, Coronado, California, $130,000.
Naval Air Station, Miramar, California, $3,830,000.
Naval Air Station, Moffett Field, California, $810,000.
Naval Air Station, North Island, California, $6,000,000.
Commander Oceanographic System, Pacific, Pearl Harbor, Hawaii, $7,400,000.
Naval Station, Pearl Harbor, Hawaii, $4,050,000.
Naval Submarine Base, Pearl Harbor, Hawaii, $2,090,000.
Naval Station, San Diego, California, $8,566,000.
Naval Submarine Support Facility, San Diego, California, $1,670,000.
Naval Air Station, Whidbey Island, Washington, $900,000.

CHIEF OF NAVAL EDUCATION AND TRAINING

Naval Air Station, Kingsville, Texas, $550,00.
Naval Education and Training Center, Newport, Rhode Island, $270,000.
Armed Forces Staff College, Norfolk, Virginia, $160,000.
Naval Training Center, Orlando, Florida, $200,000.
Naval Amphibious School, Coronado, San Diego, California, $3,450,000.
Naval Submarine Training Center, Pearl Harbor, Hawaii, $410,000.
Naval Technical Training Center, Pensacola, Florida, $2,400,000.

BUREAU OF MEDICINE AND SURGERY

Naval Regional Medical Center, Bremerton, Washington, $1,450,000.
Naval Regional Medical Center, Norfolk, Virginia, $600,000.

CHIEF OF NAVAL MATERIAL

Naval Ship Research and Development Center, Annapolis, Maryland, $280,000.
Naval Ship Research and Development Center, Bethesda, Maryland, $200,000.
Puget Sound Naval Shipyard, Bremerton, Washington, $11,600,000.
Polaris Missile Facility Atlantic, Charleston, South Carolina, $18,150,000.
Charleston Naval Shipyard, Charleston, South Carolina, $8,700,000.
Naval Weapons Station, Charleston, South Carolina, $850,000.
Naval Air Rework Facility, Cherry Point, North Carolina, $360,000.
Naval Weapons Center, China Lake, California, $900,000.
Naval Weapons Station, Concord, California, $2,550,000.
Navy Public Works Center, Great Lakes, Illinois, $850,000.
Naval Avionics Facility, Indianapolis, Indiana, $90,000.
Naval Ordnance Station, Indian Head, Maryland, $180,000.
Naval Air Rework Facility, Jacksonville, Florida, $1,200,000.
Naval Torpedo Station, Keypoint, Washington, $3,540,000.
Portsmouth Naval Shipyard, Kittery, Maine, $10,030,000.
Naval Air Station, Lakehurst, New Jersey, $160,000.
Long Beach Naval Shipyard, Long Beach, California, $9,020,000.
Naval Air Rework Facility, Norfolk, Virginia, $390,000.
Naval Supply Center, Norfolk, Virginia, $1,200,000.
Navy Public Works Center, Norfolk, Virginia, $4,150,000.
Naval Air Test Center, Patuxent River, Maryland, $6,089,000.
Naval Supply Center, Pearl Harbor, Hawaii, $17,100,000.
Pearl Harbor Naval Shipyard, Pearl Harbor, Hawaii, $1,060,000.
Navy Public Works Center, Pearl Harbor, Hawaii, $3,000,000.
Navy Public Works Center, Pensacola, Florida, $1,650,000.
Philadelphia Naval Shipyard, Philadelphia, Pennsylvania, $17,500,000.
Pacific Missile Test Center, Point Mugu, California, $1,980,000.
Naval Construction Battalion Center, Port Hueneme, California, $2,510,000.
Norfolk Naval Shipyard, Portsmouth, Virginia, $100,000.
Naval Undersea Center, San Diego, California, $250,000.
Navy Public Works Center, San Francisco, California, $480,000.
Naval Air Propulsion Test Center, Trenton, New Jersey, $240,000.
Mare Island Naval Shipyard, Vallejo, California, $24,100,000.
Naval Research Laboratory, Washington, District of Columbia, $330,000.
Naval Surface Weapons Center, White Oak, Maryland, $280,000.
Naval Weapons Station, Yorktown, Virginia, $5,800,000.

NAVAL TELECOMMUNICATIONS COMMAND

Naval Communications Station, Adak, Alaska, $300,000.

NAVAL SECURITY GROUP COMMAND

Naval Security Group Department, Adak, Alaska, $2,350,000.
Naval Security Group Detachment, Sugar Grove, West Virginia, $900,000.
Naval Security Station, Washington, District of Columbia, $90,000.

NUCLEAR WEAPONS SECURITY

Various locations, $20,658,000.

OUTSIDE THE UNITED STATES

CHIEF OF NAVAL OPERATIONS

Naval Support Facility, Diego Garcia, Indian Ocean, $7,300,000.

COMMANDER IN CHIEF, ATLANTIC FLEET

Naval Facility, Antigua, British West Indies, $180,000
Naval Station, Keflavik, Iceland, $161,000.
Naval Station, Roosevelt Roads, Puerto Rico, $320,000.

COMMANDER IN CHIEF, PACIFIC FLEET

Navy Public Works Center, Guam, Mariana Islands, $2,800,000.
Navy Fleet Activities, Yokosuka, Japan, $1,850,000.

NAVAL FORCES EUROPE

Naval Air Facility, Sigonella, Italy, $4,300,000.

BUREAU OF MEDICINE AND SURGERY

Naval Regional Medical Clinic, Pearl Harbor, Midway Island Detachment, $4,350,000.

NAVAL TELECOMMUNICATIONS COMMAND

Naval Communication Area Master Station, Naples, Italy, $1,700,000.
Naval Communications Unit, Thurso, Scotland, $350,000.

NAVAL SECURITY GROUP COMMAND

Naval Security Group Department, Rota, Spain, $2,400,000.

EMERGENCY CONSTRUCTION

SEC. 202. (a) The Secretary of the Navy may establish or develop Navy installations and facilities by proceeding with construction made necessary by changes in Navy missions and responsibilities which have been occasioned by (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interest of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $20,000,000. The Secretary of the Navy, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire upon the date of enactment of the Military Construction Authorization Act for fiscal year 1979 except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to such date.

(b) The Secretary of the Navy may use the authority contained in subsection (a) to provide the necessary facilities at King's Bay, Georgia, or at such other site as he may determine, to accommodate the submarine squadron currently stationed in Rota, Spain. Funds may not be expended for such purpose until the Secretary of the Navy has completed a site selection study and has publicly announced his final site decision.

(c) Section 202 of Public Law 94-431 is amended by striking out "This authorization will expire upon the date of enactment of the Military Construction Authorization Act for fiscal year 1978" and inserting in lieu thereof "This authorization will expire upon the date of enactment of the Military Construction Authorization Act for fiscal year 1979".

REPLACEMENT OF LEASED FACILITIES, SAN DIEGO

SEC. 203. Notwithstanding any other provision of law, the Secretary of the Navy is authorized (1) to construct at the United States Naval Station, San Diego, California, recreational facilities necessary to replace those facilities located on the Navy Athletic Field, Naval Station, San Diego, which field is held under lease (dated August 9, 1949) from the city of San Diego, and (2) to expend for such construction funds paid to the United States by the San Diego Unified Port District (the current holder of the lessor's interest in the premises on which such Navy Athletic Field is situated) pursuant to an agreement, to be negotiated between the Secretary and the Unified Port District, providing for Navy termination of the lease

and abandonment of its existing facilities on the leasehold in consideration of the Unified Port District paying to the United States the cost of replacement recreational facilities. However, such lease shall not be terminated and the Department of the Navy shall not be required to relinquish use of any part of the leasehold until the new facilities authorized to be constructed herein are available for use, as determined by the Secretary, or his designee.

TRANSFER OF AUTHORIZATION

SEC. 204. The Secretary of the Navy may utilize the $100,000,000 authorization for the National Naval Medical Center, Bethesda, Maryland, contained in section 201 of Public Law 94-107 (89 Stat. 550), for the construction of a south parking structure serving the 500-bed replacement hospital.

TITLE III—AIR FORCE

SEC. 301. The Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, for the following acquisition and construction:

INSIDE THE UNITED STATES

AEROSPACE DEFENSE COMMAND

Kingsley Field, Oregon, $115,000.
Peterson Air Force Base, Colorado, $773,000.
Tyndall Air Force Base, Florida, $690,000.

AIR FORCE LOGISTICS COMMAND

Hill Air Force Base, Utah, $23,020,000.
Kelly Air Force Base, Texas, $9,878,000.
McClellan Air Force Base, California, $4,086,000.
Newark Air Force Station, Ohio, $2,080,000.
Robins Air Force Base, Georgia, $11,884,000.
Tinker Air Force Base, Oklahoma, $12,894,000.
Wright Patterson Air Force Base, Ohio, $7,274,000.

AIR FORCE SYSTEMS COMMAND

Arnold Engineering Development Center, Tennessee, $1,280,000.
Buckley Air National Guard Base, Colorado, $1,895,000.
Edwards Air Force Base, California, $13,532,000.
Eglin Air Force Base, Florida, $16,485,000.
Los Angeles Air Force Station, California, $500,000.
Patrick Air Force Base, Florida, $300,000.
Various locations, $2,826,000.

AIR TRAINING COMMAND

Chanute Air Force Base, Illinois, $8,026,000.
Columbus Air Force Base, Mississippi, $1,183,000.
Keesler Air Force Base, Mississippi, $850,000.
Lackland Air Force Base, Texas, $4,700,000.
Lowry Air Force Base, Colorado, $5,188,000.
Mather Air Force Base, California, $115,000.
Randolph Air Force Base, Texas, $425,000.
Sheppard Air Force Base, Texas, $980,000.
Williams Air Force Base, Arizona, $679,000.

AIR UNIVERSITY

Gunter Air Force Base, Alabama, $248,000.

ALASKAN AIR COMMAND

Eielson Air Force Base, Alaska, $297,000.
Elmdorf Air Force Base, Alaska, $5,042,000.
King Salmon Airport, Alaska, $631,000.
Shemya Air Force Base, Alaska, $3,947,000.

MILITARY AIRLIFT COMMAND

Altus Air Force Base, Oklahoma, $805,000.
Andrews Air Force Base, Maryland, $3,626,000.
Bolling Air Force Base, District of Columbia, $133,000.
Dover Air Force Base, Delaware, $165,000.
Little Rock Air Force Base, Arkansas, $573,000.
McChord Air Force Base, Washington, $6,011,000.
McGuire Air Force Base, New Jersey, $640,000.
Norton Air Force Base, California, $3,636,000.
Pope Air Force Base, North Carolina, $1,669,000.
Travis Air Force Base, California, $9,980,000.

PACIFIC AIR FORCES

Hickam Air Force Base, Hawaii, $2,140,000.

STRATEGIC AIR COMMAND

Barksdale Air Force Base, Louisiana, $2,253,000.
Beale Air Force Base, California, $409,000.
Blytheville Air Force Base, Arkansas, $941,000.
Carswell Air Force Base, Texas, $400,000.
Castle Air Force Base, California, $884,000.
Dyess Air Force Base, Texas, $672,000.
Ellsworth Air Force Base, South Dakota, $376,000.
Griffiss Air Force Base, New York, $645,000.
Grissom Air Force Base, Indiana, $6,300,000.
March Air Force Base, California, $1,387,000.
McConnell Air Force Base, Kansas, $216,000.
Offutt Air Force Base, Nebraska, $1,364,000.
Pease Air Force Base, New Hampshire, $2,314,000.
Plattsburgh Air Force Base, New York, $518,000.
Rickenbacker Air Force Base, Indiana, $815,000.
Vandenberg Air Force Base, California, $2,193,000.

TACTICAL AIR COMMAND

Bergstrom Air Force Base, Texas, $874,000.
Cannon Air Force Base, New Mexico, $937,000.
Davis Monthan Air Force Base, Arizona, $252,000.
England Air Force Base, Louisiana, $585,000.
George Air Force Base, California, $3,073,000.
Holloman Air Force Base, New Mexico, $2,377,000.
Homestead Air Force Base, Florida, $90,000.
Langley Air Force Base, Virginia, $5,202,000.
Luke Air Force Base, Arizona, $9,242,000.
MacDill Air Force Base, Florida, $2,420,000.
Moody Air Force Base, Georgia, $5,555,000.
Mountain Home Air Force Base, Idaho, $195,000.
Myrtle Beach Air Force Base, South Carolina, $718,000.
Nellis Air Force Base, Nevada, $5,180,000.
Seymour-Johnson Air Force Base, North Carolina, $3,816,000.
Shaw Air Force Base, South Carolina, $763,000.

UNITED STATES AIR FORCE ACADEMY

United States Air Force Academy, Colorado, $1,872,000.

NUCLEAR WEAPONS SECURITY

Various locations, $44,298,000.

OUTSIDE THE UNITED STATES

AEROSPACE DEFENSE COMMAND

Sondrestrom Air Base, Greenland, $310,000.
Thule Air Base, Greenland, $350,000.

PACIFIC AIR FORCES

Kadena Air Base, Japan, $2,372,000.
Osan Air Base, Korea, $1,255,000.
Yokota Air Base, Japan, $2,448,000.

STRATEGIC AIR COMMAND

Anderson Air Force Base, Guam, $1,905,000.

UNITED STATES AIR FORCES IN EUROPE

Germany, $16,417,000.
United Kingdom, $11,730,000.
Various locations, $97,905,000.

UNITED STATES AIR FORCE SECURITY SERVICE

Misawa Air Base, Japan, $732,000.

NUCLEAR WEAPONS SECURITY

Various locations, $10,162,000.

SPECIAL FACILITIES

Various locations, $2,356,000.

EMERGENCY CONSTRUCTION

SEC. 302. The Secretary of the Air Force may establish or develop Air Force installations and facilities by proceeding with construction made necessary by changes in Air Force missions and responsibilities which have been occasioned by (1) unforeseen security considerations, (2) new weapons developments, (3) new unforeseen research and development requirements, or (4) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $20,000,000. The Secretary of the Air Force or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire upon the date of enactment of the Military Construction Authorization Act for fiscal year 1979 except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to such date.

TITLE IV—DEFENSE AGENCIES

SEC. 401. The Secretary of Defense may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, for defense agencies for the following acquisition or construction:

INSIDE THE UNITED STATES

NATIONAL SECURITY AGENCY

Fort George G. Meade, Maryland, $650,000.

DEFENSE SYSTEMS MANAGEMENT COLLEGE

Fort Belvoir, Virginia, $1,810,000.

HIGH ENERGY LASER FACILITY

White Sands, New Mexico, $33,449,000.

OUTSIDE THE UNITED STATES

DEFENSE LOGISTICS AGENCY

Defense Property Disposal Office, Ludwigsburg, Germany, $1,650,000.

EMERGENCY CONSTRUCTION

SEC. 402. The Secretary of Defense may establish or develop installations and facilities which he determines to be vital to the security of the United States, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $20,000,000. The Secretary of Defense, or

his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public works undertaken under this section, including real estate actions pertaining thereto.

TITLE V—MILITARY FAMILY HOUSING

AUTHORIZATION TO CONSTRUCT OR ACQUIRE HOUSING

SEC. 501. (a) The Secretary of Defense, or his designee, is authorized to construct or acquire sole interest in existing family housing units in the numbers and at the locations hereinafter named, but no family housing construction shall be commenced at any such locations in the United States until the Secretary shall have consulted with the Secretary of the Department of Housing and Urban Development as to the availability of suitable private housing at such locations. If agreement cannot be reached with respect to the availability of suitable private housing at any location, the Secretary of Defense shall notify the Committees on Armed Services of the Senate and the House of Representatives, in writing, of such difference of opinion, and no contract for construction at such location shall be entered into for a period of thirty days after such notification has been given. This authority shall include the authority to acquire land, and interests in land, by gift, purchase, exchange of Government-owned land, or otherwise.

(b) With respect to the family housing units authorized to be constructed by this section, the Secretary of Defense is authorized to acquire sole interest in privately owned or Department of Housing and Urban Development held family housing units in lieu of constructing all or a portion of the family housing authorized by this section, if he, or his designee, determines such action to be in the best interests of the United States; but any family housing units acquired under authority of this subsection shall not exceed the cost limitations specified in this section for the project nor the limitations on size specified in section 2684 of title 10, United States Code. In no case may family housing units be acquired under this subsection through the exercise of eminent domain authority; and in no case may family housing units other than those authorized by this section be acquired in lieu of construction unless the acquisition of such units is hereafter specifically authorized by law.

(c) Family housing units:

Fort Polk, Louisiana, one hundred units, $3,545,000.

Naval Complex, Adak, Alaska, one hundred units $8,500,000.

Portsmouth Naval Complex, Kittery, Maine, two hundred units, $8,086,000.

Naval Security Group Activity, Winter Harbor, Maine, thirty-two units, $1,450,000.

Naval Complex, Bremerton Washington, five hundred twenty units, $24,602,000.

Defense Attache Office, Quito, Eucador, two units, $105,000.

Defense Attache Office, Wellington, New Zealand two units, $88,000.

(d) Any of the amounts specified in this section may, at the discretion of the Secretary of Defense, or his designee, be increased by 10 per centum, if he determines that such increase (1) is required for the sole purpose of meeting unusual variations in cost, and (2) could not have been reasonably anticipated at the time such estimate was submitted to the Congress. The amounts authorized include the costs of shades, screens, ranges, refrigerators, and all other installed equipment and fixtures, the cost of the family housing unit, design, supervision, inspection, overhead, land acquisition, site preparation and installations of utilities.

IMPROVEMENT OF EXISTING QUARTERS

SEC. 502. The Secretary of Defense, or his designee, is authorized to accomplish alterations, additions, expansions, or extensions, not otherwise authorized by law, to existing public quarters at a cost not to exceed—

(1) for the Department of the Army, $20,891,000, including $223,000 for energy conservation projects;

(2) for the Department of the Navy, $10,353,000, including $3,500,000 for energy conservation projects and

(3) for the Department of the Air Force, $15,022,000, including $485,000 for energy conservation projects.

EXCEPTIONS TO IMPROVEMENT LIMITATION

SEC. 503. The Secretary of Defense, or his designee, within the amounts specified in section 502, is authorized to accomplish repairs and improvements to existing public quarters in amounts in excess of the $15,000 limitation prescribed in section 610(a) of Public Law 90–110, (81 Stat. 279,305), as amended, as follows:

Fort Bliss, Texas, one unit, $50,000.

Marine Corps Development and Education Command, Quantico, Virginia, thirty-three units, $739,880.

LEASED QUARTERS

SEC. 504. (a) The third sentence of section 515 of Public Law 84–161 (69 Stat. 324, 352) is amended to read as follows: "Expenditures for the rental of such housing facilities, including the cost of utilities and maintenance and operation, may not exceed: For the United States (other than Alaska, Hawaii, and Guam) and Puerto Rico, an average of $280 per month for each military department or the amount of $450 per month for any one unit; and for Alaska, Hawaii, and Guam, an average of $350 per month for each military department, or the amount of $450 per month for any one unit."

(b) Section 507(b) of Public Law 93–166 (87 Stat. 661, 676), as amended, is amended by striking out "$405" and "$700" in the first sentence, and inserting in lieu thereof "$435" and "$760", respectively.

MAXIMUM TERM OF FOREIGN LEASES

SEC. 505. Notwithstanding any other provision of law, the Secretary of Defense, or his designee, may acquire by lease, in any foreign country, family housing facilities and real property relating thereto that are needed for military purposes. A lease under this section may be for a period of not more than ten years.

APPROPRIATIONS LIMITATIONS

SEC. 506. There is authorized to be appropriated for use by the Secretary of Defense, or his designee, for military family housing and homeowners assistance as authorized by law for the following purposes:

(1) for construction or acquisition of sole interest in family housing, including demolition, authorized improvements to public quarters, minor construction, relocation of family housing, rental guarantee payments, and planning an amount not to exceed $65,200,000.

(2) for support of military family housing including operating expenses, leasing, maintenance of real property, payments of principal and interest on mortgage debts incurred, payment to the Commodity Credit Corporation, and mortgage insurance premiums authorized under section 222 of the National Housing Act, as amended (12 U.S.C. 1715m), an amount not to exceed $1,451,440,000.

(3) for homeowners assistance under section 1013 of Public Law 89–754 (80 Stat. 1255, 1290), as amended, including acquisition of properties, an amount not to exceed $3,000,000.

TITLE VI—GENERAL PROVISIONS

WAIVER OF RESTRICTIONS

SEC. 601. The Secretary of each military department may proceed to establish or develop installations and facilities under this Act without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), and sections 4774 and 9774 of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

APPROPRIATIONS LIMITATIONS

SEC. 602. There are authorized to be appropriated such sums as may be necessary for the purposes of this Act, but appropriations for public works projects authorized by titles I, II, III, IV, and V, shall not exceed—

(1) For title I: Inside the United States, $843,550,000; outside the United States, $270,830,000; or a total of $1,114,380,000.

(2) For title II: Inside the United States, $418,087,000; outside the United States, $25,711,000; or a total of $453,798,000.

(3) For title III: Inside the United States, $280,347,000; outside the United States, $147,942,000; or a total of $428,289,000.

(4) For title IV: A total of $57,559,000.

(5) For title V: Military Family Housing, $1,519,640,000.

COST VARIATIONS

SEC. 603. (a) Except as provided in subsections (b) and (c), any of the amounts specified in titles I, II, III, and IV of this Act may, at the discretion of the Secretary of the military department or Director of the defense agency concerned, be increased by 5 per centum when inside the United States (other than Hawaii and Alaska), and by 10 per centum when outside the United States or in Hawaii and Alaska, if he determines that such increase (1) is required for the sole purpose of meeting unusual variations in cost, and (2) could not have been reasonably anticipated at the time such estimate was submitted to the Congress.

(b) When the amount named for any construction or acquisition in title I, II, III, or IV of this Act involves only one project at any military installation and the Secretary of the military department or Director of the defense agency concerned determines that the amount authorized must be increased by more than the applicable percentage prescribed in subsection (a), he may proceed with such construction or acquisition if the amount of the increase does not exceed by more than 25 per centum the amount named for such project by the Congress.

(c) When the Secretary of Defense determines that any amount named in title I, II, III, or IV of this Act must be exceeded by more than the percentages permitted in subsections (a) and (b) to accomplish authorized construction or acquisition, the Secretary of the military department or Director of the defense agency concerned may proceed with such construction or acquisition after a written report of the facts relating to the increase of such amount, including a statement of the reasons for such increase, has been submitted to the Committees on Armed Services of the Senate and House of Representatives, and either (1) thirty days have elapsed from date of submission of such report, or (2) both committees have indicated approval of such con-

struction or acquisition. Notwithstanding the provisions in prior military construction authorization Acts, the provisions of this subsection shall apply to such prior Acts.

(d) Notwithstanding the foregoing provisions of this section, the total cost of all construction and acquisition in each such title may not exceed the total amount authorized to be appropriated in that title.

(e) No individual project authorized under title I, II, III, or IV of this Act for any specifically listed military installation for which the current working estimate is $400,000 or more may be placed under contract if—

(1) the approved scope of the project is reduced in excess of 25 per centum; or

(2) the current working estimate, based upon bids received, for the construction of such project exceeds by more than 25 per centum the amount authorized for such project by the Congress, until a written report of the facts relating to the reduced scope or increased cost of such project, including a statement of the reasons for such reduction in scope or increase in cost, has been submitted to the Committees on Armed Services of the Senate and House of Representatives, and either (A) thirty days have elapsed from date of submission of such report, or (B) both committees have indicated approval of such reduction in scope or increase in cost as the case may be.

(f) The Secretary of Defense shall submit an annual report to the Congress identifying each individual project which has been placed under contract in the preceding twelve-month period and with respect to which the then current working estimate of the Department of Defense based upon bids received for such project exceeded the amount authorized by the Congress for that project by more than 25 per centum. The Secretary shall also include in such report each individual project with respect to which the scope was reduced by more than 25 per centum in order to permit contract award within the available authorization for such project. Such report shall include all pertinent cost information for each individual project, including the amount in dollars and percentage by which the current working estimate based on the contract price for the project exceeded the amount authorized for such project by the Congress.

CONSTRUCTION SUPERVISION

SEC. 604. Contracts for construction made by the United States for performance within the United States and its possessions under this Act shall be executed under the jurisdiction and supervision of the Corps of Engineers, Department of the Army; or the Naval Facilities Engineering Command, Department of the Navy; or such other department or Government agency as the Secretaries of the military departments recommend and the Secretary of Defense approves to assure the most efficient, expeditious, and cost-effective accomplishment of the construction herein authorized. The Secretaries of the military departments shall report annually to the President of the Senate and the Speaker of the House of Representatives a breakdown of the dollar value of construction contracts completed by each of the several construction agencies selected together with the design, construction supervision, and overhead fees charged by each of the several agents in the execution of the assigned construction. Further, such contracts (except architect and engineering contracts which, unless specifically authorized by the Congress, shall continue to be awarded in accordance with presently established procedures, customs, and practice) shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with chapter 137 of title 10, United States Code. The Secretaries of the military departments shall report annually to the President of the Senate and the Speaker of the House of Representatives with respect to all contracts awarded on other than a competitive basis to the lowest responsible bidder. Such reports shall also show, in the case of the ten architect-engineering firms which, in terms of total dollars, were awarded the most business; the names of such firms; the total number of separate contracts awarded each such firm; and the total amount paid in the case of each such action under all such contracts awarded such firm.

REPEAL OF PRIOR AUTHORIZATIONS: EXCEPTIONS

SEC. 605. (a) As of October 1, 1978, all authorizations for military public works, including family housing, to be accomplished by the Secretary of a military department in connection with the establishment or development of installations and facilities and all authorizations for appropriations therefor, that are contained in titles I, II, III, IV, and V of the Act of September 30, 1976, Public Law 94-431 (90 Stat. 1349), and all such authorizations contained in Acts approved before September 30, 1976, and not superseded or otherwise modified by later authorizing legislation are repealed except—

(1) authorizations for public works and for appropriations therefor that are set forth in those Acts in the titles that contain the general provisions; and

(2) authorizations for public works projects as to which appropriated funds have been obligated for construction contracts, land acquisition, or payments to the North Atlantic Treaty Organization, in whole or in part, before January 1, 1979, and authorizations for appropriations therefor.

(b) Notwithstanding the repeal provisions of section 605 of the Act of September 30, 1976, Public Law 94-431 (90 Stat. 1349, 1364), authorizations for the following items shall remain in effect until January 1, 1980:

(1) Aeromedical research building in the amount of $9,139,000 at Fort Rucker, Alabama, authorized in title I, section 101 of the Act of October 7, 1975 (89 Stat. 546), as amended.

(2) Pier utilities construction in the amount of $633,000 at Fort Eustis, Virginia, authorized in title I, section 101 of the Act of October 7, 1975 (89 Stat. 546), as amended.

(3) Academic Building construction in the amount of $5,315,000 at Fort Huachuca, Arizona, authorized in title I, section 101 of the Act of October 7, 1975 (89 Stat. 547), as amended.

(4) Solar energy plant construction in the amount of $690,000 at Fort Huachuca, Arizona, authorized in title I, section 101 of the Act of October 7, 1975 (89 Stat. 547), as amended.

(5) Relocate the weapons range from the Culebra Complex in the amount of $12,000,000 for the Atlantic Fleet Weapons Range, Roosevelt Roads, Puerto Rico, authorized in title II, section 204 of the Act of November 29, 1973 (87 Stat. 688), as amended and extended in section 605(b)(II) of the Act of October 7, 1975 (89 Stat. 545), as amended.

(6) Solar observation facilities construction in the amount of $2,011,000 at various locations worldwide, authorized in title III, section 301 of the Act of October 7, 1975 (89 Stat. 555), as amended.

UNIT COST LIMITATIONS

SEC. 606. None of the authority contained in titles I, II, III, and IV of this Act shall be deemed to authorize any building construction projects inside the United States in excess of a unit cost to be determined in proportion to the appropriate area construction cost index, based on the following unit cost limitations where the area construction index is 1.0:

(1) $42 per square foot for permanent barracks; or

(2) $45 per square foot for bachelor officer quarters; unless the Secretary of Defense, or his designee, determines that because of special circumstances, application to such project of the limitations on unit costs contained in this section is impracticable. Notwithstanding the limitations contained in prior Military Construction Authorization Acts on unit costs, the limitations on such costs contained in this section shall apply to all prior authorizations for such construction heretofore repealed and for which construction contracts have not been awarded by the date of enactment of this Act.

INCREASES FOR SOLAR HEATING AND SOLAR COOLING EQUIPMENT

SEC. 607. The Secretary of Defense shall encourage the utilization of solar energy as a source of energy for projects authorized by this Act where utilization of solar energy would be practical and economically feasible. In addition to all other authorized variations of cost limitations or floor area limitations contained in this Act or prior Military Construction Authorization Acts, the Secretary of Defense, or his designee, may permit increases in the cost limitations or floor area limitations by such amounts as may be necessary to equip any projects with solar heating and/or solar cooling equipment.

MINOR CONSTRUCTION PROJECTS

SEC. 608. (a) Section 2674 of title 10, United States Code, is amended to read as follows:

"§ 2674. MINOR CONSTRUCTION PROJECTS

"(a) Under such regulations as the Secretary of Defense may prescribe, the Secretary of a military department or the director of a defense agency may acquire, construct, convert, extend, and install, at military installations and facilities, permanent or temporary public works not otherwise authorized by law including the preparation of sites and the furnishing of appurtenances, utilities, and equipment, but excluding the construction of family quarters.

"(b) This section does not authorize a project costing more than $1,000,000. A project costing more than $500,000 must be approved in advance by the Secretary of Defense, and a project costing more than $300,000 must be approved in advance by the Secretary of a military department or the director of the defense agency concerned.

"(c) The total costs for all projects initiated under authority of this section by any military department or by defense agencies in any fiscal year (except those projects funded from appropriations available for operations and maintenance as provided in subsection (c)) may not exceed the total amount authorized for minor construction projects in the annual military construction authorization Act for such military department or defense agencies, as the case may be, for such fiscal year.

"(d) Not more than $50,000 may be spent under this section during a fiscal year to convert structures to family quarters at any one installation or facility.

"(e) Only funds appropriated to a military department or to the defense agencies for minor construction projects may be used by such department or by such agencies to accomplish minor construction projects, except that the Secretary of a military department or the director of a defense agency may spend, from appropriations available for maintenance and operations, amounts necessary for any project costing not more than $100,000 that is authorized under this section.

"(f) The Secretary of each military department and the Secretary of Defense for the defense agencies shall report in detail annually to the Committees on Armed Services and Appropriations of the Senate and

House of Representatives on the administration of this section. In addition, such committees shall be notified in writing of any such approved project costing more than $300,000 at least thirty days before funds are obligated for such project.

"(g) For the purposes of this section, 'project' means a single undertaking which includes all construction work, land acquisition and items of installed equipment necessary to accomplish a specific purpose and produce (1) a complete and usable facility, or (2) a complete and usable improvement to an existing facility.

"(h) The directors of the defense agencies will execute the construction of minor projects under authority of this section by or through a military department designated by the Secretary of Defense as provided in section 2682 of this title.".

(b) The table of sections at the beginning of chapter 159 of title 10, United States Code, is amended by striking out

"2674. Establishment and development of military facilities and installations costing less than $300,000."

and inserting in lieu thereof

"2674. Minor construction projects.".

(c) The amendments made by this section shall become effective October 1, 1978.

USE OF PROPERTY SALE PROCEEDS FOR NATIONAL GUARD FACILITIES

SEC. 609. (a) The Secretary of Defense, or his designee, is directed to report to the General Services Administration for disposal at fair market value the forty-three acres, more or less, together with any improvements thereon, formerly known as the Air Force San Patricio Fuel Storage Site, San Juan, Puerto Rico. The net proceeds from the sale may be used to construct new facilities for the Puerto Rico National Guard in accordance with Department of Defense criteria.

(b) Section 804 of Public Law 91-142, December 5, 1969, is repealed.

USE OF PROCEEDS FROM TIMBER SALES

SEC. 610. Section 2665(d) of title 10, United States Code, is amended to read as follows:

"(d) Appropriations of the Department of Defense available for operation and maintenance may be reimbursed during the current fiscal year for oil expenses of production of lumber or timber products pursuant to this section from amounts received as proceeds from the sale of any such property.".

REVISION IN NUMBER OF NAVAL DISTRICTS

SEC. 611. (a) Chapter 516 of title 10, United States Code, is repealed.

(b) The table of chapters at the beginning of subtitle C and at the beginning of part I of subtitle C of title 10, United States Code, are each amended by striking out

"516. Naval Districts..... 5221".

BASE REALIGNMENTS

SEC. 612. (a) Notwithstanding any other provision of law, no action may be taken to effect or implement—

(1) the closure of any military installation;

(2) any realignment involving a reduction in the authorized level of civilian personnel at any military installation by more than one thousand civilian personnel or 50 per centum of the level of such personnel authorized at the time that the Secretary of Defense or the Secretary of the military department concerned notifies the Congress that such installation is a candidate for closure or significant realignment; or

(3) any construction, conversion, or rehabilitation at any other military installation (whether or not such installation is a military installation as defined in subsection (b)) which will or may be required as a result of the relocation of civilian personnel to such other installation by reason of any closure or realignment to which this section applies;

unless—

(A) the Secretary of Defense or the Secretary of the military department concerned publicly announces and notifies the Committees on Armed Services of the Senate and the House of Representatives in writing that such military installation is a candidate for closure or significant realignment;

(B) the Secretary of Defense or the Secretary of a military department concerned complies with the requirements of the National Environmental Policy Act of 1969;

(C) the Secretary of Defense or the Secretary of the military department concerned submits to the Committees on Armed Services of the Senate and the House of Representatives his final decision to close or significantly realign such installation and a detailed justification for his decision, together with the estimated fiscal, local economic, budgetary, environmental, strategic, and operational consequences of the proposed closure or realignment; and

(D) a period of at least sixty days expires following the date on which the justification referred to in clause (C) has been submitted to such committees, during which period the Secretary of Defense or the Secretary of the military department concerned may take no irrevocable action to implement the decision.

(b) For purposes of this section—

(1) The term "military installation" means any camp, post, station, base, yard, or other facility under the authority of the Department of Defense—

(A) which is located within any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, or Guam; and

(B) at which not less than one thousand civilian personnel are authorized to be employed.

Such term does not include any facility used primarily for civil works; rivers and harbors projects or flood control projects.

(2) The term "civilian personnel" means direct-hire permanent civilian employees of the Department of Defense.

(3) The term "realignment" includes any action which both reduces and relocates functions and civilian personnel positions but specifically excludes reductions in force resulting from workload adjustments, reduced personnel or funding levels, skill imbalances or other similar causes.

(c) This section shall not apply to any closure or realignment if the President certifies to Congress that such closure or realignment must be implemented for reasons of any military emergency or national security or if such closure or realignment was publicly announced prior to October 1, 1977.

(d) Section 613, Public Law 89-568 is repealed.

LAND CONVEYANCE, CALIFORNIA

SEC. 613. Notwithstanding any other provisions of law, the Secretary of the Navy or his designee, is authorized to convey to the city of Los Angeles, California, subject to such terms and conditions as the Secretary shall deem to be in the public interest, all right, title, and interest of the United States in and to a parcel of land consisting of approximately thirty-five acres with improvements thereon, located in the city of Los Angeles north of and separated by Seaside Avenue from Reeves Field, in exchange for the conveyance by the city of Los Angeles to the United States of the unencumbered fee title to approximately thirty-five acres of land adjacent to the western boundary of the Naval Support Activity, Long Beach, California, to be improved in a manner acceptable to the Secretary, and subject to such other conditions as the Secretary shall deem to be in the public interest. The exact acreages and legal descriptions of both properties are to be determined by accurate surveys as mutually agreed upon by the Secretary and the city of Los Angeles.

LAND CONVEYANCE, COLORADO

SEC. 614. Notwithstanding any other provision of law, the Secretary of the Air Force is authorized to acquire, by exchange with the city of Colorado Springs, Colorado, all rights, title and interest of such city in approximately one hundred sixty seven acres of land lying adjacent to the northerly boundary of Peterson Air Force Base, El Paso County, Colorado. As consideration for this exchange, the Secretary of the Air Force is authorized to convey to the city, land and improvements on Ent Air Force Base, in the city of Colorado Springs, equal in monetary value to the land to be acquired. The exact acreages and legal descriptions of both such properties are to be determined by accurate surveys as mutually agreed upon by the Secretary and the city of Colorado Springs.

AUTHORITY FOR LONG TERM CONTRACT FOR REFUSE-DERIVED FUEL

SEC. 615. Notwithstanding any other provisions of law, the Secretary of a military department, or his designee, is authorized to enter into long-term contracts (not to exceed ten years) for the purchase of fuels derived from waste materials (commonly known as refuse-derived fuel (RDF)). Such contracts may also provide for the collection and disposal of solid waste from Department of Defense installations, and may result in delivery to a Department of Defense installation of RDF which, by weight, exceeds that installation's generation of solid waste. Funds for such contracts shall be provided from annual operations and maintenance appropriations.

USE OF COMMISSARY SURCHARGE FUNDS FOR THE CONSTRUCTION OF COMMISSARIES OVERSEAS

SEC. 616. Section 2685(b) of title 10, United States Code, is amended by striking out "within the United States".

GAS PRICING, BARROW, ALASKA

SEC. 617. The Secretary of the Navy is authorized and directed, with respect to any natural gas supplied by the Department of the Navy to villages and facilities at or near Point Barrow, Alaska, between October 1, 1974, and April 6, 1976, inclusive, to charge such villages and facilities for such gas at a rate equal to the rate charged for natural gas supplied to such villages and facilities by the Department of the Navy (pursuant to section 104(e) of the Naval Petroleum Reserve Production Act of 1976 (90 Stat. 305)) subsequent to April 6, 1976.

LAND CONVEYANCE, EL PASO COUNTY, TEXAS

SEC. 618. Notwithstanding any other provision of law, the Secretary of the Army is authorized to acquire by exchange, under such terms and conditions as he shall deem to be in the public interest, all rights, title and interests in lands, within a sixty thousand one hundred and sixty acre area contiguous to the eastern boundary of maneuver area numbered 1 of the Fort Bliss Military Reservation, El Paso, Texas. As consideration for this exchange, the Secretary of the Army is authorized to convey such land under the jurisdiction of the Department of the Army in El Paso County, Texas, equal in monetary value to the land to be acquired. The exact acreages and legal descriptions of such properties are to be determined by accurate surveys as shall be authorized by the Secretary of the Army.

LAND CONVEYANCE, SAN FRANCISCO, CALIFORNIA

SEC. 619. (a) The first section of the Act entitled "An Act authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco", approved October 13, 1949 (63 Stat. 844), is amended

by adding "or jointly for public park and recreational uses and other public purposes".

(b) The Secretary of the Army shall issue such written instructions, deeds, or other instruments as may be necessary to bring the conveyance made to the city and county of San Francisco, California, under authority of the Act of October 13, 1949 (63 Stat. 844), into conformity with this section.

SHORT TITLE

SEC. 620. Titles I, II, III, IV, V, and VI of this Act may be cited as the "Military Construction Authorization Act, 1978".

TITLE VII—GUARD AND RESERVE FORCES FACILITIES

AUTHORIZATION OF FACILITIES

SEC. 701. Subject to chapter 133 of title 10, United States Code, the Secretary of Defense may establish or develop additional facilities for the Guard and Reserve Forces, including the acquisition of land therefor, but the cost of such facilities shall not exceed—

(1) For the Department of the Army:

(A) Army National Guard of the United States, $44,377,000.

(B) Army Reserve, $41,390,000.

(2) For the Department of the Navy: Naval and Marine Corps Reserves, $19,800,000.

(3) For the Department of the Air Force:

(A) Air National Guard of the United States, $37,300,000.

(B) Air Force Reserve, $10,100,000.

WAIVER OF CERTAIN RESTRICTIONS

SEC. 702. The Secretary of Defense may establish or develop installations and facilities under this title without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), and sections 4774 and 9774 of title 10, United States Code. The authority to place permanent or temporary improvements on lands includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange, of Government-owned land, or otherwise.

SHORT TITLE

SEC. 703. This title may be cited as the "Guard and Reserve Forces Facilities Authorization Act, 1978".

Mr. HART. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. THURMOND. I move to lay that motion on the table.

The PRESIDING OFFICER. The motion to lay on the table was agreed to.

Mr. HART. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 1474.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I warmly thank the Senator from Colorado for the hard work he put in on this bill, which was shared by the Senator from South Carolina. Senator HART has not had a chance to get into a measure of this kind before. He shows a remarkable grasp of these problems, a situation which is usual with him. He worked hard and mastered the subject. We are all indebted to them.

Mr. HART. Mr. President, I thank the distinguished committee chairman for those kind words.

Once again, I thank the Senator from South Carolina for his help and reiterate his earlier observations about the excellent staffwork done on this bill by staff member Jim Smith.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION AUTHORIZATIONS, 1977

Mr. BUMPERS. Mr. President, on behalf of Senator JACKSON, Senator HANSEN, and myself, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 36, a bill to authorize appropriations to the Energy Research and Development Administration.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 36) to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes.

(The amendment of the House is printed in the RECORD of May 2, 1977, beginning at page 13140.)

UP AMENDMENT NO. 208

Mr. BUMPERS. Mr. President, the House amended S. 36 by adding section 309, which would authorize sums for the nuclear nonweapons programs and projects of ERDA as provided in title II and III of the bill, H.R. 13350, as set forth in the conference report, House Report 94–1718.

This amendment raises several questions concerning the scope of the matters which will be incorporated by reference to the conference report.

It is, therefore, the judgment of the Committee on Energy and Natural Resources that the language of section 309 as presently written is unclear and, therefore, to clarify the references to the conference report, I move that the Senate concur in the House amendment with amendments which are now sent to the desk, and I ask unanimous consent that they be considered en bloc. There are two of them.

The PRESIDING OFFICER. Without objection, they will be considered en bloc and the clerk will state the amendments.

The assistant legislative clerk read as follows:

The Senator from Arkansas (Mr. BUMPERS) proposes unprinted amendment No. 208, which consists of two amendments en bloc.

The amendment is as follows:

On page 9, line 8, after "$3,000,000." add "(A–E and long-lead procurement)."

On page 27, strike sec. 309 and insert instead the following:

"In utilizing the funds which have been made available by Public Law 94–355, as amended, the Administrator is hereby directed to observe the limitations of clauses (1) through (8) and clauses (12) through (14) of section 202, sections 203 through 207, and section 208 except subsection (e)(5) of the bill H.R. 13350 (Ninety-fourth Congress) as set forth in the conference report thereon (House Report 94–1718)."

Mr. BUMPERS. Mr. President, as an original sponsor of the portion of the ERDA authorization providing for the establishment of a National Center for Bioenergy Conversion, I am pleased that the Senate Committee on Energy and Natural Resources is offering a clarifying amendment to S. 36 to indicate that the authorization for the biomass conversion facility of $3 million in fiscal year 1977 only represents initial costs for this project.

In marking up the ERDA authorization for 1978, the committee urged ERDA to move forward on the establishment of a National Center for Bioenergy Conversion since initial funding for the project has been included in the 1977 authorization. This authorization only represents a portion of the cost of this facility. Additional appropriations will be necessary to complete the facility and continue its operation. This amendment clarifies this provision.

The energy potential of the biomass resource is vast. The Earth's green plants are estimated to annually store six times the world's technological energy consumption. Obviously all of this cannot be utilized to meet our energy needs, but this is still an enormous resource. Specialty crops are known which are capable of collecting the energy equivalent of 10 barrels of oil per acre each year. One ton of dry plant material or annual waste is the energy equivalent of about 1.3 barrels of oil. A special National Science Foundation seminar held at the University of California in 1974 estimated that there are 800 million recoverable tons of crop residues and animal wastes produced annually. Unused forest materials provide an additional 50 to 180 million tons per year. This means that we have an enormous potential untapped resource in this country.

Since the basic research on this resource has already been done, it is incumbent upon us to develop the technologies to convert this resource into the fuels which we so badly need. The National Center for Bioenergy Conversion will act as the focal point for basic and applied research in biomass energy conversion and related areas. The primary function of the national center shall be the development of economical pilot plants for several different types of bioenergy conversion processes, such as anaerobic digestion, thermochemical—including hydrogeneric, pyrolysis, and other gasification techniques, and combustion—including coal mixtures, municipal waste, and fluidized bed.

Mr. HANSEN. Mr. President, today we are reconsidering S. 36, a bill to authorize appropriations to the Energy Research and Development Administration for fiscal year 1977. We first considered and

passed S. 36 on April 4, 1977, subsequently, the House of Representatives passed S. 36 with a series of amendments. We are acting today to amend the House-passed bill simply in order to clarify the intent of the amended provisions.

This authorization for the Energy Research and Development Administration was considered at great length in the 94th Congress. Both Houses passed authorization bills and a conference was held at the end of the last session. The conference report was accepted in the House of Representatives, but the Senate failed to consider the report during the last hours before adjournment.

S. 36 basically contains the provisions adopted in the conference during the last Congress. A few minor changes in the provisions of the conference report were made by the Senate and the House in consideration of this year's bill. Primarily, however, what we are doing in enacting S. 36 is to insure full statutory authorization for the programs and projects already being funded by appropriations acts and several joint resolutions.

The two changes included in the Senate amendment to the House-passed bill are both technical in nature. The first proposed amendment modifies the language of section 309, regarding the nuclear nonweapons programs and projects of ERDA in fiscal year 1977. The House added section 309 simply to make clear that appropriations for nuclear programs and projects were fully authorized and thereby to avoid any potential legal complications in the conduct of those activities. The amendment of section 309 recommended by the Energy and Natural Resources Committee would clarify the intent of the Congress regarding the authorization of those appropriations. It is our judgment that the House provision could lead to misinterpretation of our intent in any administrative or judicial review. The proposed amendment to section 309 makes clear on its face that the only action we are taking is to authorize the appropriations.

The second proposed amendment will clarify apparent confusion over congressional intent regarding a bioconversion test facility. There has been some question with regard to the nature of the $3 million authorized for this project in this bill, and the resulting use of the currently available appropriated funds for it. This amendment would make clear that the appropriated funding is to be used for purposes of facility design and some procurement, rather than as the total funding for the facility. The committee intends that administration planning for this facility would proceed accordingly and, as a result, the Congress will receive further administration recommendations regarding its full construction.

Mr. BUMPERS. I move that the Senate concur in the House amendment with amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas.

The motion was agreed to.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business without any resolutions coming over under the rule.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there routine morning business?

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 2:27 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its clerks, announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 6655. An act to amend certain Federal laws pertaining to community development, housing, and related programs; and

H.R. 6714. An act to amend the Foreign Assistance Act of 1961 to authorize development assistance programs for fiscal year 1978, to amend the Agricultural Trade Development and Assistance Act of 1954 to make certain changes in the authorities of that act, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. METCALF, from the Committee on Energy and Natural Resources:

With amendments:

H.R. 4390. An act to authorize appropriations for continuation of construction of distribution systems and drains on the San Luis Unit, Central Valley project, California, to mandate the extension and review of the project by the Secretary, and for other purposes (Rept. No. 95–144).

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation:

With an amendment:

S. 891. A bill to amend section 25 of the Deepwater Port Act of 1974 by providing a permanent authorization of appropriations (title amended) (Rept. No. 95–145).

Without amendment:

H.R. 6205. An act to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Atlantic Tunas Convention Act of 1975 (Rept. No. 95–146).

With an amendment:

H.R. 6206. An act to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Commercial Fisheries Research and Development Act of 1964 (Rept. No. 95–147).

By Mr. JACKSON (for Mr. ABOUREZK), from the Committee on Energy and Natural Resources:

With an amendment:

S. 1125. A bill to authorize the establishment of the Eleanor Roosevelt National Historic Site in the State of New York, and for other purposes (Rept. No. 95–148).

By Mr. EAGLETON, from the Committee on Human Resources:

With an amendment:

S. 1170. A bill to strengthen the surplus commodities provision of the Older Americans Act of 1965, and for other purposes (Rept. No. 95–149).

Without amendment:

S. 1321. A bill to extend the deadline for transmittal of U.S. Commission on Civil Rights report on unreasonable discrimination based on age in programs and activities receiving Federal financial assistance, and for other purposes (Rept. No. 95–150).

By Mr. BAYH, from the Committee on the Judiciary:

Without amendment:

S. 1232. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 801 et seq.) to extend for two years the appropriation authorizations for the administration and enforcement of that Act (Rept. No. 95–151).

By Mr. THURMOND, from the Committee on the Judiciary:

Without amendment:

S. 810. A bill granting an extension of patent to the United Daughters of the Confederacy (Rept. No. 95–152).

By Mr. BURDICK (for Mr. CULVER), from the Committee on Environment and Public Works:

Without amendment:

S. 1511. An original bill to amend the Noise Control Act of 1972 to authorize appropriations to carry out the provisions of such act for fiscal year 1978 (Rept. No. 95–153).

By Mr. BURDICK, from the Committee on Environment and Public Works:

Without amendment:

S. 1512. An original bill to amend the Disaster Relief Act to extend authorizations for the Federal disaster assistance program (Rept. No. 95–154).

By Mr. EASTLAND, from the Committee on the Judiciary:

Without amendment:

S. 464. A bill for the relief of Sameek Keshary Ray (Rept. No. 95–155).

S. 556. A bill for the relief of Lee Young Soo (Rept. No. 95–156).

With an amendment:

S. 58. A bill for the relief of Dora Alicia Adan (Rept. No. 95–157).

S. 215. A bill for the relief of Nostratollah Moradi (Rept. No. 95–158).

By Mr. SPARKMAN, from the Committee on Foreign Relations:

With an amendment:

H.R. 5262. An act to provide for increased participation by the United States in the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Asian Development Bank, and the Asian Development Fund, and for other purposes (title amended) (Rept. No. 95–159).

By Mr. INOUYE, from the Committee on Commerce, Science, and Transportation:

With amendments:

S. 1019. A bill to authorize appropriations for the fiscal years 1978 and 1979 for certain maritime programs of the Department of Commerce, and for other purposes (title amendment) (Rept. No. 95–160).

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 6655. An act to amend certain Federal laws pertaining to community development, housing, and related programs; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 6714. An act to amend the Foreign Assistance Act of 1961 to authorize development assistance programs for fiscal year 1978, to amend the Agricultural Trade Development and Assistance Act of 1954 to make certain changes in the authorities of that act, and for other purposes; ordered held at the desk.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. CURTIS:

S. 1504. A bill to permit certain farmowners or lessees to elect not to have made applicable to them certain recently enacted amendments changing the treatment, for social security purposes, of certain farm income; to the Committee on Finance.

By Mr. SPARKMAN (for himself and Mr. ALLEN):

S. 1505. A bill to authorize the Secretary of the Interior to assist in the preservation of the Fort Toulouse National Historic Landmark and Taskigi Indian Mound in the State of Alabama, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. ABOUREZK:

S. 1506. A bill for the relief of Sana Hassan; to the Committee on the Judiciary.

By Mr. BARTLETT:

S. 1507. A bill to provide for the gradual reduction of the U.S. contribution to the United Nations; to the Committee on Appropriations.

By Mr. STENNIS:

S. 1508. A bill to amend the Internal Revenue Code of 1954 to provide an exclusion from gross income of amounts received for the production from certain oil or gas wells; to the Committee on Finance.

By Mr DOMENICI (for himself and Mr. SCHMITT):

S. 1509. A bill to provide for the return to the United States of title to certain lands conveyed to certain Indian Pueblos of New Mexico and for such land to be held in trust by the United States for such tribes; to the Committee on Indian Affairs.

By Mr. DOMENICI:

S. 1510. A bill to amend title XIX of the Social Security Act to assure coverage, under State medicaid programs, of chemotherapy furnished by hospitals to patients on either an inpatient or outpatient basis, and to make clear that physicians services provided under such programs include transplants of organs and tissues, implants of materials and devices, and plastic surgery (and related services) when performed on account of disease, injury, or other surgery which is or was medically necessary; to the Committee on Finance.

By Mr. BURDICK (for Mr. CULVER), from the Committee on Environment and Public Works:

S. 1511. An original bill to amend the Noise Control Act of 1972 to authorize appropriations to carry out the provisions of such Act for fiscal year 1978; placed on the calendar.

By Mr. BURDICK, from the Committee on Environment and Public Works:

S. 1512. An original bill to amend the Disaster Relief Act to extend authorizations for the Federal disaster assistance program; placed on the calendar.

By Mr. ALLEN (for himself and Mr. SPARKMAN):

S. 1513. A bill for the relief of the John A. Peterson Charitable Trust; to the Committee on Finance.

By Mr. ALLEN (for himself, Mr. SPARKMAN, and Mr. THURMOND):

S. 1514. A bill to amend section 4941 of the Internal Revenue Code of 1954, and section 101(1)(2) of the Tax Reform Act of 1969; to the Committee on Finance.

By Mr. McCLURE:

S. 1515. A bill to prohibit the sale, alienation, or commitment of gold by the Secretary without prior approval by Act of Congress; to the Committee on Finance.

By Mr. METCALF:

S. 1516. A bill to assist the States in raising revenues by encouraging more uniform severance taxes on coal and oil shale and to impose a countervailing duty on imported coal and oil shale; to the Committee on Finance.

By Mr. HATCH:

S. 1517. A bill for the relief of Myfty Huff; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

S. 1518. A bill for the relief of Benjamin Miguel Acob; to the Committee on the Judiciary.

S. 1519. A bill to amend the tariff schedules of the United States in order to suspend until the close of December 31, 1978, the duty on certain field glasses, opera glasses, binoculars and other telescopes; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CURTIS:

S. 1504. A bill to permit certain farmowners or lessees to elect not to have made applicable to them certain recently enacted amendments changing the treatment, for social security purposes, of certain farm income; to the Committee on Finance.

Mr. CURTIS. Mr. President, I am introducing legislation today to correct a serious inequity in the Social Security Act.

The law provides that farm rental income is covered under social security if the rental arrangement provides that the landowner materially participated in the production of the agricultural or horticultural commodities on his land, and if there is material participation by the landowner. Under prior law, in determining whether the landowner's actions contribute in a material way to the production of the commodities raised on his farm, his own actions plus actions of his agent were considered. Actions by an agent were attributed to the farmland owner, so that if the agent participated in the management and operation of the farm, the farmowner was also deemed to be participating even though he did not personally participate.

The Internal Revenue Service discovered that many farm landlords, who engaged farm managers to supervise their farms, were not reporting for self-employment taxes the income received as crop shares from farm tenants. The Internal Revenue Service early in 1973 pointed out to certain taxpayers that they had failed to avail themselves of coverage for social security benefits and their tax returns were properly adjusted to reflect the increased tax liability.

Following the action of the Internal Revenue Service, certain unintended effects of this provision were brought to the attention of the Finance Committee.

The problem arose in the case of landowners who entered into an agreement with a professional farm management company or other person who had the responsibility to choose a tenant and to manage and supervise the farm operation. In such a situation, the landowner did not personally participate in the operation of the farm and viewed his income as investment income rather than income from farm self-employment. However, under the law he was considered to be materially participating because of the actions of the farm management company—his agent.

Accordingly, Public Law 93–368 provided that in such a situation the landowner would not be considered to participate in the operation of the farm unless he personally took some part in it. Therefore, his farm income would not count for social security purposes if he entered into an agreement with another person to manage or supervise the farm operation, including the selection of tenants, when there is in fact no personal participation on his part.

Mr. President, many taxpayers who began to pay taxes because of the former law, now find themselves in the position of no longer being able to pay into social security in order to qualify for benefits, nor are they able to receive a refund of amounts previously paid.

Mr. President, the bill that I am introducing today would correct this inequity. The bill would permit an individual who had made self-employment tax payments prior to the effective date of Public Law 93–368 to elect to continue to treat farm rental income of this type as net earnings from self-employment and subject to self-employment income.

Mr. President, I ask that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1504

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 10 of Public Law 93–368 is amended—

(1) by striking out "The amendments" and inserting in lieu thereof "(1) Except as provided in paragraph (2), the amendments", and

(2) by adding at the end thereof the following new paragraph:

"(2)(A) The amendments made by this

section shall not apply to any taxable year of an individual if an election of the taxpayer under subparagraph (B) is effective with respect to such taxable year.

"(B)(i) Any individual shall be eligible to make an election under this subparagraph, if for a taxable year which began after December 31, 1971, and prior to January 1, 1974, such individual had any amount of income which (I) was included in computing his gross income under section 211(a) of the Social Security Act and section 1402(a) of the Internal Revenue Code of 1954, but (II) would not have been so included if the amendments made by this section had been effective with respect to such taxable year.

"(ii) An election under this paragraph by an eligible taxpayer shall be filed in such form and manner, and with such official, as the Secretary of the Treasury shall by regulations prescribe. Any such election shall, subject to the next succeeding sentence, be effective with respect to a taxable year specified by the taxpayer (which taxable year shall not begin prior to January 1, 1974, and shall not be later than the taxable year in which the election is made) and all succeeding taxable years of the taxpayer. Notwithstanding any other provision of this paragraph, no election hereunder shall be effective unless there is paid (within such period after the date of the filing of the election as the Secretary of the Treasury shall by regulations prescribe) all taxes on self-employment income, imposed under the Self-Employment Contributions Act of 1954, which are, by reason of the election, due and payable by the taxpayer for any period prior to the date of the filing of the election (but no penalty for late payment shall be imposed with respect to any such taxes paid within the period so prescribed by the Secretary of the Treasury).".

By Mr. SPARKMAN (for himself and Mr. ALLEN):

S. 1505. A bill to authorize the Secretary of the Interior to assist in the preservation of the Fort Toulouse National Historic Landmark and Taskigi Indian Mound in the State of Alabama, and for other purposes; to the Committee on Energy and National Resources.

SAVING FORT TOULOUSE—HISTORIC FORT ON THE COOSA RIVER NEAR WETUMPKA, ALABAMA

Mr. ALLEN. Mr. President, in 1717 Captain Marchand of the French Army and 19 French colonial soldiers departed the Port of Mobile for the interior of Alabama. Captain Marchand was acting at the orders of Governor Bienville, who was then the governor of the French Louisiana Territory. Bienville reasoned that the newly established city of New Orleans could only be successfully protected from the British and from the Spanish if the French constructed an outpost in the interior of Alabama to act as a flank defense against incursions from British colonies on the eastern seaboard or from the Spanish colony in Florida.

After sailing several hundred miles inland along the Alabama River, Captain Marchand selected for occupation a strategic site at the origin of the Alabama River near the confluence of the Coosa and Tallapoosa Rivers. With the acquiescence of the Creek Indian nation, Captain Marchand's men constructed a large fortification to control the river routes and named the structure Fort Toulouse. Many of the French soldiers thereafter took Indian wives, and Captain Marchand himself married the Creek Princess Sehoy of the Family of the Wind, the ruling family of the Creek Nation. From their offspring were drawn the great war chiefs and political leaders of the Creek Nation.

Since those early days, Fort Toulouse has had a long and important history in the development of the Southeast. Occupied successively by the French, the Creeks, and the British, in 1814 the fort was garrisoned by Andrew Jackson when his army of Tennesseans were en route to the Battle of New Orleans. Fort Toulouse served as Jackson's headquarters during his negotiations with the Creek nation, and it was at Fort Toulouse that the famous Creek leader, William Weatherford—or Red Cloud—surrendered to Jackson by symbolically riding into Jackson's camp unarmed with a deer across his saddle as a gift.

Fort Toulouse next served as a principal site of settlement in the newly opened Alabama Territory, but early in the history of the State of Alabama, the site was abandoned in favor of another developing town, the present capital at Montgomery which is some 15 miles downstream.

Fort Toulouse has long been State property, but some 10 years ago the site was designated a national historic landmark, and in 1971 a large tract of surrounding property was acquired by the Federal Government for a Federal park. Substantial sums of money have been expended both by the State of Alabama and by the Federal Government in reconstructing Fort Toulouse and in improving park facilities at the location. I have been particularly impressed with the tremendous local citizen participation in various projects associated with the fort, and frankly, I feel great pride at the magnificent effort made by many individual citizens to upgrade the fort site even when Federal support for the project was not significant. But now, Mr. President, we face a problem that cannot be solved from purely local resources.

The Coosa River, probably as a result of Corps of Engineer projects on the Alabama-Coosa River system, has begun in the last few years to shift in its banks at the fort site and is eroding at an alarming rate the bluff on which the fort is situated. The problem has reached crisis proportions, and the northern berm and associated timber wall are in the process of sloughing off into the river. Immediate action is clearly required if this historic treasure is to be preserved. For that reason Senator SPARKMAN and I are introducing today a measure to authorize the Secretary of the Interior to expend such funds as are needed to shore up the bank of the river at the fort site to prevent further loss.

I might also mention, Mr. President, that in addition to the fort, significant archeological sites in the immediate vicinity of the fort are also threatened and that the measure we propose is designed to guarantee that work on a prehistoric temple mound and related archeological remains at the site can continue so that all possible information can be developed regarding a prehistoric Indian culture which existed there some 10,000 years ago.

So, Mr. President, I would hope that the committee to which this measure is referred will carefully examine the problem we are facing and will act promptly to report the measure. The Secretary of the Interior is already fully apprised of the situation at the fort, and I am confident that he also believes that prompt action is in order.

By Mr. BARTLETT:

S. 1507. A bill to provide for the gradual reduction of the United States contribution to the United Nations; to the Committee on Appropriations.

Mr. BARTLETT. Mr. President, today I am introducing legislation to phase down the percentage level of the United States contribution to the United Nations. This legislation provides for a reduction of our contribution from the present 25 percent of the U.N. budget to 15 percent, the reduction being accomplished at the rate of 2 percent annually for the next 5 years.

I believe such a reduction in the U.S. burden of funding the United Nations fairly reflects the diminution of America's role in the organization. No longer does our position as a permanent member of the U.N. Security Council provide the role of responsibility and leadership it has in the past. Actual powers of the United Nations, once vested to a great degree in the Security Council, now rest largely with the General Assembly and its 147 members. With this shift in powers, the emerging nations have assumed a greater influence. I believe this redistribution of power calls for a redistribution of the responsibilities of maintaining the organization financially.

In a recent poll which covered a variety of subjects I asked my Oklahoma constituents two questions related to the United Nations issue. One question asks whether the United States should continue its membership in the United Nations; 55 percent of those polled responded affirmatively. The second question asked whether the United States contributions to the United Nations should increase, decrease, or remain the same; 87 percent of those polled indicated that contributions should decrease.

These results are significant, in my opinion. Furthermore, a recent poll by Potomac Associates indicates that there are more Americans who would like to see the U.S. contribution to the United Nations reduced or ended than there are Americans who would like to see it kept at the present level or increased. Summarizing polls since 1972, this study concluded that "contributing to the United Nations represents the only case in which the level of support has fallen consistently over the entire four-year period." Also, agreement that the United States should cooperate with the United Nations has dropped from 72 percent in 1964 to 46 percent in 1976.

Mr. President, I ask that the questions and results of the polls conducted by Potomac Associates and me be included in the RECORD at the end of my remarks.

The legislation I offer today is introduced with no malice toward the United Nations, but with hope that this organization can find greater stability through equitable distribution of its financial assessment to member nations. It is also my hope that this legislation will result in more responsible actions by the United Nations.

I introduce this legislation not so much in response to any particular decisions made recently by the United Nations, but in response to obvious changes in the decisionmaking process of the United Nations.

Mr. President, I ask that the text of my bill be printed in the RECORD together with the Oklahoma national poll results.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1507

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 92-544 (86 Stat. 1109, 1110) is amended, in the paragraph headed "CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS" under "INTERNATIONAL ORGANIZATIONS AND CONFERENCES", by striking out the sentence after the word "Provided," and inserting in lieu thereof the following: "That no appropriation is authorized and no payment shall be made to the United Nations or any affiliated agency in excess of—

"(1) 25 per centum of the total assessment of such organization in the fiscal year 1977;

"(2) 23 per centum of such assessment in the fiscal year 1978;

"(3) 21 per centum of such assessment in the fiscal year 1979;

"(4) 19 per centum of such assessment in the fiscal year 1980;

"(5) 17 per centum of such assessment in the fiscal year 1981;

"(6) 15 per centum of such assessment in the fiscal year 1982; except that this proviso shall not apply to the International Atomic Energy Agency and to the joint financing program of the International Civil Aviation Organization.".

RESULTS OF THE OKLAHOMA POLL REGARDING THE UNITED NATIONS

(1) In the past few years significant changes have occurred in the internal power structure of the United Nations. As power has drifted from the Security Council to the General Assembly an alliance of Third World nations has assumed a great deal of authority. Because of the changing character of the United Nations, many people believe the United States should reassess its role in this organization.

(A) Should the United States continue its membership in the U.N.?

		Percent
Yes	4,669	55
No	3,422	40
No opinion	398	5
Total	8,439	

(B) Presently the United States contributes 24% of the total U.N. budget. During the current fiscal year the U.S. will contribute more than $91 million to the U.N. in addition to more than $100 million to its affiliated organizations. Should U.S. contributions to the U.N.:

		Percent
Increase	168	2
Decrease	6,723	87
Remain the same	714	9
No opinion	164	2
Total	7,769	

RESULTS OF POTOMAC ASSOCIATES POLL

International spending contributions to the United Nations should be:

[In percent]

	1972	1974	1976
Increased	10	5	6
Kept at present level	46	44	37
Reduced	29	33	35
Ended altogether	9	6	13
Do not know	6	12	9

The United States should cooperate fully with the United Nations:

[In percent]

	1964	1968	1972	1974	1975	1976
Agree	72	72	63	66	56	46
Disagree	16	21	28	20	30	41
Do not know	12	7	9	14	14	13

By Mr. STENNIS:

S. 1508. A bill to amend the Internal Revenue Code of 1954 to provide an exclusion from gross income of amounts received for the production from certain oil or gas wells; to the Committee on Finance.

Mr. STENNIS. Mr. President, I am introducing today, for appropriate reference, a bill which I believe would greatly encourage exploration for and production of oil and gas without substantially reducing tax income.

This bill would amend the appropriate provisions of the Internal Revenue Code of 1954 to provide that, with respect to any exploratory oil or gas well drilled within 5 years from the effective date of the act, the taxpayer, for any taxable year in which production from such well exists, will be entitled to exclude from his gross income amounts attributable to production from such well.

Let me emphasize that the exemption would apply only to a discovery well drilled in the next 5 years. In addition the discovery well, to qualify for the exemption must be more than 2 miles from the nearest point on the nearest producing oil well or must have been completed 2 years or more after completion of the last producing oil or gas well which does not meet such requirement.

Mr. President, conservation of oil and gas is fine. I am all for it. At the same time, however, I believe we must offer tangible incentives for exploring for and finding new oil and gas which, as we all know, is an expensive undertaking. I believe that this bill, if enacted into law, will do this and I urge its favorable consideration by the Senate.

By Mr. DOMENICI (for himself and Mr. SCHMITT):

S. 1509. A bill to provide for the return to the United States of title to certain lands conveyed to certain Indian Pueblos of New Mexico and for such land to be held in trust by the United States for such tribes; to the Committee on Indian Affairs.

Mr. DOMENICI. Mr. President, today at the request of the Pueblos of New Mexico, I am introducing a bill which provides for the return to the United States of title to certain land previously conveyed to them and for such land to be held in trust by the United States for such Pueblos.

The land involved is slightly over 11 acres located in Albuquerque, N. Mex. Recently, through the auspices of a Federal grant, there has been constructed on this land an Indian Pueblo Cultural Center.

In 1969, pursuant to the authority of 25 U.S.C. 293a, the Acting Commissioner of Indian Affairs executed a quitclaim deed for this land to the 19 Pueblos of New Mexico. Because of an error in the land description, a corrective quitclaim deed was executed in 1970. One of the 19 Pueblos has executed a quitclaim for their interest in the land to the remaining 18 Pueblos. As a result, the land is currently held as tenants-in-common by the Pueblos.

By resolution adopted on December 2, 1976, the All Indian Pueblo Council, an organization representing the 19 Pueblos, requested extension of Federal trust status to this land. The city of Albuquerque has adopted a resolution in support of changing the status of the land to the trust status requested by the Pueblos.

Mr. President, these are several arguments to be made in support of extending Federal trust status to this land. These include:

First. The quantity and quality of the title to the lands would be clarified, especially the interests of the beneficiary Pueblos and their utilization of the land;

Second. The confusion created by the quitclaim deed executed by one Pueblo would be clarified as to that Pueblo's interest as well as the remaining 18 Pueblos' interest, in the land.

Third. The Federal laws, rules, regulations, and policies governing the administration of trust land would be extended to the 11 acres, including prohibitions against alienation and encumbrance;

Fourth. The various Federal loan and grant programs would be available to the Pueblos on the same basis as all other eligible Indian groups.

Fifth. The Pueblos will be able to plan, with far more certainty that at present, other activities relative to this land to benefit both the concerned Indians as well as the community at large.

Mr. President, I do not contend that my bill has solved all the problems that will be associated with the conversion of this land to a Federal trust status. For example, the issue of law enforcement jurisdiction over this land must be addressed. I am confident that the hearings on my bill will focus on this and similar problems and find the best solutions thereto.

I will, of course, work with the appropriate committee and other interested members to make this bill as effective as possible for the purposes I have mentioned. I am hopeful that hearings on my bill can begin shortly. I ask unanimous consent that my bill be printed at this point in my remarks. I am pleased to have Senator SCHMITT as a cosponsor for this bill.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1509

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the duly authorized officials of each of the Indian Pueblos of New Mexico are hereby authorized to convey to the United States all the right, title, and interest of such Pueblos in the land located in Albuquerque, County of Bernalillo, State of New Mexico, which was conveyed to such Pueblos on behalf of the United States and the Secretary of the Interior by the Quitclaim Deed executed on June 17, 1969, by the Acting Commissioner of Indian Affairs, and by the Correction Quitclaim Deed executed July 30, 1970, by the Commissioner of Indian Affairs, and which is described as follows:

TRACT "C"

A tract of land lying and being situated in section 7, township 10 north, range 3 east of the New Mexico principal meridian, within the city of Albuquerque, County of Bernalillo, State of New Mexico, said tract being more particularly described as follows:

Beginning at a point on the west right-of-way line for 12th Street and the north right-of-way line for Indian School Road, said point also being corner no. 2 of tract herein described and from whence the New Mexico Highway Department Triangulation Station 1–40–15 having established coordinates of Y–1494103.76, X–378204.72 of the New Mexico coordinate system, central zone, bears S. 16°02'03" E. 989.43 feet; thence 59°58'22" W., 281.29 feet along the north R/W of Indian School Road to the point of curvature and corner No. 3 of said tract; thence in a northwesterly direction 212.69 feet along the R/W curve concave to the northeast having a radius of 1,393.27 feet to corner No. 4; thence N. 8°49'05" E., 865.60 feet to corner No. 5, a point on the south R/W line of Menaul Boulevard extension; thence in a northeasterly direction 493.42 feet along the R/W curve concave to the south having a radius of 716.20 feet to corner No. 1, a point on the west R/W line for 12th Street; thence S. 8°16' W., 1,255.45 feet along said R/W to corner No. 2, the point and place of beginning, said tract containing 11.2857 acres, more or less.

Corner coordinates of tract "C"

Corner	Y-coordinate	X-coordinate
1	1496295.97	378116.98
2	1495054.70	377931.43
3	1495196.41	377688.55
4	1495316.87	377513.58
5	1496171.41	377649.72

(b) Upon approval by the Secretary of the Interior, the Secretary shall accept such conveyances on behalf of the United States and such land shall be held in trust jointly for such Indian Pueblos. The Secretary shall cause a description of such trust land to be published in the Federal Register.

(c) Nothing in this Act shall terminate or otherwise alter the rights or interests, if any, of the Indian Pueblo Cultural Center, Inc., as an assignee or subleasee of the lease of such land to the All Indian Pueblo Council, Inc., approved on August 27, 1974, by the Bureau of Indian Affairs.

(d) Nothing in this Act shall alter the rights or interests, if any, in the adjacent lands previously conveyed to the County of Bernalillo for Four-H Club use by deed dated March 22, 1960.

By Mr. DOMENICI:

S. 1510. A bill to amend title XIX of the Social Security Act to assure coverage, under State medicaid programs, of chemotherapy furnished by hospitals to patients on either an inpatient or outpatient basis, and to make clear that physicians services provided under such programs include transplants of organs and tissues, implants of materials and devices, and plastic surgery (and related services) when performed on account of disease, injury, or other surgery which is or was medically necessary; to the Committee on Finance.

Mr. DOMENICI. Mr. President, today I am introducing legislation to amend the Social Security Act to assure coverage under State medicaid programs of chemotherapy treatments furnished by hospitals on either an inpatient or outpatient basis and to assure that coverage of physician services provided under such programs will be understood to include such vital and necessary services as organ and tissue transplants, implantation of materials and prosthetic devices and plastic surgery when performed as a result of disease, injury or other medically necessary surgery.

The effect of such legislation would be a vast and much needed improvement in comprehensive and rehabilitative care of cancer patients. There are today untold numbers of cancer patients who experience all too much physical and emotional pain simply because they are unable to afford the necessary medical and rehabilitative services required for their care.

Medical care is not cheap as all of us know. But I speak here of the quality of life. Through our own legislation in the National Cancer Act, we have injected literally billions of dollars in an all-out war against this Nation's most feared disease—cancer. And the results have been promising. Along with this continued effort to stamp out cancer, however, we must begin to look at those who have survived and who need our sustained financial and emotional support so that they might continue to lead prolonged, satisfying and productive lives. We have an obligation to see to it that our citizens who are victimized by this insidious disease are not denied the treatment and rehabilitative services which are mandatory for their care and absolutely essential to provide them with as prolonged and pain-free a life as possible simply because they cannot afford the high cost of these services.

There are, each year, an increasing number of cancer patients who will be required to undergo chemotherapy for a number of reasons—to prevent the spread of a localized tumor, to attempt to halt or control identified tumors or to reduce pain and discomfort in patients with advanced or progressive forms of the disease.

The first order of priority I am calling for today is to assure that State medicaid programs support chemotherapy treatments on either an inpatient or outpatient basis for cancer victims when this type of treatment is recommended by the patient's physician as essential to his or her care.

Insurance reimbursements for these necessary life-sustaining treatments will also serve to improve cancer rehabilitation by reducing the burden of financial hardship related to cancer cure, thus allowing the patient and his or her family the freedom to use their limited physical productive labors and constructive activities. If, as the evidence seems to indicate, for a large number of patients, chemotherapy does in fact extend and improve survival of cancer patients, the citizens so affected can thus lead more adaptive, satisfying and contributing lives.

The second critical issue for which we are requesting an amendment in the Social Security Act is to assure coverage for three major medical procedures, all of which are essential to recovery and optimal functioning of the cancer patient. These three procedures include: First, transplants of organs and tissues; second, implants of materials and devices such as bladder or bowel resections and the surgical creation of a "stoma" and; third, plastic or reconstructive surgery to repair, add on, or correct damage or loss of an organ resulting from disease, injury or surgery which is or was medically necessary.

Implants of materials and devices should include both external prostheses as well as internalized replacements for amputated organs. While a patient's insurance plan may cover the reconstructive surgery performed, unless stipulated as a separate issue, the cost of the actual implant may be ignored. The prosthesis, as in the case of a breast form inserted in the chest area, is a separate expense from the procedure required to implant it in the body.

Eighty thousand breast cancer patients annually will have mastectomies and have one or both breasts removed. In addition, there is some reason to consider that women who are identified as "high risk" breast cancer patients may be told by their physicians that prophylactic removal of breast tissue could significantly reduce their chances of developing the disease. These women will be spared enormous emotional turmoil as well as the prospect of developing breast cancer in the future if they select this preventive procedure which removes the breast tissue and immediately or soon thereafter replaces the "high risk" tissue with an implant, leaving the breast looking and feeling almost normal. In addition to the pain from the actual surgical procedure of mastectomy and the now recognized psychological trauma associated with the loss of this socially prized organ, there are also bona fide long-term physiological discomforts resulting from the alteration in the muscular and skeletal system to accomodate for this major shift in body proportion and balance.

Serious consideration must be given to those women who cannot afford a replacement for their lost body part because of insufficient funds and the absence of national sponsored medical support of these health needs. Further, we must begin right now to redefine our concept of permanent surgical implantation of a breast prosthesis following removal of a cancerous or precancerous lesion as superficial or cosmetic surgery. It is a medically valid component, both physically and psychologically, of effective cancer rehabilitation for the breast cancer patient.

Many women refuse mastectomy—the

procedure which might indeed save their lives—because of the horrible threat that this procedure is an irreversible event—the amputation of their breast which cannot be retrieved. This type of trauma could be significantly abated by legislative reforms which would include making reconstruction and/or prostheses more readily available to those who need it.

Reconstructive surgery can improve the quality of survival, the feelings of self worth, and may increase the productivity of these patients longevity. In addition, if reconstructive surgery is made more available because of reduced out-of-pocket expenditures to the breast cancer patient and her family more women might be willing to present themselves for breast examination earlier in the course of disease because mastectomy becomes a "repairable injury" and not an end state for which there is no reversible condition.

We have made significant advances in our fight against cancer. Favorable consideration of this legislation would help cement our committment to the victims of that disease, recognizing the many contributions they still have to make to themselves, their families, and this society.

By Mr. ALLEN (for himself and Mr. SPARKMAN):

S. 1513. A bill for the relief of the John A. Peterson Charitable Trust; to the Committee on Finance.

Mr. ALLEN. Mr. President, I am introducing today for Mr. SPARKMAN and myself a measure designed to correct an anomalous situation which developed under section 4940 of the Internal Revenue Code.

Some years ago Mr. John A. Peterson died in Montgomery, Ala., and established by his last will a trust, the income of which was to be distributed "to and among any such religious, charitable, scientific, and educational institutions that shall be designated and determined in writing by the Kiwanis Club of Montgomery." The Kiwanis Club was, under Mr. Peterson's will, designated as neither the trustee nor the beneficiary of the trust. It was given the privilege, however, through the acts of a majority of its board of directors, to designate the recipients of the trust income so long as the club existed and was willing to act under the terms of the trust. Mr. Peterson requested, but did not require, that the Kiwanis Club, in its selection of charitable beneficiaries, give preference "to such institutions operating" in the city and county of Montgomery, Ala.

It is apparent from even the most superficial reading of Mr. Peterson's will that he intended the trust to be a totally tax-exempt entity. The trust was established "exclusively for religious, charitable, scientific, and educational purposes" (the exact language contained in the Internal Revenue Code respecting estate tax deductions for charitable contributions both at the date his will was executed and at the date of his death). Mr. Peterson further directed that no distribution could be made which would not qualify for a charitable deduction under the Federal estate tax laws.

However, Mr. President, Mr. Peterson—who died in 1968—was unable to foresee what Congress would do in 1969, and he, therefore, did not include in his will some of the more technical and rigid requirements introduced into the tax laws by the Tax Reform Act of 1969, with the result that the Peterson Trust has been determined to be a "private foundation" subject to the imposition of a Federal excise tax under section 4940 of the Internal Revenue Code. The trust has therefore been forced to pay during the years 1972 to 1976 in excess of $7,500 in excise taxes, the payment of which has necessarily diverted to the Federal Government the use of charitable funds from the Montgomery area charitable beneficiaries of the trust.

The bill I am introducing today would enable the trust to be brought within the ambit of section 509(a)(3) of the Internal Revenue Code, since in substance it much more closely resembles an organization designed to receive the benefits of that section than it does an organization operating as a private foundation subject to section 4940. The bill would also reverse the anomalous effect of the section 4940 treatment given to the trust over the past tax years and would return to the charitable beneficiaries in Montgomery the excise tax heretofore paid to the Federal Government.

Mr. President, I ask unanimous consent that this bill for the relief of the Peterson Trust be referred to the Committee on the Judiciary.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, may I ask the distinguished Senator the question, Would that bill normally go to the Judiciary Committee?

Mr. ALLEN. It probably would since it is a relief bill, but it has to do with taxes, excess payment of taxes, and there is a legal question involved.

Mr. ROBERT C. BYRD. Would it normally go to the Finance Committee?

Mr. ALLEN. I have not checked. I think it would probably go to the Judiciary Committee.

Mr. ROBERT C. BYRD. May I ask the Chair?

The PRESIDING OFFICER. Under normal circumstances the bill would be referred to the Committee on Finance.

Mr. ALLEN. It was referred to the Committee on the Judiciary in the House of Representatives.

Mr. ROBERT C. BYRD. Has the referral been cleared with Mr. LONG, the chairman of the Committee on Finance?

Mr. ALLEN. No, it has not.

Mr. ROBERT C. BYRD. I shall have to object. May I say to my friend, I received two letters from the Senator from Louisiana, the chairman of the Committee on Finance, instructing me that any measures that are about to be jointly referred by unanimous consent must be cleared with him if they impact on his committee in any way whatsoever.

Mr. ALLEN. Very well.

Mr. ROBERT C. BYRD. I am sure the distinguished Senator would not mind taking this up with the Senator from Louisiana.

Mr. ALLEN. I will let it go in the normal channels then.

Mr. President, I withdraw the request.

The PRESIDING OFFICER. Does the Senator from Alabama withdraw the unanimous-consent request?

Mr. ALLEN. Yes.

The PRESIDING OFFICER. It is withdrawn.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield?

Mr. ALLEN. I yield.

Mr. ROBERT C. BYRD. I would be glad to have the Senator ask unanimous consent that the measure not be referred to any committee until one day next week until he could have a chance to talk to the Senator from Louisiana.

Mr. ALLEN. No. It is perfectly all right with me that it go to the Finance Committee.

Mr. ROBERT C. BYRD. I thank the Senator.

By Mr. ALLEN (for himself, Mr. SPARKMAN, and Mr. THURMOND):

S. 1514. A bill to amend section 4941 of the Internal Revenue Code of 1954, and section 101(1)(2) of the Tax Reform Act of 1969; to the Committee on Finance.

Mr. ALLEN. Mr. President, I introduce a bill to amend the Internal Revenue Code, and I ask unanimous consent that an explanation of the bill and the text of the bill be printed in the RECORD.

There being no objection, the explanation and the bill were ordered to be printed in the RECORD, as follows:

EXPLANATION OF PROPOSED BILL TO AMEND SECTION 4041 OF THE INTERNAL REVENUE CODE

Public Welfare Foundation, Inc., ("the Foundation") a Delaware non-stock, nonprofit corporation, with present headquarters in Washington, D.C., was formed in 1951 as the successor to Public Welfare Foundation of Austin. The Foundation is classified as a private foundation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1954 ("Code"). The creator of the Public Welfare Foundation was Charles E. Marsh, a successful newspaper entrepreneur, who desired to create a charitable organization to provide help to worthwhile charitable projects without becoming a permanent crutch.

Since Public Welfare Foundation's original formation in 1947, it has paid out, approximately, $11,000,000 in recognized charitable grants, of which approximately $3,500,000 were made in the past 5 years.

The principal source of the charitable grants made by the Foundation has been the Foundation's, direct or indirect, ownership of all of the assets of the Spartanburg Herald and Journal. The Gadsden Times and The Tuscaloosa News. These newspapers originally were owned by General Newspapers, Inc., which Mr. Marsh controlled. Subsequent to the formation of the Foundation in the early 1950's, Mr. Marsh caused General Newspapers, Inc. to transfer the assets of those newspapers to the Foundation, through bargain sales. Concurrent with the transfer of the assets of those newspapers to the Foundation, their then respective publishers (who up until then had been employees) formed their own separate operating corporations to lease the assets and facilities of the newspapers from the Foundation. Those arrangements continued until 1966 when, pursuant to a settlement with the Internal Revenue Service of an income tax case involving the Foundation, the Foundation caused the assets of those newspapers to

be transferred to its three wholly owned, newly formed, and fully taxable subsidiaries, The Gadsden Times, Inc., The Tuscaloosa News, Inc., and The Spartanburg Herald and Journal, Inc. Those wholly owned subsidiaries continue to lease the assets of their respective newspaper properties to the operating corporations owned by the publishers. The newspaper publishers thereby have been able to serve and help develop their local communities for approximately the past thirty years.

By the close of the Foundation's fiscal year ended October 31, 1969, it had received total contributions in the amount of $2,750,000, approximately. Of this amount, the operator of The Spartanburg Herald and Journal had contributed a total of approximately $283,000 to the Foundation; the operator of The Gadsden Times, a total of approximately $191,000; and the operator of The Tuscaloosa News had contributed a total of approximately $136,000 to the Foundation. The operators commenced making these voluntary contributions on their own initiative after one of the lease arrangements was questioned by Internal Revenue Service as possibly calling for an unreasonably high rent from the operators to the Foundation. Rather than litigate the question, settlement at a reduced rental was reached which thereafter served as the pattern for the leases to the operators. And, thereafter the operators voluntarily made charitable donations to the Foundation which approximated the amounts of the reductions in the rents paid by them to the Foundation.

The Tax Reform Act of 1969 imposed many new restrictions upon private foundations and in ultimate effect will cause the termination of the relationship between the operators of the newspapers and the Foundation, a relationship which has proven of benefit to the operators, their communities, the Foundation, and the recipients of its charitable grants. Whether such result was intended is questionable in these circumstances.

Section 4941 of the Code, added by the Tax Reform Act of 1969, imposes a penalty tax on "self-dealing", which includes any direct and indirect leasing of property between a private foundation and a "disqualified person". Under Section 4946(a)(1) of the Code, the term "disqualified person" includes a "substantial contributor," who is anyone who contributed more than $5,000 to a private foundation, if such amount was more than 2% of the total contributions received by the foundation before the close of the taxable year in which the contribution was received. All contributions up to October 9, 1969 are aggregated and treated as received on that day. Moreover, once the status of "substantial contributor" is achieved, that status remains for all subsequent periods. Section 507(d)(2) of the Code.

Thus, by statutory definition, the operating corporations (and those persons who are their controlling shareholders or members of their families) became substantial contributors, prohibited from engaging in any direct or indirect leasing of property from the Foundation. However, by reason of the transitional rules of Section 101(1)(2)(C) Tax Reform Act and the regulations issued thereunder, under prescribed circumstances, contracts in effect on October 9, 1969, or any renewals thereof, do not become subject to the self-dealing prohibitions until taxable years beginning after December 31, 1979.

Consequently, by reason of the Tax Reform Act of 1969, after 1979, Public Welfare Foundation's three subsidiary corporations will no longer be able to lease their assets to the operators who have so successfully developed those assets over the past thirty years. There is no restriction on leasing to third parties who are not disqualified persons so that such leases could continue indefinitely. Under Section 4943 of the Code, however, relating to excess business holdings, the Foundation eventually will have to divest itself of its holdings in the subsidiaries so that by 1989 its holdings must not exceed 50% of the stock of the subsidiaries, which figure must be reduced to 35% by the year 2004.

Congress has already recognized that in certain circumstances it is fair and appropriate to limit the applicability of Section 4901. Thus, the Tax Reform Act of 1976 amended the transitional rules set forth in Section 101(1)(2) of the Tax Reform Act of 1969 to extend the date on which stock interests could be sold to disqualified persons and to provide that certain assets could be sold to disqualified persons. The time in which the stock could have been sold has already closed and the assets would have to be sold prior to January 1, 1978.

As an economic matter, the Foundation believes its ability to provide maximum grants to chartiable beneficiaries will best be enhanced if it continues to own, and lease or operate, the newspaper subsidiaries. Newspapers in the areas where the Foundation's subsidiaries are located recently have experienced and are presently experiencing significant increases in value. Moreover, the Foundation has been advised that this trend is expected to continue for some time. Consequently, the Foundation believes that in these circumstances any sale in the near future would be premature and therefore contrary to its duty to conserve and best use its assets for charitable purposes.

Thus, by reason of statutory provisions which were neither in existence nor foreseeable at the time the operators made charitable contributions to the Foundation, the operator's relationships with the very newspapers which they developed must terminate. The operators will be forced to suffer the immediate and severe economic hardships resulting from terminating their thirty year relationships with the newspapers. But, those same statutory provisions would permit some other persons, who did not develop the papers, to step into the operators' shoes and gain the advantages of their development and the improved economic conditions.

It is submitted that the above results are harsh and unwarranted in these particular circumstances. The self-dealing provisions, which require the disengagement of substantial contributors from the affairs of private foundations, were directed towards the unfair business competition resulting from the misuse of a tax exempt status by a grantor of a private foundation. But that abuse is not present here, for these subsidiaries are fully taxable entities. And, the provisions were intended to reach the creators of foundations, members of their families and corporations they control. None of the operators in this situation is related to Mr. Marsh or his family, nor has any member of the Foundation's board any relationship to the operators, their families or their corporations. Rather, the operators are the accidental victims of legislation enacted after their having made well-intended charitable contributions to the Foundation, which contributions now would back-fire to prohibit continuation of their long-standing, and mutually profitable, relationships.

To correct these inequities the Bill first provides in subsection (a) that the leases now in effect would be exempt from the self-dealing provision. Since a requirement of exemption is that the lessor corporation be a taxable entity there should be no adverse effect on the tax revenues. And, because subsections (i), (ii) and (iii) restate the requirements of Section 101(1)(2)(C) of the Tax Reform Act of 1969 and subsection (v) further limits the applicability to those persons who became disqualified persons through charitable gifts alone, the provision will be of limited applicability and will not open a loophole.

The second relief provided by the Bill, through subsections (b), (c), and (d) simply further extends the dates during which the transitional rules of the Tax Reform Act of 1969 postpone the applicability of Section 4941 of the Code. As set forth above, under Section 4943, as presently applicable to the Foundation, partial divestiture of its subsidiaries will not have to be accomplished until 1989. If the leases now in effect were allowed to continue until that time, it appears equitable that the Foundation should be allowed to sell either the stock of the subsidiaries or cause their assets to be sold to the most likely purchasers, the operating corporations, by the close of the period during which the leases are in effect. By so doing, the legislation would permit the present local publishers to continue to operate the local newspapers which they have developed. The changes also would eliminate a cause for these local operations to be taken over by others, perhaps large, impersonal, absentee chains. The changes also would permit continuance of the large charitable grants which the Foundation has made. If the Foundation were to know that it could continue its relationships with the operators, it will be able to make even larger grants in the future, for it recently has had to maintain reserves to handle presently anticipated costs of transition to new and different operators. A 10 year extension of the present arrangements would minimize, if not eliminate, the need for such reserves. This would make coextensive the periods in which leases and sales to present operators, and retention of 100 percent ownership by the Foundation of the taxable subsidiaries, are permissible.

As set forth above, there is some precedent for the requested relief in the present law. Recent amendments have been enacted to extend from 1975 to 1977 the time within which certain sales could be made by a private foundation to a disqualified person. And there is provision for relief from economic hardships for "disqualified persons" in areas other than leases. (Sec. 4941(d)(2)(B) and Reg. § 53.4941(d)-1(b)(1)).

The requested changes would put leases on a more equal footing with that granted goods, services or facilities supplied by private foundations to disqualified persons who otherwise would be engaged in an act of "self-dealing".

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

(a) Section 4941(d)(2) of the Internal Revenue Code of 1954 is amended as follows:

(1) by striking out "and" at the end of subparagraph (F);

(2) by strking out the period at the end of subparagraph (G) and inserting in lieu thereof "; and" and

(3) by adding at the end of such paragraph the following new subparagraph:

"(H) The leasing of property by a corporation, all the stock of which is owned by a private foundation, to a disqualified person shall not be an act of self-dealing if (i) it is pursuant to a binding contract in effect on October 9, 1969 (or pursuant to renewals of such contract); (ii) the leasing at no time constituted a prohibited transaction (within the meaning of section 503(b) or the corresponding provisions of prior law); (iii) the terms of the lease are no more favorable to the disqualified person than those under which the corporation would lease the property to an unrelated party in an arm's-length transaction; (iv) the lessor corporation is not exempt from tax under subchapter F; and (v) the disqualified person became such solely because of contributions made to the private foundation prior to October 9, 1969."

(b) Section 101(1)(2)(B) of the Tax Reform Act of 1969, as amended by section 1309 of the Tax Reform Act of 1976, is amended by striking out "January 1, 1977" and inserting in lieu therof "January 1, 1990".

(c) Section 101(1)(2)(C) of the Tax Re-

form Act of 1969 is amended by striking out "December 31, 1979" and inserting in lieu thereof "December 31, 1989".

(d) Section 101(1)(2)(F) of the Tax Reform Act of 1969, as added by section 1301 of the Tax Reform Act of 1976, is amended by striking "January 1, 1978" from subparagraph (ii) and inserting in lieu thereof "January 1, 1990".

By Mr. McCLURE:

S. 1515. A bill to prohibit the sale, alienation, or commitment of gold by the Secretary without prior approval by act of Congress; to the Committee on Finance.

Mr. McCLURE. Mr. President, today I am introducing a bill to prohibit the sale, alienation, or commitment of gold by the Secretary of the Treasury without prior approval by act of Congress.

In the years prior to passage of the law which permits the American citizen to own gold, the U.S. Treasury came up with a series of specious arguments against gold ownership. One of them was that gold is and should be treated exactly like every other commodity. During debates on this subject, I often pointed out that that was precisely what Treasury was not doing, in advising against private ownership of gold. Showing the inconsistency of the Treasury's position did not, however, mean that I had bought their premise. Gold is not and never has been exactly like anything else. For century after century, it has served as a numeraire that is the basis upon which the price of everything else was calculated and the ultimate reserve of value.

So-called gold nuts are often criticized for a mystical reverence for the metal. But there is nothing mystical in a preference for a substance which is unique in combining the qualities of durability, malleability, quantity, and beauty.

There is more cause for surprise when the gold-based currency fails, at last until examination shows that thee coinage has been deflated by Government. And there is only a distinction of sophistication between the coin clipping of emperors and the inflationary practices of democracies. Gold, itself, remains valuable in both its roles as a measure of value and store of reserve. For example, a barrel of oil has been worth the same two grains of gold for years. It is the currencies which fluctuate.

Although the value of our gold stocks is hypothetically $40 billion at present market prices, the actual quantity of our gold is 276 million ounces, less than half of what it was 25 years ago. In view of the changing world economic and strategic picture, present stocks cannot be viewed as being in excess of possible monetary and strategic needs. In times of crises, it would be vital for the United States to have stocks of gold for military and related purposes.

The Treasury Department's "Gold Market Report" written by Thomas W. Wolfe points out that there is no surplus of gold in the world and that industrial demand alone is expected to exceed production in the foreseeable future. Particularly in the strategically important computer industry, the consumption of gold is rapidly increasing.

Thus, given the overall stability of gold, it would be the height of folly to sell remaining reserves. The United States cannot unilaterally strip gold of its value. And despite all the talk of demonetization by various committees of the International Monetary Fund, gold is internationally as desirable today as it was when the United States belatedly closed the gold window in 1971 to protect its diminishing reserve.

Several of our allies have recently called upon the United States and upon multilateral organizations for financial assistance. In addition, financial agreements have been made using gold stocks as collateral. The IMF permitted members to offer gold as collateral for loans and the German-Italian loan followed. The IMF allowed members to revalue gold at free market prices and the result was the French figure of 170. Demonetization is the popular phrase and the SDR is the fad of the moment, but the real action is in gold. If the United States should again embark upon a program of gold sales, world prices would be driven down and we would be hurting the same nations which we have, in other ways, tried to help. Nations such as Italy, Portugal, France, and Spain have significant stores of gold and would be adversely affected by any U.S. gold sale program.

Economists have pointed out that some nations with sizable gold stocks are also those nations which are having difficulties obtaining credit, and in fact, may default on some of their obligations. A large scale default would, of course, have great impact on American financial institutions and impose a costly strain on our financial system. On the other hand, if the gold available to these nations is available for use is collateral, as in the case of the Italian/German agreement, these nations may be provided with breathing space in order to put their financial house in order.

The Treasury sold 500,000 ounces of gold at a price of $165.05 per ounce on June 30, 1975. Since that time, there have been a number of changes in the world financial situation. At that time, central banks were effectively prohibited from purchasing or dealing in gold because of the artificially low official price. Because of the amendments to the Bretton Woods Agreement, however, it will soon be possible for central banks to use gold for whatever purpose they choose. As a result, any U.S. gold sale may provide added gold to central banks for such uses. In such a case, sales by the United States to central banks would certainly not be "demonetizing" gold.

The sale of U.S. gold at this time of international financial instability would potentially cost the United States far more than any temporary gains such sales would achieve. It could hurt our allies and set back the goal of an orderly world marketplace. It is impossible to see why the United States or any financially responsible body would want to substitute the rapidly inflating paper currencies of the world for a metal with a proven intrinsic value. I urge, therefore, that the sale of gold by the Treasury without approval by Congress be prevented by law.

By Mr. METCALF:

S. 1516. A bill to assist the States in raising revenues by encouraging more uniform severance taxes on coal and oil shale and to impose a countervailing duty on imported coal and oil shale; to the Committee on Finance.

Mr. METCALF. Mr. President, our domestic coal deposits are becoming more important as this Nation develops and establishes a comprehensive energy policy. One of the cornerstones of the Carter administration policy is a great expansion of our production of coal and its conversion to energy. This means that tremendous pressure for social services will be placed upon the States and communities where this development must occur.

There is little dispute that, ultimately, coal and its related industries can and should pay their own way for these services and improvements. But first, the impacted communities must understand the problems facing them, organize, indebt themselves, and mobilize their taxing powers. Even if these actions occur, the need for roads, housing, sewers, schools, and so forth, is immediate while the revenue derived from industry and its employees does not materialize for 2 to 3 years. Mr. President, the impacted areas need front-end moneys.

In the past, States and communities across this Nation have experienced the boom-and-bust cycle of mineral extraction. Communities expand and become indebted and in 10 to 20 years continue to repay these debts after the industry has left the area.

Mr. President, I feel industry should assume major responsibility for its effects upon the impacted areas. Current practice is to leave it to the general taxpayer through general fund expenditures, as in the case of Federal assistance programs, and also to the residents of the impacted communities through bonded indebtedness.

Equally important, the States have a right to receive revenues for the severance of their nonrenewable resources. These are treasures which can never be replaced. The States should receive revenues to assist the impacted communities and to provide for a future when these resources no longer exist.

The bill I introduce today does this very thing for coal and oil shale operations. It offers States a tax source which they cannot now fully utilize. It imposes a Federal severance tax of 25 percent of the gross income from all domestic coal and oil shale properties which produce 20,000 tons or more a year if strip mined and 15 percent if mined by other methods. Full credit is to be allowed against the Federal tax, however, for similar State or local severance taxes paid with respect to the properties.

The credit for State and local severance taxes is the heart of this bill. If it becomes law, States which do not now have severance taxes will speedily impose them. Furthermore, States that tax at lower rates than 25 and 15 percent will increase their tax rates to at least that level. Thus, once the States adjust to the new tax, the Federal Treasury will derive no revenues from it. This is the purpose

of the bill. The important thing is that the tax receipts of most States will be increased significantly.

States find it difficulty to impose severance taxes today because a State acting alone runs the risk of placing some mining companies operating within the State at a competitive disadvantage relative to companies operating where there are no severance taxes. They are afraid the enactment of such a tax would reduce mining activities in the State. Interstate competition, in other words, acts to keep severance taxes low.

This bill remedies this problem. It also provides for a countervailing duty to be levied on imported coal or oil shale equal to the burden of the domestic tax unless it does not compete with American production. In this way, the States are not only saved from economic disadvantages with one another, but also with foreign countries.

If the Senate in its wisdom feels that the rates of 25 and 15 percent are too low or too high, I am certainly willing to negotiate. I use these rates as a starting point for debate. However, a severance tax at these rates will not place a severe burden on the mining industry.

Montana, my home State, has a severance tax on coal which is higher than the one I propose today. Montana and its local governments impose a severance tax of up to 35 percent of the contract sale price of the coal f.o.b. at the mine, less taxes paid on production, depending on the Btu content of the coal. In other words, Montana levies a severance tax on coal up to 10 percentage points higher than the one I propose.

Again, Mr. President, I stress that this severance tax will not place a severe burden on the mining industry. Despite Montana's having the highest severance tax on coal in the Nation, companies have continued to enter into long-term contracts for its coal. The demand for coal will continue to increase in the future. In addition, coal is one of the few minerals which is sold using long-term contracts of 20 years or more and which provide for tax increases.

All States with coal or oil shale production will benefit from this bill. My staff has estimated the severance tax collections which would result from this bill. The table incorporates 1975 data from the Bureau of Mines and illustrates the level of revenue each State may expect to generate by imposing a similar tax. It concerns only coal production because there is no commercial oil shale production in the United States at this time.

The chart indicates that some $2.2 billion in increased severance tax receipts could be raised using this bill, all of which could be absorbed by the States if they enact complementary statutes. This figure would be reduced to approximately $2.1 billion due to the exemption for small mines.

Admittedly, the price of coal would increase and some of this burden would fall upon the consumer, but not significantly. This price increase would lead to some conservation and is preferable to levying a tax on the general Federal taxpayer to finance the improvements necessitated by the coal industry.

The State of Montana has studied the impact of its 35-percent severance tax on the consumer. For example, according to former Lt. Gov. Bill Christiansen, the tax will "increase the average annual residential electric bill in Detroit Edison's service area by $3.38. This amounts to just over 1 cent a day." As he stated, we all have seen "appliance commercials that advertise the cost of operating the appliance as 'just a few cents a day.'"

These revenues would be particularly important to the States of Appalachia which are dollar poor but rich in coal. Interstate competition has prevented these States from deriving adequate tax revenues from mineral operations. This has been true even though the profits from these operations have been a principal benefit to the residents of other States. For example, according to the table, West Virginia, which, as of April 15 of this year, has no severance tax on coal, would receive $529.6 million annually for the needs of its citizens.

I would not expect all the States to take immediate action to impose their own severance tax once this bill becomes law. In some cases their reaction would be delayed for a few years, so that the Federal Government would derive some revenue from the tax. These amounts would be enough, I believe, to defray any administrative costs. For this reason it is reasonable to permit the entire amount of the tax to be offset by a credit for State tax. Under the bill, a mineral property would be defined to include the same properties as those eligible for percentage depletion deductions under the Federal income tax.

The 25- and 15-percent severance tax would apply to the gross income received by the owner of the working interest in a mineral property. That is, gross income would be the same for the purposes of this tax as the figure which forms the basis for computing Federal percentage depletion deductions in cases in which there were no royalty payments or production payments. Gross income would be defined differently when there was a royalty or a production payment.

Only rents or royalties or bonuses paid to Federal, State, or local governments could be excluded; there would be no exclusion for rent or royalties or bonuses paid with respect to the property; any amount paid to the holder of a production payment would be included in computing the gross income of the owner or the working interest; finally, any amount received from the sale of a production payment would be excluded in computing gross income.

Mineral properties which produce less than 20,000 tons of coal a year would be exempt from the severance tax.

The State severance taxes which could be credited against the tax imposed by this bill would have to be based on the gross income attributable to the extraction of coal or oil shale derived from the property located within the State. Finally, the tax would have to be a severance tax; it could not be a general sales tax or an income tax applied generally to the income from most sources. Any severance tax paid by a holder of a royalty or other nonoperating interest would be treated as if it had been paid by the holder of the working interest.

The bill provides for the exchange of information between the States and the Federal Government. That is, upon request, the Internal Revenue Service would inform a State of the amount claimed by the taxpayer as his gross income from a mineral property located within the State.

Mr. President, this bill would permit the States to utilize an important source of tax revenue which they now are inhibited from using because of interstate competition. The bill, at little or no cost to the Federal Government, would provide much needed assistance to the States. I hope my colleagues in the Senate will give their support. I ask unanimous consent that the table previously referred to and the bill be printed at this point in the RECORD.

There being no objection, the table and bill were ordered to be printed in the RECORD, as follows:

State	Production (thousand tons) [1]			Value of production (millions) [2]			Gross severance tax under proposal (millions)			Current estimated State severance Tax liability (State credit) (millions)	Net severance tax liability under proposal (millions)
	Surface [3]	Underground	Total	Surface	Underground	Total	Surface	Underground	Total		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Alabama	15,029	7,614	22,643	343.7	257.1	600.8	85.9	38.6	124.5	3.1	121.4
Alaska	766	----------	766	[4] 10.0	----------	10.0	2.5	----------	2.6	----------	2.5
Arizona	6,986	----------	6,986	[4] 91.6	----------	91.6	22.9	----------	22.9	----------	22.9 [9]
Arkansas	488	----------	488	16.0	----------	16.0	4.0	----------	4.0	.01	3.9
Colorado	4,773	3,446	8,219	42.3	93.6	135.9	10.6	14.0	24.6	.6	24.0
Georgia	74	----------	74	[4] 1.0	----------	1.0	.3	----------	.3	----------	.3
Illinois	27,661	31,875	59,536	351.8	519.6	871.4	88.0	77.9	165.9	----------	165.9
Indiana	24,935	188	25,123	277.8	2.2	280.0	69.5	.3	69.8	----------	69.8
Iowa	W	W	[5] 622	7.3	----------	7.3	1.8	----------	1.8	----------	1.8
Kansas	479	----------	479	9.5	----------	9.5	2.4	----------	2.4	----------	2.4
Kentucky	77,981	65,632	143,613	1,058.0	1,441.3	2,499.3	264.5	216.2	480.7	112.4	368.3
Maryland	2,466	W	[5] 2,606	50.7	----------	50.7	12.7	----------	12.7	----------	12.7
Missouri	5,638	----------	5,638	48.1	----------	48.1	12.0	----------	12.0	----------	12.0
Montana	22,054	----------	22,054	111.6	----------	111.6	27.9	----------	27.9	39.1	—11.2

See footnotes at end of table.

State	Production (thousand tons) [1]			Value of production (millions) [2]			Gross severance tax under proposal (millions)			Current estimated State severance Tax liability (State credit) (millions)	Net severance tax liability under proposal (millions)
	Surface [3]	Underground	Total	Surface	Underground	Total	Surface	Underground	Total		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
New Mexico	W	W	[4] 8,785	[4] 115.2		115.2	28.8		28.8	3.3	25.5
North Dakota	8,515		8,515	27.0		27.0	6.8		6.8	4.3	2.5
Ohio	31,315	15,455	46,770	476.9	289.9	766.8	119.5	43.5	163.0	1.9	161.1
Oklahoma	2,872		2,872	47.9		47.9	11.9		11.9		11.9
Pennsylvania	39,507	44,631	84,138	753.9	1,357.2	2,111.1	188.5	203.6	392.1		392.1
Tennessee	4,399	3,806	8,205	80.2	60.0	140.2	20.1	9.6	29.7	1.6	28.1
Texas	11,002		11,002	[4] 144.3		144.3	36.1		36.1		36.1
Utah		6,961	6,961		138.1	138.1		20.7	20.7		20.7
Virginia	12,329	23,181	35,510	283.3	798.4	1,081.7	70.8	119.8	190.6		190.6
Washington	3,730	13	3,743	[4] 48.9	.3	49.2	12.2	.1	12.3		12.3
West Virginia	20,926	88,357	109,283	493.9	2,703.7	3,197.6	123.5	406.1	529.6		529.6
Wyoming	23,369	436	23,805	154.5	[5] 11.4	165.9	38.6	1.7	40.3	17.4	22.9
Total										183.7	2,230.1[9]

[1] Production figures were taken from table 8 of "Mineral Industry Surveys: Coal—Bituminous and Lignite in 1975," published by U.S. Department of Interior, Bureau of Mines, Feb. 10, 1975.
[2] Ibid., table 12.
[3] Includes auger and strip-auger produced coal.
[4] Computed from national average of $13.12 per ton for surface-mined coal.
[5] Where figures are withheld by industry, or where mix of surface and deep mining is unknown, this table assigns all values, to surface mining.
[6] Computed from national average of $26.28 per ton for deep-mined coal.

Note: Minus 5 percent for 20,000 exemption equals 2,114.69.

S. 1516

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subtitle D of the Internal Revenue Code of 1954 (relating to miscellaneous excise taxes) is amended by adding at the end thereof the following new chapter:

"CHAPTER 44—SEVERANCE TAX

"Sec. 4991. Imposition of severance tax on coal and oil shale.
"Sec. 4992. Credit against tax.
"Sec. 4993. Definitions.
"Sec. 4994. Information to States.

"SEC. 4991. IMPOSITION OF SEVERANCE TAX ON COAL AND OIL SHALE.

"(a) IMPOSITION OF TAX.—There is hereby imposed on the severance of coal or oil shale from a property located within the United States an excise tax equal to the applicable percentage of the gross income from the property during the taxable year.

"(b) RATE OF TAX.—For purposes of subsection (a), the applicable percentage shall be—

"(1) 25 percent, in the case of extraction of coal or oil shale from the property by surface mining, or

"(2) 15 percent, in the case of extraction of coal or oil shale from the property by any other method.

"(c) LIABILITY FOR TAX.—The tax imposed by this section shall be paid by the person who holds the working interest in the mineral property.

"(d) EXEMPTION.—The provisions of subsection (a) shall not apply to the severance of coal or oil shale from any property which produces less than 20,000 tons of such coal or shale during the taxable year.

"SEC. 4992. CREDIT AGAINST TAX.

"(a) IN GENERAL.—There shall be allowed as a credit against the tax imposed by section 4991 on the severance of coal or oil shale from any property an amount equal to the qualified severance taxes paid by the taxpayer during the taxable year with respect to the extraction of such coal or oil shale from such property.

"(b) QUALIFIED SEVERANCE TAXES.—

"(1) IN GENERAL.—For purposes of subsection (a), the term 'qualified severance taxes' means a severance tax paid to a State or local government with respect to the extraction of coal or oil shale from property located within the jurisdiction of such government.

"(2) SEVERANCE TAX.—For purposes of this subsection, the term 'severance tax' means a tax paid with respect to the extraction of coal or oil shale from any property which—

"(A) is paid by the owner of the operating mineral interest in the property,

"(B) is based on gross income from the property which is attributable to—

"(i) extraction of coal or oil shale from such property, and

"(ii) such owner of the operating mineral interest, and

"(C) is required to be paid the State or local government in installments which are required to be paid not less frequently than once every 4 calendar months.

"(3) SPECIAL RULE FOR ROYALTY HOLDERS.—For purposes of subsection (a), the amount of any severance tax paid to a State or local government with respect to the extraction of coal or oil shale from a property located within the jurisdiction of such government by any person who owns a nonoperating mineral interest in such property shall be treated, for purposes of paragraph (1), as being a severance tax paid by the holder of the operating mineral interest in such property.

"(4) EXCLUSIONS.—For purposes of this subsection, the term 'qualified severance tax' does not include any amounts paid as a tax imposed generally on gross sales or gross receipts or as general income tax.

"SEC. 4993. DEFINITIONS.

"For purposes of this chapter—

"(1) GROSS INCOME FROM THE PROPERTY.—The term 'gross income from the property' has the same meaning as it has under section 613(c) except that any rents or royalties paid or incurred by the taxpayer in respect of such property to the United States, a State, or a local government shall be excluded from such gross income.

"(2) OPERATING MINERAL INTEREST.—The term 'operating mineral interest' has the same meaning it has under section 614(d).

"(3) PROPERTY.—The term 'property' has the same meaning it has under section 614 except that no election may be made under section 614(c)(2) to treat a single interest as more than one property for purposes of this chapter.

"(4) UNITED STATES.—The term 'United States' when used in a geographical sense has the same meaning it has under section 638(1).

"SEC. 4994. INFORMATION TO STATES.

"Notwithstanding any other provision of law, the Secretary or his delegate shall, upon request by any official of a State or local government who is lawfuly charged with the administration of a severance tax imposed by such State or local government, furnish to such official a copy of any schedule or statement filed by any taxpayer with respect to the taxes imposed by chapter 1 which discloses the amount of gross income from property, within the meaning of section 613(c), located within the jurisdiction of such State or local government. Information disclosed to State or local government officials under this section shall be subject to the provisions of section 6103(b) and, for purposes of section 7213, shall be considered to have been disclosed under section 6103(b)."

(b) The table of chapters of subtitle D is amended by adding at the end thereof the following new item:

"CHAPTER 44. Severance tax.".

(c) Section 303 of the Tariff Act of 1930 (19 U.S.C. 1303) is amended—

(1) by redesignating subsection (e) as subsection (f), and

(2) by inserting immediately after subsection (d) the following new subsection:

"(e) SEVERANCE TAXES.—(1) For purposes of subsection (a), the severance tax amount determined under paragraph (2) of this subsection shall be considered to be a bounty or grant upon the manufacture or production or export of each ton of coal or oil shale imported into the United States. For purposes of subsection (c), notwithstanding subsection (a)(2), the Secretary shall be considered to have published his determination with respect to such bounty or grant on the date of enactment of this subsection.

"(2) For purposes of paragraph (1), the severance tax amount shall be the average amount per ton of severance taxes imposed under chapter 44 of the Internal Revenue Code of 1954 on coal or oil shale, as determined by the Secretary from time to time.

"(3) The provisions of paragraph (1) shall not apply—

"(A) with respect to products derived from coal or oil shale if the fair market value of such products is more than 3 times greater than the fair market value of the coal or oil shale from which they were derived at the time of its extraction, or

"(B) if the President determines that a specific grade of imported coal or oil shale is not directly competitive with coal or oil shale produced in the United States and publishes such determination in the Federal Register.

The provisions of subparagraph (B) shall not apply if either House of Congress enacts a simple resolution disapproving the President's determination under such subparagraph within 60 calendar days after such publication.

"(4) The provisions of subsection (d) do not apply to the additional duty required under this subsection.".

By Mr. MATSUNAGA:

S. 1519. A bill to amend the tariff schedules of the United States in order to suspend until the close of December 31, 1978, the duty on certain fieldglasses, opera glasses, binoculars and other telescopes; to the Committee on Finance.

Mr. MATSUNAGA. Mr. President, I am introducing legislation to suspend tariffs on certain imported binoculars and telescopes. Americans today make widespread use of binoculars and telescopes for sports and recreation. Better technology and production has decreased the cost of quality instruments, and this moderate pricing has opened a wide consumer market in America.

While American demand has increased, imported binoculars and telescopes have been subject to a 20-percent ad valorem tariff. The original tariff was established at a time when the American optical industry was experiencing technical difficulties in producing quality optical instruments. The national interests at that time warranted protection of the industry. At present, however, the Department of Commerce reports no known commercial production in the United States of the kind of prisms used in these binoculars and telescopes which are presently being imported. Indeed, the small domestic commercial production which does occur, uses imported prisms, and the small domestic production has been directed at the most expensive, high quality, high performance instruments for an extremely select market.

The reasons for tariff protection in this area no longer exist. However, imported binoculars and telescopes still have a 20-percent ad valorem tariff imposed upon them, and this tariff is invariably passed on to the consumers. As a consequence, American consumers continue to pay a protective tariff which protects no one.

The suspension provided by my bill will be only temporary. The suspension will end on December 31, 1978. By that time, the tariff reduction negotiations in Geneva should be over, and the executive branch should reach a permanent decision on this matter. I believe that the administration will then agree to the permanent elimination of tariffs on telescopes and binoculars.

In the meantime, the temporary suspension of the tariff at this time, will lead to great savings for American consumers, and I urge support of my bill.

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. MUSKIE, the Senator from Utah (Mr. HATCH) was added as a cosponsor to S. 2, a bill to require authorizations of new budget authority for Government programs at least every 5 years, to provide for review of Government programs every 5 years, and for other purposes.

S. 70

At the request of Mr. MATHIAS, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of S. 70, The Homebuyers' Assistance Act.

S. 119

At the request of Mr. INOUYE, the Senator from New Hampshire (Mr. MCINTYRE) was added as a cosponsor of S. 119, to incorporate the Pearl Harbor Survivors Association.

S. 123

At the request of Mr. INOUYE, the Senator from North Dakota (Mr. BURDICK), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Florida (Mr. STONE), the Senator from Montana (Mr. METCALF), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Iowa (Mr. CLARK) were added as cosponsors of S. 123, to amend the Social Security Act.

S. 224

At the request of Mr. INOUYE, the Senator from Idaho (Mr. CHURCH) was added as a cosponsor of S. 224, to amend title 5, United States Code.

S. 233

At the request of Mr. INOUYE, the Senator from Massachusetts (Mr. BROOKE) was added as a cosponsor of S. 233, relating to the medicare and medicaid programs.

S. 264

At the request of Mr. DOLE, the Senator from Hawaii (Mr. MATSUNAGA) was added as a cosponsor of S. 264, to increase Federal expense in meat inspection programs.

S. 274

At the request of Mr. THURMOND, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 274, to prohibit unionization of the military services.

S. 531

At the request of Mr. MUSKIE, the Senator from Hawaii (Mr. MATSUNAGA) was added as a cosponsor of S. 531, a bill to authorize additional appropriations under title II of the Public Works Employment Act of 1976.

S. 784

At the request of Mr. SCHWEIKER, the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. 784, to provide for unbiased consideration of applicants to medical schools.

S. 819

At the request of Mr. MATHIAS, the Senator from Vermont (Mr. LEAHY), the Senator from Hawaii (Mr. INOUYE), and the Senator from West Virginia (Mr. RANDOLPH) were added as cosponsors of S. 819, the Interpreters for the Hearing Impaired Act.

S. 868

At the request of Mr. CASE, the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 868, to terminate the authorization for the Tocks Island Reservoir project as part of the Delaware River Basin project, and for other purposes.

S. 938

At the request of Mr. BUMPERS, the Senator from Wisconsin (Mr. NELSON) and the Senator from California (Mr. CRANSTON) were added as cosponsors of S. 938, to prohibit certain aerial spraying.

S. 1090

At the request of Mr. INOUYE, the Senator from Hawaii (Mr. MATSUNAGA) was added as a cosponsor of S. 1090, to improve labor-management relations in the Federal service.

S. 1116

At the request of Mr. MCGOVERN, the Senator from South Dakota (Mr. ABOUREZK), the Senator from New Jersey (Mr. CASE), the Senator from Iowa (Mr. CLARK), the Senator from Kansas (Mr. DOLE), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from Hawaii (Mr. MATSUNAGA), and the Senator from West Virginia (Mr. RANDOLPH) were added as cosponsors of S. 1116, the nutrition counseling bill.

S. 1122

At the request of Mr. THURMOND, the Senator from New Mexico (Mr. SCHMITT) was added as a cosponsor of S. 1122, to amend the Occupational Safety and Health Act.

S. 1191

At the request of Mr. MCGOVERN, the Senator from South Dakota (Mr. ABOUREZK), the Senator from New Jersey (Mr. CASE), the Senator from Iowa (Mr. CLARK), the Senator from Alaska (Mr. GRAVEL), and the Senator from West Virginia (Mr. RANDOLPH) were added as cosponsors of S. 1191, the Preventive Medicine, Health Maintenance and Health Promotion Act of 1977.

S. 1238

At the request of Mr. MCINTYRE, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 1238, a bill to provide for legal assistance to members of the Armed Forces and their dependents.

S. 1242

At the request of Mr. NELSON, the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1242, the Youth Employment and Training Act of 1977.

S. 1305

At the request of Mr. HASKELL, the Senators from Louisiana (Mr. LONG and Mr. JOHNSTON) were added as cosponsors of S. 1305, a bill to amend the Small Business Act to authorize the making of economic injury disaster loans in certain extraordinary circumstances without a disaster declaration, and for other purposes.

S. 1307

At the request of Mr. THURMOND, the Senator from Kansas (Mr. DOLE), the Senator from Utah (Mr. HATCH), and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of S. 1307, to deny benefits to certain veterans.

S. 1310

At the request of Mr. DOLE, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 1310, providing for installation of a teletypewriter in the Capitol.

S. 1345

At the request of Mr. BAYH, the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 1345, Vot-

ing Rights for the Elderly and the Handicapped.

S. 1346

At the request of Mr. BAYH, the Senator from West Virginia (Mr. RANDOLPH), was added as a cosponsor of S. 1346, to amend the Civil Rights Act of 1964 to prevent discrimination on account of the handicapped condition of an individual.

S. 1415

At the request of Mr. DOLE, the Senator from Nebraska (Mr. CURTIS) was added as a cosponsor of S. 1415, to amend the Trade Act.

S. 1461

At the request of Mr. CURTIS, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 1461, to expand the research in agricultural commodities and forest products.

S. 1486

At the request of Mr. BELLMON, the Senator from Oklahoma (Mr. BARTLETT) was added as a cosponsor of S. 1486, to amend the Social Security Act.

S. 1501

At the request of Mr. GARN, the Senator from Texas (Mr. TOWER) and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of S. 1501, the Truth in Lending Simplification Act.

S. 1503

At the request of Mr. THURMOND, the Senator from Mississippi (Mr. STENNIS) was added as a cosponsor of S. 1503, to reimburse businesses affected by the ban of Tris.

SENATE JOINT RESOLUTION 35

At the request of Mr. INOUYE, the Senator from Nebraska (Mr. ZORINSKY), the Senator from Vermont (Mr. STAFFORD), and the Senator from Rhode Island (Mr. PELL) were added as cosponsors of Senate Joint Resolution 35, to designate Municipal Clerks Week.

SENATE RESOLUTION 173—SUBMISSION OF A RESOLUTION RELATING TO THE CONSIDERATION OF S. 1125

(Referred to the Committee on the Budget by unanimous consent.)

Mr. JACKSON submitted the following resolution:

S. RES. 173

Resolved, That pursuant to section 402 (c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1125. While acquisition of the site is not expected to occur prior to October 1, 1977, immediate authorization will give the Secretary of the Interior the necessary protective authority to prevent any adverse actions which might threaten the integrity of the site.

Mr. JACKSON. Mr. President, I submit a resolution pursuant to section 402(c) of the Congressional Budget Act of 1974, to waive the provisions of section 402(a) of that act with respect to H.R. 5562, legislation to establish the Eleanor Roosevelt National Historic Site. I ask unanimous consent that the resolution be referred directly to the Budget Committee without the necessity of being reported from the Energy and Natural Resources Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, the Energy and Natural Resources Committee, in considering H.R. 5562, is concerned that without immediate designation of the historic site, the Secretary of the Interior will not have the necessary authority to protect the site from any adverse actions. It is unlikely, however, that acquisition will occur prior to October 1, 1977.

SENATE CONCURRENT RESOLUTION 24—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO THE FINAL ACT OF THE CONFERENCE ON SECURITY AND COOPERATION IN EUROPE

(Referred to the Committee on Foreign Relations.)

Mr. DOLE submitted the following concurrent resolution:

S. CON. RES. 24

Resolved by the Senate (the House of Representatives concurring),

Whereas the Final Act of the Conference on Security and Cooperation in Europe, signed by the United States in 1975, committed the participating States to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all, without distinction as to race, sex, language or religion" and to "act in conformity with the purposes and principles of the Charter of the United Nations and with the Universal Declaration of Human Rights"; and

Whereas specific provisions of the Final Act pledged the participating states to:

"Recognize and respect the freedoms of the individual to profess and practice, alone or in community with others, religion or belief acting in accordance with his own conscience," and

"Respect the rights of persons" belonging to national minorities "to equality before the law", to "afford them the full opportunity for the actual enjoyment of human rights and fundamental freedoms" and to "protect their legitimate interests in this sphere," and

"Deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with members of their family, with special consideration being given to requests of an urgent character . . . ," and

"Examine favorably and on the basis of humanitarian considerations requests for exit or entry permits from persons who have decided to marry a citizen from another participating State;" and

Whereas the United Nations Declaration of Human Rights assures all people the right to free emigration; and

Whereas the Congress of the United States established the Commission on Security and Cooperation in Europe in 1976 and directed it "to monitor the acts of the signatories which reflect compliance with or violation of the articles of the Final Act of the Conference on Security and Cooperation in Europe, with particular regard to the provisions relating to Cooperation in Humanitarian Fields;" and

Whereas by means of oral and written testimony, travel abroad and individual interviews, the Commission has compiled data which points to gross violations of the humanitarian provisions of the Helsinki Final Act, especially with respect to religious liberties, minority rights, free emigration and family reunification, by the Governments of Bulgaria, Czechoslovakia, Hungary, Poland, Romania and the Union of Soviet Socialist Republics; and

Whereas the United States is a nation of immigrants composed of many citizens with ancestral and familial ties to Eastern Europe; and

Whereas human rights is a cause which has long been a major concern of the people of the United States and has now become the cornerstone of our foreign policy; and

Whereas the Helsinki Final Act provides that the participating States meet in Belgrade beginning on June 15 "to decide on the date, duration, agenda and other modalities" for a later meeting which will lead to "a thorough exchange of views both on the implementation of the Final Act and of the tasks defined by the (Helsinki) Conference;" Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress of the United States and the American people that the official United States delegation to the Belgrade Conference should

(1) reiterate in precise and unequivocal terms the commitment of the American people to human rights in the context of an ultimate enlargement of human freedom throughout the world and to articulate the significance of this committment to security and cooperation in Europe; and

(2) insist on a full conference agenda which includes the presentation and thorough discussion of all violations of the Helsinki Final Act, especially those related to universal humanitarian ideals; and

(3) include at least seven permanent seats for members of the Commission on Security and Cooperation in Europe to be filled on an alternating basis as the legislative and administrative duties of Commissioners and staff permit.

Mr. DOLE. Mr. President, on June 15, the United States will join Canada and 33 European nations at Belgrade to plan an agenda for a later meeting to be devoted to an evaluation of the implementation of the final act of the Helsinki Conference on Security and Cooperation in Europe.

Today I am introducing a sense of the Congress concurrent resolution which calls upon the members of the official U.S. delegation to the Belgrade conference to reiterate in precise and unequivocal terms the committment of the American people to human rights and to insist on a full conference agenda which includes a thorough discussion of all violations of the Helsinki final act, especially those related to universal humanitarian ideals.

THE VALUE OF HELSINKI

As we are all aware, the final act of the conference on security and cooperation was signed by President Gerald R. Ford in the summer of 1975. Many Americans were highly critical of President Ford for signing that document because they believed the Helsinki Accords represented a Soviet diplomatic victory. Today, we realize—and the Soviets realize—that the final act is a victory for the freedom-loving democracies of the world. Without that document, the dissidents in Eastern Europe, especially those in the Soviet Union, would be minus a very significant reference point for calling international attention to their unfortunate plight.

THE HELSINKI COMMISSION

Last year, largely as a result of the efforts of my distinguished colleagues, Senator CLIFFORD CASE and Congresswoman MILLICENT FENWICK, Congress established the Commission on Security and Cooperation in Europe and charged it with the responsibility of monitoring final act compliance among signatory nations. The Commission has spent al-

most a year compiling and organizing evidence which has been presented by reliable witnesses and experts concerning the degree to which provisions of the Helsinki Accords are being respected by the Soviet Union and other Eastern European nations. As a member of the Commission, I have spent many hours listening to testimony related to freer emigration, family reunification, religious liberties and minority rights. These hearings have helped me realize that regardless of the progress the United States may have made with the Soviet Union in certain areas of economic and technological cooperation, we have made little, if any, headway in the human right arena. The Soviet Union remains today what it has always been—a totalitarian state intent upon the obliteration of even the most mild resistance to its policy of repressing of individual, religious, and national rights.

THE PROMISE OF BELGRADE

America is a beacon of hope for those who resist totalitarian domination of their lives. We cannot abandon these brave people. We must continue to make every effort to call the world's attention to the present state of affairs in Eastern Europe.

We have an opportunity to do so at Belgrade, but we must remain steadfast and true to our basic human rights commitment. This resolution will go a long way toward strengthening our resolve and permitting our delegation to present a position which truly reflects the will of the American people.

Congresswoman MILLICENT FENWICK is introducing this same resolution on the House side this afternoon.

NOTICES OF HEARINGS

THE REGULATORY REFORM ACT OF 1977

Mr. MUSKIE. Mr. President, on May 23, 24, and 25, the Subcommittee on Intergovernmental Relations will hold hearings on S. 600, the Regulatory Reform Act of 1977 introduced by Senator BYRD of West Virginia and Senator PERCY.

The hearings will begin at 10 a.m., in room 6226 of the Dirksen Office Building. Any questions regarding the hearing should be directed to Lee Lockwood of the subcommittee staff, at 224–4718.

NOMINATION OF FRANCIS J. BOYLE, OF RHODE ISLAND, TO BE U.S. DISTRICT JUDGE

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, May 24, 1977, at 10:30 a.m., in room 2228, Dirksen Senate Office Building, on the following nomination:

Francis J. Boyle, of Rhode Island, to be U.S. district judge for the district of Rhode Island vice Edward William Day, retired.

Any persons desiring to offer testimony in regard to this nomination shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

This hearing will be before the full Judiciary Committee.

ACCOUNTING HEARINGS

Mr. METCALF. Mr. President, I announce that the hearings by the Subcommittee on Reports, Accounting, and Management next Wednesday, May 18, will begin at 9 a.m. rather than 10 a.m. as previously announced.

The subcommittee is reviewing the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established. At the May 18 hearings the subcommittee will receive testimony from the managing partners of Arthur Andersen & Co., Arthur Young & Co., Coopers & Lybrand and Mason & Co.

The starting hour has been changed in order to be able to complete the hearing by 11:30 a.m., when the Governmental Affairs Committee and its subcommittees are scheduled to appear before the Senate Rules Committee in connection with budgets for the next fiscal year.

I have previously announced that the accounting hearings will continue on Tuesday, May 24 and Thursday, May 26, at which time we will hear from the Securities and Exchange Commission and the Cost Accounting Standards Board.

I wish to announce that a final day of hearings in this series has been scheduled at the request of the distinguished senior Senator from Illinois (Mr. PERCY) whose contribution to the hearings is invaluable. Those hearings will be held on Thursday, June 9. Manuel Cohen, chairman of the Cohen Commission, Newton N. Minow, chairman of the Arthur Anderson Public Review Board, Howard Wagner, chairman, Finance Committeee and director of the Jewel Companies, Inc. and John Hackett, executive vice president and director of the Cummins Engine Co., are scheduled to appear.

All of the four hearings mentioned above will be held in 6202 Dirksen. Except for next Wednesday's 9 a.m. hearing, they will commence at 10 a.m.

ADDITIONAL STATEMENTS

THE LONE EAGLE OVER THE ATLANTIC AND A WORLD TRAVELING IN SPACE

Mr. RANDOLPH. Mr. President, 1 week from today Americans and friends abroad will pause to marvel at the unbelieveable heroism of the late Charles A. Lindbergh. Next Friday marks the 50th anniversary of his daring transatlantic flight which captured the world's imagination and precipitated the giant steps in air travel so commonplace today.

Perhaps there are many in our younger generation who cannot conceive of the soaring spirit and national pride evoked by Lindbergh's historic flight. They know of the fantastic Apollo missions to the Moon, of Al Shepherd's swift circling of the Earth and our own colleague, JOHN GLENN's first venture into outer space.

But Lindbergh, the "Lone Eagle" of aviation, broke a seemingly unsurmountable distance barrier of inner-space that made these later leaps for mankind possible.

Shortly after the formal opening of the National Air and Space Museum last July, Washington Star columnist John Fialka analyzed the similarities and paradoxes of Lindbergh's aerial accomplishment in 1927 and the space missions of the 1960's. On display at the Museum are the *Spirit of St. Louis* and the command module of Apollo 11.

The contrast between the two craft and the men who flew them is starkly delineated by Mr. Fialka. One was alone in the void; the astronauts were backed up by thousands of scientists and technicians, and cheered on by the entire populace of the earth via radio and television.

Incidentally, this weekend the Air and Space Museum, which I had the privilege of authoring through legislation in 1946, and helped to dedicate last July 4, will attract its 8 millionth visitor.

I recommend to all who seek inspiration in the sky a visit to the museum, and especially at a time when we honor one of the pioneering pilots of all flight history—Charles Lindbergh.

Mr. President, I ask unanimous consent that the article by Mr. Fialka be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GETTING INTO THE SPIRIT OF ST. LOUIS

(By John Fialka)

N–X–211 hangs from the ceiling of Washington's cavernous new National Air and Space Museum like a toy or a child's mobile as the crowds bustle around on the floor below.

There is nothing very flashy about the small silver plane. It has a crude, homemade look about it. It is certainly not as intriguing to the crowds as the Plexiglas-covered command module which sits on the floor.

There are a few similarities between the two crafts. Both were uncomfortable, were crammed with gear and were difficult to see out of. But they both bear names that will live in history as great American adventures.

The command module is the reentry-charred tip of Apollo 11, an unbelievably complex piece of technology that first took two men to the surface of the moon on July 20, 1969, and brought them back.

N–X–211 is the Spirit of St. Louis, the flying gasoline tank equipped with a bag of sandwiches that Charles Lindbergh landed in Paris on May 21, 1927.

But the similarities end there. Lindbergh, a mail pilot, bucked the odds that said an amateur in a tiny, one-engined plane could not make the crossing.

The men of Apollo 11 performed their incredible feat before a television audience in another age, one in which people expect to see such technological performances work and tend to take them for granted.

So the thrill of Apollo was relatively momentary. It did not stick. Apollo was not really the beginning but the end of American manned space ventures, at least for the immediate future. There is a sign on the interstate highway near Disney World outside Orlando, Fla., that tells the story as succinctly as anyone could.

Erected in an apparent attempt to lure tourists away from the charms of "Adventure Land" and "Tomorrow Land," the sign asks people to drive a few miles further, to the huge U.S. space installation on Florida's Atlantic Coast, now falling into disuse.

"Visit Cape Canaveral, the sign says, showing a picture of astronauts in space suits. 'It's Reality.'"

Perhaps the story of Apollo is just too complicated. It is hard to identify with some-

thing that required the efforts of the nation's top scientists and engineers, that cost the government billions, and that had, at one point, 390,000 people working on it.

Walter Cronkite was there to hold our hands on Apollo, removing any lingering anxiety over the dangers of moon landings. Apollo, he explained to the millions, was designed with double and triple redundancies. There were safety systems backing up safety systems. Not to worry. And now a word from our sponsor.

Until a generation comes along that is moved by the splendors and the challenge of Apollo, perhaps we should focus on N-X-211. Here is a story that every American can identify with.

The Spirit of St. Louis was designed on the back of an envelope by two men having a hurried meeting in the loft of a dilapidated building near the San Diego waterfront. They were Lindbergh and Donald Hall, a young aeronautical engineer, and they know pretty much what they wanted until it came to the size of the plane's gasoline tank. Neither one knew how far it was between New York and Paris.

So they hopped into Hall's aged Buick roadster and drove downtown to the San Diego library where they found a globe and measured the distance between the two points with a piece of white grocery string. They compared the string to the globe's scale and they got the answer they wanted, it was roughly 3,600 statute miles.

As for risks, well, consider this conversation between Hall and Lindbergh as later recalled by Lindbergh in his fascinating book, "The Spirit of St. Louis":

HALL. "Okay. Now what night-flying equipment do you want to put in the plane?"

LINDBERGH (who had never flown over the ocean): "None. Those things are nice to have, but we can't afford the weight."

HALL. "How about a parachute?"

LINDBERGH. "Same answer. That would cost almost 20 pounds."

Perhaps there should be another sign erected near Disney World that says: "Visit the Smithsonian's new Air and Space Museum in Washington and look up at the ceiling. Its reality!"

ALLEYS DON'T HAVE TO BE DREARY

Mr. MATHIAS. Mr. President, the alleys of Washington, D.C., as a rule are not a cause for great delight. In fact, the alleys of many neighborhoods, including some within the shadow of the Capitol, are a disgrace. But, there is one glorious exception within easy walking distance of this Chamber. That is the alley just behind the Museum of African Art in the 300 block of A Street NE.

There, every nonrainy Saturday and Sunday from mid-March until May 7, neighbors and friends of the museum held a paint-in to decorate the walls of the museum's patio and adjacent Frederick Douglas Court.

This, however, was not your usual free-form paint-in. It was a museum project of "replicating designs used by the N'Debele people of Southeastern Africa." The project is now complete and the result is magnificant. I urge my colleagues to go see for themselves the miracle that has been wrought by the remarkable museum in our midst. Today the museum is a brillant artistic achievement both inside and outside.

The "Alleys Don't Have To Be Dreary" project is merely the latest in a series of innovative and educational programs undertaken by the African Museum—the only institution in the United States devoted exclusively to portraying the rich creative heritage of Africa.

Benjamin Foley, in the Washington Star of May 26, 1975, wrote that:

The importance of the (African) Museum is not so much in its collections, though they are considerable, but in its use of those collections as educational tools to expand our awareness of the richness of African civilization and of the unique contributions of that civilization to the culture of our own country.

Recently, the tremendous success of Alex Haley's "Roots," both as a book and as a television production, has reinforced our awareness of the significance to our cultural life of the Museum of African Art.

To those of my colleagues who are not familiar with this unique museum, I urge that you visit it soon. The experience will be both stimulating and rewarding. I am confident that you will feel as I do that the African Museum is a tremendous asset to our community and to the Nation and that it deserves our enthusiastic support.

THE LIFE OF PRINCE JONAH KUHIO KALANIANAOLE

Mr. INOUYE. Mr. President, the following remarks were delivered at Kawaiahao Church in Honolulu on March 20, 1977, at services commemorating the birthday of Prince Jonah Kuhio Kalanianaole. The speaker was Mr. Melvin Ayau, president of the Prince Kuhio Hawaiian Civic Club.

Prince Kuhio was the first member of his race to serve in the U.S. Congress where for 20 years he served with great distinction. Some of the important legislation he authored between 1903–21 concerned the development of Pearl Harbor, Kalaupapa Leper Settlement, the Hawaiian Homestead Act, and the Hawaii National Park. Prince Kuhio worked diligently to instill pride in Hawaiians. He believed in democracy and self-government and was proud of his American citizenship.

It is fitting that the new Federal building in Honolulu will be named the Prince Jonah Kuhio Kalanianaole Federal Building in honor of a great American who was devoted to the Hawaiian people whom he so faithfully served in the U.S. Congress.

Mr. President, I request unanimous consent that the remarks of Mr. Melvin Ayau be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THE LIFE OF PRINCE JONAH KUHIO KALANIANAOLE

(By Melvin Ayau)

"Aloha, Aloha, Kamaaina," these were the words used by the Prince Jonah Kuhio Kalanianaole when greeting his audiences.

Prince Jonah Kuhio Kalanianaole, a descendant of Hawaii's ancient royal families, was born at Hoai, Kualu in the Koloa district on the island of Kauai on March 26, 1871, the youngest son of Kauai's High Chief David Piikoi and Princess Kekaulike.

Kuhio and his 2 brothers were adopted by their aunt, Kapiolani, upon the death of their parents. Kapiolani was their mother's sister and the wife of King Kalakaua. When King Kalakaua and Queen Kapiolani ascended their thrones in 1874, Kuhio was already a member of the royal household as the queen's nephew and later, a foster son He was bestowed the title of "Prince" by proclamation of King Kalakaua, and used the surname of Kalanianaole

Prince Kuhio was educated at St. Alban's College now Loiani School, Punahou School, St. Matthew's School at San Mateo, California and at the Royal Agricultural College in Cirencester, England.

Upon his return from England, Prince Kuhio received a position in the Ministry of the Interior and the Customs Service. It was during this period that he demonstrated his leadership in public affairs, which later played an important role in his adult life.

A strong supporter of his aunt, Queen Liliuokalani, he wanted to see her returned to her throne after the Monarchy's downfall in 1893. He joined a group of revolutionaries in an effort to overturn the republic and restore the monarchy. For this action, Prince Kuhio was charged and found guilty of treason by a military commission and served about a year as a political prisoner.

His release and pardon came on the same day in 1895 that the republic released Queen Liliuokalani from her imprisonment.

One year later, on October 8, 1896, he married Elizabeth Kahanu Kaauwai, daughter of a chief of Maui.

The young couple made a trip around the world in 1899, seemingly with the intent of settling in another country. Congress in 1900 has passed the Organic Act which established a territorial form of government in Hawaii and which provided that the Constitution and laws of the United States had the same force and effect in the Territory as elsewhere in America. It was probably this that brought the Prince back to Hawaii. He became a member of the Republican party and a loyal supporter of the United States.

He was successful in his first bid for election and served as Hawaii's delegate to Congress from 1903 to 1921. He was well liked by his fellow-legislators in Washington, even those who at times opposed his views. His sincerity, enthusiasm and the courage to stand up for his convictions commanded universal respect.

The Rehabilitaiton Act, better known as the Hawaiian Homes Commission Act, was his greatest achievement and it took years of fighting. The battle was not won until 1921. The rehabiltiation act established a principle that the Hawaiians should have first consideration in the dsiposition of remaining public lands of the Territory. In arguing his cause, the Prince told congressmen of his anxiety over the dying Hawaiian race. He explained how the Hawaiians had lost their land to the aggressive races which had settled in the islands. He plead with them to rectify the great wrong which had been done the Hawaiians and argued that a return to the soil would save the Hawaiian race from dying out.

The result of his efforts, however, was not realized until the Hawaiian Home Commission opened the first Homestead tract of land in Kalamaula, Molokai. This settlement was named Prince Kalanianaole.

At home, he organized the Order of Kamehameha, a society devoted to the perpetuation of the memory and greatness of Kamehameha the Great. This set the pattern for the revival of many old Hawaiian societies such as the Hale O Na Alii, the Daughters and Sons of Hawaiian Warriors, the Kaahumanu Society and others. Another great organization was founded by the Prince—The Hawaiian Civic Club. The purposes of the Hawaiian Civic Club were: To stop the decline of the Hawaiian Race; To provide educational opportunities for the young Hawaiians and to assist in the social welfare of the Hawaiians.

Prince Kuhio died of heart disease at his Waikiki Beach home on January 7, 1922 at the age of 50 and was given the last state funeral held in Hawaii for an Alii. He is buried in the Kalakaua crypt at the Royal Mausoleum in Nuuanu Valley.

Prince Kuhio believed in democracy and self-government, he believed that Hawaiians must adjust to changing conditions and he believed that the only salvation for the Hawaiians was work—hard work which will enable them to compete with other races, in this, their homeland.

Aloha, Aloha, Kamaaina.

FINANCIAL STATEMENT OF SENATOR CASE

Mr. CASE. Mr. President, the following is a combined statement for my wife and me of our assets and liabilities at the end of 1976 and our income for that year. This is our 15th such report:

ASSETS

Cash in checking and savings accounts (after provision for Federal income tax for 1976), approximately	$65,000
Life insurance policies with the following insurers (currently providing for death benefits totaling $140,500): U.S. Group Life Insurance, Aetna Life Ins. Co., Conn. General Life Ins. Co., Conn. Mutual Life Ins. Co., Travelers Insurance Co. Continental Assurance Co., Equitable Life Assurance Soc., Provident Mutual Life Ins. Co. of Philadelphia	
Cash surrender value	58,339
Retirement contract with Federal Employees Retirement System (providing for single life annuity effective January 3, 1979 of $45,996 per annum). Senator Case's own contribution to the Fund total, without interest	58,666
Annuity contracts with Teachers Insurance and Annuity Association and College Retirement Equities Fund. As at 12/31/76 these contracts (estimated to provide a life annuity—10-Year Guaranteed Period—effective January 1979 of $1,973) had an accumulation value of	16,121
Securities as listed in Schedule A	465,297
House in Washington, D.C. (original cost plus capital expenditures)	66,604
Tangible personal property in Rahway and Washington, estimated	15,000

Liabilities: None.

INCOME IN 1976

Senate salary and allowances, $44,682, less estimated expenses allowable as income tax deductions of $5,725 (actual expenses considerably exceed this figure)	38,957
Dividends and interest on above securities and accounts	25,536
Net long term gain	1,243

SCHEDULE A: SECURITIES

Bond and debentures of the following, at cost (aggregate market value somewhat lower)	$95,732
Principal amount	
American Telephone & Telegraph Co.	$12,000
Cincinnati Gas & Electric Co	4,000
Consolidated Edison Co. of New York	5,000
Consumers Power Co	5,000
General Motors Acceptance Corp	17,000
Mountain States Tel. & Tel. Co	5,000
N.J. Bell Tel. Co	22,000
N.Y. City Debentures	20,000
South Western Bell Tel. Co	5,000
Toledo Edison Co	5,000
Stocks (common, unless otherwise noted) at market	369,565
Corporation and No. of shares:	
American Natural Gas Co	200
Chubb Corp	1,000
Consolidated Edison Co. of New York $5 Pfd	50
DuPont	40
General Electric Co	340
General Motors Corp	420
Household Finance Corp	550
International Business Machines Corp	160
Investors Mutual, Inc	2,760
Kenilworth State Bank	37
Marine Midland Corp	563
Merck & Company, Inc	400
Morgan, J. P	44
National Community Bank, N.J	600
Reynolds Industries	100
Tri-Continental Corp	1,941
Tri-Continental, $2.50 Pfd	1,000
United Counties Trust Co	1,413
Warner-Lambert Pharmaceutical Co	600
Wisconsin Gas Co	40

AIR SERVICE IN DANGER

Mr. McGOVERN. Mr. President, there is increasing concern in rural America and in smaller communities that the pending legislation on airline deregulation, if adopted, will result in denying access to the nation's airways for those who live away from airports served by major trunk carriers.

That is certainly the case in my State of South Dakota, where airline officials have warned us that if airline deregulation becomes a reality, we will lose much of the service we presently have.

That point is underscored in a thoughtful editorial from the Huron, S. Dak., Daily Plainsman.

I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AIR SERVICE IN DANGER

A number of South Dakota communities, including Huron, could lose the commercial airline service they now enjoy if deregulation legislation now being pushed in the United States Senate becomes law.

Under provisions of a deregulation bill sponsored by Sens. Edward Kennedy (D-Mass.) and Howard Cannon (D-Nev.) commercial air service at the current level would be completely eliminated at five of the nine commercial airports in the state and severely curtailed at the other four.

Theoretically deregulation would increase competition and reduce the price of airline tickets. Actually opponents of deregulation contend that service would be so drastically curtailed that ticket prices would probably increase.

In sparsely settled states such as South Dakota there is no question of the effects of deregulation, which would also eliminate government subsidies. One provision of the proposed law would set a minimum of 40 passengers a day as a requirement for service. That would effectively eliminate five of the nine commercially served communities in this state. And that reduction in service would adversely affect the remaining four.

The subject of airline deregulation is not new. The proposal now before a Senate subcommittee is in fact a third generation bill. It was first introduced in 1975. The South Dakota Aeronautics Commission is opposed to the deregulation measure, as is North Central Airlines which serves all of these communities.

The measure has a certain amount of support from consumer groups. But for South Dakota consumers of commercial air transportation it could be a disaster. The things that most consumers are concerned with are safety, frequency reliability and price of air service. If the present scheduled airline service were to be replaced with local service carriers—the most likely prospect—the first three consumer concerns would be depreciated. The fourth, price, might easily go up, depending upon public acceptance of reduced service.

If you want to keep the air service that you now have it would be a good idea to let your representatives in Washington know of your concern—both senators and representatives. Rep. James Abdnor is a member of the Public Works and Transportation Committee in the House of Representatives.

Deregulation of airlines as proposed in Senate Bill 689 is definitely not in the best interest of South Dakota.

TAXES

Mr. WALLOP. Mr. President, on May 6, the Wyoming Eagle, one of Cheyenne's newspapers, published an article which I find rather frightening. The article claims that the average Wyoming taxpayer must work 40.8 percent of the time just to pay Federal, State, and local taxes. This is an exorbitant amount of both time and money.

As long as Congress eagerly jumps on any new spending program, the amount of taxes paid to the Federal Government will not decrease. We in Congress must review all spending programs with a very critical eye; we cannot afford to cater to the "cause" of the hour. There are many good projects and programs which are worthy of Federal funds, but we cannot continue to spend without some idea of where that spending will lead us. Congress will have to learn to say "no," or else face the fact that taxes will increase. Apparently only a constitutional provision will be adequate protection to the public that spending should be limited.

I ask unanimous consent that the article from the Eagle be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NOW YOU'RE WORKING FOR YOURSELF AGAIN

Is the average Wyoming taxpayer really any more free of obligations than a medieval serf who served a lord?

The Wyoming Taxpayers Association concludes maybe not.

According to statistics developed by the association, the "typical Wyoming family" will spend about 40.8 percent of their gross income this year to meet the demands of federal, state and local taxes.

This "typical" Wyoming family will earn a total of $21,297 this year ad spend $8,695 or 40.8 percent of their gross income on taxes.

This mythical family has three members, both husband and wife are employed, they own a home valued at $40,000 and two cars.

The typical Wyoming taxpaying family has to work from Jan. 1 to May 30—if they had used every dollar of income as fast as it was earned to pay their taxes—to be tax free.

May 30 is the day they start working for themselves.

THE GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, as Americans, we have grown up possessing the most secure measure of human rights that the world has ever seen. We can say what we want, live where we want, work where we want, associate with whom we want, and worship in the way we want. But each of these freedoms, each of these rights, carries with it a responsibility. In declaring that "all men . . . are endowed by their Creator with certain unalienable rights," we obligated ourselves to protect these rights not only for ourselves, but just as importantly, for others. To believe otherwise is to turn President Carter's human rights statements into empty self-righteousness.

Knowing this, I cannot believe that we in the Senate have failed to take a stand on the most basic of all human rights. While the President continues to courageously speak out in defense of man's inalienable rights, the Senate maintains its stolid silence on what must be the most inalienable right of all—the right to life itself. For almost 30 years, we have refused to even vote on the United Nations Convention on Genocide, a treaty that would take a giant step toward correcting our long silence. The treaty makes genocide—an action that is anatheme to even the loosest definition of human rights—an international crime. I urge that we break our silence; let us act now to ratify the genocide treaty.

EXTENSION OF COMMODITY CREDITS

Mr. DOLE. Mr. President, on April 28, I introduced a measure to lift restrictions against commodity credits for nonmarket countries trading with the United States. As I stated at the time, my particular interest was in extending commodity credit corporation credit terms to the Peoples Republic of China to encourage future wheat purchases by that country. At this time, I shall expand upon that earlier statement and explain in more detail just what my bill would and would not accomplish, if enacted.

WHEAT PRICES DOWN

As most everyone knows, that wheat situation is disastrous. Prices are at a very low level. Estimated planted acres for wheat totaled about 8.2 million acres with a carryover projected by the Department of Agriculture at 1.12 billion bushels and production at about 2.05 billion bushels making an unprecedented total supply of 3.17 billion bushels. We have a tremendously large crop and large carryover with a total estimated disappearance of 1.72 billion bushels, which will increase our next year's carryover situation. USDA's latest projections on price indicate a season average price of about $2.25 to $2.35 per bushel. With this large supply, low prices, and seemingly adequate production in the rest of the world, we must seek to increase our U.S. wheat export opportunities.

New demand has been opening up for wheat exports to the Peoples Republic of China—PRC—and U.S. farmers' hands have been tied in trying to compete for these export sales. The PRC has contracted for fiscal year 1977 about 5 million metric tons and is expected to be in the market for an additonal 1 million metric tons. So far, all of the PRC purchases have been wheat from other suppliers, including Australia, Canada, and Argentina, who have been offering very favorable credit terms.

PURPOSE OF DOLE BILL

Under the Trade Act of 1974, the U.S. Government is prohibited from offering CCC credit to the PRC so that U.S. farmers could compete for this new market. I have, therefore, introduced legislation to allow CCC credit for purchases of agriculture commodities on a nondiscriminatory basis.

This amendment would enable the United States to take advantage of this kind of export opportunity and will not, of course, apply to countries to which validated export licenses are denied under the "Trading With the Enemy Act"—North Vietnam, North Korea, Cuba, Cambodia, and Rhodesia.

In my opinion, there is a very good reason for seeking to facilitate greater trade with the Peoples Republic of China at this time. Following Communist China's new "open door" policy with the United States, U.S. exports to that country jumped from "zero" in 1971, to $819 million worth in 1974. This was a phenomenal new market for American goods, and 80 percent of those exports were agricultural products—primarily wheat, cotton, soybeans, and corn. And the Chinese insisted on paying cash for most of it.

After 1974, our exports to Communist China fell sharply, due mainly to domestic political turmoil in China, foreign exchange problems, and a large trade deficit realized by that country. I believe commodity credit agreements between the United States and the PRC at this time could stimulate this lagging market for American agricultural goods. Of course, formal diplomatic recognition of the People's Republic is an entirely separate issue, entailing resolution of several outstanding political problems involving the U.S. national interest, and our responsibilities and commitments to Taiwan.

NO CREDITS TO CUBA OR VIETNAM

But, as I have indicated, I definitely do not favor extension of trade credits to Cuba or Vietnam. It is not the intent of my bill to do this, and enactment of my proposal would not accomplish it, since both Cuba and Vietnam are currently barred from U.S. trade under the Trading With the Enemy Act. What concerns me is that the President has authority to add or delete countries from the Enemy Act at his own discretion, and I can only reiterate the strongest feeling of myself and many of my colleagues that it would be a mistake for President Carter to take Cuba or Vietnam off of that list.

There is a good reason for avoiding trade overtures to Cuba and Vietnam at this time. Our preliminary contacts with those two countries have been minimal, and improved relations at this time would benefit only their Communist regimes. It would be a one-way street, in the other direction. It is no secret that they are eager for economic ties with us. Yet Vietnam continues to be uncooperative in accounting for our MIA's. Cuba continues to export their revolutionary doctrine, and their troops, throughout the world. Both countries seriously violate human rights of their own citizens. If we expect to see any progress on these important points, we must use all our bargaining chips—and the best one we have to use is the prospect of future trade.

The 1972 Shanghai communique laid a basis of mutual understanding between the United States and Communist China, on which political and economic ties could be developed so long as they were mutually beneficial. We have no such groundwork prepared with the Cubans and Vietnamese and, frankly, I do not see any basis for it at this time.

EDUCATIONAL OPPORTUNITIES IN SPACE SHUTTLE PROGRAM—PROJECT ENTERPRISE

Mr. STEVENSON. Mr. President, NASA's Space Shuttle will provide transportation for the most sophisticated scientific experiments ever conducted in space. Most Shuttle projects, such as the Spacelab being constructed by the European Space Agency, are necessarily high-cost and high-technology efforts.

But, that is not the entire story, NASA is also offering space aboard the Shuttle—termed "getaway specials"—at a relatively low cost to high school and college students for their own science experiments.

The getaway special offers 5 cubic feet—200 pounds limit—of experimental space aboard the Shuttle for $10,000/flights; 2½ cubic feet—100 pounds limit—for $5,000 and 1½ cubic feet—67 pounds limit—for $3,000. Under this agreement, the Space Shuttle will transport an experiment to weightless orbit; expose it in the cargo bay to the space environment for a week to a month, and return it for postflight evaluation and potential reuse.

Project Enterprise is a nonprofit, volunteer program, which provides individuals and organizations with an opportunity to donate "getaway special" space to educational institutions.

Under the terms of Project Enterprise, high school and college students, with appropriate faculty guidance, will develop experiments in areas of physical sciences, life sciences, atmospheric sciences, engineering and agriculture. Beginning in June 1977, NASA plans to conduct on-campus institutes for students and faculties on the intricacies of space experimentation. Universities and high school districts will then prepare their experimental programs to be carried on an early Shuttle mission.

In order to participate in Project Enterprise, an individual or organization should send a $500 downpayment to Chester M. Lee, Director of Space Transportation Systems Operations, code MO, NASA Headquarters, Washington, D.C. 20546. Pledges for the remainder of the ticket price, due the year the experiment flies—in 1975 equivalent dollars—may then be obtained from commercial or educational organizations.

The Utah section of the American Institute of Aeronautics and Astronautics has made downpayments on experimen-

tal space in the Shuttle for four universities and one high school district in Utah involved in Project Enterprise.

Mr. President, Project Enterprise is an outstanding example of public participation in support of space experimentation; it deserves our support and commendation. The project is designed to use our space program as an educational stimulus for science and engineering students. We must encourage science and technology advancement through our educational system. I urge my colleagues to involve their own State educational institutions in Project Enterprise.

Mr. President, I ask unanimous consent that an article, entitled "Project Enterprise," written by Gil Moore, be printed in the Record.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PROJECT ENTERPRISE

(By Gil Moore)

The Space Shuttle era, which dawns in two short years, will revolutionize uses of the space environment for everyday, practical, down-to-earth purposes. I don't need to describe this revolution to you, the aerospace professional. Its details have been recounted in a host of publications to which you are exposed every day, including Astronautics and Aeronautics.

What I do wish to point out to you is the absolutely gold-plated, diamond-studded opportunity the Shuttle program hands to you and me to revitalize science and engineering education in this country and to help set the course for the beneficial uses of space for years to come.

This opportunity takes the form of NASA's "Getaway Special" offer for experiment space aboard the Shuttle. Under the terms of this offer, you and I can rent 5 cu ft of space in the Orbiter cargo bay for our very own, self-contained R&D payload at the bargain price of $10,000 per flight. For this sum NASA will transport our package to weightless orbit, expose it in the open cargo bay to the profound vacuum of space for a period ranging from a week to a month, and return it gently to the ground for our post-flight evaluation and potential re-use. Before this offer came along, the cheapest equivalent ride, on the venerable Scout, cost 3 million, and you didn't get your package back, either.

If $10,000 for a freight ticket still sounds steep, how about $5,000? For that much you get 2½ cu ft; for $3,000, 1½ cu ft—the minimum size of package available. Incidentally, the weights corresponding to those volumes are 200 lb for 5 cu ft, 100 lb for 2½ cu ft, and 67 lb for 1½ cu ft. The down payment for any of these tickets comes to just $500, with the remainder due in the year your package flies, payable in 1975 equivalent dollars.

The basic idea: The Getaway Special provides low-cost space transportation for small experimental payloads that have their own, self-contained power supplies and data recording systems and remain in the Orbiter's cargo bay throughout a flight. If you want additional services for your payload, however, such as telemetry or tape recording, electrical power, spacecraft pointing, remote-manipulator-system operation, astronaut extravehicular activity, ejection commands, and the like, they can be made available at extra cost, to be determined.

You may ask, What can I do with this marvelous bargain once I acquire it? You don't need to seek afield for the answer. You can sit down with your kids and build that experiment you've always dreamed about, but never really through you'd get the chance to fly. Or how about donating it to your favorite educational institution? Can you imagine what a fantastic stimulus it would be for the science and engineering students at your alma mater or your neighborhood high school to know that they could fly an experiment aboard the Space Shuttle? (I'll never forget the first time I was assigned by the Naval Research Laboratory to prepare and install soft x-ray densitometer cassettes on the tail fins of a V-2 rocket at what was then called the White Sands Proving Ground in New Mexico. The year was 1947, and I was a lowly engineering student at New Mexico A&M College and a part-time employee of the college's Physical Science Laboratory. Wow! The thrill of seeing "my" bird go roaring into "outer space" has never faded away. I can still see in my mind's eye the faint images on the developed film resulting from the 5-25-Å radiation which penetrated the cassette's half-mil Beryllium foil windows during the rocket's brief flight above the absorbing atmosphere.)

We in AIAA spend a great amount of time in our meetings and publications moaning to each other that the public doesn't care about space any more, and that no bright, fresh, sparkly kids are coming up through the educational system to pick up our heavy burdens as we totter off into the sunset. Well, here's our chance. We can turn it all around, starting right now. Let me describe what one group within AIAA is up to, and then see if you don't think that your section should do something simular.

Operating sometimes as individuals and sometimes collectively, we in the AIAA Utah Section have made down payments on Space Shuttle experiment-package freight tickets for four universities and one school district. Specifically, we have concluded agreements with, and made down payments for, Utah State Univ. in Logan, Utah; Weber State College, Ogden, Utah; the Univ. of Utah, Salt Lake City, Utah; Purdue Univ., West Lafayette, Ind., and the Weber County School District, which surrounds Ogden, Utah, and contains three high schools. And we have opened discussions with the Univ. of Maryland, College Park, Md., and the nearby Prince George's County School District; the Univ. of Michigan, Ann Arbor, Mich.; Westminster College, Salt Lake City, Utah; Brigham Young Univ., Provo, Utah; New Mexico State Univ., Las Cruces, N.M.; Iowa State Univ., Ames, Iowa; and the Logan/Cache, Box Elder, Ogden and Davis School Districts in Northern Utah. By the time this article reaches you we expect to have negotiations completed with these institutions, have payloads reserved for them, and be working on our next batch.

What do these institutions do, once we have provided them with an orbital freight ticket?

Take Utah State Univ. as an example, since it was the first university to participate in what I'm calling "Project Enterprise."

This project was born at the 1976 Congress of the International Astronautical Federation, held last October in Anaheim, Calif. There John Yardley, NASA Associate Administrator for Space Flight, made the first public announcement of the availability of the Gateway Special. I reserved the first ticket then and there. After my wife and kids and I decided what we wanted to fly, we realized we needed only about half the space, so we offered two-and-a-half cubic feet of our package to Utah State University for use by some of its undergraduate students.

Rex Megill, associate director of Utah State's Aeronomy Center and professor of both Physics and Electrical Engineering, together with Peter Banks, Physics Department chairman, were intrigued by the offer. They approached Glen Taggart, president of Utah State, and the appropriate members of his administration with their desire to set up a scholarship program based on our offer. Dr. Taggart liked the idea and, after consulting with his faculty and Institutional Council, approved it and the scholarship plan. A Space Science Experiment Committee was then established, with Rex as chairman and with representation from all interested academic departments. They also arranged to have me appointed to the faculty as a non-salaried adjunct professor of physics and then assigned me to the committee.

The next step was to send out several thousand flyers to high school seniors across the western United States, which we accomplished with the enthusiastic assistance of B. Michael Donahoe, educational-programs representative for the NASA Ames Research Center. In these flyers, we have solicited ideas for experiments to be developed at Utah State for flight aboard the first operational Shuttle. The responses are coming in now and are being screened by the Space Science Experiment Committee.

Once we have selected the top three students, they will be granted four-year tuition-waiver scholarships to the university, commencing in the fall of 1977, plus part-time jobs, unrestricted access to the university's electronics labs and machine shops, and the assignment of volunteer faculty members to advise and counsel for them four years, as they will labor to build, perfect and test their experiments. At the same time, they will, of course, be pursuing regular undergraduate degrees in their chosen fields of study.

The students will also have the opportunity to fly small-scale, precursor experiments on sounding rockets, balloons, and jet aircraft during their freshman, sophomore and junior years, in order to get a feel for aerospace research, and to work the glitches out of their gadgets before they have to commit them to the Shuttle payload. Negotiations are well along with the NASA Goddard Space Flight Center, NASA Ames physics Laboratory, and Sandia Laboratories to fly these student piggyback packages on a non-interference, space-available, no-charge basis on one or the other of the transportation devices listed above.

As a follow-up to my 1980 ticket, Rex Megill has purchased a freight ticket for a Shuttle experiement to be flown by Utah State students in 1981, and he has convinced thirty faculty members from various departments of the university to buy one for a 1982 flight. President Taggart and his deans have agreed to support the program with additional scholarships and jobs through 1982, at least, to see how it works out. My guess is that Utah State's students will be flying experiments on the Shuttle for many years.

After Utah State Univ. got its program under way, the Utah Section of AIAA felt it would be worthwhile to make a similar opportunity available to the Univ. of Utah. Jim Kordig, Section chairman, assembled his council on the evening of February 1 and we put the proposition to them: We would ask the Section members interested in participating to donate $30 each to help buy a 1½-cu-ft freight ticket for the university. We would also volunteer our professional services, after working hours and on weekends, to help the students design, build, program, integrate and test their payloads, if they needed us.

The council enthusiastically endorsed the concept, and we raised enough money for a down payment by 8:30 the next morning. Section members who chipped in for the down payment were Jim Kordig, Lowell Smith, Reid Hopkins and John Tsamisis of Hercules; Bill Benda of Sperry Univac; Joan Reinhart of Lockheed; Gary Flandro of the Univ. of Utah; and Hal Ritchey, Jim Stone, Tom Davidson, Harry Koch, George Alford, Paul Hoekstra, Pete Kirschner, Warren Allen, Gil Moore and Ed Dorsey of Thiokol.

We fired off a TWX to NASA, reserving a payload, and followed it up with a confirming letter and check. We then met with groups of Univ. of Utah faculty members to explain our program, and we sent a formal offer to David P. Gardiner, Univ. of Utah president. President Gardiner has established a task force headed by Merrill Ridd of the Geography Dept. to study our offer,

and he expects to have a response for us before this article reaches print.

Meanwhile, $30 checks are coming in at a steady rate from Utah Section members, and we expect to have our final payment in the bank before the year is over.

Hal Ritchey, Thiokol's Board chairman, then decided it was about time we spread our efforts out a bit, so he opened negotiations with Purdue Univ. in February. After we had conversations with Knud Knudsen and Steve Luther of University Development, Bruce Reese, chairman of the Aeronautics and Aerospace Dept., and S.N.B. Murthy of Purdue's Thermal Science and Propulsion Center, Hal was sufficiently encouraged to buy a Shuttle ticket for Purdue on March 4.

On that day, I made a down payment on a Shuttle ticket for Weber State College, after having had numerous meetings with students, faculty, and administrators there, and satisfying myself that its students would be good candidates for developing a Project Enterprise payload. I also sent a formal offer to President Joseph Bishop, donating the down payment and pledging to raise the rest of the money by the due date. Within two weeks, I received a formal response from Dello Dayton, Academic VP, accepting the offer and the accompanying terms, and establishing a scholarship and volunteer faculty program identical to the one at Utah State, together with a Space Science Committee under the chairmanship of David Tripp of the Physics Dept.

The AIAA Utah Section's most recent step has been to tackle the high school phase of this project. As our initial candidate, we've selected the Weber County School District because it's close to both Utah State Univ. and Weber State College. In this case, we're organizing groups of sophomores from Weber High in Pleasant View, Roy High in Roy, and Bonneville High in Washington Terrace, Utah, into teams to build Shuttle experiments over a three-year period. Each team will represent a microcosm of the aerospace world, with members assigned from each of the disciplines involved in space research and engineering. Students interested in the physical sciences, life sciences, engineering, manufacturing and management will be involved. Each of the three high schools will build its own experiment and then participate in integrating it into the district package.

Ideas for the experiments will come from the students themselves, from their teachers, and from the faculties of Utah State and Weber State College. Summer institutes will be held on the campuses of both to tutor the high school students and their teachers in the intricacies of space experimentation. Even Memmott of Weber State has agreed to broaden the format of his immensely popular Aerospace Education Workshop to make room for a Shuttle experiment institute. The first session will occur in June, just about the time you read this article, Don Lind, the scientist/astronaut who represents Johnson Space Center on NASA's Shuttle Orbital Flight Test experiment team, and who is also the astronaut-monitor of the Remote Manipulator System development, will keynote this first section. A representative from the Marshall Space Flight Center will outline Shuttle experiments suitable for student participation in the field of materials processing. Jon Busse, chief of the Goddard Space Flight Center Sounding Rocket Division, will discuss precursor flight opportunities on rockets, balloons and aircraft. He will also point out ways for the students to minimize the fabrication costs of their Shuttle payloads.

Students from not only the Weber County School District, but also from other districts listed earlier, will be invited to this and subsequent sessions at Weber State and at Utah State. Faculty members from these two campuses will be available on call to the high school teachers and students during each school year, and the students will be invited to special laboratory sessions on the campuses if their own school's facilities don't suffice for space-payload manufacturing and testing. Roger Williamson, of Utah State's Physics Dept., and Walt Saunders, chairman of that institution's Secondary Education Dept., are establishing the procedures for the university/high school interface, in cooperation with Leland Burningham, Weber County School District superintendent, Jim West, district science coordinator, and Ted Campbell, Weber High School principal.

I have peppered this article with names to show you that a whale of a lot of people have been heavily involved in getting this program off the ground (or should I say into orbit), and more are becoming involved every week. We're working with George Pieper, director of Sciences, Len Arnowitz, associate chief of the Sounding Rocket Division, and Elva Bailey, educational programs officer, of NASA's Goddard Space Flight Center to set up a Univ. of Maryland program. Our initial meeting with provost Joe Marchello, asst. provost Elske v. P. Smith, Alex Dragt, Physics department chairman, Frank Kerr, Astronomy, and Robert Munn, Chemistry, was most encouraging. In fact, Joe informed us that, when a Space Science Experiment Committee is established, he plans to chair it himself. We've talked with Bob Krieger, director of NASA's Wallops Flight Center, and his cohorts, Abe Spinak and Larry Early, about a program at the Univ. of Maryland's Eastern Shore Campus. We've talked with Dick Smith, deputy director of NASA's Marshall Space Flight Center, and Ed Buckbee, director of the Alabama Space and Rocket Center, about the possibilities of cooperation between their two organizations on the payload for which ASRC recently bought a Shuttle freight ticket, Dick has not only agreed to that cooperation, but, after briefing Bill Lucas, director of MSFC, he has also started making contacts with Auburn Univ. in Auburn, Alabama, the Univ. of Alabama at its Tuscaloosa, Birmingham and Huntsville campuses, Vanderbilt Univ. in Nashville, and the Univ. of Tennessee in Knoxville, to see if he can stimulate some Project Enterprise activity at their institutions.

We've talked with Chris Kraft, director of NASA's Johnson Space Center. Cliff Charlesworth, acting program manager of JSC's Shuttle Payload Integration and Development Program Office, and Don Lind, shuttle astronaut, about setting up an Enterprise operation in the JSC area. They felt that it was a good idea, and Chris suggested that we start out with Rice Univ. in Houston, the Univ. of Texas in Austin, and Texas A&M in College Station, Texas, since JSC already has working relationships with those institutions. Tom Murtagh, incoming chairman of the AIAA Houston Section, and Loren Wood, perennial section sparkplug are planning to approach the section membership on the possibility of sponsoring a freight ticket for one or more of the Texas universities, and of setting up a school program in the Clear Lake/El Lago vicinity.

We've contacted George Carignan, director of the Space Physics Research Laboratory and Tom Donahue, chairman of the Department of Atmospheric and Oceanic Science, at the Univ. of Michigan and have been told that the university definitely plans to participate. Ken Randle has set his sights on getting a Shuttle freight ticket for them. Those of you who have met Ken know that the Univ. of Michigan will soon be involved in a student program on the Space Shuttle. And the list goes on. This article will be hopelessly outdated by the time it's published, but maybe Editor John Newbauer will ask for a sequel next year.

How do you go about showing the world that you and your AIAA section can do ten times better a job than the over-the-hill gang in Utah? It's very simple. First, you collect a $500 down payment and send it to Chester M. Lee, Director of Space Transportation Systems Operations, Code MO, NASA Headquarters, Washington, D.C. 20546. Either Chet or his administrative assistant, Donna Skidmore will acknowledge receipt of your down payment and remind you to send the rest of the money the year your payload flies. They'll also start the dialogue which will spell out the terms and conditions attached to the Getaway Special offer (you can't use this payload for cheap exploitation, you can't jeopardize the crew's safety, etc.).

Next, get pledges for the remainder of the price of the ticket, either from within your own group or from outside. Civic clubs, PTAs and professional societies make excellent partners.

Finally, you select a suitable university or school district with which to work, and settle down to the exciting task of providing a once-in-a-lifetime opportunity for a group of bright young people to come up with ways of using space for the betterment of our earthly lot.

So, all aboard for Project Enterprise, I say, and a crisp, new page in aerospace education. You're going to be pleased with tomorrow's economic and psychic return on this investment.

MARYLAND OCCUPATIONAL SAFETY AND HEALTH PROGRAM

Mr. MATHIAS. Mr. President, occupational safety and healthy working conditions are matters of continuing national concern. For this reason, it is important that we share information on programs that are achieving results in these fields.

The State of Maryland had been very active in these areas under the leadership of Commissioner of Labor and Industry Harvey A. Epstein. For the information of my colleagues, I ask unanimous consent to have printed in the RECORD excerpts from Commissioner Epstein's comprehensive report on the Maryland occupational safety and health program.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

MARYLAND OCCUPATIONAL SAFETY AND HEALTH PROGRAM

HISTORICAL BACKGROUND

The Williams-Steiger Occupational Safety and Health Act of 1970 charged the U.S. Department of Labor with the responsibility of establishing a program assuring "so far as possible every working man and woman in the nation, safe and healthful working conditions, and preserving our human resources."

Congress included in the Act of 1970 a provision under Section 18(b) "for any state at any time, that desires to assume the responsibility for development and enforcement of a state occupational safety and health program, may elect to do so."

In March 1971, Governor Marvin Mandel designated the Division of Labor and Industry as the responsible agency to develop and administer Maryland's Occupational Safety and Health Plan in accordance with Section 18(b) of the Occupational Safety and Health Act of 1970.

In December 1972, Maryland's developmental plan for Occupational Safety and Health was submitted to the U.S. Department of Labor for approval. In anticipation of approval of the plan, the Maryland Legislature, during its 1973 session, passed enabling legislation, Article 89, Section 28–49A of the Annotated Code of Maryland, establishing the Maryland Occupational Safety and Health Act.

Final approval of the Maryland Occupational Safety and Health developmental

plan by the U.S. Department of Labor was received on June 28, 1973. With plan approval and enabling legislation passed, the Division of Labor and Industry assumed authority and enforcement responsibility for the Maryland Occupational Safety and Health Act (MOSHA) on July 1, 1973.

ADMINISTRATION

For the three and one-half year period since that date, MOSH has undergone the Federal evaluation process required for program certification. Having signed an operational agreement during 1976 with the U.S. Department of Labor, the Maryland program expects to be certified in calendar year 1977.

With the accomplishment of its initial developmental stages, MOSH has emerged as a program which is fully prepared for the challenge of assuring safe and healthful working conditions for the working men and women of Maryland.

Standards activity

During 1976, the Commissioner of Labor and Industry adopted by reference the following Federal standards, thus enabling MOSH to increase program effectiveness.

1928.57—Guarding of Farm Field Equipment, Farmstead Equipment and Cotton Gins.

1928.57—Guarding of Farm Field Equipment, Farmstead Equipment and Cotton Gins (corrections as listed below), 1928.57(a)(5), 1928.57(a)(11)(iii) typographical, 1928.57(d)(2)(i).

1910.1001(i)(1)—Standard for Exposure to asbestos amended to extend the retention period for asbestos exposure monitoring records from three years to 20 years.

1910.184(f)(6)—revoked-deletion of requirement prohibiting knots and wire rope clips.

1910.57(a)(3) and (a)(4)—Guarding of Farm Field Equipment, Farmstead Equipment, and Cotton Gins; Deferral of effective date.

1975 Supplements d, e, and f to the ANSI A17.1 Safety Code for Elevators, Dumbwaiters, Escalators, and Moving Walks became effective in July. The adoption of these standards broadened the Section 49B of the Law to include material lifts and dumbwaiters with automatic transfer devices.

In February, the Commissioner initiated the first standards in the country for a newly determined health hazard, Chlordecone (Kepone). Pursuant to the proposal, public hearings were held by the MOSH Advisory Board and by the Commissioner and the standard was submitted for publication. On January 19, 1977 the permanent Maryland Occupational Safety and Health Standard for Chlordecone (Kepone) becomes effective.

MIS

The Management Information System's primary purpose is to facilitate the timely collection, recording, transmission, analysis, and the use of accurate data needed to manage OSHA activities in Maryland. The secondary purpose is to provide the necessary data to meet Federal reporting requirements. The computer reports derived from the MIS involve such major activities as safety and health inspection, elevator inspection, training, and consultation services.

CONSULTATION SERVICES

The Maryland Occupational Safety and Health Law provides for the Commissioner of Labor and Industry to aid and assist employers in carrying out their responsibilities under the Act and to suggest and recommend to employers and groups of employers methods and procedures by which they may develop safety and health programs.

During calendar year 1976, the Division of Labor and Industry made available the following Consultation Services to assist employers in attaining voluntary compliance with the MOSH Act:

Onsite consultation services

The Division's trained Occuptional Safety and Health consultants were available, upon request, to conduct free on-site safety and health surveys designed to enable employers to eliminate workplace hazards and substantially reduce the potential for injury or illness occurrences.

Employers have the option of requesting complete "wall to wall" surveys of their worksites or can limit the scope of the survey to specific operations or pieces of equipment.

Consultative services are available to any Maryland employer with scheduling priorities given to those industries with high hazards as a result of their injury and illness incidence rate and also to small businesses financially unable to contract for this service privately.

During 1976, consultation services responded to 178 requests for surveys which affected 5,995 employees. Maryland experienced a trend toward increased requests for health hazard consultations during this period; showing a 37% increase over health hazard consultations performed in calendar year 1975.

Consultation services continues to operate separately and apart from the MOSH enforcement section, thereby assuring employers availing themselves of this service that citations and penalties will not result.

Training and informational services

Consultation services offer a wide spectrum of educational services to private and public employers. The Division has developed and distributed several informational pamphlets designed to acquaint employers and employees with the provisions of the MOSH Act. Consultation services maintain close liaison with employer and employee associations, institutional facilities and public agencies in an attempt to keep them informed about all pertinent new information. This service also utilizes local media to notify interested parties about MOSH services and availability.

The Division recognizes the great benefit derived by training employees in safe and healthful work practices. To this end, Consultation services offer in-depth training courses presented free of charge upon request. The capability also exists to design and present special training courses to meet an employer's specific needs.

During 1976, Consultation services conducted 66 training activities, in which 2,177 persons participated.

The purpose of these courses are to have a multiplier effect, that is, individuals trained by MOSH will use their newly acquired knowledge to train and educate others at their workplace.

SAFETY AND HEALTH COMPLIANCE SERVICES

Maryland Occupational Safety and Health (MOSH) activities are directed towards accomplishing compliance with standards adopted pursuant to the law. In order to foster better understanding of the meaning and requirements of these standards, employers and employee groups are encouraged to participate in the Division's free cooperative programs. Employers who voluntarily comply with existing MOSH standards avoid the citations and monetary penalties that can result from violations of standards.

Direct enforcement activities are conducted in order to determine if there is compliance with the standards and to eliminate workplace hazards which could cause injury or illness. During the calendar year 1976, the MOSH program conducted 10,488 inspections which affected 607,423 employees.

High priority is given to scheduling inspections in target industries (determined on the basis of injury and illness statistics and employment size). Working on a worst first basis, emphasis is also placed on investigations of catastrophes, fatalities, and complaints. General and follow-up scheduling further broaden the coverage of MOSH enforcement activities.

Regional offices located in Cumberland, College Park, Salisbury, and within the Baltimore metropolitan area (2 locations) have contributed to greater accessibility for both employers and employees.

Safety inspection

The occupational safety and health inspection staff has attended 1,683 training days in 1976. Through such in-service training programs, inspectors have been able to develop and maintain the expertise and competence necessary for hazards recognition and standards enforcement.

The activities of safety inspection are detailed in the Compliance Activity—Calendar Year 1976 chart (see page 25).

The most frequently cited standards concern hazards such as electrical code violations, fire protection violations, machine guarding violations, scaffolding violations, and floor and wall openings violations.

Occupational health

During 1976, this unit achieved full staff capacity and a large portion of its efforts were devoted to completion of training of industrial hygienists. The staff of the Occupational Health Unit in 1976 attended a total of 336 days of training.

The Occupational Health Unit is responsible for enforcement of the health standards of the Maryland Occupational Safety and Health Act. The unit is composed of industrial hygienists assigned to the five regional offices. The Occupational Health Unit during the calendar year 1976 conducted 662 health inspections affecting 38,894 employees.

At the request of the Baltimore City Police Department, the Occupational Health Unit conducted a study which measured the exposure of its urban police force to carbon monoxide. Samples were collected from 320 policemen who volunteered to participate. Results of the study were also presented at the Annual Conference of the American Industrial Hygiene Association held in Atlanta, Georgia, May, 1976.

The Executive Assistant Commissioner, Technical Services, served on Maryland's Kepone Task Force, the Hazardous Substance Advisory Council, and the Influenza Vaccination Campaign Committee in 1976. The Occupational Health Unit mailed information to over 400 secondary schools and colleges in the state of Maryland concerning the newly adopted registration requirements of 15 known cancer-causing chemicals. Packets were provided to the schools detailing handling, use and storage of these chemicals as now required under the state regulations. Schools wishing to dispose of known carcinogens were advised to contact the Occupational Health Unit and proper arrangements for their disposal were made.

Public sector

Article 89, Section 45 of the Annotated Code of Maryland provides that, "The Commissioner is authorized and directed to provide an effective and comprehensive occupational safety and health program for employees within each Agency of the State Government and such Agency of each political subdivision." Under the Maryland Plan for the Public Sector, each Agency of the State and each political subdivision may elect to develop, conduct and maintain a program of self-inspection. To initiate the program, training of public sector self-inspectors began on February 3, 1976 and was continued to October 19, 1976. A total of 61 self-inspectors were trained during the period.

Monitoring of the Public Sector self-inspectors was initiated during the latter months of 1976.

Public Sector Agencies not covered by approved self-inspection programs are inspected by the Division of Labor and Industry.

Regardless of the source of inspection, all

citations are issued by the Division of Labor and Industry.

OFFICE OF REVIEW

Regulations adopted under the MOSH Act of 1973 provide that "Any employer to whom a citation or notice of proposed penalty has been issued may, under Section 37(a) of the Act, notify the Commissioner in writing that he intends to contest such citations or proposed penalty before the Commissioner."

During the latter part of 1976, the Office of Review was established by combining a number of activities of other offices and personnel relevant to the review process. In addition to the overall responsibility of administration and coordination, the office performs numerous activities including the scheduling of hearings and conferences, arranging for court reporter services and hearing rooms, processing of penalty payments, maintaining records, and preparing reports.

During calendar year 1976, 362 Notices of Contest were filed and 181 Formal Hearings were held.

ELEVATOR SAFETY INSPECTION

Section 49B of Article 89, Annotated Code of Maryland, entitled Maryland Occupational Safety and Health Law, requires the registration and yearly certification of all elevators, escalators, dumbwaiters and moving walks in the State.

At the request of Baltimore County, Gaithersburg, and Rockville the Division of Labor and Industry assumed the responsibility for inspections in those areas. This unit is now responsible for all elevator inspections within the entire State with the exception of Baltimore City and certain areas of Montgomery County.

The elevator safety unit performs industrial crane operations throughout the State. In order to assure the necessary expertise, training in current standards and effective inspection techniques is conducted. During 1976, several inspectors attended the OSHA Training and Certification Course.

The inspection unit also provides training services. This year a crane hazard recognition course was designed and presented to State and County safety personnel.

Staff memberships in the NAESA provide the State with current perspectives, innovations, and code interpretations, as well as the opportunity to participate in the establishment of codes that govern the elevator and amusement industry.

1976 elevator safety activities

Safety test	516
Surveys	3,685
Resurvey (followup)	1,370
Final	91
Accident investigation	32
Complaint investigation	29
Seal out of service	24
Approximate total units inspected	5,747
Total persons affected	2,283,171
Total employees affected	275,301

AMUSEMENT SAFETY

On July 1, 1976 the Amusement Safety Law was enacted. This new law empowers the Commissioner of Labor and Industry to administer and enforce the provisions relating to amusement rides and attractions, to prescribe regulations and to inspect all amusement rides and attractions located in amusement parks, fairs and carnivals and provides for the licensing, regulation and safety inspection of amusement rides and attractions.

The legislative enactment provided for the Governor to appoint an Amusement Safety Advisory Board to advise, consult with and make recommendations and propose such regulations and standards, or their modifications, amendments, or revocations, to the Commissioner for the prevention of conditions detrimental to the public.

SMOKING ON ELEVATORS

Authorized by Chapter 594, Acts of 1975, the General Assembly of Maryland prohibited smoking on any elevator whose use is available to the general public and established a civil penalty not to exceed $25.00.

The legislation empowered the Commissioner of Labor and Industry to promulgate regulations. After publication and public hearing, regulation 09.12.61 was adopted and became effective January 1, 1976.

Signs in red on white must be posted inside each elevator and above the call-button on each floor with lettering which states:

No Smoking: Smoking or Carrying Lighted Tobacco Products In This Elevator Is Illegal and Subject To A Penalty Not To Exceed $25.00. Commissioner of Labor and Industry, 203 East Baltimore Street, Baltimore, Maryland 21202.

SAFETY AND HEALTH COMPLIANCE ACTIVITY—CALENDAR YEAR 1976

Standard industrial classifications	Inspections					Establishments		Violations		Man-hours inspected by occupational safety personnel
	Accident	Complaint investigation	Followup	Scheduled inspections	Total	Employees affected by inspections	In compliance	Serious violations	Nonserious violations	
A. Agriculture	0	1	10	46	57	1,574	19	0	66	417
B. Oil and gas extraction	0	0	1	2	3	82	0	0	3	35
C. Contract construction	80	29	650	3,215	3,974	35,257	1,616	230	3,443	21,610
D. Manufacturing	173	91	847	1,683	2,814	392,580	571	53	5,904	33,458
E. Transportation and public utilities	13	17	87	251	368	21,144	113	0	538	3,318
F. Wholesale trade	14	5	148	444	611	18,710	142	1	1,109	4,714
G. Retail trade	12	18	293	883	1,206	41,804	226	2	2,124	9,353
H. Financial	2	2	7	28	39	1,197	14	2	46	5,180
I. Services	15	15	161	408	599	42,079	121	3	1,084	12,161
J. State and local government	16	64	198	539	817	47,996	163	11	1,699	8,628
Total	425	242	2,402	7,419	10,488	607,423	2,985	302	16,015	98,874

BOILER AND PRESSURE VESSEL SAFETY INSPECTION

Inspections of all uninsured high pressure boilers, low pressure boilers, and pressure vessels, as required by Article 48, Section 167–180, Annotated Code of Maryland, are made by the personnel of the Boiler and Pressure Vessel Safety Inspection Unit and by those insurance inspectors who qualify and are commissioned as special inspectors by the Commissioner.

In the State of Maryland there are approximately 42,000 pressure vessels and 38,000 boilers which qualify for inspection. Of the boilers, approximately 72 percent are low pressure and 28 percent are high pressure boilers. Insurance companies currently insure 70 percent of the boilers and 60 percent of the pressure vessels. All uninsured boilers and pressure vessels must be inspected and registered by the Boiler and Pressure Vessel Safety Inspection Unit. High pressure boilers are required to be inspected twice a year. Pressure vessels and low pressure boilers are required to be inspected once a year.

The Boiler and Pressure Vessel Safety Inspection Unit conducted 6,253 inspections in 1976. These inspections include certificate inspections and special inspections. Special inspections encompass canvassing for uncertified boilers, joint inspections with insurance companies, accident investigations, complaint investigations, etc.

In 1976, 13,131 certificates of inspection were issued. The fees charged for various inspections (boilers, pressure vessels, shop, field and symbol inspections) and certificates amounted to $63,675.00.

Effective July 1, 1976, a new law exempted the State of Maryland or any agencies of the State or municipal governments from the payment of a fee for the issuance of a Certificate of Inspection for boilers and pressure vessels.

NATIVE HAWAIIAN RENAISSANCE

Mr. INOUYE. Mr. President, I invite the attention of my distinguished colleagues to a speech delivered by Mr. George Sanford Kanahele on March 22 before the Rotary Club of Honolulu. He addressed a subject that has received considerable public attention in Hawaii in recent years, yet has not had much exposure in the rest of the country: The renaissance of the native Hawaiian people.

This renaissance, defined by Mr. Kanahele as a "rebirth of artistic and intellectual achievement accompanied by a revival of interest on the past," has affected not only the approximately 146,220 persons of Hawaiian ancestry in my home State, but also thousands of individuals of other ethnic backgrounds. Local papers recently have run articles about the sudden surge of widespread interest, particularly among the State's youth, in grassroots-style Hawaiian music that relies on acoustic rather than amplified or electric instruments, more indigenous song forms and Hawaiian language lyrics. The newspapers also have reported that swelling numbers of students, Hawaiian and non-Hawaiian, are enrolling in Hawaiian language classes in the high schools and colleges.

This decade has seen a new political movement among the native Hawaiians, which has grown with the movement in Hawaiian arts and culture. The heightened political consciousness of many native Hawaiians, in fact, has helped to broaden public awareness of the native Hawaiian people and their culture, which for so many years had been ignored by the public because many perceived it as backward or heathen.

In turn, the expanded awareness of the beauty of Hawaiian culture has intensified the native Hawaiian political movement, compelling it to correct the wrongs committed against the Hawaiian people over the years. All of this adds up to what Mr. Kanahele called the native

Hawaiian renaissance. In an early section of his speech he said,

What is happening among Hawaiians today is probably the most significant chapter in their modern history since the overthrow of the monarchy and loss of their nationhood in 1893.

Mr. Kanahele is a respected leader throughout Hawaii and is among those actively promoting public interest in native Hawaiian culture, arts and politics. Mr. Kanahele, born in Kahuku, Hawaii and a graduate of the Kamehameha Schools, has degrees from Brigham Young University and Cornell University, and has devoted part of his career to teaching, government service and business. In 1973 he was named Outstanding Hawaiian of the Year by the State Association of Hawaiian Civic Clubs.

Mr. President, I request unanimous consent to have printed in the RECORD the text of Mr. Kanahele's stimulating and thorough discussion of the native Hawaiian renaissance.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY GEORGE S. KANAHELE

My talk today is about Hawaiian heritage, not so much about its roots, as about its fruits.

For example, when the Hokule'a completed its round-trip voyage to Tahiti, which was the most outstanding feat of the American bicentennial, it replicated an achievement that had not been done for maybe 6 or 7 centuries.

A few weeks ago a 760-page manuscript was completed and handed to the University Press of Hawaii for publication. It is an encyclopedia of Hawaiian music, the first ever written for Hawaiian or any other ethnic music.

Recently a Hawaiian chantress, nearly 70 years of age, said that she never thought she would live to see the day when there would be so many young and good chanters as there are today.

These are the fruits I speak of, the results of the flowering of Hawaiian culture which, in the classic European sense, can be called a "renaissance." It is a rebirth of artistic and intellectual achievement accompanied by a revival of interest in the past, and an increasing interest in and pursuit of knowledge or learning.

Some have called it a "psychological renewal," a kind of purging of feelings of alienation and inferiority and a reassertion of self-dignity and self-importance.

Of course, it is both, for neither can happen without the other.

What is happening among Hawaiians today is probably the most significant chapter in their modern history since the overthrow of the monarchy and loss of their nationhood in 1893. For, concomitant with this cultural rebirth, is a new political awareness which is gradually being transformed into an articulate, organized but unmonolithic movement.

The consequences of this fusion are already evident, the most immediate example of which is Kahoolawe, which has been so dramatized, so exploited and so tragic. Before it runs its course, it may get worse or better, but, in either case, Kahoolawe will certainly not be the last demonstration of Hawaiian political action rooted in cultural revivalism. Needless to say, it deserves understanding and watching.

Strictly speaking, the renaissance is not an entirely new phenomenon in Hawaiian history. There have been during this century periods of cultural resurgence. These range from the revival of surfing in the very early 1900s or canoe racing in the 1950s to the efforts of George Mossman and his Lalani Village in the 1930s and Malia Solomon's Ulu Mau Village in the 1950s and 60s. But these were sporatic, narrow-gauged phenomena that were initiated or led by a dynamic leader or small group of enthusiasts. Perhaps, the nearest thing to what is happening today, although on a much smaller scale, was the period between 1915 and 1925 centering around the successful efforts of Prince Kuhio—whose memory we celebrate in March—in organizing the Hawaiian Civic Club movement with its focus on education and in securing the passage through Congress of the Hawaiian Home Lands Act with its abortive hope of "rehabilitating" the Hawaiians.

But this history cannot be really compared with the magnitude and strength of what is occurring today. When seen in its totality, the Hawaiian Renaissance is truly unprecedented and a remarkable comeback for a people and culture that have been doomed to extinction more times than I would like to count.

Let me tell you about it in a little more detail. Seven years ago it was said that Hawaiian music was in its death throes. (I know, because I was the one who said it.) Today there are more musicians playing Hawaiian music than anyone can remember. There are certainly more students learning to play Hawaiian music, especially the slack key guitar because it is, in part, a distinctive Hawaiian style. There are more songs being composed today, and probably more records being produced and sold. Hawaiian music is very much alive. And two things are particularly noteworthy: one is the conversion of many young people from rock 'n' roll to Hawaiian sounds, and two, the much more visible involvement of non-ethnic Hawaiians as players or aficionados.

In the field of dance, the hula—once described by a zealous bishop as an "unnameable lewdness" and as one of the causes of the decline of the Hawaiian race—has probably more devotees today than at any time in recent years. The number of hula studios and classes, students and teachers seems to be increasing annually. Dance conferences held each year by the State Council on Hawaiian Heritage attract more and more people. As in the slack key, much more interest is shown in ancient dances because they are more distinctive, authentic. Significantly, more young male Hawaiians are learning and performing the hula. I remember as a kid no local boy would be caught dead dancing the hula for fear of being called a sissy, but nowadays you're likely to be popped in the mouth if you called a male dancer, who may be on the football team, a sissy. Something must be happening to change what was once a deep-set attitude.

One way to tell if people are serious about reviving their culture is to see whether they are studying their language. Hawaiians, both young and old, are doing just that. Not only Hawaiians, but others as well. Not too many years ago you were lucky to get more than a handful of students registering for a Hawaiian language class at the University. Now there are hundreds of students each year. Unfortunately, a "manini" (or stingy) budget cannot accommodate all the students.

It's the young people who are interested. About a year ago, 3000 high school students were invited to the University of Hawaii, Manoa Campus, to visit the language department and out of that number, so I've been told, 1000 expressed an interest in visiting the Hawaiian classes.

Times have changed. When I was a kid, we had almost no interest. My parents used it as a code language. When I was at Kamehameha, I had three choices in language study: German, French and Spanish, and Latin which was offered one year. Today students at Kamehameha and other private as well as public schools have Hawaiian classes.

Did you know that one of the best-selling books published by the University Press of Hawaii is the Pukui-Elbert Hawaiian dictionary?

How else can you explain this widespread interest in learning what some have called a "non-functional" language, other than in terms of a cultural renaissance? ?

Another vital dimension of the Hawaiian Renaissance is the intellectual ferment among Hawaiians, a fact which completely escaped the writer and editors of Fodor's guidebook on Hawaii (1975 edition). I quote:

"So far there have been no Hawaiian intellectuals. There may never be." And, in a pitiful effort to be coy, it states: "... (they or the Hawaiians are) allergic to thought." If they had taken the pains to do their homework, they would have learned that the literacy output of Hawaiians in recent years has been unprecedented. If they needed an example, they could have read the writings of John Dominis Holt or talked with Charles Kenn or Mary Kawena Pukui. They and others have produced plays, scholarly treatises, memoirs, textbooks, a novel, poems, short stories, a dictionary, and so on. To be sure, the great Hawaiian novelist or poet or dramatist has not yet emerged—or it is at least too early to tell—but that time is coming, for there is a wealth of Hawaiian material out of which great literature is being or will be written.

In higher education, more Hawaiians have earned PhDs in the last ten years than ever before. Once a rarity, now a Hawaiian PhD is becoming almost commonplace. They are found in nearly all fields including mathematics, engineering, anthropology, biology and so on, and in many universities across the land. Of course, a PhD is no assurance of intellectual quality, but it certainly doesn't mean that Hawaiians are "allergic to thought."

As a matter of fact, in ancient Hawaiian society, the intellectual who was the scholar-priest, had a prominent place among the elite. Not only was he the teacher, but also the keeper and transmitter of the accumulated knowledge and tradition of the culture. Since it had no written language, everything had to be recorded in the memory banks of these intellectual giants. Hawaiians were naturally imbued with respect for the mind, and notwithstanding the traditional anti-intellectualism in American society, contemporary Hawaiians are returning to this ancient value that will serve them well now and in the future.

Another important aspect of the Hawaiian Renaissance is the artistic activity ranging from composition to drama, art, graphics, and interior decorating. We all know about the Hawaiian talent in music and dance, but did you know that some of the best graphic designers, interior decorators, commercial artists, and ceramists in Hawaii today are Hawaiians? Herb Kane, Momi Cazimero, Charles Heen, Joel Awai, to name a few. Art is a subjective thing and I may have to make some allowance for nativist myopia. But, I think, that all things being equal—and I grant that they seldom are—the Hawaiians represent the most creative emerging artistic force in the Islands and that in the near future we will see even more notable artistic achievements from them.

So, this crescendo of artistic, literary and intellectual activity is all part and parcel of a very real cultural revival. This, of course, is not an isolated phenomenon, peculiar only to Hawaii. Similar cultural activism has taken place and is happening throughout the Pacific Islands and in many other parts of the world. The Maoris, Fijians, Tahitians, the Chamorro, and other islanders are ex-

periencing their own cultural revivals, although I suspect the Hawaiians have taken the lead probably because their culture has been the most seriously threatened.

The Hawaiian renaissance is also part of the "Age of Ethnicity" that dawned in the United States a couple or more decades ago, and that has achieved, perhaps, its penultimate expression in the public response to ABC's showing of "Roots." It used to be that the great American shibboleth for Hawaii was the "melting pot" where everybody tried to be part of the same homogenized lump. It was a shame to be anything else, especially a Hawaiian, or Japanese, or Chinese or whatever. But, the return of the veterans from the Second World War, the civil rights movement, the revolution of rising expectations, and so on, these historic changes in American life also affected the attitudes of ethnic minorities. The blacks, Chicanos, American Indians, and others have reasserted their rights and their roots. No doubt, the Hawaiian cultural and political activism today is part of the legacy.

Another cause for the Hawaiian renaissance has been tourism, both as a reaction to and a challenge from. What we hear or read about mostly is the reaction, usually negative, that tourism is another indignity heaved upon Hawaiians, that it destroys the cultural integrity of Hawaii-nei, and so on. Some Hawaiians have been motivated by this vision of the archenemp to hold on even more firmly to their Hawaiianness. On the other hand, the challenge has come from the industry directly in the form of statements and policies urging Hawaiians to preserve their arts, and crafts, customs and values. The organizing of "Pacific Nostra" is a good example of this. But, mostly, I think Hawaiians have taken a hard-headed bread-and-butter look at tourism in terms of the opportunities it offers for employment and enrichment. Some have made very constructive contributions to the preservation of Hawaiian arts and crafts, thanks to the income generated by tourism: the Ulu Mau Village, the Halekulania, the Polynesian Cultural Center, to name just a few.

Now, let me draw some meaning from all of this, for if the Hawaiian renaissance is as important as it is for the Hawaiians, it ought to be important for the entire State. For one thing, Hawaiians regard themselves, generally speaking, a lot better with a greater sense of identity, self-assurance, and pride. For some, of course, these feelings may turn into belligerency or militancy, but that is a natural part of the price, if it is such that comes with the revitalization of a people, particularly those who feel that they are still strangers in their own land.

The other side of this coin is that the way others regard Hawaiians will change also. After all, it is human nature to feel better if the other guy feels better, if it isn't at your expense, of course. I think as attitudes change, so will the old stereotypes that characterized the Hawaiian as "dumb, fat, lazy, and undisciplined," and the distorted notion that Hawaiians were better suited for menial, non-professional non-intellectual work. Ethnic prejudices, like barnacles stuck to a ship's hull, are hard to remove, but they must be.

Relatively speaking, the Renaissance is a young movement, i.e., its leadership and supporters are more young than old. They are positive, confident, articulate and impatient. They are not the "shadowed margins" of society, as John Holt put it, suffering from the hang-ups of shame and inferiority of older generations. They represent a new generation, infused with a sense of identity and purpose, and for some, mission. What this means is that the Renaissance will be as enduring and longlasting as this generation. It is not a fad, a momentary flirtation with an exotic past, but more like a permanent commitment.

Of course, not all Hawaiians, young or old are actively involved in the Renaissance. There are many who are indifferent or just don't give a damn. As I've suggested before, the Hawaiian community is not a monolithic thing; it is a highly diverse community. I suspect the last time we had a truly homogeneous, unified Hawaiian community was during the reign of Kamehameha I. Historical changes have created not one but many, different communities with shifting interests that merge on some issues and divide on others. Understandably, it is difficult to find unifying issues, but if there is a broad issue that most Hawaiians can rally around, it is the Renaissance.

I suspect it will be used more and more by political activists to try and galvanize the Hawaiian community for political purposes. It may also be the Trojan Horse for some who may pretend to speak for Hawaiians as if they were a solid community.

Finally, perhaps, the most important meaning for the community at large of the Hawaiian Renaissance is that besides ethnic Hawaiians, it also involves non-ethnic Hawaiians. It has not and never has been a purely Hawaiian enterprise. There are probably as many non-ethnic Hawaiians who are active in the cultural movement as there are Hawaiians. That is, haoles, Japanese, Chinese, etc., people who have no Hawaiian ancestry but who for one reason or another have come to identify themselves culturally, psychologically and spiritually with Hawaiianness. And in the process, some have become more Hawaiian than the Hawaiians—to the chagrin of some Hawaiians. Non-ethnic Hawaiians have often taken the initiative or played key leadership roles in many Hawaiian causes, and sometimes it has been their support in money and other resources that have spelled the difference between success and failure.

Some Hawaiians, unfortunately, choose to ignore this fact. They are so self-conscious about their new-found Hawaiianness that they become suspicious of every haole or Oriental who may went to help. Paradoxically, in some cases such Hawaiians are in truth as much haole or Oriental in outlook as they are Hawaiian.

This points out what a lot of kamaainas have known for a long time and that is in the process of acculturation Hawaiianization has gone on hand-in-hand with Americanization. Consciously or unconsciously, everybody who claims or wants Hawaii to be home, wants to share in its Hawaiianness. To the extent that this is true, then, we're all part of the Hawaiian Renaissance.

TEXTILE IMPORTS

Mr. THURMOND. Mr. President, an article entitled, "Timmerman: Textile Health Depends on Import Limits" appeared in the May 5, 1977 issue of the Aiken Standard newspaper, Aiken, S.C.

In this newsstory, the new president of the American Textile Manufacturers Institute, Robert P. Timmerman, makes some telling points on textile imports.

Mr. Timmerman, president of the Graniteville Co. in Aiken County, S.C., notes that textile imports are increasing at a rate twice as great as the growth of the domestic industry.

He also praises President Carter for acting promptly in setting into motion renewal of the International Multifiber Arrangement which expires December 31, 1977.

At the same time, Mr. Timmerman cites the need for an amendment to the agreement which will limit the growth of textile imports to a rate no greater than the growth of our own industry.

Mr. President, I applaud this approach. It is a sensible solution to a complex problem. Our own industry should be expanding, not losing ground to rising textile imports.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Aiken (S.C.) Standard, May 5, 1977]

TIMMERMAN: TEXTILE HEALTH DEPENDS ON IMPORT LIMITS

HOT SPRINGS, Va.—Robert P. Timmerman, the president of Graniteville Co., and the new president of the American Textile Manufacturers Institute (ATMI), said recently that only by limiting the growth of imports can a healthy U.S. textile industry be assured.

Timmerman said the industry supports the Carter Administration policy of renewing the International Multifiber Arrangement (MFA), but sees pressing need for an amendment to it.

"The present MFA permits imports to grow at an annual rate of 6 per cent, while our industry's growth is running at a rate of less than 3 per cent," Timmerman said.

"We are convinced of the need to limit the growth of imports to a rate no greater than the growth of our domestic industry," Timmerman added.

The MFA is the instrument under which the U.S. has bilateral textile trade agreements with some 18 nations. It expires on Dec. 31.

Timmerman said that ATMI representatives have been meeting with key government officials involved in the textile import program. He then assessed the cooperation the industry has received from the Carter Administration.

"I personally know of no other administration which so early in its term of office has given the kind of continuous attention we have received from the Carter Administration about this great problem of imports," Timmerman said.

Timmerman summarized the industry's economic posture by saying there's "good reason to be optimistic" about the remainder of the year.

He listed reduced retail, apparel and textile inventories, increased consumer spending, and a 6 per cent improvement in textile orders in January over the average for 1976.

Timmerman said that profits are a different story. They averaged 1.6 per cent of sales for the fourth quarter of last year, less than one-third that of other manufacturing industries.

For 1976, textile profits were only 2.4 per cent of sales, contrasted with the 5.3 per cent average for all manufacturing.

"This trend must be reversed for the well-being of the industry," Timmerman said, "as well as to provide the funds necessary to comply with regulations we face from government agencies."

Timmerman commented on two of those regulations: proposed noise and cotton dust control standards.

On noise, Timmerman said that it will cost the industry about $3 billion and "will achieve nothing that we cannot accomplish with personal ear protectors, administrative controls and medical testing."

He said the cotton dust proposal will cost the industry an estimated $2.5 billion and, perhaps, shut down some smaller plants in the industry.

Noting that President Carter has indicated his intention to do something about excessive government regulation, Timmerman responded: "We certainly hope he is able to accomplish this task."

JOINT RESOLUTION OF THE MAINE LEGISLATURE

Mr. MUSKIE. Mr. President, on behalf of Senator HATHAWAY and myself, I ask unanimous consent that a joint resolution of the Maine Legislature be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

JOINT RESOLUTION MEMORIALIZING THE PRESIDENT OF THE UNITED STATES, UNITED STATES DEPARTMENT OF AGRICULTURE AND MAINE CONGRESSIONAL DELEGATION TO SUPPORT INCREASED ALLOTMENTS OF FUNDS TO THE STATE OF MAINE THROUGH THE FARMERS HOME ADMINISTRATION

Whereas, many regional and local construction projects in Maine depend for their completion upon funds made available through the Farmers Home Administration; and

Whereas, priority construction projects in the following regions will fail to be completed unless funds are made available through the Farmers Home Administration: Caribou Hospital District; Region II Vocational School in Houlton; Hospital Administrative District #4 in Dover; Region III Vocational School in Lincoln and Southern Aroostook Community School District in Island Falls; and

Whereas, the pressing need for improved educational and medical services in many areas of Maine renders these construction projects of the upmost importance to Maine; and

Whereas, current disputes concerning vast portions of the land in Maine have made it essential for Maine to receive increased funding from outside of the State to help ensure continued growth and development; and

Whereas, allotments to these priority projects through the Farmers Home Administration would assist in maintaining this growth and development while providing these needed services to Maine residents; now, therefore, be it

Resolved: That we, your Memorialists, respectfully request that the President of the United States, the United States Department of Agriculture and the Maine Congressional Delegation take all possible action to provide an increase of $11,620,000 in allotment of funds to the State of Maine through the Farmers Home Administration program to assist in funding these priority construction projects within Maine; and be it further

Resolved: That a duly authenticated copy of this Memorial be immediately submitted by the Secretary of State to the Honorable Jimmy Carter, President of the United States, to the Secretary of the Department of Agriculture and to each Member of the Maine Congressional Delegation.

SENATOR ROTH'S SPEECH ON AMERICAN-EAST ASIAN POLICIES

Mr. SCHWEIKER. Mr. President, I call to the attention of my colleagues a significant address by the distinguished senior Senator from Delaware (Mr. ROTH) to the Georgetown Center for Strategic and International Studies. Senator ROTH, who played a very active role in our recent official mission to China, reports in this speech his observations on the United States and Northeast Asia. I commend his remarks to the Senate's attention and ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THE UNITED STATES AND NORTHEAST ASIA: A STRATEGIC AND ECONOMIC PERSPECTIVE

Ladies and gentlemen: I am very pleased to have this opportunity to discuss Northeast Asia with you today. I have always regarded the Georgetown Center for Strategic and International Studies as an important forum, and I was very flattered when the invitation to speak came. But I did not realize how valuable it was until, days after this conference was announced, I received another invitation—this time to visit mainland China.

I remember as a child how my parents told me that if I dug a deep enough hole, I would eventually get to China. I have discovered they were right. The China of today is such a vastly different culture from ours, such a strange combination of western-based Marxism superimposed on a traditional eastern civilization, such a striking contrast of regimentation compared to our individualism, that it almost seems that it must be a place that you could get to only by going through a hole in the ground and where people walk upside down rather than right side up.

Some people have come back from China as instant experts on everything Chinese. As someone who left that country just four days ago, I am still impressed how little we know about China and how little they know about us. I am still undergoing a period of decompression and of trying to sort out my thoughts and put them in some logical order. However, I do want to share some of my preliminary impressions with you.

East Asia, of course, has been of immense interest to Americans for decades. I am afraid, however, that our policies towards East Asia have been distorted by myths, stereotypes, or wishful thinking. We have alternated between periods of neglect in the 1930s and early postwar years to periods of over-involvement more recently. In the past few years, the trauma of Vietnam has inhibited the construction of a realistic and effective Asia policy.

In the wake of Vietnam, there have been two kinds of reactions that have deeply affected our Asian policies. One has been an increased impulse towards isolationism and renewed Eurocentricism. The other reaction has been to put our policy on a new moral basis, and this thread is felt in the new emphasis on human rights issues in our foreign policies.

Despite the difficulties associated with the end of the Vietnam experience, I believe that in many respects our Asian policies of the past two years have been fundamentally sound. Under President Ford, the United States took initiatives to strengthen our relationship with Japan. He was the first American President to visit that important nation, and the "shocks" of the Nixon period were not repeated. Our commitment to South Korea's security remained strong, and we took constructive steps to try to lower the level of tensions in the Korean peninsula through a multilateral framework. In our relations with China, we continued the dialogue with the People's Republic of China, but not at the expense of our diplomatic, economic, or security relations with our long-time ally, the Republic of China on Taiwan.

We have not yet, however, delineated a clear and positive set of long-term guidelines on which to base our East Asian policies. This, in turn, reflects a much more fundamental problem with American foreign policy today—the lack of a consistent global framework tieing together our interests, objectives, and policies. This Administration—admittedly still new—has yet to articulate a clear concept of America's world role to underpin and make meaningful our policies on specific issues.

This problem is particularly acute in East Asia. Here we are engaged in some very important issues—the withdrawal of ground troops in Korea, the future of our relationships with Taiwan and mainland China, base negotiations with the Philippines, our political and economic relationship with Japan—but each of these matters is being considered in a piece-meal fashion without a clear concept of what our future role in this region should be or how this role relates to broader interests and objectives of the United States.

America's over-all posture in East Asia has profound implications for the future of world peace and for our own national security. Our postwar East Asia friends, Japan, South Korea, Taiwan, and the Philippines, are questioning our reliability as an ally and reassessing their relationships with us. The People's Republic of China is going through a very important period in which its internal leadership is in flux and its foreign policy may be subject to review. The credibility of our presence and commitments in East Asia will help determine China's future course. The Soviet leaders are also close observers of America's East Asia policies and will have little hesitancy about trying to fill any holes or gaps we leave behind. This is of deep concern to both our allies and to China.

If we are to maintain a presence in East Asia that gives confidence to our friends and is credible to the Soviet Union and China, we need some clear thinking about the future of our overall role in East Asia. We must rethink and answer some very basic questions—whether we need a strong military presence in that region, what kind of presence that should be, whether we should remain committed to non-Communist governments in South Korea and Taiwan, and whether we intend to maintain the kind of economic relationships with these countries that have, in the past, helped support our political and security interests.

In developing a constructive, long-term Asian policy, we must consider the lessons of the past as well as the realities of today's Asia.

Looking at the past, the United States prior to World War II relied on indigenous and European forces to maintain a rough equilibrium of power that permitted a broad degree of American access and influence in the region. We recognized only very late that the tremendous strength of Japan and the inability of any combination of China and the hard-pressed European states to contain Japan required a much greater degree of American attention and involvement if the balance of power were to be maintained. That mistake—and the mistake in the later part of the 1940s in failing to make our commitment to South Korea more explicit—cost us dearly.

But we also learned in Vietnam that American troops cannot fight an effective, limited war in mainland Asia without an effective local government on our side. This conflict sapped our strength and threatened to destroy the more vital aspects of our Asian and world policies because of over-involvement in a local situation.

The lessons of history, it seems to me, tend to confirm that the United States does indeed have an important stake in East Asia. At the same time, our commitments must be prudent and our strength carefully husbanded to ensure that our power and influence are used wisely and economically in those situations where crucial American interests are involved. To do otherwise depletes our material and psychological resources and may lead to policies of retreat and retrenchment.

What, then, are the realities of today's Asia?

First, there is the reality of the overwhelming economic strength of Japan. Over the past quarter century, Japan has built a truly modern and efficient industrial base. What is all the more remarkable about

Japan's growth is that the Japanese Islands themselves are over-crowded and have very little in terms of natural resource endowments. Japan has now a gross national product in the order of $500 billion, the third largest in the world—the second largest in the Free World—and much larger than the combined gross national product of all the rest of the East Asian countries, including China, combined.

Japan is also a democracy—in fact after India, which has just returned to that status, and the United States—the world's third largest democracy. The Japanese share with us the same basic interests and values.

For those reasons, Japan must remain the linchpin of American policies in East Asia and the Pacific.

A second reality is the fact of Sino-Soviet tension. It would not be sound policy for the United States to premise its Asian policies on the present level of tension as being a necessary or a permanent condition. It is clear, however, that there is a triangular relationship between the Soviet Union, the United States, and China. In the early 1950s, we spoke of the Sino-Soviet bloc Now there is a common perception by American and Chinese that the Soviet Union is the most expansionist country in the world today. It is clear that China's concerns about what they call Soviet imperialism are not limited to their immediate neighborhood. Chinese officials spoke often and with great concern about the Soviet danger in Europe and Africa. And they argued that the United States has followed a policy of appeasement, especially with respect to Africa. Time and time again, they emphasized that the primary target of Soviet expansionism is Western Europe, not China.

While Sino-Soviet tensions exist, they enhance our bargaining leverage with both countries, but only if we are an active part of this triangular balance of power. Moreover, a complete withdrawal of U.S. forces in such areas as the Korean Peninsula could touch off local conflicts that in an atmosphere of intense Sino Soviet rivalry could expand into a large power conflict. It is true that when one directly asks the Chinese about whether or not the United States should continue to withdraw its military power from Asia, they express support for withdrawals. But it is also true that they say this without much urgency or conviction and that it is strikingly inconsistent with what they say about the American military presence in Europe. Implicitly, I believe the Chinese value our military presence in East Asia. They are explicit in saying that Japan's first priority must be its relationship with the United States. Interestingly enough, I was also asked whether the United States could not do more to assist Pakistan.

A third reality is that the non-Communist nations of the Republic of Korea and the Republic of China have become vigorous, self-reliant economic and political units. They are part of a web of economic relationships that link the nations of Northeast and Southeast Asia and have become an important element in the larger free world economic system. But not only are these countries important economically, they also are closely related to Japanese security and thus our own. Moreover, the manner in which the United States treats small allies such as these will have important repercussions for how we are perceived by our other allies around the world. I believe, therefore, that the United States has a tangible interest in and a moral obligation to the preservation of freedom in Taiwan and South Korea.

In my judgment, both today's realities and the lessons of history dictate a continued strong American military presence in East Asia. This presence must be credible. It must have the strength to support our commitments and interests—first, in protecting Japan as the linchpin of our East Asian policies; second in supporting the freedom of South Korea and Taiwan; and third, in maintaining our ability to play an important role in the triangular balance of power with China and the Soviet Union.

These interests must be the underlying considerations in our negotiations with South Korea, Taiwan, and the Philippines. In the steps that we take regarding our presence in each of these countries, we must consider how this will affect our bargaining position with China and with the Soviet Union. If we continue to look at each of these issues in a piece-meal fashion, we run the risk of inadvertently reducing our bargaining position and injuring our global relationships with the world's other superpowers.

This does not mean that our presence must be exactly the same as it is today. In the post-Vietnam world, it is most unlikely that the United States would again commit ground forces in Asia, short of a major war. I think that our forces will have more credibility abroad and more support at home if we shift our emphasis in the direction of air and naval support.

Our allies, such as South Korea, should continue to be encouraged to take over the responsibility for their own defense on the ground so long as this is done in a careful manner designed to maintain the strength of our deterrent during the transitional period and in consultation with our allies.

Politically, the United States should continue to pursue its dialogue with China. We do have very important parallel interests in regard to the Soviet Union. We also have a stake in breaking through the self-imposed isolationism and provincialism of mainland China. The narrow isolation of the Peking leadership is very striking to a traveler, such as I have been, and this raises a serious threat of misperception leading to irresponsible policies. China is far more isolated than Japan was before World War II, and Japan's misperception of the vast power and resource differences between it and the United States was a major cause of the Pacific War.

Moving forward in our relations with Peking is of critical importance as a means of offsetting the Soviet Union's expansionist policies, but, nevertheless, it is going to be a very difficult task. During our visit, the Chinese repeatedly stated that there can be no significant increase in trade or in cultural exchanges, nor can any Chinese premier visit the United States so long as we do not have official diplomatic relations. And there can be no diplomatic relations unless the United States gives up its diplomatic relationship and mutual security treaty with the Republic of China on Taiwan.

Nevertheless, this rhetoric is not new and at least some China specialists believe that there may be more flexibility than the rhetoric would indicate. How the United States upholds its moral obligation to Taiwan and at the same time strengthens its relationship with the mainland is the key question. I do not know how we can escape from this dilemma except to say that it will take the wisdom and the patience of a Solomon. Perhaps we should show that, we too, like the Chinese, are a very patient people.

In our political relations with our allies, we should seek to avoid adding additional burdens to those that these governments already face. We are asking them to be more self-reliant. In some cases, we are asking them to make some basic changes in past policies in the interests of human rights. In the case of Japan, the Liberal Democratic Party is facing increased internal difficulties as well as more intense external pressures as witness the dispute over the anti-hegemony clause in the Sino-Japanese treaty and the pressures being placed on the Japanese government at the present time by the United States right now in its economic and nuclear energy policies.

I expect the LDP to remain the dominant party in Japanese domestic politics in the forseeable future, either alone or in a coalition with one or more of the smaller opposition parties. There may also be the beginnings of an effective opposition element. The period of Liberal Democratic Party rule has been one of close Japanese-American collaboration and stable leadership in Japan, and I believe our government should make a conscious effort to avoid undermining this party. This means more than avoiding "shocks;" it also requires a positive appreciation of Japan's situation and interests and a genuine effort to accommodate those interests when they are compatible with our own.

Today's most pressing near-term problems with our allies are economic ones. Japan, South Korea, and Taiwan have been at the very top of the list of rapidly growing economies. Yet, one weakness that they all share is that their economic growth programs have been heavily dependent on overseas markets and, in the case of Taiwan and South Korea, on overseas capital investments. The worldwide recession of the mid-1970s, therefore, has been particularly hard on these countries.

The economic growth of Northeast Asia raises a difficult dilemma for American policy. On one hand, these nation's high growth rates have strengthened their political viability, tied them more closely with the Western economy, and made it possible for the U.S. to substantially reduce our foreign aid burden in Northeast Asia. On the other hand, East Asian manufacturers have injured important segments of our own industry and have strengthened the forces of protectionism in the United States.

The resolution of these economic issues will require a great deal of understanding, restraint, and accommodation on all sides. Here are some steps that I believe are necessary.

In the first place, Japan, South Korea, and Taiwan must recognize that they cannot expect to place the entire burden of their adjustments to the oil price rise on their trading parners. Over the past year, Japan ran balance of payments surpluses of over $5 billion with the United States and $4 billion with the European Community. It is clear that neither the United States nor Western Europe can tolerate sustained deficits of this magnitude in their trade with Japan. Voluntary restraints, of the sort the United States is currently seeking with Korea and Taiwan in the case of shoes or with Japan in the case of color television sets, is one short-term answer to this problem.

I believe the President has made some courageous political decisions in seeking voluntary restraints in the shoe and color television cases. I hope our allies will support this effort by being forthcoming in negotiations to work out fair and satisfactory agreements on these products.

Second and more fundamentally, there needs to be a revision in the GATT trading rules, particularly in the treatment of tax rebates on export items. There has been a natural reluctance on the part of the industrial countries to open up a full discussion of GATT for fear that the Group of 77 developing nations will make realistic negotiations practically impossible. I believe that the stake of the industrial democracies in new trading rules is far too important to permit ourselves to be intimidated by the Third World. It is necessary for us to go ahead and negotiate our own understandings and rules, and then to apply them among ourselves, even if the rest of the world is temporarily left aside.

Third, American business and industry needs to be much more assertive in international commerce. There is no doubt that in countries such as Japan, there are difficult cultural, legal, and administrative barriers to market penetration. But we should also recall that the countries of Northeast Asia have made strenuous efforts to learn about

our culture and business practices, and have creatively adapted their marketing accordingly. When we seek markets in their countries, we must go halfway by making an effort to meet their tastes rather than trying to change those tastes.

The American government needs to provide stronger support for American business overseas. Our rules and society do not permit the same kind of government—business relationships that you find in Japan or, for that matter, in South Korea and Taiwan. But the present scattered and ineffective government programs in the trade area are inexcusable. When I was in Japan in January, some of the Japanese government leaders pointed out that when they try to deal with the U.S. government on trade issues, they are unsure just who to deal with—Treasury, State, Commerce, or the President's Special Representative on Trade. I think we can do a great service to our business and economy by coordinating U.S. foreign trade and investment policies in a single Cabinet level department, and I will soon be introducing legislation to do just that.

I want to conclude on an optimistic but sobering note. We have laid the foundations of a sound Asian policy. We have built a solid relationship with Asia's most dynamic society—Japan. Our allies in South Korea and Taiwan are thriving. We have established a dialogue with China and are pursuing parallel interests with that nation. We stand now at a critical junction—can we consolidate our gains and build upon past policies? Or will we make costly mistakes and weaken our bargaining position by hasty and ill-conceived moves formulated more in terms of domestic politics and wishful thinking than in terms of international realities?

The choice is ours. To take the right path we need some realistic and very fundamental rethinking within the government about our over-all interests and objectives; we need to apply these objectives to specific negotiations and we need to articulate to our own public and to the outside world where we stand. If we take these steps, we will have the strength and the initiative to consolidate present relationships and build a more stable peace in a very dynamic region of this globe.

MR. MELLON'S WAY OF GIVING

Mr. MATHIAS. Mr. President, as an alumnus of Yale University, as an admirer of British art, and as an American, who is grateful and proud whenever the cultural life of our Nation is enriched, I would like to thank Paul Mellon for his extraordinary gift of British art to Yale University.

Mr. Mellon has proved that a collection of art can be an art form itself. He is a matchless collector and consummate giver of collections. An appreciation of his rare abilities and his rare gift was published in the Washington Post on April 30, 1977. I ask unanimous consent that the Post's perceptive editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. MELLON'S WAY OF GIVING

Paul Mellon's gift to Yale of its new Center for British Art is an exemplary personal achievement as well as an extraordinary act of philanthropy. It was Mr. Mellon who conceived the idea of enriching his alma mater in this fashion. It was he who paid $12.5 million for the beautiful building, the last major work of the late Louis Kahn. And it was Mr. Mellon—with the unsalaried aid of British art historian Basil Taylor—who put together the 1,800 paintings, 5,000 prints, 7,000 drawings, 16,000 rare books, and so on. Our art critic, Paul Richard, has called the Center "the finest collection of British art ever privately assembled." Combined with Yale's Boswell and Walpole papers, the university becomes perhaps the leading center of British scholarship outside Britannia herself. And the bequest, of course, is but one of many Mr. Mellon has made to Yale and to others—particularly in the Washington area, where he lives.

What seems even more noteworthy, though, than the scale of Mr. Mellon's giving is his *way* of giving. The Yale Center, in particular, exemplifies Mr. Mellon's quiet, intensely committed kind of philanthropy. British art is not a field in which to invest if one is out to make a public splash (and with Mr. Mellon's means, such splashes could hardly be easier, if he so chose). But with Mr. Mellon, collecting is inextricably a part of his genteel, cultivated style of living. To go out and scour the world for opulent artifacts that would not fit comfortably with that way of living would smack of tasteless and undisciplined acquisitiveness. The British bequest is rooted in his attachment to the British country landscape, to the sporting life and to British learning. Thus he made himself a champion of those gentle English landscapes, stately portraits and pristine sporting scenes that were, as Mr. Mellon has noted, "long neglected, even abandoned, not only in this country, but in their homeland."

A not unrelated characteristic of Mr. Mellon's philanthropy is exemplified by his determination that the project be called the *Yale* Center, not the Mellon Center—just as his father, Andrew Mellon, declined to have the National Gallery of Art named after him, thought he built it and donated his resplendent collection of Old Masters. The same will be true for the additional National Gallery structure now being built by Paul Mellon—to more than double the gallery's space—even though it is very much *his* building. He chose the architect, I. M. Pei. Mellon money (one-third of it Mr. Mellon's own) will pay the bill of about $100 million. And as the anything-but-absentee president of the gallery (his "Who's Who" listing is "art gallery executive"), he supervises construction as if it were to be his residence. But a hard hat labeled "Mr. Mellon" that hangs in the construction shed is about as close as he will allow his name to be attached.

In a speech some time ago, Mr. Mellon voiced his view on philanthropy, observing that "considering the blessings of a large personal income, added to the favorable climate brought on by enlightened and liberal tax regulation, one is forced to admit that the doing of good deeds was wished onto one by a sort of happy predestination." The result is a "happy predestination" for more than just Mr. Mellon.

TOMMY TSUCHIYAMA, HAWAII'S ESSAY CONTEST WINNER, SEES AFFIRMATIVE ACTION FOR THE HANDICAPPED AS THE "ANONYMOUS" LAW

Mr. MATSUNAGA. Mr. President, only a few weeks ago, the handicapped of our country launched a campaign to bring their problems to the attention of both lawmakers and the public. Their perseverance and dedication paid off: HEW Secretary Califano signed regulations implementing section 504 of the 1973 Rehabilitation Act, which prohibits discrimination, exclusion or denial of benefits to otherwise qualified handicapped individuals by any program or activity receiving Federal financial assistance. But there is still a long way to go toward equal treatment of the handicapped in one of the areas most important to their very existence: Employment.

Tommy Tsuchiyama, Hawaii's essay contest winner, here in Washington to compete in the national finals, presented a clear and concise explanation of the problem of educating both the handicapped and their potential employers to the existence of Affirmative Action programs as provided by section 503 of the Rehabilitation Act. Tommy, a high school senior, characterized the Affirmative Action clause as "almost anonymous." I would like to take this opportunity to congratulate Tommy on producing a fine essay on a most timely issue. Because I am confident that readers of the CONGRESSIONAL RECORD can all benefit from his research findings, I ask unanimous consent that his essay be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

HANDICAPPED PEOPLE AND AFFIRMATIVE ACTION

(By Tommy Tsuchiyama)

A billion dollar vocational bill was vetoed by former President Nixon in March 1973 on the grounds that it would divert aid to the handicapped from its original goal of training the employable.[1] The President's decision was extremely fair though the criteria now is to divert the handicapped to the training. Unfortunately, a large majority of the handicapped are not aware that an Affirmative Action Clause exists to assist them in this aspect.

The Affirmative Action Clause requires every contractor vying for a federal contract of more than $2,500 to actively recruit, consider and employ all qualified handicapped applicants and that all qualified handicapped employees be afforded nondiscriminatory consideration for promotion and job advancements. "No handicapped individual may be discriminated against on the basis of his handicap."[2] Now ask a handicapped person to define Affirmative Action and chances are he cannot. Ask him where or how he could possibly find out about it and perplexity will again cross his face.

The truth is Affirmative Action sorely lacks publicity. A class survey in which 75 questionaires were distributed to various Honolulu businesses produced a paltry 19 responses—not surprising since cold stares and ill feelings often greeted our teams. Of those responding, a whopping 44% were not familiar with Section 503 of the Rehabilitation Act. The question is, how do you enforce an almost anonymous law?

A trip to the Hawaii State Library revealed very few up-to-date books on handicapped employment opportunities. The Affirmative Action Clause being relatively new will probably have to wait till the 1980's to receive attention. Several large book stores I visited stocked not a single book on the handicapped. During the past Handicapped Week, Vincent Cui, attorney for the Disabled American Veterans, tried in vain to influence the local papers into doing a large special report on the plights and progress of the handicapped people. All that resulted was a short column acknowledging that it was, indeed, "Handicapped Week."

Terrance Tom, blind since birth, is a relatively successful private attorney who received his first job in the city prosecutor's office in 1973, the year the Rehabilitation Act was initiated. Married, he is also a part-time musician and a Lions Club member. By contrast, Bob Smith (fictitious name), blind, is an unemployed college student receiving $3,500 a year from Social Security. His income is nearly 50% below the national poverty level. Prior to losing his sight, Bob was a video tape technician earning in excess of $20,000 a year. He expressed a need for an

[1] Lester A. Sobel, "Health Care," p. 121.

[2] "Affirmative Action To Employ Handicapped People" pamphlet.

immediate part-time job, but the added income would cancel his Social Security benefits. Besides, he was not confident that he would qualify for better than a minimum-wage janitor. He harbored a bitter awareness of innate prejudices. Interestingly, when asked what sort of law regarding employment for the handicapped he would like to see passed. Bob outlined the Affirmative Action program with which he, like Terrance Tom, was previously unfamiliar.

I propose a magazine or short newspaper as one solution to this information dilemma. Instead of being stored at some state or federal department office or sold at some ridiculously high price, these papers will be free and available in more accessible areas such as employment offices, hospitals, sheltered workshops, training centers, rehabilitation facilities, special education classes, and handicapped organizations in addition to libraries, prisons, colleges and various stores. It could also be mailed at a small cost to interested handicapped people. These periodicals would feature information on affirmative action and current government proposals and perpetrations in addition to reports regarding special training schools and employment centers. A special "Help Wanted" classified page and insights of handicapped persons at work could further heighten interest and relevance. In short, it would be news complementing vital information. The paper would have the appeal of a professional publication without the pampering and patronizing attitude handicapped people abhor. The main purpose of this periodical, aside from feeding the uninformed, would be educate the "normal" community.

My research has led me to conclude that such a project is very feasible. A local private newspaper with a circulation of 20,000 to 40,000 copies has bi-weekly production costs of under $5,000. It is made available, free, at more than 300 outlets. The proposed publication could follow a similar format on a monthly basis. Paid staff would consist of a few editors and sales people with the bulk of the workload being handled by volunteer writers and contributors. While much of the money would come from advertising, sponsorship by a charitable organization would pave the way for funds which could then be solicited from various local trusts and foundations.

The newspaper could be a driving force toward bringing the handicapped together for unified action to press for stricter, more widespread application of Affirmative Action laws. The objective would be a higher employment rate for the handicapped.

Like all other human efforts, my proposal requires positive attitudes to make this dream a reality. Equality should be our top priority. The handicapped people are not asking to be placed about the crowd, but to be treated equally. Ralph Burton Perry best summed it up when he said, "A man is not an equalitarian in principle until he seeks and enjoys a reciprocal relation of equality; and the test of this is to be found not in a man's dislike of other's superiority, but in his dislike of their inferiority, and in his relish for a social relationship in which each looks upon the other with a level eye." [3]

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[3] Carl Hermann Voss "Quotations of Courage and Vision," p. 77.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

John C. Merkel, Jr., of Washington, to be U.S. attorney for the western district of Washington for the term of 4 years vice Stan Pitkin, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Friday, May 20, 1977, any representations or objections they may wish to present concerning the above nomination with a further statement whether it is their intention to appear at any hearing which may be scheduled.

(This concludes additional statements submitted today.)

ORDER FOR CONSIDERATION OF H.R. 5970 MONDAY

Mr. ROBERT C. BYRD. Mr. President I ask unanimous consent that on Monday, following the recognition of the two leaders under the standing order, the Senate proceed to the consideration of the military procurement authorization bill, H.R. 5970.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 12 noon on Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR FILING COMMITTEE REPORTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that committees may have until midnight tonight to file reports.

The PRESIDING OFFICER (Mr. RIEGLE). Without objection, it is so ordered.

ORDER FOR RECORD TO REMAIN OPEN UNTIL 5 P.M. TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the RECORD remain open until 5 p.m. today for the introduction of statements, petitions, memorials, bills, and resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO HOLD H.R. 6714 AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a message from the House of Representatives on H.R. 6714 be held at the desk, pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRADE WITH CUBA

Mr. McGOVERN. Mr. President, earlier this week the Committee on Foreign Relations by a vote of 10 to 7 adopted a measure calling upon our Government to lift partially the embargo on trade with Cuba. The amendment which was added to the State Department authorization bill does not permit the sale of Cuban goods into the American economy. But it does permit one-way trade in the sense that the Cubans would be authorized to make purchases of two categories of items, agricultural products and food on the one hand, and medical supplies on the other.

On yesterday, the House of Representatives adopted an amendment which was erroneously interpreted, I believe, in the press to have undone the work done by the Foreign Relations Committee in the Senate provided the House language were retained.

But, as a matter of fact, a close reading of the amendment adopted by the House, I think, will make clear to Members of the Senate and the Congress that it has no relevance as far as trade is concerned.

The amendment, as approved yesterday by the House—and this is an amendment to the Foreign Assistance Act, but it would make little or no difference even if it were offered to the State Department authorization bill as was the Senate amendment—reads as follows:

> None of the funds authorized to be appropriated in this act shall be used for the purpose of allowing any form of aid or trade either by monetary payment or by the sale or transfer of any goods of any nature to the Socialist Republic of Vietnam or Cuba.

Mr. President, since there is no foreign aid fund involved in opening up the right to the Cubans or the Vietnamese, for that matter, to make purchases in the American economy, the House amendment could be adhered to and we could still proceed with the limited trade authorized by the Senate bill.

I very much hope that the Congress will stay with the language adopted by the Senate. It does seem to me that the

effort to foreclose either the Cuban market or the Vietnamese market to the United States is a case of cutting off our noses to spite our faces.

It may in some way hamper the Cubans and the Vietnamese not to be able to purchase things here in the United States, but the alternative is simply that they purchase them in other parts of the world. One wonders how that advances the interest of the United States, how it strengthens our economy, how it fortifies our foreign policy or how it does anything else except to forego a market that would otherwise be available to us.

I do not look on this move taken by the Foreign Relations Committee as primarily an altruistic or humane effort on our part, although I see nothing wrong with an occasional spurt of humanity to manifest itself in our relations with other countries, but what it does do is to open the way for commonsense commercial arrangements to be made under which we can sell some of the things we have in abundant supply in this country.

To those who argue that it might be desirable to do what we can to influence the direction of events in Cuba and Vietnam, it escapes me how we do that by denying ourselves whatever influence comes under the process of commercial trade—one way that nations do influence each other is through the process of commercial trade.

I would think that would be a factor that the government in both of these countries would take into consideration in making future judgments.

Once they begin to trade with us, they have an interest in preserving that and, in perhaps a modest way, they give us a little more influence in those countries than might otherwise be the case.

The gentleman in the other body who suggested this amendment said he was offering it in part to make clear that the senior Senator from South Dakota should not be permitted to dictate American foreign policy.

Well, Mr. President, that was obviously not my purpose in going through a perfectly legitimate legislative procedure, which was to offer an amendment in the Foreign Relations Committee of which I am a member. I might add that that amendment was cosponsored by the chairman of the Senate Foreign Relations Committee, the Senator from Alabama (Mr. SPARKMAN), who 2 years ago took the floor of the Senate and urged we lift the entire embargo on Cuba.

So this partial step we have taken, simply to permit us to sell some agricultural and medical supplies in Cuba, which Senator SPARKMAN and I have cosponsored and which had bipartisan support in the Senate and was adopted by a clear margin, is not some kind of unique or peculiar effort to dictate foreign policy on the part of a single Senator, but it represents the efforts of a majority of the Foreign Relations Committee to bolster what I think is the long-term objective of the present administration, and that is, on a step-by-step basis, to improve our relations with Cuba.

I would hope that the same considerations would prevail, that we would not think it is in our interest to yield that market entirely to the Soviets, to the Chinese, to the Japanese, and other aggressive competitors of ours for commercial markets, but that we would see it in our interests to open up this kind of exchange with the people of those two countries.

We have been in trouble with them in the past, but they are giving some signs that they now want to get along with us in the future.

I think we ought to have the self-confidence and the imagination and the commonsense to grasp that opportunity and to move ahead. But I do hope that it is underscored again that the House action, as I interpret it, and I have read the language very carefully, does not, as it now stands, interfere with our opening up trade on a limited basis with these two countries.

Mr. President, I yield the floor.

Mr. MATSUNAGA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Hawaii suggests the absence of a quorum. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MATSUNAGA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Does the Senator from Tennessee desire recognition?

ORDER OF BUSINESS

Mr. BAKER. Mr. President, I see the majority leader is on the floor. I wonder if he would permit me to inquire about the outlook of the situation on Monday.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. ROBERT C. BYRD. On Monday, the Senate will convene at 12 o'clock noon. After the two leaders have been recognized, the Senate will then proceed to the consideration of the military procurement authorization bill. I would suspect there would be amendments to that bill, and that there will be rollcall votes on such amendments.

The chairman of the committee (Mr. STENNIS) has indicated he will be prepared to go into the evening on Monday and that he will also be prepared to go on Tuesday early and late in the effort to complete action on the bill, if possible, on Tuesday, so there would be rollcall votes on Monday and on Tuesday on the military procurement bill.

Of course, if the Senate does not complete action on Tuesday on that bill, it would still be before the Senate on Wednesday.

Mr. BAKER. Mr. President, I thank the majority leader.

Particularly in view of the fact that we will be on that measure Monday and possibly Monday evening, I wonder if it would be possible to have an agreement that rollcall votes would not occur before a particular time on Monday so that we could try to regularize that schedule as much as possible? I am particularly interested in the majority leader's statement that we may go into Monday evening and certainly into Tuesday, so if we could try to arrive at a time, say 4 o'clock on Monday, before which there would not be rollcall votes, I think it would be a great help.

Mr. ROBERT C. BYRD. I would hesitate without clearing this with Mr. STENNIS. I think it would probably be safe to say 2 o'clock on Monday and I would be very glad to propose that request.

Mr. BAKER. That would be very helpful. I would hope, if the majority leader sees fit to do so on Monday, we would try our best to postpone until 4 o'clock, but I would be grateful for the 2 o'clock request.

ORDER FOR NO ROLLCALL VOTES ON MONDAY PRIOR TO 2 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be no rollcall votes on Monday prior to the hour of 2 p.m., with the exception of any rollcall that might be in connection with the establishment of a quorum, which I would not anticipate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, may I take this occasion, too, in response to the question from the distinguished minority leader, to say that it is hoped that once the military procurement bill can be disposed of the Senate would then proceed to take up either the Energy Department bill or the surface mining bill, and also to express the hope that the Senate would complete action on the Department of Energy bill and the surface mining bill, and other measures on what will soon become an extremely crowded calendar.

ANNOUNCEMENT OF LIKELIHOOD OF SESSION ON SATURDAY, MAY 21, 1977

I say this to indicate to all Senators that there is a very great likelihood that the Senate will be in session next Saturday. I do not want the Senate to be in session Saturday but I am concerned that it may be necessary to have a Saturday session next week, so I think it only proper to indicate that strong probability in the RECORD today.

There is a possibility that the Senate will have to be in session the following Saturday unless the Senate can get its work done, and by its work I mean the measures I have mentioned in addition to some other important legislation on the calendar.

I thank the distinguished minority leader for making the inquiry because that gave rise to my statement with respect to Saturday sessions.

Mr. BAKER. Mr. President, I thank the majority leader for his helpful information.

Mr. ROBERT C. BYRD. May I say also I would expect lengthy sessions daily next week and the following week because committees now have had almost 5 months in which to work, and we will have passed the May 15 deadline on Monday by having the date extended 1 day for committees to report new authorization measures. That having been done, I would hope that all Members will understand the necessity for longer sessions from here on out.

ADJOURNMENT

Mr. MATSUNAGA. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 noon Monday.

The motion was agreed to; and at 2:53 p.m. the Senate adjourned until Monday, May 16, 1977, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate May 13, 1977:

Department of State

Arthur A. Hartman, of New Jersey, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to France.

James Gordon Lowenstein, of the District of Columbia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg.

Robert H. Miller, of Washington, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Malaysia.

Philip Henry Alston, Jr., of Georgia, now Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia, to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Nauru.

Harry W. Shlaudeman, of California, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Peru.

Lawrence S. Eagleburger, of Virginia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Socialist Federal Republic of Yugoslavia.

Donald Clayton Bergus, of New Jersey, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of the Sudan.

Adrian S. Fisher, of the District of Columbia, for the rank of Ambassador while serving as the U.S. Representative to the Conference of the Committee on Disarmament.

Department of Justice

Andrew W. Danielson, of Minnesota, to be U.S. attorney for the District of Minnesota for the term of 4 years, vice Robert G. Renner, resigning.

James R. Britton, of North Dakota, to be U.S. attorney for the district of North Dakota for the term of 4 years, vice Harold O. Bullis, resigned.

Jamie C. Boyd, of Texas, to be U.S. attorney for the western district of Texas for the term of 4 years, vice John E. Clark, resigned.

John C. Merkel, Jr., of Washington, to be U.S. attorney for the western district of Washington for the term of 4 years, vice Stan Pitkin, resigned.

Albert S. Hinds, of Illinois, to be U.S. marshal for the eastern district of Illinois for the term of 4 years, vice Arthur J. Wilson, Jr., resigning.

Harold C. Warren, of North Dakota, to be U.S. marshal for the district of North Dakota for the term of 4 years, vice Alvin W. Bumann, resigning.

Rodolfo A. Garza, of Texas, to be U.S. marshal for the western district of Texas for the term of 4 years, vice Sam H. Roberts, resigned.

In the Coast Guard

The following temporary officers of the U.S. Coast Guard for promotion to chief warrant officer, W–2:

Garace A. Reynard
Lawrence C. Craig
Harold L. Hayes
Leonard F. Edinger, II
Robert W. Lassiter

The following temporary chief warrant officers, W–2 of the U.S. Coast Guard to be permanent chief warrant officers:

John E. Curran
David F. Radatz
John P. Allwein, Jr.
Ronceford C. Escue
Porter N. Ballard, Jr.
Lauchlin M. Lee
Eldon C. Hardin
John P. Jennings
Lawrence J. Everett
John W. Beith
Ralph C. Gall, Jr.
John A. Ruhland
Clifton L. Wilson
William O. Boyd
Harry T. Smith
James W. Oldham
Robert E. Owensby
Jackie D. Davis
Roger E. Lane
Erasmus S. Ennis
Fidencio A. Carbonell
Preston L. Sears
Rene G. Kalub
Joe D. Glaze
Clyde N. Trojak
Kenneth W. Bean
Joseph T. Whalen
William H. Morgan
Patrick K. J. Maher
Leo T. Wilson
James D. Rose
Charles G. Travis
Thad O. Eack
Walter A. Dodge
Jack D. Naus
Allen T. Warner
Henry P. Berry
Dewey N. Belcher
Wilbur J. Ferrant, Jr.
Michael L. Smell
James L. Ekart
Earl W. Black
Ray E. Hastings
Richard L. Marini
Stephen J. Vergot, Jr.
Frank L. McFarland
Alfred F. Riedinger, III
Donald B. Black
Alfred D. Graham
Dorless E. Swofford
Mark W. Crabill
George H. Butterworth
James R. Blair
Leonard A. Frost
Thomas F. Feeney, Jr.
Richard D. Carter
Sherman Colley
Earle J. Madden, Jr.
Allen R. Taylor
Charles P. Newton
Paul Kelley
Michael J. Satterthwaite
Harvey L. Jenkins
Samuel A. Brown
James L. West
Richard A. Messenger
Glenn R. Kimball
Walter W. Miller
Richard L. Heinzman
William A. Stachowski
Timothy C. Stone
Roger D. Merideth
Donald C. Hand
George A. Daniels
Walcott J. Becker, Jr.
Gary L. Pearson
Richard S. Hamel
Joseph S. Bednarek, Jr.
James D. Gilbler
John R. Haendel
Walter M. Stanczyk
Wesley D. McKenzie
Timothy C. Otte
Robert F. Sullivan
William E. Burns, Jr.
Clifton D. Stanley
Lee W. Dean
Lewis J. Tolleson, III
William H. Ravell, III
Gerald H. Walker
Gary R. Moore
Daniel L. Kibler
Robert E. Sigut
Frederick E. Felt
Anthony V. Sedlacek
Edward L. Betts, Jr.
Patrick L. Corley
Russel J. Bishop
William H. James
Robert H. Minten
Rogelio T. Estrada
John R. Dreger
Jackie G. Billings
Larry E. Kelly
Robert S. Brizendine
Luther D. Davis
Arthur E. Jones
Ronald L. Holley
Crisostomo R. Serrano
Gerald A. Larson
Anthony A. Gelfo
George F. Hillegas
John D. Mairs
William F. O'Neill, Jr.
Linwood C. Stowe
Frank G. Dunaway
Joseph E. Moody
Alfred W. Massey
Lee E. Coulter
William D. Glasgow
Roger G. Williams
Charles E. Jackson
Jeffrey L. Freeman
Allan H. Spence
Roy L. Melcher
Pedro G. Baluyut
Ronald C. Harrell
Melvin A. Williams
Harvey W. Hicks
Maloyd L. Berry
Brian L. Kelley
James A. Warman, Jr.
Robert B. Fries
Richard F. Viera
Douglas E. Gregg
Lawrence J. Carbonneau
Lamar I. Rockne
Donald M. McDaniels
Ned E. Stevens
Robert A. Pendleton
David D. Frye
Norman M. Lesmerises
Herbert A. Scott
John J. Brennan
Murry S. Plenn
Stuart A. Engle
Filomeno E. Servino
William H. Hoit
Jay H. Smith III

In The Air Force

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Walter T. Galligan, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Benjamin N. Bellis, [redacted] R (major general, Regular Air Force), U.S. Air Force.

In the Navy

Vice Adm. Edwin K. Snyder, U.S. Navy, for appointment to the grade of vice admiral on the retired list pursuant to the provisions of title 10, United States Code, section 5233.

In the Marine Corps

The following-named officers of the Marine Corps for permanent appointment to the grade of major general under the provisions of title 10, U.S. Code, section 5780:

Warren R. Johnson
Calhoun J. Killeen
Edward J. Megarr
William B. Fleming
Charles G. Cooper
John K. Davis

The following-named officers of the Marine Corps for permanent appointment to the grade of brigadier general under the provisions of title 10, U.S. Code, section 5780:

Alexander P. McMillan
Vincente T. Blaz
David B. Barker
William A. Scott, Jr.
Lawrence R. Seamon
Thomas R. Morgan
George B. Crist
Dwayne Gray
Albert E. Brewster, Jr.
Richard A. Kuci
Ernest C. Cheatham, Jr.
John V. Cox

The following-named officer of the Marine Corps Reserve for permanent appointment to the grade of major general under the provisions of title 10, U.S. Code, section 5911:

Hugh W. Hardy

The following-named officers of the Marine Corps Reserve for permanent appointment to the grade of brigadier general under the provisions of title 10, U.S. Code, section 5911:

John B. Hirt
Kenneth W. Weir

In the Air Force

The following-named officers for promotion in the U.S. Air Force, under the appropriate provisions of chapter 839, title 10, United States Code, as amended.

DENTAL CORPS

Lieutenant colonel to colonel

Bernhard, Lee F., [redacted]
Brown, Velpo B., [redacted]
Burke, Casper H., [redacted]
Cecconi, Bert T., [redacted]
Clark, Lawrence L., [redacted]
Cox, Charles M., [redacted]
Coyne, Arthur B., [redacted]
Crosthwaite, Harold J., [redacted]
Delorimier, Jacques A., [redacted]
Drake, Robert B., [redacted]
Durkin, William J., Jr., [redacted]
Francis, Michael R., [redacted]
Fry, Hiram R., [redacted]
Greer, George T., [redacted]
Long, William H., [redacted]
Loughlin, Dan M., [redacted]
Mary, George G., [redacted]
McDaniel, Raymond K., [redacted]

Morley, Ronald B., xxx-xx-xxxx
Nadeau, James E., xxx-xx-xxxx
Neurock, Isadore, xxx-xx-xxxx
Newman, Robert M., xxx-xx-xxxx
O'Hara, James W., Jr., xxx-xx-xxxx
Park, Paul R., xxx-xx-xxxx
Pullen, Wayne G., xxx-xx-xxxx
Richards, Ellsworth R., xxx-xx-xxxx
Rogers, James H., xxx-xx-xxxx
Savers, Norman C., Jr., xxx-xx-xxxx
Skaer, Wilbur C., Jr., xxx-xx-xxxx
Streeter, Arthur H., xxx-xx-xxxx
Williams, Earl O., xxx-xx-xxxx
Windeler, Alfred S., Jr., xxx-xx-xxxx

MEDICAL CORPS

Abbott, Kenneth H., II, xxx-xx-xxxx
Alexander, David G., xxx-xx-xxxx
Anderson, Edgar R., Jr., xxx-xx-xxxx
Andruczk, Robert C., xxx-xx-xxxx
Barry, William E., xxx-xx-xxxx
Bass, Dwight R., xxx-xx-xxxx
Bauer, Edward C. R., xxx-xx-xxxx
Behringer, Blair R., xxx-xx-xxxx
Belk, William F., xxx-xx-xxxx
Bergstrom, Terry J., xxx-xx-xxxx
Berrick, William H., xxx-xx-xxxx
Bickel, Rudolf G., xxx-xx-xxxx
Bishop, John E., xxx-xx-xxxx
Blattman, John E., xxx-xx-xxxx
Bogard, Dorr E., xxx-xx-xxxx
Buckingham, John C., xxx-xx-xxxx
Buethe, Robert A., Jr., xxx-xx-xxxx
Calene, James G., xxx-xx-xxxx
Cole, Peter M., xxx-xx-xxxx
Corpening, William S., Jr., xxx-xx-xxxx
Culton, John W., xxx-xx-xxxx
Dedianous, Noel C., Jr., xxx-xx-xxxx
Dehart, Rufus M., Jr., xxx-xx-xxxx
Delemos, Robert A., xxx-xx-xxxx
Demski, Robert S., xxx-xx-xxxx
Eady, John L., xxx-xx-xxxx
Ehemann, Larry J., xxx-xx-xxxx
Fleming, Bryan W., Jr., xxx-xx-xxxx
Fontenelle, Larry J., xxx-xx-xxxx
Griffin, Edward L., xxx-xx-xxxx
Gilman, Robert T., xxx-xx-xxxx
Gleason, Paul D., xxx-xx-xxxx
Goss, Kelly E., xxx-xx-xxxx
Green, Ronald S., xxx-xx-xxxx
Guerdan, Donald C., xxx-xx-xxxx
Haaland, James A., xxx-xx-xxxx
Haff, Roderick C., xxx-xx-xxxx
Hancey, Richard C., xxx-xx-xxxx
Haydon, John R., Jr., xxx-xx-xxxx
Hessert, Edmund C., Jr., xxx-xx-xxxx
Horton, Granville, E., xxx-xx-xxxx
Hutton, Robert D., xxx-xx-xxxx
Jack, Bernard R., xxx-xx-xxxx
Jacobs, Wesley R., xxx-xx-xxxx
Johnson, Joseph M., xxx-xx-xxxx
Jones, R. J., xxx-xx-xxxx
Jones, Robert T., xxx-xx-xxxx
Joye, Martin J., xxx-xx-xxxx
Kinnard, Paul G., xxx-xx-xxxx
Lathrop, George D., xxx-xx-xxxx
Lochridge, Gordon K., xxx-xx-xxxx
Lohr, David C., xxx-xx-xxxx
Lordon, Robert E., xxx-xx-xxxx
Lubin, Arnold N., xxx-xx-xxxx
Magnuson, Arthur W., xxx-xx-xxxx
Maloriello, Richard P., xxx-xx-xxxx
Makant, Joseph E., Jr., xxx-xx-xxxx
Martinez, Gerardo H., xxx-xx-xxxx
Massey, Freddy M., xxx-xx-xxxx
McGranahan, Thomas C., xxx-xx-xxxx
McKay, William M., Jr., xxx-xx-xxxx
McKechnie, William G., xxx-xx-xxxx
Moore, William B., xxx-xx-xxxx
Murphy, Jerry L., xxx-xx-xxxx
Nassif, Thomas J., xxx-xx-xxxx
Nelson, Manfred R., xxx-xx-xxxx
Pala, Stanley J., xxx-xx-xxxx
Palma, William E., xxx-xx-xxxx
Patton, John P., Jr., xxx-xx-xxxx
Paull, Robert M., xxx-xx-xxxx
Pittman, James A., xxx-xx-xxxx
Puma, Samuel C., xxx-xx-xxxx
Queen, Charles R., xxx-xx-xxxx
Ramey, Ralph, Jr., xxx-xx-xxxx
Rudd, Ronald E., xxx-xx-xxxx
Runkle, William M., xxx-xx-xxxx
Russell, David S., xxx-xx-xxxx
Sarnacki, Clifford T., xxx-xx-xxxx
Saylor, Jack L., xxx-xx-xxxx
Schwark, Thomas E., xxx-xx-xxxx
Shapiro, Allen, xxx-xx-xxxx
Shipp, Robert H., xxx-xx-xxxx
Shirley, James H., xxx-xx-xxxx
Silver, James A., xxx-xx-xxxx
Smith, Stuart J., xxx-xx-xxxx
Statti, Thomas F., xxx-xx-xxxx
Stevenson, Onex D., xxx-xx-xxxx
Stinebiser, James H., xxx-xx-xxxx
Suckow, Lowell C., xxx-xx-xxxx
Takamoto, Robert M., xxx-xx-xxxx
Todt, John C., xxx-xx-xxxx
Torrance, Philip M., II, xxx-xx-xxxx
Turner, William, xxx-xx-xxxx
Urso, Philip J., xxx-xx-xxxx
Vanvonderen, Vernon R., xxx-xx-xxxx
Versteeg, Harold J., Jr., xxx-xx-xxxx
Watson, Alfred B., Jr., xxx-xx-xxxx
Wentworth, Earle T., Jr., xxx-xx-xxxx
Wiegreffe, James W., xxx-xx-xxxx
Young, Robert L., xxx-xx-xxxx
Zimmerman, Raymond E. P., xxx-xx-xxxx

IN THE AIR FORCE

The following cadets, U.S. Air Force Academy, for appointment in the Regular Air Force in the grade of second lieutenant, effective upon their graduation, under the provisions of section 8284 and 9353, title 10, United States Code. Date of rank to be determined by the Secretary of the Air Force.

Abele, Randy D., xxx-xx-xxxx
Adams, Craig P., xxx-xx-xxxx
Addington, Stewart I., xxx-xx-xxxx
Alexander, James L., xxx-xx-xxxx
Alexander, Michael J., xxx-xx-xxxx
Alexander, Stuart B., xxx-xx-xxxx
Alfano, Joseph P., xxx-xx-xxxx
Alford Ronald G., xxx-xx-xxxx
Allen, Benjamin S., xxx-xx-xxxx
Allred, Dean S., xxx-xx-xxxx
Anderson, Frank E., xxx-xx-xxxx
Anderson, Sterling S., xxx-xx-xxxx
Antisdel, James M., xxx-xx-xxxx
Appel, Lawrence N., xxx-xx-xxxx
Ard, Michael G., xxx-xx-xxxx
Armstrong, Gerald L., xxx-xx-xxxx
Arnista, Alexander J., xxx-xx-xxxx
Atkins, Douglas E., xxx-xx-xxxx
Atkinson, Thomas E., xxx-xx-xxxx
Back, Stephen R., xxx-xx-xxxx
Bailey, Zackary E., xxx-xx-xxxx
Baker, Jon R., xxx-xx-xxxx
Balanciere, Milton G., III, xxx-xx-xxxx
Ballinger, George W., Jr., xxx-xx-xxxx
Banker, Douglas A., xxx-xx-xxxx
Barnett, Mark R., xxx-xx-xxxx
Bartlett, Ray H., xxx-xx-xxxx
Bartolone, Robert, xxx-xx-xxxx
Base, Stephen J., xxx-xx-xxxx
Bassett, Kevin W., xxx-xx-xxxx
Batchelor, Robert A., xxx-xx-xxxx
Batton, James M., xxx-xx-xxxx
Baudendistel, Joseph M., xxx-xx-xxxx
Bauer, Lee C., xxx-xx-xxxx
Baumgartner, Joseph E., xxx-xx-xxxx
Baumgartner, Steven N., xxx-xx-xxxx
Bayer, Gary L., xxx-xx-xxxx
Beason, James D., xxx-xx-xxxx
Beauclair, Thomas J., xxx-xx-xxxx
Becker, Alan M., xxx-xx-xxxx
Becker, Steven J., xxx-xx-xxxx
Bedke, Curtis M., xxx-xx-xxxx
Bekeris, Alan A. Etienne, xxx-xx-xxxx
Belcher, Todd E., xxx-xx-xxxx
Bellamy, Dennis E., xxx-xx-xxxx
Belser, Bruce L., xxx-xx-xxxx
Benevento, Anthony, xxx-xx-xxxx
Benson, Harold S., xxx-xx-xxxx
Bercahl, Caral H., xxx-xx-xxxx
Betts, John M., xxx-xx-xxxx
Bierschbach, Arthur C., Jr., xxx-xx-xxxx
Billig, Bruce G., xxx-xx-xxxx
Billings, Michael J., xxx-xx-xxxx
Blankenstein, Craig W., xxx-xx-xxxx
Bloom, John P., Jr., xxx-xx-xxxx
Bodary, Alan K., xxx-xx-xxxx
Boedigheimer, Gene A., xxx-xx-xxxx
Bohac, Donald J , xxx-xx-xxxx
Bonanni, Peter A., xxx-xx-xxxx
Booch, Ernest G., xxx-xx-xxxx
Bordon, George G., xxx-xx-xxxx
Borthwick, Ronald R., xxx-xx-xxxx
Bowman, Charles T., III, xxx-xx-xxxx
Bowman, Lonnie D., xxx-xx-xxxx
Boyarski, David P., xxx-xx-xxxx
Bradburn, Gregory R., xxx-xx-xxxx
Brandt, William P., xxx-xx-xxxx
Branham, Michael T., xxx-xx-xxxx
Bream, Scott R., xxx-xx-xxxx
Brooks, James J., xxx-xx-xxxx
Brooks, James M., xxx-xx-xxxx
Brown, David R., xxx-xx-xxxx
Brown, David S., xxx-xx-xxxx
Brown, Jeffrey C., xxx-xx-xxxx
Brubaker, Don C., xxx-xx-xxxx
Bruce, Robert A., xxx-xx-xxxx
Buchanan, Stanley E., xxx-xx-xxxx
Buckingham, Charles L , xxx-xx-xxxx
Buckley, John C., III, xxx-xx-xxxx
Buerkle, Steven R., xxx-xx-xxxx
Bulmer, Joseph J. Jr., xxx-xx-xxxx
Burda, Bruce S., xxx-xx-xxxx
Burgess, Jon R., xxx-xx-xxxx
Burke, John L., III, xxx-xx-xxxx
Burke, Patrick W., xxx-xx-xxxx
Burks, William R., xxx-xx-xxxx
Burlingham, Mark S., xxx-xx-xxxx
Busch, Steven D , xxx-xx-xxxx
Buschko, Michael D., xxx-xx-xxxx
Butler, Charles H., xxx-xx-xxxx
Butler, Joseph S., xxx-xx-xxxx
Cabell, Robert B., Jr., xxx-xx-xxxx
Cafferata, Dale W., xxx-xx-xxxx
Caliguire, Michael R., xxx-xx-xxxx
Callaway, Claud W., xxx-xx-xxxx
Cameron, Steven E., xxx-xx-xxxx
Campbell, Christopher D., xxx-xx-xxxx
Carey, Steven D., xxx-xx-xxxx
Carmichael, Kevin A., xxx-xx-xxxx
Carney, Allard R., xxx-xx-xxxx
Carney, Brian T., xxx-xx-xxxx
Carpenter, Thomas J., xxx-xx-xxxx
Carwile, Joseph M., xxx-xx-xxxx
Casey, John F., Jr., xxx-xx-xxxx
Casserino, Frank J., xxx-xx-xxxx
Castellani, Mark S., xxx-xx-xxxx
Cave, Alan L., xxx-xx-xxxx
Cerney, James M., xxx-xx-xxxx
Cervone, Anthony N., xxx-xx-xxxx
Chaffee, David R., xxx-xx-xxxx
Chamberlain, James C., xxx-xx-xxxx
Christ, John H., xxx-xx-xxxx
Christian, Kevin S., xxx-xx-xxxx
Chung, Charles R., xxx-xx-xxxx
Cichowski, Kurt A., xxx-xx-xxxx
Cimafonte, Michael, xxx-xx-xxxx
Ciola, Robert A., xxx-xx-xxxx
Clarke, Steven F., xxx-xx-xxxx
Clegg, Robert S., xxx-xx-xxxx
Clodfelter, Ronnie M. Allen, xxx-xx-xxxx
Coatsworth, Matthew A., xxx-xx-xxxx
Cochran, Mark A., xxx-xx-xxxx
Coffey, Donald E., Jr., xxx-xx-xxxx
Coffman, Alfred M., Jr., xxx-xx-xxxx
Comer, Mark L., xxx-xx-xxxx
Conlon, Thomas K., xxx-xx-xxxx
Connery, Joseph J., Jr., xxx-xx-xxxx
Connolly, Edward, xxx-xx-xxxx
Conrad, John E., xxx-xx-xxxx
Conway, Timothy O., xxx-xx-xxxx
Corzine, Richard W., Jr., xxx-xx-xxxx
Cosby, Ricky J., xxx-xx-xxxx
Costales, Armando A., Jr., xxx-xx-xxxx
Cox, Michael H., xxx-xx-xxxx
Cox, Terry J., xxx-xx-xxxx
Crafton, Wilson D., Jr., xxx-xx-xxxx
Craig, Paul W., xxx-xx-xxxx
Crane, Michael D., xxx-xx-xxxx
Cromer, DeJuan, xxx-xx-xxxx
Cromwell, John L., xxx-xx-xxxx
Cross, Michael A., xxx-xx-xxxx
Crouch, Douglas S., xxx-xx-xxxx
Cruz-Vega, Carlos B., xxx-xx-xxxx
Cumm, Carl C., xxx-xx-xxxx

Curran, Charles F., xxx-xx-xxxx
Dale, John E., xxx-xx-xxxx
Dalrymple, Mathieu A., xxx-xx-xxxx
Dalton, Richard E., xxx-xx-xxxx
Daly, Mark S., xxx-xx-xxxx
Dart, James R., xxx-xx-xxxx
Davis, Donald E., xxx-xx-xxxx
Davis, Edward V., xxx-xx-xxxx
Davis, Kenneth J., xxx-xx-xxxx
Davis, Thomas J., xxx-xx-xxxx
Day, John W., xxx-xx-xxxx
Day, William E., Jr., xxx-xx-xxxx
Debcalt, Thomas F., xxx-xx-xxxx
Dee, Stephen W., xxx-xx-xxxx
Dehnert, Robert E., Jr., xxx-xx-xxxx
Delich, Charles R., xxx-xx-xxxx
Delmas, Richard J., xxx-xx-xxxx
Detroye, Jeffrey E., xxx-xx-xxxx
Dettmer, Paul A., xxx-xx-xxxx
Dettmer, Thomas D., xxx-xx-xxxx
Devlin, Michael T., xxx-xx-xxxx
Dewillis, Frantz, xxx-xx-xxxx
Dexter, John B., xxx-xx-xxxx
Dibiase, Michelangelo, xxx-xx-xxxx
Dick, Samuel R., xxx-xx-xxxx
Dierksen, Jeffrey M., xxx-xx-xxxx
Dietz, Dennis C., xxx-xx-xxxx
Dimiduk, David P., xxx-xx-xxxx
Dittmer, Kurt B., xxx-xx-xxxx
Diarotta, Maximo G., xxx-xx-xxxx
Dobias, Donald L., Junior, xxx-xx-xxxx
Dodd, Charles M. III, xxx-xx-xxxx
Dodds, Matthew T., xxx-xx-xxxx
Dodge, Lex C., xxx-xx-xxxx
Doerr, Jeffrey L., xxx-xx-xxxx
Dollahite, Thomas H., Jr., xxx-xx-xxxx
Dominey, Clifford S., xxx-xx-xxxx
Donahoe, John H., xxx-xx-xxxx
Donnelley, Robert P., Jr., xxx-xx-xxxx
Donze, Robert J., xxx-xx-xxxx
Doran, George T., xxx-xx-xxxx
Downey, Douglas C., xxx-xx-xxxx
Drake, James A., xxx-xx-xxxx
Drew, Myres N., xxx-xx-xxxx
Dronkers, Anthony A., xxx-xx-xxxx
Duchene, Brian G., xxx-xx-xxxx
Duffy, Patrick T., xxx-xx-xxxx
Dugan, James M., xxx-xx-xxxx
Duncas, Paul A., xxx-xx-xxxx
Dundore, Karl M., xxx-xx-xxxx
Dunn, Daniel R., xxx-xx-xxxx
Earnhart, George N., III, xxx-xx-xxxx
Ebelke, David K., xxx-xx-xxxx
Eberle, Michael L., xxx-xx-xxxx
Edgington, David M., xxx-xx-xxxx
Ehrler, Dennis W., xxx-xx-xxxx
Elliott, John W., xxx-xx-xxxx
Ellis, Mark G., xxx-xx-xxxx
Ellis, Michael W., xxx-xx-xxxx
Ellsworth, Gary L., xxx-xx-xxxx
Enix, Earl A., xxx-xx-xxxx
Eppley, David S., xxx-xx-xxxx
Eresman, Raymond S., xxx-xx-xxxx
Erwin, Wayne H., II, xxx-xx-xxxx
Eskridge, Robert D., xxx-xx-xxxx
Elstace, James A., xxx-xx-xxxx
Evans, Alan T., xxx-xx-xxxx
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Walls, Jeffrey W., xxx-xx-xxxx
Ward, Mark C., xxx-xx-xxxx
Watkins, John E., xxx-xx-xxxx
Watters, Claude E., III, xxx-xx-xxxx
Weathers, Wesley W., xxx-xx-xxxx
Weaver, Larry W., xxx-xx-xxxx
Webster, Mark N., xxx-xx-xxxx
Weibel, Craig A., xxx-xx-xxxx
Weinstein, Michael L., xxx-xx-xxxx
Welch, John P., xxx-xx-xxxx
Welde, William C., xxx-xx-xxxx
Wells, Kennard R., xxx-xx-xxxx
Welshans, James S., xxx-xx-xxxx
Wendt, Bradley W., xxx-xx-xxxx
Wesolowski, Robert A., xxx-xx-xxxx
Westerfield, James M., xxx-xx-xxxx
Wetterau, Gary P., xxx-xx-xxxx
Whisler, Geoffrey L., xxx-xx-xxxx
White, Kenneth R., xxx-xx-xxxx
Whiting, Brian C., xxx-xx-xxxx
Wilkes, Bobby J., xxx-xx-xxxx
Williams, Charles W., xxx-xx-xxxx
Williams, Derek M., xxx-xx-xxxx
Williams, Leland K., xxx-xx-xxxx
Williams, Rex A., xxx-xx-xxxx
Williams, Stuart D., xxx-xx-xxxx
Wilson, Denzil B., xxx-xx-xxxx
Wilson, James A., xxx-xx-xxxx
Wilson, Keith C., xxx-xx-xxxx
Wilz, William P., xxx-xx-xxxx
Winders, Douglas E., xxx-xx-xxxx
Withers, William S., Jr., xxx-xx-xxxx
Wittman, Steven E., xxx-xx-xxxx
Witzel, Robert A., xxx-xx-xxxx
Wood, Kenneth S., xxx-xx-xxxx
Woolsey, Mark R., xxx-xx-xxxx
Wright, David A., xxx-xx-xxxx
Wurst, Stephen G., xxx-xx-xxxx
Yanaros, John O., Jr., xxx-xx-xxxx
Yankovoy, Thomas M., xxx-xx-xxxx
Yarrish, Joseph E., xxx-xx-xxxx
Yeager, Glen E., xxx-xx-xxxx
Yelken, Curtis G., xxx-xx-xxxx
Young, David C., xxx-xx-xxxx
Young, Terence G., xxx-xx-xxxx
Youtsler, Neil A., xxx-xx-xxxx
Zaborniak, Michael E., xxx-xx-xxxx
Zaehringer, Robert P., xxx-xx-xxxx
Zahrobsky, Joseph R., xxx-xx-xxxx
Zane, Wallace Bow On, xxx-xx-xxxx
Zatorski, Richard A., xxx-xx-xxxx
Zelenok, David S., xxx-xx-xxxx
Zink, Billy R., xxx-xx-xxxx
Zirilli, Victor L., xxx-xx-xxxx
Zych, Anthony, xxx-xx-xxxx

IN THE ARMY

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, U.S.C. sections 3370 and 3383:

ARMY PROMOTION LIST

To be colonel

Avampato, John C., xxx-xx-xxxx
Banks, William F., xxx-xx-xxxx
Barnes, Robert M., xxx-xx-xxxx
Bennett, Frederick L., xxx-xx-xxxx
Birner, Richard E., xxx-xx-xxxx
Campbell, Calvin R., xxx-xx-xxxx
Cantrell, Murray E., xxx-xx-xxxx
Chapa, Alfonso, xxx-xx-xxxx
Clepper, Walter D., xxx-xx-xxxx
Davis, Paul G., xxx-xx-xxxx
De Masi, Henri A., xxx-xx-xxxx
Esary, Craig C., xxx-xx-xxxx
Gillespie, John A., xxx-xx-xxxx
Guttery, Boyd M., xxx-xx-xxxx
Hadley, Robert V., xxx-xx-xxxx
Harrington, Francis X., xxx-xx-xxxx
Helden, Gerald F., xxx-xx-xxxx
Helix, Daniel C., xxx-xx-xxxx
Hisel, Elmer G., xxx-xx-xxxx
Humphrey, Carl H., xxx-xx-xxxx
Isaacson, Robert B., xxx-xx-xxxx
Jennewein, Charles V., xxx-xx-xxxx
Jeno, Joseph J., xxx-xx-xxxx
Johnson, James T., xxx-xx-xxxx
Larkin, Richard G., xxx-xx-xxxx
Leslie, Henry A., Jr., xxx-xx-xxxx
Lewandowski, Eugene, xxx-xx-xxxx
Looney, Daniel J., xxx-xx-xxxx
Loop, Angus L., Jr., xxx-xx-xxxx
Lowry, Andy L., xxx-xx-xxxx
Macione, Joseph R., xxx-xx-xxxx
Madison, James M., xxx-xx-xxxx
Maurer, George M., xxx-xx-xxxx
McCord, Wallace R., xxx-xx-xxxx
McNemar, Robert E., xxx-xx-xxxx
Miller, Norman L., xxx-xx-xxxx
Murdock, Alan G., xxx-xx-xxxx
Nelson, William J., xxx-xx-xxxx
Nice, Royden P., xxx-xx-xxxx
Penton, Howard A., Jr., xxx-xx-xxxx
Potter, Charles H., xxx-xx-xxxx
Prohaska, Francis S., xxx-xx-xxxx
Robinson, Thomas F., xxx-xx-xxxx
Schafer, Edwin J., xxx-xx-xxxx
Seaver, William R., xxx-xx-xxxx
Stanley, George F., xxx-xx-xxxx
Trapp, George A., xxx-xx-xxxx
Trimble, Richard L., xxx-xx-xxxx
Turner, Eugene N., xxx-xx-xxxx
Weatherford, Lawrence E., xxx-xx-xxxx
Zimmerman, Thomas L., xxx-xx-xxxx

CHAPLAIN

To be colonel

Hendrickson, R. T., xxx-xx-xxxx
Jaeger, James C., xxx-xx-xxxx
Murdock, Llewellyn L., Jr., xxx-xx-xxxx

WOMEN'S ARMY CORPS

To be colonel

Miller, Deloris M., xxx-xx-xxxx

ARMY NURSE CORPS

To be colonel

Boyles, Nora J., xxx-xx-xxxx
Metz, Martha L., xxx-xx-xxxx
Newhall, Gladys E., xxx-xx-xxxx
Simmons, Mary D., xxx-xx-xxxx

DENTAL CORPS

To be colonel

D'Amico, Roland A., xxx-xx-xxxx
Jackson, Ernest L., xxx-xx-xxxx
Martinez-Chinea, E., xxx-xx-xxxx
Reader, Samuel B., xxx-xx-xxxx
Ruhl, Charles T., xxx-xx-xxxx
Williams, Ben H., xxx-xx-xxxx

MEDICAL CORPS

To be colonel

Geigerman, David J., xxx-xx-xxxx
Johnson, Edward M., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be colonel

Clayton, David L., xxx-xx-xxxx
Dickson, Joseph W., xxx-xx-xxxx
Jacques, Clemens H., xxx-xx-xxxx
Kicklighter, John D., xxx-xx-xxxx
Martin, William C., Sr., xxx-xx-xxxx
Miller, Joseph H., xxx-xx-xxxx
Stewart, Raymond M., xxx-xx-xxxx
Wallace, Russell E., xxx-xx-xxxx

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of Title 10, U.S.C. Sections 3370 and 3363:

ARMY PROMOTION LIST

To be lieutenant colonel

Ainsely, Harold J., xxx-xx-xxxx
Alden, John E., xxx-xx-xxxx
Alexander, Hemard G., xxx-xx-xxxx
Andrsen, Martin, Jr., xxx-xx-xxxx
Andriuk, Basil B., xxx-xx-xxxx
Barlament, Reginald J., xxx-xx-xxxx
Beasley, George F., xxx-xx-xxxx
Beaudoin, Joseph N., xxx-xx-xxxx
Becker, George N., xxx-xx-xxxx
Beirne, Michael J., xxx-xx-xxxx
Bingham, William H., xxx-xx-xxxx
Bitonti, Frank, xxx-xx-xxxx
Bitters, Tom G., xxx-xx-xxxx
Boorigie, Bobby A., xxx-xx-xxxx
Bothe, Glenn M., xxx-xx-xxxx
Boyd, Michael A., xxx-xx-xxxx
Brooke, Robert D., xxx-xx-xxxx
Brown, Lewis C., xxx-xx-xxxx
Brunton, Thomas I., xxx-xx-xxxx
Burt, John E., xxx-xx-xxxx
Carl, Richard H., xxx-xx-xxxx
Clary, John J., xxx-xx-xxxx
Cotchett, Joseph W., xxx-xx-xxxx
Crocetti, James R., xxx-xx-xxxx
Dattilo, Anthony, xxx-xx-xxxx
Deal, Sadami, xxx-xx-xxxx
Delich, Stephen M., Jr., xxx-xx-xxxx
Domenichini, Joseph S., xxx-xx-xxxx
Dulac, Michael F., xxx-xx-xxxx
Edgar, Rex E., xxx-xx-xxxx
Edwards, Norman L., xxx-xx-xxxx
Ehlert, Charles R., xxx-xx-xxxx
Ellsworth, Bruce B., xxx-xx-xxxx
Enslen, Frederick T., xxx-xx-xxxx
Farmer, Henry E., xxx-xx-xxxx
Fischer, Ronald L., xxx-xx-xxxx
Fisher, Alfred C., xxx-xx-xxxx
Fite, Edward T., xxx-xx-xxxx
Flannery, Michael F., xxx-xx-xxxx
Flemin, Russell V., xxx-xx-xxxx
Fritz, Roger A., xxx-xx-xxxx
Gableman, Jack R., xxx-xx-xxxx
Gaskell, Bernard R., xxx-xx-xxxx
Glasgow, Larry E., xxx-xx-xxxx
Glover, Julius E., Jr., xxx-xx-xxxx
Gooding, Warren M., xxx-xx-xxxx
Graves, Thomas C., xxx-xx-xxxx
Grinnell, Jay W., xxx-xx-xxxx
Guidry, Charles E., xxx-xx-xxxx
Haff, Karl W., xxx-xx-xxxx
Hare, Charles R., Jr., xxx-xx-xxxx
Harty, James T., Jr., xxx-xx-xxxx
Hatch, Leighton, xxx-xx-xxxx
Hauck, Henry R., xxx-xx-xxxx
Hauck, William J., xxx-xx-xxxx
Hayes, Arthur E., xxx-xx-xxxx
Heagler, Arthur M., xxx-xx-xxxx
Hill, James J., xxx-xx-xxxx
Hollans, Lester H., xxx-xx-xxxx
Holmes, Clyde R., xxx-xx-xxxx
Hudgins, Arvin Q., xxx-xx-xxxx
Hyder, Hobart D., xxx-xx-xxxx
Jacks, Phillip E., xxx-xx-xxxx
Jackson, Alonzo H., xxx-xx-xxxx
Jeska, Allan E., xxx-xx-xxxx
Kabaker, Richard J., xxx-xx-xxxx
Kaufman, Albert S., xxx-xx-xxxx
Kerr, Miller W., xxx-xx-xxxx
King, Eugene J., xxx-xx-xxxx
King, Hoyle R., xxx-xx-xxxx
Kinney, Steven P., II, xxx-xx-xxxx
Kitchen, Eldon E., xxx-xx-xxxx
Klinkerman, Paul R., xxx-xx-xxxx
Koehler, Edmund L., xxx-xx-xxxx
Kramer, Charles J., xxx-xx-xxxx
Kurth, Louis E., Jr., xxx-xx-xxxx
Lawliss, Donald A., xxx-xx-xxxx
Leggett, Ronald A., xxx-xx-xxxx
Lerda, Louis J., xxx-xx-xxxx
Levin, Erwin J., xxx-xx-xxxx
Lewis, Arnold D., xxx-xx-xxxx
Lewis, Harold B., Jr., xxx-xx-xxxx
Lieberman, Joel G., xxx-xx-xxxx
Logan, James T., xxx-xx-xxxx
Love, Miller L., Jr. xxx-xx-xxxx
Lowe, Edward C., Jr., xxx-xx-xxxx
Lutz, Rothwell K., xxx-xx-xxxx
Mallett, Gerald G., Jr., xxx-xx-xxxx
Manning, Warren A., xxx-xx-xxxx
Mason, Robert L., xxx-xx-xxxx
Mattson, Thomas E., xxx-xx-xxxx
McDaniel, Harold W., xxx-xx-xxxx
McLaughlin, Robert W., xxx-xx-xxxx
McNabb, Paul V., xxx-xx-xxxx
Melnyk, Bohdan, xxx-xx-xxxx
Miller, William N., xxx-xx-xxxx
Moorhead, Kenneth E., xxx-xx-xxxx
Morse, Clyde S., xxx-xx-xxxx
Murra, Gene E., xxx-xx-xxxx
Myrick, Adolph, Jr., xxx-xx-xxxx
Nicholson, Robert J., xxx-xx-xxxx
Norton, Richard A., xxx-xx-xxxx
Paes, Joseph A., xxx-xx-xxxx
Page, William E., xxx-xx-xxxx
Paris, George C., xxx-xx-xxxx
Perkinson, John L., xxx-xx-xxxx
Perry, Harold S., xxx-xx-xxxx
Pfeil, Henry, Jr., xxx-xx-xxxx
Pierce, Gerald J., xxx-xx-xxxx
Plumb, Walter E., II, xxx-xx-xxxx
Pruden, Thomas E., xxx-xx-xxxx
Reese, Robert W., xxx-xx-xxxx
Reilly, George W., xxx-xx-xxxx
Ruddy, Merton E., xxx-xx-xxxx
Russell, Charles R., xxx-xx-xxxx
Sanzotta, Vincent A., xxx-xx-xxxx
Shepard, Robert G., xxx-xx-xxxx
Shurtleff, James, xxx-xx-xxxx
Smith, Charles F., xxx-xx-xxxx
Smith, Earnest C., xxx-xx-xxxx
Southcombe, Robert M., xxx-xx-xxxx
Stabenow, Melvin A., xxx-xx-xxxx
Steele, Ryan E., xxx-xx-xxxx
Stellwagen, Leo J., xxx-xx-xxxx
Sterner, Allen C., xxx-xx-xxxx
Stewart, James H., xxx-xx-xxxx
Sullivan, John D., xxx-xx-xxxx
Summerhill, William R., xxx-xx-xxxx
Sutherland, Robert F., xxx-xx-xxxx
Talbot, James W., II, xxx-xx-xxxx
Taylor, Ronald W., xxx-xx-xxxx
Terrazas, Bert J., xxx-xx-xxxx
Tinsley, John, Jr., xxx-xx-xxxx
Turk, Roger L., xxx-xx-xxxx
Tyson, Ezekiel, xxx-xx-xxxx
Vallely, Paul E., Jr., xxx-xx-xxxx
Voigt, Karl E., xxx-xx-xxxx
Walter, Dennis I., xxx-xx-xxxx
Watson, George T., Jr., xxx-xx-xxxx
Welch, Charlie G., xxx-xx-xxxx
Welch, David C., xxx-xx-xxxx
White, Joe I., Jr., xxx-xx-xxxx
Wishart, William J., xxx-xx-xxxx
Wofford, Hoke S., xxx-xx-xxxx
Wright, James T., xxx-xx-xxxx
Wright, William A., xxx-xx-xxxx
Young, Jerry E., xxx-xx-xxxx
Young, Ralph R., xxx-xx-xxxx

CHAPLAIN

To be lieutenant colonel

Houston, Wade H., xxx-xx-xxxx
Marsh, Howard, xxx-xx-xxxx
Wolf, Clinton D., xxx-xx-xxxx

ARMY NURSE CORPS

To be lieutenant colonel

Anderson, Doris J., xxx-xx-xxxx
Dickinson, Natalie N., xxx-xx-xxxx
Farrell, Virginia M., xxx-xx-xxxx
Fulkerson, Laura E., xxx-xx-xxxx
Mannocci, Eleanor K., xxx-xx-xxxx

DENTAL CORPS

To be lieutenant colonel

Kennemur, Bobbie J., xxx-xx-xxxx
Peltier, Raymond E., xxx-xx-xxxx
Silverman, Howard D., xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

Bingham, Korth E., xxx-xx-xxxx
Johnson, Carl J., xxx-xx-xxxx
Talmage, Lance A., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be lieutenant colonel

Bamberger, Tomas J., xxx-xx-xxxx
Boyum, Kenneth M., xxx-xx-xxxx
Burkett, Samuel L., xxx-xx-xxxx
Bushold, Thomas M., xxx-xx-xxxx
Dachel, Rodney L., xxx-xx-xxxx
Drake, Loyd E., Jr., xxx-xx-xxxx
Walsh, Thomas E., xxx-xx-xxxx

VETERINARY CORPS

To be lieutenant colonel

McCormick, Richard H., xxx-xx-xxxx

The following-named officers for appointment in the Reserve of the Army of the United States, under the provisions of Title 10, U.S.C. Sections 591, 593, and 594:

DENTAL CORPS

To be colonel

Pennisi, Oswald A., xxx-xx-xxxx

DENTAL CORPS

To be lieutenant colonel

Graves, Jerrod F., xxx-xx-xxxx
Pollard, Billy M., xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

Allen, Ray F., xxx-xx-xxxx
Bukosky, Richard J., xxx-xx-xxxx
Burns Leonard D., xxx-xx-xxxx
Burton, Francis C., xxx-xx-xxxx
Daily, Charles D., Jr., xxx-xx-xxxx
Gosline, Ernest, xxx-xx-xxxx
Hoefeldt, Fred D., xxx-xx-xxxx
Kaplan, Melvin S., xxx-xx-xxxx
Schneider, Robert L., xxx-xx-xxxx
Wagner, Stanley C., xxx-xx-xxxx
Walden, Robert E., xxx-xx-xxxx
Warren Mary L., xxx-xx-xxxx
Weaver, Gerald G., xxx-xx-xxxx

The following-named officers for appointment in the Army of the United States, under the provisions of Title 10, U.S.C. Section 3494:

MEDICAL CORPS

To be lieutenant colonel

Babu, Sankaran S., xxx-xx-xxxx
Gunter, Henry T., xxx-xx-xxxx
Hennessy, William J., xxx-xx-xxxx
Keating, Philip J., xxx-xx-xxxx
Luehrs, James G., xxx-xx-xxxx
Walters, William E., xxx-xx-xxxx

The following-named Army National Guard officers for appointment in the Reserve of the Army of the United States, under the provisions of Title 10, U.S.C. Section 3385:

ARMY PROMOTION LIST

To be colonel

Aldrige, Jack D., xxx-xx-xxxx
Cornett, Jimmie H., Jr., xxx-xx-xxxx
Crandell, Albert K., xxx-xx-xxxx
Davis, William M., xxx-xx-xxxx
Eastmoore, Eugene L., xxx-xx-xxxx
Finch, Everett E., xxx-xx-xxxx
Garrett, Harvey L., xxx-xx-xxxx
Green, Donald C., xxx-xx-xxxx
Griffin Joseph W., xxx-xx-xxxx
Hightower, Donald S., xxx-xx-xxxx
Holland, William F., xxx-xx-xxxx
Hughes, James J., Jr., xxx-xx-xxxx
Huston, Richard H., xxx-xx-xxxx
Kiefner, Charles M., xxx-xx-xxxx

Lewis, James H., xxx-xx-xxxx.
McCormick, Connie M., xxx-xx-xxxx.
Natale, Umberto A., xxx-xx-xxxx.
Owens, Charles H., xxx-xx-xxxx.
Roberson, Arthur V., xxx-xx-xxxx.
Roskam, Lynn R., xxx-xx-xxxx.
Scott, Charles M., Jr., xxx-xx-xxxx.
Taylor, Lon W., xxx-xx-xxxx.
Van Hook, Victor L., xxx-xx-xxxx.
Van Wagner, Donald M., xxx-xx-xxxx.
Wheeler, Donald L., xxx-xx-xxxx.

MEDICAL CORPS

To be colonel

Bradley, Douglas D., xxx-xx-xxxx.

MEDICAL SERVICE CORPS

To be colonel

Goodin, Leonard P., xxx-xx-xxxx.

ARMY PROMOTION LIST

To be lieutenant colonel

Alsip, Tommy G., xxx-xx-xxxx.
Armstrong, Robert C., xxx-xx-xxxx.
Batey, Dana D., xxx-xx-xxxx.
Borcher, Dale H., xxx-xx-xxxx.
Bourgeois, Thomas J., xxx-xx-xxxx.
Brandt, Robert J., xxx-xx-xxxx.
Chamblee, Herbert M., xxx-xx-xxxx.
Christy, William S., xxx-xx-xxxx.
Cloore, James A., xxx-xx-xxxx.
Coy, Alex D., Jr., xxx-xx-xxxx.
Cunningham, A. R., xxx-xx-xxxx.
Czech, John, Jr., xxx-xx-xxxx.
Denny, Robert M., xxx-xx-xxxx.
Digre, Kenneth B., xxx-xx-xxxx.
Emig, Donald K., xxx-xx-xxxx.
Enbysk, James W., xxx-xx-xxxx.
Freeman, William J., xxx-xx-xxxx.
Gormley, William J., xxx-xx-xxxx.
Grant, Carl N., xxx-xx-xxxx.
Greenfield, Loyd, Jr., xxx-xx-xxxx.
Hagin, James D., xxx-xx-xxxx.
Haise, James R., xxx-xx-xxxx.
Haney, Leon C., xxx-xx-xxxx.
Hurley, James M., xxx-xx-xxxx.
Ilenich, Henry P., xxx-xx-xxxx.
Janssen, Wayne G., xxx-xx-xxxx.
Jones, Alan D., xxx-xx-xxxx.
Knapp, Clarence C., xxx-xx-xxxx.
Larson, John W., xxx-xx-xxxx.
Lunney, Dennis D., xxx-xx-xxxx.
Martin, Roby G., Jr., xxx-xx-xxxx.
McKell, Sterling R., xxx-xx-xxxx.
Moore, Bobbie J., xxx-xx-xxxx.
Moore, James E., xxx-xx-xxxx.
Morris, Richard F., xxx-xx-xxxx.
Mott, John W., xxx-xx-xxxx.
Muly, Carl A., xxx-xx-xxxx.
Myers, Louis L., Jr., xxx-xx-xxxx.
Perenick, Charles H., xxx-xx-xxxx.
Piorot, Robert J., xxx-xx-xxxx.
Powell, James H., Jr., xxx-xx-xxxx.
Rosenberger, Melvin J., xxx-xx-xxxx.
Schwer, Frederick O., xxx-xx-xxxx.
Shaw, Wallace B., xxx-xx-xxxx.
Sherman, William F., xxx-xx-xxxx.
Smets, William N., xxx-xx-xxxx.
Smith, David E., xxx-xx-xxxx.
Smith, Harold L., xxx-xx-xxxx.
Snyder, George C., xxx-xx-xxxx.
Spaulding, Wayne J., xxx-xx-xxxx.
Specht, Vincent M., xxx-xx-xxxx.
Stiglets, Jimmy W., xxx-xx-xxxx.
Stone, Merle D., xxx-xx-xxxx.
Sullivan, Dale B., xxx-xx-xxxx.
Swanson, Edward L., xxx-xx-xxxx.
Tate, Hugh A., Jr., xxx-xx-xxxx.
Thompson, John A., xxx-xx-xxxx.
Timberlake, William B., xxx-xx-xxxx.
Tom, Henry, Y. K., xxx-xx-xxxx.
Trabold, Charles J., xxx-xx-xxxx.
Tuttle, George H., xxx-xx-xxxx.
Ward, William D., xxx-xx-xxxx.
Webber, Frederick W., Jr., xxx-xx-xxxx.
Wierenga, Melvin J., xxx-xx-xxxx.
Williamson, Charles E., xxx-xx-xxxx.

DENTAL CORPS

To be lieutenant colonel

Ford, Robert E., xxx-xx-xxxx.

MEDICAL CORPS

To be lieutenant colonel

Couch, Charles E., Sr., xxx-xx-xxxx.
Jurczak, Dennis M., xxx-xx-xxxx.
Miscia, Vincent F., xxx-xx-xxxx.
Morrow, Sanford H., III, xxx-xx-xxxx.
Schneider, Robert L., xxx-xx-xxxx.

MEDICAL SERVICE CORPS

To be lieutenant colonel

Lucas, Earl L., xxx-xx-xxxx.

IN THE NAVY

The following-named lieutenants of the U.S. Navy for temporary promotion to the grade of lieutenant commander in the various staff corps, as indicated, pursuant to title 10, United States Code, section 5773, subject to qualification therefor as provided by law:

CHAPLAIN CORPS

Werr, Albert J.

JUDGE ADVOCATE GENERAL'S CORPS

Furdock, Ronald M.

MEDICAL SERVICE CORPS

Sheeran, Robert B.

The following-named lieutenants (junior grade) of the U.S. Navy for temporary promotion to the grade of lieutenant in the line and staff corps, as indicated, pursuant to title 10, United States Code, sections 5769 (line officers) and 5773 (staff corps officers), subject to qualification therefor as provided by law:

LINE

Abercrombie, Austin G.
Alexander, John V.
Arce, Armand O.
Bailey, Steven E.
Barela, Maximo A.
Benson, Larry J.
Benson, Stephen E.
Bubb, Thomas A.
Cavaliere, Louis A., Jr.
Cooper, Ronald S.
Crawford, Bruce W.
Cather, Philip E.
Carroll, Daniel M.
Dedon, John E.
Denkler, John M.
Delp, Frederick R.
Derr, William C.
Desue, Anthony
Durfee, David W.
Durmick, William K. Jr.
Egolf, Roy T.
Fink, George E.
Frank, Richard R.
Fuqua, Ana M.
Gaines, James E. Jr.
Gallic, Frank M.
Garrett, William R.
Golden, Kenneth E.
Hampton, John P.
Hansen, Ronald L.
Harris, Stephen A.
Heifner, Robert J.
Hicks, Rodney L.
Hill, William J.
Hilley, Howard S., III
Hughes, Marvin L., II
Jorgenson, Harold P.
Keepper, Robert H.
Kovacevich, Gary D.
Kretzmann, David F. T.
Larrumbide, Richard M.
Long, James D.
McDonald William P.
Mercker, Raymond F.
Miller, Terry R.
Morrison, David M.
Oneil, Patrick D.
Peck, Richard P.
Phillips, Charles W., Jr.
Pierson, Carl R.
Ralls, Walter E., Jr.
Raysin, Kent L.
Rutherford, Lindell G.
Schopp, Dean W.
Sherwin, John S.
Slaybaugh, Ernest R.
Smart, Freddy T.
Smith, Daniel L., Jr.
Sternberger, Alan L.
Sting, John T.
Tallent, Hamlin B.
Taylor, Gerald H.
Trice, Jesse M., III
Vinink, Edward J.
Walior, John T., Jr.
Wallace, George A.
Weber, Carl F.
Wooten, James S.
Yeats, Raymond R.
Yelverton, Robert L., Jr.

SUPPLY CORPS

Arinaga, Larry K.
Brown, Alfred A.
Delorenzo, James M.
Ford, David A.
Henry, Douglas A.
Mitchell, Dennis F.
Payne, David D.
Welton, Michael C.

JUDGE ADVOCATE GENERAL'S CORPS

Deschauer, John L.
McLaughlin, Peter J.

MEDICAL SERVICE CORPS

Adams, Dennis L.
Beam, David M.
Benson, "J" Thomas
Bertrand, Joel J.
Brandt, Douglas E.
Ebert, Thomas A.
Hagen, Charles W.
Hartung, Larry T.
McCormick, Jimmy R.
Moorehead, Charles E.
Ostrander, James E.
Spinks, Gary J.
Unsen, James A.
Wright, James A., Jr.

NURSE CORPS

Boire, Loretto A.
Brennan, Robert W.
Brown, William E.
Cole, Stephanie A.
Glover, Terry F.
Haden, Catharine F.
Huffman, Danny D.
Johnson, Mary E.
Lahman, Ellen R.
Lauffer, Lynette R.
Noto, Karen M.
MacCalmon, Christine F.
Pronesti, Lorraine A.
Risser, Hayward L.
Schmitz, Barbara J.

The following named lieutenants (junior grade) of the United States Navy, for permanent promotion to the grade of lieutenant in the line, pursuant to Title 10, United States Code, Section 5771, subject to qualification therefor as provided by law:

Davis, Teresa
Green, Artelia
Guenther, Marion B.
Hargan, Laurel A.
Lowe, Dana S.
Morris, Prima A. E.
Munsey, Rosemary
Sherlock, Barbara J.

The following named ensigns of the United States Navy, for permanent promotion to the grade of lieutenant (junior grade) in the line and staff corps, as indicated, pursuant to Title 10, United States Code, Section 5788a, subject to qualification therefore as provided by law:

LINE

Bensur, Robert W.
Bulfinch, Susan H.
Cochrane, Michael J.
Cockrell, Kenneth D.
Delateur, Robert E.
Delp, Frederick R.
Eckert, William F., Jr.
Efraimson, Allen A.
Espitia, Marcus L.
Fredrickson, Timothy J.
Gray, James B.
Griswold, David W.
Harrison, Jeffrey A.
Heifner, Robert J.
Hixson, Roy L., III
Horne, Michael K.
Hurley, Ellen J.
Johnson, Walter R., Jr.
Jury, Jayson L.
Klosterman, David J.
Kohlenberg, Clarence M.
Lundy, Allen F.
Lyman, Rod G.
Marsh, Gregory A.
McCaskey, James W.
Milhous, Freddie E.
Miller, John R.
Miller, Michael J.
Miller, Thomas R.
Moulton, Stuart C.
Mullis, William A., Jr.
Murray, Timothy J.
Needles, Ivan E., Jr.
Noffsinger, Kent E.
Oilschlager, Rodney R.
Quick, Gary W.
Ralls, Walter E., Jr.
Reece, Jerrald D.
Rimpau, James W.
Rippel, David A.
Sasser, Jackie S.
Sena, Michael G.
Shields, Richard P.
Slaybaugh, Ernest R.
Sorg, Jacob P.
Spencer, William E.
Stack, John J.
Tallent, Hamlin B.
Tate, Lef, Jr.
Thomas, Michael D.
Thomas, Robert H.
Turpin, Dwayne M.
Tyson, William J., III
Vance, Craig E.
Walsh, James P.
Ward, Philip D.
Weiler, Maurice D.
Winters, Michael R.
Woodward, George R.

SUPPLY CORPS

Adams, Mark M.
Alderman, Howard L.
Broussard, Thomas G., Jr.
Burton, John F.
Canter, James A.
Carter, Julian E.
Delost, Frank A., Jr.
Domis, Henry A.
Dykes, James M.
Elliott, John E. C.
Fitzgerald, Michael P.
Fong, Thomas K. M.
Ford, David A.
Frank, Dennis M.
Gustafson, Charles W.
Hall, Howard J., Jr.
Hall, Kennard R.
Harris, Douglas W.
Henry, Douglas A.
Hoopes, Billy R.
Jaggard, Michael F.
Jeffreys, Eugene W.
Johnsrud, Rex T.
Kinlaw, James T.
Law, Robert V.
Lilieberg, Carl J.
Maduro, Henry B.
Maiman, Dennis P.
Merrill, Kenneth J., III
Messenger, Norman K.
Monks, Robert W.
Mukri, Jon K.
Parisi, Nancy C. K.
Relan, Craig S.
Shick, Jack E.
Schweichler, John E.
Simmons, Eddie L.
Sorrow, Walter T.
Spease, Frederick W.
Stephens, Darvin R.
Stevens, Jeffrey A.
Terry, Stephen T.
Townsend, Paul J., III
Walker, Arthur I., III
Watt, Walter M.

CIVIL ENGINEER CORPS

Holmes, William B.
McGarrah, James M.
Reynolds, Glenn E.
Swenson, Lawrence J.

MEDICAL SERVICE CORPS

Banta, Guy R.
Browne, Thomas P.
Clark, Donnie R.
Dillingham, Joe
Enge, Roby D.
Fleischman, Thomas E.
Kearsley, Eric E.
Lundy, John A.
Mitchell, Gay N.
Shaver, Christine
Smith, Ronald D.
Snyder, George I.
Thayer, Thea J.
Tolan, Steven C.
Ulcickas, John
Vanlandingham, Joseph P.
White, Richard W.
Williams, Margaret E.
Zarkowsky, John D.

NURSE CORPS

Anderson, David A.
Bayush, Sandra A.
Criscitiello, Peggy B.
Harris, Betty I.
Hernandez, Jesse
Hopkins, Sharon F.
Johnson, Judith M.
Johnson, Mary E.
Kiefer, Catherine W.
Markowitz, Lynn A.
McDermott, Ann C.
McVey, William L.
Mount, Charles B.
Palmer, William H., Jr.
Pronesti, Lorraine A.
Rhodey, Donna K.
Risser, Hayward L.
Rogers, Danny C.
Ryan, Kathleen M.
Spencer, Donna D.
Vasek, Stephen M., Jr.
Walsh, Veronica A.
Wilkinson, George D., III

Lieutenant Commander Ernest H. Mitchell, Medical Corps, United States Navy, for temporary promotion to the grade of Commander in the Medical Corps of the United States Navy, pursuant to Title 10, United States Code, Section 5793, subject to qualification therefor as provided by law.

The following named lieutenants of the United States Navy for temporary promotion to the grade of lieutenant commander in the various staff corps, as indicated, pursuant to Title 10, United States Code, Section 5793, subject to qualification therefor as provided by law.

MEDICAL CORPS

Anderson, Robert M.
Dobson, Carl L.
Lilly, Raymond L., Jr.*
Pensuvan, Pacita B.

DENTAL CORPS

Wiernik, Richard N.*

IN THE NAVY

The following-named line lieutenants of the U.S. Navy for appointment in the Supply Corps as permanent lieutenants (junior grade) and temporary lieutenants, pursuant to title 10, United States Code, section 5582 (b).

Foley, George B.
Hughes, Gary J.
Todd, Dale E.
Wallace, Harry R.

Lt. Joseph W. Gavin, U.S. Navy, an officer of the line, for appointment in the Supply Corps as a permanent lieutenant, pursuant to title 10, United States Code, section 5582 (b).

The following-named line lieutenants (junior grade) of the U.S. Navy for appointment in the Supply Corps as permanent ensigns and temporary lieutenants (junior grade), pursuant to title 10, United States Code, section 5582(b).

Bain, Maurice D.
Gilson, Robert I.
Reid, Paul A.
Sumner, Dale L.

The following-named line ensigns of the U.S. Navy for appointment in the Supply Corps as permanent ensigns, pursuant to title 10, United States Code, section 5582(b).

Beard, Robert L.
Canigiani, Glenn.
Grube, Edward M.
Hogan, Timothy M.
Krill, Rockne E.
Michell, Aubrey E., III
Montgomery, William B.
Nevers, Richard H.

The following-named line lieutenants of the U.S. Navy for appointment in the Civil Engineer Corps as permanent lieutenants (junior grade) and temporary lieutenants, pursuant to title 10, United States Code, section 5582(b).

Bushong, John W.
Pesce, Charles S.

Ensign John V. O'Connor, Jr., U.S. Navy, an officer of the line, for appointment in the Civil Engineer Corps as a permanent ensign, pursuant to title 10, United States Code, section 5582(b).

IN THE NAVY

The following temporary lieutenants of the U.S. Navy for permanent promotion to the grade of lieutenant, pursuant to title 10, United States Code, sections 5780 and 5782:

LINE

Aasen, Roy Vernon
Abbott, Robert James
Abelson, David Donald
Able, Guy Harold, III
Ables, Kenneth Clark, III
Abney, William Huntington, Jr.
Abshier, Randall Otto
Ackley, Victor H.
Acton, Richard Leon, Jr.
Acuff, Lucian Mark
Adams, Adrian John
Adams, Bruce Charles
Adams, Charles Llewellyn
Adams, Michael Earl
Adams, Michael Richard
Adams, Roger Clinton
Adamson, Robert Edward
Adcock, Fred Eugene
Addison, Christopher Lynwood
Adkins, Joseph Harold
Agnew, William Mar
Ahern, Thomas Joseph, Jr.
Ahern, Timothy Michael
Aigner, Alan Paul
Aiken, Joel Weston
Akin, Lawrence Earl
Albright, James Clifford
Albus, Johnny Patrick
Alden, Robert Keith
Alexander, David John
Alexander, Ralph Leroy
Alexander, Steven Rubin
Alfieri, Paul Allen
Ali, Nicholas Joseph, Jr.
Allen, Barry Robin
Allen, Corson Lee
Allen, David Michael
Allen, Dennis Craig
Allen, Mark Edward
Allen, Michael Norton
Allen, Phillip Kenneth, Jr.
Allen, Ronald Scott
Allison, Harry Kent
Allphin, James Allen
Allsopp, Ralph Stanley, Jr.
Alm, Steven Warren
Almony, Joseph Robert
Almy, Gideon Wilcox, III
Althoff, William Everett
Altizer, Robert Dale
Altmann, Raphael Jerome, III
Ambersley, Robert Thomas
Ammons, Andrew Everett
Ammons, Richard Patterson
Amos, Barry Michael
Amundson, Robert James
Andersen, George Michael
Andersen, Richard Francis
Anderson, Barton Paul
Anderson, Bert Michael
Anderson, Christopher Clay
Anderson, Craig Griffith
Anderson, David William
Anderson, Don Russell
Anderson, Donald Walter
Anderson, George Eric
Anderson, Gordon Scot
Anderson, John Weldon
Anderson, Jonathan Lee
Anderson, Leroy
Anderson, Marc Eric
Anderson, Russell Lowell
Anderson, Samuel Kaaloa
Anderson, Thomas Edward, Jr.
Anderson, Ward Reynolds
Anderson, William R., Jr.
Anderton, James Dorsey
Andrews, Joel Linn
Aneshansley, Michael Irving
Anglim, Edward Patrick
Antrim, Stanley Robert, Jr.
App, Kenneth George
Arbiter, Jerome Lawrence
Archambo, Hubert Edward, Jr.
Archer, Dennis Lee
Arfman, John Frederick, Jr.
Armentrout, Wilfred Hugh
Armstrong, David John
Armstrong, Keith Stuart
Armstrong, William Eric
Arndt, Stephen Alan
Arneson, Dennis Calvin
Arnold, James Clyde
Arnold, John Steven
Arnold, Michael James
Arthur, Marvin Leon, Jr.
Arthur, William Charles
Artis, Herbert
Arwood, Patrick Earle
Ashley, Gary Kenneth
Ashmore, George William
Ashton, Richard Arthur
Athow, Lewis Keith
Atkinson, Byron Craig
Atkinson, John Scott, Jr.
Aubrey, Richard Donald
Auckland, John Stacy
Auer, Bartlett Dexter
Augustus, James Robert
Auriemma, John Charles
Austin, John David, Jr.
Avila, Richard Frank
Ayers, Douglas Pierce
Ayers, James Lloyd
Ayers, Richard Francis
Ayres, Kermit Arnold
Baber, Dennis Richard
Babetz, Jeffrey Dale
Babin, Ordale Paul, Jr.
Backes, Douglas Allen
Backlund, Bruce E.
Bacon, William Bradley
Baeder, Robert Arthur
Bagaglio, Mario Joseph, Jr.
Bailey, Bernis Hayes
Bailey, Hubert Vaden
Bailey, Richard Alan
Baird, W. Dean, Jr.
Baker, Charles Richard
Baker, Glenn Louie
Baker, John Albert
Baker, Kenneth James
Baker, Mark Conway
Baker, Robert Donald
Baker, Stephen Hall
Baldwin, Marvin Dean
Balisle, Phillip Monroe
Balke, Phillip Lynn
Ball, Jeffrey StJohn
Ballard, Robert Charles
Ballew, Robert Watson
Ballew, William Thomas
Ballock, Roman Roger
Bancroft, Warren Howard
Bangert, Michael Jon
Bankart, William David
Banks, Richard Allen
Bankston, Victor Joseph
Bannat, Edward George
Bannat, Steven John
Barber, Charles Harry, III
Barber, Christopher Trimpe
Barber, John Terry
Barber, Robert Jeffrey
Barbero, Mark
Barbour, Richard Edelen, Jr.
Barby, Donald Charles
Barclay, Dana David
Barclay, Robert Donald
Barker, Frank Elmer, Jr.
Barnes, John Roger
Barnes, Thomas Daniel

*Ad interim.

Barnett, James Harris
Barratt, James Thomas
Barrett, Gregory George
Barrett, Michael Dennis
Barron, Lyndon Dale
Barrow, Ronnie Lee
Barrows, Richard Douglas
Barry, Brian James
Baskerville, James Ernest
Bass, George Leon
Batdorf, Richard Earl
Bateman, Douglas Allen
Bathgate, John Craig
Battles, Duane Paul
Baucom, Larry Clifford
Bauer, James Dale
Bauer, Louis William
Bauman, James Lawrence
Baumann, Scott Richard
Baumgartner, William Edward
Baxter, Robert Michael
Baylis, Robert Owen
Beach, Don Franklin
Beamgard, Richard Stuart
Beason, Richard Edwards
Beatrice, Albert Joseph, Jr.
Beatty, Larry Vernon
Beaugureau, Denis Francis
Beck, George Harris
Becker, Richard John
Becker, Ronald Eugene
Becker, Stephen Edward
Beckley, Stephen Allen
Beckman, Charles Barry
Beduhn, Jerry Ross
Bell, Edison Lee
Bell, Howard Franklin
Bell, Marvin Leon
Bellamy, Malcolm Edwin, Jr.
Bellamy, Robert Rodney
Bender, Gene Paul
Bender, John Frederick
Bengtson, Loren David
Benjes, Christopher
Benko, Michael Jay
Bennett, Albert Eugene, Jr.
Bensing, Donald Ray
Benson, Rodney Lingo
Bentley, Richard Allen
Bentz, John Randall
Bepko, John Joseph, III
Beresky, Michael Thomas
Bergo, Dennis Michael
Bermudes, Euloglo Conception
Bernard, Eugene Philip
Bernsen, Thomas Jerome, Jr.
Berree, Norman G.
Berthiaume, William F. Halsey
Bertsch, Roger Brian
Bethea, William Dallas
Bethke, Gary Walter
Beucler, Claire Michael
Beuerlein, Alan F.
Bew, David Fitzsimons, Jr.
Beyatte, William Edward
Bialobrzewski, Peter Paul
Bianco, Bernard Michael
Bianco, Ralph Dominic
Bickell, Nova Mac
Bicknell, Robert Stephen
Bieda, George Edward
Biggers, Edward Milton
Bingay, Charles Pierson
Birch, Howard Leigh, Jr.
Birkholz, Howard Daniel
Bisgrove, Michael Edward
Bishop, John Edward
Bishop, Richard Windfield
Bishop, Robert Allen
Bissell, Robert Edward
Black, Richard Allen
Blackburn, Gregory Richard
Blackwood, Peter Stuart
Blackwood, Thomas Robert
Blaisdell, James Harling
Blake, Clifford Dale
Blakely, Robert Donald
Blanchard, James Joseph
Blanford, Kenneth Lee
Blank, David Alan
Blankenstein, Glen Alan
Bleecker, James Michael
Blessing, Peter Edward
Bliss, Donald Herbert
Blom, Richard John
Bloom, Wade Douglas
Bloomfield, Walter W., Jr.
Blount, Wilburn Mac
Bloxom, Richard Ralph
Bluethman, John David
Blythe, Eric William
Bock, Jim Baldwin, Jr.
Bodnar, John William
Bogoslan, David Edward
Bogstad, Joseph William
Bohannon, Edward Lee
Bohn, Michael Knight
Boland, James Armand
Bollenbacher, Robert Alan
Bolt, Billy Frank
Bolton, Peter Kemble
Boluch, Gregory Michael
Bonacquisti, Frank, Jr.
Bond, King Charles Pruitt, Jr.
Bone, John Francis
Bonnett, John William
Booth, Bryant Fred, III
Boraten, Ronald Paul
Borns, Michael Oscar
Borries, William Glenn
Bouchoux, Donald Robert
Boucree, Raymond John
Boudreaux, Joseph Client, III
Boughton, Phillip Gary
Bounds, Lee E.
Boutz, Allen Ray
Bovey, Robert Dewey, Jr.
Bowen, John Charles
Bowland, Craig Charles
Bowler, Daniel Richards
Bowlin, James Franklin, Jr.
Bowman, Stephen Mark
Boyd, Garland Atkinson, Jr.
Boyd, John Stuart
Boynton, Robert West
Bozin, William George
Bradford, Donald Eugene
Bradley, Howard A.
Bradshaw, Michael J.
Brady, James Randall
Bramlett, William T., II
Branch, Malcolm Parker
Brands, Robert Keith
Brandt, Charles Roger
Brannan, William Lafayette
Branum, Jerome Scott
Brasington, William D.
Brattain, Herbert Keith
Braun, Gerald Paul
Braunstein, Wayne John
Brawn, Michael Duane
Breese, Jack Richard
Brehm, Dale Eugene
Brelsford, Edward Michael
Bremhorst, Joseph Henry
Brennan, David Michael
Brennan, Samuel Harley, Jr.
Brenneman, Stephen Andrew
Brenner, Robert Charles
Brevig, Leroy David
Brewer, Benjamin Taber, III
Brewer, David Lawrence, III
Brewer, Douglas Bacon, Jr.
Brewer, Roger Donald
Brians, Wallace Stoddart
Bridge, Frederick Lawrence
Bridges, Wilber E., II
Brietgam, Charles Thomas
Briggs, Bruce Kenneth
Briggs, Steven Eric
Brigman, Charles Ellis
Brines, Stephen Jay
Brink, Gale Dean
Britt, James Frederick
Broadley, Timothy Shaw
Brodie, Glenn Thomas
Broman, Theodore Howard, III
Bronson, Robert William, II
Brookbank, Michael Andrew
Brooke, James Robert
Brooks, Hugh Walter
Brooks, Randolph Michael
Brooks, Ronald Boyd
Brooks, Ross Newton, Jr.
Brooks, Wayne Guy
Brooks, William Emmett, III
Broome, Michael Clarke
Brotherton, Gene Michael
Brown, Don Michael
Brown, Donald Collins
Brown, Fred Douglas
Brown, Gregory Charles
Brown, Henry Pell, Jr.
Brown, James Michael
Brown, John Adre
Brown, John Michael
Brown, John Sheridan
Brown, Larry Duane
Brown, Melvin Hugh
Brown, Orville Kenneth, Jr.
Brown, Randall Ray
Brown, Richard Wayne
Brown, Robert Richard
Brown, Ronald Frederick
Brown, Stephen John
Brown, Thomas Jeffery, Jr.
Brown, Tommy Raymond
Brownell, Ralph Edward
Browning, Dural Wesley
Browning, Jonathan Edward
Bruerton, Charles Jan
Brumbaugh, Don Frederick
Brummett, Joseph Daniel, Jr.
Bruninga, Robert Ervin
Bryan, John Robeson
Bryant, Stanley Walter
Bub, Frank Lee
Bucci, Toney Michael
Bucelato, John Claude
Buck, Louis Eugene, Jr.
Buckingham, John Stevens
Buckner, Ollie Vernon
Buergey, William Calvin
Buford, Gaston Reedy, Jr.
Bugarin, Temotio Espina, Jr.
Buhr, Edward Curtis
Bulfinch, Scott Robert
Bulger, Richard Lee
Bumford, James George
Bunce, James Standish
Bunnell, David Lee
Burbage, Charles Thomas
Burbrink, Roger Ronald
Burdick, Thomas James
Burdick, William Fraser, Jr.
Burger, Jerome Paul
Burgess, David Ross
Burgess, Ross Waldron
Burhans, Nicholas Pegau
Burke, John Brian
Burlin, David Stevenson
Burns, Allen Dale
Burns, Joseph David
Burr, Richard Henry
Burrows, David Reid
Burtchell, Steven Gerard
Bush, Frank Joseph, Jr.
Bush, William Frederick
Bushore, Robin Paul
Butler, Charles Lynn
Butler, Charles Thomas, III
Butler, Gregory Clinton
Butler, Lonnie David
Butler, Thomas Alva
Butler, William Robert
Butorac, George Edward
Butterfield, David Allan
Butyn, Rene Francois
Butzon, Jonathan Hans
Buzas, Michael Charles
Buzzell, Brian Vivial
Byers, Bernarr Melton, Jr.
Byles, Robert Ward
Byrne, Neil Francis
Byrne, Thomas Michael
Caceres, Raul Arturo, Jr.
Cadden, Frank Michael
Cahill, Edward Aloysius, III
Cahill, Philip Thomas
Cain, William Anderson
Cairnes, George Wilson, III
Caldwell, Kenneth Wright
Callahan, Daniel James

Callan, Leonard Joseph
Callan, Patrick Francis
Callendar, Gary Millard
Calvin, Wilbur Lorenzo
Cameron, John Stanley, III
Cameron, Kerry Duane
Camp, Phillip Steven
Campbell, Bruce Alan
Campbell, Craig Vanharten
Campbell, Gerald Everard
Campbell, Joe
Campbell, Richard Lorimer, Jr.
Campbell, William Russell
Capansky, Mark Alan
Capps, Charles John, Jr.
Carden, Carl Ernest
Cardoza, Rodney Wayne
Carey, Charles Daniel, III
Carey, Geoffrey M.
Carey, Wayne Theodore
Carley, Norman John
Carlson, Christopher Jay
Carlson, David Robert
Carlson, James Robert
Carlson, William Garrett
Carmean, Wilson Lee
Carmichael, Hubert Mcrae, Jr.
Carney, James Mann
Carpenter, George William
Carr, Paul Earl
Carrier, John Xavier, II
Carroll, Charles Richard
Carroll, Gerald J., Jr.
Carroll, Kenneth William
Carson, Robert Lee, Jr.
Carson, Steven Alma
Carter, David Earl
Carter, Denis Charles
Carter, James Butler, Jr.
Carter, John Michael
Carter, Robert Sharp
Carter, William Joseph
Carver, Bobby Wayne
Casey, Rodney Len
Cash, Paul David
Cashman, Edward J. W.
Casko, John David
Cassedy, William Augustus, IV
Cassidy, John Alexander, Jr.
Cassidy, Richard Michael, Jr.
Cast, Frederick Allan
Casteel, Robert Blake, II
Caster, Gary Don
Castle, Kristopher Lee
Castle, William Marshall
Castro, Ignacio, Jr.
Caswell, Gary Joe
Cataldi, Richard Anthony
Cathcart, George Robert
Cavaiola, Lawrence Joseph
Cavender, John Benjamin, III
Caviness, Stephen Drake
Cech, Kenneth Charles
Chaffin, James Robert
Challain, Eric John
Chambers, Kenneth William, Jr.
Chambless, James Earl
Champney, Robert Keith
Chance, Thomas Henry
Chaplin, Robert Charles
Chapman, Carter Stanley, Jr.
Charbonnet, Pierre Numa, III
Charley, Michael Bryan
Chase, Andrew Barton
Chase, Dudley Harrison
Chase, Eugene Chandler, Jr.
Chatham, Ralph Ernest
Check, Martin Lewis
Chenevey, John Victor
Cheshire, Lehman Franklin, II
Cheves, John David
Chewning, Warren Craig
Chiarolanza, Michael Joseph
Chicken, John Gregory
Childers, Gary Neil
Childers, Robert Blair
Chopp, Daniel Matthew
Christenson, Larry Ray
Christenson, Ronald Lee
Christian, Roy Calvin
Christiansen, Carl Smith
Christianson, David Laurence
Christianson, Robert Neal
Christman, John Howard
Church, Albert Thomas, III
Church, Larry Nathan
Cima, William Michael
Cipriani, Alfred Louis
Cisneros, Alfred, Jr.
Clabaugh, D. Lance
Clabaugh, Ronald Stephen
Clabby, James Albert
Clapsadl, Michael Ray
Clark, Allan Forrest
Clark, Garnett Yelverton, III
Clark, Gerald Wayne
Clark, James
Clark, James Robert, Jr.
Clark, Michael Bernard
Clark, Ray Wilmarth
Clark, Richard Earl
Clark, Robert Allen
Clayton, Frederick W., III
Clayton, Richard Eldon
Cleghorn, Larry Everett
Cleland, Todd
Cleverdon, Thomas Frederick
Click, Alan Richard
Clifford, William Francis
Clifton, Lowell Douglass
Clower, Lea Adolph
Cochran, Larry Lamont
Cochran, Mark Dennis
Cochran, Paul Reginald, III
Cochrane, John Mackay
Cocowitch, John Herbert
Coffer, Joe Ralph
Coffin, William Michael
Cohen, Joseph Jeffrey
Colantoni, Anthony Vincent
Coleman, Richard George
Coleman, Stephen Tredway
Coleman, Walter Dan, Jr.
Coleridge, David Theodore, Jr.
Colie, Timothy Blake
Coll, William Francis
Collignon, Michael Joseph
Collins, David Oliver
Collins, John George
Collins, Neil Jon
Collins, Robert Samuel
Colucci, Robert Joseph
Colvin, Joe Frederick, II
Compton, James Lawrence, Jr.
Compton, James Robert, III
Conallen, Michael James
Conley, Wilder Lee
Conley, William Edward
Connell, Hugh Douglas II
Connell, Royal William, Jr.
Connolly, Hubert Charles
Connor, Thomas Edward
Conrad, John Woeppel
Consaul, Harry Parker, III
Conway, Richard William, Jr.
Cook, Dennis Albert
Cook, Larry Wilfred
Cook, Norman Ervin
Cook, Virgil Griffith, Jr.
Cooley, Pemberton, III
Coons, William Eric
Cooper, Kenneth Charles
Copeland, Roger Dennis
Copper, Bruce Duncan
Coppotelli, Lawrence Joseph
Corbin, Ridgeway W., II
Corbitt, James Allen, Jr.
Corcoran, Colin David
Corcoran, Thomas Joseph
Cordes, Donald Larry
Corley, Gwinn Ellis
Cornwell, Joseph Henry
Cosgriff, Robert William
Cosgrove, Michael Alfred
Costarino, F. Thomas
Costas, John Nicholas Hantse
Cote, Daniel Noel
Cough, John Steven
Counts, Steven Lee
Covington, Clifford Craig
Cowper, Richard Green
Cox, Earl Francis
Cox, Patrick George
Cox, Raymond Webster
Cox, Richard Stedman
Coxe, William Kenneth, Jr.
Coyle, Barry John
Crace, Jesse Allen
Craddock, David Glen
Crandall, Charles Kenneth, Jr.
Crandall, Kenneth Duane
Crandall, Scott Michael
Crane, Larry Stanley
Cranney, Steven Joseph
Cranston, James Spencer
Crawford, Daniel Albert
Crawford, James William
Crawford, Jeffrey Dodd
Crecelius, Frederick E.
Creekman, Charles Todd, Jr.
Creighton, Richard Alexander
Crellin, Bruce Edward
Crenshaw, Keith Virgil
Crisp, Dale William
Crisp, Marvin Howard
Crites, Harold Thomas
Critser, Arthur Earl
Croake, John Michael
Crosby, Richard Allen
Crotts, Raymond Bruce
Crouch, Christopher
Crouch, Orren Rayburn
Cruser, Thomas Paul
Cruzan, Gary Lee Edward
Cuccias, Robert Francis, Jr.
Culet, James Philip
Culmer, Bruce Byron
Culp, Lowell Ronald
Culpepper, James Clayton
Culwell, Joe Mark
Cumming, John Charles
Cumminger, Frederick T., III
Cummings, Kevin Peter
Cummings, Walter James
Cunliffe, Robert Francis
Cunningham, Curtiss Brent
Curley, William Hush
Curran, Donald Joseph, Jr.
Curry, Dennis Patrick
Curtin, Michael Richard
Curtis, John Macrae
Curtis, Keith Paul
Curtis, Kendall William
Curts, Raymond James
Cutcher, John McCormick
Cutler, Michael Joseph
Cutler, Thomas Joshua
Cyboron, Robert Edward
Czech, Gregory Jacob
Dady, Mark Wayne
Daggett, David Kent
Dahl, Ronald Leon
Daigle, Valier John
Dailey, Eugene Terrence
Daly, Denis Francis, Jr.
Dame, Roderick Winstead
Dampier, Craig Richard
Daniels, James Norman, Jr.
Dannecker, Donald Howard
Darezzo, Richard Anthony
Dargo, Ronald Steven
Darling, Larry Wayne
Darnell, Thomas Richard
Darrah, Donald Joseph
Darrow, Edward Eells, Jr.
Davey, Bruce Charles
Davey, Douglas Harry
Davies, Carl Robert
Davis, Charles Carver
Davis, Charles Christman
Davis, David Lee
Davis, Earl Ronald, Jr.
Davis, Kenneth Douglas
Davis, Larry Thomas
Davis, Mark Eugene
Davis, Noble Scott
Davis, Robert Bewick
Davis, Roderick Franklin
Davis, Thomas Clifford
Davis, Thomas James
Davis, William Orls
Davison, Henry Gordon
Dawes, Larry Eugene
Dawson, Donald Ray

Dawson, Howard Wesley, Jr.
Dawson, James Cutler, Jr.
Day, Jeffrey John
Day, Robert Stephen
Day, Thomas Russell
Dean, Thomas Emanuel
Dean, Thomas Roger
Deantonio, Robert Francis
Deaver, William Nelson Jr.
Decker, Geoffrey Foster
Deeter, Michael Lee
Degruise, Jerome Joseph
Deitch, Harry Edward, Jr.
Dejong, John Calvin
Dejong, John Calvin
Delano, Kenneth Hatsil
Delong, Glenn Everett
Delorey, Michael Walter
Demlein, John Joseph, Jr.
Dempsey, Francis Brian
Dempsey, Peter Michael
Denny, Donald Jefferson
Densley, Richard Lavern, Jr.
Denson, Dwight Ellis
Dent, Michael Wayne
Denton, Kenneth William
Denton, Larry Gene
Denton, Walter Raymond
Denzien, James Robert, Sr.
Derusso, Michael Patrick
Despain, William Michael
Devries, Peter Joseph, Jr.
Dewey, Roger Scott
Dewey, William Alonzo
Dewhirst, Timothy Paul
Dews, Edwin Walter
Dibble, Ronald Alan
Dibello, Michael Frank
Dickey, James Allen
Diddlemeyer, Lawrence F.
Dieter, Kenneth Albert
Dietz, Donald Malcolm
Dietz, Douglas Warren
Dillon, Hall Stanton, II
Dimuzio, Robert Gregory
Dinger, John Parr
Dionizio, Augusto James, Jr.
Dixon, Lewis Randolph
Dobbins, Dennis George
Dobbs, Gary Ronald
Dobson, Anthony Lee
Dobson, Wilbur Joel
Dockstader, Bruce Lee
Dodd, Carl Thomas
Dodd, Gerald Allan
Dodd, Jack David
Dodd, Richard Patrick
Dodenhoff, Andrew Chandler
Dodge, Frederick James
Dodge, Kenneth Edward
Dodson, David Crockett
Doempke, Gerald Thomas
Doherty, Hugh Francis
Dolan, James Edward, Jr.
Dolan, Robert Dennis
Dolquist, John Dean
Dominique, Leo G.
Domurat, Benjamin William
Donohue, Philip Vincent, Jr.
Doolin, Robert Michael
Dorsey, Edward Bryant
Doty, Brian Keith
Doubleday, Michael Webb
Doud, William Edward, Jr.
Dougherty, James Bryan
Douglas, Terry Joe
Douglas, Terry Scott
Dow, Larry Austin
Dowd, Andrew Scales, Jr.
Dowgiewicz, Michael Anthony
Doyle, Geoffrey Neal
Doyle, John Joseph
Doyle, Martin Edward, Jr.
Dozier, Thomas Cader, Jr.
Dreesen, Robert Wells, Jr.
Dreiling, Stephen James
Drew, David Otis
Driscoll, William Patrick
Drossel, Craig
Drum, Robert Earl
Drurey, Harold Leroy
Dryden, Richard Arthur
Dubeau, Robert William
Duckworth, Eddie Lee
Dudley, Harrison Grover, Jr.
Dueringer, Richard Lowell
Duffy, Raymond Andrew
Duigan, Michael Joseph
Duke, Russell Alexander, Jr.
Dumas, Edward Lewis
Dumbauld, Jerry Ray
Duncan, Lynwood Hart
Duncan, Raymond Duane
Dundas, James Carlyle
Dunn, Carl Boulter
Dunn, Franklin Thomas
Dunn, Michael Oliver
Dunn, Vance George
Dunne, Robert Rawdon
Durazo, Manuel Ygnacio, Jr.
Durham, James Leighton
Durig, John Paul
Duval, David Alan
Duvall, George Edward
Dworak, John Otto
Dyer, Joseph Wendell, Jr.
Dykstra, Harry Roger
Dysart, Barry Justice
Eadie, Lloyd Davis, Jr.
Eagle, James Norfleet, II
Eason, John Wayne
Eason, Richard Alexander
Eastwood, George Hartley
Eberhardt, Thomas Frank
Eby, Ronald George
Eck, Harold Louis, Jr.
Eckerman, Lawrence Ivan
Eckert, John Morris
Eckert, Warren Raye
Eckert, William Joseph
Eckes, George Henry
Edens, Stanley Bruce
Edgar, Jack Kenneth
Edgington, Bobbie George
Edington, Ronald James
Edmonds, Carl Harvey
Edmonds, Robert Frank
Edmondson, Joel Martin
Edmonson, Albert Clinton
Edwards, Daniel Dexter
Edwards, Gilbert Spencer
Edwards, Jesse Daniel
Egan, Dennis James
Egan, John Robert
Ege, Robert Frederick
Ehemann, David Arthur
Eick, Ira J.
Eissler, William Roberts
Ekdall, Michael Pehr
Ekl, John C.
Eklof, Sven Peter
Elfers, Glen Edward, Jr.
Ellerman, Dean William, Jr.
Elleson, Stephen Douglas
Ellin, Charles Robert
Ellingwood, Gerald Vincent
Elliott, James Edwin
Elliott, Patrick Wilhelm
Elliott, Thomas John, Jr.
Ellis, James Oren, Jr.
Ellis, Joseph Clyde
Ellison, Curtis Joseph
Ellison, Daniel A.
Ellison, David Roy
Elston, Robert G., II
Engler, Brian David
Enterline, William Clark, III
Epley, Clinton Earl
Epperson, Steven Paul
Erickson, Donald Philip
Erickson, Geoffrey Dell
Erickson, Phillip Alan
Erickson, Sidney Lloyd
Erndle, Daniel Edward
Ertel, Gregory William
Erti, Charles Clark
Ertschweiger, John Thomas
Ertner, James Daniel
Erwin, Robert Ashley
Eseman, Thomas Scott
Eslinger, Philip David
Estabrooks, Joseph Orlando
Etheridge, Melvin Rheul, Jr.
Etter, Thomas Harold
Eubanks, Gordon Edwin, Jr.
Euliss, James Patrick
Eustis, Harold Robert
Evans, Michael Allen
Evans, Michael Frank
Evans, Robert Bruce, Jr.
Evans, Steven Roy
Everett, David Anderson
Evermann, George Stephen
Faherty, Denis Michael
Fahrenkrog, Steven Lock
Fahy, Edward Joseph, Jr.
Fahy, Thomas Edward
Faine, Levarn Leroy
Falkner, James Raymond
Falstreau, Ronald Harold
Falten, Paul J., Jr.
Faneuf, Leo Joseph, III
Faraldo, David Dickson
Fargo, Thomas Boulton
Faris, Charles Cameron
Farley, James Michael
Farley, John Francis
Farmer, Roger Arthur
Farquhar, Willard B., Jr.
Farrar, James Stephen
Farrell, Gerald Michael
Farrington, Robert Paul
Fatek, William Henry, Jr.
Fath, Thomas Martin
Feallock, William John, III
Featherstone, John Vernon
Feder, John Heard
Fedyszyn, Thomas Raymond
Feierabend, Richard Carl
Feikema, Brian David
Felgate, George
Felloney, John Joseph, Jr.
Fellows, Mark Decatur
Felser, Richard Otto
Felton, Bobby Joe
Fenn, Marshall Ray
Ferguson, Jeffrey Edward
Ferguson, Paul Frederick
Ferretti, Edwin David
Ferriman, Robert Lemoine
Ferry, John James Jr.
Ferver, Robert Greer
Fessenden, Richard Randall
Fessenden, Steven Howard
Fetzer, William Woodrow, Jr.
Fike, Raymond Frederic
Fillmann, William Craig
Finan, Kevin Patrick
Fincher, Walter Keith
Findlay, Gary Steven
Findrick, Edward Jackson
Fink, Lee
Finley, Jeffrey Allen
Finn, Neil Charles
Finney, Charles Parker
Finney, Robert Terry
Fischer, Douglas Ross
Fischer, John Richard
Fischer, Joseph C., Jr.
Fischer, William George
Fiser, Larry Dale
Fisher, Charles Steven
Fisher, Douglas Frank
Fisher, Frederick Bruce
Fisher, Howard Ray
Fisher, Jack Alan
Fisher, Kelly Martin
Fiske, Richard Paul
Fitch, Michael Frederick
Fitchet, Charles Baxter
Fitten, John Alexander
Fitzgerald, Dennis John
Fitzgerald, Douglas
Fitzgerald, Lynd Lacroix
Fitzgerald, Timothy James
Fitzgerald, William Robert
Fitzhugh, John Edwin, II
Fjelde, John Arthur
Flaherty, James, Jr.
Flaherty, Mark Ostrom
Flaherty, Thomas John
Flanagan, Billy Ben
Flocken, Erick Michael

Flood, Stephen Michael
Flores, Roberto, Jr.
Floyd, Richard Paul, Jr.
Flynn, Peter Gregory
Foley, James Osmar
Foley, John Baptist III
Foley, Robert Vincent
Folga, Richard Michael
Folgedalen, Robert Lee II
Folkman, Stewart Greaves
Follis, Thomas Jackson
Foltz, Randall Alfred
Foote, Herbert Whittier
Ford, Alexander Lawton, III
Ford, Anthony Ellsworth
Ford, Jerry Wilson
Ford, Johnnie Edward
Forness, William Lawrence
Forsyth, William Minor
Forte, Bruce Frederick
Fortik, Donald Floyd
Fortino, Anthony Michael
Fortson, Robert Malcolm
Foster, Dave E.
Foster, Michael Stephen
Foster, Robert Eugene
Fought, Earl Jay
Fowler, Jeffrey Brian
Fowler, Paul Lightle, Jr.
Fowler, Thomas Vance
Fox, Frederick Michael, Jr.
Fox, John Richard
Fox, Mark
Francel, John Thomas
Francisco, Larry Jon
Franicola, Robert Allen
Frank, David Elvin
Frank, Stephen Daniel
Franklin, Gary Wayne
Franzoni, John Carlos, Jr.
Frasher, Steven John
Fraunfelder, Maurice F., Jr.
Fravel, Richard
Frawley, James Richard
Frazier, Tommy Earl
Fredricksen, Robert Arnold
Freed, Donald Eugene
Freed, Rodney Wayne
Freedman, Robert Norman
Freeland, Thomas Lee
Freeman, Bruce Damon
Freeman, Harold Robert
Freeman, James Dale
Frentzel, William York, II
Freybe, Harald
Frick, Robert Ellis
Frieden, David Ralph
Froelich, Clifford Anthony
Fry, Richard Lee
Frydenlund, Douglas Timothy
Frye, Paul Darius
Frysinger, James Robert
Fuellenbach, Joseph Charles
Fulbright, Joseph Jackson, Jr.
Fuson, William Alvin
Futral, Donald Gordon
Gable, Morrison Leslie
Gabriel, Daniel Webster, Jr.
Gadzinski, Gary Francis
Gaenslen, Carl Eric
Gagliardi, Dennis Lloyd
Galdorisi, George Victor
Gallagher, Gerald Lee
Galus, Albert John Robert
Galvani, William Pierce
Gana, John Charles
Gannon, Harvey John, Jr.
Gano, Richard Dale
Ganthner, Raymond William
Gantley, John Edward
Garavito, Donald Eugene.
Garden, Bruce William
Gardner, Dale Allan
Gardner, Daniel Edward
Garey, Alan William
Garland, Gary William.
Garland, Michael Dennis.
Garman, James Marshall.
Garrett, Spencer Leo
Garrett, William Silas, Jr
Garske, John Charles
Gaskell, Michael Lee
Gastrell, Philip Cotsworth.
Gatewood, Joel Walter, Jr.
Gatewood, John Lindsay, Jr.
Gauss, John Anthony
Gauthier, Maurice Alfred
Gavin, Joseph William
Gaw, Richard Allan
Gay, Stephen Edward
Gayler, Ralph
Geary, Robert Reeve
Gebel, Michael Walter
Gebhardt, Robert Edward, Jr.
Gede, Thomas Frederick
Gembol, Michael Phillip
Gendreau, John Robb
Genest, Stephen Vincent
George, Danny Louis
George, Frederick Lawrence
George, Gary Martin
Germann, Glenn Roger
Getsinger, Clarence Layton
Getz, Richard Riley
Geyton, James Michael, Jr.
Giambastiani, Edmund P., Jr.
Giancola, Charles Alan
Giannaris, Robert James
Giannotti, Louis John
Gibbens, Richard James
Gibbs, Thomas Ryan
Gibson, Robert Lee
Gibson, Robert Patton
Giddings, Geoffrey Alan
Giesemann, Frank Tyler
Giffen, Robert Carlisle, III
Giger, Charles Eugene
Gilbert, Richard Wayne
Gilchrist, Stanley Fredric
Gildberg, Barry Robert
Giles, Blaine Richard
Gillespie, Thomas Rex, II
Gillies, Dugald Lochlin M.
Giraldi, Walter Rudolph
Gist, Walter J.
Glass, Dennis William
Glenn, Phillip Lee
Goar, Everett Logan, III
Gobel, Gary Gene
Godfrey, Alan Lawrence
Goehring, Clayton Allen
Goen, Lewis Willis
Goldberg, Allan Theodore
Goldstein, Abraham Jeffrey
Golle, Stephen Joseph
Gonzalez, Gilbert Manuel
Good, Layne Walter
Goode, Thomas Gilligan
Goodman, Joe Anderson
Goodmundson, Gary Carl
Goodnight, Lyman Evans, III
Goodwin, Hugh Gibson
Gordon, Alan Lee
Gordon, Edward Franklin
Gordon, George Minot
Gordon, Vernon Curtis
Gore, Charles Frederick
Gorman, Paul Richard
Gorman, Thomas Richard
Gorthy, Alan Robert, Jr.
Gospodarec, Donald Stanley
Gott, John Christopher
Gourley, James Edwin, II
Graass, Jeffrey J.
Gradisnik, Gary Anthony
Gragg, Charles H.
Gragg, William Larry
Graham, Bryce Lowell
Graham, David Joseph
Graham, David Lee
Graner, William Ross
Grant, Frederick Irving
Grauert, Christopher Michael
Graul, Joseph Francis
Graves, Edward Preston
Gravitt, Patrick Dale
Graw, Julius Arwet
Gray, James Myron
Gray, Richard Eben
Gray, Richard John
Gray, Robert J.
Gray, Robert Martin
Graybill, John Gilbert
Greaves, Thomas William Jr.
Green, Albert Allen
Green, Leon Clifton, Jr.
Green, Michael Jeffrey
Green, Thomas James, Jr.
Greene, Everett Lewis
Greene, Joseph Michael, Jr.
Greene, Justin Noel D.
Greenlee, William Eugene
Gregor, Bruce John
Gregory, Jon Severn
Grehawick, Gregory Daniel
Gretzinger, Larry Cutis
Griffin, James Calvin
Griffin, Lee Bradford
Griffin, William Robert
Griffith, Curtis Bowers, II
Griffith, Russell Lee
Griffiths, Lee Edward
Grigsby, Stanley Homes
Gritzen, Edward Frederick II
Groff, Melvin Alan
Gronewold, David Allen
Gross, Ronald Thomas
Grossenbacher, John Joseph
Grossett, William Watt
Grove, Dale Michael
Grubaugh, Clarence Emery
Grubb, Francis Bunyan, Jr.
Guardiano, Jerry John
Guarneri, James Michael
Gubbs, Douglas Howard
Guertin, Stanley Douglas
Guilford, Walter Byron
Gullickson, Gregg Grant
Gumbert, Ronald Derwood, Jr.
Gunderson, John Michael
Gunter, Clarence Earl, Jr.
Guppy, Gerald Franklin
Gurnon, Richard Gerard
Gutelius, Paul Payne
Gutridge, Wallace Glen
Gyles, Leon Leonard
Hackenburg, John Ray
Hacker, Daniel Mark
Hackney, Stephen Allen
Haddock, Joseph William, III
Hagee, Edmon Devoin
Hagen, Paul Wendell
Hager, Alan Richards
Haggerty, Jerry Michael
Hagood, James Timmons
Hahnfeldt, Don Vogts
Haight, Richard William
Haigis, John
Hall, Dane Robert
Hall, George Hamilton
Hall, Howard Robert
Hall, Mark Glover
Hall, Peter Dudley
Hall, Ronald Edward
Hall, Stephen James
Hallenbeck, Amos Edward, Jr.
Hallenbeck, David L.
Hallett, Michael Thomas
Halliday, Howard James, Jr.
Halligan, John Larkin, Jr.
Halloran, John Garner
Halverson, George Henry
Halwachs, Thomas Eugene
Hambrecht, Robert McClure
Hamburg, James Warren
Hamilton, Baker Robert
Hamilton, David Lee
Hamilton, Leon Bollie, Jr.
Hamilton, Thomas Dunlap
Hamm, Marvin Joseph, Jr.
Hammerly, William Brian
Hammes, Richard Kenneth
Hammond, Patrick Allen
Handlers, Robert Glenn
Hanna, Norman William, III
Hansell, Ross Chesney
Hansell, William Richard, Jr.
Hansen, Gregory Lee
Hansen, Kirk Christian
Hanson, Gary Alan
Hanson, Kenneth Warren, Jr.
Hanson, Wesley Louis, Jr.

Harbison, Donald Stewart, Jr.
Hardekope, James Douglas
Harding, Steven Leslie
Harler, Robert Montgomery
Harmon, Robert Louis
Harmon, Sidney William
Harney, Edward Paul
Harper, John Franklin, III
Harrell, Deck Eugene
Harrell, John Peter, Jr.
Harris, Boyd Hunt, Jr.
Haris, James Daniel
Harris, James Douglas
Harris, James Patrick
Harris, John David, Jr.
Harris, Robert Curran
Harrison, Bruce Rodney
Harrison, Jeffrey
Harrsch, David Arthur
Harry, David Allan
Harry, Dennis Jackson
Hart, Frank Gerald, Jr.
Hart, Terry Curtis
Hartje, Lynn Allen
Hartle, Christopher Richard
Hartle, Steven Craig
Hartling, John Michael
Hartman, Roger Wilcox
Hartmann, Bruce Malcolm
Hartzell, Gerry Richard
Harvey, Raymond Frank
Hasbach, Robert Raymond
Haser, Gerald Donald
Hash, Steven Peder
Haskins, Michael Leslie
Hastings, James Jeffrey
Hathaway, Robert Richard
Hauck, Russel Eric
Havel, Richard William
Havlik, Charles Earle
Hawkins, Jeffrey Bert
Hawkins, John Alan
Hawkins, John Braddock, Jr.
Hawkins, Stephen George
Hawkins, Wayne Randolph
Hayball, Robert Matthew
Hayles, Thomas Mather
Hayes, Thomas Philip
Hazelrigg, Steven Adolph
Healy, Robert Jay
Heard, Chester Arthur
Hearn, Hamilton Dale, Jr.
Heath, Terrill Sullivan
Hederstrom, Paul Holly
Heilman, Stephen Craig
Heinz, Stephen George
Heitz, William Edward
Held, John Michael
Helfen, William
Helin, William Cary
Hellrung, Jeffrey Michael
Helsley, Ronald Eugene
Heming, David Millar
Henderson, John Lewis
Hendricks, Leon Alexander
Hendricks, Robert Linae
Henke, Milton Frederick, Jr.
Henning, Peter John
Henry, Dean
Henry, Donglas Davies
Henry, Joseph Gerard
Henry, William David
Henry, William James, Jr.
Hensch, Richard Louis
Henson, Earl Oneal
Herb, Robert Donald
Herbert, Garry Lynn
Herbert, Robert Steven
Herbert, Thomas George
Herda, Raymond John, Jr.
Hergenreter, Dennis Dean
Herring, Robert A., III
Herrman, Larry Virgil
Hess, Nathan Martin
Heuring, Joel Norman
Hewett, Michael Edward
Hewig, William III
Heyworth, Lawrence, III
Hickey, William A., III
Hickman, Charles Ryan
Hickman, John Earl, Jr.
Hickman, William Fredrick
Hicks, Harold Stroud, Jr.
Higdon, Ronald Gordon
Higgins, Edward Joseph
Higgins, James Bruce
Higgins, Robert Arthur
Higgins, Simeon Guy, Jr.
Hilburn, John Ernest
Hildebrandt, Thomas G., Jr.
Hill, James Herbert
Hill, Michael Allan
Hill, Michael Lee
Hill, Roger Dale
Hill, Ronald Maxwell
Hillerman, Larry Alan
Hillmann, Leo C.
Hills, Ronald Edward
Hillyer, Richard Scott
Hilton, Hugh Anthony
Himmelmann, Michael Robert
Himmelwright, Heber Hodges
Hinchliffe, Gregory Ward
Hine, Jonathan Trumbull, Jr.
Hingson, Curtis Otho
Hingson, Robert Henry, Jr.
Hinman, Harry Thornton, III
Hirt Keith Albert
Hitchings, William Lee
Hobgood, William Hilton
Hodermarsky, George Thomas
Hodges, Dean Charles
Hoehn, Joseph Perry
Hoener, James Herbert
Hoff, Norman Lee, Jr.
Hoffman, Richard Bernard
Hoffman, Vernon Arden
Hogan, Daniel Timothy
Hogan, John Edward
Hoke, Mark Allan
Holbrook, Wade Dennis
Holcombe, Forrest Douglas
Holden, Harvey George
Holden, Thomas Whitted, Jr.
Holder, Paul Bernard
Holeva, Carl
Holewa, John Gregory
Holland, Barry Stephen
Holland, Daryl Thomas
Holleman, Thomas Jardine
Hollenbach, James Warren
Hollenbach, Paul Douglas
Hollimon, Geoffrey Lewis
Hollinger, Wayne Melvin
Hollis, John Richard
Hollis, Michael Kenneth
Hollister, John Edward
Holloway, Wyman Leslie, Jr.
Hollowell, Christopher W.
Holm, Dwight Patrick
Holmes, Richard Nelson
Holt, Benjamin Lewis, Jr.
Holyoak, Joseph Glade
Homier, Paul Anthony, Jr.
Honderich, Forrest Terrel
Honour, Eric Crittenden
Hooper, James Albert, IV
Hooper, James Ernest
Hornberger, William Byron
Horne, George Michael
Horner, Richard Lee
Horsley, James Burke
Horsley, Russell Dewey
Horton, Daniel Winston
Horton, John Vreeland
Horton, John William
Horton, Ronnie Richard
Houck, Andrew William
Houck, Oran Lee
Houde, Paul Leo
Hougham, John Russell
Houghton, David Gates
Houk, William Alvah
Houle, Normand Arthur
House, Michael Edward
Howard, John Finley
Howard, Philip Graham
Howarth, Gary L.
Howdyshell, Walter Steven
Hoxie, Andrew Bennett
Huddleston, Ronald Duane
Hudgins, Thomas Eugene
Hudson, Frank Wilder, Jr.
Hudson, Harold Ray
Hudspeth, Barry Edward
Huffman, Robert Lee
Hughes, Charles Earl
Hughes, John George
Hughes, William Ray
Huiatt, Keith Wilson, Jr.
Hull, Gerald Wayne
Humberd, Calvin Chester, Jr.
Hume, Robert Leo
Hunt, Conway Lansdowne
Hunt, David Eugeue
Hunt, John Allen
Hunter, Bruce Reed
Hunter, David Tait
Hunter, Edward Echerd
Hunter, Harry Stephen
Hunter, Peter Green
Hunziker, James Michael
Hurley, William David
Hutchins, Walter Max
Hutchison, Guy Stuart
Hutchison, John Rudolph
Hutchison, John Wendell
Hyland, Joel Thomas
Iacuaniello, Umberto C., II
Ice, Daniel Rawley
Ide, Warren Harper, Jr.
Ihrig, Clyde James
Ikuma, Gary Kazuyoshi
Imphong, Thomas Miller
Ingram, Carl Edward
Inverso, Francis Carlo
Isele, Charles Pattie
Iuvone, Brian Francis
Jackson, George William
Jackson, Gordon Campbell
Jackson, John Adrian
Jackson, Lavern Arnold
Jackson, Richard Kenneth
Jackson, Timothy Howard
Jacobs, John William
Jacobs, Roger Patrick
Jacobsen, John Arthur
Jacobsen, Lloyd Scott
Jacobsen, John Frank
Jacoby, Lowell Edwin
Jacques, Harry Augustine, Jr.
Jadlocki, Ronald
Jaeger, Richard J., III
Jahn, Theodore Benjamin, II
James, Gary B.
James, Lloyd Edwin
James, Roger Dean
James, William Robert
Jamison, Earl Joseph
Jamison, Michael Edward
Jamison, Philip Charles
Janczak, Martin Edward
Janis, Henry John, Jr.
Jans, Jay Bennett
Jarina, Michael Peter
Jarman, Roger Carlton
Jaroncyk, William, Jr.
Jarrell, James Robert, IV
Jarrott, William Michael
Jeffcoat, John Phillip
Jeffries, Charles Leroy
Jemison, Thomas Charles
Jenkins, Gerald William
Jenkins, William Frost
Jennings, David Bailey
Jennings, Edward Payson, II
Jennings, Wayne Donald
Jensen, Franklin Jesse, Jr.
Jensen, Jon Robert
Jeremiah, Richard Edward
Jessen, Stanley Milton, Jr.
Jewell, Glenn Albert
Jinks, John Bradley
Johannsen, Michael Kenneth
Johanson, Donald William
Johnesee, James Anthony
Johnson, Charles Michael
Johnson, Christopher F., Jr.
Johnson, Christopher Harry
Johnson, David Patrick
Johnson, Don Meredith

Johnson, Edward Emil
Johnson, Geoffrey Nicoll
Johnson, Gilbert Leon
Johnson, Gregory Gordon
Johnson, John Luther
Johnson, John Michael
Johnson, Jon Robert
Johnson, Patrick Noble
Johnson, Paul Orville
Johnson, Robin Royal
Johnson, Stephen Irvin
Johnson, Stephen Mansell
Johnson, Wade Cook
Johnston, Daniel A. Jr.
Johnston, Paul Stanley
Johnston, Richard Metzger
Johnston, Terry Wayne
Jones, Darrell Wayne
Jones, David Leon
Jones, Earl R.
Jones, Edward Michael
Jones, Fred Calvin
Jones, Fred Wiley
Jones, Frederick Eugene
Jones, George Alan
Jones, Gregory Boyd
Jones, Herbert Lee
Jones, James Steven
Jones, Michael Alan
Jones, Michael Owen
Jones, Talmadge Craig, II
Jordan, James Abel, Jr.
Jordan, Joseph Elbert, Jr.
Jordan, Robert Bruce
Jorgensen, Alfred Christian
Joslin, Charles Loring, III
Joslin, Royal Dubose
Joyce, James Murray
Juarin, David Stephen
Judd, William Hart, III
Jung, Frederick Eugene
Jupin, Harry Andrew
Jurand, George Walter
Justiss, Ronnie Lynn
Kaahanui, Melvin
Kaider, Donald Keith
Kain, George Hay, III
Kaiser, Michael John
Kaiser, Wayne Gordon
Kalb, Richard W.
Kaler, Herbert Charles
Kalil, Thomas Peter
Kampen, Roy William
Kane, Jerry Allen
Kane, John Edward, II
Kane, Mark Anthony
Kapinos, James Michael
Kapololu, John Akahele
Karcewski, Stanley Joseph
Karch, George William
Karcher, James Norman
Karon, Stuart Charles
Kauffman, Jack Emerson
Kavanagh, Gary Lee
Kaylor, Jefferson Daniel, Jr.
Kearley, John James
Kearney, James Philip
Keating, William Joseph, Jr.
Keefer, Thomas Brian
Keehn, Thomas Joseph
Keen, James David
Keen, Wayne Carl
Keenan, Michael Francis
Kellas, John Calvin
Keller, Joseph Franklin
Kelley, Danny Burton
Kelley, James Bryant
Kelley, Richard Gordon, Jr.
Kellogg, John Thomas
Kelly, James Brian
Kelly, Richard Anthony
Kelly, Robert Joseph
Kemp, Bruce Raymond
Kemp, William McIver
Kendrick, James Lee
Kennedy, John Joseph, Jr.
Kennedy, Kenneth Lysle
Kennedy, Kraig Michael
Kennedy, Reginald R.
Kennedy, Richard Anthony
Kennedy, Daniel Francis, III
Kenney, James Francis
Kerans, Gary Lee
Keresey, James Kirkwood
Kern Robert Dawson
Kerr, George Victor
Kesson, Charles Edmund, II
Kestly, Daniel Ralph
Kevern, Thomas Allen
Key, Kenneth Wayne
Kibler, Rex William
Kidd, Charles Davis
Kidder, John Lyndon
Kidder, Paul Alfred
Kidney, Jay Kimball
Kiem, Michael Christian
Killian, Riley Edward, Jr.
Kilmer, Mild Jethroe, II
Kimble, Gerald Allen, Jr.
Kimmel, James Marshall
Kincheloe, Everet Vernon
King, John Michael
King, Peter Charles
King, Robert Crippen
Kingery, Donald Leroy
Kinne, Robert Thomas, Jr.
Kirby, James Denis
Kirk, Douglas Craig
Kirk, Robert Wayne
Kirkland, Richard George
Kissell Peter Bernard
Kissinger, Robert John
Kissmann, Ronald Martin
Klassen, Kenneth Wayne
Kleehammer, Thomas
Klein, John Weston K.
Klein, William Carl
Klemm, William Raymond
Klemstine, Charles Frederick
Klich, David J.
Kline, Howard Keith
Kline, James G., Jr.
Kline, Roger Paul
Klocek, Thomas Edward
Klosterman Robert Charles
Knapp, Robert Marshall
Knapp, Roland Bertram
Knecht, Jacob Frederick, Jr.
Knechtel, Glenn Karl
Knieriem, Guy Robert
Kniering, John Hovell, Jr.
Knoll, John Christian
Knudsen, James Russell
Knudsen, Michael Barry
Knuth, Dean Leslie
Knutson, Andrew Christian
Koch, Frederick Ray
Koch Kenneth Wayne
Kockler, Frank Richard
Koerner, Daniel Edison, Jr.
Kohout, Christopher Edward
Kok, Timothy Alan
Kolarov, George Wayne
Kolman, Jerry Dean
Komich, Frederick Ross
Koning, Jack Allen
Konzai, Dennis Thomas
Korinis, Peter William
Koster, Thomas Wayne
Kozinsky, Edward Joseph
Kracke, William Frederick
Kraemer, Francis Xavier, Jr.
Kraemer, Thomas Edward
Kraft, Charles Merle, Jr.
Kraft, James Edwin
Kraft, Robert Allen
Kral, Theodore Carl
Kramer, Dennis Arthur
Kratt, Clifford Leo
Krayer, William Edward
Kriegel, Jerome Patrick
Krift, Frederick Anthony, II
Kristinik, John Stephen
Krug, William George
Krupp, Thomas Michael
Kuhlman, Henry Frederick, Jr.
Kuhrt, Ronald Wesley
Kundts, John Howard
Kuntz, Robert Allen
Kuntz, William E. J.
Kutys, John Vincent, Jr.
Kyle, William Carl
LaBrecque, Lester Carl
Laflair, Keith Robert
Lafleur, Timothy William
Lagerman, Peter Michael
Lagrone, James Marvin
Lahren, Jack Wesley
Lake, Robert George
Lakser, Lawrence Joel
Lale, Tully Steven
Lalli, Louis Patrick
LaMartin, Douglass Hugh
Lame, Philip Charles
Lampert, Jerry Jack
Lancaster, Emmett John, II
Lancaster, Roger Stephen
Lance, Peter Michael
Landers, Jerome Charles
Landry, James Richard
Lane, Daniel Robert
Lang, Norman Wayne
Lang, Richard Alan
Langdon, Bruce Arnold
Langknecht, John Marshall
Lanoux, Steven Michael
Lansing, William Edward
Lapaille, John Reinhard
Larkins, Markel Holland
Larock, Robert Ernest
Larsen, Larry Morris
Larson, David Allyn
Larson, David Russell
Larson, Marlin William
Larson, William Douglas
Lashbrook, Daniel Floyd
Laska, Andrew John
Laskey, David Petersen
Latham, James William
Latham, Rodney Guy III
Lattig, Glenn Douglas
Laturno, Raymond John, III
Lauermann, Michael Matthew
Laughead, David Carl
Laughton, Bruce Loring
Launey, Scott Riordan
Lausten, Eric Robert
Lautenschlager, Jack Allen
Lawing, Charles William
Lawler, Thomas Peter
Lawless, Patrick Hubert
Lawrence, Wilfred Paul
Lawson, Dale Bruce
Laz, William Joseph Jr.
Lear, Richard Bruce
Leard, Ernest Lee
Leath, Dudley Wade
Leclaire, Robert James
Lee, Robert Edward
Leeder, Frederic Glenn
Lehman, Jeffrey Allen
Leighty, William Eric
Leith, David Michael
Leitzel, Robert Lee
Leitzke, James Harold
Lekberg, Eric Leonard
Leleux, Wayne John
Lemke, Robert James
Lemrow, Craig Maynard
Lentner, Russell Wade, Jr.
Lentz, Robert Eugene
Leonidoff, Leon Jon
Lerseth, Roger Gene
Lester, Roderick Barnum
Letter, John Norbert
Lettieri, Michael Francis
Levinge, Charles Alford
Levy, James Malcolm
Lewis, Billy Laroy
Lewis, Charles Samuel
Lewis, Frederick Brunt
Lewis, John Michael II
Lewis, Lowell Grant
Lewis, Richard Roy
Lichwala, Stanley John
Liebe, William Charles
Lieberman, Stephen Leslie
Liebschner, Douglas Vincent
Lieurance, John Robert
Ligon, Edward Campfield IV
Liles, John Underwood, Jr.
Lind, Stephen McCall
Lindner, William George

Lineman, John Joseph
Lines, David Freeman
Lingan, James Nickey
Linger, Theodore Gerald
Linquist, James Earl
Lins, Roderick William
Linville, James Calder, Jr.
Lippincott, Loncoln H. II
Lipscomb, Jeffrey Ray
List, Gary Harold
Littke, Richard Henry
Little, Edward Leo, Jr.
Little, Robert Ernest
Liuzzi, Donato Anthony
Llewellyn, Jonathan Frame
Lloyd, Thomas Drew
Locke, John Sinclair
Lockyer, William Kenneth
Loessin, Michael Martin
Logan, Johnnie Monroe
Logan, Robert John
Logan, William John
Lohmeyer, Lonnie Floyd
Lohrmann, Walter Richard
Longaker, Chester Case
Looft, Vincent Francis
Lopresti, Joseph Michael, Jr.
Lord, Francis Buffum
Lorkowski, James Joseph
Losh, Dennis Michael
Loturco, James Sebastian
Lounge, John Michael
Lounsberry, Freddie Paul
Love, Robert Creekmore, Jr.
Lover, Kevin Francis
Lowder, Robert William
Lowe, Allan Ford
Lowe, Douglas Terrell
Lower, Robert J.
Loy, David Parker
Ludwig, Arthur William
Ludwig, Eric William
Luebbecke, Donald Stewart
Lukens, Larry Allan
Lund, Robert Morris
Lunde, Walter Arne, Jr.
Lundeen, Roy Alan
Lundquist, Carl Anthony
Lung, David
Lunghofer, Dennis Michael
Lunney, Francis Martin
Lunsford, Hollis Eugene
Lupton, Stephen Charles
Lusk, Larry Allen
Lutman, Richard Kenneth
Lux, John A., Jr.
Lyda, William Walter
Lydiard, Jeffrey Robert
Lyford, Lawrence Earl
Lyle, John Michael
Lyman, Richard Lawrence
Lynn, Freddie Leroy, Jr.
Lynn, Warren Douglas
Lynskey, Paul Coleman
Lyon, Allan White
Lyon, Preston Victor
Lyon, Scott Robert
Lyons, Edward Armstrong
Maak, John Edward
Maas, Edwin, Jr.
MacBain, Richard Dennis
MacDonald, Joseph Michael
MacDougal, Joseph Stewart
Mace, Frederick Earl, Jr.
MacGarvey, Ronald Elliot
Mack, James Brian
Mack, Lawrence John, Jr.
MacKenzie, Gordon Alexander
MacKenzie, Thomas Lyle
Mackey, Robert Jemison
Mackin, Patrick Charles
Mackin, Thomas Gabriel
MacLaren, William Francis
Macy, Earl Elgar
Mader, Thomas Walter
Madey, Stephen Laurance, Jr.
Madren, Amos Bernard
Mady, Clemens James, Jr.
Magee, Terry Edward
Magnan, William James
Magnino, John David
Magyar, David James
Maher, Dennis Edward
Mahon, John Francis
Mahoney, Dan Michael
Mahoney, Dennis Paul
Mahoney, Leon F.
Makl, Albert Stephen, Jr.
Mallett, Paul Douglas
Malone, Laurence James
Malone, Michael Dennis
Malone, Michael John
Maloof, James Michael
Mancini, Anthony Joseph
Manes, Ezra Earl, Jr.
Mangapit, Conrado, Jr.
Manly, John B., Jr.
Mann, David Russell
Manning, Michael Paul
Manning, Robert James
Mansfield, Robert Douglas
Marcell, Frederick C., Jr.
Marchi, John Albert
Marco, Phillip C.
Marecic, Terrence Joseph
Marits, Edward Gustave, Jr.
Markley, Stephen Allen
Markwell, Gregory Allen
Marquis, Richard Longstreet
Marschalk, Peter Van Buren
Marsh, Michael Thomas
Marshall, Steven Alfred
Marshall, Thomas George
Martel, Reginald Timothy
Martella, Michael Baker
Marteney, Donald Lynn
Martin, Daniel Joseph
Martin, David Frank
Martin, Glenn Eugene, Jr.
Martin, Jack E.
Martin, James Walter
Martin, John Thomas Oliver
Martin, Peter Wetmore
Martin, Richard Francis
Martin, Robert Stanley
Martin, Roy Lee, Jr.
Martin, Stephen Neil
Martinez, Luis Carlos
Martino, Michael Fred
Marvin, Gary Dillon
Marvin, Richard Bruce
Marzullo, Raymond Lee
Masica, John Michael
Mason, James Thomas
Massenburg, Walter Black
Mast, Raymond Lee
Mast, Ross Warren
Mastrangelo, Robert Joseph
Matetich, Michael Gary
Mathison, Neil Gordon
Matthes, Gregory William
Matthew, Henry Frederick
Matthews, Tim W.
Mattison, Dennis Lee
Mattox, Harvey
Mattox, John Allen
Mauldin, Hugh Dubose, Jr.
Maurer, Heinz Gunther
Mautner, Donald Alan
Maxey, James Robert, II
Maxson, David Eugene
Maxwell, Clarke Alvin
Maxwell, George Gary
Maxwell, Gregory L.
Maxwell, Peter Nunnally
May, Albert Leonard
May, Michael Dale
May, Robert Michael
Mayberry, Jack Brian
Mayer, John Steven
Mayhew, Lance Harrison
Maynard, Teddy Ray
Mayo, Robert Ernest
Mazzaero, Joseph Michael, Jr.
McAdams, Corky Don
McAfee, John David
McAllister, Allan Douglas
McAllister, Edward Cain
McAllister, James Paul
McAllister, Paul Anthony
McCabe, Michael Joseph
McCabe, William Carl
McCain, William Terry
McCampbell, David Perry
McCarthy, John Putnam
McCarthy, Joseph Bruce
McCarty, Gordon Leigh
McCauley, William Collings
McClain, Calvin Perry, Jr.
McClane, James Lenus
McClellan, James Stuart
McClellan, Malcolm W., Jr.
McCleskey, Dale Leif
McClung, Roger Walter
McCluskey, Richard Joseph
McComas, Jeffrey Clark
McCombie, Ryan Joseph
McConnell, William Dale
McCord, William Kirkland
McCormick, Dennis Cap
McCoy, James Glenn
McCoy, James Michael
McCoy, Robert Gregory
McCreary, Steven Alfred
McCrory, Kenneth Lee
McCullar, Edward Terence
McCulley, Michael James
McCullough, David Garth
McCully, Ronald L.
McCumber, Leonard Dixon, Jr.
McCune, Michael Owen
McDevitt, Robert John
McDonald, James Murray
McDonald, John Alonzo, Jr.
McDougal, Willard Boyd
McDougall, Fred David
McDow, William Ligon
McElwee, Charles Gates
McEwen, Gary B.
McEwen, Randall James
McFall, Tommy Dee
McFalls, Tommy Ray
McFarland, John Patrick
McFarland, Stuart Edwin
McFarland, Thomas Baron
McFillin, James Francis, Jr.
McGahan, Michael Patrick
McGee, Amos Anthony, Jr.
McGinn, Jerry Lee
McGinnis, William Perry
McGovern, James Francis
McGrath, Joseph William
McGrath, Thomas Ross
McGroarty, James Edward
McGuire, Edward Paul
McHale, James William
McHale, Robert Vincent
McHenry, Stephen Wesley
McInchok, George Steve, Jr.
McInnis, John Gilbert
McInnis, Richard Dennis
McIntosh, Richard Cameron
McIntyre, Lewis Frank
McKaige, George Thomas, Jr.
McKay, Russell Lee
McKean, Thomas Andrew
McKee, Thomas Edward
McKeldin, Charles Edward, Jr.
McKelvey, Edward Lee
McKennan, David Jonathan
McKeown, James Bruce
McKim, John Harvey, Jr.
McKinney, Arlie Benjamin, III
McKinney, Dana Bruce
McKinney, Douglas Lloyd
McKinster, Raymond Port
McLain, John Herman
McLaughlin, David Earl
McLaughlin, Peter Creswell
McLean, Owen David
McLemore, Robert Seay
McMacken, Patrick Bilby
McManus, Richard Irvine
McMunn, Brock Allen
McMurry, William Stuart
McNair, James Edward
McNamara, Kenneth James
McNamara, Robert James
McNamee, John Robert, Jr.
McNeeley, Steven Wayne
McNeil, Maurice Michael, Jr.
McNulty, Patrick Leo
McPhail, Robert Bruce

McPheeters, James Henry, Jr.
McPherron, Charles Arthur
McPherson, David Allen
McPherson, Donald Ray
McPheter, Gordon Lee
McQuaig, Michael Gray
McReynolds, Darwin James
McReynolds, Michael Joseph
McSorley, William Joseph, III
McTigue, James John
Meacham, George Edward, II
Meadowcroft, Robert Allen
Melchioris, Charles James, Jr.
Meldrum, William Garrigues
Mello, Gerald Charles
Mellott, Paul Lloyd, Jr.
Melson, Frank Baker, Jr.
Mengel, William Leon
Merki, Richard Lewis
Merrick, Walter Forrest, II
Merrill, Dean Reese, Jr.
Merritt, Jerry Darious, III
Merritt, Thomas Brooke
Mertz, Albert George
Messersmith, Ronald Edward
Messman, George Ralph
Meteer, Thomas Dewey
Mettin, Verner Edward, Jr.
Metzger, Paul Charles
Meyer, Charles George
Meyer, Gary Charles
Meyer, Jerry Lee
Meyer, Robert Alan
Meyers, William Joseph
Meyertholen, Joseph A., Jr.
Michaelis, Frederick H., Jr.
Michalski, Conrad Michael
Mickett, Thomas George
Middle, James Leonard
Middlehurst, James Russell
Middleton, Michael Edward
Mikusi, Frank Charles
Milchanowski, Michael John
Miles, Wilson Ashley, Jr.
Miller, Andrew Jackson, Jr.
Miller, Bruce Lafayette
Miller, David Damien
Miller, David Valjean
Miller, Donald Dean
Miller, Gary Arthur
Miller, John Myers
Miller, Joseph Gordon
Miller, Michael Luke
Miller, Paul Lee
Miller, Richard Salter, Jr.
Miller, Stephen Carl
Miller, Terry Alan
Miller, Thomas Preston
Miller, William Garett, Jr.
Miller, William Harvey
Miller, William Richard
Miller, William Wray
Mills, Carl Edward
Milner, Daniel Dewitt
Miskill, Donald Keepers, Jr.
Mitchell, Donald Edward, Jr.
Mitchell, James Patrick
Mitchell, Larry Joseph
Mitchum, Kenneth Ray
Mixter, Henry Fay, Jr.
Mock, Jesse Ivan, Jr.
Mocock, William Ralph
Modlin, Stephen Earl
Moe, George Lars
Moeller, Robert Leon, Jr.
Moffit, James William, Jr.
Mohn, John Gordon
Molloy, James William
Molochko, Gerald Anthony
Molony, Everett Geary
Monaghan, Charles Edward, Jr.
Moncrief, William Collison
Moneymaker, Patrick David
Montanari, Michael Carl
Montgomery, Robert Edward
Moody, Jack Owen
Moore, Edmund Eugene
Moore, Eric Cleveland
Moore, George McCullar
Moore Gerald Lee
Moore, Harry Richard, II
Moore, Mitchell Dee
Moore, Richard Stewart, Jr.
Moore, Robert David
Moore, Ronald Bertram
Moore, Stephen Roy
Moore, Wayne Thomas
Moore, Wesley Harold
Moos, Kenneth Oliver, Jr.
Moran, Gary Ward
Moran, Matthew Francis, Jr.
Moreland, James Wesley, III
Morgan James Larry
Morgan, James R.
Morgan, Michael Carter
Morgan, Michael Charles
Morgan, Newton Henry, Jr.
Morgan, Richard Connor
Morgan, Robert Wayne
Morgan, William Randall
Morgenfeld, Robert John
Moriarty, Richard James
Morin, Paul Roland
Morrell, Michael Francis
Morris, Barry Livingston
Morris, Charles Robert
Morris, Fredricke McNeil
Morris, Ralph Leslie
Morris, Raymond John Jr.
Morrison, David Joseph
Morrison, Theodore Graham
Morse, John Prescott
Mosby, David Cottrell
Moseley, Ronald Presley
Moser, Thomas Griffith
Motolenich Stephen E., Jr.
Motsinger, Joe Allen
Motta, Gerald Annibale
Moulton, David Wales
Mozingo, Thomas Phillip
Mrowczynski, Ronald Matthew
Mueller, Ronald Raymond
Muetzel, Michael Paul
Mugg, William Allan
Mullen, Michael Charles
Muller David Glading, Jr.
Mullin, Dale Edward
Mullins, Robert Dennis
Mullins, William Paul
Mulroy, Charles Edward
Mulvaney, Michael Edward
Mulvey, David Richard
Mundell, James Michael
Munninghoff, Jay Maurice
Murphy, Arthur Vincent
Murphy, Brian Francis
Murphy, Daniel Joseph, Jr.
Murphy, Dennis George
Murphy, Dennis Michael
Murphy, Richard Terrence
Murray, Craig Harland
Murray, John Joseph
Murray Marshall Raymond
Murray, Michael Anthony
Musselman, Stephen Owen
Muth, Michael Allen
Myers, Albert Clinton
Myers, Terry Ray
Nadeau, Walter Henry, Jr.
Naeve, Jerry Michael
Naifeh, William Coppedge
Nall, Stephen Lloyd
Napior, Dennis Arthur
Nash, Donald Hendrix
Nash, Edward Seenon, III
Nastro, Thomas Robert
Nathan, Rodney Scott
Nathman, John Bernard
Nation, Arthur Raymond, Jr.
Nation, Charles William, Jr.
Navarro, Bradford Vanlare
Nayeack, Nicholas
Nazaruk, Gregory Michael
Neale, James Henry
Needham, Lester Dow
Neel, Frederick Heard
Neel, Robert Warren
Neighbors, Earnest L., III
Nelms, Kenneth Lee
Nelson, Carl Dean
Nelson, Gary Steven
Nelson, James Monroe
Nelson, John Perry
Nelson, Kenneth Lawrence
Nelson, Neal James
Nelson, Richard Arnold
Nemeth, Bradley William
Netzorg, Gregory Bertman
Neumann, Robert Roy
Neuschaefer, Kenneth George
Nevins, Michael Francis
New, Millard Wilner, Jr.
Newman, Michael Scott
Newsome, Larry Don
Newton, John William
Nichols, David Fuller
Nichols, Hartwig Jasper
Nichols, John David
Nickels, Lowell Hadley
Nickens, Donnell Jerome
Nickodem, Michael Webb
Nie, John Carlton
Niedenthal, William Jeffrey
Nielsen, Eugene Keith
Niemcyzk, Robert Richard
Nifontoff, Gerald Karl
Ningen, Russell Kenneth, Jr.
Nintzel, Christopher Alan
Nisbet, Robert Earl
Nolan, James Emmett, Jr.
Nolan, Terry Randal
Noland, David John
Noll, John Byard
Noonan, Thomas Francis
Norconk, James Joseph, Jr.
Nord, Michael Joseph
Noreen, David John
Norman, Richard Michael
Norris, David Allen
Norris, Rick Joseph
Northrup, Donald James
Norton, Chad Earl
Norton, John Alden
Norwood, Bryan Bernard, Jr.
Novak, Michael John
Nunn, Ronald Guinn
Nurthen, William Augustine
Nusom, Frank Allen, Jr.
Nute, John Packard
Nye, Richard Roderick
Nykamp, Bruce Ronald
Oakes, John Reid
O'Bannon, Kenneth Leroy
Oberender, Paul Dennis
Oberholtzer, David Beardsley
O'Brien, Leslie John III
Ochs, John Lynn
Ochsner, Steven Lewis
O'Connell, Brian John
O'Connell, John Thomas, Jr.
O'Connell, Richard William
Odegard, Ronald Stanley
Odell, Charles Fundman
Odell, James Michael
Odell, Paul, Jr.
O'Donnell, Gerald James
O'Donnell, James Robert
O'Donnell, Robert Bernard
Oehler, Michael W.
Offerdahl, David Carlyle
Ogden, Frank Edmond II
O'Hara, Stephen Paul
Ohlinger, John Frederic
O'Keefe, Michael Joseph
Olavessen, Leonard Robert
Olde, Frederick George III
O'Leary, Joseph Lennon
O'Leary, Thomas Joseph
Oleson, Gary Yngve
Oliver, Larry Lee
Oliver, Richard Edward
Oliver, Timothy Wallen
Olmstead, David Edward
Olsen, Charles Clifford, Jr.
Olson, Dennis Dean
Olson, Douglas Murlin
Olson, John Stephen
Olson, Russell Clark
Olson, Wayne Richard
O'Malley, Barry Pierce
O'Neal, Richard Earl
O'Neil, Patrick Warren

O'Neill, Bruce Michael
O'Neill, John, Jr.
O'Neill, John Patrick, Jr.
O'Neill, Robert Gregory
Oosterman, Carl Henry
Orfgen, Lynn Charles
Orr, George Harold
Osborn, Lawrence Edward
Otjen, Fred Morris
Otterbein, Thomas Gordon
Otto, Sheldon Carter
Overbeck, Gregg Robert
Overend, William Jones
Overheim, David Charles
Overson, William Patrick
Owen, Donald George
Owen, Richard Lee
Owens, Roger Lewis
Pace, David Glen
Pacheck, Edward Richard, Jr.
Paddenburg, John Albert, Jr.
Paddock, Charles Guy
Paddock, James Robert
Padgett, John Bramwell, III
Pairan, Craig Erik
Pales, Michael Franklin
Palla, Richard Warren
Pallesen, David Conrad
Palmer, James Duane
Palsgrove, Russell Tillman
Pampe, Robert Allen
Panico, John Russell
Papineau, Paul William
Para, Alan Edward
Pardee, William McKnight, Jr.
Parish, Richard Joseph
Park, David Vance
Park, Patrick Joseph
Parker, Gary Brent
Parker, Travis Wood, Jr.
Parkes, Thomas John
Parkin, Ernest Richard
Parks, Steven Greg
Parks, William Hutchinson, Jr.
Parr, John Michael
Parra, Milton H., Jr.
Parsons, Clarence Leslie
Partin, Thomas Lawrence
Patch, Gregory Richard
Pate, James Randolph
Patrick, Peter Devalangin
Patterson, Donald Jay, Jr.
Patterson, John Bryan
Patterson, Paul Linton
Patterson, Shonnie Jean
Patterson, Thomas Gibson, Jr.
Patteson, Walter Randolph, Jr.
Pattison, James Wynn
Pattison, Pat Harvey
Patton, Dennis Delane
Paugh, David Lee
Pawlowski, Stanley William
Payne, Robert Lee, Jr.
Pearce, William Philip
Pearson, Robert Thomas
Peck, David Lyman
Peck, John Phillip
Pellegrino, Richard Louis
Pelt, Chester Hayne, Jr.
Penhollow, Robert Henry
Penn, Michael Gene
Penney, Kenneth Bryce
Perch, Robert Leon
Perkins, Kevin Patrick
Perkins, Richard King
Perkins, Thomas Arcade, III
Perrault, Thomas James
Perrin, Robert Warren
Perry, Comadore Arthur James
Perry, James Elmer
Perry, James Smith
Perry, Oliver Hazard, III
Persson, Michael Edward
Pesar, James Allen
Peters, Carl William
Peterson, Charles Cooper
Peterson, Elden Eugene
Peterson, Richard Michael
Petruska, Andrew Michael, III
Pettitt, John Allen
Pettus, Richard Allan
Petty, John Charles
Petykowski, Jerome Leonard
Phelps, Roy Leon
Phillips, David Shelby, III
Phillips, Kenneth K.
Phillips, Marc Stephen
Phillips, Robert George, Jr.
Phillips, Robert William, Jr.
Phillips, Thomas Lane
Philpot, Carlton Gwynn
Pickelsimer, Billy Murel
Pickering, John Allen
Pierno, Ralph
Pierson, David Alexander
Pierson, Don Leslie
Pike, Daniel Lee
Pike, Edward Desloge, III
Pike, Gerald Allen
Piland, Richard Alan
Pillittere, Robert George
Pilnick, Steven Earle
Pinkard, Dennis Michael
Pinney, John Howard
Piotrowski, James Michael
Pitman, Ronald Lynn
Pittet, Leroy Thomas
Pittman, Charles Wesley, III
Pitts, John Lee, IV
Plank, Dennis William
Plant, Joseph Miers, III
Plehal, James Burton
Plett, John Robert
Ploss, Richard Steven
Plowman, Michael James
Plummer, Rudy Edward
Plunkett, Albert Abrams
Plunkett, Eddie Lovell
Plutt, Richard Stephen
Pohl, John Sherman
Pokorny, John Louis, Jr.
Poliakon, Joseph Albert, Jr.
Ponton, Robert Glenn
Ponzo, James Frederick
Pope, Edmond Dean
Porter, David George
Porter, Franz Horst
Porter, James Robert
Porter, Nathan F. S. Jr.
Porter, Timothy Thurgur
Post, Richard Allan
Potter, Richard Wayne
Pounds, John William, Jr.
Powell, George Alva
Powell, John Terrell, Jr.
Powers, John Michael
Powrie, Stuart Robinson
Pratt, James Wally
Prell, Richard Edwin
Prescott, Jesse Allen, III
Prescott, Leonard F., III
Preston, John Walter
Preston, Noel Gary
Prestridge, Robert James
Prevette, Henry Slater, Jr.
Price, Gene Hill
Price, Walter Winfield, III
Pritchard, Kenneth Wayne
Proes, Roger Edward
Prokasky, Stephen Scott
Proses, William Albert
Prout, George Michael
Provencal, John Edward
Prucha, Robert Stephen
Pruett, Willaim Griffith
Psimas, George Nicholas, Jr.
Puckett, Richard Floyd
Pudas, Terry James
Purcell, Richard Lynn
Purkat, John Robert
Purves, William
Puryear, Eric Paul
Pyne, Joseph Howland
Quartana, Anthony Gerard
Quennoz, Stephen Michael
Quillinan, Gregory Francis
Quinn, Donald Lee
Quinn, Richard Andrew
Rachor, Robert Lee, Jr.
Radack, James Paul
Radeackar, Randy James
Raines, Thomas Steven
Rainsberger, David Brandt
Randall, Barry Thomas
Randle, Grover Cleveland, Jr.
Rank, Joseph Stephen
Rannells, David Alan
Ranney, Bruce William
Rasmussen, Sam Eric
Rauch, Dale Arthur
Rausch, John Daniel
Rawlins, Spencer W. Jr.
Ray, David Crockett
Raymond, Terry Alan
Raynes, Gerald Eugene
Raynor, Paul Gilbert, Jr.
Reading, Leslie James
Reagan, Martin William
Reager, Willian: Reardon
Reaghard, James Anthony
Reaves, Keith Clark
Recame, Bartholomew Joseph
Rector, Harry III
Rector, Jack Brown, Jr.
Reddinger, John William, Jr.
Redditt, Richard Whitson
Redmond, William Patrick
Reeber, Roy William
Reed, David Thirkield
Reed, Michael Robert
Reed, William Clark
Reed, William Keeler
Reed, William Scott, Jr.
Reeder, James Barry
Reeder, Jeffrey Scott
Reese, Michael James
Reeves, Joseph Ralph
Refo, Ian Blair
Regan, Francis Patrick
Regan, Joseph Martin, Jr.
Register, Stephen Thomas
Reglein, Thomas Arthur
Regula, Stanley John, Jr.
Rehrmann, Steven Philip
Reich, Robert William
Reichert, Timothy Martin
Reid, James Armstrong
Reid, John David
Reid, Robert Glen, Jr.
Reifsnyder, Frank William, Jr.
Reigner, Charles Buchanan
Reinhardt, William Henry, III
Reitz, Richard Patton
Renfree, Peter Rodman
Renzelman, Ralph F., Jr.
Resavage, Roy Douglas
Reusche, Robert Louis, II
Reynolds, Gary Alan
Reynolds, Rickie Gene
Rhine, Loran Ernest
Rhoades, Richard James
Rhodes, George Samuel
Rhodes, Gregory Kent
Rice, Donald S., Jr.
Richards, Nicholas Ladell
Richards, Richard Noel
Richards, Thomas Russell
Richardson, Jack
Richardson, James Julian, III
Richardson, William Ronald
Richey, Stephen Thomas
Rickabaugh, Frederick Lee
Ricksecker, William Grant
Riddile, Andrew Spencer
Riedy, John Alvin
Riegel, Michael Glenn
Riera, Robert Emmett, Jr.
Rieth, Joseph Charles, Jr.
Rigg, Gary Lynn
Riley, Benjamin Price, III
Riley, David Gerald
Riley, Michael Alan
Riley, Stephen Eugene
Ringer, Charles Edward, Jr.
Rioux, Michael Francis
Rish, Robert David
Rishel, Michael Paul
Rist, Donald Francis
Ritzert, Bernard Urban, Jr.
Rivenes, Iver John, III
Rivera, Jaime
Rizzi, Robert Anthony

Robbins, Brian Arthur
Robbins, Richard Alan
Roberson, William Henry, III
Roberts, Crichton Carver
Roberts, Francis Albert
Roberts, Gary Ray
Roberts, John David, Jr.
Roberts, Michael Charles
Roberts, Peter Garety
Roberts, William Stratford
Robertson, Andrew Coxe
Robertson, Donald Joseph
Robillard, Ronald Walter
Robinson, Alan Russell
Robinson, John Daniel, Jr.
Robinson, John Gregory
Robinson, Lawrence Kerr
Robinson, Theodore Lee
Rocklein, Timothy Arthur
Rockwood, Sidney Ray
Roderick, Dennis Patrick
Roe, John Allen
Roeber, Dennis Keith
Roed, Carl James
Roeder, John Alexander
Roeder, Paul Raymond
Rogers, John Daniel
Rogers, Mark Allen
Rogers, Norman Lionel
Rogers, Thomas Wayne
Rogerson, Edward Spence
Roggow, Ralph Robert
Roman, Donald A.
Rome, Gary Bruce
Rondolone, Nicholas
Ronnie, Scott Craig
Roosa, Roger Keith
Root, Barth James
Root, George Raymond, Jr.
Root, Stephen Lloyd
Roper, Daniel Clark
Rose, David Owen
Rose, Raymond Parks
Rosecrans, Douglas James
Rosenberg, Jeremy Carter
Roshelli, Ronald Joseph
Ross, Jessie Clarence, Jr.
Ross, Paul Francis
Ross, Richard Brownell
Ross, Robert Jay
Rossbach, Christopher Howard
Rossiter, Wiliam Kent
Rotzler, Frederic
Roundtree, Ronald Terrance
Rowe, Richard Robert
Rowley, Arthur Norman, III
Roy, Michael Gordon
Ruble, Steven Monroe
Ruddock, David Hugh
Rudolph, Sheridan Francis
Rugg, Daniel Maltby, III
Rundall, David Glen
Runnerstrom, Eric
Rusch, Preston Godfred
Rusczyk, Richard Stanley
Rush, James Clifton
Russack, John Alexander
Russell, David Edward
Russell, Houston Roy, Jr.
Russell, Paul Kim
Russell, Thomas Gordon
Rutherford David Lee
Ryan, Daniel Kevin
Ryan, Dennis Leo, III
Ryan, Dennis Michael
Ryan, Franklin Terrence
Ryan, Larry Wayne
Ryan, Michael Kevin
Rybinski, Michael
Rylant, Arboth Andrew
Sablowski, Michael Robert
Saccio, Edward A.
Sachon, Peter Anthony
Sadler, George Ronald
Sadler, William Henley, III
Sadowski, Dennis Richard
Sakre, Larry Louis
Salkeld, Stephen Collids
Samples, Ted Dean
Sams, John Lawrence
Samuel, Gary Bright
Samuels, Arthur Michael
Sandelli, Raymond Frederick
Sanders, Doyne Mack
Sanders, John Russell
Sanders, William Hocutt, Jr.
Sanderson, Gilles Charles
Sanderson, Robert John
Sandin, Terry Lee
Sandknop, John Benjamin
Sandweg, Robert Frederic
Sanford, George Samuel, Jr.
Sanford, Leslie McHenry, Jr.
Sanger, Paul Richard
Sansom, Byron Paul
Santoro, Kenneth Michael
Saraniero, Michael Anthony
Sassen, Grant William
Satak, William Ralph
Satoris, Frank Karl
Sattler, Steven Dennis
Sauer, George Emery, III
Saunders, Gerald Jeffrey
Sauntry, Thomas Fredrick
Saur, Joseph Michael
Savage, Carter Dow
Savidge, Patrick John
Scamihorn, Marvin Ross
Scanlon, Charles Clark, II
Schack, Robert Paul
Schadegg, Lawrence Martin
Schaefer, Charles Alfred
Schaefer, Edward Michael
Schafer, Richard Anthony
Scharnus, Robert Michael
Schatti, Charles Henry
Schaum, Robert Troy
Schear, Larry Robert
Schellhorn, Charles William
Schempf, Peter William
Schenck, Robert Vannydeck
Schepman, Dennis Wayne
Scherf, Paul Henry, Jr.
Schiffelbian, Alexander L.
Schild, William Alfred
Schilling, Ronald Kurt
Schlichting, Helmuth Carl, Jr.
Schermund, William Henry
Schmersal, Christopher John
Schmidt, Alden Duane
Schmidt, Hubert Francis
Schmidt, Joseph Dunn, Jr.
Schmidt, William Brian
Schmidt, William Richard
Schmitt, Michael Kennedy
Schmitt, Robert Louis
Schmuke, Robert Joseph
Schneider, Anthony Joseph
Schneider, Edward Thomas
Schneider, James Eugene
Schneider, Jeremy Thomas
Schneider, Leo Joseph, Jr.
Schnurrpusch, Gary Werner
Schobert, Frederick G., Jr.
Schott, Frank Theodore, Jr.
Schott, Jeffrey Michael
Schrade, Lawrence Leonard
Schramm, Donald Arthur
Schrobo, Stephen Michael
Schroeder, Milton David
Schroeder, Rodney Clark
Schuetze, Robert Arthur
Schuitz, Douglas Charles, Jr.
Schultz, Ronald Haygood
Schum, Michael Edward
Schwab, John Borden
Schwartz, Albert Zalig
Schwartz, Harold Wayne
Schwartz, Robert Wendell
Schwarzenbach, William Von
Schwier, Edward George
Schwoerer, Barry Frederick
Scofield, Roger Lon
Scott, Donald Marcel
Scott, Gary Henry
Scott, George Winfield, Jr.
Scott, Gregory Joseph
Scott, Jeff Charles
Scott, John Keil
Scott, Richard Keith
Scott, Thomas Earle
Scott, William Andrew
Scrapper, John Christopher
Scruggs, David Allen
Scruggs, Thomas Daniel, Jr.
Scull, John Corson
Scurria, James F.
Search, Harry Thomas
Sedgwick, Gordon Lee
Sedun, Peter John
Seekins, Steven Selden
Seelos, Robert Charles
Sein, Lorenzo
Seitz, Thomas Alan
Selby, Michael Ray
Sellman, Robert Lee
Semko, Paul Scott
Serafine, Gene Clark
Serhan, Marvin Thomas
Serwich, Thomas Gregory, II
Seski, John Edward
Sessler, Gregg Frederick
Seth, Roy Allen
Seward, John Wesley, Jr.
Sexton, Ralph John
Sexton, Theodore Covert
Seymour, Hubert Elmo, III
Shackelford, Edward Alvin
Shafer, Kenneth Wayne
Shake, Douglas Watson
Shambora, Peter Robert, II
Shannon, Frank Xavier, III
Shannon, John Timothy
Sharer, Kevin Woods
Sharp, Larry Ralph
Sharpe, Bruce Edward
Shaut, Earl Walter
Shaw, David Reginald
Shaw, Ned Osbon
Shaw, Robert Linford
Shea, Joseph Edward, Jr.
Shea, Robert William
Shelby, John Daniel
Shelby, Stephen Leslie
Sheldon, Dana Kenneth
Shelton, Thomas Leroy
Shepherd, Wilbur French
Sheppard, Bruce Edward
Sheppard, Dennis Dean
Sherer, Charles Thaddeus, III
Sherfesee, Louis, III
Sheridan, John Joseph
Sherm, Gerald Frederick
Sherrange, Daniel Thomas
Shickle, David Lester
Shields. Guy Martin
Shields, John Thomas, III
Shinn, Steven Craig
Shirkey, Jack Michael
Shink, Merwyn Roop
Shonyo, Michael James
Shorts, Chester Arnold
Shotts, William Edwin
Shrock, Steven Dale
Shuff, Allen Ray
Shultz, Martin Allen
Shuster, Don Byron, Jr.
Shutt, Michael David
Sidor, Theodore Lathers
Siedschlag, Daniel Doss
Siegel, Dan Allen
Sieja, Donald Stanley
Sigler, Daniel Alan
Sigler, William Andrew
Silverman, George Martin
Silverthorne, Craig William
Sim, Richard William
Simeon, Raymond Peter
Simmons, Eric Charles
Simmons, John Wallace, II
Simmons, Michael Leroy
Simmons, William Russell
Simms, Allan Jay
Simpson, James Michael
Simpson, Robert G.
Simril, Robert Thomas
Sims, Gary Marvin
Singleton, Jerry Brian
Sinz, James Patrick
Siple, Roy Crane
Sisley, William Rice, Jr.
Sitz, William Wynn

Sjostrom, Nils Alfred
Skahan, Michael William
Skerbec, Joseph Frank, Jr.
Skille, Alan James
Skinner, Howard Arthur
Skolds, Charles Richard
Slaght, Kenneth Duncan
Slaight, James Butler, IV
Slater, Gavin Mackie
Slates, Terrence Paul
Slaton, Steven Gregory
Slattery, Patrick John
Sledge, Loyd Dane
Sloan, Patrick Bruce
Slocum, Winfield Scott, IV
Slonecker, Michael Louis
Slover, William Spencer
Slowik, Robert Louis
Small, Warren Edgar
Smart, Jonathan
Smedberg, James Eric
Smiley, Philip Titcomb
Smith, Adrian Lee
Smith, Burton Dunn
Smith, Carl Chester, Jr.
Smith, Carl Macon, Jr.
Smith, Charles Alan
Smith, Charles Hughes
Smith, Clinton Lea
Smith, Dallas Thomas
Smith, Daniel Earle
Smith, Douglas Vaughn
Smith, Earl Ramon
Smith, Gregory Wyatt
Smith, Harold Millard, Jr.
Smith, James Claude, III
Smith, John Hubert
Smith, John Vincent, Jr.
Smith, Michael Turner
Smith, Milton Wayne
Smith, Peter Brooks
Smith, Peter Macartney
Smith, Randal Earl
Smith, Richard Alan
Smith, Richard Allen
Smith, Robert N.
Smith, Robert William, Jr.
Smith, Roger William
Smith, Stanley Harold
Smith, Steven Grayson
Smith, Thomas Earl
Smith, Thomas Hiram, Jr.
Smith, Thomas Michael
Smith, Thomas William
Smith, Tracy Ray
Smyth, Paul Thomas
Snapp, Paul Thornton
Snell, Dean Allan
Snell, Dennis Arthur
Snelson, Jack Alvin
Sniffin, Edward McKim
Snigg, Steven William
Snoddy, Donald Eugene
Snow, John Daum
Snyder, Neil Floyd
Snyder, Thomas Frederick
Snyman, Vern Marnie
Sokolo, William Kenneth
Solberg, James Lee
Solin, John Jacob
Songer, Steven Michael
Sottile, George Vincent
Souder, Charles Eyerly
South, Brian James
Souza, Philip Eugene, III
Sowa, Phillip Lee
Sowers, James Richard
Spahr, Bradley William
Spangler, Garv Gilbert
Spath, Robert Lee
Spaulding, Robert Parish, Jr.
Specht, Brian Lee
Speed, Claude Oscar, III
Speer, James Walter
Spelman, George Curtiss, Jr.
Spence, Robert H., Jr.
Spenser, Kenneth Vaughn
Spillman, James Charles
Spires, Nelson Lee
Spivey, Danny
Spolarich, Martin Michael, Jr.
Spong, Mark Edward
Sponholz, Richard Otto
Spratt, Warren Eugene, Jr.
Sprigg, Robert Gary
Spriggs, David Arthur
Springer, Gregory Von
Sprinkle, Charles Thomas
Sproule, Robert Harvey
Spruiel, Jerry W.
Staarup, Frank Sorenson
Stables, Thomas Bernarr, III
Staehli, Christopher Paul
Stafford, Robert Harry
Stahl, Dale Edward
Stai, Russell Leroy
Stampe, Lawrence Edward, Jr.
Stanbridge, Harold George
Standish, Leslie Clement
Stanfield, Wesley Craig
Stansel, Michael Jerome
Stanton, Bruce Wayne
Stanton, Richard Wayne
Stanton, Thomas Paul
Stark, Thomas Alon
Starnes, Charles Newton, Jr.
Stasi, Frank Anthony, Jr.
Statskey, Paul Robert
St. Clair, Kenneth Malcolm, Jr.
Stearns, Richard A., III
Stebbings, Stuart Karl
Stecher, Brian Eugene
Steele, Dean Lee
Steffens, Thomas William
Steinmetz, Howard Heath
Stenstrom, Frank Ernest
Stentz, Robert Gail
Stephens, Grant Schneider
Stephenson, James Mell
Stepien, John Zigmand
Steussy, William Howard
Stevens, Guy Howard, Jr.
Stevens, Jack Marion, Jr.
Stevens, James Douglas
Stevens, Robert Frederick
Stevinson, Floyd Samuel, Jr.
Stewart, Gordon Grant
Stewart, Hamilton Michael
Stewart, Robert Ellsworth
Stewart, Wilton Richard
Stieglitz, William Henry
Stine, Emmett W., Jr.
Stockhaus, Daniel Quen
Stockho, William Louis
Stockton, Jackson Allison, Jr.
Stoddard, David Victor
Stoll, Ralph Heston
Stone, Daniel Joseph
Stonesifer, Frederic S.
Storer, David Gene
Story, Alfred Douglas
Stout, Charles Minor
Stow, Richard Loomis
St. Peter, Daniel John
Strait, Chester Edwin
Stratton, Larry Rodger
Strauss, John Howard
Streeter, Bruce Allen
Strickland, Leroy Hickman
Stromquist, David William
Strong, David George
Stroop, Patrick Allen
Stroud, Charles Glayton
Strzemienski, Stephan Joseph
Stuart, Michael Frank
Stubblefield, Gary Leslie
Stuetzer, F. John
Stutzman, Garv Dean
Subalusky, William Thomas, Jr.
Suberly, Roy Herbert, Jr.
Such, Carliss Robert
Suhr, James William
Suidak, Edward Joseph, Jr.
Sullivan, Larry Michael
Sullivan, Patrick Dennis
Sullivan, Paul Francis
Sullivan, Timothy Finbar
Sullivan, Timothy Joseph
Sullivan, Walter Francis
Summerlin, Michael Don
Summers, Jack McConnell, Jr.
Sumner, Robert Lewis
Surpless, Henry Abner
Sutter, Ellis Dee, III
Sutton, William Glenn
Svec, James Hynek
Svoboda, John Michael
Swah, Samuel Ryan
Swain, Philip Frank
Swanson, Elson Carl, Jr.
Swanson, James Edward
Swanson, Paul Arthur
Swanson, Raymond Peter
Swartz, Edward Lee
Sweet, James Franklin
Swift, David Allen
Swigart, John Jacob, Jr.
Swoope, James Paige
Sykes, William George
Tabb, Henry Edmund, III
Tabing, Mark Dana
Taggart, John Laughlin, Jr.
Tait, William Allan
Tamburini, Robert
Tande, Ludvig Kris
Tankersley, Carl Mark
Tauscher, John Frederick, III
Taylor, Arch Edward
Taylor, Charles Richard
Taylor, James Edward
Taylor, Jimmy Benjamin
Taylor, Ronald Maurice
Taylor, Russell Maxfield, II
Taylor, Samuel Walter
Tehan, Terrence Norbert
Tempel, Billie Leon
Tempero, Thomas Lucas
Terlizzi, Thomas Paul
Terrell, Lyndon Travis
Tettelbach, Gary John
Teves, Arthur Gregory
Thacker, Vester Imanuel, Jr.
Thaeler, Leigh Macqueen, Jr.
Thatcher, Roland C., III
Thayer, Paul Luke
Therrell, Thomas Stephen
Thomas, Craig Walter
Thomas, David William
Thomas, George Guy
Thomas, James, Jr.
Thomas, James Bates, III
Thomas, Joseph Walter
Thomas, Marion Edward, Jr.
Thomas, Mark Alan
Thomas, Robert Michael
Thomas, Robert John, Jr.
Thomas, William Curtis
Thompson, Charles Douglas
Thompson, Charles Edward
Thompson, Clayton Herbert, Jr.
Thompson, Douglas Scott
Thompson, James Jay
Thompson, John Anton
Thompson, Richard Allen
Thompson, Thomas Louis, Jr.
Thompson, Winfield Scott, Jr.
Thomsen, Leon Fredric
Thomson, Glenn Dickson
Thomson, Lawrence Stephen
Thorgerson, Arne Raymond
Thorkilson, Howard Neri
Thornhill, Arthur Nelson
Thornhill, Daniel Bruce
Thorsen, Timothy Lee
Tierney, Glenn Patrick
Timmester, Terry Wayne
Tinsley, Steven Garland
Tippett, Donald Dwight
Tipton, Charles Frederick
Todd, John Buxton, Jr.
Todd, William Thomas
Todorich, Charles Martin
Tolhurst, Robert Alfred, Jr.
Tomanelli, James Rocco
Tomich, David Bennett
Tortolini, Peter Enrico
Tovera, George William
Towcimak, William Robert, Jr.
Tower, Dennis Ray
Townsend, Lawrence Willard
Townsend, Ronald David
Trainor, William Gerald

Trask, Gordon William, II
Trethewey, Thomas George
Trevett, Robert Edward
Trower, James D.
Truman, Daniel Spencer
Tubbs, Ace Leonard, Jr.
Tucker, Gerald Duane
Tucker, Malcom Richard
Tuggle, Richard H.
Tull, Carl Ashby
Turnbull, Steven Scott
Turner, Archie Andrew, III
Turner, Dennis Jerome
Turner, Douglas Kearney
Turner, Ronald David
Turunen, Robert Louis
Turville, William Charles, Jr.
Twyman, William Earl
Tyler, Bobby Dale
Tyler, Robert Jeffrey
Umbarger, Ray McKenna
Underwood, Jefferson Gordon
Underwood, Van Douglas
Unhjem, Mark Arne
Usis, Felix Max, III
Utegaard, Thomas Eric
Utterback, Richard Lyn
Uttich, Richard Michael
Valdivia, Richard Stephen
Vanbrocklin, Stephen Ted
Vanbrunt, Tommy Harris
Vanbuskirk, Dennis James
Vancamp, Jerold Thomas
Vance, Thomas Coates
Vance, William Donald
Vandenberg, George Edward
Vanderberg, Mark Tompkins
Vanderbosch, Steven William
Vanderheiden, Thomas Lloyd
Vanhorn, Gary Roy
Vantassel, Paul Franklin
Vanvlack, Charles Henry
Vanwie, Steven Leroy
Vaughan, Steven Andrew
Vaurio, David G.
Vechinski, Gregory Joseph
Vehorn, Roger Paul
Veltman, Richard James
Venes, John William, Jr.
Verbrugge, Kenneth Ervin
Vercher, John Buford
Verrengia, Thomas James
Vershish, Robert J.
Vincelette, Paul Louis
Vincent, Joseph Pattison
Vincent, Robert Peyton, Jr.
Vine, Gary Lee
Vines, Larry Paul, Sr.
Visco, Dominick Wayne
Vivoli, John Bernard
Vogel, Daniel Richard C.
Vogel, Paul H.
Voss, Philip Dane
Vosseteig, Craig Eugene
Waddell, James Barry
Waddell, John William
Waddle, James Michael
Wadington, Clair Allen
Wagner, David John
Wahl, Harry Alexander
Waite, Lynn Lewis
Waite, Michael Paul
Waits, Merrill Andrew
Waldmann, Daniel Joseph
Walker, David Russell
Walker, William Lee
Walkky, Kenneth James
Wall, Laurence Llewellyn
Wall, Richard Ferris
Wallace, David Kitts
Wallace, Harold Boyette
Wallace, James Young, III
Wallace, John Douglas
Wallfred, James Gordon
Wallin, Jeffrey Erling
Walsh, John Patrick, Jr.
Walsh, Michael James
Walsh, Peter Earl
Walsh, Robert William
Walsh, Thomas Michael
Walsh, Thomas Munroe
Walston, William Harrison
Walters, Lynford Stetson, III
Walters, Ronald Wayne
Walton, Jerry Eugene
Wandishin, Thomas John
Wanner, Terry Scott
Ward, Clement Harry
Ward, Fred Covell, Jr.
Ward, James Gearey
Ward, John Martin
Warne, Richard Frederick
Warner, Thomas George
Warren, David Franklin
Warren, John Willard
Waterman, Ralph John
Watkins, John Bruce
Watkins, William Allen
Watson, Anthony John
Watson, John William
Watson, Michael James
Watson, Thomas Riley
Watters, Paul Andrew
Waycie, John William
Weatherup, Mark Robert
Webb, Chauncey Frank
Webb, John Robert
Webb, Wayne Patrick
Webb, William Francis
Webb, William Jennings, Jr.
Weber, Robin York
Weber, William Lloyd, III
Weborg, Gene Marvin
Webster, Michael Thomas
Weeks, Stanley Byron
Weik, Thomas Anthony
Wein, Michael Clark
Weir, Michael William
Weisberg, Neal William
Weiscopf, Carl Eugene
Welch, Robert Edward
Weldon, William Arden
Weller, Gary Eugene
Weller, Ronald Edward
Welling, Ronald Lee
Wells, John Timothy
Wells, Robert Runkle
Welsh, Patrick Timothy
Wendling, Joseph Allen
Wengierski, Irwin T., Jr.
Werby, Robert William
Wersinger, Richard J.
West, James Clyde, Jr.
Westcott, Richard Elliott
Westendorf, William Joseph
Westerfeld, Donovan Earle
Westmoreland, William Donald
Westray, Richard Howard
Whalen, Thomas James
Whaley, Glenn Richard
Whall, David Gerald
Wheeler, William Judson
Whiddon, William David
Whilden, Francis Covington
Whitaker, Charles Henry, Jr.
Whitaker, Clayton Edmund
Whitaker, Dwight Vestal, III
Whitby, Alan Joseph
White, Bradley Thomas
White, John Stanton
White, Joseph Michael
White, Nestor Dorian
White, Oakley Francis
Whitmire, Dewey Laland
Whitney, Darrell Emerson
Whitney, David Michael
Whitney, Russell Terrence
Whitt, David E.
Whitten, George Brine, III
Whitworth, John Burton, III
Wick, Carl Eric
Widener, Lynn Harbour
Widhalm, Kenneth Charles
Wiens, Leonard Arnold
Wiggins, Bryan Douglas, Jr.
Wilbricht, Thomas Edward
Wild, William John, Jr.
Wilharm, Elmer Marshall
Wilkins, Bruce Alan
Wilkins, Thomas William
Wilkinson, Morris Albert
Willenbrock, Eric Frederick
Willey, James Fletcher
Williams, Charles Baxter
Williams, David Francis, Jr.
Williams, Deerik Harbin
Williams, Douglas Henry
Williams, Galbraith Denny, Jr.
Williams, Harold Aldrich
Williams, James Howard
Williams, James Michael
Williams, James Sydney
Williams, James Thomas
Williams, John Charles
Williams, John Forrest
Williams, Marcus Samuel
Williams, Reginald Lewis, III
Williams, Stephen Wayne
Williams, Thomas Cloud, Jr.
Williams, Willie Love
Williamson, Jay Scott
Willis, Gary Robert
Willis, Terry Daniel
Willis, Thurman Lamar
Williscroft, Robert Grover
Wilmoth, James Walter
Wilson, Bryan Paul
Wilson, Charles Howard
Wilson, Donald Edward
Wilson, Freddie Ray
Wilson, Geoffrey Peter
Wilson, George Michael
Wilson, Herbert Michael
Wilson, James Stephen
Wilson, John Robert
Wilson, John Robert, Jr.
Wilson, Robert Lewis, Jr.
Wilson, Samuel Eakin, III
Wilson Steven Dale
Wilson, Thomas Ray
Wilson, William Burton
Wilt, Donald Allen
Winchell, Donald Lind, Jr.
Windeguth, Richard Baxter
Winkler, Michael Frederick
Winowicz, Stanley Joseph, Jr.
Winslow, Robert Michael
Winters, Keith Allen
Witherspoon, Lewis James
Witkowski, Christopher J.
Witkowski, Gerald Thomas
Witte, Thomas Michael
Wittkamp, Thomas Michael
Wittman, William Warren
Wlodarczyk, Edward
Wolf, Paige Richard
Wolf, Peter Thomas
Wolfe, Charles Darwin
Wolfe, Daniel Thomas
Wolfe, Jack Donald
Wolfe, Wayne Leonard
Wolff, Phillip Robert
Womack, Lee Thell, Jr.
Wood, Bruce Kief
Wood, Don Alan
Wood, Robert Allen, Jr.
Wood, Stephen Murray
Wood, William Bob, Jr.
Woodall, James Allen, IV
Woodall, Jonathan Hill
Woodard, John Houghton
Woodruff, Berryman E., III
Woods, Bennett Richard, Jr.
Woodworth, Richard Alden
Woolridge, Gregory Carroll
Wooley, Millard Jay
Woomer, Charles Wesley, III
Wooten, Charles Edwin
Wootton, Ronald Elwyn
Word, Ross Alan
Worley, James Paul
Worley, Michael Jesse
Worms, Brent Leslie
Wort, Jonathan Palmer
Wright, Herbert Rawson, III
Wright, Jon Robert
Wright, Thomas Baxter, Jr.
Wright, William Edwin
Wrobel, Richard August
Wurst, Frank Leonard
Wurtzbacher, Henry Todd

Wyckoff, William Watson, II
Wyld, Thomas Clinton
Wylie, Pete
Yatras, Dennis Andrew
Yerich, Martin Rudolph
Yesensky, Douglas Alan
Yetsko, Joseph Franklin
York, William Joe
Young, Charles Bruce
Young, John Robert
Young, Kerry Alan
Young, Richard Andrew
Young, William David
Yturralde, Reynaldo Frank, Jr.
Yunker, John Michael
Zachary, Fort Arthur, Jr.
Zahnen, John Nicholas, Jr.
Zambernardi, Paul Anthony
Zavadil, Stephen Wayne
Zboyan, Roy Warren
Zell, William Beigler, Jr.
Zeola, John Patrick
Zerbian, David Alan
Zia, Ralph Khan
Ziebell, Donald Robert
Zielinski, Leon John
Ziemer, Robert Timothy
Zimman, Robert
Zimmer, Larry Walter
Zimmerman, Frank Michael
Zimmerman, Robert Wade
Zimmerman, William Lee
Zinser, Harry Jack
Zitzelman, Philip Wayne
Zorbach, Gregory Michael
Zuidema, Peter Brian
Zullinger, Charles F., III
Zysk, Thomas Stephen

SUPPLY CORPS

Achenbaugh, Dennis Allen
Adams, Roy Stilz, Jr.
Allen, Samuel Alphonse, Jr.
Anastasi, Richard
Andrew, Michael Raymond
Anthony, Henry William, III
Appleby, Michael Ralph
Archer, Raymond Aubrey, III
Arcuri, Louis Edward
Arllen, Eric Arthur
Asselin, Andre Sylvio
Avery, James Alan
Ball, Edgar Scott, Jr.
Barnes, Jerry D.
Basso, Joseph Michael
Beagle, Brian L.
Benefiel, William Philip
Bennett, Robert Danny
Benson, Linwood Earl
Bianco, Barron Bruce
Blood, Roger John
Bobulinski, Robert Alexander
Bohannon, Donald Clyde
Bohm, Dwight Keith
Bollman, Terry Lee
Boyarski, John Robert
Brooks, Ted Edward
Buchleiter, Charles R.
Burgess, Andrew Plumer, III
Burgess, Roy H.
Burton, Robert Norman, Jr.
Camp, Robert Thomas
Carbone, James, Jr.
Cardinali, Henry Albert, Jr.
Carl, David Eugene
Carney, David G.
Carroll, Joseph David
Casey, Michael Wayne
Caskey, Carl Anthony
Chandler, Brian James
Chitty, Frederick Cole
Clark, James Matthew
Cobb, Francis Reilly
Cogswell, Peter M. L.
Coker, Norman Loren
Compton, David Dean
Conner, Terrence A.
Cook, David Michael
Cornelison, Gary Alan
Cote, James Raymond
Crandall, Stephen Gary
Cummings, Donald Lee
Daniels, David Longsworth
Dase, James Robert
Davis, Peter McCoy
Davis, Thomas, III
Delaney, Thomas Francis, III
Dickey, Donald William
Dolan, Kevin Christopher
Doyle, Joseph Drew
Dupree, Daniel Myron
Durnan, Robert Emmett
Easton, Frederick Bigelow
Elder, Jeffrey John
Engelmann, Robert Ardo
English, Robert Lemuel
Fantroy, Ward Keith
Faubell, Paul David
Faucher, David Paul
Featherstone, Harry Lee, Jr.
Felle, Robert Eugene
Felts, Warren T.
Ferris, William Michael
Finch, Gerald Lloyd
Flanagan, John Edward, Jr.
Flohr, Larry Eugene
Foley, Robert Patrick
Forney, Robert Allen
Fowler, Thomas James
Frampton, Walter C., Jr.
Gannon, Thomas Curtis
Gedney, John Warren
Gianfagna, William Louis
Gibbons, Lawrence Brady
Gibbs, David Michael
Gilbert, George B.
Gilbert, Robert Roy
Gillum, Virgil David
Ginman, Richard Taylor
Giordano, Donald Michael
Gorman, Howard Paul, Jr.
Goss, Ardin Francis
Gostel, Julius, Jr.
Grasham, Michael Wayne
Gray, David Bert
Griffin, James Howard, III
Griffin, Roland Lewis
Griswold, Raymond Bruce
Gulliford, Steven R.
Gunter, Wallace Eugene, Jr.
Gustafson, Robert Andrew
Guyer, Dean Chris
Hall, Richard Patton
Hankins, Stanley Eugene
Hanson, Ryan Lewis
Harder, Larry D.
Hargrave, Bevard Eugene
Hargrove, James Wiley, Jr.
Harris, Craig Steven
Harsin, Eldon R.
Hartman, John Molyneux
Haskett, William Blair, III
Hassenplug, John Keith
Hastings, Richard G., III
Havey, Patrick Joseph
Hawkins, Paul Russell
Hawxhurst, Jack Michael
Hayward, Daniel Stewart
Hein, Jonathan Jacques
Helgerson, Philip Arthur
Hempson, Donald A., Jr.
Higgins, Thomas Patrick, Jr.
Hinson, Kenneth Earl
Hinton, James Reid
Hodges, James V.
Hodgkins, Henry Adelbert, Jr.
Holbach, James Henry
Holcombe, James Othol
Holloway, James M., Jr.
Hornyak, Edward Joseph
Howdyshell, Robert J.
Hrabosky, Bryan, Jr.
Hudock, Steven Adam
Huefner, James Howard
Ishman, Michael Dean
Ison, George Stephen
Jackson, William Andrew
Jenkins, Michael Lynn
Jenkins, Walter William
Johnson, Jack Arthur
Johnson, Jay Carter
Johnson, Mark Rich
Johnson, Mark Scott
Johnson, Ronald Toivo
Johnson, Terrence Bateman
Jones, Joseph Matthew, Jr.
Jones, Samuel Lynn
Kalapos, Michael Lee
Karns, Larry Neil
Keeton, Ronald James
Kelley, Kevin Paul
Kennedy, Harvey Lee
Kennington, James Harrold
Ketts, Robert Lee
Kiefer, Roy William
Kirby, Kevin Brent
Klase, Kenneth Allen
Kline, Richard W.
Kramer, Keith Stewart
Kronk, Courtney C. III
Lamb, James H.
Landerkin, Edward Joseph
Law, Robert Francis
Lengkeek, Dale R.
Leonard, Robert Paul
Lewis, Richard E.
Lindstrom, Kenneth Wayne
Lippert, Keith Wayne
Low, David Herman Jean
Maas, Robert Dwight
Machado, Bruce Mervin
Madaio, Paul Frank
Malcolm, Nathaniel D., Jr.
Manley, Stewart Lee
Mansfield, David Kay
Marchetti, Ronald Andrew
Marquez, Ernest B., II
Matthews, John Craig
McAllister, John James Jr.
McCarthy, Frederick P., Jr.
McCarthy, Justin D.
McCoy, Rex Calvin
McCulloch, John William
McDowell, Tommy Gene
McKeithan, Timothy Shepard
McQueen, Thomas Walter
Meeker, Richard Stratton
Mercogliano, Anthony
Merrell Thomas Orin
Merritt, Karl William
Miller, Thomas G.
Miner, Kenneth Harold Jr.
Minton, David Scott
Mitchell, Colonus Jr.
Moeller, William Griswold
Montgomery, John Bradley
Moore, James Berry
Morrison, David Thomas
Moser, Paul Donald
Murff, Bruce Wells
Nichols, James Stuart Jr.
Nolan, Richard T.
Nyland, Stephen Carel
Oakes, Edward J.
O'Reilly, Patrick J.
Palanuk, Joseph L.
Parham, James Luis
Parker, Kenneth Lloyd
Payne, Harold R.
Pendarvis, Daniel III
Perry, Keith Michael
Peterson, Carl Raymond, Jr.
Pettersen, Alan John
Phoenix, Edward A.
Pingel, Richard Douglas
Pitkin, Richard Cochran
Pointer, Billy Ray
Pope, Michael Stanley
Rackerby, Thomas Keith
Ramsey, Brenton Lee
Rawlings, David Grant
Reed, Ernest Thompson
Reed, Ronald Passmore
Reese, James Mackintosh
Renard, Geoffrey Kent
Rich, Bruce Bailey
Rich, Lyle Vernon
Riege, Duane J.
Rieve, Roy Chandler
Rinaldo, John Charles
Robertson, Jimmy Wayne
Rodenbarger, Syd W.

Rogers, Robert William
Rossi, Philip Roger
Rutledge, Michael Robert
Ryan, Robert Joseph
Schaedel, John Gordon
Schimpf, Barry John
Schreiber, Thomas Joseph
Schreiner, Phillip Warren
Self, James Joseph
Sellers, Benjamin Russell
Shubert, Tommy Lawrence
Smith, Emmett Wilson
Soderberg, Paul Oscar
Spencer, Richard Arthur
Stanger, Thomas Joseph
Stephens, Edward Neil
Stewart, Edmund H., Jr.
Sugermeyer, Robert Storck
Sugihara, Ronald Yuzuru
Tarver, James Edward
Thorpe, Grant William
Tinker, William Marshall
Tissier, Robert Joseph
Toft, Carl Emil
Turpie, James Alastair, G.
Twomey, Kevin Mitchell
Valentine, Stephen, IV
Vanderslice, Wayne James
Vogelsang, James Edwin
Waldrop, Charles Pike
Walker, Allan Warren
Walsh, Robert Arthur, II
Watkinson, Lyle Patrick
Welch, Benjamin Harrison, III
Wenchel, George Frederic
Weyrick, Philip Frederick
White, Charles Elbridge
White, Richard Stuart
Wieczorek, Richard Joseph
Wilhite, Bernard Lee
Wilson, Paul Abernathy
Wilund, William Patrick
Young, Charles K.
Young, Clement Clarke, II
Younker, Michael Elwood
Zurinski, Donald John
Zychowski, Thaddeus Frank

CHAPLAIN CORPS

Fitzgerald, John Louis
Kemper, John Edmond
Latty, Allan Robert
Mennis, James F.

CIVIL ENGINEER CORPS

Allen, Charles Edward
Anderson, William John, Jr.
Armstrong, Glenn Michael
Bafus, Guy Raymond
Braddock, Robert Lillard, Jr.
Brandenburg, Tim Robert
Broaddus, James Anthony
Brubeck, Gregory William
Bruckner, William Lee, Jr.
Bussey, Dennis Raymond
Buttolph, Leslie Walter
Cahill, Patrick Joseph
Carl, James William
Carpenter, Ronald Gary
Casey, Michael Francis
Ching, Clayton Yuke Kee
Clements, Frederick Roger
Collins, John Patrick
Corsano, Arthur
Cosgrove, Donald Marschall
Delker, James Leo
Deluca, John, Jr.
Delunas, Leonard James
Dempsey, Richard Michael
Dennis, David Reynolds
Dillion, Terry Michael
Duke, Jonathan Bruce
Ealy, James Edward
Erickson, Stephen Flanders
Faunce, John Roger
Fehlig, Charles Jerome
Filson, James Victor
Foster, Michael Earl
Goltz, Kenneth Earl
Hadbavny, Michael Thomas
Hart, Stephen Louis
Haydon, Donald MacPherson, Jr.
Hein, Gary Wayne
Hering, Alfred George
Holen, Douglas Johan
Horne, Dennis Eugene
Hudson, Ronald Richard
Johnson, Michael Ray
Jones, John Eugene
Jukkola, Lloyd Alvin
Kaleba, Frank John
Katz, Alan William
Keller, William Joseph, Jr.
Key, Thomas Scott
Kiesling, Robert Franklin
King, Claude Vernon, III
Knowlton, Robert Dana
Larsen, Thomas Allen
Larson, Steven Carroll
McKinney, Charles Gromici
McNeil, Oscar Newby, Jr.
Messisck, Frederick Smith, Jr.
Molineaux, Ian Joseph
Morrison, William James
Neibert, Jerry Steven
Newton, Willis Gerald
Parker, Robert Vernon
Pollard, Charles Hardin, Jr.
Punck, Frederick Dewey, Jr.
Pylant, Linward Ray
Rabold, Bernard Louis, Jr.
Reichmuth, William E., III
Roussos, George James
Rushing, Ernest Charles, Jr.
Sabbatini, Julian
Saltenberger, William Mark
Scarborough, William Lang
Schneider, Charles Harry
Schottler, David Alan
Setzekorn, Robert Ray
Sheppard, David Bruce
Sheppard, Scott Holman
Sherbak, Patrick Michael
Shultz, Robert Larry
Sims, John Granville, III
Smith, Earl Lee, Jr.
Spencer, John Edward
Spore, James Sutherland, III
St Peter, Harold Bruce
Sullivan, John James, Jr.
Tanner, Thomas John
Teater, Richard Michael
Thompson, Stephen Ray
Tzavaras, George Nicholas
Venable, Joseph Brown
Vogt, John Fredric
Wade, Richard Louis
Walley, James Marvin, Jr.
Walsh, David Frank
Wenck, Stanley Erlin
Williams, James Randoph
Wray, Terry Lynn
Wright, James Christopher

JUDGE ADVOCATE GENERAL'S CORPS

Abbate, Guy Robert, Jr.
Babington, William Robert, Jr.
Barnett, Eric J.
Beachy, Ronald James
Beall, Bradley Stuart
Bergstrom, Alan Lee
Bingman, Terrence Lee
Bozeman, William Steven
Burke, Brian K
Cliffe, James R.
Clifford, William Joseph
Cox, Joseph Brinson, Jr.
Dawson, Mark Reed
Drukker, William R.
Duffy, Eugene O'Donnell
Epstein, Howard Stephen
Fessler, Edward Anthony
Froman, Floyd David
Gottry, Brian M.
Harmon, Gerald Robert
Harris, John Kenneth
Hewson, William Charles
Hinckley, Robert Craig
Jeffries, Charles C., Jr.
Kain, Michael Richard
Kelley, Patrick W.
Kelley, Timothy D.
Kelly, David Lee
Leclere, Dennis Edward
Martin, Thomas Latimer
Mattson, Michael V. H.
McClain, Tim Scott
McKenna, Lawrence Francis
McPartlin, Paul Edward
Meadows, Robert W.
Miller, William Alan
Mitchell, Thomas Wesley, Jr.
Montgomery, John Bernard
Morrison, Thomas Allen
Osborne, Thomas William
Ottie, Frederick N.
Prentace, Charles Stanley
Radd, John David
Randall, Thomas Edward
Reeve, Thomas Burnell, Jr.
Regan, William Anthony
Reynolds, Albert Alle, Jr.
Rose, Stephen Anthony
Scully, John Joseph
Showalter, John Stuart
Smith, Ronald S.
Spence, Joseph Mervyn
Stonier, James J.
Surpless, Donn Curtis
Villemez, Clyde Joseph, Jr.
Voerman, David P.
Westholm, Larry Richard
Wright, Steven Earl
Wurzel, David Lawrence
Yund, Walter J., Jr.
Zoellner, David Howard

MEDICAL SERVICE CORPS

Agent, Selwyn Keith
Anderson, Richard Leland
Arnold, Anthony Ray
Auld, John Nelson
Baker, Gerald Clayton
Baltimore, Daniel Lewis
Banellis, Georgiana Marie
Bason, Robert
Bawden, Monte Paul
Beach, Larry Leon
Beasley, William Joe
Betts, Lawrence Stilwell
Blanks, James Alvin
Blome, Michael Albert
Bohnet, Herbert F., III
Bolton, Herbert Thomas
Bowman, Jeffry Stephen
Brennan, Edward Charles
Broadhurst, Ronald Wayne
Brown, George Russell
Brunza, John Jay
Carroll, Norman Eugene
Chalstrom, William John
Clair, James Edward
Coleman, William Monroe, III
Contreras, Thomas Jose, Jr.
Converse, James Donald
Cooper, James Melvin
Cox, Peter Thomas
Crafton, Lonnie Dale
Crane, James Arthur
Crigler, Patricia Woodall
Criscitiello, Joseph John
Debell, Robert Michael
Decicco, Joseph Enrico
Decker, David Leroy
Densley, Merlynn Duane
Depolo, Dominick, Jr.
Donohue, Edwin Allen
Dotto, Kenneth Michael
Dumais, Gary Wayne
Eckstein, Michael David
Elster, Robert Eric
Escamilla, Joel
Faherty, Stephen Allen
Ferda, Robert
Finke, Ronnie Lee
Flor, William John
Fogelsonger, Jack Leonard
Foster, Jerry Allen
Gammill, George Davis
Gentry, Murray, Jr.
Gerlach, Herman
Gibson, Kenneth Dwight

Gibson, Robert William, Jr.
Glover, Wayne Paul
Gordon, Charles Vance, Jr.
Grimes, Thomas Abner
Grout, Edward Joseph, Jr.
Hand, Brian Chandler
Hanrahan, James Edward
Hargraves, David Thomas
Harrington, Gary Robert
Helm, Wade Raymond
Henrich, William Roger
Hermann, Dean Alfred
Hilderbrand, Richard Lance
Hill, James Edward
Hilton, Clifford Hodgson
Hoffman, Oscar Talmage
Hosszu, Joseph Lewis
Hughes, Roger Dale
Hummel, James Robert
Humphrey, Charles Robert
Irving, John
Jackson, Robert Waldo
Jamison, Hubert Milton
Janoski, Thomas James
Jay, George Walter
Jemionek, John Felix
Johnson, John Lawrence, Jr.
Johnson, Wesley James
Kayler, Robert Samuel
Kelley, David Bruce
Kelly, John Price
Kieschnick, Travis Lloyd
Knight, Paul Leroy
Kolesar, Joseph Thomas
Kretchmer, Robert Stanford
Lamar, Steven Richard
Leadbeater, Warrell Filmer
Lissner, Christopher Roland
Lobaugh, Larry Gene
Logan, Robert Stanley
Longacre, Don Thomas
Macys, David Allen
Makris, Kenneth Anthony
Malone, John Joseph
Marolf, Walter Keithley
McBride, Joseph Edward
McKenzie, Darrel Dean
Meegan, James Michael
Mendenhall, Karl George
Miller, David Albert
Mitchell, Michael Lenard
Mitchell, Troy Gene
Monaghan, William Patrick
Montgomery, John Edward
Moody, Johnny Murrell
Morrison, Tommy Ross
Morton, David Earl
Mueller, Eric John, II
Mullin, Jack Aldin
Mullen, Frank Arthur, Jr.
Oals, Wendell, Marion, Jr.
O'Donnell Brian Michael
O'Grady, Terence Charles
Ollenburg, Walter Albert
Otterman, Glenn Ewing, Jr.
Parkansky, Ralph Elmer
Pavlik, Robert Emil
Perryman, Roy Eldred
Peterman, Eugene Arthur
Peterson, Franz Richard
Petroski, Joseph William
Phillips, Harold Edward
Pointer, Charles Hannon, IV
Power, Danny Edwin
Powers, James Michael
Prodanovich, Milo J.
Reichman, David Alan
Reinhart, David Francis
Renfro, Mary Ann
Renner, Vernon Manderfeld
Ridgeway, Robert Kirk
Rinard, Lanny Arnold
Roach, William Lawrence, Jr.
Roman, Michael John
Rosen, Howard Stephen
Ryan, Alan Burns
Saleker, Albert Dale
Scaramozzino, James Anthony
Schlagel, Charles John
Schoeneck, Harry Joseph, Jr.
Schweinfurth, Karl Edwin
Seales, David Martin
Sefranek, George Andrew
Seible, Lawrence George
Sengbusch, Craig Howard
Smith, James Thomas
Smith, Richard Lee
Snook, Darrell Fred
Speir, Herbert Allison, III
Spillane, Dennis
Storment, John Herman
Strnad, William Raymond
Suttle, Douglas
Swales, George Aloysius
Terry, Lynn Marion
Timm, Stephen Alan
Tingley, Terry Jay
Turocy, Regis Harry
Upton, Billy Gene
Von Stuck, Murlowe Leon
Watson, Spann Marlowe
Wayland, Marshall William, Jr.
Weathersby, Paul Kirby
West, Joseph John
Williams, Ralph Thomas
Wolf, Richard
Wood, Charles Michael
Yacovissi, Robert
Zeman, Gary H.

NURSE CORPS

Ahrens, William David
Allen, Jean Marie George
Ames, Ervin Lyle
Anderson, Sandra Varano
Applegate, Yseldah Hall
Bailey, Donna Lancaster
Barlow, Judy Lynn
Beduhn, Michele Ann
Beeby, Barbara Jean
Benway, Michael William
Bessent, William Moses
Biffar, Irene Marie
Bingham, Marilyn Kay
Bloodworth, Maritha Ophelia
Bohn, James David
Bonta, Catherine Mary
Boyle, Mary Elizabeth
Breeding, Patricia Ann
Brown, Donald William
Brown, Paul Peyton
Burns, Jesse Paul, Jr.
Caffrey, Gloria Jean
Caffrey, John Francis
Campbell, David Allen
Carlton, Carolyn Zak
Carter, Eileen
Caton, Mary Louise Dolan
Cole, Stephanie Ann
Cox, Robert Leroy, Jr.
Craft, Donna Leigh
Cronin, Mary Ann
Daniels, Donna Ann
David, Lucy Mendoza
Davidson, William Murray, IV
Delowrey, Blanche Skelley
Depoix, Suzanne Gabrielle
Deprima, Alicia Gail
Devney, Anne Marie
Dinubila, Jacqueline Louise
Doyle, Wanda
Dretsch, Margaret Flanagan
Duddles, Diane Lynn
Dunn, Richard Allen
Edgar, Marilyn Anne
Edwards, Joann Ellen
Elliott, Iris Ann
Emanuel, Anne Marie
Evans, Carole Chick
Fay, Doris Annie
Ferguson, Raymond Austin
Feris, Michael Leeroy
Field, Marion Griffith, Jr.
Figgins, David Earl
Foley, Barbara Ann
Foore, Karen Irene
Fosson, Donald Eugene
Gardner, Mary Anne
Garrison, Richard Allen
Gotch, Sandra Anne
Grant, Kristina Meservey
Gray, Pamela
Gustin, Wendy Wilson
Guy, Bruce David
Haenfler, Duane Rodney
Hayes, Linda Ann
Head, Walter Weller, Jr.
Hobbs, Linda High
Hohon, Henry Pete
Honeywell, Joseph Leroy
Houser, Mary Louise
Hultsch, Maureen Cecilia
Hyatt, Carol Susan
Johnson, Donna Lerch
Johnson, Elaine Charlotte
Johnson, Joe Hormon
Jones, Donna Marie
Joswig, Mary Elizabeth
Jung, James Wyland
Kelly, Harriet Perry
Kout, Kathryn Kelly
Labelle, Carson Verne
Laberis, Arthur Henry
Lahren, Kathy Sue
Lanterman, Gail Ann
Laursen, Lawrence Edwin
Law, Easty Ann
Lee, Ronald L.
Lefort, David Michael
Leppanen, Margaret
Loftus, Margaret Mary
Loveridge, Lois Elaine
Mallen, Anne Elizabeth
Malloy, Suzanne Elizabeth
Marsh, Sharon Jane
Matula, David Louis
McBurney, Richard Ellwood
McClurg, Rita Phyllis
McKinzie, Dorothy Ann
McMillin, John Marshall
McPherson, Robert Carter
Minzes, David Herman
Mitchell, Henry, Jr.
Moore, Louise Fontaine
Morris, Louise Margaret
Moses, Melanie Lorena
Mullinix, Margaret Berg
Murray, Judith Lyn
Muse, Thomas Michael
Neirynck, William Edward
Norrick, Albert Joseph
Norton, Suzanne Marie
Oberbeck, Jacqueline Finney
Olin, Patricia Lee Campbell
Parrotte, David Frank
Peck, Edith Dayle
Penick, June Grace
Perry, Eleanor Elsie
Peske, Lorelei Sue
Petersen, Patricia Lynn
Peterson, Richard Edward
Pickens, Connie Lynn
Poland, Edith Aletta
Probst, Louise Ahroon
Protsman, Nancy Lee
Puchle, Eugene William
Ramsey, Barbara Lynn
Rapp, Patricia Ann
Reed, Claire Rita
Reiter, Larry Leon
Rice, Edward Vincent
Richardson, James Leroy
Roberts, James Wylie
Rossi, Maria Victoria
Roy, Terry Dale
Rucker, Meriel Traylor
Sant, Jeanne Paulette
Scarborough, Claudette
Scheve, Lawrence Gale
Schwichtenberg, Janet Lynn
Scollins, Catherine E.
Sharpe, Jacqueline Elaine
Sheehan, Ellen Renee

Sherman, Deborah Jean
Smith, Marcia
Smuda, Susan Gloria King
Snyder, Gilbert Charles
Soppe, Wilfred Edward, Jr.
Spillane, Susan Jane
Spraggins, Gerald Gene
Squires, Jerry John
Strickland, Margaret Allan
Taylor, Ruth Ann
Thomason, Janice Klaiber
Thorgerson, Kathleen Mary
Thorr, Faye Ann
Truhe, Jean Anne
Trump, Patricia Ann
Tynan, James Francis, Jr.
Vickers, Joyce Marilyn
Wallace, Blair Harrison
Warren, Carolyn Sue
Wells, Earma Jean
Williams, Edward Irwin
Wood, Charlene
Zettler, Marcella Rose

CONFIRMATIONS

Executive nominations confirmed by the Senate May 13, 1977:

DEPARTMENT OF JUSTICE

Anthony G. Dirienzo, Jr., of Connecticut, to be U.S. marshall for the District of Connecticut for the term of four years.

ASIAN DEVELOPMENT BANK

Lester E. Edmond, of Florida, to be United States Director of the Asian Development Bank, with the rank of Ambassador.

INTER-AMERICAN DEVELOPMENT BANK

Ralph Anthony Dungan, of New Jersey, to be Executive Director of the Inter-American Development Bank for a term of three years.

Eugene Jay Finkel, of the District of Columbia, to be Alterenate Executive Director of the Inter-American Development Bank.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

"STAFF" AFFECTION: THE IN-HOUSE BROADCAST LOBBY

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. ANDERSON of Illinois. Mr. Speaker, I would like to call the attention of my colleagues to the recent issue of "Staff," a "congressional staff journal as a process for communication" which is "published for the Congress by the House Select Committee on Congressional Operations." The journal is free to all House staff and Members, but it is costing the taxpayers $1.50 a copy or $9,000 for a monthly run of 6,000 issues, or $108,000 annually—and that is out of GPO's budget and not the $628,000 annual budget of the select committee. That comes to about $600 a page for the recent 15-page issue, if you count the three blank pages at the end.

Compare that, if you will, to the $322 a page it costs to publish the CONGRESSIONAL RECORD, and you begin to wonder if there might be a cheaper way to let staff know: how the Senate system of committees and subcommittees compares with the old, three pages; that there is a new subway station being built on the House side of the Capitol, two pages; how to care for and feed summer interns, one page; that select committee personnel can write cutsie book reviews, two pages; that some congressional offices are combining their constituent service efforts, two pages; or when the Memorial Day recess begins and ends in the House and Senate, what exhibits are running, and who the members of the Select Committee on Congressional Operations are, one-half page.

But what really attracted my attention in this Staff journal was the one and one-half page lead article entitled, "TV Coverage of House Chamber Appears to Have a Real Future." This review of the current 90-day broadcast test of House floor proceedings being conducted by the Select Committee on Congressional Operations would seem to have some real communication value for staff since, according to a Staff survey of Rayburn offices, one out of every 10 offices is not even aware of the broadcast tests, let alone that they can hookup with the master antenna to receive closed-circuit coverage of House debates.

Mr. Speaker, I do not object to the select committee blowing its own horn a little and informing staff on how the broadcast system works and who is using it. I do object to the fact that smack-dab in the middle of this article is a five-paragraph editorial touting the superiority of the House broadcast system over network coverage.

It seems some astute Staff TV critic watched the President's energy address to Congress simultaneously on the closed circuit and network channels, and observed that networks "used a variety of camera angles," "roamed over the Chamber, frequently leaving the President to pick up reaction shots from the audience on the floor and in the galleries," and in general, were guilty of taking "the more journalistic approach favored by the industry" for the sake of—God forbid—making "coverage of the House more interesting."

The superior House system, on the other hand, presented only "the single head-on picture," and only pulled back for "wide-angle views of the President's arrival and departure." By the same token, during House floor coverage, the in-House, remote controlled, black-and-white "security" cameras "focus exclusively on Members actively participating in debates," the cameras being "synchronized with the House sound system and the appropriate camera is determined by the microphone into which a Member is speaking." Let us hope a security alarm does not go off if two Members should speak simultaneously into different microphones.

Why is this in-House system superior to the "journalistic" approach taken by "the industry"? Because, in the words of the Staff critic, the emphasis in the House system is "on obtaining a complete, uninterrupted record of the official proceedings," and "proponents of the House system argue that excessive panning detracts from audience understanding of a debate."

This argument, of course, makes two assumptions which I would take issue with: first, that the networks are guilty of "excessive panning" to the point of distraction and detraction from the words of the speaker; and secondly, that a "head-on picture" of the person speaking is an accurate record of the proceedings. I would submit that, for the most part, the networks have been prudently selective and brief with their reaction shots, and moreover, that these are ever as much a part of the overall proceedings as the person speaking. Is the House in debate simply one person speaking at a time, as if he were only addressing the TV audience, or is it also the reactions and interactions of Members to the words being spoken? It seems to me that the most accurate picture of the Committee of the Whole at work should be just that—a picture of the whole or individual reactors from time to time, and not just of the principal actor at the live mike.

Mr. Speaker, I rate these issues as a member of the Rules Committee's Ad Hoc Subcommittee on Broadcasting in the last Congress. Our subcommittee studied the various broadcast options, a House system, a public broadcast system, and a network pool system, and concluded that the network pool arrangement would not only be less expensive to the taxpayer, but would have more journalistic integrity and public credibility. The Joint Committee on Congressional Operations, now the House Select Committee on Congressional Operations, came down on the side of a House operated system, at least during the initial closed circuit and public broadcast test of such coverage. The Speaker has chosen the House system for the duration of the 90-day test this spring. The main concern I have expressed this year about the in-house test is what I have perceived as the priority attention being given to the broadcast system as a self-service rather than as a public service.

The Staff article only confirms my apprehensions. While the headline trumpets the "real future" of House Chamber TV coverage, the lead paragraph notes that, "increasing *in-house* use of the broadcasts and experimentation with advanced equipment suggests there may be a long-term future for the project" (emphasis mine). Whether you interpret the long-term future to be for in-house use or the House system, no mention is made of public access to coverage.

Indeed, the public is not even mentioned until the end of the article—and then only by inference—as one of the six factors which the Speaker wants to evaluate in the test: "the suitability for broadcast purposes of the quality of picture obtainable from such equipment." Here I assume what is intended is public broadcast purposes. And yet nowhere in this midterm review of the test is there any indication that commercial broadcasters have been brought in to determine whether the pictures are suitable for their purposes. All we are told is that "several of the most advanced color mini-cameras were tested in the House Chamber during the Easter district work period, with generally favorable results." Generally favorable to whom? It must be asked whether we are limiting our future options by essentially confining the test to black and white security cameras. Why should not higher quality color cameras be used while the House is in session and evaluated for public broadcast suitability?

Mr. Speaker, from all appearances, these issues have not been confronted during the current test, nor are they addressed in the Staff article. Instead, we are being fed a high-powered lobby job for an in-house broadcast system through the slick and costly pages of this Staff journal. My objection to this self-promotional use of taxpayers funds for a "journal" of dubious value to anyone is exceeded only by my objection to the way in which the broadcast test is being handled primarily in the self-interest of the House instead of in the public interest. And the public interest in this case is in having full access to broadcast coverage of our proceedings through commercial and public broadcast stations and networks.

I would hope that during the final month of this broadcast test a determined effort will be made by the select committee to consult with commercial broadcasters about their minimum needs and standards in producing a quality broadcast picture which they can use for public broadcast purposes, and that there will be greater experimentation with the type of quality color cameras that will meet these needs.

JIMMY WHAT?

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. DERWINSKI. Mr. Speaker, Alex R. Seith, a respected observer of the international scene, also has keen insight into domestic and current events.

In his column of May 8, appearing in the Suburbanite Economist of suburban Cook County, Ill., Mr. Seith comments on the public assessment of President Carter's record in office.

The article follows:

JIMMY WHAT?

(By Alex R. Seith)

"Jimmy Carter will give liberals almost everything they want—except money." That was my view of candidate Carter a full year ago, about the time when his primary victories pointed to certain nomination and probable election. Then, people had mostly stopped asking "Jimmy Who?" and began asking "What does Carter stand for?"

Then and now, my view was unchanged: In social action issues, like E.R.A., job equality and right of privacy, Carter would win plaudits from traditional liberals. But on money matters he would be more conservative than believed by either liberals or conservatives.

At the end of his first 100 days in the White House—the arbitrary deadline for a President's first report card—this year-old assessment of Carter is widely shared.

Listen to Joseph L. Rauh, Jr., activist Washington lawyer whose middle name is almost synonymous with traditional liberalism: "The Carter administration could turn out to be the first conservative Democratic administration of this century."

Ruefully agreeing is Walter W. Heller, chairman of President John F. Kennedy's Council of Economic Advisors. "I kept telling people in the fall," said Heller, "this guy is more conservative than you think. What I didn't know was that he was more conservative than I thought."

As Heller implies, last fall Carter was widely seen as predominantly liberal, but is currently seen as substantially more conservative than previously believed. To mark the first 100 days, The New York Times and CBS News conducted a nationwide poll to compare current opinions of Carter with opinions expressed in September.

People were asked to rate themselves as liberal, moderate or conservative and to rate Carter by their own standards. Across the board, each of these groups rate President Carter as more conservative than candidate Carter. In September Carter's ranking among self-described liberals was: liberal 37 per cent; moderate 33 per cent and conservative 17 per cent. Now, liberals told the Times-CBS surveyers, Carter's liberal rating has fallen from 37 to 29 while his moderate rating rose from 33 to 39 and his conservative moved up from 17 to 26. Likewise, among self-described conservatives Carter's liberal rating dropped from 37 to 22 while his conservative rating jumped from 22 to 39. Among moderates, Carter's liberal score declined 13 points while his moderate mark rose 18 points, from 35 to 53.

Admittedly, these political rankings are tricky. Chicago Tribune Washington correspondent Bill Newkirk noted that "putting a label on Carter's agenda is difficult. Carter's advisers do not even agree. Budget Director Bert Lance calls it fiscally conservative. Domestic Adviser Stuart Eizenstat calls it moderate. Others call it either liberal or populist in tone."

Despite the difficulty in labeling Carter, Lisa Meyers of the Chicago Sun-Times Washington bureau vividly explained why Carter's liberal rating has dropped while his conservative rating has risen.

"They said he was a fiscal conservative," wrote Meyers. "It was rumored he was so thrifty he used tennis balls until the fuzz wore off. But few, including his most ardent supporters, expected President Carter to be as tight-fisted as he has turned out to be."

So far, Carter's fiscal conservatism—in such decisions as seeking a lower minimum wage than requested by George Meany and in fighting inflation more ardently than unemployment—has borne out part of my prediction. Yet he has kept promises to liberals by pardoning Vietnam war draft evaders, intervening in state legislatures to urge passage of E.R.A., ordering a disclosure of the C.I.A.'s budget, permitting former F.B.I. agents to be prosecuted for illegal wiretapping and criticizing foreign governments which curtail human rights

While not a Georgia intimate of Carter, to me this Presidential pattern seemed predictable a year ago because of two aspects of Carter's upbringing: His personal encounters with racial inequality and his hard life in scratching for money.

On Jan. 26, just before starting his Vice Presidential tour of Europe and Japan, Fritz Mondale joked about conservative doubts about Carter. "Some people tell me," Mondale quipped, "that they would have voted for Jimmy, if only they had known he was going to send me abroad within a week after taking office." Three months later, a lot more people are thinking about how they would have voted, if only they had known Carter would give liberals almost everything they want—except money.

THE TALMUDICAL ACADEMY OF BALTIMORE

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. LONG of Maryland. Mr. Speaker, this Sunday, May 15, I shall be participating in a joyous occasion, the 60th anniversary banquet of the Talmudical Academy of Baltimore. This distinguished elementary and secondary school has been created and nourished by the Jewish community of the Baltimore area to teach Jewish culture and ethics to each succeeding generation, assuring that a tradition that is as old as the Book of Deuteronomy will continue.

Jewish culture places special emphasis on tradition. We read of this duty in Isaiah. "And My words, which I have put in Thy mouth, shall not depart out of Thy mouth, nor out of the mouth of Thy seed, nor out of the mouth of Thy seed's seed, saith the Lord, from henceforth and for ever." The Talmudical Academy and its sister schools assure that the Bible, the Talmud, the codes of law, and the rabbinic literature will survive for generations to come.

The Talmudical Academy was founded in 1917 by Rabbi A. N. Schwartz, and teaches both Hebrew and English. In the first years, the students were, for the most part, children of immigrants. Many had to work to help support their families upon leaving the Talmudical Academy and were unable to go on to advanced education. As economic pressure on the community eased, most of the graduates began to attend colleges or rabbinical schools, testifying to the excellence of the academy. The current President, Dr. Lawrence Katz, assistant dean of the University of Maryland Law School, and the executive vice president, Rabbi Albert Pattashnick, have faithfully carried on this tradition of excellence.

The Talmudical Academy has given us secular and religious leaders such as Rabbi Israel Miller, vice president of Yeshiva University in New York and former chairman of the Conference of Presidents of Major American Jewish Organizations, and the late Dr. Joseph Schwartz, son of the founder and graduate, who was the national executive vice president of Israel bonds. The Talmudical Academy can be proud of the accomplishments of these leaders to whom it gave early training and inspiration.

THE F-16, A "FALCON" WITHOUT EQUAL

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. DORNAN. Mr. Speaker, last week I had the opportunity to inspect at the Edwards Air Force Base Test Facility the new F-16, a remarkable fighter aircraft designed and built by General Dynamics Corp. to fill the critical free world requirement for a lightweight, high speed, low altitude dog-fighter to compliment the excellent high altitude air superiority fighter, the F-16 Eagle.

The Air Force concept of a "high-low mix" represents the most effective combination of quality and quantity required to meet current and projected threats. The F-16 air combat fighter—ACF—is a vital factor in this force structure concept. The F-16 combines advanced technology and low cost, both acquisition and life cycle, to produce a superb multi-mission aircraft capable of backing up the F-15 in the air-to-air role and supplementing the A-10, F-4, and F-111 in the air-to-surface role. This will provide battle theater commanders with reflexibility to react to changing tactical situations and make optimum use of air power. Because of its low cost, the F-16 can also be procured in sufficient quantities to offset Soviet numerical superiority in tactical fighters as well as permitting modernization of Air National Guard and Air Force Reserve forces, which now operate far below the standards of Iran, for example. To be operated by at least four NATO nations, the F-16 is a significant step forward in terms of NATO standardization and will allow ideas such as use of common depots and joint operating bases to become realities. The four NATO Countries are Belgium, Denmark. The Netherlands and Norway. The F-16's introduction into the fighter inventories of these nations will have a lasting impact on solidarity of the North Atlantic Alliance and its defense and fighting capability.

At the high end of the "high-low mix," the F-15 "Eagle" offers combat capabilities unmatched by any fighter in the world. With its high speed and long-range radar, it is the only U.S. aircraft capable of meeting the Soviet high-altitude, high-airspeed threat. While the F-16 does not have the larger radar search area and the beyond-visual-range missile capability of the F-15, it does possess a clear-air, close-in maneuvering capability that is virtually equal to its big brother. The F-16's persistence, the ability to remain engaged in combat longer than the enemy, will greatly enhance combat employment. In addition, its small size and low-smoke engine will all contribute to the F-16's ability to complement the F-15 in the air-to-air "dogfighting" role.

Results of the last Arab-Israeli conflict highlighted the requirement for a highly maneuverable and versatile fighter such as the F-16. To overcome the air defense umbrella of a modern army, the F-16 will use a pod capable of countering both missile and anti-aircraft threats. This pod is reprogramable as well as integrated with internal aircraft detection systems and can be adapted to meet new threats as they are encountered. The F-16 will be compatable with the latest in laser and electro-optical weapons to provide maximum effectiveness with minimum exposure. This is a key factor in blunting and stopping mobile armored forces. Rapid turnaround for maximum sortie rate has been a design consideration since its inception. In the air-to-air environment, technology advances such as a "snap-shoot" gunsight and the latest in heat-seeking missiles will provide more victories per mission.

The F-16 is a vital element of our free world defense posture. I support the F-16 program currently proposed by the U.S. Air Force and strongly urge my colleagues to do the same.

I might add that I personally would like to see General Dynamics and the Air Force name this sleek, amazingly effective fighter the "Falcon." The falcon is the symbol of the U.S. Air Force Academy where we train tomorrow's air leaders and begin them on the long road to piloting this shield of liberty. What a great team for American and NATO airpower: The "Eagle," F-15, and the "Falcon," F-16. If we have them, we will probably never have to use them in anger.

Thank you, Mr. Chairman.

EXPLANATION OF VOTE ON EXPORT-IMPORT BANK ACT AMENDMENTS

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. BINGHAM. Mr. Speaker, on May 3, 1977, I voted "nay" on House rollcall No. 182, a motion to suspend the rules and pass H.R. 6415, a bill to extend and amend the Export-Import Bank Act of 1945.

Mr. Speaker, my negative vote on final passage of this legislation was purely procedural and does not reflect my views on the substance of H.R. 6415. On the contrary, I support the programs carried out by the Export-Import Bank, the extension of those programs, and the procedures and standards with respect to nonproliferation and human rights for Export-Import Bank financed projects set forth in H.R. 6415.

I objected, however, to the fact that this legislation was brought to the floor under "suspension of the rules"—a procedure which precludes amendments. At least one significant amendment had been proposed to this legislation, and full notice given to the Members of the House concerning this amendment. I refer to an amendment proposed by my friend and colleague from New York, Mr. BADILLO.

Mr. Speaker, I did not favor the Badillo amendment, and would have voted against it had it been offered. But I believe it was a significant amendment which deserved the consideration and attention of the House. My vote against passage of H.R. 6415 reflected my dissatisfaction with the procedure under which the bill was considered which made it impossible for this amendment to be debated.

SOCIAL SECURITY TAXES

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. PICKLE. Mr. Speaker, the President has come forward with a very innovative approach to the funding crisis which the social security program is now facing. Certainly his program is fraught with controversy and will have to be examined very closely by the Ways and Means Committee.

I am enclosing an article from the New York Times which raises a very serious issue that the administration plan enlarges: the cost of State and local governments and nonprofit institutions.

Last session, the Congress forced the municipalities to provide unemployment insurance for their employees. Similarly, in the administration proposal to remove the cap on the wage base for employers, universities, city, county, and State governments will have to pay the tax for the total salary. These additional funds must come from increased taxes. So, I would hope that we tread carefully in this area to make certain that we do not wind up in the same boat that unemployment compensation has put the cities: They have to lay off employees to be able to pay into their unemployment fund. This brings into focus also the question whether all employees—Federal included—should be covered.

There are other serious problems raised by the proposal, particularly taking funds from the General Treasury, and removing the limits on the employer wage base, but I wanted to point out the special problem which nonprofit groups face.

The article follows:

[From the New York Times, May 12, 1977]

CARTER'S PROPOSAL TO RAISE SOCIAL SECURITY TAXES COULD PUT A STRAIN ON STATE AND LOCAL GOVERNMENTS

(By Edward Cowan)

WASHINGTON, May 11.—If enacted by Congress, President Carter's proposal to increase Social Security taxes paid by employers could cause new fiscal stress for state and local governments, including New York City.

States, counties, cities and towns might have to choose between withdrawing from the Social Security System and finding additional tax revenues to pay their share of the higher Social Security payroll tax on employers, according to Social Security officials.

Some 10 million state and local government employees now participate.

Plainly worried that a rash of withdrawals by states and subdivisions would aggravate the system's financing problems, officials contended that "one way or another, they're going to have to pay higher retirement costs" because of inflation, either under the Carter proposals or under a more conventional ap-

proach that would raise payroll taxes for employers and workers equally.

The officials also contended that no town, state, county or school district could buy for its employees comparable retirement, survivor and disability benefits from a private underwriter at lower cost than from the Government. In any event, there will be a squeeze, it was said.

As one official put it, "The private employers can pay it out of taxes or pass it on to the consumer in prices. In the case of state and local entities, there isn't any consumer to pass it on to except the taxpayer."

Nonprofit organizations such as the Salvation Army would also be squeezed.

In March 1976, New York City gave the required two years' notice that it would withdraw its 400,000 employees. The city and the workers together paid $516 million in payroll taxes in 1975. That notice was regarded by many persons as a ploy to put pressure on municipal unions in contract negotiations.

Without conceding that in so many words, a spokesman for John C. Burton, the Deputy Mayor for Finance, said today that preliminary indications of a study of withdrawal showed "it would be more costly for the city to withdraw."

CITY WILL LIKELY STAY

"So the high probability is that we will stay in the system," he said.

Or, as one city official who requested anonymity put it, "We're not going to irritate the unions by pulling out."

Federal analysts said that many state and local pension systems were financed on a combined basis with Social Security. Requiring more in Federal payments would tend to drain contributions away from the local system, officials said. One obvious conflict could be demands by city managers for bigger employee contributions to the local system and counterproposals by municipal unions that the city raise the money.

As part of a package of measures that he said would eliminate the growing deficits in the Social Security System—the excess of benefit payments over payroll tax revenues—President Carter asked Congress Monday to require employers, but not employees, to make payroll tax payments on the full compensation of all employees.

Since enactment of the Social Security Act in 1935, the practice has been to collect equal levies from covered workers and their employers. The tax was imposed on wages up to a specified level, this year $16,500. The combined tax rate is 11.7 percent, divided equally.

Eliminating that ceiling in stages for employers would cost them an extra $30 billion in 1979–82, including $11.4 billion in 1982 alone, according to the White House. Social Security officials said that they were unable to estimate for the moment how much of that extra $30 billion would come from state and local governments. No mention of this problem was made at Monday's White House briefing.

However, the chief actuary of the Social Security System, A. Haeworth Robertson, has said that state and local governments accounted for 10.5 percent of 1975 revenues. Using that as a first approximation, officials said that the four-year cost to state and local governments could be $3 billion, or perhaps a bit less because of the higher executive salaries in private industries.

For the last 15 years or so, there has been a creeping trend toward withdrawal from the system. Between 1959 and 1976, withdrawals covered 52,200 employees of 372 state and local units.

In addition, 325 public employes filed notices of termination to take effect through 1978 and cover 505,700 employees. However, officials said that some had changed their minds and canceled their notices, for example Baltimore and San Diego County, and that Alaska gave every indication that it was going to cancel.

In addition, new political units have joined the system each year. Social Security data show that the number of additional employees exceeded those dropping out in each year of the period 1973–76.

Whether employees must vote on withdrawal depends on state law, not Federal. Federal law permits cancellation of a two-year withdrawal notice up to the last day. But once it takes effect, the unit cannot elect to rejoin.

By law, no employee loses whatever retirement and survivors rights he has earned by past contributions. "You lose nothing you have on the record," a spokesman said. However, because the law reads differently for disability benefits, that eligibility would expire five years after withdrawal, the spokesman said.

CONCORDE

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. ROSENTHAL. Mr. Speaker, I am deeply upset, as are the residents of Queens, about yesterday's court decision to permit Concorde supersonic transport service at John F. Kennedy International Airport.

Concorde is as welcome in New York as a horde of locusts, and it is potentially more destructive.

We are not jealous that the British and French have a supersonic transport and the United States does not. That is a specious argument I thought we laid to rest years ago. The 92d Congress, of which I was a Member, took the decisive step of removing the U.S. Government and the American people from the supersonic aircraft business. The Congress said a resounding "No" to the SST because it was and still is economically unsound, unbearably noisy and potentially threatening to the ecology of our atmosphere.

The SST will serve a privileged, wealthy few at the cost of the welfare of the many. So that select members of the international jet travel set may have the luxury and convenience of supersonic travel, the rest of us, primarily those of us who live in Queens, are being asked to surrender to the ear-shattering noise and ecological dangers posed by this new toy in the sky.

Concorde salesmen have painted a picture of New York losing commerce and prestige if it rejects Concorde. Trade supposedly will be encouraged by the 2- or 3-hour cut in travel time, and our role as America's No. 1 gateway preserved. That is a false and distorted portrayal. It is not New York that needs Concorde, but Concorde that needs New York.

This airplane threatens the domestic tranquility that we hold so dear. It raises an already debilitating noise level to an intolerable stage. The rights of hundreds of thousands of New Yorkers surely must outweigh the convenience of a few hundred wealthy Concorde passengers.

Aircraft noise is not only annoying but it also threatens the physical health of persons on the ground as well as their psychological and social balance. It interferes with sleep, speech, listening to the radio and television, communicating, reading, and so many of our other daily functions. It depreciates the market value of residential property and disrupts schools and businesses in its path.

I am not at all certain the Concorde's sponsors, particularly the British, are as pleased as they appear to be about getting landing rights at Kennedy. They surely recognize that their airplane is a flying white elephant that is a financial failure of the first magnitude. There simply have not been enough orders from airlines to buy the plane and sustain its cost. Virtually every flight loses money. It was designed primarily for the world's busiest and most lucrative long-distance route, New York to London/Paris. Design and weight problems, however, have forced the airlines to cut back the number of revenue-producing seats. On one recent flight passengers were forced to leave their baggage in Europe so there would be enough room for them and the fuel necessary to get them to the United States because of headwinds aloft.

The plane is not just uneconomical, but also an enormous financial drain on Great Britain, which can ill afford such a luxury. But that country is locked into coproduction of the Concorde with France as part of the price of entry into the European Common Market. Britain has on several occasions reportedly tried to drop Concorde, but the French, who see their national pride at stake, have forced them to stay in.

The British and French have poured more than $3 billion into the project, and New York landing rights are their last hope. But it may already be too late. Present plans call for building only 16 planes by the end of next year; 2 of these are for testing, the British and French state-owned airlines have purchased 9 and 5 are unsold. They must sell several hundred to break even, but the best they have been able to do so far is get some unenthusiastic options to buy from China and Iran.

The evidence appears strong that Concorde will fail regardless of whether it gets New York landing rights. Should they ultimately be denied access to Kennedy Airport, the plane's sponsors may seek to portray our city as the scapegoat to justify scrapping their airplane. That would be unfair and unfortunate, but I for one would rather see New York be their scapegoat than their guinea pig.

REGULATORS A PROBLEM

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues the excellent editorial from the Goleta Today entitled:

"Regulators a Problem":

REGULATORS A PROBLEM

In the crazy energy picture which now confronts the country, most Americans wonder what it will mean to them as individuals.

Will there be enough gasoline for the family car and enough natural gas to heat our homes?

Right now the pressure is on the gasoline guzzlers. In the total picture, though, automobiles use only about 18 per cent of our total energy. Less than 20 per cent is used in our homes and commercial establishments.

So where does the lion's share of energy go?

To electric generation and to big industry, more than 55 per cent of the total energy used.

Today, too much of the nation's natural gas and oil go into the production of electricity. It used to be that coal was the main source for producing the power that lights our homes, turns our electric motors and lights our streets.

But coal use has gone down in recent years, largely because of federal regulations.

Environmental standards have made it harder and harder both to mine coal and to burn it.

So the trend has been toward burning oil, which our cars need, and natural gas, which our homes need.

This country has enough coal to last 300 years. Now all we need is to find a way to dig it and to burn it.

Of course, to do this some way must be found first to deal with the regulators.

And these guys are just a couple of blocks away from both Congress and the President.

So once again we have the all too often problem. Both the cause and the so-called solutions are side by side in Washington, D.C.

Now if they'd just get together, all of us would be better off.

EDUCATION OF THE HANDICAPPED ACT

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. GOLDWATER. Mr. Speaker, unfortunately, during consideration of H.R. 6692, a bill to "extend certain programs under the Education of the Handicapped Act," I was unavoidably absent. I was in my congressional district preparing to conduct a series of "Town Hall" meetings, and it was my understanding that the bill would come up at a later date.

As someone who has long been interested in programs for the deaf and involved with the program for deaf students at California State University—Northridge, CSUN—since I first entered Congress in 1969, I am pleased that my colleagues in the House passed legislation that will have a positive impact on their program.

Hearing-impaired persons in the United States should have equal opportunities, and freedom to choose from a variety of programs, curriculums, and institutions. The program at CSUN is unique in that it offers an integrated educational experience for the hearing-impaired. Hearing and nonhearing students work, study, and share the same dormitories. As a matter of fact, an increasing number of nonhearing students are taking sign language courses.

I am a proud and ardent supporter of the CSUN program, having personally visited its Center on Deafness and met the students and staff. It is an excellent program. Most hearing-impaired individuals want no special considerations once they enter the mainstream of our society. The CSUN program is helping them achieve practical experience in an environment that will not isolate them from hearing persons once they leave the academic community. Section 625A of this bill will be especially beneficial and I commend my colleagues, Mr. BRADEMAS and Mr. QUIE, for their leadership and support in promoting this section of the bill.

CONFERENCE ON THE LEGISLATIVE PRIORITIES OF THE NEW YORK HISPANIC COMMUNITY: III

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. BADILLO. Mr. Speaker, I am pleased to include in today's RECORD the very noteworthy report of the Economic Development Task Force at the recently held Conference on the Problems of the Puerto Rican and Hispanic Community in the New York metropolitan area. The task force, under the able leadership of Ray Norat, commissioner of the New York State Department of Economic Development, very explicitly outlines the problems of getting the Hispanic community into the financial mainstream of the country, and suggests concrete and far-reaching solutions for doing this.

I commend this thoughtful and important paper to each of my colleagues who is interested not only in Hispanic economic development, but in the whole problem of incorporating every citizen into the economic life of our country:

ECONOMIC DEVELOPMENT—MEETING THE NEEDS AND ASPIRATIONS OF THE HISPANIC BUSINESS COMMUNITY IN THE NORTHEAST: A PLAN FOR ACTION

"Nothing makes it harder to provide decent health, housing and education for our people, protect our environment, or realize our goal of a balanced budget, than a stagnant economy.

"As soon as I was elected, the leaders of the Congress and my advisors began to work with me to develop a proposal for economic recovery. *We were guided by the principle that everyone who is able to work ought to work; that our economic strength is based on a healthy, productive private business sector; that we must provide the greatest help to those with the greatest need; and that there must be a predictable and steady growth in our economy.*" (Emphasis added.) From President Jimmy Carter's Televised Speech to the American People, Wednesday, February 2, 1977.

FOREWORD

President Carter has strongly stated his intention to revitalize our economy, and in so doing has raised the hopes and expectations of the Northeast's Hispanic community, which has suffered so terribly in the recent recession.

It is important to emphasize, however, the need to pay special care and attention to the unique conditions, both strengths and weaknesses, assets and liabilities, existing in our communities when designing and implementing any particular economic development for this area. In the past, we all too often accepted the promise of programs launched at national and local levels on face value, without contributing to their formulation. When these initiatives failed to meet our specific needs or advance our aspirations, we found ourselves in the awkward position of being held accountable for a project designed to fail because certain input was not included.

The question of why special consideration would be given to specific regions of our nation, or particular ethnic, racial or social groups, arises with increasing frequency. We are, after all, as stated so succinctly in the Pledge of Allegiance, "one nation, indivisible." But this seeming discrepancy fades when considering the various regions—industrial, agricultural, mountain, plain and coastal—with their differing economies, demographic statistics and cultural distinctions.

We are one people, composed of many peoples with dissimilar social, ethnic and cultural backgrounds, assimilated to a conglomerate body politic. We are one economy, with wide disparities in income distribution and degree of participation within our free enterprise system.

Therefore, it is imperative our national leadership establishes a basic philosophical stance as the guiding principle for the plans and activities meant to deal with the inequities and impediments presently evident in our political and economic system regarding the Northeastern Hispanic business community. This philosophy should be firmly based upon, and incorporate, the following considerations to sustain and justify the economic development effort needed to evoke position change within the Northeastern United States Hispanic business community:

1. *The Moral Imperative:* Our national leadership must fully accept and implement a conscious policy of assisting the less advantaged people of the United States as a fair and just action. Furthermore, there must be proper insurance that this feeling is filtered down to the political leadership and decision makers at the local level.

2. *Economic Imperative:* It must be fully recognized that it is within the enlightened self-interest of the nation to raise the level of economic activity throughout the Northeast, now suffering from an acute case of economic erosion, and that the Hispanic community in this area, being most affected merits extraordinary considerations.

3. *Structural Imperative:* Economic restructuring is inevitable; it is important to be committed to positive change, and to retain a sense of commitment to an ongoing dialogue between the Northeastern Hispanic business community and the Carter administration.

4. *Strategic Imperative:* The proper programmatic action, to effectively tackle problems and impediments which create instability and failure among our existing and emerging Hispanic business community, must be established.

By acting in accordance with the principles described above, and giving proper consideration to the recommendations to be included in this paper, we can move to bring the Hispanic business community in the Northeastern United States to its proper participatory place within the American economic, political and social system.

PART I—INTRODUCTION OVERVIEW OF THE HISPANIC COMMUNITY IN THE NORTHEAST REGION OF THE UNITED STATES

Introduction—Overview of the Hispanic Community in the Northeast Region of the United States

Demographic and Cultural Factors: The Hispanic Community in the Northeast numbers more than three million persons. Puerto Ricans represent the largest single group (almost 70%), but we must highlight the fact that the Hispanic Community in this region is comprised of people from many

Spanish-speaking countries. The balance of the Hispanic Community in this area is made up of people from the Dominican Republic (approximately 300,000); Cubans (250,000); Colombians (75,000); Ecuadorians (65,000); Spaniards (45,000); Peruvians (30,000); and smaller numbers of Mexican-Americans, Panamanians, Argentineans, Chileans, Salvadoreans, Hondurans, Bolivians and others.

The basic differences between them and the White majority community or other ethnic and racial minorities also prevalent in the region (Black Americans, Orientals), outside of racial or cultural considerations, reflect on their length of residence in this country; levels of education; understanding and awareness of our political structure and institutions, and financial resources at their disposal.

Language, cultural background and racial characteristics, frame of references and attitudes also serve to distinguish between them and the community at large.

Opportunities for employment, advancement and business ownership are seriously reduced by these differences.

Cultural patterns have kept many women in the Hispanic Community from the business world, despite the fact that large numbers of them head households or contribute to the support of their families or themselves. Most significantly, because of obstacles and handicaps, the Spanish-speaking community is extremely low on the economic scale, and the average family income falls largely in the poor or "near poor" category.

Negative Factors Affecting Hispanic Community: The Hispanic Community in the U.S. holds today, and for many years has held, the dubious distinction of holding the next to highest unemployment rate in the nation. Only the American Indians show higher rates of unemployment. Youth unemployment in Hispanic neighborhoods like East Harlem (El Barrio) and the South Bronx has been registered to exceed 60% for youth 16 and over not attending school and looking for employment.

Hispanics also occupy the worst housing, living in the most dilapidated and neglected areas of the urban centers and towns in which they have settled in the Northeast. Every winter, fires take an awesome toll in Hispanic ghetto areas in New York City, Chicago, Boston, etc., where people huddle in ice-cold apartments and furnished rooms. Their pitiful attempts to warm up their frigid quarters with whatever means they have at their disposal have led to flaming disaster and tragedy for many. Mono-lingual programming in schools, training programs and qualifying workshops exclude the Puerto Rican and other Spanish-speaking because of language differences. Language and cultural differences restrict access, acceptance and advancement in education, employment and markets.

Furthermore, blue-collar jobs are also disappearing at alarming rates. New York City has been losing blue-collar jobs at the rate of 20,000-plus a year in the late Sixties, to 7,000-plus a year in the 1972–1975 period. Puerto Rico expects to lose 70,000 blue-collar (or low industrial jobs) by 1985, and gain 90,000 technical, professional and managerial opportunities by the same year.

Those Hispanics in the labor force lucky enough to have regular jobs usually hold low-paying positions with little or no room for advancement. And even these lucky ones are threatened with potential unemployment due to the continuous reductions of these jobs as a result of increasing automation. Many have suffered temporary layoffs, and even permanent separation, due to the cumulative effects of the energy crisis. Additional jobs have been lost due to companies going out of business because they cannot deal competitively with the rising tide of foreign competition. Others have suffered the consequences of the relocation of their companies to the Southern states, where a more suitable business climate has emerged, and a variety of incentives are being offered to out-of-state firms to establish their facilities there.

The Hispanic Community has also been more severely affected than the population at large by the budgetary cuts in social programs, health services and education which have been instituted by the financially hard pressed states and localities through the Northeast. New programs, tailored to meet special needs such as bilingual education, have been severely impaired. The abuses in medicaid/medicare and nursing home operations have led to further victimization of the innocent, the poor, the sick and the impaired.

The cumulative effects of all these adverse factors, both chronic and current, maintain the Hispanic Community in the Northeast in a permanent state of depression even more severe than the distress felt by the whole nation during the hard times of the 1930's.

Positive Factors: In presenting an overview of the Northeast Hispanic community, it behooves us to give prime consideration to the various adverse factors affecting our well-being.

But we would be selling ourselves short if we do not address ourselves with equal candor to presenting the positive factors which represent the strength, vitality and tenacity of our people. These individual and collective traits provide the base for the uplifting and eventual prosperity of our community.

Among these positive factors we find that strong family relationships, traditional in our culture, respresent the bedrock of strength and unity among us. Hispanics are used to sharing limited resources of the immediate family, relatives and close friends.

Our people also hold a strong sense of personal dignity and individual worth. These traits, to a degree, explain the higher than average propensity to enter into business whenever groups of Hispanics establish themselves in the U.S.

This entrepreneurial spirit among us is what we consider to be our most valuable national resource, the most crucial element in our favor for the advancement of our community into the mainstream of the American social economic system.

The typical Hispanic family is young, with a median age of 20.7 years, as compared to 28.6 years for the U.S. family. Its median income in 1975 came to $9,600, as compared to $8,779 for the Black family and $13,700 for the U.S. family.

The Hispanic Community in the Northeast represents a sizeable market for goods and services. Its 3 million-plus population in the Northeast enjoys a purchasing power of approximately $4.5 billions. It is also significant to point out that purchasing habits among Hispanics is 10% above those of the U.S. family.

Characteristics of the Hispanic Businesses in the Region: Most Puerto Rican and Hispanic community members from the Caribbean, Central and South America who are adults over thirty years of age are products of the tropical agricultural economy in Puerto Rico and Spanish-speaking countries before the 1950–1960 industrialization period. In 1950, the average annual per capita income in Puerto Rico was $279. The tremendous amount of unemployment, or employment in farm or low-occupational fields, negated any opportunity for most Puerto Ricans or Spanish-speaking to acquire sophisticated business skills, or to gather experience and exposure in modern business systems or practices. Educational opportunities on the Island of Puerto Rico, as in other Spanish-speaking lands, were unavailable or directed to rural needs. Training opportunities were also in short supply or limited in skill development.

With industrialization, the situation improved, and educational systems responded to the more sophisticated needs of industry in professional, technical and managerial areas. Those closer to twenty years of age may have been benefitted from higher levels of education and training, on home grounds or in the Continental United States; but business-oriented skills levels are still unfortunately far below those acquired by the majority community members.

This background of poverty and poor training has not prepared sufficient Spanish-speaking people for business careers. A great many, however, enter business, and many succeed. Many also fail. Even those who succeed can only reach slightly-elevated levels of attainment, since expanded businesses call for more sophisticated business skills than most currently enjoy. The important fact is that there are thousands of successful (by basic definition) businessmen and women in cities and towns across the country, but these Hispanic business people cannot advance without outside assistance.

The best available estimates show that there are approximately 30,000 Hispanic-owned businesses in the Northeast region, as follows:

State	Hispanic Businesses
New York	20,000
Connecticut	2,500
New Jersey	4,000
Pennsylvania	2,000
Massachusetts	1,500
Total—Five-State Area	30,000

In New York City alone, there are 16–18,000 Hispanic businesses, predominantly small retail outlets.

Over 50% of the total Hispanic businesses in the region are bodegas (grocery stores), and approximately 80% of the total are retail outlets grossing less than $100,000 a year.

Consider the unusual handicaps under which the Hispanic businessmen and women must operate:

Poor business skills, business training, business knowledge and understanding of modern business practices and systems;

Language-communication differences, untranslated skills;

Overdependency on cash payment for supplies and services, with little or no access to credit or financing;

Insufficient sales volume to establish real buying power;

Overpayment for supplies, services, equipment and poor delivery, poor quality installations, fixtures and facilities;

Dependency on limited sources of supply and services, controlled by often exploitative majority-owned businesses;

Discrimination in markets and marketplaces, inadequate security, fire protection, safety guards, insurance coverage;

High operating costs stemming from small purchases, dead inventory, poor management, overcharging the supplier, misuse of labor and low productivity (obsolete equipment);

Business interruption and disturbance through mechanical breakdown from older, poorly installed facilities;

Underfinanced, understaffed, underqualified labor;

Dilapidated facilities, inefficient equipment, poor display, poor work flow and materials flow;

Unavailability of emergency services, service contracts warranties and guarantees, often withheld;

High densities of similar operations in local market—overcompetition, overlapping of merchandise lines, dilution of local markets;

Markets disturbed by demolition, construction, abandonment, fire, crime and vandalism;

Inability to rent facilities in prime market areas, forcing them to operate on spotty heterogeneous business streets, in low-income areas;

Not represented by local trade associations or organizations;

High crime deters night business and interferes with business operations during daytime;

Competition from well-financed and established majority-owned businesses of size;

Little utilization of legal representation to protect business rights and interests;

Poor bookkeeping and accounting systems, no knowledge of cost analysis or actual costs, late payment of bills;

And many other operational shortcomings.

Perhaps the most critical obstacle is working capital and investment funds for expansion. The gaps between the receipt of inventories and sales or, in the case of suppliers or manufacturers, the gap between delivery to customers and receipts of payment, dry up available working capital and handicap seasonal purchasing, operational needs, or the meeting of delivery deadlines. Without credit or access to financing or factoring, expansion is a compounding of business problems. Expansion means greater debt, greater risk and greater chance of failure.

Without access to financing or credit, the Hispanic businessman or woman cannot expand into efficient and more profitable vertical or horizontal expansion, cannot centralize operations and standardize packaging, procedures and products, cannot benefit from tax benefits and advantages, and cannot produce or sell goods or services at competitive prices. It resolves itself into a case of small businessmen serving very limited markets, buying and selling between small buyers and small suppliers—a separate operating business system, far below and apart from the mainstream of economic activity in the nation.

Yet, the power is there. Thousands of Hispanic business buyers and suppliers are there. Billions of dollars circulate through this separate economy. Opportunities abound.

To even sell or service the larger markets, the Hispanic businessman needs larger facilities and production, more working capital and investment capital, more relevant training programs and more effective technical and managerial assistance than has been offered so far to them for existing programs.

PART II—GETTING HISPANICS INTO THE INDUSTRIAL, COMMERCIAL, AND FINANCIAL MAINSTREAM OF THE NATION

Getting Hispanics into the industrial, commercial and financial mainstream of the Nation

In Part I we presented an incomplete, but substantial, inventory of the numerous problems facing the Hispanic business community in the Northeast. In this section, we will present a series of recommendations for the type of action required to do away with obstacles to growth and prosperity hampering our business community. Our recommendations fall under two distinct categories, namely:

1. Those programs and activities needed to strengthen and stimulate growth among the already existing Hispanic business.

2. The steps necessary to bring about a favorable environment for increasing numbers of Hispanics entering the business world, particularly in those business areas unavailable to them up to now.

Business Education for the Hispanic Entrepreneur of the Northeast: As a general rule, Hispanics, unlike other ethnic groups, are not being prepared in adequate numbers to be entrepreneurs or managers. A principal reason, among others, is that the existing educational system has consistently oriented the Hispanic toward the semi-skilled job market with little encouragement and preparation for a student toward going to college. When a student does plan to enter college, it is with the intention of seeking a career in the human services of the public sector. He or she then becomes a role model for the next generation. This process results in an inconsequential number of Hispanics attending business schools. Without financial resources to develop one's business know-how, and without the role model to emulate, the only way business can become a viable option to a substantial number of Hispanics is through access of formal learning institutions, proper guidance and the necessary financial and other incentives to exploit these opportunities.

A. *Recommended Steps to Increase Hispanic Enrollment in Business Schools:* The Federal Office of Education should embark on a program of creating greater educational opportunities for the Hispanic to enter college and seek business careers by:

Fostering and supporting the development of our own post-secondary bilingual programs and institutions. (This can be accomplished by a mandate in the policy guidelines of the Developing Institutions Act, the Fund for the Development of Secondary Education Program Act and the use of Discretionary funds.)

Granting an incentive award of $500.00 to every accredited institution for every Hispanic student graduated with a business degree. (A similar grant should be made to those institutions whose Hispanic enrollment is at least 10%.)

Creating meaningful scholarship programs for students interested in a business career.

Subsidizing up to 50% of salary for a stipulated period positions in private industry that provide experience plus upward mobility to Hispanic graduates from business schools.

To minimize the financial barriers to higher education, Congress should:

1. Appropriate full funding for State Student incentive matching grants.

2. Provide full funding for the Basic Education Opportunity Grant (BEDG) Program in fiscal year 1978, increasing the maximum award consistent with recent increases in student expenses and raising the ceiling on awards to actual cost, at least for lower division students.

B. *Latino Business Institute:* The Department of Commerce, under its Interagency Council of Minority Business Enterprise has developed a Special Implementation Committee to establish education and training incentives throughout various federal agencies via the Federal Interagency Committee on Education. This group should give immediate consideration and provide Federal funding for the establishment of a Latino Business Institute that would encompass features and programs similar to those that form part of similar facilities at Howard University, Tuskegee College, Atlanta University, etc.

The objectives and services of such an educational institution would be to:

Provide ongoing information to potential and existing Hispanic entrepreneurs of available business education resources;

Offer specialized counselling services on financial assistance, preparatory courses and specialized business courses for the Hispanic businessman and woman and potential college-level students;

Serve as a liaison with leading business colleges and graduate institutions in the New York City area to insure access of Hispanic businessmen/women and students;

Develop a Hispanic Business Internship Program for Hispanic students with leading corporations and other private sector institutions as part of a credit earning work-study program;

Co-sponsor business seminars and conferences with leading corporate and academic institutions on new methods of accounting, management and marketing which are adaptable to the needs of the Hispanic businessman/woman and students;

Develop a Latino Business Studies Center, a division of the Latino Business Institute conducting studies of economic and business ventures, new business techniques applicable to Latino businesses, and national and international markets for the Latino businessman and woman. Studies would be the basis of graduate level dissertations with leading business colleges and graduate centers.

Initiate a Business Career Institute with the collaboration of New York City business firms on a yearly basis as a means of preparing future entrepreneurs to enter the ranks of industry and corporate life. The range of services would include: résumé preparation, interviewing skills, industry-wide information on corporate positions available, job referral services and a six-month followup.

To insure the proper planning and development of a Latino Business Institute, the following federal resources and support are recommended:

1. That the Secretary of Commerce, Dr. Juanita Kreps, be authorized to empower the Federal Interagency Committee on Education to provide planning and development monies to establish the Hispanic Business Institute for the New York City and Northeast Region.

2. Under the Commissioner of Education, (HEW), the Bureau of Post-Secondary Education as well as the Bureau of Occupational and Adult Education and the Office of Post-Secondary Education Programs (Office of Planning) coordinate efforts for the planning and support of programs and services developed by the Latino Business Institute.

3. Under the Director of the National Institute of Education, the Education and Work Division be authorized to commission studies of relevant Business Development Career Education materials at the post-secondary levels for implementation by the Latino Business Institute.

4. That the Fund for the Improvement of Post-Secondary Education, under the Assistant Secretary of Education, in conjunction with the Federal Interagency Committee on Education collaborate to provide necessary support monies for the establishment of support services and planning for the Latino Business Institute.

5. That HEW and the Office of Minority Business Enterprise (OMBE) as well as the Small Business Administration support and provide business curriculum assistance to the efforts of the Latino Business Institute.

6. That the Offices of the Small Business Administration be called upon to provide and co-sponsor business conferences and contacts with leading business institutions, chambers of commerce, and trade and professional associations within the Northeast area in collaboration with the Latino Business Institute.

7. That the "Small Business Institute" program of the Small Business Administration be utilized to support the consultation of the leading New York and Northeast regional business schools in the planning and development of curricula and seminars.

8. While generally emphasizing skills training and employment, the Department of Labor has resources for training potential minority entrepreneurs in various new and growth service industries such as automotive repairs and business ownership. The Department of Labor should "set aside" $100,000 for entrepreneurial training of potential Hispanic businessmen and women in the Northeast Region.

9. In Fiscal Year 1974 the Department of Agriculture provided more than $4.9 million

for education and training as part of the technical assistance activities of the USDA Extension Service. Training of employees of Hispanic food enterprises by production specialists, marketing experts and other business leaders is offered. This USDA Extension Service program should be applied to assist Hispanic businessmen and women in the Northeast region under the auspices of the Latino Business Institute.

10. As of Fiscal Year 1973 some $10 million has been expended by EPA to provide access for minority entrepreneurs in the research, development, education-training and procurement of EPA related activities. EPA has just recently developed a new business opportunity program providing training in any new field developed by the EPA and its related activities. Such activities should be coordinated with the Latino Business Institute to assure Hispanic involvement.

11. The GSA provides minority business owners in eleven major cities with a full range of government contracting opportunities. Yearly seminars plus media campaigns are provided. Such support should be coordinated with the Latino Business Institute of New York.

12. With the advent of Secretary Patricia Roberts Harris, and the possibility of low income housing being renewed, a program for minority contractors should be revived. Such a program should provide for training as well as contracting with Hispanic minority firms of the New York and Northeast region. In fiscal year 1974 some $43 million were expended for training and contracting in Model Cities areas.

13. The transportation field offers numerous opportunities for minority business in the field of transportation construction, maintenance and improvements. Likewise, the field of aviation and airport maintenance as well as the new Westway Highway Act in New York City should provide minority contractors with renewed opportunities in the contracting and subcontracting field to make sure that Hispanics are well represented in the affirmative action effort of these agencies, a direct link should be established between them and the Latino Business Institute.

Participation in the free enterprise system as the owner or part owner of a business is a complex learned response. Most Hispanics in the United States have not had the opportunity to develop a commercial viewpoint and outlook as part of their educational experience. This has seriously hampered the entry of Hispanics into both the business community, and the mainstream of American culture.

Education is the only means of bringing in to the Hispanic awareness the great potential for upward mobility the business world offers. This education must not limit itself to classroom situations, but should cover work/study programs as well as adult education, both in English (so as to improve the language skills so crucial to conducting a successful enterprise in the United States) and in Spanish so as to facilitate learning by those enterpreneurs having Spanish as a first language.

Until educational opportunities of the Hispanic community are enlarged in regard to business operation, little can be expected in getting Hispanics into the mainstream of our industrial life.

Managerial and Technical Assistance for the Northwest Hispanic: During the last two decades, while business activity as a whole has continued to grow, the small business sector has barely managed to hold its own. Higher operations costs have plagued it due to inflationary forces, and high unemployment and cut-backs in social programs have led to stagnation and even reduction in the purchasing power of the lower and middle income groups.

There has also been a trend toward business consolidation and bigness in business operations. The shipping center, the discount store, the retail chain and franchise networks have cornered the markets. In manufacturing and the service industries there has also been a decided trend toward bigness. The end results of these developments has been a reduction of opportunities for entry by Hispanic entrepreneurs into the business sector. But all has not been bleak for the aspiring entrepreneur. During recent years we have seen the establishment and increase of programs geared specifically to assist members of minority groups to enter the business world. These programs also offer assistance to those already in business on how to better operate their enterprise by offering managerial, technical and financial assistance to them. There has also been a liberalization of terms by the SBA and financial institutions.

This effort toward expanded ownership and assistance to survive have left their mark on the national economy, as can be determined from the statistics offered by the U.S. Department of Commerce, OMBE, the SBA and minority businessmen associations. Hispanics have substantially benefitted from these efforts, but their gains have not been commensurate with those made by other ethnic or racial groups nationally. Neither have these gains made by Hispanics been proportional to their geographic distribution. Minority enterprise gains in the Southeast, Midwest, Southwest and Western part of the nation have been more impressive than those attained in the Northeast and Mid-Atlantic States.

Nor have the gains made by Hispanics been equitably distributed among the various national origin groups that compose the total Hispanic Community. Cubans and Mexican-Americans throughout the nation, as well as regionally, have fared much better than Puerto Ricans and other Hispanics. A good reason for these lopsided results can be attributed to the long-established and growing discrepancy in funding allocations made by Federal agencies to sustain the management and technical assistance and entrepreneurial development programs. Parity has not been a major consideration in the distribution of these funds. Even among those funds earmarked for Hispanic business development, just like in the case of Bilingual Education, the lion's share has been siphoned off to other areas outside the Northeast, to the detriment of the Hispanics residing in this region.

We therefore recommend that:

1. President Carter form an interagency committee composed of (but not limited to) the Secretary of Commerce, Secretary of HUD, the SBA Administration, the Director of OMBE, and the Director of the Community Services Administration to present to the President within a six-month period a plan for a comprehensive, coordinated effort to increase the effectiveness of the economic development effort within the Northeast Hispanic Community.

This Interagency Committee should be complemented by the creation, by executive order, of a Northeast Hispanic Economic Development task force to serve as the connecting link to the community for the Interagency Committee and to provide advice, counsel and policy direction to the Committee's staff in their research and framing of recommendations.

2. The national OMBE office should be requested by the Secretary of Commerce to bring forth, within 60 days, a schedule by implementing a more even spread of the resources of that agency allocated to sustain managerial, technical and financial assistance efforts with the ultimate goal to achieve as soon as possible more involvement in the program by Hispanics in the Northeast. This would entail strengthening the existing Puerto Rican and other Hispanic organizations providing services to businessmen in the region and funding additional consulting groups and service facilities in areas not now covered by the OMBE client service network, particularly in locations in the Northeast with sizeable members of Hispanic residents.

3. That OMBE develop and further strengthen its field capabilities to provide ongoing technical assistance to those organizations it has contracted with to provide services to Hispanic entrepreneurs. Very often these organizations, particularly when receiving funds for the first time from OMBE, are not bureaucratic and accountability requirements of that agency. This has created strained relationships between the funding agency and the contract recipient and, in some instances, contract cancellations for reasons that could have been prevented or corrected in time.

4. OMBE should not permit the encroachment by other OMBE-funded organizations in the service area of Hispanic organizations. In some instances, OMBE has permitted or even encouraged more experienced "outsiders" to bid for contracts in areas where a Hispanic group is attempting to develop an effective service program. If such agancies are to be allowed to come in, it should be to provide technical and managerial back-up or specialized services to the local organizations, and thus enhance their efforts, not to prevent its emergence by bidding against them while they are still developing their capacity.

5. Federal OMBE should also make sure that Hispanic business service organizations in the Northeast are linked programmatically to other agencies providing management and technical assistance to minority entrepreneurs as part of their affirmative action efforts. Among these are: Department of Transportation (Federal Railroad Administration); UMTA (Federal Highway Administration); HUD; SBA; CSA; etc.

Creating a basis for a more meaningful Hispanic involvement in the business sector

Our nation's rate of growth and economic accomplishments places us at the vanguard of the world's developed nations. Even though today we are still suffering from the lingering effects of recent recessions and chronic stagflation, * * *

This standing, however, represents an overall average, and thus distorts reality. There are far too many members of minority groups at the lower scale of the nation's economy. At most, we have hardly managed to get a foothold at the lowest rung of the nation's economy structure. There is a dire need for an economic Headstart program which would assure the most capable in the minority communities that they have an open road to move ahead in today's highly sophisticated, capital intensive, technological society. The time is ripe for this type of special effort, since a unique set of circumstances is forcing the nation's leadership to take a hard look at the direction the nation is heading. The energy shortage; the urban crisis; and environmental concerns provide the basis for a new set of national goals and economic endeavors.

We therefore stand at the threshold of a new era. The Hispanic community of the Northeast wants in now, in order not to be relegated to settle for leftover opportunities. Hispanics can enter into new developing industries at the embryonic stage and grow to maximum potential if the proper climate is

set, and whenever necessary, enabling legislation is passed.

Solar energy.—Until recently, energy from conventional fossil fuel sources has been so plentiful and reasonably priced that our society oriented itself around the availability of inexpensive fuel, not only in terms of transportation, but of industry and, indeed, in almost every facet of our lives. * * * The resulting economic crunch has been felt in the Hispanic community more than anywhere else in the United States.

Federal involvement in solar energy exploration and investigation has never been as great as it is today. Overall administration of energy research programs undertaken by the Federal Government rests with the Energy Research and Development Administration (ERDA) but it is only one example of the national interest in the development of solar energy. All interest and exploration, however, is being geared towards the benefit of middle and upper income society and big industry. Very little attention has been directed towards the people needing energy innovation most, minority and lower income neighborhoods. A redirection should be undertaken and solar energy's research and development should be utilized for the lower income community.

Hispanics must be directly and immediately involved in situations where they will not be the last to come in but rather the pioneers for the future. The development of Solar energy presents an excellent opportunity for growth and could very well be one of the last frontiers available to Hispanics. Clearly, it is time to get Hispanics into an industry early enough to be able to secure the benefits of affluency.

As previously stated, solar energy is no longer experimental, but it is a reality. In the very near future, it will replace other established forms of energy development, however, its exploration and development is not being directed towards the lower income levels of our society. Regulation, therefore, should be enacted to conduct and coordinate all the necessary analyses, studies, research and investigations needed to develop an implementable plan on solar energy immediately applicable to and utilized in the poverty neighborhoods. Planning grants are desperately needed to analyze and consider solutions to the community concerns not addressed by researchers to date.

Lastly, consideration should include the development and implementation of a manpower training program for the low income community to include education in the fields of solar energy installation, repair, maintenance, energy conservation application and insulation, modular construction manufacturing, design and installation, and repair, and training in all the new fields relating to the total solar energy picture.

Also funds should be provided to identify Hispanic entrepreneurs that can expand into or begin to manufacture and develop solar energy units and the related items of insulation and modular construction.

Waste recycling: Our Northeastern, Metropolitan industrial centers are the greatest producers of waste products the world has ever known. It is to the point to consider how this enormous resource can be used to the benefit of the Hispanic entrepreneur.

Recovery of the glass, paper and metal discard of metropolitan users is a relatively simple accomplishment. No highly sophisticated high-cost technology is necessary, no long years in training are required, no large initial outlay of capital is needed to start the business up. What is needed is an eminently practical mental attitude and the learned response of making do with what one has or can find is the virtue of a have-not culture.

As regards the synthesizing of fuel from raw sewerage, a more complex and sophisticated technological framework is necessary, and a more formal understanding of the workings of chemistry and public works is mandatory.

However, the technology of fuel synthesization from raw sewerage is not beyond the reach of such underdeveloped nations as The People's Republic of China, and therefore is surely not beyond the reach of a nation such as ours. The will to succeed is strong within the Hispanic community and all that is necessary is the opportunity, the encouragement, financial aid, and proper attitude in our society.

The Northeast of our country is particularly poor in natural resources, possibly because of nature's seemingly random endowment, surely because this is the oldest intensively inhabited area of the country, and therefore the most exploited: what could have been taken from the area has, for the most part, already been taken. It is natural for us, therefore, to begin to actively recover those resources which would otherwise be lost to us. It is natural, further, that this potential market be exploited by those who have the most to gain, those who have the least at the moment. Hispanics, in all too many of our communities, fall into this category.

The systems for recovery of valuable resources from both our trash and our raw sewerage are already in existence. The urban centers of our nation are the mines for our future, for it is from them our greatest natural resource streams in a wasteful river; that resource is under-privileged youth and ambitious immigrants who long for a chance to make life better for themselves and their families.

Urban renewal: That most of the Hispanics in our country live in areas which are either euphemistically termed either declining or outright slums. There are a thousand reasons why this condition developed and has been allowed to endure. However, they are relevant factors to provide a jumping board to create meaningful, productive opportunities for Hispanic entrepreneurs.

Urban homesteading is another idea whose time has more than come. It does not take high technology, a long and expansive education, or even a large capital outlay to engage in this type of activity. Government is already becoming responsive to the needs of people in this regard, and local groups are beginning to take advantage of the situation. But the tide had not yet begun to turn. This sector needs stimulation, and the Hispanic community has a perfect vantage to take advantage of the situation.

The Security Brokerage Industry: Hispanics have virtually no representation in the Security Brokerage Industry. There are only two black owned firms and these have accounted for very little representation of their ethnic group.

The industry is extremely important in developing equity capital investments, achieving financial sponsorship for existing and new ventures, managing and assisting in the managing of pensions and other vested funds, and the development of mergers and acquisition in which the industry often acts as the deal maker and develops capital sources. This industry is extremely important for minority groups looking to develop the more profitable ventures which in most cases, have a high risk/reward ratio. There are many other benefits derived by having a strong representation in this industry.

The industry is going through a consolidation period and it is likely firms will continue to merge to the point where only the major firms with strong financial structure and a very few financially strong specialty firms will exist. The holding company concept appears to be the trend for this industry. The ideal formation would be a security brokerage company tied in to related synergistic affiliates which are active in other financial industries. A Hispanic holding corporation structured in this manner could benefit not only from its domestic affiliations but from the international relations developed with foreign Hispanic countries. Such a firm could become active as deal maker, underwriter, and investment bankers for these governments and projects which are developed in these countries.

Relationship between such a security brokerage operation, its affiliates and the major financial institutions, namely, the larger banks and insurance companies, would be of utmost importance. In order to achieve this relationship, a security brokerage company must have a strong institutional research department specializing in the insurance and banking fields. It is proposed an industry study and a feasibility report be developed to determine the profit potential and by-products of developing a significant Hispanic representation for this industry. The holding company structure and its potential should be carefully studied to determine the best method of developing this concept.

Developing Increased Involvement of Hispanics in the Insurance Industry: As of today, Hispanics have had very little involvement in the profitable areas of the insurance industry. The insurance industry should be of major interest to Hispanics and other minority groups since it manages, next to the banking industry, the greatest amount of capital funds in the world. From the long term equity capital market, the insurance industry plays a larger role than does any other industry. However, no Hispanic group has made any significant inroads in developing the more profitable lines of this industry.

The industry has always been regarded with a certain mystique, and this may partly explain why Hispanics have been reluctant to attempt major involvement in the industry. The industry is basically broken down into three major groups:

1. The life and health insurance areas;
2. the property and liability insurance industry and
3. the brokerage industry which solicits business for the above two (2) mentioned.

The most lucrative areas of the industry have been those which are involved in the following:

1. The direct writers in the life, health and property and liability insurance area.
2. Companies which specialize in the commercial lines of property and liability insurance.
3. Companies which have a tie in with association groups or similar groups which market their products on a direct basis, eliminating the high sales costs in the life and health insurance industry.
4. Other companies which have unique marketing methods, i.e., Allstate and Colonial Penn group.
5. Companies which are involved in the professional reinsurance industry.
6. Companies which are involved in the spcial insurance international markets.

Presently, the only involvement Hispanic groups have, has been in the brokerage area of personal life insurance (mainly the auto lines). To date, this has been a highly unprofitable area for the insurance companies and, consequently, they have attempted to eliminate or reduce the brokerage commission of these lines. As a result, most brokers dealing with Hispanic groups have found an increased difficulty in obtaining an insur-

ance company to underwrite their clients and a sharp decline in brokerage commission. This has created an extremely difficult climate for the independent broker agent dealing in the minority market with virtually no potential for a profitable growth. It is apparent Hispanic involvement in the insurance industry has not been aggressively directed towards the industry's most profitable area in the industry.

In effort to develop the Hispanic involvement in the lucrative areas of the insurance industry, a thorough analysis of all phases of the industry and the potential for these areas should be undertaken. This analysis should assist in determining the most feasible manner in developing an insurance operation with the greatest profit potential vs. the risk in relation to the capital available for such a venture. Involvement of Hispanic groups at a high professional insurance level, should result in a high degree of influence in assisting Hispanics obtain exposure in the insurance capital market. Furthermore, such exposure will facilitate the development of specialty companies which can cater to Hispanic groups. This area also can be further developed in the international markets particularly, with Spanish speaking countries where Hispanics can develop a good working relationship.

The Import-Export Industry: Hispanics have been involved in the import/export industry for a relatively long time. One industry spokesman estimated over 70% of import/export employees are of Hispanic background. In spite of this however, very few Hispanics have an equity position in any export-import firm. Therefore, it appears the industry is ripe for an equity Hispanic involvement.

The import/export industry is composed of many firms of varying sizes and expertise. Most established firms have a strong working relationship with their clients and, in many cases, have contractual exclusivities on specific products and territories. These firms are financially well structured and thus, have established a high degree of credibility with strong credit lines. In some cases, they have been able to sell products under their own established brand name.

A Hispanic group contemplating involvement in this industry will have numerous obstacles to overcome. The primary one being an image and credibility problem. In addition, the company will have to establish a strong financial structure with good working lines of credit. Finally, once the credibility and financing problems have been considered, the Hispanic company may find major products are tied up by long standing, exclusive working agreements, contracted by established firms.

In spite of the problems a Hispanic minority group would have to overcome, an export-import venture appears significantly promising to warrant further investigation. Areas which should be considered are the following:

1. The development of a working relationship with companies who have no export-import department and do a relatively small amount of export-import business. There are many companies in the 10 million to 100 million sales bracket, doing virtually no export business. This also applies to a lesser degree to foreign companies. These prospects could be sold the idea of developing international business and may be willing to offer an exclusive representation for areas in which they are currently inactive.

2. The development of a trading company to be active in the buying and selling of actual commodities. This company would act more as a deal maker, working closely with major and developing countries in need of trading and negotiating swap transactions.

3. The establishment of mail order or a catalogue marketing operation to sell international products to the consumer market. This company would determine the least expensive world products and attempt to sell to the consumer through a mail order operation.

In addition to the above ventures, there are numerous by-product ventures which can be developed.

A well structured Hispanic export-import trading company should find its ethnic background will facilitate it in developing good relationships with officers and agents of foreign companies and government officials of Spanish speaking countries. A feasibility study should be undertaken to determine the most lucrative areas and the best methods of developing these areas. Such a study should investigate how best to establish strong working relationships with government officials.

Media Ownership by Hispanics: As of June 1975, more than 100 of the 954 television stations in the United States provided some Spanish language programing. The Spanish International Network (Channel 41 in New Jersey) and its almost forty affiliate stations provide Spanish language programing produced in Mexico for syndication through Central and South America including Puerto Rico. More than 200 radio stations broadcast Spanish programing for at least 30 hours per week. The number one New York City radio and TV market has at least two stations with 24 hours and 18 hours of Spanish language programing only.

It is estimated almost 60 radio and television stations are owned or operated by a black majority in America. Although several attempts have been made, up to the present, no Hispanics own or operate broadcast stations. Given size of the Latino market (23 million), its potential buying power ($20 billion plus), and the fact that the distribution of the Northeast region (New York, Chicago, Boston, Washington, D.C. and Puerto Rico) lies within the top ten television, newspaper and SMSA major markets, the following opportunities and recommendations for federal and private sector resources are made:

Financing Hispanic Ownership of Media: Presently, SBA policy specifically disallows any federal loan or loan guarantees for communications ventures. This has prevented most Hispanic organizations with expertise from gaining necessary moneys to venture into this highly lucrative field.

Recommendation: That the House Subcommittee on SBA Oversight and minority enterprise and the Senate Select Small Business Committee, as well as the Senate Banking, Housing, and Urban Affairs Committee support needed legislative changes to allow the Small Business Administration to provide loans and loan guarantees for Hispanics to enter the broadcasting and communications fields as legitimate minority enterprises.

THE EXTRAORDINARY ELEANOR ROOSEVELT

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. WEISS. Mr. Speaker, it is a great privilege for me to support H.R. 5562, a bill creating the Eleanor Roosevelt National Historic Site.

Eleanor Roosevelt was a great woman. Although she now lies at rest in the rose garden of her family home, Val Kill, in Hyde Park, N.Y., her spirit lives on and continues to inspire all Americans.

It is truly fitting that she be honored by the designation of the 175-acre tract, including the Val Kill residence, as the Eleanor Roosevelt National Historic Site.

A devoted wife and First Lady, Eleanor Roosevelt was also an independent, committed woman. She was a public figure in her own right—vigorous, compassionate, dedicated—who demonstrated the equality and emancipation of women throughout her full and active life.

At age 18, she was working in a settlement house in New York City. She was an activist in the League of Women Voters, the Woman's Trade Union League and the Democratic Party during the 1920's. In 1927, she served as vice principal and teacher at the Todhunter School in New York City.

During her years in the White House, Eleanor Roosevelt used her position as First Lady as an opportunity to provide leadership and apply her talents to the issues of her time.

She created many precedents and broke with a number of anachronistic traditions. She wrote her own news column and hosted a radio program. She held weekly press conferences with women reporters from all over the country.

Eleanor Roosevelt spearheaded an era of reform in national policies toward blacks, women, young persons and the poor. She was eloquent in her advocacy of the United Nations, and later stirred the conscience of the Nation and the world in her position as chairwoman of the U.N. Commission on Human Rights.

She continued to play an important, active role in politics and society after the death of her husband. In 1959, she joined with Herbert Lehman and others in forging the reform movement within the Democratic Party in New York.

During these years, I was closely acquainted with this extraordinary woman. In 1961, when I first ran for the New York City Council as a representative of the reform movement, Eleanor Roosevelt endorsed my candidacy and encouraged and guided me in valuable ways.

She was a dynamic worker up until the time of her death, actively involved at grass-roots level in making the Democratic Party a more effective, more representative institution.

Eleanor Roosevelt is truly deserving of a lasting memorial. Her contributions to her country and to the world have endured beyond her own lifetime and will continue to guide future generations.

H.R. 5562 honors Eleanor Roosevelt in a lasting and appropriately constructive way. This bill will insure that the historic site at Val Kill is used by the public for seminars, lectures and studies on the issues with which she was and is still identified.

It is indeed a personal privilege for me to vote in favor of this memorial to Eleanor Roosevelt.

PRESIDENT CARTER VERSUS PARKINSON'S LAW

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. JACOBS. Mr. Speaker, the following is an article by William J. Miller as it appeared in Reader's Digest recently. In connection with which I have introduced today a House concurrent resolution to repeal the Parkinson's Law as it applies to Federal Government activity.

The article follows:

PRESIDENT CARTER VERSUS PARKINSON'S LAW

(By William J. Miller)

In 1956, I had a pleasant dinner with C. Northcote Parkinson, whose remarkable book, *Parkinson's Law*, was soon to set off a great stir. Many admirers regarded the book as simply brilliant satire. But Parkinson himself gravely insisted that his "law" was quite serious, mathematically provable and universally demonstrable. The law, in essence, said that the number of workers in any public bureau will tend to rise, at an annual rate of about 5.75 percent, regardless of the amount of work to be done, or even whether any is done.

Parkinson drew the law from two axioms: (1) "An official wants to multiply subordinates, not rivals"; and (2) "Officials make work for each other." In sum, Civil Servant A, who thinks himself overworked, will not hire one assistant, B, who thus might seem his possible successor, but will, instead, hire two subordinates, C and D, dividing the work into two categories, so that A "will have the merit of being the only man who comprehends them both."

As these individuals make work for each other, C, in turn, will find himself overworked, and will demand and get two assistants of his own. A can then "avert internal friction only by advising the appointment of two more assistants to help D. . . . Seven officials are now doing what one did before. . . . These seven make so much work for each other that all are fully occupied and A is actually working harder than ever."

The memory of that dinner with Parkinson set my neurons firing when I read recently that the size of the Presidential staff was 333 when Lyndon Johnson departed, and 522 by the beginning of Gerald Ford's final year. I fed the figures into one of those electronic aids for mathematical incompetents to see if Parkinson's Law still reigned supreme. Several tries proved that inflation had hit Parkinson's Law, too; while it was still inexorable, its rate of annual increase had risen by about one percent.

The beauty of the law is that it applies whether there is more work to be done, less work or none. For example, LBJ had a lot more things going than Richard Nixon—a full-scale war, a war on poverty, etc. Nixon was chiefly engaged in winding down such of those as he could not let atrophy, while turning over much of the money (and the tasks) to the states and cities. Offhand, this "creative federalism" would seem to require less work and fewer hands. But not so.

All this sets a sharp challenge for President Carter. By Parkinson's Law, inflated, the White House staff should reach 594 by the end of his first year. The President, however, promises a "smaller, tighter" White House staff; he has already made reductions.

He also promises a major reorganization of the gigantic sprawling federal machinery, now such a maze that even its nominal masters find it impenetrable. As President Carter applies his machete to this existing jungle, we wish him well. But even if he can eliminate many of the actual tasks as unnecessary, the very task of elimination may require more bureaucrats than before.

Maybe, just maybe, however, Jimmy Carter can repeal Parkinson's Law. Possibly he will name a new task force, headed by A, to study it. But then, of course, A will have to have C and D to help him, and . . .

SOCIAL SECURITY

HON. BO GINN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. GINN. Mr. Speaker, one of the major problems our country faces today is the rapid depletion of funds for the social security program. Our most urgent need is for the Congress to provide a long-term solution to this problem.

In this regard, the Atlanta Journal recently published an editorial which relates to the efforts of our distinguished colleague, Congressman ELLIOTT LEVITAS, to meet this need. I believe Mr. LEVITAS' program merits our careful attention, and I ask that the editorial concerning his work be reprinted in the RECORD at this point:

SOCIAL SECURITY

With the Social Security system paying out more money than it's taking in, it's elementary that actions must be taken to provide for the deficit.

And President Carter has addressed himself to that problem in a message to Congress. Basically, the president proposes the use of some general tax revenues to offset the deficit plus requiring employers to pay their share on an employe's entire income rather than on a portion of it as is now the rule. The tax rates for self-employed would also increase.

The question that comes to mind is this: Whatever happened to the common sense approach of Rep. Elliott Levitas of Georgia's 4th Congressional District? Levitas looked ahead and saw the financial distress which Social Security was heading toward—and others did so, as well—and he proposed an entire overhaul of the system to bring it into line.

While President Carter is facing unpleasant reality and must move with dispatch to alleviate it now, his proposal is more of the same. The average citizen and the average employer have no say-so as to participation in the Social Security system. They are required to participate. And year after year they are required to ante a steadily increasing Social Security tax.

Congress, incidentally, is immune. It does not participate in Social Security and so the Social Security taxes it keeps increasing do not apply to members of the House and Senate.

Moreover, the proposal regarding employers paying even higher taxes could work a hardship on many of them.

While President Carter's proposal might work as a stopgap measure, it is nothing more than that. It is the sort of thing we've gotten from earlier administrations which proposed increasing both the tax rate and the amount to be taxed.

We need more of a solution than a stopgap proposal. The entire concept must be reviewed and overhauled, as Rep. Levitas has urged his colleagues in the Congress to do. The unpleasant reality which the Carter administration—and the Congress—is being forced to face should lend impetus to consideration of Elliot Levitas' proposal.

THE CARTER AUTO EMISSION SCHEDULE IS TOO MODEST

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. BROWN of California. Mr. Speaker, the reported amendments to the Clean Air Act contain a serious revision of the auto emission control schedule which is in current law. I understand fully that the revision approved by the Interstate and Foreign Commerce Committee is a compromise between existing law and the proposals of the automobile industry for extended delays. As with most compromises, this one satisfies few of the active participants in the auto emission control battle which has been going on for over 10 years.

I wish the committee had taken a stronger position in favor of controlling auto emissions on a more rapid schedule. However, I am grateful that the committee has rejected the position of the auto industry and their partisans. I can assure my colleagues that my constituents share this perspective, as I suspect the majority of the American people do.

A recent editorial on this subject gives another view on this issue, which I wish to share at this time. The editorial follows:

[From the Daily Enterprise, Riverside, Calif., Apr. 29, 1977]

CLOSEST OF CALLS ON CLEAN AIR

There wasn't a vote to spare when the House Commerce Committee sent Detroit's plan for dealing with automobile pollution to its proper resting place.

The automobile industry wanted up to an eight-year stall in the already-delayed Clean Air Act deadlines for reducing the flow of tailpipe pollutants, but when its proposal came up for a committee vote, it went down to defeat on a 21-21 tie. President Carter's proposed amendments to the act, which would countenance a shorter delay, then breezed through the committee, 30–12.

Wednesday's votes mean that the industry finally will have to adhere to someone's clean-up schedule besides its own. But if the defeat of its plan was a significant victory for environmental interests, and for the health of the people who live in polluted air basins, the approval of the President's alternative wasn't necessarily so.

The argument remains valid that the administration could and should have been a lot tougher in its demands on the car makers. Its amendments would require Detroit to develop no new technology in the first year they took effect, work out no new pollution controls, make no advance that hasn't already been made.

California already has automobile pollu-

tion laws on the books that are as strict as those the President proposes for the first year of his plan, and the industry has somehow managed to meet the state standards without suffering any of the dire effects it has been so fond of predicting.

Indeed, the chief sponsor of the President's bill, Florida Democrat Paul Rogers, argues that Detroit already has the technology necessary to meet the contemplated 1985 final pollution standards.

Still, the Commerce Committee vote had been billed as a major showdown between the administration's and the industry's approaches to automobile pollution control, and victory for the car manufacturers would have represented another gutting of the Clean Air Act.

In that sense, the outcome was one of those decisions that staved off something worse, and as such is welcome.

STATEMENT BY GEORGE MEANY

HON. RAYMOND F. LEDERER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. LEDERER. Mr. Speaker, President Carter has sent to Congress an innovative social security financing package—one which promises to restore the financial integrity of the social security system and the confidence of the American people in this vitally important program. In my judgment, the administration is to be commended for its forward-looking proposal.

Already comments from outside interests have begun to be heard. The president of the AFL–CIO, George Meany, for example, has strongly endorsed the President's social security proposals. Mr. Meany's statement put the issue in a nutshell, and in so doing, challenged Congress to take action:

If President Carter's sound recommendations are followed up by responsible and speedy congressional action, we believe workers covered by social security can look forward with confidence to a secure retirement.

Mr. Speaker, I include Mr. Meany's statement be printed at this point in the RECORD:

STATEMENT OF GEORGE MEANY

AFL–CIO President George Meany today made the following comments on Administration proposals to strengthen the financing of the Social Security System:

We support President Carter's recommendation which, if enacted, would put the Social Security program on a sound financial basis now and in the future.

Many people have been disturbed by numerous reports, often distorted and exaggerated, about the alleged financial instability of the Social Security program. Some of our members, active and retired, have expressed their concern to us as to whether the trust funds will be sufficient for their retirement years. If President Carter's sound recommendations are followed up by responsible and speedy Congressional action, we believe workers covered by Social Security can look forward with confidence to a secure retirement.

THE NEED FOR STRONG, CONSISTENT NUCLEAR EXPORT POLICY LEGISLATION

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. BINGHAM. Mr. Speaker, those of us who have applauded the President's decision to refer indefinitely commercialization of plutonium technologies in the United States are anxious to follow up on the President's courageous domestic initiatives by enacting sound, comprehensive nuclear export policy legislation. While the cancellation of the Clinch River Breeder Reactor project is a cornerstone of this policy of restraint at home, we must move quickly to strengthen our nuclear export policies for nuclear supplier and consumer nations abroad.

The President has proposed legislation in this area which has been introduced, by request, as H.R. 6910. A number of my colleagues in the House, including Mr. ZABLOCKI, Mr. FINDLEY, Mr. FRASER, Mr. HAMILTON, Mr. LONG of Maryland, Mr. OTTINGER, Mr. UDALL, and Mr. WHALEN, have joined with me previously to introduce H.R. 4409, a measure with more specific and, in some cases, more stringent export criteria.

While the President's proposed nuclear export policy legislation represents an important first step in the right direction, I am concerned that it does not go far enough in several respects.

But, I am confident that, working together, the Congress and the President can enact sound legislation in this area soon. The House International Relations Committee's subcommittees on International Security and Scientific Affairs and International Economic Policy and Trade will continue joint hearings on nuclear nonproliferation next Thursday, May 19 at 10 a.m. At this time, we will begin considering the two proposals, H.R. 4409 and H.R. 6910 with an eye toward reaching some satisfactory middle ground between the two proposals.

Mr. Speaker, in closing I would like to take note of the thoughtful commentary on this subject offered in this morning's lead editorial from the Washington Post. This editorial notes that the President has "produced some proposed legislation dealing with our own export policy that many people feel is too mild to have much restraining impact on the nuclear activities of our friends" and concludes that "the test of the Carter strategy * * * will be how it uses the time it gets." The complete text of the editorial follows:

THE NEED FOR STRONG CONSISTENT NUCLEAR EXPORT POLICY LEGISLATION

The Carter administration seems to be attempting a very complicated billiard shot in its nuclear nonproliferation policy. The President is simultaneously trying to placate the Europeans and the Japanese and get them to forego the breeder-reactor and plutonium-reprocessing technologies. He is also trying to persuade them not to contract to export these technologies to other countries and—at the same time—trying to assure the would-be importers, mostly Third World countries, that they are not being victimized by a conspiracy of industrialists who want to deny them modern means to advancement.

After some clumsy (and vain) efforts in the first few weeks of the administration to get two notorious export deals turned around—the German sale to Brazil and the French sale to Pakistan of extremely dangerous bomb-prone nuclear plant and technology—the administration seemed to adopt a new strategy. The President announced his own desire to defer, perhaps indefinitely, work in this country on the Clinch River breeder-reactor and the Barnwell reprocessing plant. But he seemed suddenly awash in deference and courtesy and understanding toward those Western European nations and Japan that seemed hell-bent on going forward with the breeder and, much more importantly, with reprocessing plants. He produced some proposed legislation dealing with our own export policy that many people felt was too mild to have much restraining impact on the nuclear activities of our friends. He freed up some stalled shipments of highly enriched uranium for use in foreign-research projects. He was sweet reason itself.

One way to look at all this is to say he simply has sold the pass. Another way is to say that Mr. Carter has finally recognized the fact that both the dangerous civilian technology and nuclear weapons themselves are going inevitably to spread so that trying to stop the spread is pointless and unnecessarily divisive within the alliance. Carter administration people argue that both these assessments are wrong. Rather, they say, the President has recognized, in the words of a White House fact sheet, that "there is no such thing as an effective unilateral nonproliferation policy." For that reason, the argument goes, he does not favor some of the harsher measures currently being proposed. He is asking the Europeans and Japanese for time—time to demonstrate that plutonium reprocessing is economically questionable and time to work out the arrangements for an assured fuel supply and the storage of spent fuel, in ways that would not compromise any nation's independence. He believes, and rightly so, not just that these things are eminently possible but also that there is no practical need or urgency whatever for the Europeans and Japanese to undertake the actual reprocessing of spent fuel for many years to come—if at all.

Did the President make any headway on this goal when he was in Europe? Presumably Mr. Carter wanted more from the conference than a pledge to get together and study the problem. We note with interest that German domestic political opposition to the development of the breeder reactor has compelled Bonn to slow down its research (even as a committee of the House here has gone aganist Mr. Carter's wish and voted to continue the Clinch River breeder project). These backs and forths suggests that no one will know if the Carter approach is working for some considerable time, depending as it does on cooperative arrangements and decisions that can only come out of prolonged negotiations.

The point is this: Cooperativeness, understanding and sweet reason can add up to a very risky strategy. The administration could end up sweet-reasoning the Europeans and the Japanese right into a feeling that it is perfectly okay with us if they pursue the dangerous and ambiguous technologies. The test of the Carter strategy, in other words, will be how it uses the time it gets, how intensely it will go about demonstrating that there are infinitely better alternatives for the Europeans, the Japanese and the rest of the world than those now being pursued.

BROADCASTING AND THE PUBLIC INTEREST

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. KASTEN. Mr. Speaker, earlier this year, I introduced a four-point program containing my recommendations for Government reorganization and reform of the regulatory process.

My concern was prompted by the incredible burden Government has become on our society. Over the past 50 years, we have witnessed the creation of a fourth branch of Government, the bureaucracy, which is neither elected by nor accountable to the people. The American people are fed up with a Government that is ineffective, inefficient, and unresponsive to their needs.

Today, I would like to address the problems one particular segment of our society faces largely because of Government regulations: The broadcast industry. For too many years, broadcasters have been forced to operate under a nonspecific, vacillating license renewal that is characterized by extensive filings and paperwork. All of these regulations are imposed by the Federal Communications Commission.

Broadcast stations operate on the basis of a 3-year license granted by FCC. This maximum term has been in effect since 1927. It was instituted during the early, unproven years of the industry. Many changes have occurred in broadcasting since those early years. It is today a strong, mature industry. To retain the 3-year license requirement places an unnecessary burden on the industry and in the long run, the consuming public.

Legislation to alter this requirement has been before previous Congresses only to be killed in various stages of the legislative process. I hope this will not be the case in the 95th Congress.

EXTEND LICENSE PERIOD

I am today introducing the same bill which I sponsored in the 94th Congress which would extend the license period from 3 to 5 years. My bill would direct the FCC to renew a license, if the licensee has been responsive in his programing to the "problems, needs, and interest" of the service area in which he broadcasts. Additionally, the FCC would be responsible for establishing procedures for the licensee to follow in determining those needs.

At present, a broadcaster is forced to operate his business without any security that his license will be renewed in the future, regardless of the fact that his broadcast operations have served "the public interest." A broadcaster who has made his best effort faces the possibility that his renewal application may be denied and awarded to a competing applicant whose renewal will better serve the needs and demands of the public.

The very great majority of broadcasters retain their licenses. Thus, the FCC and the broadcasters expend a great deal of needless time and energy routinely filing and eventually approving renewal applications of incumbent licensees every 3 years. My bill would lessen the burden on both FCC and the broadcasters by requiring application every 5 years in those cases where FCC deems such action to be in the public interest.

REDUCE PAPERWORK

My bill would also lessen the license renewal burden by directing FCC to reduce the paperwork required in filing renewal applications. At present, the renewal form is eight pages long, requiring answers to 33 questions. Since thousands of licensees file for renewal during a given 3-year period, the paperwork burden on FCC and the broadcaster is extensive.

A simplification of the process works to the advantage of the agency and the industry. The additional time provided would allow broadcasters to do a better job of program planning, staffing, and providing the expensive equipment necessary to operate a broadcast facility. The stability of operation that the longer license term would give the broadcasters would, in turn, greatly benefit the community as a whole.

ANTISIPHONING

Mr. Speaker, I am also introducing a resolution of interest to the broadcasting industry and relevant to the 97 percent of all Americans who have television sets.

Virtually all of our people enjoy the availability of television programing provied by a capable commercial television system through over-the-air reception.

Programs provided in this way are without direct additional cost to the television viewer.

The question of pay TV concerns broadcasters and should concern TV viewers. Pay television may well have the economic potential, even though available only to a small minority, to outbid the free television system for the most attractive sports programs, first-run movies, and other entertainment programs now available to all.

My resolution addresses this "siphoning" problem that could occur when pay television stations outbid the free stations for premium programing.

It encourages the Federal Communications Commission and other appropriate Federal agencies to use their legal authority to insure that the quality and quantity of over-the-air broadcasting service now available to the public are not reduced or impaired by the operations of pay television.

Pay television has a role to play in a pluralistic communications sytem. But it should be complimentary to free television. It should provide increased opportunities for local expression and innovative programing rather than siphon off programs otherwise available over free television stations.

My resolution conveys this spirit by calling for regulation of pay TV in a manner consistent with the establishment and maintenance of over-the-air television broadcast services, available to all persons, including those unable or unwilling to subscribe to pay television.

TIME TO ACT

Mr. Speaker, I believe it is time for Congress to act on both the license renewal extension and the resolution which recognizes the problem of siphoning. While these measures benefit one sector of our society, their enactment can provide better programing services to the public at large.

ELECTION DAY VOTER REGISTRATION

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. SARASIN. Mr. Speaker, both the House Administration Committee and the Senate Rules Committee have reported out bills that would establish election day voter registration plans. I personally have many reservations about this concept which was first announced by the President on March 22.

An article on this subject which I strongly agreed with appeared in the Waterbury Sunday Republican, a major newspaper in my district. The article was all the more noteworthy, because it was written by Thomas J. McLarney. Mr. McLarney recently retired as the Democratic registrar of voters in the city of Waterbury, Conn. He is presently a consultant on election legislation and works closely with the Elections Committee of the General Assembly.

As one of the foremost experts on election laws in Connecticut, Mr. McLarney's advice on election procedures is held in high esteem in the State. Thus, when he writes about the President's proposal, I know that it is a viewpoint tempered by considerable knowledge of and experience in the election process.

Thus, I am submitting Mr. McLarney's article for the benefit of my colleagues and the American people:

LIBERALIZED VOTER PLAN UNREASONABLE

(By Thomas J. McLarney)

"The purpose of government is to do for the people those things which they are unable to do for themselves."—Abraham Lincoln.

This nation has come a long way since 1860, and even a longer way from the political philosophy so well expressed by our 16th President.

At every turn someone wants to extend the services of government, and even a small bureaucracy has nowhere to go except to expand. As a result our taxpayers expend approximately one of every three dollars earned to sustain it. The bureaucratic system generally has small beginnings. It settles in and envelops you before you know it is there. Having arrived disguised as a goodie, it immediately becomes so deep rooted that we can not eliminate what "has always been done that way."

To give an example of a beginning in this direction, on March 31 at the Capitol the Committee on Elections held just one of its many public hearings. It was an ordinary day for ordinary bills. Let me select these: H.B. 5539, An Act concerning Door to Door Voter Registration; H.B. 5540, An Act permitting High School Principals and Vice Principals to

admit Students as Electors; H.B. 8215, An Act concerning the Verification of Voter Identity.

Prior to the hearing, Secretary of the State Gloria Schaffer conducted a press conference endorsing early support of President Carter's proposal for voter registration on Election Day.

(The Committee on Elections has reported unfavorably on these proposals. This committee over the years has maintained a high standard of excellence and has continued to keep Connecticut out in front in the area of good elections legislation. Members of the General Assembly from Waterbury have always played a key role in this leadership. The proposal of President Carter, of course, will be decided by action of the Congress of the United States.)

NOBLE PURPOSES, BUT * * *

Each one of these proposals is indeed noble in purpose. The individuals supporting them, and particularly our secretary of the state, are dedicated to excellence in election procedure. Why then am I in opposition?

I have to go back to Lincoln and declare that our people are able to do all these things for themselves now. They can do them simply, without frills, and at no extra expense. Add some plush to them and you tack on additional expense. It is as simple as that.

For many years in an opening statement to the Elections Committee I have suggested that the committee only approve legislation which demonstrated a compelling need. The election laws in Connecticut are excellent and frequently new legislation has created more problems than it has solved.

The opportunity to register as a voter is omnipresent here. Admission is on a daily basis, and in Waterbury, even on Saturday and Sunday whenever needed. All of our high schools, public and parochial, have their own voting machines and voter education/registration sessions are held whenever desired. We have never known anyone who expressed a wish to register who was not given the opportunity to do so.

AVOID ARM TWISTING

It is true that there are many people here who are not voters. These individuals include those who have expressed disillusionment with the political process, those who have no interest whatsoever, and the few who are unwilling to exert themselves to the effort required. Negative and disappointing as this is, it is nonetheless a choice. When motivation fails, we must respect that choice. We should not resort to arm twisting tactics to play a meaningless numbers game.

The large body of voters are conscientious citizens who have made the effort to register and who have done the things required to protect their right to vote. I do not understand the logic of requiring these citizens of steady habits to underwrite the extra expense of chasing down those who have shown they couldn't care less.

Elections are the most important function of government and every citizen, with no exceptions, has both the right and the responsibility to register and to vote. And we mean full participation in both the nomination and election process.

The President Carter proposal for election day registration precludes all pre-election activity, and does not comport at all with the real meaning of full voter participation. It is only half a loaf, and a stale one at that.

In spite of all the talk of numbers being the essence of voter participation, let us not forget that the act of voting is a mental as well as physical exercise. Consequently, it is only a well informed electorate that really can make the difference. The bottom line for the voter is this—who will spend YOUR money?

Reasonable standards of performance in any area of activity are important. A government willing to lower standards just to make an accommodation, instead of motivating its citizens to move up to them, has lost its ability to inspire and to lead. Mediocrity in high places has set in.

CONTROL FRAUD AND ABUSE IN MEDICARE AND MEDICAID PROGRAMS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. CRANE. Mr. Speaker, just a few weeks ago the Health Subcommittees of the Ways and Means and the Interstate and Foreign Commerce Committees completed subcommittee markup on H.R. 3, a bill to control fraud and abuse in the medicare and medicaid programs.

Because of my concern that the medical records of private care patients be protected from the prying eyes of Federal bureaucrats, I offered an amendment to H.R. 3 prohibiting the acquisition or inspection of these patients' records by any officer, employee, or agent of the United States without the express written consent of these patients. While it can be argued that the Federal Government has a reasonable need to inspect the records of patients whose care is provided or paid for under Federal programs such as medicare and medicaid, there is no justification for violations of privacy against private patients by Government officials.

My amendment was overwhelmingly adopted by the Ways and Means Health Subcommittee on April 6. However, officials at the Department of Health, Education, and Welfare raised a number of objections to my amendment, which was altered by the IFC's subcommittee to meet these objections. Subsequently, the Ways and Means Subcommittee adopted the IFC amendment in order that both committee's versions would agree.

One of the reasons HEW objected to the original language of my amendment, as stated in a letter to me from C. Grant Spaeth, Deputy Assistant Secretary for Legislation (Health)—Designate, was as follows:

Access to medical records, without the consent of the patient, is necessary for several important functions performed by this Department. . . . Federal researchers, side-by-side with their counterparts in universities and private research institutions, need access to such records for the conduct of research on the origin, patterns, and distribution of illness. . . . In other research, by NIH scientists and contractors, the examination of records of large numbers of individuals, who may well not be available to give consent, is an essential tool in discovering relationships between environmental factors and illness, and among illnesses.

Though I seriously questioned the need to conduct such research without obtaining the consent of the patients involved, HEW officials assured the subcommittee, during our markup sessions, that confidentiality of these records was in no way endangered by this research. To cite another passage from Mr. Spaeth's letter:

In these situations, identifiable data is protected carefully, and is not maintained in identifiable form any longer than necessary to conduct the investigation or study. The Privacy Act of 1974 and other legal protections, such as sec. 308(d) of the PHS Act, safeguard such limited data that are in Federal hands, and contractors are subject to contract provisions restricting use and disclosure of identifiable data.

While I was still not satisfied that the records of patients, both public and private, were being properly protected, I was willing to take the word of Mr. Spaeth and other HEW officials to the effect that these precautions were, indeed, being taken.

Today, however, I have found that my original suspicions have been confirmed. An article which appeared in the Washington Star revealed that the New York State Health Department, under a grant from the National Institutes of Health, has been conducting a study of the effects of abortion involving 48,000 women, without their knowledge. The data involved, which identifies the patients by name, was readily available to anyone with access to the Health Department's computer, and had been routinely handled by many personnel outside those conducting the study.

I am appalled that such a research project has been conducted without any concern for the rights to privacy of the patients involved. Whatever my personal beliefs on the morality of abortion, I maintain that women who have undergone this procedure should not be subject to public exposure, because some researchers have found them to be interesting subjects for a study. Furthermore, I cannot help but feel that this massive violation of the confidentiality of medical records is not an isolated case, despite HEW's assurances that privacy is maintained in federally financed research projects.

In light of this article, I feel that is imperative that my amendment to H.R. 3 be adopted in its original language. I intend to make that motion when the full Ways and Means Committee meets to mark up H.R. 3. I urge my colleagues to support me in the passage of this urgently needed provision. It is obvious that we cannot depend on the goodwill of the Federal bureaucrats to provide this protection unless it is written into law.

For the benefit of my colleagues, I include this article in the RECORD:

SUBJECTS UNAWARE, DATA WENT TO UNITED STATES—ABORTION STUDY HIT AS INVASION OF PRIVACY

ALBANY.—The New York State Health Department has been conducting a federally financed study of the effects of abortion involving 48,000 women, without their knowledge, in what two state legislators charge is a "massive invasion of privacy."

Sen. Karen S. Burstein, a Long Island Democrat, and Assemblyman Mark A. Siegel, Democrat of Manhattan, asked the state's health commissioner to halt the study, which is technically legal, until the women involved are notified and give their consent.

To illustrate the possible breach of confidentiality, the legislators held up a Health Department progress report that, to demonstrate the effectiveness of a certain computer program, included a "sample output" with the names of 28 women subjects who

had abortions and were subsequently married.

This report had been filed with the National Institutes of Health, which is financing the three-year, $308,000 study, and under federal law it would be available to anyone who requested it.

"I should not have this information," Burstein said. "This information is not just being kept, but is being disseminated casually, almost randomly."

Dr. Robert P. Whalen, the health commissioner, called the release of the names "inadvertent" and denied any widespread distribution of the names. But he said he would ask the department's Institutional Review Board for the Protection of Human Subjects to consider the matter and "advise me what changes should be made in the project."

The Health Department study is tracking the reproductive lives, marriages and movements of 27,000 women outside New York City who had abortions in 1970–71, the first year abortions became legal in New York State.

It is comparing them with 21,000 women who gave live births the same year, to "quantify the effects of induced abortion on subsequent reproductive functions," according to the state's contract with the National Institutes of Health.

The study would be valuable in providing the first medical information on this subject, Whalen said. It would specifically try to address whether women who have abortions have more problems with future pregnancies and births than women who give live births.

This is determined by matching the names in the original samples with future marriage, birth and death certificates—a process called "record-linkage"—and comparing the two groups. A similar study is under way in Hawaii.

The legislators did not quarrel with the study's value, but they said the Health Department could have gotten more and better information and avoided a possible invasion of privacy by informing the subjects and questioning them more extensively.

"The idea of the study is not patently offensive—it is the idea that it is being done without consent," Siegel said at a news conference.

Whalen said this type of research was not uncommon in cases where the information comes from Department of Health files, and said similar research was being done without the subjects' knowledge on the effects of the chemical, Mirex, and on cancer.

Philip Quickenton, assistant director of the Health Department's Office of Biostatistics, said the names of the women were available to only four persons in his department. But he conceded that they were handled by many others—computer personnel, for example—in the course of the research.

ANNE (NANCY) BLAINE HARRISON

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. EDWARDS of California. Mr. Speaker, it is with deep regret and a feeling of personal loss that I advise my colleagues of the death on Thursday of Anne (Nancy) Blaine Harrison at the Washington Hospital Center.

Nancy Harrison was a personal friend of many Members of Congress. She was one of this area's most outstanding citizens, working unceasingly to help the disadvantaged, especially children in the city.

In 1964, she helped found the District of Columbia Citizens for Better Public Education, and worked with that organization to improve public education in the city. "She was absolutely committed to getting things done for people," said District of Columbia City Council member Polly Shackleton, a longtime friend. "She was a great human being—certainly one of the most important people in this city in the field of education."

Born in Chicago, Mrs. Harrison was a great-granddaughter of Cyrus McCormick, inventor of the McCormick reaper, and James G. Blaine, former U.S. Senator from Maine, twice Secretary of State and unsuccessful Republican nominee for President in 1884.

A graduate of Vassar College, she worked for several labor organizations during the 1940s, then came to Washington after her marriage to Gilbert A. Harrison in October, 1951. Gil was the owner and editor-in-chief of New Republic magazine for 20 years.

She is survived by her husband and their four children, David Blaine, James Louis, Joel McCormick, and Eleanor, all of the home, and a half-sister, Audrey Bird, of Winnetka, Ill.

FORCED BUSING DOES NOT WORK

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. GRASSLEY. Mr. Speaker, forced busing is one of the most divisive issues in American life. An overwhelming proportion of Americans do not support this massive and inflationary special experiment which is being mandated on innocent children under the guise of equal educational opportunity. It is particularly disturbing that influential Federal officials have been neither forthright nor accurate in reporting basic busing facts. For example, the U.S. Civil Rights Commission concluded its 1976 report, which cost $2.3 million, with a thumping endorsement of accelerated forced desegregation. However, in a nationally televised debate with representatives of the National Association for Neighborhood Schools in November 1976, Commission members were unable to establish any evidence that children derive benefits from forced busing.

In an effort to enhance our factual understanding of this complex and emotional problem, I should like to insert into the CONGRESSIONAL RECORD the following press release concerning the special Black Journal issue "Does Busing Work?" which was recently aired over WNET–TV, New York:

EFFECTIVENESS OF BUSING INTEGRATION CHALLENGED

(By "Black Journal")

On "Does Busing Work?" Week of March 13; Poll: Both Whites *and* Blacks Against Busing

NEW YORK.—Buses were bombed, rocks hurled, children taunted—in some places Busing has taken place peacefully, for the most part, although in many cities there has been violence. But almost everywhere in the country where busing has been ordered to achieve integration in the schools, there has been resentment and questioning among both Blacks and Whites. The debate has boiled down to a single question, "Does Busing Work?"

That's the issue Black Journal has examined. Produced by WNET/13, New York, Black Journal was distributed nationally by the Public Broadcasting Service to its member station on Monday, March 14, 1977. Hosted by executive producer Tony Brown, Black Journal is produced with the assistance of a grant from Pepsi-Cola Company.

Tony Brown believes that "there is a significant silent Black majority view on busing that is virtually never heard. Because Black leaders are the only members of the Black community who get media exposure, the public only hears their perceptions of busing for integration purposes, and Black leaders are overwhelmingly in favor of busing. This program will depart in that respect."

There is mounting evidence questioning the effectiveness of busing. The United States Civil Rights Commission in a report costing more than a million dollars, cannot substantiate the success of busing for desegregation purposes. Scholars who once supported busing after extensive research have now according to Brown, "documented its failure and point instead to a deterioration of educational achievement and race relations . . . Everyone agrees that the findings to support the success of busing for desegregation purposes are inconclusive. This is really a polite way of saying that it does not work."

Black Journal examines the work of two social psychologists—Dr. Norman Miller of the University of Southern California and Dr. Harold Gerard of the University of California, at Los Angeles, authors of the book *School Desegregation*, a ten-year study of a large scale busing program in Riverside, California. The two scientists conclude that busing caused no real change in achievement, motivation or personality for the Black and Chicano children who participate in the program, and that it was "arrogant" to assume that minority children would assume the values of the middle-class White children with whom they sat in class.

The "Does Busing Work?" edition of Black Jonrnal also presented excerpts from a debate on busing produced last November by public television stations WETA, Washington, D.C., and WGBH, Boston, Mass. Arthur Fleming, chairman of the United States Commission on Civil Rights, and Mrs. Frankie Freeman, a member of the commission, argue in favor of busing. Dr. Lino Graglia, a professor of law at the University of Texas, and Dr. Herbert Walberg, of the University of Illinois at Chicago, argue against They are both representatives of the National Association for Neighborhood Schools, a Denver-based anti-busing group.

Opinions on busing were sharply divided in the Black Journal poll, which consists of two samples—*Ebony Magazine's* 100 Most Influential Black Americans and another 100 Black leaders selected by Black Journal. Although the Ebony sample responded affirmatively by 93 percent to the question, "Should children be bused to schools outside their neighborhoods to achieve desegregagation?" 58 percent of the Black Journal sample does not want busing. A Louis Harris poll shows that 81 percent of the American public is opposed to busing—85–9 among Whites, 51–38 among Blacks.

However, although there is disagreement about busing, both samples agreed that since busing is the law it should be followed—94 percent of the *Ebony* sample, 77 percent of the Black Journal sample. Likewise, the Lou Harris poll found that by 52–41 percent the public is prepared to live with the rationalization that busing is the law and should be obeyed.

Asked whether or not busing will improve the quality of education for all students, 66 percent of the *Ebony* sample responded, "Yes", while 74 percent of the Black Journal group said, "No". Both samples, however, believe that busing gives students a chance to get to know other students with different backrounds.

"Equality—not integration—should be our national objective," Black Journal concludes. "Integration cannot lead to equality, but equality can lead to integration.

". . . Whites who oppose busing must lose their fear of being called racists and Blacks must stop the automatic adoption of integration as a cure-all for the problems of Black children. Both must embrace a higher principal of truth: It is not necessarily good or bad because it is Black or White. It is good or bad because it does or does not work."

LIFELONG LEARNING

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Ms. OAKAR. Mr. Speaker, Notre Dame College, in a suburb of Cleveland, Ohio, offers a unique educational experience that all of us should be aware if we consider ourselves lifelong students and the concept of continuing education worthwhile.

The educational opportunity bridges the age gap between students and the financial gap between expenses and tuition for struggling, small colleges. Yet even more importantly, the program provides motivation to a segment of our society that until now may have felt their time to grow personally and intellectually had expired.

Reporter Mary Strassmeyer of the Plain Dealer should be commended for bringing this excellent program to our attention, and I urge my colleagues to encourage similar lifelong learning training at educational institutions in their own areas.

OLDER WOMEN SET NEW COURSE

(By Mary Strassmeyer)

"I'm 52 years old. Am I too old to get a college degree?"

The answer comes from Sister Mary LeRoy, head of Notre Dame College of Ohio's Lifelong Learning Center.

"You are never too old."

The center stresses college-level education for the older, part-time students. It has developed slowly and gradually the last eight years until now it is a vital part of Notre Dame's operation.

This year there are more older part-time students (336) at the South Euclid institution than fulltime (302). Total enrollment of the college is 638.

"In the face of declining enrollments, the center has helped keep us solvent," said Sister Mary Marthe, college president.

"In the beginning, college adminstrators feared so many older women coming back to classes would frighten off our younger students," Sister Marthe said. "But they help make our courses relevant.

"My favorite story concerns the student of 19 who came to tell to me an older woman had asked for help with her homework. The younger student told me the request made her feel good. 'I felt she had come to me as another woman,' the girl said."

Sister LeRoy said older women are coming to the college to upgrade themselves, to find another career and to finish degrees interrupted by marriage and families.

"Some of the older students are just that, such as the 52-year-old who is here now," Sister LeRoy said. "Some are in their late 20s and early 30s whose husbands have left them. They are looking for saleable skills to prepare them for the job market."

Sister LeRoy said some women come back to school for individual courses, but many are interested in obtaining degrees.

"Why take a college faculty's energy and time for what a YMCA-YWCA or a high school continuing education program can do?" she asked. "Our focus at Notre Dame is on mental stimulation and personal growth which ought to be part of everybody's life. It is also on providing employable skills for those who need them."

The oldest student to enroll in the Lifelong Learning program to date was 70. She took accounting courses to improve her skills on her job at Menorah Park Jewish Home for the Aged.

"Some older women are hesitant about coming back to school," Sister LeRoy said. "We have a re-entry program which helps them brush up on basic skills such as notetaking, class discussions, writing papers, use of the library and preparing for examinations."

In addition to helping older women return to classes, faculty members welcome a few of the students' children. Last semester, students in a child development class looked after five children, observing them as classwork.

This semester, Mary Pryor of Cleveland, who is taking classes in elementary education, brings her son, Lee, 2, to school with her. Gail Franklin of South Euclid, who is majoring in communicating arts, brings her daughter, Carrie, 20 months.

Many women in Notre Dame's Lifelong Learning program have older children. Mary Jane Burin of Cleveland Heights enrolled in Notre Dame "to start a new life."

She was trained as a laboratory technician after high school, now is taking classes in merchandising and design. Her children, Amy, 14, and Susan, 10, enjoy seeing their mother go to college.

Arlene Grapo, who lives near the college, will be graduated a year from May. She is majoring in business administration. Her husband, Dennis, is an investment banker. Their children are 16, 13, and 10.

"I love being back at school," she said. "It give me something in common with my children. We do our homework together. Right now, one of my children and I are reading the works of Nathaniel Hawthorne for classes."

Pat Mamone of Lyndhurst, is taking classes in elementary education. "In a way, our children are in competition with us," she said. "It is wonderful to find them sympathetic to our studies."

Mrs. Mamone and her husband, Joseph, a lawyer, have four children.

Maryann Ketchesin will only have to commute from Elyria to South Euclid a few more weeks. She gets her degree from Notre Dame College in May. A registered nurse she is majoring in catechetics.

She wants to work in adult religious education or, combining her nurse's training with theology, with the dying and their families.

"Returning to college after marriage has a great many pluses," said Virginia Maver. She and her husband, Bob, are in the musical entertainment field.

Mrs. Maver, a junior, still is not sure she will complete studies for her degree. In the meantime, she is "involved in many things, philosophy, theology and psychology."

The women said they enjoy classes with younger students. Mrs. Maver said she often is tempted to wear earplugs when she hears the music in the Willow Room (the student recreation center).

The older women don't have a lot of time for recreation. "This is known as the 'work horse' college, and it lives up to its name," Mrs. Mamone said. "I have been forced to define what is wasting time and what is leisure time.

"And I don't use my charge cards as much as I used to. Our bills look more realistic than they have in a long time."

"I have had to cut my television viewing to nothing," said Mrs. Grapo. "I am also able to avoid a great deal of neighborhood gossip."

"The best thing about it," said Mrs. Maver, "is, once you are here awhile, you know that papers are graded on content, not age."

MO UDALL—A LEADER IN WHOM THE NATION CAN TAKE PRIDE

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. SIMON. Mr. Speaker, for some years one of my interests has been the problems of the world's poor. I have a brother, Rev. Arthur Simon, who has shared that interest. We coauthored a book a few years ago called "The Politics of World Hunger." He is now executive director of an organization called Bread for the World which lobbies for the world's desperately poor. Since I am on the Budget Committee and a Member of Congress, I suppose some could reach the assumption that there is something unethical about his position and mine, though I believe most would agree that our stands are consistent with the positions we have taken through the years.

What is logical in our case suddenly has become a feature story in the case of our colleague from Arizona, Mo UDALL. For some years he has been identified with a sensible concern for the environment, and one of these stands—for several years—has been for the Alcan pipeline in Alaska and Canada. His brother Stewart has had similar interests and now has been employed by the company which is promoting the Alcan atlernative. There is nothing inconsistent either in the positiontion taken by Stewart Udall, or in the support of Mo UDALL for the Alcan pipeline.

Not only do the obvious facts not suggest anything unethical, those of us who have known and worked with Mo UDALL know that doing the unethical is not his type of activity. The deep respect we have for Mo UDALL in the House and Senate, on both sides of the aisle, is no secret. Life is too short to fill with regrets, but from time to time there are things you do which you would handle differently if you had the chance. Last year I openly and vigorously supported

and advocated the cause of HUBERT HUMPHREY for the Democratic nomination for President. I am proud of that support and that stand. But had I correctly sensed how firmly he would have resisted the entreaties of those of us who wanted him to become a candidate, I would have thrown my lot with Mo UDALL, for he is Lincolnesque in more than physical size.

Our Nation has been fortunate to have him in the House, and while a news story hinting at something improper about his brother's new position must be discouraging to him, those of us who know him know that there is wisdom with his humor, and he is wise enough to know that his colleagues in Congress, his friends in the media, and citizens all over this Nation respect his integrity and look to his continued distinguished leadership in many fields.

Mr. Speaker, I am taking the liberty of inserting into the RECORD the response of Representative UDALL to the article. I hope my colleagues will read it.

STATEMENT OF REP. MORRIS K. UDALL

For years I have consistently favored bringing Alaskan oil and gas to the United States by one of the overland pipeline routes if arrangements could be worked out with Canada.

Years ago, when the Alaskan Oil Pipeline was before the Congress, I was one of the leaders working for an overland route with Congressmen from the upper Middle West. As a candidate for the Democratic presidential nomination in 1975 and 1976 I campaigned in Wisconsin, Michigan, and Ohio on this issue urging that gas be brought to where the shortages are, and not to the Pacific Coast where there is a surplus.

From the beginning it has been my position that one of the overland routes would and should be the choice for three reasons: Alaskan gas should be delivered where it is needed; it avoids energy losses inherent in the liquifying process; and it avoids the obvious dangers of the sea route. Recent decisions in the United States (the Federal Power Commission) and in Canada (Justice Berger's report) tend to rule out the Arctic overland route, leaving Alcan as the sole possibility if we do not go the sea route to the West Coast.

I have made no final decision and will not do so until the President acts and Canada completes its decisions process—and, until the House Interior Committee completes its hearings. From the beginning I have been frank and open in saying that I have been strongly leaning towards an overland route—and that is still my position.

Stewart Udall's employment by Foothills began only this spring. My position on the pipeline was made long before that. If I were no longer in Congress, Stew would still have much to offer any firm. He is no newcomer whose only credentials is his relationship with me. He has the experience of having handled energy and oil programs of the United States for eight years under two Presidents. He is a former Member of Congress and he knows U.S. and Canadian energy relationships and decision makers as well as anyone alive. He has a long history of favoring cooperation with Canada on energy policy.

Any decision I make on this matter will be mine and out in the open under public scrutiny as it should be. Stew and I are brothers, but we are independent-minded people who often differ. While he was Secretary of the Interior and I was in Congress we had major differences. I will be open and careful about this sensitive matter. I have asked that while my brother has every legal right to do so, that he not appear before my Committee or try to persuade its members one way or the other.

MACARTHUR SCHOLARSHIP FUND RECEIVES BIG UPLIFT

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. JOHNSON of California. Mr. Speaker, I wish to take this opportunity to congratulate the Gen. Douglas MacArthur scholarship program at California State University at Chico on its recent receipt of $10,000 from the William Randolph Hearst Foundation of New York. This contribution to the scholarship program's endowment fund will greatly improve the capability of the program to assist deserving students attending the university.

Established by two local women who pooled their resources to initially fund it in 1955, the MacArthur scholarship is designed to provide financial assistance to foreign students from all parts of the globe, giving them a "personal association" amounting to a hand-in-hand experience of friendship, understanding, and cooperation. Vonnie Eastham and Alice Anderson started this most noteworthy project with $203 over 20 years ago. It has grown through the years. Now, the scholarship committee is launching a $100,000 endowment fund drive. The contribution from the Hearst Foundation has given the drive a very solid beginning, and I wish the committee every success in its efforts.

Recently the Chico Enterprise-Record published a very fine editorial outlining the activities and accomplishments of the scholarship program. So that my colleagues may better understand the significant contributions and great potential of this effort, I request that the editorial which appeared in the April 27 issue be reprinted below:

HEARST HELP FOR SCHOLARSHIP FUND AIDS INTERNATIONAL UNDERSTANDING

Since its inception back in 1955, the General Douglas MacArthur Scholarship program at Chico State University has become one of the most effective enhancements of international understanding in the realm of American higher education.

Admittedly, the MacArthur scholarship project is small indeed when measured on the vast financial yardsticks employed by huge foundations such as those based on the Ford and Rockefeller foundations.

But from the standpoint of proportionate impact, the giants in the field might well take a back seat to the local MacArthur program.

For example, in its relatively brief 22-year existence, MacArthur Scholarship awards have assisted scores of youngsters from foreign lands in furthering their education here. A partial listing includes Japan, Korea, Thailand, Nigeria, Hong Kong, Tanzania, Jordan, Iran, India, Taiwan, the Azores. Indonesia and hosts of other lands.

Yet the geographical scope and the modest financial awards are not the main distinguishing characteristics of the MacArthur Scholarship program. Rather, the unique nature of the other aspects of the program makes its awards—in the minds of recipients—mean a great deal more than most scholarships.

This is because campus and off-campus volunteers—who play key roles in the scholarship project—provide the foreign youngsters with a "personal association" amounting to a hand-in-hand experience of friendship, understanding and cooperation.

This "people to people" relationship is, of course, something that cannot be provided by the huge, depersonalized and computer-operated government and national-scope programs.

As a matter of fact, the community volunteers—who played lead roles in the founding of the MacArthur Scholarship program—have consistently been the most active in keeping it alive and in operation over the years, scratching for funds and contributing giant shares of their own resources and energies.

Under such circumstances, it was of immense significance last week when the scholarship fund announced reception of a $10,000 award from the William Randolph Hearst Foundation of New York City.

The Hearst Foundation, which honors the memory of the late publisher of the San Francisco Examiner and other newspapers, seems to aim its good works at endeavors enhancing the causes of Patriotism, Education, Youth and International Understanding.

It is noteworthy that the local MacArthur Scholarship program serves all four of those causes, with an emphasis on "personal community relationships" for young foreign students who merit the awards.

Under such circumstances, The Enterprise-Record hastens to commend the Hearst Foundation for joining in support of the General Douglas MacArthur Scholarship program. We have long been proud of the local program and it is good news that this new Hearst endowment will help continue its good work.

PRESIDENT CARTER'S SUGAR SUBSIDY PLAN IS ANTIFREE MARKET

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. BROOMFIELD. Mr. Speaker, American economic history is a history of free trade, free competition and individual entrepreneurship. President Carter's quarter-billion dollar a year sugar subsidy plan flies in the face of some very basic principles of the American economy.

We often hear the exhortation to "build a better mousetrap." In the case of sugar, somebody has. Corn processors have, for the last several years, been marketing a corn syrup that can replace sugar in many, many foods—for a lower price than sugar. In total, just over a quarter of the sweeteners used by Americans come from corn today. And now,

the President proposes to penalize their efforts to make a cheaper product by subsidizing their competitors in the sugar industry to the tune of $250 million per year.

The President made no bones about it last week when he announced this subsidy. In turning down requests for import relief for sugar producers, he said:

Import relief would be of questionable benefit to the domestic sugar industry, because it would encourage increased market penetration by substitute sweeteners, particularly high fructose corn syrup which can be produced at a lower cost than most U.S. sugar.

I do not think the President should be putting himself in the position of either encouraging or discouraging business decisions. That is a job for the free market. But I surely do not think that he should be handing out giant subsidies to help one American industry hold off a competitor who can offer the consumer a more economical product.

THE 125TH ANNIVERSARY OF THE AMERICAN PHARMACEUTICAL ASSOCIATION

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. MIKVA. Mr. Speaker, this week marks the 125th anniversary of the American Pharmaceutical Association. Through the years, pharmacists have played an important role in the health of the Nation.

Many of the medical breakthroughs of the last 25 years are a direct result of research conducted by pharmacists. Almost everyone who has lived through the last generation has been spared a degree of pain, or freed from an extra day of illness or relieved from unnecessary worry by the use of pharmaceuticals.

This year, I am calling particular attention to the annual meeting of the American Pharmaceutical Association because a friend and constituent of mine, Phil Sacks, is being installed as national president. I congratulate the association on an excellent choice.

For many Americans, pharmacists are the first tier of support provided by the medical delivery service. And, for many Americans, pharmacists are the most important providers. Pharmacists exemplify the successful single entrepeneurships. Where other professions have incorporated and centralized, pharmacists have remained tied to their communities, and dedicated to providing personal service.

Mr. Speaker, community concern and professionalism occur too infrequently today to go unnoticed. I ask all my colleagues in the House of Representatives to join me in extending best wishes to the American Pharmaceutical Association.

AMERICANS "SPIRITUALLY HUNGRY," REJECT RATIONALISM

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mrs. HOLT. Mr. Speaker, in the Washington Post of May 13, 1977, I noted a news article filed by Religious News Service from New Orleans, quoting Dr. George Gallup, Jr., the well-known pollster, that Americans are "spiritually hungry" and that more and more Americans are disillusioned with the secular world and are looking toward life of the spirit for guidance while rejecting rationalism.

Having been long dedicated to the power of prayer and being a devout subscriber to the Christian faith, I am truly gratified to learn of Dr. Gallup's observation. I commend this excellent article to my colleagues:

GALLUP SAYS AMERICANS "SPIRITUALLY HUNGRY," REJECT RATIONALISM

NEW ORLEANS.—Pollster George Gallup Jr. told a joint religious press convention that Americans are "spiritually hungry," and he urged increased attention to an emerging interest in mysticism, meditation and prayer.

He said increasing numbers of people in the U.S. are disillusioned with the secular world, have rejected rationalism and are turning to "the life of the spirit for guidance.

"The inner life is in, if you will, and the religious press can provide a great service by giving Americans help to come closer to religious maturity," he said.

He noted that Gallup International, based at Princeton, N.J., is establishing a "center for religious research" to monitor changing religious and spiritual trends in the U.S. and elsewhere; measuring levels of religious belief, practice, knowledge and stewardship, and exploring strengths and weaknesses of the religious community.

Gallup spoke at a banquet during the 1977 convention of the Catholic Press Association and the Associated Church Press.

In speaking of religion in the U.S., Gallup said church leaders "appear to have very little idea of the changing levels of religious involvement in this nation, let alone commitment.

"Our leaders seem to have only a vague notion of where the nation is headed spiritually or whether their leadership is or is not effective," he said.

Gallup said "evidence is mounting that the U.S. may be in an early stage of a profound religious revival with the evangelical movement providing a powerful thrust."

For the first time in two decades, he noted, the Gallup Poll recorded a rise in chuch attendance in 1976, with 42 percent of Americans attending church or synagogue in a typical week. Seven of 10 Americans describe themselves as church members, and six in 10 say religious beliefs are "very important" in their lives.

Gallup pointed to the "considerable interest" in what might be called "experimental religion"—involvement in transcendental meditation, yoga, the charismatic movement, mysticism and Eastern religions.

He said a recent survey indicated 6 million Americans are active in TM, 5 million in yoga, 3 million in the charismatic movement, 3 million in mysticism and 2 million in Eastern religions.

Among the factors affecting the "upturn" in religious interest, he said, are the seeking of refuge from everyday worldly pressures, the search for non-material values in light of disappointments in the material world, President Carter's open discussion of his personal religious beliefs, a normal upswing following a decline in religion and efforts by the clergy in America to make religion "more appealing to young people and to satisfy their apparent spiritual hunger."

Yet, the pollster asked: "Are we perhaps only superficially religious? Indeed, America appears to be facing a seeming paradox: religion is increasing its influence on its society, but morality is losing its influence."

Religious experience in America, he added, is "widespread" and not limited to people of a particular age group, educational level or economic status.

PAUL VERSUS GAMMAGE

HON. JOSEPH S. AMMERMAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. AMMERMAN. Mr. Speaker, by a vote of 260 to 126 on May 9, this House dismissed the contest filed by Ron Paul, Republican of Texas, against Representative BOB GAMMAGE, Democrat of Texas.

As chairman of the special panel of the Committee on House Administration which heard the Paul against Gammage case, I believe our decision was fair and proper. I would like to explain some of my thinking on the matter to you.

CONSTITUENT MAIL

Apparently as a result of a letter he sent them, many of my constituents have written me in support of former Representative Ron Paul, of Texas, who is contesting his election defeat last November in the 22d District of Texas by Representative BOB GAMMAGE, Democrat of Texas.

I have, in addition, received a large number of cards and letters supporting Mr. Paul from persons across the Nation. Other Members of the House have been sent similar messages, also apparently the result of Mr. Paul's letter.

I was the chairman of the special elections panel of the House Administration Committee that heard the Paul against Gammage case. After public hearings in February and March, the panel voted 2 to 1 March 9 to recommend that Mr. Paul's challenge be dismissed. This decision was affirmed by the full committee April 28, by a vote of 16 to 6.

And on May 9, just this past week, the House voted 260 to 126 for dismissal.

The communications I received from my constituents in support of Mr. Paul raised several questions about the fairness of the procedures under which his complaint was heard. Similar questions were raised by some of Mr. Paul's defenders in the House.

I want to respond to those questions in some detail because I believe that Mr. Paul was treated fairly and equitably by the House of Representatives, and I resent any implication otherwise.

BASIC FACTS

First, the basic facts of the case: The long-time Democratic incumbent in the 22d District resigned early in 1976 and Mr. Paul defeated Mr. GAMMAGE in a special election that April. However, in November the outcome was reversed and Mr. GAMMAGE emerged as the winner with a 236-vote margin. Mr. Paul asked for, and received, a complete recount which showed Mr. GAMMAGE the winner by 268 votes.

Mr. GAMMAGE thereupon was issued a certificate of election by the State of Texas and was duly seated as a Member of the 95th Congress in January.

Mr. Paul, in the meantime, filed contests to the election in the Texas courts and with the U.S. Congress.

The following issues have been raised in connection with the case by Mr. Paul's supporters:

STATE COURTS

First. It was argued that Congress should have waited until the State courts ruled before deciding the case.

Article I, section 5 of the U.S. Constitution specifically states that "each house [of Congress] shall be the judge of the elections, returns and qualifications of its own Members." The Supreme Court of Texas dismissed Mr. Paul's challenge in the State courts on the grounds that Texas had no constitutional authority to hear the case.

However, even though the House was under no constitutional obligation to wait for the Texas courts to rule, we did so. The court handed down its decision March 2 and the elections panel held its final hearing and voted to dismiss on March 9, a full week later.

BURDEN OF PROOF

Second. Mr. Paul alleges he was not given an opportunity to make his case.

The Federal Contested Elections Act, to quote from the panel's report, "places a weighty burden upon a contestant."

It is not a sufficient basis for a challenge that an election was close or even that there were voting irregularities. For the House to hear his case, a contestant must produce evidence which, if verified, would prove that he would have won.

This heavy burden of proof exists because Congress cannot seek to overturn the apparent will of the voters unless we are absolutely certain that official State returns do not reflect their will. Nor can we permit a contestant to conduct a fishing expedition in the hopes of somehow, somewhere, sometime finding evidence to prove his case, all the while casting a shadow on the declared winner and forcing him to bear the legal expenses necessary to defend his interests.

Mr. Paul simply did not produce any evidence that would have been admissible in any court. The voters in the 22d District of Texas will have a chance to review the case themselves in 1978.

PARTISANSHIP

Third. It is charged that the proceedings were partisan.

Mr. Paul's defenders, notably Representative CHARLES E. WIGGINS, Republican of California, made a reasoned challenge to the procedural theories of the Contested Elections Act. I take him at his word that his position reflects his legal philosophy, not his party affiliation.

The fact remains, however, that of the four challenges including Paul against Gammage, dismissed by the House May 9, there was broad bipartisan support only in those two cases where the challenge had been made against Republicans. While House Democrats voted to dismiss all four challenges, House Republicans only voted to dismiss the challenges against their fellow Republicans.

So on the partisanship question, I believe the record speaks for itself.

FROM NICKEL ROOT BEER

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. STEERS. Mr. Speaker, on the same day that Charles Lindbergh completed his famous transatlantic flight—May 21, 1927—J. Willard Marriott opened a stand selling 5-cent root beer in downtown Washington.

Today, Marriott Corp. is a diversified food service-lodging-leisure services company with sales expected to reach $1 billion in the current fiscal year. This growth represents a phenomenal success story.

The success is particularly significant to my congressional district because 4,000 of Marriott's employees work in Montgomery County and because the company will break ground for a new international headquarters in Bethesda, across from Montgomery Mall, on its 50th anniversary, May 21.

The headquarters will occupy a seven story building on 33.7 acres and employ 1,400 employees, including those in special food research and development laboratories and in a computer complex.

The company's history in many aspects has paralleled the development of modern transportation. In 1927, Marriott was first with drive-in food service east of the Rockies—and first again in 1937 with an independent airline catering kitchen. The company now serves 25 of the world's 30 busiest airports.

Throughout the 1960's and 1970's, Marriott diversified, today including Roy Rogers Family Restaurants, the Big Boy chain, Farrell's Ice Cream Parlour restaurants, Hot Shoppes restaurants and cafeterias, and a variety of fine dinner houses.

J. W. Marriott, Jr., son of the founder, assumed presidency of the company in 1964. He has emphasized expansion, including two "Great America" theme parks in the Greater San Francisco and Chicago areas.

Locally Marriott operates four hotels, two airline catering kitchens, 100 restaurants and 42 food service management accounts. Today, the company which began with 5-cent root beer employs 13,600 area residents with an annual payroll of $80 million and sales of $160 million. In 1976, Marriott paid a total of $6 million in area taxes and has a total investment of $87 million in the District of Columbia and nearby Maryland and Virginia jurisdictions.

Mr. Speaker, the list of superlatives and accomplishments is lengthy for this homegrown organization. In the past 50 years, Marriott Corp. has been not only a significant force in the metropolitan area and the Nation but a good corporate citizen as well.

A fine contribution to the area Bicentennial observation was made by Marriott's "Music '76" presentation, sponsored in cooperation with the National Park Service on the Washington monument grounds last summer.

So, Mr. Speaker, I salute the Marriott Corp. on its 50th anniversary and wish them equal success and accomplishment during the next half century.

VIOLATIONS OF HUMAN RIGHTS IN CAMBODIA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. LAGOMARSINO. Mr. Speaker, I would like to call to the attention of my colleagues the following letter from the Department of State in response to my inquiry concerning violations of human rights in Cambodia. I am appalled by the reports of the slaughter of men, women, and children during the past 2 years. It is beyond human comprehension that such acts could be carried out and there be so little reaction against it by concerned international organizations and humanitarian agencies. I urge the administration to do everything in its power to seek an end to such gross inhumanity to man.

The letter from Assistant Secretary Bennet follows:

DEPARTMENT OF STATE,
Washington, D.C., May 10, 1977.

HON. ROBERT J. LAGOMARSINO,
House of Representatives.

DEAR MR. LAGOMARSINO: Secretary Vance has asked me to thank you for your letter of April 19 requesting information concerning reports of human rights violations in Cambodia.

The information that we have received on this subject is generally consistent with reports in the news media. Although we do not know the number of people who have died in Cambodia since the 1975 Communist victory, the evidence of refugees who have fled that country suggests a substantial loss of life. The Cambodian authorities have permitted no Western journalists, members of international organizations, or other impartial observers to enter and investigate these reports.

The Administration's strong advocacy for the protection of basic human rights has been forcefully stated on a number of occasions. The President has declared that "because we are free we can never be indifferent to the faith of freedom elsewhere,"

and Secretary Vance has pledged that, "without being strident," this Administration will stand for human rights, and make this concern "a major focus of our foreign policy calculations." These views apply in this situation as well. However, we do not have diplomatic relations with Cambodia and are therefore not in a position to express our concern directly to the Cambodian authorities. Nevertheless, the United States has in the past indicated that it would support an inquiry into the situation by a group of nations, by international humanitarian organizations, or by responsible private humanitarian agencies. We continue to hold this position.

We have substantially assisted those Cambodians who fled their country. Over 6,000 have come to the United States, and we have contributed over $12 million to the U.N. High Commissioner for Refugees for the relief of Cambodians, as well as for Lao and Vietnamese, now in refugee camps in Thailand.

Sincerely,

DOUGLAS J. BENNET, Jr.,
Assistant Secretary for Congressional Relations.

WELFARE REFORM MUST BE DONE CAREFULLY

HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. AKAKA. Mr. Speaker, there is indeed a great deal of work to be done in the area of welfare reform where no easy solutions can be found. Moreover, in any uniform welfare system, high-benefit States such as Hawaii must be given special consideration. I would like to share with my colleagues an editorial which appeared in the Honolulu Star-Bulletin on May 7, 1977, dealing with welfare reform:

WELFARE REFORM MUST BE DONE CAREFULLY

During his election campaign, Jimmy Carter said that cities should not be burdened with the cost of welfare and that the federal government should eventually absorb the welfare costs borne by state governments as well.

But in his welfare presentation Monday the President didn't refer to those points. Nor was there any convincing explanation as to how a uniform system of national benefits could be provided without cutting aid to high-benefit states.

A national welfare system is an attractive idea: the present system, everyone agrees, is a complicated mess.

That much said, the problem remains of creating a viable new system. The President, having imposed a deadline on himself to announce a plan by May 1, discovered that the problem was far from simple and confined his presentation to general principles.

Hawaii is at the top of the list in state spending on poor residents, with a 1976 figure of $3,083 in annual benefits compared to a national average of $1,380. In the Aid to Families with Dependent Children program, Hawaii is providing $497 per month for families of four; at the other end of the spectrum, Mississippi is providing $60.

Obviously Hawaii and Mississippi would be affected differently by a national welfare program. Hawaii's representatives in Congress must try to protect Hawaii's interests when welfare legislation is considered.

It is likely, for example, that Hawaii would want to maintain its high level of benefits by supplementing federal benefits, as it does now. If so, federal and State benefits should be meshed in the most efficient way possible.

Another area of concern is work requirements. The State has established stiff work requirements for its general assistance program, which is entirely State-funded. Lax requirements in a federal program would represent a step backward.

One of Hawaii's chief concerns is stemming the flow of Mainland residents who come here and try to get on the welfare rolls. Gov. Ariyoshi has proposed a residence requirement to cope with this practice, but its constitutionality is questionable.

A national welfare system might make a residence requirement unfeasible, especially if federal funding is increased. But a national system might relieve immigration pressure by raising benefits in states in which benefits are now low. This might lessen the attraction of states with higher benefits.

Moreover, a truly national system would strengthen the case for the federal government's shouldering the burden of immigrants on welfare, whether they be from foreign countries or other states.

The President says he wants to scrap the present jumble of welfare programs and replace it with one simple cash payment. He wants to create jobs to accommodate welfare recipients who are able to work and to provide financial incentives to draw recipients into job training and ultimately employment.

These are laudable objectives, but the details will be all-important, and they are not known as yet. Even after the President's proposals are completed, it will take Congress many months to deal with welfare reform. At this point we can only hope that the final product takes account of the Islands' special welfare problems.

WHEN BOXING HAD CLASS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. PICKLE. Mr. Speaker, there may much dispute among observers about what caused the decline in the art of prizefighting. Some say that professional boxing was ruined by overexposure on television. Others may opine that the hoopla surrounding the heavyweight matches ruins the actual event. Promoters who arrange bouts with one fighter taking on five different opponents have certainly added to the circus-like atmosphere.

Probably the best entertainment for fight fans today is in the amateur bouts, especially the Golden Gloves.

A man who has contributed greatly to that program over the years is also the best fighter ever to come out of Austin, Tex., Tommy Attra.

Tommy is still in excellent shape and probably as recently as 8 or 10 years ago could have gone several rounds with many top-ranked light-heavies.

I salute Tommy for his work over the years, and insert an article from the American-Statesman about his contributions to the sport:

[From the Austin (Tex.) American-Statesman, Mar. 6, 1977]

AN AUSTIN LANDMARK, AND A GOOD FIGHTER

(By Lou Maysel)

Tom Attra, in addition to almost certainly being the best fighter Austin has ever produced, is somewhat of a landmark downtown, where he operates in a very conspicuous way as a newspaper street sales manager.

A year or so ago a visitor stopped him and said, "I haven't been here in 20 years. You're the only thing downtown I recognize."

At 58, Attra is graying, his face shows a few wrinkles and his legs aren't what they once were; but other than that he's changed only a little. He's only nine or 10 pounds over his best fighting weight of 172 pounds and his muscles are firm and his stomach so hard he probably could still shake off a solid body punch.

Although he hasn't sparred in more than 10 years, the two-time national Golden Gloves champion still puts on gloves twice a week for four 1½-minute rounds of savage punching on a heavy bag at a local athletic club. He also chins himself 20 to 25 times and does 50 situps, 25 at a time, during his workout.

It's only designed to keep himself in shape because Attra, despite his killer ways in the ring, claims he always walks away from trouble. Which is a change from when he first started selling newspapers 49 years ago. Then he used to run from it.

"Momma and Daddy wouldn't let me fight and all the kids jumped on me because I wouldn't fight back. Some of them were smaller than I was. They'd make me cry and beg them to quit," Attra remembered.

Years later when he was doing roadwork in Guam for a service boxing show, someone who knew him only by his nickname, "Banjo" (which is short for "Banjo Eyes"), stopped him and asked him what he was doing. When Attra told him, the guy questioned his veracity, remembering. "You were the biggest sissy in Austin when I left."

It's hard to believe that anyone with this sort of reputation would venture into the ring for 188 pro and amateur fights, and count those national Golden Gloves titles in 1942 and '45 as his top achievements.

Back when he was running from trouble, Attra's idol was Matt Martinez, the local Mexican food restaurateur. "Matt was selling papers, too, and nobody bothered him. He was a good lightweight and pretty tough," Attra recalled.

Attra got into boxing via wrestling. He participated in a wrestling exhibition at a regional Golden Gloves tourney and asked how he could get one of the miniature gold boxing gloves the winners received.

"If you want one, why don't you fight for one?" he was told. Though he "was scared to death," Attra decided to enter the next tournament but lost a real slugfest to a good fighter named Buddy Summers. Attra had a 3–2 edge in the knockdowns. It was the only fight he ever lost in Austin.

"I was going to quit but a sportswriter here by the name of Wilbur Martin told me I ought to stay with it. I went back to the gym eight months ahead of time and started training," he said.

It paid off since Attra went all the way to the national semifinals at Chicago before losing to Joey Maxim, later the world light-heavyweight champion. After that it was just a matter of time before he won a championship.

The coming of March each year always makes him a bit nostalgic because it brings the state Golden Gloves at Fort Worth where he had many fine moments. Although his job is such that it's hard for him to get away, he managed to go last year but he found the competition way off—just as the last nationals he saw at Fort Worth in 1973 were disappointing to him.

However, he's still remembered by many oldtime fans up there and well he should be. A while back in a poll to name the top fighters to appear in the many state tourneys there, Attra finished second to Port Arthur lightweight Morris Corona. Port Arthur bantamweight Dick Menchaca was third and Roy

Harris, the heavyweight from Cut and Shoot, was fourth.

Attra never regrets for a moment becoming a fighter. It turned him from a nobody into somebody and he still speaks up for amateur boxing although he mainly has disdain for the pro game.

"It's a good clean sport if it is run right but the boys have been hurt so bad and lied to so much, they drop out and it's got a bad name," he said. "If a boy is in real good shape, he's not going to get hurt either."

Of course, few fighters nowadays will train eight months for a boxing tournament like he did for his first serious one. That's because few of them have the great pride Attra did.

"I wanted to win so bad because I was a hard loser. If I lost a fight, I cried for a week. I couldn't stand to lose so I put everything into it," he said.

As folks who knew Attra back then remember, there were very few occasions when Attra had reason to cry. After he started boxing, that is.

THE ROLE OF GOVERNMENT IN OUR LIVES

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. GILMAN. Mr. Speaker, for several years I have sponsored an essay program for the graduating high school seniors of the 26th Congressional District—New York—to encourage their participation in good government. Again, I would like to share with my colleagues the inspirational literary work of these young people.

These essays reveal a reaffirmation of the ideals of our Founding Fathers by our youth, combined with an awareness of present day problems and realities. Since I believe that they deserve to be widely read, I would like to offer the following three winning essays for review by my colleagues. At a later date, I will submit the other winning essays in our competition.

The essays follow:

[First Place]

THE ROLE OF GOVERNMENT IN OUR LIVES

(By Thomas Lynch, Pearl River High School, Pearl River, N.Y.)

Democracy and tyranny are diametrically opposed in one respect; the tyrant enforces uniformity while the democracy encourages individuality. The Constitution of the United States is an exemplary schematization of a democratic government, because it fundamentally recognizes the individual's right to exercise his free will. But self-righteous democracies often metamorphose into repugnant autocracies, simply because the governments decide that they must usurp the individual's sovereignty as a means of controlling the destiny of the masses. To avoid the imminent danger of autocracy in this country, our legislators must make individual freedom the harnessing force of all their reforms.

The government must remember that the free market is the ultimate expression of the individual's free will, and therefore, its workings should go unhampered. In the free market economy, the government should act only to free up existing molds, and to flush out the stagnating accretions which devitalize the marketplace. The government should also act to protect the individual from unscrupulous merchants, but each governmental action should be guarded by the government's official cognizance of its possible debilitating effect upon the marketplace.

The government must also serve as a guardian of the people's heritage; for these birthrights are the only links that can transform a group of individuals into a cohesive nation-state. The heritage of the people consists not only of literature, music and art, but also of the nation's irreplaceable natural resources, all of which should be protected at any cost.

The government is performing its most significant role when it is acting as a catalyst for a world-wide, fundamental recognition of human rights. From the freedom fighters of Hungary, to the freedom marchers of Montgomery, Alabama, the government must serve as an unrelenting torchbearer for the beleagured and subjected throughout the world. For a government that hides from morality is no government at all.

To fulfill its role, our government must remain loyal to the nation's original precepts; the doctrine of faith in the individual. And as long as our government realizes that the individual is fundamentally good, we can rest assured that, "government of the people, by the people, for the people, shall not perish from the earth."

[Second Place]

THE ROLE OF GOVERNMENT IN OUR LIVES

(By Joseph D. Oliansky, Newburgh Free Academy, Newburgh, New York)

Government is nothing more than the regulating body of a society. It exists only because without it society, as we know it, would collapse. In order for a society to exist, its components must coexist peacefully and must work together smoothly. For this to take place, rules and laws must be followed. But people, who are the components of a society, will not always follow these rules voluntarily, and we, therefore, find the need for an enforcing body.

This enforcing body must exist in any society, whether it be communistic or democratic, a Monarchy or a Dictatorship. The type of society one has is determined by how stringently that society's enforcing body acts upon, or regulates, its components.

The less power the regulating body has, the more democratic the society is. The United States is one of the more democratic societies in that its people have a direct say in regulating themselves. The Soviet Union, which masquerades as a democracy of sorts, gives its people little or no say in regulating themselves. Therefore, its enforcing body creates a highly undemocratic society.

Government's only purpose is to keep the society it regulates intact and operating as smoothly as possible. When the government fails to achieve this goal, it is rejected and replaced. In the United States this occurs regularly by election. If the person in power is not doing a good job, the people will replace him with somebody who they feel can do better.

The United States does not have a perfect governing body. It is, however, the most perfect available, and it is every citizen's duty to contribute to its well being as best he can. If something's wrong with the government, it must be either changed or endured. Government is a necessary part of every society; the two are interdependent.

[Third Place]

THE ROLE OF GOVERNMENT IN OUR LIVES

(By Stephen Radin, Clarkstown High School North, New City, N.Y.)

On July 4, 1776, thirteen English colonies formally broke away from their mother country, declaring themselves free of British dominance. The authors of the Declaration of Independence sought to create a Nation in which the individual's rights to life, liberty and the pursuit of happiness would be the primary concern of government. Since that day such altruistic phrases as freedom of speech, freedom of religion, freedom of assembly, and freedom of the press have resounded throughout these United States. Our government's role today, however, is not primarily dedicated to the safeguarding of these freedoms. For in practice it appears to be essentially concerned with protecting its citizens from the excesses of those freedoms our ancestors cherished so greatly.

Our society has wisely chosen to surrender absolute freedom to a sector of government quite often overlooked—the judiciary system. In his thirty years as a Supreme Court Justice, Oliver Wendell Holmes interpreted the constitution in such a way so as to defend the rights of individuals and at the same time give due consideration to public welfare. In one very famous case he declared that no one had the freedom to shout "fire" into a crowded theater. Our government functions in this manner to control abuses of freedom, a concept which if allowed to expand unchecked would promote chaos and anarchy.

Most state governments have moderately stringent educational laws. The theory behind this is that a child's right to go to school (or by the same token a parent's right to deny his child schooling) should not be respected because of an abstract doctrine known as "the good of society." Local town and school boards have similar standards regarding particular subject areas. Every citizen of the United States is affected by our government in thousands of similar ways. The food we eat must be government inspected. Certain products cannot be imported into the country. Automobiles can travel only at certain limited speeds. The list is endless.

With the freedoms established by our founding fathers comes responsibility, but without a government to control the behavior of individuals, it is doubtful that many people could or would accept this way of life. Greater in importance than freedom for any individual is the safety of society. Government must serve to protect its people. It is just as important, however, that the legislative and judicial branches of the government are very wary in the execution of their duty to protect the citizenry from overzealous executive actions.

PHILADELPHIA'S WATER COMMISSIONER GUARINO HONORED FOR OUTSTANDING ENGINEERING CONTRIBUTIONS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. EILBERG. Mr. Speaker, I am proud to be able to announce that the Engineers' Club of Philadelphia has conferred its George Washington Medal on Water Commissioner Carmen F. Guarino.

The Washington Medal is bestowed each year on "an engineer who has made outstanding contributions to technological progress as a member of engineering management." It is the highest honor conferred by the Engineers' Club.

Mr. Guarino was appointed water commissioner by newly elected Mayor Rizzo in January 1972. He entered city service 25 years ago. He is recognized internationally as a leading expert on wastewater treatment, instrumentation, and automation.

Under his direction the Water Department has made a number of technical advances and is presently carrying out a $414 million expansion of the wastewater plants which will give Philadelphia the most technologically advanced plants in America, complete with automation.

Mr. Guarino is a member of more than a half dozen engineering societies, including the Engineers' Club. Recently, he was appointed by the national EPA Administrator to the National Drinking Water Advisory Committee.

MISTAKES IN DEALING WITH UNEMPLOYMENT

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. SIMON. Mr. Speaker, as I speak to various groups and discuss the idea of recognizing that unemployment is not a temporary thing and that we have to move toward some kind of a WPA-type of approach, I find that both liberals and conservatives think that approach makes a great deal of sense.

I am inserting into the RECORD a column I wrote a few weeks ago discussing where we are on welfare and unemployment and what the alternative might be, and I am also inserting in the RECORD, immediately after, that an editorial from the Paducah Sun-Democrat commenting on the idea.

I am inserting the Paducah Sun-Democrat response because it is fairly typical of the response that I have been getting talking to people of every type of political persuasion:

THREE MISTAKES IN DEALING WITH UNEMPLOYMENT

(By Congressman Paul Simon)

I have been voting for measures to encourage creation of jobs for the Nation's unemployed, but we are making three fundamental errors as we provide work opportunities.

Our first mistake is viewing high unemployment as a temporary problem. We believe that Band-Aid formulas (like a $50 tax rebate and Comprehensive Employment and Training Act programs) will somehow get the economy moving again and end the joblessness.

I would like to believe that but I don't.

Each day more people enter the potential work force, particularly more women, but each day we can produce more cars, refrigerators, soybeans and steel with fewer and fewer workers. Inevitably there will continue to be a sizeable number of people out of work, particularly among the unskilled.

Our choice for them is either to provide meaningful work, with which they can contribute something to the needs of our Nation, or continue to pay them for doing nothing through unemployment compensation and welfare.

Government pays in either event. The choice is paying people for doing something or paying them for doing nothing. Faced with that choice, the answer should not be difficult.

We ought to recognize this as a long-range problem which needs more solid answers. That long-range look will not take place so long as we keep believing that in a few months or a few years our employment problems will disappear.

The second mistake we are making is in paying more than we should for some of those who work in our present programs.

I do not suggest that right now pay levels be reduced. But as we devise long-range answers for our problems, the aim should be to provide temporary but meaningful work for the person who finds himself or herself out of work for a short period, and perhaps longer term but temporary employment for the person whose skills are extremely limited.

The pay level ought to be geared to the national minimum wage, so that the incentive is to get off the federal payroll rather than stay on.

And we should provide work opportunities which do not conflict with local employment or business. To do that, in each county there should be an advisory committee of perhaps a dozen business and union leaders to select projects that would be of help to a community or area but would not put others out of work.

Planting trees, helping in a day care center, teaching reading and writing skills to the illiterate—these are the types of things which can be done in almost any community. There are thousands of such projects which need doing.

But this work should be viewed as temporary. The pay level should be high enough to encourage people to work rather than draw unemployment compensation or welfare, but low enough so that the incentive is to go to work in the private sector.

The third mistake is failing to let people know the severity of the problem.

I sense that most Americans do not understand the unemployment problem. They hear about unemployment but they see "Help Wanted" ads in the paper, and they do not understand why the two don't meet.

What the Bureau of Labor Statistics calls "the discouraged worker" disappears from visibility. These are the more than one million Americans who don't show up in the employment lines, who don't fill out job applications (if they can), who don't pound the streets looking for a job, because they have given up. And that means giving up on our system of government's ability to respond to their need.

Unless and until we recognize these three mistakes, we will continue to stumble and drift rather than move decisively.

[From the Paducah Sun-Democrat, May 3, 1977]

UPDATE AND BRING BACK THE WPA

Our Southern Illinois neighbor, U.S. Rep. Paul Simon believes the federal government should reinstitute a program similar to President Franklin Roosevelt's depression-born Works Progress Administration to help bring down unemployment.

"I know the image of the WPA was of men leaning on shovels," Simon said recently. "But the facts are that WPA workers built 113,000 schools and libraries, they constructed 600,000 miles of highways (including several miles of concrete streets in Paducah) and helped 1.5 million adults learn to read and write. We had histories written and plays produced. We became a richer nation because we converted a liability into an asset."

Simon admitted that the old WPA program would have to be modified, because it was largely male-oriented and there are many more women on the job market today. Also, more in-depth training of workers would be needed because of the higher degree of sophistication of construction equipment today.

"I think we really face the choice of where we pay people for doing something or pay them for doing nothing and I think it makes a lot more sense to pay them for doing something," the Carbondale Democrat said. He also said that excessive unemployment compensation and some welfare programs are "encouraging some people to do nothing."

Simon added that the Comprehensive Employment and Training Act (CETA) "is better than nothing" but that it is only an emergency program "based on the theory that unemployment is a temporary emergency. I don't happen to buy that," he said.

Simon's idea to dust off the old Roosevelt-ian program and reshape it to today's needs is food for thought. There's nothing wrong with the idea of paying the able-bodied unemployed a decent wage for working. It's better than an unending procession of government unemployment or welfare checks.

VIKING CHOIR

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. DERWINSKI. Mr. Speaker, the outstanding Viking Choir of the Homewood-Flossmoor, Ill., High School has, for many years, made an annual trip to Europe; and each of their trips has been a musical as well as public relations success.

Their programs have thrilled and impressed audiences all over Europe. This year's group of students traveled to Greece, and an article in the local Star Publications, of May 8, tells of the praise they received from their Greek audiences.

The hundreds of young men and women, who have been members of the Viking Choir over the years, have been great ambassadors of good will for the United States. I am proud to have this progressive group of students as members of my constituency.

Therefore, I insert the above-mentioned article of their travels in the RECORD at this time:

H-F VIKING CHOIR REAPS GREEK CRITICS' PRAISE

Greek music critics praised concerts performed by the touring Viking choir of Homewood-Flossmoor high school during spring vacation.

A Thessaloniki newspaper said:

"The Viking choir concert at the Radio City theater was very successful. The Viking choir consists of high school students from Flossmoor, Ill. Its perfect performance confirmed its fame as being one of the best choirs of the United States.

"In the first part of their concert, the Vikings impressed their crowded audience with a particularly inspiring program of hymns by Handel, Tschaikovsky, Rachmaninoff and Gasparini. A series of Negro 'spirituals' followed, and the program ended with a careful selection of popular songs by Gershwin and other famous composers.

"The admirable harmony, punctuality and control of music of those young musicians as well as the unique performance of many songs under the direction of Mr. Walter

Rodby impressed the audience who applauded them with enthusiasm.

"The performance was organized by the American center in Thessaloniki and by the Youth for Understanding. Thessaloniki was the last stop of the 10-day tour of the Viking choir in Greece, during which the more than 100 members of the choir and their companions had a chance to visit places of archeological value and to get to know our country's present life and customs."

"For the past several years Holocaust day has given us good opportunities to enjoy music events which not only brighten the anniversary but also satisfy the friends of good music.

"This year, along with our familiar state orchestra of Thessaloniki, we enjoyed the American Viking choir which consisted of about 100 students of an Illinois high school. The concert at the Municipality theater was a real surprise.

"No one had imagined what was awaiting them at the theater. The young people, in particular, expected pop music rather than the kind of music they heard: Negro spirituals and classic songs with only one part of American popular music.

"In spite of the different expectations, the young people along with the old in the audience were absorbed from the very beginning. One hundred voices seemed as though they were one.

"No voice was separate from the whole, and no one could tell the exact time the diminuendo had finished even though there was absolute silence in the overcrowded hall. The warm applause and Mayor Vlahos' words of appreciation to the American counsel in Thessaloniki were very justifiable."

The director of the American center (United States Information Service) at Thessaloniki, Carl R. Sharek, wrote:

"Personally, and on behalf of my staff, I want to congratulate the Viking choir for the most successful concert that you gave at the Municipality theater of Naoussa and at the Radio City theater of Thessaloniki.

"The mayor of Naoussa, the Youth for Understanding organization of Greece and we here at the American center are thankful for the opportunity to present you to the people of Northern Greece and hope that it will be possible to have you back here again.

"Once again, many thanks and best wishes to you and to all the members/staff and friends of the Viking choir. I would like very much and hope that we will again have the pleasure of performances here by the Homewood-Flossmoor musical groups."

THE HYDE AMENDMENT SHOULD BE DEFEATED

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. STEERS. Mr. Speaker, last June 24, Congressman HENRY HYDE proposed an amendment to the Labor-HEW appropriations bill to prohibit medicaid funding of abortions. On October 1, after the Senate had twice rejected this wording, a compromise version—with essentially the same intent as the original Hyde proposal—went into law.

On that same day, the Second District Court of New York granted a temporary restraining order on the grounds that the amendment is unconstitutional. On October 22, a preliminary injunction was granted in the same court and the law has never been implemented.

Next month, when the Labor-HEW appropriations bill comes to the floor, the House will once again be faced with a decision as to whether medicaid funds should finance abortions.

I believe that this amendment is unconstitutional. Nine Federal courts have ruled in suits involving State prohibitions on the coverage of abortion services under public programs that to deny such services to beneficiaries of the program would be in contravention of the equal protection clause of the Constitution when services are available for maternity and delivery care. The Supreme Court heard arguments in January 1977 and will rule this year on the constitutional questions involved.

On April 19, 1977, in hearings on the Labor-HEW 1978 appropriations, I testified on behalf of Women's Lobby in favor of medicaid funding of abortions. For the RECORD, my remarks before the House Labor-HEW Appropriations Subcommittee follow:

Mr. Chairman, members of the committee, I am reading the following statement for the women's lobby because I, too, favor medicaid funding of abortions. I am reading the statement verbatim:

Quote: "Mr. Chairman, members of the subcommittee, we are once more faced with the issue of medicaid abortions.

"It is outrageous that the present administration, which stresses its populism, its concern for human rights on a global scale, sees no contradiction in denying poor women here in the United States their right to choose whether or not to have an abortion.

"We must continue to fund abortions under Medicaid. Much as we applaud the attempt to circumvent the need for abortions as outlined in the Abortion Alternatives section of the HEW budget, there will still be a need for abortion services. No contraceptive is 100 percent effective—and even abstainers can be raped. Many women cannot safely use the two most effective forms, the pill and the IUD. It is not simple carelessness or thoughtlessness that causes many of these unwanted pregnancies.

"There are 11 million sexually active teenagers today. Each year more than 1 million 15 to 19 year olds become pregnant, and an additional 30,000 under the age of 15 become pregnant. We cannot force these children to bear children: the physical and socio-economic burdens are too great. These very young mothers have babies that are 2 to 3 times more likely to die in the first year; their maternal death risk is 60 percent higher than that for mothers in their 20's; their babies are more likely to have a low birth weight, and so are more susceptible to childhood illnesses and neurological defects. Most teen mothers drop out of school; ⅔ of pregnant teenage brides are divorced within six years; most spend their lives in a series of dead end jobs or on welfare. And this teenage group is the one age group to have a still increasing birth rate.

"It should be enough to point out that it is unfair to these poor and young women to force them to bear unwanted children, or to resort to back alley or self-induced abortions. That should be sufficient grounds to keep these services available. But in purely fiscal terms, it is insanity to outlaw Medicaid abortions. An abortion costs $150, a live birth $600. Each poor child costs $1000 per year, exclusive of food stamps and Medicaid. Since many of these cases are first time pregnancies it would mean two new names on the welfare rolls. It would cost the taxpayer $600 million the first year alone to support these mothers and new children if Medicaid abortions were outlawed.

"If you support the Hyde amendment language in any way, you must appropriate that additional $600 million, with the sum multiplying annually. Neither the states nor private organizations have the money necessary to replace Medicaid abortion services. These women and young girls will have nowhere else to turn.

"Ordinarily the Congress has no responsibility to provide funds for the exercise of constitutional rights. But since the government has set up a comprehensive medical aid program for the indigent, to exclude abortion services from that program is imposing a burden on the right to have an abortion. This amendment is clearly aimed at discouraging and preventing abortions, and is therefore an unconstitutional condition imposed on a constitutional right.

"The Congress should not waste its time on a law that not only violates our country's founding principle of separation of church and state, but is clearly unconstitutional.

"Mr. Chairman, members of the subcommittee, the women's lobby urges you to strike the Hyde amendment language from the bill." End Quote.

Mr. Chairman. This ends the statement of Women's lobby. To reiterate, I favor Federal funding of abortions.

A NEW CONSUMER AGENCY

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. McCLOSKEY. Mr. Speaker, last Tuesday, on a 22-to-21 vote, the Government Operations Committee reported out a bill to create a new Consumer Agency with the power to sue nearly every other agency of Government.

The bill specifically empowers the new Consumer Administrator to sue any Cabinet office or agency, with few exceptions, with whom he disagrees as to the impact of an Agency decision which "the Administrator determines substantially affects the interests of consumers."

There is no precedent for such a power and to my knowledge there has never been such a power granted to any other agency in Government. Disputes as to policy priorities between executive branch agencies are, and should be, settled by the President who is accountable for his decision to the American public at the next election. Should the Consumer Advocate sue the Secretary of Interior, or Treasury or even the Justice Department? He can, if H.R. 6805 is enacted.

It seems almost inconceivable that at a time when the Federal courts are already heavily backlogged with pending litigation we should add this new type of intrusion into the executive decision-making process.

Today, I am placing in the RECORD an amendment in the nature of a substitute which will delete both the unlimited power of litigation as well as the power

to compel answers to written interrogatories to private businesses on the part of the new Agency.

The basic concept underlying my substitute is that while consumers do need a more vigorous voice in governmental decisionmaking process, it would be unwise to add on top of existing Government consumer programs a new Agency with the power both to sue other agencies in court and to increase the paperwork burden presently imposed on businessmen.

I would view the Consumer Advocate as an "ombudsman," empowered to raise his or her voice as vigorously and as publicly as possible on the consumer's behalf in all governmental agencies and decisionmaking processes, and with the further power to obtain all relevant information and cooperation from every agency of Government, including the Departments of Agriculture and Labor.

The Consumer Advocate's powers, however, would end there. The Advocate would have no power to impose his views on Government agencies; and no agency would be bound to accept the Advocate's position. Each agency would be required to consider the Advocate's viewpoint and full publicity would attend his or her arguments and efforts.

The substitute recognizes another basic principle: That we should never again create a new office in the Government without abolishing at least as much bureaucracy as the bill creates. The substitute contains a specific provision that the Advocate's office will come into existence only when the Comptroller General certifies that a Presidential reorganization plan, accepted by the Congress, has abolished or transferred to the new Agency offices and functions whose fiscal year 1976 budget outlays exceed the budget authority for the Advocate's office. A description of the difference between H.R. 6805 and my substitute is attached.

DIFFERENCES BETWEEN H.R. 6805 AND MCCLOSKEY SUBSTITUTE

CONSUMER PROTECTION ACT (H.R. 6805)	M'CLOSKEY SUBSTITUTE
1. Establishes an "Agency for Consumer Protection," to be directed by an Administrator.	1. Establishes an "Agency for Consumer *Advocacy*," to be run by a Consumer *Advocate*.
2. Permits the Agency to sue most other Federal agencies.	2. Denies to the Advocate any power to seek judicial review of actions by other Federal agencies save as to the independent regulatory bodies such as the FTC, ICC, etc., or with respect to the Freedom of Information Act.
3. Authorizes the Agency to issue interrogatories to private businesses, and to request court order to enforce those interrogatories.	3. Denies the Agency the power to issue interrogatories to private businesses.
4. With regard to requests for information by the Agency to other Federal agencies, alters the Freedom of Information Act to ease access to trade secrets and confidential commercial or financial information.	4. Places the Agency in the same position as all other Federal agencies.
5. Exempts the Departments of Agriculture and the NLRB from consumer advocacy.	5. *Permits* Agency advocacy in labor and agricultural issues.
6. Authorizes the appropriation of $15 million for FY 1978 and $17 million for FY 1979.	6. Reduces the authorization to $10 million for FY 1978 and 1979.
7. The Act takes effect 90 days after the date of enactment.	7. Before the Act takes effect, all *other* consumer programs, operations and activities in the government must be abolished or transferred to the new Agency. The *total* budget outlays for the programs abolished or transferred must exceed the amount authorized for the new agency.

CLEAN AIR ACT AUTO EMISSION ISSUE

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. TEAGUE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a Clean Air Auto Emission Fact Sheet which was given to me by my good friend Mr. W. O. Bankston of Dallas, Tex. Mr. Bankston is an auto dealer in the Dallas area and in addition a very community minded individual who has participated in many community activities. The problem of auto emissions is a complicated issue, and it is Mr. Bankston's hope that this factsheet will shed additional light on the issue:

FACT SHEET—CLEAN AIR ACT AUTO EMISSION ISSUE

SYNOPSIS

President Carter has proposed one set of auto emission standards for the coming years.

Congressmen John Dingell and Jim Broyhill have proposed a different set of standards.

In making a choice between these two sets of auto emission standards, the Congress should consider:

(1) the effect on public health and progress toward meeting the Nation's air quality goals;

(2) the effect on auto fuel economy;

(3) the added cost to new car purchasers; and

(4) the effect on auto industry employment.

Available health data indicates that the Dingell/Broyhill schedule is stringent enough to adequately protect public health and continue the present rate of progress in improving air quality.

No evidence presently available indicates that the President's schedule will achieve any additional air quality improvement over and above that which the Dingell/Broyhill schedule would achieve.

When compared to the Dingell/Broyhill schedule, the President's schedule would result in the consumption of an additional 12 billion gallons of gasoline between now and 1985.

When compared to the Dingell/Broyhill schedule, the President's schedule would require the consumer purchaser of a new car to spend $400 more to buy a new car, and more than $100 to buy the additional gasoline needed to operate it.

The President's schedule may adversely impact on auto sales and result in more unemployment in the auto industry.

The technology does not presently exist to meet the final statutory NO_x standard of .4 which the President's schedule retains as a possible final standard for NO_x.

The Dingell/Broyhill emission schedule will continue the Nation's present progress in reducing auto emissions and cleaning up the quality of our Nation's air, and at a significant savings over the President's schedule in terms of fuel economy and cost to the consumer.

In summary, the Dingell/Broyhill schedule will protect public health, conserve fuel, and save consumers money.

I. Issues involved

The House of Representatives will soon be considering two alternative auto emission schedules for the coming years.

Members will have to choose one.

They will base their judgment on the relative merits of these two schedules in terms of:

1) the effect on public health and progress toward meeting the Nation's air quality goals;

2) the effect on fuel economy;

3) the added cost to purchasers of new cars in terms of both purchase price and maintenance costs; and

4) the effect of auto industry employment.

II. Background

The Clean Air Act of 1970 mandated a 90-percent reduction in the following three automobile pollutants:

a) hydrocarbons (HC)

b) carbon monoxide (CO)

c) oxides of nitrogen (NO_x)

Translated into concrete numbers, the 90-percent reduction would be:

Final Statutory Standards

a) HC—0.41 grams per mile (gpm).

b) CO—3.40 grams per mile (gpm).

c) NO_x—0.40 grams per mile (gpm).

The original act required this 90-percent reduction for HC and CO by model year 1975. For NO_x, the 90-percent reduction had to be accompanied by 1976 model year.

In the 1970 Act, Congress gave EPA discretion to delay these final standards for one year. EPA subsequently acted to delay compliance with the final standards until 1978 model year.

The present situation is as follows: unless the Congress acts, the final statutory standards are now scheduled to go into effect this fall with respect to model year 1978 light duty vehicles. EPA has no authority to delay these final standards from going into effect.

III. Emission schedules under consideration by the House

1. The House Interstate and Foreign Commerce Committee voted to adopt the emission schedule proposed by President Carter:

Model year	HC	CO	NO_x
1978	1.5	15.0	2.0
1979–80	.41	9.0	2.0
1981–82	.41	3.4	1.0
1983 and beyond	.41	3.4	*.4

*EPA must decide in 1980 whether to require a final .4 NOx standard on health grounds. Standard would remain at 1.0 if EPA decides .4 is not necessary.

If a final .4 standard is required, manufacturers could still sell vehicles meeting the 1.0 standard, but would pay a tax on each such vehicle.

This is the emission schedule which will be contained in the Clean Air Act legislation (H.R. 6161) when the full House considers the bill in a few weeks.

2. Congressman John Dingell (D-Mich.) and James Broyhill (R-N.C.) have proposed the following emission schedule in H.R. 4444.

Model year	HC	CO	NO_x
1978–79	1.5	15.0	2.0
1980–81	.41	9.0	2.0
1982 and beyond	.41	9.0	*1.0

*EPA can waive up to 2.0 if health and technology considerations permit.

You will note that this schedule would set the final CO standard at 9.0. Present available scientific evidence indicates that this standard is stringent enough to meet the ambient air quality goals for CO.

The final NOx standard would be set no lower than 1.0, eliminating the possibility of a final .4 standard. Evidence indicates that the .4 standard is not necessary from a health perspective, and will be difficult, if not impossible, to meet from a technological standpoint. A final .4 NOx standard would also have a severe adverse impact on fuel economy.

Prior to adopting the President's emission schedule, the full House Interstate and Foreign Commerce Committee rejected the Dingell/Broyhill emission schedule on a tie vote of 21–21.

IV. Future legislative action in the House

The Clean Air legislation, with the President's emission schedule as adopted by the House Commerce Committee, will be considered by the full House of Representatives.

Congressmen Dingell and Broyhill will offer their emission schedule as a floor amendment to the Clean Air Act legislation on the floor of the House. This means that every member of the House will have an opportunity to vote specifically on whether to adopt the Dingell/Broyhill emission schedule.

V. The auto emission control/fuel economy/consumer cost "connection"

In general, the techniques currently being utilized by the auto manufacturers to meet present emission requirements (1.5 HC, 15.0 CO and 2.0 NOx) have a negative impact on fuel economy. The engine is effectively "detuned" somewhat in order to reduce omissions. This also reduces the efficiency of the engine and results in poorer fuel economy.

New engine emission control technology such as the catalytic converter has enabled the manufacturers to recoup some of this fuel efficiency loss over the last three years. These gains may be threatened by implementation of more stringent emission standards prior to the development of new technology capable of meeting those standards without accompanying fuel penalties.

If excessively stringent standards are required above and beyond those necessary to protect public health, further fuel penalties can be anticipated in the coming years, even with the introduction of the three way catalytic converter.

In addition to fuel penalties, more stringent standards will require the manufacturers to utilize more sophisticated emission control systems such as computer controlled carburetion systems, three way catalytic converters, fuel injection systems, etc. These systems will substantially add to the cost of purchasing a new vehicle, and will also add to the cost of maintaining the vehicle over its useful life.

In short, the more stringent the emission standards—the more fuel penalties and added costs consumer purchasers of new vehicles will have to bear.

VI. Arguments favoring the Dingell/Broyhill emission schedule

1. *The Public Health Issue:* President Carter would require that the final NO_x standard of 0.4 be met in 1983 if EPA decided it was necessary. The Dingell/Broyhill schedule would set a final standard of 1.0, with EPA permitted to waive it up to 2.0 if public health would not be adversely affected.

According to the presently available health data, no statistically significant difference in air quality will result regardless of whether the final standard is 0.4, 2.0 or somewhere in between. (Source: Interagency Study conducted by the Environmental Protection Agency, Department of Transportation, and Federal Energy Administration, April 8, 1976).

President Carter would require the final statutory CO standard of 3.4 beginning in 1981 model year. The Dingell/Broyhill schedule would eliminate the final statutory standard of 3.4, and require a final standard of 9.0 commencing in 1980.

According to both David Ragone, Dean of the College of Engineering at the University of Michigan, and the California Air Resources Board, a final CO standard of 9.0 will enable the nation to meet the ambient air quality standard for CO.

In summary, the Dingell/Broyhill schedule contains the final standards necessary to meet our air quality goals. The President's proposal, on the other hand, goes far beyond what is necessary or justified on public health grounds.

2. *The Fuel Economy Issue:* When compared to the Dingell/Broyhill emission schedule, the President's proposal would result in an additional fuel penalty of over 12 billion gallons of gasoline between now and 1985. This figure is based on a preliminary update of the April 8, 1976 interagency study done by EPA, DOT and FEA (commonly referred to as the 3-agency study) and represents a 5–10% fuel penalty.

This translates to approximately 100,000 barrels of oil per day of additional consumption due to the more stringent emission requirements of the President's schedule.

With the President's emphasis on increased fuel economy for automobiles and oil and natural gas conservation in general, it is difficult, if not impossible, to justify the President's more stringent emission schedule based on fuel consumption consequence.

3. *The Cost Issue:* When compared to the Dingell/Broyhill emission schedule, the President's proposal would result in the American new car purchaser spending on the average $400 more to purchase and maintain his vehicle over its useful life.

In addition, the consumer will have to pay more for gasoline since the vehicle will have poorer fuel economy. Based on 10,000,000 annual new car sales through 1985 and gasoline priced at 60¢ per gallon (a conservative estimate), the added gasoline costs for new car purchasers will be in excess of $100.00.

The cost estimates above are based on the January update of the 3-agency study.

4. *The Jobs Issue:* Because of the added costs and anticipated technical problems manufacturers may encounter, the President's emission schedule may have a significant adverse impact on employment in the auto industry. Sharply increased costs due to technical difficulties in meeting the final standards proposed by the President would likely lead to lower sales. The obvious result would be reduced employment in the auto industry.

It should be noted that the 3-agency study of last year and the Chase Econometric study based on the 3-agency study indicated a direct correlation between more stringent emission standards and increased unemployment in the auto industry. The relationship is rather simple—the more stringent the standards, the more likely that a significant adverse impact on auto related employment will result.

Summarizing: The Dingell/Broyhill emission schedule will enable the Nation to continue its present rate of progress in cleaning up auto pollution. From a public health perspective, the Dingell/Broyhill schedule will adequately protect air quality over the coming years. At the same time, the Dingell/Broyhill schedule will result in the minimum adverse impact on fuel economy, jobs and consumer costs necessary to meet the public health requirements of the Clean Air Act.

VII. Arguments of the environmentalists and responses thereto

1. *The Volvo Case:* Your member of the House may bring up the 1977 Volvo California certification case as proof that the auto manufacturers can meet the final statutory NO_x standard of 0.4 gpm.

The question may be put in this fashion, "If Volvo can do it, why can't the domestic manufacturers do it?"

Here are the facts. The Volvo in question was a test vehicle utilized during the emission certification tests to meet the 1977 California emission standards (HC—.41 CO—9.0, NO_x — 1.5). It was a four cylinder, fuel injected, triple catalyst equipped vehicle. It retails for about $8,000.

The vehicle met the .4 NO_x standard at the beginning of the 50,000 mile endurance test but did not meet it at the end of the test. Thus, the vehicle could not have been certified under the Federal emission test if the statutory NO_x standard had been in effect. This was so stated by Volvo representatives at hearings before the Health and Environment Subcommittee earlier this year. Volvo also states that this advanced system has only been developed for application to a 4 cylinder engine.

2. *The Rhodium Loading Problem:* Many environmentalists and the Administration are arguing that utilization of the three way catalytic converter technology will enable the manufacturers to meet the stringent statutory standards without further delays and without significant fuel penalties.

Here are the facts. In addition to platinum utilized in the present catalytic converter systems, the three way catalytic system also utilizes rhodium.

In nature, rhodium is mined as a byproduct of platinum. When mined, it is found in a ratio of 19 parts platinum to 1 part rhodium. The only major sources of supply for rhodium and platinum are South Africa and Russia. The implications of making the domestic auto industry reliant on imports from these two countries for this critical raw material should be obvious.

Testimony before the Subcommittee on Health and Environment indicates that the supply of rhodium and platinum would be sufficient to meet the auto manufacturers'

requirements for nationwide production only if the three way catalytic converter required a ratio of platinum to rhodium which was at least the same as 19:1.

It should be strongly emphasized that the three way converter system utilized by Volvo in its California certification had a ratio of 5 parts platinum to 1 part rhodium.

Thus, it would be impossible to secure enough rhodium to equip the nationwide fleet of new cars (10,000,000 new cars annually) utilizing the Volvo converter system.

The auto manufacturers have testified that they are currently working on alternative substances that would produce the same emissions reductions as rhodium. They are also working on ways to achieve sufficient emission reductions with less rhodium being used. These attempts have not yet proven to be successful.

3. *The California Experience:* The 1970 Clean Air Act provided the state of California with the right to adopt more stringent emission standards than the rest of the country because of the particularly bad smog problems in the Los Angeles basin. The emission standards applicable to California are:

HC	.41
CO	9.0
NOx	1.5

Some members of the House are arguing that even with the more stringent standards which went into effect in 1977, fuel economy of California cars increased 10 percent.

Here are the facts. The 10 percent fuel economy improvement refers to the fuel economy of 1977 California vehicles vis a vis 1976 California vehicles, i.e. the average fuel economy of California vehicles improved 10 percent from model year 1976 to 1977. Most of this gain is due to the efforts of the auto manufacturers to significantly improve average fleet fuel economy to prepare for the mandatory fuel economy standards which become effective in model year 1978. The fuel economy improvements would have been even better but for the more stringent emission standards effective in model year 1977.

As a result of the more stringent emission standards in effect in California, 1977 California cars average 11 percent worse fuel economy than 1977 49-state cars.

Additionally, 1977 California cars cost on the average $300 to $400 more than a similarly equipped vehicle sold in the other 49 states.

It is interesting to compare these fuel penalties and cost differentials for the current model year between 49-state cars and California cars in terms of the emission standards applicable to this model year.

Model year	HC	CO	NO_x
California car	.41	9.0	1.5
49-State car	1.5	15.0	2.0

Based on this difference in terms of emission standards, the fuel penalty is 11 percent and the additional purchase cost is $300 to $400.

The President wants to get to even more stringent standards than the present California standards. It should be obvious that the President's final standards are going to result in significant fuel penalties and substantial added costs to new car buyers.

4. *The Transportation Control Argument:* The Clean Air Act provides that EPA can require various transportation control measures (in effect reducing auto emissions by reducing total vehicle miles driven) to supplement the auto emission standards in locales where it is necessary to obtain compliance with air quality goals.

EPA considered requiring transportation controls in Boston, but met with a veritable storm of public protest. EPA then withdrew its initial proposals.

Some members of the House are using the argument that they would rather support tougher emission standards on the theory that these tougher standards will eliminate the need for EPA to impose unpopular transportation control measures.

Here are the facts. Even if the most stringent possible emission standards were required immediately, certain localities (metropolitan areas) would still require transportation controls in order to meet the ambient air quality standards for HC, CO and NOx.

This position is supported by the Environmental Protection Agency itself.

Requiring more stringent emission standards won't help the Congressmen from these areas which may require transportation controls, but it will insure that his constituents pay a lot more for less fuel efficient vehicles in the coming years.

FOOTNOTE

This is by its nature a technical and complex subject. In discussing the matter with your House member, you should stress to him/her the importance of examining the testimony on this subject before the House Commerce Subcommittee on Health and Environment, and the 3 agency study conducted by EPA, DOT, and FEA.

You may also wish to refer any detailed questions from your House member to NADA or either Congressman Dingell or Broyhill (depending on whether your member is a Democrat or a Republican) for a detailed explanation.

The facts on this issue strongly indicate that the Dingell/Broyhill emission schedule represents the best balancing of the Nation's clean air and energy conservation goals. It also represents the least expensive answer to the auto pollution problem for the Congressman's constituents while at the same time guaranteeing public health.

OAK PARK-RIVER FOREST HIGH SCHOOL RECEIVES FEDERAL ENERGY CONSERVATION AWARD

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. HYDE. Mr. Speaker, I am pleased to bring to the attention of my colleagues the fact that Oak Park-River Forest High School, in my district, has received a special achievement award for energy conservation by the Federal Energy Administration. If schools across the country could learn from the innovative methods employed by this high school, it would be a great step forward in our search for energy independence.

Between the school years 1970–71 and 1975–76, the Oak Park-River Forest High School has reduced its consumption of electricity and natural gas by 35 to 40 percent in both areas. The award was presented to the school by Kenneth Johnson of the FEA at a meeting last week of the Illinois Association of School Business Officials.

The award cites the high school, which serves 4,200 students, for—

Outstanding leadership in implementing or promoting energy conservation measures which have resulted in a significant contribution toward conserving our Nation's energy resources.

According to Mr. Richard C. Rietz, the director of buildings and grounds, except for $6,000 spent to purchase radio receivers to remotely stop and start fan motors, commonsense has been relied on to achieve the reductions. The largest savings came about by reducing the running time of equipment, particularly the air-handling and air-conditioning equipment. In addition, controls and thermostats were reset, timers installed, excessive hall lighting eliminated, some inefficient incandescent lighting replaced, and 35-watt fluorescent bulbs are gradually replacing the thousands of aging 40-watt bulbs.

Mr. Rietz said that except for this past winter, natural gas consumption used for heating the school has been reduced at the same rate as has electricity. However, despite the coldest winter on record, the high school still expects total consumption of natural gas this winter to be less than was used in the years of 1970 through 1973, and has relied primarily on temperature controls and reduced running time of equipment for the savings.

Mr. Rietz gave credit to the maintenance staff, who are ever alert to savings and are kept constantly informed of monthly consumption and expenditures for utilities. He said that all monthly consumption figures are graphed and all maintenance personnel see the results of their efforts.

I know my colleagues join me in congratulating the administration, faculty, maintenance staff, and students of Oak Park-River Forest High School for their concerted effort to save energy and the taxpayers' money. I think this one high school's initiative in this area should serve as a model for all of us and I hope my colleagues will pass the ideas along to school administrators in their own districts.

FOOD STAMPS—A FACT OF LIFE

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mrs. COLLINS of Illinois. Mr. Speaker, I have been following with keen interest the controversy provoked by President Carter's recent proposal that the food stamp purchase requirement be eliminated.

As the representative of a less than wealthy, inner-city district, I am well acquainted with the many problems related to the food stamp program. My office receives a constant stream of mail from constituents who are unable to come up with enough money to cover the purchase price of food stamps. Although these constituents are more than qualified for the program, they are not able to take advantage of it.

Eliminating the purchase requirement will allow these people to receive food stamp benefits. My major objection to the Carter proposal, however, is that it

will eliminate certain current participants from the food stamp rolls.

Ideally, a reform in the food stamp program would allow all of those currently participating in the program to remain on it, while making provisions—such as the elimination of the purchase price—which would attract those who are currently eligible for the program but have not sufficient funds to participate.

With this in mind, I am inserting a very perspicuous column by Carl T. Rowan, Washington Star, April 29, 1977, that addresses the food stamp issue:

MAKE FOOD STAMPS FREE

(By Carl T. Rowan)

Some of the most provocative words in the English language are "dead-beat," "hustler," "pimp," "moocher," "shyster." They arouse strong emotions. Another is "giveaway." Every self-styled champion of the work ethic professes to hate welfare "giveaway" programs. Emotionalism provoked by cries of "giveaway" may turn out to be the most formidable barrier to badly-needed reform of the food stamp program.

The Carter administration wants to make food stamps free. Whereas a poor family of four (net income of $250 a month) now must pay $71 to get $166 in food stamps, meaning it gets a government subsidy of $95, the Carter reform would simply give the family $95 worth of food stamps.

This change makes sense both morally and physically.

This program, begun partly as a means of removing surplus commodities from the market, ought to have one overriding purpose: to shield poor families from the hunger which only recently was shamefully widespread in America.

The truth is that even though the government spent $5.4 billion last year to provide food stamps to 17.4 million people, an equal number of eligible Americans got no help at all.

Many of the most wretchedly poor families simply cannot put together enough cash at one time to purchase stamps. So we now have hundreds of thousands of slick moochers getting stamps while millions of children go hungry.

Agriculture Secretary Bob Bergland says the Carter proposal would remove from the program some 1,750,000 persons by tightening eligibility standards and would reduce benefits for 5 million others.

Thus, at the same level of spending almost 3 million of the very poorest Americans could be brought into the program and benefits could be raised for 5 million more.

A lot of fuss has been raised in congress about food stamp frauds. Anyone who has seen the poor line up at tiny stores, churches and other places, paying $3 billion a year to 15,000 food stamp vendors, knows that the current program is an open invitation to crookedness.

Under the Carter reform, that $3 billion would not pass through the vendors' hands—so the fraud potential would be reduced greatly.

Well, why the resistance to the Carter reform? Some lawmakers are simply opposed to government giving anyone anything for free. They argue that ending the purchase requirement would turn the food stamp program into "just another welfare giveaway."

Ironically, some who oppose free food stamps are talking about replacing the stamps program with cash food supplements for poor families. Not only would this be a "giveaway," but it would reduce to miserable diets many children of parents who would spend the cash for everything but food.

It is silly to engage in philosophical semantics, pretending that the food stamp program is not a welfare program. The current purchase requirement does not alter the reality that Uncle Sam is giving away $5.4 billion. The sensible thing is to surmount the emotionalism and give it away through procedures where it goes to those who need it most.

Comprehensive welfare reform is a long way off. Until we get it, the Bergland proposals for revising the food stamp program ought to be adopted speedily.

YOUTH EMPLOYMENT AND INNOVATIVE DEMONSTRATIONS PROJECT ACT OF 1977

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. HAWKINS. Mr. Speaker, I rise today to submit for the RECORD information regarding H.R. 6138, the Youth Employment and Innovative Demonstration Projects Act of 1977. This bill was favorably reported by the Committee on Education and Labor on May 5 by a vote of 32 to 2 and will be brought up for floor action under suspension of the rules on Monday, May 16.

H.R. 6138 provides a variety of innovative and demonstration programs to deal with the structural unemployment problems faced by our Nation's youth. It is not the intention of this measure to provide make-work jobs for unemployed young people, but rather to provide youth with opportunities to learn and earn that will lead to meaningful employment opportunities after they have completed the program. This bill would provide an estimated 203,000 jobs over the next 18 months and will impact on the expenditure of the $1.5 billion in the economic stimulus package that is intended for youth employment and training programs. In addition to the demonstration programs authorized by this proposal, the bill would establish a national Young Adult Conservation Corps providing an estimated 35,000 young people with employment in conservation and management projects on our Nation's public lands. Many Members will recall that the YACC passed this House overwhelmingly during the last Congress but died in the Senate. It is based on the combined experience of the CCCs of the thirties and the YCC summer program.

There is no question that youth unemployment is a serious problem. Youth age 16–24 make up slightly under a quarter of the civilian labor force but they represent nearly half of the total unemployed workers. If we do not afford our Nation's youth opportunities to become productive members of society we will reduce their sense of self worth and will be poorer as a nation for the lack of goods and services they could provide.

For the benefit of my colleagues a summary of the bill and a section-by-section analysis follows:

SUMMARY OF MAJOR PROVISIONS OF H.R. 6138 AS REPORTED BY THE COMMITTEE ON EDUCATION AND LABOR, MAY 5, 1977, YOUTH EMPLOYMENT AND INNOVATIVE DEMONSTRATION PROJECTS ACT OF 1977

TITLE I

Title I of the bill amends the existing YCC summer program by creating the Young Adult Conservation Corps Act to employ young adults year-round to reduce the volume of management work on our Nation's public lands. This program is to be administered by the Secretaries of Interior and Agriculture, pursuant to interagency agreements with the Secretary of Labor.

Applicant referrals for the Corps are to be made via the interagency agreements from the agencies of the United States Employment Service and CETA prime sponsors. Eligible youth are to be unemployed, age 16–24 who have completed high school or dropped out for reasons other than joining the Corps. They shall be physically capable of carrying out the work to be accomplished and may be employed for two or more periods not to exceed a total of twelve months. They may share common facilities with youth enrolled in other federally assisted employment and training programs and may receive academic credit for their participation if applicable.

TITLE II

Title II of the bill amends Title III of CETA.

Section 318. Youth Incentive Entitlement

Section 318 of this title authorizes the Secretary of Labor to enter into arrangements with selected prime sponsors to demonstrate the efficacy of guaranteeing employment and/or training to economically disadvantaged youth age 16–19 who are in school or willing to return to seek a high school diploma or its equivalency. Twenty-five percent of the funds appropriated for this title shall be available for this program. This section details the eligible employment and training opportunities which shall be part-time during the school year and full-time during the summer. The Secretary shall take into consideration in selecting prime sponsors to conduct pilot programs of this nature the extent which they will devote funds available under Title I and the summer youth program under Section 304(a) for the entitlement program and shall select prime sponsors from areas with differing socio-economic circumstances. This section also describes the information to be included in a prime sponsor's proposal including assurances that local institutions and organizations have been consulted and that regular workers will be protected. The Secretary is required to report to Congress on the effect of the program on various economic conditions.

Section 319. Demonstration Projects

Section 319 of this title is allocated the remaining 75% of the funds appropriated for this title. Of these funds, 75% shall be allocated to prime sponsors on a formula basis similar to that used in Title I of CETA and may be used for a variety of youth employment and training programs including the upgrading of existing Title I programs. There is a special provision that up to 30% of the allocation to a prime sponsor may be used for community improvement projects, but only 25% of project funds could be used for supplies and equipment. Of the funds allocated to prime sponsors in each State, 5% is set aside to be utilized at the discretion of the Governor for statewide services.

The remaining 25% of the funds allocated to this section are available at the discretion of the Secretary of Labor for innovative projects and programs.

Eligible youth under Section 319 are age 16–21 not from families who have a gross annual income over the BLS lower living standard.

Other Provisions

Earnings received by youth in these programs shall be disregarded in determining eligibility for, and the amount of, any benefits for other family members based on need under other Federal programs.

Section 322 details the labor protection

standards that apply to both Section 318 and 319.

Title III of the bill waives Section 4(e) of Part C of Title III and Title IV of CETA for FY '78.

Title: Title I (YACC).

Existing law amended; YCC; 84 Stat 794; 16 USC 1701–1706.

Appropriation: Such sums.

Authorization: Fiscal year 1978, 79, 80.

Administrative agency: Departments of Interior and Agriculture pursuant to interagency agreements with DOL.

Title: Title II.

Existing law amended: CETA Title III PL 93–567, as amended.

Appropriation: Such sums.

Authorization: Fiscal year 1978.

Administrative agency: Department of Labor.

Existing law amended: Section 318, Youth Incentive Entitlement (Sarasin).

Appropriation: 25% of funds.

Existing law amended: Section 319, Demonstration Projects.

Appropriation: 75% of funds, 75% formula to prime sponsors, 5% of each State's funds set aside for Governor, up to 30% may be used for community improvement projects with a 25% limit on materials, 25% Secretary's discretion.

SECTION-BY-SECTION ANALYSIS OF H.R. 6138, AS REPORTED BY THE COMMITTEE ON EDUCATION AND LABOR

YOUTH EMPLOYMENT AND INNOVATIVE DEMONSTRATION PROJECTS ACT OF 1977

TITLE I—YOUNG ADULTS CONSERVATION CORPS ACT

Section 101 cites the title, Young Adult Conservation Corps Act.

Section 102 amends the "Act to establish a pilot Youth Conservation Corps" program in the Departments of the Interior and Agriculture (84 Stat. 794 as amended 16 U.S.C. 1701–1706) by adding a new title II, the Young Adult Conservation Corps Act.

POLICY AND PURPOSE

Proposed section 201 states the policy and purpose of this title is to reduce the volume of resource management work on our Nation's public lands and to provide employment opportunities for young adults.

EXTENSION OF YCC

Proposed section 202 provides for the extension of the YCC to employ young adults year-round. Applicant referrals are to be made according to interagency agreements made with the Secretary of Labor by agencies affiliated with the U.S. Employment Service and CETA prime sponsors of youth:

Age 16–24 who have completed high school or can give assurances adequate to the Secretary of Labor that they have not dropped out for the purposes of enrolling in the YACC;

Are physically capable to carry out the work to be accomplished; and

May be employed for one or more periods not to exceed a total length of 12 months.

SECRETARIAL DUTIES AND FUNCTIONS

Proposed section 203 states that those duties and functions detailed in section 103 of the YCC shall apply to this title as well and:

Details eligible resource management activities but only limits that such activities be relatively labor intensive;

That to the maximum extent practicable, corps members under this title may share common facilities with youth in other Federal programs;

Shall utilize existing facilities and equipment if possible;

Set rates of pay as provided in the Fair Labor Standards Act; and

Make suitable arrangements with the Secretary of HEW whereby academic credit may be offered.

EXTENSION OF GRANT PROGRAM FOR STATE PROJECTS

Proposed section 204 enables the Secretaries to extend the grant program for State projects currently required of the YCC program on non-Federal (including State and local) public lands and provides that:

Not more than 30 percent of the sums appropriated to carry out this title for any fiscal year may be made available for such grants; and

That no displacement fo currently employed workers or substitution of workers on layoff may occur.

SECRETARIAL REPORTS

Proposed section 205 requires that the Secretaries prepare an annual report to be presented to the Congress and the President.

APPLICATION OF PROVISIONS OF FEDERAL LAW

Proposed section 206 states that YACC enrollees shall not be deemed as Federal employees except for purposes of:

Internal Revenue Code of 1964 (U.S.C. 1 et seq.);

Title II of the Social Security Act (42 U.S.C. 401 et seq.);

Subchapter 1 of Chapter 81 of title 5 United States Code;

Chapter 171, title 28, United States Code relating to tort claims; and

Section 5911, title 5 United States Code.

ANTIDISCRIMINATION

Proposed secion 207 prohibits discrimination because of race, creed, color, national origin, sex and political affiliation.

INTERAGENCY AGREEMENTS

Proposed section 208. The administration of this title shall be pursuant to interagency agreements entered into by the Secretary of Labor with the Secretaries.

AUTHORIZATION OF APPROPRIATIONS

Proposed section 209 authorizes such sums as may be necessary for fiscal year 1977 and each of the two succeeding fiscal years.

CHANGES IN EXISTING LAW

Section 103. Sections of the existing YCC Act are redesignated and "Act" is struck being replaced by "Title".

TITLE II—YOUTH INNOVATIVE AND DEMONSTRATION PROJECTS ACT

SHORT TITLE

Section 201 cites the short title, Youth Innovative and Demonstration Projects Act.

Section 202 amends title III of CETA, as amended, to establish a new Part C, Youth Innovative Demonstration Projects.

STATEMENT OF PURPOSE

Proposed sction 316 establishes pilot, demonstration and experimental programs to explore methods of dealing with youth employment and training, but it is explicitly not the purpose to provide make work.

USE OF FUNDS

Proposed section 317 states that 25 percent of the funds shall be available only for section 318 (Youth Incentive Entitlement) and the remainder shall be available for section 319.

YOUTH INCENTIVE ENTITLEMENT

Proposed section 318 authorizes the Secretary to enter into arrangements with selected prime sponsors to demonstrate the efficacy of guaranteeing employment to economically disadvantaged youth who are:

Aged 16–19; and

In school or are willing to return to school for the purpose of obtaining a diploma or seek a high school equivalency certificate.

This section details the eligible employment opportunities and training or combination thereof which shall be part-time up to 20 hours per week during the school year and full time up to 40 hours per week during the summer. The Secretary shall take into consideration:

The extent which the selected prime sponsors shall devote funds available under title I and section 304(a) for the entitlement program.

The Secretary shall not select any prime sponsor failing to submit:

A description of outreach, auditing, and monitoring procedures to be used;

A statement of the number of economically disadvantaged youth to be served;

Assurances that the prime sponsor has consulted with local organizations and agencies such as education agencies, labor organizations, community based organizations and state employment security agencies;

Assurances against the hiring of relatives of those responsible for hiring;

Assurances that appropriate arrangements have been made with local education agencies or institutions offering certified high school equivalency programs; and

Assurances that prime sponsors will provide the Secretary with necessary data.

This section lists examples of eligible employment and prohibits funds from being used to provide public services previously provided by a political subdivision or local educational agency in the area served.

In approving youth incentive entitlement projects, the Secretary shall test a variety of private subsidies, arrangements with unions for apprenticeship training, alternative administrative mechanisms, the addition of economically disadvantaged youth between 19 and 25 who have not received their high school diploma, the inclusion of career counseling, outreach on the job training and apprenticeship, and the inclusion of adjudicated youth.

The Secretary is required to submit interim and final reports to Congress on the projects funded under this section.

DEMONSTRATION PROJECTS

Proposed section 319—75 percent of the funds available for this section shall be allocated as follows:

Seventy-five percent shall be allocated on the basis of relative number of unemployed persons within the State; and

Twenty-five percent shall be allocated on the basis of relative number of persons in families with income below the low-income level, but of the funds allocated to any State, 5 percent shall be set aside for the Governor for special statewide programs.

The remaining 25 percent available for this section shall be available to be used at the discretion of the Secretary of Labor. Eligible activities shall include but shall not be limited to activities such as:

Outreach, assessment, counseling, and orientation;

Promotion of transition from school to work;

Development of labor market and occupational information;

Literacy and bilingual training;

Attainment of high school equivalency certificate;

Job sampling, OJT and development of job skills;

Supportive services;

Community services;

Programs to overcome sex-stereotyping and outreach mechanisms to increase the participation of women and minorities;

Job development and placement; and

Upgrading of ongoing title I programs.

Eligible youth in this section shall be:

Age 16–21; and

Not from families which have a current gross annual income over the BLS lower living standard income.

Up to 30 percent of a prime sponsor's allocation may be used for community improvement projects but no more than 25 percent of those funds may be used for materials and supplies.

Ten percent of the funds for this section may be used to test programs for youth of all economic backgrounds.

DISREGARD OF EARNINGS

Proposed section 320 states that earnings under this part shall be disregarded when determining the eligibility of other family members for Federal programs.

DEFINITION

Proposed section 321 defines "community improvement projects" as those which would not otherwise be carried out including but not limited to rehabilitation of public facilities, neighborhood improvement, conservation, maintenance or restoration of natural resources on non-Federal public lands.

LABOR STANDARDS

Proposed section 322 details the applicable labor protection standards by reference to Section 205(c)(8), 205(c)(24) and (25), 208(a)(1), and (2), 208(a)(2), 208(c), and 605(b) of title VII.

"AUTHORIZATION

"Proposed section 323. There are authorized to be appropriated such sums as are necessary to carry out the provisions of this part for the fiscal year ending September 30, 1978.".

TITLE III—MISCELLANEOUS

Proposed section 301 states that the limitations of section 4(e) of the Comprehensive Employment and Training Act of 1973 shall not apply to appropriations for part C of title III and for title IV of such Act for the fiscal year ending September 30, 1978.

Proposed section 302 states that appropriations for youth programs (other than those authorized under section 304(a)(3), under title III of the Comprehensive Employment and Training Act as in effect before the amendments made by this Act shall, to the maximum extent consistent with law, be obligated and expended in accordance with the provisions of part C of title III, as added by this Act.

DO WE NEED MORE GOVERNMENT OR LESS?

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. SHUSTER. Mr. Speaker, in the May 1, 1977, edition of the Washington Post there appeared an article entitled, "U.S. Office of Education Assailed as Sluggish Bureaucracy." As a member of the Education and Labor Committee and specifically the Postsecondary Education and Compensation, Health and Safety Subcommittees, I am very disturbed by this report and I am sure most Americans would also be disturbed. As I have pointed out on other programs and proposed programs, such as the Youth Camp Safety Act, the tendency for Federal programs is to grow larger and larger. The Office of Education in 1965 administered 35 programs and had a budget of $1.383 billion. For fiscal year 1978 that same office will administer over 120 programs and will command a budget of $9.144 billion. It appears that bigger does not always mean better. I ask unanimous consent that the article from the Washington Post be inserted into the RECORD:

[From the Washington Post, May 1, 1977]

U.S. OFFICE OF EDUCATION ASSAILED AS SLUGGISH BUREAUCRACY

(By Bart Barnes)

The U.S. Office of Education, overseer of $9 billion worth of federal educational programs annually, has evolved over the past decade into a sluggish bureaucracy, unwilling to enforce federal educational policy, a coalition of civil rights groups has charged.

In 1965, at a time of minimal federal involvement in education, the groups noted, the Office of Education was a small service agency. It was staffed chiefly by bureaucrats whose backgrounds "were often shaped in unaggressive state educational bureaucracies."

They were unprepared for the new federal role in education, including the setting of standards, issuance of regulations, monitoring, enforcing sanctions against illegal practices and evaluating programs, the coalition contends.

"The result has been," the groups said in an 85-page paper delivered in March to Secretary of Health, Education and Welfare Joseph A. Califano Jr., "a failure of policy, of enforcement and of integrity. There has been too little evaluation, too little consistency in regulation, too much confusion and delay in regulation . . ."

Calling themselves the Education Coalition, the authors of the paper included representatives of the NAACP Legal Defense Fund, the Alabama Council on Human Relations, the Children's Defense Fund, the Federal Education Project of the Lawyers Committee for Civil Rights Under Law and the Southeastern Public Education Program of the American Friends Service Committee.

They asked Califano to meet with them to discuss possible remedies, but Califano declined. He said he would see to it that top HEW officials study the coalition's paper. The Office of Education said last week it would have no immediate comment.

Disclosure of the coalition's paper coincided with release of a draft report by the Commission on Federal Paperwork in which the Office of Education was accused of overwhelming local schools, school systems and colleges in mountains of paperwork.

"Educators complain that the rapid growth of educational bureaucracies at all levels has led to an increased concentration on the regulatory and administrative process and the diversion of faculty from their primary responsibility—teaching. One result has been the creation of an atmosphere of hostility . . . bringing with it very real, though intangible costs."

"School systems say they are drowning in paperwork," the report noted. At the college level, it went on, one 15-page application for federal assistance for needy students is so complicated that the Office of Education had to issue a 17-page set of instructions explaining how to fill the forms out.

At a press conference shortly after assuming office in early April, U.S. Education Commissioner Ernest L. Boyer acknowledged that the paperwork requirements of his office "had reached crisis proportions" and that something had to be done about it.

In particular, the Education Coalition's study of the Office of Education found the bureaucrats singularly unaggressive in attempting to recover federal money found to have been misspent by the state or local school systems.

"The problem is that the Office of Education is run by people who come from the constituency that OE is supposed to regulate," said Phyllis McClure of the Legal Defense Fund, one of the authors of the study.

"Their sympathy is with the people who are to be regulated."

The paper noted that during a 10-year period auditors from HEW found $241 million distributed by the Office of Education under Title I of the Elementary and Secondary Education Act to have been misspent by state or local school systems. (Title I is intended to supplement educational programs for disadvantaged children.)

Yet, the report said, the Office of Education requested reimbursement of only $7 million of that money, and, in fact, less than $700,000 was actually returned.

"In numbers of instances, the Office of Education appears to negotiate away recoverable Title I dollars without apparent rhyme or reason," said one internal OE memorandum obtained last week by The Washington Post.

Chartered by Congress in 1867 essentially to gather statistics on education, the Office of Education has broadened its scope dramatically in the past 15 years to the point where it now funds programs ranging from bilingual education to compensatory education for poor children to vocational education. It administers 120 programs, compared with fewer than 35 in 1965, and each theoretically requires regulation, evaluation and monitoring.

In fact, according to some Office of Education employees, very little hard evaluation ever gets done. Once started, programs are likely to continue forever, regardless of their value to children, because they mean jobs for bureaucrats.

"For 98 per cent of the people here, they've never had it so good," said one OE employee. "They come from state and local school systems and most of them are making over $30,000 a year here and that's more than they've ever made in their lives.

"They are very security conscious, they don't want to take chances and they have no place to go. If they go back to the local school system, they have more trouble, they have to work harder and they get less pay."

Another person who does program evaluations for the Office of Education said, "OE simply will not accept an unfavorable evaluation of a program. If you turn in an unfavorable evaluation, they'll just rewrite it."

"Other than making sure that states got their money and making sure it was spent, there was no real role for the Office of Education," said another official. "I don't know anyone around here who wants to monitor."

The one cardinal rule at OE, several employees said, is to make sure that all money available does, in fact, get spent. The Office of Education declined to comment on the charge from the employees, who asked that their names not be used.

One employee recalled sitting in an office toward the end of the fiscal year when a complete set of new furniture arrived unexpectedly.

When the employee asked about it, she said, the answer was simple and direct:

"We had money left over in the budget and we had to spend it somehow."

LEGAL ASSISTANCE FOR MILITARY PERSONNEL

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mrs. SCHROEDER. Mr. Speaker, I am today introducing legislation to guarantee the right to legal assistance to members of the Armed Forces and their dependents. This action is prompted by the significant decline in the quality of such aid that has been witnessed in recent years.

The legal assistance program was established and is based upon the fact that adequate civilian legal services are generally not available to military personnel stationed overseas, deployed at sea, or serving at remote installations. Even in areas where civilian attorneys are physically available to military personnel

and their dependents, considerable time and expense are saved by providing legal services at the command with which the service member is serving. Requiring military personnel to travel from their duty stations to consult with civilian attorneys, often a considerable distance, results in many lost man-hours from training and job performance. An "on-the-site" approach to providing legal services, when possible, contributes to the accomplishment of the primary objective of the Armed Forces—defense preparedness, and readiness. In a similar vein, unresolved personal problems can adversely affect morale and efficiency and frequently result in behavior requiring disciplinary action. Prompt aid in resolving these problems is an effective preventive measure. Accordingly, it has been the policy of the military departments, through the legal assistance program, to make personnel aware of their legal rights and obligations and to provide a means whereby these problems can be resolved, if possible, before disciplinary action is needed.

Recognizing these factors, during World War II—in 1943—the American Bar Association's committee on war work encouraged and assisted the War Department and the Department of the Navy in establishing a program of legal assistance for the millions of service members then in the Armed Forces. During the succeeding 33 years, the legal assistance program has been continued by military lawyers pursuant to regulations issued by each of the military departments. During the Vietnamese conflict, the scope and sophistication of legal assistance reached a high level with millions of active service members and their dependents receiving high quality legal service in the form of wills, powers of attorney, and advice and assistance on all types of tax problems, Soldiers' and Sailor's Civil Relief Act matters, marriage, divorce, adoption, separation, name change and other domestic relations problems, landlord-tenant matters, consumer protection problems, personal real estate transactions, minor civilian misdemeanors, and civil litigation problems.

Prior to 1970, the military legal assistance programs were generally limited to in-office services, such as consultation, preparation of documents, and limited professional representation. In 1970 however in response to congressional intent as expressed in the Carey amendment to the Economic Opportunity Act of 1964 and at the urging of the American Bar Association, Secretary of Defense Melvin Laird established a pilot legal assistance program to provide in-court representation for service members who could not otherwise afford the services of an attorney. This program, similar to that provided by the Office of Economic Opportunity now the Legal Services Corporation—provided full legal services, including in-court representation for service members who met strict income and need requirements. It supplemented the traditional legal assistance "in-office" program and was provided, in cooperation with local bars, at those installations where greatest need existed and adequate legal assistance resources were available. At the end of the 3-year pilot program, conducted in 19 States, the Department of Defense established the program permanently as a part of the traditional legal assistance program.

As the war in Vietnam was phased out, the resources available to the military departments were reduced; however, the legal problems faced by the military departments and the statutory responsibilities placed upon military lawyers were not. Requirements such as representing service personnel in all special and general courts-martial as well as prosecuting, adjudicating, reviewing, and appealing those cases, investigating and adjudicating all manner of claims, reviewing and assisting in the awarding and administration of government contracts for increasingly sophisticated and technical goods and services, representing service members before administrative boards, and advising commanders on a whole range of new and extremely technical laws, including the National Environmental Policy Act and the Freedom of Information and Privacy Acts, have imposed an ever-increasing demand for legal services on an ever-decreasing number of military lawyers. This increased demand for legal services, however, has meant that some area of legal service must be reduced. Legal assistance resources have been a prime victim of these reductions.

As early as 1971 the American Bar Association's standing committee on legal assistance for servicemen, which meets regularly on military installations to observe legal assistance activities in operation, reported indications of reductions in the number of military lawyers assigned to provide legal assistance and in the total amount of time spent on legal assistance services. The reductions in resources committed to the delivery of legal assistance have been manifested in a number of ways: Longer waiting periods to obtain an appointment to see an attorney, limitations on the level of sophistication of services available and so forth.

The purpose and need for the legislation is simply to provide statutory recognition and authorization for the military legal assistance programs. Until such legislation is adopted, the legal assistance program is operated solely under Department of Defense and military service directives, and frequently under local command prerogatives. As a result, the military services are unable to request specific budgetary authorizations and must continually use legal assistance as the "excess" legal service to be provided only after the statutorily required services relating to military discipline and other matters are performed.

The bill proposed here does not mandate a specific level of legal assistance programs of any kind. It recognizes that the military services must have flexibility to increase their effort in one area and decrease it in other areas. Rather, the bill merely recognizes and protects by statute a longstanding practice of the services, leaving the implementation to the best judgment of the military departments.

At base, the bill closes off the possibility of the discontinuance of legal assistance, an option which is currently available to the military departments, and insures that legal assistance will be duly considered along with other statutory responsibilities.

The text of the bill and a section analysis follows:

H.R. 7192

A bill to provide for legal assistance to members of the Armed Forces and their dependents, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is hereby declared to be the intent of the Congress that members of the Armed Forces and their dependents have legal assistance made available to them in connection with their personal legal affairs.

SEC. 2. Armed Forces personnel and their dependents are entitled to legal assistance in connection with their personal legal affairs under such regulations as may be prescribed by the Secretary concerned.

SEC. 3. The Judge Advocate General, as defined in section 801 of title 10, United States Code, or their designees, are responsible for the establishment and supervision of legal assistance programs under such regulations as may be prescribed by the Secretary concerned.

SEC. 4. Nothing contained herein shall be construed as authority for the representation in court of Armed Forces personnel or their dependents who can otherwise afford legal fees for such representation without undue hardship.

SECTION ANALYSIS

Section 2 is designed to insure the continuation and permanency of the providing of legal services to servicemen and their dependents and is expressed in terms of an entitlement to such legal services. This is subject to such regulations as the Secretary concerned may prescribe. By utilizing the term "entitlement", the fulfillment of this entitlement is left to the Secretary of the Department concerned—i.e. by utilizing military attorneys, by utilizing contracted services of civilian attorneys, by utilizing civilian attorneys who are civil service employees, etc. The choice of the method of fulfilling this statutory entitlement is left to the Secretary.

Section 3 clearly places upon the Judge Advocates General the responsibility for the creation and operation of the legal assistance programs. The reference to 10 U.S.C. 801 is necessary so as to include the Coast Guard. The Coast Guard has no "Judge Advocate General" and the only place in the law where the term "Judge Advocate General" is made applicable to the Coast Guard is in the definitional section of the UCMJ wherein it is stated that the term "Judge Advocate General" shall include the General Counsel of the Department in which the Coast Guard is operating. The language "or his designee" is also necessary in order that the General Counsel of the Department of Transportation can delegate to the Chief Counsel of the Coast Guard the responsibility for the creation and operation of the legal assistance program for the Coast Guard.

Section 4 is designed specifically to indicate that this legislation is not authority for the expansion of the legal assistance program

to include representation in court to those presently able to pay legal fees—i.e. to continue the present expanded legal assistance program to the military indigent, but not provide any requirement or authority for expansion to others than the military indigent. If the client can afford legal fees without undue hardship or if the case is one in which the attorney can recover a reasonable fee out of the judgment, then the legal assistance program, insofar as presentation in court is concerned, may not be expanded under the authority of this legislation.

TEXAS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 13, 1977

Mr. PICKLE. Mr. Speaker, in February I sent out a comprehensive legislative questionnaire to every household in the 10th District of Texas. The results of the survey have now been tabulated and I would like to share the results with my colleagues.

Some of the results appear to be contradictory. One of the strongest messages that came through on the questionnaire was that people want less government. An overwhelming 80 percent of the respondents felt that excessive Federal spending was responsible for high Federal deficits and only 1 percent said that there should be no cuts in the Federal budget.

However, the respondents also want the Federal Government to finance national health insurance, an economic stimulus program, increased spending for energy research, and continuation of the B–1 bomber.

Nearly everyone agrees that Federal spending should be cut but few people will agree on what should be cut. The only area for cuts that most people agree on is foreign aid. Sixty-eight percent want foreign aid reduced but this is only a drop in the bucket for the Federal budget. Foreign aid spending amounts to about 1.3 percent of the budget and if it were cut out entirely it would have little affect on the Federal budget.

Of those who favor economic stimulation, most prefer tax cuts rather than job creation. While 58 percent favor spending Federal funds for stimulation, there is no consensus on how much should be spent. Many people felt they were not qualified to pick a dollar amount for this program and I realize that it is a question that should be answered by economic experts.

Only 12 percent favored a reduction in energy research spending with 62 percent supporting increased funding. The highest priority for research was put on solar energy, with coal a distant second.

A majority opposed regulation of interstate natural gas prices by the Federal Power Commission and only 22 percent want the FPC to regulate intrastate gas prices. Thus, it appears that the 10th District would oppose President Carter's proposal for Federal control of Texas gas. Fifty-eight percent also opposed breaking up the big oil companies.

On defense questions, most people favored continuation of the B–1 bomber at limited production and only 28 percent want production stopped. Almost half of the respondents, 48 percent, want to maintain U.S. troop levels in Europe and Korea. The most popular area for defense cuts was pensions and benefits.

Forty-two percent said that the United States should not support either side if Israel and the Arab States have another war. In a similar survey 2 years ago, 47 percent chose this response. Forty percent favor supporting Israel with nonnuclear arms.

Three questions produced rather unexpected results because of the overwhelming support they received. Seventy-one percent favor drilling for oil and gas off the east coast while only 19 percent are opposed. On the question of allowing abortion by individual choice, more than three-fourths said "Yes" and only 19 percent said "No." Also, 82 percent support President Carter's proposal for reorganizing the Federal Government.

Some people may find the results of two questions surprising. Sixty percent favor legislation to control the manufacture and sale of certain types of handguns. And 53 percent favor wage and price controls during times of high inflation or scarcity.

The results of the questionnaire follow:

SURVEY RESULTS

NOTE.—The figures in table indicate percent.

1. At the present time, do you feel that the federal government should take steps to stimulate the economy?

Yes	64
No	32
No opinion	4

2. What form of economic stimulation would you favor? (you may choose more than one).

Individual income tax rebate	37
Reduction in withholding tax	45
Reduction in business tax	21
Creation of public service jobs	23
Increase public works projects	28

3. How much do you think the federal government should spend on economic stimulation this year?

Nothing	34
Less than $5 billion	15
$5 to $10 billion	22
$10 to $15 billion	8
More than $20 billion	8

4. If Congress approves funds for job creating programs, those funds should be allocated to the states on the basis of—

Statewide population	18
County population	8
Statewide unemployment	36
County or neighborhood unemployment	38

5. What do you think is the major cause of high federal budget deficits?

High unemployment	18
Excessive federal spending	80
Low federal taxes	2

6. Do you think that deficit spending should be increased this year to improve the nation's economy with the hope that it will produce more federal revenue in the future?

Yes	21
No	69
No opinion	10

7. The Congressional budget procedure established last year forced Congress to set levels of spending for every phase of the federal government. The resulting budget was $413 billion with a $50.2 billion deficit. The new buget procedure is—

An effective means of controlling federal spending	25
A continuation of uncontrolled federal spending	45
No opinion	30

8. Last year, Congress appropriated $4.15 billion for energy research and development. Next year's energy research budget should be—

Increased	62
Decreased	12
The same as last year	26

9. Which areas of energy research do you think should receive the highest priority?

Oil and gas	19
Solar	58
Nuclear fusion	17
Nuclear fission	13
Coal	26
Geothermal	15
Wind	18
Synthetic fuels	13

10. Do you think that the Federal Power Commission should regulate the price of interstate natural gas?

Yes	36
No	57
No opinion	7

11. The price of natural gas sold in Texas should be regulated by—

The Federal Power Commission	22
The State of Texas	43
The open market	35

12. There have been several proposals for a federal utility stamp program to help subsidize utility bills of consumers in areas with high utility costs. Would you favor such a program?

Yes	25
No	66
No opinion	9

13. Which source of fuel do you think will provide the best solution to the electrical generating problem in Central Texas in the next 15 years?

Natural gas	15
Fuel oil	5
Nuclear	25
Coal	36
Lignite	26
Other	17

14. Do you favor legislation that would limit oil companies to one area of the oil business such as refining, drilling, distribution or retail marketing? (commonly known as divestiture)

Yes	30
No	58
No opinion	12

15. Plans for the B–1 Bomber should be—

Continued at full production	30
Continued at limited production	42
Discontinued	28

16. In the area of strategic military weapons (nuclear weapons and delivery systems), the U.S. should—

Maintain international superiority	48
Maintain the same level as other nations	20
Maintain a level to retaliate but without regard to levels maintained by other nations	32

17. If cuts are made in the defense budget, they should be in the area of

Personnel	17
Pensions and benefits	28
Conventional weapons	11
Nuclear weapons	12
None of the above	18
Cuts in all areas	28

18. The U.S. should reduce its troop levels in—

Europe	31
Korea	41
Neither	48

19. If Israel and the Arab States become involved in another armed conflict, the U.S. should—

Support Israel with military supplies (non-nuclear)	40
Support Israel with military supplies and American troops	5
Not support either side	42
None of the above	13

20. U.S. military weapons sales to foreign nations should be—

Continued	17
Stopped	18
Restricted	62
Expanded	3

21. In African nations with white-minority governments (Rhodesia and South Africa), the U.S. should—

Continue to promote negotiations to establish black-majority government	29
Not interfere with their internal politics	52
Strictly enforce economic sanctions until black-majority governments are established	10
End economic sanctions and support the white-minority governments	9

22. If the OPEC nations institute another oil embargo, the U.S. should—

Retaliate with a total economic boycott of the participating nations	60
Retaliate with armed force to break the boycott	4
Institute fuel allocation and rationing until a settlement is negotiated	26
None of the above	10

23. In the Panama Canal Zone, the U.S. should—

Retain complete control of the canal	46
Allow for joint control of the canal between the U.S. and the government of Panama	30
Retain U.S. control of the canal with increased payments to Panama and give Panama a greater voice in the operation of the canal	17
Allow the government of Panama to completely control the canal	7

24. Should the federal government establish a grain reserve?

Yes	76
No	14
No opinion	10

25. Regarding agricultural exports, the federal government should—

Attempt to negotiate long-term agreements to avoid disruption of U.S. markets	54
Establish a federal agency to control all exports	18
Not interfere	28

26. Funding for animal disease research should be—

Increased	30
Decreased	13
Remain the same	57

27. Should the federal government place greater restrictions on beef imports in order to assist U.S. cattle producers?

Yes	54
No	34
No opinion	12

28. Do you favor stricter federal regulation of strip mining operations?

Yes	54
No	33
No opinion	13

29. Should the federal government provide for offshore drilling along the east coast?

Yes	71
No	19
No opinion	10

30. Federal safety standards for the operation of nuclear generating plants are—

Adequate	46
Too restrictive	9
Not restrictive enough	45

31. Federal regulations on auto emissions should—

Restrict pollution at the expense of fuel economy	18
Restrict pollution only if fuel economy is maintained	59
Be abolished	23

32. Should the federal government establish guidelines on the use and development of land?

Yes	34
No	58
No opinion	8

33. There are two proposals for welfare reform that are most often discussed. With which do you agree?

Replacing the present programs with one minimum income program	37
Increase funding for administration of present programs to cut down the number of ineligible recipients	26
Neither	37

34. Do you favor transferring all welfare programs from the state and local governments to the federal government?

Yes	18
No	73
No opinion	9

35. The federal government helps fund day care centers for children of low-income parents. This funding should be—

Expanded	28
Continued at the present level	36
Reduced	13
Eliminated	23

36. Do you think Congress should exempt itself from federal laws in the areas of equal employment, occupational safety and health, and Social Security?

Yes	16
No	75
No opinion	9

37. The best way to deal with massive school busing used to achieve racial balance is to—

Follow the latest Supreme Court decision giving more authority to local school districts	36
Amend the Constitution to prohibit busing	24
Pass a federal law prohibiting the use of busing	30
Continue to use busing to integrate schools	10

38. The federal government's Food Stamp Program makes stamps available to low income families. The Food Stamp Program should be—

Continued as it is	13
Eliminated	17
Changed so that only the neediest families are eligible	64
Expanded to make more families eligible	6

39. Do you think that the present federal housing program is—

Sufficient	37
Inadequate	31
No opinion	32

40. Do you agree with the Supreme Court decision which allows individual choice regarding abortion?

Yes	76
No	19
No opinion	5

41. Do you support legislation to control the manufacture and sale of certain types of hand guns?

Yes	60
No	36
No opinion	4

42. Laws designed to protect the rights of women and minority groups should be—

Extended	33
Remain the same	49
Repealed	18

43. A national health insurance program should (you may choose more than one)—

Cover only catastrophic illness	19
Cover catastrophic illness and preventive care	25
Replace all private medical insurance	11
Replace Medicare and Medicaid	19
Be financed by employee and employer taxes	8
Be financed partly by employee and employer taxes and partly by federal revenues	29
Cover only those who are employed	4
Cover everyone	34
Should not be established by the government	35

44. In order to maintain the short-term solvency of the various Social Security trust funds, the government should—

Increase the Social Security payroll taxes	18
Cut Social Security benefits from one or more of the funds (Retirement, Survivors and Disability funds)	23
Support the Social Security funds with money from other federal income	59

45. Do you favor President Carter's proposal reorganizing the federal agencies to make them more efficient even though it may not result in a reduction in the number of employees?

Yes	82
No	11
No opinion	7

46. If federal spending is cut, what areas would you recommend for less federal spending?

Defense	28
Social services (Social Security, education, housing, welfare, health care, etc.)	32
Environmental programs	21
Research and development	5
Agriculture	8
Foreign aid	68
Equal cuts in all areas	12
No cuts	1

47. Do you think wage and price controls should be used by the government during times of high inflation or scarcity?

Yes	53
No	39
No opinion	8

HOUSE OF REPRESENTATIVES—*Monday, May 16, 1977*

The House met at 12 o'clock noon.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BRADEMAS) laid before the House the following communication from the Speaker:

WASHINGTON, D.C.,
May 16, 1977.

I hereby designate the Honorable JOHN BRADEMAS to act as Speaker pro tempore for today.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Be doers of the word and not hearers only.—James 1: 22.

O God and Father of us all, fit us for the duties of this day and this week by bringing us closer to you that forgetting ourselves in an earnest desire to do good things for a great people we may demonstrate the value of our democratic spirit. Renew our faith, restore our courage, release our enthusiasm, and revive our concern for what is right that we may not only work for it but even more may want to work for it until our life's end. Thus may we choose wisely, speak softly, and act nobly, that good may come to our Nation and to all mankind; for Thine is the kingdom and the power and the glory forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4088. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the concurrent resolution (S. Con. Res. 19) entitled "A concurrent resolution setting forth the congressional budget for the United States Government for the fiscal year 1978."

The message also announced that the Senate agreed to the House amendment with an amendment to the foregoing concurrent resolution.

The message also announced that the Senate agrees to the amendment of the House with amendments to a bill of the Senate of the following title: "An act to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 425. An act to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to Lieutenant General Ira C. Eaker, United States Air Force (retired);

S. 810. An act granting an extension of patent to the United Daughters of the Confederacy;

S. 853. An act to extend the Defense Production Act of 1950, as amended; and

S. 1474. An act to authorize certain construction at military installations, and for other purposes.

CONSENT CALENDAR

The SPEAKER pro tempore. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

SABINE RIVER COMPACT AMENDMENT

The Clerk called the bill (H.R. 1551) granting the consent of Congress to an amendment to the Sabine River compact entered into by the States of Texas and Louisiana.

There being no objection, the Clerk read the bill, as follows:

H.R. 1551

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is given to an amendment to the Sabine River Compact (68 Stat. 690) entered into by the State of Texas and Louisiana, which amendment strikes out the last paragraph of the preamble to such compact.

SEC. 2. The right to amend or repeal the first section of this Act is expressly reserved.

Mr. DANIELSON. Mr. Speaker, the bill H.R. 1551 grants the consent of Congress to an amendment to the Sabine River Compact, between the States of Texas and Louisiana. By striking the last paragraph of the preamble of the compact, the amendment permits the Sabine River authorities to handle the problems of pollution abatement and saline intrusion in the river subject to the powers already vested in them under the present compact. In 1954, the Congress gave its consent to the establishment of an interstate compact between the States of Texas and Louisiana. The compact provided that those States could equitably apportion the water of the Sabine River and its tributaries between them (Public Law 83-578, 68 Stat. 690).

The amendment provided for in this bill has been approved by both States. The legislature of the State of Texas adopted the amendment on June 12, 1973, and the Louisiana Legislature followed suit on July 12, 1974.

The amendment would strike the last paragraph of the preamble to the existing compact, which reads:

It is recognized that pollution abatement and salt water intrusion are problems which are of concern to the States of Louisiana and Texas, but inasmuch as this compact is limited to the equitable apportionment of the waters of the Sabine River and its tributaries between the States of Louisiana and Texas, this compact does not undertake the solution of those problems.

Thus, under the provisions of the compact, the two States are prohibited from taking joint action to solve the problems excluded from the compact by that paragraph. The States and the authorities acting under the compact have expressed a desire to attack the problems of pollution and saline intrusion at a State level, rather than rely heavily upon Federal action. They are anxious to remove the technical obstacle posed by its language. If the amendment is consented to, each State would be able to use an appropriate governmental body already in existence with established expertise capable of seeking solutions to those problems.

Based on its study of the amendments adopted by the respective State legislatures and the testimony received by the Subcommittee on Administrative Law and Governmental Relations, it is clear that the amendment will accomplish this purpose. Its purpose is wholly consistent with recent Federal legislation which was enacted to encourage States to combine their efforts to combat water pollution wherever possible.

The Congressional Budget Office in its report to the committee on the bill has stated that it has reviewed the matter and concluded that no additional cost to the Government would be incurred as the result of the enactment of this bill.

At a hearing held on this bill on March 7, 1977, a statement presented in behalf of the Environmental Protective Agency stated that the agency concluded that this bill in making it possible for the Sabine River Compact Administration to exercise its authorities in the areas of water rights apportionment and water resources conversation planning so as to further the objectives of salinity control and pollution control is generally consistent with the purposes of section 103 of the Federal Water Pollution Control Act, which encourages "compacts between States for the prevention and control of pollution." The EPA also noted that it is both appropriate and desirable for water resource control authorities

such as the Sabine River Compact Administration to take environmental protection into account in exercising their authorities. One legitimate use of water allocation authority, for example, is in the preservation of stream quality, particularly in periods of low flow and hot weather, which can combine to produce in-stream conditions inhospitable to fish and other organisms. At such times, controlled release of stored water can protect such organisms against destruction.

The Environmental Protection Agency concluded that nothing in the compact or in H.R. 1551 alters the FWPCA in any way. EPA studied that it will continue to implement that statute's provisions and policies. A pertinent provision is section 102(b), which provides that streamflow augmentation by Federal reservoirs may not substitute for "adequate treatment or other methods of controlling waste at the source."

In view of the testimony at the hearing and the information supplied by the EPA, the committee concluded that this is a needed and logical change in the compact. It is recommended that the bill be considered favorably.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMVETS

The Clerk called the bill (H.R. 1952) to amend the corporate name of AMVETS (American Veterans of World War II), and for other purposes.

There being no objection, the Clerk read the bill, as follows:

H.R. 1952

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first section and sections 2, 8, 9, 17, 18, and 19 of the Act entitled "An Act to incorporate the AMVETS, American Veterans of World War II", approved July 23, 1947 (61 Stat. 403–408; 36 U.S.C. 67–67s), are each amended by striking out "World War II)" wherever it appears and inserting in lieu thereof "World War II, Korea, and Vietnam)".

(b) Such Act of July 23, 1947, is further amended—

(1) by inserting immediately after "World War II" in section 3(2) the following: ", the Korean conflict, and the Vietnam era";

(2) by striking out "on or after September 16, 1940, and on or before the date of cessation of hostilities as determined by the Government of the United States," in the first sentence of section 6 and inserting in lieu thereof "at any time after September 15, 1940, and before May 8, 1975,"; and

(3) by striking out the period after "World War II" in section 9 and inserting in lieu thereof ", the Korean conflict and the Vietnam era.".

SEC. 2. The amendments made by the first section of this Act shall take effect on the first day of the second calendar month following the date of enactment of this Act.

With the following committee amendment:

Page 1, line 3, strike "9,".

The committee amendment was agreed to.

Mr. DANIELSON. Mr. Speaker, the bill H.R. 1952 would amend the law incorporating the AMVETS to change the official name of the organization from "American Veterans of World War II" to "American Veterans of World War II, Korea and Vietnam." The organization was originally incorporated by an act of Congress in 1947. Under that charter, only persons who served honorably "in the Armed Forces of the United States or citizens who served in the Armed Forces of an allied nation of the United States on or after September 6, 1940, and on or before the date of cessation of hostilities as determined by the Government of the United States" were admitted by AMVETS as regular members. On August 1, 1971, the Constitution and By-Laws Committee recommended to the 27th Annual Convention at Los Angeles, Calif., that the preamble of the constitution be made to conform to the organizations' determination to include those who served during the Korea and Vietnam hostilities. The committee agreed to this change. AMVETS petitioned the Congress to reflect this change of policy in the organization's Federal charter, and this bill provides for the change.

The committee is of the opinion that the new membership policy is a sound one and one which operates to further the purposes of AMVETS as reflected in its existing charter (36 U.S.C. § 67B). Therefore, it is recommended that H.R. 1952, as amended, be considered favorably.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MISSISSIPPI-LOUISIANA BRIDGE CONSTRUCTION COMPACT

The Clerk called the bill (H.R. 3662) granting the consent of Congress to the Mississippi-Louisiana Bridge construction compact.

There being no objection, the Clerk read the bill, as follows:

H.R. 3662

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is given to the Mississippi-Louisiana Bridge construction compact entered into between the States of Mississippi and Louisiana, which compact reads as follows:

"Mississippi-Louisiana Bridge Construction Compact"

"Article I. The purpose of this compact is to promote the construction of a bridge connecting the States of Mississippi and Louisiana at or near Natchez, Mississippi, and Vidalia, Louisiana, and to establish a joint interstate authority to assist in these efforts.

"Article II. This compact shall become effective immediately as to the States ratifying it whenever the States of Louisiana and Mississippi have ratified it and Congress has given consent thereto. Any State not mentioned in this article which is contiguous with any member State may become a party to this compact, subject to approval by the Legislature of each of the member States.

"Article III. The States which are parties to this compact (hereinafter referred to as 'party States') do hereby establish and create a joint agency which shall be known as the Mississippi-Louisiana Bridge Authority (hereinafter referred to as the 'authority'). The membership of such authority shall consist of the Governor of each party State, one representative each from the Mississippi State Highway Department and the Louisiana Department of Highways, five other citizens of each party State, to be appointed by the Governor thereof. The appointive members of the authority shall serve for terms of four years each. Vacancies on the authority shall be filled by appointment by the Governor for the unexpired portion of the term. The members of the authority shall not be compensated for service on the authority, but each of the appointed members shall be entitled to actual and reasonable expenses incurred in attending meetings, or incurred otherwise in the performance of his duties as a member of the authority. The members of the authority shall hold regular quarterly meetings and such special meetings as its business may require. They shall choose annually a chairman and vice chairman from among their members, and the chairmanship shall rotate each year among the party States in order of their acceptance of this compact. The secretary of the authority (hereinafter provided for) shall notify each member in writing of all meetings of the authority in such a manner and under such rules and regulations as the authority may prescribe. The authority shall adopt rules and regulations for the transaction of its business; and the secretary shall keep a record of all its business and shall furnish a copy thereof to each member of the authority. It shall be the duty of the authority, in general, to promote, encourage, and coordinate the efforts of the party States to secure the development of the Mississippi-Louisiana Bridge at or near Natchez, Mississippi, and Vidalia, Louisiana. Toward this end, the authority shall have power to hold hearings; to conduct studies and surveys of all problems, benefits, and other matters associated with the construction of the Mississippi-Louisiana Bridge, and to make reports thereon; to acquire, by gift, grant, or otherwise, from local, State, Federal, or private sources such money or property as may be provided for the proper performance of their function, and to hold and dispose of same; to cooperate with other public or private groups, whether local, State, regional or national, having an interest in the bridge construction; to formulate and execute plans and policies for emphasizing the purpose of this compact before the Congress of the United States and other appropriate officers and agencies of the United States; and to exercise such other powers as may be appropriate to enable it to accomplish its functions and duties in connection with the construction of the Mississippi-Louisiana Bridge and to carry out the purposes of this compact.

"Article IV. The authority shall appoint a secretary, who shall be a person familiar with the nature, procedures, and significance of the bridge construction and the informational, educational, and publicity methods of stimulating general interest in such developments, and who shall be the compact administrator. The term of office of the secretary shall be at the pleasure of the authority and such officer shall receive such compensation as the authority shall prescribe. The secretary shall maintain custody of the authority's books, records, and papers, which shall be kept by the secretary at the office of the authority, and shall perform all functions and duties and exercise all powers and authorities which may be delegated to the secretary by the authority.

"Article V. Each party State agrees that its legislature may, in its discretion, from time to time make available and pay over to the authority funds for the establishment and operation of the authority. The contribution of each party State will be in equal amounts.

"Article VI. Nothing in this compact shall

be construed so as to conflict with any existing statute, or to limit the powers of any party State, or to repeal or prevent legislation, or to authorize or permit curtailment or diminution of any other bridge project, or to affect any existing or future cooperative arrangement or relationship between any Federal agency and a party State.

"Article VII. This compact shall continue in force and remain binding upon each party State until the legislature or Governor of each or either State takes action to withdraw therefrom; provided that such withdrawal shall not become effective until six months after the date of the action taken by the legislature or Governor. Notice of such action shall be given to the other party State or States by the secretary of state of the party State which takes such action."

SEC. 2. The right to alter, amend, or repeal this Act is expressly reserved.

With the following committee amendment:

Page 2, lines 6, 7, 8, and 9: Strike "Any State not mentioned in this article which is contiguous with any member State may become a party to this compact, subject to approval by the Legislature of each of the member States."

The committee amendment was agreed to.

Mr. DANIELSON. Mr. Speaker, the bill H.R. 3662 would grant the consent of Congress to the compact entered into by both Mississippi and Louisiana and entitled the "Mississippi-Louisiana Bridge Construction Compact." The purpose of the compact is to promote the construction of a bridge across the Mississippi, and will go into effect upon State ratification and Congressional consent as is provided in this bill.

Under the compact, a joint agency known as the Mississippi-Louisiana Bridge Authority would be created to coordinate State efforts to develop a bridge between Natchez, Miss., and Vidalia, La., and to take necessary action to construct the bridge. The authority is to appoint a secretary who is to be the compact administrator and to exercise authority and power as delegated to him.

On the question of funding, it is provided that each State agrees to furnish funds on an equal basis to operate the authority.

In order to clarify the effect of provisions, it is stated that the compact is not to be interpreted as conflicting with existing law or to limit the powers of a member State or to repeal or prevent legislation or to authorize or permit curtailment of any other bridge project, or to affect any existing or further cooperative arrangement or relationship between a Federal agency and a party State.

The compact is to continue in effect and shall bind the States until the legislature or Governor of either party withdraw the State from the compact, and such withdrawal is effective after 6 months of such action.

Section 2 of the bill itself reserves the right of the Congress to alter, amend, or repeal the act.

The Subcommittee on Administrative Law and Governmental Relations conducted a hearing on this bill and companion measures on March 7, 1977. The testimony at that hearing described the basis for the compact and the necessity for State cooperation as provided therein. The committee also received a report from the Department of Transportation which indicated that it had no objection to the provisions of the compact in that they were essentially concerned with subjects which relate to matters of State policy.

In view of the testimony developed at the hearing and the information supplied the committee by the department, it was concluded that this bill merits favorable action. Therefore, it is recommended by the committee that the bill be considered favorably.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DANIELSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks with respect to each of the last three bills just passed by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McKAY. Mr. Speaker, I ask unanimous consent that the reading of the Consent Calendar be discontinued at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

THE NATION'S WHEAT FARMER IS OUR FORGOTTEN AMERICAN

(Mr. HIGHTOWER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HIGHTOWER. Mr. Speaker, last Friday, May 13, was not a lucky day for the wheat farmers of this country. The wheat market has been at a very low level for many months. As a result of depressed prices the wolf is standing at the door of many farmers in my area.

Last Thursday in the markup of the farm bill in the Agriculture Committee some of us who represent rather large wheat-producing areas tried to increase the target price and loan levels for wheat to at least the levels contained in the Senate bill. We failed by one vote, 22 ayes, 23 nays. The committee bill, H.R. 7171, was introduced on Friday; it was an unlucky day.

In Sunday's Washington Star, Eliot Janeway's column was titled, "America's Agripower—A Forgotten Weapon." The nation's wheat farmer is our "Forgotten American." We have a habit of forgetting groups of minorities in this country until something happens in a drastic manner that gets the attention of the entire country. Breaking the back of our agricultural economy will get the attention of every Member of this body.

It will get our attention because an economic depression of the farm sector traditionally has brought the rest of the country right along with it. The few pennies we fought so hard for in the farm bill might have been enough to save many family farms from going under in the next few months.

A replay of the economic conditions of the 1920's and 1930's will cost this country billions more than the few millions we "saved" last week. The Nation's wheat farmer needs far more help than is provided in the House Agriculture Committee's farm bill. If we do not reach out and help these who are in trouble, we might as well not have a farm bill. Congress must respond to the needs of all the people of this country, urban and rural, consumer and producer. We cannot turn our backs on any sector of our economy or any group of our people. I appeal for your help, your compassion and your understanding.

Thank you, Mr. Speaker.

PRESERVE THE "SEQUOIA"

(Mr. GLICKMAN asked and was given permission to address the House for one minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, during the past weekend when I was in Kansas, I talked with a former mayor and now city commissioner of the city of Wichita, James Donnell and he informed me about something that very few of us recognize is going to happen shortly, and that is the fact that on this Wednesday, the Presidential yacht, the *Sequoia*, is going to be sold. This is in line with the austerity program of the President. I applaud President Carter's efforts to save money. But, Mr. Speaker, the more I thought about it, the more ridiculous it seemed to me to sell the *Sequoia* because when we do that, we will be selling another part of our history that will go to whatever form of commercialism that a purchaser will want to use her to exploit. I realize that selling the *Sequoia* is not the kind of thing that will cause too much concern, but this ship is a vitally important and interesting part of our historical past. It would seem ridiculous to me to sell the ship which has become so much of our history to a commercial private enterprise, which will attempt to exploit its historic value. The ship has not been used, and should not be used, in the "imperial" fashion that President Nixon was so accustomed to. But, it should be made a part of our American heritage—perhaps a floating museum would be appropriate; one that all Americans might have access to see.

I urge the President to seriously reconsider selling this ship. In an effort to save this country money, let us let the President know that he is acting in the national interest by seeing that the yacht is not imorudently used, but is not acting in the national interest by insuring its commercial exploitation.

THE GIVEAWAY SUGAR PROGRAM

(Mr. GRASSLEY asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. GRASSLEY. Mr. Speaker, at a time when the country is struggling to put its balance of trade with the world in order, the giveaway program proposed by the President for sugar growers and processors strikes me as ill advised and ill timed. One of the big contributors to our balance-of-trade deficit is foreign raw sugar. The scheme the administration has proposed to prop up U.S. sugar growers will do nothing to stem this flow, and strikes a direct competitive blow at a U.S. industry which helps our balance of trade.

Through the efforts of corn farmers and processors, the United States has been moving in the direction of self-efficiency in its sweetener supply. Millions of bushels of corn each year are being converted into high fructose corn syrup, which can replace foreign sugar in numerous foods. American corn and American labor are used to make this product—more economically than sugar.

By proposing to hand out a quarter-billion dollars to sugar growers and processors—and to do nothing to restrict the flow of imported sugar—the President has used the power of the Government to slow the growth of this important American industry. Because of our basically nontropical climate, the United States has been forced to rely to a large degree on imported sugar. In the past several years, however, sweeteners from corn have grown to supply a larger and larger share of our sweetener needs. This action by the President to subsidize their competitors in the sugar industry can only harm corn growers and processors. The extra demand for corn generated by its use for sweeteners contributes to the export earnings we realize through our large corn exports. Corn sweeteners replace foreign raw sugar—a trade deficit item.

If for no other reason than the balance-of-trade problems it creates, this giveaway program should be withdrawn.

RETURN TO CONSENT CALENDAR

Mr. McKAY. Mr. Speaker, having received further information, I would ask unanimous consent that the House at this point return to the Consent Calendar and consider House Joint Resolution 424.

The SPEAKER pro tempore. Mr. BRADEMAS. Is there objection to the request of the gentleman from Utah?

There was no objection.

JOHN FITZGERALD KENNEDY PRESIDENTIAL LIBRARY

The Clerk called the joint resolution (H.J. Res. 424), to authorize the Administrator of General Services to accept land, buildings, and equipment, without reimbursement, for the John Fitzgerald Kennedy Library, and for other purposes.

There being no objection, the Clerk read the joint resolution, as follows:

H.J. RES. 424

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to accept, for and in the name of the United States, and take title on behalf of the United States to, any land, buildings, and equipment that have been or may be offered to the United States, without reimbursement, for the purpose of maintaining, operating, and protecting a Presidential archival depository in memory of John Fitzgerald Kennedy at Columbia Point, city of Boston, Commonwealth of Massachusetts, as part of the National Archives system. The Administrator may accept such property and make agreements, as necessary, to complete the transfer of title to the United States without regard to the provision of section 2108(a) of title 44, United States Code, that the Administrator may not take title to land, buildings, and equipment or make an agreement, until the expiration of the first period of sixty calendar days of continuous session of the Congress following the date on which a report in writing on any such proposed Presidential archival depository is transmitted by the Administrator to the President of the Senate and the Speaker of the House of Representatives.

SEC. 2. Nothing in this Act shall be construed to impair or affect the authority of the Administrator under any other provision of section 2108 of title 44, United States Code, or any provision of other law.

Mr. JOHN L. BURTON. Mr. Speaker, the purpose of this resolution is to authorize the Administrator of General Services to accept land, buildings, and equipment offered to the United States, without reimbursement, for the purpose of maintaining, operating, and protecting a Presidential Archival Depository in memory of John Fitzgerald Kennedy. It is to be located next to the University of Massachusetts campus on Columbia Point, in the city of Boston.

By this resolution, the Congress will declare approval of a proposal which GSA presented to the House and to the Senate on April 1, 1977. The proposal is that the United States accept and operate the John Fitzgerald Kennedy Library as part of the National Archives system. The GSA report is set forth in the report of the committee on the resolution, which is House Report 95–273. Copies are available at the rear of the hall.

Enactment of this resolution will enable the Administrator to proceed without delay to take the necessary steps to begin the project. A groundbreaking ceremony on June 12, 1977, is planned, and the facility is expected to be completed in about 18 months.

Hearings by the Government Activities and Transportation Subcommittee of the Committee on Government Operations were held covering the report. Witnesses included the Acting Administrator of General Services, the Archivist of the United States, and Senator EDWARD M. KENNEDY, of Massachusetts. The full Committee on Government Operations unanimously approved the resolution at its meeting of May 4, 1977.

Let me summarize the proposed project which will be the 6th Presidential library incorporated into the National Archives system:

Land for the library is 12.5 acres. The Commonwealth of Massachusetts has authorized and directed the University of Massachuetts to convey the property to the United States without consideration.

The Kennedy Library Corp. at its own expense will design and equip a building to be donated to the United States, which will contain adequate facilities for scholarly research and exhibit rooms for the public.

The Commonwealth of Massachusetts has authorized the Governor to make a conditional offer to the United States of $2 million to finance improvements to the property.

Environmental studies and procedures have been accomplished. There appear to be no environmental problems, and the new site has full local support.

The total annual Federal costs for operation and maintenance of the facilities are estimated to be about $1.2 million, beginning with fiscal year 1980.

Last year the Congress enacted Public Law 94–300, which enabled GSA to return to the Commonwealth of Massachusetts land which had been accepted in 1968 pursuant to Public Law 89–547. That land, located in Cambridge, Mass., was not used for the library because of certain environmental factors, which happily do not encumber the site with which this resolution deals.

Mr. Speaker, our Presidential libraries are not just memorials to the Presidents, but extremely valuable sources of history and inspiration for scholars and the general public. The interest which scholars and the public generally have shown in the present temporary Kennedy Library at Waltham, Mass., where the collections now are housed, foreshadows rapid growth in use and visitation of the new facility. It is especially fitting that the library will be next to a great institution of learning and next to the sea. Both meant much in the life of John Fitzgerald Kennedy.

Mr. Speaker, I urge approval of House Joint Resolution 424 so that construction of this institution for our 35th President may soon be under way.

Mr. THONE. Mr. Speaker, I would like briefly to express my support for House Joint Resolution 424, now before the House. This resolution passed the House Committee on Government Operations by a unanimous vote on May 4 of this year.

This legislation simply would waive the required waiting period of the General Services Administration to accept the buildings and equipment connected with the John Fitzgerald Kennedy Presidential Library.

In April the Government Activities and Transportation Subcommittee, of which I am a member, held hearings on House Joint Resolution 424, and we were privileged to hear from such distinguished personalities as Chairman JACK BROOKS of the House Government Operations Committee, the well-known senior Senator from Massachusetts, EDWARD KENNEDY, the Acting Administrator of the General Service Administration, Robert Griffin, and the Archivist of the United States, James Rhoads. All of

these noted gentlemen spoke in favor of the resolution.

Mr. Speaker, I urge favorable consideration of House Joint Resolution 424 today. By accelerating the process by which the buildings and equipment can be accepted, we will hasten the day when the John Fitzgerald Kennedy Presidential Library will open its doors to the public.

Mr. BROOKS. Mr. Speaker, there has been far too much delay in getting a John F. Kennedy Library built and in use, and I hope, with the passage of this resolution, this project will finally get underway.

It was my privilege in 1966 to introduce a similar resolution to waive the 60-day waiting period for accepting a site in Cambridge for the library. However, the local situation in Cambridge made it necessary for the Kennedy Library Corp. to find another site. That problem has caused some delay but apparently it has now been resolved and the project can get under way.

From what I have seen of the new plans for the library, it appears to be a well-chosen site. I think it is particularly appropriate that it commands a view of the ocean. For, in addition to being a library, this is to be a memorial to a great President. The sea played an important part in the life and development of John F. Kennedy—from the many happy days of sailing with his family and the heroic exploits with the torpedo boats in World War II, to the long, solitary walks along the shore when he gained a brief respite from the stresses of high office.

It is also especially suitable that there be a library honoring the memory of John F. Kennedy. He had a great appreciation of the importance to historians and scholars of the preservation of records of public officials.

He was, after all, an author. He may well have made his name as an historian if he had not gone into politics. I recall that when he was President and I was chairman of this subcommittee, we worked together on legislation to provide for a coordinated program for preserving Government documents. President Kennedy wrote a letter in support of the legislation in which he said:

> Documents are the primary sources of history; they are the means by which later generations draw close to historical events and enter into the thoughts, fears and hopes of the past.

The Kennedy papers will provide rich material for those who study the all-too-brief years of his presidency. Although short in time, they were packed with important events—the first travel by Americans in space—the rising turmoil of racial disturbances—the Cuban missile crisis, when his cool leadership averted what might have been man's first nuclear war.

So I hope this legislation will be speedily enacted, the generous gift of land by the State of Massachusetts formally accepted, and the work of building this fitting memorial to a fallen President begun.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JOHN L. BURTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution (H.J. Res. 424) just passed by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CHANGE IN LEGISLATIVE PROGRAM

(Mr. FOLEY asked and was given permission to address the House for 1 minute.)

Mr. FOLEY. Mr. Speaker, I take this time to announce two changes in the legislative program. H.R. 1139, amendments to the National School Lunch Act will not be taken up today, but will be considered tomorrow after consideration of the conference report on the budget resolution.

We will also have one additional suspension for consideration tomorrow: S. 1279, the Community Emergency Drought Relief Act of 1977 will be scheduled as a suspension for tomorrow.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO FILE REPORT ON H.R. 7171, THE OMNIBUS FARM BILL

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file a report on the bill H.R. 7171, the omnibus farm bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO FILE REPORTS ON H.R. 6135, H.R. 7073, AND H.R. 75

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file reports on the bills H.R. 6135, H.R. 7073, and H.R. 75.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER pro tempore. The Chair desires to make an announcement.

Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated, and after those motions to be determined by nonrecord votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

NATIONAL SEA GRANT PROGRAM ACT AUTHORIZATION — FISCAL YEAR 1978

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4301) to authorize appropriations for the National Sea Grant Program Act during fiscal year 1978, as amended.

The Clerk read as follows:

H.R. 4301

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 206 and 212 of the National Sea Grant Program Act (33 U.S.C. 1125 and 1131) are each amended by striking out "the fiscal year ending September 30, 1977" and inserting in lieu thereof "each of the fiscal years ending September 30, 1977, and September 30, 1978".

SEC. 2. Section 3(c) of the Sea Grant Program Improvement Act of 1976 (33 U.S.C. 1124a) is amended by striking out "the fiscal year ending September 30, 1977" and inserting in lieu thereof "each of the fiscal years ending September 30, 1977, and September 30, 1978".

The SPEAKER pro tempore. Is a second demanded?

Mr. BAUMAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from Maryland (Mr. BAUMAN) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I appreciate the gentleman's yielding. I thank the gentleman for giving me this opportunity to bring up a matter which I cleared with the Parliamentarian, and it would be in order.

One of our colleagues has returned to the floor after a serious operation; I would like to have the gentleman from Texas (Mr. TEAGUE) stand up so we can welcome him back.

Mr. TEAGUE. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from Texas.

Mr. TEAGUE. I thank the gentleman for yielding.

Might I just say how very much I appreciate the many visitors, the cards, telephone calls, flowers, and candy that I received from all the Members of this House. I appreciate it very much. I guarantee the Members that the rest of my life I will send more cards and get well cards than I have in the past. I thank everyone.

Mr. MURPHY of New York. Mr. Speaker, I might say to my colleagues that Texas A. & M. will have a new "kicker offer" this year of a unique variety.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank the gentleman for yielding.

This side of the aisle would like to join most warmly and heartily in welcoming back our dear colleague, the gentleman from Texas (Mr. TEAGUE) for whom we have such affection and respect.

Mr. MURPHY of New York. Mr. Speaker, H.R. 4301 is a bill to extend the authorization of appropriations for the National Sea Grant Program Act during the fiscal year 1978.

The sea grant program is a Federal-State cooperative effort of matching grants to carry out important ocean, coastal, and marine research. The research is of the applied nature and the program is beginning to produce significant commercial results, some of which lead to the exportation of products from the United States.

Recently, Profs. Herbert Holloman and James Utterback, from the Massachusetts Institute of Technology, conducted a major study on the commercial and foreign trade impacts of the sea grant program. From the 77 projects which they selected for their analysis, 21 were in aquaculture, 11 in fishing, 9 in food processing, 11 in pharmaceutical and farming chemicals, 8 in waste treatment, 2 in leisure and land development, 6 in marine mining, 2 in marine construction, and the remaining ones were in miscellaneous categories.

Professors Holloman and Utterback concluded that a substantial part of the sea grant projects examined in detail received matching funds from industry rather than from either the State or Federal Governments or from institutions.

Two of the projects have potential commercial sales in excess of $10 million, 13 have potential commercial sales between $1 and $10 million, and 23 have less than $1 million of potential commercial sales. Finally, they concluded that the cooperative use of facilities, ideas, and people is possibly unique to sea grant activities with respect to relationships between universities and industry.

The potential value of the sea grant program has clearly been demonstrated. It is important, then, that the authorizations for appropriations for this program be continued for fiscal year 1978.

H.R. 4301 will continue three authorization funds that were agreed upon last year by the House-Senate conferees.

The main program funds were authorized at $50 million with $5 million and $3 million for national and international programs respectively.

The major problem with the sea grant program has not been in the authorizing committee, but with the requests of the administration for appropriations. Last year, for example, we made similar requests for authorizations as we have in this legislation. However, only $27.7 million was appropriated for the main program and no funds were allocated for either of the new international or national efforts.

I urge my colleagues to continue our authorization levels from last year and I hope that the administration will reexamine its appropriation requests with respect to this important ocean-related research effort.

Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana (Mr. BREAUX), the chairman of the subcommittee.

Mr. BREAUX. Mr. Speaker, I would just like to echo the remarks of the gentleman from New York (Mr. MURPHY), the chairman of our full committee, in explaining the sea grant authorization program.

Mr. Speaker, I am pleased to present to the House, H.R. 430, a bill to authorize appropriations for the National Sea Grant Program Act during fiscal year 1978. I urge your support for this legislation which is designed to strengthen our knowledge about one of our most precious resources—the waters and coastal areas of our oceans and great lakes.

When this legislation was enacted in 1966, it was felt that the sea grant program could do for marine resources development what the land grant program had achieved for agriculture by developing a solid base of expertise in universities and colleges. This would be done by utilizing the existing capability in State and private institutions already involved in the study of marine sciences.

Today sea grant is a unique Federal-State-university partnership. Sea grant is a three-prong program consisting of research, education and training, and advisory service activities. It supports a network of sea grant colleges and local sea grant programs through its granting process. The present funding method provides Federal funding in the form of grants to provide up to 66⅔ percent of the total cost of the project to universities, colleges and private organizations and the remaining one-third is matched by State or local sources.

There are four stages of sea grant activity. It begins with an institution obtaining a grant for an individual project having a clearly defined objective. The next step is a coherent project which is a collection of interrelated projects under management of a single institution or consortium. After a program has expanded in multiproject efforts covering a wide range of marine resource fields in all three areas of education, research and advisory services, it can achieve institutional status. Following a minimum of 3 years in an institutional status, the designation of "sea grant college" can then be conferred upon an institution.

In its first 11 years of existence, sea grant has supported more than 4,000 projects under nearly 500 grants. Twelve institutions have been designated sea grant colleges, five are now designated institutional programs and another eight are operating coherent programs.

In testimony before the Oceanography Subcommittee on March 8, Profs. Herbert Holloman and James Utterback of the Massachusetts Institute of Technology informed the subcommittee that they had just completed a major study entitled "An Analysis of the Potential Commercial and Foreign Trade Impacts of the Sea Grant Program."

Their testimony was very encouraging. Their study concluded that a $5 million to $10 million investment in sea grant projects underway in 1975 will yield $122 million in sales in the year 1980. They further stated that they were surprised that sea grant has demonstrated the kind of activity which produces significant commercial results, some of which lead to exportation of products from the United States.

When the Congress passed the Sea Grant Improvement Act of 1976 last year, we initiated two new programs to meet national and international needs. Both programs were authorized separate from the main program so as not to encroach upon the basic program funds. Sea grant's success has derived in large part from its system of developing programs at universities and other institutions in which local and regional funding sources have been able to provide matching funds. Conversely, the matching fund requirement has limited the program to projects of a local and/or regional nature.

The Congress was convinced that sea grant's service to State and local problems must be maintained but at the same time attention needed to be focused on ocean issues of major national and international importance. We therefore passed legislation last year authorizing $5 million for 100 percent grants for national projects. A restriction was placed, however, limiting national project funds to not more than 10 percent of funds appropriated for the main sea grant program in order to insure a proper balance between local and national projects; $3 million was authorized for 100 percent grants for international projects recognizing that coastal water problems are not unique to the United States; $50 million was authorized for the basic program.

The bill before us today, H.R. 4301, would extend this authorization level of $58 million for fiscal year 1978. Of the $58 million authorized last year, only $27.7 million was appropriated with no new programs being funded. The President has requested $27.8 million for fiscal year 1978—a mere $100,000 increase. I hope that sea grant will be more successful this year in obtaining the moneys that the Congress clearly intended they should have when we passed the Sea Grant Improvement Act of 1976—Public Law 94-461.

I urge your support for these authorizations.

Mr. BAUMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. PRITCHARD. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield 1 minute to the gentleman from Washington (Mr. PRITCHARD).

Mr. PRITCHARD. I thank the gentleman from Maryland for yielding.

Mr. Speaker, I rise in support of H.R. 4301 which amends the National Sea Grant College and Program Act of 1966. This bill would extend the authorization of the basic program funds under section 212—$50 million—for fiscal year 1978. It would also provide for a separate authorization of funds for programs national in scope under section 206—$5 million—and for programs international in scope under section 3(c)—$3 million—for fiscal year 1978.

The separate authorizations for the national and international programs are necessary to meet the requirements of the Sea Grant Improvement Act of 1976 which was given careful consideration by the Oceanography Subcommittee this past session of Congress. It was felt that separate authorizations were necessary for both of these programs so as not to detract from the basic program's funds.

The basic sea grant program funding has not kept pace with inflation. Therefore, it was impossible to expect the existing authorization to cover new national and international programs which fall outside perceived local and regional needs and the existing matching grant mechanisms.

With the emergence of extended jurisdiction over marine resources and continuing debate regarding the degree of coastal State sovereignty over marine scientific research it is important for sea grant to develop some degree of capability to promote international cooperation in marine affairs. Consequently, these new program areas should be given major support at this time without imposing further demands on an already meager sea-grant budget.

With the growing importance of offshore resources to our Nation's economy, it is essential that we fund programs like sea grant sufficiently to keep pace with the increasing demands made upon sea grant. At the same time, we must expect well-designed and carefully thought-out programs which will play a significant role in the national effort toward marine resource development, utilization, and protection.

Therefore, Mr. Speaker, I urge support of H.R. 4301 in order to encourage the type of marine research, education and advisory services which are essential for the development of a long-term, comprehensive, and adaptive policy toward the management of the ocean and its resources.

Mr. BAUMAN. Mr. Speaker, I have no further requests for time.

I concur with the statements the gentlemen made previously.

Mr. TEAGUE. Mr. Speaker, I am and have been a strong supporter of the sea grant program in this country. It is a unique Federal-State-university partnership which was established to develop a base of expertise in universities and colleges by utilizing the existing capability in State and private institutions already involved in the study of marine sciences. One of these institutions is my alma mater, Texas A. & M. University, which has just such a school in Galveston, Tex.

The program is essentially patterned after the land-grant college system which has proven its worth to this country many times over. I am of the opinion that the sea grant program will be, and in fact has been, as beneficial to this country as the land-grant system. The program consists of research, education, and training and practical usages of the knowledge gained. Its success has derived in large part from its system of developing programs in which local and regional needs are met.

With the advent of the international aspect of the program, worldwide needs will be met, such as new sources of food for an ever-burgeoning world population. The sea holds as many challenges for the future as does space, and I am glad that the committee has seen fit to report this legislation to us for consideration.

Mr. ROGERS. Mr. Speaker, I rise in support of legislation designed to extend the National Sea Grant Program Act for fiscal year 1978. As you know, I have always maintained a strong support for the Sea Grant program since I authored the original bill that was enacted into law in 1966.

As this Nation moves to protect its fishery resources through the enactment of a 200-mile fishery conservation zone and embarks on a program for the development of aquaculture, a sound program of research, education and advisory services in the marine field becomes indispensable.

The National Sea Grant program is a Federal-State-university partnership. It encompasses all three functions of American universities: research, education and advisory services. The present funding mechanism provides Federal funding in the form of grants to provide up to 66⅔ percent of the total cost of the project to universities, colleges and private organizations and the remaining one-third is matched by State or local sources.

It is certainly regrettable that actual appropriations have lagged far behind the authorizations that the House Merchant Marine and Fisheries Committee has sought to obtain for this vital program. The authorization request stands at $58 million which includes $5 million for a national projects section and $3 million for international projects. It is hoped that the Congress will be receptive to increasing the appropriations from the $27.7 million of last year so that these two programs can be implemented.

I refer my colleagues to the results of the study conducted by Prof. Herbert Holloman and Prof. James Utterback of the Massachusetts Institute of Technology, entitled "An Analysis of the Potential Commercial and Foreign Trade Impacts of the Sea Grant Program." The study concluded that a $5 to $10 million investment in the sea grant program in 1975 would yield $122 million in sales in 1980. Such significant commercial results point up the economic advantages of this program, which are complemented by the continuing advances in the marine science field.

It is with these facts in mind, coupled with my belief that Sea Grant has continued to live up to its original purposes, that prompt me to recommend passage of the National Sea Grant Program Act Authorization to my colleagues at this time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 4301, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to authorize appropriations for the National Sea Grant Program Act during fiscal year 1978, and for other purposes.".

A motion to reconsider was laid on the table.

AUTHORIZATION FOR THE NATIONAL ADVISORY COMMITTEE ON THE OCEANS AND ATMOSPHERE (NACOA)

Mr. MURPHY of New York, Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3849) to establish qualifications for individuals appointed to the National Advisory Committee on Oceans and Atmosphere and to authorize appropriations for the committee for fiscal year 1978, as amended.

The Clerk read as follows:

H.R. 3849

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to establish the National Advisory Committee on the Oceans and Atmosphere", approved August 16, 1971 (33 U.S.C. 857-6 through 857-12), is amended—

(1) by adding the following new sentence at the end of section 2(a): "No individual shall be appointed as a member of the Advisory Committee unless such individual has knowledge and expertise in fields related to oceanic or atmospheric matters."; and

(2) by amending section 7—

(A) by striking out "and" immediately before "(4)", and

(B) by striking out "1977." and inserting "1977, and (5) $560,000 for the fiscal year ending September 30, 1978.".

The SPEAKER pro tempore. Is a second demanded?

Mr. BAUMAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from Maryland (Mr. BAUMAN) are recognized for 20 minutes each.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3849 extends the authorization for the National Advisory Committee on the Oceans and Atmosphere—NACOA—for fiscal year 1978.

NACOA assumes three primary functions: First, to continuously review our Nation's marine and atmosphere policies and programs; second, to report to the President and Congress annually and upon request; and third, to advise the Secretary of Commerce with respect to the National Oceanic and Atmospheric Administration's activities.

The legislation would authorize an appropriation of $560,000 for fiscal year 1978 for the operation of the committee. Additionally the bill contains amendatory language providing a more rigid definition of the qualifications necessary for NACOA membership. The committee is composed of 25 members and the new amendment would prevent the appointment of persons lacking knowledge or expertise in fields related to oceanic and atmospheric matters.

The authorization represents an increase over the fiscal year 1977 level and is clearly justified based on the sound work which the committee has performed in the past and the responsibilities it will face in the future.

During its 5 years of operation, NACOA has played a significant role in providing insights and options for the complex issues which we face in the national ocean policy and marine affairs.

When I was chairman of the Oceanography Subcommittee of the full Merchant Marine and Fisheries Committee during the long and arduous consideration of the complex 1976 amendments to the Coastal Zone Management Act, we were fortunate in receiving clear and concise advice and expert staff assistance from NACOA.

Also, as chairman of the Ad Hoc Select Committee on the Outer Continental Shelf, I can attest to the valuable help which NACOA has provided and is continuing to provide on OCS legislation.

The administration has recommended a fiscal year 1978 appropriation equal to last year's funding. Given higher costs generally, and salary increases in particular, this, of course, represents an effective decrease in the committee's budget.

I urge my colleagues to support the authorization levels in H.R. 3849 and bring to the attention of the administration, the quality work which NACOA has performed in the past. Level funding for this important committee will clearly require a diminution of the important studies and analyses carried out by the staff and members of the committee.

Mr. Speaker, I yield such time as he may consume to the chairman of the subcommittee, the gentleman from Louisiana (Mr. BREAUX).

Mr. BREAUX. Mr. Speaker, does the gentleman from California wish me to yield?

Mr. BROWN of California. I do, Mr. Speaker.

Mr. BREAUX. I yield to the gentleman from California.

Mr. BROWN of California, Mr. Speaker, I thank the gentleman for the opportunity to speak in support of H.R. 3849 and to explain the interest in NACOA of the Science and Technology Committee, and in particular of the Environment and Atmosphere Subcommittee, which I chair.

The Science and Technology Committee has authorization and oversight responsibility for a range of atmospheric research and related matters, including those with NASA, NSF, ERDA, EPA's Office of Research and Development, parts of NOAA, et cetera. In particular, the Environment and Atmosphere Subcommittee has the responsibility to examine environmental research in a comprehensive and cross-cutting way.

The members of NACOA have regularly addressed their attention and advice to key atmospheric and marine problem areas, in a timely way. Their recommendations have been very useful to us in the Science and Technology Committee. One very current example is the progress of legislation to establish a national climate program.

In NACOA's third annual report, June 1974, noting that our current knowledge of climate and what causes it to change is unequal to the importance of its impact on world food supply and other human activities, additional cooperative programs between NOAA and USDA, and NOAA and NSF, were recommended. NACOA's urging help call the attention of several of our colleagues to the need for expanded and better coordinated climate research and monitoring.

NACOA's 1975 report recommended a coherent national program on climate. Members of the advisory committee then contributed to our hearings in early 1976. Their 1976 report endorsed climate legislation like that which the Science Committee considered this year, which has been reported, May 3, and is ready for House floor action.

NACOA's efforts to focus attention on climate questions early on, its counsel to us in the course of congressional deliberation on the climate bill, and the general ability of its members to provide critical yet constructive outside advice on a variety of ocean and atmosphere matters continue to have my thanks and support. I urge my colleagues to support the fiscal year 1978 authorization under consideration.

Mr. Speaker, I would also like to address for just a moment the question of qualifications of members of the National Advisory Committee on the Oceans and Atmosphere. I feel that it is very important for individuals chosen to be members of the NACOA to have premier knowledge and expertise in atmospheric and ocean matters, especially of research frontiers. The amendment is an important reminder that we need topnotch outside advice in isolating and scrutinizing topical and institutional problem areas, like the environmental-research-related ones which NACOA has helped to call to the attention of the Subcommittee on the Environment and the Atmosphere. I thank the gentleman for the opportunity to speak to the amendment.

Mr. BREAUX. Mr. Speaker, I thank the chairman of our full committee for yielding to me for some comments about NACOA.

Mr. Speaker, the bill being discussed today, H.R. 3849, is a bill to extend the authorization for NACOA, the National Advisory Committee on Oceans and Atmosphere.

NACOA was originally conceived by the Stratton Commission which in 1969 published a comprehensive ocean policy report which has had a powerful and pervasive impact upon our Nation's oceans effort. This report called for the formation of an advisory committee which would bring together people from outside the Federal Government having expertise in oceanic affairs. This group would provide a vital link between the various sectors of the oceanic community, including government, academia, and industry, and represent a broad range of geographical and disciplinary areas.

The National Advisory Committee on Oceans and Atmosphere was subsequently established by the passage of Public Law 92–125 on August 16, 1971. Atmospheric advisory functions were added to NACOA subsequent to the establishment of the National Oceanic and Atmospheric Administration in 1970. By law, NACOA is mandated three primary responsibilities. First, to continuously review our Nation's marine and atmosphere policies and programs; second, to report to the President and Congress annually or upon request; and third, to advise the Secretary of Commerce with respect to the National Oceanic and Atmospheric Administration.

NACOA's membership serves as a valuable source of knowledge and information. The credibility and effectiveness of NACOA is directly related to the quality of its members. H.R. 3849 provides language which will restrict NACOA membership to those persons bringing only the highest level of knowledge and expertise in fields which would complement and enhance the advisory capability of NACOA.

In addition, H.R. 3849 increases the level of authorization from $445,000 to $560,000 for fiscal year 1978, an amount necessary to maintain NACOA's current level of operations in the face of Government salary increases and other inflationary factors.

In my view, NACOA represents one of the few advisory committees that actively addresses ocean issues; 1977 marks the sixth year of existence for NACOA. In that time NACOA has contributed significantly to the formulation of many of our country's ocean and atmospheric policies. H.R. 3849 insures the continuation of NACOA at its present level of operation while providing for the strengthen-

ing of the qualifications of its membership. It is for these reasons that I urge the passage of this legislation.

Mr. BAUMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. RUPPE).

Mr. RUPPE. Mr. Speaker, I rise in support of H.R. 3849 which is designed to extend the authorization of appropriations for the National Advisory Committee on Oceans and Atmosphere during fiscal year 1978 at a level of $560,000. The bill would also establish limitations on the individuals who could be appointed by the President to serve on the advisory committee.

NACOA, a 25-member advisory board, was formed in 1971 to establish an effective nonagency body which would be able to advise Congress and the President. NACOA was formed as an essential part of the Stratton Commission report which provided a foundation for the development of a national ocean policy. One of the most beneficial features of NACOA is its ability to assemble representatives from the relevant marine and atmospheric science disciplines as well as other recognized authorities in order to exchange information from their respective disciplines and areas of interest and evaluate policy alternatives.

H.R. 3849 would amend section 2 of the NACOA Act to include a narrower definition of the qualifications necessary to be appointed to NACOA. Specifically, only individuals with knowledge and expertise in the areas of oceans or atmosphere could be appointed to the committee. Mr. Speaker, this narrow definition could provide a situation where only scientists are represented, and I do not think this body would then be as effective as it has been in the past. I urge support of this bill, although I feel that it is important for Congress to continuously scrutinize the types of appointments made to this body.

This bill would also amend section 7 of the act to extend and increase the authorization for fiscal year 1978 from $445,000 to $560,000. This amount reflects mandated increases in Federal salaries and supply costs of NACOA which have been put off for several years.

Therefore, Mr. Speaker, I urge Congress to support H.R. 2349 in order that NACOA will be able to contribute substantially, especially in the next few years, as this country progresses toward a more rational and comprehensive national ocean policy.

Mr. BAUMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER per tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 3849, as amended.

The question was taken.

Mr. MOTTL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. MOTTL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII, and the prior announcement of the Chair, further proceedings on this motion will be postponed.

The point of order is considered withdrawn.

SEAL BEACH, GREAT DISMAL SWAMP, AND SAN FRANCISCO BAY NATIONAL WILDLIFE REFUGES AUTHORIZATIONS

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5493) to extend until October 1, 1980, the appropriation authorizations for the Seal Beach, Great Dismal Swamp, and San Francisco Bay National Wildlife Refuges.

The Clerk read as follows:

H.R. 5493

Be it enacted by the Senate nad House of Representatives of the United States of America in Congress assembled, That section 5 of the Act entitled "An Act to provide for the establishment of the San Francisco Bay National Wildlife Refuge", approved June 30, 1972 (16 U.S.C. 668jj), is amended by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1980".

SEC. 2. Section 4 of the Act entitled "An Act to establish the Seal Beach National Wildlife Refuge", approved August 29, 1972 (Public Law 92-408; 86 Stat. 663), is amended to read as follows:

"SEC. 4. There is authorized to be appropriated until the close of September 30, 1980, not to exceed $525,000 to carry out the purpose of this Act.".

SEC. 3. Section 4 of the Act entitled "An Act to establish the Great Dismal Swamp National Wildlife Refuge" (Public Law 93-402, 88 Stat. 801) is amended to read as follows:

"SEC. 4. For purposes of carrying out this Act, there are authorized to be appropriated not to exceed—

"(1) $1,000,000 for the fiscal year ending June 30, 1975;

"(2) $3,000,000 for the fiscal year ending June 30, 1976, and the transition quarter beginning July 1, 1976, and ending September 30, 1976;

"(3) $3,000,000 for the fiscal year ending September 3, 1977; and

"(4) $21,000,000 for the period beginning October 1, 1977, and ending September 30, 1980, of which not to exceed $15,750,000 shall be available for land acquisition and not to exceed $5,350,000 shall be available for purposes other than land acquisition.".

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from Kentucky (Mr. SNYDER) are recognized for 20 minutes each.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 5493 would provide additional funding for the purpose of assisting in the conservation and protection of our Nation's valuable fisheries and wildlife resources.

To assist in this regard, there were three wildlife refuges established as a result of legislation reported by the Committee on Merchant Marine and Fisheries in the early 1970's. The three refuges are the Seal Beach Refuge, the San Francisco Bay Refuge, both of which were established in 1972, and the Great Dismal Swamp Refuge, established in 1974.

The establishment of these refuges provided for the setting aside of over 100,000 acres of valuable habitat in the States of Virginia, North Carolina, and California.

In addition to assisting in the perpetuation of a number of endangered species of fish and wildlife, these refuges provide millions of man-days of hunting and fishing each year as well as additional recreational opportunities for the general public. Developments at these refuges will consist of such things as wildlife and environmental interpretive centers, wildlife trails, fishing piers, hunting blinds, boat tours and observation platforms.

Mr. Speaker, the need for H.R. 5493 arises from the fact that the appropriation authorizations for these three refuges expire this fiscal year.

H.R. 5493 would extend for 3 years the funding authorization of the Seal Beach Refuge at the same level of $525,000, the San Francisco Bay Refuge at the same level of $20,300,000, and the Great Dismal Swamp Refuge at an increased level of $21,100,000.

Mr. Speaker, this legislation received favorable departmental reports, and it was unanimously ordered reported by the Committee on Merchant Marine and Fisheries and I urge its passage.

I now yield to the gentleman from California, (Mr. LEGGETT), chairman of the subcommittee that reported this legislation, such time as he may consume.

Mr. LEGGETT. I thank the gentleman for yielding.

Mr. Speaker, the purpose of H.R. 5493 is to extend for an additional 3 years the appropriation authorizations for three National Wildlife Refuges, the Great Dismal Swamp Refuge in the States of Virginia and North Carolina, and the Seal Beach Refuge and the San Francisco Bay Refuge, both in the State of California.

Mr. Speaker, under present law, there is authorized to be appropriated until September 30, 1977, $525,000 for the Seal Beach Refuge. This refuge consists of about 700 acres of the Naval Weapons Station at Seal Beach and although it is still under the ownership of the Navy it is being jointly managed by the Department of the Interior and the Navy as a refuge pursuant to an approved management plan dating back to 1974.

Mr. Speaker, no funds have been appropriated under this authorization thus far since only personnel costs have been involved and the Interior Department is absorbing those costs under its general appropriation authority.

H.R. 5493 would extend the authorization at the same level of funding for the 3 additional years.

Mr. Speaker, the San Francisco Bay Refuge was established in 1972. It consists of four distinct units totaling about 23,000 acres. The refuge consists of lands and waters that constitute an ecological system that supports a rich diversity of fish and wildlife, including species known to be threatened with extinction, such as the California clapper rail, the least tern, and the salt water harvest mouse.

Its 11,000 acres of salt ponds, 3,000 acres of salt marsh, 6,000 acres of tidal flats, and 2,000 acres of open waters afford natural habitat to large numbers of migratory waterfowl, shore and water birds, fish, and aquatic animals, including a colony of harbor seals.

Mr. Speaker, present law authorizes to be appropriated $20,300,000 through fiscal year 1977 for the San Francisco Bay Refuge. To date, $9,600,000 of that authorization has been appropriated, all of which is earmarked for acquisitions. No acquisitions have taken place thus far, except for 203 acres that were donated. Most of the lands within the boundaries of the refuge are owned by Leslie Salt and Westbay Associates. Although negotiations for purchase of these lands have been underway for several years now, the Interior Department is optimistic that offers to purchase will be accepted within the next few months.

H.R. 5493 would extend the present funding authorization for an additional 3 years leaving to be appropriated during the 3-year period $10,700,000, all of which would be used for operation and development of the refuge.

Mr. Speaker, the Great Dismal Swamp Refuge was established in 1974. It presently consists of a 49,000-acre tract of land donated by the Union Camp Corp. and about 4,000 acres of additional lands purchased from private owners. Remaining to be acquired within the refuge is about 53,000 more acres of which 13,000 acres will probably be purchased within the next 6 months.

The swamp consists mostly of forest lands. It is abundant with fish and wildlife; it has a high bird population, including migratory waterfowl; and the largest mammal in the forest is the black bear.

Under present law there was authorized to be appropriated $7 million through fiscal year 1977 for this refuge.

H.R. 5493 would authorize to be appropriated $21,100,000 for the next 3 fiscal years provided that not more than $15,750,000 could be used for acquisitions and not more than $5,350,000 for purposes other than acquisitions.

Mr. Speaker, H.R. 5493 was ordered reported by the Committee on Merchant Marine and Fisheries unanimously. It has the support of the Department of the Interior, and it is widely supported by conservationists throughout the country.

I urge its prompt passage.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. LEGGETT. I yield to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. I thank the gentleman for yielding.

Mr. Speaker, I hope my questions will not suggest in any way any reluctance to support this legislation, which I consider not only desirable, but essential. However, there is something which worries me here, and that is the fact that in many cases—for example, in the San Francisco area—there is less money for land acquisition than there is for development. This is something of which I am intimately aware in my own district. I think we should stop acquiring land for wildlife habitat and then proceed to change that habitat and construct dikes and roads and access, so that it is not really a wildlife habitat any more, very often with very startling and very unfortunate repercussions upon the neighboring areas.

For example, in one wildlife refuge of which I am intimately aware they have decided to make a dike in order to increase the pond area so that they can get more room for birds. As a result, the neighbors are having a back-up of water that they never had before.

When we are acquiring for wildlife, it seems to me we ought to leave it alone. If we put in walks and ways to make it possible for children and others interested in wildlife to see what is going on, it would be desirable; but to change the nature of the land, when we have acquired it for wildlife, does not seem to me to be quite straight. I wish somehow we could establish in the dialog here that it is the intention of the committee, so far as possible, to recommend to the Congress that land acquired for wildlife refuges should not be tampered with except for a minimal amount necessary to make it convenient for students and those who wish to study the area.

Mr. LEGGETT. Mr. Speaker, if the gentlewoman is asking the question of the subcommittee, we are very much concerned with our overall refuge program. We have some 32 million acres federally owned which we manage in the National Wildlife Refuge System. The States have others. We are thinking of adding to the system an additional 40 million acres in Alaska. With respect to the Alaskan acreage, that will be kept in its pristine state to the maximum extent possible. There are some projects, such as the Tinicum area, which we had on the floor the other day, which have been seriously eroded because of the digging of holes, dredging, and various other kinds of things in the refuge area.

So we do have to spend more money in an urban-type refuge to either restore it to its natural state or to make it consistent with the development that has already taken place there.

In San Francisco it so happens that the refuge, consisting of this 23,000 acres, that we are taking over is in large part in salt ponds. The salt ponds are not inconsistent with plans for the refuge. What we have found is that the salt water is consistent with the promotion of a wildlife habitat.

There are a number of levee activities that are taking place in the southern part of San Francisco Bay. There are also some salt development programs and nearby commercial activities. We do intend by this legislation not to create something artificial but to try to maintain as much of the area in its natural state as we possibly can.

However, each project is different. Fortunately, we have had one donor who has donated a rather substantial sum of money for an environmental center in the San Francisco Bay Refuge, and that will meet with the needs of students and others who are interested in wildlife.

Mrs. FENWICK. If the gentleman from New York (Mr. MURPHY) will yield further, it does seem questionable for us to spend only $9 million for land acquisition and then spend $11.3 million for development of what is meant to be a wildlife habitat. This is what is of concern to me.

It is not just a question of this particular wildlife refuge. This seems to be a policy that we generally follow; I am sure the chairman of the subcommittee is aware that in some of these wildlife refuges they have one area that is marked out for development.

How can that be used for development if the land is bought for wildlife? Why is it marked out for development?

Mr. LEGGETT. Mr. Speaker, it is not marked out for development for any purpose other than to create proper ponding so that we can acquire the desired wildlife. It is true that the amount of money used to take the land is small in relation to the development costs.

One of the reasons for that is that we are going to continue to allow the salt development program to take place in these lands. That is not inconsistent with the overall development program. As a result, the costs for the taking are lean as compared to development costs.

This is one of the better wildlife programs in the country. It is sponsored by the gentleman from California (Mr. MCCLOSKEY), a member on the gentlewoman's side of the aisle. The gentleman from California represents a district some miles away from my district. This program does have the full support of all the environmental community and all of the wildlife people in Northern California.

Mr. FENWICK. Mr. Speaker, I am sure it is an essential program. So is the San Francisco Bay Refuge program.

I am going to sit down now, and I will not take any more time of the Committee, but I did want to make the point that I think this is something we are going to have to resist. If we are taking lands for wildlife habitats, as I believe we must, I think we ought to be very careful before we fool around with the development of those lands.

Mr. LEGGETT. Mr. Speaker, if the gentleman from New York (Mr. MURPHY) will yield further, let me say this:

If the land is in a pristine state when we acquire it, we do not have to spend much money, if any, on it. However, when we acquire lands like this that have been within the heart of development areas, then we have to do some other things in order to attract the desired wildlife.

Mrs. FENWICK. Yes, I agree that has to be done where the lands have been tampered with. But in some cases we acquire some lands that are pristine, and then we decide they are not good enough and not enough birds are stopping there.

So then we start fooling around with dikes, and we begin to invade the land of the neighbors. This, it seems to me, is unfortunate.

In other words, I think we ought to simply accommodate what birds we have and stop developing our wildlife lands with the building of access roads. As I understand it, we have allowed carrier routes to be put through wildlife areas. Perhaps that is necessary, but I hope that trend will be resisted.

Mr. LEGGETT. Mr. Speaker, we are developing these lands to the minimum extent possible, and I hope the gentlewoman will believe me when I say that.

Mr. SNYDER. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. RUPPE), the ranking minority member of the subcommittee.

Mr. RUPPE. Mr. Speaker, I rise in support of H.R. 5493 which authorizes appropriations for the acquisition and development of three unique areas: the Seal Beach National Wildlife Refuge, the Great Dismal Swamp National Wildlife Refuge, and the San Francisco Bay National Wildlife Refuge.

The Seal Beach Refuge in California is one of the largest single undisturbed tracts of salt marsh remaining along the California coast. Over 100 species of marsh birds, migratory waterfowl, and shore birds, including three endangered species, nest or feed on or near the marsh.

The Great Dismal Swamp, which is one of the last undisturbed great swamps, is literally teeming with wildlife. In fact, the swamp supports the only breeding population of black bears in eastern Virginia and North Carolina. The swamp also offers visitors a chance to view many unique forms of vegetation.

The area is also rich in historic significance. In 1763, George Washington visited the area and later surveyed it. He was impressed by both the beauty of the swamp and the commercial possibilities of its timber resources. In 1764, he formed a company called the "Adventures for Draining the Great Dismal Swamp" which dug numerous ditches and canals in the area to facilitate a timber harvest. The first such ditch which was dug in the late 1760's was one of the first canals dug in the Colonies and may well be the oldest canal in usable condition in the United States.

The preservation of the Great Dismal Swamp has been a joint public and private effort. The Union Camp Corp., acting through the Nature Conservancy, has donated 49,000 acres of the Dismal Swamp for use as a wildlife refuge. This gift constitutes about 50 percent of the land area of the proposed refuge. The Federal contribution authorized by H.R. 5493 will match the private donation so that this great area will be preserved and protected.

The San Francisco Bay Wildlife Refuge is another unique ecosystem which will be protected by H.R. 5493. The estuarine environment of the bay provides a haven for numerous species of wildlife. In fact, nearly 70 percent of the Pacific flyways' shorebirds depend on the San Francisco Bay's tidal flats for feed at some time during the year. The bay area is also the home for several endangered species. Unfortunately, the bay's wetland area has been diked and filled to such an extent that the available wildlife habitat has been reduced by 75 percent.

Mr. Speaker, to protect the remaining wildlife habitat in the bay area, to preserve the Great Dismal Swamp, and to protect the marshes of Seal Beach, I urge the adoption of H.R. 5493.

Mr. SNYDER. Mr. Speaker, I have no further requests for time.

Mr. MURPHY of New York. I have no further requests for time, Mr. Speaker.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 5493.

The question was taken.

Mr. MOTTL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. MOTTL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII, and the prior announcement of the Chair, further proceedings on this motion will be postponed.

The point of order is considered withdrawn.

CANAL ZONE BIOLOGICAL AREA AUTHORIZATION

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3348) to amend the Act of July 2, 1940, as amended, to increase the amount authorized to be appropriated for the Canal Zone Biological Area, as amended.

The Clerk read as follows:

H.R. 3348

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Act of July 2, 1940 (20 U.S.C. 79e), is amended by striking out "$350,000" and inserting in lieu thereof "$750,000".

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

The was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from Kentucky (Mr. SNYDER) are recognized for 20 minutes each.

The chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support H.R. 3348 and urge the Members to approve this bill which is indispensible to a sustained level of resource protection and research activity for the Canal Zone biological area.

H.R. 3348 increases to $750,000 the statutory limitation on funds authorized to be appropriated to the biological area for its administration and the maintenance of suitable facilities for observation and scientific investigation. The present limitation of $350,000 was established in 1965.

A new $750,000 authorization ceiling for the area will recognize three elements: Rapidly rising operating costs caused chiefly by salary and other personnel expenses; a modest reconstruction and renovation program for deteriorating facilities; and the assignment of certain costs not previously included in the limitation.

A new ceiling could conceivably increase expenditures for the Canal Zone biological area by some $2 million total in the next 5 fiscal years. But the Committee on Merchant Marine and Fisheries estimates that the total actual increase in U.S. Government outlays over the next 5 years as a result of this legislation will not exceed $1 million.

Mr. Speaker, the Canal Zone biological area encompasses Barro Colorado Island and several tiny adjacent islands near the channel of the Panama Canal. The area is a prime world center for tropical research, due to the great diversity of flora and fauna on its premises and the community of scientists who study there. Hundreds of scientific studies are made each year, many of which yield important results.

There are tangible benefits for the United States in the conservation and preservation of Barro Colorado Island and the maintenance of its associated laboratory facilities.

Thousands of students from U.S. universities and colleges have done research on the island, because more effective study is possible.

Some of the bird populations of North America which are important to environmental balance overwinter in the area of the Isthmus of Panama, and thus find the island a safe haven.

Additionally, the variety of plant species there that may provide important information for agricultural and medicinal purposes is impressive.

Let me add on more of a marine note that scientists associated with the biological area were responsible for an important study in the early 1970's pointing out the environmental hazards of a sea-level canal.

In spite of the high reputation of the Canal Zone biological area and its superior entity, the Smithsonian Tropical Research Institute, the Committee on Merchant Marine did not act precipitately in reporting this legislation. Since the present authorization limitation was set in 1965, the Smithsonian Tropical Research Institute, which now administers the Canal Zone biological area, was created by the Smithsonian Board of Regents. Also, since 1965 Canal Treaty negotiations have become protected with the Kissinger-Tack guidelines of 1974 causing special concern.

After studying these two phenomena the committee concluded that fiscal accountability in the administration of the Canal Zone biological area demanded that all of the funds obligated from amounts appropriated to the

Smithsonian Institution each fiscal year and used in connection with the biological area must be charged to the authorization limit. The committee also concluded that the budget for the biological area must be more explicit.

With regard to the treaty negotiations in which the United States is now engaged, it is clear that these talks do not impinge upon the legal title on U.S. property in the Canal Zone. The facilities that might be constructed under the program envisioned for the Canal Zone biological area will become part of the $7 billion worth of investment the United States has made in the real property and the structures situated thereon in the Canal Zone. This investment is not subject to transfer without the authorization of both Houses of Congress.

When I chaired the Subcommitee on the Panama Canal in the 92d Congress, we concluded, as stated in House Report 92–1629:

> No treaty involving the appropriation of United States monies or the transferral of territory or other property owned by the United States will be effected without due consideration of the jurisdiction of the House over these matters.

On June 18, 1976, in debate on the Snyder amendment, I said that—

> Any treaty drawn up by the executive branch and submitted to the Senate involving the territory of the Canal Zone or the Panama Canal must be drawn so as to require this implementing legislation.

I emphasize these statements to which I continue to adhere in order to point out that this authorization is not recommended without some confidence in our ability to protect its end results in behalf of the taxpayer.

Mr. Speaker, it should also be noted that the status of the Canal Zone biological area is also well protected in Panama's eyes by the ample benefits the area has provided, since its existence, like that of the Panama Canal that runs near it, includes special benefits for the Republic of Panama.

H.R. 3348 ought to be passed to reaffirm our commitment to operate the Canal Zone and the facilities in the best manner possible, and also to reaffirm our commitment to the advancement of science in our own best interests and those of the world.

Mr. Speaker, I yield back the balance of my time.

Mr. SNYDER. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. RUPPE), the ranking minority member.

Mr. RUPPE. Mr. Speaker, although I am concerned as to the ultimate form the proposed new treaty with Panama will take, I am in favor of continued negotiations with that country. I am, of course, aware that the President promised in his campaign never to give up practical control of the Panama Canal.

In the meantime, though the outcome of the talks remains in doubt, scientific progress must not be stifled. The Smithsonian Institution has done, and continues to do very valuable work in many countries of the world including Panama. Barro Colorado Island in the Canal Zone offers a magnificent opportunity for scientists from all over the world to study tropical flora and fauna in a concentrated area.

The Smithsonian Tropical Research Institute which administers the Canal Zone biological area on the island should not be held hostage to the negotiations or penalized in advance, because of a new treaty that seems to be many months in the offing at the very least.

The increase in the appropriations limitation requested by Smithsonian officials is, in my estimation, worthy of our support. The modest expansion and repair program for the biological area presented to the Committee on Merchant Marine and Fisheries by Smithsonian officials makes sense, and warrants the additional appropriations. Even those Members opposing the bill on the grounds that we should not add anything to the great investment made by our taxpayers in the Canal Zone if we are to give it to Panama, admit they would support the increase under other circumstances.

I repeat, the Smithsonian Institution for years has successfully operated in numerous countries around the world. I am confident it can continue to do so in the Canal Zone whether under United States or Panamanian jurisdiction.

Mr. SNYDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I oppose H.R. 3348 because the taxpayers of the United States should not have to spend an additional dollar to improve facilities that shortly may be handed over to Panama's dictator, Omar Torrijos. My position is consistent with my overall opposition to surrendering the Canal Zone and Panama Canal to Torrijos.

I do not object to the work of the biological area on Barro Colorado Island or the Smithsonian Institution's administering of that activity. On the contrary, I find much merit in the operation from all I have learned of it, and the facilities could stand repair and improvement.

However, I object strenuously to our citizens always being socked for tax money to support a foreign policy that seeks to make friends out of our enemies by sapping our own strength and strategic position. H.R. 3348, of course, does not authorize money in support of our foreign policy but such funds at once would be subject to that policy—with the taxpayers the losers.

Placating Omar Torrijos by giving him the Canal Zone would in no way solve Panama's basic problems or greatly ease our tensions with that country. Without huge amounts of U.S. money we would be giving Panama a gigantic new burden. Few people know, for example, that canal maintenance has required twice as much excavation since its completion than was required for its construction.

We would have to be more involved than ever both in Panama's internal politics and in giving her increased financial aid to insure that the canal would remain open and operable. Worse, we would just whet Torrijos' appetite and demonstrate to the world a weakness not truly representative of the national will of our people.

With little regard for world shipping, Panama, of course, intends to milk the Canal Zone once it becomes Panamanian. She cannot make money on the present break-even tolls we charge. Her economists talk of hiking those rates at least 300 percent.

Panama could be expected to try to establish fees and other charges and levy taxes on anything we might want to operate or use in what would then be the former Canal Zone. That is an indication of what could be done with Barro Colorado Island. Improving the facilities there would just enable Torrijos to jack up the rent on them.

Smithsonian officials have expressed confidence in their ability to carry on under Panamanian jurisdiction, because of two agreements—one a Western Hemispheric treaty and the other a compact the Institution has with Panama.

However, as my colleague from California (Mr. DORNAN) and I point out in our dissenting views in the committee report, either agreement is subject to a unilateral cancellation by Torrijos with only 12 months' notice. That is just not good enough security for the biological area for me to vote to commit increased tax money, small as the amount may be in comparison with other day-to-day authorizations by Congress.

Mr. MURPHY of New York. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. METCALFE), the chairman of the Subcommittee on the Panama Canal.

Mr. METCALFE. Mr. Speaker, I urge favorable consideration of H.R. 3348, a bill to increase the permanent annual authorization for the Canal Zone biological area to $750,000.

H.R. 3348 has broad bipartisan support. In their testimony before the subcommittee which I chair, and in reports to the Committee on Merchant Marine and Fisheries, the executive has indicated support for this legislation. The other body has also indicated its support for this by passing an identical bill on May 2. Your Committee on Merchant Marine and Fisheries has reported H.R. 3348 with only two dissenting opinions and finally, several of America's leading academic institutions express approval of this legislation.

To those who are not familiar with the value of the Canal Zone biological area as a repository of various forms of plant and animal life, I would simply say that thousands of studies have been done in connection with this area since 1923. The Government has been funding the area since 1940. In 1965, its authorization limit was set at the present $350,000.

There is now a clear need for an increase in the authorization for the biological area. In terms of operating costs alone, the impact of inflation and legislation will cause the present authorized limit to be exceeded within the next 2 years.

Moreover, some of the facilities on Barro Colorado Island which are literal-

ly falling apart at this time cannot be replaced or renovated without a higher authorization. These facilities are a prerequisite to advanced study and effective research.

Finally, costs which have not heretofore been charged under this limit of title 20, section 79 of the United States Code, must now be considered. This increases the amount by which the limit must be raised.

Mr. Speaker, when I introduced H.R. 3348 by request on February 9, the legislation called for an increase in the authorization limit from $350,000 to $600,000. In subcommittee deliberation on May 2, this later figure was amended to $750,000.

The purpose of the change was to recognize what the General Accounting Office has termed "indirect costs" in connection with the administration of the Canal Zone biological area. These are costs which have been in the appropriations for the Smithsonian Tropical Research Institute, and used in connection with its administration of the Canal Zone biological area, but not charged to the area's limit.

Records available to the Committee on Merchant Marine and Fisheries indicate that in spite of the bookkeeping problems of the Canal Zone biological area, the statutory limit on authorized funds has not been exceeded. But since it is only fair that all Smithsonian costs that apply to the area be counted, the report on the bill directs this.

In debate in the Committee on Merchant Marine and Fisheries, one major objection was raised to the legislation. This concerned the uncertainty of the status of the biological area under any possible new treaty with the Republic of Panama.

I am not uncertain about the future status of Barro Colorado Island in the Canal Zone. Apparently neither are most members of the Committee on Merchant Marine and Fisheries.

Of course, none of us has the crystal ball that makes the future clear. If we did, this body might not exist. In making judgment about the future, we must proceed on the best known intentions and actions that pertain to our decisions. If we look at only worst-case thoughts and the most ill-intentioned actions, we deprive ourselves of the chance to make things better.

As I said, regardless of the outcome of present canal treaty negotiations, the preponderance of evidence seems to indicate that the status of Barro Colorado Island will not change.

The basic reason for my confidence on this point is the justified self-interest of the United States and Panama in keeping these things as they are. While the United States gains valuable scientific information on the island, Panama has also gained more knowledge of the ecology of the Isthmus and can draw upon the community of scientists that come to study.

As an indication of the intentions of the Panamanian Government on scientific matters, we should note the case of Gorgas Memorial Laboratory. This U.S.-funded operation located under Panamanian jurisdiction in Panama City has never been hindered in its work. In fact, it has had the cooperation of the Panamanian Government.

We should also note that Panama signed in 1972 a Western Hemisphere convention on nature protection and wildlife preservation by which it pledged to do many things, including the following: To protect designated flora and fauna from destruction and allow them available only for scientific investigation; to keep wilderness lands inviolate; to lend assistance to scientists engaged in scientific research; and to protect migrating birds and endangered species. All of these pledges relate to a reserve such as the biological area.

Further, this year the Smithsonian Tropical Research Institute and the Government of Panama signed a contract which provides for Government recognition in return for a continued sharing of information.

So we have the good will of the Panamanian Government. It is the same kind of good will that has been extended to the Smithsonian by 20 other countries.

Good will, however, may not be enough. Fortunately, we have more protections. We have the constitutional protection on disposition of property. We have recorded in the conceptual agreements released in 1975 an intention to conclude a special agreement on "tests in connection with tropical environmental studies"—this presumably means Barro Colorado Island, among other locations.

These, then, are legal protections, but the basic protection is the international reputation of the Canal Zone biological area.

I urge passage of H.R. 3348 to continue the productive tropical research in which the United States has been a world leader and to insure that all costs to the taxpayers associated with the Canal Zone biological area are properly authorized.

Mr. SNYDER. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. DORNAN).

Mr. DORNAN. Mr. Speaker, I am one of those to whom the esteemed chairman of the Committee on Merchant Marine and Fisheries referred when the gentleman said there were some who would willingly support any assistance for our excellent and invaluable Smithsonian Institute, were it not for the difficult circumstances surrounding negotiations with the Panamanian dictator who has publicly said that if we do not give him exactly what he wants, he will take it by force.

I take this opportunity to again remind my colleagues that bombs were set in our Canal Zone in October and that the guilt has been traced back to the head of G–2 Intelligence in the Gardia Nationale, Gen. Torrijos' Palatin Guard. I think we should do everything we can here in the Congress to let the nation of Panama know that we are not going to improve any facilities there until it is very clear to them and the world that we are not giving up practical control of our canal. I think euphemisms like "vital interests," which some at our State Department interpret to mean turning the canal over to Panama should be dropped from our negotiating verbiage. The citizens of our Nation need more assurance that the United States is not going to run from this strategic area of the world before we start spending more money on facilities there. Look again at what we abandoned in Vietnam—over $8 billion in U.S. equipment and facilities.

Mr. Speaker, I also use this opportunity to remind my colleagues that the Joint Chiefs of Staff have described this Canal Zone area as a strategic and critical area to U.S. defense. This strong statement of fact has been garbled by some of our ambassadors down there who have denied that this critical area description has been made very strongly to them by the Joint Chiefs of Staff.

I again commend the Smithsonian Institute on the excellent work they have done on Barro Colorado Island. It is my hope they will continue this fine work when we have cleared up the impression that our negotiations are a one-sided attempt at fair partnership with the other side, the dictator Torrijos saying, "Get out and leave your checkbook as you depart."

Mr. Speaker, I would like to add to the RECORD of this debate the dissenting opinion of the gentleman from Kentucky and me on H.R. 3348:

DISSENTING VIEWS ON H.R. 3348 BY MR. SNYDER AND MR. DORNAN

In view of the treaty negotiations with Panama we oppose this bill. However, its defeat will not endanger the project itself.

The activities of the Smithsonian Institution's Tropical Research Institute carried on at the Barro Colorado Island facility are, from all we have learned of them, of a worthwhile nature.

Setting aside the Canal Zone biological area as a protected preserve on this island in the midst of Gatun Lake for biological studies was in our opinion a farsighted move by the authorities who made that decision many years ago.

We believe the project has been and continues to be a good one.

Not the least of the studies produced by STRI—whether it was done at Barro Colorado or elsewhere we are not certain—was that concerning the ecological problems that would be caused by the construction of a sea-level canal. Chief among the dangers that study warned of would be the introduction into the Caribbean Sea and Atlantic Ocean of poisonous sea life from the Pacific Ocean unless a biotic barrier were built into such a canal.

At present the Canal Zone biological area receives annual appropriations under an annual limitation of $350,000. While H.R. 3348 would increase this limit to $750,000 for future years, the Smithsonian Institution is only asking for $352,000 for fiscal 1978 for the Barro Colorado Island biological area.

We are told the increase in the limitation is needed in order that capital improvements and repairs may be made to the facilities on the island, and in certain forthcoming years such costs would exceed the annual limitation. Termites have damaged wooden structures and these the Smithsonian would

replace with cinderblock or other permanent construction.

We most certainly would go along with this logical step under normal circumstances.

However, at this point in time, things in Panama and the Canal Zone are anything but normal. Our State Department—we wish we could say it were someone else's—has regrettably determined to give the Canal Zone and our $7 billion investment in it to Panama. That weak little country whose independence we guaranteed from 1903 to 1936, is no longer a Republic but a nation repressed by a dictator who likes to be called the "Maximum Leader."

Panama's General Omar Torrijos has already spoken of raising canal tolls at least 300 percent—a fact which has caused anguish among all the Latin American countries which depend heavily on the waterway for export of their products. They realize such an increase would enormously affect their costs—and consequently the prices they must ask in the United States and other markets.

We should take heed of this warning sign.

What sense does it make for us to put more U.S. tax money into the zone—for any purpose whatsoever—if we are in fact going to turn it all over to Omar Torrijos?

Everyone knows that he and his gang are skimming the cream off the Panamanian economy while the people increasingly suffer from the deterioration of that economy.

You might not know Torrijos charges a nickel on every travelers check you use in Panama—regardless of its face value.

Why should we put more money into Barro Colorado Island when Torrijos can clamp some kind of rent onto it and keep raising that rent?

The Smithsonian Institution has an agreement with Panama under which it claims it will be free to continue to operate as at present.

How can we be sure?

We all know Torrijos and his gang overthrew the last constitutionally elected President, Arnulfo Arias, in 1968 and discarded the old constitution.

Checking into the Smithsonian Institution's own contract with Panama, as submitted to the Subcommittee on the Panama Canal, we find that the seventh of its seven clauses reads as follows: "Seventh: This contract will remain in effect so long as any of its parties does not express a desire to terminate it, which intention should be made known at least 1 year before it is desired that the contracts terminate. The Institute will allow the use of its laboratories, work shops and field stations upon request of the Nation (Panama) for scientific research and work when this is possible and available."

The Smithsonian Institution, in addition to its own contract with the Republic of Panama, cites a Western Hemispheric Convention respecting nature protection and wildlife preservation signed by the United States (1941) and by Panama (1972) as further evidence of its ability to operate STRI and Barro Colorado under Panamanian jurisdiction should Torrijos gain control of the Canal Zone.

However, article XII of the convention provides for the denunciation of the convention at any time by any contracting government, such denunciation to take effect 1 year after notification in writing to the Pan American Union.

Therefore, Omar Torrijos legitimately would be bound only 12 months by this treaty from the moment he notifies the Pan American Union he is denouncing it. In effect, this means the Smithsonian Institution never really has more than 12 months guaranteed existence under the Convention should Panama decide to withdraw from it.

It is clear, then, that either or both of the two documents upon which the Smithsonian Institution bases its rosy outlook for the future under possible Panamanian jurisdiction, can be voided by Omar Torrijos with just 12 months notice.

The majority makes the following statements in the report: "With respect to the future status of Barro Colorado Island, it is important to note that a transfer of sovereign rights from the United States to Panama in what is now the Canal Zone, a change which is apparently an assumption of present canal treaty negotiations, would not in itself affect the U.S. ownership of real estate and improvements paid for with appropriated funds in the biological area or elsewhere in the present Canal Zone. The question of ownership of real estate and improvements under a new treaty arrangement is a matter which is best addressed as a matter distinct from its sovereign status of the zone."

We consider this very distinction itself to be of the utmost importance—for without sovereignty, ownership could be shortlived, indeed. This vital matter was admirably addressed by Hon. Strom Thurmond, U.S. Senator from South Carolina, in a speech to the Inter-American Conference on Freedom and Security held in Washington, D.C. in September 1975 under the sponsorship of the American Council For World Freedom. The text of the Senator's speech was printed in the Report of Official Proceedings of the conference published by The Heritage Foundation.

The following excerpt explains our convictions as to just how shaky a hold the Smithsonian Institution would have on its facilities on Barro Colorado Island should it fall under the Panamanian dictator's jurisdiction:

"At least six earlier Isthmian canal treaties had failed in Congress, because they did not give the United States sufficient capability to defend and maintain such a Canal. It was historically clear that Congress would not authorize a Canal which was under the sovereignty of another nation.

"This is the explanation of the treaty of 1903, which granted to the United States the rights of sovereignty in perpetuity. The two concepts are essential: sovereignty and perpetuity. The one implies the other. Sovereignty is the highest power or authority, the supreme and independent political authority. It is a contradiction in terms to speak of sovereignty as subordinated in any way to the authority of another. You either have sovereignty or you don't.

"Now there is a confusion abroad in the land between title—that is, ownership—and sovereignty. Let me say that there is all the difference in the world between the two. You can have ownership without sovereignty, as any homeowner can tell you. You can also have sovereignty without ownership, unless that ownership is acquired by eminent domain. It is, therefore, clear that if the United States surrenders sovereignty in any territory, even where it has ownership, then the titles to U.S. property therein are not worth a tinker's damn, except in so far as the real sovereign so pleases.

"Sovereignty, therefore, is not a title. It is authority in operation. As soon as authority ceases to operate, it ceases to exist. That is why the grant of sovereignty in the 1903 treaty is so important. We are not talking about some abstract legality, or some splitting of legal hairs; we are talking about practical day-to-day operations. The authority to act cannot be shared without disagreement, disaffection, and ultimately disaster.

We repeat Senator Thurmond's words:

"It is, therefore, clear that if the United States surrenders sovereignty in any territory, even where it has ownership, then the titles to U.S. property therein are not worth a tinker's damn, except in so far as the real sovereign so pleases."

More and more we learn of the repressive acts of the Torrijos regime against not only the people of Panama itself but even against U.S. citizens who live in the Canal Zone. Arrests without cause, beatings, disappearances and exiles have become commonplace.

It goes without saying that a regime which has no respect for the human rights of its own citizens will have no respect for the property rights of foreigners.

Despite the agreement the Smithsonian Institution has with Panama, at any moment the "Maximum Leader" might decide to make some move regarding the Barro Colorado biological area which would be to his advantage—be it for propaganda or otherwise.

We know dictators to be just that—dictators. They move, not according to written agreements, but according to their own whims—as long as they have the power to do so and get away with it. Up to now Torrijos has had the guns to back him up.

As long as our executive branch is foolishly committed to giving away the Canal Zone to him, we see no sense in authorizing an even greater commitment of tax dollars to improve any U.S. facility in the zone.

GENE SNYDER.
ROBERT K. DORNAN.

Mr. MURPHY of New York. Mr. Speaker, I just have a few comments to make. I want to set in perspective the fact that we are dealing here with an authorization for a scientific installation. The fact that it is on a small island, Barro Colorado in Panama, probably is analogous to the situation where we have the Gorgas Institute in downtown Panama, nowhere connected with the Canal Zone. Furthermore, there has never been a levy by the Republic of Panama on the relocation of the Barro Colorado and Smithsonian Institution in their work in key scientific areas. We have 21 other such scientific areas throughout the world, mostly in Africa and the tropical areas. This is a key program run not only for our own benefit, but for the benefit of those countries in which the installations reside, but for all mankind. The obtaining of key scientific information, that is the purpose of this legislation.

Now, let me set aside some of the concerns my colleagues, the gentleman from California and the gentleman from Kentucky, raised. Back in 1967 when my colleague, the gentleman from Kentucky, and I were there visiting the canal as Members of Congress, we met Mr. Torrijos. There was a canal treaty under consideration at the time. It was abbrogated by the Republic of Panama.

The gentleman knows my sentiments about the canal treaty. I do not think the United States should ever give up operational control of that canal and, second, the defense of that canal. If we intend at some time in the future to build a sea level canal, only at that time we should enter into serious negotiations for a new canal treaty.

The gentleman from California and the gentleman from Kentucky and I are totally in agreement. I am sure that the scientific research program with which we are dealing here is an endeavor which will benefit the United States and benefit the Republic of Panama and many of our Latin friends and, of course, mankind.

Mr. Speaker, I would urge the House to favorably consider this bill.

Mr. MURPHY of New York. Mr.

Speaker, I have no further requests for time.

Mr. SNYDER. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill, H.R. 3348, as amended.

The question was taken.

Mr. SNYDER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. SNYDER. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of order is considered withdrawn.

REIMBURSEMENT FOR SEIZED COMMERCIAL FISHERMEN EXTENSION

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4140) to extend the provisions of the Fishermen's Protective Act of 1967, relating to the reimbursement of seized commercial fishermen, until October 1, 1980.

The Clerk read as follows:

H.R. 4140

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7(e) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1977(e)) is amended by striking out "October 1, 1977" and inserting in lieu thereof "October 1, 1980".

The SPEAKER pro tempore. Is a second demanded?

Mr. McCLOSKEY. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from California (Mr. McCLOSKEY) are recognized for 20 minutes each.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of H.R. 4140 is to extend the cooperative insurance program carried out under section 7 of the Fishermen's Protective Act for an additional 3 years, until October 1, 1980.

The need for the legislation—other than the fact that the appropriation-authorization under section 7 expires at the end of this fiscal year—arises from the fact that the United States does not recognize the right of any nation to regulate tuna. Tuna is a highly migratory species which spawns and migrates over vast distances in the Pacific, Atlantic, and Indian Oceans and, therefore, necessitates international regulation. Consequently, whenever a tuna vessel of the United States is illegally seized by a foreign nation in contradiction of this policy, it is incumbent of the United States to indemnify the owners of such seized vessels for their losses when such vessel owners are following a policy clearly established by the U.S. Government.

This policy on the part of the United States which, incidentally, is shared by many other nations, dates back to 1954 when the Fishermen's Protective Act first came into being. Under that act, the U.S. Government agreed that when American fishing vessels were fishing in conformity with that policy and their vessels were seized and fines, fees, and other direct charges were required to be paid to obtain release of their vessels and crews resulting from such seizure beyond 3 miles from the shores of any nation, then the U.S. Government would reimburse the vessel owners and crews for those charges.

In 1967, the act was broadened to add a new section 7 to the act which would allow any vessel owner—whether fishing for tuna, shrimp, or any other species of fish—to voluntarily enter into an agreement with the Secretary of Commerce for the purpose of providing reimbursement for certain losses incurred other than those for fines, fees, and other direct charges which are fully reimburseable under section 3 of the act. The losses to be covered by section 7 of the act would include such things as damage, destruction, loss, or confiscation of the vessel, fishing gear or other equipment, dockage and utility fees, confiscated or spoiled fish, and 50 percent of the loss of fishing time during the detention period.

Mr. Speaker, this is the program under the act that would be extended by this legislation. Under this program, the participating vessel owners have been paying about 40 percent of the cost and the U.S. Government the remaining 60 percent.

It is estimated that the extension of this program for an additional 3 years would cost the taxpayers of this country only $60,000 per year.

Mr. Speaker, before closing I would like to briefly comment on the dissenting views included in the committee report on H.R. 4140.

I regret to say it, but the dissenting views are based on a number of inaccurate statements.

First, we do not pay U.S. fishermen to invade the 200-mile fishing zones of other nations, as stated in those views. We do provide full reimbursement for any fines, fees, or other direct charges paid to obtain release of vessels and crews seized for fishing in accordance with this policy and partial reimbursement for other losses incurred to those vessel owners who are voluntarily participating in the section 7 insurance program.

Second, throughout the dissenting views, it is stated that we do not allow other nations to have the same rights in their 200-mile fisheries zone as we claim in our 200-mile zone and, therefore, this is totally inconsistent with the actions we took when the 200-Mile Fishery Zone Act came into being on April 13 of last year.

Mr. Speaker, this assertion is entirely incorrect and the committee report on H.R. 4140 clearly points out why these assertions are incorrect.

Section 103 of that act clearly spells out that the exclusive fishery management authority of the United States shall not include, nor shall it be construed to extend to, highly migratory species. The term highly migratory species is defined in the act to mean tuna.

Now, what does this mean? It means that any nation's vessels can freely fish—without the necessity of obtaining a permit—for tuna up to 3 miles from our shores. As I stated before, this policy was established in 1954 and it is the same policy we are advocating today, as evidenced by the passage of the 200-Mile Fishery Zone Act, on which, incidentally, this body clearly expressed its opinion when it passed the conference report on that legislation by a resounding vote of 346 to 52.

Also, Mr. Speaker, the position of the United States on this issue, as expressed in that legislation, is consistent with the U.S. position on this issue at the Law of the Sea Conference and with the article 53 revised, part II, of the latest single negotiating text. Article 53 requires coastal states and other states whose nationals fish for highly migratory species to cooperate directly or through appropriate international organizations to insure conservation and optimum utilization of such species both within and beyond the exclusive 200-mile economic zone of a nation.

In addition, this consistency was highlighted by section 202 of the 200-Mile Fishery Zone Act and it was clearly spelled out in the policy and purposes of that act. The consistency of this position is further emphasized by U.S. participation in the International Convention for the Conservation of Atlantic Tunas, the Inter-American Tropical Tuna Convention, the Indian Ocean Fishery Commission, and the Indo-Pacific Fisheries Council, all of which regulate tuna on an international basis.

Finally, the charge has been made in the dissenting views that there are practically no tuna within our 200-mile fishing zone. The fact is that, based on the findings of the General Accounting Office in its study of the U.S. fishing industry, more tuna is taken within 200-miles of U.S. shores than the United States takes outside 200 miles of its shores. The total U.S. commercial fishery catch of tuna caught off foreign shores for 1975 amounted to 506 million pounds. In the same year, over 514 million pounds of tuna were caught within 200 miles of U.S. shores, and over 129 million pounds of that total were taken by foreign vessels without U.S. regulation or requirement that such nations obtain any permit or license and this situation has not changed since our 200-mile zone went into effect on March 1, 1977.

Mr. Speaker, the Committee on Merchant Marine and Fisheries believes the U.S. position in this respect to be entirely consistent inasmuch as it merely asks that U.S. vessels fishing for tuna in foreign waters be treated in the same manner as foreign vessels fishing in our waters for tuna.

Until the policy of the United States regarding the regulation of tuna is changed, it behooves the Congress to continue the voluntary insurance program authorized by section 7 of the Fishermen's Protective Act, which provides reimbursement to U.S. vessel owners for losses incurred resulting from illegal seizures of such vessels.

Mr. Speaker, I apologize to the Members for taking so much time to go into the background and explain the merits for the passage of the legislation, which is estimated to cost only $60,000 per year for the next 3 years, but I felt under the circumstances that this information should be made available to the Members before voting on it.

I thank the Members for their indulgence.

Now, Mr. Speaker, I yield to the gentleman from California (Mr. LEGGETT), chairman of the subcommittee that handled this legislation, such time as he may consume.

Mr. McCLOSKEY. Mr. Speaker, I yield myself such time as I may consume.

I rise in opposition to H.R. 4140, a bill to extend the provisions of the Fishermen's Protective Act of 1967 until October 1, 1980.

The Fishermen's Protective Act should not be extended. It has outlived its justification and should be allowed to expire.

In 1967 when the act was passed the United States claimed a 3-mile territorial and a 9-mile contiguous zone. At that time, we insisted that under international law a 12-mile zone was the maximum area which could be claimed by a coastal State. We maintained that any assertions of jurisdiction over an area greater than 12 miles was in violation of international law, we would not recognize it, and we would give protection to any of our nationals who were acting in accordance with that policy.

In the late 1960's several Latin American countries, including Ecuador and Peru, began to manage the fisheries within 200 miles off their coasts. A right which they had claimed since 1947. They insisted that U.S. tuna fishermen who wished to fish in their zone have licenses. However, the United States did not recognize their right to assert fisheries jurisdiction out to 200 miles. Therefore, we told our fishermen that they did not have to obey their laws on the grounds that they were contrary to our official policy and international law. We determined that we would protect them, financially, using the Fishermen's Protective Act. That act protects them from any financial losses they suffer while acting as an instrument of our foreign policy.

The act was used as an alternative to gunboat diplomacy and allowed us to protest the assertions of jurisdiction of the coastal states using our fishing fleet.

However, last year we created our own 200-mile zone with the Fisheries Conservation and Management Act. With that law we asserted our right to do what Ecuador and Peru had been doing for 29 years. We told the rest of the world that we had the right to manage the living resources off our coasts out to 200 miles. We now insist that any foreign fisherman who wants to harvest fish within the zone obtain a license and conform to our regulations.

In light of this assertion, it is clear that it is the height of hypocrisy for us to insist that foreign fishermen pay license fees to fish in our zone while insisting that our fishermen do not have to pay foreign license fees for fishing in their zones.

In conclusion, Mr. Speaker, I believe that in light of the establishment of our 200-mile zone, it is incumbent on us to recognize similar assertions by other countries. A continuation of our "Do as I say and not as I do" arrogance can only hurt our international reputation as a world leader. We should no longer continue to insist that other countries cannot impose fisheries zones off their coasts and we should no longer use the Fishermen's Protective Act for that purpose. Therefore, I oppose the continuation of the Fishermen's Protective Act and urge my colleagues to join me in defeating H.R. 4140.

Mr. Speaker, if I may, I wish to direct a question to the chairman of the full committee or the chairman of the subcommittee. I am not sure where these statistics come from, and I do not recall any statistics about the catch of tuna within 200 miles of our shores compared to the catch of tuna 200 miles away or within 200 miles of the shores of other nations.

Mr. Speaker, I sat in this committee on Thursday and on Friday—and I think the chairman of the subcommittee was there with me—when we heard our own people testify that 70 percent of our tuna was caught within 200 miles of the coasts of other nations. That is not consistent with the statement contained in this report. If I am in error, I wish the gentleman would point it out to me.

Mr. LEGGETT. Mr. Speaker, will the gentleman yield?

Mr. McCLOSKEY. I yield to the gentleman from California.

Mr. LEGGETT. Mr. Speaker, let me say that I believe the gentleman has caught a technical error in our report. We, along with counsel, were reading from a GAO report that indicates the total fish catch by species off the U.S. coastline, and that does indicate that in 1974 approximately 235,000 metric tons of tuna alone was caught. The report said they were caught off our coastline. That, I believe, is taken a little bit out of context, even though that is what the report says.

The fact of the matter is that in another part of the report it is indicated that the Atlantic Ocean produced about 25 percent and the Indian Ocean produced about 9 percent of our tuna. In 1975 the tuna—primarily albacore—caught within 200 miles of U.S. shores accounted for 11 percent of the total U.S. catch. Eleven percent of 235,000 tons is right around 25,000 to 30,000 tons.

The point is that it is substantial, although the numbers we were talking about were probably in error. According to the report, the remainder consisted of foreign catch and the catch of U.S. recreational fishermen.

Mr. McCLOSKEY. Mr. Speaker, I am glad to hear the gentleman say that the numbers were in error because I had heard nothing like that in some several years of testimony.

If I can define the crucial point, let me describe the difference between the views of the majority and the minority of the committee.

On page 2 of the committee report, the committee, in discussing the background of the act, states that the act was passed to oppose any claims of right by foreign nations with which we do not agree.

The point of difference with respect to that is this: Apparently the majority, in enacting this law, is not willing to recognize the claims of Mexico or Ecuador or Peru to a fishing conservation zone for tuna taken 200 miles off their shores. That is the only way the majority can justify continuing an act which was passed to oppose the claims of foreign nations.

Mr. Speaker, is the majority saying in this legislation that because we have only included, say, 29 out of 30 of the species of fish within our 200-mile zone and we have left out tuna, we are denying to foreign nations the right to claim a fishing conservation zone 200 miles off their shores for that one species?

We cannot justify continuing this act unless we deny the right of Ecuador, Peru, and Mexico to claim the right to conserve within their 200 miles.

In other words, we are saying in this legislation that they should still be considered international waters, to be governed by treaty, and that a coastal zone cannot even conserve a migratory species within 200 miles.

Is that the gentleman's position?

Mr. LEGGETT. Mr. Speaker, if the gentleman will yield, that is not our position.

The gentleman has asked a compound question. When I am recognized on my own time, I am going to try to straighten the whole question out.

We do have some fundamental differences, but I think we all are trying to comply with international law and certainly the Law of the Sea Conventions in effect.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. McCLOSKEY. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding and I rise in opposition to H.R. 4140, the Fishermen's Protective Act Extension. I agree with my colleague from California (Mr. McCLOSKEY) that a renewal of the Fishermen's Protective Act constitutes U.S. denial of other nations' rights to regulate 200-mile fisheries zones that they might claim.

As a congressional adviser to the Law of the Sea Conference—which is scheduled to meet for its sixth session in New York from May 23 to July 8, 1977—I wish to point out to my colleagues that passage of this legislation could be detrimental to U.S. efforts to work in harmony with other states at the Conference in

concluding an effective and equitable oceans treaty.

As my colleague from California, who serves on the Merchant Marine and Fisheries Committee, indicates, practically no tuna, for commercial fishing, are found within the U.S. 200-mile fisheries zone; thus, the provision allowing foreign vessels to fish these waters. To protect U.S. tuna vessels entering 200-mile fisheries zones, claimed by other nations which have tuna in these waters, is inconsistent with the goals the United States has articulated concerning the Law of the Sea Conference.

With the negotiations for a law of the sea at such a critical juncture, I urge my colleagues to vote against legislation, such as H.R. 4140, which would impede the Conference's efforts toward concluding an equitable, far-reaching, and much needed multilateral oceans treaty.

Mr. RUPPE. Mr. Speaker, will the gentleman yield?

Mr McCLOSKEY. I yield to the gentleman from Michigan, the ranking minority member.

Mr. RUPPE. Mr. Speaker, I rise in opposition to H.R. 4140, a bill which would extend the insurance against seizures provisions of the Fishermen's Protective Act of 1967 for three more fiscal years. Quite simply, I believe that these provisions of law, with the enactment of this Nation's and other countries' 200-mile exclusive fishery zone legislation, have outlived their usefulness and should be allowed to expire on October 1 of this year.

A brief examination of the history surrounding enactment of this insurance program should disclose why the program is no longer required. Its purpose was to authorize voluntary insurance for the reimbursement of certain losses incurred as a result of the seizure of a U.S. commercial fishing vessel by a foreign country on the basis of rights or claims in territorial waters or on the high seas not recognized by the United States.

The program was enacted in response to the 200-mile territorial sea claims of certain Latin and South American countries in the late 1950's and 1960's. At that time, you will recall the United States and a majority of the countries of the world did not recognize such expansive territorial sea claims.

Under international law, however, the silence or the failure to challenge by one country can be construed as acceptance of the claims asserted by another country. Thus, the U.S. Government had to challenge the 200-mile territorial sea claims of our southern neighbors. Our distant water fishing fleet became agents of U.S. foreign policy in that through their fishing without a license, we challenged the claims of those countries.

Last year with the enactment of the Fishery Conservation and Management Act of 1976, the international position of the United States changed dramatically with respect to fisheries. Unilaterally, we have asserted an exclusive 200-mile fishery conservation zone. Foreign fishing vessels must obtain a license before they can enter our zone to fish. In response to our action, many other nations, for example Mexico and the Soviet Union, have enacted similar laws. As to those Latin and South American countries which had already enacted such laws, U.S. enactment of Public Law 94-265 could be viewed as a recognition of these laws.

The proponents of this legislation argue that the United States in passing the Fishery Conservation and Management Act expressly excluded from the law's scope tuna and other highly migratory species which spawn and migrate over vast areas of the ocean. My answer to that is simply so what. The fact of the matter is that our southern neighbors are not required to be as sophisticated as we purport to be in management of fishing stocks. To carry the proponents' argument to its logical conclusion would be to permit a nation to enact a 200-mile fishery zone for one species, which is the only one in its zone, and then assert that they do not recognize similar 200-mile zones of those countries which nature has blessed with varied and abundant species in their zones.

Also, I think we ought to clear up for the record, and perhaps for the gentleman from California (Mr. McCLOSKEY), now in the well, and who has been a very strong spokesman against this legislation, that during our committee tuna hearings in the last few days we have taken as the 1975 U.S. commercial fishery catch a total of 568 million pounds of tuna as the base point.

On the other hand, the figures in evidence from the National Marine Fisheries Service indicate that 494 million pounds of skipjack, yellow fin and other tuna were actually caught in foreign waters by U.S. fishermen. So if we say that the U.S. catch was 568 million pounds, and if we agree that the National Marine Fisheries Service is accurate in their estimate that 494 million pounds were taken by U.S. vessels in foreign waters, then this would appear to mean that there is only room for about 74 million pounds of actual U.S. tuna catch in American waters.

Mr. PRITCHARD. Mr. Speaker, will the gentleman yield?

Mr. McCLOSKEY. I yield to the gentleman from Washington.

Mr. PRITCHARD. Mr. Speaker, I thank the gentleman from California for yielding to me.

Mr. Speaker, what we have before us is the Fishermen's Protective Act bill which is going to be voted up or down without the opportunity for amendment.

Mr. MURPHY of New York. Mr. Speaker, if the gentleman will yield, we are only debating a 3-year extension of the new provisions that amount to $60,000 a year. The minority has been carrying on about whether we are going to repeal the fishermen's protective bill. We are only dealing with one small section of it.

Mr. PRITCHARD. The gentleman from New York may be right, technically, but we are not debating that. The purpose of the debate is to determine whether this is proper or not. I think the gentleman knows as well as we do what we are talking about. I do not think we can justify this action from a legal standpoint since we passed the 200-mile fishing zone bill.

From my standpoint, Mr. Speaker, I think that we should defeat this and send it back to the committee and extend it, we should implement a phasing out of this act so that the impact on the tuna industry will not be so abrupt and so hard as it will be if we immediately cut off these funds. We should have brought this to the attention of the committee earlier in the legislative process and gotten more deeply into it. But I think we ought to defeat this today and then the committee should go back and institute a phaseout so that the impact on the tuna industry will not be as hard as it will be if we had immediately cut it off. We should take the position that this country in no way can continue this program after we have passed our own 200-mile zone bill.

Mr. McCLOSKEY. Mr. Speaker, if I could direct this question to the chairman, the chairman is correct that the cost of this program is minute if foreign nations do not seize our fishing boats within their 200-mile zones. But I heard the chairman refer to this industry as a billion dollar industry. There are a billion dollars worth of U.S. purse-seine vessels that can conceivably go down and try to renew last year's success in 70 percent of our tuna being caught within 200-mile zones of other countries. We have just seized a Russian ship which came within our 200-mile zone in violation of our 200-mile law.

Is it possible, Mr. Speaker, that if we continue this act and the U.S. tuna fleet is encouraged by passage of this minor insurance program to go into the waters within 200-mile zones of other countries, that under this program the cost of that fishing fleet, a half billion dollars, would be borne by the taxpayers of the United States? Is that true or false?

Mr. MURPHY of New York. If the gentleman will yield, the gentleman could not be further incorrect and speak further from the truth. We seized the Russians for violating the permits we issued to them for fishing on species out of season and incorrectly, according to the conditions of the permits. What we are dealing with here is a migratory fish, and I just explained it in detail to the gentleman. We know the seizures have cut back significantly from the late 1960's. This is a very modest program only, which provides for insurance, where a migratory fish, tuna, is involved.

If the gentleman wants to cooperate later this afternoon and tomorrow, we will report out of the committee a resolution on the tuna-porpoise controversy, and he will well serve his constituents at that point.

Mr. McCLOSKEY. I do not think I got an answer to my question.

Mr. MURPHY of New York. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. I thank the Chairman for yielding.

Mr. Speaker, it is too bad that we have four Members of the minority signing a report that is substantially defective in some of its assertions of fact. Of course, the majority report is not impervious to some error; I admit that. We have had that one problem.

Mr. RUPPE. If the gentleman will yield, his charity is touching.

Mr. LEGGETT. I think we have to recognize this: When we passed the 200-mile fishing law, the Fishery Conservation Act, to help out the gentleman from Washington and to help out the other interests that we have represented in this Congress, included in that law is section 103, which says, "highly migratory species" are exempted from its coverage. It was right up front. What it says is that the exclusive fishery management authority of the United States shall not include, nor shall it be construed to extend to, highly migratory species of fish. That is what we said in our law.

In the Law of the Sea Conference in New York, in Caracas, and in Geneva we have consistently given separate treatment to tuna and to other migratory fish. I know the gentleman from California has had representation at the Law of the Sea consistently. He knows what they have been talking about, and he knows that that has not been just an idle act.

We have spent under the 1954 act to date about $8 million in reimbursing fishermen under section 3 of the act for fines, fees, and other direct charges resulting from illegal seizures and that is not here in dispute in this bill. If the Members of the minority wanted to totally repeal the Fishermen's Protective Act, they could have offered amendments in committee to abort the act. All we are dealing with here is section 7 of the act which deals with the payment of one-third by the industry and two-thirds by the Government for reimbursement for loss of fishing time, damaged gear, and a few other incidental items, but it does not cover the major items of loss covered by section 3 of the Fishermen's Protective Act.

Total reimbursements to date under this section are $1.8 million, and it has cost the Government on the average of about $180,000 per year. We have to keep in mind when we passed the Conservation Act we were concerned about what would happen when countries did not have the exact same kind of law that the United States has. What if they claim, say, a 50-mile territorial sea and a 150-mile conservation limit?

What happens if they inflict totally confiscatory fees that totally violate the conscience of the United Nations and the law of the sea? What remedies do we have there? We took care of that in our 200-mile legislation because we have the provision in that act, section 403, that amended the Fisherman's Protective Act and this does not just apply to tuna. It applies to any vessel fishing for any kind of fish off any foreign shore.

Essentially what we said there was that if laws are enacted by foreign nations that are not designed to protect fish and not to protect endangered species, if they fail to take into consideration and take into account the traditional fishing practices of the United States, because we intended to take into account the traditional practices of foreign countries, if the fees are greater or more onerous than the conditions and restrictions which the United States applies to foreign fishing vessels subject to the exclusive fishing management authority of the United States, if they fail to allow fishing vessels of the United States equitable access to fish subject to such countries' fisheries management authority, then in all of these cases we need an authority to provide reimbursement in the event our fishermen were exercising what we considered their rights under international law or the policies by the U.S. Government.

We do not have the absolute right to exclude any nation from fishing within the 200 miles of our shores. We could do it only within that limited window after we promulgate a plan and control conservation and go through the restrictions we have in our law, and only then can we do that. And a foreigner can come into the United States and say he wants to set aside this law because it was not enacted for purposes of conservation and it was enacted provincially to protect a particular industry or a particular coast.

We gave them that right, but if the foreign countries do not give us similar rights and they in fact enact laws that provide for charging fees like $60 or $80 a ton which comes out to something like 10 percent of the value of the fish, and it is not the value of the fish but it is the value of the amount of fish that can be caught in a ship, then these fees in fact are confiscatory and they are such that no nation can comply.

Last year there were no seizures off the South American coast because the tuna industry, contrary to American policy, determined they wanted to go ahead and pay a $20 per ton fee, rather than risk being seized, which they could do under the law and there were no seizures. But that is not the condition that confronts the industry at the present time.

Mr. BOB WILSON. Mr. Speaker, will the gentleman yield?

Mr. LEGGETT. I yield to my colleague from San Diego, the gentleman from California (Mr. BOB WILSON).

Mr. BOB WILSON. I want it understood that not everyone is taking the position that a few recalcitrants on the committee are taking. I agree with the gentleman from New York that the statements of the minority views are entirely inaccurate, particularly with respect to the 200-mile limit provisions. Anyone who says there is no tuna off the California coast does not understand the tuna fishing. They operate out of San Francisco and Los Angeles and San Diego and under our laws anyone can come in under the 200-mile limit and fish for albacore if they want to.

Mr. LEGGETT. The gentleman is exactly correct. All the bluefin off the east coast is subject to foreigners coming in and taking that, we do not attempt to regulate that, except by international convention, and there are about four international conventions regulating tuna to which we are signatory.

I know the gentleman from California strongly respects those conventions and it is stated in the Fishermen's Protective Act under section 1974, 22 U.S. Code that:

> The provisions of this chapter—which is the Fisherman's Protective Act—shall not apply with respect to a seizure made by a country at war with the United States or a seizure made in accordance with the provisions of any fishery convention or treaty to which the United States is a party.

Now, I do not know how more civilized we could become than to state that we will not be denying protection to our vessels if a seizure is made of a ship that does not violate a convention or agreement.

Mr. McCLOSKEY. Mr. Speaker, will the gentleman yield?

Mr. LEGGETT. I yield to the gentleman from California.

Mr. McCLOSKEY. Mr. Speaker, both my colleagues are on the Committee on Armed Services. Are we also willing to send our cruisers and destroyers down to the 200-mile zones of Peru and Ecuador, that we are asking our taxpayers to pay for? This Act originally was to prevent that. We did not want to send destroyers and cruisers down there. I think the gentleman on the Armed Services Committee will recognize an inherent inconsistency if we deny to certain nations the right to enforce the 200-mile limit, solely because the species within that limit is a migratory species. Are we to send our Navy down there to defend our tuna boats? Is there a yes or no answer to that, can the gentleman state?

Mr. LEGGETT. Mr. Speaker, there is not a simple answer. We are going to protect the U.S. ships on the high seas. They are not claiming that right. They are claiming a territorial sea. It violates every international principle that the gentleman is fighting for on the law of the sea.

Mr. BOB WILSON. Mr. Speaker, will the gentleman yield?

Mr. LEGGETT. I yield to the gentleman from California.

Mr. BOB WILSON. Mr. Speaker, I must say that my colleagues are with us on the Advisory Committee on the Law of the Sea Conference. The Law of the Sea Conference is trying to work this problem out right now. It seems to me if we took unilateral action and recognized the right of a country to have complete jurisdiction over the 200-mile limit, I think it would, in effect, cause additional problems to the Law of the Sea Conference.

I would hope that we can pass an extension of this legislation and in the meantime contribute successfully to getting the law through the Conference.

Mr. LEGGETT. Mr. Speaker, to give other countries more rights on our shores than we claim off the shores of other nations has got to be the height of inconsistency.

The gentleman says that the United States is arrogant. We have been arrogant in some things, but certainly not in this matter. We are working with the South American countries. We are help-

ing them develop their fishing industry. We are giving them loans and grants and all kinds of things; but when the gentleman tries to nitpick the Fishermen's Protective Act by doing away with the insurance provisions that would provide compensation for loss of fishing time and other losses when we are already providing for the major loss that results from seizure, such as fines and fees, is highly inconsistent. These men will be fishing and when we take away the agreement we made some years ago, we can do it, but that does not make it right.

Mr. EVANS of Delaware. Mr. Speaker, I rise in opposition to the motion to suspend the rules and pass H.R. 4140, amendments to the Fisherman's Protective Act.

As a delegate to the United Nations Law of the Sea Conference, I believe that the passage of this bill only 1 week before the convening of the Conference would have a significant adverse effect on our ability to successfully negotiate any agreement.

The renewal of this act would be the height of international arrogance. What this bill proposes to do is compensate American fishermen for breaking a law we ourselves are trying to enforce. It has been only a few weeks since the Coast Guard seized a Soviet vessel for violation of our 200-mile zone. Now, we seem to be arguing that other nations do not have the same right to enforce a 200-mile zone of their own.

The original Fisheman's Protective Act was passed in 1967 at a time when the United States pursued a national policy that no nation could claim more than a 3-mile territorial sea. When several Latin American countries, notably Peru, Ecuador, and Brazil claimed a 200-mile zone for fishery protection and other purposes, the Fisherman's Protective Act was passed to support American fishermen who fished within the 200-mile zone of those countries.

But our national policy has changed. We now claim 200-mile fishing limits. It makes no sense whatsoever to encourage Americans to break the 200-mile laws of other countries.

Mr. Speaker, as the minority views on H.R. 4140, which were signed by Representatives MCCLOSKEY, RUPPE, PRITCHARD, and me, emphasize, the Law of the Sea negotiations are now at a crucial point. If an agreement is to be reached, there must be mutual trust between nations. In my view, this bill is one of the best ways to earn distrust by other nations, particularly developing countries, thus making any treaty infinitely more difficult to obtain.

For those reasons, Mr. Speaker, I urge my House colleagues to recognize the minority position taken by myself and others and defeat this bill.

The SPEAKER pro tempore. All time has expired.

The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill, H.R. 4140.

The question was taken.

Mr. MCCLOSKEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

COAST GUARD AUTHORIZATION—FISCAL YEAR 1978

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6823) to authorize appropriations for the U.S. Coast Guard for fiscal year 1978, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated for necessary expenses of the United States Coast Guard for fiscal year 1978, as follows:

(1) For the operation and maintenance of the Coast Guard, including expenses related to the Capehart housing debt reduction: $882,821,000;

(2) For the acquisition, construction, rebuilding, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereof: $314,500,000, to remain available until expended;

(3) For the alteration or removal of bridges over navigable waters of the United States, constituting obstructions to navigation: $19,100,000 to remain available until expended; and

(4) For research, development, test, and evaluation: $24,800,000 to remain available until expended.

SEC. 2. For fiscal year 1978, the Coast Guard is authorized an end strength for active duty personnel of 39,009: *Provided,* That the ceiling shall not include members of the Ready Reserve called to active duty under the authority of section 764 of title 14, United States Code.

SEC. 3. For fiscal year 1978, average military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training: 3,872 students;

(2) flight training: 109 students;

(3) professional training in military and civilian institutions: 415 students; and

(4) officer acquisitions: 1,110 students.

SEC. 4. Title 14, United States Code, is amended—

(1) by adding a new section to chapter 17, after section 658, as follows:

"§ 659. Merger of obligated balances with current appropriations

"Amounts equal to the obligated balances against appropriations for 'Operating expenses' and for 'Reserve training', for the two fiscal years preceding the current fiscal year, shall be transferred to and merged with current fiscal year appropriations for 'Operating expenses' and 'Reserve training', respectively. The obligated balances for the period commencing on July 1, 1976, and ending on September 30, 1976, may be merged into the respective accounts for fiscal years 1977 and 1978. Such merged appropriations shall be available as one fund, for the payment of obligations properly incurred against such prior year appropriations and against the current fiscal year appropriations. Coast Guard accounting shall reflect your identity of the merged obligated balances until such obligated balances are transferred to a consolidated account as prescribed in section 1 of the Act of July 25, 1956, as amended (31 U.S.C. 701)." and

(2) by amending the analysis of chapter 17 by inserting at the end thereof the following item:

"659. Merger of obligated balances with current appropriations.".

SEC. 5. Notwithstanding the provisions of any other law, available funds appropriated to or for the use of the Coast Guard for "Acquisition, Construction, and Improvements" may be used to pay for part of the construction and other capital costs of a sewage treatment plant to be built, operated, and owned by the North Marin County Water District (California) and to be used by Coast Guard facilities located in the vicinity of Point Reyes Station, California.

SEC. 6. The Coast Guard is authorized to accept and retain funds from the city of Baltimore, Maryland, in payment for Coast Guard facilities to be removed by the city incident to the improvement of Hawkins Point Road, the funds to be available, until expended, for the construction of replacement facilities. Any funds not obligated by the end of fiscal year 1980 shall be paid into the Treasury of the United States.

The SPEAKER pro tempore. Is a second demanded?

Mr. TREEN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from Louisiana (Mr. TREEN) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to urge the passage of H.R. 6823, as reported by the Committee on Merchant Marine and Fisheries. The bill would authorize appropriations for the Coast Guard for fiscal year 1978.

In past years, the requirements for annual authorization of Coast Guard appropriations has been limited to the acquisition, construction, and improvement of vessels, aircraft, and shore facilities. Except for that specific authorization and the indirect authorization reflected in personnel ceilings, the remainder for the Coast Guard annual budget requests were based upon general authority contained in various statutes, including the provisions of title 14 of the United States Code. With the passage of the Congressional Budget Act of 1974 and the experience of the committee with that act, it became abundantly clear that, if the Committee on Merchant Marine and Fisheries is to carry out its required oversight responsibilities, it must be enabled to carefully review the annual budget requests of the Coast Guard and to make a decision in the authorization area. It is impossible to make authorization decisions on procurement of new vessels and aircraft and on the construction of shore establishments without also making some hard decisions on the cost effectiveness on the maintenance and improvement of existing facilities. Nor can the committee exercise the necessary legislative control which is inherent in its responsibilities without

annually authorizing the expenditures of significant funds on operating expenses, the improvement of navigational safety on navigable waterways, and on the request for research and development relating to Coast Guard operational program needs.

Because of this need, the committee last Congress proposed an expansion of the authorization process. That proposal was incorporated into Public Law 94–406. Therefore, the authorization bill this year includes authorization for operating expenses, for alteration of obstructive bridges, and for research, development, test and evaluation—in addition to the acquisition, construction, and improvement authorization of former years.

The total authorization under the bill amounts to $1.2 billion. While the figure seems large, I can assure the House that it is a minimal level for the Coast Guard to carry out its responsibilities. It contains approximately $883 million for operating expenses, a large part involving costs of personnel necessary to operate and maintain the 250 vessels and 170 aircraft, as well as the multitude of shore facilities in the Coast Guard inventory. The $315 million figure for acquisition, constructon and improvement includes replacement programs primarily to bring up-to-date the many aging and obsolete facilities of the Coast Guard—many of which are as much as 30 years old and the performance of which is inadequate. In addition, these aging facilities drain off unnecessary dollars and personnel for their constant upkeep and maintenance.

The $19 million for alteration or removal of bridges involves a continuing requirement under existing legislation to improve the navigability of our waterways, now constrained in many areas because of bridges which obstruct the ready passage of modern vessels. Member will recall recent headlines on damages to bridges by vessels attempting to negotiate confined channel clearances. The most recent which comes to mind is the accident this past winter which placed out of operation a necessary bridge near Hopewell, Va.

Finally, the authorization provides for the necessary research and development in bringing Coast Guard operations into the modern era. Available application of technologies and techniques need to be carefully examined in order to assist the Coast Guard in the most effective manner in carrying out its many missions, not the least of which includes vessel traffic safety, marine environmental protection, and search and rescue.

The authorization of $1.2 billion involves approximately $100 million additional funds above the President's request. Some $88 million of that figure relates to critically needed improvements in icebreaking capabilities on the Great Lakes, as well as an addition to approximately $20 million to upgrade Coast Guard capabilities in the pollution prevention and marine safety areas. This latter addition anticipates the costs of the Presidential initiatives on the subject of oil pollution prevention which was received by the Congress last month.

The committee has exercised constraint in its proposed additions. I believe strongly that every addition can be justified. I will now defer to the Chairman of the Subcommittee on Coast Guard and Navigation, the Honorable MARIO BIAGGI, to explain in somewhat more detail the exact breakdown of the authorization figures.

Mr. BIAGGI. Mr. Speaker, I urge the support of the House in passing H.R. 6823, as reported by the Committee on Merchant Marine and Fisheries. The bill authorizes appropriations for the Coast Guard for fiscal year 1978; for the operation and maintenance of the Coast Guard; for acquisition, construction, and improvement of vessels, aircraft, and facilities; for the alteration or removal of obstructive bridges; for research, development, test and evaluation; for military personnel ceilings; and necessary average student training loads. It also includes action to place into positive law existing accounting procedures and to authorize necessary utilization of funds in connection with projects involving a sewage plant in California and replacement of facilities at the Coast Guard Yard.

The authorizations in this bill are based upon Public Law 94–406 which placed under one authority the requirements for annual authorizations for the Coast Guard. For the first time this year, the authorization process includes operating expenses which are related to the operation of existing and newly-acquired facilities and the improvement of operational capabilities. It includes authorization for alteration and removal of bridges as well as funding for research and development, and the total funding for acquisition, construction, and improvement of vessels, aircraft, and facilities. This also authorizes the fiscal year-end strength for average duty personnel and for the average military training student loads.

Before discussing the levels of the proposed authorization, I direct your attention to the broad, all-encompassing and ever-increasing duties and obligations the Congress has fostered upon the Coast Guard. The U.S. Coast Guard, as part of the Department of Transportation, is a multi-mission organization providing the general public with numerous services on a day-to-day basis. It is charged with the primary responsibility of enforcement, or assisting in the enforcement, of all applicable Federal laws on or under the high seas and waters subject to the jurisdiction of the United States; the promotion of safety of life and property and the protection of the marine environment in these areas; the maintenance of aids to maritime navigation, icebreaking, and rescue facilities; and engaging in oceanographic research. The Coast Guard has also been charged with the safety of our ports and waterways through the operation of vessel traffic services and port safety controls while also regulating foreign and domestic vessels carrying oil or other hazardous polluting substances. This Service also, pursuant to title 14 of the United States Code, is an Armed Force, maintaining a readiness to operate as a service in the Navy, upon declaration of war or when the President otherwise directs. A recently added duty is the responsibility for the enforcement of an extended fisheries zone to 200 miles established by the Fishery Conservation and Management Act of 1976, Public Law 94–235.

The Committee on Merchant Marine and Fisheries has been and continues to be gravely concerned over the Coast Guard's capability to perform the duties with which it has been charged by the Congress. The actions of this agency continuously affect all of us, and it must be furnished with the necessary equipment and personnel for carrying out its many and varied missions and responsibilities. The purpose of the bill before the House today is to provide at least a minimal necessary authorization to permit the Coast Guard to accomplish its mandated responsibilities.

The administration requested operating expense authorization of $875,261,000, and the committee has added $7,560,000 for a total authorization request of $882,821,000. As you no doubt remember, the winter of 1976–77 was significant in its severity in causing extensive damage and in the resulting series of oil tanker accidents highlighted by the *Argo Merchant* disaster off the coast of Massachusetts on December 15, 1976. Of the addition, $4,000,000 will provide for the replacement and repair of many aids to navigation lost or destroyed which are absolutely necessary for the safe movement of waterborne commerce. It will also provide for the essential repair of shore and offshore facilities. In addition, $260,000 will provide for the restoration to full search and rescue capability a station located on Lake Superior; and $3,300,000 will provide for the costs of an additional 150 personnel in the marine safety and the marine environmental protection programs. With respect to this latter increase, the committee was particularly concerned over the Coast Guard's capability to properly carry out its responsibilities related to pollution prevention and cleanup and maritime safety. This addition could be utilized to begin the implementation of the administration's plans as outlined in the President's message to the Congress dated March 17, 1977, recommending very broad pollution prevention and marine safety initiatives.

In the vessel, aircraft, and facility authorization section, the bill authorizes a total of $314,500,000 which also highlights the committee's concern over the Coast Guard's capability to perform its icebreaking, search and rescue, and port safety missions. Increases were authorized for additional vessel traffic services improvement and equipment for the Puget Sound, Houston/Galveston, and New Orleans areas. This year, as in prior years, questions center upon the necessity for additional icebreaking capability. Therefore, the authorization provides for the continuation of the harbor tugboat replacement program by authorizing the construction of three more tugs with icebreaking capability. Authorization has also been provided for the design and construction of a vessel, com-

patible with existing Coast Guard conceptual designs for the Great Lakes, which is intended to be a replacement for the vintage deep-draft polar icebreaker *Westwind*. Authorization has also been provided for ten 32-foot port safety/harbor pollution boats; thirty 41-foot utility boats; and for two medium-endurance cutters. This latter continues the cutter replacement program initiated in 1977 and should materially add to the Coast Guard's capability to respond to its recently enlarged fisheries enforcement rsponsibilities.

The authorization also provides for the acquisition of 12 medium-range surveillance—MRS—aircraft, and a training simulator for this aircraft, which continues the program of replacement of the HU–16E amphibious aircraft fleet which first entered Coast Guard service in 1951 and is reaching operational and engineering obsolescence. It also provides for the procurement of 10 short-range recovery—SRR—twin-turbine helicopters intended to replace the aging single-engine amphibian HH–52A helicopter. Authorization was provided for fiscal year 1977 procurement, but the replacement program did not materialize. Authorization has also been provided for the continuing program of upgrading and improving numerous shore and offshore facilities, which are inadequate, substandard, overcrowded, too costly to maintain or repair, structurally unsound, or environmentally inadequate. It also continues numerous phases of on-going and previously authorized programs, all with the substantial upgrading and modernization of facilities to meet today's needs, as well as the requirements of the future.

The acquisition, construction, and improvement authorization of $314,500,000 provides $158,306,000 for the procurement of vessels; $108,252,000 for the procurement of aircraft; $21,303,000 for the construction and improvement of shore units; $27,308,000 for improvement of aids to navigation and the acquisition of vessel traffic services equipment; $8,600,000 for pollution control on Coast Guard vessels; $1,311,000 for public family quarters; and $10,069,000 for property acquisition, design, and administration. For necessary expenses for the alteration or removal of obstructive bridges, $19,100,000 has been authorized which will permit the completion of four bridges, for the continuation of alterations to two bridges, and for the commencement of removal of an obstructive bridge over Newark Bay.

Authorization for research, development, test and evaluation has been set at $24,800,000 to provide major emphasis on marine safety and marine environmental protection programs for seeking resolutions for today's problems and the challenges for the future. The committee added to the original administration's request a sum of $2,000,000 for research and development in pollution control which is designed to restore a part of the funds deleted in the budget process. This addition will restore the research and development funding for marine environment protection to a more acceptable level, even though this addition is less than the amount requested by the Department of Transportation. It should, however, enable the Coast Guard to move more expeditiously in the development of necessary equipment to respond to oil spills.

The total authorization is for $1,241,-221,000, which includes $882,821,000 for operating expenses; $314,500,000 for acquisition, construction, and improvement; $19,100,000 for bridges; and $24,-800,000 for research and development.

I, once again, feel that we cannot stress too strongly that every item in this authorization is badly needed if the Coast Guard is to carry out its designated missions. One of the difficulties is that the administration and the Congress in past years have been less than generous in providing funding for the Coast Guard. This Agency, probably more than any other agency, provides a Federal service second to none and has always endeavored to be of assistance to the general public. Even at this moment, because of the recent additional responsibilities for enforcement of the 200-mile fisheries zone, the Coast Guard is operating vessels built during World War II and vintage aircraft handed down from the Air Force. The Subcommitee on Coast Guard and Navigation and the full committee have considered the administration's desires to reduce outlays and the need to stay within certain anti-inflation limitations; however, I can assure you that the benefits to the Nation from this investment will be larger than the additions we have agreed to. Additionally, the expenditures will primarily benefit those business segments such as shipbuilding, aircraft manufacturing, and construction which will experience excess capacity.

Mr. Speaker, in this authorization bill, it is my firm belief that the Committee on Merchant Marine and Fisheries has reported a bill which is realistic and conservative in meeting Coast Guard needs and in meeting the President's overall budgetary objectives. I, therefore, urge all Members to support the passage of H.R. 6823.

Mr. OBERSTAR. Mr. Speaker, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Speaker, I compliment the gentleman from New York (Mr. BIAGGI) on the leadership he has exercised as chairman of the Subcommittee on Coast Guard and Navigation in his first term. He has taken over and really done a splendid job in bringing the Coast Guard into the 20th century into full participation in the technological advancement which the United States has made. He has seen the needs and responded to them.

Mr. Speaker, I also want to thank the gentleman for his recognition, coming, as he does, from an east coast State, of the needs of the Great Lakes and the special problems we have had this past year, with the most severe winter we have experienced on record. He has responded to that need by helping us to obtain urgently needed authorization for new icebreaking capability on the Great Lakes and the St. Lawrence Seaway system.

Again, Mr. Speaker, I thank the gentleman for his support of our needs in Great Lakes States.

Mr. STUDDS. Mr. Speaker, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from Massachusetts.

Mr. STUDDS. Mr. Speaker, I join the distinguished chairman of the subcommittee, the gentleman from New York (Mr. BIAGGI), in saying to the Members of this House that the most fiscally cautious soul amongst us can, in very good conscience, vote for this bill.

Mr. Speaker, this is one area in the Federal budget in which the taxpayer gets more than a fair return.

This Congress has imposed legions of additional responsibilities on the U.S. Coast Guard in recent years, such as the Fishery Conservation and Management Act of 1976, the 200-mile fishery zone, the Ports and Waterways Safety Act of 1972, the Federal Water Pollution Control Act, as well as new responsibilities with respect to tanker safety. Yet, this budget is still approximately one-half that of a nuclear carrier.

Mr. Speaker, I would say to all of our colleagues in the House that this is money well spent.

I thank the gentleman from New York (Mr. BIAGGI) for his leadership.

At this point, Mr. Speaker, I ask unanimous consent to insert in the RECORD a powerful editorial from the Standard Times in New Bedford, Mass. in support of more adequate Coast Guard funding.

The editorial is as follows:

[From the New Bedford Standard Times, May 3, 1977]

COAST GUARD WOE

The Coast Guard has been struggling manfully to do its new chores with the same old creaky equipment, operating on a shoestring budget with hand-me-down ships and planes that are unreliable and embarrassing.

As the only military service submerged in a non-military bureaucracy, the Coast Guard, under the jurisdiction of the Department of Transportation (as second-guessed by the State Department) suffers from isolation and insufficiency.

In the past five years, the Coast Guard has been given two new and important responsibilities: enforcement of the Fishery Conservation and Management Act and of the Ports and Waterways Safety Act.

To police the 200-mile fishing limit and to develop and enforce safety standards for ships—especially oil tankers—on top of its traditional functions, the Coast Guard needs more money from Congress and more muscle in the making of policy.

The Coast Guard gets called out for just about everything these days. The upshot is, in the words of Commander J. C. Goldthorpe: "The blue line is spread awfully thin."

Short-changing the Coast Guard has been standard presidential and congressional practice. Its $900-million budget wouldn't keep the other military services in septuplicate forms for a year. The Coast Guard takes to the air in Korean War planes and puts to sea in World War II ships. Its procurements smell of mothballs.

It is supposed to handle increasingly, sophisticated and diverse duties without a

corresponding increase in its own technological gear and transport. The wonder is the Coast Guard does it at all. If the Army, Navy or Air Force were treated so shabbily Capitol Hill would be afloat in a sea of brass hats.

The New England seacoast, from New Bedford to Kittery Point and elsewhere, knows intimately the significance a fully-manned, fully-funded, fully-equipped Coast Guard will have for years to come in keeping our fishing grounds free from piracy and our beaches free from pollution.

Congress, led by the delegations from coastal states like Massachusetts, should be vividly instructed in what is at stake. A uniformed service that protects our natural resources and waterways is an everyday line of defense worthy of the sturdiest support. It's time to unanchor a few minds.

Mr. TREEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. RUPPE), the ranking Republican on the Committee on Merchant Marine and Fisheries.

Mr. RUPPE. Mr. Speaker, I would like to say that the gentleman from New York (Mr. BIAGGI), the chairman of the subcommittee, and the gentleman from Louisiana (Mr. TREEN), the ranking Republican, certainly have done a tremendous job on behalf of the Coast Guard and on behalf of all of those who depend on the Coast Guard for essential services.

I also agree with my colleague, the gentleman from Minnesota (Mr. OBERSTAR), that the chairman and ranking Republican have been very careful to take care of all of the interests associated with the Coast Guard, particularly those on the Great Lakes. They have put in great programs to promote icebreaking capability on the Great Lakes.

Also, Mr. Speaker, they have put in funds for further land-sea aids to navigation, aids which will be a far-reaching technological improvement for those vessels plying the Great Lakes for up to 12 months a year.

In sum, Mr. Speaker, I think they have done a very excellent job, and I certainly support this legislation.

Mr. Speaker, I want to join my colleagues in urging the House to pass H.R. 6823, the Coast Guard authorization bill for fiscal year 1978.

The Coast Guard today has expansive responsibility in the area of marine safety and pollution prevention. It has been charged by Congress with broad responsibilities for marine search and rescue, maintenance of aids to navigation, development, and enforcement of marine safety and personnel standards, polar and domestic icebreaking, enforcement of the 200-mile fishery conservation zone, licensing of deepwater ports, ports and waterway safety, marine pollution protection, enforcement of all Federal laws on and under the high seas and navigable waters of the United States and for the continued maintenance of a state of military readiness. This bill will provide the Coast Guard with the minimal authorization necessary to meet these ever-increasing responsibilities.

The Coast Guard's responsibility for domestic icebreaking to meet the reasonable demands of commerce is of major importance to my area and is in the greater national interest. The Coast Guard's icebreaking fleet in the Great Lakes is composed of five 180-foot buoy tenders, five 110-foot harbor tugs, the *Mackinaw* and the *Westwind*. These vessels were all constructed some 30 years ago. In particular, the 110-foot harbor tugboats are unequal to growing domestic needs and costly to maintain and operate. Any vessels added to the Coast Guard inventory to meet these needs also contribute to the Nation's military arsenal and defense.

This past winter was also one of the most severe on record. The extreme cold weather resulted in severe ice conditions requiring increased use of the Coast Guard's icebreaking resources. It also resulted in extensive damage to aids to navigation not normally subject to ice damage.

This bill authorized $26.7 million for the construction of three 140-foot harbor tugboats. In addition to their normal Coast Guard missions, these vessels will help meet the icebreaking needs in both the Great Lakes and the northeastern coastal region.

The bill also authorizes $55 million for the design and construction of an icebreaker to replace the World War II, temporarily deployed, polar icebreaker *Westwind*. This will insure the maintenance of and enhance the current level of Coast Guard icebreaking capability throughout the Great Lakes and assist in maintaining and extending a year-round navigation system. I should note at this point that there was ample discussion of the merits of Finnish icebreakers and procurement during hearings. Though the committee decided it was not its prerogative to direct sole-source procurement and though Finland is not part of the NATO alliance I would suggest that such action would be consistent with the President's pronouncement pertaining to our NATO allies in which he said:

The United States must be willing to promote a genuinely two-way transatlantic trade in defense equipment and further that the alliance should not be weakened militarily by waste and overlapping.

Such action would also be in accord with the interests of the United States in maintaining a viable western democratic economy in Finland.

The bill also authorized $4 million to provide for aids to navigation damaged by the severe winter conditions, and to replace the pollution abatement equipment lost during the *Argo Merchant* incident.

An addition made by the committee concerns the Coast Guard Station at Portage, Mich. This station is currently used as a base of operation for an aids-to-navigation and an electronic repair ship, neither of which has an assigned search-and-rescue mission. Search and rescue responsibilities are assigned to the voluntary nonmilitary members of the Coast Guard Auxiliary and conducted through the use of privately owned craft. The nearest Coast Guard search and rescue stations are at Station Marquette, Mich., located 65 miles southeast, Station Bayfield, Wis., located 90 miles west southeast and Station North Superior, located 79 miles northwest at Grand Marais, Minn. The search and rescue coverage at Portage is simply inadequate. This bill will authorize $260,000 for 13 additional personnel to restore the existing Portage Station to a full search and rescue status.

This authorization action completes the existing Loran–C national implementation plan with approval of an $8,396,000 request for construction of a Loran–C radio navigation station in northeastern Minnesota and provision of equipment at Training Center New York, for the training of maintenance personnel. The Minnesota station will provide complete Loran–C service for all of the Great Lakes, will insure close adherence to established vessel track lines, will lend itself to vessel traffic monitoring and control systems, reduce dependence on other shore installations, reduce the chances of collision, and contribute immeasurably to efforts to preserve and enhance the quality of lake waters.

The recent rash of tanker casualties and the resulting oil pollution are still vivid in our memories. This bill authorizes $4.3 million for the addition of 200 men to the marine safety and environment programs. These forces will be used to provide for a tanker boarding program, to double the pollution strike forces on the east coast, west coast and Gulf coast, with the remaining personnel divided as appropriate between the Marine Safety and Captain of the Port Personnel. These provisions are consistent with the President's recent message to Congress outlining a plan to cope with marine pollution.

This bill authorized $16.1 million to upgrade the vessel traffic services or control systems in selected areas of the Nation.

The work of the committee reported in H.R. 6823 represents its first opportunity to review in depth various Coast Guard programs in other than the traditional acquisition, construction, and improvement areas. Though it was thus the committee's prerogative to revise priorities and to shift funding emphasis within the ceiling established by the administration it chose to reflect its concern for the adequacy of the Coast Guard forces and essential equipment through this additional authorization effort. I urge your support for the passage of H.R. 6823.

Mr. BIAGGI. Mr. Speaker, will the gentleman yield?

Mr. RUPPE. I am happy to yield to the chairman of the subcommittee, the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I would like to take this occasion to thank all of the members of the subcommittee, especially the ranking minority member, the gentleman from New Orleans (Mr. TREEN) and my colleagues on this side of the aisle and all of those who worked so assiduously and diligently with one objective in mind. I am grateful that during the entire course of the developments that the issue of partisanship never raised its head. It was just the Members of the House desiring to do the best for the Coast Guard and

for the administration and for the Nation that they were able to do.

Mr. RUPPE. I thank my colleague, the gentleman from New York, for his kind remarks. I would say absolutely that all of us on the subcommittee can certainly agree that this Coast Guard bill came out with bipartisan support, it does a very effective job, not for a single political party but for the country as a whole.

Mr. TREEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to join my colleagues in supporting H.R. 6823, the Coast Guard authorization bill for fiscal year 1978. This bill authorizes appropriations for the operation and maintenance of the Coast Guard; for the acquisition, construction, and improvement of vessels, aircraft, and facilities; for the alteration or removal of obstructive bridges; and for research, development, test, and evaluation. It also authorizes military personnel ceilings and necessary average student training requirements; sets in positive law certain existing accounting procedures; authorizes funds to assist in the construction of a sewage treatment plant to be utilized by the Coast Guard in north Marin County, Calif., and the replacement of certain facilities at the Coast Guard yard in Baltimore.

Over the years, the role of the Coast Guard has greatly expanded from its traditional functions of search and rescue, aids to navigation, and marine and port safety. Today, the Coast Guard has a leading role in such diverse responsibilities as enforcement of marine pollution laws, oil and hazardous substance spill containment and cleanup, enforcement of the 200-mile fishery conservation zone, and licensing of deepwater ports. These responsibilities require sophisticated equipment and knowledgeable personnel. This bill will provide the authorization necessary for the Coast Guard to meet its responsibilities under law.

I would like to highlight several aspects of the bill I feel are significant.

A major function of the Coast Guard is the enforcement of the marine pollution laws. This bill would authorize $4.3 million for the addition of 200 men to the marine safety and environment programs. Approximately 60 of these people will be used to double the pollution strike forces presently located on the east coast, gulf coast, and west coast. The remaining personnel will be divided as appropriate between the marine safety and captain of the port personnel. Part of these forces will be utilized to begin implementation of the President's tanker-boarding program.

We are all aware of the severe cold conditions that prevailed across the Nation last winter. This cold weather resulted in severe ice conditions necessitating the use of icebreaking resources to a much greater degree than in previous years. This was particularly true in shallow or otherwise restricted waters. Also, many aids to navigation which historically have never suffered ice damage were damaged. This bill would authorize $26.7 million for the construction of three 140-foot harbor tugboats which would have icebreaking capability, and $55 million for the design and construction of a new icebreaker for the Great Lakes. Additionally, $4 million has been authorized for damage to aids to navigation caused by the severe winter conditions and to replace certain pollution abatement equipment lost during the *Argo Merchant* incident.

If I may, I would like to discuss two items which, while parochial in nature, are of grave consequence to my area.

In my district, one of the most important functions of the Coast Guard is the enforcement of vessel traffic safety. Vessel traffic on the lower Mississippi River involves a great variety in sizes and types of vessels. Many of these vessels are carrying very hazardous and highly inflammable cargoes. In addition to the variety of vessels, the large volume of traffic—New Orleans is the second largest port in the Nation and Baton Rouge the seventh—and the numerous arteries in the form of locks and canals connecting with the river provide a complex problem in maintaining an orderly flow of traffic on the river. This bill would provide for upgrading the vessel traffic system in New Orleans by authorizing $1.1 million for a low-light-level television monitoring system at the dangerous Algiers bend. It would also authorize $1.8 million to provide badly needed radar coverage at the lower reaches of the Mississippi River. The bill would also authorize $1.2 million for low-light-level television coverage of the Houston/Galveston port area and $12 million for a vessel traffic center and radar equipment improvements in the Puget Sound.

Finally, I would like to touch on the Lake Pontchartrain Causeway. This causeway has been subject to 13 rammings since 1955. These rammings have caused entire sections or slabs of the bridge to collapse into the lake. Automobiles—and in one instance a Trailways bus—have plunged into the lake through these missing sections resulting in the loss of nine lives. This bill will authorize $100,000 to provide a Loran-C collision avoidance system to provide much needed protection for this heavily traveled causeway.

I believe we have a good bill. It will provide the necessary equipment and facilities to enable the Coast Guard to carry out its enormous responsibilities. I urge you to support its passage.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 6823, as amended.

The question was taken; and the Speaker pro tempore announced that, in his opinion, two-thirds had voted in favor of the bill.

Mr. ASHBROOK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER pro tempore. The debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion, on which further proceedings were postponed, in the order in which that vote was entertained.

Votes will be taken in the following order:

H.R.3849 (de novo).
H.R. 5493 (de novo).
H.R. 3348 (de novo).
H.R. 4140, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

NATIONAL ADVISORY COMMITTEE ON OCEANS AND ATMOSPHERE AUTHORIZATION

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 3849, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 3849, as amended.

The question was taken.

Mr. MOTTL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 387, nays 6, not voting 39, as follows:

[Roll No. 233]

YEAS—387

Addabbo	Bolling	Cleveland
Akaka	Bonior	Cochran
Alexander	Bonker	Cohen
Allen	Bowen	Coleman
Ambro	Brademas	Collins, Ill.
Ammerman	Breaux	Conable
Anderson, Calif.	Breckinridge	Conte
	Brinkley	Corcoran
Anderson, Ill.	Brodhead	Corman
Andrews, N.C.	Brooks	Cornell
Andrews, N. Dak.	Broomfield	Cornwell
	Brown, Calif.	Cotter
Annunzio	Brown, Mich.	Coughlin
Archer	Brown, Ohio	Crane
Armstrong	Broyhill	D'Amours
Ashbrook	Buchanan	Daniel, Dan
Aspin	Burgener	Daniel, R. W.
AuCoin	Burke, Fla.	Danielson
Badham	Burke, Mass.	Davis
Bafalis	Burleson, Tex.	de la Garza
Baldus	Burlison, Mo.	Delaney
Barnard	Burton, John	Dellums
Baucus	Burton, Phillip	Derrick
Bauman	Butler	Derwinski
Beard, R.I.	Byron	Devine
Beard, Tenn.	Caputo	Dickinson
Bedell	Carney	Dicks
Beilenson	Carr	Diggs
Bennett	Carter	Dingell
Bevill	Cavanaugh	Dodd
Biaggi	Cederberg	Dornan
Bingham	Chappell	Downey
Blanchard	Chisholm	Drinan
Blouin	Clausen, Don H.	Duncan, Oreg.
Boggs		Duncan, Tenn.
Boland	Clay	Early

Eckhardt	Leach	Roberts
Edgar	Lederer	Robinson
Edwards, Ala.	Leggett	Rodino
Edwards, Calif.	Lehman	Rogers
Emery	Lent	Roncalio
English	Levitas	Rooney
Erlenborn	Lloyd, Calif.	Rose
Ertel	Lloyd, Tenn.	Rosenthal
Evans, Colo.	Long, La.	Rostenkowski
Evans, Del.	Long, Md.	Roybal
Evans, Ga.	Lujan	Rudd
Fary	Luken	Runnels
Fascell	Lundine	Ruppe
Fenwick	McClory	Russo
Findley	McCloskey	Ryan
Fisher	McCormack	Santini
Fithian	McDade	Sarasin
Flippo	McEwen	Satterfield
Flood	McFall	Sawyer
Flowers	McHugh	Scheuer
Flynt	McKay	Schroeder
Foley	McKinney	Schulze
Ford, Mich.	Madigan	Seiberling
Ford, Tenn.	Maguire	Sharp
Fountain	Mahon	Shipley
Fowler	Markey	Shuster
Fraser	Marks	Sikes
Frenzel	Marlenee	Simon
Frey	Marriott	Sisk
Fuqua	Martin	Skelton
Gammage	Mathis	Skubitz
Gaydos	Mattox	Slack
Gephardt	Mazzoli	Smith, Iowa
Giaimo	Meeds	Smith, Nebr.
Gibbons	Metcalfe	Snyder
Gilman	Meyner	Solarz
Ginn	Michel	Spellman
Glickman	Mikulski	Spence
Goldwater	Mikva	St Germain
Gonzalez	Milford	Staggers
Goodling	Miller, Calif.	Stangeland
Gore	Miller, Ohio	Stanton
Gradison	Mineta	Stark
Grassley	Minish	Steed
Gudger	Mitchell, Md.	Steiger
Guyer	Mitchell, N.Y.	Stokes
Hagedorn	Moakley	Stratton
Hall	Moffett	Studds
Hamilton	Mollohan	Stump
Hammer-schmidt	Montgomery	Taylor
Hanley	Moore	Teague
Hannaford	Moorhead, Calif.	Thone
Harkin	Moorhead, Pa.	Thornton
Harrington	Moss	Traxler
Harris	Motti	Treen
Harsha	Murphy, Ill.	Trible
Hawkins	Murphy, N.Y.	Tsongas
Heckler	Murphy, Pa.	Tucker
Hefner	Murtha	Ullman
Hightower	Myers, Gary	Vander Jagt
Holland	Myers, Michael	Vanik
Hollenbeck	Myers, Ind.	Vento
Holt	Natcher	Volkmer
Holtzman	Neal	Waggonner
Horton	Nedzi	Walgren
Huckaby	Nichols	Walker
Hughes	Nolan	Walsh
Hyde	Nowak	Wampler
Ichord	Oakar	Watkins
Ireland	Oberstar	Waxman
Jacobs	Obey	Weaver
Jeffords	Ottinger	Weiss
Jenkins	Panetta	Whalen
Jenrette	Patten	White
Johnson, Calif.	Patterson	Whitehurst
Jones, N.C.	Pattison	Whitley
Jones, Okla.	Pease	Whitten
Jones, Tenn.	Perkins	Wiggins
Jordan	Pettis	Wilson, Bob
Kasten	Pickle	Wilson, C. H.
Kastenmeier	Pike	Wilson, Tex.
Kazen	Preyer	Wirth
Kelly	Pritchard	Wolff
Ketchum	Quayle	Wright
Keys	Quie	Wydler
Kildee	Quillen	Wylie
Kindness	Rahall	Yates
Kostmayer	Rangel	Yatron
Krebs	Regula	Young, Alaska
Krueger	Reuss	Young, Fla.
LaFalce	Rhodes	Young, Mo.
Lagomarsino	Richmond	Young, Tex.
Latta	Rinaldo	Zablocki
Le Fante	Risenhoover	Zeferetti

NAYS—6

Benjamin	Edwards, Okla.	McDonald
Collins, Tex.	Evans, Ind.	Symms

NOT VOTING—39

Abdnor	Badillo	Conyers
Applegate	Burke, Calif.	Dent
Ashley	Clawson, Del	Eilberg
Fish	Koch	Railsback
Florio	Lott	Roe
Forsythe	Mann	Rousselot
Hansen	Nix	Sebelius
Heftel	O'Brien	Steers
Hillis	Pepper	Stockman
Howard	Poage	Thompson
Hubbard	Pressler	Udall
Johnson, Colo.	Price	Van Deerlin
Kemp	Pursell	Winn

The Clerk announced the following pairs:

Mr. Thompson with Mr. Fish.
Mr. Dent with Mr. Hansen.
Mr. Heftel with Mr. O'Brien.
Mr. Howard with Mr. Del Clawson.
Mr. Badillo with Mr. Hillis.
Mr. Udall with Mr. Lott.
Mr. Price with Mr. Abdnor.
Mr. Koch with Mr. Kemp.
Mr. Nix with Mr. Pressler.
Mr. Pepper with Mr. Winn.
Mr. Florio with Mr. Mann.
Mr. Eilberg with Mr. Johnson of Colorado.
Ms. Burke of California with Mr. Sebelius.
Mr. Ashley with Mr. Railsback.
Mr. Roe with Mr. Stockman.
Mr. Hubbard with Mr. Rousselot.
Mr. Applegate with Mr. Pursell.
Mr. Conyers with Mr. Van Deerlin.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER pro tempore (Mr. DOWNEY). Pursuant to the provisions of clause 3(b)(3) of rule XXVII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all of the additional motions to suspend the rules on which the Chair has postponed further proceedings.

SEAL BEACH, GREAT DISMAL SWAMP, AND SAN FRANCISCO BAY NATIONAL WILDLIFE REFUGES AUTHORIZATIONS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill (H.R. 5493).

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill, H.R. 5493.

The question was taken.

RECORDED VOTE

Mr. MOTTL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 384, noes 4, not voting 44, as follows:

[Roll No. 234]

AYES—384

Addabbo	Andrews, N.C.	Badham
Akaka	Andrews, N. Dak.	Bafalis
Alexander	Annunzio	Baldus
Allen	Archer	Baucus
Ambro	Armstrong	Bauman
Ammerman	Ashbrook	Beard, R.I.
Anderson, Calif.	Aspin	Beard, Tenn.
Anderson, Ill.	AuCoin	Bedell
Benjamin	Foley	Mathis
Bennett	Ford, Mich.	Mattox
Bevill	Ford, Tenn.	Mazzoli
Biaggi	Fountain	Meeds
Bingham	Fowler	Metcalfe
Blanchard	Fraser	Meyner
Blouin	Frenzel	Michel
Boggs	Frey	Mikulski
Boland	Fuqua	Mikva
Bolling	Gammage	Milford
Bonior	Gaydos	Miller, Calif.
Bonker	Gephardt	Miller, Ohio
Bowen	Giaimo	Mineta
Brademas	Gibbons	Minish
Breaux	Gilman	Mitchell, Md.
Breckinridge	Ginn	Mitchell, N.Y.
Brinkley	Glickman	Moakley
Brodhead	Goldwater	Moffett
Brooks	Gonzalez	Mollohan
Broomfield	Goodling	Montgomery
Brown, Calif.	Gore	Moore
Brown, Mich.	Gradison	Moorhead, Calif.
Brown, Ohio	Grassley	Moorhead, Pa.
Broyhill	Gudger	Moss
Buchanan	Guyer	Motti
Burgener	Hagedorn	Murphy, Ill.
Burke, Fla.	Hall	Murphy, N.Y.
Burke, Mass.	Hamilton	Murphy, Pa.
Burleson, Tex.	Hammer-schmidt	Murtha
Burlison, Mo.	Hanley	Myers, Gary
Burton, John	Hannaford	Myers, Ind.
Burton, Phillip	Harkin	Natcher
Butler	Harrington	Neal
Byron	Harris	Nedzi
Caputo	Harsha	Nichols
Carney	Hawkins	Nolan
Carr	Heckler	Nowak
Carter	Hefner	Oakar
Cavanaugh	Hightower	Oberstar
Cederberg	Holland	Obey
Chappell	Hollenbeck	Ottinger
Chisholm	Holt	Panetta
Clausen, Don H.	Holtzman	Patten
Clay	Horton	Patterson
Cleveland	Hubbard	Pattison
Cochran	Huckaby	Pease
Cohen	Hughes	Perkins
Coleman	Hyde	Pettis
Collins, Ill.	Ichord	Pickle
Conable	Ireland	Pike
Conte	Jacobs	Preyer
Corcoran	Jeffords	Pritchard
Corman	Jenkins	Quayle
Cornell	Jenrette	Quie
Cornwell	Johnson, Calif.	Quillen
Cotter	Jones, N.C.	Rahall
Coughlin	Jones, Okla.	Rangel
Crane	Jones, Tenn.	Regula
D'Amours	Jordan	Reuss
Daniel, Dan	Kasten	Rhodes
Daniel, R. W.	Kastenmeier	Richmond
Danielson	Kazen	Rinaldo
Davis	Kelly	Risenhoover
de la Garza	Ketchum	Roberts
Delaney	Keys	Robinson
Dellums	Kildee	Rodino
Derrick	Kindness	Rogers
Derwinski	Kostmayer	Roncalio
Devine	Krebs	Rooney
Dickinson	Krueger	Rose
Dicks	LaFalce	Rosenthal
Diggs	Lagomarsino	Rostenkowski
Dingell	Latta	Roybal
Dodd	Le Fante	Rudd
Dornan	Leach	Runnels
Downey	Leggett	Ruppe
Drinan	Lehman	Russo
Duncan, Oreg.	Lent	Ryan
Duncan, Tenn.	Levitas	Santini
Early	Lloyd, Calif.	Sarasin
Eckhardt	Lloyd, Tenn.	Satterfield
Edgar	Long, La.	Sawyer
Edwards, Ala.	Long, Md.	Scheuer
Edwards, Calif.	Lujan	Schroeder
Edwards, Okla.	Luken	Schulze
Emery	Lundine	Seiberling
English	McClory	Sharp
Erlenborn	McCloskey	Shipley
Ertel	McCormack	Shuster
Evans, Colo.	McDade	Sikes
Evans, Del.	McEwen	Simon
Evans, Ga.	McFall	Sisk
Evans, Ind.	McHugh	Skelton
Fary	McKay	Slack
Fascell	McKinney	Smith, Iowa
Fenwick	Madigan	Smith, Nebr.
Findley	Maguire	Snyder
Fisher	Mahon	Solarz
Fithian	Markey	Spellman
Flippo	Marks	Spence
Flood	Marlenee	St Germain
Flowers	Marriott	Staggers
Flynt	Martin	Stangeland

Stanton	Vander Jagt	Wiggins
Stark	Vanik	Wilson, C. H.
Steed	Vento	Wilson, Tex.
Steiger	Volkmer	Wirth
Stokes	Waggonner	Wolff
Stratton	Walgren	Wright
Studds	Walker	Wydler
Taylor	Walsh	Wylie
Teague	Wampler	Yates
Thone	Watkins	Yatron
Thornton	Weaver	Young, Alaska
Traxler	Weiss	Young, Fla.
Treen	Whalen	Young, Mo.
Trible	White	Young, Tex.
Tsongas	Whitehurst	Zablocki
Tucker	Whitley	Zeferetti
Ullman	Whitten	

NOES—4

Collins, Tex.	Stump	Symms
McDonald		

NOT VOTING—44

Abdnor	Hillis	Pursell
Applegate	Howard	Railsback
Ashley	Johnson, Colo.	Roe
Badillo	Kemp	Rousselot
Barnard	Koch	Sebelius
Burke, Calif.	Lederer	Skubitz
Clawson, Del	Lott	Steers
Conyers	Mann	Stockman
Dent	Myers, Michael	Thompson
Eilberg	Nix	Udall
Fish	O'Brien	Van Deerlin
Florio	Pepper	Waxman
Forsythe	Poage	Wilson, Bob
Hansen	Pressler	Winn
Heftel	Price	

The Clerk announced the following pairs:

Mr. Thompson with Mr. Del Clawson.
Mr. Dent with Mr. Hansen.
Mr. Heftel with Mr. Johnson of Colorado.
Mr. Eilberg with Mr. Lott.
Mr. Conyers with Mr. Michael O. Myers.
Mrs. Burke of California with Mr. Abdnor.
Mr. Nix with Mr. O'Brien.
Mr. Pepper with Mr. Fish.
Mr. Waxman with Mr. Pursell.
Mr. Van Deerlin with Mr. Hillis.
Mr. Roe with Mr. Rousselot.
Mr. Florio with Mr. Barnard.
Mr. Badillo with Mr. Steers.
Mr. Ashley with Mr. Lederer.
Mr. Koch with Mr. Kemp.
Mr. Howard with Mr. Stockman.
Mr. Mann with Mr. Railsback.
Mr. Price with Mr. Winn.
Mr. Applegate with Mr. Sebelius.
Mr. Udall with Mr. Pressler.
Mr. Bob Wilson with Mr. Skubitz.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CANAL ZONE BIOLOGICAL AREA AUTHORIZATION

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 3348, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 3348, as amended.

RECORDED VOTE

Mr. SNYDER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 245, noes 141, answered "present" 1, not voting 45, as follows:

[Roll No. 235]

AYES—245

Addabbo	Flowers	Nowak
Akaka	Foley	Oberstar
Alexander	Ford, Mich.	Obey
Allen	Ford, Tenn.	Ottinger
Ambro	Fraser	Panetta
Ammerman	Frenzel	Patten
Anderson, Calif.	Fuqua	Patterson
	Gaydos	Pease
Anderson, Ill.	Giaimo	Perkins
Andrews, N. Dak.	Ginn	Pike
	Gore	Preyer
Annunzio	Gradison	Pritchard
Aspin	Gudger	Quie
AuCoin	Hamilton	Rangel
Baldus	Hanley	Reuss
Barnard	Hannaford	Rhodes
Baucus	Harkin	Richmond
Beard, R.I.	Harrington	Rinaldo
Bedell	Harris	Risenhoover
Beilenson	Hawkins	Rodino
Biaggi	Heckler	Rogers
Bingham	Hefner	Roncalio
Blanchard	Holtzman	Rooney
Blouin	Horton	Rose
Boggs	Huckaby	Rosenthal
Boland	Hughes	Rostenkowski
Bolling	Hyde	Roybal
Bonior	Ireland	Ruppe
Bonker	Jeffords	Russo
Bowen	Jenrette	Ryan
Brademas	Jones, N.C.	Santini
Breckinridge	Jordan	Sarasin
Brodhead	Kastenmeier	Sawyer
Brown, Calif.	Kildee	Scheuer
Buchanan	Krebs	Schroeder
Burke, Mass.	Krueger	Schulze
Burlison, Mo.	LaFalce	Selberling
Burton, John	Le Fante	Shipley
Burton, Phillip	Leggett	Simon
Butler	Lehman	Sisk
Caputo	Lent	Skelton
Carter	Levitas	Skubitz
Cederberg	Lloyd, Calif.	Slack
Chisholm	Long, La.	Smith, Iowa
Clay	Long, Md.	Solarz
Cleveland	Luken	Spellman
Cohen	Lundine	St Germain
Collins, Ill.	McClory	Staggers
Conable	McCloskey	Stanton
Conte	McCormack	Stark
Corcoran	McDade	Steed
Cornell	McFall	Steiger
Cotter	McHugh	Stratton
Coughlin	McKay	Studds
D'Amours	McKinney	Teague
Danielson	Madigan	Thornton
de la Garza	Maguire	Tsongas
Delaney	Mahon	Ullman
Dellums	Markey	Vander Jagt
Derwinski	Marks	Vanik
Dickinson	Marlenee	Vento
Dicks	Mattox	Waggonner
Diggs	Meeds	Walgren
Dingell	Metcalfe	Walker
Dodd	Meyner	Wampler
Downey	Mikulski	Waxman
Drinan	Mikva	Weaver
Duncan, Oreg.	Miller, Calif.	Weiss
Early	Mineta	Whalen
Eckhardt	Minish	White
Edgar	Mitchell, Md.	Whitehurst
Edwards, Ala.	Moakley	Wilson, Tex.
Edwards, Calif.	Moffett	Wirth
Emery	Mollohan	Wolff
English	Moorhead, Pa.	Wright
Erlenborn	Moss	Wylie
Evans, Colo.	Murphy, Ill.	Yates
Fary	Murphy, N.Y.	Young, Mo.
Fascell	Murphy, Pa.	Young, Tex.
Fenwick	Murtha	Zablocki
Findley	Myers, Gary	Zeferetti
Fisher	Nedzi	
Flippo	Nolan	

NOES—141

Andrews, N.C.	Burke, Fla.	Derrick
Archer	Burleson, Tex.	Devine
Armstrong	Byron	Dornan
Ashbrook	Carney	Duncan, Tenn.
Badham	Carr	Edwards, Okla.
Bafalis	Cavanaugh	Ertel
Bauman	Chappell	Evans, Del.
Beard, Tenn.	Clausen, Don H.	Evans, Ga.
Benjamin		Evans, Ind.
Bennett	Cochran	Fithian
Bevill	Coleman	Flood
Brinkley	Collins, Tex.	Flynt
Broomfield	Cornwell	Fountain
Brown, Mich.	Crane	Fowler
Brown, Ohio	Daniel, Dan	Frey
Broyhill	Daniel, R. W.	Gammage
Burgener	Davis	Gephardt
Gibbons	Leach	Robinson
Gilman	Lloyd, Tenn.	Rudd
Glickman	Lujan	Runnels
Goldwater	McDonald	Satterfield
Goodling	McEwen	Sharp
Grassley	Marriott	Shuster
Guyer	Martin	Sikes
Hagedorn	Mathis	Smith, Nebr.
Hall	Mazzoli	Snyder
Hammer-schmidt	Michel	Spence
	Milford	Stangeland
Harsha	Miller, Ohio	Stump
Hightower	Mitchell, N.Y.	Symms
Holland	Montgomery	Taylor
Hollenbeck	Moore	Thone
Holt	Moorhead, Calif.	Traxler
Hubbard		Treen
Ichord	Mottl	Trible
Jacobs	Myers, Ind.	Tucker
Jenkins	Natcher	Volkmer
Jones, Okla.	Neal	Walsh
Jones, Tenn.	Nichols	Watkins
Kasten	Oakar	Whitley
Kazen	Pattison	Whitten
Kelly	Pettis	Wiggins
Ketchum	Pickle	Wilson, Bob
Keys	Quayle	Wilson, C. H.
Kindness	Quillen	Wydler
Kostmayer	Rahall	Yatron
Lagomarsino	Regula	Young, Alaska
Latta	Roberts	Young, Fla.

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—45

Abdnor	Hansen	Poage
Applegate	Heftel	Pressler
Ashley	Hillis	Price
Badillo	Howard	Pursell
Breaux	Johnson, Calif.	Railsback
Brooks	Johnson, Colo.	Roe
Burke, Calif.	Kemp	Rousselot
Clawson, Del	Koch	Sebelius
Conyers	Lederer	Steers
Corman	Lott	Stockman
Dent	Mann	Stokes
Eilberg	Myers, Michael	Thompson
Fish	Nix	Udall
Florio	O'Brien	Van Deerlin
Forsythe	Pepper	Winn

The Clerk announced the following pairs:

Mr. Thompson with Mr. Mann.
Mr. Dent with Mr. Lott.
Mr. Heftel with Mr. Hillis.
Mrs. Burke of California with Mr. Abdnor.
Mr. Brooks with Mr. Kemp.
Mr. Nix with Mr. Del Clawson.
Mr. Pepper with Mr. Fish.
Mr. Florio with Mr. Applegate.
Mr. Eilberg with Mr. Michael O. Myers.
Mr. Koch with Mr. Hansen.
Mr. Lederer with Mr. Conyers.
Mr. Corman with Mr. O'Brien.
Mr. Breaux with Mr. Pressler.
Mr. Badillo with Mr. Rousselot.
Mr. Ashley with Mr. Sebelius.
Mr. Howard with Mr. Van Deerlin.
Mr. Price with Mr. Railsback.
Mr. Roe with Mr. Winn.
Mr. Stokes with Mr. Stockman.
Mr. Johnson of California with Mr. Udall.

Mr. KELLY changed his vote from "aye" to "no."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

REIMBURSEMENT FOR SEIZED COMMERCIAL FISHERMEN EXTENSION

The SPEAKER pro tempore (Mr. DOWNEY). The unfinished business is the question of suspending the rules and passing the bill H.R. 4140.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and

pass the bill H.R. 4140, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 239, nays 151, not voting 42, as follows:

[Roll No. 236]

YEAS—239

Addabbo	Fuqua	Nowak
Akaka	Gammage	Oakar
Alexander	Gaydos	Oberstar
Allen	Giaimo	Obey
Ambro	Gibbons	Ottinger
Ammerman	Ginn	Panetta
Anderson, Calif.	Goldwater	Patten
	Gonzalez	Patterson
Andrews, N.C.	Gudger	Pattison
Annunzio	Guyer	Pease
Armstrong	Hagedorn	Perkins
Ashbrook	Hall	Pettis
AuCoin	Hanley	Pickle
Badham	Hannaford	Preyer
Bafalis	Harkin	Rangel
Baldus	Harrington	Reuss
Barnard	Harris	Rhodes
Baucus	Hawkins	Risenhoover
Beard, R.I.	Heckler	Robinson
Bennett	Hefner	Rodino
Biaggi	Hightower	Rogers
Bingham	Hubbard	Roncalio
Blanchard	Huckaby	Rooney
Boggs	Hughes	Rose
Boland	Ireland	Rosenthal
Bolling	Jenkins	Rostenkowski
Bonker	Jenrette	Roybal
Bowen	Johnson, Calif.	Santini
Breaux	Jones, N.C.	Satterfield
Breckinridge	Jones, Okla.	Schroeder
Brodhead	Jordan	Shipley
Brooks	Kastenmeier	Sikes
Brown, Calif.	Kazen	Sisk
Burgener	Kelly	Skelton
Burke, Fla.	Ketchum	Skubitz
Burke, Mass.	Kildee	Slack
Burlison, Mo.	Kindness	Smith, Iowa
Burton, John	Krueger	Smith, Nebr.
Burton, Phillip	LaFalce	Snyder
Carney	Lagomarsino	Solarz
Chappell	Latta	Spellman
Chisholm	Le Fante	St Germain
Clausen, Don H.	Lederer	Staggers
	Leggett	Stangeland
Cochran	Lehman	Stanton
Collins, Ill.	Lent	Steed
Corcoran	Lloyd, Calif.	Stokes
Corman	Long, La.	Stratton
Cotter	Long, Md.	Studds
D'Amours	McCormack	Taylor
Daniel, Dan	McFall	Teague
Daniel, R. W.	McKinney	Thone
Danielson	Mahon	Thornton
de la Garza	Markey	Traxler
Delaney	Mattox	Treen
Dickinson	Mazzoli	Trible
Dicks	Meeds	Tsongas
Diggs	Metcalfe	Ullman
Dingell	Michel	Vento
Dodd	Mikulski	Waggonner
Dornan	Miller, Ohio	Wampler
Downey	Mineta	Watkins
Drinan	Minish	Waxman
Duncan, Oreg.	Mitchell, Md.	Weaver
Early	Mitchell, N.Y.	White
Edwards, Ala.	Moakley	Whitehurst
Edwards, Calif.	Mollohan	Whitley
English	Montgomery	Whitten
Erlenborn	Moore	Wilson, Bob
Evans, Colo.	Moorhead, Calif.	Wilson, Tex.
Evans, Ga.		Wirth
Fary	Moss	Wolff
Fascell	Mottl	Wright
Fisher	Murphy, Ill.	Yatron
Fithian	Murphy, N.Y.	Young, Alaska
Flood	Murtha	Young, Fla.
Flowers	Myers, Gary	Young, Mo.
Foley	Myers, Ind.	Young, Tex.
Ford, Mich.	Nedzi	Zablocki
Ford, Tenn.	Nichols	Zeferetti
Frey	Nolan	

NAYS—151

Anderson, Ill.	Bonior	Caputo
Andrews, N. Dak.	Brademas	Carr
	Brinkley	Carter
Archer	Broomfield	Cavanaugh
Aspin	Brown, Mich.	Cederberg
Bauman	Brown, Ohio	Clay
Beard, Tenn.	Broyhill	Cleveland
Bedell	Buchanan	Cohen
Beilenson	Burleson, Tex.	Coleman
Benjamin	Butler	Collins, Tex.
Blouin	Byron	Conable
Conte	Horton	Quayle
Cornell	Hyde	Quie
Cornwell	Ichord	Quillen
Coughlin	Jacobs	Rahall
Crane	Jeffords	Regula
Davis	Jones, Tenn.	Richmond
Dellums	Kasten	Rinaldo
Derrick	Keys	Roberts
Derwinski	Kostmayer	Rudd
Devine	Krebs	Runnels
Duncan, Tenn.	Leach	Ruppe
Eckhardt	Levitas	Russo
Edgar	Lloyd, Tenn.	Ryan
Edwards, Okla.	Lujan	Sarasin
Emery	Luken	Sawyer
Ertel	Lundine	Scheuer
Evans, Del.	McClory	Schulze
Evans, Ind.	McCloskey	Seiberling
Fenwick	McDade	Sharp
Findley	McDonald	Shuster
Flynt	McEwen	Simon
Fountain	McHugh	Spence
Fowler	McKay	Stark
Fraser	Madigan	Steiger
Frenzel	Maguire	Stump
Gephardt	Marks	Symms
Gilman	Marlenee	Tucker
Glickman	Marriott	Vander Jagt
Goodling	Martin	Vanik
Gore	Mathis	Volkmer
Gradison	Meyner	Walgren
Grassley	Mikva	Walker
Hamilton	Milford	Walsh
Hammer-schmidt	Miller, Calif.	Weiss
	Moffett	Whalen
Harsha	Moorhead, Pa.	Wiggins
Holland	Natcher	Wilson, C. H.
Hollenbeck	Neal	Wydler
Holt	Pike	Wylie
Holtzman	Pritchard	Yates

NOT VOTING—42

Abdnor	Hansen	Poage
Applegate	Heftel	Pressler
Ashley	Hillis	Price
Badillo	Howard	Pursell
Bevill	Johnson, Colo.	Railsback
Burke, Calif.	Kemp	Roe
Clawson, Del	Koch	Rousselot
Conyers	Lott	Sebelius
Dent	Mann	Steers
Eilberg	Murphy, Pa.	Stockman
Fish	Myers, Michael	Thompson
Flippo	Nix	Udall
Florio	O'Brien	Van Deerlin
Forsythe	Pepper	Winn

The Clerk announced the following pairs:

Mr. Thompson with Mr. Del Clawson.
Mr. Dent with Mr. Conyers.
Mr. Heftel with Mr. Fish.
Mr. Bevill with Mr. Winn.
Mr. Badillo with Mr. Abdnor.
Mr. Nix with Mr. Sebelius.
Mr. Pepper with Mr. Lott.
Mr. Van Deerlin with Mr. Kemp.
Mr. Udall with Mr. Howard.
Mr. Price with Mr. Stockman.
Mr. Florio with Mr. Railsback.
Mr. Flippo with Mr. Hillis.
Mr. Eilberg with Mr. Roe.
Mr. Mann with Mr. Rousselot.
Mr. Koch with Mr. Pressler.
Mrs. Burke of California with Mr. Hansen.
Mr. Ashley with Mr. O'Brien.
Mr. Applegate with Mr. Michael O. Myers.
Mr. Steers with Mr. Murphy of Pennsylvania.

Messrs. SPENCE, MILLER of California, RICHMOND, and LEVITAS changed their vote from "yea" to "nay."

Mr. PERKINS changed his vote from "nay" to "yea."

So (two-thirds not having voted in favor thereof), the motion was rejected.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on H.R. 4301, H.R. 3849, H.R. 5493, and H.R. 6823.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO FILE REPORT ON H.R. 6803, COMPREHENSIVE OIL POLLUTION LIABILITY AND COMPENSATION ACT

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight tonight to file a report on the bill H.R. 6803 to provide a comprehensive system of liability and compensation for oilspill damage and removal costs, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

CONFERENCE REPORT ON H.R. 3477, TAX REDUCTION AND SIMPLIFICATION ACT OF 1977

Mr. ULLMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 3477) to provide for a refund of 1976 individual income taxes and other payments, to reduce individual and business income taxes, and to provide tax simplification and reform, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of May 6, 1977.)

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The SPEAKER pro tempore. The gentleman from Oregon (Mr. ULLMAN) is recognized for 30 minutes, and the gentleman from Tennessee (Mr. DUNCAN) is recognized for 30 minutes.

The Chair recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I bring to the floor today the conference report on H.R. 3477, the Tax Reduction and Simplification Act of 1977. This is the first major tax bill of this Congress and represents a serious response to two pressing problems in the country today: The need for an economic stimulus to reduce unemployment and ensure rapid economic growth and the

need to simplify the individual income tax.

That the economy needs some additional stimulus is evident from the fact that the rate of unemployment is still 7 percent. This bill contains an important innovation in tax policy—a new jobs tax credit—designed to deal directly with the problem of unemployment.

As a result of the relatively strong performance of the economy early this year, despite the extremely cold weather, the administration and the conferees agreed that a smaller stimulus would be necessary this year than was originally included in the House bill. Therefore, the House conferees agreed to delete the tax rebate, as was recommended by the administration. On the other hand, there has been some question about the viability of the economic recovery next year, and accordingly, the conference report provides a slightly larger tax reduction next year than in the House bill.

The conference version of the tax cut provides a $2.6 billion tax reduction in fiscal year 1977 and a $17.6 billion tax reduction in fiscal year 1978. Seventy-five percent of the tax reduction in fiscal year 1977, and 80 percent in fiscal year 1978, goes to individuals. The rest goes to businesses, almost all to small businesses.

The economic stimulus results from three major provisions: An increase in the standard deduction, the new jobs credit, and the extension of the 1975 individual and corporate tax cuts. The bill also achieves a significant simplification in filling out tax returns for almost all taxpayers through the revisions of the standard deduction and the use of new tax tables. In addition to these major tax revisions, the conference agreement postpones for 1 year the retroactive effective dates of certain provisions in the 1976 Tax Reform Act. Also, the bill contains what I believe acceptable compromises with respect to the amendments added to the bill by the Senate.

A major provision of the House bill was an $11 billion rebate on 1976 taxes. When the House acted, the economy looked significantly weaker than it does today. Since the House action, we have seen a drop in the unemployment rate of ½ of 1 percent, a pickup in housing starts and business investment and a healthy growth rate of 5.2 percent in the first 3 months of this year. The rebate was intended to provide immediate stimulus in 1977, and these data indicate that such quick, temporary stimulus is no longer needed. When he reexamined the state of the economy, President Carter concluded that the rebate would not be needed, and the House conferees agreed with this decision and accepted the Senate amendment deleting the rebate.

Another important difference between the House and Senate versions of the tax reduction bill was the additional tax reduction which the Senate provided for business. The Senate amendment provided not only the new jobs credit, similar to that in the House bill, but also an elective 2 additional percentage points in the investment credit. The House conferees felt very strongly that there was no need to increase the present investment credit above its current level of 10 percent. It is true that investment in the economy is not high enough. The House conferees, however, felt that simply increasing the investment credit was not the right solution to the problem of the need for additional capital formation and insisted that the Senate recede. I fully expect the Ways and Means Committee to consider other measures to assist capital formation and to reconsider the whole question of business taxation in connection with the administration's proposals for tax reform. I believe we need to develop a systematic package which will provide for a solution to our long-term capital formation needs.

One amendment to this bill that is of considerable concern to many Members of Congress is the tax treatment of the intangible drilling costs of independent oil producers under the minimum tax. The administration has proposed removing these costs from the minimum tax, except to the extent they exceed oil production income, and the Senate added this change to their version of the bill. I think this question should be considered in the context of the energy bill, but the Senate felt strongly that delaying tax relief for the independent oil producers until the end of the year would inhibit drilling activity. Therefore, the House conferees agreed to a 1-year exemption from the minimum tax for intangible drilling costs up to the amount of a taxpayer's oil-production income. Limiting this change to 1 year will insure that this issue will be considered in the energy bill, and Congress can make a decision about whether to impose the minimum tax on the independent oil producers at that time.

Let me now briefly explain the other provisions in the conference agreement.

The House and Senate were in basic agreement on the need to extend the 1975–77 tax reductions through 1978. These include the general tax credit, which equals $35 per person or 2 percent of the initial $9,000 of taxable income, and the refundable earned income credit. Also, they include the corporate rate cuts for small business, which reduce rates to 20 percent on the first $25,000 of corporate taxable income and 22 percent on the next $25,000 of taxable income. These tax cuts amount to $14.3 billion for calendar year 1978.

There was also general agreement on the changes in the standard deduction and tax tables. By building the standard deduction into the tax tables, which can be used by 96 percent of taxpayers, the bill will reduce the number of calculations the average taxpayer must make. Also, the increased level of the standard deduction will make it worthwhile for over 7 million taxpayers not to itemize their deductions, raising the fraction of taxpayers who do not itemize deductions to 76 percent.

The House and Senate bills differed on the appropriate levels of the new standard deduction. The House bill provided for a standard deduction of $2,400 for single persons and $3,000 for married couples filing jointly. This meant there would have been a $1,800 decrease in the standard deduction for single persons who decided to get married, which is sometimes called a marriage penalty. Current law creates such a marriage penalty in the standard deduction of between $1,300 and $2,000. The Senate version of the standard deduction was $2,200 for single persons and $3,200 for married couples filing jointly, which involves a $1,200 marriage penalty, which is smaller than under current law.

The administration strongly supported the Senate provision, even though it involved tax increases averaging about $50 for 2 million single persons. After considering the problem of the marriage penalty in our bill, plus the fact that the Senate bill encouraged an additional 1 million switchers to the standard deduction, and the fact that the tax increases only applied to single people with income over $13,750, we agreed to the Senate version.

However, we were able to eliminate a Senate amendment which accorded heads of households the same standard deduction as is available to joint returns. This would have had the effect of creating a "divorce bonus" even larger than the marriage penalty I have just discussed and would have cost $600 million.

We did agree to the Senate amendment postponing until June 1 the date at which withholding taxes are to be reduced to reflect the additional standard deduction. This was needed because of the delay in passing the bill in the Senate.

Another major item in which there was basic agreement between the House and Senate involved the new jobs credit. This is a new, innovative approach to reducing unemployment. Both the House and Senate overwhelmingly approved this concept. The conference agreement provides a credit equal to 50 percent of the increase in each employer's wage base under the Federal Unemployment Tax Act, above 102 percent of the wage base in the previous year. The FUTA base for a year consists of wages paid up to $4,200 per employee. Our version had a 103-percent threshold, instead of 102 percent. The Senate amendment provided that States in which the unemployment rate was at or above 7½ percent would have a 101-percent threshold. A compromise was reached which adopts a flat 102-percent threshold rather than one which varies from State to State. This will be much easier to administer.

The total amount of the credit has four limitations:

First. The credit cannot be more than 50 percent of the increase in total wages paid by the employer for the year above 105 percent of total wages paid by the employer in the previous year;

Second. The credit must be no more than 25 percent of the current year's FUTA wages;

Third. The credit for a year cannot exceed $100,000; and

Fourth. The credit cannot exceed the taxpayer's tax liability.

Under the conference agreement, the employer's deduction for wages is to be reduced by the amount of the credit to

prevent an employer's receiving tax benefits in excess of 100 percent of an employee's wages.

An additional 10-percent credit is allowed for the first $4,200 of wages paid to handicapped individuals—including disabled veterans—who were first paid FUTA wages by the employer during 1977 or 1978, and who have begun—or recently completed—vocational rehabilitation programs. The $100,000 limitation on the amount of the credit does not apply to the additional credit for handicapped employees.

In several cases, the Senate added to this bill provisions similar to those already passed by the House in other legislation. These related to changes made necessary by the Tax Reform Act of 1976.

The conference agreement postpones from 1976 to 1977 the effective date of the changes in the sick pay exclusion made by the Tax Reform Act of 1976 and provides relief from interest and penalties attributable to retroactive tax changes made by that act. These provisions were passed by the House in H.R. 1828.

The Senate also included an amendment similar to H.R. 3340, which has been passed by the House and deals with liberalizing deductions for the business use of the home as a day care center. The Senate amendment applied to all day care centers, while H.R. 3340 was limited to licensed day care centers. We insisted on that limitation, and the Senate agreed to it. However, we agreed to a Senate limitation that the allowable deductions be limited to a fraction of total expenses equal to the fraction of total available time—including sleeping time—during which the home was used for day care.

We also agreed to a Senate amendment extending through 1976 the rules enacted in the Tax Reform Act relating to deductions for travel expenses of State legislators. This problem had to be dealt with immediately to enable State legislators to file their 1976 tax returns, and we agreed to a 1-year extension of the temporary 1975 rules even though the house has passed a bill, H.R. 4007, providing a prospective rule for this problem.

The House agreed to two other Senate amendments which eliminated some retroactive tax increases for middle income people enacted in the 1976 act. The conference agreement postpones from 1976 to 1977 the effective date of the changes in the exclusion for income earned abroad. Also, it gives taxpayers an election for 1976 to use the prior rules for computing the retirement income credit.

The House receded on a Senate amendment relating to charitable contributions for conservation easements and remainder interests in conservation property. As a result of the Tax Reform Act of 1976, deductions for such contributions were permitted only if contributed before June 14, 1977. Under the amendment, such deductions are permitted for transfers for contributions made prior to June 14, 1981. However, the House insisted that such contributions for easements be allowed only for perpetual easements and not for easements of 30 years duration or more, as in the original Senate amendment.

The conference agreement provides for $435 million of additional authorizations for the WIN program in fiscal years 1978 nad 1979. These new funds, which are for employment in supportive services for welfare recipients, do not require additional State matching funds.

The House conferees also accepted the Senate amendment extending through 1981 the provision for rapid amortization for expenditures by an employer for child care facilities, which expired in 1976.

We accepted a Senate amendment to modify a provision of the 1976 act relating to withholding on gambling winnings. Without these changes, the IRS is not able to enforce that law. Under the conference agreement, the IRS will withhold tax on parimutuel gambling winnings only if the amount won exceeds $1,000 and the odds exceed 300 to 1.

The House also agreed to a Senate provision allowing a 1-year postponement for two chicken farms of the requirement imposed in the 1976 act that most farm corporations use the accrual method of accounting. These two farms were placed at a competitive disadvantage because certain larger farms are exempt from that requirement while others are not. We need to reexamine this provision to determine the extent of any competitive problems for small farms with larger ones.

Minor Senate amendments to which we agreed include technical amendments to the Social Security Act and an amendment providing for withholding of county income taxes.

We were able to force the Senate to recede on several of its amendments. I have already mentioned that the conference report deletes the additional 2-percent investment credit passed by the Senate. The Senate also receded on its amendment to postpone for 1 year Treasury regulations limiting tax deferral on investment annuities, which threatened to grow into a major new tax shelter without these regulations. The conference also deleted the Senate amendment to provide a $400 million tax credit to people who maintain a household for an elderly dependent, which we felt was better dealt with in the tax reform bill.

The Senate also added an amendment which extends the countercyclical revenue sharing program for an additional six quarters through fiscal year 1978. The amendment provides up to $1 billion in additional funding in fiscal year 1977 and up to $2.25 billion for fiscal year 1978. The amendment also provides for payments to Puerto Rico and the Virgin Islands and makes several technical changes in the formula. The House conferees decided not to deal with this amendment in the conference report and therefore it is being taken back to the House in disagreement and will be dealt with separately after the conference report is voted on.

Mr. Speaker, the Tax Reduction and Simplification Act of 1977 represents the first effort toward tax reform and simplification in the 95th Congress. We hope to follow it up with a comprehensive tax reform bill following the submission of the administration's recommendations later this year. Mr. Speaker, I urge adoption of the conference report.

Mr. DUNCAN of Tennessee. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on H.R. 3477, the Tax Reduction and Simplification Act of 1977. Inasmuch as the chairman has already described much of the bill, I would like to refer only briefly to a number of its provisions.

TITLE I—REDUCTION AND SIMPLIFICATION OF INDIVIDUAL INCOME TAXES

One of the major provisions, as agreed to by the conferees, would substitute for the present system of minimum and maximum standard deductions for single persons and joint returns, a flat $2,200 deduction for single filers and a $3,200 deduction for joint filers.

Under the conference agreement, this approach would reduce the so-called marriage penalty to $1,200 from the present range of $1,300 to $2,000. Title I of the bill would also extend the general tax credit and the earned income credit which are now scheduled to expire at the end of 1977 through 1978. These provisions, when combined with the changes in the standard deduction, account for almost 80 percent of the revenue impact of the bill in fiscal years 1978 and 1979.

In addition, title I contains certain simplification changes in the law with regard to the compuation of tax liability by individual taxpayers. Also, the Conference agreement increases the income levels at which tax returns must be filed to conform to the proposed increases in the standard deduction.

TITLE II—REDUCTION IN BUSINESS TAXES

Title II of the bill as agreed to in conference includes two business tax reductions. First, the corporate tax reductions on the first $25,000 of taxable income, from 22 to 20 percent, and on the second $25,000 of taxable income, from 48 to 22 percent, which were first enacted in the Tax Reduction Act of 1975, have been extended through 1978. These cuts were otherwise scheduled to expire at the end of 1977.

Also, the conference agreement provides for a new jobs credit for businesses in 1977 and 1978. This credit would be equal to one-half of the increase in an employer's wage base under the Federal Unemployment Tax Act—FUTA—to the extent that such wage base exceeds 102 percent of the previous year's base. In order to reduce the possibilities for unreasonably high benefits by high marginal tax bracket taxpayers, the conference agreement provides that an employer's deduction for wages paid shall be reduced by the amount of any credit granted pursuant to this new provision. The bill contains certain additional limitations on the credit, including an overall annual limitation of $100,000.

There would be an additional 10 percent credit on the first $4,200 of FUTA wages which are paid to handicapped

individuals who receive vocational rehabilitation. All of the business reductions included in title II of the bill account for slightly over 20 percent of the bill's total revenue impact in fiscal years 1978 and 1979.

TITLE III—PROVISIONS RELATING TO EFFECTIVE DATES AND OTHER PROVISIONS OF THE TAX REFORM ACT OF 1976

Title III of the bill as agreed to in conference includes a number of provisions which relate to effective dates and certain other provisions of the 1976 Tax Reform Act. A number of these provisions have previously been approved by the House in this session in either identical or substantially similar form. A number of these changes which delay effective dates have been thought to be necessary as a consequence of the fact that the 1976 act did not become law until October of that year, while many of the provisions of the act had effective dates of yearend 1975, resulting in hardship to many taxpayers.

Section 301 of the bill as agreed to would postpone for 1 year the repeal of the sick pay exclusion in the 1976 act. Section 302 would delay for 1 year the provisions of the 1976 act relating to the section 911 exclusion for income earned abroad, so that this matter may be considered further by the Congress.

Title III of the bill also contains provisions granting relief from interest, additions to tax, and penalties for underwithholding which are attributable to the application in 1976 of the 1976 Tax Reform Act provisions.

Title III creates a limited exception to the 1976 act provisions with regard to deductibility of expenses related to the business use of a taxpayer's home for business purposes, in those cases where the residence is used as a day care facility. The bill also extends for 1 year the election which was provided in the Tax Reform Act last year as to the tax treatment of State legislators and where their "tax homes" shall be located for purposes of computing tax deductible "away from home living expenses."

TITLE IV—MISCELLANEOUS PROVISIONS

Title IV of the bill contains a number of miscellaneous provisions, including several which also relate to the impact of the 1976 Tax Reform Act and certain effective dates in that act. For example, the conferees agreed that taxpayers who computed the retirement income credit on their 1976 tax returns should have the option of using either prior law or the 1976 act changes in this area in determining the credit to which they are entitled.

Title IV also provides for withholding by Federal agencies for county income and employment taxes in cases where such withholding is already provided for in the case of city income or employment taxes. Under the present rules withholding is voluntary on the part of the Federal employee in question.

TITLE V—SOCIAL SECURITY ACT AMENDMENTS

Finally, title V of the bill provides a number of amendments to the Social Security Act. These amendments relate principally to child support and alimony questions, including such matters as garnishment of certain federal payments for purposes of child support and alimony payments, bonding of State and local employees, establishment of the proportion of child support payments retained by the State in which the family lives which will be paid as an incentive to the political subdivision within the State, or to another State, making the collections, et cetera.

Mr. Speaker, on balance I believe that the conference report on H.R. 3477 should be supported. I urge its adoption.

Mr. ULLMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas (Mr. HAMMERSCHMIDT).

Mr. HAMMERSCHMIDT. Mr. Speaker, I commend the House-Senate conferees for retaining an amendment to H.R. 3477 passed by the Senate which will postpone for 1 year changes made by the Tax Reform Act of 1976 in the method of accounting for certain corporations engaged in farming.

As the sponsor of legislation to eliminate the inequity created within Public Law 94-455, I urge the Committee on Ways and Means to study the situation, for I believe that during the course of hearings the true nature of this inequity will become apparent to all. One of the measures I have sponsored would repeal that section of the 1976 tax bill requiring the use of the accrual method of accounting by certain corporations and the other bill would provide for an exemption for certain corporations under that section.

I am most appreciative, Chairman ULLMAN, for your prompt and responsive reply to my request that hearings be held on these bills. Realizing the pressing demands of time on the committee in the months ahead in consideration of energy legislation, I am hopeful that this matter will be among those to be reviewed by your committee at the earliest possible time when you again hold tax reform hearings in this Congress.

Had the accrual accounting provisions under Public Law 94-455 gone into effect, they would have had an extremely adverse effect on these corporations who would have been required to use this system for the very first time. The amendment approved by the Senate and retained by the conferees will at least afford a reasonable period of time during which we can fully study the situation in greater depth.

I again thank the conferees for having acted wisely in retaining the language of the Senate-passed amendment within the framework of H.R. 3477.

Mr. ULLMAN. Mr. Speaker, I want to commend the conferees again on what appeared to be a very difficult conference. They were extremely helpful.

One of the conferees, the gentleman from Ohio (Mr. VANIK) is here. I yield 4 minutes to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Speaker, although I opposed certain provisions of the conference report—such as the 1-year exemption for oil and gas producers from the minimum tax on intangible drilling expenses—I think the conference report should be adopted.

In the course of this year we can observe developments. We can determine whether the exemption for intangible drilling expense from the minimum tax will result in the development of a substantial number of new wells. We can determine whether there is any basis for extending the exemption from the minimum tax on intangible drilling expense in the energy bill.

If there is no substantial proof that the minimum tax exemption is producing more oil and gas—it should be terminated.

I want to take this time to commend the chairman of the Committee on Ways and Means, the distinguished gentleman from Oregon, the Honorable AL ULLMAN, for his efforts in developing an innovative approach to one of the Nation's most serious economic and social problems.

The unemployment problem of America is not a transitory, temporary phenomenon. It is an ever-growing blight on the health of the U.S. economy. It is a long-term problem to be faced with long-range solutions. Yet, Chairman ULLMAN was quick to perceive the need for a business incentive that is carefully and precisely focused on our immediate situation. His 2-year new jobs tax credit is a part of the conference report before us today. It will insure that as the demand for goods and services continues to climb, that increased demand will be reflected in greater employment. This credit is designed to encourage growth, along with the rest of the stimulative measures in H.R. 3477, but it is also designed to insure that the positive effects of economic growth will improve our unemployment problem.

The new jobs tax credit contains several features which should make it a more effective device to encourage the hiring of new employees—more effective than the alternatives which have been suggested. These features were described before, but let me emphasize the positive features which convinced the conferees to adopt the Ullman approach.

First, to benefit from the credit, employers will have to do more than simply maintain current employment levels. The administration's proposals, on the other hand, were not tied to new hiring. Second, the credit is only 2 years in duration—to benefit from it, employers must begin hiring shortly. We will have a chance in 2 years to review the results and assess whether we should extend it.

Many have questioned whether business, small or large, would hire additional workers now, if they are not sure they can sell the output those workers produce. Firms can take this opportunity to hire additional workers who can be used to build up the inventories needed to meet increased sales which are projected as the economy improves. Also, firms with order backlogs, firms which may have deferred general maintenance activities because of the recession, and

firms which may wish to increase the quality of their goods or services, all will have an incentive here to add workers to their payrolls immediately.

This is the right time for a new idea.

The new jobs credit also provides an extra incentive for hiring handicapped individuals who face special difficulties in securing jobs after they enter the labor market. None of the alternative proposals were aimed specifically at the problems of the handicapped.

Finally, I am satisfied that the new jobs tax credit has been limited so as to prevent abuses. As you all know, this is an important feature to me. It is important to all of us to prevent the abuse of purposefully designed tax incentives. The new jobs credit provides special rules for computation of the credit by groups of companies under common control, for businesses with employees working abroad, and for businesses affected by acquisitions, dispositions, and other changes in business form. In this way, the new jobs tax credit has been designed to have a real effect on unemployment, but without the opportunity for tax gimmickery.

Notably, however, even with all the special rules, the provision does not create any additional recordkeeping requirements, employers will use records already maintained for Federal unemployment tax purposes (FUTA). Thus, employers can easily understand their status with respect to the credit.

I want to make mention also of Chairman ULLMAN's agreement when the bill was considered on the House that a follow-up study be made on this section.

Too often we enact well-meaning tax incentives to find later that they do not accomplish what they were meant to do and are costing the public and the Treasury large amounts of money. I do not anticipate the new jobs tax credit to be an example of such a tax provision, but I am glad that it is clear that a study will be made to assess its benefits.

Specifically, the chairman agreed on consideration of the bill that an annual study would be done by the Internal Revenue Service and the Department of the Treasury. The study will provide an official, formalized and mandated follow-up to determine the effects, costs, and repercussions of the new section.

The Ullman jobs credit is direct, simple, and designed to prevent useless cost to the Government. The changes made in the credit, since it left the House on March 8, improve its effectiveness. I emphasize that these changes have even improved the credit.

In closing, I want to again commend the chairman for presenting to the House the new jobs credit which reflects personal foresight and innovative tax policy.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Speaker, I thank the chairman for yielding to me.

Mr. Speaker, I have had some correspondence from constituents that raise poultry concerning the definition of "section 38 property" for purposes of investment credit. Under the Code, a structure used for the production of livestock can qualify for investment credit if it is not a building. To be excluded from the definition of a building, a structure must be a special purpose structure; the use of a structure must be so closely related to the use of the equipment it houses that the structure can be expected to be replaced when the property it houses is replaced. The 1971 report of the Senate Committee on Finance stated that a structure which housed a unitary system for raising hogs would qualify. My constituents have a unitary system for raising poultry.

Let me explain the type of structure in question. It is not a "building" because it is not a structure enclosing a space within walls. It commonly has a sheet metal roof supported by steel trusses. The short side is faced with sheet metal while the long side is covered with chicken wire. The roof and short side of the structure are insulated. A translucent film plastic curtain is attached to the long side of the structure in such a manner as it is possible to raise and lower the curtain to protect the poultry in inclement weather. A concrete strip runs along the bottom edge of the structure and acts as a foundation. There is no flooring other than bare earth. The structure protects the poultry and the following equipment necessary for the care of the poultry; an automatic Big Dutchman feeder; a feed bin; automatic watering system; propane circular brooders; fans; automatic timing devices to control lights, fans, and feeders; and winches to raise and lower curtains, fans, feeders, brooders and waterers. The structure is used to raise chickens for eating called "broilers" in the poultry industry and is peculiarly adapted to that purpose.

It seems to me that such enclosure or structures used for the housing, raising or feeding of livestock or poultry or their produce, that is designed and used solely to provide for such housing, raising or feeding and for the equipment necessary for such housing, raising or feeding, should be included as "section 38 property."

Mr. Speaker, do you agree that this is "section 38 property"?

Mr. ULLMAN. Do I understand that this structure is solely adapted for use in raising broilers and egg collecting?

Mr. PICKLE. Yes. These are not ordinary structures, but they are constructed solely for raising poultry and cannot economically be used for other purposes.

Mr. ULLMAN. I would think that such structures should be treated as section 38 property. As you noted, when the investment credit was restored in 1971, the report of the Senate Committee on Finance contained a discussion of the standards necessary for a structure to qualify for the investment credit. An example of the type of structure intended to qualify for the investment credit cited in the committee report was a unitary system for raising hogs, which included automatic feed systems, special air flow units, slatted flooring, pens, partitions, and a roof.

The structure you describe seems to be very similar in construction and purpose and the example would seem to fit. I might point out to you that the tax court has concluded that a structure similar to the type you are inquiring about does qualify for the investment credit. I believe that the tax court's interpretation of congressional intent is correct.

Mr. PICKLE. I thank the gentleman.

Mr. DUNCAN of Tennessee. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Speaker, I am disturbed that again we have not recognized the problems of young people who are working for moderate salaries or wages, who marry and whose marriage costs them such an extra amount in taxes. I had hoped, and I have again and again urged, that the Committee on Ways and Means would consider the problem of these young people. The tax structure seems to be based on the idea of a man supporting a woman. A great number of married women are now working. When they are young and both have moderate incomes, they find, as one young woman told me, quite frankly, "If my boy friend and I get married, it is going to cost us $640."

This is a tax on marriage which I think is unfair and counter to the interests of society. We should not have a tax which makes it better for young people who are working to stay unmarried than to marry.

Mr. Speaker, I know it is too late now, but I would so hope that at the earliest opportunity we could consider the problems of these young people.

Mr. ULLMAN. Mr. Speaker, will the gentlewoman yield?

Mrs. FENWICK. I yield to the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. I thank the gentlewoman for yielding.

Mr. Speaker, let me say that in this bill, for the 76 percent of the taxpayers who do not use standard deductions, we have greatly reduced the marriage penalty. Where the maximum penalty was $2,000 under present law, we have reduced it to $1,200.

Mrs. FENWICK. I notice there is an improvement in the situation, but it would be simple just to say to these unmarried people, "File any way you like; single, married, whatever way you like, fine."

Mr. DUNCAN of Tennessee. Mr. Speaker, I have no further requests for time.

Mr. ULLMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Virgina (Mr. FISHER).

Mr. FISHER. Mr. Speaker, I wish to rise in support of this tax reduction and simplification bill. I think it scores quite well on the count of tax reduction or simplification. It scores less well, in my opinion, on the count of anticyclical tax legislation, because it does provide for reductions later on, next year and in the following year, at which time we will not know whether we need additional stimulation. So I do criticize the bill on this count, and I believe that this House will

have to examine more closely into the matter on tax legislation designed really to offset business cycle swings. But on the whole, I support the legislation on the grounds of reduction and simplification, both of which I think, on balance, will help the economy. I only wish that we could have geared it more skillfully to the immediate needs of the business situation.

Mr. BIAGGI. Mr. Speaker, I am most pleased to note that included in this conference report today, is language similar to legislation I cosponsored to postpone the implementation date of the sick pay exclusion provision contained in the Tax Reform Act of 1976. Passage of this legislation will provide needed tax relief for hundreds of thousands of retired and disabled workers who were fearful of being saddled with an additional and unexpected tax burden.

Many of us in the House felt that the failure of the House and Senate to agree on language in earlier legislation in this area, had doomed its prospects for passage in time for this tax year. However, the Senate Finance Committee overcame some of their earlier objections to the language and voted to include the postponement in this legislation.

Specifically, H.R. 3477 proposes to restore the old sick pay exclusion language for the 1976 tax year and provides a waiver for interest and penalties on underpayments of estimated tax, resulting from retroactive changes made in the 1976 Tax Reform Act.

In reality, we are talking about a stopgap measure, but an essential one, nevertheless. It is my fervent hope that the fight will not end here. Rather, I would hope that the House Ways and Means Committee will convene early hearings on the feasibility of repealing the sick pay provisions of the Tax Reform Act in their entirety. This would provide the ultimate and best solution to this problem which is of grave concern to hundreds of thousands of already hard-pressed American taxpayers.

Both the Senate Finance, and the House Ways and Means Committees are to be commended for this and other essential compromises which were made in the interest of this legislation. This measure has been referred to as the "centerpiece" of the administration's effort to stimulate the economy. We have learned that economic stimulation is occurring faster than expected. As a result, major changes have been made in this legislation including an elimination of the $50 rebate.

For hundreds of thousands of disabled retirees in the Nation, this legislation is significant for the relief it provides them. Many complain that our tax laws are too complicated, a complaint which is not without some truth. But at least as it relates to this provision of the Tax Reduction Act, the language is clear. For some of our disabled retirees, it may mean a reduction of up to $1,000 in taxes assessed against them during the past year. For others who were hopeful of this very action, it eliminates the fear of their being penalized for not including computations for the revised sick pay exclusion. For most disabled retirees, H.R. 3477 means one less threat to their economic security, which is already precarious. The additional taxes which would have been paid by these disabled retirees might have come from the same funds they use for food or rent. No one wants to see our taxpayers, especially our elderly taxpayers, suffer any more. It is for this reason that H.R. 3477 has my full support. I urge its quick adoption today.

Mr. LEDERER. Mr. Speaker, I rise today in support of the Tax Reduction and Simplification Act of 1977 as approved by the conferees especially to section 202, the new jobs credit.

I have always agreed with the basic principle which is established by this proposal. For 30 years, the Federal Government has been making it more and more expensive to employ people. In short it has been putting too many taxes on labor and business. I welcome the attempts of Chairman ULLMAN and the other members of the Ways and Means Committee to provide tax incentives for business to hire people. More importantly, I have supported the efforts to gear this tax credit to small- and medium-size business firms.

During the course of the debate on this tax bill in committee, I proposed increasing the size of the tax credit to 40 percent of the FUTA base and capping the total amount of the credit to $40,000. While the final version of the credit we have today has increased the cap I suggested, I am happy to see that our distinguished chairman was able to get any cap at all. The credit as designed will help the smaller business firms hire new employees. Since these small firms make up the majority of our Nation's business community, I am happy to see they will finally get a break.

Mr. Speaker, I want to compliment the distinguished chairman of the Ways and Means Committee and the other members of this body for their commitment to our Nation's unemployed. I urge passage of this conference report.

Mr. HARRIS. Generally, the Tax Reduction and Simplification Act of 1977 is a good bill; and, I intend to vote for the adoption of the conference report.

I particularly support the increase of the standard deduction, and the inclusion of the standard deduction, the personal exemption, and the general tax credit into the tax tables. These reforms will eliminate several needless computations and will reduce the tax burden of many taxpayers.

Further, by postponing for 1 year the effective date of the modification of the sick pay exclusion, by allowing taxpayers to elect for 1976 to claim either the retirement income credit of the tax credit for the elderly, and by allowing taxpayers to deduct expenses incurred in the use of a residence as a day care facility, this bill will have a positive impact on many families. I support these provisions of the bill.

However, I do not support the conference report in its entirety. I oppose the new jobs tax credit and the modification of the Tax Reform Act of 1976 regarding intangible drilling costs; and, although I believe that the "marriage penalty" issue needs to be addressed, I am disappointed that the conferees voted to reduce the standard deduction, and thereby increase the tax burden, for certain single taxpayers.

NEW JOBS TAX CREDIT

Despite its name, the new jobs tax credit is not going to create a single job; it simply rewards firms that would be expanding irrespective of the tax credit. Firms will employ additional workers when managers believe that the goods and services which workers produce can be sold, not because of a tax credit. The new job tax credit is just another tax loophole for large corporations; and, frankly, I am concerned that once this credit is created, we will never get rid of it.

The arguments against the investment tax credit are equally applicable to the new jobs tax credit. I was pleased to see a statement in the April 29, 1977, RECORD by my colleague, Congressman JACK KEMP, regarding the investment tax credit. He said in his statement:

> In spite of all this, the investment tax credit might be justified if it truly accomplished the purpose of increasing capital formation and productive capacity. Actually, it only gives windfalls to companies which would be expanding plant capacity under normal circumstances anyway.

Congressman KEMP went on to say in his statement:

> I say all this as one who has in the past strongly supported the investment tax credit as the best means of stimulating capital formation. I was wrong.

I agree with my distinguished colleague.

STANDARD DEDUCTION FOR SINGLE TAXPAYERS

Establishing the new flat standard deduction at $2,200 for single taxpayers will increase the tax burden for single individuals who previously claimed a standard deduction of $2,200 to $2,400. Reducing the standard deduction for these individuals is not a good "reform;" and, I am opposed to this action.

I share the concern of many of my colleagues that our tax laws may tend to discourage working couples from marrying. Under both current law and this bill, an unmarried working couple can claim a combined standard deduction which is greater than the standard deduction that a married couple may claim.

However, I believe that this issue must be approached in a comprehensive manner. The Federal income tax should be based upon an individual's ability to pay; and, emphasis should be placed upon the number of people who are dependent upon a given income, rather than upon the marital status of a taxpayer.

Although the conference report has reduced the marriage penalty, it has not eliminated it altogether. This issue has not been resolved and must be considered at a later date. Therefore, little is gained by decreasing the standard deduction for certain single taxpayers.

Instead of the compromise reached by the conferees, a more acceptable interim compromise would have been:

To increase the standard deduction to $2,200 for single taxpayers who, under current law, can claim a standard deduction of less than $2,200; and

To allow single taxpayers who, under current law, can claim between $2,200 and $2,400, to claim the amount which was previously allowed.

The "solution" provided by this bill is not acceptable; and, I hope the administration will address this issue in its forthcoming tax reform package.

Mrs. COLLINS of Illinois. Mr. Speaker, I rise in support of H.R. 3477, the Tax Reduction Act, as modified by the conference report.

The Tax Reduction Act was conceived as the cornerstone of the administration's efforts to stimulate the economy and to help those sectors of our population that have been the most victimized by the continuing recession.

Substituting substantive measures for a proposed rebate that was largely symbolic in effect, the conferees arrived at a series of individual and business reductions amounting to $2.8 billion for fiscal year 1977, $17.7 billion for fiscal year 1978 and $13.7 billion for fiscal year 1979.

These measures include an increase in the minimum standard deduction from $1,700 to $2,200 for single persons and from $2,100 to $3,200 for married couples. This will benefit approximately 47 million people who do not itemize deductions, and particularly those in the lower-income brackets. Additional benefits are included for elderly and blind citizens.

Employer tax credits, if fully and efficiently utilized, could generate a significant number of new jobs, with special provisions to encourage the hiring of handicapped workers. Day care services will be stimulated by deductions for home day care and by a 5-year extension of provisions permitting a fast write-off of expenses resulting from the construction of day care facilities.

Low income workers will benefit from extension of the earned income credit and the tax exclusion of sick pay for the 1976 fiscal year.

Taken together, these measures can contribute in a significant way to the economic recovery of our country and to the well-being of many citizens.

I, therefore, urge my colleagues to join me in support of H.R. 3477.

Mr. FRENZEL. Mr. Speaker, it is with reluctance that I will vote for this conference report on the tax stimulus bill. Although I continue to object to many of the provisions in the bill which are supposed to stimulate the economy, I strongly support several of the amendments and, in fact, even sponsored one of them.

When this bill was originally considered in the House, I voted against it and at that time detailed both my belief that H.R. 3477 proposed the wrong kind of stimulus at the wrong time and my objections to specific sections of the bill, most notably to the rebate and the employment tax credit. The continued improvements in the economy prompted President Carter to withdraw his own rebate proposal. I heartily congratulated him on that wise and courageous decision to remove, what I considered, the most objectionable and irresponsible portion of the bill.

However, the totally untested employment tax credit, which was added in the House, has not only been retained but has even been expanded to provide for a possible 50-percent Federal subsidy of new jobs. At the same time, the sorely needed economic benefits which may have been obtained from increased capital investment incentives were neglected by the conference committee. The one redeeming business tax measure is an extension of the present corporate tax reductions.

Although the changes in the standard deduction will decrease taxes by an average of $121 per year for about 47 million taxpayers, about 1.7 million single taxpayers will feel an even higher tax bite amounting to about $54 per year. Yet, on the brighter side again, the so-called marriage tax has been reduced by about $100 because of the proposed levels of the standard deduction.

I applaud the conferees' adoption of my family day care exemption amendment, which is one of the few rays of sunshine in an otherwise dismal piece of legislation. This provision solves an unintentional oversight of the 1976 Tax Reform Act by retroactively exempting day care providers for taxable year 1976. Further, it upholds the original intention of the Tax Reform Act—to close possible loopholes—by adding that the deduction, beginning in tax year 1977, will apply to day care providers who have been granted a license or approval under the laws of the State. By tying the tax exemption to State law, the Federal Government will be providing an added incentive for family day care providers to comply with State requirements.

I am pleased that the conferees took advantage of this opportunity to encourage and support State efforts to enforce adequate standards and to improve the quality of day care services. The acceptance of this provision represents a major step forward is assuring the availability of dependable, safe, and reasonably priced day care, which is an essential need in our society today.

Also worthy of support is the elimination of the retroactive effective dates of the Tax Reform Act provisions relating to the sick pay exclusion and the taxation of Americans abroad. These two provisions, which increased the Federal income tax burden on millions of Americans were not signed into law until October of last year, yet were made applicable back to January 1, 1976. Many of the taxpayers who were affected by these changes did not even become aware of them until they filed their 1976 tax return. These changes proved to be a particular hardship for those taxpayers on very limited incomes who had counted on receiving the sick pay exclusion and who suddenly had to come up with a large tax payment. The same situation was faced by many Americans working abroad who had not anticipated a reduction in their allowable income tax exclusion and, therefore, often had not put aside the money to pay for these additional taxes.

Finally, I am pleased to see that the bill will allow State legislators to continue for tax year 1976 to claim their residence within the district they represent as their tax home and to deduct as living expenses the Federal per diem allowed for travel away from home, times the number of days the State legislature is in session. This is a good short term solution, yet Congress should have really taken care of the problem once and for all by making the change permanent.

Mr. Speaker, I continue to believe that the economic stimulus proposed by this bill is not appropriate at this time. However, because I support several of the major amendments to H.R. 3477, I will reluctantly vote for the conference report.

TABLE 1.—CONFERENCE AGREEMENT ON H.R. 3477, THE TAX REDUCTION AND SIMPLIFICATION ACT OF 1977

REVENUE EFFECTS OF BILL

[In millions of dollars]

	Fiscal year—		
	1977	1978	1979
TITLE I			
Reduction and Simplification of Individual Income Taxes			
Changes in the standard deduction	−1,493	−7,382	−5,424
Extension of individual income tax reductions:			
General tax credit [1]		−6,816	−3,910
Earned income credit			−1,296
Total (title I)	−1,493	−14,198	−10,630
TITLE II			
Reduction in Business Taxes			
Extension of certain corporate income tax reductions		−1,045	−1,277
New jobs credit [2]	−689	−2,458	−1,895
Total (title II)	−689	−3,503	−3,172
TITLE III			
Provisions Relating to Effective Dates and Other Provisions of the Tax Reform Act of 1976			
1-yr postponement of effective date of sick pay revisions made by the Tax Reform Act of 1976	−327		
1-yr postponement of effective date for changes made by the Tax Reform Act of 1976 to the exclusion for income earned abroad	−38		
Relief from interest, additions to tax, and penalties attributable to application to 1976 of provisions of the Tax Reform Act of 1976	−11		
Eliminating exclusive use test in the case of residences used to provide day-care services	−19	−15	−12
Deduction for State legislators' travel expenses away from home	[3]		
1-yr exclusion of intangible drilling costs from minimum tax base		−28	
Extension of termination date for charitable contributions of certain conservation easements, leases and options	[3]	[3]	[3]
Total (title III)	−395	−43	−12

	Fiscal year—		
	1977	1978	1979
TITLE IV			
Miscellaneous Provisions			
Extension of 5-yr amortization for child care facilities	(2)	(2)	(2)
Election for 1976 of former retirement income credit provision	30		
Accrual accounting for farm corporations	(3)	(3)	
Withholding tax on certain gambling winnings	(2)	−7	−5
Total (title IV)	−30	−7	−5
Grand total	−2,607	−17,751	−13,819

[1] Includes the effect of making the general tax credit available for the extra age and blindness exemptions and limiting married individuals filing separately to the $35 per capita credit.
[2] The amounts shown do not reflect most of the new jobs credit carryforwards generated in 1977 and 1978. The carryovers to be claimed are estimated at $200,000,000 in fiscal year 1980; at $100,000,000 in 1981; and at smaller amounts in the next few years.
[3] Less than $5,000,000.

Mr. CORMAN. Mr. Speaker, many of us had serious doubts about this legislation when it was first proposed. However, we were convinced that the economy did need quick stimulation and that tax cuts were the most effective way to provide it.

The bill that emerged from the House was very close to the President's original proposal, a moderate and fair piece of legislation, but it has returned to us with significant changes.

At the President's request, the tax rebates have been stripped away, but unfortunately, his request to drop the tax cuts for business were ignored.

Those who would justify this, point out that the business tax cuts are balanced by the changes in the standard deduction that provide relief for individual taxpayers. These changes are, for the most part, praiseworthy. They lower taxes for most low-income taxpayers and also provide a great degree of simplification. But there is one small group of taxpayers, about 2.1 million single persons, who will pay about $52 in additional taxes this year as a result of this bill.

Mr. Speaker, this is unconscionable in a bill that is designed to provide tax relief. In this bill, in addition to granting $3.5 billion in general business tax cuts, we have provided special tax relief for two chicken processing companies, for gamblers, for persons employed overseas and for independent oil drillers, despite the fact that drilling was up 25 percent this year. Contrast all this special relief with the young widow, struggling to support her small children on a salary of $13,750, who will have her taxes increased on June 1.

Mr. Speaker, I object most strongly to the decision of the conferees to accept the Senate version of the new standard deductions which increase taxes for these single taxpayers. The House bill recognized the plight of the two-earner family by raising the standard deduction for joint returns from $2,800 to $3,000, but it allowed the present maximum standard deduction for single filers to remain at $2,400. However, the Senate and now the conferees decided to raise the deduction for marrieds another $200 to $3,200, but it compensated for this increase by lowering the deduction for singles to $2,200.

Mr. Speaker, I cannot conceive of this Congress enacting a measure promising tax relief for individuals that actually raises the taxes of 2.1 million Americans of modest means. I urge adoption of the conference report. But I hope the Ways and Means Committee will soon consider correcting the inequity in the minimum standard deduction perpetrated by this legislation.

Mr. FORD of Tennessee. Mr. Speaker, I rise today in support of the conference report on H.R. 3477. I am pleased that the provisions of the Tax Reduction and Simplification Act of 1977 and the countercyclical antirecession assistance to State and local government legislation have been joined together. These two bills are the foundation of the administration's efforts to keep this Nation moving rapidly along the road to economic recovery. Together they represent an historic opportunity for the Members of this Congress to register their support for an economic policy dedicated to improving the welfare of the people of this Nation.

I am particularly happy to have the chance to cast my vote for the countercyclical assistance legislation as passed by the House last week. In the 94th Congress, I sponsored this legislation and believed then as I do now that, by definition, countercyclical aid to State and local governments should be based on the unemployment rate rather than the tax effort. I am pleased that the Members of this body, in their wisdom, retained this sensible approach to allocating the funds authorized under this program.

Mr. Speaker, I would also like to take this opportunity to express my deep concern about section 202(E) of the Tax Reduction and Simplification Act, the section relating to the additional 10 percent jobs credit for handicapped employees. As many Members of this body are aware, on January 4, 1977, I introduced H.R. 905, the "Handicapped Employment Act of 1977." In essence, this legislation would have provided for a 20-percent tax credit for wages paid to newly hired handicapped employees.

My colleague from the great State of Tennessee and on the Committee on Ways and Means, JOHN DUNCAN, worked closely with me on this legislation. Together we were able to secure the cosponsorship of nearly 90 of our colleagues from both sides of the aisle. H.R. 905, contained a cautiously drafted yet meaningful definition of "handicapped employee" which included, "any individual who has a medically determinable physical or mental impairment which substantially limits one or more of his or her major life activities and which can be expected to last or has lasted for a continuous period of not less than 12 months."

No such definition is provided in H.R. 3477. Rather section 202 (E) states that only persons who are vocational rehabilitation referrals would be eligible. This provision has raised serious questions in my mind and in the minds of many handicapped Americans. Two organizations—the National Federation of the Blind and the National Council of State Agencies for the Blind—have communicated their concern to me about this provision. It is their contention as well as my belief that the members of the Committee on Ways and Means and the Congress as a whole intend for the referral provision to be merely a form of certification of disability. As I interpret this certification requirement, it could just as easily be performed by a physician as by a vocational rehabilitation office and it is my expectation that regulations governing this section of the act will reflect this interpretation.

Mr. Speaker, anticipating that my concerns about section 202 (E) will be alleviated through the regulatory process, I strongly urge my colleagues to support this conference report.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my remarks and that all Members may have 5 legislative days in which to revise and extend their remarks on this conference report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ULLMAN. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore, announced that the ayes appeared to have it.

Mr. ULLMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 383, nays 2, not voting 47, as follows:

[Roll No. 237]

YEAS—383

Addabbo	Boland	Clay
Akaka	Bolling	Cleveland
Alexander	Bonior	Cochran
Allen	Bonker	Cohen
Ambro	Bowen	Coleman
Ammerman	Brademas	Collins, Ill.
Anderson, Calif.	Breaux	Collins, Tex.
	Breckinridge	Conable
Anderson, Ill.	Brinkley	Conte
Andrews, N.C.	Brodhead	Conyers
Andrews, N. Dak.	Brooks	Corcoran
	Broomfield	Corman
Annunzio	Brown, Mich.	Cornell
Archer	Brown, Ohio	Cornwell
Armstrong	Broyhill	Cotter
Ashbrook	Buchanan	Coughlin
Aspin	Burgener	Crane
AuCoin	Burke, Fla.	D'Amours
Badham	Burke, Mass.	Daniel, Dan
Bafalis	Burleson, Tex.	Daniel, R. W.
Baldus	Burlison, Mo.	Danielson
Baucus	Burton, John	Davis
Bauman	Burton, Phillip	de la Garza
Beard, R.I.	Butler	Delaney
Beard, Tenn.	Byron	Dellums
Bedell	Caputo	Derrick
Bellenson	Carney	Derwinski
Benjamin	Carr	Devine
Bennett	Carter	Dickinson
Bevill	Cavanaugh	Dicks
Biaggi	Cederberg	Dingell
Bingham	Chappell	Dodd
Blanchard	Chisholm	Dornan
Blouin	Clausen, Don H.	Downey
Boggs		Drinan

Duncan, Oreg.	Leach	Roberts
Duncan, Tenn.	Lederer	Robinson
Early	Leggett	Rodino
Edgar	Lehman	Rogers
Edwards, Ala.	Lent	Roncalio
Edwards, Calif.	Levitas	Rooney
Edwards, Okla.	Lloyd, Calif.	Rose
Emery	Lloyd, Tenn.	Rosenthal
English	Long, La.	Rostenkowski
Ertel	Long, Md.	Roybal
Evans, Colo.	Lujan	Rudd
Evans, Del.	Luken	Runnels
Evans, Ga.	Lundine	Ruppe
Evans, Ind.	McClory	Russo
Fary	McCloskey	Ryan
Fascell	McCormack	Santini
Fenwick	McDade	Sarasin
Findley	McDonald	Satterfield
Fisher	McEwen	Sawyer
Fithian	McFall	Scheuer
Flood	McHugh	Schroeder
Flowers	McKay	Schulze
Flynt	McKinney	Seiberling
Foley	Madigan	Sharp
Ford, Mich.	Maguire	Shipley
Ford, Tenn.	Mahon	Shuster
Fountain	Markey	Sikes
Fowler	Marks	Simon
Fraser	Marlenee	Sisk
Frenzel	Marriott	Skelton
Frey	Martin	Skubitz
Fuqua	Mathis	Slack
Gammage	Mattox	Smith, Iowa
Gaydos	Mazzoli	Smith, Nebr.
Gephardt	Meeds	Snyder
Giaimo	Metcalfe	Solarz
Gibbons	Meyner	Spellman
Gilman	Michel	Spence
Ginn	Mikulski	St Germain
Glickman	Mikva	Staggers
Goldwater	Milford	Stangeland
Gonzalez	Miller, Calif.	Stanton
Goodling	Miller, Ohio	Stark
Gore	Mineta	Steed
Gradison	Minish	Steiger
Grassley	Mitchell, Md.	Stokes
Gudger	Mitchell, N.Y.	Stratton
Guyer	Moakley	Studds
Hagedorn	Mollohan	Stump
Hall	Montgomery	Symms
Hamilton	Moore	Taylor
Hammer-schmidt	Moorhead, Calif.	Teague
Hanley	Moorhead, Pa.	Thone
Hannaford	Moss	Thornton
Harkin	Mottl	Traxler
Harrington	Murphy, Ill.	Treen
Harris	Murphy, N.Y.	Trible
Harsha	Murphy, Pa.	Tsongas
Heckler	Murtha	Tucker
Hefner	Myers, Gary	Ullman
Hightower	Myers, Michael	Vander Jagt
Holland	Myers, Ind.	Vanik
Hollenbeck	Natcher	Vento
Holt	Neal	Volkmer
Holtzman	Nedzi	Waggonner
Horton	Nichols	Walgren
Hubbard	Nolan	Walker
Huckaby	Nowak	Walsh
Hughes	Oakar	Wampler
Hyde	Oberstar	Watkins
Ichord	Obey	Waxman
Ireland	Ottinger	Weaver
Jeffords	Panetta	Weiss
Jenkins	Patten	Whalen
Jenrette	Patterson	White
Johnson, Calif.	Pattison	Whitehurst
Jones, N.C.	Pease	Whitley
Jones, Okla.	Perkins	Whitten
Jordan	Pettis	Wilson, Bob
Kasten	Pickle	Wilson, C. H.
Kastenmeier	Pike	Wilson, Tex.
Kazen	Preyer	Wirth
Kelly	Pritchard	Wolff
Ketchum	Quayle	Wright
Keys	Quie	Wydler
Kildee	Quillen	Wylie
Kindness	Rahall	Yates
Kostmayer	Rangel	Yatron
Krebs	Regula	Young, Alaska
Krueger	Reuss	Young, Fla.
LaFalce	Rhodes	Young, Tex.
Lagomarsino	Richmond	Zablocki
Latta	Rinaldo	Zeferetti
Le Fante	Risenhoover	

NAYS—2

Jacobs	Wiggins

NOT VOTING—47

Abdnor	Brown, Calif.	Eckhardt
Applegate	Burke, Calif.	Eilberg
Ashley	Cawson, Del	Erlenborn
Badillo	Dent	Fish
Barnard	Diggs	Flippo
Florio	Lott	Roe
Forsythe	Mann	Rousselot
Hansen	Moffett	Sebelius
Hawkins	Nix	Steers
Heftel	O'Brien	Stockman
Hillis	Pepper	Thompson
Howard	Poage	Udall
Johnson, Colo.	Pressler	Van Deerlin
Jones, Tenn.	Price	Winn
Kemp	Pursell	Young, Mo.
Koch	Railsback	

The Clerk announced the following pairs:

Mr. Thompson with Mr. Del Clawson.
Mr. Heftel with Mr. Fish.
Mr. Badillo with Mr. Winn.
Mr. Nix with Mr. Abdnor.
Mr. Pepper with Mr. Sebelius.
Mr. Van Deerlin with Mr. Lott.
Mr. Udall with Mr. Kemp.
Mr. Price with Mr. Howard.
Mr. Florio with Mr. Stockman.
Mr. Eilberg with Mr. Railsback.
Mr. Mann with Mr. Hillis.
Mr. Koch with Mr. Roe.
Ms. Burke of California with Mr. Rousselot.
Mr. Ashley with Mr. Pressler.
Mr. Applegate with Mr. Hansen.
Mr. Diggs with Mr. O'Brien.
Mr. Barnard with Mr. Young of Missouri.
Mr. Hawkins with Mr. Pressler.
Mr. Brown of California with Mr. Steers.
Mr. Jones of Tennessee with Mr. Moffett.
Mr. Flippo with Mr. Eckhardt.

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENT IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 85: Page 85 insert:

TITLE VII—ANTIRECESSION PROVISIONS

SEC. 701. SHORT TITLE.

This title may be cited as the "Intergovernmental Antirecession Assistance Act of 1977."

SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

(a) Section 202(b) of the Public Works Employment Act of 1976 (42 U.S.C. 6722(b)) is amended to read as follows:

"(b) AUTHORIZATION OF APPROPRIATIONS.—Subject to the provisions of subsections (c) and (d) of this section, there are authorized to be appropriated for each of the six succeeding calendar quarters (beginning with the calendar quarter which begins on April 1, 1977) for the purpose of payments under this title—

"(A) $125,000,000 plus

"(B) $30,000,000 multiplied by the number of one-tenth percentage points by which the rate of seasonally adjusted national unemployment for the most recent calendar quarter which ended three months before the beginning of such calendar quarter exceeded 6 percent.".

(b) Section 202(c) of such Act is amended to read as follows:

"(c) LIMITATION ON AUTHORIZATION.—

"(1) INITIAL PERIOD.—In no case shall the aggregate amount authorized to be appropriated under the provisions of subsection (b) of this section for the five successive calendar quarters beginning with the calendar quarter which begins July 1, 1976, exceed $2,250,000,000.

"(2) SUBSEQUENT FISCAL YEAR.—In no case shall the aggregate amount authorized to be appropriated under the provisions of subsection (b) of this section for the fiscal year beginning on or after October 1, 1977, exceed $2,250,000,000.

"(3) FISCAL YEAR.—For the purposes of this section, the term 'fiscal year' refers to a period of twelve consecutive months beginning on October 1 of any year.".

SEC. 703. STATE ALLOCATION.

(a) Section 203(b)(3)(D) of such Act is amended by striking out "for the one-year period beginning on July 1, 1975." and inserting in lieu thereof "for the recently completed entitlement period, as defined under section 151(b) of this Act (31 U.S.C. 1216(b)).".

(b) Section 203(c)(1) of such Act is amended by striking out "paragraphs (3) and (5)" and inserting in lieu thereof "paragraph (4)".

(c) Section 203(c) of such Act is amended by striking out paragraph (3) and redesignating paragraphs (4) and (5) as (3) and (4).

(d) Section 203(c)(3)(B) of such Act is amended by—

(1) inserting "or assigned" after the word "determined", and

(2) striking out the parenthetical phrase and inserting in lieu thereof "(in the case of a local government for which the Secretary of Labor cannot determine a local unemployment rate, he shall assign such local government the local unemployment rate of the smallest unit or subunit of local government for which he has determined a local unemployment rate and within the jurisdiction of which such local government is located, unless

"(i) the Governor of the State in which such local government is located has provided the Secretary of Labor with a local unemployment rate for such local government, and

"(ii) the Secretary of Labor finds that such local unemployment rate provided by the Governor has been determined in a manner consistent with the procedures and methodologies used by the Secretary of Labor in determining local unemployment rates,

in which case the Secretary of Labor shall assign such local government the local unemployment rate provided by such Governor)".

(e) Section 203(c)(3)(C) of such Act is amended by—

(1) striking out "for the one-year period beginning on July 1, 1975" and inserting in lieu thereof "for the most recently completed entitlement period, as defined under section 141(b) of this Act (31 U.S.C. 1227); and",

(2) striking out the parenthetical phrase.

(f) Section 203(c)(3) of such Act is amended by striking out subparagraph (D) and redesignating subparagraph (E) as (D).

(g) Section 203(c)(3)(D)(i) of such Act is amended by striking out "Social and Economic Statistics Administration" and inserting in lieu thereof "Bureau of the Census".

(h) Section 203(c)(3) of such Act is amended by striking out "For the purpose of paragraph (4)(D), the Secretary of Labor shall, notwithstanding any of the provisions of law, continue to make determinations with respect to the rate of unemployment for the purposes of such title VI.".

SEC. 704. USES OF PAYMENTS.

Section 204 of such Act is amended by striking out "and for construction unless such supplies and materials or construction are to maintain basic services." and inserting in lieu thereof "or construction, except for normal supplies or repairs necessary to maintain basic services.".

SEC. 705. STATEMENT OF ASSURANCES.

Section 205 of such Act is amended by—

(1) striking out "207" and inserting in lieu thereof "206",

(2) striking out "208" and inserting in lieu thereof "207", and

(3) striking out "209" and inserting in lieu thereof "208".

SEC. 706. OPTIONAL ALLOCATION PLANS.

Such Act is amended by striking out section 206 and redesignating sections 207 through 215 as sections 206 through 214, respectively.

SEC. 707. PAYMENTS.

Section 209(c) of such Act is amended to read as follows:

"(c) TERMINATION.—No amount shall be paid to any State or local government under the provisions of this section for any calendar quarter if the average rate of unemployment within the jurisdiction of such State or local government during the most recent calendar quarter which ended three months before the beginning of such calendar quarter was less than 4.5 percent.".

SEC. 708. AUTHORIZATION OF APPROPRIATIONS FOR PUERTO RICO AND THE VIRGIN ISLANDS.

Title II of such Act is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR PUERTO RICO AND THE VIRGIN ISLANDS

"SEC. 215. (a) IN GENERAL.—There is hereby authorized to be appropriated for each of the six succeeding calendar quarters (beginning with the calendar quarter which begins on April 1, 1977) for the purpose of making payments under this title to Puerto Rico and the Virgin Islands, an amount equal to 1 percent of the amount authorized for each such quarter under section 202(b).

"(b) ALLOCATIONS.—

"(1) The Secretary shall allocate from the amount authorized under subsection (a) an amount for the purpose of making payments to such governments equal to the total authorized for the calendar quarter multiplied by the applicable territorial percentage.

"(2) For purposes of this subsection, the applicable territorial percentage is equal to the quotient resulting from the division of the territorial population by the sum of the territorial population for both territories.

"(3) For purposes of this section—

"(A) the term 'territory' means Puerto Rico and the Virgin Islands.

"(B) the term 'territorial population' means the most recent population for each territory as determined by the Bureau of Census.

"(c) CERTAIN PROVISIONS TO APPLY.—The provisions of sections 203(c)(4), 204, 205, 206, 207, 208, 209, 210, 211, 212, and 213 shall apply to the funds authorized under this section.

"(d) PAYMENTS TO LOCAL GOVERNMENTS.—The governments of the territories are authorized to make payments to local governments within their jurisdictions from sums received under this section as they deem appropriate.".

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

MOTION OFFERED BY MR. ULLMAN

Mr. ULLMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ULLMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 85 and concur therein with an amendment as follows:

In lieu of the matter proposed to be inserted by such Senate amendment, insert the following:

TITLE VI—INTERGOVERNMENTAL ANTIRECESSION ASSISTANCE

SEC. 602. This title may be cited as the "Intergovernmental Antirecession Assistance Act of 1977".

SEC. 602. (a) Subsection (b) of section 202 of the Public Works Employment Act of 1976 (42 U.S.C. 6722(b)) is amended to read as follows:

"(b) AUTHORIZATION OF APPROPRIATIONS.—Subject to the provisions of subsections (c) and (d) of this section, there are authorized to be appropriated for each of the five succeeding calendar quarters (beginning with the calendar quarter which begins on July 1, 1977) for the purpose of payments under this title—

"(1) $125,000,000, plus

"(2) $30,000,000 multiplied by the number of whole one-tenth percentage points by which the rate of seasonally adjusted national unemployment for the most recent calendar quarter which ended three months before the beginning of such quarter exceeded 6 per centum.".

(b) Subsection (c) of section 202 of such Act is amended to read as follows:

"(c) LIMITATION ON AUTHORIZATION.—In no case shall the aggregate amount authorized to be appropriated under the provisions of subsection (b) of this section for the five successive calendar quarters beginning with the calendar quarter which begins July 1, 1977, exceed $2,250,000,000.".

SEC. 603. (a) Section 203(b)(3)(D) of the Public Works Employment Act of 1976 (42 U.S.C. 6723(b)(3)(D)) is amended by striking out "for the one-year period beginning on July 1, 1975" and inserting in lieu thereof "for the most recently completed entitlement period, as defined under section 141(b) of such Act".

(b) Section 203(c)(1) of such Act is amended by striking out "paragraphs (3) and (5)" and inserting in lieu thereof "paragraph (4)".

(c) Section 203(c) of such Act is amended by striking out paragraph (3) and redesignating paragraphs (4) and (5) as paragraphs (3) and (4).

(d) Section 203(c)(3)(B) of such Act is amended by—

(1) inserting "or assigned" after the word "determined"; and

(2) striking out the parenthetical phrase and inserting in lieu thereof the following: "in the case of a local government for which the Secretary of Labor cannot determine a local unemployment rate, he shall assign such local government the local unemployment rate of the smallest unit or subunit of local government for which he has determined a local unemployment rate and within the jurisdiction of which local government is located, unless—

"(i) the Governor of the State in which such local government is located has provided the Secretary of Labor with a local unemployment rate for such local government, and

"(ii) the Secretary of Labor finds that such local unemployment rate provided by the Governor has been determined in a manner consistent with the procedures and methodologies used by the Secretary of Labor in determining local unemployment rates,

in which case the Secretary of Labor shall assign such local government the local unemployment rate provided by such Governor)".

(e) Section 203(c)(3)(C) of such Act is amended by—

(1) striking out "for the one-year period beginning on July 1, 1975" and inserting in lieu thereof "for the most recently completed entitlement period, as defined under section 141(d) of such Act"; and

(2) striking out the parenthetical phrase.

(f) Section 203(c)(3) of such Act is amended by striking out subparagraph (D) and redesignating subparagraph (E) as subparagraph (D).

(g) Section 203(c)(3)(D)(i) of such Act is amended by striking out "Social and Economic Statistics Administration" and inserting in lieu thereof "Bureau of the Census".

(h) Section 203(c)(3) of such Act is amended by striking out "For the purpose of paragraph (4)(D), the Secretary of Labor shall, notwithstanding any of the provisions of law, continue to make determinations with respect to the rate of unemployment for the purposes of such title VI.".

(i) Section 206 of such Act is repealed.

SEC. 604. Section 204 of the Public Works Employment Act of 1976 (42 U.S.C. 6724 is amended by striking out "and for construction unless such supplies and materials or construction are to maintain basic services" and inserting in lieu thereof "or for construction, except for normal supplies or repairs necessary to maintain basic services".

SEC. 605. Section 207 of the Public Works Employment Act of 1976 (42 U.S.C. 6727) is amended to read as follows:

"NONDISCRIMINATION

"SEC. 207. (a)(1) IN GENERAL.—No person in the United States shall, on the ground of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity of a State government or unit of local government, which government or unit receives funds made available under this title. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity. Any prohibition against discrimination on the basis of religion, or any exemption, from such prohibition, as provided in the Civil Rights Act of 1964 or title VIII of the Act of April 11, 1968, commonly referred to as Civil Rights Act of 1968, shall also apply to any such program or activity.

"(2) EXCEPTIONS.—

"(A) FUNDING.—The provisions of paragraph (1) of this subsection shall not apply where any State government or unit of local government demonstrates, by clear and convincing evidence, that the program or activity with respect to which the allegation of discrimination has been made is not funded in whole or in part with funds made available under this title.

"(B) CONSTRUCTION PROJECTS IN PROGRESS.—The provisions of paragraph (1), relating to discrimination on the basis of handicapped status, shall not apply with respect to construction projects commenced prior to January 1, 1977.

"(b) ENFORCEMENT AND REMEDIES.—The provisions of subsection (a) of this section shall be enforced by the Secretary in the same manner and in accordance with the same procedures as are required by sections 122, 124, and 125 of the State and Local Fiscal Assistance Act of 1972 to enforce compliance with section 122(a) of such Act. The Attorney General shall have the same authority, functions, and duties with respect to funds made available under this title as the Attorney General has under sections 122 (g) and (h) and 124(c) of such Act with respect to funds made available under that Act. Any person aggrieved by a violation of subsection (a) of this section shall have the same rights ond remedies as a person aggrieved by a violation of subsection (a) of section 122 of such Act, including the rights provided under section 124(c) of such Act.".

SEC. 606. Section 215 of the Public Works Employment Act of 1976 (42 U.S.C. 6735) is amended by adding at the end thereof the following new subsection:

"(c) ALTERNATIVE METHODS OF ALLOCATION.—The Secretary shall, in consultation with the Secretary of Commerce, conduct an investigation of—

"(1) the extent to which allocations of funds provided under this Act might be more precisely related to true economic conditions by the use of data on aggregate declines in private real wages and salaries;

"(2) the extent to which other factors, such as relative tax effort, should also be made part of the allocation system provided by this Act; and

"(3) the availability and reliability of data concerning Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands, and the extent to which such territories may properly be made part of the regular allocation system applicable to the several States.

The results of such investigation shall be submitted to the Congress not later than March 1, 1978, in order that such results may be available during congressional consideration of any extension of this Act beyond the fiscal year ending September 30, 1978.".

SEC. 607. Title II of the Public Works Employment Act of 1976 (42 U.S.C. 6721–6735) is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR PUERTO RICO, GUAM, AMERICAN SAMOA, AND THE VIRGIN ISLANDS

"SEC. 216. (a) IN GENERAL.—There is hereby authorized to be appropriated for each of the five succeeding calendar quarters (beginning with the calendar quarter which begins on July 1, 1977) for the purpose of making payments under this title to Puerto Rico, Guam, American Samoa, and the Virgin Islands, an amount equal to 1 percent of the amount authorized for each such quarter under section 202(b).

"(b) ALLOCATIONS.—

"(1) The Secretary shall allocate from the amount authorized under subsection (a) an amount for the purpose of making payments to such governments equal to the total authorized for the calendar quarter multiplied by the applicable territorial percentage.

"(2) For the purposes of this subsection, the applicable territorial percentage is equal to the quotient resulting from the division of the territorial population by the sum of the territorial population for all territories.

"(3) For purposes of this section—

"(A) The term 'territory' means Puerto Rico, Guam, American Samoa, and the Virgin Islands.

"(B) The term 'territorial population' means the most recent population for each territory as determined by the Bureau of Census.

"(C) The provisions of sections 203(c)(4), 204, 205, 206, 207, 208, 209, 210, 211, 212, and 213 shall apply to the funds authorized under this section.

"(c) PAYMENTS TO LOCAL GOVERNMENTS.—The governments of the territories are authorized to make payments to local governments within their jurisdiction from sums received under this section as they deem appropriate.".

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ULLMAN. Mr. Speaker, what we are doing here is taking the language of the House-passed bill that was passed by this House last week out of the Committee on Government Operations, and with the full concurrence of the Chairman of that committee, the gentleman from Texas (Mr. BROOKS) we are substituting that House-passed language for the Senate countercyclical provisions that were brought back in disagreement. I think this clearly points up the situation. An aye vote is to provide this substitute language for the Senate provisions on the countercyclical revenue sharing in this conference report.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion.

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon (Mr. ULLMAN).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 252, nays 134, not voting 46, as follows:

[Roll No. 238]

YEAS—252

Addabbo	de la Garza	Jeffords
Akaka	Delaney	Jenrette
Alexander	Dellums	Johnson, Calif.
Allen	Derrick	Jordan
Ambro	Derwinski	Kastenmeier
Ammerman	Dicks	Kazen
Anderson, Calif.	Diggs	Keys
	Dingell	Kildee
Annunzio	Dodd	Kostmayer
Aspin	Downey	Krebs
AuCoin	Drinan	Krueger
Baldus	Duncan, Oreg.	LaFalce
Baucus	Duncan, Tenn.	Latta
Beard, R.I.	Early	Le Fante
Beilenson	Eckhardt	Lederer
Bennett	Edgar	Leggett
Bevill	Edwards, Calif.	Lehman
Biaggi	Emery	Lent
Bingham	Ertel	Lloyd, Calif.
Blanchard	Evans, Colo.	Lloyd, Tenn.
Boggs	Evans, Del.	Long, La.
Boland	Fary	Long, Md.
Bolling	Fascell	Luken
Bonior	Fenwick	Lundine
Bonker	Fisher	McCloskey
Brademas	Flood	McCormack
Breckinridge	Foley	McDade
Brinkley	Ford, Tenn.	McEwen
Broomfield	Fowler	McFall
Brown, Mich.	Fraser	McHugh
Buchanan	Frey	McKinney
Burke, Mass.	Fuqua	Maguire
Burlison, Mo.	Gaydos	Markey
Burton, John	Gephardt	Marks
Burton, Phillip	Giaimo	Mazzoli
Byron	Gilman	Meeds
Caputo	Ginn	Metcalfe
Carney	Gonzalez	Meyner
Carr	Gore	Mikulski
Carter	Gradison	Mikva
Cederberg	Guyer	Miller, Calif.
Chisholm	Hanley	Mineta
Clausen, Don H.	Hannaford	Minish
	Harrington	Mitchell, N.Y.
Cohen	Harris	Moakley
Coleman	Harsha	Mollohan
Collins, Ill.	Hawkins	Moore
Conte	Heckler	Moss
Conyers	Hollenbeck	Motti
Corman	Holtzman	Murphy, Ill.
Cornell	Horton	Murphy, N.Y.
Cornwell	Hubbard	Murphy, Pa.
Cotter	Huckaby	Murtha
D'Amours	Hughes	Myers, Michael
Danielson	Hyde	Natcher
Davis	Ireland	Nedzi
Nolan	Ruppe	Tsongas
Nowak	Russo	Tucker
Oakar	Ryan	Ullman
Oberstar	Santini	Vander Jagt
Obey	Sarasin	Vento
Ottinger	Sawyer	Volkmer
Panetta	Scheuer	Walgren
Patten	Schroeder	Walsh
Patterson	Schulze	Wampler
Pattison	Seiberling	Watkins
Perkins	Shipley	Weaver
Pike	Simon	Weiss
Preyer	Sisk	Whalen
Pritchard	Skelton	White
Quillen	Slack	Wilson, Bob
Rahall	Solarz	Wilson, C. H.
Rangel	Spellman	Wilson, Tex.
Regula	St Germain	Wirth
Reuss	Staggers	Wolff
Richmond	Stanton	Wright
Rinaldo	Stark	Wydler
Risenhoover	Steed	Wylie
Rodino	Steiger	Yates
Roncalio	Stokes	Yatron
Rooney	Stratton	Young, Mo.
Rose	Studds	Young, Tex.
Rosenthal	Thornton	Zablocki
Rostenkowski	Traxler	Zeferetti
Roybal	Trible	

NAYS—134

Anderson, Ill.	Flowers	Milford
Andrews, N.C.	Flynt	Miller, Ohio
Andrews, N. Dak.	Fountain	Montgomery
	Frenzel	Moorhead, Calif.
Archer	Gammage	
Armstrong	Gibbons	Myers, Gary
Ashbrook	Glickman	Myers, Ind.
Badham	Goldwater	Neal
Bafalis	Goodling	Nichols
Barnard	Grassley	Pease
Bauman	Gudger	Pettis
Beard, Tenn.	Hagedorn	Pickle
Bedell	Hall	Quayle
Benjamin	Hamilton	Quie
Blouin	Hammer-schmidt	Rhodes
Bowen		Roberts
Breaux	Harkin	Robinson
Brodhead	Hefner	Rogers
Brooks	Hightower	Rudd
Brown, Ohio	Holland	Runnels
Broyhill	Holt	Satterfield
Burgener	Ichord	Sharp
Burke, Fla.	Jacobs	Shuster
Burleson, Tex.	Jenkins	Sikes
Butler	Jones, N.C.	Skubitz
Cavanaugh	Jones, Okla.	Smith, Iowa
Chappell	Kasten	Smith, Nebr.
Cleveland	Kelly	Snyder
Cochran	Kemp	Spence
Collins, Tex.	Ketchum	Stangeland
Conable	Kindness	Stump
Corcoran	Lagomarsino	Symms
Coughlin	Leach	Taylor
Crane	Levitas	Teague
Daniel, Dan	Lujan	Thone
Daniel, R. W.	McClory	Treen
Devine	McDonald	Vanik
Dickinson	McKay	Waggonner
Dornan	Madigan	Walker
Edwards, Ala.	Mahon	Whitehurst
Edwards, Okla.	Marlenee	Whitley
English	Marriott	Whitten
Evans, Ga.	Martin	Wiggins
Evans, Ind.	Mathis	Young, Alaska
Findley	Mattox	Young, Fla.
Fithian	Michel	

NOT VOTING—46

Abdnor	Hansen	Pressler
Applegate	Heftel	Price
Ashley	Hillis	Pursell
Badillo	Howard	Railsback
Brown, Calif.	Johnson, Colo.	Roe
Burke, Calif.	Jones, Tenn.	Rousselot
Clawson, Del	Koch	Sebelius
Clay	Lott	Steers
Dent	Mann	Stockman
Eilberg	Mitchell, Md.	Thompson
Erlenborn	Moffett	Udall
Fish	Moorhead, Pa.	Van Deerlin
Flippo	Nix	Waxman
Florio	O'Brien	Winn
Ford, Mich.	Pepper	
Forsythe	Poage	

The Clerk announced the following pairs:

On this vote:

Mr. Thompson for, with Mr. Abdnor against.

Mr. Dent for, with Mr. Del Clawson against.

Mr. Moorhead of Pennsylvania for, with Mr. Erlenborn against.
Mr. Fish for, with Mr. Hansen against.
Mr. Flippo for, with Mr. Lott against.
Mr. O'Brien for, with Mr. Railsback against.
Mr. Mitchell of Maryland for, with Mr. Rousselot against.
Mr. Pursell for, with Mr. Sebelius against.
Mr. Jones of Tennessee for, with Mr. Stockman against.
Mr. Steers for, with Mr. Winn against.

Until further notice:

Mr. Badillo with Mr. Applegate.
Ms. Burke of California with Mr. Hillis.
Mr. Koch with Mr. Roe.
Mr. Florio with Mr. Ashley.
Mr. Ford of Michigan with Mr. Howard.
Mr. Moffett with Mr. Pressler.
Mr. Nix with Mr. Brown of California.
Mr. Pepper with Mr. Van Deerlin.
Mr. Price with Mr. Clay.
Mr. Eilberg with Mr. Waxman.
Mr. Udall with Mr. Mann.
Mr. Heftel with Mr. Koch.

Mr. McKAY changed his vote from "yea" to "nay."

Mr. MAGUIRE changed his vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON COMPENSATION, PENSION, AND INSURANCE OF COMMITTEE ON VETERANS' AFFAIRS TO SIT DURING 5-MINUTE RULE ON MORNING OF MAY 18, 1977

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the Subcommittee on Compensation, Pension, and Insurance of the Committee on Veterans' Affairs may be permitted to meet on the morning of Wednesday, May 18, 1977, while the House is proceeding under the 5-minute rule.

The SPEAKER pro tempore (Mr. LEHMAN). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO FILE REPORT ON H.R. 4740

Mr. BARNARD. Mr. Speaker. I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight tonight to file a report on H.R. 4740, to increase the appropriations authorization for fiscal year 1978 and authorize appropriations for fiscal year 1978 to carry out the Marine Mammal Protection Act of 1972.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

ISRAEL CELEBRATES ITS 29TH ANNIVERSARY AS A NATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ilinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I take great pleasure in saluting the people of Israel on the occasion of the 29th anniversary of the founding of their nation, which this year is being celebrated on May 21. It was on the 6th of Iyar, May 15, 1948, that the Israeli people proclaimed their independence and founded the Republic of Israel—a strong and prosperous nation.

In the Declaration of the Establishment of the State of Israel are enunciated the noble ideals upon which this nation was founded, and at this point in the RECORD I wish to insert this declaration, which follows:

ISRAEL: THE FIRST 26 YEARS DECLARATION OF THE ESTABLISHMENT OF THE STATE OF ISRAEL MAY 14, 1948

Eretz-Israel was the birthplace of the Jewish people. Here their spiritual religious and political identity was shaped. Here they first attained to statehood, created cultural values of national and universal significance and gave to the world the eternal book of books.

After being forcibly exiled from their land, the people kept faith with it throughout their dispersion and never ceased to pray and hope for their return to it and for the restoration in it of their political freedom.

Impelled by this historic and traditional attachment, Jews strove in every successive generation to re-establish themselves in their ancient homeland. In recent decades they returned in their masses, pioneers, ma'apilim and defenders. They made deserts bloom, revived the Hebrew language, built villages and towns, and created a thriving community, controlling its own economy and culture, loving peace but knowing how to defend itself, bringing the blessings of progress to all the country's inhabitants, and aspiring towards independent nationhood.

In the year 5657 (1897), at the summons of the spiritual father of the Jewish state, Theodor Herzl, the first Zionist Congress convened and proclaimed the right of the Jewish people to national rebirth in its own country.

This right was recognized in the Balfour Declaration of the 2nd November, 1917, and re-affirmed in the mandate of the League of Nations which, in particular, gave international sanction to the historic connection between the Jewish people and Eretz-Israel and to the right of the Jewish people to rebuild its national home.

The catastrophe which recently befell the Jewish people—the massacre of millions of Jews in Europe—was another clear demonstration of the urgency of solving the problem of its homelessness by re-establishing in Eretz-Israel the Jewish state, which would open the gates of the homeland wide to every Jew and confer upon the Jewish people the status of a fully-privileged member of the comity of nations.

Survivors of the Nazi holocaust in Europe, as well as Jews from other parts of the world, continued to migrate to Eretz-Israel. Undaunted by difficulties, restrictions and dangers and never ceased to assert their right to a life of dignity, freedom and honest toil in their national homeland.

In the Second World War, the Jewish community of this country contributed its full share to the struggle of the freedom and peace-loving nations against the forces of Nazi wickedness and, by the blood of its soldiers and its war effort, gained the right to be reckoned among the peoples who founded the United Nations.

On the 29th November, 1947, the United Nations General Assembly passed a resolution calling for the establishment of a Jewish state in Eretz-Israel: the General Assembly required the inhabitants of Eretz-Israel to take such steps as were necessary on their part for the implementation of that resolution, this recognition by the United Nations of the right of the Jewish people to establish their state is irrevocable.

This right is the natural right of the Jewish people to be masters of their own fate, like all other nations, in their own sovereign state.

Accordingly we, members of the people's council, representatives of the Jewish community of Eretz-Israel and of the Zionist movement, are here assembled on the day of the termination of the British mandate over Eretz-Israel and, by virtue of our natural and historic right and on the strength of the resolution of the United Nations General Assembly, hereby declare the establishment of a Jewish state in Eretz-Israel, to be known as the State of Israel.

We declare that, with effect from the moment of the termination of the mandate, being tonight, the eve of sabbath, the 6th iyar, 5708 (15th May, 1948). Until the establishment of the elected, regular authorities of the state in accordance with the constitution which shall be adopted by the elected constituent assembly not later than the 1st October 1948, the people's council shall act as a provisional council of state, and its executive organ, the people's administration, shall be the provisional government of the Jewish state, to be called "Israel".

The State of Israel will be open for Jewish immigration and for the ingathering of the exiles; it will foster the development of the country for the benefit of all its inhabitants; it will be based on freedom, justice and peace as envisaged by the prophets of Israel; it will ensure complete equality of social and political rights to all its inhabitants irrespective of religion, race or sex; it will guarantee freedom of religion, conscience, language, education and culture; it will safeguard the holy places of all religions; and it will be faithful to the principles of the charter of the United Nations.

The State of Israel is prepared to cooperate with the agencies and representatives of the United Nations in implementing the resolution of the General Assembly of the 29th November, 1947, and will take steps to bring about the economic union of the whole of Eretz-Israel.

We appeal to the United Nations to assist the Jewish people in the building-up of its state and to receive the State of Israel into the comity of nations.

We appeal—in the very midst of the onslaught launched against us now for months—to the Arab inhabitants of the State of Israel to preserve peace and participate in the upbuilding of the state on the basis of full and equal citizenship and due representation in all its provisional and permanent institutions.

We extend our hand to all neighboring states and their peoples in an offer of peace and good neighbourliness, and appeal to them to establish bonds of cooperation and mutual help with the sovereign Jewish people settled in its own land. The State of Israel is prepared to do its share in a common effort for the advancement of the entire Middle East.

We appeal to the Jewish people throughout the diaspora to rally round the Jews of Eretz-Israel in the tasks of immigration and upbuilding and to stand by them in the great struggle for the realization of the age-old dream—the redemption of Israel.

Placing our trust in the Almighty, we affix our signatures to this proclamation at this

session of the provisional council of state, on the soil of the homeland, in the city of Tel Aviv, on this Sabbath eve, the 5th day of Iyar, 5708 (14th May, 1948):

Daniel Auster, Mordekhai Bentov, Yitzchak Ben Zvi, Eliyahu Berligne, Fritz Bernstein, Rabbi Wolf Gold, Meir Grabovsky, Yitzchak Gruenbaum.

Dr. Abraham Granovsky, Eliyahu Dobkin, Meir Wilner-Kovner, Zerach Wahrhaftig, Herzl Vardi, David Ben-Gurion, Rachel Cohen, Rabbi Kalman Kahana.

Saadia Kobashi, Rabbi Yitzchak Meir Levin, Meir David Loewenstein, Zvi Luria, Golda Myerson, Nachum Nir, Zvi Segal, Rabbi Yehuda Leib.

Hacohen Fishman, David Zvi Pinkas, Aharon Zisling, Moshe Kolodny, Eliezer Kaplan, Abraham Katznelson, Felix Rosenblueth, David Remez.

Berl Repetur, Mordekhai Shattner, Ben Zion Sternberg, Bekhor Shitreet, Moshe Shapira, Moshe Shertok.

Mr. Speaker, I am delighted to join my colleagues in congratulating the people of Israel on the occasion of this 29th anniversary of the birth of their nation. I wish peace and prosperity to the people of Israel, and I extend my greetings to all people of Jewish descent, throughout the world, as well as those Americans of Jewish descent in my own city of Chicago and all over this country who are joining in this celebration.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. MAZZOLI) is recognized for 5 minutes.

Mr. MAZZOLI. Mr. Speaker, because of previous commitments in my district I was unable to be present for rollcall No. 229 on Thursday, May 12, 1977. Had I been present I would have voted "yes" to adopt House Resolution 560 to provide for consideration of H.R. 6810, Countercyclical Revenue Sharing Act.

INTRODUCTION OF CONCURRENT RESOLUTION TO ELIMINATE ELEVATOR OPERATORS IN CONGRESSIONAL BUILDINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. GLICKMAN) is recognized for 5 minutes.

Mr. GLICKMAN. Mr. Speaker, last Thursday I introduced House Concurrent Resolution 220, to eliminate through attrition all operators of automatic elevators in congressional buildings. I hope that any of my colleagues who are interested in eliminating government waste will join me in doing away with this blatant example of unnecessary Government spending.

In the past few years the Government, and Congress in particular, has been subjected to ridicule for antiquated, wasteful, and unnecessarily complicated procedures. Frankly, I feel that a good deal of the criticism is justified. If you think about it, it really is ridiculous to spend $800,000 per year for chauffeurs for our automated elevators.

Last year, as a candidate for Congress, I spoke of these automated-elevator operators as a prime example of silly Government waste. This year, as a Member of Congress, I find them embarrassing.

Mr. Speaker, I recognize that you have directed the elimination of many of these positions in the House office buildings. I am afraid, however, that I cannot see any good reason to keep even one operator of elevators that anyone can operate.

I know that in the past these jobs have been defended on the grounds that the operators serve a "vital information function"; that is, they direct visitors around the congressional building complex. If that is indeed their true purpose, and if it really cannot be handled by our 1,100 Capitol policemen, then let us eliminate the elevator operators and appropriate funds for personnel to direct visitors around the Capitol. I doubt, however, that this will be necessary.

Another reason given for keeping the elevator operators is that they facilitate Members' quick movement to the floor during rollcall votes. Granted, I have not been here very long, but it seems to me that the automatic reservation of one-half of the elevators "For Members Only" during rollcalls should be quite sufficient.

Mr. Speaker, I realize that this will not be the major Government waste issue of the 95th Congress. At least I hope it will not. But it is one kind of Government waste that is easy to eliminate, clearly should be eliminated, and whose elimination is solely our responsibility. If we cannot take care of the small problems, how can we hope to solve the big ones?

THE VALUE OF COMMUNITY AND HOME GARDENING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 5 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, last week the Agriculture Subcommittee on Domestic Marketing, under the able leadership of Chairman FRED RICHMOND, held hearings on two bills to encourage community and home gardening in America. H.R. 3476, the Community Gardening Act introduced by Congressman GEORGE BROWN, and H.R. 2776, my seed distribution bill, are important pieces of legislation which deserve serious consideration by this body. I thank Chairman RICHMOND and the subcommittee for discussing these measures so promptly this 95th Congress.

The Ways and Means Committee today began consideration of the President's energy package. If the energy crisis has taught us one thing, it has taught us that we must begin to reexamine our life styles and strive for a new level of self-sufficiency in all things. As with limited energy sources, we cannot take food for granted. Soaring inflation, worldwide food shortages, and adverse weather conditions require the fullest possible production of high-quality, vitamin-rich food here at home.

As Members of Congress, we must encourage Americans to grow what they can. The Community Gardening Act in combination with the seed distribution bill will turn barren plots of land and backyards into beautiful thriving vegetable gardens. A 600-square-foot plot of land yields 500 pounds of produce worth $300.

A Gallup survey taken last year found that 51 percent of all American households have a vegetable garden. There are yet millions of Americans who, despite their eagerness to become involved, are shut off from any chance to raise their own food. Youth, the elderly, and low-income citizens are not asking for a major bureaucratic effort, but simply for a chance to provide in part for their own needs. My seed bill and the Gardening Act will together offer the needed incentive to these Americans.

Mr. Speaker, I would like to share with my colleagues an article from the Quincy (Mass.) Patriot Ledger, relating some of the values of community and home gardening:

COMMUNITY GARDENS FLOURISHING

Community gardens continue to flourish in the most remarkable places in England. They have their roots in old European traditions.

Community or allotment gardens began in England during the Middle Ages for the relief of local poverty. They're still growing strong and helping families fight inflation today, along with providing tastier food. Allotment gardens trace their ancestry to the Industrial Revolution as one of the earliest "fringe" benefits for factory employes and they remain part of the growing scene even today.

Although you can find empty city lots, more often available growing room is being cultivated. Hundreds of thousands of families raise vegetables and flowers along roads, near factories, in special plots set aside by firms for their employes or towns for citizens. The British even have a National Allotments and Gardens Society. More than 57,000 acres are cultivated by more than half a million families.

Efforts and resources are pooled. Union garden groups buy fertilizer and equipment together. That cuts costs. Some firms fertilize, till and prepare the areas, even provide water for modest fees.

The allotment system is common in other European countries—notably Germany, Holland and France. In Hamburg and Amsterdam, for example, the idea is well advanced. Families grow flower beds, vegetable plots, create living sculptures from espalier trees to formal garden designs.

Their good growing ideas can be transplanted to America quite easily. We too have empty land available, as any drive through any city reveals. Too often these vacant lots are refuse dumps. That can be changed. We can make empty land bloom and bear.

Unions have been instrumental in obtaining growing ground for members; committees work with management to have areas near factory parking lots tilled and marked out for individual employes and their families. Citizens groups convinced town and city officials to set aside family garden plots on unused city-owned land.

The idea for community gardens is being planted in America already. Gardens For All of Charlotte, Vt., is a non-profit foundation. Its purpose is to help transplant and cultivate the allotment idea of Europe here. They have been instrumental in convincing city officials, company executives, and private landowners to donate or lease land for small

plot gardening. In Burlington, Vt., alone, more than 2,000 plots are under cultivation.

The idea is taking root elsewhere. In Pennsylvania, tens of thousands of community gardens have been planted. Firms such as RCA in New Jersey, Dow Chemical in Michigan and Hercules in Delaware provide company land for employes.

More can and should be done. If you want to recycle empty city lots, get a group together. Visit city hall. If you would like to spend part of a lunch hour gardening, see your shop steward or company employe relations person. There's a groundswell of enthusiasm growing across America already.

Even apartment complex owners, retirement village developers and others have become more agreeable to ideas for improving the environment. Detailed free information about community gardening is available from Gardens For All Foundation, Charlotte, Vt.

With their help, you too can transplant some great growing ideas of Europe into your home town and watch things come alive. Working with friends and neighbors, you can help America get things growing better with community gardens.

AMERICAN CITIZENS ABROAD NEED HEALTH CARE, TOO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, many Americans, covered by medicare in this country, lose their medical protection when they leave our shores and travel abroad. Similarly, Americans living abroad who receive social security benefits and would otherwise be eligible for medicare, are not allowed to enroll in the program. This is because the United States lacks a mechanism to contract for medical services for its citizens abroad.

On Friday, I introduced legislation to extend medicare coverage to U.S. citizens abroad by authorizing the President of the United States to negotiate reciprocal agreements between the medicare program and the health program of any foreign country that provides medical and health assistance to its citizens. These agreements would entitle U.S. citizens abroad to coverage under the program of a foreign country, while allowing foreign nationals in the United States to receive services from providers of medicare programs here. In addition, the bill stipulates that the benefits received abroad through this agreement cannot exceed the benefits provided to medicare patients in this country.

At present, medicare payments are made to Mexican and Canadian hospitals for medicare recipients in the United States who live closer to a Mexican or Canadian border hospital than to one located in the United States. American medicare patients who require emergency care while traveling through Canada to Alaska are provided with coverage as well. It has been suggested that constitutional questions might be raised over the failure of the United States to provide medicare coverage of its overseas recipients, in light of the fact that other benefits such as social security are administered abroad, and given the constitutional right of American citizens to travel freely without losing any benefits of citizenship.

My bill is like the one introduced by our colleague, Congressman DAN ROSTENKOWSKI, the distinguished chairman of the Subcommittee on Health of the House Ways and Means Committee which has jurisdiction over the legislation. I am appending to this statement a letter from Mr. John Martin, Chief Counsel of the House Ways and Means Committee, which indicates that this legislation could benefit as many as 150,000 American citizens at an insignificant cost. It is my understanding that consideration of this issue will soon be forthcoming in Mr. ROSTENKOWSKI's subcommittee, and I look forward to the opportunity to express my views on the need to provide Americans abroad with the health care they need.

The letter follows:

COMMITTEE ON WAYS AND MEANS,
U.S. House of Representatives,
Washington, D.C., January 31, 1977.

Hon. EDWARD I. KOCH,
26 Federal Plaza, Room 3139,
New York, N.Y. 10007

DEAR MR. KOCH: This is in response to your letter of January 14, 1977, in which you inquire about the general limitation of medicare coverage to services provided in the United States.

Under present law, medicare coverage is provided, with certain exceptions, only for hospital and medical services rendered within the United States. The exceptions involve only cases in which the beneficiary needs emergency services while traveling in Canada between the 48 states and Alaska, or needs hospital services because of a medical problem that arose while traveling or residing within the United States near the border, and a Canadian or Mexican hospital is more accessible than the nearest U.S. hospital. This general limitation of medicare coverage to services furnished within the U.S. was included in the law because of the substantial problems that would be involved in attempting to assure the compliance of institutions and practitioners in other countries with medicare standards for participation, and in determining the appropriate amount of reimbursement for services furnished in foreign countries.

It is currently estimated that approximately 150,000 individuals who are otherwise entitled to medicare benefits are affected by this limitation by virtue of residence or long stays outside the United States. Precise cost estimates for a change in the present limitation are not available, although it is generally assumed that the cost would not be significant.

You will be interested to know that Congressman Rostenkowski, Chairman of the Committee's Subcommittee on Health, did introduce a bill in the closing days of the 94th Congress to extend medicare coverage to services furnished outside the United States. The Chairman's bill provided authority for the President to enter into bilateral reciprocal agreements with any willing foreign country for the purpose of making payment on behalf of entitled medicare beneficiaries for covered hospital, medical and other health services. In his floor statement, Chairman Rostenkowski indicated that he believed his approach provided the necessary flexibility to deal with the unique circumstances likely to be encountered in each foreign country.

In introducing his bill, Chairman Rostenkowski sought public analysis and comment on his approach. It is my understanding that response to the bill has been favorable and that the Chairman plans to reintroduce his bill and to conduct public hearings on it and other proposed medicare amendments in the near future.

Sincerely yours,
JOHN M. MARTIN, Jr.,
Chief Counsel.

THE U.N. TODAY

(Mr. WOLFF asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WOLFF. Mr. Speaker, I would like to share with my colleagues a five-part series of articles published in the New York Daily News, on May 2–6 entitled, "The UN Today."

These articles, written by a Pulitzer Prize-winning reporter of the News, reflect the misuse of an organization that was originally established to foster a world of peace and a better life for all nations.

I am today, for the record, asking that a copy of this series be printed in the CONGESSIONAL RECORD, in hopes of gaining a more accurate overview of the present situation in the U.N.

The text is as follows:

[From the Daily News, May 2, 1977]

THE UN TODAY, HOW THE DREAM WENT SOUR

(By William Sherman)

The 52 dwarf fruit trees and the 2,000 prize-winning rosebushes are blooming in the gardens of United Nations headquarters this week, the 32d anniversary of the international organization.

In front of the 39-story Secretariat building that overlooks the East River, water gushes from a $50,000 fountain, the floor of which is formed by alternating bands of crushed white marble and black pebbles from the beaches of Rhodes.

Inside the $67 million Secretariat, the elevators run smoothly, maintained by a permanent team of five, and there are 115 other maintenance people—carpenters, plumbers, electricians, cleaning men—who prune and polish this 16-acre complex of ilex, aluminum and glass.

But behind the Secretariat's facade, the smooth granite plinths, and the 2,000 tons of Vermont marble, there is rot. It is the decay of an organization whose goals have been twisted, whose policy-making organs have been rendered impotent and whose $2.3 billion annual budget has been spent in part on obvious boondoggles.

Born out of the failure of the League of Nations and the bloodshed of World War II, the UN today bears little resemblance to the international organization its founders meant it to be—fostering a world of peace, an end to discrimination and a better life for all mankind. The machinery is there: all thhe egalitarian rules, the committees, the funding and the humanist ideology. But this machinery has been used to create wasteful projects and political ploys such as the 1975 General Assembly vote condemning Zionism as a form of racism.

Now the dream is a nightmare, an expensive nightmare of conferences soured by cheap, opportunistic rhetoric and aid projects that fail under the weight of a lazy self-perpetuating UN bureaucracy.

Nearly half of every UN dollar spent, $2.3 billion—money originally programed to educate the illiterate and wipe out disease—is flushed out in high salaries, new buildings, office furniture and travel, all under the heading "administrative overhead."

A staff member wants to get out of town; he takes his secretaries and some aides to a disarmament conference that has nothing to do with his regular job, and it costs the UN $179,000 in expenses. The International Labor Organization was located in a beautiful palais on Lake Geneva, but somebody decides a new building is needed and it is built at a cost of $60 million. Then demands are made that, in addition to air conditioning, the place requires a $250,000 Honeywell climate control system.

The finance committee orders a freeze on hiring and the secretary general promptly asks for 147 new employes. A $100 million campaign to wipe out world illiteracy flops and is abandoned because bureaucrats can't agree on teaching approaches. Now there is a move on to create a "third UN city" in Vienna, a project that will cost several hundred million dollars. All this while fevers continue to plague West Africa and 100,000 die in an Ethiopian drought.

And there are the parties—four and five a night during the General Assembly session—where mohair-suited diplomats dive for prized pearl-gray caviar, elbowing and bumping each other with moves that would dazzle O. J. Simpson.

One diplomat confides, "The most critical day in a diplomats life is January 26, when Australia and India both celebrate their independence. The question is do you go to the Indian reception first, where they don't serve booze and look forward to the Australian, or do you get totally tanked at the Australian to carry you through the Indian."

At the top of this heap is Kurt Waldheim, the secretary general, who walks a tightrope trying to stay impartial in the struggles between East and West and ends up doing very little administering at all. He tries, he tries manfully sometimes, say representatives of various countries, but he is ignored—except by photographers—to whom he offers his right profile, his favorite, at every available turn.

And while Waldheim and his predecessors traveled the globe, each logging several hundred thousand first-class miles a year, the UN system grew and grew—"like Topsy" says one State Department official—into a mishmash of cushy, high-paying jobs in 48 separate agencies, many of which are duplicative.

The budget and employee rolls have grown proportionately. Secretariat building manager Henry S. Jaran says, "Basically, I have to prepare for 100 new people a year." But the UN work force totaled 40,707 by last count in June 1976, double the figure 10 years ago, averaging 2,000 more a year.

UN spending for all agencies and committees in the system jumped from $1.573 billion in 1974 to $2.274 billion in 1976, a 45% increase that is double the average growth rates for the national budgets of the United States, France, Canada and Japan.

As a result, Waldheim last fall quietly declared the UN to be in a "state of financial emergency." The UN Education, Scientific and Cultural Organization was close to bankruptcy. The previous year, officials of the UN Development Program suddenly discovered they were $10 million short and had to borrow from the Food and Agriculture Organization and then obtain financing from a third agency, the World Bank, to pay off the loan.

And in a situation reminiscent of the accounting practices that brought New York City to its knees, the UN International Labor Organization in 1975 had to borrow from the next year's budget to pay for that year's expenditures.

State Department officials maintain the "emergency" could have been prevented. The UN system is supported by dues, both assessed and voluntary, based on each nation's wealth. The U.S. annually pays about 25 percent of the bill, a total of nearly $7 billion since the UN was founded.

At the same time, the U.S. has only one vote among the 147-member nations in the General Assembly, essentially the legislature of the UN system.

United States attempts to keep spending down, supported by the Soviet Union, have been effectively countered by Third World nations, which have formed an impenetrable 114-nation voting bloc that now dominates UN politics and spending.

Opponents of the UN in this country rail against this erosion of American influence. They charge that aside from assessed dues of 12 percent of some regularly budgeted agencies, the Soviet Union contributes very little or nothing to agencies and undertakings supported by voluntary payments, which the U.S. regularly underwrites at 25 percent or more.

Indeed, the Soviet Union and its allies have refused to pay even their assessed share of past peacekeeping forces in the Congo, the Middle East and Cyprus, a debt of more than $100 million. There is no UN bill collection agency and the Soviet bloc has not been penalized.

And when they do contribute voluntarily, as they have to the UN Development Program, the Soviets generally contribute in rubles, which no other country will accept or convert. "They do this so the money must be spent to hire Russian technicians and buy Russian products, but they don't have enough of either to export," one State Department official explained.

Brad Morse, a former Republican Congressman who now heads the UN Development Program, commented dolefully, "The result is that I'm sitting on a surplus of 36 million rubles and I can't do anything with it. I'm looking for a way to spend it, but I haven't come up with anything."

For New Yorkers, the complaints about the UN are compounded because it is here, smack along the East River on land donated by the Rockefeller family. It is *here* in the form of 242,000 unpaid parking tickets issued to cars with DPL plates last year, tickets worth $4.1 million.

A city Parking Violations Bureau spokesman said, "Not only does that represent 6 percent of the total tickets handed out that year, but it cost us $250,000 in administration, to pay meter maids and processing to hand out tickets which aren't even collectible."

And the UN is *here* in terms of police protection. Eighteen UN missions are guarded by city cops 24 hours a day: costing the city $1.971 million a year in salaries alone. For permanent protection of the UN itself in 1975, city police protection cost an additional $3.723 million.

Special visits in 1975, such as Egyptian President Answer Sadat's October sojourn, cost the department additional sums, rounding off the 1975 department total to $4,590,-982. Palestinian refugee leader Yassir Arafat's one-night stand here cost the city a whopping $953,733. "Not," specified a department spokesman, "including gasoline and equipment."

What do New Yorkers get in return?

"Well," said one city official, "the diplomats spend a lot of money here, apartments, taxis, restaurants, all the tourists."

In addition, the UN employs many American doctors and technicians, and purchases much American equipment, but the U.S. draws lightly, if at all, on UN services.

Many nations truly need the services of UN agencies, however. More than 150,000 people died of drought and famine in six West African countries in the early 70s; cholera outbreaks are commonplace in Asia, and there is no peace in the Middle East or Africa.

The question then is not whether the United States is getting a bang for its buck, but whether the world is being effectively served and whether the price tag is too high.

Uniformly, many State Department officials and congressional leaders answer that anything is better than war. The General Assembly, which has no power except to recommend resolutions and pass on the budget, costs $7 million a year, but it serves as a forum for exchange, a place to air international grievances.

A two-week conference on population in Bucharest cost the UN $4 million, not including travel and lodging. Asked about it, Robert Kitchen, the U.S. Mission's permanent representative on the Economic and Social Council, shot back, "Maybe a billion mouths won't be around to feed 20 years from now because the UN helped make the point on population control in Africa, India and in Catholic countries."

But Kitchen, an astute observer who spent 13 years as a foreign service officer in Africa, hesitated when asked about the $20 million two-week conference on Habitat held last May in Vancouver, Canada. This meeting, attended by hundreds of representatives, featured individual television screens showing films of African huts and slums in Calcutta. At the end of the conference, little more than a spate of anti-Israeli resolutions was passed, and it was generally agreed that housing around the world should be improved.

Some delegates didn't even bother showing up for many of the sessions, and many spent their time wandering around Vancouver's beautiful Stanley Park of sampling some of that city's renowned Chinese restaurants, according to several U.S. representatives who attended. "It was a disaster," said James Baker, deputy assistant Secretary of State.

Defenders of the UN system consider the Habitat conference as an example of one of the few UN failures. To be sure, the system can point to many accomplishments: the eradication of smallpox around the world, countless children saved from starvation, roads built, wells dug, occasional periods of peace in the Middle East and Africa and Korea.

At the same time, the UN is an organization hopelessly mired in bureaucratic detail. A U.S. General Accounting Office survey disclosed that development and assistance activities are carried out by 30 separate agencies, a system so complicated that there are two lengthy and costly administrative meetings in Paris every year in hopes of cutting down duplication of effort. Kurt Waldheim was at one such meeting last month. But that same week, yet another agency, the International Fund for Agricultural Development, was created. This despite the existence of the Food and Agriculture Organization, World Food Program, the UN Development Program and on and on ad infinitum.

Adding to the confusion is the overabundance of poorly targeted projects, such as a recent UNICEF undertaking in Bangkok entitled "The Development of Models for the Delivery of Educational Services in the Area of Responsible Parenthood Among Out-of-School Adolescents." Or a $24 million East African Training Project to start a jet pilots school for youths from Kenya, Uganda, and Tanzania, where the illiteracy rate is 90%. Or another program to train meteorologists for Somalia and Rwanda, where the per capita annual income is less than $50.

There is very little qualitative auditing of UN projects and it seems an almost impossible undertaking because of the numbers; 2,200 projects undertaken by the World Health Organization and 7,946 projects by the UN Development Program in 1975 alone.

And each of the UN agencies is an independent body with its own director, budget, and auditing system. It is an accountant's nightmare. For example, the United Nations Development Program depends on 17 other UN agencies "each using different accounting and program procedures, which makes it difficult for UNDP to compile up-to-the-minute information on expenditures," according to the State Department.

Add to that the confusion of languages and the endless parade of unread documents, in a babel of tongues. On the third floor of the Secretariat, in the press office, there are 62 racks for the 1 billion printed pages that emanate from 3,000 yearly meetings. The cost of conference servicing—including printing and translation—in New York and Geneva alone cost $96 million, according to UN figures.

"It's because everyone has to have himself transcribed verbatim to impress the folks back home," one U.S. State Department official wryly observed.

What can be said for the UN then? Well it's a place where you can have a lunch of excellent lamb curry with two vegetables and bread and butter for $1.90 in the fourth-floor cafeteria—if you're qualified to eat there.

It is also a place where, on the second floor, you can view the first human rights document, a bronze tablet authored by Cyrus the Great of Babylon. And you can catch a mistake in the translation, for when Cyrus promised in Babylonian cuneiform that he would not harass his people, the translator misspelled it "harrass."

It is also a place where some of the top Soviet KGB, CIA, British, French and Iranian spies, among intelligence operatives from assorted other countries, have found a haven. Free from national scrutiny except from each other, these operatives, many of whom hold key jobs in the UN system, funnel information back to their home missions under diplomatic cover.

Whether they be idle gamesmen or cold warriors, these intelligence operatives certainly are well rewarded, for UN employes are the best-paid civil servants in the world, earning up to $180,000 a year including special allowances with pensions equivalent to 60% annually of the last year's pay.

Above all, for its employes, the UN is the good life.

[From the Daily News, May 3, 1977]

BOONDOGGLING—GLOBAL STYLE

(By William Sherman)

It was 3 P.M. one recent afternoon, and two tall men were standing at the bar in the North Delegates Lounge, sipping dry martinis and chatting about their new offices in the Secretariat. The first fellow was a mohair-suited Frenchman with a sallow complexion and a mustache. The second was a tanned American. They were speaking in English.

"So," the Frenchman was saying pleasantly, "How many windows do you have?"

"Three."

"Three windows!" the Frenchman's eyebrows danced. "How is that possible? I am a D-1 and I only have two windows. You are a P-5."

The American shrugged, ordered another drink and looked at a tug moving up the East River.

"What about carpet?" asked the Frenchman, tugging at the American.

"Wall to wall."

"Wall to wall! It cannot be. P-5s are not supposed to have carpets. Even mine is not wall to wall. Now you will tell me you have wood furniture as well."

"I have," the American said flatly.

"I must talk to someone about this. D-1s are supposed to have wood, not P-5s." With that, he gulped down the last of his martini and scurried out.

The encounter was not untypical. Space and furniture are hotly contested in the Secretariat and the French D-1 has a higher UN civil-service grade than the American P-5. Each category has its privileges and benefits. A P-5, an upper level administrator, is given 144 square feet of office space, and a D-1, the next level up and equivalent to a federal Civil Service GS-16 is allotted 252 square feet of space at the Secretariat. Windows are coveted.

But these office rules are only one minor facet of the good life for UN workers, for the 40,704 employes of this international system are the highest-paid civil servants in the world, from the lowliest paid messenger, who earns $10,180 annually exclusive of allowances and benefits, to Secretary General Kurt Waldheim, who earns more than $120,000 a year.

The impact of these salaries and the accompanying benefits, including travel, pensions, discount liquor and overstaffing, is that nearly one-half of all UN spending, $2.3 billion this year, goes to administrative overhead as opposed to direct aid.

This is according to the U.S. State Department and several members of the UN's finance committee. And the employe roll in the UN system of 48 agencies, ranging from the World Health Program to the World Intellectual Property Organization, has doubled in the last 10 years.

Not that there haven't been complaints about this pattern of spending. A few days after Edouard Saouma was named director general of the Food and Agriculture Organization in 1976, he complained, "Eighty per cent of FAO's regular budget is destined to pay for a gigantic centralized bureaucracy in Rome, 11% to put out publications that no one reads and the remaining 9% for holding meetings and for travel expenses that are largely unnecessary." The FAO is supposed to provide technical assistance and aid to help improve agriculture in poor countries.

Russell Heater, the State Department's permanent representative to the United Nations Educational Scientific and Cultural Organization said, "Several years ago, I found that more than 70% of UNESCO's money was being spent in French francs. Headquarters is in Paris, so you can draw your own conclusions."

Despite these complaints and warnings from the finance committee to keep salaries, promotions, and hiring down, Waldheim has done just the opposite. The result is a top heavy bureaucracy.

For example, the U.S. federal government, with a 1976 budget of $365.6 billion has only 12 officials, all cabinet chiefs, earning $60,000 annually or more. The U.N. with an annual budget less than 1% that size has 73 employes earning that sum or more, according to a report recently submitted by the U.S. General Accounting Office to the Senate Permanent Committee on Government Operations.

For those fortunate enough to be hired by the UN, the job is a boon, a godsend. The State Department International Organizations Bureau estimates that the basic salaries of UN professionals are 38% to 57% higher than the salaries of people with comparable jobs in civil service. This despite the original UN employment plan, based on the Noblemaire principle, which states that UN employes should be paid salaries similar to the highest paying civil service in the world that is, the U.S.

But the benefits do not stop there. In addition, UN employes pay no income tax to any country, but rather have a portion of their salaries taken out as a "staff assessment" which is plowed back into the UN budget. UN Treasurer Wynant Rivington said this "staff assessment" is roughly equivalent to U.S. income taxes.

But a look at federal tax tables shows that the UN "assessment" is far below U.S. taxes. For example, a U.S. citizen is taxed at the rate of 40% at the $25,000 annual level, while UN employes are not "assessed" 40% until they reach the $60,000 level.

As for fringe benefits, a 1976 State Department comparison between U.S. and the UN reveals: UN employer contributions to health and retirement benefits exceed the U.S. by 45% to 73%; UN pensions exceed U.S. pensions by 23% to 55%; UN annual vacation exceeds the U.S. by 1,400% to 1,900%.

A specific comparison of a UN D-1 and a U.S. GS-16, both upper level administrators with equivalent responsibilities, according to the State Department, shows: a D-1 earns $52,450 a year while a GS-16 earns $39,629; a D-1 gets 30 days vacation his first year while a GS-16 gets 13 days; UN health plans include psychiatric and dental care while the U.S. provides none; and the D-1 retires after 30 years employment with an annual pension of 60% of his last year's pay, while the maximum for a GS-16 is 46.25%.

The UN pension system, figured at a rate of 2% a year for each year of service is nonpareil. The most beneficent of U.S. corporations operate on a per-year pension factor of 1.5%.

But the advantages of the UN employe do not stop there. All workers at the D-1 level and above (there are four higher categories) can buy diplomatic liquor at a price one-fifth the regular cost. For instance, the Sussex Liquor Store at 41st St. and Second Ave. charges $116.39 for a case of Cutty Sark quarts. Those subsidized by the UN pay $24 for that same case.

In addition, all UN employes can park at the UN garage for $15 a month while most midtown garages charge $100 a month. And all employes D-2 and above are entitled to DPL plates which allow them to park with abandon even though technically they don't represent any particular country.

All UN employes who are working outside their home country are also entitled to an extra allowance called a "post adjustment." It differs from country to country, but in Geneva, where the cost of living is higher than New York, it reaches $19,000 extra a year at the D-2 level. In New York, a married undersecretary general, equivalent to an assistant U.S. cabinet chief, will receive $9,055 a year in addition to his $76,030 base salary. These post adjustments are not taxed or "assessed."

Other benefits to all U.N. professionals not available to U.S. Civil service employes include:

$1,500 annual education grant for each child attending school outside home country, plus travel costs to and from school until he or she is 21.

$400 a year for a dependent wife or husband plus $450 a year for each dependent child. If an employe has no children, he or she is entitled to $200 extra a year for each dependent brother, sister, or parent.

Maternity leave up to 14 weeks at full pay.

Special assignment allowance in addition to post adjustment in Europe and the U.S. this amounts to $2,400 a year for a married employe with children; $1,400 annually for singles.

Rental subsidies in high cost of living areas based on formula and clothing allowances for tropical and frigid locations.

A repatriation grant equal to 28 weeks at full pay in addition to pension when an employe returns to his home country.

The list goes on and on, and the patriarch of the goodies is Waldheim. He lives a life of special luxury, to say the least.

The tall, stoop-shouldered Austrian lives in a four-story town house at 57th St. and Sutton Place donated to the U.N. in 1972 by

Arthur A. Houghton Jr., president of Steuben Glass. The house and garden, with 40-foot frontage and a beautiful view of the East River, is valued at more than $1 million, and Waldheim lives there rent free. No taxes are paid on the dwelling.

Designed 50 years ago for Anne Morgan, daughter of financier J. Pierpont Morgan, the home's bedrooms each have woodburning fireplaces, and there is an antique English paneled library, drawing rooms, marble floors and elevator.

When he is not on the road, Waldheim, according to one of his aides, rises at about seven and walks to work with his bodyguard, saving his free-chauffeur-driven Lincoln Continental for other occasions.

His offices on the 38th floor of the Secretariat include a 484-square-foot conference room, an office, and a living room, bedroom, dining room and bathroom suite filled with extensive art.

In addition to his office staff of 53, Waldheim is given $37,000 annually for personal home service, such as maids, $8,000 for car replacement, $25,000 for "maintenance of residence," and $45,000 for air fares.

In addition to his salary of $120,394 and his post adjustment of $9,742, Waldheim has several annual expense accounts which he is not obliged to report: $17,000 to provide hospitality for visiting heads of state, $22,500 to provide hospitality for others who are not heads of state, $38,000 for conference servicing (interpreters), $5,000 for reproduction of documents, and $2,000 to travel home to Vienna every other year.

Like Waldheim, all UN employes are entitled to home leave every two years, paid in full for their families and several hundred pounds of luggage.

Working hours are casual, especially among the higher ranks and there are scores of conferences, in Geneva, Paris, Rome and other attractive cities that an employee can attend at will, all expenses paid, regardless of whether attendance is relevant to duty.

Gabriel Van Laethem, the French undersecretary general for the Department of Economic and Social Affairs, has an office in the Secretariat where his department is located. But he spends at least half of his time, according to UN officials interviewed, abroad, much of it in Paris, "talking to world economic leaders."

Van Laetham is not alone. A UN Joint Inspection Unit report charged that dozens of conferences and meetings are overstaffed with secretaries and aides—Waldheim takes a personal photographer with him on the road—and urged that baggage allowances and first-class accommodations be cut.

"The higher the official's rank the more he travels," said the report, which specified "During the period January to December one director was absent: February 7 days; March 13 days; April through May 35 days; June 13 days, mid-July thru mid-September 60 days; mid-September through mid-October 28 days."

Another director was absent from his Secretariat office seven out of 22 months surveyed, and the authors of the report commented in polite, diplomatic acid. "One may ask how, under the circumstances, the divisions could be run successfully."

Examples of unnecessary travel cited included: "five persons were sent from New York to accompany the secretary general to one U.S. city; two staff members traveled from New York to Casablanca, Rabat, Dakar, Nouakchott, Freetown, Lagos, Nairobi, and Addis Ababa on the question of promotion of space technology and to visit the International Telecommunications Union in Geneva. Wasn't it enough, if necessary at all, to send only one staff member."

Incidentally, they all flew first-class, with per-diem allowances of up to $85 a day. The report also pointed out that since the UN has offices in so many principal cities around the world, a good deal of the travel can be cut.

Business can be conducted by telephone or by cable, the report chided, and cited one occasion where the secretary general was too ill to go to Geneva and deliver his message to a conference. Another high official was sent in his place to make the speech "while at the same time there was already in Geneva another high UN official of the same rank who could well have read the message from the rostrum."

Along with travel goes food and even while they are in New York, UN employes eat well and inexpensively. On a recent Wednedsay, a meal of rare roast beef (generous slices) with gravy, two vegetables, bread and butter and a large bottle of Coca Cola cost $2.40. Stuffed shrimp with side dishes was $2.10, boiled beef with cabbage—$2.05, and baked cod filet almondine—$1.35. A delicious scrambled eggs with veal kidney came in at $1.60.

Comparative meals at coffee shops and restaurants in the midtown area charge at least twice as much for the same items and the UN cafeteria is probably the only eatery in town where you can get a chilled bottle of wine for under a dollar.

Because of their UN status, workers at headquarters here can shop without paying city sales tax. Defenders of the UN quickly point out that because the complex is here, the city benefits through tourism (about 3,000 visitors a day), and the U.S. State Department has estimated that the nation benefits to the tune of $200 million a year.

Not so freely advertised is a small desk outside the cafeteria where employes can sift through an index of about 200 "recommended" stores, approximately 100 of which offer extra discounts to UN personnel. These range from 5% to 30% and include: Monsieur Lucien Inc., hairdresser of 585 Fifth Ave., 10% off; David A. Baruch, jewelry, of 36 W. 47th St., 30% off; Richard Burnside, interior decorators of 210 E. 38th St., 30%-40% off; and Brodwin Chemists Ltd., a drugstore at First Ave. and 72d St. which gives a 15% discount on merchandise, including prescription drugs.

For the athletically inclined, there are softball teams, a table tennis club on the 39th floor, and a soccer league. Bridge players are never scarce and there are classes in Yoga, languages, guitar, and a UN school for children of employes.

By all accounts, the UN is a pleasant place to work: air conditioned, with lace-wood paneling from Australia in the reception room on the second floor, rugs from Ecuador outside the basement conference rooms, an ivory inlaid table from Liberia in the public library; and from Poland, three picture cutouts of ornamental birds in the Delegates Dining Room.

Consequently, employe turnover is low. A 1975 UN Joint Inspection Unit Study of Personnel showed that 37% of the staff was older than 50, and only 4% was younger than 30.

According to the survey, which sampled two thousand professional (white collar) employes, a full one third of the staff did not complete college and more than 25% never attended any institute of higher learning.

And a recent report on international organizations by the U.S. Senate Permanent Committee on Government Operations pointed out that the UN does not make an effort to hire the best qualified recruits. At the State Department, members of the bureau of International Organization Affairs explain that the UN charter insists that hiring be based on equal geographical distribution as well as ability. Consequently, Americans make up about 15% of the employe rolls in the 48 agencies of the UN system, and the State Department is quick to point out that many nations do not have our educational advantages.

"I remember when there were only three people in the Congo who graduated from high school," said Robert Kitchen, the U.S. Mission to the UN's permanent representative to the Economic and Social Council. "And that wasn't so long ago," he added.

Whatever the respective merits of UN employes, there is more than enough room aboard for a number of spy nests. What better cover than a diplomat's passport and a UN identification card.

[From the Daily News, May 4, 1977]

SPIES WHO COME IN FOR THE GOLD

(By William Sherman)

In 1948 when the world's great leaders were debating the selection of a site for UN headquarters, several of Soviet Premier Josef Stalin's aides questioned the American proposal of New York City.

They suggested to Stalin that it would give the U.S. too much power in the new international organization, too many employes. Perhaps, they politely told their stocky, enigmatic boss, if it's not located in Moscow, it should be set in a neutral country like Switzerland or Sweden.

Stalin glowered for a moment, and then, according to accounts later obtained by the CIA, his face broke into a crafty smile. "Not only will I give into the Americans," he said, "But I will heartily approve of New York City."

The aides looked at each other in bewilderment. But then Stalin made his reasons clear. Espionage, he said. "I don't want the UN here. It will serve us better in New York."

The aides grinned and nodded. Suddenly it was obvious. Employment at the UN would provide perfect cover: diplomatic immunity, free access to the United States and natural occasions for contact with other foreigners. New York, they knew was the major financial, scientific, and information center in the U.S.

The meeting was over.

And Stalin's expectations were quickly realized. In the years that followed, membership in the UN expanded from 51 nations, to 100, to 147, and UN operations were set up in other principal cities around the world—Geneva, Paris, Vienna, Nairobi, and Beirut. A Soviet spy's handbook acquired when he defected said in translation, "In the U.S. in addition to ordinary cover, we use various international organizations. The most important of these is the UN and its branch institutions."

Today, the UN system is one of the most active and fertile espionage installations in the world, not only for the Russians, but for Iranians, the Chinese, French, English, and a host of others including Americans. The hub of UN operations is the Secretariat, here in New York, where most major UN decisions are made and this city has become the capitol for numerous far-flung intelligence networks.

Intelligence agents use the UN as a base for three types of operations: First, to penetrate U.S. domestic affairs, including the Cabinet, the National Security Council, and the Defense Dept: Secondly, to keep track of each other's work. And thirdly, to monitor the UN itself.

And behind the walls of the Secretariat on 43rd St., agents, including department heads earning more than $70,000 a year, ply their trade. It is a game as serious as the more classical theft of defense secrets. For in this political organization, the manipulation of documents, of information, committee assignments and projects to a particular nation's advantage is a deadly affair.

Alliances are broken, delegates are wooed and bought, and influence is expanded with a delicate twist of a UN memo on disarmament or an aid appropriation slyly diverted from an enemy to a friendly country.

The joke is that because the U.S. pays

25% of the UN's annual $2.3 billion operating budget, U.S. taxpayers are actually paying one-quarter of each agent's salary.

As an example of how successfully agents have penetrated the UN system, Soviet KGB man Victor Lessiovsky was for years former Secretary General U Thant's top personal advisor. After Lessiovsky left the UN and returned to Moscow, his other occupation was publicly disclosed by FBI counterintelligence. A distraught Thant countered that Lessiovsky had not affected any of his decision and asserted that he did not know of the KGB man's affiliation despite their friendship of many years.

Lessiovsky was not operating alone. Several American intelligence officials interviewed say that today, one-third of the 401 Soviet nationals employed at the Secretariat in various translating and executive positions have affiliations with the KGB, the Komitet Gosudarstvennoy Bezopasnosti, or Russian CIA. This is not to say that the U.S. and China are not well represented at the UN, both at missions to the organization and inside UN agencies as well. Most large missions to the UN have their "security counsellor" or "military advisor" and this tipoff is plainly indicated in public directories.

Indeed, the current UN system actually subsidizes intelligence operations, for over the years, successive secretaries general yielded to national pressures for specific pieces of the UN pie. The principal organs of the Secretariat and many of the satellite agencies are now run and dominated as independent national satrapies, this despite the charter which prohibits employe allegiance to any organization save the UN itself. The charter added that all agencies should be internationally integrated by geographic distribution and jobs should be handed out on merit.

But the casual perversion of the UN machinery has produced a Secretariat divided up into commonly known "units"; one for the Russians, another for the Chinese, a third for the French, another for the Japanese and so on.

And when political questions arise, such as resolutions in favor of decolonizing African states, or branding Zionism as a form of racism, these units scramble to control meetings and documentation so as to dominate the UN's "official" position. In this way, various powers advance their interests and expand their influence.

The prize in the current cold war in the UN, for instance, is influence over developing African nations and their delegates. It is a reflection of what's happening outside the UN: Russia has a naval base in Somalia, the Chinese have a strong political and economic foothold in Tanzania, and the U.S. is trying to keep both Communist giants out of Angola, Zaire, wherever. Outside the UN the battle is fought in terms of aid, the U.S. pumps in millions to African nations and the Soviets and Chinese do likewise.

Inside the UN, the battle between Secretariat units is less obvious but no less real. Here is an example of how it works.

The "Russian unit" is the Department of Political Affairs, headed by Arkady Shevchenko, a widely respected Soviet diplomat. His 124-man department prepares key UN position papers on apartheid and decolonization, both key concerns of black African leaders.

Several of Shevchenko's top aides are also Russian, and according to American operatives, when these fellows are not working at their regular jobs, they are known to be extremely keen on intelligence. These aides include Viacheslav Kuzmin and Georgiy Kalinken, chief of the committee services division.

The Chinese "unit," the Secretariat's Department of Political Affairs, Trusteeship and Decolonization is headed by Tang-ming Chao, Shevchenko's arch rival. It is smaller and less established than the Russian unit, since Red China was admitted to the UN only six years ago, ousting Nationalist China.

But the Red Chinese, according to American operatives, quickly made up for lost time. Within days of taking their seat, they asked all Nationalist Chinese employes at the UN to swear allegiance to the Red cause. Some quit, but many stayed on, including Mrs. Patricia K. Tsien, daughter of a former Nationalist ambassador to the U.S.

Curiously, Mrs. Tsien takes her vacations on mainland China, and she is the head of the Chinese unit's Africa division.

Both the Russian and Chinese units deal with African questions and last fall the rivalry came out in one of the more subtle incidents in espionage history.

It occurred during a meeting on decolonization and UN aid to the African countries. A report on the conference would be submitted the next day to the entire General Assembly, including the black African delegates.

According to American operatives, the Russians, who control the interpreting and translating divisions in the Secretariat, quietly appointed one of their own men to transcribe remarks made at the conference and prepare the final report.

The next day, when the conference report was handed out to the General Assembly, the UN legislature, Chinese statements in support of a resolution against racism were nowhere to be found. The African delegates began to wonder why they weren't supported by the Chinese, and the Chinese had a lot of explaining to do.

Tang, Schevchenko, and Mrs. Tsien repeatedly declined to be interviewed but American operatives say the Russians considered the incident an intelligence coup—one more needle stuck in Tang's side.

The Russians attribute their success to their placement of highly skilled men in key jobs; including: Bohdan Lewandowski, a Pole who is undersecretary general in charge of Conference Servicing at the Secretariat; Evgueni Toumantsev, director of the Interpretation and Meetings Division; and Victor Kroupnov, head terminologist in the Translation Division.

"They are also very good at their regular jobs," one American operative commented wryly.

The United States has a "unit" in the Secretariat as well, the Division of Political and General Assembly Affairs, headed by William Buffum, an undersecretary general and former high-ranking State Department official.

But Buffum, according to an international cross section of representatives interviewed, is in no way interested in spy work, subtle or otherwise. An open man, Buffum is in charge of coordinating and organizing the General Assembly and arranging disaster relief projects.

"I don't consider it part of my job," said Buffum, whose office is on the same floor as Shevchenko's "I leave the politics to the people at the U.S. Mission. I work for the UN now."

"Buffum isn't into intelligence, but don't worry, we've got our people inside," another American explained.

An American mission officer commented, "Look, it's going on but what disturbs me is how it's wrecking the UN. You know Shevchenko's predecessor was a Russian, and his predecessor was a Russian. It's like the titles and jobs are inherited instead of distributed according to the charter."

Who then is minding the store at the UN, monitoring the office of Public Information, headed by Ganechi Akatani, a Japanese, or watching Nikolai Fochine, the Soviet principal officer in the Office for Special Political Affairs, an agency that helps supervise peacekeeping forces?

It is not the UN Security and Safety Service where chief Huck Trimble, a Canadian, said his department is responsible only for the safety of the building, personal property and the personal security of diplomats and employes.

The answer is: Nobody except UN officials themselves, and one former UN employe, a Swede named Bang Jensen, who took matters into his own hands when things got too rough.

In 1956, Jensen along with a mixed group of UN officials, was sent to Austria to interview Hungarian refugees who were talking about Soviet terror and oppression. Jensen had the list of refugees interviewed and when he returned to New York, he refused to part with it, according to one UN official, "He thought it would fall into KGB hands and the refugees' families back in Hungary would be killed or imprisoned," said the official.

"Dag Hammarskjold himself (then Secretary General) asked Jensen for the list, but he still refused. Hammarskjold said he needed it for a report. Jensen said 'too bad' and got so scared, he walked up to the Secretariat roof and burned it," the official recalled. "There was no one he could trust."

Although nobody is tracking internal UN affairs, the FBI's counterintelligence unit is specifically assigned to take action against direct spying against the United States. This unit has caught more than 20 UN-affiliated KGB men in the act, and works closely with other Western powers in fighting espionage. However, many of those caught are not imprisoned because of their diplomatic immunity. Here are a few examples:

KGB agent Vladimir Rybatchenko, an attache in the scientific section of the UN Educational, Scientific and Cultural Organization in Paris. He was nabbed by the French secret police last March as the boss of a spy cell stealing NATO Secrets. The French sent him back to Moscow after the ring was broken up.

Eduord B. Charchyan and Abdulkhalik M. Gadzhiyev, both third secretaries at the Soviet Mission to the UN, and Petros Petrosyan, a participant in a UN Human Rights conference. These three KGB spies ran an intelligence network that netted the Russians a top secret, "Vulnerability Analysis: U.S. Reinforcement of NATO," and other items. The network was smashed in 1975 by the F.B.I., two naturalized Americans were imprisoned and the UN officials were sent home to Moscow.

Valery Markelov, a 32-year-old Russian translator at the UN who was turned into the F.B.I. within hours of trying to recruit an engineer for Grumman Aerospace Co. on Long Island. A novice, Markelov was blatant in his approaches and was quickly arrested and put on the first plane back home.

An FBI counterintelligence spokesman said his agency is "pretty successful," so far as he knows, but he complained that his budget is too small to provide for adequate surveillance of known operatives here. A former CIA executive commented, "Everybody knows the F.B.I. doesn't pay overtime and is badly staffed on holidays. The result is that all the big KGB contacts with American recruits come on New Year's, Thanksgiving, Easter, Christmas, or on weekends. They know the FBI men don't like to work weekends."

"Of course," the CIA man continued, "the KGB always works weekends." He grinned. "They've got the ideological commitment. They don't care about overtime."

THE HI-FI SPY

The spy game isn't always that serious. One American intelligence agent recalled how he was totally mystified after tailing a middle-aged KGB man who spent an hour at the Secretariat, left work and proceeded by bus to a hi fi store on Third Ave. in the E. 80's. The KGB man saw a salesman inside,

then went downtown into another hi-fi shop in the E. 40's and from there to an appliance outlet on Canal St. The second day, the KGB man repeated his routine, ducking into various stores and the third day it was the same.

"I was beginning to think he had a network in some of the stores and was visiting the others to make it look like he was shopping around," said the American agent. "After all, he had worked Paris and Vienna recruiting, trying to get some of our people in NATO, so I wondered what was happening.

More American agents were put on the KGB man's tail. One afternoon during the following week, he was strolling down 45th St. between Lexington and Third with two Americans behind, one in front and two across the way, all switching places every so often to avoid discovery, all ostensibly shopping.

Still there was no hints of skull duggery. The game continued. Finally, at the end of the third week, the American agent got a break. "One of our men inside the UN picked up some information. The KGB man was only shopping. It was legit. "But," the American agent chuckled, "Not just for himself. He was shopping for the whole Soviet mission and all the Russians inside the UN. That is his assignment in New York. To find bargains. Nothing else. It was a joke."

But it was the exception. —W.S.

[From the Daily News, May 5, 1977]

A $26-MILLION DEMOLITION JOB

(By William Sherman)

It was a beautiful concept. Nearly all the UN delegates were enthralled when Habitat, an international conference on housing and the environment, was proposed in 1972. After all, housing is among the most pressing of the world's problems, from Harlem to Hyderabad in Pakistan.

And the beauty of such a conference, they said, was that the problems are apolitical: Filth and poverty and pollution knew no ideology. If international guidelines could be designed on how to develop human settlements without destroying the environment, if the wealthier and more knowledgeable nations could help the less privileged, then the conference would be a rousing success.

Four years later, the majority of those representatives had flushed the concept down the drain—and with it went $26 million. The hoped-for guidelines were lost in cheap rhetoric and the conference was turned into a shambles of political harangue. But it didn't start out that way when they first conceived the idea in 1972. Not then.

Habitat sounded better and better the more they talked about it. One hundred and thirty-two countries quickly agreed to participate and a special undersecretary general was appointed with a large staff and a budget of $2 million to coordinate planning efforts. Canada quickly volunteered to serve as the host country and pay for all the representatives' transportation and accommodations—and for the four meeting halls in Vancouver.

Over the next year, housing and environment experts from all over the world were invited to attend, including Buckminster Fuller and Margaret Mead. The ambitious planners decided to include an audio-visual program and each country and many international organizations would produce at least one 20-minute color film about its particular "habitat" problem, films ranging from waste proposal to slums. The UN contributed $3.5 million to help fund film production costs.

So that each delegation would have its own closed circuit television another $500,000 was spent; and there were advertisements, public address systems, and special preparatory visits to 96 countries for smaller conferences. Another $1 million was earmarked for interpreting and for transcribing the 115 reports to be submitted by member nations.

Finally, after four years of preparation 5,000 representatives from various countries and organizations poured into Vancouver, and on May 31, 1976, the first session of Habitat was convened. Secretary General Kurt Waldheim himself was there to give his blessing.

Then the trouble started. First the electronic system failed. When that was repaired, the Palestine Liberation Organization demanded more than "observer" status.

The chairman, Barnett Dansin, then Canada's esteemed minister of housing, said he was sorry, but the PLO was not a UN member. There was nothing he could do.

That afternoon, the PLO and other Arab delegates spread the word that Dansin was Jewish. How could the UN dare appoint a Jewish chairman? Western delegates protested. Dansin had visited all the Arab countries before the conference; everybody knew he was Jewish. What was the big deal?

The Arabs agreed and pressured the PLO to settle down, watch the films and talk. But at the end of the week, the conference was again in a shambles.

Instead of setting up guidelines for housing and environmental protection, the discussion sessions almost uniformly deteriorated into loud political brawls over Israel. A meeting on land use crumbled into accusations that Israel wasn't treating Palestinian refugees well; a session on environment settled into a discussion over whether Israel's occupied territories weren't badly run.

When it came time to vote, there was precious little housing involved and no talk of cooperation. Almost without exception, the resolutions were a barrage of condemnations of Israel: "Zionism is racism," "Israel is an illegitimate state," and so on. The resolutions passed 77–8 with 20 abstentions, 69–8 with 26 abstentions, 73–3 with 42 abstentions. Each time, the U.S. delegate protested the politicization of the conference, along with Canada, Israel, West Germany and other powers. Each time, they were voted down.

Many representatives didn't even bother showing up for the votes, as reflected in the different number of votes cast. Instead, they spent their afternoons wandering around Vancouver's beautiful Stanley Park. The conference ended on June 13 as a "disaster," according to Deputy Assistant U.S. Secretary of State James Baker and Geoffrey Bruce, Canada's Minister to the UN.

When they added up the tab, they were sorrier still. It totaled more than $26 million: $18 million of Canadian taxpayers' money, and another $8 million contributed by UN member nations, not to mention the 249 films and the 115 housing reports that were translated into six languages. All down the drain.

The great program for an exchange of ideas on Habitat had dissolved under the weight of irrelevant rhetoric. When the General Assembly met a few months later to discuss the results of the conference however, it was called a success and a similar conference was suggested for the future.

Habitat was not an isolated incident, though, and its failure is only one symptom of the disease that is destroying UN technical aid programs.

In the last decade, dozens of technical meetings on health, labor standards and science have been perverted and politicized to the detriment of people in need. Not to mention costs that exceeded $100 million.

When asked why, State Department and UN officials quickly point to the voting arithmetic in the UN General Assembly. The Arabs and their Third World allies have 114 out of 147 votes. That political arithmetic, they say, is the political reality.

But it's not that simple. UN leaders may not have sanctioned the collapse of these technical projects, but they at least allowed them to fail. And when the voting arithmetic began to take its toll in the late 60's, the U.S. ignored the problem and walked away from the fight.

Up until that time, technical conferences and agencies such as the World Health Organization, were free from politics, for the most part. Debate and rhetoric were confined to the General Assembly and the Security Council.

Even the Soviet Union sought to keep technical projects free of politics, but all these efforts failed.

The 1974 International Women's Year Conference in Mexico City was turned into an anti-Israeli forum, as were earlier conferences held by the International Labor Organization, the UN Educational Scientific and Cultural Organization and the World Health Organization.

And the cold war waged by the Third World-Arab alliance was not directed at Israel alone. The machinery of the UN has been twisted to affect everything from information satellites to pensions. A few examples:

The Panama Canal was hotly debated during last year's meeting of the UN Universal Postal Union, an organization designed to improve postal service around the world and at the International Tele-communication Union.

UNESCO was created to promote friendly cultural exchanges between nations. This year's budget includes $1.5 million for direct aid to refugees and national liberation movements.

Last fall, a resolution was introduced in the General Assembly demanding that the UN employes' $1.3 billion pension fund liquidate $600 million in investments in highly rated western bloc corporate stocks and bonds and invest the proceeds in developing nations. The resolution passed in watered down form after the employes, many from the Third World itself, decided that investments in developing nations were too risky.

The controversy over apartheid raged in a 1975 conference of the World Meteorological Association, an agency supposedly devoted to the exchange of information of the weather between countries.

A $100 million UNESCO plan to end world illiteracy flopped and was abandoned after a few years because UN officials and bureaucrats disagreed over whether traditional Western educational methods should be used.

And in a move that hobbled the already overburdened UN development bureaucracy, where 29 agencies were devoted to aiding lesser developed nations, the Third World bloc pushed through a 30th agency, UNIDO, the UN Industrial Development Organization.

This meant another $60,000-a-year director, and administrative assistants, public relations officers and more paper, office space, travel and meetings, costing in excess of $5 million a year.

Robert Kitchen, an official at the U.S. mission to the UN contends, "You can't blame the Third World countries. They've been deprived for so long, they want every nickel they can get."

But the UN economy was already overburdened with projects and agencies and overhead. Politics and cash are inexorably tied together at the UN. And the U.S. protested the creation of UNIDO, just as it rallied against the U.N. Commission on Human Rights' political refusal to investigate alleged discrimination in the Soviet Union and wholesale massacres of tribes in Africa. Last year U.S. delegates walked out of a commission meeting in Geneva and then U.S. Ambassador to the UN William Scranton called the commission, "a monument to hypocrisy."

This lament is a far cry from the UN's early days when the U.S. and the West held

sway over the system and its agencies; when the voting arithmetic was in the West's favor. Even in the late 50's, when UN membership numbered 80 and no group had a clear majority, the U.S. was able to exercise its influence on then Secretary General Dag Hammarskjold.

"That was when the phrase, 'Give it to Dag' originated," said Joseph Sisco, former assistant secretary of state for international organizations.

"When there was an impasse, they'd give it to Dag and he would solve it," Sisco continued. And Hammarskjold, whose 1961 settlement of the Congo conflicts effectively kept the Soviet Union out of Africa for seven years, was the last pro-Western UN leader.

Hammarskjold's successors, U Thant and Kurt Waldheim did little to stop the slide of the UN into what Sen. Daniel Patrick Moynihan would later call, in his term as ambassador to the U.N. a "theater of the absurd." When UNESCO members passed a resolution demanding that news stories critical of member nations be censored, U Thant uttered not one word of protest. When mainland Chinese asked all Taiwanese UN employes to swear allegiance to the Communist cause in direct violation of the UN charter, Waldheim was silent.

High-paying UN agency jobs were assigned in response to pressure from voting blocs rather than merit as Waldheim and Thant hustled to curry favor with the new majority, says the U.S. Senate Government Operations Committee, U.S. influence on key budget committees and organization councils waned.

Former Secretary of State Henry Kissinger "didn't believe in multinational organizations like the UN," says W. Tapley Bennett, first deputy U.S. Ambassador to the UN. "He believed you could accomplish more through bilateral negotiations and aid."

Other state department officials interviewed added that U.S. involvement with Vietnam, the opening of relations with mainland China and various Mideast concerns caused the U.S. to put "the UN on the back burner."

"We call it damage limitation," said one state department UN expert. "Instead of getting in there to fight, you pay your dues, keep your mouth shut and try to limit the damage by staying as friendly as possible."

However, by the early 70's it became apparent that the "U.S. was facing a resurgence of the Soviet Union in Africa," as Sisco puts it. Since there are 51 African members in the UN, it became necessary for the U.S. to jump back into the fray.

In 1974, alarmed at UNESCO's refusal during a conference to grant Israel a seat on a regional council, the U.S. Congress voted to stop paying its assessed dues to that organization. That year, Kissinger notified the ILO that the U.S. would withdraw from that organization for similar reasons.

In 1975, Pat Moynihan stood up on the Assembly floor and launched tirade after tirade against the perversion of conferences and projects at the UN.

But it was too late. Six months later came Habitat.

[From the Daily News, May 6, 1977]

AS FUNCTIONARIES FIDDLED, THE FAMINE RAGED

(By William Sherman)

A severe drought struck the African nations south of the Sahara beginning in the fall of 1968. By the time normal rains fell again six years later, 150,000 people had starved to death in the desert or in filthy makeshift camps.

For the first four years of the drought, the United Nations disaster relief system took almost no initiative to rescue the population in these countries—Mali, Mauritania, Niger, Senegal, Chad and the Upper Volta—an area known as the Sahel, the poorest countries in the world.

The United Nations blundered and fell, buried under bureaucracy and interagency covenants that paralyzed it.

It wasn't as though the drought was a secret. Reports on the situation, the crop failures, the famine and the death of entire livestock herds, floated in and out of agencies and individual nations' embassies throughout this period. More than 100 UN Food and Agriculture Organization field service officers were stationed throughout the Sahel.

Several UN officials, interviewed recently, stated that their agencies were unable to start rescue operations because the Sahelian governments did not ask for their help. "The charter prohibits interference in the internal affairs of sovereign countries," said George Dorsey, a spokesman for the UN Food and Agriculture Organization in Rome. "If they don't ask, we can't push it on them."

But a study of UN documents and other accounts of the drought shows that even after urgent requests for help were made by the Sahelian governments, it took the UN more than 18 months to mobilize a relief effort. During this time, UN officials shuttled between Rome, Geneva, New York, and West Africa, playing diplomat, passing resolutions and holding conferences.

The excuse that the Sahelian governments didn't ask for help seems to pale under the weight of the evidence of the drought. The United States, Canada, and the Soviet Union had been sending aid unilaterally from the beginning, as soon as the rains stopped and the desert began to creep south.

There is no evidence that UN officials, aware of the tragedy, rang an international alarm that could have pressured Sahelian leaders to acknowledge their nation's plight.

And when UN coordinated aid began to pour in, late in 1973, much of it rotted on the docks and in warehouses, or arrived infested with maggots for want of transportation inland to the plains. The UN relief operation failed to take account of transportation problems despite the obvious: three of the Sahelian nations are landlocked. Tons of aid were lost; sold under the eyes of government officials, instead of going free to people in need.

It could have been avoided, for eventually, after the rains came again, the UN set to work on a massive and by all accounts successful effort to build the damaged economies of the Sahel.

But in 1968, when the drought began, nobody seemed to pay any attention to the nomads who roam the 2,600 mile wide steppe of the Sahel, searching for grass and water.

Until 1972, no UN office was designated specifically to handle emergency relief operations. Instead, these tasks were fulfilled by a hodgepodge of UN agencies; the World Food Program, the Food and Agriculture Organization, the Development Program, the Children's Emergency Fund and the World Health Organization.

And the UN Food and Agriculture Organization, with a specific charter mandate to "predict food shortages as well as to assist in planning food requirements," did not respond to the famine in the Sahel, according to UN documents.

Asked why not, Dorsey replied, "I don't know, there aren't any records."

However, reports on the Sahel from the State Department, the General Accounting Office and the Carnegie Endowment for International Peace do provide a record: a "diary" of inertia, inaction and sloppiness. It begins in February, 1972, four years after the drought began: An official from Chad went to an FAO annual Council meeting in Rome and declared that half his country's arable land was barren and that Chad and neighboring countries needed help badly.

The members of the Council listened, but it was two more months before any action was taken. Then, FAO's Director General Addeke Boerma told an intergovernmental committee of the UN's World Food Program, an organization created to distribute emergency food supplies, that the drought had become "endemic."

The "diary of disaster," put together from official records, continues:

July 1972: The UN "doctors" don't show up. In the Sahel, cattle drop on the plains. By the end of the year, 3.5 million cattle, one quarter of the total herd population for the six afflicted countries, die.

September 1972: The fall rains total only two inches in some parts of the Sahel. No rain in much of Mali. The Food and Agriculture Organization in Rome says it has reports signaling "an early warning" of disaster; an early warning for a disaster which by that time was four years old.

February 1973: The Food and Agriculture Organization establishes a "working group" to study further the situation in the Sahel. Joint UN missions are sent to the Sahel to "assess" water and livestock problems. After a month, the working group complains it is having a hard time getting data on needs. Then the World Food Program agrees to serve as the coordinating agency.

April 1973: The World Food Program appeals to various donor countries on possible shipping schedules for aid, together with port and evacuation facilities. However, according to the U.S. General Accounting Office, the World Food Program does not establish a separate group to deal with the drought. Instead, it assigns Rome headquarters staff members those responsibilities in addition to their regular duties.

On April 7th, Raymond Scheyven, a Belgian diplomat, is sent by the FAO to the Sahel to further "assess" the situation. Accompanying him are representatives of the European Development Fund, the International Bank for Reconstruction and Development, and the World Food Program.

May 18, 1973: Raymond Scheyven, finished with his tour of the Sahel, arrives in New York to consult with Secretary General Kurt Waldheim and the UN Economic and Social Council. That afternoon, the council adopts resolution 1759 which called on UN member states to contribute emergency assistance and called upon Waldheim "to organize as soon as possible."

May 20, 1973: Responding to the resolution, Waldheim consults with Food and Agriculture Director General Boerma and they decide that FAO should serve as the focal point for a Sahelian relief operation.

June 1973: The FAO turns around and establishes another agency, OSRO, the Office of Sahel Relief Operations, as its "operating arm." OSRO in its turn sets up a trust fund to receive contributions for relief activities. On June 28, Waldheim convenes a meeting at the Palais des Nations in Geneva attended by numerous agency heads to appoint another group, "the Special Sahelian Office," which will serve as "a focal point for mid and long-term assistance to the Sahel."

July 1973: Shipments of emergency food aid are on the high seas heading toward the Sahel. The U.S. asks the UN coordinating groups for reports on how much food, seed and medicines are needed. OSRO, WFP, and FAO haven't finished their studies. The Sahelian governments argue with various UN officials over who should have authority over the aid to be distributed. The argument ends in a draw. Effectively, nobody is in charge.

August 1973: UN coordinating groups discover problems in getting the aid to the plains. Three of the Sahelian countries are landlocked. Chad has no railroad. The major port for all six Sahelian nations is Dakar in Senegal. The food is pouring onto the docks.

Meanwhile, on the plains, cholera is reported in Niger, Mauritania and Upper Volta. Transport estimates are fouled up. Trucks carrying aid inland run out of gasoline and can't refuel. Refugees hearing about the aid trek hundreds of miles to "reception areas," which surround the stranded trucks.

September 1973: UN coordinating agencies finally estimate that, because of transportation problems, it will take three months to transfer food stocks to Mali from the port of Dakar.

About 54,000 metric tons of food are found stockpiled at Sahel ports. The port of Novakchott in Mauritania is too small for large vessels. UN officials forgot to tell donor countries and cargo ships anchored offshore. Aid is unloaded onto tugs and lighters which ferry the food to the docks. It spills. "We are told this procedure results in food losses up to to 40%," says the U.S. General Accounting Office.

December 1973: The U.S. Department of Health, Education, and Welfare estimates that 100,000 Sahelians have starved to death in the famine. Where is the aid? 1,400 sacks of corn soy milk for infants and pregnant mothers lie spoiling on the docks.

U.S. auditors trying to keep track of U.S. donated aid through the UN visit a refugee camp for 100 people near Agadez, Niger. They find that the total of aid distributed the previous month was one 100 pound bag of sorghum. They visit other centers in Niger and find that sorghum is being sold, not given away free. U.S. officials complain. They visit Mauritania and estimate that 60% of U.S. donated emergency food supplies are being sold.

February 1974: Waldheim visits the Sahel, and according to UN documents "personally had discussions with high-level government officials" concerning the needs of their countries and the role which the UN system can play in meeting them. On Feb. 21, Waldheim appeals for further aid to the distressed countries.

May 1974: Transportation problems still haven't been solved. Stockpiling in improper facilities causes spoilage. U.S. auditors report that wet grain is stored with dry grain; newly arrived grain is dumped on top of infested grain and complete shipments are ruined by insects. A later study will show that of 64,000 metric tons of food stocks in Mali, 15,000 tons are unfit for human consumption and 34,000 tons require "immediate fumigation."

September 1974: UN relief coordinating agencies declare that the rescue operation is well under way. Tons of emergency aid are in transit, in ports and at railheads. But, they add, "Transportation problems have not been solved."

At the end of September the rains came and for the first time in six years, the Sahel enjoyed a normal rainfall. The drought was finally over, but because of soil erosion no crops were planted. More people died and by the end of the year, the Food and Agriculture Organization estimated that 150,000 people had died because of the six-year famine.

Today, the various UN coordinating agencies are involved in a massive $500 million effort to rebuild the six damaged nations. UN officials point with pride to the rebuildin effort.

"The effort today is to avert another such tragedy," says Brad Morse, director of the UN Development Program.

But where were they all then, in 1968, '69, '70, '71, '72 and '73?

INSTANT, ONSITE, VOTER REGISTRATION INVITES FRAUD

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, although Chicago or Cook County elections in the past have not been known for virtue or integrity, I was encouraged by an editorial response aired on Chicago's station WGN on April 26, 1977.

As we face an important vote on this issue in the near future, I wish to share this editorial with our colleagues:

WGN EDITORIAL

APRIL 26, 1977.

(WGN Continental Broadcasting Company recently commented editorially on voter registration reform. The following is a reply by James Flournoy, from Hoffman Estates, Illinois.)

In a recent editorial WGN failed to bring out the real significance of the President's proposal for registering and voting on election day.

If the President were as concerned for the strength of our democracy as he is for partisan political considerations, he would have realized his proposal would undermine democratic processes.

The opportunity to exercise one's right to vote should be a simple process and made equal to all citizens. This can be accomplished by a program of computerized mail registration and verification to be conducted by the States. There are Democratic and Republican members of Congress aware of the program and what it would do to enhance the faith in our elections.

Almost anyone who has given serious study as to how our democracy has functioned for the last two hundred years, has concluded that its strength is not reflected in the percentage of people voting, but in the integrity of the elections providing the foundation for our democracy to function according to the Constitution.

The President has a moral obligation to do everything he can for the Welfare of the country. It is immoral for any politician to knowingly promote a program which would mean that our elections would be subject to manipulation threatening the fidelity of our democratic processes.

PERSONAL EXPLANATION

Mr. MIKVA. Mr. Speaker, I was off of Capitol Hill during a vote to approve the Journal of Tuesday, May 10. Had I been present, I would have voted "yes" on rollcall No. 220.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. STEERS (at the request of Mr. RHODES), for today and the balance of the week, on account of illness.

Mr. FISH (at the request of Mr. RHODES), on account of illness in family.

Mr. RAILSBACK (at the request of Mr. RHODES), for the week of May 16, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. TRIBLE) to revise and extend their remarks and include extraneous material:)

Mr. DERWINSKI, for 60 minutes, May 18.

Mr. WHALEN, for 5 minutes, today.

(The following Members (at the request of Mr. BARNARD) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. MAZZOLI, for 5 minutes, today.

Mr. GLICKMAN, for 5 minutes, today.

Mr. BURKE of Massachusetts, for 5 minutes today.

Mr. KOCH, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. WOLFF, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,851.50.

Mr. DORNAN, and to include extraneous material on H.R. 3477.

(The following Members (at the request of Mr. TRIBLE) and to include extraneous matter:)

Mr. KEMP in two instances.

Mr. CARTER.

Mr. DEL CLAWSON.

Mr. SARASIN.

Mr. ARMSTRONG.

Mr. COLLINS of Texas in three instances.

Mr. HAGEDORN.

Mr. SYMMS.

Mr. TREEN.

Mr. EVANS of Delaware.

(The following Members (at the request of Mr. BARNARD) and to include extraneous material:)

Mr. PATTISON of New York.

Mr. SISK.

Mr. BENJAMIN.

Mr. ANNUNZIO in six instances.

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. BROWN of California in 10 instances.

Mr. TEAGUE.

Mr. FORD of Michigan in two instances.

Mr. WAXMAN.

Mrs. SCHROEDER.

Mr. EILBERG.

Mr. MIKVA.

Mr. TSONGAS.

Mr. BINGHAM.

Mr. BLOUIN.

Mr. EDGAR in two instances.

Mr. PATTEN.

Mr. FARY.

Mr. LONG of Maryland.

Mr. FLORIO.

Mr. ROGERS.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 425. An act to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to Lt. Gen. Ira C. Eaker, U.S. Air Force (retired); to the Committee on Banking, Finance and Urban Affairs; and

S. 810. An act granting an extension of patent to the United Daughters of the Con-

federacy; to the Committee on the Judiciary.

ADJOURNMENT

Mr. BARNARD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 56 minutes p.m.), the House adjourned until tomorrow, Tuesday, May 17, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1494. A letter from the President of the United States, transmitting amendments to the request for fiscal year 1978 appropriations for the Energy Research and Development Administration, the Board for International Broadcasting, and the U.S. Information Agency (H. Doc. No. 95–156); to the Committee on Appropriations and ordered to be printed.

1495. A letter from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to provide authorizations for HUD housing and related authorities for fiscal year 1979, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

1496. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting notice of a proposed new records system for the Department of the Army, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1497. A letter from the Secretary, Smithsonian Institution, transmitting the annual report of the Smithsonian Institution for fiscal year 1976, pursuant to section 3 of the act of August 10, 1846 [20 U.S.C. 57]; to the Committee on House Administration.

1498. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the proposed issuance of a license for the export of defense articles sold commercially to Saudi Arabia (Transmittal No. MC–44–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

1499. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on excess defense articles delivered to foreign governments during the first quarter of fiscal year 1977, pursuant to section 8(d) of the Foreign Military Sales Act Amendments of 1971, as amended; to the Committee on International Relations.

1500. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Ambassador-designate Richard K. Fox, Jr., and his family, pursuant to section 6 of Public Law 93–126; to the Committee on International Relations.

1501. A letter from the Secretary, Interstate Commerce Commission, transmitting, a report on the Commission's determination to extend the time period for acting on the appeal pending in docket No. 35914, *H & R Scrap Iron and Metal Co.*, v. *Chicago & North Western Transportation Co.*, pursuant to section 17(9)(f) of the Interstate Commerce Act, as amended (90 Stat. 49); to the Committee on Interstate and Foreign Commerce.

1502. A letter from the director, National Legislative Commission, The American Legion, transmitting statements of the organization's financial condition as of December 31, 1976, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

1503. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a Corps of Engineers report on the Blanco River and the San Marcos River and its tributaries, Texas, in response to a resolution of the House Committee on Public Works adopted August 15, 1961; to the Committee on Public Works and Transportation.

1504. A letter from the Chairman, U.S. International Trade Commission, transmitting a report on the implications for U.S. trade of granting most-favored-nation treatment to the People's Republic of China, pursuant to section 410 of the Trade Act of 1974; to the Committee on Ways and Means.

1505. A letter from the Comptroller General of the United States, transmittintg a report on the effectiveness of the Defense Department's program planning with private industry to satisfy mobilization production requirements (PSAD–77–108, May 13, 1977); jointly to the Committees on Government Operations, and Armed Services.

1506. A letter from the Comptroller General of the United States, transmitting a report on the activities of the National Institute on Alcohol Abuse and Alcoholism to treat the Nation's alcohol abusers (HRD–76–163, April 28, 1977); jointly, to the Committees on Government Operations, and Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TEAGUE: Committee on Science and Technology. H.R. 6566. A bill to authorize appropriations for the use of the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes; with amendment (Rept. No. 95–272, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SCHROEDER: Committee on Post Office and Civil Service. H.R. 2387. A bill to amend chapter 53 of title 5, United States Code, to increase the salaries of the Chairman and members of the Federal Reserve Board and of the Director and Deputy Director of the Office of Management and Budget; with amendment (Rept. No. 95–320). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SCHROEDER: Committee on Post Office and Civil Service. H.R. 6975. A bill to amend title 5, United States Code, to increase the number of hearing examiner positions which the Civil Service Commission may establish and place at GS–16 of the General Schedule (Rept. No. 95–321). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SCHROEDER: Committee on Post Office and Civil Service. H.R. 6974. A bill to amend title 5, United States Code, to provide for an increase in the number of positions which may be placed in grades 16, 17, and 18 of the General Schedule by the Director of the Administrative Office of the United States Courts (Rept. No. 95–322). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 6794. A bill to amend the Federal Energy Administration Act of 1974 to extend the duration of authorities under such act, to authorize appropriations for the Federal Energy Administration for the 1978 fiscal year, and for other purposes (Rept. No. 95–323). Referred to the Committee of the Whole House on the State of the Union.

Mr. EDWARDS of California: Committee on the Judiciary. H.R. 5645. A bill to raise the limitation on appropriations for the U.S. Commission on Civil Rights (Rept. No. 95–324). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 4963. A bill to authorize appropriations for the fiscal year 1978 for certain maritime programs of the Department of Commerce, and for other purposes; with amendment (Rept. No. 95–332). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 6405. A bill to amend the Endangered Species Act of 1973 regarding the requirements for State cooperative programs thereunder and to authorize appropriations through fiscal year 1981 to carry out such programs (Rept. No. 95–333). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 5798. A bill to amend the Interstate Commerce Act to authorize appropriations for the Office of Rail Public Counsel for fiscal year 1978 (Rept. No. 95–334). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIGGS: Committee on the District of Columbia. H.R. 6536. A bill to establish an actuarially sound basis for financing retirement benefits for policemen, firemen, teachers, and judges of the District of Columbia and to make certain changes in such benefits (Rept. No. 95–335). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. A bill to increase the appropriations authorization for fiscal year 1978 and authorize appropriations for fiscal year 1978 to carry out the Marine Mammal Protection Act of 1972; with amendment (Rept. No. 95–336). Referred to the Committee of the Whole House on the State of the Union.

Mr. MANN: Committee on the Judiciary. H.R. 7010. A bill to provide for grants to States for the payment of compensation to persons injured by certain criminal acts and omissions, and for other purposes; with amendment (Rept. No. 95–337). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 6827. A bill to amend the Public Health Service Act to extend certain authorities and authorize appropriations for certain fiscal years for purposes of providing assistance to the States with respect to safe drinking water, and for other purposes; with amendment (Rept. No. 95–338). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 3816. A bill to amend the Federal Trade Commission Act to expedite the enforcement of Federal Trade Commission cease and desist orders and compulsory process orders; to increase the independence of the Federal Trade Commission in legislative, budgetary, and personnel matters; and for other purposes; with amendment (Rept. No. 95–339). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 6803. A bill to provide a comprehensive system of liability and compensation for oilspill damage and removal costs, and for other purposes; with amendment (Rept. No. 95–340, Pt. I). Ordered to be printed.

Mr. BROOKS: Committee on Government Operations. H.R. 6257. A bill to provide for the efficient and regular distribution of current information on Federal domestic assistance programs; with amendment (Rept. No. 95–341). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government

Operations. H.R. 6258. A bill to amend the Privacy Act of 1974 to extend the life of the Privacy Protection Study Commission to September 30, 1977 (Rept. No. 95-342). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOLEY: Committee on Agriculture. H.R. 7073. A bill to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended; with amendment (Rept. 95-343). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOLEY: Committee on Agriculture. H.R. 75. A bill to provide for furthering the conservation, protection, and enhancement of the Nation's land, water, and related resources for sustained use, and for other purposes; with amendment (Rept. No. 95-344). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOLEY: Committee on Agriculture. H.R. 6135. A bill to amend the U.S. Grain Standards Act with respect to recordkeeping requirements and supervision fees, and for other purposes; with amendment (Rept. No. 95-345). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SAWYER: Committee on the Judiciary. H.R. 1392. A bill for the relief of Maria Miraflor Carabbacan (Rept. No. 95-326). Referred to the Committee of the Whole House.

Mr. EVANS of Georgia: Committee on the Judiciary. H.R. 1440. A bill for the relief of Eun Kyung Park and Sang Hyuk Park (Rept. No. 95-327). Referred to the Committee of the Whole House.

Mr. EILBERG: Committee on the Judiciary. H.R. 1552. A bill for the relief of Oh Soon Hee; with amendment (Rept. No. 95-328). Referred to the Committee of the Whole House.

Mr. EILBERG: Committee on the Judiciary. H.R. 1777. A bill for the relief of Cathy Gee Yuen; with amendment (Rept. No. 95-329). Referred to the Committee of the Whole House.

Mr. EVANS of Georgia: Committee on the Judiciary. H.R. 1767. A bill for the relief of Paz A. Norona; with amendment (Rept. No. 95-330). Referred to the Committee of the Whole House.

Mr. SAWYER: Committee on the Judiciary. H.R. 2944. A bill for the relief of Ricky Lee Trautvetter (Rept. No. 95-331). Referred to the Committee of the Whole House.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 4297. A bill to amend the Marine Protection, Research, and Sanctuaries Act of 1972 to authorize appropriations to carry out the provisions of such Act for fiscal year 1978; with amendment (Rept. No. 95-325, Pt. I). Referred to the Committee on Science and Technology for a period ending not later than May 20, 1977, for consideration of such portions of section 2 of the bill as fall within that committee's jurisdiction under rule X, clause 1(r), and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DEVINE (for himself, Mr. LATTA, and Mr. GRASSLEY):

H.R. 7199. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. CORMAN (for himself and Mr. VANDER JAGT):

H.R. 7200. A bill to amend the Social Security Act to make needed improvements in the programs of supplemental security income benefits, aid to families with dependent children, child welfare services, and social services, and for other purposes; to the Committee on Ways and Means.

By Mr. DANIELSON:

H.R. 7201. A bill to amend subsection (a) of section 2737 of title 10, United States Code, and for other purposes; to the Committee on Armed Services.

H.R. 7202. A bill to amend the act of August 24, 1935 (commonly referred to as the "Miller Act") to provide for additional protection to persons supplying labor and material in the prosecution of work provided for in contracts for the construction, alteration, or repair of any public building or public work of the United States, and for other purposes; to the Committee on the Judiciary.

H.R. 7203. A bill to transfer responsibility for furnishing certified copies of Miller Act payment bonds from the Comptroller General to the officer that awarded the contract for which the bond was given; to the Committee on the Judiciary.

H.R. 7204. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures; to the Committee on the Judiciary.

By Mr. DRINAN:

H.R. 7205. A bill to amend the Immigration and Nationality Act to establish a uniform procedure for the admission of refugees as immigrants, and for other purposes; to the Committee on the Judiciary.

By Mr. EILBERG (for himself, Mr. NIX, Mr. MICHAEL O. MYERS, Mr. LEDERER, Mr. DODD, Mr. SCHULZE, Mr. GILMAN, Mr. MAZZOLI, and Mr. TREEN):

H.R. 7206. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to authorize group life insurance programs for public safety officers and to assist State and local governments to provide such insurance, and for other purposes; to the Committee on the Judiciary.

By Mr. FRENZEL (for himself, Mr. STEIGER, Mr. QUIE, Mr. FRASER, Mr. GOODLING and Mr. VENTO):

H.R. 7207. A bill to amend the Internal Revenue Code of 1954 to provide that certain organizations furnishing computer and fiscal management services to social organizations shall be exempt from income tax; to the Committee on Ways and Means.

By Mr. GAYDOS:

H.R. 7208. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer to deduct, or to claim a credit for, amounts paid as tuition to provide an education for himself, for his spouse, or for his dependents; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT (for himself and Mr. KELLY):

H.R. 7209. A bill to amend the Communications Act of 1934 in order to prohibit the television broadcasting of programs portraying nudity, obscenity, or explicit sexual activity which is offensive to the public taste and morals; to the Committee on Interstate and Foreign Commerce.

By Mr. HEFNER:

H.R. 7210. A bill to amend title II of the Social Security Act to eliminate the 5-month waiting period which is presently required in order for an individual to be eligible for disability insurance benefits or the disability freeze (or for widow's or widower's benefits on the basis of disability); to the Committee on Ways and Means.

H.R. 7211. A bill to amend title II of the Social Security Act to increase to $4,800 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. KINDNESS (for himself, Mr. BAUCUS, Mr. CORCORAN of Illinois, Mr. FENWICK, Mr. FRENZEL, Mr. GRASSLEY, Mr. HAGEDORN, Mr. LOTT, Mr. MANN, Mrs. SPELLMAN, Mr. SYMMS, Mr. TRIBLE, and Mr. WINN):

H.R. 7212. A bill to provide for the resolution of claims and disputes relating to the Government contracts awarded by executive agencies; to the Committee on the Judiciary.

By Mr. LUJAN:

H.R. 7213. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. MATHIS:

H.R. 7214. A bill to extend the food stamp program for 2 years, to provide payments in lieu of coupons under such program during fiscal year 1979, and for other purposes; to the Committee on Agriculture.

By Mr. MURTHA:

H.R. 7215. A bill to authorize the Administrator of the National Fire Prevention and Control Administration to make grants to volunteer fire departments which are unable to purchase necessary firefighting equipment because of the increased cost of such equipment as the result of inflation; to the Committee on Banking, Finance and Urban Affairs.

H.R. 7216. A bill to amend the Internal Revenue Code of 1954 to provide a deduction for clothing purchased and used by taxpayers serving in volunteer firefighting organizations; to the Committee on Ways and Means.

H.R. 7217. A bill to amend the Internal Revenue Code of 1954 to exempt nonprofit volunteer firefighting or rescue organizations from the Federal excise taxes on gasoline, diesel fuel, and certain other articles and services; to the Committee on Ways and Means.

By Mr. MONTGOMERY:

H.R. 7218. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. OBEY (for himself, Mrs. BURKE of California, Mr. JOHN L. BURTON, Mr. GINN, Mr. LUKEN, Mr. PICKLE, Mr. SISK, and Mr. CHARLES WILSON of Texas):

H.R. 7219. A bill to amend titles II and XVIII of the Social Security Act to include eligible drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. SISK (for himself and Mr. MCCORMACK):

H.R. 7220. A bill to amend title II of the Social Security Act to provide that when an adverse decision is made on a claim for benefits thereunder, the claimant shall have the right to reconsideration, including an informal conference and a statement of the case, prior to hearing; to impose time limits and make other improvements in the procedures for determining such claims; to the Committee on Ways and Means.

By Mr. STARK (for himself and Mr. OBERSTAR):

H.R. 7221. A bill to amend the Indochina Migration and Refugee Assistance Act of 1975 to extend the period during which refugee assistance may be provided; to the Committee on the Judiciary.

By Mr. TSONGAS:

H.R. 7222. A bill to reorganize the executive branch of the Government by consolidation of functions and to increase efficiency and coordination in the area of disaster assistance, emergency preparedness, mobilization readiness, and for other purposes; to the Committee on Government Operations.

By Mr. DODD:

H.J. Res. 465. Joint resolution authorizing the President to proclaim the third week in June of each year as National Veterans' Hospital Week; to the Committee on Post Office and Civil Service.

By Mr. MURTHA:

H.J. Res. 466. Joint resolution to designate the week commencing with the second Monday in October of each year as National Fire Prevention Week; to the Committee on Post Office and Civil Service.

By Mr. PATTEN (for himself, Mr. ADDABBO, Mrs. FENWICK, Mr. PEPPER, Mr. HOWARD, Mr. HUGHES, Mr. MURPHY of Pennsylvania, Mr. BADILLO, Mr. FORD of Michigan, Mr. THOMPSON, Mr. FORSYTHE, Mr. FLORIO, Mr. MINISH, Mr. RODINO, Mr. RINALDO, Mr. EILBERG, Mr. CHARLES WILSON of Texas, Mr. LE FANTE, Mr. HOLLENBECK, Mrs. SPELLMAN, Mrs. MEYNER, and Mr. MAGUIRE):

H.J. Res. 467. Joint resolution to designate the year 1979 as the Thomas A. Edison Centennial Year and to establish the Thomas A. Edison Centennial Commission; to the Committee on Post Office and Civil Service.

By Mr. DELANEY:

H. Con. Res. 224. Concurrent resolution requesting release of Ukrainian patriots Valentyn Moroz, Mykola Rudenko, Yuriy Shukhevych, and Oleksa Tykhy; to the Committee on International Relations.

By Mr. McDONALD (for himself, Mr. ALEXANDER, Mr. ARMSTRONG, Mr. BOWEN, Mr. BREAUX, Mr. BURLESON of Texas, Mr. BUTLER, Mr. CEDERBERG, Mr. CLEVELAND, Mr. DENT, Mr. DERRICK, Mr. DUNCAN of Tennessee, Mr. ENGLISH, Mr. GOLDWATER, Mr. GOODLING, Mr. HARSHA, Mr. HEFNER, Mr. HIGHTOWER, Mr. HOLLAND, Mr. HUCKABY, Mr. IRELAND, Mr. WON PAT, Mr. JENKINS, Mr. NEAL, and Mr. FORD of Tennessee):

H. Res. 572. Resolution to amend the Rules of the House of Representatives to establish the Committee on Internal Security, and for other purposes; to the Committee on Rules.

By Mr. WHITEHURST:

H. Res. 573. Resolution that Congress move expeditiously to resolve pending issues regarding national telecommunications policy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII,

145. The SPEAKER presented a memorial of the Legislature of the State of Arkansas, requesting that Congress call a convention for the purpose of proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. HANNAFORD introduced a bill (H.R. 7223) for the relief of Fara A. York; which was referred to the Committee on the Judiciary.

SENATE—*Monday, May 16, 1977*

The Senate met at 12 noon and was called to order by Hon. ERNEST F. HOLLINGS, a Senator from the State of South Carolina.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, whose splendor fills the world, quicken all the senses with which Thou hast endowed us, that each may be an opening into the presence of the Eternal. With eyes to see and ears to hear, may the whole world be a sanctuary where we worship Thee in spirit and in truth. Open our minds to learn; open our hearts to love; open our hands to give. And grant us grace to walk in paths of service for Thy name's sake. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 16, 1977.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. ERNEST F. HOLLINGS, a Senator from the State of South Carolina, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HOLLINGS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, May 13, 1977, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I yield to the distinguished Senator from Washington.

PRIVILEGE OF THE FLOOR—H.R. 5970

Mr. JACKSON. Mr. President, I ask unanimous consent that Richard Casad of my staff be granted the privilege of the floor in connection with the military procurement bill, H.R. 5970.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I have no further use for my time. I yield it back.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. BAKER. Mr. President, I first yield to the distinguished Senator from North Carolina (Mr. HELMS) for a unanimous-consent request.

PRIVILEGE OF THE FLOOR

Mr. HELMS. Mr. President, I ask unanimous consent that Dick Bryan of my staff be accorded the privilege of the floor during the discussion of H.R. 5970 and any votes thereon.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LIMITING CONGRESS

Mr. BAKER. Mr. President, I was pleased to note in the Sunday edition of the Washington Post an article entitled "Save Congress by Limiting It," by Gerald W. Siegel. Mr. Siegel articulates well a concept to which I am firmly devoted. I would note particularly for the benefit of my colleagues on the other side of the aisle that Mr. Siegel was once the chief counsel of the Senate Democratic Policy Committee.

I commend the article to the attention of all my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SAVE CONGRESS BY LIMITING IT

(By Gerald W. Siegel)

The Founding Fathers never intended Congress to be the fulltime institution of professional lawmakers that it has become. Rather, they foresaw a legislative branch that would meet for a few months to set national policies and enact the few laws necessary to implement them. It was to be a citizen body which, ideally, would always reflect the broadest composition of our people: farmers, merchants, workers, lawyers, doctors and so forth.

Of course, the Founding Fathers never anticipated the complexity which has overtaken us. But their conception of the role of Congress remains valid. To return to such a limited legislative role would be a major reform. Yet it could be done without any fundamental change in our federal system and without any reduction in the importance of Congress.

We have focused too long on methods of reorganizing Congress which would enable it merely to do better the job it is doing. This year's reorganization of Senate committees was merely the latest example. What we need instead is a redefinition of the kind of legislative body Congress should be. If we really want to improve the operation of Congress, we must challenge deeply embedded patterns and traditions.

As I see it, Congress should confine itself to making only major, broad national policies and laws. The fleshing out of such laws, the endless process of developing the intricate mechanisms for their implementation, should be the responsibility of executive departments and independent administrative agencies.

The bills to amend the Environmental Protection Act are an example of how Congress becomes smothered in detail. So much attention has been given to comprehensive statutory provisions that Congress has lost sight of its principal responsibility: the establishment of overall, balanced basic environmental policies which are consistent with other essential policies in the nation, i.e., energy, employment and growth.

Just look at the vital statistics of the last Congress: 21,096 bills introduced; 588 public laws, enacted; with brief recesses in each year, the two houses met from Jan. 14 to Dec. 19, 1975, for a total of 1,177 Senate and 941 House session hours, and from Jan. 19 to Oct. 1, 1976, for a total of 1,033 Senate and 846 House session hours. There is probably no tabulation of the hours spent by committees in hearings and executive sessions.

How much better if fewer bills were introduced, fewer considered in committee and simpler, more basic policy type bills passed. And how much better if the time saved were spent by the legislators at their own occupations, with their own people, in their own states.

To effect such change will require strong congressional determination. Subject to waiver in emergencies, there should be in each session an early mandatory adjournment date; a limit on the number of bills each member may introduce and on the number each committee could consider and report; and a ban or limit on nonlegislative functions (such as assassination investigations). But consider the benefits.

The time required for the members in Washington could be shortened drastically. There would be no need for, and it would in fact be recognized as undesirable for, members to give up their normal occupations to become professional lawmakers. The members could remain closer to their states, districts and constituents. No detailed code of conduct would be necessary. A system of full disclosure is all that would be needed to reduce the likelihood of corruption and the improper consequences of unavoidable conflicts of interest. There would be no need for public funding of elections.

And, finally, Congress could reduce the volume and complexity of federal law for which it is primarily and directly responsible. Subordinate policies and principles, not merely details, would be delegated to the departments and agencies, where they can be more calmly, expertly and professionally developed by fulltime experts.

Would we all become the victims of a faceless and inaccessible bureaucracy? Not necessarily. Preventive measures could be established by Congress and the executive departments. And access to Congress for equitable relief from administrative decisions beyond the corrective action of the courts would be more efficient and effective because Congress would have more time for such functions and could better organize to carry them out.

A determination to legislate only to the extent absolutely necessary should also permeate throughout the administrative bureaucracy. "Sunset" legislative policy, applied to Congress and the executive departments, coupled with a new philosophy of Congress as described here, could sweep away much of the statutory and regulatory debris which has accumulated over the years and release much human talent, time and energy to tackle new basic problems.

A major shift of this kind in legislative responsibility will require reexamination and changes in our independent agencies and departmental administrative processes—especially where lines of rule-making, administration, regulation and adjudication run parallel or cross. But these are not insuperable obstacles. The knowledge exists to structure this part of the executive branch of government so that it can faithfully and effectively perform all of its duties, under the direction and surveillance of Congress.

Relieved of the necessity of legislating in each field with such comprehensiveness and specificity, Congress could better deal with the task of determining balanced policies which properly equate the competing and conflicting demands of separate but interrelated areas. The newly established congressional budget procedure could be enlarged and perfected, and the trade-off balancing so necessary there could become the pattern for policy making in each substantive area of legislative concern. For example, Congress might well develop a full employment policy which would not unduly restrict individual and group freedoms in the private sector and would not impact harmfully on a national policy of stable prices.

A new role for members of Congress, with less tedious duties but more fundamental responsibility; with few restrictions on the opportunity to continue their normal private lives and with a more clear-cut image of citizen part-time lawmakers, could induce some to seek office who now turn away from it. Longevity of service would be less essential. Indeed, more rapid turnover in membership could be a desirable result. A new delineation of the functions of Congress could breathe new life into our federal system and encourage the states to take on more of the responsibilities of governing their citizens.

The changes proposed here would not weaken Congress or the federal government. Members of such a Congress would truly be the most important and powerful deicsionmakers in the nation. No one is diminished by delegating less important duties.

Too long have we struggled at the edges of the problems which beset Congress. Codes of conduct, election financing reforms and committee reorganizations will not do the job. If Congress is to achieve maximum effectiveness, a real effort to rediscover its proper role must be made.

LESSONS FROM THE SHAPP CAMPAIGN

Mr. BAKER. Mr. President, this morning's edition of the Washington Post contains an editorial entitled "Lessons from the Shapp Campaign." The editorial indicates that there are three lessons to be learned from the problems Governor Shapp has encountered with public financing; briefly they are the accountability of the candidate, the importance of full disclosure, and the inability of the FEC to perform thoroughly its presently-assigned tasks, much less the additional burdens that would be imposed by public financing of congressional campaigns and same day registration.

Obviously, the points raised by the Post are valid; but I believe that there are additional issues involved in the public financing of campaigns that should be raised. I wonder, for instance, whether the accountability of the successful candidate would extend beyond merely returning the taxpayers' funds to relinquishing the office to which he was elected. I believe we need to ask the extent of the obligation of the candidate to his unwitting contributors, the taxpayers, who, aside from the coerced contribution, may not have supported the candidate at all.

As the Post correctly noted, the problems associated with public financing would only be compounded should it be extended to include the 535 congressional offices. There were only a small number of Presidential candidates; how much greater a bureaucracy will we have to create to regulate a minimum of a thousand campaigns every 2 years. How much more of a drain will that bureaucracy make on the Federal Treasury, not to mention the drain attributable to campaign financing itself. How much will it cost the taxpayers for this bureaucracy to do a job that it will never be able to do effectively, and should not be doing at all.

We are intruding the Federal Government into the most intimate process of free men practicing self-government, and that very intrusion betrays the concept. On a subject the premise of which is so fundamentally wrong, we should not be asking how much it will cost or how much bureaucracy will it take, but whether we should do it at all. I believe the answer to that question is no; I believed it was no when we voted on public campaign financing for Presidential elections, and that no vote is beginning to look better all the time.

I ask my colleagues to consider the problems we have created, and the additional problems we may yet create in the name of this flawed concept, and I ask unanimous consent that the editorial in the Washington Post be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LESSONS FROM THE SHAPP CAMPAIGN

Pennsylvania Governor Milton J. Shapp has done the right thing by promptly agreeing to repay $299,066 in federal subsidies that were obtained illegally by his short-lived 1976 presidential campaign. The governor says that he knew nothing about the bogus contributions and faked reports which, according to the Federal Election Commission, involved more than 40 of his fund-raisers and contributors. Even so, Mr. Shapp has decided not to exercise his right to contest the FEC's decision. "I believe it is right that the full amount should be paid back to the United States treasury," he said Friday.

Though the Shapp case is far from closed, it has already underscored three points about enforcement of the public-financing law. The first has to do with accountability; too often candidates confronted with evidence of shady fund-raising have washed their hands of it by claiming, however improbably, that they had no idea what was going on. As Mr. Shapp has learned the hard way, any candidate who gets public subsidies is financially liable in any case. If his supporters launder money, whether or not he knows about it, he's the one who may get taken to the cleaners by the FEC. That ought to be a powerful incentive for future candidates to keep much closer watch over their campaign financing.

The second point has to do with detailed disclosure; because donors' occupations and business affiliations had to be reported, the FEC's auditors were able to spot substantial contributions from people in modest jobs and clumps of gifts from employees in a few companies. Investigation showed that many of those donations had been faked. If only home addresses had been required, as in the past, the alleged frauds might not have been found out.

The probe of the Shapp case has so far en-

gaged 10 FEC employees for about six months. That's a major commitment to a relatively minor campaign, considering that the agency has only about 65 lawyers, auditors and investigators—and is simultaneously trying to review all the other presidential campaigns and last year's Senate and House races as well. Speed has already been sacrificed. A more serious casualty is thoroughness; FEC officials freely acknowledge that some reports are getting just a cursory review.

And that's the final point: The FEC has more business than its present staff and organization can handle very well. There is an obvious message here for the supporters of universal voter registration and public financing of congressional campaigns. Aside from their other problems, those proposals, especially the congressional campaign subsidies, would put very heavy new burdens on the FEC. One thing Congress should think hard about is how much manpower, reorganization and lead time the FEC would really need before there is ever a chance that those programs could be soundly administered and policed.

THE GAP IN THE ENERGY PLAN

Mr. BAKER. Mr. President, I draw the attention of my colleagues to an editorial entitled "The Gap in the Energy Plan" and a column written by economist Hans H. Landsberg in today's Washington Post.

The Landsberg column provides a general analysis of the President's energy plan which I find quite disturbing. He points out that the estimates for increased utilization of coal and nuclear power are unrealistically high.

It follows that the President's energy plan is not complete. Either that plan must be augmented or oil imports will be well above 7 million barrels a day by 1985.

Mr. President, it is the job of the Congress to take the good ideas that appear in the President's plan, combine them with other good ideas, including those contained in the Republican Energy Initiative which was released last week and forge a comprehensive national energy plan that will provide for economic growth and really reduce our dependence on foreign supplies of oil.

Mr. President, I feel that the analysis of the President's energy program and the Washington Post editorial are most worth while; and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE GAP IN THE ENERGY PLAN

When President Carter first began to bring out his energy policy last month, some of the key numbers were left until later. They turned up a couple of weeks ago in the back of the little book entitled "The National Energy Plan" that the White House has been distributing. An illuminating table there shows how much energy the country would be using in 1985 under this plan, and which fuels. Those numbers imply a gap in the plan. The country can't get there from here. Either the plan must be augmented or oil imports will be well above 7 million barrels a day by the mid-1980s.

That gap is not small. Hans Landsberg, an economist with long experience in this field, offers an estimate in the analysis that we print today on the opposite page. As he points out, coal is crucial to the whole system, and the estimates for coal production and use are unrealistically high. The projection for nuclear power also seems too high, in view of the extremely long lead times that reactors require. But it's slow work to develop any major source of energy, and there won't be any new ones available in 1985 that are not visible today. A spectacular new oil strike, for example, is always a possibility. But it was nine years ago that oil was discovered on the North Slope of Alaska, and that oil won't begin to reach consumers until this winter.

Closing the gap means either reducing the demand for energy or increasing oil imports beyond the plan's target. The administration has taken an extremely cautious approach to conservation because it fears doing damage to the economy. It is trying to stay far away from anything that might threaten to depress automobile sales, or disrupt the housing industry, or curtail industrial expansion. It's correct to say that conservation can be accomplished without destroying jobs—if it's done carefully, at a certain pace. But if the pace is forced beyond limits that are not yet entirely clear, unemployment rises.

The alternative is, unfortunately, more foreign oil. That's the choice that Dr. Landsberg recomends. But there are large risks in that one as well—even with the strategic oil storage that, incidentally, the country has not yet begun to accumulate. Even if that oil keeps pouring in without interruption, rising American demand would keep the world oil market tight enough to encourage further OPEC price increases. Over the next decade, OPEC is likely to do more than Congress to restrain American energy imports.

The President's plan is valuable, but incomplete. It has given direction to the formless debate over energy that has been going languidly along ever since the embargo three years ago. It has put the country on a fairly well-marked track of modest conservation and substantial increases in energy supplies. But for all of the President's speeches on the subject, the country still hasn't seen the full strategy. It looks as though the President set his goals and then drew back from some of the implications, papering them over with excessively optimistic forecasts for coal and nuclear power. As the country goes through the next several years, experience will no doubt show the need for further restraints. The present energy plan is not a completed blueprint. It merely indicates a course to be followed—with further implementation to come over the years.

BALANCING THE 1985 ENERGY ACCOUNTS

(By Hans H. Landsberg)

Only now that the government has released its pamphlet entitled "The National Energy Plan" is it possible to learn how the energy accounts are to come into balance by 1985. While it is a highly readable booklet, those in a hurry can go to the 96th of its 103 pages and find it all spelled out in a handy little statistical table. What they will discover is not quite what the government presentations, beginning with the President's April 18 television address, had led them to expect.

Three noteworthy findings emerge. First, while widely proclaimed as relying mainly on conservation, the plan is not all that conserving. Without it, energy consumption by 1985 would rise by 31 per cent; with it, by 25 per cent. The difference could be made good by importing an extra 2 million barrels of oil per day.

Second, the soul of the plan is not so much to shift from using more to using less energy, as from burning oil and gas to burning coal.

Third, while one would expect it to stress measures to boost coal production, the plan contents itself with the statement that coal production is principally demand-limited and directs most of its effort at reducing oil and gas use.

Now let us dig a little deeper. The administration's statistics show energy demand to rise from 74 quadrillion Btu's, or "Quads," to 98 Quads in 1985—an average annual rate of growth of just over 2.5 per cent. That's not an implausable figure, given long-term historic growth rates around 3.5 per cent, though in exponential growth, given enough time, even fractions of 1 per cent have quite a kick. Thus small differences in assumptions can have large consequences, especially when so much turns on hitting the plan's 1985 bull's eye: oil imports held down to 7, or hopefully 6, million barrels per day.

On the supply side, the plan's center ring is occupied by coal. Between 1976 and 1985 production is expected to increase to about 1,225 million tons, up from 655 million tons in 1976; probably by more, if, as is likely, the share of low-Btu Western coal increases substantially. Raising coal output in the next nine years by 560 million tons will require more than ordering utilities and industry generally to burn coal or making it costly for them not to do so.

Similar past efforts have come to naught in the face of the companies' resistance, based on environmental, technological, and economic grounds. The plan hopes to cope with this by reversing the burden of proof; that is, the utilities must show cause why they cannot shift to coal. It is easy to foresee that enough of them will engage in prolonged and quite possible successful efforts to show such cause as to frustrate the objective.

It is worth noting that in its long history the bituminous coal industry has never produced more than it did in 1976. Its previous peak output year was 1947 when it mined 631 million tons of coal. Now every added ton produced sets a new record. Consequently, not only must mining companies grow, but all facilities associated with coal, including, prominently, transportation and manpower, must grow apace. State/federal conflicts must be resolved, the aspirations of the Indian tribes controlling large amounts of Western coal have to be reconciled, land-use and restoration practices must be established, and so on.

That in this context the coal industry can raise output by an annual average of 60 million tons is highly unlikely, if not outright impossible. That the energy plan fails to even address these issues is a major flaw. That its success sides on achieving something close to the announced goal is certain.

Three more domestic supply items are specified to help meet 1985 demand. Domestic oil production, in decline since reaching a peak in 1970, must rise by 12 per cent; natural gas production, in decline since 1974, must not dip by more than 7.5 per cent; and nuclear energy must nearly quadruple. What are the chances of all this coming true?

For oil, the hopes are pinned on output from Alaska, from the Outer Continental Shelf, and from so-called enhanced recovery, that is, squeezing out oil from oil reservoirs. The top Alaskan oil supply cannot be more than the pipeline can carry, that is, 2 million barrels per day. Net additions from Outer Continental Shelf reservoirs will depend on the pace and volume of leasing in the next two or three years. Leasing beyond that time will not produce much by 1985. Expectations from enhanced recovery have traditionally been high and achievements low. There are some 300 billion barrels of oil left over in old reservoirs, but technology has for decades failed to come to their rescue.

For natural gas, the principal source to supplement depleting gas reservoirs is the Outer Contintal Shelf. Therefore, the postulated decline of less than 8 per cent appears optimistic. We will do well to slip no faster.

The plan's nuclear objective is not within reach. It takes 10 years or more to get a

nuclear power plant on the line. Thus, no plant not now at least on the order books of the equipment manufacturer can be counted into the 1985 capacity. At most 130,000 megawatts (up from 42,000 at the end of 1976) is a reasonable guess. The plan figure is high by 20 to 25 per cent, or about 1.5 Quads.

In summary, the chances of achieving domestic targets so that the accounts can be balanced by oil importation of no more than 14 Quads—7 or, if demand can be further compressed, 6 million barrels per day—are about nil. Coal and nuclear are bound to fall short of their targets perhaps by as much as a combined 6 Quads, and lagging oil production is almost sure to raise that figure by another Quad or two. Thus, the plan will easily need an extra 7 to 8 Quads. Barring much more drastic conservation measures, such as import quotas and/or rationing, they can come only from additional oil imports; 3.5 to 4 million barrels per day of oil above and beyond the target, or total 1985 oil import volume of 10.5 to 11 million barrels—if we are lucky, that is.

Once the proposed 1 billion barrels of oil have been placed into strategic storage, this is not a "wrong" outcome. Rather, what is wrong is not to face the near certainly that the target cannot be reached within the plan's time frame and with the measures proposed.

If Congress can stop staring at the gasoline tax, it might usefully focus on the demand/supply balance sheet of 1985. If the process it might decide that 7 million barrels a day is not an immutable objective and, equally important, that 1985 is awfully close especially since much of 1977 will be consumed in writing legislation. Though curbing demand might get tougher after the mid-80s when the short-term conservation measures have been put in place, supply expansion calls for a longer time perspective.

The 1985 time frame coupled to the 7 million barrel import target is a self-imposed straitjacket. Loosening it could lead to a more realistic assessment.

President Carter's energy plan in numbers

	1976 Quads*	1985 Quads*
Demand	74.0	92.8
Supply		
Domestic:		
Oil, including NGL	19.4	21.2
Natural gas	19.0	17.6
Coal	15.8	29.0
Nuclear	2.0	7.6
Hydro, refinery gain, etc.	3.8	4.6
Total	60.0	80.0
Imports (net):		
Oil	14.6	14.0
Natural gas	1.0	1.2
Coal	−1.6	−2.4
Total	14.0	12.8

*1 Quad=1 quadrillion British Thermal Units. Converted from million barrels of oil per day as in "The National Energy Plan," p. 96.

Mr. BAKER. Mr. President, I have no further requirement for my time under the standing order, and yield it back.

UNANIMOUS CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are three measures on the calendar that have been cleared by unanimous consent. They were cleared last Friday and moved to the Consent Calendar.

I ask unanimous consent that the Senate proceed to the consideration of Calendar Order Nos. 112, 113, and 117.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MISSISSIPPI-LOUISIANA BRIDGE CONSTRUCTION COMPACT

The bill (S. 837) granting the consent of Congress to the Mississippi-Louisiana bridge construction compact, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is given to the Mississippi-Louisiana Bridge Construction Compact entered into between the States of Mississippi and Louisiana, which compact reads as follows:

"MISSISSIPPI-LOUISIANA BRIDGE CONSTRUCTION COMPACT

"ARTICLE I. The purpose of this compact is to promote the construction of a bridge connecting the States of Mississippi and Louisiana at or near Natchez, Mississippi, and Vidalia, Louisiana, and to establish a joint interstate authority to assist in these efforts.

"ARTICLE II. This compact shall become effective immediately as to the States ratifying it whenever the States of Louisiana and Mississippi have ratified it and Congress has given consent thereto. Any State not mentioned in this article which is contiguous with any member State may become a party to this compact, subject to approval by the Legislature of each of the member States.

"ARTICLE III. The States which are parties to this compact (hereinafter referred to as "party States") do hereby establish and create a joint agency which shall be known as the Mississippi-Louisiana Bridge Authority (hereinafter referred to as the "authority"). The membership of such authority shall consist of the Governor of each party State, one (1) representative each from the Mississippi State Highway Department and the Louisiana Department of Highways, five (5) other citizens of each party State, to be appointed by the Governor thereof. The appointive members of the authority shall serve for terms of four (4) years each. Vacancies on the authority shall be filled by appointment by the Governor for the unexpired portion of the term. The members of the authority shall not be compensated for service on the authority, but each of the appointed members shall be entitled to actual and reasonable expenses incurred in attending meetings, or incurred otherwise in the performance of his duties as a member of the authority. The members of the authority shall hold regular quarterly meetings and such special meetings as its business may require. They shall choose annually a chairman and vice-chairman from among their members, and the chairmanship shall rotate each year among the party States in order of their acceptance of this compact. The secretary of the authority (hereinafter provided for) shall notify each member in writing of all meetings of the authority in such a manner and under such rules and regulations as the authority may prescribe. The authority shall adopt rules and regulations for the transaction of its business; and the secretary shall keep a record of all its business and shall furnish a copy thereof to each member of the authority. It shall be the duty of the authority, in general, to promote, encourage, and coordinate the efforts of the party States to secure the development of the Mississippi-Louisiana Bridge at or near Natchez, Mississippi, and Vidalia, Louisiana. Toward this end, the authority shall have power to hold hearings; to conduct studies and surveys of all problems, benefits, and other matters associated with the construction of the Mississippi-Louisiana Bridge, and to make reports thereon; to acquire, by gift, grant, or otherwise, from local, State, Federal, or private sources such money or property as may be provided for the proper performance of their function, and to hold and dispose of same; to cooperate with other public or private groups, whether local, State, regional, or national, having an interest in the bridge construction; to formulate and execute plans and policies for emphasizing the purpose of this compact before the Congress of the United States and other appropriate officers and agencies of the United States; and to exercise such other powers as may be appropriate to enable it to accomplish its functions and duties in connection with the construction of the Mississippi-Louisiana Bridge and to carry out the purposes of this compact.

"ARTICLE IV. The authority shall appoint a secretary, who shall be a person familiar with the nature, procedures, and significance of the bridge construction and the informational, educational, and publicity methods of stimulating general interest in such developments, and who shall be the compact administrator. The term of office of the secretary shall be at the pleasure of the authority and such officer shall receive such compensation as the authority shall prescribe. The secretary shall maintain custody of the authority's books, records, and papers, which shall be kept by the secretary at the office of the authority, and shall perform all functions and duties and exercise all powers and authorities which may be delegated to the secretary by the authority.

"ARTICLE V. Each party State agrees that its Legislature may, in its discretion, from time to time make available and pay over to the authority funds for the establishment and operation of the authority. The contribution of each party State will bo in equal amounts.

"ARTICLE VI. Nothing in this compact shall be construed so as to conflict with any existing statute, or to limit the powers of any party State, or to repeal or prevent legislation, or to authorize or permit curtailment or diminution of any other bridge project, or to affect any existing or future cooperative arrangement or relationship between any Federal agency and a party State.

"ARTICLE VII. This compact shall continue in force and remain binding upon each party State until the Legislature or Governor of each or either State takes action to withdraw therefrom; provided that such withdrawal shall not become effective until six (6) months after the date of the action taken by the Legislature or Governor. Notice of such action shall be given to the other party State or States by the Secretary of State of the party State which takes such action.".

SEC. 2. The right to alter, amend, or repeal this Act is expressly reserved.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–136), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to grant the consent of Congress to a compact between the States of Mississippi and Louisiana promoting construction of a bridge connecting the two States at or near Natchez, Miss., and Vidalia, La., and to establish a joint interstate authority to assist in these efforts. Copies of the enabling acts of the States are contained in the files of the committee.

STATEMENT

This compact is a voluntary agreement on behalf of the States of Mississippi and Louisiana to cooperate with each other in promoting the construction of a bridge at or near Natchez, Miss., and Vidalia, La. connecting the two States. A bridge presently exists at this site, but it is only two lanes wide and is fed by four-lane highways at each end. It operates near capacity every day and traffic tieups are frequent.

The compact will establish a joint interstate authority, which will be known as the Mississippi-Louisiana Bridge Authority, (herein the authority), as the vehicle to promote the construction of this bridge. The authority shall consist of the Governor of each State, one representative from the Mississippi and Louisiana Highway Departments and five citizens from each State, to be appointed by the representative Governors.

The members of the authority will not receive compensation for their service, but the authority will employ a director to be compact administrator, who will receive such compensation as the authority shall prescribe.

The proposed legislation will give the authority the power to hold hearings, conduct studies and surveys, receive grants and donations, and in general, formulate plans and policies for the bridge construction. The authority will cooperate with other public, private, or governmental groups or agencies, whether local, State or National, which have an interest in construction of this bridge.

The committee believes that the proposed legislation is meritorious and recommends it favorably.

NATIONAL GRANDPARENTS DAY

The joint resolution (S.J. Res. 24) to authorize and request the President to issue annually a proclamation designating the first Sunday of September after Labor Day of each year as "National Grandparents Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue annually a proclamation designating the first Sunday of September after Labor Day of each year as "National Grandparents Day", and calling upon the people of the United States and interested groups and organizations to observe such day with appropriate ceremonies and activities.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (NO. 95-137), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the joint resolution is to authorize the President to designate the first Sunday in September of each year as "Grandparents Day."

STATEMENT

By designating the Sunday following Labor Day as Grandparents Day, more people will be able to visit and honor their grandparents.

The committee believes it appropriate that the President proclaim the first Sunday in September of each year as "Grandparents Day."

COST

The enactment of this legislation involves no direct additional expenditure to the Government.

Accordingly, the committee recommends favorable consideration of Senate Joint Resolution 24 without amendment.

VOCATIONAL EDUCATION TECHNICAL AMENDMENTS

The Senate proceeded to consider the bill (H.R. 3437) to make certain technical and miscellaneous amendments to provisions relating to vocational education contained in the Education Amendments of 1976, which had been reported from the Committee on Human Resources with amendments as follows:

On page 6, line 24, following "section," insert the following:
or (ii) 50 percentum of such costs if the non-Federal share of such costs is paid by the State from appropriations for such purpose

On page 7, beginning with line 10, insert the following:

(B) Section 108(b)(1)(B)(i) of such Act is amended by inserting after the word "uses" the second time it appears in such section the following: "for State administration and".

(C) Section 108(b)(B) of such Act is amended by inserting after the word "funds" the second time it appears in such section the following: "for State administration and".

(D) Section 111(a) of such Act is amended by adding at the end thereof the following:

"(3) In addition, the Commissioner shall pay, from the amount available to each State from the amount appropriated under section 102(d), an amount not to exceed 100 per centum of the cost of carrying out the purposes described in such section 102(d).".

On page 12, beginning with line 9, insert the following:

(B) Section 195(20) of such Act is amended by striking out "For the purposes of this Act, the" and inserting in lieu thereof "The".

(C) Section 195 of such Act is amended by adding at the end thereof the following:

"(21) The term 'private vocational training institution' means a business or trade school, or technical institution or other technical or vocational school, in any State, which (A) admits as regular students only persons who have completed or left elementary or secondary school and who have the ability to benefit from the training offered by such institution; (B) is legally authorized to provide, and provides within that State, a program of postsecondary vocational or technical education designed to fit individuals for useful employment in recognized occupations; (C) has been in existence for two years or has been specially accredited by the Commissioner as an institution meeting the other requirements of this subsection; and (D) is accredited (i) by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this clause, or (ii) if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit schools of a particular category, by a State agency listed by the Commissioner pursuant to this clause or (iii) if the Commissioner determines that there is no nationally recognized or State agency or association qualified to accredit schools of a particular category, by an advisory committee appointed by him and composed of persons specially qualified to evaluate training provided by schools of that category, which committee shall prescribe the standards of content, scope, and quality which must be met by those schools and shall also determine whether particular schools meet those standards. For the purpose of this paragraph, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations and State agencies which he determines to be reliable authority as to the quality of education or training afforded.".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-142), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SUMMARY OF H.R. 3437

H.R. 3437, as reported by the committee, makes a number of technical corrections to title II of the Education Amendments of 1976, Public Law 94-482. Title II of that law rewrote the Vocational Education Act of 1963, effective in fiscal year 1978. These corrections deal with printing errors, clerical errors, and changing the dates for submission of reports to the Congress. A few minor substantive amendments are also made to that public law by the bill. All of these amendments are described in the section-by-section analysis contained in this report.

The one major substantive area with which H.R. 3437 deals involves the issue of the proper role of Federal funds in the support of State and local administration of vocational education programs. Title II of Public Law 94-482 limits State administration to $25 million per year, which amount must also be used for planning and evaluation. No mention is made of the availability of Federal funds for local administrative purposes.

This bill modifies those provisions in the following two ways: First, the limit of $25 million a year for State administrative expenses is removed, and funds are authorized to be used under the basic State grant for paying for State administration. However, any Federal funds used for this purpose must be matched by State-level appropriations. In addition, under the amendment adopted by the committee, a State must set forth specifically in its State plan the amount of Federal funds it plans to retain at the State level for administration, so that this becomes part of the planning process established in Public Law 94-482.

Second, the authorization for local administrative funds is made explicit. Each local recipient of Federal funds is given two options concerning local administration. Either the recipient may use that amount that it would have been alowed under the House-passed bill—the same percentage that Federal funds constitute of all funds supporting the recipient's vocational education program—or it may utilize any amount of its Federal program funds, so long as those funds are matched equally by State-appropriated moneys for local administration of vocational eduaction programs.

NEED FOR THE LEGISLATION

Public Law 94-482 established a separate authorization for State program administration, in response to testimony before the Subcommittee on Education and a report on vocational education conducted by the General Accounting Office. However, a survey by the State directors of vocational education, conducted after the legislation was signed into law, revealed that the $25 million authorization might result in serious cutbacks in every State, potentially damaging ongoing vocational education programs.

In fiscal year 1976, a total of more than $51 million in Federal funds was used by the States to support State administration. Most States use a greater percentage of their total Federal vocational expenditures than of their total State/local vocational expenditures for

the purpose of State administration. While there is a wide range among States of administrative expenses paid from Federal funds, these expenses constitute an average of 9.5 percent of total vocational education expenditures. Forty-three States use more than 5 percent of their total Federal vocational education expenditures for State administration. Half of the States use over 10 percent, and these include large and small, urban and rural, Eastern and Western States. Four States use more than 20 percent.

This is in sharp contrast to the one to three percent usually authorized for State administration in other Federal education programs.

The State directors of vocational education believe that they would be hard pressed to replace the loss of Federal funds that would result from the limits set by Public Law 94-482 with State or local funds for administration. The data from the State directors' survey bear this out. Forty-six States use a higher percentage of their total Federal vocational education funds than of their total State/local funds for State administration. Thirty-six States use more Federal funds for State administration than State/local funds in absolute dollar terms.

By limiting State administration to $25 million, nearly every State will experience a reduction in funds for this purpose. Public Law 94-482 imposes a number of new planning requirements, the funds for which must come out of this same authorization. State directors estimate that it will cost more han $10 million to implement these new requirements. When it is considered that States must also carry out new provisions regarding data collection and evaluation with this same authorization, $25 million appears to the committee to be insufficient for all these purposes.

H.R. 3437 makes State administration an allowable use of funds under the basic State grant for vocational education. Because this is a block grant, States would have the flexibility to use whatever amount of Federal funds is necessary for proper State administration of vocational programs, so long as this is accomplished in accordance with the State plan and does not infringe upon the other restrictions and set-asides governing use of block grant funds. The $25 million separate authorization is retained for purposes of State planning, evaluation, and data collection.

Public Law 94-482 included this separate authorization of funds in response to testimony from State and Local educators that Federal law imposes additional data and evaluation requirements without providing additional funds to meet the costs of collection and evaluation. The committee hopes that funds will be appropriated under this authorization to help meet these costs. However, the committee wishes to stress that the planning, evaluation, and data requirements contained in Public Law 94-482 are not dependent upon the appropriation of moneys under section 102(d). They must be carried out whether or not separate funds are appropriated for that purpcse.

The matching provisions of Public Law 94-482 for State administrative expenses are not affected by H.R. 3437. Thus, States which take inordinately high percentages—or all—of their administrative expenses from Federal funds will still no longer be able to do so beginning in fiscal year 1978, regardless of passage of H.R. 3437.

The amendment made by the Committee on Human Resources provides that each State's annual program plan shall set out explicitly the amount proposed to be used for State-level administration of vocational education, as well as the proposed distribution of funds among the other eligible recipients. In addition, the State's annual program plan must set forth the way the funds for State administration, as well as those used for vocational education programs, were used in the preceding fiscal year.

A major hallmark of the Education Amendments of 1976 was the expansion of the planning process for vocational education to all elements within a State concerned with vocational education and manpower training. Section 107 of the new law sets forth in detail the State agencies and interested parties which must be involved in planning sessions leading to the development of a State's plan for vocational education. The committee's amendment will assure that the question of how much—if any—Federal money should be retained at the State level for administrative purposes will be subject to this planning and decisionmaking process.

A State deciding to use Federal funds for administration, rather than programs, will have to justify such use through the planning process, and account for the funds in its accountability report.

The issue of permissible use of Federal funds to defray the costs of local administration was also strongly argued by State directors and local vocational educators.

There is a wide variation among State and local recipients in the percentage of total Federal expenditures going toward local administration. Twelve States use no Federal funds for local administration, while 15 States use more than 5 percent of their total Federal vocational expenditures and 7 States use more than 10 percent.

Nearly all States (44) use more State/local dollars than Federal dollars for local administration. Eight times as many State/local funds go toward local administration as do Federal funds. Local recipients are presently using a total of $21 million in Federal funds for local administration, and these funds would not be able to be used for that purpose beginning in fiscal year 1978 under Public Law 94-482.

H.R. 3437, as passed by the House of Representatives, permits local administrative and supervisory costs to be paid for out of the basic vocational education grant, but in no greater percentage than the percentage of Federal funds used to support the total vocational program carried out by the local school district or postsecondary institution.

Thus, if the vocational education program of an eligible recipient is 30 percent federally funded, then it could pay up to 30 percent of its administrative costs with Federal funds. With this amendment, financially poorer districts, or those with greater need for vocational programs, could use proportionately more than other districts for local administration.

The amendment adopted by the Committee on Human Resources offers a second option for payment of local administrative costs. An eligible recipient would be able to pay 50 percent of its administrative costs, provided that that amount was matched on a dollar-for-dollar basis with State funds appropriated for the purpose of supporting local administration. The committee expects that, in most instances, this would be accomplished by a separate line item for local administration in the State appropriation. In any event, it must be clear that the State funds were specifically made available for the purpose of local administration.

Nationally, 10.8 percent of local administrative costs are paid for out of Federal funds. Only three States take 50 percent or more from Federal funds; 10 States take 25 percent or more. Therefore, the amendment adopted by the House would act as a limiting factor for local administration; the additional option proposed by the committee would similarly serve to limit such use of Federal funds, in the absence of a commitment by the State to the concept of support of local administration, through appropriation of its own funds to match Federal dollars.

H.R. 3437 requires States to take no more than 80 percent of administrative expenditures from the program support part of the block grant (subpart 2) and no more than 20 percent from the program improvement part of the block grant (subpart 3). This would prevent administrative expenses from being disproportionately charged against a single program activity. This provision does not require that administrative personnel be distributed in an 80-20 ratio between the two activities. Rather, the State or local recipient may distribute its administrative personnel in whatever proportion best meets its needs.

H.R. 3437 requires that research coordinating units make all contracts within a State for research, exemplary programs, and curriculum development. This provision, which was contained in the original House-passed version of the 1976 legislation, is designed to maximize coordination among the three activities within a State, so that the most effective and efficient use of Federal funds may be achieved. Separate program administration could lead to fragmentation of effort.

The committee wishes to emphasize that this change does not affect the relationship of these programs of research, exemplary programs, and curriculum development. All three will continue to be subject to the provisions of the State plan for vocational education.

The Committee on Human Resources made two other technical amendments to the House-passed version of H.R. 3437. First, the Commissioner's authority to make payments of sums appropriated pursuant to section 102(d) is made explicit. Public Law 94-482 was silent on this authority, although it was clear that the conferees intended the Commissioner to be able to pay out moneys appropriated for planning and evaluation. The Committee amendment should clear up any confusion or challenge to this authority.

The House-passed bill included authority for States to provide vocational training through arrangements with private vocational training institutions. However, the term was not defined. The Committee amendment restores the definition of "private vocational training institution" which is contained in existing law.

COST ESTIMATE ON H.R. 3437

Submitted to the Committee on Human Resources by the Congressional Budget Office.

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., April 12, 1977.

Hon. HARRISON A. WILLIAMS,
Chairman, Committee on Human Resources, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed H.R. 3437, a bill to make certain technical and miscellaneous amendments to provisions relating to vocational education contained in the Education Amendments of 1976.

Based on this review, it appears that no additional costs to the government would be incurred as a result of the enactment of this bill.

Sincerely,

ALICE M. RIVLIN, *Director.*

REGULATORY IMPACT

In accordance with paragraph V of rule XXIX of the Standing Rules of the Senate, the following statement of the regulatory impact of the bill is made.

The basic purpose of the bill is to make technical amendments to title II of Public Law 94-482, relating to vocational education. It does not increase the number of vocational education students in schools and colleges which would be affected by the legislation which was enacted in 1976. However, it will assure that the salaries of State and

local administrators of vocational education programs may continue to be supported, in part, with Federal funds.

No additional businesses will be regulated as a result of the amendments, and there should be no economic impact as a result of the enactment of H.R. 3437.

No personal privacy of any individuals will be affected by enactment of H.R. 3437.

Paperwork will not be substantially increased. The only additional reporting requirement under H.R. 3437, as reported by the Committee on Human Resources, is the inclusion in a State's plan for expenditure of Federal vocational education funds of information concerning the amount of funds which the State plans to use for State administration of the program.

Mr. ROBERT C. BYRD. Mr. President, I move, en bloc, to reconsider the votes by which the various measures were passed.

The ACTING PRESIDENT pro tempore. Without objection, the motion will be considered in order. The question is on agreeing to the motion of the Senator from West Virginia.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRANSFER OF CERTAIN MEASURES TO UNANIMOUS-CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are six measures on the General Orders Calendar that have been cleared for passage by unanimous consent. Rather than pass them today by unanimous consent, I ask that the clerk transfer them to the Unanimous-Consent Calendar. They are as follows: Calendar Order No. 111 (S. 904), Calendar Order No. 120 (S. 891), Calendar Order No. 121 (H.R. 6205), Calendar Order No. 122 (H.R. 6206), Calendar Order No. 124 (S. 1170), and Calendar Order No. 125 (S. 1321).

The ACTING PRESIDENT pro tempore. They will be so transferred.

MILITARY PROCUREMENT AUTHORIZATIONS, 1978

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of H.R. 5970, which the clerk will state.

The legislative clerk read as follows:

A bill (H.R. 5970) to authorize appropriations during the fiscal year 1978, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strengthen for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with an amendment to strike out all after the enacting clause and insert the following:

TITLE I—PROCUREMENT

SEC. 101. Funds are hereby authorized to be appropriated during the fiscal year 1978 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, as authorized by law, in amounts as follows:

Aircraft

For aircraft: for the Army, $550,500,000; for the Navy and the Marine Corps, $3,422,800,000; for the Air Force, $7,532,500,000, of which $6,000,000 may be obligated and expended only for engineering studies and development of a two-seat trainer conversion of the A-7D aircraft.

Missiles

For missiles: for the Army, $562,700,000; for the Navy, $1,865,500,000; for the Marine Corps, $110,600,000; for the Air Force, $1,826,700,000.

Naval Vessels

For Naval vessels: for the Navy, $6,674,200,000.

Tracked Combat Vehicles

For tracked combat vehicles: for the Army, $1,273,900,000; for the Marine Corps, $74,800,000.

Torpedoes

For torpedoes and related support equipment: for the Navy, $326,700,000.

Other Weapons

For other weapons: for the Army $112,000,000; for the Navy, $78,800,000; for the Marine Corps, $2,400,000.

SEC. 102. (a)(1) There is hereby established a commission to be known as the Naval Shipbuilding Commission (hereinafter in this title referred to as the "Commission").

(2) The Commission shall be composed of five members appointed by the President, by and with the advice and consent of the Senate.

(3) Persons shall be appointed to the Commission who are qualified to carry out the duties of the Commission by virtue of their background, education, training, and experience in business and management.

(4) No person may be appointed to the Commission who is an active or retired member of the Armed Forces of the United States or who is an officer, employee, or director of any company which is a prime contractor for the construction of United States Navy ships.

(5) The President shall designate one of the members to serve as Chairman of the Commission.

(6) Three members of the Commission shall constitute a quorum. Any vacancy in the Commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made.

(b)(1) It shall be the duty of the Commission to conduct a comprehensive study and review of the current policies and procedures utilized by the Navy in the procurement of naval vessels, to consider how such policies and procedures can be modified to bring about more efficient and cost-effective means of providing the Navy with the ships necessary to fulfill its mission, and to report its findings and recommendations to the President and the Congress. In carrying out its study and review under this section, the Commission shall devote special attention to—

(A) the procedures followed by the Navy in the design and funding of ships after the general mission and overall requirements for such ships have been decided upon by the Navy;

(B) the contracting procedures followed by the Navy and consideration of alternative ways of structuring shipbuilding procurement contracts;

(C) the program management process of the Navy for ship procurement;

(D) the present capabilities and future potential of public and private shipyards in the United States;

(E) the general shipbuilding techniques followed by foreign shipbuilders and the advisability of adapting any such procedures to shipbuilding in this country; and

(F) the need or desirability for special incentives to insure the growth and vitality of the private shipbuilding industry in the United States.

(2) The Commission shall not study or review matters relating to the Navy force structure or long-range naval needs, but shall direct its full attention to matters directly related to the Navy process of ship design and production, specifically including the matters described in paragraph (1) of this subsection.

(c)(1) The Commission or, on the authorizaion of the Commission, any subcommittee or member thereof may, for the purpose of carrying out the provisions of this section, hold such hearings and sit and act at such times and places as the Commission or such subcommittee or member may deem advisable.

(2) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purposes of this section. Each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

(3) The Commission shall establish appropriate measures to insure the safeguarding of all classified information submitted to or inspected by it in carrying out its duties under this section.

(d) Each member of the Commission shall receive an amount equal to the daily rate paid a GS-18 under the General Schedule contained in section 5332 of title 5, United States Code (including traveltime), during which such member is engaged in the actual performance of his duties as a member of the Commission. Members of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

(e)(1) The Commission shall appoint an executive director and such other personnel as it deems advisable without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall fix the compensation of such personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates; but personnel so appointed may not receive compensation in excess of the rate authorized for GS-18 by section 5332 of such title 5.

(2) The Commission is authorized to procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates not to exceed the daily rate paid a person occupying a position at GS-18.

(3) The Commission is authorized to enter into contracts with public agencies, private firms, institutions, and individuals for the conduct of research and surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

(f) The Administrator of the General Services Administration shall provide administrative services for the Commission on a reimbursable basis.

(g) The Commission shall submit to the Congress and to the President, not later than February 1, 1979, a final report containing the results of its study and review under this section together with such recommendations as it deems appropriate.

(h) The Commission shall cease to exist sixty days after the submission of its final report.

(i) There are authorized to be appropriated to the Commission such sums as may be necessary to carry out the provisions of this title.

SEC. 103. Title VIII of the Department of Defense Appropriation Authorization Act, 1975, is hereby repealed.

TITLE II—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

SEC. 201. Funds are hereby authorized to be appropriated during the fiscal year 1978 for the use of the Armed Forces of the United States for research, development, test and evaluation, as authorized by law, in amounts as follows:

For the Army, $2,541,992,000;

For the Navy (including the Marine Corps), $4,061,665,000.

For the Air Force, $4,061,900,000, of which $15,700,000 may be obligated and expended only for the North Atlantic Treaty Organization AWACS program; and

For the Defense Agencies, $796,900,000, of which $25,000,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

SEC. 202. The Secretary of Defense shall supply the Committee on Armed Services of the Senate and House of Representatives, not later than October 1 of each year, a full accounting of all experiments and studies conducted by the Department of Defense in the preceding twelve-month period, whether directly or under contract, which involved the use of human subjects for the testing of chemical or biological agents. In addition, not later than thirty days after final approval in the Department of Defense of plans for any experiment or study to be conducted by the Department of Defense, whether directly or under contract, involving the use of human subjects for the testing of chemical or biological agents, and not less than thirty days before the initiation of such experiment or study, the Secretary of Defense shall supply the Committees on Armed Services of the Senate and House of Representatives a full accounting of such plans for such experiment or study.

SEC. 203. No funds shall be obligated or expended after fiscal year 1980 for the development or procurement of any main battle tank, mechanized infantry combat vehicle, armored personnel carrier, armored self-propelled artillery vehicle, or armored self-propelled air defense artillery vehicle which does not possess collective protection for all occupants against chemical and radiological agents. Any such collective protection system shall not be substituted for the individual protective devices now in standard use, but shall supplement the capabilities of those devices. Compliance with this section shall be accomplished without delaying the introduction of the XM-1 main battle tank, the mechanized infantry combat vehicle, or any other armored fighting vehicle now in development.

TITLE VIII—ACTIVE FORCES

SEC. 301. For the fiscal year beginning October 1, 1977, and ending September 30, 1978, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

(1) The Army, 777,100;

(2) The Navy, 535,100;

(3) The Marine Corps, 190,100;

(4) The Air Force, 569,600.

SEC. 302. (a)(1) Chapter 39 of title 10, United States Code, is amended by adding at the end thereof a new section as follows:

"§ 688. Limitation on number of general and flag officers

"Notwithstanding any other provision of law, the number of commissioned officers serving on active duty in grades above colonel and captain (Navy) may not exceed 1,118 in the fiscal year beginning October 1, 1978, or 1,071 in any fiscal year thereafter. The President shall apportion among the Armed Forces the total number of such officer grades authorized for any fiscal year.".

(2) The table of sections at the beginning of chapter 39 of such title is amended by adding at the end thereof a new item as follows:

"688. Limitation on number of general and flag officers.".

(b) Section 123(a) of title 10, United States Code, is amended by inserting "688," immediately after "892,".

(c) Section 5231 of title 10, United States Code, is amended by—

(1) striking out "eight" in the second sentence of subsection (b) and inserting in lieu thereof "25 percent";

(2) striking out subsection (c); and

(3) striking out "subsections (b) and (c)" in subsections (d) and (e) and inserting in lieu thereof "subsection (b)".

(d) Section 5232 of title 10, United States Code, is amended by—

(1) amending subsection (b) to read as follows:

"(b) The total number of officers serving on active duty in the Marine Corps in the grades of general and lieutenant general may not, at any time, exceed 15 percent of the total number of officers serving on active duty in the Marine Corps above the grade of colonel."; and

(2) striking out the period at the end of subsection (c) and inserting in lieu thereof a comma and the following: "and while so serving in that grade, he is in addition to the maximum limit prescribed by subsection (b) of this section.".

SEC. 303. (a) Chapter 3 of title 37, United States Code, is amended by—

(1) repealing section 201(c).

(2) amending section 203 by adding the following new subsection:

"(c) A cadet at the United States Military Academy, the United States Air Force Academy, or the Coast Guard Academy, or midshipman at the United States Naval Academy, is entitled to monthly cadet pay, or midshipman pay, at the rate of $313.20. The rate of monthly cadet pay, or midshipman pay, under this subsection shall be adjusted in the manner and at the same time the monthly basic pay of members of the uniformed services is adjusted under section 1009 of this title.".

(3) amending section 209(c) to read as follows:

"(c) The following persons are entitled to pay at the rate prescribed for cadets and midshipmen at the United States Military Naval, and Air Force Academies under section 203(c) of this title:

"(1) A cadet or midshipman in the Senior Reserve Officers' Training Corps while he is attending field training or practice cruises under section 2109 of title 10.

"(2) An applicant for membership in the Senior Reserve Officers' Training Corps while he is attending field training or practice cruises to satisfy the requirement of section 2104(b)(6)(B) of title 10 for admission to advanced training.".

(4) amending the catchline of section 209 to read as follows:

"§ 209. Members of precommissioning programs".

(5) striking out the item relating to section 209 in the table of sections at the beginning of such chapter and inserting in lieu thereof the following:

"209. Members of precommissioning programs.".

(b) Any cadet or midshipman who, on the date of enactment of this Act, or on any date thereafter, is enrolled—

(1) in an academy named in section 201(c) of title 37, United States Code, as such section was in effect on the date before the date of enactment of this Act, or

(2) in the Senior Reserve Officer's Training Corps described in section 209(c) of title 37, United States Code, as such section was in effect on the day before the date of enactment of this Act,

shall, if otherwise entitled, receive the rate of pay prescribed by section 201(c) of title 37, United States Code, as in effect on the day before the effective date of this Act, until the rate of pay authorized by section 203(c) of that title, as added by this Act, is equal to or greater than the rate prescribed by section 201(c) of that title, as in effect on the day before the effective date of this Act. Thereafter, the entitlement of such person shall be as prescribed by section 203(c) of title 37, United States Code, as added by this Act, or section 209(c) of that title, as amended by this Act, as appropriate.

(c) A person who, on the date of enactment of this Act, is an applicant for membership in the Senior Reserve Officers' Training Corps described in section 209(c) of title 37, United States Code, as in effect on the day before the date of enactment of this Act, and who is attending or will attend one of the field training encampments or practice cruises in a field training or practice cruise period in process on the date of enactment of this Act, is entitled to continue to receive the rate of pay prescribed by such section as in effect on the day before the date of enactment of this Act while such person is attending the field training or practice cruise period in progress on the date of enactment of this Act. Thereafter, the entitlement of such person shall be prescribed in subsection (b) of this section.

TITLE IV—RESERVE FORCES

SEC. 401. (a) For the fiscal year beginning October 1, 1977, and ending September 30, 1978, the Selected Reserve of each Reserve component of the Armed Forces shall be programed to attain an average strength of not less than the following:

(1) The Army National Guard of the United States, 382,000;

(2) The Army Reserve, 211,300;

(3) The Naval Reserve, 76,400;

(4) The Marine Corps Reserve, 32,400;

(5) The Air Natonal Guard of the United States, 92,500;

(6) The Air Force Reserve, 51,100; and

(7) The Coast Guard Reserve, 11,700.

(b) The average strength prescribed by subsection (a) of this section for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year; and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

SEC. 402. (a) Section 101 of title 10, United States Code, is amended by adding at the end thereof a new paragraph as follows:

"(37) 'Active duty for training' means temporary service performed by a member of a reserve component in a program of on-the-job instruction of not more than 30 days' duration or in a regular program of classroom instruction.".

(b) The amendment made by subsection (a) of this section shall become effective October 1, 1978.

TITLE V—CIVILIAN PERSONNEL

SEC. 501. (a) For the fiscal year beginning October 1, 1977, and ending September 30, 1978, the Department of Defense is authorized an end strength for civilian personnel as follows:

(1) The Department of the Army, 370,800;

(2) The Department of the Navy, including the Marine Corps, 311,700;

(3) The Department of the Air Force, 251,400; and

(4) Activities and agencies of the Department of Defense (other than the military departments), 77,000.

(b) In computing the authorized end strength for civilian personnel there shall be included all direct-hire and indirect-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program, and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Whenever a function, power, duty, or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense, or from another department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(c) When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by subsection (a) of this section but such additional number may not exceed one-half of 1 percent of the total number of civilian personnel authorized for the Department of Defense by subsection (a) of this section. The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under the authority of this subsection.

SEC. 502. (a)(1) Chapter 891 of title 10, United States Code, is amended by adding at the end thereof a new section as follows:

"§ 1587. Limitation on the number of certain Department of Defense employees

"(a) Notwithstanding any other provision of law, beginning with the fiscal year beginning October 1, 1977, and in the succeeding fiscal years the Secretary of Defense shall make reductions in the total number of persons employed in the Department of Defense on the date of enactment of this section (1) in the grades GS–12, GS–13, GS–14, GS–15, GS–16, GS–17, and GS–18, and (2) positions provided for under section 1581 of title 10, United States Code, by 2 per centum during the fiscal year beginning October 1, 1977, and in the following fiscal year by a percentage equal to the same percentage by which the total number of officers serving on active duty in the Army, Navy, Air Force, and Marine Corps above the grades of colonel and captain (Navy) is reduced in such fiscal year pursuant to section 688 of title 10, United States Code. The Secretary of Defense shall apportion among the military departments and the Office of the Secretary of Defense the reductions required to be made in any fiscal year. On and after October 1, 1979, the total number of persons which may be employed by the military departments and the Office of the Secretary of Defense in the positions and grades described above may not exceed the number employed in such positions and grades on the date of enactment of this section reduced as provided in the first sentence of this subsection.

"(b) The computation of any decrease required by subsection (a) of this section shall be rounded off to the nearest whole number.".

(2) The table of sections at the beginning of chapter 81 of such title is amended by adding at the end thereof a new item as follows:

"1587. Limitation on the number of certain Department of Defense employees.".

(b) Section 123(a) of title 10, United States Code, is amended by inserting "1587" immediately after "1374,".

TITLE VI—MILITARY TRAINING STUDENT LOADS

SEC. 601. (a) For the fiscal year beginning October 1, 1977, and ending September 30, 1978, each component of the Armed Forces is authorized an average military training student load as follows:

(1) The Army, 77,711;
(2) The Navy, 60,767
(3) The Marine Corps, 24,020;
(4) The Air Force, 50,356;
(5) The Army National Guard of the United States, 16,606;
(6) The Army Reserve, 11,136;
(7) The Naval Reserve, 1,065;
(8) The Marine Corps Reserve, 3,449;
(9) The Air National Guard of the United States, 2,598; and
(10) The Air Force Reserve, 1,186.

(b) The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components authorized in subsection (a) of this section for the fiscal year ending September 30, 1978, shall be adjusted consistent with the manpower strengths authorized in titles II, IV, and V of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components in such manner as the Secretary of Defense shall prescribe.

TITLE VII—CIVIL DEFENSE

SEC. 701. Funds are hereby authorized to be appropriated during fiscal year 1978 to carry out the provisions of the Federal Civil Defense Act of 1950, as amended, for programs of the Defense Civil Preparedness Agency, in the amount of $95,250,000.

TITLE VIII—GENERAL PROVISIONS

SEC. 801. The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than February 15, 1978, a report setting forth quantifiable and measurable materiel readiness requirements for the Armed Forces, including the Reserve components thereof, the monthly readiness status of the Armed Forces, including the reserve components thereof, during fiscal year 1977, and any changes in such requirements and status projected for fiscal years 1978 and 1979 and in the five-year defense program. The Secretary of Defense shall also inform such committees of any subsequent changes in the aforementioned materiel readiness requirements and the reasons for such changes. The budget for the Department of Defense submitted to the Congress for fiscal year 1979 and subsequent fiscal years shall include data projecting the effect of the appropriations requested for materiel readiness requirements.

SEC. 802. Section 813 of the Department of Defense Appropriation Authorization Act, 1976, is amended to read as follows:

"SEC. 813. In the case of any letter of offer to sell or any proposal to transfer defense articles which are valued at $25,000,000 or more from the United States active forces' inventories or from current production, the Secretary of Defense shall submit a report to the Congress setting forth—

"(1) the impact of such sales or transfers on the current readiness of United States forces;

"(2) the adequacy of reimbursements to cover, at the time of replenishment of United States inventories, the full replacement costs of those items sold or transferred; and

"(3) for each article to be sold (A) the initial issue quantity requirement for United States forces for that article, (B) the percentage of such requirement already delivered to such forces or contracted for at the time of the report, (C) the timetable for meeting such requirement absent the proposed sale, and (D) the timetable for meeting such requirement if the sale is approved.".

SEC. 803. This Act may be cited as the "Department of Defense Appropriation Authorization Act, 1978".

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, what is the pending business before the Senate?

The ACTING PRESIDENT pro tempore. H.R. 5970, the military procurement authorization.

Mr. STENNIS. Mr. President, do I have the floor?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. STENNIS. I thank the Chair.

Mr. President, I will now give a fairly brief summary of the overall provisions and figures in this bill. A great deal of the bill was handled by subcommittees, one on manpower, one on tactical air, one on research and development, and another with reference to the civil defense and related matters. These chairmen and the ranking minority members, especially, of these subcommittees, and all other Senators who wish to, will certainly make an input into the RECORD of debate on this bill. We will get to that as fast as we can.

Preliminarily, I call attention to the fact, Mr. President, that this bill was voted out of the committee—we have 18 members—and the vote was 18 for the bill and no one was against it.

We had a major vote in the committee on the ship building program, a major part of the bill, and that vote was 16 to 2.

Those two votes represent or prove the attitude in which the bill was put together.

It was taken apart first and then on a strictly nonpartisan basis—I say that without any reservation at all—it was put back together and represents the judgment and the cooperation of the membership of this committee.

The members gave first-rate attention to all of the major parts of the bill and to many of the so-called minor parts. We were assisted there by what I think is a very high quality professional staff. They are knowledgeable in the subject matter they have assigned to them and are very cooperative.

I am very glad to say this professional group takes care of all Members of the Senate, even though there are certain ones of the majority and certain ones of the minority who would have a preference, but these professional staff members serve the committee membership regardless of the political division of any kind with equal promptness, equal professional capacity, and with political indifference.

So in that way we do not, as a prac-

tical matter, even recognize the division in the staff according to the minority or the majority. These people are professional staff members.

That is one reason why we bring this bill to the floor with such confidence and can recommend it to the Senate as having been gone into on that basis.

This year we also had a change of administration, as is well-known. There was a difference in the recommendations of the outgoing President, Mr. Ford, and the incoming President, Mr. Carter. Sometimes the records show the references to the so-called Ford budget or the Carter budget.

This is only for identification and comparisons, and I do not think it was a consideration given to the passing of this bill in its final form. I know it does not represent any one segment of the measure, the army, or the rest. It is the judgment of the membership of this body, and I am very happy to be able to say that.

I have already referred to our subcommittees, and as a matter of information, we had 52 sessions of hearings in both the full committee and the subcommittees, and the committee met in 14 different sessions to mark up the bill.

The committee voted unanimously in favor of the bill, which I have already stated.

We will have these subcommittee chairmen here in time to get their remarks in fairly early in the consideration of this bill.

Mr. President, I shall make some remarks at this point, and I will not be brief. The magnitude of the bill is such, I think, that it should have an overall presentation, not only for the Members of the Senate, but for the press and the public at large and anyone that might be interested.

Mr. President, today as we begin debate on H.R. 5970, the fiscal year 1978 military authorization bill, I would like to make some remarks about the purpose and content of the bill. First, however, I emphasize that this is a massive bill and is the result of tremendous work by the entire committee. Five different subcommittees worked on parts of this bill and parts were taken up by the full committee as a whole.

All of the subcommittee chairmen will report in detail on the subject matter covered by their subcommittee, but I would like to recognize the fine efforts of Senator CANNON, chairman of the Tactical Air Subcommittee and his associate members; Senator MCINTYRE, chairman of the Research and Development Subcommittee and his associate members; Senator NUNN, chairman of the Manpower and Personnel Subcommittee and his associate members; and Senator CULVER, chairman of the General Legislation Subcommittee and his associates. I commend the numerous contributions of Senator TOWER, the able ranking minority member of the committee. I would also like to thank Senator HART for his special contribution on the Navy ship program.

SOVIET MILITARY TRENDS

The Senate begins debate on the military authorization bill at a time when the full meaning of trends in Soviet military strength is unclear. The United States still has the ability, in my opinion, to protect its vital interests by prevailing in the major areas that might test our military strength. However, the expansion of the Soviet defense establishment continues and it has a meaning, but no one can say for sure what that meaning is.

For example, in the last 5 years, the Soviets have increased their active military manpower about 10 percent, increased the number of tanks over 10 percent, increased their tactical combat aircraft by just under 10 percent. They have increased their ballistic missile submarines by 50 percent and their long-range bombers by one-third.

As I said, we are not saying just what their motives are, we cannot be sure, underlying this expansion. But we do know we must continue to maintain our military strength in response.

This bill is certainly, in a great part, a response to these very items that I have summed up as to the Soviets increased strength.

STRATEGIC BALANCE

The capability of the vast destruction by strategic forces of the United States and the Soviet Union has been an important factor in preventing the use of nuclear weapons in the postwar period. That balance of strategic capability, in which neither side may use its nuclear arsenal without devastating retaliation, is vital to world security. The U.S. policy has been based on the belief that strategic arms should be controlled and reduced by a fair mutual agreement, but that failing such agreement we must strive to develop such strategic weapons as will insure the balance. The committee endorses the efforts of the administration to achieve an equitable SALT II agreement, but recognizes that if such an agreement is not reached we must be ready to counter Soviet developments in order to maintain our security.

The committee concluded after careful study, that the United States has today sufficient strategic forces to maintain the vital deterrent balance. Its recommendations in this area for fiscal year 1978 continue to be aimed at the strategic Triad—submarine-based missiles, land-based ICBM's and manned bombers. The committee recommendations in this area are aimed at doing this, both now and in the future. When I say "in this area," I mean, of course, in the area of strategic forces.

NAVAL FORCES

Mr. President, a special word now as to the situation in the Navy. We can get a lot of recommendations about this, and our committee has been through this for several years.

The United States is one of the two nations which lead the rest of the world in almost all areas of economic, political and military strength. However, unlike the Soviet Union, the United States is separated by the oceans from the rest of the world. Thus, most of our vital economic, political and even cultural interests span the oceans. Many of our raw materials—and the energy crisis has brought this out—including oil come from overseas and 99 percent of U.S. overseas trade moves by ocean. Most of our allies are overseas, such as Japan, Korea, and Australia and our other Asian allies across the Pacific Ocean and Germany, England, and our other NATO allies across the Atlantic Ocean. Even our museums, theaters and libraries draw much on the culture of overseas countries.

To maintain our interests overseas and to assist our allies in their own defense, we station some 475,000 troops in various foreign countries, most of them in NATO Europe. However, these military forces must be supplied and supported from across the oceans.

If the U.S. Navy cannot insure free use of the high seas between the United States and its allies—in peacetime or semipeace, in wartime or during a time of threat of war—our national interests, objectives and military strategy are all in jeopardy. The United States today is the world's leading naval power.

I have been concerned about that. I have tried to avoid jumping to conclusions or going off halfcocked. I have been concerned about it. But I still have the assurance in my own mind that undoubtedly we are today the world's leading naval power. While the Soviet Union has been building steadily an oceangoing navy which is highly capable, the U.S. Navy is still superior. One of the main margins of difference of the U.S. Navy over the Soviet Navy is sea-based airpower, which, call it what you will, is mainly in our aircraft carriers at the present time.

I believe—in fact, I feel certain—that the United States must maintain its naval superiority. We and the Soviet Union have essential equivalence in strategic nuclear weapons. NATO and the Warsaw Pact have a rough parity in the overall numbers of conventional forces in Europe, although there are certain problems in NATO's posture. In this situation, we cannot afford to give up our lead at sea. The Soviet Union is a vast, landlocked country, which does not need the sea as much as the United States.

It is important to realize that navies cannot change overnight. It takes 5 to 7 years to build one new ship, and that ship can be expected to last 25 to 30 years or even more. Thus, the Navy ships that we fund today will be the ships our Navy will be operating and depending upon in the year 2000 and beyond.

We may have some debate as to the ships in this bill, but I should like to emphasize this. I value highly the expertise and the knowledge of the present occupant of the Chair, the Senator from South Carolina (Mr. HOLLINGS), and I want him to hear this and to give attention. He already knows this, but I want to emphasize it to him; and if I do not have the chance now, I will do so later.

The Navy ship program only can be reviewed in those long-range terms. It is our insurance for the future. We must not signal the world today that we are willing to give up on our future security by planning an inadequate Navy.

I say this parenthetically: It is true that during the high expenditures for the war in Vietnam, with the extraordi-

nary cost to us of that war, the Navy was left short with respect to new ships. As to some basic decisions as to the kinds of ships, the Navy kept postponing, and so did we. But that time has passed, and it is clearer all the more that we must make the basic decision now as to the types of ships and planes we need at sea, and we should lose no time in implementing those decisions.

There must be an input toward those decisions by the Navy professional man, the civilian secretariats, Congress, and the Chief Executive. The big point now is that those decisions must be made now, as for instance in the type of carriers and planes we need at sea, and then we must implement the decisions. Our committee has carefully drawn up this bill including alternatives so that decisions can be made and starts promptly can be made.

I want us to keep this bill in that shape, so that we can make our own decision now and force the uniform Navy, the Navy Secretaries, the Defense Secretary, and the President of the United States—not force them to our particular decision but to implement it and to get started on it. I think the best way to do it is to let these bills travel as far as they can, with the alternatives open, and try to get some decisions.

The bill also carries the estimated additional amounts needed to pay these so-called back claims of the shipbuilders. Many of them are valid claims. They are entitled to that money under the terms of the contract, and they have had a hard go in trying to settle on the figure. Congress has moved in and done its part, has done all it can. We have authorized it and we have appropriated half the money already, and this bill carries the authorization for the remaining half. I believe that the Appropriations Committee will recommend that it be funded.

KOREA AND THE PACIFIC

Now, Mr. President, to another phase of the bill, Korea and the Pacific. Today the United States has only 127,000 military personnel in the entire Western Pacific area. These men are scattered from Korea in the north to the Indian Ocean in the south—some 10,000 miles—and include the sailors aboard ships in that area. This is only 6 percent of our total military manpower and is only about half of the 250,000 the United States had in the Pacific area prior to the Vietnam war.

There have been proposals and discussions of withdrawing our ground forces from Korea. It may be that some reductions there are possible but I am concerend that we not jeopardize the U.S. posture and presence throughout Asia by considering our Korean forces in a vacuum.

I do not want us to go too far in pulling out of Asia. I certainly do not want to go any further in, though, and get entangled as we did in Vietnam. But there are many, many reasons why we cannot afford to let down the guard totally, and we cannot treat it as a casual thing to be withdrawing those ground forces in Korea, which cost us little—may be a little less than it would to have them at home anyway.

I respect those who see this matter differently, and I know that is an issue here within the Government. I felt compelled to tie in the proposition with this overall bill—and I will just sum up by saying moneywise this is a very low cost of doing business in the Pacific. A show of strength and a show of naval power, too, as well as strength on the ground, I think has a stabilizing influence, whether fully or not. I hope that we do not withdraw those forces.

There is nothing in this bill directly on it, but I believe we create far less problems than the keeping of them there reflect.

These troops in Korea represent 40 percent of our entire forward deployed forces in the Western Pacific area. If we withdraw our troops from Korea where will they go? Will we reduce our entire forward deployed forces below 100,000? How will that affect the stability of Northeast Asia? How will it affect our relationship with Japan and the Japanese view of their own defense situation? How will the reduced U.S. presence in Western Pacific affect our friends and allies throughout that area? I think it is essential that we answer these questions before we make reductions in our forces in Korea. I just think this whole matter must be reviewed carefully in light of our overall national interests and objectives.

NATO

Now, Mr. President, a few words about the overall situation with reference to NATO.

Another key pillar in our military posture is the readiness and strength of U.S. conventional forces that are both located in Europe or ready to go to the assistance of NATO. Most people do not realize that the vast majority of our Army and Air Force tactical forces have as a main mission support of our NATO commitment. In peacetime, five of our Army divisions, and seven of our Air Force tactical fighter wings are forward deployed in Europe. Most of the remaining 12 active Army divisions and 19 active tactical fighter wings could be sent to Europe in a full-scale conflict.

It happens that my experience here goes back to the formation of NATO. I was a new man, so to speak, and deeply concerned, and I was convinced by some witnesses who appeared before the Armed Services Committee, including the late President Eisenhower before he became President, and others here on the floor in debate and elsewhere, that as far as my one vote was concerned—and that was my only contribution—that we had better go the route of trying to form NATO. It was by far uncertain whether we could form it or not and make it a going concern. But I am very much pleased with the overall success, and I think it has been successful, and has been of tremendous value for over 25 years now in being the thing that brought the nations together in some strong sense and brought us into that same orbit of strength. It has been a tremendous factor for peace, trade, commerce, and stability throughout the world.

That treaty was adopted not merely because of a charitable attitude toward Europe but because the United States said that it was also in its vital interest to maintain freedom in the Western democracies. The Western countries are much stronger today both economically and militarily than they were at the time of the signing of the NATO Treaty. That means they should and must contribute more to their own defense. However, it does not mean that the U.S. interests have somehow changed or that the United States is still not the linchpin in the NATO military posture.

Now, I know it has cost us some money, but it is a key pillar in our military posture.

I have come through the time here when they did not bring up the fact that we have as a main mission support of our NATO commitment. This was not brought up too much unless somebody was trying to hang on an amendment to reduce the troops there. But this is one of the real strengths and shining implements for peace that I thought ought to be emphasized in debate every year—the fact that we are there, the way we are there, and the purposes for which we are there.

We may not have the carrying capacity as high as we should have of sending our Army divisions and tactical fighter wings, but that is a backup in a large way, and that is a part of the thinking among our adversaries over and beyond the Western European part of the world.

I know that our allies there have not contributed, as we see it, as much as we think they should. They have not paid as much of the bill, we might say, as many think they should. But everything considered—and many of these 25 years and more their economies has been very low—they have been willing with their manpower all this time, and they have done a good part in the money field and they have made sacrifices in a way larger, far larger than our own, and they should because that is their part. They are the first line of our defenses.

Again in Europe, the Soviet and Warsaw Pact forces have been gradually building up. The ability of NATO forces to protect Western Europe against this threat is a matter of increasing concern, and that is particularly true in light of modern weaponry. I am not referring to nuclear weaponry here. NATO, as a whole must make improvements to meet that challenge. These improvements lie in the areas of readiness, fire power, adequate stocks of weapons and ammunition, improved command, control and coordination, and better standardization and interoperability of the forces of the various NATO countries. The United States can and should do its share. This bill adds some $100 million to the requested $2 billion program for the Army alone to improve its NATO posture. Our tactical Air Forces and the Airlift Forces are also being improved.

Now, our committee has had some very valuable contacts there, I mean by members going over there in a studying mood, being prepared to ask the hard questions both of our group and our allies. They have come back with ideas that have been felt here in these bills and in the thinking of the committee, on the floor of the Senate and at the White House.

We have capable men who have done this, and I refer to the Senator from Georgia (Mr. NUNN) and the Senator from Oklahoma (Mr. BARTLETT) as two who have given it a great deal of time, as others have. I have not been there. I have talked to independent generals whom I consider of the very highest caliber, and who I call generals who have mud on their boots, meaning ones who have been out there in the field and who know the problem as it is.

I called on them, they did not call on me. I asked them to come and tell me what the facts were. They did not have anything to sell. I was tremendously impressed with our achievements, but the need, too, for more, and we are not meeting all of our own problems there.

I will tell you right now, it could not last long without our active support, and we would have far, far more trouble other places if we did not have this NATO force there in Western Europe. It is a powerful factor in world affairs.

ALL-VOLUNTEER FORCE

Mr. President, without a doubt the most important element of the U.S. military strength is the men and women who make up our Armed Forces. They are fine men and women and we, as a whole, can be proud of them.

However, it is growing more and more difficult to recruit the high-quality personnel our sophisticated forces demand. In the Army the percentage of new recruits who are high school graduates has decreased from 62 percent to 47 percent in the past year. And this is at a time when we have a great deal of unemployment and jobs are not in oversupply, at least, but those percentages have been going down. Our high school graduate diploma is not the ultimate test. It is a test, though. It is a test of a kind, and I consider it valuable. The Army is still some 14,000 men and women below the congressionally authorized strength for this year.

I am not here to belabor and be critical of their officers. In recruiting, they have done the best they could. They have given it some of their best talent, and we have supplied a whole lot of money for the Volunteer Forces in addition to the salaries. We have spent it in recruiting. I have no bill here, and I am not trying to get a bill passed. I am pointing out a growing difficulty and a mounting problem.

The difficulty in recruiting, plus the billions of additional dollars required to mobilize the All-Volunteer Force make it a costly policy. We must reexamine this All-Volunteer Force. It may be a luxury that risks our long run security by draining our national defense dollars of their buying power.

With 58 percent now of every military dollar having to go for personnel, it is clear that there may not always be dollars enough remaining for the ever-increasing high-priced modern weaponry that is so essential.

And that is a warning that we should make every year and take more seriously than we have.

It really frightens me to think that out of every military dollar we have to spend 58 cents of that dollar before we even buy one rifle for the man who carries the gun and before we buy even 5 gallons of airplane fuel for the fighter forces that defend us in the air. We have to spend 58 cents out of that dollar before any supplies, equipment, or hardware of any kind can be bought. That percentage is tending to go up and the overall cost of all the weaponry that we have to buy is going up, steadily and rapidly. I know there has to be something done. There will be a crash along the line somewhere.

Now back for a minute to further details of the committee's investigation of this bill.

The so-called Carter budget request for the national defense function for fiscal year 1978 was for $120.1 billion in budget authority. Of this $35.9 billion was requested in the authorization of funds for procurement, research and development, and civil defense. These are the funds directly authorized in this bill, H.R. 5970.

There is also reflected in the Budget Committee's estimates of our share of what is going to be charged to the military, also the cost of manpower. It is the manpower requirements, military and civilian, that run up the figure a great deal more than the figure of $35.9 billion for procurement and research and development.

There are certain items like the supplies, food for the men, and all that come through the Appropriations Committee without being expressly authorized because it is not felt that it is necessary for our committee to thumb through those items.

The bill, as reported by the committee, would reduce the overall budget request by $72 million. This net impact includes the funds recommended for procurement, research and development, and civil defense, which total some $36 billion, or an increase of $119 million over the President's request. This increase is offset by savings of $191 million which result from reduction in the manpower strengths, to which I have just referred, and other legislative items in the bill.

This year the committee bill was acted upon before the final passage of the budget resolution, but I now understand that the budget target of $118.5 billion for national defense can be met by financing arrangements such as changes in foreign military sales, changes in the inflation rate, or the use of unobligated balances from previous budgets. The committee bill is, therefore, in line with the budget level of $118.5 billion.

Mr. President, I believe, without a doubt, this is a prudent bill, one which provides the necessary growth to maintain a strong military force posture without adding excessive amounts of money for questionable programs.

I will now touch on some additional highlights of the bill, and then I will yield the floor for the time being.

Mr. President, if the Senator has a brief question or two he wishes to ask, let me say for the information of the Senate that we do not have a great number of amendments here and do not have information about any great number of amendments. Let me urge anyone who does have an amendment to send it on in and then we can pass on these matters of time and make some time agreements about disposition of amendments.

But until they are written out as to an important measure as this, we have to respectfully say we cannot agree to time reduction just yet.

I yield to the Senator from Nebraska, if I may, at this point.

Mr. CURTIS. Mr. President, I have no question to ask, but I rise for the purpose of having the record show what I have observed over the years concerning the devotion of the distinguished Senator from Mississippi for the defense of our country. A bill of this sort represents a good deal of work, with many details. Far and beyond that, it calls for a dedication and a belief in our country and the short-range and long-range necessity for the defense of our country.

There may have been times when it has taken a good while, at times many weeks, to pass this bill that comes up annually. I have never seen the distinguished Senator from Mississippi falter or fail in that task, and I commend him for his dedication to our Republic and the contribution he has made for the defense of our country. And I commend him, as well as I commend the distinguished Senator from South Carolina, who is present in the Chamber, who likewise has rendered outstanding service not only now but for over a period of several decades in maintaining the defense of our country during times when it was not always proper to do that, and I commend them both.

Mr. STENNIS. Mr. President, I certainly thank the Senator from Nebraska. I appreciate his remarks in behalf of all the members of our committee.

He refers to battles we have had here on the Senate floor in previous years, when we would take weeks and weeks to pass the bill. We have had some close ones—close votes, I mean. I could always tell how the Senator from Nebraska would look at a matter, and I relied on him. When I called on him to help out, in debate and otherwise, he always responded with spirit and effectiveness. I thank him very much.

Mr. President, turning now to Navy shipbuilding——

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. STENNIS. Yes, I am happy to yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I, too, wish to express my appreciation to the able Senator from Nebraska for his remarks about the Senator from Mississippi and myself. I do not know of any man with whom I have served in the Senate who has proved to be more able or dedicated than the distinguished Senator from Nebraska. He is sound and practical, and follows a course which I believe is in the best interests of the people of America.

Mr. STENNIS. I thank the Senator from South Carolina very much.

Mr. President, I shall proceed here, though not for a great deal of additional

time, with things I think ought to be said and be a part of the record the first day.

NAVY SHIPBUILDING

For the past several years, the committee has expressed concern and emphasized the need for an improved Navy force structure and shipbuilding program. I am sorry to report that the events that have transpired since the committee reported to the Senate on the fiscal year 1977 authorization request have done little to alleviate our concern on future ship forces and programs.

True, it has been a testing time, a troublesome time, a difficult time. There have been changes of administration and new starts being made by new officials—some of whom are very outstanding. By Congress having appropriated the money last year on the old claims, its passing the measure will, I think, add up to forced action. I believe these officials are going to move, now, and get the claims settled. I believe we can pass a bill here with choices and balances and alternatives in it that will certainly put it up to the Navy and the civilian side of the administration to set sail, now, and go out on this definite course.

No one is questioning that this country must maintain its naval superiority. However, some hard decisions must be made on what specific programs and the rate of progress of these programs that will be necessary for the maintenance of the naval superiority that we now have.

The administration requested a shipbuilding program of $5.8 billion for 22 ships. By a vote of 16 to 2, the committee is recommending to the Senate a shipbuilding authorization of $6.7 billion, a $0.9 billion or 16-percent increase and the construction of 20 new ships. Mr. President, the recommendations of the committee result from a firm decision that the Navy shipbuilding program must push forward.

Again—and this is an unusual course for committees to take—the shipbuilding program put into this bill does give the administration a choice. Of course, we will be going to conference with the House, which has a somewhat different program, but I have no doubt that after some hard work on the part of the conferees, a good, strong, solid bill will come back to the floors for adoption.

The ship program recommended by the committee reflects firm decisions in those areas where adequate justification is available. However, particularly with respect to aircraft carriers and other means of keeping aircraft at sea, the committee was convinced of the need for more information. To this end, the committee has directed the Secretary of Defense to conduct a comprehensive evaluation of the costs and effectiveness of sea-based aircraft platforms for both the short and long term.

Here is a whole nation that is very generally agreed on the need for this airpower at sea. Certainly we are not going to fall down now into endless argument about what kind of platforms or ships should be used in keeping this airpower available. Surely we are not going off on a side road or short circuit like that.

In view of the confusion on what is the best program for keeping aviation at sea in the future, a firm decision in all areas is not possible at this time. To keep a number of options open until a reasoned decision can be made, the committee makes the following recommendations:

Addition of $81.6 million for long lead items for a fourth *Nimitz*-class nuclear carrier. I would like to note here that if the decision should be made that a fourth *Nimitz* nuclear carrier is not the best route to go, these funds approved will procure equipment that can be used for needed spare parts on existing ships.

I have already here, in another official capacity, taken a part of the lead in trying to get these plans moved forward, if there is not going to be a *Nimitz*-type carrier, then for some other type carrier.

Another item we agreed on:

Addition of research and development funds amounting to $13.5 million for the continued development of the design for a V/STOL support ship—VSS.

That is put in there for research and development money only, but it shows we want the alternatives moving.

Approval of research and development funds amounting to $15 million for the proposed medium conventional carrier program—CVV.

I am not much on these letters, but that means an intermediate type carrier, a kind of in between, limited program.

We put in money also for consideration of refitting existing *Midway* or other class carriers. That means modernizing.

Now, I want to emphasize that this proposal should not be interpreted as a final commitment to any specific carrier program. Rather it is the intent of the committee to preserve several options for consideration next year.

Before I go further, let me just say this, Mr. President: There has been an issue about these carriers. As I say, everyone agrees we must have this air power at sea. There have been criticisms here, even on the floor, about the *Nimitz* carrier—the big, powerful, largest type carrier. I do not blame anyone for that. But our point here now is that there must be some carrier.

Whatever the final decision is, we want it to move forward.

The committee's recommended shipbuilding program includes approval of the first DDG–47 Aegis destroyer. Also included is the additional $663 million for equipping a nuclear cruiser—CGN–41—with the Aegis air defense system.

That does not mean much to a person who has not had a chance to go into all of these matters, but it means getting this Aegis air defense system on a support cruiser that can keep up with our modern, large, nuclear-powered carriers.

These two important programs will provide a much needed improvement in fleet antiair warfare capability.

The committee also recommends addition of $614 million for two air capable DD–963 destroyers. These ships are needed to partially overcome a serious deficiency in the whole antisubmarine area. Two strategic Trident submarines, one nuclear attack submarine, eight FFG–7 guided missile frigates, and five support ships are also recommended for authorization.

Also in the shipbuilding area, the committee again recommends the repeal of powered Navy. This action should not be title VIII of Public Law 93–965—nuclear interpreted as a rejection of nuclear power for ships.

This section of the law has proven to be an impediment to the President—any President—in making certain decisions and I believe to the Congress in getting the proper mix on these matters.

Everything cannot be nuclear powered, any more than everything can be gilded with gold. A nuclear/conventional mix of ships is the most valid approach to attainment of required future naval forces and capabilities.

The committee approved an amendment that would create a special commission on Navy shipbuilding to study and review the current policies and procedures for procuring ships and to recommend ways of modifying these procedures in order to improve efficiency and cost effectiveness.

GENERAL PROCUREMENT

The General Procurement Subcommittee which I chair, reviewed approximately one-third of the $24 billion defense authorization request for procurement. Significant proposals reviewed by the General Procurement Subcommittee include:

B–1 bomber—the committee approved $1.3 billion requested for the procurement of five B–1 bombers. The bill makes no further recommendation as to the B–1. As a member of the committee, I am not committed to the full 244 proposed and think the number can and should be made less without sacrifice of security. That decision is a long way off, however.

UTTAS helicopter—the committee deleted $115 million for 32 UTTAS helicopters in order to hold the program at a lower initial production rate to allow more testing to overcome current deficiencies. This is an important and costly program. The committee feels that the slower program is fully justified.

It appears to me that this is just a commonsense step that should be taken—others disagree—and would be taken by any well-managed business which was going to spend close to $3 billion for helicopters alone. That is a lot of money. It is a program over a period of several years, that is true, but it is still a lot of money.

This little touch on the shoulder just says, "Go just a little slowly while you are still in this production rate and maybe you will find deficiencies which you are able to improve."

M–60 tank—the committee deleted $182 million for 210 Army tanks in order to maintain the production line for 1 year beyond present plans and until XM–1 tank technology is available. The XM–1 is a forthcoming tank.

These are merely matters of judgment about procurement. I know these contractors get stirred up and want to communicate with Senators. I do not blame them for that, but these are programs that are firm, that are accepted. It is just a matter of which is the best plan for procurement in these items that do cost so much money.

Nonnuclear Lance—the committee added $78 million for the procurement of 360 nonnuclear Lance missiles that clearly appear to be needed.

I believe this would help make it less likely that we would, by mistake, or by

getting a little nervous, possibly get into a nuclear war in Western Europe. I believe to have these Lance missiles armed with nonnuclear weapons would help.

TACTICAL AIR

The Tactical Air Subcommittee, chaired by the Senator from Nevada, Mr. CANNON, reviewed procurement and research and development for aircraft and missiles totaling $10.3 billion or about 30 percent of the fiscal year 1978 budget request subject to authorization.

In the tactical air area, the committee approved the deletion of $198 million for eight F–14's in order to hold production at the present rate. The committee also added $91 million for procurement of 12 A–7E aircraft in fiscal year 1978 and long lead funds for 12 more in fiscal year 1979 for the Navy.

This is a matter of a priority setting between the different weaponry, and it is a matter of judgment by knowledgable people. I am sure that will be presented more fully by the Senator from Nevada, and others.

The committee restored $75 million in research and development for the Army's advanced attack helicopter, which had been cut back by the budget amendment, and added back $35.3 million to improve the readiness of the Hawk SAM missiles, another item reduced in the budget amendment. Also, they provided major direction to the research and development on air-to-air missiles, deferring several new program starts for a year for a reduction of $29.5 million in R. & D. but fully funding improvement programs for the current missile systems. Senator CANNON will be providing a more lengthy statement on the Tactical air portion.

RESEARCH AND DEVELOPMENT

The Research and Development Subcommittee, chaired by the Senator from New Hampshire (Mr. MCINTYRE) reviewed over 600 line items in the most technical portion of the bill.

The committee recommends an authorization of $11.4 billion for research, development, test and evaluation, a reduction of $257 million or 2 percent from the requested $11.7 billion.

Let me just dwell on that one moment and leave the subject to the Senators who are on that committee, a very knowledgeable group of men. Here we have a program for 12 months only of $11.4 billion for research, development, test, and evaluation. Let us be thankful that we have such a program, that we can afford to go into that many matters in depth with our research people, our scientists, and others.

This is the brain of our advanced technology, which is really the field where we are superior and have the lead. This is where we must continue to maintain that lead.

This is nearly $1 billion more than appropriated in fiscal year 1977 and represents an increase of about 9 percent. However, after allowances for inflation, the real increase is about 3 percent.

The recommended R.D.T. & E. program includes an increase of about 11 percent from last year's program for improvements in our technology base. The committee is concerned with efforts to limit the participation of universities and private companies in the expanding technology base and wants to see their participation increased, not decreased.

I will just mention in passing that the full amount requested for R. & D. was allowed in these items:

XM–1 main battle tanks;
Mechanized Infantry Combat Vehicle;
Patriot (SAM–D) Air Defense System;
Trident Missile and Submarine;
Sea Launched Cruise Missile;
B–1 Bomber;
F–16 Tactical Aircraft; and
Air Launched Cruise Missile.

The Committee recommends restoration of $900,000 for research by the faculty of the Uniformed Services University of the Health Sciences and reaffirms its support for the school. That is a research program that they think they need. We already have a lot of medical research programs by the Government going on. I hope that we shall never expand this one into another large one when, just a few blocks away, we already have very fine research facilities—the finest in the world—that I am sure would be open to the faculty of this school.

Other provisions in the R. & D. section of the bill include a requirement that the Department of Defense report each year on any use of human subjects in the testing of chemical or biological agents and a requirement that future tanks and mechanized vehicles have protection against chemical and radiological agents.

MANPOWER

The Manpower and Personnel Subcommittee, chaired by the Senator from Georgia (Mr. NUNN), has carefully examined our military manpower requirements and the manpower programs of each service.

The committee recommends a net reduction of 17,100 active duty military personnel and 19,800 civilians from the President's request. For the Selected Reserve, the committee recommends an increase of 24,400 over the President's request. This increase is all in the Naval Reserve, where the committee felt the President's reduction was too severe.

With respect to active military strengths, the committee recommendation would permit an increase of 700 over the December 31, 1976, actual manpower level then on duty. The reductions are recommended in training—staffs and students, base support personnel, and command/headquarters, all areas which will not degrade combat capability.

The reduction recommended for civilians is in the same support areas and in general schedule white-collar civilians. This can be accommodated through normal attrition.

Both civilian and military personnel were added back to continue operation of the Uniformed Services University of the Health Sciences. The total military and civilian reductions in this bill would save $190 million in fiscal year 1978 and $380 million annually in future years.

Rather than read each of these totals, I ask unanimous consent that tables outlining the manpower actions of the committee be printed in the RECORD at this point:

There being no objection, the table was ordered to be printed in the RECORD, as follows:

ACTIVE FORCES (END STRENGTH)

	Fiscal year 1978 request	Committee recommendation	Change
Army	790,000	777,100	−12,900
Navy	535,000	535,100	+100
Marine Corps	192,000	190,100	−1,900
Air Force	572,000	569,600	−2,400
Total	2,089,000	2,071,900	−17,100

CIVILIAN EMPLOYMENT (END STRENGTH)

Army	378,000	370,800	−7,200
Navy—Marine Corps	317,500	311,700	−5,800
Air Force	256,200	251,400	−4,800
Defense agencies	79,000	77,000	−2,000
Total	1,030,700	1,010,900	−19,800

Mr. STENNIS. Mr. President, the Senator from Georgia and his very fine subcommittee went into the manpower provisions of this measure, and carefully examined the civilian and the uniformed members of our military forces. They have made intelligent, reasoned, and calculated—as to numbers—recommendations in their report, which were found satisfactory and were adopted. It relates to training and all kinds of activities down through the artillerymen and riflemen, on through the weaponry, and makes very fine recommendations. They have made quite a contribution in this field over the years. This is a microscopic examination, not a guess, by any means.

I wish that all segments of our vast Government would take a look at civilian strengths. I wish more committees had more time. I know they go into it as much as they can, but I wish more had time to keep a close surveillance, in many of the larger agencies, especially.

The same committee went into the reserve strength. That includes the Army National Guard and the Air National Guard, and, of course, our four strictly military reserves, as well as the Coast Guard Reserves, with recommendations made in all, generally following the administration's recommendations.

RESERVE FORCES (AVERAGE STRENGTHS)

	Fiscal year 1978 request	Committee recommendation	Change
Army National Guard	382,000	382,000	----------
Army Reserve	211,300	211,300	----------
Naval Reserve	52,000	76,400	+24,400
Marine Corps Reserve	32,400	32,400	----------
Air National Guard	92,500	92,500	----------
Air Force Reserve	51,100	51,100	----------
Coast Guard Reserve	11,700	11,700	----------
Total	833,000	857,400	+24,400

The committee recommended an amendment to reduce the number of admirals and generals authorized for the Department of Defense by 2 percent for fiscal year 1978 and an additional 4 percent in fiscal year 1979. A similar amendment is recommended to reduce the number of DOD general schedule civilians in grades 12–18.

The committee also recommends an amendment to set the pay of cadets and midshipmen at the service academies to $313.20 per month.

CIVIL DEFENSE

We also handled, this year, the Military Authorization Act for civil defense. That was handled by the Senator from Iowa (Mr. CULVER), who has shown a very fine interest in the subject. He has held extensive hearings. He makes his recommendations for the budget amount, plus a small additional sum of $5.25 million for some special research in economic survivability, nuclear crisis planning, and automatic message transmission equipment. The $90 million request is included in the bill.

OTHER PROVISIONS OF THE BILL

The committee adopted an amendment requiring the Secretary of Defense to report on materiel readiness for Active and Reserve Forces. Another provision requires that additional information on U.S. equipment inventories be reported prior to any foreign military sales.

Mr. President, there are other matters. We have a system over there in the committee in which I think one or more, of our committee members assisted by the committee staff can, I believe, handle almost any question that anybody wishes to ask. I encourage the asking of questions on this bill, all the way through, and do every year.

Mr. President, for now, I shall not proceed any further. I emphasize again that it would help the Senate if any member who had an amendment would let us know and we can then go to considering an agreement on time.

Mr. President, before I yield, let me say, we are fortunate, indeed, to have the Senator from Texas here, and I know he made a sacrifice to get here after this bill was actually set for today. I want to thank him. He has made a tremendous contribution, in many, many ways, here and at our hearings, on the bill. It is characteristic of him to be at his post of duty today. I am glad he could get here.

I have already referred to the work of the Senator from South Carolina. I thank him again, too.

Mr. President, I yield the floor.

Mr. TOWER. Mr. President, I thank the distinguished chairman for his generous remarks. Of course, the bill, although it contains the labors of many, is a result of the fine leadership of the chairman.

Mr. BUMPERS. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. TOWER. I yield.

Mr. BUMPERS. I ask unanimous consent that Leonard Parkinson of my staff be granted the privilege of the floor during debate and vote on this measure.

The PRESIDING OFFICER (Mr. RIEGLE). Without objection, it is so ordered.

Mr. TOWER. I said that I would yield to the Senator from South Carolina. He has been good enough to monitor the bill for the time being and must go. I yield to him with the understanding that I shall not lose my right to the floor.

Mr. THURMOND. Mr. President, I ask unanimous consent that Dick Getzinger of Senator DOMENICI's staff be granted the privilege of the floor during consideration of this measure and debate, and also, Edward Kenney of the Committee on Armed Services staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I rise in support of H.R. 5970, the fiscal year 1978 military authorization bill which approved $35.9 billion in military spending in support of our national defense establishment.

The procurement title of the bill totals $24.4 billion, while the research development, test and evaluation title amounts to $11.5 billion.

Of course, Mr. President, besides authorization of these funds, this bill sets manpower levels for the military departments and defense agencies, which has the effect of controlling expenditures amounting to about 55 percent of the defense budget.

H.R. 5970, as amended by the Senate Armed Services Committee, is within the budget resolution target of $118.5 billion for national defense. Recent changes in this target will be met by financing arrangements, such as changes in foreign military sales or the use of unobligated balances from previous budgets.

In total, the bill provides for funds approximately $119 million more than the President requested. However, manpower reductions will more than offset this increase and actually result in a spending level about $72 million below that requested.

The titles of the bill provide general guidance to its major contents. They are as follows: Title 1, procurement; title 2, research and development; title 3, Active Forces; title IV, Reserve Forces; title V, civilian personnel; title VI, military training; title VII, civil defense; and title VIII, general provisions.

This is the first year this committee has authorized funds for civil defense. Last year, I offered an amendment in committee to bring civil defense under the Armed Services Committee, and the House, being similarly minded, agreed to this change in conference.

The administration recommended $90 million in civil defense funds for fiscal year 1978 and the committee approved $95.2 million, an increase to finance computerized message transmission and several important studies.

Mr. President, this bill is notable in several respects. The two areas which I wish to comment upon briefly involve reductions in aircraft procurement and the shipbuilding program.

AIRCRAFT PROCUREMENT

In the aircraft procurement account, the committee slowed the requested buy for both the F–14 aircraft and the utility tactical transport aircraft system. Both actions will lead to higher unit costs in the outyears when force structure requirements dictate that these deleted aircraft be procured at a higher cost. A third point in this category is the Defense Department cut in the F–15 aircraft, a reduction which will again cost the Government money, as we will certainly have to procure this excellent plane for many years to come.

These so-called cuts are ill-advised, in my judgment, because they either cancel out favorable contracts now in hand or in future years the aircraft cut in this bill will have to be bought at higher costs.

SHIPBUILDING

In the shipbuilding account, the committee has offered an outstanding proposal over and beyond that proposed by the Navy. Funds have been provided for aircraft carrier construction of either the medium size—CVV—or the *Nimitz*-class—CVN—as options dependent upon studies to be undertaken by the new administration.

In addition, the committee favors the Aegis air defense system being placed on the nuclear platform of the *Virginia* class cruisers and the construction of a new sea control ship, the air capable DD–963 destroyer.

Unfortunately, the committee did not approve the two SSN–688 submarines, as did the House, despite exceptional performance reports from this new vessel. The committee allowed one sub with the suggestion that a look should be given to construction of smaller attack subs in a high-low mix approach.

Mr. President, these are two areas which I wanted to comment upon. While I did not agree with all decisions of the committee, this is a good bill and one which I am pleased to support.

Before closing, however, I would like to state that I strongly support the Guard and Reserve incentive package added by the House. This matter was not given thorough consideration by our committee since it was not in the Defense Department request. However, more attention must be paid to the needs of the Reserve, as they are now an integral part of our total force.

RESERVE SHORTFALLS

While great sums in incentive packages have been spent to support the All-Volunteer Force, no programs have been recommended for the Reserve, although the no-draft environment has had a very adverse impact on their recruiting.

Recognizing our Reserve will be thrown into combat quickly in any new crisis due to the lack of a draft system, these forces must be kept at full strength and in a high state of readiness.

Mr. President, I commend the able chairman of the committee, the Senator from Mississippi (Mr. STENNIS), and the able ranking minority Member, the Senator from Texas (Mr. TOWER), for the outstanding leadership they have provided in bringing this complex bill to the floor.

The Senate will find this bill strongly justified in the hearings and report, and I urge all amendments be offered promptly in order that this body may work its will in approving this important legislation.

Mr. President, I thank the distinguished Senator from Texas.

Mr. TOWER. Mr. President, the Armed Services Committee lays before the Senate today a bill which is the result of several months' work in carefully reviewing the Department of Defense budget request for fiscal year 1978. This is the first year which I have had the honor of serving as the committee's ranking minority member. The bipartisan spirit of cooperation and common endeavor endures today on the Committee on Armed Services as it has during the entire time which I have had the privilege of serving in this body. The membership of our

committee on both sides recognizes the importance of providing for our national security needs in an environment that is free of partisan concerns. I join the esteemed chairman of our committee in the hope that all Senators will appreciate the importance of this distinction as it uniquely pertains to the Committee on Armed Services.

Our able chairman, the Senator from Mississippi, has outlined in his remarks a summary of the committee's actions that are embodied in this bill. His comprehensive and thorough discussion of the committee's recommendations need not be duplicated at this point by me, so I will address myself to other matters which bear on the national security requirements of the United States that form the basis for the work of our committee.

It is indisputable that over the last 2½ years we have accomplished significant improvements in our Armed Forces made possible by reversing the downward trend of our real defense outlays. This has been critical to our essential investment in modernization and research programs that were repeatedly deferred during the Vietnam war.

The conditions of peace and security in many quarters of the world today are plagued with uncertainty, and exacerbated by regional tensions which can readily be observed between military, economic, and political rivalries. As history bears out, such rivalries can emerge as serious threats to peace because of events that may demonstrate either belligerence on one hand, or weakness on the other. Our Nation must continue its dedication to preserve stability in those areas of the world where tensions today persist; we must be particularly alert to those lingering opportunities for Soviet adventurism, which continues to be a grave concern to the free world.

We are now in the midst of adjusting the military posture of the United States to the framework of a world military balance in which essential equivalence in strategic forces between the two major powers has arrived. The dramatic improvements in the number and quality of Soviet land and sea based strategic forces has forced us to extend a greater priority to the strength and readiness of our general purpose forces. Hand in hand with this effort must go a renewed determination to strengthen the foundation and effectiveness of our alliances with the other nations of the free world. The fact that we no longer possess an overwhelming superiority in strategic forces compels us to improve our own conventional forces. Should we fail to do so, we will only invite catastrophe by inhibiting the critical ability of our future conventional forces to preserve an unassailably high nuclear threshold. Of equal importance, we must emphasize—as we never before have done in peacetime—the vital necessity for strong and close military ties with our allies that we can together rely upon for the resources of power and flexibility so essential to the common defense.

The challenges to world peace continue to be most evident along the NATO/Warsaw Pact front in Europe, in the Middle East and Persian Gulf area, on the African Continent, and in various parts of the Asian world. We must be alert to the potential for deteriorating circumstances in each of these areas, and we must critically examine the posture of our forces and those of our allies in being better prepared to respond to provocations in these areas.

Above all, we must recognize that it is the nature and scope of Soviet military improvements which necessitate our continued dedication to much more than simply maintaining our current military strengths. We must insist that the services do better with what they now have, and the Congress must not fail to support desperately needed modernization programs which have repeatedly been postponed over the past decade.

Mr. President, while the chairman has very thoroughly outlined the major points as to what this bill would do in terms of our own forces, I would like to address at this point certain things which our bill, for various reasons, does not do. I would address here requirements which our committee feels must be met in the future if we are to retain necessary military capabilities in each of the services. Some of the programs and missions I will address have not received, in the committee's view, the attention they deserve in the Department of the Defense. Others have been pursued by DOD, but not in a satisfactory manner that would warrant our approval of requested funding. I think it is important for our colleagues to recognize that the committee is deeply concerned over certain shortcomings in our defense programs which will require concerted efforts on the part of the services, DOD, and the Congress next year and in the years to follow.

In our strategic forces, the committee again has not been able to approve full scale development for a new communications system necessary for maximizing the effectiveness of our fleet ballistic missile submarine fleet. I am sure that my colleagues are aware of the controversies surrounding the so-called Sanguine and Seafarer programs. As the controversies have continued, the necessity for improving our communications with submarines continues to exist. The Navy should pursue a satisfactory plan to accomplish this critical mission consistent with the responsible guidelines set forth by our committee.

This bill does not contain funds to proceed with full scale development of a mobile ICBM, the "M–X", as had been recommended by the former administration. The future composition of our ICBM force may well be affected by future arms control negotiations. We must all be mindful, however, that we may soon face the requirement to develop and deploy a new ICBM force that can retain its integrity as a survivable system in the face of improved Soviet strategic forces.

In the area of general purpose forces, there remains a crying need to rapidly improve our force mobility. The priorities assigned to both airlift and sealift improvements have all too frequently suffered in the past because of competing requirements in each of the services. Our heavy investments in improving our preparedness for a confrontation in Europe have not been matched by an equivalent effort that would give our forces the means to get to the European theater. The shortcomings that continue to exist in our airlift and sealift capabilities will not be entirely remedied by this bill. The Department of Defense must address this problem more vigorously.

With regard to naval forces, I would point out to my colleagues that this bill authorizes the construction of only one nuclear attack submarine. Our committee has long been concerned with the importance of maintaining an adequate attack submarine force, because of the seriousness of the Soviet submarine threat. In its report, the committee calls attention to the implications of the high cost of the current nuclear attack submarine in production, the SSN–688. We must not permit the attainment of an adequate SSN force to be threatened by a prohibitively high unit cost for this vital weapon system.

As the chairman has explained, this bill does not include a final recommendation as to the future of naval aviation. It does provide funds to permit the option of constructing an additional large nuclear-powered carrier of the *Nimitz*-class design. Our committee is not convinced at this stage that the so-called "CVV" design would be preferable to the construction of one additional nuclear carrier, as was agreed to in the Congress last year.

The committee report reflects this view, though the chairman and other members of our committee are aware of my own opinion that it would be a serious mistake for us to fail to provide a fourth *Nimitz*-class carrier to our fleet.

In the area of tactical aircraft, this bill does not contain programs that would serve to sufficiently expedite the provision of an all-weather capability to the tactical aircraft and helicopters that our forces will rely upon for the next 10 to 20 years. Rapid technological improvements in various types of electronic sensory equipment are being incorporated only in certain selected aircraft and helicopter programs. Each of the services must continue to pursue efforts that improve the all-weather and night-fighting capabilities of airborne weapon systems.

As I am sure my colleagues understand, this bill provides no simple answers or expedient means of improving the standardization of weapons with our allies. This will continue to be one of the foremost challenges to the Department of Defense in formulating our weapons programs for future procurements.

In the area of manpower and personnel, this bill provides no quick solution to the continuing difficulties facing the services in the All Volunteer Force. Specifically, the committee has elected to defer until next year the consideration of proposed incentives to attract additional volunteers to our Reserve Forces, which are experiencing acute personnel shortages.

And last, Mr. President, this bill contains no easy answer to the problems of force readiness that each of our services must solve. The maintenance of our modern weapon systems has become increasingly complex over the past several years, and the costs of training personnel to support these systems and of providing the necessary support

equipment and spare parts have continued to rise dramatically. The committee will undertake a greater role in monitoring the day-to-day readiness of our line combat units in an effort to identify specific readiness problem areas that deserve immediate attention. While this review will apply across the board to units of all different types, it will particularly address problems now evident in ship and aircraft maintenance.

In conclusion, it is my view that the bill reported by the Armed Services Committee will provide an adequate program in fiscal year 1978 for the procurement, research and development, and manpower required to support the security requirements of the United States. However, my colleagues must be alert to the fact that many problems remain—and I have mentioned only a few—which will require our attention in the years ahead. The Members of this body must recognize that the solutions to these problems will not be easy—nor will they be inexpensive. The Defense budget now in preparation for submission next year will mark an especially critical point in many key defense areas, and will require this body to make major decisions that will bear out the extent of our commitment to the sufficiency of American naval and military strength. Mr. President, the intensity of competing budget priorities laid before the Senate continues to grow more severe each year. As I have said earlier, I believe this bill, as reported by our committee, is sufficient for its purposes. But I must add that, in my view, any substantial reductions to this defense program, beyond those already incorporated into this legislation, would expose our future military preparedness to risks which we and the American people must not for a moment accept.

The PRESIDING OFFICER (Mr. SARBANES). The Senator from Arizona is recognized.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that Mr. Robert Q. Old, professional staff member of the Armed Services Committee have the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, I support the bill which has been very adequately reported by the chairman, the Senator from Mississippi (Mr. STENNIS), and has been very adequately commented on by the Senator from South Carolina (Mr. THURMOND) and the Senator from Texas (Mr. TOWER), who is our ranking Republican member.

This will not be the only time that I will make remarks on this matter; because as we get into the general bulk of the bill, there will be many issues in which I have participated actively in subcommittee work that possibly will need exposure on the floor.

I should like to read something that I took out of the latest issue of Strategic Review, written by General Keegan, who is a retired Air Force Intelligence Officer around whom there has been much controversy. However, none of his writings or remarks has been proven wrong. While I do not accept this particular set of writings as being unquestionably true, I do think it is proper and necessary to remind the American people of the situation we are in.

First, we should remind ourselves that warfare is not new. We have had two major wars a year for 7,000 years. Forty wars are going on at the present time. So, after 14,000 wars—a number of them going on now—I think we should recognize one salient fact that has been proved by study.

A number of wars were studied, and we found that 1,800 of these wars were accidental. In other words, they were stumbled into. With respect to every war in which the United States has been engaged in my lifetime—four major wars—we have been sucked into them; or, to put it another way, we got into them accidentally.

So I should like to read what General Keegan has said, because many times we do not listen to what has passed. We do not read history. We pay no attention to the way other nations have used power, nor do we pay attention to the way, when we have used power, we have been successful in keeping global peace.

General Keegan says:

> We are indeed observing the most extensive war preparations in recorded history.
>
> Our perceptions of the facts underlying these war preparations lag behind the reality by ten to fifteen years, by whatever qualitative or quantitative measure one might apply.
>
> A global conflict is in gestation, irrespective of the question of Soviet intent.
>
> In weighing Soviet intent and other factors in this context, I am moved by three sets of sub-considerations:
>
> (1) What is evolving is principally a function of *what* the Soviets are doing and *what* we are not.
>
> (2) How are we driving toward global conflict? In the context of the logic or frame of analytical reference used by our American colleagues, I see a scenario of *inadvertence* and *miscalculation*—the basic mode of entry into all of our previous wars. There are many scenarios for another Korea or something more serious: a vital interest transgressed, a perceived transgression of sovereign right, an emotional reaction. The Soviets, understanding the full range of our characteristic behavior pattern, see the necessity for hedging by the creation of far more military power than we would conceive to be enough.
>
> (3) The Soviets appear to believe that war is more likely than not, and that under these circumstances it is necessary to be able to wage it and win it, whatever the level of intensity.

Those are the words I have taken out of the strategic review of this issue written by General Keegan, and I repeat I use them not as any dire warning to my country that we are on the verge of war. I am firmly convinced, after nearly a lifetime of study of war, participation, and so forth, that we do not have to go to war, and the world does not have to go to war, nor will there be any major global conflict as long as our country is militarily prepared to say to any country or combination of countries anywhere in this world, "Don't take us on." This is the thinking, the reasoning, almost hourly reasoning, that goes behind the work of the Armed Services Committees of the House and Senate.

Quite contrary to the belief of many of those whom we find writing on the subject or speaking on the subject, quite contrary to the belief of many large groups and many citizens, we on these two committees—one in the House and one in the Senate—actually spend more time trying to cut the budget than to add to it, and I think we are making more progress in this field every year to the extent that the recognition of the tremendous increase in cost of equipment has made us try to get, as someone once said, "More bang for the buck."

Today, Mr. President, I want to address myself to one weapon system, because I have followed this program since it was first put on the drawing boards, and I have tried to keep my colleagues abreast of it. It is the B–1.

As we consider the Department of Defense authorization bill, the B–1 is reaching another crossroad. Since the beginning of the B–1 development program in 1970, the Congress each year has carefully considered the requirement for this most important strategic system. Each year, we have demonstrated through our votes that the B–1 is necessary to our future nuclear deterrent forces.

Mr. President, the B–1 has progressed through an extremely successful development program; it has made the transition from development to production; and now the first three combat aircraft are in production. All of this has taken place in a veritable goldfish bowl environment with frequent criticism coming from a minority of the Congress, a small biased segment of the press, and small but vocal anti-B–1 citizen groups. Despite all this anti-B–1 rhetoric, the B–1 design and development have been proven and demonstrated through the most thorough test program even given an aircraft prior to production. The B–1 can perform its assigned mission, and a B–1 force will add significant strength to the strategic Triad keeping us and our allies free from nuclear attack or coercion.

I might remind my colleagues that that Triad consists of the Trident submarine, or will, with its submarine-launched missiles; the land-based missile system, and the B–1, plus the B–52's as long as they stay together, to handle the third part of the Triad.

The adequacy of the B–1 design or testing can no longer be considered an issue. The GAO noted in their annual report to the Congress on the B–1 program, dated February 16, 1977, that—

> GAO has reviewed the status of the B–1 aircraft program with emphasis on ground and flight test performance and problems. The flight testing of the development aircraft has proceeded reasonably well and has disclosed no major problems which would dictate a delay in production.

They did note that some areas require improvement but that this was normal for a major development program. In my opinion, this report card is the closest to straight "A's" that the GAO can give.

Mr. President, to summarize the B–1 test program, I ask unanimous consent that an Air Force fact sheet on the B–1 test program be printed at this point in my remarks.

There being no objection, the factsheet was ordered to be printed in the RECORD, as follows:

B–1 TESTING

B–1 has had the benefit of more careful preproduction planning, logical development

sequencing and exhaustive component and vehicle testing than any previous aircraft at the procurement decision milestone.

Ground Testing:

Over 6200 structural element tests including 1800 fracture mechanics, 2000 material static and fatigue and 2400 fastener tests.

680 static and fatigue tests on small sections of the aircraft.

150% loads tests on major structural assemblies.

100% loads tests on assembled airframe.

Fatigue testing of major structural assemblies, four lifetimes on smaller assemblies, two lifetimes on wing carry through and aft fuselage with damage tolerance tests now underway.

Over 24,000 hours of wind tunnel tests.

Over 14,000 hours of engine operation.

Ground integration testing of offensive avionics.

Flight Testing:

605 hours and 5 minutes as of 13 May 1977.

Maximum weight (360,000 lbs) takeoffs and heavyweight landings.

Routine refuelings with KC-135.

Flutter and flying qualities tests.

Inflight airloads data gathered

Terrain following tests including tests at Mach 0.85 at 200 feet.

Weapon bay operations.

Release of SRAM, conventional and nuclear gravity weapons.

Offensive avionics equipment operations.

Maximum speed to Mach 2.1.

Evaluations by Strategic Air Command crew members.

Mr. GOLDWATER. Let me turn now to the requirement for the B-1. The need for a new manned bomber to replace the aging B-52 force is real and is becoming more acute with the passage of time. Since U.S. strategic deterrent policy means we must, if necessary, be able to take a first strike by the Soviet Union and then retaliate with a strike inflicting an equivalent and unacceptable level of damage, the Soviet Union must have no doubt that we can and will do this. A viable and modern-manned bomber force is a necessary and important part of the Triad that assures this mission can be completed, if required.

But if we remove the bomber from our forces, we reduce our available strategic delivery vehicles by about 20 percent, and we remove about 50 percent of the megatonnage from our strategic arsenal. Of course, there will have been no lessening of the Soviet threat. We also remove the requirement for the Soviets to defend against the bomber, thus enabling them to increase the resources devoted to detecting our Poseidon force and defending against our SLBM's and ICBM's.

Probably more important is the fact that we would lose the unique capabilities of the manned bomber. It provides stability to our strategic arsenal, because it is not a first strike system and poses no threat to the Soviet's strategic deterrent force. It can, however, be launched by the President in times of national crisis to indicate our national will and resolve and, if required, can complete its assigned mission.

The B-52 has been a part of the strategic equation since 1955, but it is nearing the end of its effective life.

I might say, as an interesting sidelight, Mr. President, that we have many crews now flying the B-52 who were not even born when it first came off the production line. That is how old it is. Although the airframe will still be able to fly in the 1990's, successful penetration in that time period cannot be guaranteed. The B-52 will not be able to match the future Soviet defenses, because we cannot make it able to fly faster or lower, or have a smaller radar cross section, or be hardened to nuclear effects. The B-1 is designed to overcome these shortcomings.

The B-1, in addition to being able to fly at high subsonic speed at low altitude, having a low radar cross section that makes detection much more difficult, and being hardened against nuclear effects, also is much less vulnerable to being destroyed on the ground, because of its quick launch capability.

Other alternatives to the B-1 have been examined, and under close scrutiny all have been discarded. For example, the stretched FB-111 was too small with inadequate range and payload. The reengined and reworked B-52 was still too soft, too slow, and still had the large radar cross section.

I might add, Mr. President, if we undertook to modernize this aircraft the B-52 would cost about as much as the B-1. The wide-bodied aircraft used as a standoff missile shooter was also discarded, primarily because mission success was highly questionable. Such a cruise missile carrier was not hardened, was more apt to be destroyed on the ground during a Soviet attack, and had no ability to penetrate the Soviet Union in order to assure that it cruise missiles were within range of required targets. Also, cruise missiles used by themselves may lack the ability to penetrate to heavily defended targets, and they lack the flexibility of the manned system. Cruise missiles used to complement the manned bomber force will add to our overall strategic force effectiveness, but used as a substitute for the manned bomber force will degrade that effectiveness.

Mr. President, referring now to the cost of the B-1 program, the real cost growth since 1970, exclusive of inflation, has been held to about 17 percent. This is a modest increase in cost over a period of 7 years compared to most other major development and procurement programs. The cost of each aircraft, including all research and development costs, but removing inflation, is now estimated at $48.5 million in 1970 dollars, the year in which the development estimate of the B-1 was first prepared. Inflation has been the predominate factor in driving this cost to an estimated $101.7 million per aircraft. In other words, when the B-1 is "advertised" as a $100 million airplane, we should remember that this includes actual inflation since 1970 and estimated inflation into the late 1980's. Therefore, except for the uncontrolled escalation of our economy and uncontrollable program changes, the B-1 would have cost less than $50 million an aircraft. Or said another way, inflation and schedule changes beyond the control of the Air Force have added over $50 million to the cost of each B-1 aircraft.

Mr. President, the bill before the Senate recommends five B-1's be built in fiscal year 1978, and it recommends long lead funds be provided for 13 B-1's next year. This was a unanimous recommendation of our committee. The House of Representatives has already voted to approve this program.

Although I would have preferred a faster buildup rate, as originally proposed by the Ford administration, I am encouraged that the Carter administration seems to each day be recognizing more and more the genuine requirement for this aircraft. It is vitally essential to out future national security. I urge our colleagues to support the program as recommended by the Armed Services Committee, and I thoroughly recommend that our colleagues give their full and unselfish support to the entire military authorization bill.

We are very close to the House of Representatives in dollars. We are very close to the House of Representatives in total concept in the need for different pieces of equipment.

Mr. President, I thank our colleagues for listening, and I relinquish the floor.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, I support the committee's recommendation for the fiscal year 1978 military authorization bill.

Our distinguished chairman has already emphasized the continuing quantitative and qualitative expansion of military power by the Soviet Union. I do not intend to restate these disturbing trends at this point; but while the future outlook and the motives behind the Soviet buildup are not now clear, it is clear that the United States must maintain a strong defense posture and, together with our allies, must work to fulfill our commitment to maintain a military balance in the world. Our hearings on the defense force structure—the number of divisions, air wings, and ships—for which manpower and budget dollars are authorized, and our hearings on overseas troop deployments seek these goals. The committee recommendations support the Department of Defense's proposed level of 483,000 overseas troops for fiscal year 1978 as a strong, credible, and critical part of America's defense and commitments. The committee recommendations also increase procurement by over $300 million above the requested level for general purpose forces to support the moderization of our existing forces and force structure improvements.

As I have emphasized before, even though recommended authorized procurement dollars increase by about 15 percent over fiscal year 1977, the quantities of equipment and material to be purchased are not large—335 Air Force aircraft and 20 new Navy ships, for example, are scarcely sufficient to replace normal attrition in the ship and aircraft inventories. The problem has been caused by two factors: Rising manpower costs and other operating costs have taken up more and more of the defense budget; second, the unit cost of individual weapons systems is rising rapidly. The com-

mittee, in this bill, continues its efforts to arrest these trends. The total impact of the bill is about $100 million below the President's request with an increase in the procurement funds actually authorized in the bill offset by manpower savings of about $190 million. While some savings in manpower are possible and necessary, it should also be made clear that we are no longer at the point where very large manpower reductions are feasible.

Further, as the committee emphasizes in its report, the ability to sustain the All-Volunteer Force faces serious problems in the years ahead. If the problems of a declining availability of new recruits are addressed only by increases in recruiting, pay, and bonuses, defense manpower costs could increase by $15 billion a year in 4 years for current manpower levels. These problems must be addressed and specific plans and alternatives must be analyzed if our active and reserve force requirements are to be met.

The committee took a number of actions which will restrain manpower costs. The active military strength request of 2,089,000 was reduced 17,100 and civilian strength request of 1,030,700 was reduced 19,800. The recommended military strengths will actually be 700 above actual strengths on December 31, 1976. No reductions are suggested in combat capabilities. These reductions were made in lower priority areas or where there were significant manpower quality and management problems. Recent recruiting results call into very serious question the ability of the Services to meet the end strengths requested by the Defense Department without decreasing quality. Reserve component strength was increased from the administration's 24,400, reflecting increased reliance on Naval Reserve manpower. A number of amendments related to manpower were also adopted by the committee. The effect of these actions would save about $380 million per year in future years. These savings will help increase hardware inventories and the readiness of our current forces.

RECOMMENDED REDUCTION IN DEFENSE DEPARTMENT MANPOWER LEVELS—BY SERVICE

Mr. President, the committee considers the active duty military, reserve, and civilian manpower request of each service in its assessment of the Defense Department request for manpower. These three components of defense manpower were considered together for each of the military services. I would like to describe the committee's action by service for fiscal year 1977.

ARMY MANPOWER

The committee recommends an end strength for the Army of 777,100 active military and 370,800 civilian personnel, and an average strength of 211,300 for the Army Reserve and 382,000 for the Army National Guard. This is a reduction of 12,900 military and 7,200 civilian from the request.

In active military personnel, the committee's recommendation is actually an increase of about 2,500 from the actual strength on December 31, 1976. The committee suggests that the reductions in the requested fiscal year 1978 level be made in the areas of training and base operating support.

This Senator and I believe that the full Armed Services Committee, could support the Army requested end strength of 790,000 if it were based on hard combat and support requirements. But, testimony from the Army indicates numbers are being put ahead of quality in its manpower request. The percent of new recruits who are high school graduates has fallen from 62 to 47 percent in less than a year.

The fiscal year 1978 manpower program requested by the Army represents an expansion of Army training related to changes in personnel policies, and a decrease in manpower for force units from previous estimates. The requested fiscal year 1978 program would decrease prior service accessions by 62 percent, decrease reenlistment by 7 percent, increase attrition—particularly attrition for adverse causes, which is the young people who fail in the system—and increase support for specialized training. For fiscal year 1977, the Army plans attrition for adverse causes of 70,000. On the face of mounting criticism over this high rate of attrition from this committee and outside experts including the Congressional Budget Office, the Brookings Institution, and Rand Corp., the Army budget plans to increase this attrition to 76,000 in fiscal year 1978.

Such a program increases turbulence in the personnel system, increases training manpower needed, places additional pressure on recruiting programs, and increases the demands for already hard to find quality recruits. It has the effects of decreasing combat capability while keeping numbers up. These actions are completely contrary to the kinds of management actions frequently cited as necessary to sustain the All-Volunteer Force, even in the short term. This emphasis on numbers will lead the Army down the same course that the Marine Corps followed and had to abruptly reverse in 1975. The committee feels that the Army should meet its combat unit manpower requirements by emphasizing the quality of new accessions through a program that maintains the previous level of nonprior service accessions, includes steps to reduce attrition and turnover, and does not increase support in specialized training and other skill training. Consequently, the committee recommends a reduction of 10,800 military and 400 civilians in training and associated support.

In base operating support, the Army has not reduced manpower to the extent the committee feels is possible and continues a large concentration of this manpower in base administration and personnel services. The committee recommends reductions of 2,100 military and 3,300 civilian base support personnel in these areas.

The committee also recommends rejecting an increase of 300 civilians in support of foreign military sales. I will discuss later an additional reduction of 3,200 white-collar civilians.

The committee recommends approval of the Department's request for an average strength of 211,300 for the Army Reserve and 382,000 for the Army National Guard.

NAVY MANPOWER

For fiscal year 1978, the Navy requested end strengths of 535,000 active military and 297,600 civilian personnel and an average strength of 52,000 Selected Reservists. The committee recommends an increase of 100 to the request for military personnel, a reduction of 5,200 in civilian personnel and an increase of 24,400 in Selected Reserve Forces.

For the active military, the increase of 100 is for naval staff and students for the continued operation of the Uniformed Services University of the Health Sciences.

I should comment that the Navy reduced its planned fiscal year 1977 end strength by 4,600 below the congressional authorization when it became clear that a sufficient number of recruits of high quality could not be recruited. This end strength is within 2,300 of the strength recommended by the committee last year and within this reduced end strength, the Navy, as recommended by the committee, will add to the manning levels of ships and aircraft, reduce military support for headquarters and base support, and reduce recruit training by 1 week. Navy manpower problems remain, including the highest desertion and absentee rates for naval personnel in recent history and continuing shortages in critical petty officer skills. It is clear, however, that the Navy has taken positive steps to address its serious problems in military manpower management and planning.

For civilians, the committee recommends a reduction of 3,000 personnel in headquarters. Although military strengths have decreased substantially in the last several years, Navy civilian manpower in this area has increased. The committee also recommends a reduction of 2,200 white collar civilians which I will discuss later.

For the Naval Reserve, the requested average strength for fiscal year 1977 is for 52,000 Selected Reservists. This is a reduction of about 45 percent from the fiscal year 1977 funded level of 96,500. The committee feels, as it did last year when a similar reduction was requested, that the proposed cutback in the defense budget is too severe, particularly when reliance on the Naval Reserve should be increasing in order to save costs in active duty strength.

The committee made a detailed review of all the billets which are planned for removal from the Selected Reserve in fiscal year 1978. The largest portion of the planned reduction results from the elimination of augmentees for the shore establishment. The committee believes that this broad, sweeping approach could very well lead to losses of important capabilities and critical types of units. The committee looked closely at the planned reductions. We found that certain deployment-related units, ship and aircraft maintenance units, and highly technical and professional skill units would be lost. These units totalled some 16,600 billets. The committee also feels that some 7,800 reservists could be used

for new or additional missions with the active force. The committee recommends the addition of these billets—a total of 24,400—to the requested level for Naval Reservists for fiscal year 1978. Thus, the Naval Reserve average strength recommended by the committee is 76,400.

MARINE CORPS MANPOWER

The committee recommends an end strength of 190,100 active military and 19,300 civilians and an average strength of 32,400 Selected Reservists. For active military personnel this is a decrease of 1,900 from the requested level, but is 1,700 above the Marine Corps actual strength on December 31, 1976.

Last year, I reported on the acute disciplinary problems in the Marine Corps, unparalleled in the history of the corps. I am pleased to be able to follow that report by commending the Marine Corps and Commandant Wilson for an emphasis on quality in recruiting new marines. During the July–September 1976 quarter, 76 percent of new Marine Corps recruits were high school graduates. Unauthorized absence and desertion rates have decreased by over 50 percent from the fiscal year 1975 peak.

However, the Marine Corps must continue these efforts in a prudent and cautious fashion. Although the discipline rates have improved substantially, the current rates are still much higher than similar rates for the other services. As recruiting becomes more difficult, the percentage of new recruits who are high school graduates has decreased steadily from 75 percent last September to 63 percent in December and to 59 percent in March of this year. The committee recommendation of 190,100 should be achievable with a strong continued emphasis on quality. Considering the severe problems that developed during the period the Marines emphasized numbers above quality, the committee feels strongly that the reordering of priorities emphasizing quality which has recently occurred must be continued. This is the reason the request for 192,000 was cut by 1,900.

The disparity in the quality of Marine ground forces and aviation personnel as reported by the Senator from Georgia last year continues. Marine ground force are unable to meet authorized end strengths and are undercapitalized for combat in mid- to high-intensity environments.

The committee believes the Marine Corps can achieve manpower efficiencies over the planned levels and recommends reductions of 900 military and 400 civilian personnel in base support; 400 military personnel in training functions; and 600 military and 200 civilian personnel in headquarters.

The recommended civilian personnel end strength is 600 below the requested level. The committee supports the requested level of 32,400 for the Marine Corps Reserve.

AIR FORCE MANPOWER

The committee recommends an end strength of 569,600 active military and 251,400 civilian personnel and an average strength of 51,100 for the Air Force Reserve.

The recommendation represents a reduction of 2,400 military and 500 civilian personnel in training functions—and is primarily a denial of increases in support personnel from the fiscal year 1977 request, increases which exceed the changes in training workloads. I should also note some concern over the Air Force's ability to continue to man its sophisticated force structure with present levels of high-quality manpower.

The committee recommendation for civilian personnel is 4,800 below the requested level and in addition to the reduction in training support, includes a reduction of 4,300 in white-collar civilians which I will discuss later.

DEFENSE AGENCIES

The committee recommends an end strength for defense agencies of 77,000 civilian personnel. This is a net reduction of 2,000 from the requested level and represents an increase of 400 personnel for the continued operation of the Uniformed Services University of the Health Sciences; and decreases of 1,200 in white-collar civilians and 1,200 in headquarters function where the committee feels reductions can be made.

DEFENSE CIVILIANS

Defense civilians are, of course, a very important ingredient in the overall defense budget, particularly the personnel area. Manpower costs total $61 billion in the fiscal year 1978 budget request, representing 56 percent of the defense budget compared to 47 percent in 1964. Within this increase, civilian pay now consumes 17 percent of the defense budget compared to 15 percent in fiscal year 1964. While there are various reasons for this increase, about half of the increase—at a cost of $1 billion in this budget—is due to increases in grades of civilian employees.

Defense civilian employment declined by 118,000 between fiscal year 1964 and 1976—about a 10-percent decline. During this period, white-collar employment increased by 11 percent so that it was clear that it was in blue-collar employment that large declines were actually made. Further, particularly large gains were made in higher white-collar grades: 22 percent increase in grades GS–14 and GS–15; over 40 percent increases in grades GS–12 and GS–13; and much smaller increases in lower grades.

Clearly, efforts to control manpower costs in the Defense Department and in the defense budget must be made and civilian manpower costs must be part of this effort. In light of these ever-escalating costs and grade creep problems, the committee recommends a reduction of 19,800 civilian personnel from the request of 1,030,700. As previously mentioned, reductions of 8,900 civilian personnel are in specific functional categories, primarily base support and headquarters functions. The committee recommends a reduction of 10,900 in white-collar civilian personnel. The Department of Defense does not propose significant reductions in white-collar civilian employment in overstaffed overhead and support functions which contribute most heavliy to the grade creep problems. The committee feels that many further reductions are possible.

This reduction should be accommodated by attrition. In fact, the Department of Defense is now operating under a partial hiring freeze imposed by the administration which allows only three out of four civilians who have left to be replaced. If such a policy, for example, were continued until the end of fiscal year 1977, civilian employment would be 14,000 below the budget request.

AMENDMENT REDUCING THE NUMBER OF CIVILIANS IN GENERAL SCHEDULE GRADES GS–12–18

The committee bill includes an amendment by the Senator from Arizona (Mr. GOLDWATER) which will require reductions of 2 percent in fiscal year 1978 and 4 percent in fiscal year 1979 from the planned levels of defense civilian personnel in General Schedule grades 12 to 18. This amendment is consistent with the committee's recommended reductions in overall civilian personnel and again emphasizes the committee's concern over increasing civilian manpower and grade structure. From fiscal year 1964 to fiscal year 1976, the number of personnel in GS grades 12 to 18 increased by 38 percent.

OTHER COMMITTEE ACTION

In addition to the actions described above, the committee took several other actions relating to various aspects of manpower and personnel.

COMMITTEE AMENDMENT REDUCING THE NUMBER OF GENERALS AND ADMIRALS

The committee bill contains an amendment I initially proposed, which was modified by the committee, to reduce the number of generals and admirals and to make restrictions on the number of flag officers for the Navy and Marine Corps consistent with those for the Army and the Air Force. For fiscal year 1977, the Department of Defense plans to have 1,165 generals or admirals—one flag officer for every 1,800 active military members. This number is in contrast to the one flag officer for every 2,600 military members during Vietnam and to the one flag officer for every 2,100 military members in the peacetime levels of 1964.

The Department of Defense proposed to reduce the number of flag officers by 24 in fiscal year 1978—about 2 percent. The committee amendment reduces this number by an additional 2 percent in fiscal year 1978 and would cause a 4-percent reduction in fiscal year 1979. The purpose of this amendment is to begin a process to enable the Defense Department and the Congress to develop criteria for an ongoing review of the number of general officers with a report to be submitted by the Secretary of Defense with the fiscal year 1979 budget.

Just reducing the number of generals and admirals will not save large amounts of military pay, but every general and admiral has a staff, and the fiscal year 1978 budget contains about $4 billion just for command elements alone. It is in this area of command headquarters and support staff that the corresponding reductions can produce substantial savings and efficiencies.

AMENDMENT TO ADJUST PAY OF CADETS

The committee bill contains an amendment requested by the President to set the pay of cadets and midshipmen at the

service academies at $313.20 per month for fiscal year 1978 and remove the link in the law that this pay be 50 percent of the pay of a second lieutenant. Current cadet pay would be frozen at $345 per month until the new pay reaches this level through cost-of-living increases.

AMENDMENT TO DEFINE ACTIVE DUTY FOR TRAINING

The committee adopted an amendment to definie active duty for training as "temporary service performed by a member of a Reserve component in a program of on-the-job instruction of not more than 30 days duration or in a regular program of classroom instruction." This amendment would become effective for the manpower authorization for fiscal year 1979 and would assure that Reservists on active duty for other than training purposes are counted under the active military strengths authorized by Congress.

MILITARY TRAINING STUDENT LOADS

The committee recommends the approval of the Department's request for military training student loads for fiscal year 1978. These loads are to be adjusted in keeping with any reductions or increases in the active military, reserve, and civilian forces authorized.

Mr. STENNIS. Mr. President, will the Senator yield to me just briefly?

Mr. NUNN. I am happy to yield.

Mr. STENNIS. The Senator from Georgia has related here, in a few words and in his succinct paragraphs, some very fine, far-reaching, constructive work. Part of that work is a culmination of prior years' work.

The other members of the subcommittee deserve credit with him. They have traveled far and near and worked hard, early and late, I personally know. They have dug out facts and figures, trends, and developments that are of tremendous value to the military, as related to me by some of the military men themselves. I know it is of value to the committee and, in turn, it is very profitable here. It saves money and, in my opinion, adds strength.

I do not think I am prone to overpraise anyone, but I do want to commend them very highly for work which is always very meritorious.

The Senator and I do not always agree on everything, but I agree with him on the way he works and goes after things. He has been very helpful, and I express my appreciation to him.

Mr. NUNN. I thank the chairman.

Mr. President, I commend Senator SCOTT, the ranking minority member on the subcommittee, for long hours of hard work and diligent effort. I thank the other members of the subcommittee—Senator HARRY F. BYRD of Virginia, Senator CULVER, Senator ANDERSON and Senator BARTLETT, and Senator HELMS.

I also would like to thank the staff members of our subcommittee headed by Mr. George Travers, as well as minority counsel, Will Ball, and Roberta Ujakovich, Chuck Conneely, and Judy Landesman, all of whom have done an excellent job working on an extremely important and yet an extremely complicated subject matter.

Mr. President, if any other Senator wants to be recognized, I am glad to yield the floor. If not, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT NO. 270

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes amendment numbered 270:

On page 46, line 2, strike out "76,400" and insert in lieu thereof "95,900".

Mr. DOLE. Mr. President, very simply the purpose of this amendment is to restore the authorized strength of the Naval Reserve to 95,900.

I am pleased to say that the distinguished senior Senator from New Jersey (Mr. WILLIAMS) and the senior Senator from Texas (Mr. TOWER) are cosponsoring this amendment.

I think it may be helpful just to review the various recommendations on the proposed strength authorization for the Naval Reserve that are floating around. This amendment, as I said, proposes a strength authorization of 95,900. It is based on a study conducted by the Department of Defense at the request of Congress last year. As I recall, this request was initiated by Senator NUNN after the amendment offered by the Senator from Kansas was adopted by the Senate.

The House bill contains a strength authorization of 93,600. That authorization was based on the so-called Ford budget.

After all the various attempts by the previous administration to cut the Naval Reserve in half, they finally submitted a budget recommendation somewhat more closely related to reality. But the recommendation of 93,600 was arbitrarily chosen. It did not have the benefit of the DOD analysis that was completed in early February which recommends 95,900 as the bare minimum necessary.

But the new Carter administration has gone back to the previous administration recommendation of last year of 52,000. We turned down that proposal in the Congress last year, and it seems to me that we should do so again. The basis of this proposed cut to 52,000 is apparently strictly for budgetary reasons. When DOD and the Office of the Secretary of Defense—OSD—and the OMB want to save money in the Defense budget, it appears that they automatically turn to the Naval Reserve. It seems to me that OSD and OMB budget analysts should not be given the de facto role of force structure planners. They are only bookkeepers, but they keep trying to tell us that we do not need the Naval Reserve.

The Armed Services Committee in this bill has recommended a strength authorization of 76,400. The basis for this recommendation, as I understand the committee report, is to retain those units that have some operational role, and to cut out those that are strictly support. It seems to me that such an approach is shortsighted.

SUPPORTS UNITS VITAL TO NAVY

Mr. President, the Naval Reserve support units are vital to the operation of the active Navy. They are essential if the Navy is required to sustain any kind of combat operation.

Support units are as vital to the Navy as they are to the Air Force or the Army. But support units in the Navy may seem to be more "fat" than is the case in the Army or the Air Force.

The Navy has a more centralized support structure. A great part of the Navy's support structure is concentrated in the continental United States. In the Army and Air Force, on the other hand, the support units are integral elements of the combat structure. For example, an Army division carries its own support units with it. The support units are not nearly as centralized as in the Navy.

The result is that Navy support units are more visible—more identifiable—and they may appear to be less essential. That is why the Office of the Secretary of Defense apparently likes to try to cut the Naval Reserve support units.

Such an approach is wrong. Support units may be even more vital in the Navy than in other branches of the service, since the support units are concentrated in the continental United States. Because the Navy's supply lines and line of communication are so long, it is frequently more difficult to provide the necessary support. In the event of an emergency, it is essential that trained units are available to go into action. That is why the support units of the Naval Reserve are so essential.

SUPPORT UNITS IN NAVAL RESERVE

In recent years, the Department of Defense, with the guidance of the Congress, has made a particular effort to concentrate combat units in the active forces and to put support units in the Reserves. I believe the Senator from Georgia (Mr. NUNN) has shown particular interest in this effort.

It seems to me that there is merit in putting support units in the Reserves. But it seems particularly unwise to do that and then reduce the size of the Naval Reserve.

DOD SUPPORTS NEED

The Senator from Kansas understands that the administration has not disagreed with the needed requirements that are stated in the latest DOD analysis. They simply propose to transfer about half of them to a nondrilling status. DOD is saying in effect, "Oh, yes, we need the people, but the reservists will participate voluntarily even without any drill pay." It seems ironic to me that the Armed Services Committee Report specifically disagrees with this. Of the proposal to transfer essential reservists to a nondrilling status, the committee report says, "Testimony indicated that many of the Reservists so transferred might simply leave the Naval Reserve." Military experts who have testified be-

fore the committees in the House and Senate, as I understand, have indicated that up to 97 percent of the enlisted reservists so transferred would leave. That means the Naval Reserve units placed on nondrilling status would simply become nonexistent. So if we agree that a minimum strength of 95,900 is essential, then we should retain them on active drill status.

LOSS IS PERMANENT

Mr. President, once the Naval Reservists leave, it seems unlikely that they will be replaced by new enlistees. In the past, the draft was an incentive for joining the Reserve. Now that the draft is nonexistent, there is little incentive to join the Reserve.

The Senator from Kansas notes that the incentives approved by the House to encourage joining the Reserve have been dropped by the Senate Committee. The committee report states that the Department of Defense is presently studying new incentives for getting Reserve participation. But those incentives have not been stated or described or published. We do not know what the incentives will be or whether they will be effective.

Mr. President, the committee bill proposes a 20 percent cut in the Naval Reserve. Without knowing what steps will be taken, if any, to encourage participation to replace those losses, it seems very unwise to approve that kind of cut.

HISTORY OF NEGLECT

Let the Senator from Kansas briefly review some of the past history concerning the Naval Reserve. During the years since the Korean conflict, the Naval Reserve has suffered through the benign neglect of the regular Navy. The regular force traditionally would rather have all assets under their own control and thereby do away with the bother of having reservists around in peacetime, even though they always turned to them in crisis for assistance.

In the early 1970's, at the insistence of OSD, the Naval Reserve stated a series of reorganizations, restructurings and realignments that are still ongoing. Every time we make significant changes in the strength of the Naval Reserve, we cause another reorganization. Concurrently, the Navy reacted to the pressure of OSD and conducted the now familiar OP-605 study. That study determined that the Navy required 304,000 additional people to augment the Active Force within 90 days in case of a full mobilization. Of that number, 54,000 could be obtained directly from civilian status. The remaining 250,000 require prior military experience.

To fill the prior military duty requirements, the Navy planned to use 148,000 from the individual Ready Reserve, Standby Reserve, Retired Reserve, USN retirees and fleet reservists. The remaining 102,000, so the Navy decided, required a minimum of 48 drills and 2 weeks active duty each year to gain or maintain their necessary skills.

I believe the significant conclusion here was that after careful consideration, the Navy asked only to drill 1 out of 3 of the additional people it would need immediately upon mobilization. Since the OP-605 study, the individual Ready Reserve has shrunk significantly and the availability of other retired sources has been determined to be less responsive than originally believed. So the dependence on the selected Naval Reserve is greater, and the need to stabilize its strength is greater.

BETTER USE NEEDED

Mr. President, this is the third year that the Senator from Kansas has discussed this matter in the Chamber. It seems rather obvious to this Senator that if we in Congress do not make the good fight in support of this very valuable and economic asset, it will be lost to us forever.

The Senator from Kansas does not favor maintaining the Naval Reserve without reason. It is my view that we need to require that these forces be utilized more effectively, and not given a diminished role in our overall military posture.

At a time when military manpower costs are the biggest cost in the Defense budget and also one of the fastest growing parts, we need to retain and make the best possible use of this cost-effective Reserve force.

I believe the Senator from Georgia (Mr. NUNN) has been one of the strongest advocates of increasing the utilization of the Naval Reserve. I support that. But if we give in to the Department of Defense on this cut, it seems to me that we are finally agreeing that we have not been able to get DOD to more effectively use the Naval Reserve. In the opinion of the Senator from Kansas, we should restore the 95,900 level, which DOD apparently agrees with, and renew our efforts to obtain greater utilization. This will only be possible if we stabilize the strength authorization. For, every time we reduce the strength, another reorganization is required. That disrupts training and readiness.

So approval of this strength authorization is essential if we are to increase the employment of the Reserves.

SUMMARY OF FACTS SUPPORTING 95,900 SELECTED NAVAL RESERVE

First. The last 3 studies have supported 95,900 to 102,000 drilling Naval Reservists; the latest one was directed by the Senate.

Second. The Secretary of Defense believes the Navy requirement for reservists but does not think they need to drill.

Third. Experience shows that 94 to 97 percent of the enlisted personnel changed from drilling to nondrilling status will drop from the program. We are obviously speaking of elimination rather than a change in drilling status.

Fourth. The Defense Department and Congress agreed to make Active Forces more combat intensive. Now they propose to drop support forces from the Naval Reserve.

Fifth. Support forces recommended being dropped from the Naval Reserve are the same type as being paid for drill in other Reserve components.

Sixth. Billets proposed for switch to nonpay are the most economical in inventory—one-fifth to one-sixth the cost of active duty.

Seventh. Cost of funding drills for 95,900 as opposed to 76,400 would be about $25 million, which means we could retain over 20 percent of the existing Naval Reservists for less than 5 percent of the Naval Reserve budget.

Eighth. A cut to 76,400 Selected Naval Reservists would trigger another reorganization causing more readiness degradation and complete loss of what morale remains in the organization.

In brief, the proposal for 95,900 Selected Naval Reservists would provide the very minimum needed as determined by OSD in a study directed by us; stop the terrible turmoil that has existed in the Naval Reserve for half a decade; enable the Naval Reserve to concentrate on improving readiness status rather than fighting for survival; provide the most economical and needed asset we have available for our national defense arsenal, Reserve manpower.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. ALLEN). The Senator from Georgia is recognized.

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Georgia yield?

Mr. NUNN. I yield.

ORDER TRANSFERRING MEASURES TO THE UNANIMOUS CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are a number of measures on the calendar today that have been cleared for action by unanimous consent.

I ask that they be transferred to the Unanimous Consent Calendar for action tomorrow. They are as follows:

Calendar Orders numbered 119, 123, 127, 129, 130, 131, 132, 136, and 137.

I ask that the clerk transfer them to the Unanimous Consent Calendar.

The PRESIDING OFFICER. They will be so transferred.

MILITARY PROCUREMENT AUTHORIZATIONS, 1978

The Senate continued to consider the bill (H.R. 5970) to authorize appropriations during the fiscal year 1978, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

Mr. STENNIS. Mr. President, the Senator from Georgia has the floor. Will the Senator yield to me for a minute?

Mr. NUNN. I yield.

Mr. STENNIS. Mr. President, let me say, while the leader and the Senator from Texas are present, that we think with a little more effort by Members who are interested we could get down to the debate and perhaps have some votes. The Senator from Minnesota has an amendment that has real meaning in it. He is prepared to present it when the argument is concluded on this and we will notify

other Senators as we are continuing to notify them, if the Senator from West Virginia would indicate whether we wish to have some votes this afternoon.

Mr. ROBERT C. BYRD. Yes. We would be glad to have votes this afternoon if Senators are prepared to call up amendments, and I may say to the distinguished chairman of the Committee on Armed Services (Mr. STENNIS) that I have asked the cloakroom to get the word to our offices on this side of the aisle to urge Senators, if they have statements to make or amendments to offer, that they come over this afternoon and proceed.

Mr. STENNIS. I thank the majority leader very much.

May we add, also, that the floor managers, the Senator from Texas and I, will agree to time limitations very soon after we can read the amendments.

Mr. ROBERT C. BYRD. Yes.

Mr. STENNIS. But if they are only in the minds of Senators, we do not think we should agree.

I thank the Senator for yielding to me. The Senator from Georgia has an argument to present at this time.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. NUNN. I am glad to yield to the Senator from Minnesota.

Mr. HUMPHREY. I have an amendment that I was going to offer, but I do not wish to interrupt.

Mr. NUNN. We have an amendment pending now.

Mr. HUMPHREY. Yes.

Mr. NUNN. The Dole amendment is pending.

Mr. President, I rise in opposition to the Dole amendment, although, I wish to add at the very outset that I certainly understand what the Senator from Kansas is trying to accomplish.

He is trying to accomplish a better utilization of the Navy Reserve, and I certainly share that view.

Our Subcommittee on Manpower has been working toward that end. We have been urging the Department of Defense and the Navy to give the Naval Reservists a mission. We have identified this year as we did last year, about 24,400 billets of those proposed for reduction in the Carter administration's proposal and we have added those back. We have added back 24,400 billets because these are in areas where we believe that the skills require that the reservists go to weekly drills as well as to summer camp.

I think it is important to recognize that the administration proposal is almost identical to the Ford administration proposal of last year. They are not proposing that these reservists be terminated; they are proposing that they not go to the weekly drill, because their skill levels do not require it, according to the administration.

Our subcommittee did not agree, on 24,400 of those billets, that they did not require the kind of skilled training that is needed on a weekly or biweekly basis, and therefore we added those back. We added back deployment-related units, including mine, harbor, riverine and sealift, ship and aircraft maintenance units, and highly technical and professional skill units, including communication, intelligence, geophysical, health, and legal; and we added billets for new or augmented machines.

The subcommittee and the full committee are well aware of the problem presented when you disrupt the Naval Reserve force structure. We are well aware that a good many of these units and individuals have the kind of skills we ought to retain, and make sure we do not take any chance of losing. But we do submit it is not in the best interests of the taxpayers to continue, year after year, to add back other Naval Reserve units and other individuals for weekly drills when it is apparent that they do not have a mission.

We are in Congress. We cannot give them a mission. We can authorize the number and appropriate the money, but we cannot require the Navy to give them a mission. We have not been able to do that so far.

At this stage we are talking about $19 million. If the Senate wishes to take $19 million and toss it out the window, that is exactly what we will do by voting for the Dole amendment, because these units and men do not have the kind of mission that justifies their being continued in the budget.

I repeat, as the subcommittee has made clear in the past, and I think the full committee will agree, if the Navy and the Department of Defense assign a mission for these individuals and units, we feel they should be funded and authorized; but now they do not have any kind of mission, and we simply do not believe they should be funded now even though in the overall costs and size of the Defense Department $19 million does not sound like a large amount of money. I think $19 million is a large amount of money when it is not being used in or contributing to the defense of our Nation. In my estimation, it would be much better used somewhere else in the defense budget.

So I oppose the amendment. In answer to the argument of the Senator from Kansas that the Department of Defense study supported the level proposed in the Dole amendment of 95,900, I should like to read from a letter from the Deputy Secretary of Defense on that subject. I quote from a letter dated February 24, 1977, addressed to Hon. JOHN C. STENNIS, chairman, Committee on Armed Services and, Mr. President, I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE DEPUTY SECRETARY OF DEFENSE,
Washington, D.C., February 24, 1977.

Hon. JOHN C. STENNIS,
Chairman, Committee on Armed Services, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The enclosed study titled "Missions for the Navy's Selected Reserve" was completed under the previous Administration in accordance with a request in the Senate Armed Services Committee Report on the FY 1977 Defense Authorization Bill. It is forwarded pursuant to that request, but not as a document carrying the endorsement of the Department of Defense.

In particular, I am not satisfied as to the justification for the specific Selected Reserve strengths suggested. The study does acknowledge shortcomings in addressing manpower and strength considerations, and correctly points out that other reserve studies are planned or underway.

On January 24, 1977 Secretary Brown asked that a comprehensive review be undertaken in coordination with the Military Departments to examine currently stated requirements for all Reserve and National Guard Forces, and to assess fully their functions, capabilities, readiness, and resources. The Naval Reserve will be an important subject within this larger framework.

Sincerely,

C. W. DUNCAN, JR.

Mr. NUNN. In summary, Mr. President, the Senator from Kansas asks that we go to a level of 95,900 in the Naval Reserve. He is asking that we increase the present authorization. He is asking that we go above the Ford administration budget request. He is asking that we go above the Carter administration budget request, and the Department of Defense position. He is also asking that we authorize a level higher than the House authorization.

I would say that this is money that can be better utilized, better spent, and more effectively and efficiently used in the interests of the taxpayers and in the interests of our national defense.

If the amendment is rejected, I would say in closing that I pledge to work with the Senator from Kansas and others who want to see the Naval Reserve play a more meaningful role in our defense establishment, who are interested in seeing that the Naval Reserve personnel be given a mission. I am willing to work toward that end, but in good conscience I cannot advocate that the Senate put $19 million back in the budget that everyone concerned, including the Naval Reserve, tells us cannot be effectively utilized because they simply do not have a mission that is related to the national security of this country at this time.

I say that is regrettable. It is not the fault of the individual reservists. It is not the fault of the Naval Reserve units. Many of them are highly motivated, dedicated people. But to require that they go to weekly and biweekly drills when they have no skills requiring that kind of procedure is to take the taxpayers' money and use it in a way that is not in the best interests of our national security.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Georgia. I know of his sincere interest in the whole manpower problem, not just in this one instance. I applaud him for his efforts.

It seems to me it took some time to convince the last administration. Just about the point where the Ford administration came around and agreed we ought to have 95,600, they left town. Now we have a new administration, and they are back at 52,000. The committee has seen fit to increase that number to 76,400.

Just based on the statement I made, and based on the last three studies that have supported somewhere between about 96,000 and 102,000 it seems to me we are on solid ground.

The Senator from Kansas understands

the cost involved. I am not certain just what units the committee would eliminate, if we eliminate about 20,000. I do not know what to base that figure on. But there are the statements that if we do away with weekly drills, we are going to lose 94 to 97 percent. I do not know how quickly they can be recovered in case of emergency.

I ask unanimous consent to have printed in the RECORD a letter addressed to Secretary Brown dated May 4, 1977, by myself, asking some of the questions, to which I have not yet had a response, and also a letter from J. Milnor Roberts, executive director of the Reserve Officers Association of the United States, in which he supports the 95,900 figure.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., May 4, 1977.

Hon. HAROLD BROWN,
Secretary of Defense,
The Pentagon,
Washington, D.C.

DEAR SECRETARY BROWN: As we approach the time when the Congress will determine the final version of the Defense Authorization Act for fiscal year 1978, there are several questions concerning the Naval Reserve drilling strength that need to be addressed. Before posing those questions, I wish to express my deep disappointment in your decision to fall back on the previously rejected strength figure of 52,000 Naval Reservists. The continuing effort of OSD to over-ride the will of Congress on this matter conflicts with the need for stability in the Naval Reserve.

Over the past half decade, the Office of the Secretary of Defense has repeatedly tried to cut or degrade the Naval Reserve. It would be a tragedy if our Nation's best bargain in defense, the Guard and Reserve, is lost because of a false assumption by OSD and OMB analysts that the country can get something for nothing.

Your answers to the following questions are essential to giving fair consideration to the proposed Naval Reserve cuts. What adjustment has the Navy initiated to restructure the Naval Reserve in accordance with any recent study or studies? Are the billets which you propose placing in Category D required to be filled within the first 90 days after mobilization? How many are required within the first 30 days after mobilization? We note your Deputy Assistant Secretary for Reserve Affairs, Mr. Tankersley, testified before the House Armed Services Committee that your decision to place over 41,000 selected Naval Reservists in Category D did not mean that these Reservists were not required for mobilization.

Mr. Tankersley also testified that OSD did not know how many of the 42,000 Reservists would be lost to the program but whatever the loss would be, it was considered an acceptable risk. It has been estimated that as many as 97% of Category "A" enlisted personnel would leave the Reserve rather than serve in Category "D." Does OSD now have an estimate as to what the loss will be, based upon a scientifically conducted survey? What percentage of loss is acceptable to OSD? What study or studies show that two weeks training for the 42,000 Naval Reservists is adequate to maintain the skills they require if mobilized?

I would appreciate an early response to these questions.

Sincerely yours,

BOB DOLE,
U.S. Senate.

RESERVE OFFICERS ASSOCIATION
OF THE UNITED STATES,
Washington, D.C., May 13, 1977.

Hon. BOB DOLE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DOLE: The Senate Armed Services Committee reported out their proposed FY78 Defense Authorizations Bill. The Senate Bill contains the following areas of concern:

Reduction of the Naval Reserve Strength by 19,550 personnel.

Omitted drastically needed recruiting/retention incentives.

Reduction of 1600 Air Force Reserve positions.

In view of the continued Soviet military build-up, we believe these drastic proposals should be reversed.

The recent OSD study of Naval Reserve mission requirements, directed by the Senate, recommended a strength of 95,000 . . . whereas the Senate Armed Services Committee has recommended a 20% reduction to a new low of only 76,400! Everyone of these positions represents a war-time requirement to be mobilized within 90 days after M-day. We cannot afford to throw away these required war-time assets in such critical areas as Intelligence, Construction, Ship and Aircraft Maintenance. We strongly urge the Senate to restore the Selected Naval Reserve strength to the recommended level of 95,900.

The desperately needed incentive package for Reserve enlistees was introduced in an effort to bolster our dwindling Reserve personnel strengths. With the cessation of the draft and subsequent emasculation of the Selective Service System, our nation's Reserve strengths have plummeted to record lows. An effective remedy is needed to shore up our nation's only mobilization capability. This incentive package offers a practical contribution toward solving the personnel problem.

The proposed elimination of 1,600 Air Force Reserve authorizations is "supposedly" based on resources being available in the obligated reserve section (ORS). However, these resources are not available in the ORS. The ORS is composed of Junior Airmen and Officers who are just off active duty. Such a capricious reduction will materially affect the Air Force Reserve in its ability to perform its wartime mission.

We strongly urge you to restore the Air Force Reserve strength to the recommended level of 52,000.

In these perilous times, it is imperative that our Reserve forces be fully manned and well equipped. We must take immediate steps to reverse the current unilateral trend of disarmament and commence to rebuild our military forces. The responsibility rests with you as stated in the Constitution of the United States, Section 8 . . . "The Congress shall have power to raise and support armies . . . to provide and maintain a navy . . . to provide for calling forth the militia to execute the laws of the Union, suppress insurrections and repel invasions." We trust in your judgement.

Sincerely,

J. MILNOR ROBERTS,
Major General, USAR, Executive Director.

Mr. DOLE. I have no quarrel with the distinguished Senator from Georgia, but I do wonder how we are going to meet the requirements if we keep hacking away at the Reserves. I do not know how long it might take in the event there was a need to mobilize. The bill, as I read it, provides an authorized strength for the Navy of about 540,000. If we cut the Reserve units as proposed in the committee bill, I do not know how long it might take to mobilize the full strength, if that were necessary, in view of the cuts.

So, based on what the House of Representatives has done, and based on the fact that the Ford administration came around 93,600, and based also on the last three studies, one initiated after passage of the bill last year by this body, it just seems to me that we are hearing the Secretary of Defense or the Defense Department say, "Well, we need the men, but they do not need to drill." What they are saying to them is, "We want you to stay, but we do not want to pay you. You cannot have monthly drills or bimonthly drills; you can have a couple of weeks in the summertime, and that is it."

If past experience holds true, and we lose 94 percent to 97 percent, we will have lost an asset that we are not going to be able to pick up if we need it.

I would strongly urge the adoption of the amendment. I recognize that the House has a higher figure than the committee recommends and probably the conference would end up somewhere between the Senate figure and the House figure. But I just believe, based on the previous studies, that 95,900 is a realistic figure.

Mr. NUNN. If the Senator will yield on that point. The Senator's amendment will go to a figure higher than in the House bill. So what the Senator is asking is that we go beyond the House bill and beyond the current authorized strength of the Naval Reserve; that we add people to the Naval Reserve at a time when the people who are already there do not have a mission.

What the Senator from Georgia is saying is I believe the mission ought to precede the people. The Senator from Kansas is saying to let the people continue, no matter that there is no mission in terms of these personnel.

If there is any compromising in the conference, the compromise would have to be to increase the House bill, if the amendment of the Senator from Kansas is agreed to, because the Senator has a number in his amendment higher than the House bill.

I would like to ask the Senator one question. I noted with interest the Senator from Kansas, who was quite an insider in the Ford administration and also a vice presidential nominee, alluded to the fact that the Ford administration was coming around to the view that we needed 96,400 in the Naval Reserve.

Of course, the Ford administration budget last year reflected exactly what the Carter administration budget reflects this year. That is that the number of people in those slots should be 52,000.

I ask the Senator from Kansas if he has any kind of a private word on the Ford administration changing their views that we could all know about here on the floor. If he has, I would like to know it. Has the Senator played any golf recently with President Ford? Where is he receiving that word from?

Mr. DOLE. I do not have any secret

word. At this late date it might not be of much value anyway. There was a late recognition in the last administration that more people were needed. In fact, the authorized strength now, as I understand it, is 96,500. My figure is less than the present authorized strength, but, as the Senator from Georgia states, higher than the number in the House bill.

I agree with the Senator's question about the mission. It could probably be improved although they do now have a vital role in mobilization, validated by three studies. We have seen in the past that DOD and the Navy were tending to minimize the missions given the Naval Reserve. For example, as I understand, the Naval Reserve was given the airlift mission for the entire Navy. At the same time the mission was assigned to the Naval Reserve, it was decided by DOD to put all the airlift requirements in the Air Force Military Airlift Command—MAC. Now the Naval Reserve has the additional airlift mission which is being phased out and turned over to the Air Force.

It seems to me that there is a need for more clearly defined missions, although they do have validated missions. In the past, I think the Naval Reserve has had to fight both DOD and the Navy to get improved missions.

The point I make is, yes; we ought to have the missions better defined. In the meantime, how do we recover those who drop out, if we say we are not going to have a monthly drill? How are we going to recover them if they are needed in a time of mobilization, if that time should ever come?

Mr. NUNN. I will ask the Senator another question. It has been going on for 4 or 5 years. If we multiply approximately $20 million in just the 5 years I know about we are talking about $100 million which has been expended in keeping these people around while we are struggling to wait for a mission.

If we wait 5 more years, that is $200 million over a 10-year period. If we wait another 5 years after that, it is $300 million. I do not know how long we wait on this subject, I really do not. If the Senator is saying that we need this $20 million as insurance, that if the Navy and the Department of Defense ever do decide to give them a meaningful mission we will have them there, I ask the Senator the other question. How long do we wait?

Mr. DOLE. The Senator from Kansas does not have any crystal ball on how long we wait. I would hope it would not be very long. It seems to me the responsible thing is to approve the requirements based upon a minimum need. Perhaps the administration, and I do not say it critically, will come around to that position and will define a mission.

I think the other side of that question is what will happen if we do not have the manpower; if we do not have the resources; if we do not have the units and suddenly they are needed? Then the investment of $19 million or $20 million a year looks rather miniscule. If there should suddenly be a mission out there for which we do not have the manpower, then I think we have made a mistake in that area.

I applaud the Senator for his efforts to try to speed up the utilization and to try to bring about meaningful missions. I just stand on the theory that, based on the studies, this is a figure which is fair and objective. It seems to me that it is one the Senate should adopt.

Mr. NUNN. Will the Senator from Kansas yield for another question? I remember President Ford during last year's campaign chastised the Congress for not going along with all of the cost restraints in his budget. I wonder if this was one of the restraints the President was alluding to that the Congress did not go along with, thereby, paraphrasing him, wasting vital defense dollars in unneeded resources.

Mr. DOLE. I am not sure this was the point. Since he is a former Navy man, I hope not. I guess the point is this: We have obligations in the Congress and on the Budget Committee and in other areas where we serve. I do not spend the time on this particular subject the Senator from Georgia does as a member of that committee, and doing a splendid job as chairman of the Manpower Subcommittee. It seems to me that if we are going to err we should err on the side of spending a few million dollars. No one has yet told me how many would leave if we take away drills. If it is 94 or 97 percent, what do we do? What do we do if we need the manpower?

Mr. NUNN. I say to the Senator from Kansas I would agree with that logic if we had an unlimited amount of money we could put into the defense budget. I know of the great work the Senator from Kansas has done on the Budget Committee. I know he is one of those who is a strong advocate of a ceiling in the Budget Committee on national security which accommodates our real defense needs. I commend him for that. I congratulate him for that. If it had not been for the Senator from Kansas and others on both sides of the aisle, Democrats and Republicans, we would have had a defense budget in the last 2 years that would have been woefully inadequate.

But I will also say, as the Senator from Kansas is well aware, the new budget process does put a ceiling on the overall amount of money we spend in a year. That new budget process also puts a subceiling on national security. When we are adding $19 million back into this budget, which the Senator's amendment would do, that the Ford administration said they did not think was necessary, that the Carter administration says they do not think is necessary, that our subcommittee has been over with a great deal of attention and detail, as has the full committee, and did not feel it was absolutely essential, we are not simply adding $19 million back, but we are taking it away from some other part of the defense budget.

We will either have to cut procurement, cut research and development, or we will have to cut in the area of operation and maintenance, which affects the readiness of the forces.

This is not a free $19 million. This is a priority the Senator from Kansas is weighing against other priorities. As the Senator from Kansas is well aware, the Budget Committee conference came back just last week with a level of expenditures under the anticipated expenditures in terms of both the authorization bill, the military construction bill, and the appropriation bill for the Department of Defense. So this money has to come from somewhere.

If we add the $19 million, as a strong supporter of Naval Reserve, I would be in favor of the Dole amendment. But that money will come out of much-needed procurement, research and development, operational readiness, or some other manpower cut. It is not free money that we have for the Department of Defense with unlimited kinds of mobility.

Mr. DOLE. I will only say in conclusion, I certainly share everything the Senator from Georgia just stated except, of course, the Budget Committee is not a line-item committee. It seems to me that we are talking about switching from paid to a nonpaid status the most economical billets in the inventory, about one-fifth or one-sixth the cost of active duty.

It is going to be like any other matter in the budget; there are going to be some pressures, there is going to be some need to make reductions. I do not suggest that we ought, for 1 day, to have a program where we are wasting funds. I do not say that in this case.

It seems to me that, based on studies by the Department of Defense and others, we are talking about the level that it should be. We are not trying to inflate that level. If I were here asking to have an authorization of 110,000 billets, then the argument of the Senator from Georgia would be perfectly valid and I should be at a loss to support my own amendment. But based on the votes in the Senate last year, very close votes, it is my hope that the Senate will again express its interest in what I consider to be a rather important problem, though small by comparison with many others in the budget. The Senator from Georgia says $19 million. We thought about $25 million. But in any event, it is not a great deal of money.

Also, as the Senator from Georgia has indicated, it is a very important program. We just have one point of view and the committee has another. I hope that we can agree on sometime tomorrow that we might have a record vote.

Mr. NUNN. As far as the Senator from Georgia is concerned, I should be pleased to agree to whatever the chairman of the full committee and the Senator from Kansas would like to do, as far as time for a vote.

I again commend the Senator from Kansas for his strong general support of the committee bill and his support for a very strong national security. Even though I oppose this amendment, I respect the Senator's position on national security matters.

Mr. DOLE. I thank the Senator from Georgia.

Will the Senator from Mississippi yield?

Mr. STENNIS. I do not have the floor.

Mr. NUNN. I yield.

Mr. DOLE. I wonder if we might agree on a time certain for a vote tomorrow?

Mr. STENNIS. We certainly would be glad to vote, there is no doubt about that. We are going to have several here, though, that are going to be carried over for a vote tomorrow. I do not see anything that we can do, as I see it, except set a time and we shall take up seriatim those that have been argued.

Give us time for a conference for a minute with the leadership and see what they have to say.

Mr. President, if I may say so to the Senator from Minnesota, if he is in position now, he may seek the floor on a matter that he has in mind, an amendment.

Mr. HUMPHREY. Yes.

Mr. STENNIS. Or the Senator from Oklahoma is here. He can seek the floor now.

Mr. HUMPHREY. Do I understand correctly that the amendment of the Senator from Kansas has been temporarily laid aside?

Mr. STENNIS. It is understood that it will not be voted on tonight.

Mr. DOLE. The Senator from Kansas agreed to set it aside pending an agreement on a time to vote.

The PRESIDING OFFICER. (Mr. NUNN). Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I understand that my good friend, the Senator from Oklahoma, has an amendment, which was adopted previously, I believe last year, and that he would like to offer it again. I trust it will not take too much time. I am perfectly willing to yield to him without losing my right to the floor for that purpose.

Mr. BARTLETT. I thank the distinguished Senator from Minnesota. I ask that he yield me 2 minutes for this purpose.

Mr. HUMPHREY. I am glad to do that.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

UP AMENDMENT 210

Mr. BARTLETT. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read as follows:

The Senator from Oklahoma (Mr. BARTLETT) proposes unprinted amendment No. 210.

Mr. BARTLETT. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 53, between lines 13 and 14, insert a new section as follows:

SEC. 803. The Secretary of Defense is authorized and directed to request from retiring military officers personnel and civilian personnel, of a grade GS–13 or above, who are employed in military procurement, suggestions for methods to improve procurement policies, including ideas for improving competitive bidding and eliminating any inequities that may exist. The request shall be made of personnel during their last month of employment and they shall be allowed reasonable time during working hours during the last month, not to exceed a total of 16 hours, to complete their voluntary report to be submitted upon retirement. The Secretary or his designate shall quarterly furnish the Armed Services Committees of the House or Representatives and Senate a copy of all such recommendations and the response of the Department of Defense.

On page 53, line 14, strike out "Sec. 803" and insert in lieu thereof, "Sec. 804".

Mr. BARTLETT. Mr. President, my amendment would direct the Secretary of Defense to request from retiring military and civilian personnel of the Department of Defense, in the grades of GS–13 or above, suggestions for the improvement of the procurement policies of the Defense Department. It is my belief that waste and inefficiency in our procurement practices not only place an unfair and unnecessary burden on the taxpayers of our Nation, but actually reduce the Nation's national security. However, the procurement process is a complex operation involving massive, almost cryptic, bureaucracies. For that reason, neither the Congress nor the Executive have been able to come to grips completely with this problem.

Among the citizens who are most aware of the problems in procurement regulations and practices are the individual military members and civil servants who administer the procurement process. Frequently, I will meet with some of these public servants or they will write my office recommending changes in current practice. Many of the ideas presented seem sound and useful. Unfortunately, many of these individuals are unable or unwilling to make their views known while they are still employed by the services or the U.S. Government. Many say that they will take the time to make their views known after they retire, but few do. More often than not, they have forgotten the details, lost the fervor, or moved on to other activities. This means that a tremendous amount of institutional wisdom is lost from the bureaucracy without ever being recorded.

Mr. President, my amendment would encourage retiring public servants involved in the procurement process to submit their ideas in writing so that they can be evaluated. My amendment would permit these individuals to use the resources available to them in their office—clerical help and files—to improve the accuracy and timeliness of their recommendations. Granting an individual up to 40 hours at the end of his career to perform one last great public service is not too much to ask. I urge my colleagues to see the advantage of regularizing this process and of requiring a report to Congress on possible improvements in the procurement process.

I have been led to believe by those who have spent their lives in procurement that these suggestions will be very fruitful. This has passed the Senate in a similar form on two occasions. It passed both Houses on one occasion in similar form. I believe if it will pass in this form and become the law, it will be a very fruitful addition to the efficiency of our processes and result in substantial savings.

I hope this will be acceptable to the floor manager of the bill and the acting minority leader.

Mr. STENNIS. Mr. President, will the Senator from Oklahoma yield to me?

Mr. BARTLETT. I yield to the Senator from Mississippi.

Mr. STENNIS. I beg the Senator's pardon. I was engaged in reference to another matter.

Mr. President, we had this amendment up last year by the Senator from Oklahoma. The Senate adopted it as an amendment and we went to conference. As he and the Senator from Texas will recall, we tried but were unable there to get the amendment accepted. We did put some language in the report, hoping that that would do some good. If the Senator from Oklahoma has not covered that point in his remarks, maybe he will state his ideas about the language in the report.

Mr. BARTLETT. Mr. President, I can say that the language in the report did not do the job. The Department did not so request of the committee. The language in the bill directs the Secretary of Defense to make available a small but, nonetheless, sufficient time for these reports to be made. I think that if this language is adopted, it will do the trick and it will, I believe, save millions of dollars in procurement of the various purchases that his Government makes of various people.

Mr. STENNIS. If the Senator will yield further, it seems there is still merit in this amendment as it was adopted last year. If the Senator from Texas will express his views on it, I shall be willing to recommend its adoption.

Mr. TOWER. I concur with the distinguished chairman of the committee. I think it is a meritorious amendment. I thought it was when it passed the Senate last time, and I think it remains so. I shall be perfectly willing to accept the amendment on behalf of the minority and press for its adoption in conference.

Mr. STENNIS. I believe it will be acceptable to our committee, too. I hope we can pass the amendment now, Mr. President.

Mr. BARTLETT. I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT 211

Mr. STENNIS. Mr. President, may we have attention to the amendment of the Senator from Minnesota? This is very important language, as I see it.

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask that it be considered.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Minnesota (Mr. HUMPHREY) proposes unprinted amendment No. 211.

On page 51, line 25, immediately after "SEC. 801", insert "(a)".

On page 52, between lines 15 and 16, insert the following new subsection: "(b) In authorizing procurement under section 101 of the Act and research and development under section 201, thereof, Congress asserts its readiness to consider, in accordance with the processes set forth in the Budget Control and Impoundment Act of 1974, such modifications in United States strategic arms programs as the President may recommend to facilitate either negotiation or agreement in the strategic arms limitation talks."

Mr. HUMPHREY. Mr. President, this is an important amendment. I shall make a brief statement about it.

My amendment is consistent with the concern expressed by members of the Senate Armed Services Committee, which can be found on page 4 of Report No. 95–129 where the committee endorsed:

* * * the efforts of the administration to achieve an equitable SALT II agreement, but recognizes that if such an agreement is not reached we must be ready to counter Soviet developments in order to maintain our security.

My amendment, which would appear as section 801(a) under the general provisions of H.R. 5970, reads as follows:

In authorizing procurement under section 101 of the Act and research and development under section 201, thereof, Congress asserts its readiness to consider, in accordance with the processes set forth in the Budget Control and Impoundment Act of 1974, such modifications in United States strategic arms programs as the President may recommend to facilitate either negotiation or agreement in the strategic arms limitation talks.

All Members of this body are increasingly aware that the arms race is moving very swiftly. I am sure all hope that negotiations will move no less swiftly.

Unfortunately, congressional participation in the budgetary process is on an annual basis. We must fund those aspects of the President's program which we believe may be needed. We must rely, under the Budget Control and Impoundment Act, upon processes of rescission and deferral which the President may choose to invoke in order to handle changing circumstances.

Despite what might appear to be problems in the ability of the Congress to act in concert with the executive branch on strategic arms limitation matters, we can make accommodations to this set of circumstances. For example, we can let the administration know, and the SALT negotiators on the other side, that we are prepared to act flexibly, within these processes, to support the President in his responsibilities as this Nation's highest level negotiator.

It is conceivable, though I sincerely hope it will be unnecessary, that we shall have to vote additional funds in some category to give the President the negotiating leverage he requires. I must admit that I have no indication of this need at this time. However, it remains a possibility, and my amendment would clearly signal the intention of the Congress to provide the President with the flexibility to accelerate development of our strategic programs if he deems it is necessary in the processes of negotiation.

On the other hand, we know there are programs funded in H.R. 5970 which the President during the processes of negotiation or in search of agreement might want to either defer or rescind.

For example, I think it should be noted that in my amendment, my amendment does not permit the Congress to accept any adjustment set up by the President. It does not short-cut the budget process.

But it will be understood and accepted by the administration as an invitation by the Congress to negotiate.

Mr. TOWER. Will the Senator yield?

Mr. HUMPHREY. But it will be understood and accepted by the administration as an invitation by the Congress to negotiate, with the full force of the Congress behind it. It gives the President the added leverage in our negotiations with the Soviets.

There are, for example, a number of weapons items in this bill which we consider today to be absolutely essential to our security. It may be that in the process of tradeoff and the negotiations that the President will want to make some adjustment. If he does, of course he will have to use the rescinding power and the impoundment power, and then the Congress will have to use whatever it would have to make the decision it wishes to on the basis of a vote under the Budget Act.

Mr. TOWER. If the Senator will yield, I think the Senator already answered my question, but I want to make it perfectly clear.

We are not, in advance, approving——

Mr. HUMPHREY. No.

Mr. TOWER [continuing]. the rescission or deferral, but we would still have to act in the usual way on any rescission or deferral made by the President.

Mr. HUMPHREY. That is absolutely corect.

What we are really saying, in a sense is, "Mr. President, you are in very serious negotiations, we want you to know we are fully aware there may be a necessity in these negotiations, possibly, that we will have to step up certain types of our programs, possibly in some sort of tradeoff, or may want to hold back or rescind, in part, but you cannot do so without following the Budget Process Act," which means, of course, that any type rescission or impoundment of funds which would result in holding back would have to come to Congress for final resolution.

Mr. TOWER. This would be, in effect, an enunciation of policy.

Mr. HUMPHREY. Correct.

Mr. TOWER. And no more than that. That is to say, it does not have the effect of making a decision.

Mr. HUMPHREY. It does not.

Mr. TOWER. Of any system.

Mr. HUMPHREY. It merely puts Congress on record in the substance of legislation, in the sense which we have on record, in the report.

Mr. TOWER. If I may ask another question of the distinguished Senator from Minnesota, one thing occurs to me is if it gets to quantitative limits in the SALT negotiations that the Soviets may then turn their attention and their resources toward qualitative improvements in their own forces, which will necessitate on our part, not a reduction in expenditures that we might hope for, but nonetheless, commensurate qualitative improvement in our own. Would this impact on it?

Mr. HUMPHREY. The only impact is that it says Congress would understand that. We would not only understand it, but, Mr. President, we are saying we are cognizant of it, we may very well have to go ahead and do it.

Mr. TOWER. I thank the Senator from Minnesota.

Mr. STENNIS addressed the Chair.

Mr. NUNN. I just wanted to ask one question. I yield to the Senator from Mississippi.

Mr. STENNIS. While we are on that point, Mr. President, if we may follow the thought of the Senator from Texas now. As I read the Senator's language from the copy I have before me, it starts off, "On page 52," and so forth.

Mr. HUMPHREY. Correct.

Mr. STENNIS. That is, the Congress by this amendment merely states its readiness to consider.

Mr. HUMPHREY. That is the word.

Mr. STENNIS. To consider anything that may come before us emanating from the President's negotiations or agreement at the SALT talks.

Mr. HUMPHREY. Absolutely.

What it says, Mr. President, to the President is, "When you go into those negotiations we understand that they will be difficult." It may be, as the Senator from Texas said, that we will be required under some sort of a trade-off to improve our qualitative aspect. It may be we will have a trade-off where we would want to hold back on the development of a particular weapon in either quantity or in totality.

We are simply saying to the President that we are prepared to consider all these matters, however they have to be considered within the processs of the Budget Control and Impoundment Act.

Mr. STENNIS. And leaves the Congress the power and authority to go either way it might see fit.

Mr. HUMPHREY. Exactly right.

Mr. STENNIS. In other words, the Senator just wants to remove the appearance of any impediment that might be tied to the President.

Mr. HUMPHREY. Either way.

Mr. STENNIS. Yes, either way.

Mr. HUMPHREY. Correct.

Mr. STENNIS. I thank the Senator.

Mr. NUNN. Mr. President, if the Senator will yield, I think I understand the amendment of the Senator from Minnesota, but there is one point I am puzzled on.

I can understand the invitation to the President to send up a rescission or deferral.

Mr. HUMPHREY Yes.

Mr. NUNN. Under the Impoundment Act. But when the Senator from Minnesota says this removes the impediment either way, that is, it would allow the President either to speed up certain weapons or to slow down certain weapons or to cancel them under the Rescission Act. I do not understand the upward

flexibility of this amendment, because this is an authorization bill that has limits in it as to every weapons system in terms of dollars and numbers, and so forth.

How would the President have the authority to say, "Increase the weapons system?"

Mr. HUMPHREY. Only in this manner that we are stating in this bill, that in the process of negotiations, in the search for an agreement, it may be necessary that such qualitative improvements take place, for example, or quantitative improvement. The Congress in this bill puts itself merely on record saying, "Mr. President, we understand that this is a two-way street, you may want or have to improve, rescind, in order to arrive at agreement. You may very well find that in order to arrive at some kind of agreement to improve your negotiation process or position, you may want or have to ask for additional funds. If you do, Mr. President, we in this Congress voting on this legislation are prepared to receive that favorably."

Mr. TOWER. Will the Senator yield for a question?

Mr. HUMPHREY. Yes.

Mr. TOWER. On that, in other words, the other side of the coin, not only would we be willing to consider rescission or deferral, if appropriate, but also consider a request for supplemental appropriation, if that appeared to be necessary.

Mr. HUMPHREY. Yes.

Of course, the President could do it anyhow.

Mr. TOWER. Yes.

Mr. HUMPHREY. But I think since we are laying the political environment for the SALT II, I think it important Congress, by its own record, has an understanding that the negotiation is complicated. It may very well take a long period of time and that we ought to be prepared to go either way in our effort to negotiate with the Soviet Union.

Mr. TOWER. I thank the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I yield to the Senator from Washington.

Mr. JACKSON. Mr. President, I just came on the floor and I am sure that we have already covered it. But as I understand the Senator's amendment, it relates to two principal approaches, one is negotiation——

Mr. HUMPHREY. Right.

Mr. JACKSON. The Senator has the words "to facilitate either negotiation" and then the disjunctive "or agreement."

Mr. HUMPHREY. Yes.

Mr. JACKSON. "In the strategic arms limitation talks."

On the first point, to facilitate negotiation, for example, it might be along the lines undertaken by Secretary Brown when he announced that the Minuteman assembly line in Utah was not going to be closed in light of developments after the——

Mr. HUMPHREY. That is a case in point, yes.

Mr. JACKSON. That would be an illustration of what the Senator has in mind.

Mr. HUMPHREY. Yes.

Mr. JACKSON. And on the second point, "agreement in the strategic arms limitation talks," would relate to an indication by the Congress that we are prepared to support, say, certain reductions.

Mr. HUMPHREY. Provided, within the processes of the Budget Act.

Mr. JACKSON. Within the processes of the Budget Act. That is right.

We are not changing any law or the Budget Act at all, is that correct?

Mr. HUMPHREY. That is absolutely right.

Mr. JACKSON. It is merely an indication of the willingness of Congress to be prepared to cooperate in the two principal directions we are talking about.

Mr. HUMPHREY. It is a showing, may I say, of cooperation and coordination between the President, the executive branch, and Congress on the two subject matters that the Senator from Washington so wisely pointed out—negotiation on the one hand and agreement on the other.

Mr. JACKSON. Mr. President, I can only observe that I think it can be helpful and useful to the President in connection with his responsibilities in trying to reach an agreement. And being unable to reach an agreement, he will be in a position to have the backing of Congress in connection with those proceedings.

Mr. HUMPHREY. I think it will be helpful.

Mr. President, that is the only case I make for my amendment.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from South Dakota.

Mr. STENNIS. Mr. President, may we have order, so that the Senator from South Dakota may be heard? He has an amendment on this same subject.

Mr. McCLURE. Mr. President, will the Senator from South Dakota yield for a question on his amendment?

Mr. McGOVERN. I will speak on my amendment.

Mr. President, the distinguished chairman of the committee, Senator STENNIS, is right in saying that I have an amendment of a similar nature that I had intended to offer. But if I understand the thrust of the amendment offered by the Senator from Minnesota, it is similar to what I was attempting to accomplish, which is to leave our negotiators and the President free, if they decide that it is in the national interest to do so, not to move ahead on beefing up the Minuteman III missile that has been slated to begin in October.

It is my understanding that the administration—more specifically, Mr. Warnke and others—has been hopeful that 10 or 12 agreements can be reached between now and October that would make it unnecessary to go ahead with these new deployments that would increase not only the accuracy of the Minuteman III but also would increase its kill capability, its explosive capability.

Mr. Warnke is quoted in the May 10 New York Times as having told a group of reporters that he sees this as a potentially destabilizing change in the arms race and is hopeful that an agreement can be negotiated so that we do not have to move ahead to a new escalation of the arms race.

The amendment I had intended to offer would have ruled out the use of funds for that purpose unless the President certified to Congress that such escalation is essential to the national interest and is consonant with U.S. goals and negotiating prospects in the strategic arms limitation talks with the Soviet Union.

In other words, he would have gone somewhat further than the amendment of the Senator from Minnesota in putting the responsibility on the administration to make the judgment as to whether or not these funds were necessary.

As I understand the amendment offered by the Senator from Minnesota, it would place the administration in the position that, if they did not think it was in the national interest to go ahead with these deployments, they would then make a request of Congress that we go through the process of rescission under the Budget Act.

Mr. HUMPHREY. That is correct.

Mr. McGOVERN. While it does not go quite as far as I would like——

Mr. HUMPHREY. I also say to the Senator, so that we get the other side, that it may very well be that in the process of negotiation, as the Senator from Washington has said, the President may feel that it is imperative that we beef up a certain part of our defense, particularly as it might relate to some capability that the Soviets have. This amendment would give the President the assurance that this Congress is cognizant of that possibility and is prepared to respond. So it has two sides.

Mr. McGOVERN. I am realistic about the possibilities of these matters.

If the Senator from Minnesota does not think it would jeopardize his amendment, I should like to join as a cosponsor.

Mr. HUMPHREY. It does not jeopardize the amendment at all. It is a joy to me when the Senator from South Dakota joins.

Mr. McGOVERN. Under those circumstances, I will withdraw my amendment.

Mr. HUMPHREY. I thank the Senator.

Mr. President, on September 11, 1974, former Secretary of Defense James Schlesinger told the Arms Control Subcommittee of the Foreign Relations Committee that—

> We have no desire to develop a unilateral counterforce capability against the Soviet Union. (deleted) What we wish to avoid is the Soviet Union having a counterforce capability against the United States without our being able to have a comparable capability. I continue to be hopeful that SALT will permit both sides to restrain themselves.

Now, according to public reports such as a May 9 Time magazine article, the United States is on the verge of having a "unilateral counterforce capability." The kill probability of the Minuteman III warheads might get as high as 80 percent against hardened Soviet silos, and this would take place for at least one U.S. warhead for every hardened Soviet silo. In short, we are about to exceed our desires for counterforce capability.

Moreover, according to official Defense

Department estimates, the Soviet Union will not achieve this counterforce capability for another 5 years.

I know the President believes this program may provide the Soviet Union with the incentive to engage in negotiations. Yet, it can hardly be expected that an agreement can be worked out on these complicated questions within 6 months—which is all we have between the presentation of this proposal in April and the beginning of the fiscal year in October. I believe we should want to preserve the possibility of deferral or rescission on this program, should the President obtain a meaningful and equitable SALT II agreement.

The Mark-12A is one program we are authorizing today which interacts with the SALT talks. There are funds in this budget for the cruise missile, the mark 12–A for the B–1 bomber, and the M–X mobile missile. In all these cases the President may want to make adjustments within the context of the SALT negotiation.

My amendment does not, of course, commit Congress to accept any adjustment sent up by the President. But it will be understood and accepted by the administration as an invitiation to negotiate with the full force of the Congress behind it. It gives the President added leverage in our negotiations with the Soviets. Therefore, I would urge that my colleagues support this initiative.

CAUTION IN THE ARMS RACE

Mr. McGOVERN. Mr. President, I have an amendment at the desk.

This is a modest proposal, but one with an exceedingly important purpose—to assure that the administration will not unconsciously outrun its own bargaining position in the Strategic Arms Limitation Talks.

Let me emphasize several points in the language of the amendment.

First, it provides in essence that the administration will not be required to carry out certain activities authorized by this bill unless it wants to.

Second, the amendment affects only "final installation of increased accuracy or yield on Minuteman III missiles." That means primarily the MK 12A warhead and the NS–20 guidance system. The amendment would not inhibit continued research and development, or even procurement, of these items. It deals only with placing them in operational modes.

Third, if, after examining the issue, the President decides that he wants to go ahead with deployment, all he has to do is certify to Congress that improved Minuteman III accuracy and yield are essential to the national interest and consistent with our efforts in the strategic arms limitation talks.

In sum, the amendment is designed to give the administration maximum flexibility in one of the more difficult aspects of the arms control negotiations, and that is the whole area of counterforce against land-based missiles. The prospective vulnerability of our ICBM's and Soviet ICBM's has become a dominant concern of everyone who follows our strategic posture with any care. I do not know if it is possible to negotiate limits on the systems which threaten that vulnerability. But I do contend that we ought to try—that we ought to give negotiated limits every chance of success, before we remove these systems from the negotiating arena by going ahead with their installation.

The Soviets are years behind us in accuracy. But it is true that the potential yields of their MIRVed ICBM's might make it possible for them to threaten our land-based missiles with only a portion of their force, retaining the rest for later use. Obviously that is a capability we would like to prevent if we possibly can.

Our own counterforce capabilities are more advanced and more threatening to the Soviet Union. The Federation of American Scientists has used published estimates of yield and accuracy—350 kiloton warheads and one-tenth of a mile accuracy—to conclude that the programs covered by my amendment could give our 550 Minuteman III missiles an 80-percent kill probability against Soviet ICBM's of 1,000 pounds per square inch hardness.

Further, that counterforce kill probability endangers a much larger proportion of the Soviet deterrent. Only about 25 percent of our strategic punch is composed of ICBMs. So even if they could knock out our land-based missiles, we would still have three-fourths of our warheads left, stationed on submarines and bombers. But in the Soviet Union the proportion is reversed. Three-fourths of their total megatonnage is carried on land-based missiles. So we are talking about counterforce plans which they could reasonably conclude are designed to wipe out three-fourths of their deterrent in a first strike.

I am convinced that these improvements are foolish and destabilizing. We know from experience that there is no such thing as a permanent monopoly on any of this technology. We also know from experience that we cannot convince the Russians to forgo strategic weaponry that we insist upon having for ourselves. And now we are talking about systems which, in the realm of the abstractions which so often seem to govern strategic arms decisions on both sides, could give a clear advantage to the side striking first.

I seriously question the entire concept of counterforce and the notion that such a capability confers anything worth having. Even if we, or they, can knock out all opposing ICBM's, I think any sane national commander would still be deterred by the incredible force remaining in bombers and SLBM's.

But it is also clear that by pursuing such a competition, we are building systems which increase to some extent the risk of nuclear war—the risk that under extreme pressure, perhaps believing that the other side was about to attack, either an American President or the Soviet command might make the deadly decision to launch its land-based forces. I submit that inviting such risks is not consistent with the obligations of responsible national leadership.

It is also appropriate in this context to note my disappointment with the National Security Council's arms control impact statements, both generally and in connection with these systems. I cannot help but conclude that they are treating the requirement for these statements as little more than a joke.

On the Minuteman force modernizations which include MK 12A and accuracy improvements, the statement submitted by the National Security Council says higher yields and accuracy—

> Will not provide the U.S. with a disarming first-strike capability, however, and it can be argued that its limited hard target capability, through its possible impact on Soviet perceptions, could help persuade them to exercise restraint on their own counterforce programs and be more receptive to possible arms control limitations in this area.

That can be argued, I suppose. Anything can be argued. But anyone making the argument would be arguing from a false premise. For it amounts to an assertion that we can persuade the Russians not to do something by doing it ourselves. It suggests that we can avoid Soviet counterforce capabilities with an estimated 60-percent probability of killing our ICBM's by programs that have an 80-percent probable kill capability against their missiles. And that simply defies all reason and all the experience we have had in this grim business. Where is the case in which the Soviet Union has been dissuaded from building a system by the fact that we already had it? Obviously the reverse is true. Our deployments influence them not to abandon the competition, but to follow suit.

The point of my amendment may be best understood by looking at the ostensible reason for these systems. In September of 1974, then-Secretary of Defense James Schlesinger outlined the U.S. purpose in a briefing on counterforce attacks to the Foreign Relations Subcommittee on Arms Control. He said,

> We have no desire to develop a unilateral counterforce capability against the Soviet Union. (Deleted) What we wish to avoid is the Soviet Union having a counterforce capability against the United States without our being able to have a comparable capability. I continue to be hopeful that the SALT talks will permit both sides to restrain themselves.

That statement indicates quite explicitly that these improvements are not so much logical extensions of our strategic doctrine as they are bargaining chips for SALT. So that is the precise question before us.

I do not necessarily quarrel with their use in that fashion. But if they are to be used, then let us at least be mindful of the crucial fact that it is the ability to deploy—and not the deployment itself—which can be useful as a bargaining chip. Once the chip is played—once the system is deployed—it is moved beyond the reach of the negotiations.

We have been down this same path before, and we know the results. In 1970 we had a lead of some 5 years over the Russians on the technology for multiple independently-targetable reentry vehicles, or MIRV's. Some of us argued then that we should hold off on the final test-

ing and deployment, to see if we could not negotiate mutual, verifiable restraints on those systems. But the administration in power at that time went ahead anyway. As a direct consequence of that decision, we are now worrying about the counterforce capabilities and metatonnage of Soviet MIRV's. We could have stopped at a demonstration of our ability to build MIRV's. We could have held the chip, and then negotiated to avoid MIRV's on both sides. But our arms builders were not to be restrained. And Secretary of State Kissinger was left to say lamely in a background briefing in 1974:

I would say, in retrospect, that I wish I had thought through the implication of a MIRVed world more thoughtfully in 1969 and 1970 than I did.

All I am asking here today, and all my amendment requires, is that this time the "thinking through" be done in a timely fashion—that the top leadership of the country examine very carefully the arms control and national security consequences of counterforce before they finally commit themselves to these systems.

As I noted earlier, this is an extremely modest amendment. Indeed, it is even more modest than it appears on its face, because the primary increase in yield—the MK 12A warhead—is now not scheduled for "final installation" until fiscal 1979. I have included both yield and accuracy in the amendment, because they clearly work together to generate a counterforce capability and they should therefore be analyzed together by the administration. But in any case, the amendment does not cut any funds; it does not tie the administration's hands; most of all it does not remove any bargaining chips from the SALT negotiations. Indeed, it attempts to preserve one for constructive use.

I would sooner cut these programs out of the budget. But I have had enough experience offering amendments to military procurement bills to know that congressional majorities are reluctant to go that far in defining our national security posture. I also have hopes that this administration—in light of its stated top priority commitment to negotiated arms control—will understand and welcome what I am trying to accomplish here this afternoon.

I have directed a detailed inquiry to Secretary of State Vance on this matter. There has, as yet, been no response. On the basis of that, I feel quite safe in concluding that the executive branch has not yet reached a definitive judgment on whether they want to go ahead with deployment of counterforce improvements notwithstanding their comprehensive efforts in SALT.

If that conclusion is accurate, then I can conceive of no reason why any Member of the Senate would be unwilling to either emphasize the importance of this issue or give the appropriate officials sufficient time to assess it with the care it plainly requires. That is all my amendment would do.

I ask unanimous consent that an article from Time magazine of May 9, 1977, and an article from the New York Times of May 10, 1977, by John W. Finney, as well as a copy of my amendment and a letter by me to Secretary Vance of May 3, 1977, be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ZEROING IN ON THE SILO BUSTERS

Long before the March SALT standoff in Moscow, the central issue in the U.S.-Soviet arms race had become the increasing vulnerability of land-based ICBMs to surprise enemy attack. In recent months, U.S. defense officials and strategic analysts have warned repeatedly that the Soviets were rapidly increasing their ability to destroy American missiles. Meanwhile, although the fact has received surprisingly little publicity, the U.S. is on the verge of taking a big step forward in its own ability to knock out Soviet ICBMs in their steel-and-concretes silos. The startling success of the new program has important implications for the delicate balance of terror between the U.S. and the Soviet Union. The developments are bound to be an important factor when the two nuclear superpowers begin low-key SALT talks next week in Geneva, in an attempt to work out a new agreement to replace the current, stop-gap measure that expires in October.

EVEN ODDS

As it happens, October is also the month when the U.S. is scheduled to begin modernizing its 550 land-based Minuteman III missiles. An improved guidance system will be installed in the final stage of the missile. The system will double the accuracy, or halve the "circular error probability," of each of the 1,650 Minuteman warheads. The current version has a fifty-fifty chance of falling within 1,200 ft. of its target; the new model would be even odds to land within 600 ft.

A second and equally important phase of upgrading the Minuteman III will begin in the fall of 1979, when the missile's MK–12 warhead will be replaced with the MK–12A. Using miniaturized arming and fusing components, the new warhead will be able to contain yield from 170 kilotons to 350 kilotons of TNT. This is still far below the 1 megaton (1,000 kilotons) clout of each of the eight warheads carried in the huge SS–18 that the Soviet Union is already deploying. But, with the improved guidance system, the MK–12A will be much more accurate than an SS–18 warhead, and as a result will have an 80% plus chance of destroying any hardened target it is aimed at. In contrast, the Soviet warhead has a "hard target kill probability" estimated at less than 60%.

This breakthrough dramatically illustrates American technological superiority over the Russians. But it also poses difficult problems in arms control. The advances add one more complex variable to the equation of mutual deterrence. About 75% of the Soviets' 3,500 warheads are carried by land-based missiles that would be vulnerable to the MK–12A (in contrast more than 60% of the 8,500 American warheads are mounted on Poseidon and Polaris missiles in submarines). Understandably, the Soviet Union is concerned about the new American warheads. Last week Georgy Arbatov, head of Moscow's U.S.A. Institute, which analyzes American affairs and advises the Kremlin, was spreading the word in Washington that the upcoming improvements were more worrrisome to him than the advanced U.S. ICBM—the M–X—which still exists only on paper, or the cruise missile, which has yet to be deployed and is too slow to be used in a surprise attack.

The Soviets are not the only people worried about the plans to refit the Minuteman; U.S. officials are also concerned. Paul Warnke, SALT negotiator, and director of the Arms Control and Disarmament Agency, asserts that from the Soviet point of view the arms race is "coming to a very, very dangerous stage" because of the "spectacular increase" in America's hard-target knockout capability. Warnke compares the danger to what happened when the U.S. developed MIRVs (multiple independently targetable re-entry vehicles). Says he: "We are going to be worse off if both sides are MIRVed than we would have been if neither had been. The same is going to be true about hard-target kill capability."

TENTATIVE BASIS

The U.S. was hoping to stop a contest to build the biggest and most accurate silo busters when it presented the comprehensive arms control proposal that the Soviets rejected so brusquely in March. Provisions of the plan would have scrapped the improved NS–20 guidance system and the MK–12A warhead. In turn, the Soviets would have had to stop improving their own silo busters. Explained Zbigniew Brzezinski, President Carter's National Security Adviser: "We felt particularly by concentrating on the land-based ICBMs that are 'MIRVed,' we would take into account the greatest sources of insecurity on both sides."

As the SALT talks begin again on a preliminary and tentative basis, Defense Secretary Harold Brown believes, despite the doubts of some arms experts, that it would be possible for the U.S. and the Soviet Union to sign an agreement before October, when the Minuteman III improvements would begin. Brown thinks—and Carter agrees—that the new American silo-busting technology serves as both a stick and a carrot to coax the Soviets into taking action. To the Kremlin, the stick is the disquieting knowledge that the refitted Minuteman III could knock out vast numbers of their land-based missiles. The carrot is the promise that by signing an agreement, they could prevent the new, sophisticated gear from being deployed (assuming the treaty solved the vexing problem of creating adequate verification provisions).

Whatever the difficulties, the stakes are so high that both the Soviet Union and the U.S. have good reason to want to go to the bargaining table. Without an agreement banning new silo busters—Soviet as well as American—both nations could well be driven to develop even deadlier and more costly weapons. The arms race would accelerate—and escalate—once again.

WARNKE NOW SAYS UNITED STATES ALSO WANTS ONSITE INSPECTION IN AN ARMS PACT

(By John W. Finney)

WASHINGTON, May 9.—Paul C. Warnke, director of the Arms Control and Disarmament Agency, disclosed today that the United States' comprehensive strategic arms proposal would require some on-site inspection, a verification measure that has generally been resisted by the Soviet Union.

The arms negotiator also said at a meeting with reporters that the United States planned to raise with the Soviet Union the need for preventing the concealment of weapons so that they can be detected by reconnaisance satellites. In response to a question, he acknowledged that one specific issue raised in the past related to sheds over Soviet submarine construction yards.

While on-site inspection has been a continuing issue in moves to stop atomic tests or ban the production of chemical weapons, it has not figured until now in attempts to limit strategic weapons.

So long as both sides were dealing with numbers of strategic weapons, agreements could be verified by reconnaissance satellites. As negotiations move into detailed areas, such as limits on specific types of weapons,

verification by satellite becomes difficult. As a result, Mr. Warnke said, inspectors will have to visit military installations to supplement satellite monitoring.

Mr. Warnke leaves tomorrow to resume formal arms negotiations in Geneva. The talks have been suspended since the American elections last November.

The negotiations, which will focus on verification, concealment and nontransfer of weapons, will be preliminary to talks between Secretary of State Cyrus R. Vance and Foreign Minister Andrei A. Gromyko in Geneva next week.

HOPING FOR FRAMEWORK FOR TALKS

Mr. Warnke was not optimistic that much progress could be made in the brief Vance-Gromyko talks. "In a couple days of talks," he said, "about all you can do is set some negotiating framework for future discussions."

As a matter of tactics, Mr. Warnke said, the United States is adhering to its proposals, rejected in March, and is waiting for a Soviet counterproposal.

A comprehensive proposal, preferred by the United States, calls for reduction in the numbers of strategic bombers and missiles to between 1,800 and 2,000. An alternative plan would accept a 2,400 force level agreed to in 1974 in Vladivostok, while leaving aside the issue whether the American cruise missile and a Soviet bomber known in the West as Backfire should be counted.

As a consequence of statements by Soviet representatives, Mr. Warnke saw possibility of a compromise, with the Russians accepting some cuts in the 2,400 level. In retrospect, he said, the talks held in Moscow in March may have failed because the United States underestimated the importance the Russians attached to the Vladivostok accord, reached by Leonid I. Brezhnev and President Gerald R. Ford.

The previously undisclosed American requirement for some form of on-site inspection could introduce a new complication. Mr. Warnke said the requirement had been conveyed to Ambassador Anatoly Dobrynin in recent weeks.

Starting with the nuclear test ban negotiations in the late 1950's, the Soviet Union has opposed on-site monitoring as unnecessary and as a subterfuge for spying. Last November, it seemed to relax its opposition by raising the possibility of on-site inspections to monitor a ban on underground testing.

Mr. Warnke said it might be possible to work out a challenge form of inspection, in which one side, suspicious of a weapons development on the other side, could demand on-site inspection. If permission were refused, he said, it would raise suspicions that the challenged nation were cheating, with resultant pressures on that nation to agree to inspection if it wanted to preserve the agreement.

Mr. Warnke saw on-site inspection as a supplement to, rather than a substitute for, the present methods, which rely on reconnaissance satellites. He said on-site inspection might be required to monitor a proposed moratorium on modernization at land-based strategic missiles and possibly the proposed restrictions on range and deployment of cruise missiles.

DOUBT RAISED ON NEW U.S. WARHEAD

In response to a question, Mr. Warnke described the Mark 12A warhead, a highly accurate, powerful warhead that is to be deployed on Minutemen missiles in the coming year, as a potentially destabilizing factor. It is designed to attack military installations and missile silos and could be viewed by the Soviet Union as an attempt to acquire a first-strike capability.

Mr. Warnke expressed hope that agreement could be reached on a new arms treaty before the warhead was deployed. While he did not elaborate, presumably he viewed a ban on missile modernization as preventing deployment of the new warhead, a measure that in itself probably would require on-site monitoring.

He acknowledged that a limitation on missile-test firings proposed by the United States in its comprehensive proposal probably would retard development of the Trident submarine missile. Such a slowdown in a weapons program undoubtedly would upset the Pentagon, but Mr. Warnke described it as part of the price to be paid for limiting strategic weapons.

On page 34, line 6, strike out the period and insert the following:

Provided, however, that none of the funds herein authorized shall be obligated in fiscal year 1978 for final installation of increased accuracy or yield on Minuteman III missiles unless the President has certified to the Congress that such final installation is essential to the national interest and is consonant with United States goals and negotiating prospects in the Strategic Arms Limitation Talks with the Soviet Union.

MAY 3, 1977.

Hon. CYRUS R. VANCE,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: The enclosed Time Magazine article (May ninth, "Zeroing in on the Silo Busters") suggests that each of 1,650 U.S. landbased missile warheads are on the verge of achieving an eighty percent kill capability of destroying each of the approximate 1,500 Soviet landbased missiles—missiles that contain seventy-five percent of Soviet warheads.

The time when the full Senate will have to consider authorizing defense systems is quickly approaching. With a view to the possibility of offering an amendment to delete the funds for these counterforce improvements, I would find the Administration's position on the following very helpful:

(1) What is the military requirement for counterforce capability of this magnitude?

(2) Will not counterforce capabilities of this kind and degree likely lead to a Soviet decision to ready its missiles to fire on strategic warning? Is not this obviously detrimental to our national security?

(3) It is suggested in the article that the Administration believes that this capability to undermine the Soviet deterrent is useful in bargaining as a "stick and a carrot". As far as the "stick" is concerned, is it desirable to threaten a program that is so detrimental to our interest if deployed? As far as the "carrot" is concerned, do we believe that it is possible to negotiate verifiable Soviet restraints on software improvements of the kind at issue in the NS-20 guidance systems in return for which we would forego our own improvements? Or are we willing to trade off our own software improvements for other more verifiable Soviet restraints? If not, are the SALT talks likely just to become a last refuge of justification for a program that lacks other justifications and which cannot be stopped by negotiation in any case?

(4) In this counterforce program, are we matching or exceeding Soviet counterforce capabilities?

(5) If the improvements are primarily for bargaining purposes, does the Administration believe that the six months between April, 1977, when talks began, and the Fall, 1977, period at which installation of the improved accuracy will occur, allows sufficient time for SALT negotiators on both sides to reach agreement?

With every good wish, I am,
Sincerely,

GEORGE MCGOVERN.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. McCLURE. The only question I had was whether or not this refers to the legislation we had enacted dealing only with the question of impoundments and rescissions.

My understanding of the answer to the question the Senator from Texas asked was that the Senator from Minnesota intends the amendment to apply to the entire body of the Budget Act and the budget process.

Mr. HUMPHREY. Yes—the whole budget process. The language of the amendment is very specific on that, and I appreciate the clarification.

Mr. McCLURE. I thank the Senator.,

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. STENNIS. Mr. President, I did not hear the announcement of the Senator from South Dakota.

Mr. McGOVERN. I have not called up the amendment.

Mr. STENNIS. Mr. President, my impression of this amendment is that it has good substance, and I will vote for it. It is a delicate matter. I do not think the committee should just accept it but that we should have a rollcall vote, and everyone will have an opportunity to find out what it is about. I believe it would be better, because of the nature of the amendment, to have a rollcall vote.

Mr. HUMPHREY. That is fine.

Mr. STENNIS. I wish the Senator from Texas would express his views.

Mr. TOWER. Mr. President, in view of the legislative history we have made in the last few minutes, I would be prepared to accept the amendment and to vote for it. Therefore, if the Senator would like to dispose of it this afternoon, it certainly would be agreeable to me.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. JACKSON. It has been called to my attention that in order for the amendment to be complete, it should refer also to the Budget and Accounting Act of 1921. That is a part of the procedure, I believe.

Mr. HUMPHREY. We will make that adjustment in the amendment.

Mr. President, I ask unanimous consent that the amendment be so modified, to refer to the Budget and Accounting Act of 1921.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. STENNIS, Mr. President, if no one has further comment, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. JACKSON. Why do we not have a voice vote?

Mr. HUMPHREY. It is all right with me.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the yeas and nays be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I move the adoption of my amendment.

The PRESIDING OFFICER. Will the Senator send the modification to the desk?

Mr. HUMPHREY. As modified. I ask that the amendment be modified to include reference to the Budget and Accounting Act of 1921.

The PRESIDING OFFICER. Will the Senator send the modified version to the desk?

Mr. HUMPHREY. No. I will read it. The modification will read as follows:

In accordance with the processes set forth in the Budget Control and Impoundment Act of 1974 and the Budget and Accounting Act of 1921, such modifications . . .

Mr. JACKSON. That does it.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JACKSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. Mr. President, for the RECORD, the Senator from Mississippi understands that all Senators present voted "aye" and that none voted "no." Is that correct?

The PRESIDING OFFICER. The Chair does not determine anything on a voice vote, but the result.

Mr. STENNIS. If I may state it, that is the way it sounded to me. I should like the RECORD to reflect an appreciable vote on this amendment, to give it strength.

Mr. CRANSTON. I concur. I did not hear any negative votes.

Mr. JACKSON. I was present, and my hearing is fairly good, and I did not hear anything to the contrary.

Mr. STENNIS. Mr. President, for the information of Senators, we have the Dole amendment, which has been discussed by the Senator from Kansas and the Senator from Georgia. If it is agreeable to them, we could take it over for a vote certain tomorrow at 2 o'clock.

Mr. NUNN. Whatever is agreeable to the chairman and to the Senator from Kansas is agreeable to the Senator from Georgia.

Mr. STENNIS. Mr. President, I make that unanimous-consent request—here is the Senator from West Virginia.

TIME-LIMITATION AGREEMENT— DOLE AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the amendment by Mr. DOLE at the hour of 1:50 p.m. tomorrow the time start running, that there be a time limitation of 10 minutes, with the time to be equally divided between Mr. DOLE and Mr. NUNN, and that the vote occur on the amendment at 2 p.m. tomorrow.

Mr. NUNN. Mr. President, reserving the right to object, I do not understand the time limitation. Is that 5 minutes to each side?

Mr. ROBERT C. BYRD. That is correct.

Mr. NUNN. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I thank the Senator and I thank the Senator from South Dakota, too. I am glad he could be here.

According to the information we have, the Senator from Wisconsin (Mr. Proxmire) has an amendment that, perhaps, will go to a rollcall vote. I do not think the committee can recommend it. He tells me he is at a conference committee with the House, and it is impossible for him to come here for something like 40 or 50 minutes from now, and uncertain even then. So I think that amendment would have to go over until tomorrow.

Mr. HART. Mr. President, one of the most important aspects of this authorization bill has to do with the question of the types and numbers of ships this country will build for its fleet in the coming year and the years to follow. This is a matter that traditionally the entire Armed Services Committee has taken under consideration, because there is no specialized subcommittee to look into it. As a result of confusion in the past 2 years, since the Senator from Colorado has served on the Armed Services Committee, it has been a matter that I have looked into considerably over the past 10 months, since last year's bill.

In looking into the question of the force structure of our fleet, it has become apparent to me that there is a growing dependence of the United States on the use of the seas, because of oil imports, because of all the other raw materials and commodities that this country——

Mr. STENNIS. Mr. President, may we have order so that the Senator can be heard. This represents a world of work by a number of members of our committee. It is an important subject matter, highly important.

Mr. HART. Mr. President, the dependence of United States upon imported commodities, including petroleum, has made it increasingly important that we give consideration to the size and structure of our fleet.

Our military commitments overseas all depend on the United States' ability to move and supply our forces by sea. At the same time, over the past decade or so, the Soviet Navy has grown from what was almost entirely a coastal defense force to a major blue water navy.

At the same time, the U.S. Navy has, in terms of numbers of ships, shrunk by half, with the most severe effect on the most effective types of ships, aircraft platforms and submarines.

As our committee report notes, submarines are the most dangerous element of the Soviet Navy. The Soviets today have about 335 submarines of all types; all the rest of the countries in the world put together have about 450. Soviets nuclear powered attack submarines are the world's fastest, and only the Soviets have submarines which can launch antiship missiles while submerged.

In terms of air power at sea, the Soviets have about 285 land-based naval bombers, most equipped with effective anti-ship missiles. These include increasing numbers of the highly effective Backfire; these bombers represent a major threat to U.S. fleet elements particularly in the eastern Mediterranean, northern Atlantic, and western Pacific.

Mr. President, in terms of surface ships, while the Soviet surface Navy is no match for ours in a sustained encounter, it is not designed for that; Soviet doctrine emphasizes the so-called "D-Day shoot out," a preemptive missile strike from surface ships, subs, and aircraft. Surface ships play an important role in this. Also, they have important functions in supporting Soviet submarines. The latest ships in this category include the aircraft carrier *Kiev*, with its YAK–36 VSTOL fighter/strike aircraft.

In sum, the Soviet naval challenge is serious. Soviet ships reflect high quality, advanced concepts and advanced technology. New types of submarines, aircraft and surface ships are bringing continuing improvement in capability.

What do we see with regard to the U.S. Navy?

Few of us question the need for response to the Soviet naval buildup. But the question is, what kind of response will be most effective, yet also affordable? Several answers are proposed to this question.

There is, first of all, the Navy answer: As our committee report states, "Naval planning seems characterized more by indecision and disarray than by studied progress toward a recognizable goal."

We are unclear what the Navy wants, and even more why. The 5-year program as presented to the committee puts strong emphasis on frigates, with only two aircraft platforms projected. This seems to bear little relation to what many authorities see as the nature of modern naval warfare. Submarines are to be built at less than half the rate of current Soviet submarine construction. There is little Navy explanation of the reasoning behind this program, except to say they need a "balanced" fleet. There is no explanation of why balance is good, as opposed to mission orientation. While Navy proposals must be taken seriously, of course, they cannot be regarded as the only possibility.

There is a second answer: that is the "nuclear Navy."

Some propose a Navy where the main emphasis is not weapons and sensors of ships, but rather powerplants. These advocates propose a Navy where a main requirement in ship design is that the ships have nuclear propulsion. Since only relatively large ships can carry nuclear reactors—10,000 tons plus—and since nuclear propulsion plants and large ships are expensive, these advocates end up proposing a Navy of a relatively small number of large, expensive ships.

No one questions that nuclear power has advantages. If costs were no consideration, if we had all the money we would like, we would probably have an all-nuclear Navy. But since cost is a factor, and since it means a nuclear Navy must be a small Navy, many of us question this approach. Some have pointed out that in the missile era, the vulnerability of all

types of surface ships has risen significantly. Can we afford to have a smaller Navy, when each ship is more likely to be lost than in the past This seems to be a a major contradiction. So while we must consider arguments for nuclear power for our fleet, that argument also cannot be seen as the only possibility.

I think there is still another answer, one that might be categorized as the new-concept, new-technology navy. That is the one that the majority of our Committee on Armed Services has advocated.

We see many proposals for the Navy based on new ideas about naval warfare and new technology.

The principal such proposal was put forth by Senator Robert Taft in his white paper, which many Senators on the Committee on Armed Services and presently in the Senate may have read.

Our committee report shows an understanding of the importance of the new-technology approach which Senator Taft advocated in his last year or two of service. There is an emphasis in our report on VSTOL platforms, air-capable escorts, hydrofoils, surface-effect ships, and low-mix submarines.

The new-concept, new-technology approach is the most promising of the three basic alternatives which I have outlined here.

Based on the continuing scientific-technological revolution in military affairs, which we cannot ignore, I think this third alternative offers the best direction for us here in the Senate to take under advisement for fiscal year 1978. It promises to make full use of the American technological base. By developing new ideas and new concepts we can use resources more efficiently; new ideas are much cheaper than new equipment. We must recognize that ideas as much as or more than ships and divisions are decisive in warfare.

But while much new technology and many new concepts are available now—more than the Navy often seems to admit—there is still a leadtime problem in this approach. It is necessary to build some ships reflecting immediate needs and immediate technologies, at least until we can convert our programs to this new-concept, new-technology approach.

Therefore, while this approach, which I have advocated here, is the most promising, it also is not the complete answer for fiscal year 1978.

Mr. President, what does this authorization bill do with the three navies that I have outlined?

First of all, it recognizes that there is no one single, immediate answer to this situation in which we find ourselves. So, this bill seeks to create options, keep open alternatives, and provide the minimum necessary now while emphasizing new ideas and new technology for the future.

First of all, the bill creates a series of options on the question of aircraft carriers. As our report notes:

> It is the sense of the committee that the United States Navy is at a historic turning point with regard to the composition of sea based forces. But ship construction is a lengthy process. Therefore, in changing force composition, the Navy must at the same time build ships for a new force while maintaining the capabilities of the old. This requirement has special significance with regard to aircraft carriers and other means of keeping aircraft at sea.

The committee acted to create a series of options on aircraft carriers for next year, when Navy is to come to Congress for first CVV carrier—55,000 to 60,000 tons, conventional propulsion, catapults.

The committee has acted to approve the request for research and development funds for this CVV carrier.

It has also added long leadtime funds for a *Nimitz*-class carrier solely as a way to preserve and create the options of which I am speaking.

It is very important, I think, for the Senate to note that the funds added, some $81 million, for long lead for a *Nimitz* carrier is not a commitment by the Senate to another *Nimitz* class, large-sized carrier. In that connection the report states as follows:

> The $81.6 million added for procurement of long-lead items for an additional Nimitz-class carrier in no way suggests that the committee has made a final decision in favor of building another carrier of this class. This funding will permit the consideration of the authorization of a Nimitz-class carrier in fiscal year 1979, just as the R&D funding for the proposed CVV and that added by the committee for a VSTOL aviation ship will do for those ships next year. In no case is any pre-disposition in favor of one ship type implied; the committee's action is directed solely toward the creation of options. It should be noted that all of the funding authorized for Nimitz-class carrier long-lead items will procure equipments usable and needed as spare parts for existing ships."

As noted, the committee added $13.5 for research and development of a VSTOL support ship. As our report notes in this connection: "only a program incorporating this type of less costly ship can answer the need to disperse at-sea air assets into a larger number of platforms," which, of course, is central to defeating the Soviet anticarrier warfare concept. The Committee directed that the VSS research and development should proceed at exactly the same pace as the CVV.

It should also be noted, Mr. President, that the committee discussed the possibility of full modernization of a *Midway*-class carrier. This, of course, is yet another option for our committee to consider in the coming year.

Finally, Mr. President, the committee directed a major study by the office of the Secretary of Defense of all these options in time for a final Senate decision for fiscal year 1979.

The second major question, Mr. President, is on the question of nuclear cruisers and the application of the so-called Aegis system. In that connection the committee also took the route of looking at alternatives. The committee added $663 million for conversion of a nuclear cruiser now under construction to the Aegis system. If this were not done that ship would be launched with an obsolete main armament, the Tarter system, which has little antimissile capability.

The committee has also rejected the extreme operation of the strike cruiser, which was properly labeled in last year's report as the resurrection of the *Bismarck*.

But the committee left open the two intermediate options, the most logical choices: first of building three more Virginia-class nuclear cruisers, armed with Aegis, or converting three existing nuclear cruisers of the Virginia and California classes to the Aegis system.

Personally, as far as the Senator from Colorado is concerned, the latter seems to be the most cost effective, as otherwise these ships will spend most of their lifetime in the fleet with the obsolete Tarter antiaircraft system that I have already commented upon.

Mr. President, a third major category that the committee looked at was the question of ocean escorts. Once again the committee created a new option to the conventional frigates and destroyers, and that is the DD–963 AC—air capable—ship.

Many other countries have built ships of this type. Italy and Japan are the best examples. The idea is that the most effective anti-submarine weapon is not a depth charge but an anti-submarine helicopter or VSTOL aircraft.

This small air-capable ship will use proven and successful hull and propulsion systems and modify those systems top-side to carry a maximum number of antisubmarine warfare aircraft. It will provide a badly needed improvement in our antisubmarine warfare capability and is a classic example of the new technology approach to problems the modern Navy faces.

In the fourth category, submarines, the committee has authorized the Trident submarines as requested by the administration, in the number of two.

The strategic nuclear submarine is the most survivable element of the Triad, and it is needed to push ahead with the Trident which will improve survivability because of its longer range missile, which will put it out of the reach of projected Soviet antisubmarine warfare systems.

In the category of attack submarines, the committee has authorized all that can be built, given the backlog of 28 SSN–688 class submarines which are authorized but not yet built.

Also, in order to create the same kinds of options we have made with other categories of ships, the committee has directed the Navy to be prepared to address the following questions.

Less expensive nuclear submarine designs; possible uses of conventional submarines, which would, of course, be much less expensive; and also the question of whether we need to increase our submarine-building capability.

With regard to the fifth category of ships, the auxiliaries, the committee has recommended two out of four fleet oilers which the administration requested and three out of the five tugs. Emphasizing again the new concept, new technology approach, the committee recommends that the Navy make better use of the merchant marine to provide commercially-available services such as oilers

and tugs. This would strengthen our merchant fleet and at the same time save substantial amounts of naval shipbuilding construction funds and perhaps taxpayer dollars.

The committee has emphasized, also, two new technology programs in addition to the small air-capable ship which I have already described and the VSTOL support ships.

The first is the patrol hydrofoil missile ship. This is a program designed to give the U.S. Navy some of the small, fast missile boats which are proving so effective in hands of many other navies in the world. This ship uses new hydrofoil technology to provide high speed and good sea-keeping qualities. Unfortunately, the new administration asked that the funds for this program be rescinded. No funding is sought in fiscal year 1978, since the program was fully funded in prior years. But the report directs that the program be continued, using prior-year funding. Also, the committee notes that with a different weapons and sensors suite, this ship could have considerable antisubmarine warfare capability.

An additional new technology program, Mr. President, is the surface effect ships. This is really part of R. & D. section of the bill, but it relates to naval programs as well. The committee expressed strong support for the surface effect ships in its report, and asked for an alternate accelerated program for the committee's consideration.

Unfortunately, the administration decided that a 3,000-ton prototype should not have a full weapons/sensors suite. The committee believes this is needed if the operational value of the ship is to be tested and proven.

Therefore, by cutting $10 million from the program, we have attempted to compel reconsideration of this issue.

In conclusion, the committee's recommendations are based on creating options we have not had in the past for the furthering of new technologies and new concepts in our approaches to the shipbuilding program. The Senator from Colorado believes, and I think the committee believes, that this is a major step in getting the Navy moving ahead in exploring promising, affordable approaches to answering the Soviet naval challenge; and I believe it is the most rational approach to the problem of three navies.

Mr. President, on behalf of the Armed Services Committee, I hope this program will achieve full and strong support in the Senate, and I yield the floor.

Mr. STENNIS. Mr. President, if the Senator will yield to me, first, I thank him and the subcommittee for the very fine work they have done in this field. The Senator from Colorado is quite knowledgeable, and applies some of his time in this area almost every day, as I understand. He had a very definite part in writing this bill and in presenting it here as well.

I do not know of any amendment concerning these ships that is coming in, but it is time they were getting in if they are coming. The Senator from Colorado will be well prepared to speak to almost any amendment I can think of that would be offered. I think he has made a contribution here beyond this bill and beyond this year, because very definitely we are going to have to concentrate on the Navy. We have an excellent Navy already, as we all understand, but we are going to have to concentrate on moving in these directions.

Mr. HART. I thank the chairman.

ADDITIONAL STATEMENTS SUBMITTED ON H.R. 5970

Mr. MUSKIE. Mr. President, I rise in support of the military procurement authorization bill and offer my views on the significance of the Armed Services Committee's action and how this relates to the national defense targets the Senate adopted last week in the first budget resolution for fiscal year 1978.

First, I extend my appreciation to the distinguished Senator from Mississippi (Mr. STENNIS) for the work he has devoted to this important legislation. I also want to reiterate my words of last Friday when I spoke on behalf of the budget resolution. Senator STENNIS has done all of us in the Congress, and indeed the American people, a great service when he demonstrated his devotion to the success of the congressional budget process. He knew of the dilemma in the budget resolution conference regarding national defense. His assistance provided a way out of the stalemate. He helped for the simple reason that he wants the process to work. I thank him again for his timely support.

Mr. President, H.R. 5970 authorizes military procurement, research and development, and civil defense funding of approximately $36 billion in budget authority. Preliminary fiscal year 1978 outlay estimates associated with these items are roughly $9.7 billion. In addition to this authorization, the bill provides active duty and reserve military personnel and civilian personnel strength levels. The impact of fully funding these personnel levels would result in budget authority of $41 billion and outlays of approximately $40.1 billion.

The combination of the authorization and the proposed personnel levels results in budget authority of $77 billion or $0.1 billion less than the administration's budget request. Outlays amount to approximately $49.8 billion or $0.4 billion less than the budget request.

Before proceeding to specific comments on the details of this authorization and the up coming conference of the Armed Services Committees on the bill, I would like to provide my colleagues with the initial Senate Budget Committee estimates on the relationship of the bill to the national defense functional targets established by the first budget resolution for fiscal year 1978. I ask unanimous consent that a chart displaying the figures be inserted at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Relationship of H.R. 5970, Military Procurement Authorization bill to national defense functional targets in first budget resolution for fiscal year 1978

[In billions]

	Budget Authority	Outlays
Budget request for national defense	$120.1	$111.9
S. 1474, military construction authorization bill, as passed in Senate	−0.1	0.0
H.R. 5970, military procurement authorization bill, as reported	*−0.1	*−0.4
15 percent absorption assumed in first budget resolution	−0.3	−0.3
Financial adjustments and other reductions required in later authorizations and appropriations actions to stay within functional targets	−1.1	−0.2
Functional targets established in first budget resolution for fiscal year 1978	118.5	111.0

* Preliminary estimates.

Mr. MUSKIE. Mr. President, the major concern of the Senate conferees' dealing with the first budget resolution was that the United States maintain real growth in defense spending for the modernization of our forces and for the operational readiness of equipment and availability of supplies. Accordingly, the conference targets allow for a defense budget which provides for substantial improvements in U.S. force capabilities, counterbalancing efforts by the Soviet Union to modernize and strengthen its defense forces.

The conference agreement for the national defense function was particularly difficult to attain because of the widely divergent views of the two bodies on what is an adequate level of defense spending in view of U.S. national security needs and the relationship of these needs to domestic requirements. Obviously, a very delicate balance exists here. It must be maintained in setting our national priorities. The agreement, signed by all Senate conferees, accomplishes this aim.

The first budget resolution targets for national defense are based on the following assumption: Reductions in manpower, along with its associated costs, and in investment and readiness costs will not be used as the primary vehicle for accommodating the targets. Rather, it is assumed that significant financial adjustments can be made to the Administration's request for the defense function in order to remain within these targets. These financial adjustments may include such items as a possible slowdown in projected foreign military sales, the utilization of prior-year unobligated funds to finance a portion of the fiscal year 1978 program and a partial absorption of the October 1977 pay raise. It is anticipated that these types of adjust-

ments may constitute a major portion of the actions necessary to meet the recommended defense targets.

Mr. President, I have provided an overview of the relationship of the military procurement authorization bill to the first budget resolution targets and the assumptions behind the development of those targets. I know that my good friend, Senator STENNIS, is aware of the pressures that we in the Congress face as we strive to achieve the targets in the resolution. I am aware that the military procurement authorization as voted on by the other body is a more costly piece of legislation. However, it is essential that the conference agreement be near the Senate totals. I will do what I can to assist the chairman to achieve this difficult but desirable goal.

The Congressional Budget Office estimates that the House-passed military procurement authorization bill, including a price-out of the personnel strength levels, is about $0.3 billion in budget authority over the totals reported by the Senate Armed Services Committee and $0.4 billion over the Senate in outlays. In addition to these higher totals, the House bill does not provide authorization for a specific amount associated with shipbuilding claims.

Instead, it leaves the door open for unspecified appropriations. If funded at the level in the budget request and in the Senate bill, this item could increase the House levels by another $0.3 billion in budget authority and outlays over the Senate bill.

The Senate bill recommends repeal of title VIII of Public Law 93–365, requiring major combatant vessels to be nuclear powered. This is an important policy move. I support repeal of title VIII because any merit the measure might have from a technological and logistical standpoint—and I am not sure it does—is more than offset by fiscal disadvantages and the fact that the very substantial costs associated with this requirement seriously impede our ability to buy the numbers and mix of ships necessary to strengthen our sea power. For this reason, I urge my colleagues to support the repeal of title VIII as recommended by this bill.

With regard to the committee's proposed shipbuilding program, I question if this is the time to undertake development of some of the very expensive ships recommended in the bill. Several of the proposed new ships for construction or modernization were not included in the administration's budget request. Among these is long-lead funding for a Nimitz-class nuclear attack carrier for which the Congress approved a fiscal year 1977 rescission only 2 months ago.

It is not necessary, however, to address each of the ships in question; the real issue really revolves around the basic sea warfare mission: Whether the primary mission should be that of sea control or power projection. Although it appears that the Committee on Armed Services is not necessarily attempting to solve this problem now, the effect of its actions lean toward the projection role. I recommend that my colleagues read further on this issue the recent analysis developed by the Budget Committee and the Congressional Budget Office in hearings and studies on national defense. I ask unanimous consent to place in the RECORD at this point a mission analysis of the shipbuilding costs of the different sea warfare options.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

NAVY SHIPBUILDING BUDGET OPTIONS

[In billions of fiscal year 1977 dollars]

	Fiscal year 1978		Total fiscal year 1978–82	
	Number	Cost	Number	Cost
"NSC" Navy:				
Projection forces	2	$2.00	11	$7.13
Sea control forces	17	2.91	89	14.33
Other	6	.19	46	4.17
Total	25	5.10	146	25.63
"Sea control" Navy:				
Projection forces				
Sea control forces	17	2.91	92	4.91
Other	9	.80	53	5.91
Total	26	3.71	145	20.82
"Projection" Navy:				
Projection forces	5	2.33	23	13.47
Sea control forces	9	2.05	47	9.14
Other	6	.49	32	2.45
Total	20	4.87	102	25.06

Note: "Other" forces include: amphibious assault ships, support ships, small craft, and conversion costs.

Mr. MUSKIE. It serves no useful purpose to have the case prejudiced before a total evaluation is made of the sea warfare mission. Factors that must be weighed are not only the relevant roles of the Navy and Air Force, but how those joint and separate roles relate to our No. 1 concern, the security of the United States and its allies in NATO. My distinguished colleagues, Senators NUNN, BARTLETT, and CULVER, have recently done a great service for all of us by drawing attention to many of the military preparedness problems associated with our NATO strength in case of a short-warning attack by the Warsaw Pact nations. To shore up the NATO shortcomings to meet this type of threat will require a great deal of funding over the next few years.

Mr. President, I am not sure the budget can handle our No. 1 problem, the enhancement of NATO's capability, and also an expanding shipbuilding program for power projection purposes around the world, particularly when that role is not envisioned by the Department of Defense in a NATO short-war scenario and two Presidents, recognizing fiscal pressures, have not asked for the *Nimitz* carrier.

I would like to make one point clear, I favor the buildup of our naval forces to the 550–600 ship Navy that the Defense Department has indicated is necessary for both a balanced fleet and to offset the Soviet improvements in sea power. This is a national need. I am of the opinion, however, that Congress should wait until President Carter and Secretary of Defense Brown have reviewed the options and presented their plan. In the meantime, the mix of the 22 ships contained in the budget request provides a good start toward rebuilding the overall strength of our sea warfare forces.

Mr. President, in concluding my remarks, I would like to reiterate my sincere appreciation to the distinguished chairman, Mr. STENNIS. The military procurement authorization bill has my support, of course reserving the right to support floor amendments which I deem necessary and desirable. I will watch with great interest the compromises resulting from the forthcoming conference on the House and Senate military procurement authorization bills. I wish the distinguished chairman well in reporting a conference agreement that is consistent with the budget resolution targets for national defense.

UTTAS

Mr. WEICKER. Mr. President, I would like to take a few minutes today to bring to your attention information concerning the U.S. Army/Sikorsky utility tactical transport aircraft system or as it is called, the UTTAS. Recently, this aircraft has been the subject of considerable misinformation in the press. It is vitally important to the future of the program and our national defense to place these rumors to rest once and for all.

First of all, despite stories to the contrary, the UTTAS prototype is not an untried aircraft. It does not require extensive testing before production. It has already undergone more tests than any other helicopter prior to the awarding of a production contract. Some 1,300 flight hours were accumulated on the four prototypes prior to the Sikorsky UH–60A being selected last December 23.

Where weaknesses were detected in test and changes determined to be needed, they were made in the engineering development phase prior to Government competitive evaluation. In short, the UTTAS is a mature system. During the press conference which announced the UTTAS contract winner, then Assistant Secretary of the Army R. & D., Edward A. Miller, outlined very clearly why the Sikorsky UTTAS was a low risk program and ready for production. He said:

> Sikorsky offers lower risk and greater maturity in terms of the helicopters that were tested. They offered lower risk in the technical area as a whole, lower risk in operational suitability, lower risk in the maturity phase costs and lower risks in production costs. The Source Selection Board found that the Sikorsky helicopter was clearly ready for production and the other was not. In the technical area risks that I mentioned, Sikorsky has essentially none.

Rumors that the Sikorsky UTTAS could not meet the performance requirements of the Army are totally untrue. Not only will the production version of the UTTAS meet the performance criteria, but it will exceed them. The Army requires a rate of climb capability of 450 feet per minute at an altitude of 4,000 feet and 95° Fahrenheit. The Sikorsky UTTAS production model will climb 480 feet per minute. The empty weight limit required by the Army is 10,800 pounds. The UTTAS will weigh in at 100 pounds under that limit.

In regards to the production rate for

the UTTAS, maturity of the system has far surpassed original expectations. Due to this fact, last September, the Army changed their estimated needs from 85 to 200 aircraft for the first 3 years of production. This increased production rate will actually produce cost savings of $250 million due to the economies of scale for the first 200 aircraft produced.

It is important to note that the House of Representatives approved the full production program as recommended in the President's budget.

I feel it is vital to America's defense that a full-scale production schedule be followed. The UTTAS is a quality helicopter that can serve our defense needs of the future. Unlike so many other defense programs, it is on schedule and budget. I urge my colleagues to reconsider their decision during the deliberations in the conference committee.

Mr. CRANSTON. Mr. President, the Senate Armed Services Committee has reported on the military procurement authorization bill for fiscal year 1978. The committee recommends authorization of two major Navy fighter programs, the F–14 and F–18.

The committee recommends authorization of $708.9 million for a modified F–14 program, including 36 F–14's in 1978 and advance procurement funds toward a fiscal year 1979 buy of another 36 F–14's. The committee also recommends authorization of the full F–18 program of $655.9 million, including $626.6 million for research and development plus $29.3 million for advance procurement funds towards a fiscal year 1979 first buy of nine F–18's.

This committee report represents a sound compromise between those two Navy fighter programs. I urge my colleagues to support the committee report for the following reasons:

First. When the F–18 program originally was proposed, the Secretary of Defense, Secretary of the Navy, Chief of Naval Operations and Commandant of the Marine Corps unanimously wanted the F–18 to be the plane of the 1980's.

Second. The F–18 is a perfect complement to the larger, more complex, more expensive, long range F–14. The committee wisely chose to stretch out the production of the F–14 so that research and development and advanced procurement of the complimentary F–18 could be phased in.

Third. The F–18 is a better plane than the present, aging F–4's and A–7's. It is an excellent fighter and attack airplane, agile, more reliable, has better air combat maneuverability, lands more slowly on carriers and requires less deck space. It is excellent for Marine Corps support.

Fourth. The F–18 is cheaper to build and to operate than the F–14. It saves $5 million per plane.

Fifth. The F–18 is what the Navy wants, gives excellent versatility when mixed with the F–14, and could save the government billions.

Sixth. The F–18 is needed for our present large and medium sized carriers, which will be the core of the Navy until the year 2000 or longer. Eventually, both the F–14 and F–18 may be replaced by a combat effective V/STOL aircraft, but that technological development will not be a reality for another 10 years or more.

For these reasons, I strongly support the recommendations of the Armed Services Committee with respect to the F–14 and F–18 programs. I commend the distinguished members of the committee for presenting us with this balanced Navy fighter program based upon fiscal responsibility and a sound national defense.

TWO NEW U.S. STRATEGIC PROGRAMS THAT ENDANGER SALT—THE MX MOBILE ICBM AND THE SEA-LAND CRUISE MISSILE

Mr. McGOVERN. Mr. President, strategic arms limitation treaties must be substantially verifiable if they are to be worth the paper they are written on. Two new U.S. weapons, the MX ICBM and the Tomahawk-version of the strategic cruise missile, threaten to make SALT agreements impossible to verify by "national technical means of inspection"—that is satellite.

THE MX MISSILE

The MX missile is the next planned follow-on to the Minuteman III ICBM. It would have greater throwweight, higher explosive yield warheads, and improved missile accuracy over present warheads. Moreover, it might well be deployed as a mobile ICBM moving on tracks or under its own power either between missile shelters or in underground tunnels. The MX or "Missile X" would work against verification of an arms control agreement in two ways. First, it would make satellite monitoring all but impossible. It is difficult enough to count and verify what is at fixed silo bases by satellite photography. Monitoring underground MX missiles would require onsite inspectors, something that the Soviets have thus far refused to agree upon in years of negotiations with the limited exception of the Peaceful Nuclear Explosions Treaty now before the Senate.

Second, the MX would have negative arms control implications because it increases rather dramatically the hard-target kill capability of the United States and would put the Soviet ICBMs, their strategic deterrent, at considerable risk from a surprise first-strike by the United States. Now we know that the United States would not launch such a surprise attack but the Soviet Military planner does not know that with assurance. If they are like our own Pentagon planners, they may feel threatened and logically may opt for their own mobile ICBMs. Indeed they have a mobile intermediate range ballistic missile called the SS–20 which uses the first two boosters of their SS–16 ICBM.

It would be a small trick to convert the SS–16 into a system similar to the MX. Thus, the MX could spawn or force the building of its Soviet twin. Both the United States and the Soviet Union would then be forced into a new spiral of arms building and arms spending by the tens of billions of dollars and rubles. Meanwhile, a SALT agreement would be rendered unverifiable due to the hidden nature of mobile missiles, especially if they are stored inside buildings and tunnels and moved about in some unpredictable fashion.

According to Defense Department testimony before the Senate Armed Services Committee the Pentagon would like to spend $5.5 billion to develop the MX mobile missile and then would like to purchase 200 to 250 MX missiles at a cost of $100 million each. The total price tag for 250 MX's would thus come to just over $30 billion. A similar expenditure could be expected by the Soviets. All of this would be spent on systems that would frustrate the achievement of verifiable arms control agreements that in themselves might provide increased security and many more billions in expenditures on strategic arms.

THE "TOMAHAWK" CRUISE MISSILE

A second strategic weapon that has alarming arms control implications is the Tomahawk version of the strategic cruise missile. The Tomahawk cruise missile can be launched either from sea or land. It could be fitted into the torpedo tubes of submarines, launched from the decks of ships, or fired from the bed of a truck or tracked vehicle. Their range could be 2,000 miles or longer. Obviously, intelligence satellites could not monitor and count all such launchers hidden within trucks, submarines, and in the holds of ships. If we are to agree to limits on numbers of delivery vehicles for both the United States and Soviet Union at SALT, we must be able to verify the numbers or the treaty would be meaningless. The deployment of the Tomahawk sea-launched cruise missiles—SLCM's—or the Tomahawk land-launched cruise missiles—LLCM's—would thwart the conclusion of a meaningful SALT Treaty.

Further, the relatively cheap price of LLCM's and SLCM's when compared to ballistic missiles that cost perhaps 5 to 10 times as much, make it a nuclear proliferation threat. Countries that are now constrained by costs such as India, Britain, France, Israel, West Germany, and others might rapidly increase their strategic arsenals with the cruise missile technology. This will be far less likely and far less imminent if the United States does not build and share this new technology with others.

In addition, the deployment of SLCM's and LLCM's might well lead to heavy future expenditures on air defenses by both the United States and the Soviet Union. Soviet military planners and U.S. military planners would then argue for vast arrays of radars, tracking stations, and tactical Air Force interceptors to counteract the cruise missile threat. Unlike the ballistic missile, the cruise missiles are slow enough to make this kind of air defense feasible if ghastly expensive.

Some would defend the cruise missile program as one that simply increases crisis stability while obviously posing no first-strike capability due to its slow speed. However, in the next 5 to 10 years Soviet radars are not likely to be sophisticated enough to pick up the low-flying small-cross-section cruise missiles in time to get early warning. For the Soviets in this time period the strategic cruise

missile locks indeed like a first-strike weapon. This ability to penetrate without advance warning combined with a very high terminal accuracy make the cruise missile into a potential silo buster and thus put the Soviet ICBM, IRBM, and MRBM forces at jeopardy. This cannot enhance their sense of security and is very likely to push them into countermeasures which would continue to help fuel the arms race.

Sometime this week the United States plans to fire a cruise missile from underwater and for the first time fly it downrange under its own power. The time is now fast approaching when it will be hard to impossible to stuff this particular genie back into the bottle. The Navy says that it plans a buy of 1,264 of these Tomahawks at a cost of $2.2 billion—this does not include the Air Force request for 2,357 cruise missiles at a cost of $2.9 billion. The ALCM is also a threat to a meaningful SALT agreement and will also spur the arms race, but perhaps at a lesser pace. It is arguable that the ALCM, if restricted to strategic bombers, could be more easily counted than SLCM's and LLCM's since the volume of bombers is restricted, the numbers of bombers are restricted, and a bomber loaded with ALCM's would have to replace the present arsenal of SRAM's. Moreover, ALCM's on bombers would count against MIRV limits in a SALT II treaty, limiting the numbers of missile-based MIRV's or bomber-carrying ALCM's.

This current fiscal year 1978 budget would allocate $210 million to the Tomahawk program, the tip of the SLCM and LLCM iceberg. This multiplication of the numbers of new U.S. nuclear weapons increases the vertical proliferation of strategic arms. Should a new SALT limit be put on strategic launchers, SLCM's and LLCM's ought to be included for it to be meaningful. Yet the introduction of 1,264 new nuclear weapons would displace launchers that we have just invested billions to modernize and produce, systems like the Trident missiles and the Minuteman III missiles. Moreover, the unregulated inclusion of the Tomahawk missiles on top of current nuclear weapons programs would go in the opposite direction from President Carter's long range ultimate goal of zero nuclear weapons. We do not move toward increased disarmament by rapidly multiplying the numbers of nuclear weapons in our arsenals.

Quite clearly, the Tomahawk strategic cruise missile program both for sea-base and land-based cruise missiles should be curtailed if the strategic arms race is indeed to be capped.

ARMS CONTROL IMPACT STATEMENTS AVAILABLE

I bring the Senate's attention to the negative arms control implications of both the MX missile and the Tomahawk strategic cruise missile program. If we choose to fund these new weapons systems we must do so with our eyes wide open. These are systems which will drive the arms race in the future. Make no mistake about that. It is our responsibility to understand these arms control implications and to act in the best interests of the United States and the world. A continued strategic arms race is not in our best interest or the world's. Neither the United States nor the Soviet Union will benefit in the decades ahead by deploying mobile ICBM's or cruise missile forces. The time to stop them is now.

THE CRUISE MISSILE: MISMANAGED AND IMPROPERLY ACCELERATED

Mr. PROXMIRE. Mr. President, the cruise missile represents a brilliant new weapons technology with a number of potential applications. But as with any significant new breakthrough in weapons technology, there are possible disadvantages as well as advantages.

PROCUREMENT PITFALLS

One possible disadvantage is that a new weapon will not be properly designed or developed to carry out a necessary mission. In such cases, redundancy, performance failures, and cost overruns may be expected to follow.

There are signs that the cruise missile may be traveling down the well-worn path traveled by such programs the the F–111, the C–5A, AWACS, and the B–1 bomber.

Former Deputy Secretary William Clements must bear a heavy responsibility for mismanaging and improperly accelerating what is already a $5 billion weapon program.

The cruise missile could make an invaluable contribution to our national defense. For example, it is a cheap, effective alternative to the $24 billion B–1 program. And it may have other potential applications that could strengthen our defenses while saving tax dollars.

It is this potential that causes me to be concerned about how the cruise missile program has been handled. Here are the troubling facts.

GAO REPORTS CONFUSION AND UNCERTAINTY

The cruise missile program has now been expanded to include development of six different kinds of missiles estimated to cost more than $5 billion. According to the GAO, there is "confusion and uncertainty" within the Pentagon "as to the need for and use of" the cruise missile programs.

CLEMENTS DIRECTIVE OF JANUARY 14, 1977

A prime reason for the confusion can be traced to William Clements' directive of January 14, 1977, speeding up the development of the different types of cruise missiles and deciding against a common airframe for the Air Force and Navy.

In issuing his directive, Clements failed to comply with OMB circular 109 which established procedures for the determination of mission needs and goals before decisions are reached to develop new weapons.

MISSIONS HAVE CHANGED

The GAO report points out that the planned use for some of these cruise missiles has changed and the military need continues to be uncertain.

A year ago, the Air Force considered the air launched cruise missile as useful but unnecessary with a penetrating bomber. In November 1976, the Air Force decided a short-range cruise missile would be a valuable addition to the bomber force.

DECISION TO DEVELOP SEPARATE AIR FORCE LONG RANGE MISSILES

The Air Force opposed adaption of the Navy air launched cruise missile—Tomahawk—on grounds that they were too long for existing aircraft rotary racks. But the Clements' directive gives priority to a long-range and larger Air Force missile which will require added cost for aircraft modifications and changes to the rotary rack.

The Air Force long-range missile has not yet been built while the Tomahawk has been built and tested. Use of the Tomahawk for the Air Force and Navy would result in estimated savings of $165 million to $373 million.

The GAO concludes that the decision to develop both Services' missiles may not be justified because initial design reviews concluded the Navy's air launched Tomahawk is technically feasible for Air Force use.

NAVY REQUIREMENTS CHANGE

In 1976, Navy requirements called for an antiship cruise missile and a strategic cruise missile deployed on attack submarines. The Navy now plans to use its sea launched cruise missile to complement or augment existing theater nuclear forces rather than as a strategic weapon.

The planned use of a new sea launched cruise missile for theater nuclear forces seems questionable in view of the large number of existing theater nuclear or tactical nuclear weapons in Europe and elsewhere.

In addition, the Navy informed GAO that the inconsistency between the stated requirement for a strategic sea launched cruise missile and the planned use of that missile as a tactical weapon would be reconciled by restating the requirement. In other words, the Navy is tailoring the requirement to fit the way it intends to use the cruise missile, rather than using the new weapon to carry out a predetermined requirement.

ARMY MAY GET GROUND LAUNCHED MISSILE

The Clements' directive also accelerated development of a ground-launched version of Tomahawk for use by the Air Force with theater tactical nuclear forces and a ground launched version of Tomahawk for use by either the Army or the Navy as an antiship weapon.

ESTIMATED COSTS

The Air Force estimates the costs of 2,357 air-launched cruise missiles at $2.9 billion. The Navy estimates the cost of 1,264 Tomahawks at $2.2 billion.

The cost estimates exclude the costs of nuclear warheads and the guidance systems. The estimates are thus incomplete and could increase substantially as the programs are continued.

EXCLUDED FROM SAR SYSTEM

The GAO report shows that neither the Air Force nor Navy cruise missiles have been included in the selected acquisition reports, the reporting system that informs Congress and executive officials of the current status of new weapon systems.

GAO states in its report:

Cruise missiles are associated with the current SALT negotiations. It is possible that the future role of cruise missiles will be determined more by the outcome of SALT discussions than by military needs.

For this reason, GAO concludes, information on costs, schedule and performance of the cruise missiles should be included in the weapons reporting system.

It is apparent that the cruise missile represents a technological breakthrough which could contribute to our defense effort.

WHAT IS THE REQUIREMENT?

The question is whether there is a military requirement for each version of the cruise missile. The shifting nature of the stated requirements raises suspicions that the decision has been made to go forward whether or not it is militarily necessary.

SOUND PROCUREMENT POLICIES NOT FOLLOWED

Recent Pentagon actions indicate that sound procurement policies are not being followed with regard to this new weapon.

The problem of confusion and uncertainty as to military requirements and missions, indications of future concurrency of production and development, and incomplete and inadequate cost reporting are early warning signals of potential procurement problems.

NONCOMPLIANCE WITH OMB CIRCULAR-109

An added disconcerting fact is the explanation offered for Clements' noncompliance with OMB circular-109. According to the Pentagon the regulations implementing the circular were not put into effect until January 18, 1977, 2 days after Clements' directive. But the OMB circular was issued in April 1976. Why did the Pentagon wait so long before carrying out the OMB circular?

I ask unanimous consent that the exchange of letters with Deputy Secretary Charles W. Duncan, a sanitized copy of the William Clements' directive, and unclassified excerpts from the GAO report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT ECONOMIC COMMITTEE,
Washington, D.C., March 16, 1977.

Hon. CHARLES W. DUNCAN, Jr.,
Deputy Secretary of Defense, Department of Defense, Pentagon Building, Washington, D.C.

DEAR SECRETARY DUNCAN: On January 14, 1977, your predecessor, Mr. William P. Clements, sent a memorandum on the subject of "Cruise Missile Programs" to the Secretaries of the Air Force and the Navy, the Chairman of the Joint Chiefs of Staff and the Director of Defense Research and Engineering. The memo was marked "confidential."

This is to request that the Clements' memorandum be de-classified and that I be provided with a copy of it in de-classified form. If, in your judgment, the memo cannot be entirely de-classified, I would like to be provided with a sanitized version.

I would also like to have answers to the following questions:

1. Were the procedures prescribed in OMB Circular-109 followed prior to the issuance of the directives contained in the Clements' memo of January 14, 1977? If the procedures were followed, please describe the specific steps that were taken in the determination of the mission needs and goals with respect to the cruise missiles.

2. Have agreements been reached between the Office of the Secretary of Defense and the service Secretaries concerning the mission needs, requirements and goals for the cruise missiles? If there have been such agreements, please describe their contents.

3. Was the determination of the mission need for the cruise missiles based on an analysis of the Defense Department's mission reconciled with overall capabilities, priorities and resources? If such an analysis was made, I would like arrangements to be made for a member of my staff to have access to it.

4. What consideration was given to other weapons as an alternative to the cruise missiles in the performance of the mission in question?

Your cooperation and early response will be greatly appreciated. If there are any questions about this request, please direct them to Mr. Richard Kaufman, General Counsel of the Joint Economic Committee at (224-0377).

Sincerely,

WILLIAM PROXMIRE,
Chairman of the Subcommittee on Priorities and Economy in Government.

THE DEPUTY SECRETARY OF DEFENSE,
Washington, D.C. April 19, 1977.

Hon. WILLIAM PROXMIRE,
Chairman, Subcommittee on Priorities and Economy in Government, Joint Economic Committee, Washington, D.C.

DEAR MR. CHAIRMAN: In response to your letter of 16 March 1977 concerning cruise missile programs, I have reviewed the memorandum which carries the classification of confidential and have concluded that the full text of the memorandum should not be declassified at this time. An edited, unclassified version of the memoranum is enclosed as you requested. With respect to the four questions you posed:

1. Prior to January 18, 1977, the cruise missile programs and other major systems programs were managed in accordance with then current policies contained in DoD Directive 5000.1. Not all of the provisions of OMB Circular A-109 were therefore applied to the cruise missile programs. DoD Directives 5000.1 and 5000.2 were revised on January 18, 1977 to implement A-109. The DoD Components are now in the process of preparing the internal policies and procedures to comply with the revised Directives.

2. Certain agreements concerning cruise missile missions, requirements and goals have been reached with the Services. As you are aware, under policies existing prior to the recent changes, early conceptual effort has normally been conducted at the direction of the Heads of the DoD Components. The identification of needs and the definition of concepts to meet the mission needs have been the responsibility of the Components and have been accomplished before a decision was made by the Secretary of Defense to initiate a major system program. The cruise missile programs have been managed under these policies. The former Secretaries of Defense have approved the mission concepts, approved the designs to be developed and have issued direction to the Heads of Military Services to proceed with development as stated in the memorandum of January 14, 1977.

3. The determination of mission need was based on the analysis of the existing threat, the uncertainties of future threats and the job to be done. The decision to proceed with the cruise missile concept was made following an assessment of existing and projected capabilities, priorities and cost. Arrangements are being made by the Director of Defense Research and Engineering to present this information, much of which must remain classified, for members of your staff as you requested.

4. Consideration was given to alternative solutions prior to the decision to proceed with the cruise missile. The alternatives considered will be included with the information to be presented to your staff.

Arrangements are now being made to provide additional information as you requested. The schedule for presentation of this information can be arranged with the Assistant for Legislative Affairs, Mr. Jack Stempler.

Sincerely,

C. W. DUNCAN, Jr.

THE DEPUTY SECRETARY OF DEFENSE,
Washington, D.C., January 14, 1977.

Subject: Cruise missile programs.

(Memorandum for the Secretary of the Air Force, Secretary of the Navy, Chairman, Joint Chiefs of Staff, Director, Defense Research and Engineering.)

SANITIZED VERSION

As a result of the DSARC II review, the Air Force and the Navy are to be commended for the accomplishments to date of their respective cruise missile development programs of ALCM and TOMAHAWK.

A major issue before the DSARC was whether or not an air-launched cruise missile with a unique airframe should be allowed to proceed. In spite of the acquisition cost savings which would accrue from such a course of action, I have decided that a common airframe for all applications may impose unnecessary and unwarranted performance compromises on both weapon systems. However, considerable benefits still can be realized in joint test and evaluation, in quantity buy of common components, and in management efficiency, by consolidating the two separate Air Force and Navy programs, now independently managed by different program offices.

I, therefore, direct you to pursue with all vigor the cruise missile programs as follows:

a. A Joint Service Cruise Missile Program Office (JSCMPO) is to be established with the Navy designated as the lead service and Captain Walter Locke as its immediate Program Manager.

b. The JSCMPO, under the general direction of DDR&E, is to develop the ALCM and the TOMAHAWK cruise missile weapon systems for the Air Force and for the Navy.

c. The first tasks of JSCMPO are to complete the RDT&E, leading to production decisions at DSARC III, of the ALCM for strategic bombers and the TOMAHAWK variants including the important Air Force ground-launched cruise missile application. Funding of these tasks is to be consolidated from the approved program elements P.E. 64361F, P.E. 63362F, P.E. 63361N, and P.E. 64367N.

d. In conducting the above tasks, the JSCMPO is to maximize subsystem/component commonality and quantity buy, to utilize fully joint test and evaluation, to encourage subsystem/second-source competitive procurement, and to otherwise derive maximum benefit from the joint service management of several separable cruise missile programs.

e. The Navy and Air Force are to submit jointly within 45 days from this date for DDR&E approval, the plan for establishing the JSCMPO and a set of program plans, schedules and milestones for the respective ALCM, TOMAHAWK and the Ground Launch Cruise Missile (GLCM), reflecting the following specific guidelines. A revised Air Force cost estimate for the ALCM program based on evaluation of contractor proposals is to be submitted at the same time.

1. The ALCM B, is to enter its full-scale Engineering Development for the B-52 application and is to be given priority over the ALCM A.

2. The land-attack TOMAHAWK variants, for submarine launch and for surface ship launch, are to enter full-scale Engineering Development.

3. The Air Force GLCM is to be adopted from the land-attack Tomahawk, for mobile launchers, for the theater nuclear role. Funds should be reprogrammed as required in FY 78 so as to permit the GLCM to enter full scale engineering development in FY79.

4. Ship- and submarine-launched anti-ship Tomahawk is to enter full-scale Engineering Development. Ship-launched Tomahawk is to be capable of application in all combatant ships including frigates and such smaller platforms as may be attractive to enhance Naval strike capability. The Navy is to pursue aggressively the development of the necessary over-the-horizon target acquisition, identification, and damage assessment capability to be demonstrated by DSARC III of the anti-ship Tomahawk missile.

5. The JCSMPO is to explore the development of the ground-launched anti-ship version of GLCM.

f. An essential element in consolidation benefits is in joint testing. A joint test and evaluation master plan (TEMP) is to be submitted for DDR&E review within 90 days from this date. This TEMP is to include realistic missile employment test and penetrativity evaluation.

In addition, the JCS is directed to submit to OSD, within 90 days from this date, a position paper resolving potential Service roles/missions issues for the cases of: (1) ground-launched nuclear deep-strike in the theater (Army and Air Force) and (2) ground-launched anti-ship (Army and Navy) and a second paper enumerating cruise missile and associated weapon system requirements for the B-52 fleet, the SSN's and other combatan ships, and the GLCM missions both land attack and anti-ship.

The Air Force and the Navy are to initiate R&D programs in advanced cruise missile technology and concept explorations. Such programs should involve wide industrial participation in order to introduce innovations and are to include but are not limited to terminal guidance, advanced propulsion for supersonic dash maneuver, compact low-power ECM, and controlled submunition deployment. These programs should be included in the FY 1979 budget cycle.

W. P. CLEMENTS, Jr.

COMPTROLLER GENERAL'S REPORT TO THE CONGRESS

(Confusion and uncertainty as to the need for and use of air launched and Tomahawk cruise missile programs—Departments of the Air Force and Navy.)

DIGEST

Cruise missiles are associated with the current Strategic Arms Limitation Talks. It is possible that the future role of cruise missiles will be determined more by the outcome of these discussions than by military need. This report relates solely to the military need.

The planned use for cruise missiles has changed and the military need continues to be uncertain. Historically these programs have moved from a low priority Navy sea launched cruise missile program, to a dual Navy-Air Force program to consideration of six different versions of cruise missiles, including possible augmentation of existing theater tactical nuclear forces. At the present time, the following are being pursued:

A Navy sea launched cruise missile designated Tomahawk to augment exsiting theater tactical nuclear forces.

A Navy Tomahawk for use as an antiship cruise missile.

An Air Force air-launched strategic cruise missile to fit in existing rotary racks on aircraft.

An Air Force "stretched" air-launched cruise missile capable of greater ranges.

A ground launched version of the Tomahawk for use by the Air Force with theater tactical nuclear forces.

An antiship version of the ground launched cruise missile. (See ch. 2 and pp. 2 and 37.)

GAO notes that (See p. 6.). Other serious questions arise about the need for employing some versions of these weapons. For example (See p. 10.). The Department of Defense proposed using the Air Force's terminated Subsonic Cruise Armed Decoy program and the Navy's sea launched cruise missile program, then in development. Since that time (See p. 1.).

On January 14, 1977, the Air Force's air launched cruise missile and the Navy's Tomahawk cruise missile were approved for engineering development by the Deputy Secretary of Defense. The decision changed, considerably, the planned operational use of some of these programs. (See p. 2 and ch. 2.)

MISSION REQUIREMENTS

In March 1976 GAO issued a study on cruise missiles showing that (1) the Air Force considered the cruise missiles as something useful but not needed with a penetrating bomber and (2) that the Navy had requirements for an antiship and a strategic missile, but the role for the strategic missile was not certain beyond deployment on attack submarines as a reserve force. (See p. 3.)

During 1976, the Air Force's operational use for cruise missiles was better defined by the Strategic Air Command. However, the January 1977 decision on engineering development gives priority to a larger size missile with greater range. This was contrary to the Strategic Air Command's desire for a relatively short range missile sized to fit on existing missile racks within the aircraft. (See pp. 3, 4, and 38.)

The Navy's planned use of the Tomahawk missile has changed considerably since GAO's previous review. Nuclear cruise missiles will now be used to complement or augment existing theater nuclear forces rather than employment as a strategic weapon. The Navy advised GAO that a forthcoming Decision Coordinating Paper will reflect this change in the requirement. (See pp. 7 and 39.)

The January 1977 decision also requires development of a ground launched version of the nuclear Tomahawk to be used by the Air Force in a theater nuclear role. The impact on already existing theater nuclear weapons by using the Navy sea launched version, and the decision to develop a ground launched version is not clear. (See pp. 2, 7, and 39.)

DEVELOPMENT STATUS

The major issue before the Defense Systems Acquisition Review Council in December 1976 was whether one cruise missile should be developed for both Air Force and Navy uses. The decision was to develop both Services' missiles. GAO believes this decision may not be justified because initial design reviews concluded that the Navy's air launched Tomahawk was technically feasible for Air Force use. Further, the decision requires development of a physically stretched air launched missile. This will require added costs for aircraft modifications and support equipment—one of the objections for not going with a single Tomahawk cruise missile program. (See ch. 3 and p. 38.)

During testing the air launched cruise missile has had two failures out of six tests (a seventh planned flight was canceled) which resulted in the Air Force not completing all of their test objectives. The Air Force advised GAO that its test objectives were satisfied in the first four flights. GAO disagrees. It was only during the last four flights that the full potential of the missile was to be tested. The first three flights were limited in scope which resulted in the potential accuracy of the missile being demonstrated only once from the B-52 bomber. (See p. 20.)

Flight test objectives of the Tomahawk missile have been successfully accomplished. However, certain critical issues with the antiship missile must be resolved. Over-the-horizon targeting capability will have to be developed and the missile will have to be modified to enable the Harpoon guidance system to perform a Tomahawk mission. (See pp. 8, 15 and 27.)

Use of the Tomahawk missile on board submarines and surface ships will require significant modifications to these vessels and may cause encroachment or removal of existing weapon systems. (See pp. 8 to 10.)

Successful development of a nuclear warhead common to both cruise misiles and the follow-on short range attack missile will require close coordination among the various Government agencies and contractors due to competing missile systems' requirements. (See ch. 7.)

The Air Force program cost is 2,357 air launched cruise missiles is estimated to be $2.9 billion. The Navy program cost for 1,264 missiles is estimated at $2.2 billion. Nuclear warhead costs are not included. The procurement unit cost for each missile is about $1 million. Neither system is on the Selected Acquisition Report which is a standard comprehensive summary report on selected major defense systems for management within the Department of Defense. (See pp. 17, 22, 24 and 29.)

The Air Force accelerated development and production of its missile by 18 months whereas the Navy had a delay of 6 months. The initial operational capability date for each missile is now mid-1980. (See pp. 18 and 25.)

RECOMMENDATIONS

GAO recommends that the Secretary of Defense reevaluate the role for cruise missiles to assure that continued development is directed toward specific military requirements that relate to mission needs. Specifically, GAO recommends a thorough evaluation of the need for cruise missiles based on the threat, including identification of the deficiencies to be met by deployment of a variety of cruise missiles; each Service's repirements, and, in particular, the Navy requirements for nuclear cruise missiles; and the operational effectiveness of each cruise missile program.

A draft of this report was reviewed by agency officials associated with management of the program and their comments have been incorporated as appropriate.

CHAPTER 5

ALCM STATUS

The following sections described the ACLM program status as of December 31, 1976.

Cost

The December 31, 1976, Air Force estimate for ALCM development cost was $488.6 million. This includes 29 development missiles.

The Air Force provided us with a procurement cost estimate which totals $2,363.5 million in then-year dollars for 2,328 ALCMs. The unit costs are as follows:

Procurement unit cost: $1.015 million.

Program unit cost (including development costs of $488.6 million): $1.211 million.

SAC is conducting a weapons mix study to determine the number of ALCMs required. Since this study is still in its early stages, meaningful estimates of the number of ALCMs required are not available.

Other cost not included in estimates

Procurement cost estimates do not include ERDA warhead costs, DMA costs related to the guidance system, or SAC costs related to additional computer capability for mission planning or other costs associated with deployment. The ERDA costs are classified SECRET RESTRICTED DATA and are not shown to avoid assigning that classification to this report. DMA costs will not be known until mapping requirements are developed by SAC. The SAC requirement for additional computer capability for mission planning

will be finalized early in 1977. Other deployment costs for B–52 modification kits and their installation will be determined when the impact of the DOD decision to optimize B–52s for cruise missile carriage has been assessed.

CHAPTER 6

TOMAHAWK STATUS

The following sections describe the Tomahawk program status as of December 1, 1976.

Cost

Current program cost, as reported by the Tomahawk Project Office, decreased $640 million or about 24.8 percent, from June 30, 1975. These current estimates were submitted too late for our evaluation but are presented to show the latest cost estimates available.

The following table compares the Navy's June 30, 1975, and December 1, 1976, estimates.

Tomahawk program cost estimate

[Millions of then-year dollars]

Cost segment	Estimate June 30, 1975	Current estimate Dec. 1, 1976	Current variance increase (decrease)
Development	$1,015.8	$754.2	(261.6)
Procurement	1,530.3	1,152.1	(378.2)
Construction	34.8	34.8	(-----)
Total	2,580.9	1,941.1	(639.8)
Quantities			
Development	79	104	25
Procurement	1,176	1,160	(16)
Total	1,255	1,264	9

Procurement unit cost, $0.993 million.
Program unit cost, $1.535 million.

We were told that the $261.6 million decrease in development cost was caused by several repricing efforts undertaken by the Project Office. We were unable to obtain detailed reasons for the $378.2 million decrease in estimated procurement cost, but the Navy told us it was caused by a redefinition of the total procurement estimate, the transfer of 16 missiles from procurement to the development category, a schedule change in missile funding, and the application of more current and lower escalation indexes.

Unreported cost

There are $233.2 million in estimated platform modification, DMA support and other procurement costs which are not included in the $1.941 billion estimated program acquisition cost reported by the Navy. Adding these estimated costs would result in a total estimated program cost of about $2.174 billion. As in the Air Force ALCM program, ERDA-estimated warhead costs are not included.

Inadequate reporting on program status

The information in this chapter is similar to the information reported in the SAR system. Decisions on the future roles of cruise missiles may be determined by Government agencies other than DOD. For this reason information on the current status of the program should be available through the SAR system to all responsible agencies. Further, if the antiship and land attack version are to be developed, the programs' cost, schedule, and performance should be reported separately.

Mr. BARTLETT. Mr. President, I rise to speak on behalf of this year's military procurement authorization bill, H.R. 5970, which is entitled "An act to authorize appropriations during the fiscal year 1978, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training loads, and for other purposes." This defense authorization bill is far more complex than even its title would indicate. For that reason, I would like to commend my colleagues on the Senate Armed Services Committee for their thorough consideration of this legislation. Likewise, I wish to thank the committee staff. Were it not for their diligent preparation, the committee would not have been able to act on this massive legislation within the timetable mandated by the Congressional Budget and Impoundment Act of 1974.

There is much that can be said about this bill. It reflects the work of two different administrations as well as the work of our committee. However, this is not the military authorization bill I would have written were I alone given the responsibility of submitting this legislation to the entire Senate. Until last year, the United States had been disinvesting in defense since 1964. Although major military resources were being consumed in Southeast Asia, defense spending dropped to its smallest percentage of the Nation's gross national product since before the Korean War. Military research and development was neglected as emphasis was placed on production for the Vietnam War.

At the same time, the Soviet Union increased its own military spending in order to achieve strategic parity and improve the quality of its numerically superior conventional forces. Last year's defense budget was an effort to reverse these unhealthy trends. While H.R. 5970, as reported by the Senate Armed Services Committee, adds $127 million to the $35.7 billion recommended by the Carter administration, it is still $3.5 billion less than that recommended by President Ford. Furthermore, the budget impact of this bill on the entire defense function is $59 million less than what President Carter recommended. I would have preferred legislation closer to the proposals submitted to the Congress in January, and I would have preferred that there be no cuts in military manpower levels this year. Nevertheless, I urge my colleagues to support H.R. 5970.

As the ranking minority members of the R. & D. Subcommittee of the Armed Services Committee, I would like to comment in some detail on that portion of H.R. 5970. Before last year, military R. & D. in the United States had been reduced by 50 percent in constant dollars since 1965. During the same period, there is evidence that the Soviet effort may have tripled. What has been the congressional response to these trends? Since 1964, only once did the Congress fail to cut the administration's request for R. & D. funding. On two other occasions, original requests were exceeded when supplemental requests were approved. Again this year, the Research, Development, Test, and Evaluation—R.D.T. & E.—budget has been cut—reduced by 257 million despite major additions such as $75 million for the advanced attack helicopter. While authorizations for procurement and civil defense increased slightly, the R. & D. authorization alone was cut. There is no need to gold plate the R. & D. link in the defense chain, but neither should we permit R. & D. to become the weak link of the future. Fortunately, this year's R. & D. authorization does represent a real increase over last year's R. & D. funding.

More important, however, is the spirit reflected in the R. & D. report language. While our subcommittee recognizes that many Defense Department R. & D. management practices are inefficient, we also realize that it is not the role of Congress to take over the administration of the specifics of any program.

Our recommendations this year are designed to encourage innovation and keep options open while giving policy guidance based upon the best information available. For example, extensive hearings were conducted this year on the mechanized infantry combat vehicle—MICV—program. The committee has concluded that this trouble-plagued vehicle does provide a significant improvement in capability and is needed by our forces in Europe as soon as possible, but the committee also believes that the present MICV may not be the proper armored fighting vehicle for the battlefield of the future. Therefore, the committee has continued funding for the MICV program, but has provided additional money to begin a follow-on program. The committee was also seeking to expedite innovation when it added $11 million to the Defense Advanced Research Projects Agency's 75 mm solid propellant gun program. We are seeking to keep open the option of an earlier operational date if this weapon should fulfill its promise.

Mr. President, our report this year points out the committee's concern over

the military airlift and chemical warfare capabilities of our forces. I would have preferred to see more action taken to overcome recognized shortcomings. In airlift, for example, excellent programs such as the advanced tanker/cargo aircraft—ATCA and the advanced medium STOL transport—AMST will be available when the services agree upon the specific requirements. Hopefully, this will be soon. With respect to chemical warfare, the committee has added a requirement that armored fighting vehicles procured after fiscal year 1980 have a collective system to protect the crew against chemical and radiological attack. The Soviet Union has worked extensively to provide this protection to its combat soldiers, and the committee is aware of the chemical warfare threat to NATO. For that reason, I am less certain that it is wise to continue to deny funds for the development of binary chemical munitions. Binary chemical weapons are chemical warfare agents formed by the combination of two harmless substances. As such, they would give us a deterrent to the Soviet first use of chemical weapons, but would be safer to ship and store than present chemical agents.

Mr. President, again I wish to praise the members of the Senate Armed Services Committee for their work on this important legislation, and I urge my colleagues to support this legislation.

Mr. DURKIN. Mr. President, I want to go on record of supporting increased flexibility for the Department of Defense in the employment of industrially funded civilian personnel. In my State of New Hampshire, we have the Portsmouth Naval Shipyard which has a long and distinguished record of excellent work, particularly in the area of overhaul and conversion of nuclear submarines. The Portsmouth Naval Shipyard is the only shipyard which specializes with nuclear submarines, and has the outstanding accomplishment of overhauling more submarines than any other naval base on the east coast. These activities are financed through industrial funds. The Portsmouth Naval Shipyard has the capacity and the ability to handle more work if not for the limitation on industrially funded civilian manpower in the Department of Defense manpower ceilings. I, therefore, support allowing the Secretary of Defense additional flexibility in civilian manpower management in order to redress these types of inefficiencies.

Mr. President, I am terribly concerned that the civilian end-strength authorization unduly limits the efficient management of civilian manpower. Presently, the Secretary of Defense has the authority to exceed the authorized end-strength level for civilian personnel by one-half of 1 percent when he considers it in the national interest to do so. I would suggest that the Secretary's flexibility be increased to at least 1½ percent for fiscal year 1978, in order to provide ample flexibility to avoid efficiency which might be caused by an authorization ceiling.

The imposition of the end-strength ceiling has resulted not only in decreased efficiency of operation but also in a severe economic hardship for workers who may be dismissed periodically in order to meet the ceiling. Mr. President, I hope that when the Senate conferees sit down to work out the differences with the House bill, they seriously consider expanding the flexibility of the Secretary of Defense in civilian manpower management. It is only in this way that industrial installations such as the Portsmouth Naval Shipyard will be able to accomplish defense work whether it is the production of ammunition or the overhaul of nuclear submarines in time to meet schedules while providing the taxpayer with a more efficient expenditure of the defense dollar.

Mr. RIBICOFF. Mr. President, I rise to voice my deep disappointment over the Armed Services Committee's decision to cut $114.8 million from the Army's aircraft request, thereby reducing the initial procurement of the UTTAS utility helicopter from 56 to 24.

As many of my colleagues know, the UTTAS is a combat assault squad carrier which will eventually replace the UH–1 Huey. It is produced by Sikorsky Aircraft of Stratford, Conn.

During a 43-month period Sikorsky Aircraft developed and produced three prototype aircraft, a ground test vehicle and a static test item. These prototypes underwent extensive Government competitive tests from March through November 1976. I understand that UTTAS is the most tested helicopter prior to a production contract award. Over 1,300 flight hours were accumulated on the prototypes prior to the selection. Also, extensive ground/bench qualification of components and systems was accomplished prior to and during the flight test program. Defects were corrected in the engineering development phase of the program before competitive evaluation by the Government. I am informed that the Sikorsky UTTAS exceeded Army requirements.

The award of the UTTAS contract to Sikorsky is expected to have a significant impact on Connecticut's economy, particularly in helping to spur our State's financial recovery and growth. Should the procurement be reduced, I imagine that the program's impact on Connecticut's economic development will be diminished. Also, I understand that if the current UTTAS program is cut back for the first 3 years, total program costs may increase significantly as will the design to unit cost.

Mr. President, inasmuch as the House has approved full funding for the UTTAS procurement program, this issue will be discussed during the Senate-House conference. I urge the Senate conferees to very carefully assess the information which has been made available to them on the UTTAS program and thoughtfully weigh the impact of any reduction on the overall cost of the program as well as its impact on my State's economy. I am hopeful that, during the conference negotiations, the Senate participants will accept the House position.

(This concludes additional statements submitted on H.R. 5970.)

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CHILES). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME-LIMITATION AGREEMENT ON SPECIFIED AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, and this has been cleared with Mr. STENNIS, Mr. TOWER, and the authors of the amendments which I shall refer to, that there be a time limitation on an amendment by Mr. GRIFFIN having to do with the XM tank of 1 hour, to be equally divided between Mr. GRIFFIN and Mr. STENNIS; that there be a time limitation on each of two amendments by Mr. STEVENS of 1 hour, to be equally divided and controlled in accordance with the usual form; that there be a time limitation on an amendment by Mr. PROXMIRE of 1 hour, to be equally divided in accordance with the usual form; that there be a time limitation on an amendment by Mr. BAKER of 1 hour, to be equally divided in accordance with the usual form; that there be a time limitation on the bill of 2 hours, to be equally divided between Mr. TOWER and Mr. STENNIS; that there be a time limitation on any amendment to an amendment of 30 minutes, to be equally divided in accordance with the usual form; that there be a time limitation on any debatable motion or appeal or point of order, if such is submitted to the Senate, of 20 minutes to be equally divided in accordance with the usual form.

This leaves the agreement open as to any other amendments which may be offered. We are not asking for any limitation at this time on any other amendments than those which we know about and have specified.

Mr. NUNN. Reserving the right to object, our distinguished Presiding Officer (Mr. CHILES) has an amendment, I understand, on the SIRCS weapons system. I do not know if he wants to have a time limitation on that, but, as I understand it, the unanimous-consent request would not in any way impinge on his right to call up that amendment without a time limitation.

Mr. ROBERT C. BYRD. Exactly.

Mr. NUNN. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I thank all Senators.

May I ask the Senator from Texas (Mr. TOWER) if he knows of any amendment that will be called up this afternoon?

Mr. TOWER. In response to the distinguished majority leader, I know of no amendments that are to be called up this afternoon. Senator STEVENS is not prepared, Senator DOLE has already been agreed to, and Senator BAKER would prefer to have his called up tomorrow. It is my understanding Senator GRIFFIN prefers to wait until tomorrow. That takes care of our side. Unless Senator PROXMIRE would be prepared to act this afternoon——

Mr. PROXMIRE. I would greatly prefer to call up my amendment tomorrow.

Mr. ROBERT C. BYRD. Very well.

Mr. TOWER. I misspoke myself. The distinguished Senator from Michigan says he is prepared to call up his amendment tonight.

Mr. GRIFFIN. Unless Senator STENNIS is opposed to that.

Mr. TOWER. I do not think he is.

Mr. ROBERT C. BYRD. I understand that Senator LONG and Senator CURTIS are ready to call up the conference report on the tax bill. It will only take a few minutes.

Shall I send for Senator LONG and let him proceed with that and then come back to your amendment tonight?

Mr. GRIFFIN. That will be fine.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX REDUCTION AND SIMPLIFICACATION ACT OF 1977—CONFERENCE REPORT

Mr. LONG. Mr. President, I submit a report of the committee of conference on H.R. 3477 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. CHILES). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3477) to provide for a refund of 1976 individual income taxes and other payments, to reduce individual and business income taxes, and to provide tax simplification and reform, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the RECORD of May 6, 1977, beginning at page 13901.)

Mr. LONG. Mr. President, the report on H.R. 3477, the Tax Reduction and Simplification Act of 1977, responds to two pressing problems facing the Nation today: The need in the economy to reduce unemployment and spur economic growth, and the need to simplify our tax system so that more Americans can file their tax forms without using commercial services. In addition, the conference agreement eliminates certain retroactive features of the 1976 Tax Reform Act which would otherwise cause undue hardship, and adds other provisions to the Internal Revenue Code which provide additional equity in our tax system.

The House version of the tax bill provided an overall tax cut of $12.6 billion in fiscal year 1977 and $17.4 billion in fiscal year 1978. The Senate bill involved tax cuts of $3.2 billion in 1977 and $20.1 billion in 1978. In view of the strong pace of the recovery in 1977 and foreseeable pressures on prices this year, the Senate conferees insisted that a smaller tax reduction be provided for 1977. Consistent with President Carter's request, the conferees thus eliminated the $50 rebate and moderated the size of the business tax reduction. Overall, the conference agreement provides for a $2.6 billion tax reduction in fiscal year 1978. Of the $2.6 billion reduction in fiscal year 1977, about three-fourths is for individuals, one-fourth for business. In fiscal year 1978, 80 percent of the tax reduction goes to individuals.

The economic stimulus in the bill results from the new jobs credit, as improved upon by the Senate, the extension of the 1975 individual and corporate tax cuts, and the revision of the standard deduction.

The bill achieves an important tax simplification by the revision of the standard deduction. Also, because the conference adopted a Senate amendment, the bill reduces the so-called marriage penalty below that existing under current law.

The conference bill moves forward the effective date of the sick pay and foreign income exclusion provisions of the 1976 Tax Reform Act and therefore considerably eases unexpected, retroactive tax burdens which were imposed last year.

Perhaps the most difficult issue facing the conference was the optional investment tax credit in the Senate bill. Many of you have been concerned that investment in the economy has not been as strong as it has previously been at this stage in the recovery. However, President Carter is expected to propose business incentives to provide capital formation as part of his tax reform package. Because we are going to undertake a comprehensive review of the whole structure of business taxation and consider additional business tax incentives for capital formation, it seemed prudent to the Senate conferees to recede on the extra investment credit.

The House and Senate were in basic agreement over the extension through 1978 of the 1975–77 individual and corporate tax reductions. The individual cuts are the general tax credit, which equals either $35 per person or 2 percent of the initial $9,000 of taxable income, and the refundable earned income credit. The House receded on its amendment to the earned income credit, modifying its availability to welfare recipients.

The provisions extending the 1975–77 corporate tax reductions were identical in both bills and thus were not in conference. These reduce the corporate rate to 20 percent on the initial $25,000 of taxable income and 22 percent on the next $25,000.

Finally, the provision changing withholding tables to conform to the new standard deduction were quite similar, although the House receded to a June 1977 start-up date in view of the lateness of the year.

The revision of the standard deduction is a tax change of which the Senate can be justifiably proud. Not only does it reduce the number of calculations taxpayers must make, it also encourages over 7 million persons not to itemize their deductions. It also permits 96 percent of all taxpayers to look up their tax in a tax table rather than have to calculate their tax from rate schedules.

Under the House bill, the revised standard deduction was $2,400 for single persons and $3,000 for married couples filing jointly. This meant that there would have been a decrease in the standard deduction of $1,800 for single persons who decide to get married. This is what is referred to as the so-called "marriage penalty." Current law creates a marriage penalty in the standard deduction of between $1,300 and $2,000.

The Senate standard deduction was $2,200 for single persons and $3,200 for married couples filing jointly. Under the Senate provision, the marriage penalty would be reduced to $1,200. The conference adopted the Senate position. We were, however, unable to persuade the House to accept the Senate provision which accords heads of households the same standard deduction as is available to joint returns.

Four provisions of the 1976 Tax Reform Act had a severe retroactive impact on taxpayers: the exclusions from income of sick pay and income earned abroad, the income phase out of the retirement income credit, and the imposition on taxpayers of penalties and interest resulting from retroactive tax increases in that act. Many of us have heard the hardships this would cause, and we provided relief in our version of the bill. The Senate position prevailed in the conference on all four of these provisions.

There are a number of other provisions which the Senate added to the tax bill on which we were able to prevail. First, the amendment which permits business use of a personal residence for day care services without the exclusive use test was kept. To get the House to agree, we added to our provision a requirement that, 90 days after enactment, facilities subsequently claimed comply with applicable State licensing requirements.

The House agreed to the Senate amendment on State legislators' travel expenses. The amendment extends the election in the 1976 Tax Reform Act to taxable years beginning in 1976. We hope soon to consider a House-passed bill to provide a better prospective solution to this problem.

The House conferees also agreed to the Senate amendment on intangible drilling costs. The amendment reduces the minimum tax preference for intangible drilling costs by an individual's income from oil and gas. Unfortunately, we were able to get the House to accept this only for 1 year. I am hopeful that when the energy bill comes over from the House, we will be able to act on this matter again, especially in view of the President's position on it.

The House agreed to our amendment on charitable contributions of conservation easements. This amendment pro-

vides deductions for charitable contributions used exclusively for conservation purposes if transfers are made prior to June 1981. The current law cutoff on transfers is June 1977. The House insisted, however, that the 1981 date be applicable only to permanent easements.

The conference report also includes the increased authorization for the WIN program. The Senate amendment added $435 million in fiscal years 1978 and 1979 for employment and supportive services without any State matching.

The House also accepted the Senate amendment extending through 1981 5-year amortization for expenditures by employers for child care facilities in their trade or business, which expired at the end of 1976.

The House conferees also accepted the Senate amendment which postpones for 1 year for certain chicken farms the effective date of the requirement that they use accrual accounting.

The House agreed to the Senate amendment on withholding of gambling winnings. The 1976 Tax Reform Act required the withholding of 20 percent of gambling winnings in excess of $1,000. The amendment modifies this withholding provision with regard to parimutuel pools involving horses, dogs and Jai Alai to require withholding on winnings of more than $1,000 if such winnings are at least 300 times as large as the amount wagered.

The House conferees adopted most of the Senate amendments to the new jobs credit. The conference agreement provides credit equal to 50 percent of the income in each employer's wage base under the Federal Unemployment Tax Act. The House bill had a 103-percent floor that the wage increase had to exceed; under Senator CHAFEE'S floor amendment, the 103-percent FUTA wage limitation would be reduced to 101 percent for a year for States with unemployment rates at or about 7½ percent in the previous year. The conference adopted a flat 102-percent floor rather than one which varies from State to State, which is more easily administered. The FUTA base for a year consists of wages paid up to $4,200 per employee. The total amount of the credit has four limitations: First, the credit cannot be more than 50 percent of the increase in total wages paid by the employer for the year above 105 percent of total wages paid by the employer in the previous year; second, the credit must be no more than 25 percent of the current year's FUTA wages; third, the credit for a year cannot exceed $100,000; and fourth, the credit cannot exceed the taxpayer's tax liability. Under the conference agreement, the employer's deduction for wages is reduced by the amount of the credit.

An additional 10-percent credit is allowed for the first $4,200 of wages paid to handicapped individuals—including disabled veterans—who were first paid FUTA wages by the employer during 1977 or 1978, and who have begun—or recently completed—vocational rehabilitation programs. The $100,000 limitation on the amount of the credit does not apply to the additional credit for handicapped employees.

To obtain the retirement income credit election I described earlier, the Senate had to recede on the tax credit for someone who houses a dependent 65 years of age or older.

The House conferees were concerned that it was not appropriate to include in a tax bill a sense of the Senate resolution on certain tax changes made by the Canadian Government which relate to U.S. broadcasters. Accordingly, the Senate receded on this amendment.

The Senate conferees also receded on the amendment which repeals the present law requirement for the Internal Revenue Service to maintain a public index. Although the Senate amendment provided the appropriate safeguards for purchasers who were unaware of tax liens on property which were inappropriately filed and the House conferees generally supported the amendment, the chairman of the Ways and Means Oversight Subcommittee, the sponsor of the provision last year, is very much concerned about this problem. He had requested that it not be agreed to at this time so that his subcommittee could review the matter. In view of this, we agreed to recede now but fully expect this matter to be reconsidered and dealt with very shortly.

The final Senate provision on which we had to recede was the amendment on investment annuities. The House conferees were quite strong in their view that the legislative postponement of the effective date of Revenue Ruling 7-85 until March 9, 1978, should be preceded by public hearings and greater study. The Treasury Department expressed the view that such a date would lead to "fire sales" in 1978.

Only one matter, countercyclical revenue sharing, was left in disagreement by the House conferees. The House conferees felt that since they were not from the House Committee of Jurisdiction, they should take the Senate countercyclical revenue sharing amendment back to the House and let the House decide on it separately.

The countercyclical provision passed by the House differs from the countercyclical provision in the Senate bill. The differences, however, are relatively minor and I think the Senate should vote for the House countercyclical provision. I will make a separate statement on this subject when the time comes to take the separate vote on countercyclical revenue sharing.

Mr. President, this bill is a significant feature of the President's economic recovery package and represents a significant simplification of our tax system. The Senate conferees have maintained the Senate position on most of the important isues. I therefore urge the Senate to agree to this conference report.

Mr. President, I believe Senators are familiar with what this conference report contains. It has been discussed in the press and the electronic media generally across the country. Unless Senators desire me to go into more detail about this matter, I will simply ask that the Senate vote on it.

Mr. CURTIS. Will the Senator yield?

Mr. LONG. I yield.

Mr. CURTIS. May I say to my chairman that the minority has no objection to the consideration of this conference report. We have had battles as far as the tax bill itself, but as far as the conference report is concerned we have no objection to disposing of it at this time.

Mr. LONG. I thank the distinguished Senator.

Mr. MUSKIE. Mr. President, I will support the conference report on H.R. 3477, the Tax Reduction and Simplification Act. This legislation is improved in a number of important ways from H.R. 3477 as it was passed by the Senate on April 29.

The level of fiscal year 1978 tax reductions provided in the conference report—$17.8 billion—is consistent with the revenue assumptions contained in the first budget resolution for 1978 as agreed to by the House and Senate budget conferees this past Wednesday. This resolution assumes net tax reductions of $17.6 billion—$17.8 billion of reductions offset by $0.2 billion in revenue increases from legislation affecting trust fund receipts.

I congratulate the Senate conferees for returning with legislation which eliminated $2.3 billion of revenue reductions from the $20.1 billion level of reductions provided in the bill passed by the Senate. This $20.1 billion level was too high. It was $1.7 billion over the level initially recommended by the Senate budget committee, as well as $1.7 billion over the level of reductions contained in the tax bill initially reported by the Senate Finance Committee.

As in the case of the Tax Reform Act last year, the Senate conferees have returned with a bill consistent with sound fiscal policy after the bill passed by the Senate provided excessive tax reductions. It is not sufficient for the Senate to rely on its tax bill conferees to return with legislation consistent with overall budget targets. The Senate must impose greater discipline upon itself in future tax legislation if the Congress is to adhere to responsible budget targets.

With respect to the specific major provisions of the Tax Reduction and Simplification Act, first, I support extension of the 1977 temporary tax reductions through calendar 1978. These reductions are necessary to maintain the steady economic growth that stems from congressional fiscal policies established through the congressional budget process.

Second, I support the simplification and tax relief provided by the uniform standard deduction rules established under this legislation.

Third, I am encouraged that the level of business tax relief provided by the conferees in fiscal year 1978 has been reduced by $1.3 billion from the $3.8 billion level provided in the Senate passed bill. Although this is a significant improvement, I still firmly believe the new employment tax credit provided in this bill at an annual cost of $2.5 billion will prove largely ineffective. Businesses simply will not hire adequate numbers of additional employees they would not otherwise have hired for an annual subsidy to an average corporation of only $1,092 per qualifying employee. More-

over, the employment credit will add unnecessary complexity to the tax code and will be unavailable to companies struggling in declining markets or regions to maintain employment at current levels.

Business tax relief is integrally related to the issues of capital formation and long range economic growth—matters requiring detailed analysis and long term goals. It would have been much more appropriate to have considered business tax relief in the context of the structural tax changes to be proposed by the administration in the coming months, than to have provided any business tax reductions in this legislation initially intended to provide only short term economic stimulus and tax simplification.

Finally, I support the amendment which authorizes countercyclical funds. Because there was no similar provision in the House-passed bill, the amendment, adopted by the Senate, was reported to the House in technical disagreement. The House has now receded and concurred with an amendment in the Senate position. Since the House substitute is nearly identical to the measure adopted by the Senate, I understand that Senator LONG will move to have the Senate concur in the House amendment. The parliamentary procedure will thus require two votes: One agreeing to the conference report, and a second one concurring in the amendment to the amendment reported in disagreement by the conference. I will vote favorably on both votes and will have more to say on the countercyclical issue at the time of the second vote.

In conclusion, despite the reservations I have expressed with respect to the business tax aspect of the legislation. I want to again congratulate the Senate conferees, and especially the chairman of the Finance Committee, Senator LONG, for returning with a conference report both consistent with the 1978 budget revenue target recently approved by the Senate, and much less costly than the legislation initially approved by the Senate. It is only with the cooperation of the members of the Finance Committee, its distinguished chairman, and the Senate as a whole, that the necessary discipline can be developed to make the congressional budget process work.

Mr. DOLE. Mr. President, the conference report on H.R. 3477, the Tax Reduction and Simplification Act of 1977 is before the Senate today. The bill has been improved since President Carter sent it to Congress by inclusion of a jobs tax credit and elimination of the $50 rebate; however, there have been important omissions such as the permanent tax cut and energy conservation provisions. Some of these important issues deserve further comment.

NO RELIEF FOR MOST TAXPAYERS

An amendment in the Senate to permanently reduce tax rates for most taxpayers was defeated in what was unfortunately mostly a partisan vote. President Carter opposes the adoption of any tax relief for lower and middle-income taxpayers at this time because he plans to propose the same thing this fall. The theory apparently is that when President Carter sends up his major tax reform package this fall, it will pass Congress next year.

This time schedule is plainly unrealistic. Congress spent almost 4 years in passing the Tax Reform Act of 1976. If the President's proposal does call for major changes in the tax law, the legislation will certainly be as controversial as the Tax Reform Act. Passage may even require more time than the Tax Reform Act.

The result is that for the next 3 or 4 years, in the face of rising inflation and increasing energy costs, American taxpayers will be denied any tax relief. The President is asking Congress to delay tax relief which he felt was so necessary in January when the ill-fated rebate was proposed. The economic future of more inflation and the artificially higher tax bills it causes is the same as in January. When the Democratic majority in the Senate defeated the tax rate reducation, they sentenced Americans to years of higher taxes. The Senator from Kansas is disappointed that this important reform was sacrificed to political considerations.

ENERGY NEEDS IGNORED

President Carter has made an eloquent case for the immediate necessity of energy conservation. I fully agree that actions should be taken rapidly to save our dwindling fuel sources. As part of the Tax Reform Act of 1976, the Senate passed a section designed to encourage conservation measures. After this was dropped in conference, the House later passed almost identical language in H.R. 6860. Because of time problems, this bill was not considered again by the Senate before the end of the 94th Congress.

Some of these same proposals that passed almost unanimously in both the House and Senate last year were defeated in the Senate as an amendment to H.R. 3477 now before us. Again the vote split on roughly partisan lines with the same expressed desire to have all energy proposals considered together. I realize the benefits of cohesiveness in a legislative area but I wonder if the equally compelling demands of energy conservation do not necessitate some action.

The amendment was carefully drawn to include only noncontroversial proposals. No one disagrees with giving a tax credit for home insulation. Yet, the failure of Congress to accept this amendment has raised the possibility that the first session of this Congress will go by without any energy legislation being enacted. If Congress and the President agree now as they do, I do not see the sense of delaying. The problems of energy conservation are too serious for Congress to deter from acting to promote conservation now.

INVESTMENT TAX CREDIT DROPPED

The Senate version of H.R. 3477 contained, as an option with the jobs tax credit, an increase in the investment tax credit of 2 percent. The investment tax credit has proven in the past to be an effective stimulus for the significant capital investments that are necessary for many new jobs. American industry is too diverse for any one incentive to be truly effective in stimulating each industry to place more workers on the payroll. The jobs tax credit addresses one aspect of employment by helping employers pay the salary of new workers. The investment tax credit is a device to help private industry have the facilities and machinery available to make these additional workers productive. The Senator from Kansas feels that the investment tax credit complemented the job tax credit well and should have been retained by the conference committee.

FINALLY A JOBS TAX CREDIT

Since 1965 when it was billed as a human investment credit, I have supported the idea of a tax credit for employers tied directly to increases in employment. During the last two sessions of Congress, I have proposed legislation to create an effective employment tax credit. I am pleased that the Congress has accepted this idea and included a jobs tax credit in this bill. I believe that the jobs tax credit will prove itself a powerful alternative to expensive and temporary public works programs which require massive Government subsidy. The private sector must be the one to provide the jobs that America will need to grow in the future.

The Senate increased the percentage of wages covered, reduced the employment base to allow more businesses to participate and raised the allowable credit per firm as compared to the House bill. These recommendations were essentially adopted by the conference committee.

HANDICAPPED AND LONG-TERM UNEMPLOYED AIDED

The conference committee also included an additional 10-percent credit for hiring handicapped workers. I cosponsored this amendment in the Senate and am pleased that the conference committee retained this extra incentive for putting handicapped workers on the payroll. The handicapped workers of America only want a chance to prove themselves This action by Congress will be a signal that we are committed to ending the economic second-class citizenship of these Americans.

The present jobs tax credit also focuses to a degree on the special problems of the long-term unemployed. My own legislation "targeted" the jobs tax credit even more on the workers who have been out of work the longest. The unique problems of structural unemployment require special consideration. While I support the extra assistance given, I would have preferred a more direct and specialized program for the long-term unemployed.

TAX ON SICK PAY DELAYED

The conference committee retained my amendment to H.R. 3477 to delay the new tax on sick pay for 1 year. More than a million retired and disabled taxpayers were severely hit by this retroactive tax, I had hoped that this retroactive imposition of taxes could be changed before April 15. In fact, both the House and the Senate did pass slightly different versions of the sick pay legislation. Until the

last moment, it appeared that differences could be worked out before tax returns had to be filed. However, the possibility of a veto by President Carter succeeded in holding the legislation until after April 15. The inclusion of the sick pay change in H.R. 3477 should save it from any possible veto by the President.

The PRESIDING OFFICER. The question is on the adoption of the conference report.

The conference report was agreed to.

The PRESIDING OFFICER. The clerk will report the amendment in disagreement.

The amendment in disagreement is as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 85 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed to be inserted by said amendment, insert:

TITLE VI—INTERGOVERNMENTAL ANTI-RECESSION ASSISTANCE

SEC. 601. This title may be cited as the "Intergovernmental Antirecession Assistance Act of 1977".

SEC. 602. (a) Subsection (b) of section 202 of the Public Works Employment Act of 1976 (42 U.S.C. 6722(b)) is amended to read as follows:

"(b) AUTHORIZATION OF APPROPRIATIONS.—Subject to the provisions of subsections (c) and (d) of this section, there are authorized to be appropriated for each of the five succeeding calendar quarters (beginning with the calendar quarter which begins on July 1, 1977) for the purpose of payments under this title—

"(1) $125,000,000, plus

"(2) $30,000,000 multiplied by the number of whole one-tenth percentage points by which the rate of seasonally adjusted national unemployment for the most recent calendar quarter which ended three months before the beginning of such quarter exceeded 6 per centum.".

(b) Subsection (c) of section 202 of such Act is amended to read as follows:

"(c) LIMITATION ON AUTHORIZATION.—In no case shall the aggregate amount authorized to be appropriated under the provisions of subsection (b) of this section for the five successive calendar quarters beginning with the calendar quarter which begins July 1, 1977, exceed $2,250,000,000.".

SEC. 603. (a) Section 203(b)(3)(D) of the Public Works Employment Act of 1976 (42 U.S.C. 6723(b)(3)(D)) is amended by striking out "for the one-year period beginning on July 1, 1975" and inserting in lieu thereof "for the most recently completed entitlement period, as defined under section 141(b) of such Act".

(b) Section 203(c)(1) of such Act is amended by striking out "paragraphs (3) and (5)" and inserting in lieu thereof "paragraph (4)".

(c) Section 203(c) of such Act is amended by striking out paragraph (3) and redesignating paragraphs (4) and (5) as paragraphs (3) and (4).

(d) Section 203(c)(3)(B) of such Act is amended by—

(1) inserting "or assigned" after the word "determined"; and

(2) striking out the parenthetical phrase and inserting in lieu thereof the following:

"(in the case of a local government for which the Secretary of Labor cannot determine a local unemployment rate, he shall assign such local government the local unemployment rate of the smallest unit or subunit of local government for which he has determined a local unemployment rate and within the jurisdiction of which such local government is located, unless—

"(i) the Governor of the State in which such local government is located has provided the Secretary of Labor with a local unemployment rate for such local government, and

"(ii) the Secretary of Labor finds that such local unemployment rate provided by the Governor has been determined in a manner consistent with the procedures and methodologies used by the Secretary of Labor in determining local unemployment rates,

in which case the Secretary of Labor shall assign such local government the local unemployment rate provided by such Governor)".

(e) Section 203(c)(3)(C) of such Act is amended by—

(1) striking out "for the one-year period beginning on July 1, 1975" and inserting in lieu thereof "for the most recently completed entitlement period, as defined under section 141(b) of such Act"; and

(2) striking out the parenthetical phrase.

(f) Section 203(c)(3) of such Act is amended by striking out subparagraph (D) and redesignating subparagraph (E) as subparagraph (D).

(g) Section 203(c)(3)(D)(i) of such Act is amended by striking out "Social and Economic Statistics Administration" and inserting in lieu thereof "Bureau of the Census".

(h) Section 203(c)(3) of such Act is amended by striking out "For the purpose of paragraph (4)(D), the Secretary of Labor shall, notwithstanding any of the provisions of law, continue to make determinations with respect to the rate of unemployment for the purposes of such title VI.".

(i) Section 206 of such Act is repealed.

SEC. 604. Section 204 of the Public Works Employment Act of 1976 (42 U.S.C. 6724) is amended by striking out "and for construction unless such supplies and materials or construction are to maintain basic services" and inserting in lieu thereof "or for construction, except for normal supplies or repairs necessary to maintain basic services".

SEC. 605. Section 207 of the Public Works Employment Act of 1976 (42 U.S.C. 6727) is amended to read as follows:

"NONDISCRIMINATION

"SEC. 207. (a)(1) IN GENERAL.—No person in the United States shall, on the ground of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity of a State government or unit of local government, which government or unit receives funds made available under this title. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity. Any prohibition against discrimination on the basis of religion, or any exemption, from such prohibition, as provided in the Civil Rights Act of 1964 or title VIII of the Act of April 11, 1968, commonly referred to as Civil Rights Act of 1968, shall also apply to any such program or activity.

"(2) EXCEPTIONS.—

"(A) FUNDING.—The provisions of paragraph (1) of this subsection shall not apply where any State government or unit of local government demonstrates, by clear and convincing evidence, that the program or activity with respect to which the allegation of discrimination has been made is not funded in whole or in part with funds made available under this title.

"(B) CONSTRUCTION PROJECTS IN PROGRESS.—The provisions of paragraph (1), relating to discrimination on the basis of handicapped status, shall not apply with respect to construction projects commenced prior to January 1, 1977.

"(b) ENFORCEMENT AND REMEDIES.—The provisions of subsection (a) of this section shall be enforced by the Secretary in the same manner and in accordance with the same procedures as are required by sections 122, 124, and 125 of the State and Local Fiscal Assistance Act of 1972 to enforce compliance with section 122(a) of such Act. The Attorney General shall have the same authority, functions, and duties with respect to funds made available under this title as the Attorney General has under sections 122 (g) and (h) and 124(c) of such Act with respect to funds made available under that Act. Any person aggrieved by a violation of subsection (a) of this section shall have the same rights and remedies as a person aggrieved by a violation of subsection (a) of section 122 of such Act, including the rights provided under section 124(c) of such Act.".

SEC. 606. Section 215 of the Public Works Employment Act of 1976 (42 U.S.C. 6735) is amended by adding at the end thereof the following new subsection:

"(c) ALTERNATIVE METHODS OF ALLOCATION.—The Secretary shall, in consultation with the Secretary of Commerce, conduct an investigation of—

"(1) the extent to which allocations of funds provided under this Act might be more precisely related to true economic conditions by the use of data on aggregate declines in private real wages and salaries;

"(2) the extent to which other factors, such as relative tax effort, should also be made part of the allocation system provided by this Act; and

"(3) the availability and reliability of data concerning Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands, and the extent to which such territories may properly be made part of the regular allocation system applicable to the several States.

The results of such investigation shall be submitted to the Congress not later than March 1, 1978, in order that such results may be available during congressional consideration of any extension of this Act beyond the fiscal year ending September 30, 1978.".

SEC. 607. Title II of the Public Works Employment Act of 1976 (42 U.S.C. 6721–6735) is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR PUERTO RICO, GUAM, AMERICAN SAMOA, AND THE VIRGIN ISLANDS

"SEC. 216. (a) IN GENERAL.—There is hereby authorized to be appropriated for each of the five succeeding calendar quarter (beginning with the calendar quarter which begins on July 1, 1977) for the purpose of making payments under this title to Puerto Rico, Guam, American Samoa, and the Virgin Islands, an amount equal to 1 percent of the amount authorized for each such quarter under section 202(b).

"(b) ALLOCATIONS.—

"(1) The Secretary shall allocate from the amount authorized under subsection (a) an amount for the purpose of making payments to such governments equal to the total authorized for the calendar quarter multiplied by the applicable territorial percentage.

"(2) For the purposes of this subsection, the applicable territorial percentage is equal to the quotient resulting from the division of the territorial population by the sum of the territorial population for all territories.

"(3) For purposes of this section—

"(A) The term 'territory' means Puerto Rico, Guam, American Samoa, and the Virgin Islands.

"(B) The term 'territorial population' means the most recent population for each

territory as determined by the Bureau of Census.

"(C) The provisions of sections 203(c)(4), 204, 205, 206, 207, 208, 209, 210, 211, 212, and 213 shall apply to the funds authorized under this section.

"(c) PAYMENTS TO LOCAL GOVERNMENTS.—The governments of the territories are authorized to make payments to local governments wtihin their jurisdiction from sums received under this section as they deem appropriate.".

Mr. LONG. Mr. President, this amendment has to do with the countercyclical revenue-sharing provisions. The Senate provided for $1 billion between April and Septembr 1977, and it provided for $2.25 billion for fiscal year 1978.

Mr. President, the House proceeded on the theory that it is really too late to do much about the period between April and September, except starting in July. Therefore, it provides that from July 1977 through September 30, 1978, the $2.25 billion would be available. It seemed to me, Mr. President, that under the circumstances, in view of the fact that most of the period for which the first $1 billion would be available has expired, we should go along with the House on its amendment.

The House added a nondiscrimination amendment which is patterned after and intended to be identical with the nondiscrimination amendment that is in the present revenue-sharing legislation. In view of the fact that the Senate has agreed to that type of an amendment, one almost identical to it, in the revenue-sharing bill, I do not see that there would be a problem. The formula for the revenue sharing in the House is the same as that provided by the Senate. The House would use the same formula as the Senate and the data would be collected in the same fashion as in the Senate. The only difference with regard to payments to territories would be that in addition to including Puerto Rico and the Virgin Islands, the House amendment would include American Samoa and Guam.

Mr. President, there was an error in the House committee report which was made clear on the floor. I have a statement explaining this error, as well as the excerpt of a discussion between Mr. WAGGONNER and Mr. BROOKS. I ask unanimous consent that the discussion of that matter be printed in the RECORD at this point.

There being no objection, the discussion was ordered to be printed in the RECORD, as follows:

Mr. WAGGONNER. Madam Chairman, I would like to ask a question of the distinguished floor manager of the bill, the gentleman from Texas (Mr. BROOKS). I am referring to page 8, section 6, entitled "Nondiscrimination" of the committee report. The purpose of the question is to try to be sure that the nondiscrimination provisions are made to coincide with those provisions which are a part of the revenue sharing legislation. This is the question that I would like to have clarified:

The committee report indicates that a recipient Government is exempt from the nondiscrimination provisions if it demonstrates with clear and convincing evidence that the program was not funded, directly on indirectly, with moneys allocated under this act.

Mr. BROOKS. Madam Chairman, will the gentleman from Louisiana (Mr. WAGGONNER) yield so that I may reply to him?

Mr. WAGGONNER. I would be most happy to yield to the gentleman from Texas.

Mr. BROOKS. Madam Chairman, the nondiscrimination provision included in H.R. 6810 incorporates the nondiscrimination provisions of the general revenue sharing statute passed last year. The section prohibits the use of funds made available under the countercyclical program in any discriminatory activity or program of a State or local government.

The nondiscrimination provision does not apply where any State or local government can demonstrate by clear and convincing evidence that the program or activity alleged to be discriminatory is not funded in whole or in part with funds available under this legislation. The words "directly or indirectly" do not appear in either this legislation or the general revenue sharing legislation. They were inadvertently included in the section-by-section analysis in the report on this legislation. That language is not intended in any way to affect the provision contained in the legislation itself.

Mr. WAGGONNER. Then it more properly should read "in whole or in part" since it was intended that we add that language, is that correct?

M. BROOKS. That is correct.

Mr. WAGGONNER. I thank the distinguished gentleman from Texas.

Mr. LONG. Mr. President, the House nondiscrimination provision is thus the same one as general revenue sharing has as a result of our action last year. The Senate amendment continued the current nondiscrimination prohibitions in the countercyclical legislation. Since the same agency, the Office of Revenue Sharing, administers both the general and countercyclical revenue-sharing programs, and the money goes to the same governments—States, counties, cities, and townships—I can see the logic of having the same set of nondiscrimination rules apply.

There are three other minor House countercyclical provisions which involve the formula, the use of most recent data, and payments to the Territories. The first two are the same as our provisions in these areas. With respect to the Territories, the House provision adds American Samoa and Guam to the list of Territories which can participate—this seems acceptable to me.

I would now like to return to the nondiscrimination provisions to clarify what is intended here.

The House change was made by Congresswoman BARBARA JORDAN, as I understand it. She and I worked out an agreement on the general revenue-sharing rules last year. At that time, the point of difference between the Senate and House was whether or not to apply the rules to programs or activities that were directly funded by revenue sharing, or directly and indirectly funded by revenue sharing. She and I both agreed that applying these rules—which involve the automatic cutoff of funds after a set period of time—to all programs or activities, that is the entire budget, would be overkill. And that we ought to look to just those programs funded directly with revenue sharing in terms of applying the rules, and thus use the money as a lever to get compliance. Let me quote you her statement from conference, then, because some people seem to think that we did not mean to apply those rules to just directly revenue sharing-funded programs:

Ms. JORDAN. I am certainly in agreement with that, Mr. Chairman. As I said, Senator Long, we can make it clear in the language of the report what we intended in terms of the direct application of those funds, and I would certainly vote for that amendment as altered by Mr. Horton. I would urge my colleagues to do the same.

The Statement of Managers did clarify this as she intended, but the Treasury regulations were much more vague. Since we are not going to have a conference document on this provision, I think it is important to remind everyone, including the people downtown, just what we mean here.

Mr. President, I think the House countercyclical provision is very similar to the Senate provision, and I urge its adoption.

Mr. MUSKIE. Would my distinguished colleague from Louisiana yield for an inquiry?

Mr. LONG. Yes, I yield to my distinguished colleague from Maine.

Mr. MUSKIE. I can see that putting the same language into similar bills makes a great deal of administrative sense, but I share Senator LONG's concern that we not engage in overkill. Limiting the application of these very tough civil rights rules and procedures seems to be a workable proposition, and one that will still result in a great deal of good. My questions involve when one would look for the application of these provisions.

In order to be under the exception clause of the civil rights provisions, would it be necessary to show that a particular tax, intergovernmental transfer, or other source of funds was initially dedicated to the program or activity?

Mr. LONG. No, it would not be as we intended it.

Mr. MUSKIE. Would it be sufficient to be under the exception clause to show that receipts from a particular tax, transfer, or other source or combination of such taxes, transfers, or other sources of funds, gave rise to all the funds for the program or activity which is alleged to involve discrimination?

Mr. LONG. Yes, that would be sufficient.

Mr. MUSKIE. Would it be sufficient to be under the exception clause to show that all the countercyclical revenue-sharing funds were spent for programs or activities other than the one in which discrimination was alleged?

Mr. LONG. Yes, that would be sufficent.

Mr. MUSKIE. I thank the Senator. That is how I would interpret these provisions. It seems a reasonable and proper interpretation. I would, therefore, join with my colleague from Louisiana in supporting this amendment.

Mr. President, this amendment which extends and expands the so-called countercyclical assistance program, has been

the subject of heated debate on the House side. Some of the arguments made against the current program and the Senate-passed amendment have been confusing and misleading. As the principal sponsor of this legislation from the beginning, I would like to clarify some of the questions that have been raised about the purpose and the operation of the program.

The first point I would like to make is that the countercyclical assistance program is and always has been an antirecession program. It was enacted as part of the jobs bill last year, and it was included in President Carter's economic stimulus package this year.

The underlying assumption of the program is that recession takes a severe, if uneven, toll on State and local governments throughout the country. This toll takes the form of shortfalls in revenues as well as increased demand for recession-related services. Because of these added pressures on their budgets, those State and local governments most affected by recession are forced to make restrictive budgetary adjustments—such as tax increases and service cutbacks—in order to make ends meet. Such budget adjustments, however, can work at cross purposes to Federal efforts—like tax cuts and jobs programs, for example—to stimulate national economic recovery.

Many economists believe that State and local governments now constitute such a significant part of our economy that their actions need to be weighed in the development of national economic policy. In time of recession, this means that their budgetary situations need to be stabilized so that restrictive budget actions do not become a drag on economic recovery.

That goal of stabilization is the primary purpose of the countercyclical assistance program. It is not intended to put large numbers of people to work, although it does have a substantial jobs impact. Nor is it intended to stimulate large amounts of new spending.

Countercyclical assistance can appropriately be described as unemployment compensation for State and local governments hard hit by recession. It is intended to put some breathing room into their budgets to enable them to get over the worst of recession with minimal reliance upon restrictive budget adjustments. In the long run, the program is intended to enhance the overall Federal goal of economic recovery.

The cost of recession to State and local governments is substantial. A 1975 report by the Joint Economic Committee estimated that because of recession State and local governments would be taking approximately $8 billion out of the economy in the form of restrictive budgetary adjustments, precisely at the same time that the Federal Government was trying to stimulate recovery through increased spending.

A more recent study by the Academy for Contemporary Problems at Ohio State University has estimated that during 1974 and 1975, the recession cost State and local governments roughly $24 billion, including actual budget adjustments as well as the unrealized change in potential budgets.

In view of the magnitude of these costs, countercyclical assistance is a modest response indeed.

In debate on the House side, much was made over the question of whether some of the major recipients of countercyclical assistance under the current program—places like New York and Detroit—were suffering from cyclical economic problems or from "secular" long-term economic difficulties, as if the two could be clearly separated.

The answer is clear, at least to my way of thinking. Obviously, places like Detroit, New York, or Newark are suffering from severe and chronic economic problems. But is is equally apparent that the recession has made things much worse. In fact, the two problems probably go hand in hand, in that long-term economic difficulties make communities much more vulnerable to economic downturn.

In the best of times, a place like Detroit may have unemployment that is well above the national average. But during the height of this recession, unemployment in that city rose to over 20 percent.

It is that recession-related increment that the countercyclical assistance program was intended to address, and nothing more. It is ludicrous to even suggest that a program the size of countercyclical assistance could have been intended to deal with long-term urban problems. If from no other evidence, that should be clear from the fact that the program is written to turn off automatically when recession is substantially over—not when "the urban problem" is solved.

A second major point I would like to make, Mr. President, concerns the use of unemployment as the targeting factor in the countercyclical formula.

Once again, this was a subject of much controversy in the House, on the grounds that unemployment is not a good measure of the recession's impact, and furthermore, that the unemployment data itself is not very reliable.

To these arguments, I would like to make several points.

In the first place, the JEC report to which I referred above found a strong correlation between high unemployment and budget difficulties. That study found that the distribution of the recession's impact was extremely uneven, with the least impact in the low unemployment energy and agriculture States and the greatest impact in the high unemployment industrialized States of the North and Midwest. It further found that the incidence of restrictive budget adjustments was markedly higher in the latter group.

A survey conducted by my Subcommittee on Intergovernmental Relations of about 400 State and local governments—though not a scientific sample like that of the JEC—also found a strong correlation between unemployment and the incidence of budget adjustments. Of those jurisdictions with unemployment over 8 percent, an astounding 96 percent responded that budget adjustments had been necessary over the last 2 years to deal with recession-related budget difficulties. Among lower unemployment jurisdictions, however, the percentage was far lower.

Of course, Mr. President, as is the case anytime one tries to apply a uniform factor to a very nonuniform population, there will be cases where high unemployment is not accompanied by budget problems. And critics in the House were very quick to point out an example or two where this was the case.

It is precisely because we knew such a situation might arise that we included in the original legislation a statement of assurances that each jurisdiction be required to complete, attesting to the fact that the countercyclical funds were needed. According to the Office of Revenue Sharing, a number of jurisdictions were honest enough to say that they did not need the money, even though their unemployment was high enough to make them eligible.

With regard to the reliability of the unemployment data, Mr. President, I have several comments.

Most importantly, neither I nor anyone else who has worked on this program has ever claimed that the unemployment data is all that we would hope. Of course, it is not perfect.

However—and it is a very important however—unemployment data is the best indicator that we have which is available for a large number of local governments on a regular and timely basis.

No other economic indicator is available for so many jurisdictions on a monthly basis.

So unemployment is the best that we can do at the present time. If it is not perfect, does that mean that we should abandon the program altogether? If so, then we should consider abandoning the public works and CETA programs—both of which we have just reenacted, and both of which allocate funds on the basis of the same unemployment data.

To sum up, Mr. President on this question of the targeting factor—First, there is a solid body of evidence indicating that as a general rule, there is a positive correlation between high unemployment and fiscal distress. Second, there is no other indicator which is available for a large number of individual jurisdictions and for which there is such a correlation. Tax effort, the most commonly suggested alternative, is a highly inconsistent measure, reflecting as it does both fiscal distress and affluence.

There is one additional issue I would like to address, Mr. President, which goes to the very heart of what this program is all about.

Throughout the debate in the House, there was the recurring suggestion that the formula is somehow unfair, because under it many jurisdictions receive no funds at all.

I must confess that I find this complaint rather astonishing.

We are talking about an antirecession program, not an add-on to general revenue sharing.

Those governments who have received no money under the program are those places with full employment—unemployment of 4.5 percent or less.

In a more perfect world where we had other economic indicators for State and local governments, I believe that reasonable men could disagree over whether unemployment is the best indicator of fiscal distress.

I do not believe, however, that any reasonable man could argue that a low unemployment rate is an indicator of fiscal distress.

Therefore, I find it both fair and reasonable that jurisdictions with full employment receive no funds under this program. To do otherwise is to totally distort the basic purpose of the program.

Mr. LONG. Mr. President, I move to concur in the House amendment to the Senate amendment No. 85.

The PRESIDING OFFICER. Without objection, the motion is agreed to.

Mr. LONG. I move to reconsider the vote by which the motion was agreed to.

Mr. CURTIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period now for the transaction of routine morning business, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:03 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that the House has passed the bill (H.R. 6810) to amend and extend title II of Public Law 94–369, and for other purposes, in which it requests the concurrence of the Senate.

At 4:44 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3477) to provide for a refund of 1976 individual income taxes and other payments, to reduce individual and business incomes taxes, and to provide tax simplification and reform; and that the House recedes from its disagreement to the amendment of the Senate numbered 85 and concurs therein with an amendment in which it requests the concurrence of the Senate.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDING OFFICER laid before the Senate the following communications which were referred as indicated:

EC–1327. A letter from the Director of the Office of Management and Budget, Executive Office of the President, transmitting a corrected page to the May cumulative report on rescissions and deferrals; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations; the Budget; Foreign Relations; Commerce, Science, and Transportation; Armed Services; Environment and Public Works; Energy and Natural Resources; Human Resources; the Judiciary; Agriculture, Nutrition, and Forestry; Finance; Governmental Affairs; Banking, Housing, and Urban Affairs; and the Select Committee on Small Business, and ordered to be printed.

EC–1328. A letter from the Secretary of Housing and Urban Development transmitting a draft of proposed legislation to provide authorizations for HUD housing and related authorities for fiscal year 1979, and for other purposes (with accompanying papers); to the Committee on Banking, Housing, and Urban Affairs.

EC–1329. A letter from the Secretary of the Interstate Commerce Commission transmitting, pursuant to law, a report of the Commission's determination to extend the time period for acting upon the appeal pending before the Commission in docket No. 35914, H & R Scrap Iron and Metal Company v. Chicago and North Western Transportation Company (with an accompanying report); to the Committee on Commerce, Science, and Transportation.

EC–1330. A letter from the Comptroller General of the United States transmitting pursuant to law, a report entitled "Examination of the Rural Telephone Bank's Financial Statements for the 15-Month Period Ended September 30, 1976" (FOD–77–02) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1331. A letter from the Chairman of the Council of the District of Columbia transmitting pursuant to law, a copy of Council Act No. 2–35, "An Act to allow the celebration of Dr. Martin Luther King, Jr.'s birthday on Fridays when it falls on Saturdays" (with accompanying papers); to the Committee on Governmental Affairs.

EC–1332. A letter from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, four proposed new record systems reports, in accordance with the Privacy Act (with accompanying reports); to the Committee on Governmental Affairs.

EC–1333. A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, the second annual report on the Activities of the Health Maintenance Organizations (HMO) program (with an accompanying report); to the Committee on Human Resources.

EC–1334. A letter from the Secretary of Housing and Urban Development transmitting a draft of proposed legislation to amend the Disaster Relief Act of 1974 to provide for authorization of appropriations thereunder through fiscal year 1979 (with accompanying papers); to the Committee on Environment and Public Works.

EC–1335. A letter from the Chairman of the United States International Trade Commission transmitting, pursuant to law, a report on East-West trade entitled, "Implications for U.S. Trade of Granting Most-Favored-Nation Treatment to the People's Republic of China" (with an accompanying report); to the Committee on Finance.

EC–1336. A letter from the Assistant Legal Adviser for Treaty Affairs for the Department of State transmitting, pursuant to law, international agreements other than treaties entered into by the United States within the past sixty days (with accompanying papers); to the Committee on Foreign Relations.

EC–1337. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Restructuring Needed of Department of Defense Program for Planning with Private Industry for Mobilization Production Requirements" (PSAD–77–108) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1338. A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report presenting the core of national standards for care provided by community mental health centers and their associated criteria for assessing the quality of care in the centers (with an accompanying report); to the Committee on Human Resources.

EC–1339. A letter from the Chief Justice of the United States transmitting, pursuant to law, a copy of the proceedings of the meeting of the Judicial Conference of the United States held in Washington, D.C., on March 10–11, 1977 (with an accompanying report); to the Committee on the Judiciary.

EC–1340. A letter from the Secretary of the Smithsonian Institution transmitting, pursuant to law, the annual report of the Smithsonian Institution for the fiscal year 1976 (with an accompanying report); to the Committee on Rules and Administration.

EC–1341. A letter from the Director of the National Legislative Commission of the American Legion transmitting, pursuant to law, statements of the financial condition of the American Legion as of December 31, 1976 (with an accompanying report); to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under authority of the order of May 13, 1977, the following reports of committees were submitted during the adjournment of the Senate:

On May 13:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Without amendment:

S. 1520. An original bill to amend the Foreign Assistance Act of 1961, and for other purposes (Rept. No. 95–161).

On May 14, 1977:

By Mr. ABOUREZK, from the Committee on Energy and Natural Resources:

With amendments:

H.R. 5306. An Act to amend the Land and Water Conservation Fund Act of 1965, and for other purposes (Rept. No. 95–162).

By Mr. METCALF, from the Committee on Energy and Natural Resources:

With amendments:

S. 393. A bill to provide for the study of certain lands to determine their suitability for designation as wilderness in accordance with the Wilderness Act of 1964, and for other purposes (Rept. No. 95–163).

By Mr. RIBICOFF, from the Committee on Governmental Affairs:

With an amendment:

S. 826. A bill to establish a Department of Energy in the executive branch by the reorganization of energy functions within the Federal Government in order to secure effective management to assure a coordinated national energy policy, and for other purposes (Rept. No. 95–164).

By Mr. CULVER, from the Committee on the Judiciary:

With an amendment:

S. 1021. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974, and for other purposes (Rept. No. 95–165).

REPORTS OF COMMITTEES

The following reports of committees were submitted today:

By Mr. CRANSTON, from the Committee on Veterans' Affairs:

With an amendment:

H.R. 3695. An act to amend title 38 of the United States Code in order to revise and improve the program of making grants to the States for the construction, remodeling, or renovation of State home facilities for furnishing hospital, domiciliary, and nursing home care for eligible veterans, and for other purposes (Rept. No. 95–166).

By Mr. CRANSTON, from the Committee on Human Resources:

With an amendment:

S. 961. A bill to promote the healthy development of children who would benefit from adoption by facilitating their placement in adoptive homes and for other purposes (Rept. No. 95–167).

By Mr. SPARKMAN, from the Committee on Foreign Relations:

With amendments:

S. 1235. A bill to further amend the Peace Corps Act (Rept. No. 95–168).

By Mr. RIBICOFF, from the Committee on Governmental Affairs:

With amendments:

S. 1262. A bill to establish an independent consumer agency to protect and serve the interest of consumers, and for other purposes (Rept. No. 95–169).

With an amendment:

S. 555. A bill to establish certain Federal agencies, effect certain reorganizations of the Federal Government, to implement certain reforms in the operation of the Federal Government and to preserve and promote the integrity of public officials and institutions, and for other purposes (Rept. No. 95–170).

By Mr. ROBERT C. BYRD (for Mr. CANNON), from the Committee on Rules and Administration:

With an amendment:

S. 1072. A bill to establish a universal voter registration program, and for other purposes (together with minority views) (Rept. No. 95–171).

By Mr. NELSON, from the Committee on Human Resources:

With an amendment:

S. 1303. A bill to amend the Legal Services Corporation Act to provide authorization of appropriations for additional fiscal years, and for other purposes (Rept. No. 95–172).

S. 1242. A bill to provide employment and training opportunities for youth (Rept. No. 95–173).

H.R. 2992. An act to authorize appropriations for fiscal year 1978 for carrying out the Comprehensive Employment and Training Act of 1973, as amended (Rept. No. 95–174).

By Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs:

Without amendment:

S. 1523. An original bill to amend the Housing and Community Development Act of 1974; to extend certain housing assistance and mortgage insurance programs; and for other purposes (together with additional views) (Rept. No. 95–175).

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation:

With an amendment:

S. 682. A bill to amend the Ports and Waterways Safety Act of 1972; to increase the use of vessels of the United States to carry imported oil; and for other purposes (title amendment) (Rept. No. 95–176).

Without amendment:

S. 1522. An original bill to increase the appropriations authorization for fiscal years 1977 and 1978 and to authorize appropriations for fiscal year 1978 to carry out the Marine Mammal Protection Act of 1972, and for other purposes (Rept. No. 95–177).

With an amendment:

S. 1184. A bill to amend section 7(e) of the Fishermen's Protective Act of 1967, as amended (Rept. No. 95–178).

By Mr. JACKSON, from the Committee on Energy and Natural Resources:

With an amendment:

S. 1340. A bill to authorize appropriations to the Energy Research and Development Administration for energy research, development, demonstration, and related programs in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes (title amendment (Rept. No. 95–179).

By Mr. TALMADGE, from the Committee on Agriculture, Nutrition and Forestry:

With an amendment:

S. 275. A bill to provide price and income protection for farmers and assure consumers of an abundance of food and fiber at reasonable prices, and for other purposes (Rept. No. 95–180).

My Mr. WILLIAMS, from the Committee on Human Resources:

With an amendment:

S. 717. A bill to promote safety and health in the mining industry, to prevent recurring disasters in the mining industry, and for other purposes (Rept. No. 95–181).

By Mr. WILLIAMS, from the Committee on Banking, Housing and Urban Affairs:

With an amendment:

S. 1311. A bill to amend the Securities Exchange Act of 1934 to authorize specified amounts to be appropriated for the Securities and Exchange Commission for fiscal years 1978–80 (title amendment) (Rept. No. 95–182).

S. 208. A bill to amend the Urban Mass Transportation Act of 1964 to extend the authorization for assistance under such Act, and for other purposes (Rept. No. 95–183).

By Mr. NELSON, from the Select Committee on Small Business:

Without amendment and without recommendation:

H.R. 692. An act to amend the Small Business Investment Act of 1958 to increase loan authorization and surety bond guarantee authority; and to improve the disaster assistance, certificate of competency and Small Business set-aside programs (No Report). With an amendment:

S. 1442. A bill to amend the Small Business Act and the Small Investment Act of 1958 to extend and increase loan and surety bond guarantee authorities, and for other purposes (Rept. No. 95–184).

By Mr. RANDOLPH (for Mr. CULVER), from the Committee on Environment and Public Works:

With amendments:

S. 1237. A bill to extend the authorizations for appropriations for the San Francisco Bay and Great Dismal Swamp National Wildlife Refuges, and the Tinicum National Environmental Center (Rept. No. 95–185).

With an amendment:

S. 1316. A bill to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out State cooperative programs under the Endangered Species Act of 1973 (Rept. No. 95–186).

By Mr. GRAVEL, from the Committee on Environment and Public Works:

With amendments:

S. 846. A bill to provide for a continuing program of water resources research and development (Rept. No 95– 187).

By Mr. RANDOLPH (for Mr. CULVER), from the Committee on Environment and Public Works:

With an amendment:

S. 1417. A bill to authorize appropriations for environmental research and development activities of the Environmental Protection Agency, and for other purposes (Rept. No. 95–188).

By Mr. RANDOLPH, from the Committee on Environment and Public Works:

Without amendment:

S. 1527. An original bill to amend the Marine Protection, Research and Sanctuaries Act of 1972 to authorize appropriations to carry out the provisions of such Act for fiscal year 1978 (Rept. No. 95–189).

S. 1528. An original bill to amend section 2 of the Safe Drinking Water Act (P.L. 93–523) to extend and increase authorizations provided for public water systems (Rept. No. 95–190).

By Mr. GRAVEL, from the Committee on Environment and Public Works:

Without amendment:

S. 1529. An original bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes (Rept. No. 95–191).

S. 1530. An original bill to amend section 401 of the Water Resources Planning Act of 1965 (79 Stat. 244), as amended (Rept. No. 95–192).

By Mr. SPARKMAN, from the Committee on Foreign Relations: With an amendment:

H.R. 6179. An act to amend the Arms Control and Disarmament Act to authorize appropriations for fiscal year 1978, and for other purposes (Rept. No. 95–193).

H.R. 6689. An act to authorize fiscal year 1978 appropriations for the Department of State, the United States Information Agency, and the Board for International Broadcasting, to make certain changes in the Foreign Services personnel system, and for other purposes (Rept. No. 95–194).

S. 1160. A bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act, and for other purposes (Rept. No. 95–195).

By Mr. HART, from the Committee on Environment and Public Works:

With amendments:

S. 1131. A bill to authorize appropriations to the Nuclear Regulatory Committee in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes (Rept. No. 95–196).

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation:

With an amendment:

S. 1283. A bill to authorize appropriations for the Federal Trade Commission, and for other purposes (Rept. No. 95–197).

By Mr. LONG, from the Committee on Commerce, Science, and Transportation:

With amendments:

S. 922. A bill to amend the Regional Rail Reorganization Act of 1973 to authorize additional appropriations for the United States Railway Association (title amended) (Rept. No. 95–198).

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation:

Without amendment:

S. 1325. A bill to amend section 406(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1376) to provide explicit statutory authority for the payment of "flow-through" subsidy pursuant to an experimental program administered by the Civil Aeronautics Board during the period August 1, 1973 through July 1, 1975 (Rept. No. 95–199).

With an amendment:

S. 1250. A bill to authorize appropriations for the Coast Guard for fiscal years 1978 and 1979 and for other purposes (title amended) (Rept. No. 95–200).

By Mr. PEARSON, from the Committee on Commerce, Science, and Transportation:

With an amendment:

S. 263. A bill to provide for interim regulatory reform as to certain independent regulatory agencies (Rept. No. 95–201).

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation:

Without amendment:

S. 1531. An original bill to amend the Toxic Substances Control Act to establish a program of assistance to the States for protection and indemnification of individuals injured in their business or person by chemical substances, to establish a chemical emergency respond team, to increase the authorization for appropriations, and for other purposes (Rept. No. 95–202).

S. 1532. An original bill to authorize appropriations for the Federal Maritime Commission, to require the Commission to recodify its rules, and for other purposes (Rept. No. 95–203).

S. 1533. An original bill to amend the Federal Trade Commission Act to authorize appropriations for the Federal Trade Commission, to require the Commission to recodify its rules; to require the Consumer Product Safety Commission to recodify its rules, and for other purposes (Rept. No. 95–204).

S. 1534. An original bill to amend the Interstate Commerce Act to authorize appropriations for the Interstate Commerce Commission, to require the Commission to recodify its rules, and for other purposes (Rept. No. 95–205).

S. 1535. An original bill to amend the Federal Power Act to authorize appropriations for the Federal Power Commission, to require the Commission to recodify its rules, and for other purposes (Rept. No. 95–206).

S. 1536. An original bill to amend the Communications Act of 1934 to authorize appropriations for the Federal Communications Commission, to require the Commission to recodify its rules, and for other purposes (Rept. No. 95–207).

S. 1537. An original bill to amend the Federal Aviation Act to authorize appropriations for Civil Aeronautics Board, to require the Board to recodify its rules, and for other purposes (Rept. No. 95–208).

By Mr. RANDOLPH, from the Committee on Human Resources:

S. 1538. An original bill to amend title IV of the Federal Coal Mine Health and Safety Act to improve the black lung benefits program established thereunder, to impose an excise tax on the sale or use of coal, and for other purposes (Rept. No. 95–209).

With an amendment:

S. 957. A bill to promote commerce by establishing national goals for the effective, fair, inexpensive, and expeditious resolution of controversies involving consumers, and for other purposes (title amended) (Rept. No. 95–210)

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation:

With amendments:

S. 1347. A bill to create a National Advisory Committee on Oceans and Atmosphere, and for other purposes (Rept. No. 95–211).

By Mr. STENNIS, from the Committee on Armed Services:

With an amendment:

S. 1339. A bill to authorize appropriations to the Energy Research and Development Administration for national defense programs for the fiscal year 1978, and for other purposes (title amendment) (Rept. No. 95–212)

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation and the Committee on Human Resources:

Without amendment:

S. 1350. A bill to amend the National Sea Grant Program Act, to extend the appropriation authorization thereunder, and for other purposes (Rept. No. 95–213).

By Mr. HATHAWAY (for Mr. INOUYE), from the Select Committee on Intelligence:

Without amendment:

S. 1539. An original bill to authorize appropriations for fiscal year 1978 for intelligence activities of the United States Government, the Intelligence Community staff, the Central Intelligence Agency Retirement and Disability System, and for other purposes (Rept No. 95–214).

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation; and the Committee on Environment and Public Works:

With amendments:

S. 790. A bill to authorize the rehabilitation or reconstruction of locks and dam 26, to establish a revolving fund from user fees to finance a portion of the future costs of the inland waterways of the United States, and for other purposes (title amendment) (together with additional views) (Rept. No. 95–215).

ORDER FOR STAR PRINT—SENATE JOINT RESOLUTION 46

Mr. CRANSTON. Mr. President, an error appeared in the printing of Senate Joint Resolution 46, to establish a national policy for the taking of predatory or scavenging mammals and birds on public lands, and for other purposes. In order that the error may be corrected, I ask unanimous consent that a star print be made of Senate Joint Resolution 46.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOUSE BILL REFERRED

The bill (H.R. 6810) to amend and extend title II of Public Law 94–369, and for other purposes, was read twice by its title and referred to the Committee on Governmental Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BARTLETT:

S. 1521. A bill to amend the Federal Unemployment Tax Act to provide that recipients of unemployment compensation must be willing to accept any suitable work, and that such recipients must accept less suitable work after exhausting over 50 percent of such benefits; and to provide that students receiving Federal educational assistance may not receive unemployment compensation; to the Committee on Finance.

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation:

S. 1522. An original bill to increase the appropriations authorization for fiscal years 1977 and 1978 and to authorize appropriations for fiscal year 1978 to carry out the Marine Mammal Protection Act of 1972, and for other purposes; placed on the calendar.

By Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs:

S. 1523. An original bill to amend the Housing and Community Development Act of 1974; to extend certain housing assistance and mortgage insurance programs; and for other purposes; placed on the calendar.

By Mr. CURTIS:

S. 1524. A bill for the relief of Martina Navratilova; and

S. 1525. A bill for the relief of Victoria Ann Berner; to the Committee on the Judiciary.

By Mr. BARTLETT:

S. 1526. A bill to establish an associate administrator for women's business enterprise within the Small Business Administration; to the Select Committee on Small Business.

By Mr. RANDOLPH, from the Committee on Environment and Public Works:

S. 1527. An original bill to amend the Marine Protection, Research and Sanctuaries Act of 1972 to authorize appropriations to carry out the provisions of such Act for fiscal year 1978; placed on the Calendar.

S. 1528. An original bill to amend section 2 of the Safe Drinking Water Act (P.L. 93–523) to extend and increase authorizations provided for public water systems; placed on the Calendar.

By Mr. GRAVEL, from the Committee on Environment and Public Works:

S. 1529. An original bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; placed on the Calendar.

S. 1530. An original bill to amend section 401 of the Water Resources Planning Act of 1965 (79 Stat. 244), as amended; placed on the Calendar.

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation:

S. 1531. An original bill to amend the Toxic Substances Control Act to establish a program of assistance to the States for protection and indemnification of individuals injured in their business or person by chemical substances, to establish a chemical emergency respond team, to increase the authorization for appropriations, and for other purposes; placed on the Calendar.

S. 1532. An original bill to authorize appropriations for the Federal Maritime Commission, to require the Commission to recodify its rules, and for other purposes; placed on the Calendar.

S. 1533. An original bill to amend the Federal Trade Commission Act to authorize appropriations for the Federal Trade Commis-

sion, to require the Commission to recodify its rules; to require the Consumer Product Safety Commission to recodify its rules, and for other purposes; placed on the Calendar.

S. 1534. An original bill to amend the Interstate Commerce Act to authorize appropriations for the Interstate Commerce Commission, to require the Commission to recodify its rules, and for other purposes; placed on the Calendar.

S. 1535. An original bill to amend the Federal Power Act to authorize appropriations for the Federal Power Commission, to require the Commission to recodify its rules, and for other purposes; placed on the Calendar.

S. 1536. An original bill to amend the Communications Act of 1934 to authorize appropriations for the Federal Communications Commission, to require the Commission to recodify its rules, and for other purposes; placed on the Calendar.

S. 1537. An original bill to amend the Federal Aviation Act to authorize appropriations for the Civil Aeronautics Board, to require the Board to recodify its rules, and for other purposes; placed on the Calendar.

By Mr. RANDOLPH, from the Committee on Human Resources:

S. 1538. An original bill to amend title IV of the Federal Coal Mine Health and Safety Act to improve the black lung benefits program established thereunder, to impose an excise tax on the sale or use of coal, and for other purposes; placed on the Calendar.

By Mr. HATHAWAY (for Mr. INOUYE), from the Select Committee on Intelligence:

S. 1539. An original bill to authorize appropriations for fiscal year 1978 for intelligence activities of the United States Government, the Intelligence Community staff, the Central Intelligence Agency Retirement and Disability System, and for other purposes; placed on the Calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BARTLETT:

S. 1521. A bill to amend the Federal Unemployment Tax Act to provide that recipients of unemployment compensation must be willing to accept any suitable work, and that such recipients must accept less suitable work after exhausting over 50 percent of such benefits; and to provide that students receiving Federal educational assistance may not receive unemployment compensation; to the Committee on Finance.

Mr. BARTLETT. Unemployment figures in this country have been unacceptably high for a number of years now, and while I am deeply concerned about the human and economic costs that they indicate, I am also very troubled that these figures include a large number of people who are taking advantage of our unemployment compensation system. Since the depression days of the 1930's, we have tended to equate "unemployed" with helpless men trying to feed starving families, and have legislated generous income support systems according to that equation. Happily, such desperation is no longer the typical condition of unemployment. An unemployment figure of 7 percent today reflects people in widely varying conditions: About half are new entrants into the labor market, reentrants, and people who have voluntarily left their former jobs. The other half have lost their jobs; but of these, 40 percent have been temporarily laid off and will return to the same jobs. Very few fit our depression-conditioned picture of unemployed people.

Our unemployment compensation policies today, geared as they are to the Great Depression conditions, actually encourage joblessness and inflate the unemployment statistics. Today people can look longer for the "right" job, and thus stay on unemployment rolls longer. One Bureau of Labor Statistics study, for example, found that 32 percent of the unemployed had turned down a job offer.

One obvious result of the high national unemployment rate has been a serious drain on the financing capabilities of our unemployment insurance system and a reliance upon Federal general revenue funds. Unemployment benefit payments increased from $7 billion in 1974 to over $19 billion in 1976. At the same time, however, revenues for the program increased from about $6.5 billion to only $7.5 billion. Federal advances to State trust funds by January of 1976 amounted to almost $2 billion, and were rising.

In order to counter this drain on the financing capabilities of the unemployment insurance system, the 94th Congress included in the Unemployment Compensation Amendments Act two provisions to help increase revenues. One provision raised the Federal taxable wage base from $4,200 to $6,000. The other raised the FUTA rate from 0.5 percent to 0.7 percent, as long as there are loans outstanding to the extended unemployment compensation account—EUCA. These changes to the financing system should help to correct the current imbalance of revenues and benefit payments. They should also decrease the need for cyclical borrowing from general funds. We should now turn our attention to benefit eligibility and administration of the program.

The unemployment insurance program is designed to provide cash benefits to regularly employed members of the labor force who become involuntarily unemployed and who are able and willing to accept suitable jobs. Today I am introducing a bill which will make two changes in the Unemployment Tax Act.

The first will clarify the definition of "suitable work." The second section of this bill will prohibit a full-time student from receiving Federal educational assistance and unemployment benefits concurrently.

This legislation amends the Federal Unemployment Tax Act to provide that recipients of unemployment compensation must be willing and available to accept suitable work. Suitable work is defined as employment which is in keeping with the individual's prior work experience, education, or training. If an individual has no prior work experence or special training, then suitable work will mean employment that is available in the general area. When an individual has exhausted 50 percent of the benefits available to him in his particular State, the definition of "suitable work" is then altered to mean any employment which the individual is physically and mentally able to perform.

This bill confronts the dual issues of eligibility for benefits and duration of benefits. These issues have prompted many criticisms of the unemployment insurance program. Whether or not individuals voluntarily quit their jobs, are not searching for a job, or have refused a job offer has brought charges of rampant abuse in the unemployment insurance program.

The potential for fraud exists because the law is not clear on the matter of actively searching for a new job. Passage of this legislation will essentially close a loophole and provide State employment agencies with accurate guidelines.

Figures from the Bureau of Labor Statistics show that more and more beneficiaries of unemployment insurance are exhausting all of their potential benefits—this often means 65 weeks of payments. No doubt, most of these exhaustees are unable to find suitable employment. By providing an income supplement, the UI system allows these individuals to search longer without experiencing undue financial strain.

But if individuals have unrealistic expectations about the probability of being recalled or about the quality and quantity of potential job opportunities, they will fail to accept prevailing wages or working conditions and continue to search much longer than is realistically justified. This process is harmful to the worker, and it delays the adjustments necessary to stimulate the economy.

Even if workers have realistic expectations about available opportunities, they may prefer to combine leisure and the income supplement from UI rather than actively search for new employment. A dramatic example of this effect was recently demonstrated in Massachusetts. In that State, the legislature tightened the eligibility standards for benefits. Unemployment in Massachusetts proceeded to drop from 299,999 in October 1975, to 160,500, though jobs in the State have increased by only 19,000.

In a study on public employment programs, Alan Fechter concluded that many of those who remained unemployed for more than 5 weeks do so, not because they cannot find a job, but because they prefer nontaxable unemployment compensation, food stamps, leisure, and time to search for a better job. Frank Morris, President of the Federal Reserve Bank of Boston, believes that employers are more likely to lay off workers during times of economic stress because of the present level and duration of unemployment benefits. Finally, Martin Feldstein, professor of economics at Harvard, finds that, by allowing people to be more selective in finding work, the present level of unemployment compensation adds about 1.25 percentage points to the rate of unemployment.

Individuals can presently be disqualified for failure to accept suitable employment. However, the difficulty has been in trying to administer a law which does not define "suitable employment." My bill will clarify the law.

Mr. President, the second provision of the legislation I am introducing today also amends the Federal Unemployment Tax Act. It provides that any full-time

student receiving Federal educational assistance may not also receive unemployment compensation.

Unfortunately, this practice is tolerated because the unemployment regulations do not disqualify an individual for receiving other forms of Federal assistance. However, it was not the intention of Congress to provide unemployment benefits to full-time students who are already the recipients of other forms of Federal aid. This is a form of "double dipping" which no one can defend, and I am recommending that it be eliminated.

Mr. President, implementation of these changes I recommend will have no effect upon those unemployed individuals who are attempting to rejoin the work force. In fact, fulfillment of these restrictions will benefit the entire economy while returning the unemployment compensation fund to its former economic stability.

The economy has been slow in achieving total recovery. The national rate of unemployment continues to be unsatisfactorily high. By eliminating the built-in work disincentives, which my bill will do, we can increase the work force and, in turn, stimulate the economy.

Recent passage of public works legislation, and the President's economic stimulus package will go hand in hand with this legislation. We can insure that those persons who have involuntarily lost their jobs will have every opportunity to return to the ranks of the employed. In the meantime, we can be sure that those deserving of unemployment benefits will be receiving financial assistance.

Mr. President, I ask unanimous consent that an article on unemployment, that appeared in U.S. News & World Report, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALL AROUND THE COUNTRY, JOBS THAT AREN'T BEING FILLED

In almost every community, "Help Wanted" signs abound while people without jobs search fruitlessly for work.

This recession-era paradox, frustrating to worker and employer alike, can be seen to some degree even in such cities as Detroit, where unemployment now tops 20 per cent of the work force.

JOBS, JOBLESS DON'T FIT

Why aren't work and worker getting together? Too often, the worker is overqualified for the job he is offered, or the job is too demanding for the applicant. As an employment-company executive in South Carolina puts it, "There are lots of jobs and lots of jobless people, but the social problem of this country is that they don't fit."

Thus, a skilled worker in Detroit, unemployed since last November, can say, "The last thing I'll do is become a short-order cook or take something that offers no hope of advancement."

And in San Francisco, a recruiter of business executives can lament: "It's just as difficult to find key people in a recession as it is in good times. There aren't a lot of good people around."

Another factor is the nation's unemployment insurance, and the role it plays in the search for work. A cynical muffler-shop owner in Washington, D.C., blames his difficulty in filling job vacancies on lazy workers who take advantage of the benefits system.

"They come job hunting here, and one of the first questions is how long they have to wait before they can go on unemployment pay," says this employer. "I know couples who take their 'unemployment' with the kids' school vacation."

Just how many job openings exist across the country today, and how many of those go begging for takers, nobody knows. But in May, public employment services in 40 States reported that 72,000 jobs—or almost a fourth of those listed—went unfilled all 31 days. Meanwhile, 8.6 million persons were without jobs at midyear.

ABUSES OF THE SYSTEM

To what extent unemployment insurance creates or prolongs joblessness—and thereby keeps the "Help Wanted" posters on display—is sharply debated by economists.

Instances of outright abuse are rare, insist officials who administer this program. In the first six months of 1975, only four tenths of 1 per cent of the 157,000 persons who were receiving unemployment benefit checks in North Carolina refused to show up at job interviews suggested by State employment counselers, or rejected subsequent job offers.

In 32 States, job quitters are barred from all unemployment benefits, and the other States impose disqualification periods before such persons can receive benefits.

"The popular opinion is that people get on the unemployment rolls, wait to exhaust benefits—then look for a job," says William Pabler, who is with the Ohio Bureau of Employment Services.

"Here, at least, this is a myth—utter nonsense. Nearly 1 out of 5 unemployed people establish benefit rights and never draw a dime."

Brookings Institution economist Stephen Marston, after analyzing 1969 data for Detroit, estimated, however, that recipients of unemployment insurance stayed jobless 16 to 31 per cent longer than unemployed workers who were not eligible for benefits. He also noticed a sharp drop in unemployment among workers whose benefits had just expired.

LITTLE TO LOSE

Harvard economist Martin S. Feldstein notes that jobless benefits, while limited to 50 per cent of previous pay in most States, actually can be much more lucrative.

As an example, he cites a Massachusetts man earning $120 a week. Should he become unemployed, he loses $1,200 in earnings. But his unemployment benefits will bring him a total of $648, and he saves $325 in income and Social Security taxes. The result is a recovery of 74 per cent of his regular earnings.

"Because the cost to himself of additional waiting time and search time is so very low, the unemployed worker is encouraged to wait until there is almost no chance of a better job," Mr. Feldstein concludes.

One such holdout is Richard Hughes, 25, who quit his job loading printing products in Lawrence, Kans., several months ago to search for something better. After taxes, he had earned $96 a week. Unemployment insurance benefits now amount to $72 a week.

"I've disregarded all the janitors' jobs that pay $2.25 an hour," says Mr. Hughes, who holds a graduate degree in political science. "As soon as something that pays half-well comes up, I'll take it. It's not much fun living on unemployment benefits. Nobody gets rich on it."

In the Detroit area, Robert J. Loula, 28, a jobless accountant, says he turned down an offer to be department head of a chemical firm because "they offered less than the city garbage collectors receive—and I have my pride." Mr. Loula intends to wait as long as possible for a better opportunity.

"Sure, there are a million jobs for $2.50 an hour," concedes Tom McDonald, another unemployed Detroit man who did sales work in a drugstore. "But people aren't stupid any more. They won't work for ridiculously low wages unless they absolutely have to."

What correspondents of U.S. News & World Report discovered, however, is that a large proportion of the jobs hardest to fill these days are not those with low pay and bleak futures, but places offering above-average salaries. The hitch is that such jobs also require skilled, experienced workers. In too many instances, skilled, experienced job seekers are lacking.

Chicago's Cabrini Hospital now advertises on television for nurses. Several luxury hotels about to open in Atlanta have been unable to locate French cruisine chefs. The State employment service in Oreg. has looked in vain for an experienced cake icer and a journeyman butter maker.

BLUECOLLAR DEMAND

Skilled blue-collar workers are in demand almost everywhere.

"If any kind of experienced, good mechanic walked through that door, I could give him a job today," reports Charles Radford, office manager for the State employment service in Memphis.

New York City employers advertise for machinists, tool-and-die makers, television repairmen, sewing machine operators and foreign food chefs.

"It seems that the more specific the qualifications for the job, the longer it takes and the harder it is to find someone," says Eric Bergman, of the State employment service in Salem, Oreg. "We often have to go out and hustle like hell to find people for them."

Unfilled jobs also exists at the low end of the pay spectrum. An official of the Missouri department of labor describes most of the approximaely 5,000 job openings it lists at any one time as "low paying, low prestige"—telephone solicitor, car-wash attendant or commission salesman, for instance.

In many places, however, such jobs are the first to be filled. An auto dealer in the Detroit suburb of Gross Pointe advertised for someone to drive new cars off the delivery trucks and prepare them for sale. The pay: $2 an hour. Forty-five persons responded, and the dealer soon reported the job filled.

In some occupations, jobs go begging while sizable numbers of unemployed applicants for these positions are turned away. Sometimes this occurs because employers want new workers to perform more work at a given salary than would be the case in more normal times.

"Companies now want more for their money," says the owner of an employment service in Cleveland. "They want the executive secretary to answer the switchboard and keep the books."

JOBLESS OFTEN PARTICULAR

Job seekers can be equally demanding. Economist Miriam Ourin, of the New York State department of labor, says unemployed cooks will insist on working only in first class hotels, bookkeepers will reject jobs because the companies are not advertising agencies, and others will turn down offers in lower Manhattan because they want to work in midtown.

"I see so many people coming in here who have been laid off but want a new job with a higher salary," says Joe E. Lambeth, owner of an employment company in Greenville, S.C. "It's unrealistic. They don't have the flexibility I think they should have."

By Mr. BARTLETT:

S. 1526. A bill to establish an associate administrator for women's business enterprise within the Small Business Administration; to the Select Committee on Small Business.

Mr. BARTLETT. Mr. President, today

I am introducing a bill to establish the position of Associate Administrator for Women's Business Enterprise within the Small Business Administration. I feel that the creation of such a position will help resolve many of the problems which our growing numbers of women entrepreneurs face. In spite of overwhelming evidence that women are experiencing substantial and unique difficulties in small business, the Small Business Administration has never before developed specific programs for women. Indeed, this is the first time that a position of this importance has been considered to deal specifically with women's business enterprise. This bill will insure that the special needs of businesswomen are at last represented at the policymaking level of the SBA.

Over the past year the Small Business Committee has investigated the problems facing women in business, especially those problems which relate to the Small Business Administration. The result of this investigation, as well as of hearings held in Washington on "Women and the SBA" and in Oklahoma City on the same topic has shown that the special needs and concerns of women business owners have not been recognized fully. A 1972 Census Bureau survey on women's business enterprise reported that whereas women constitute a majority of the country's population, women owned less than 5 percent of all business enterprise and had a strikingly disproportionate share—only three-tenths of 1 percent—of the total dollar receipts. Another finding was that 98 percent of all women's businesses were sole proprietorships and that such business had sales below $25,000. Of the few corporations owned by women the average had sales below $100,000, with only four employees. With the rapid growth in the number of women entering the labor market, it certainly seems appropriate to institute the means for providing a well-coordinated effort necessary to improve the advocacy, accessability to markets, and ability of our fledgling female entrepreneurs.

The SBA currently has a women's business advocate at the GS-15 level. This advocate has limited responsibilities and does not take part in the policymaking process. Yet testimony in the hearings held last year strongly indicated the need for a more dynamic effort on behalf of businesswomen. The SBA, by its very mandate, should be in the forefront of this effort. Putting an Associate Administrator in charge of this effort is an important and a necessary first step.

I do wish to make clear that my bill would not, in any way, require the Small Business Administration to make loans under any of its programs solely on the basis of sex. The intent of this bill is very much in line with the Small Business Committee's increasing emphasis on management and technical assistance in general. The bill creates an Associate Administrator for Women's Business Enterprise who will report directly to the Administrator. The Associate Administrator will be charged with broad policy responsibilities in providing assistance to women within small business concerns. Other important functions of the Associate Administrator will be: To assist women's business enterprises in developing markets for goods and services; to help generate venture capital for women's business enterprises; to assist women in participating in all SBA programs; to assist women's business enterprises in complying with Federal, State, and local laws; and to insure that women and women's needs are appropriately included in all management assistance, marketing assistance, technical assistance, and training programs of the SBA.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD, and I urge that all of my colleagues support this measure.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1526

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

SECTION 1. Section 4(b) of the Small Business Act is amended by adding after the last sentence, "One of the Associate Administrators shall be designated an Associate Administrator for Women's Business Enterprise, whose duties shall be to:

"(1) Increase participation of women in all Administrative programs by:

"(a) Organizing Administration seminars and workshops to inquire into the problems facing women's business enterprises and to inform operating and potential businesswomen of available assistance programs;

"(b) Assisting women's business enterprises in developing markets for goods and services;

"(c) Providing management assistance, marketing assistance, technical assistance, and training for such enterprises;

"(d) Assisting in the generation of venture capital for such enterprises;

"(e) Assisting such enterprises in complying with Federal, State, and local laws;

"(f) Providing information on economic and social developments which affect such enterprises;

"(g) Evaluating the efforts of Federal agencies which have programs, goals or objectives affecting such enterprises;

"(h) Evaluating the efforts of business and industry to assist such enterprises;

"(i) Doing such other things as may be appropriate to assist and strengthen the development of such enterprises; and

"(2) Report regularly to the Administrator on the findings from these inquiries and on proposals for implementing these policy objectives."

SEC. 2. The fourth sentence of section 4 (b) of the Small Business Act is amended by striking the word "four" and inserting in lieu thereof the word "five".

ADDITIONAL COSPONSORS

S. 107

At the request of Mr. PEARSON, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 107, to avoid reductions in veterans' pensions concomitant with increase in social security benefits.

S. 717

At the request of Mr. WILLIAMS, the Senator from Ohio (Mr. METZENBAUM) was added as a cosponsor of S. 717, the Federal Mine Safety and Health Amendments Act of 1977.

S. 819

At the request of Mr. MATHIAS, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 819, the Interpreters for the Hearing Impaired Act.

S. 1284

At the request of Mr. HUMPHREY, the Senator from New Jersey (Mr. CASE) was added as a cosponsor of S. 1284, a bill to amend the Internal Revenue Code of 1954 to provide a tax credit for the purchase and installation of certain energy conserving devices in a taxpayer's principal residence and in other buildings.

S. 1307

At the request of Mr. THURMOND, the Senator from Alaska (Mr. STEVENS) and the Senator from California (Mr. HAYAKAWA) were added as cosponsors of S. 1307, to deny benefits to certain veterans.

S. 1361

At the request of Mr. HELMS, the Senator from Oklahoma (Mr. BELLMON) was added as a cosponsor of S. 1361, a bill to preserve the academic freedom and the autonomy of institutions of higher education.

S. 1453

At the request of Mr. HUMPHREY, the Senator from Minnesota (Mr. ANDERSON) and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 1453, to amend the Employment Act of 1946.

SENATE CONCURRENT RESOLUTION 15

At the request of Mr. WEICKER, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of Senate Concurrent Resolution 15, to reduce the risk of chemical warfare.

SENATE CONCURRENT RESOLUTION 25—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO A STATUE OF THE LATE SENATOR ERNEST GRUENING

(Referred to the Committee on Rules and Administration.)

Mr. GRAVEL (for himself and Mr. STEVENS) submitted the following concurrent resolution:

S. CON. RES. 25

Resolved by the Senate (the House of Representatives concurring), That the statue of the late Senator Ernest Gruening, presented by the State of Alaska for the National Statuary Hall collection, is accepted in the name of the United States, and the thanks of the Congress are tendered to the State of Alaska for the contribution of the statue of one of its most eminent personages, illustrious for his distinguished civic services.

SEC. 2. The State of Alaska is authorized to place temporarily in the rotunda of the Capitol the statue of the late Senator Ernest Gruening referred to in the first section of this concurrent resolution, and to hold ceremonies in the rotunda on that occasion. The Architect of the Capitol is authorized to make the necessary arrangements therefor.

SEC. 3. (a) The proceedings in the rotunda of the Capitol at the presentation by the State of Alaska of the statue of the late Senator Ernest Gruening for the National Statuary Hall collection, together with appropriate illustrations and other pertinent

matter, shall be printed as a Senate document. The copy for such document shall be prepared under the direction of the Joint Committee on Printing.

(b) There shall be printed five thousand additional copies of such document which shall be bound in such style as the Joint Committee on Printing shall direct, of which one hundred and three copies shall be for the use of the Senate and three thousand copies shall be for the use of the Members of the Senate from the State of Alaska, and four hundred and thirty-nine copies shall be for the use of the House of Representatives, and one thousand four hundred and fifty-eight copies shall be for the use of the Members of the House of Representatives from the State of Alaska.

SEC. 4. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the Governor of Alaska.

AMENDMENTS SUBMITTED FOR PRINTING

ESTABLISHMENT OF A DEPARTMENT OF ENERGY—S. 826

(Ordered to be printed and to lie on the table.)

Mr. JAVITS. Mr. President, for myself and Senator MATHIAS, I submit our amendment which establishes a statutory procedure, now nonexistent, for administrative enforcement of remedial orders issued by the Secretary under the Emergency Petroleum Allocation Act. It would impose the same kinds of procedural due process requirements on these actions that are imposed in every other action brought to enforce the provisions of regulatory statutes within the Department, and in other agencies.

It would require that the Secretary exercise the executive functions of investigating and prosecuting administrative violations, but that the Board exercise the quasi-judicial function of determing whether in fact the violation has occurred. Under the current procedure, because of the emergency nature of some of the underlying statutes—Economic Stabilization Act and Emergency Petroleum Allocation Act—both of these functions are undertaken by the same executive officials. While this may be constitutional in an emergency, it is certainly not the separation of functions that should be incorporated into a permanent statute.

Under the amendment, if the party against whom an order is issued does not contest it, it becomes final without any Board action. But if the party does appeal to the Board, the party is entitled to a hearing at which the Secretary must prove to the satisfaction of the Board that a violation has been committed. The Board may affirm, modify, or vacate the Secretary's order. Under current practice, this determination is made initially in district courts throughout the country. The amendment would thus put all these original hearings in the same forum, resulting in consistency and the development of administrative expertise.

If the Board affirms the Secretary's order, the party against whom the order was issued can then utilize the processes of judicial review set forth in section 502. This involves an appeal to the district courts, which would review the record and where necessary, resolve disputed issues of fact, and an appeal to the Temporary Emergency Court of Appeals, based on the substantial evidence test. These provisions of judicial review are not altered.

Mr. President, I ask unanimous consent that the text of the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 271

SEC. 501. (f) (1) The purpose of this subsection is to require separation of the prosecutorial and judicial functions relating to enforcement of the Emergency Petroleum Allocation Act and to impose minimal statutory due process requirements on such enforcement activities so that they conform to all other enforcement actions undertaken by the Department.

(2) If upon investigation, the Secretary or his authorized representative believes that a person has violated any regulation, rule or order promulgated pursuant to the Emergency Petroleum Allocation Act, he may issue a remedial order to the person. Each remedial order shall be in writing and shall describe with particularity the nature of the violation, including a reference to the provision of the rule, regulation, or order alleged to have been violated. For purposes of this section "person" includes any individual, association, company, corporation, partnership or other entity however organized.

(3) If within thirty days from the receipt of the remedial order issued by the Secretary, the person fails to notify the Secretary that he intends to contest the remedial order, the remedial order shall become effective and shall be deemed a final order of the Secretary and not subject to review by any court or agency.

(4) If within thirty days from the receipt of the remedial order issued by the Secretary, the person notifies the Secretary that he intends to contest a remedial order issued under subsection (f) (2) of this section, the Secretary shall immediately advise the Energy Regulatory Board of such notification. Upon such notice, the Board shall stay the effect of the remedial order except where the Board finds the public interest requires immediate compliance with such remedial order. The Board shall, when requested, afford an opportunity for a hearing, including, at a minimum, the submission of briefs, oral or documentary evidence, and oral arguments, and the right to conduct such cross-examination as may be required for a full and true disclosure of the facts. The Board shall thereafter issue an order, based on findings of fact, affirming, modifying, or vacating the Secretary's remedial order, or directing other appropriate relief, and such order shall become final agency action thirty days after its issuance.

MILITARY PROCUREMENT AUTHORIZATIONS, 1978

AMENDMENT NO. 272

(Ordered to be printed and to lie on the table.)

Mr. PROXMIRE submitted an amendment intended to be proposed by him to the bill (H.R. 5970) to authorize appropriations during the fiscal year 1978, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

AMENDMENT NO. 273

(Ordered to be printed and to lie on the table.)

Mr. GRIFFIN submitted an amendment intended to be proposed by him to the bill (H.R. 5970), supra.

AMENDMENT NO. 274

(Ordered to be printed and to lie on the table.)

Mr. BAKER submitted an amendment intended to be proposed by him to the bill (H.R. 5970), supra.

NOTICES OF HEARINGS

RESCHEDULING OF HEARING

Mr. JACKSON. Mr. President, the informational hearing on the analysis of the President's energy program by the Congressional Budget Office which had been scheduled for Friday, May 13, 1977, by the Committee on Energy and Natural Resources has been rescheduled for Thursday, May 19. This hearing will commence at 10 a.m. in room 3110 of the Dirksen Senate Office Building. Questions concerning this matter should be addressed to Betsy Moler or Ben Cooper at 224-0611.

ADDITIONAL STATEMENTS

METRIC CONVERSION: GIVE THE GOVERNMENT A MILLIMETER, AND IT WILL TAKE A KILOMETER EVERY TIME

Mr. HANSEN. Mr. President, 2 or 3 weeks ago, the Department of Transportation announced that it will propose rules and regulations to require the eventual conversion of all highway signs to the metric system.

According to DOT's announcement, the rules are being proposed because of the Metric Conversion Act of 1975. In that act, which was passed in the Senate by voice vote on December 8, 1975, Congress declared that it is the policy of the United States to "coordinate and plan the increasing use of the metric system." The act called for the establishment of a U.S. Metric Board to "coordinate the voluntary conversion to the metric system."

Everybody knows there is no such thing as a "voluntary" Federal regulation, so if the Transportation Department goes ahead with its plan to require metric highway signs, pavement markings, and so forth, we can be sure that State and local governments will "volunteer" to make the necessary changes or else suffer the consequences of some Federal sanction—probably the loss of a portion of their Federal aid highway funds.

The Transportation Department said in its notice that it was interested in receiving public comments on the metric conversion idea, so I have been forwarding to the Department all the letters I receive from Wyoming people. I have gotten quite a number of them—one expressing support for the idea and many

expressing opposition to it. Most people seem to feel the system we have is perfectly all right. They see no need to spend huge sums of money to change over to another system. Several people have expressed the opinion that metric conversion is just another case of the Federal Government forcing on people something the majority neither needs nor wants.

And what about the argument that the metric system is easier to learn and apply to everyday living? One of the people who disputes that theory is University of Denver Mathematics Prof. Herbert Greenberg. In a recent article on the metric system, Dr. Greenberg pointed out that the English words for measurement, such as inch, yard, mile, acre, and so forth, are much shorter and easier to spell and remember. They are easier to remember, he noted, because they are dissimilar and thus easily distinguished, one from another. Metric words, on the other hand, are longer, harder to spell, and are so similar that it is more difficult to distinguish one word from another—centimeter, centiliter, millimeter, milliliter, and so forth.

Dr. Greenberg pointed out:

What we encounter in daily life are problem situations; what is significant is the ability to reduce such problems to mathematical computation. This is called problem solving, and at the level we are discussing, it requires knowing what operation to use. Do you add, subtract, multiply or divide, to get the answer? A mere change of units does not simplify that problem at all.

Dr. Greenberg concedes that the United States probably will have to succumb and join the rest of the world in using the metric system—

The disadvantages of the metric as compared with the customary system of units—and I think they are clear—may seem to pale when compared with the disadvantages of continuing to use two different systems in a world that grows smaller every day.

Still, one cannot help but empathize with those who are perfectly content with our system and who see no reason to change it. As Dr. Greenberg put it:

Just think what we've lost—besides having to pay a bill (if you're a U.S. taxpayer) that, it is estimated, may go as high as $100 billion before the conversion is finished.

No more giving an inch, or fathoming the deep. No more proverbs like "An ounce of prevention is worth a pound of cure." No more coffee cups to measure out our lives.

Some people might express it this way: "Give the Federal Government a millimeter, and it will take a kilometer every time."

Mr. President, I believe other Senators might enjoy reading Dr. Greenberg's article from the March 27 Rocky Mountain News. It is entitled, "A Metric Man Is Coming Soon To Litre Your Future," and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A METRIC MAN IS COMING SOON TO LITRE YOUR FUTURE

(By Herbert Greenberg)

With the passage of the Metric Conversion Act of 1975, the 94th Congress and the President of the United States committed Americans to one of the most far-reaching—and expensive—adventures ever undertaken in the country's history.

The debate about metric had been going on for nearly two centuries before this momentous decision was taken by America's leaders. The metric system originated in France in the 1790s, during the early years of the Revolution. France had supported the American colonies during their own revolution against Britain, and during the first decades of the 19th century there was considerable sentiment in the United States in favor of adopting the new, un-British system.

But tradition prevailed until 1968, when Congress directed the Secretary of Commerce to undertake a "U.S. Metric Study."

Its report was transmitted to Congress in 1971; entitled "A Metric America, A Decision Whose Time Has Come." It was an unqualified recommendation that the country go metric. Congress acted in 1975, and President Gerald Ford signed the bill with the remark that the main impetus for the legislation had come from the private sector. The implication was that ordinary people, like you and me, had at least seen the light.

There is some doubt, however, whether ordinary people had much to say about it, or whether they would have wanted metric if they had known what they were in for.

What are the main arguments that have been proposed in favor of the international metric system (SI, for Systeme International)? And how well do those arguments stand up to examination?

Basically, there are four arguments in favor of metric. The first is that metric is a more rational and convenient system, and more appropriate for the ordinary activities of everyday life. The second is that the metric system is easier to teach and easier to learn, and that its adoption will produce significant savings in educational time and money. The third is that there are major computational advantages of metric over customary units. And finally, it is said that by switching to metric the U.S. will join the rest of the world in an inevitable progress toward greater international communication and understanding.

Is metric more convenient? Metric units may be more rational than customary units, but are they more convenient? Ask for justification of metric and one is told that humans have 10 fingers and 10 toes, that most countries use a decimal number system and a decimal monetary system, and that it is untidy to suffer from such inconveniences as the fact that there are 5,280 feet to a mile. But these arguments seem to miss the point.

Perhaps the most basic objection to metric units is that they come in the wrong sizes for people. When we are engaged in the ordinary measurements of everyday life, the metric precision of hundredths (centi) or thousandths (milli) is seldom required, while the halves and quarters of the customary units, when absent, are sorely missed.

To appreciate the inconvenience that metric entails, imagine what it would be like if the only coins one had were the "decidollar" (1/10 of a dollar—the dime) and the "centidollar" (1/100 of a dollar—the penny). No nickel. No quarter. No half-dollar.

Yet, it is precisely this kind of inconvenience that metric measurements impose. A cubic centimetre, the metric building block of volume or capacity, is much too small to be useful (except in a chemistry lab), besides being hard to say and spell. It doesn't get easier when one knows that a cubic centimetre is a millilitre, that is, one-thousandth of a litre. Who in the home would ever want to divide a litre (about a quart) into 1,000 parts anyway?

The same difficulty exists for units of length. The SI units commonly used are the metre (about a yard), the centimetre (one-hundredth of a metre), and the kilometre (one thousand metres). The millilitre (one-thousandth of a metre) is admittedly for machinists.

But, even the centimetre is not convenient for humans. It's too small. Two and a half centimetres is not quite an inch. A person who is 5 feet 10 inches tall turns into 178 centimetres—a large number and certainly no easier to say or remember because it is the same as 1.78 metres. The metre is not useful for most home measurements. It's too large.

The most useful people-size measurement of all, the foot, disappears. The nearest thing to it is the decimetre (one-tenth of a metre—less than four inches), and this unit is not commonly used in the SI system.

The kilometre is a unit of a useful size for measuring large distances. But so is the mile, which is easier to say and spell. Nature regards neither as sacred. It is approximately 3,000 miles from New York to San Francisco, the Earth is approximately 8,000 miles in diameter, and the Sun is approximately 93 million miles away. It doesn't get easier in kilometres; one just gets larger numbers.

Temperature next. The scale Americans are used to is called Fahrenheit. Markings of temperature in Fahrenheit are on the stove, in the car, on the fever thermometer, outside the window, on the living room thermostat.

Metric temperatures are measured on the Celsius scale, which used to be called centigrade. On this scale, water freezes at 0° and boils at 100°. One of the big selling points of metric is that this is a lot simpler to remember than the Fahrenheit equivalents of 32° (for freezing) and 212° (for boiling). Perhaps for chemistry exams; but the gain doesn't seem to amount to much when we remember that in countries situated in the temperate zones of the Earth, like the United States, the temperature largely ranges between 0° and 100° Fahrenheit. When it's 0° it's cold, when it's 100° it's hot, and everything else lies pretty much in between.

The corresponding temperatures in Celsius are about —18° and 38°, not exactly catchy numbers to remember.

Another human dimension of the discredited customary units becomes apparent when one measures body temperature. Normal body temperature is 98.6° on the Fahrenheit scale. Not a very convenient number, to be sure. But look at it this way: normal body temperature is just under 100° Fahrenheit. Over 100° call the doctor, under 100° wait and see. Normal body temperature on the Celsius scale is 37°—a nondescript, hard-to-remember number if there ever was one.

The situation, as far as ordinary humans are concerned, gets even worse when one asks for the metric unit of weight. Alas, there is no metric unit of weight, or at least none that will be taught to schoolchildren or used by ordinary people.

"What about the kilogram or gram?" one may ask. "Aren't these units of weight?" The answer, sadly, is no. Neither the kilogram nor the gram is a unit of weight. Both are units of mass.

In SI one measures the mass of an object rather than its weight. Why? Because mass is the more basic physical unit. The mass of an object doesn't change from place to place in the universe. Weight does, being a measure of the gravitational attraction present. So astronauts always have the same mass whether they are on the Earth, on the moon, or in orbit. But they only weight one-sixth their Earth weight on the moon and are weightless in orbit.

To be frank, it is simply absurd to insist on a concept like mass because of its invariance from place to place in the universe, when our concerns about weight never get any farther from home than the neighborhood store and the gym! And even if one gets used to thinking like a physicist, the units of mass are still inconvenient for ordinary use. From gram to kilogram is a huge jump, with nothing useful—like the ounce—in between.

The pedantry of metric measurement is also apparent when we deal with smaller amounts of substance, used by people most commonly in medicines. Take, for example, the vitamin pill in metric terms we do not say that we are taking a half gram pill of vitamin C, nor does the label on the bottle tell us that. No, each pill is 500 milligrams. And since a milligram is one-thousandth of a gram, each pill contains 500/1,000 of a gram—which, as everyone should know, is just one-half. One-half gram is three syllables to say, 500 milligrams is six. Which conveys meaning more readily? Which is easier to spell? Unfortunately, fractions like one-half, one-third, one-fourth are considered to be "unmetric."

Is metric easier to learn? Proponents of metric are unanimous in maintaining that the metric system is easier to teach and to learn. The U.S. educational establishment is especially vociferous on this point, going so far—as reported in a U.S. Metric Study Interim Report (1971)—as to claim that savings of substantial amounts of time spent teaching in educational costs, would result from the adoption of metric.

But, aside from the fact that there is absolutely no hard evidence to support these claims, there are also good reasons for thinking the claims are not true. The main reason is that there are serious psychologicl obstacles to learning the metric system, especially for English-speaking people.

If a number of objects are assigned code names, the more similar the names are (in the absence of other clues), the more difficult it is for the human mind to learn to associate the names with the objects. There is a mathematical basis for this psychological fact. "Information theory" tells us that to reduce errors in communication, we must make the words of a code as dissimilar as possible.

One further mathematical point. Information, theory also tells us that, for maximum efficiency of communiction, symbols should be as short as possible. Why only three digits to a telephone area code? Since each digit can be any of the ten numbers 0 to 9, the area codes can range theoretically from 000 to 999, so a total of 1,000 different areas can be labeled.

That is more than enough to blanket the Bell System. More than three digits would be redundant and would add to the memory and system burden.

Now back to metrics. Listed in the left hand column below are the most-used units of length, area, capacity, and weight of the customary system. In the right hand column are an equal number of most-used units in the metric system.

inch	millimetre
foot	centimetre
yard	metre
mile	kilometre
acre	hectare
ounce	millilitre
cup	centilitre
pint	decilitre
quart	litre
ounce (weight)	gram
pound	kilogram

The first thing that becomes obvious is that the English words are much shorter than the metric ones. Next, except in one case (the word ounce has two meanings), the English words are dissimilar to each other, while many similarities exist among the metric terms. Both the short word length and the dissimilarity are distinct advantages of the customary system for communication. And, of course, the English words are easier to say and spell.

There is a pattern to the metric terms, which is the basis for the claim that they are preferable to the customary terms. The metric terms for length all end in "metre" and differ only in prefix. The same holds true for the metric terms for capacity, where the ending is "litre," and for mass, where the ending is "gram." The prefixes are the same in each case, those most used being milli (603 one-thousandth), centi (603 one-hundredth), deci (603 one-tenth), and kilo (603 one thousand).

Superficially, the pattern in metric names seems to give them an advantage over the totally unrelated words of the customary system. The catch is that for English-speaking people, especially children but probably for the majority of adults as well, the prefixes milli, centi, deci, and kilo can only be considered as nonsense syllables. So to remember the association between these syllables and the sizes of things—or, more precisely (where computation is required), the collection of multiples 1/1,000, 1/100, 1/10 and 1,000 which they represent—must be an exercise in pure memory and a difficult one at that.

Proponents of the metric system often ridicule the rods, furlongs, square perches, poles, chains, cords, fathoms, cables, nautical miles, leagues, pecks, gills, drams, hogsheads, and barleycorns of the customary system.

Yet, these are specialized units, which most people never use or have to learn, but which make good sense and are familiar and appropriate to (and even beloved by) the sailor, horse trainer, farmer, or whoever lives with them.

But, if one thinks customary units are a laugh, get a load of the metric prefixes—tera, giga, mega, kilo, hecto, deka, deci, centi, milli, micro, nano, pico, femto, and atto. The only things missing are chico, harpo, zeppo, and groucho.

Also, psychologically, one should not forget the intimate connections that exist between customary units and the dimensions of the human body. This is not only significant for learning, it is also important for the way we view ourselves and our relation to the universe or, more humanly, the relation of the universe to us. But the entire metric system is independent of any human dimension. It is really a disadvantage for the human mind, and isn't it significant to the human spirit, that the adult foot is about a foot in length, that the first joint of the thumb is about an inch in length, that a man's stride is about a yard?

Does metric simplify computations? Turning from pedagogy to arithmetic, what about the claim that metric units will simplify computation?

It is easier to divide by 1,000 to go from metres to kilometres, one is told as a typical example, than to divide by 5.280 to get from feet to miles. If one merely compares two division problems this may be true. The rule of dividing by 1.000—move the decimal three places to the left—is, for some, simpler than the rule for long division. But both rules have to be learned anyway, and in fact division problems as such are seldom encountered! Only in classrooms and textbooks are we asked to divide one number by another.

What we encounter in daily life are problem situations; what is significant is the ability to reduce such problems to mathematical computation. This is called problem solving, and at the level we are discussing it requires knowing what operation to use. Do you add, subtract, multiply, or divide to get the answer? A mere change of units does not simplify that problem at all.

Moreover, in everyday problem situations, exact answers are seldom required, only estimates. We usually round numbers to the nearest ten, hundred, thousand, million, or billion before we compute, regardless of the system of measurements we are using. For example, it would be absured to use an "exact" figure for the mileage between Chicago and Denver and an "exact" airspeed of a plane to compute the "exact" time required to fly a jet between the two cities.

Instead, we estimate the distance at 1,000 miles, the air speed at 500 miles per hour, and divide in to 1,000 to come up with an estimate of two hours' flying time. Newer schoolbooks recognize this and devote considerable attention to estimation, approximation, and rounding. The importance of emphasizing these skills becomes even more evident when it is realized that inexpensive hand-held electronic calculators are now available to do exact computation, whereas the human mind is uniquely suited for the reasoning that underlies estimation.

In 1975 the National Assessment of Educational Progress published a report on problem-solving competence of U.S. children and adults in several age groups. Simple word problems were posed and required translation into one-step arithmetical problems. On the average, these problems were missed by about one out of three adults and two out of three 13-year-olds. But, interestingly enough, it was found that only a very small percentage of those who set up the problem correctly (that is, knew what to do) were then unable to do the computation (that is, failed to know how to do it). This suggests strongly that the arithmetic itself is not where the trouble lies.

Indeed, the developing disputes and difficulties over the curriculum and teaching of metric reminds many of the situation during the 1960s that surrounded the imposition of the "new math" on teachers, students, and parents. The cost to the United States of the "new math" has not yet been tallied, but it was undoubtedly high. Estimates range from tens to hundreds of millions of dollars, to say nothing of the subsequent violent backlash against any innovation in math teaching.

Would a metric U.S. join rest of world? The argument here, of course, is familiar. By switching to metric, the United States will join the progressive, enlightened rest of the world, leaving only presumably backward nations like Liberia, Yemen, and Burma as holdouts. Even the United Kingdom, that last bastion of tradition, has given up the English or customary system of units. Of course, the U.K. no longer had the power to resist.

It may be that even the United States, with its secure geographic position and its enormous wealth and power, was unable to resist. Certainly the world of American business has felt that way. Hearings held prior to the passage of the 1975 act revealed that the larger the business and the more international its scope, the more fervently it supported metrication.

The disadvantages of the metric as compared with the customary system of units—and I think they are clear—may seem to pale when compared with the disadvantages of continuing to use two different systems in a world that grows smaller every day.

In the last analysis, it is a matter of the majority having won. The majority of nations, large and small, have devoted the metric system over the last two centuries, and now the richest and strongest nation must join the rest.

I have no quarrel with the idea that the majority should rule. There isn't any other principle that works, so long as persons and nations disagree. But in this case I wish the majority had joined the minority.

Just think what we've lost—besides having to pay a bill (if you're a U.S. taxpayer) that, it is estimated, may go as high as $100 billion before the conversion is finished.

No more giving an inch, or fathoming the deep. No more proverbs like "An ounce of prevention is worth a pound of cure." No more coffee cups to measure out our lives. As the language changes, so will we change

from variegated human being to universal metricated man.

NATIONAL OBSERVER REPORTS ON COMPUTER CRIME

Mr. RIBICOFF. Mr. President, computer-related crime is a serious threat to government and private industry. The staff of the Senate Governmental Affairs Committee reported on this subject in a staff study entitled "Computer Security in Federal Programs." This document was issued February 2, 1977.

Many of the issues examined in the staff study are discussed in an article in the National Observer May 23, 1977, by August Gribbin. Mr. President, I ask unanimous consent that the National Observer article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the National Observer, May 23, 1977]

BEWARE! COMPUTERNIKS AT WORK

(By August Gribbin)

It is approaching midnight. In a darkened office at one of the University of Illinois' computer centers, four pale, rumpled young men sit engrossed before consoles linked to one of the nation's most advanced computer systems. Their fingers flash expertly over the terminal keyboards, and the display screens' illumination glows eerily on their faces.

Most nights they might be working on arcane, personal computer-programing projects or playing computer "games" until the cleaning crews routs them at 6 p.m. They refer to themselves as "computer freaks." They say they're "addicted" to working with computers. And they aren't entirely joking.

Others know their kind as "computer bums," "computerniks," "computer groupies," or "systems hackers" because they're victims of history's first computer-produced compulsion. Whether they're basically engineers, biologists, or philosophers, computerniks can program computers, and they spend spectacular amounts of time doing it.

As a group, computerniks are brilliant, aloof, obsessive, and almost always male. Their compulsive need to display their programing virtuosity sometimes leads them to bend ethical rules. Computer experts and a recent Senate study contend that such programmers are potential pawns of criminals. One lawyer specializing in the law of technology, August Becqual of Washington, D.C., estimates that computer crime now costs the nation $100 million a year.

Just for the challenge of it, computerniks have been known to crack security codes set up by other programmers to prevent access to confidential material. Some have gone further, stealing and selling the information. In a case now awaiting trial, criminals allegedly persuaded computer programmers to alter Penn Central Railroad programs to divert 200 loaded freight cars to a remote siding. The crooks allegedly unloaded the goods and sold them for about $100 million. Moreover, because computer time itself is so expensive, computerniks have occasionally "stolen" thousands of dollars worth of it for their unauthorized personal projects—such as handicapped horses.

Prof. Joseph Weizenbaum of the Massachusetts Institute of Technology, author of the recent *Computer Power and Human Reason* (W. H. Freeman and Co., San Francisco; 300 pages; $5.95), says in an interview that he is a reformed compulsive programmer. His book provides somewhat florid but widely accepted explanation of the term:

"Wherever computer centers have become established . . . bright young men of disheveled appearance, often with sunken glowing eyes, can be seen sitting at computer consoles, their arms tensed and waiting to fire their fingers . . . at the buttons and keys on which their attention seems to be as riveted as a gamblers' on the rolling dice. When not so transfixed, they often sit on tables strewn with computer printouts over which they pore like possessed students of a cabalistic text. They work until they nearly drop, 20, 30 hours at a time. Their food, if they arrange it, is brought to them: coffee, Cokes, sandwiches. If possible they sleep on cots near the computer. But only for a few hours. . . . They are oblivious to their bodies and to the world in which they move. They exist at least when so engaged, only through and for the computers."

An ordinary programmer might work marathon stints on occasion and seem intoxicated by the challenges, but he addresses himself to the problem, does lengthy preparatory paper work, records his proress, and lets others operate the computer. Compulsive programmers rarely allow that. And they seldom keep notes or charts, says Weizenbaum.

A CONTRAST IN REALITIES

Other programmers explain that computerniks excel in the technical aspects of programing. They learn each nuance of their computer, its peripheral equipment, and its programs. They work extremely fast—mainly to "interact" with the machine. It's the computernik's speed and ingenuity, in fact, that makes him invaluable to computer-center managers.

Generally the compulsive programmer communicates better with machines than with humans, some observers say. Programing also allows the computernik to create a "world" that he can rule, and he gains a feeling of ultimate power by doing so, according to Weizenbaum.

The four youths at the University of Illinois agree. They speak rapidly, constantly fingering the terminal keyboards and inventing excuses to call up information that flashes obediently onto the screens. "Working with these things isn't a compulsion; we just have to do it, one quips. Another explains: "In the computer world I have control; in the real world I don't. It's a contrast in realities. I sometimes think it's like I try to live inside the computer."

The four youths say the computer gives them a sense of power and prestige, and they concede that the delusion might be dangerous. One confesses that he has created a program to stop computer operations at the campus and has used it twice, once for fun and again after a faculty member angered him.

(PLATO, the huge, innovative time-sharing computer system at Illinois, primarily is a "robot" teacher serving certain colleges, high schools, and elementary schools in 23 states. It also performs crucial operations for a local blood bank and at least one military installation.)

The youths say that attempting to learn the codes that would permit unauthorized access to sensitive data stored in the computer's memory is a "game" among their peers. And they say it's almost routine to obtain and alter others' programs—somewhat as an artist might borrow another's painting, change part of it, and sign it as his own. Moreover, the youths say that although they believe such actions are wrong, many of their peers don't question the ethics involved.

A NEED TO SHOW OFF

The computer center's managers say codes yielding access to guarded information have been stolen. A student in a high school about 90 miles away did it once, and a youth working in a junior-college computer center tapped a phone line, recorded the computer signals transmitted on it, and thus obtained access code that let him obtain relatively sensitive data from the computer. "Like all computerniks, he just had to demonstrate that he could do anything with the system," comments Paul Tenczar, head of PLATO's programing staff.

Compterniks' compulsion to show off worries computer-security experts. They contend that computerniks, believing that feats of virtuosity will gain them recognition in their low-key, esoteric domain, can't refuse challenges. This can make them easy marks for persuasive white-collar thieves, extortionists, and other crooks.

ESSENTIAL TO THE GOVERNMENT

The magnitude of the crimes a computernik can commit is astounding. In one example, a programmer gained unauthorized access to a computer's data bank and extracted an *Encyclopaedia Britannica* mailing list. Sale of the list netted the thieves $3 million. And the legendary Equity Funding Corp. scandal couldn't have occurred without the computer programmers who set up some 60,000 bogus insurance policies and subjected them to fictitious claims. The money from the claims went to the thieves, who milked Equity of $300 million.

The Government utilizes about 10,000 computers. And the Government Accounting Office says automated, "decision making" computers annually issue at least $26 billion in checks, not counting pay checks. These computers send out bills totaling $10 billion and requisitions for goods costing more than $8 billion. The bills, checks, and orders are issued, signed, and mailed by computer; no human examines them to see if they're correct.

One study states flatly that the Federal Government could not function without computers. It's significant, then, that in a recent study titled Computer Security in Federal Programs (Government Printing Office, Washington, D.C. 20402; 298 pages; $2.80), the Senate's Government Operations Committee staff reports that only the computers of the FBI and CIA can be considered "secure." The report adds: "Some Government personnel, particularly in the area of national defense, are troubled by the possibility that 'systems hackers' and 'compulsive programmers' could cause problems. . . . Whether through the desire to make mischief or to create genuine damage, such persons, working in an academic environment where Federal contracts are also being executed, could, it is feared, compromise, gain unauthorized access to, surreptitiously alter, or otherwise render ineffective computer systems supporting Government programs."

VULNERABLE TO TINKERING

Roughly 60 per cent of America's banks could not function tomorrow if their computers or programs were seriously damaged tonight, the report states. It says 80 per cent of the nation's businesses are dependent on some 140,000 computers that are privately owned and less than secure.

Programs in those and in the Government's computers are vulnerable both to computerniks' deliberate tinkering and to accidental alteration, says Donn Parker of the Stanford Research Institute, and an authority on computer security. "Changing a minus sign to a plus sign or the digit 3 to a digit 4, say, might, instead of causing a transfer of data into the computer's memory, wipe the information out," Parker explains.

Computerniks are especially error-prone at times, Parker adds. Professor Weisenbaum, concurring, describes such an occasion: "The compulsive programmer's excitement rises to its most feverish pitch when . . . everything ought to work but the computer nevertheless reproaches him by misbehaving in a number of mysterious, apparently unrelated ways. . . . Then . . . the system the programmer has himself created gives every evidence of

having . . . slipped from his control. . . . His mood and his activity become frenzied. . . . Should his time at the console be nearly up at that moment, he will take enormous risks . . . making substantial changes . . . in minutes or even seconds. . . . He can, under such circumstances, rapidly and virtually irretrievably destroy weeks and weeks of . . . work."

There are ways to head off computerniks' mischief. Many people in the industry advocate strict ethical standards that would be taught to programmer trainees and enforced by industry.

Before working on national-security projects, programmers generally must undergo full background investigations and earn a security clearance. Programmers ought to have similar Government or private clearances before working on programs involving important corporate secrets, computer-security specialists say Finally, they add, computers and programs should be modified to incorporate technical safeguards that are now available but aren't widely used.

Do this, security specialists say, and computer crime and abuses might be drastically reduced.

ZERO-BASED BUDGETING COMES TO WASHINGTON

Mr. GOLDWATER. Mr. President, a lot has been made and a lot is being said of zero-based budgeting. I have naturally, been interested in this approach and have discussed it with a number of prominent economists in whom I have great confidence. It seems that zero-based budgeting has a chance of working if it is started with a new business and the business follows it, but when you try to apply it to government it seems virtually impossible to make it work. President Carter has made quite a bit to do about the success of zero-based budgeting in Georgia, but my inquiry of people in that State who understand State budgeting tell me that it did not do anything, the budget problems continued, et cetera. I am, frankly, skeptical that anything can ever come of it at the government level, but I think we will learn more about it as the discussion continues. I would like to use a rather humorous report written by Dr. James Q. Wilson who is the Henry Lee Shattuck professor of government at Harvard, and he entitles his report, "Zero-Based Budgeting Comes to Washington." I ask unanimous consent that it be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

ZERO-BASED BUDGETING COMES TO WASHINGTON

(By James Q. Wilson)

Charles Pettypoint, the newly-installed efficiency expert in the White House, was eager to see at firsthand how Zero-Based Budgeting was working. He decided to drop in on an agency getting ready to use it, and selected the National Park Service in the Department of the Interior.

He arrived to find the entire senior staff of the Park Service seated around a big table. The Director seemed pleased to have so distinguished a visitor, and asked Mr. Pettypoint to explain ZBB to his aides.

"Well, the idea is to get the most out of the taxpayer's dollar by making sure that every cent we spend is justified."

Everybody around the table nodded. "Hear, hear," one said,

"What we do," Pettypoint continued, "is to assume that the agency—in this case, the Parker service—has no money at all and then . . ."

Murmurs of outraged disbelief erupted, but the Director silenced the room with a firm glare.

"As I was saying," Pettypoint went on, somewhat stiffly, "we then ask the Park Service to justify each dollar of its budget and every activity it carries out. You will have to show us how much of your product or service you can produce for a given amount of money."

Only after a pin dropped noisily to the floor did everyone realize how quiet the room had become. Two older Park officials had turned pale, and the hands of another began to shake uncontrollably.

"Justify *everything?*" the Director asked.

"Everything," Pettypoint replied.

"This year?"

"This year. In fact, within the next three months."

A long pause.

"Men," the Director finally said, "I think we ought to cooperate 100 percent with this splendid idea."

"Sir, you can't be serious . . ." An aide started to rise, but was waved back to his seat by the Director.

"Of course I am serious. Mr. Pettypoint is serious. The President of the United States is serious. We will all be serious."

"Here is what we will do," the Director continued. "Smith, you tell Senator Henry Jackson, the chairman of the Interior Committee, that we are considering what would happen if we closed all the national parks."

"Even those in the state of Washington?" Smith asked incredulously.

"Especially those in Washington," the Director replied. "But stress to the Senator that it is just a mental experiment, a planning exercise. We probably won't *really* close any of the parks in his state."

Suddenly, a beatific expression of sudden enlightenment spread across Smith's face. "Gotcha, chief."

"Gorstwinkle, I want you to get right to work on making up a list of national parks in the order of their importance, so we will know which ones to leave open if we can't reopen all of them," the Director said.

Gorstwinkle started to giggle uncontrolably. "Right away. Of course, I won't be able to keep the list secret, chief. You know, Freedom of Information and all that. . . ." He broke up in laughter.

"I understand," the Director replied, allowing a thin smile to crease his stern features. "Nothing's ever secret any more, I suppose the Sierra Club is bound to find out that we are thinking of closing Yellowstone."

"The Audubon Society will suspect that we might be cutting back on bird sanctuaries," someone remarked.

"Wait until the Daughters of the American Revolution finds out that we are . . ." the speaker gasped for breath, as he shook convulsively with laughter, "that we are analyzing whether it makes sense to leave Independence Hall open!"

Howls rang through the room. One man staggered to the drinking fountain, and another had to loosen his tie to avoid choking.

Pettypoint bristled. "You are not looking at this constructively."

"Oh, but we are, Mr. Pettypoint," the Director replied. "I firmly believe that, as a result of this ZBB exercise, the public will realize that we need more money for more parks."

"But that isn't the purpose," Pettypoint rejoined.

"Isn't it?" the Director asked innocently.

Smith, wiping his eyes, shouted: "Hey, Pettypoint, did you know that some of those women in the Garden Club can hit a moving White House staffer at twenty paces with a potted geranium?" He collapsed back in his chair, overcome with hilarity.

Crestfallen, Pettypoint said plaintively, "Well, maybe the Park Service is not the place to begin. I suppose ZBB would work best if applied to a program that didn't have this kind of organized public support."

The Director stared at him for a long moment.

"Name one."

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the RECORD at this point the notification I have just received.

There being no objection, the notification was ordered to be printed in the RECORD, as follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., May 12, 1977.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith. Transmittal No. 77-37, concerning the Department of the Army's proposed Letter of Offer to Greece for major defense equipment, as defined in the International Trade in Arms Regulations (ITAR), estimated to cost $48.4 million and support costs of $12.9 million for a total estimated cost of $61.3 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF, Director, Defense Security Assistance Agency and Deputy Assistant Secretary (ISA), Security Assistance.

TRANSMITTAL NO. 77-37: NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(B) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Greece:

(ii) Total Estimated Value:
Major Defense Equipment*, $48.4 million.
Other, $12.9 million.
Total, $61.3 million.

(iii) Description of Articles or Services Offered: Ten (10) CH-47C cargo helicopters, support equipment and spare parts.

(iv) Military Department: Army.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid: None.

(vi) Date Report Delivered to Congress: May 12, 1977.

*As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

PERSONAL FINANCIAL DISCLOSURE

Mr. DECONCINI. Mr. President, pursuant to longstanding commitment and belief that all public officials should make full financial disclosure, I am submitting for the CONGRESSIONAL RECORD this date a financial report dated December 31, 1976, of Senator DENNIS DECONCINI and Mrs. Dennis (Susan) DeConcini. Having supported the new Senate Code of Conduct and believing in strict financial disclosures, I urge all colleagues to comply immediately with such disclosure. It is my hope that the public will have confidence in its public officials when there is an overwhelming effort by all Members of Congress to make such disclosures without reservation.

It is important in our American way of life for public officials to reach out to the American constituency with total candidness such as exhibited by the new Code of Conduct and the exemplary efforts of many Members of Congress with their willingness to make financial disclosure a way of life.

Mr. President, I urge the executive branch to impose upon itself, as well as the judicial branch of Government, a requirement to make similar financial disclosure. No one should be afraid of the American people, who we all profess to represent.

I ask unanimous consent that this statement and the accompanying financial report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATOR DENNIS DECONCINI AND MRS. DENNIS (SUSAN) DECONCINI BALANCE SHEET, DECEMBER 31, 1976

ASSETS

Current assets	
Cash in banks	$145,300
Account receivable Committee for DeConcini for Senate (Note 2)	110,500
Prepaid rental tax	602
Total Current Assets	256,402
Income properties—Schedule I	
Buildings	269,685
Less accumulated depreciation	71,752
Total	197,933
Land	103,226
Total Rental Properties	301,159
Other investments	
Stocks and bonds (Schedule II)	58,484
Undeveloped land	65,631
Real estate mortgages and contracts receivable	24,745
Real estate partnerships (Schedule III)	167,756
W. M. Investments, an investment club	2,892
Roadrunner T. V., a partnership	15,000
Cash surrender value, life insurance	60,979
Residence, Arizona	$63,920
Residence, Virginia	157,338
Personal property	26,766
Assets owned by Susan DeConcini (Schedule IV)	445,649
Total Other Investments	1,089,160
Total assets	1,646,721

LIABILITIES AND NET WORTH

Current liabilities	
Note payable, secured by savings account	27,000
Note payable, Valley National Bank (Note 2)	20,000
Note payable unsecured for campaign expenses	35,000
Current portion of long-term debt	8,849
Total Current Liabilities	90,849
Long-term debt	
Mortgage notes, secured by rental property (Schedule I)	194,685
Mortgage notes, secured by residences	131,027
Mortgage notes, secured by land	6,488
Notes payable, unsecured	121,442
Mortgage notes secured by real estate owned by Susan DeConcini	41,494
Total	495,136
Less current portion above	8,849
Total Long-Term Debt	486,287
Net worth	1,069,585
Total liabilities and net worth	1,646,721

SCHEDULE I

SCHEDULE OF INCOME PROPERTIES, DEC. 31, 1976

	Land	Improvements	Accumulated depreciation	Net book value	Mortgages	Mortgagee
Standard Station, Country Club Manor, Pima County, Ariz.	$16,322	$22,019	$21,991	$16,350	None	
Tijuana Taco, National City Annex, Pima County, Ariz.	3,000	27,000	12,179	17,821	$16,663	I.DeC Trust.
Circle K and Ages Laundry, National City Annex, Pima County, Ariz.	1,000	35,070	24,043	12,027	None	
Salem Street Parking Lot, Mission Beach, Calif.	27,500			27,500	16,561	Beth V. Paynter.
Sunset Cliff, business rental. Ocean Beach, Calif.	26,830	85,170	8,517	103,483	63,690	First Federal Savings (1st).
					24,759	Marie Krause (2d).
Crystal Drive, residential. Pacific Beach, Calif.	28,574	100,426	5,022	123,978	58,872	American Savings (1st).
					14,140	James Dunlap (2d).
Total	103,226	269,685	71,752	301,159	194,685	

SCHEDULE II: SENATOR DENNIS DECONCINI SCHEDULE OF STOCKS AND BONDS, DECEMBER 31, 1976

Number of shares and name	Cost
80 Anaconda	$2,432
200 Brunswick Corp.	3,025
100 Banco de Las Americas	2,040
687 Diamond Life Insurance Co.	1,000
20 E-Systems	420
119 Fidelity Trend	2,500
40 Homestake Mining Co.	$1,440
10 IBM	2,692
100 Inter-Island Resorts, Ltd.	516
100 Liberty Corporation	1,772
300 National Airlines	3,750
100 Pan American World Airlines	1,600
8 Southwestern Research and General Investment Co.	54
2 Southwestern Research Corporation	20
500 Tucson Properties	$10.200
100 U.S. Filter	1,459
653 Valley National Bank	15,509
1 State of Israel Bond	1,000
24 Monterey Water Co.	5,400
64 Royal Inns	712
100 Baron Industries	1,143
Total	58,484

SCHEDULE III

SCHEDULE OF REAL ESTATE PARTNERSHIP INTERESTS, DEC. 31, 1976

	Total	3-D properties	2-D properties	4-D properties	DeConcini-Hurley	2-D Larriva	3-D Niles	4-D Gallo	Demby properties	L. & D properties
ASSETS										
Real estate (at cost or tax basis):										
Depreciable assets:										
Buildings	$1,705,521	$331,878	$88,755		$95,551		$33,052		$152,733	$1,003,552
Other improvements	59,577	1,515							56,836	1,226
Furnishings	12,406	3,273			5,179				3,399	555
Total	1,777,504	336,666	88,755		100,730		33,052		212,968	1,005,333
Less accumulated depreciation	654,611	138,498	58,578		16,120		13,433		7,848	420,134
Net depreciable assets	1,122,893	198,168	30,177		84,610		19,619		205,120	585,199
Land	855,191	155,820	108.043	$295,447	48,835	$26,000	8,615	$22,344	100,000	90,087
Total real estate	1,978,084	353,988	138,220	295,447	133,445	26,000	28,234	22,344	305,120	675,286

SCHEDULE III—Continued

SCHEDULE OF REAL ESTATE PARTNERSHIP INTERESTS, DEC. 31, 1976—Continued

	Total	3–D properties	2–D properties	4–D properties	DeConcini-Hurley	2–D Larriva	3–D Niles	4–D Gallo	Demby properties	L. & D. properties
Other assets:										
Shopping Center, Inc., stock	$400,000			$400,000		$8,000		$20,708		
Mortgage notes receivable	77,148			48,440						
Accounts receivable	669	$6,669		(6,000)						
Prepaid expense	122,590	169	$76,615							$45,806
Cash	39,745	10,329	7,078	422	$7,038	1,611	$1,174	7,366	$421	4,306
Total other assets	640,152	17,167	83,693	442,862	$7,038	9,611	$1,174	28,074	421	50,112
Total assets	2,618,236	371,155	221,913	738,309	140,483	35,611	29,408	50,418	305,541	725,398
LIABILITIES AND CAPITAL										
Long-term debt:										
Mortgage notes due financial institutions	1,559,053	193,110	35,600	4,875			22,750		234,400	1,068,318
Notes due individuals	575,062	70,572		444,490	60,000					
Total long-term debt	2,134,115	263,682	35,600	449,365	60,000		22,750		234,400	1,068,318
Other liabilities	130,009		[1] 101,324	[2] 27,681	453		147		190	214
Partners' capital:										
Dennis DeConcini	167,756	35,517	42,494	63,683	40,015	8,966	1,104	8,403	8,863	(41,289)
Other partners	186,356	71,956	42,495	197,580	40,015	26,645	5,407	42,015	62,088	(301,845)
Total partners' capital	354,112	107,473	84,989	261,263	80,030	35,611	6,511	50,418	70,951	(343,134)
Total liabilities and capital	2,618,236	371,155	221,913	738,309	140,483	35,611	29,408	50,418	305,541	725,398

[1] Condemnation award, deferred gain.

[2] Installment sale, deferred gain.

SCHEDULE IV: SUSAN DECONCINI STATEMENT OF FINANCIAL CONDITION, DEC. 31, 1976

ASSETS

Current assets:		
Cash in banks		$52,183
Mortgage receivable, Maricopa County property		76,910
Securities		57,590
Total current assets		186,683
Real estate investments:		
Buildings and improvements, California rentals	48,800	
Less accumulated depreciation	31,470	17,330
Buildings and improvements, Arizona rentals	46,000	
Less accumulated depreciation	9,671	36,329
Land, California rentals		39,355
Land, Arizona rentals		110,557
One-half interest in 12 acres, Maricopa County, Ariz		5,220
One-half interest in 5 acres, Maricopa County, Ariz		2,175
One-half interest in 120 acres, Maricopa Garden Farms		48,000
Total real estate investments		258,966
Total assets		445,649
LIABILITIES AND NET WORTH		
Liabilities:		
Mortgage payable, California rentals		41,494
Net worth Susan DeConcini		404,155
Total liabilities and net worth		445,649

DENNIS DE CONCINI

Notes to Balance Sheet and Schedules for year ending December 31, 1976

Note 1: Assets are reported at that basis which would be used in computing gain or loss for Federal income taxes. No attempt has been made to determine the fair market value of the assets.

Note 2: The receivable of $110,000 from the Committee for DeConcini for Senate represents loans made by Dennis DeConcini to the Committee. In March 1977 the receivable was reduced by a payment of $37,000, leaving a balance of $73,000. It is impossible as of this date to determine whether the balance or a portion thereof will be paid. In March 1977 the not payable to the Valley National Bank was paid. A payment of $15,000 was made during March 1977, thereby reducing to $20,000 the amount of the unpaid balance of the note payable to Evo DeConcini.

Note 3: Senator and Mrs. Dennis DeConcini have obtained an extension to file their Federal and State income tax returns for the calendar year 1976. Their returns are due on June 15, 1977, and the returns are expected to be filed on or before that date. Approximately $40,000 has been paid, through withholding or estimated taxes, toward the 1976 Federal tax liability and it is believed that said payments will exceed the tax liability for 1976.

BALANCING THE 1985 ENERGY ACCOUNTS

Mr. HATCH. Mr. President, as we approach consideration of S. 7, the Surface Mining Control and Reclamation Act of 1977, I think it is crucial to keep in mind the President's declared policy of dramatically increasing production of coal as a keystone of his energy plan. The President's own figures show that our country must increase production of coal from the 665 million tons in 1976 to more than 1,200 million tons in 1985. In all the testimony on this bill the administration has never made clear how this increased production is to be achieved. All the obstacles to increased coal production have never been addressed in any of the President's speeches or in his detailed remarks. There is an assumption that since we will need and demand increased coal production that we will automatically get it. The administration is on record in favor of not only the version of S. 7 reported out of the Energy Committee, but it is also backing restrictive proposals to limit coal mining further on so-called alluvial valley floors and prime agricultural lands. I do not believe that this body should consider this legislation in a vacuum. The Senate must relate the impact of the Surface Management Act on coal production to the goals enunciated by the President in his energy message. I would strongly recommend that my colleagues read the excellent article in the May 16 Washington Post entitled "Balancing the 1985 Energy Accounts" by Dr. Hans H. Landsberg, an economist and senior research fellow at Resources for the Future. His incisive analysis reveals the gap between the wish of the President's energy proposals and the realities of likely production, not only in coal, but in all of our major energy sources. I ask unanimous consent to have the article printed in the RECORD and urge every Member of this body to read it before we take up and consider this year's strip mining bill.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BALANCING THE 1985 ENERGY ACCOUNTS

(By Hans H. Landsberg)

Only now that the government has released its pamphlet entitled "The National Energy Plan" is it possible to learn how the energy accounts are to come into balance by 1985. While it is a highly readable booklet, those in a hurry can go to the 96th of its 103 pages and find it all spelled out in a handy little statistical table. What they will discover is not quite what the government presentations, beginning with the President's April 18 television address, had led them to expect.

Three noteworthy findings emerge. First, while widely proclaimed as relying mainly on conservation, the plan is not all that conserving. Without it, energy consumption by 1985 would rise by 31 per cent; with it, by 25 per cent. The difference could be made good by importing an extra 2 million barrels of oil per day.

Second, the soul of the plan is not so much to shift from using more to using less energy, as from burning oil and gas to burning coal.

Third, while one would expect it to stress measures to boost coal production, the plan contents itself with the statement that coal production is principally demand-limited and directs most of its effort at reducing oil and gas use.

Now let us dig a little deeper. The administration's statistics show energy demand to rise from 74 quadrillion Btu's, or "Quads," to 93 Quads in 1985—an average annual rate of growth of just over 25 per cent. That's not an implausible figure, given long-term historic growth rates around 3.5 per cent, though in exponential growth, given enough time, even fractions of 1 per cent have quite a kick. Thus small differences in assumptions can have large consequences, especially when so much turns on hitting the plan's 1985 bull's eye: oil imports held down to 7, or hopefully 6, million barrels per day.

On the supply side, the plan's center ring is occupied by coal. Between 1976 and 1985 production is expected to increase to about 1,225 million tons, up from 665 million tons in 1976; probably by more, if, as is likely, the share of low-Btu Western coal increases substantially. Raising coal output in the next nine years by 560 million tons will require more than ordering utilities and industry generally to burn coal or making it costly for them not to do so.

Similar past efforts have come to naught in the fact of the companies' resistance, based on environmental, technological, and economic grounds. The plan hopes to cope with this by reversing the burden of proof; that is, the utilities must show cause why they cannot shift to coal. It is easy to foresee that enough of them will engage in prolonged and quite possible successful efforts to show such cause as to frustrate the objective.

It is worth noting that in its long history the bituminous coal industry has never produced more than it did in 1976. Its previous peak output year was 1947 when it mined 631 million tons of coal. Now every added ton produced sets a new record. Consequently, not only must mining companies grow, but all facilities associated with coal, including, prominently, transportation and manpower, must grow apace. State/federal conflicts must be resolved, the aspirations of the Indian tribes controlling large amounts of Western coal have to be reconciled, land-use and restoration practices must be established, and so on.

That in this context the coal industry can raise output by an annual average of 60 million tons is highly unlikely, if not outright impossible. That the energy plan fails to even address these issues is a major flaw. That its success rides on achieving something close to the announced goal is certain.

Three more domestic supply items are specified to help meet 1985 demand. Domestic oil production, in decline since reaching a peak in 1970, must rise by 12 per cent; natural gas production, in decline since 1974, must not dip by more than 7.5 per cent; and nuclear energy must nearly quadruple. What are the chances of all this coming true?

For oil, the hopes are pinned on output from Alaska, from the Outer Continental Shelf, and from so-called enhanced recovery, that is, squeezing out oil from old reservoirs. The top Alaskan oil supply cannot be more than the pipeline can carry, that is, 2 million barrels per day. Net additions from Outer Continental Shelf reservoirs will depend on the pace and volume of leasing in the next two or three years. Leasing beyond that time will not produce much by 1985. Expectations from enhanced recovery have traditionally been high and achievements low. There are some 300 billion barrels of oil left over in old reservoirs, but technology has for decades failed to come to their rescue.

For natural gas, the principal source to supplement depleting gas reservoirs is the Outer Continental Shelf. Therefore, the postulated decline of less than 8 percent appears optimistic. We will do well to slip no faster.

President Carter's Energy Plan in Numbers

	1976 Quads*	1985 Quads*
Demand	74.0	92.8
Supply		
Domestic:		
Oil, including NGL	19.4	21.2
Natural gas	19.0	17.6
Coal	15.8	29.0
Nuclear	2.0	7.6
Hydro, refinery gain, etc.	3.8	4.6
Total	60.0	80.0
Imports (net):		
Oil	14.6	14.0
Natural gas	1.0	1.2
Coal	−1.6	−2.4
Total	14.0	12.8

*1 Quad=1 quadrillion British Thermal Units. Converted from million barrels of oil per day as in "The National Energy Plan," p. 96.

The plan's nuclear objective is not within reach. It takes 10 years or more to get a nuclear power plant on the line. Thus, no plant not now at least on the order books of the equipment manufacturer can be counted into the 1985 capacity. At most, 130,000 megawatts (up from 42,000 at the end of 1976) is a reasonable guess. The plan figure is high by 20 to 25 per cent, or about 1.5 Quads.

In summary, the chances of achieving domestic targets so that the account can be balanced by oil importation of no more than 14 Quads—7 or, if demand can be further compressed, 6 million barrels per day—are about nil. Coal and nuclear are bound to fall short of their targets perhaps by as much as a combined 6 Quads, and lagging oil production is almost sure to raise that figure by another Quad or two. Thus, the plan will easily need an extra 7 to 8 Quads. Barring much more drastic conservation measures, such as import quotas and/or rationing, they can come only from additional oil imports: 3.5 to 4 million barrels per day of oil above and beyond the target, or total 1985 oil import volume of 10.5 to 11 million barrels—if we are lucky, that is.

Once the proposed 1 billion barrels of oil have been placed into strategic storage, this is not a "wrong" outcome. Rather, what is wrong is not to face the near certainty that the target cannot be reached within the plan's time frame and with the measures proposed.

If Congress can stop staring at the gasoline tax, it might usefully focus on the demand/supply balance sheet of 1985. In the process it might decide that 7 million barrels a day is not an immutable objective and, equally important, that 1985 is awfully close, especially since much of 1977 will be consumed in writing legislation. Though curbing demand might get tougher after the mid-80s when the short-term conservation measures have been put in place, supply expansion calls for a longer time perspective.

The 1985 time frame coupled to the 7 million barrel import target is a self-imposed straitjacket. Loosening it could lead to a more realistic assessment.

A CALL FOR SUBSTANCE OVER SHADOW

Mr. McGOVERN. Mr. President, on Saturday, May 7, I addressed the National Convention of the Americans for Democratic Action at the International Inn in Washington.

As is customary for the president of ADA at the beginning of a new administration, I offered a critique of the opening months of the Carter administration. It is not easy to criticize the President of one's own party, but it is important to the Nation and to the administration that we express our views honestly, openly, and bluntly. That is what I tried to do.

I ask unanimous consent that the text of my remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

A CALL FOR SUBSTANCE OVER SHADOW

(By Senator GEORGE MCGOVERN)

Last year we campaigned for the Democratic Party and for the principles which it pledged. Now we meet not merely to celebrate the success of that party, but to continue the struggle for those principles.

The effort may be lonely for a while. A strange silence has descended on our political life. We all seem mesmerized by image, taken by symbol. We seem to count the ratings of polls far more than the content of policy. Only the first hundred days of this new administration have passed, but these early days may be setting the shape of the next thousand. I believe it is imperative to talk plainly of the concerns which many have, but most are reluctant to speak.

First of all, let us mark the signs of progress. A partial amnesty has begun to heal the internal wounds of the Indochina war. Improved relations with Cuba are clearing another cloud of the cold war. We will not again veto Vietnam's desire to join the United Nations. This President is proposing youth employment instead of opposing school lunches. The Government is prosecuting official lawbreakers instead of pardoning them. There is an atmosphere of openness—of a less imperial, more accessible leadership.

For the first time in 10 years, we have the happy opportunity of being hopeful about a national administration.

But as we knew a decade ago, when the Great Society was made meager for Vietnam, we have the harder obligation of being honest about the defects as well as the good deeds of democratic power. Many can be found to praise every measure of any president of their own party. By our name we express the different nature of our role. We are Americans before we are Democrats—and we are committed to certain kinds of action. We reject the easy partisanship of the satiricial verse: "I always voted at my party's call and never thought of thinking for myself at all."

Marching in mindless lockstep is the lowest form of party loyalty. Americans for Democratic Action have given democratic administrations our best support by calling on them to become better. In 1961, John Kennedy asked an ADA delegation to dissent publicly from his economic timidity—to mount the pressure and contribute to a constituency for expansion and full employment.

Today we dare not forget or forsake that tradition. For this administration, like others, will be partly the product of the pressures on it.

The agents of the status quo are pushing relentlessly to influence the direction of policy. The advocates of change must not be content with labels, symbols, and small consolations. We must not trade full employ-

ment for a town meeting. Those who talked back to John Kennedy should not be afraid to speak up to Jimmy Carter. His democratic campaign took him 200,000 miles to the Presidency; but now that President, that party, and all of us have more miles to go to keep the promises that won the power.

Let us keep the promise of economic justice. If the Democratic Party betrays that goal, which is our oldest pledge and the greatest difference between the parties, then our success will become mere office-mongering for ourselves. A new administration was not elected in order to hand out 2,500 Schedule C jobs to politicians, but to provide jobs for unemployed millions of Americans.

Yet in reviewing economic policy this spring, it sometimes seems difficult to remember who won last fall. In the words of George Meany, whose voice has been one of the few heard amid the sounds of liberal silence, the economic stimulus plan was "shameful" and a "bitter disappointment to everyone who looked to this administration for economic justice for the poor."

The corporations have cried the wolf of "business confidence" and the administration has run scared. Retreats from the President's original economic plan have reduced it from $16 billion to $4 billion this year. The projections of GNP growth have declined sharply. The official prediction is nearly 6 percent unemployment in 1980; the probable outcome may be closer to 8 percent. Last year Jimmy Carter said that full employment was his first priority. Then it should not be postponed until a second term.

When President Kennedy faced the blackmail of "business confidence," he denounced it as economic mythology. A month after he cracked down on the steel price increases, with the whining coming from every bank and board room, he replied that "lack of confidence in the national administration . . . is a false issue . . . business had full confidence in the administration in power in 1929!"

Once again, it is time for Democrats to talk such economic sense to the American people. Not only can we afford full employment, but we cannot afford continued unemployment. The difference between today's jobless rate and the 4 percent goal costs the National Government $53 billion a year in social programs and lost taxes as well as $120 billion of lost output. We do not have to accept the endless repetition of half recovery and half recession.

We are told that it is better that millions should be kept idle for the sake of price stability. It is a curious double standard which tells only the worst off among us to ask what they can do for the economy. Thus a tax cut for individuals was withdrawn as inflationary while a tax credit for industry was defended as expansionary.

We are warned that government must not limit the price spiral. Richard Nixon gave that good idea a bad name. We did not stop having Presidents because Nixon abused the office; we do not have to abandon reasonable wage and price policies because Nixon's controls were unfair, uneven and politically manipulated. The special interests which lavishly financed his election now invoke his bad example to block even token restraints. Then they can raise their prices at will. And a Democratic administration resorts to Republican economics of tolerating unemployment to temper inflation. The uncomfortable fact is that unemployment is not curing inflation. We continue in stagflation—that worst of all combinations of high inflation and low employment; of postponed housing and delayed tax justice. This morning's press tells us that unemployment is 7 percent while wholesale prices rise at an annual rate of 13.1 percent and consumer prices go up 10 percent.

This is not the promise we have made. Franklin Roosevelt stated our principle during the great depression.

Now let us remember and repeat his demand for "economic plans that build from the bottom up, not from the top down, that put their faith once more in the forgotten man at the bottom of the economic pyramid." Let us insist that we will not balance the Federal budget on the backs of the poor, the hungry and the jobless.

And let us apply the same standard of fairness in solving the energy problem. "Trickle-down" prosperity may be senseless, but it is more absurd to have a torrent of energy overcharges flowing upwards to a few corporations at the top of the economic pyramid. This administration favors new nature gas prices triple the rate that a Federal court found to be reasonable last year—and the producers would reap $5½ billion extra over the next 10 years. If the energy industry refuses to invest without bloated prices, then let us tax excess profits. If they hoard supplies or buy up alternative sources, then let us break their monopoly over our marketplace. Such matters are questions not just of management, but of social morality. The answers will not be found in James Schlesinger's energy computers any more than the answers to Vietnam could be found in his Pentagon computers. The conglomerates may lobby and complain, the executive branch may bend to their pressure, but we must say: no gasoline taxation without antitrust legislation.

Business appeasement at full tide threatens to sweep away another basic democratic commitment—one which was reiterated over and over during the campaign—that we would change a tax system which is "a disgrace to the human race." Reportedly the Treasury Department is now preparing new tax credits for business in the guise of tax reform. But that is not what the Democratic Party meant at all. We did not mean just to simplify the disgrace and throw in token redistribution; we did not mean to multiply the loopholes and relabel them reform. We thought the disgrace was not mere inefficiency but vast inequities. Today the most privileged 5 percent of our population owns over 50 percent of our national wealth—and nearly one-half of our people have only one-fiftieth of it. They did not expect—they did not vote for—tax injustice in the name of justice. So let us keep our pledge—not technically and in title only but truly and in substance.

The Democratic promises were not made to be postponed. Welfare reform should not be delayed until 1981. The country did not think that the new President's plan would be 4 more years of the same old mess. And national health care must not be offered repeatedly and put off indefinitely. The class discrimination of medicine in this Nation kills thousands of our citizens and keeps thousands of others sick.

Except for race discrimination, it is the most shameful domestic blot on our ideals. We are told that we lack the funds to finance the elementary human right of health care. But what is really missing is the will to withstand the special interests of the medical establishment and the insurance companies. Last month doctors pressured HEW into exempting them from its proposed price restraints. Instead, a Democratic administration ought to be resisting vested influence and reorganizing the whole wasteful structure of medicine for hire. Then perhaps even in dollars and certainly in lives, national health care would be less expensive than the present non-system of national health neglect.

If our promises are impractical now, they were impractical last year and our party should never have made them. At every turn we are told that they cost too much. But cost, cost, cost has been the litany of opposition to every social justice since the new deal. The opposition is a sometime thing: It all depends on whose welfare is at stake. Why didn't the Lockheed loan cost too much? Why didn't the Penn Central bailout? Why isn't the investment tax credit too expensive?

In fact, we cannot afford to keep our promises selectively. They are a seamless web. We can have the revenues for welfare reform if tax reform does not become more loopholes or lower rates for the higher brackets. And we can have enough resources for other initiatives only if we keep one other pledge—that in power a Democratic President will challenge the excesses of the Pentagon budget. We can serve human rights here and abroad by reducing military aid to Korea. But the administration wants to raise the appropriation by 77 percent. That money could pay for hundreds of narcotic clinics, expanded preventive health measures, or millions of school books.

Similarly, we need not wait for SALT to cancel the B–1 bomber which may add billions to military spending but nothing to national security. The President's compromise of building five of the bombers this year would consume $500 million. With that wasted $500 million, we could expand the job-creating housing construction so urgently needed in both urban and rural America.

This is an old, a wearisome and an essential matter. The clearest lesson of the last decade is that we cannot be both a Garrison state and a just society. America cannot be both Sparta and Athens.

If we had that promised $5 to $7 billion reduction in the military budget instead of a Pentagon lobbying for more, we could begin reversing the decline of New York, Philadelphia, Boston, Detroit, all the great cities of the industrial northeast, all of them centers of civilization and commerce. In those cities the urban crisis is not a cliche, but a burning issue—and the fire next time could flare up next summer or next year.

And again, if we had realized that promised $5 to $7 billion reduction in military waste, it would not have been necessary for an embarrassed Secretary of Agriculture to tell the farmers of America that the minimum wage for them should be only 50 percent of a fair return. When farm families are forced off the land, rural America declines and the urban crisis worsens.

Long ago Heywood Broun defined "a liberal as a man who leaves the room when the fight begins." A.D.A. has never followed in that man's footsteps. We have never chosen the course of least resistance. We have fought to hurry the history of America toward justice and peace. We know that winning the Presidency is only another phase of the fight. We have been in the room with Harry Truman, John Kennedy and Lyndon Johnson, fighting for them and with them to fulfill Democratic promises.

Now we are in the room with Jimmy Carter—we are Americans for Democratic Action, and we intend to keep on fighting.

We want to be able to applaud the President's record as strongly as we approved the platform on which he ran. But we will not be a cheering section for tinkling symbols signifying nothing. We will not agree to substitute cold technocracy for compassionate values. We will never be, as one Carter advisor wrote of some other Democrats, among "the easiest to dominate." We do not happen to have what that advisor called "a willingness to accept any status quo that provides—power and patronage." Rather we seek to call our party to a higher standard.

We want this administration to return to the historic mainstream of the Democratic Party. Nine years after Robert Kennedy, too many yet "see things as they are and say why?" We want this administration to "see things which never were and say: Why not?"

FINANCIAL STATEMENT OF SENATOR LEAHY

Mr. LEAHY. Mr. President, during my first year in the Senate I said:

I realize that, with the exception of my distinguished senior colleague Senator Stafford, members of the Vermont delegation have not made a practice of making public their financial statements. Senator Stafford, however, for years has made available complete disclosure of his own personal finances. During the years I was in public office in Vermont, I also made available similar information.

I commend Senator STAFFORD for his totally voluntary openness and his strong sponsorship of legislation that would require Members of Congress to follow his lead. As the junior Senator from Vermont, I have followed Senator STAFFORD'S lead and published a financial statement each year that I have been in the Senate I will do so again this year.

I include the following in the RECORD at this time:

Net assets of Patrick J. Leahy and Marcelle P. Leahy on May 15, 1977

Equity (appraised value less outstanding mortgage balance) in Vermont residence at Middlesex	$13,700
Equity (appraised value less outstanding mortgage balance) in Washington residence at McLean, Va.	11,400
Amount paid in and on deposit in Federal Retirement System as of April 30, 1977	8,532
Life insurance cash value	2,000
Total of all personal property (furniture, savings accounts, car, clothing, etc.) after deducting personal liabilities in the form of nonmortgage loans outstanding to Vermont banks	9,500
Total Net Assets	45,132
Total income in addition to Senate salary (reported in detail with the Secretary of the Senate)	2,246

Comparison—1976 and 1977 statements:

	1976	1977
Net worth	$52,633.39	$45,132.00
Taxes paid previous year (Federal, State and local)	[1] 14,914.00	[2] 10,240.00
Outside income (previous year)	[1] 14,149.00	[2] 2,246.00

[1] 1975.
[2] 1976.

As always, my income tax return, Mr. President, is available for inspection by anyone who wants to bother to see it and has nothing better to do. It should rank in interest with reading last year's Washington Redskins' football scores.

THE CLASS OF 1977

Mr. HARRY F. BYRD, JR. Mr. President, the college of William and Mary in Virgina held its commencement ceremonies yesterday in this, the 284th year of its existence.

More than 1,300 degrees were awarded, and approximately 10,000 persons attended the ceremonies.

I spent parts of 2 days on the William and Mary campus at Williamsburg and was much impressed with the students, the faculty, and the hundreds of alumni who returned for the occasion.

I was tremendously pleased and highly honored to have received an honorary doctor of laws degree. This means much to me, coming as it does from the oldest college in the United States and one which means so much to Virginia and Virginians. I am most grateful to the board of visitors, whose chairman is John R. L. Johnson, Jr., and to the president of the college, Dr. Thomas A. Graves, Jr.

But my purpose in rising in the Senate today is to express both pride and confidence in the young people graduating from our high schools and colleges in this summer of 1977. I have been on several campuses recently, and I am much impressed with the young men and women—and with their seriousness of purpose.

The college of William and Mary in Virginia typifies, I think, the high caliber of the Nation's youth. If, indeed, that is the case, and I believe it to be, then one has cause for optimism for the future of our country.

SOIL EROSION

Mr. HUMPHREY. Mr. President, although nearly $15 billion has been spent on conserving our soil since the mid-1930's, erosion remains one of the most pervasive environmental problems the nation faces. More than one-third of all cropland is suffering soil losses too great to be sustained without an ultimately disastrous decline in productivity.

I have asked the Office of Technology Assessment to make a thorough study of our current soil losses and the technologies available to arrest current trends. I have asked OTA's board chairman, our colleague Senator KENNEDY, to act as quickly as possible on this issue.

Luther J. Carter has written a perceptive article, "Soil Erosion: The Problem Persists Despite the Billions Spent on It," in a recent issue of Science magazine. In this article Mr. Carter cites a number of reasons for the persistence of the soil erosion problem. Most disturbing, he reports a recent General Accounting Office report indicating that soil erosion losses on farms participating in USDA conservation programs have been as large as those losses on nonparticipating farms. Losses from both groups of farms were above a tolerable level if current productivity is to be maintained.

Mr. President, I ask unanimous consent that Mr. Carter's article, which appeared in the April 22 issue of Science, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOIL EROSION: THE PROBLEM PERSISTS DESPITE THE BILLIONS SPENT ON IT

The dust storms that have swept part of the Great Plains in recent months have been for many people a surprising reminder of the 1930's, when such storms were so devastating as to drive thousands of people from their farmsteads. And, in truth, conditions of the kind that produced the "Dust Bowl" in the southern Great Plains 40 years ago have in some areas reasserted themselves ominously.

Yet, while drought, high winds, and blowing dust have brought severe hardship and even ruin to many farmers this year, the chief significance of the dust storms does not lie in their immediate effects, however distressing. Rather, the dust storms are especially significant as spectacular if redundant evidence that effective soil conservation of the kind necessary to sustain the agricultural productivity of the Great Plains and other farming regions over the long term simply has not been achieved.

Indeed, although nearly $15 billion has been spent on soil conservation since the mid-1930's, the erosion of croplands by wind and water (in most of the United States, erosion is caused chiefly by water) remains one of the biggest, most pervasive environmental problems the nation faces. The problem's surprising persistence apparently can be attributed at least in part to the fact that, in the calculations of many farmers, the hope of maximizing short-term crop yields and profits has taken precedence over the longer term advantages of conserving the soil. For, even where the loss of topsoil has begun to reduce the land's natural fertility and productivity, the effect is often masked by the positive response to heavy applications of fertilizer and pesticides, which keeps crop yields relatively high.

This complacency on the part of a large part of the farming community helps explain why, in all the public and political furor over environmental problems during the last decade, soil erosion has received so little attention. Yet water pollution can never be eliminated as a serious national problem until the flow of farm sediments into rivers and streams is drastically reduced

In fairness to the farmer, his tendency to put short-term profits ahead of conservation is not simply a matter of greed, for he has been feeling the effects of inflation and sharply rising costs for tractor fuel, pesticides, labor, and equipment. Many farmers struggle under a growing indebtedness, and their need for increased returns is often very real. Nevertheless, a failure to reduce erosion to acceptable levels—or to where soil losses are not much greater than accretions—could lead sooner or later to a major decline in crop yields.

FAMILIAR REMEDIES

Soil specialists generally agree that erosion can be reduced to tolerate levels by long-familiar engineering and biological methods and practices. These include contour plowing; terracing; strip-cropping (with strips of wheat or other grain crops that give little soil protection alternating with strips of grass or legumes); rotating crops to improve soil structure; leaving harvest residues or litter on the soil surface; converting marginal erosion-prone land from crop production to pasture; planting shelterbelts or windbreaks; and—of increasing importance—practicing "minimum tillage," or disturbing the soil as little as possible in planting operations and thereby leaving strips of sod between crop rows.

(According to estimates of the U.S. Department of Agriculture (USDA), if minimum tillage practices were extended to 80 percent of all U.S. croplands—as compared to the 10 percent covered at the end of 1974—this in itself would reduce soil erosion by 50 percent or more. The continuing spread of minimum tillage, which offers the further

advantage of reducing labor costs and loss of soil moisture, is said to be one of the few encouraging new developments with respect to soil conservation.)

The seriousness of the soil erosion problem was pointed out 2 years ago in a little-noticed report prepared for the Senate Committee on Agriculture and Forestry by the Council for Agricultural Science and Technology (CAST), which is made up of representatives of about a dozen professional groups having to do with soil science, animal husbandry, seed improvement, agricultural engineering, meteorology, and the like. The CAST report said, among other things, that "five problem conditions are evident which could trigger a dust bowl" in the Great Plains and perhaps a part of the Corn Belt if a sustained drought were to occur.

One was that Great Plains farmers were reported to be changing from wheat-fallow or wheat-sorghum-fallow rotations to continuous planting of wheat in order to take advantage of high wheat prices, even though this was eliminating strip-cropping for wind erosion control. Also, by plowing with moldboard plows to bury the seed of downy bromegrass (a pest that reduces yields when wheat is grown continuously from year to year without rotation), many farmers were leaving the surface bare of harvest residues that help hold the soil in place.

The other conditions cited were the extensive leveling of fields (in some cases creating) barren patches of erosion-prone sand) to permit the installation of the new wheeled irrigation systems that turn in a wide arc from a center pivot; the conversion of range-land to grain production in response to high prices for grain and low prices for cattle, an unfavorable development from the standpoint of soil conservation because of the greater susceptibility of cropland to wind erosion; and the increasing practice in the Corn Belt of plowing cropland in the fall and turning under the stubble or harvest litter that would otherwise have helped protect the soil from winter and spring winds.

Addressing the soil erosion problem nationally, the CAST report said more than a third of all cropland was suffering soil losses too great to be sustained without a gradual, but ultimately disastrous, decline in productivity. It is generally accepted among soil scientists that even "deep soils" cannot sustain a loss of more than 5 tons an acre per year without hurting productivity. Such scientists therefore see real cause for alarm in the fact that erosion losses nationally have been variously estimated at about 9 or 12 tons an acre per year, and that, in extreme cases, losses of 60 tons or more are recorded. Under normal farming conditions—discounting erosion losses—new topsoil forms at a rate of about 1.5 tons an acre per year. As noted in the CAST report, the Soil Conservation Service's most recent *Conservation Needs Inventory* (published in 1967), reported that farmers in 7 of the 12 Corn Belt states were doing a better job of protecting highly erodible cropland in 1958 than they were a decade later, and that, furthermore, only 36 percent of the some 472 million acres of cropland existing in 1967 had been adequately "treated" against soil erosion through such practices as strip-cropping and terracing.

PROGRAM FAILURES

In February, the General Accounting Office (GAO) issued a report that helps explain why past soil conservation efforts have not GAO visited a total of 283 farms, chosen at random, in the Corn Belt, the Great Plains, and the Pacific Northwest and found that 84 percent of them were losing more than 5 tons of soil an acre per year on those croplands for which measurements were made. Even more disturbing was the fact that there was no evidence that the soil losses were consistently smaller for the farmers who had been participating in USDA conservation programs than for those who had not. Losses for both groups were found to be "well above the maximum tolerable level."

The GAO said that USDA, which has been spending several hundred million dollars annually on various soil conservation programs, had not been actively seeking out those farmers most in need of help; that in the case of the farmers the department had helped, it had not done enough to encourage them to carry out their conservation plans effectively and over the long term; and that less than half of the money in the big cost-sharing program administered by the Agricultural Stabilization and Conservation Service (ASCS)—$190 million has been appropriated for this program for fiscal year 1977—had been used for measures primarily oriented toward conserving the nation's topsoil and that most of it had gone for improving crop yields. The GAO said that because of this, Iowa—the first state to establish a cost-sharing program for soil conservation—had withdrawn from the ASCS program after only 1 year. The GAO indicated that Congress as well as USDA was responsible for this situation because recent appropriations measures had allowed farmers and the local soil conservation districts wide discretion as to which practices to follow.

A particular criticism which the GAO made of the Soil Conservation Service (SCS) was that its some 2750 district conservationists spend a substantial part of the time preparing elaborate conservation plans for individual farms which are seldom followed and soon become out of date. Less than half of the 119 farmer "cooperators" whom the GAO visited were using the plans the service had prepared for them.

Thomas Barlow, a member of the Washington staff of the Natural Resources Defense Council (NRDC), a private activist group, says that the fundamental weakness in the soil conservation programs is that they are not effectively linked to USDA programs to which farmers look for economic security, namely those that provide price supports, farm loans, crop insurance, and disaster relief. In his recent testimony before the Senate Committee on Agriculture, Barlow recommended that Congress enact legislation to withhold financial assistance until the farmer shows that he has put into effect, and is properly maintaining, an appropriate program of conservation for his land.

Actually, there has been a linkage between farm price supports and conservation practices going as far back as 1935, the year that the SCS was created as a part of Franklin D. Roosevelt's New Deal. But during most of this 40-year period, the farm commodity markets have been plagued with surpluses, and it has been relatively easy to persuade farmers to withdraw substantial acreages from crop production and convert them to pasture, shelterbelts, or other uses consistent with soil conservation.

In more recent years, however, as farm surpluses have been eliminated with the growth of overseas markets, farmers have felt a strong incentive—both because of the rising commodity prices and (in many cases) their growing indebtedness—to put as much of their land into production as possible. The Barlow proposal, which is sure to arouse controversy if it begins to gain currency, is designed to make the farmer a soil conservationist for all seasons, for the periods of high commodity demands as well as for the periods of crop surpluses.

James W. Giltmier, a senior staff member of the Senate Agriculture Committee, does not believe the Barlow proposal is acceptable. In his judgment, neither the farmers nor Congress will sit still for the idea that the government should have that much say-so about how farmers manage their land.

But if this is true, what can be done? Giltmier says that the Senate has already taken a major step in response to the soil erosion problem by passing the Land and Water Resources Conservation Act of 1977. This measure, now pending action in the House Committee on Agriculture, would require USDA to prepare an appraisal of land and water conservation problems—and an action program and statement of policy to go with it—by the end of 1979. But, because the pending bill contemplates a 2-year deferral of major initiatives and calls for a continuation of the strictly voluntary approach to soil conservation, it will not satisfy Barlow and others who believe that the soil erosion problem cries for early and much stronger action.

M. Rupert Cutler, USDA's new assistant secretary for conservation, research, and education, told *Science* that the most promising new approach to the soil conservation problem will be through section 208 of the Clean Water Act of 1972. Under this section, each state is required to submit to the Environmental Protection Agency (EPA), by 1 November 1978, an enforceable plan for abating pollution from all identifiable sources, including such "nonpoint" sources as farmland.

According to the section 208 strategy currently under development by EPA and USDA, the development by EPA and USDA, the some 3000 soil conservation districts—there is one in virtually every farming county—will be used as the local "delivery system" for making sure that the plan objectives are met with respect to controlling erosion from croplands and farm woodlots. Although these districts are state-chartered local government entities, they typically look to the local and regional employees of USDA agencies such as the SCS, the ASCS, and the Farmers Home Administration to do necessary fieldwork, such as giving farmers technical assistance on erosion problems.

CHANGE THE BUZZWORDS

What this means, then, is that it will fall to USDA personnel to persuade farmers to do whatever must be done if needless erosion is to be stopped. An obvious advantage of proceeding in this way is that, because of the comfortable, friendly relationship that exists between USDA field personnel and farmers, the latter presumably would not feel that they are being visited by some heavy-handed federal enforcers. Also, in light of the backlash against EPA and "pollution control" which is manifest in some quarters, including the farming community, there may well be an advantage in putting the rhetorical emphasis on protecting the agricultural resource base. "If you are going to get the job done, you've got to change a few buzzwords, and 'pollution' is one of them," observes one USDA soil conservation specialist.

But a question that EPA and USDA have not yet seriously dealt with is what to do about those farmers—and there could be many—who prove unwilling to adopt essential soil conservation practices. Section 208 leaves it to the states to provide the sanctions needed to bring recalcitrants into line. Yet, while some 18 states have enacted sedimentation control laws, Joseph Krevac, EPA's branch chief for "nonpoint" water pollution sources, says that in all but two of these states—Pennsylvania and Iowa—erosion associated with farming activities has been exempted.

Congress may find that, just as Barlow has suggested, the most readily available sanction for enforcing compliance with 208 plan objectives is to make the adoption of adequate soil conservation practices a condition for participation in USDA financial assistance programs. And, since Congress has required floodplain zoning and the floodproofing of buildings as a condition for federal flood insurance, one can certainly argue that it would make equally good sense to insist on soil conservation practices as a condition for future farm loans, crop insurance, disaster relief, and maybe price supports.

The very idea of such a thing may be upsetting to farm groups, and Barlow—who is something of a red flag to the farm groups because of his activist role on issues such as stream channelization and wetlands drainage—readily concedes that his proposal will go nowhere unless it is taken up by Carter Administration officials. "I'm a gadfly," he says. "The leadership is going to have to come from the Administration."

Secretary of Agriculture Bob Bergland acknowledges that the soil erosion problem is severe, and his office has a policy review of it now underway. "We are losing 15 tons of topsoil out of the mouth of the Mississippi River every second," he observed at his Senate confirmation hearing. "We know we cannot do that forever. And yet we have only begun to scratch the surface in our conservation activities."

If the Administration does take up the Barlow proposal, there will be some other circumstances that may work in its favor. One is that farmers and the senators and representatives who speak for them in the Congress may conclude that, to obtain passage this year of the kind of farm bill the agricultural community favors, they had better not get at cross-purposes with the Administration and the environmentalists on a major issue of land stewardship. Another is that, with the scenes of billowing clouds of dust blowing in the wind on the Great Plains still fresh in everyone's memory, the public will know that the past stewardship leaves plenty to be desired.

LUTHER J. CARTER.

"VILLA ALEGRE"

Mr. CRANSTON. Mr. President, I would like to bring to the attention of my colleagues California Senate Joint Resolution No. 3 urging the President and Congress of the United States to maintain adequate Federal funding for the bilingual children's television program "Villa Alegre."

The "Villa Alegre" series—which made its debut in the fall of 1974—is now seen over 260 stations across the United States by an estimated audience of 10 million viewers, in school and out of school. In the short period of its existence, bilingual television programing has already become recognized as one of the most effective means available to combat racial isolation for both the nonEnglish speaking and the English speaking child.

Most recently, "Villa Alegre" was nominated for an Emmy award by the Academy of Television Arts and Sciences. This is certainly a tribute both to the producers of "Villa Alegre" and to the U.S. Office of Education for its uninterrupted support.

I hope my colleagues will share this enthusiasm for the educational contributions made by "Villa Alegre" and support its continued Federal funding. I ask unanimous consent that the full text of California Senate Joint Resolution No. 3 be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

(Senate Joint Resolution No. 3)

RESOLUTION CHAPTER 18

Senate Joint Resolution No. 3—Relative to bilingual television programming.

[Filed with the Secretary of State April 19, 1977.]

LEGISLATIVE COUNSEL'S DIGEST

SJR 3, Garcia. Bilingual television. "Villa Alegre."

This measure would memorialize the President and the Congress of the United States to enact legislation to assure the continuance of the bilingual children's television program, "Villa Alegre."

Whereas, In the fall of 1974, an innovative bilingual children's television program known as "Villa Alegre" made its debut nationally; and

Whereas, "Villa Alegre" is produced by Bilingual Children's Television, Inc., a California nonprofit corporation based in Oakland, California; and

Whereas, Utilizing the most singularly powerful medium in existence today, "Villa Alegre" is aimed for children at the formative years where its impact can be of most value to the viewer; and

Whereas, "Villa Alegre" provides a sense of identity as well as understanding and appreciation of the Spanish and English languages, instills a sense of pride and confidence in the heritage of the Spanish-speaking community, introduces monolingual children to a new linguistic melody, and broadens curriculum experiences, while celebrating cultural diversity; and

Whereas, The program helps to create a linguistic and cultural bridge within the home, school, and total community and can serve as an effective educational tool in complying with recent United States Supreme Court decisions involving bilingual education; and

Whereas, Bilingual Children's Television, Inc., producers of "Villa Alegre," has developed invaluable expertise in bilingual children's television programming, has compiled extensive research data on bilingual children, and has gained a keen insight into the educational needs of children during the formative years; and

Whereas, The value and impact of "Villa Alegre" on all children in the United States is manifest in its institutional, civic and community support and its utilization in homes and classrooms nationally; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact legislation to assure the continuation of "Villa Alegre" for all children; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

USDA ASSESSES AGRICULTURAL TRADE POSSIBILITIES WITH CUBA

Mr. McGOVERN. Mr. President, the lead article in this week's Foreign Agriculture, published by the U.S. Department of Agriculture, provides a timely assessment of agricultural trade possibilities with Cuba.

The article, written by U.S. Department of Agriculture's Roger Neetz, is entitled "Cuba Could Again Become A Major U.S. Farm Market."

As seen by the U.S. Department of Agriculture, here is what is in the offing:

Once the seventh largest U.S. farm market—as well as a top U.S. supplier of sugar, tobacco, and fruit—Cuba could again become a major importer of U.S. farm products should relations between the two countries be normalized and Cuba's foreign debt situation improve.

Current analyses indicate that under such circumstances the United States might gain at least a third of Cuba's farm imports. (In 1976, Cuba's food imports stood at $760 million out of total imports of $3.5 billion, for a 150 percent increase over such imports in 1972.) And a U.S. share of at least two-thirds of this trade is possible considering the commodity composition of Cuba's imports—wheat, rice, corn, flour, lard, canned milk, cotton, and vegetable oil.

Mr. President, I wanted to bring this article to my colleagues attention because of its obvious relevance to the recent action taken by the Foreign Relations Committee to permit U.S. exports of "agricultural and food commodities" to Cuba.

I ask unanimous consent that the full text of the article be printed in the RECORD, including a companion piece entitled "Sugar's Price Decline Hurts Cuban Trade."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Foreign Agriculture, May 16, 1977]

WITH NORMALIZING RELATIONS CUBA COULD AGAIN BECOME A MAJOR U.S. FARM MARKET

(By Roger Neetz)

Once the seventh largest U.S. farm market—as well as a top U.S. supplier of sugar, tobacco, and fruit—Cuba could again become a major importer of U.S. farm products should relations between the two countries be normalized and Cuba's foreign debt situation improve.

Current analyses indicate that under such circumstances the United States might gain at least a third of Cuba's farm imports. (In 1976, Cuba's food [1] imports stood at $760 million out of total imports of $3.5 billion, for a 150 percent increase over such imports in 1972.) And a U.S. share of at least two-thirds of this trade is possible considering the commodity composition of Cuba's imports—wheat, rice, corn, flour lard, canned milk, cotton, and vegetable oil.

All of these products rank as important exports for the United States and can be delivered to Cuba at highly competitive prices. However, Cuba, since the breakoff in trade relations with the United States in 1959, has developed strong trade ties with other nations, including Canada, Argentina, and other Western nations in addition to the USSR and Eastern Europe. Cuba also has a $4.6-billion debt with the USSR, which might hinder trade with Western countries, and a more than $1-billion hard-currrency debt with Western countries, which poses even greater potential problems.

Nonetheless, Cuba holds potential as an importer of a number of U.S. farm products. Among them:

Wheat. Cuban wheat and flour imports are expected to hold at current levels of about 900,000 metric tons a year. Canada now has the largest share of this market, which could complicate U.S. re-entry, but the United States would be competitive given its freight advantage and ability to offer the same quality wheat as Canada.

Rice. These imports total 250,000–300,000 tons annually, helping keep Cuban per capita rice consumption the highest in Latin America. The Chinese and Soviets have been supplying much of this rice in recent years, but U.S. long-grain varieties have been preferred in the past.

Coarse grains. These imports, which consist mainly of corn, have reached an annual level of more than 300,000 tons, with the bulk of them coming from Argentina. The U.S. freight advantage should make U.S. corn highly competitive in this market.

[1] Cotton, vegetable oils, and other raw materials also account for a sizable portion of Cuban trade, but are not broken out from total trade.

Pulses. As a onetime major supplier of pulses to Cuba, the United States is believed capable of selling 20,000–80,000 tons there today.

Vegetable oils. These imports, estimated at about 65,000 tons, annually, now consist mainly of USSR sunflower oil. They could be replaced by U.S. vegetable oils.

Cotton. The United States is believed capable of obtaining a sizable share of this market, which is estimated at 100,000 bales annually.

Other products. U.S. exports to Cuba of lard, cured pork, cheese, butter, and processed milk averaged about $14.2 million a year in 1955–59—a trade that has been taken over by Canada and other suppliers. In addition to the possibility of resuming sales of these products, there exists in Cuba a new market for breeding cattle, poultry breeding stock, and hatching eggs.

Historically, there is a strong precedent for U.S. farm trade with Cuba. Prior to the partial and full embargoes on trade with Cuba in 1959 and 1962, the two countries counted one another as key trading partners. Until 1959, the United States was Cuba's largest trading partner, accounting for about 65 percent of the country's total trade turnover.

Agriculture's share in this trade—on both the import and export sides—was significant. In the 1950's Cuba ranked as the largest Latin American market for U.S. farm products and the seventh largest market worldwide, while the United States was Cuba's top farm market. During 1955–59, the United States supplied 68 percent of Cuban farm imports, and took 69 percent of Cuba's agricultural exports, which were dominated by sugar, tobacco, and fruit for an average dollar value of $405 million annually.

Cuban imports of U.S. agricultural products during that same period averaged $131 million annually.

Following the United States 1959 partial embargo on trade with Cuba, Cuba and the USSR concluded the 1960 Bilateral Trade and Payments Agreement, redirecting trade to Communist countries. By the end of 1962, Eastern Europe and the USSR comprised 83 percent of Cuba's total trade turnover, and in 1976, Cuban trade with Communist countries totaled $4.6 billion, or 71 percent of the country's total trade.

Trade with Western countries—Japan, Spain, West Germany, and Canada—has made slow but observable gains since 1961, although the product exchange remains principally sugar for machinery, manufactured goods, and agricultural products from both Communist and market economies.

Since late 1975, there have also been some modifications in the U.S. embargo to permit foreign companies owned or controlled by U.S. firms to trade with Cuba in nonstrategic foreign-made products. Export licenses issued by the U.S. Treasury Department for $334 million of nonstrategic products were approved between October 1975 and June 1976—$233 million of which was foreign grains sold by subsidiaries of U.S. firms.

Almost as dramatic as Cuba's trade shift has been the rapid growth in its total trade. Between 1959 and 1975, the country's total trade turnover grew from $1.9 billion to $7.2 billion, dipping in 1976 to an estimated $6.5 billion.

This trade expansion gives a new dimension to normalization of commercial ties, especially since much of the growth has occurred in imports of farm products. Rice imports, for instance, rose 43 percent between 1957 and 1975 to 275,000 tons; wheat imports soared more than fourfold to 405,000 tons; wheat flour imports gained by almost fourfold to 350,000 tons; corn imports shot from negligible quantities in 1957 and 160,000 tons in 1968 to 330,000 in 1975; and raw cotton imports rose more than threefold to 30,000 tons.

Cuba's main interest in the U.S. farm market, of course, would be to resume sugar shipments, which in the 1950's earned about $335 million a year in the United States alone. However, current political concern over Cuban sugar imports without equivalent concessions precludes any immediate imports. Also Cuba's interest in the U.S. market may not be strong right now given the low world price for sugar and Cuba's agreement to supply some 3.5 million tons this year to the USSR at a fixed price equivalent to around 66 U.S. cents per kilogram—more than double the current price.

That agreement with the USSR has been both a boon and a burden to Cuban trade during the last few years of widely fluctuating world prices for sugar. As world prices for sugar began to move upward during the early 1970's, the pact became increasingly onerous, since world prices were above those offered by the USSR. Cuba consequently began diversifying trade away from the USSR to countries like Japan and Spain, where it could earn much-needed hard currency. But following sugar's steep price decline of 1975–76, the agreement once again became a plus factor, and Cuba responded by relying more heavily on the Soviet market.

Cuba has, in fact, agreed to supply 1 million tons more to the USSR this year over the 2.5 million reportedly sold in 1976. Because of this, the Government has announced that no additional sugar will be sold until July 1977, and after that supplies also could be tight.

With a population of nearly 10 million and an average per capita income of $820, Cuba needs agricultural trade. Whether some of this will shift to the United States—with the attendant advantage to Cuba of earning hard currencies—depends on Cuba's willingness to comply with provisions of Title IV of the 1974 U.S. Trade Act. This would include entry into a bilateral trade agreement and assurances on free emigration, both subject to Congressional approval. Without such agreement, most-favored-nation tariff status, as well as Eximbank (Export-Import Bank of Washington) and Commodity Credit Corporation credits, would continue to be denied Cuba.

CURRENT U.S. TARIFF SCHEDULE FOR SELECTED PRODUCTS

Commodity	Column 1, MFN tariff	Column 2, non-MFN tariff
Sugar	1.987 cents per pound.	1.987 cents per pound.
Cigars	95 cents per pound plus 5 percent ad valorem.	$4.50 per pound plus 25 percent ad valorem.
Rum	$1.75 per gallon	$5 per gallon.

There is also a debate about Cuba's tariff preferences that existed at the time of the U.S. embargo and currently remain in a suspended status. One point of view is that the Trade Act supersedes these rights, and Cuba would be subject to the higher Column 2 U.S. tariff rate. This would not, however, affect sugar sales, since U.S. tariff rates are currently the same for all countries (except for those developing countries receiving tariff preferences under the Generalized System of Preferences). And since the expiration of the Sugar Act, the United States has imported sugar from any source—except Cuba, Rhodesia, and North Korea—under a nonrestrictive annual global quota set at 7 million short tons.

President Carter recently announced a sugar support program and rejected restrictions suggested by the International Trade Commission. Cuba could become price competitive in the U.S. market under a lifting of the embargo since tariff rates are the same for all countries excluding GSP nations.

For other commodities, a lifting of the embargo would not give Cuba any additional advantages because the Column 2 tariff would prevail. Cigars, a premium export item for Cuba in the pre-embargo period, would face strong competition from other suppliers in the U.S. market.

Another important factor is Cuba's enlarged debt. Estimates indicate a debt with the USSR of $4.6 billion, which has been deferred until 1986. Payment in hard currency is not required. However, Cuba's capacity to import from the West could be affected by the need to divert a portion of its export capacity to the Soviet Union in order to effect repayment to the Soviets.

Credit lines of $3 billion reportedly have also been extended by several Western countries but have not been used extensively. Currently, Argentina, Spain, the United Kingdom, France, and Canada are the principal sources of credits.

Finally, there is the question of U.S. national claims to $1.8 billion worth of property in Cuba, expropriated after the 1959 revolution—as well as Cuban claims to $60 million in assets frozen in the United States.

SUGAR'S PRICE DECLINE HURTS CUBAN TRADE

(By Linda Bernstein and Howard Hall)

Declining world prices for sugar, plus continuing drought in sugarcane areas of eastern Cuba, have dimmed Cuban export prospects and returned the country to the protective trade folds of the USSR and other Communist countries. This move—reversing earlier trade-diversification efforts—reflects the rapid depletion of Cuba's hard-currency reserves and points to further cutbacks in import trade with Western nations.

With f.o.b. Caribbean prices for raw sugar declining from a 1975 average of 44 cents per kilogram to less than 27 in 1976, Cuba last year saw its sugar exports fall to 5.1 million metric tons, raw-equivalent, valued at about $2.9 billion, compared with 5.7 at $3.5 billion in 1975.

The value decline would have been even greater had not Cuba kept shipments of above-market-price sugar to the USSR near the record 1975 level of 3.2 million tons. It also increased exports to East European nations somewhat from the 520,000 tons of 1975. Sugar exports to most other nations declined, however. Those to the People's Republic of China (PRC) totaled only about 183,000 tons, less than half shipments in the early 1970's: Japan took only 100,000 tons in contrast to peak sales there of 1.2 million in 1974; and Spain purchased nearly two-thirds less than the 327,000 tons of 1975.

In the future, sales to Japan and Spain will continue, but at levels far below those recorded in the early 1970's.

Following lengthy negotiations, Japan has agreed to import 1 million tons of Cuban raw sugar during 1977–80, including 100,000 tons in 1977 and 300,000 annually in the following 3 years. Exports to Spain also have been renegotiated at 140,000 tons for 1977 and 75,000 for 1978.

Because of smaller sugar exports last year, Cuba's December 1976 sugar stocks were up sharply from the 1975 level. But in January 1977 Cuba concluded an agreement to sell the USSR 1 million tons of raw sugar in addition to the yearly 2.5 million tons specified under current trade agreements. At the same time, it announced withdrawal from the international free market until August.

Partially offsetting the 17 percent decline in sugar earnings last year were small gains in Cuban exports of minerals, tobacco, and some foodstuffs, including citrus fruit and fish. Still, total exports declined 17 percent from the 1975 high of $3.5 billion while imports dipped only slightly from $3.8 billion as Cuba maintained purchases of essential foods and raw materials. Petroleum and some food imports were among the gainers, while machinery, transportation equipment, and other less-essential products bore the brunt of the trade belt-tightening.

Among the agricultural imports, purchases of wheat and flour—mainly from Canada—declined slightly in 1976 to 850,000 tons, while corn purchases from Argentina—presumably financed all or in part on USSR account—were increased. In addition, some corn reportedly was imported from Hungary.

At the same time, Cuba had increased difficulty obtaining supplies of imported rice as imports from the PRC continued low for the second straight year, totaling 50,000 tons in 1976, compared with more than 200,000 in previous years. Cuba thus had to turn to Argentina, Colombia, Italy, and Spain for rice, and even received some via the USSR, which is a net rice importer itself. Presumably, those imports from the USSR are being purchased from Western Hemisphere sources on USSR account.

The country also has taken measures to curb consumption of some imported items. Coffee imports, for instance, were reduced last year, and the per capita weekly ration was cut from 43 to 30 grams, while the Government moved to rejuvenate domestic coffee production. And about half a kilogram of the per capita monthly rice ration was eliminated, to be replaced by just under 1 kilogram of cornmeal. However additional corn imports may be needed to meet the new rationing requirements since Cuban corn production is limited.

As a result of the reduced sugar prices in Western markets and consequent shift to increased trade with Communist nations, Cuba's exports to non-Communist countries last year plunged more than 40 percent from the 1975 level. Imports from these nations were 30 percent below the unusually high 1975 level.

The country's hard currency reserves were seriously reduced by larger 1975 and 1976 deficits in its trade with Western nations. To alleviate the problem, Cuba reportedly restricted imports from Japan beginning in August and recently requested a year's delay in Japanese delivery of contracted capital goods.

These trade setbacks have prompted alterations of Cuba's economic plan for 1976–80. When originally drawn up in 1975, the plan called for increased imports of capital goods from nonsocialist countries, but a September 1976 announcement suggests that the country has returned to giving first consideration to trade with the USSR and other Communist nations.

In addition to its trade problems, Cuba now is confronted with potential drought damage to the 1976/77 sugarcane crop. This is the third year of drought in Eastern Cuba—reportedly the most severe in several decades—and the final outcome could be an even lower cane production than the current estimate of 5.7 million tons. Because of the drought, the 1975/76 harvest also was below expectations, totaling around 6 million tons, compared with 6.4 million in the preceding year.

Increased production of other export crops, such as tobacco, should help compensate in part for the sugar setback. But with sugar accounting for over 85 percent of the value of Cuban export trade, the total impact of gains in other crops is still small.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, on January 12, 1951, 26 years ago, the International Convention of the Prevention and Punishment of the Crime of Genocide went into effect. There are presently over 80 nations party to the treaty, including almost all of our NATO and SEATO allies.

Speculation on the possible effects of the Genocide Convention on the United States has been rampant. Yet, it is unnecessary—the answers have long been evident. The countries that have ratified the treaty provide a ready picture of what the Genocide Convention actually does and does not do. Many of these nations are democracies; some have federal forms of government. Their experience with the convention should give us the basis for making a realistic assessment of the probable effects of the convention on the United States.

Has any citizen of any of these nations been tried by an international court on charges of genocide? No. Has any citizen of these countries ever been extradited to a Communist country to stand trial for genocide? No. Has this convention abridged the freedoms of speech and assembly of the citizens of these countries? No. Has this convention disrupted the federal structure of those federated nations which have ratified it? No. Nor will the Genocide Convention do any of these in the United States either.

American ratification of the Genocide Convention puts this nation formally on record as opposed to the crime as mass murder. It is unquestionable proof of our belief in human rights for all mankind. It is our statement affirming every man's unalienable right to life. That is what the Genocide Convention does. It does not destroy a nation's sovereignty nor abridge its citizens' individual freedoms.

Ratification of this treaty is a good, constructive action which we have long avoided. Let the United States become one of those nations condemning genocide. Let us ratify the Genocide Convention without further delay.

THE SALZBURG CONFERENCE FOR A NONNUCLEAR FUTURE

Mr. GRAVEL. Mr. President, on the dates of April 29 through May 1 of this year, a very important event took place in Salzburg, Austria. The event, of course, was the Salzburg Conference for a Nonnuclear Future, organized by the European Environmental Bureau, Friends of the Earth International, Gensuikin—Japan congress against A and H bombs—Natural Resources Defense Council—U.S.A.—and Osterreichische Naturschutzbund. The result of that conference, among other things, was the Salzburg declaration. In that declaration is a message for all of us—a message some of us have been trying to convey for some time. The message is not negative but positive in emphasis. Both the industrialized and the developing nations can meet their energy needs in a more efficient manner by reducing energy waste and by developing alternative sources of energy. These sources either are currently available or can be developed if we but focus our attention on them. By doing so, we can avoid following the unnecessarily dangerous and unhealthy patch of nuclear energy. Some see nuclear energy as the answer to our future energy needs. I believe the reading of the Salzburg declaration will convince those that the answer lies with a nonnuclear future.

Mr. President, in order to provide this body and the American public with the benefit of the Salzburg Conference for a Nonnuclear Future, I ask unanimous consent that the text of the declaration be printed in the RECORD.

There being no objection, the declaration was ordered to be printed in the RECORD, as follows:

DECLARATION OF THE CONFERENCE FOR A NONNUCLEAR FUTURE

We are citizens from 20 countries throughout the world. We differ widely in wealth, in political opinion, in religion and in cultural experience.

But we share a common concern and a common hope.

Our concern is that the present and future wellbeing of mankind is being needlessly endangered by the decisions of governments to continue the use and development of nuclear power.

Our hope is that mankind will act in time to prevent further irrevocable commitments to a nuclear future. We are part of a global wave of opposition to nuclear power which is growing in force and which has recently moved some governments to review their nuclear policies. We therefore feel a responsibility both to explain our cause for concern and to demonstrate the availability of a non-nuclear world.

Listening to the voices from Hiroshima, Nagasaki and Micronesia, we share the widely held belief that the proliferation and indeed the continued existence of nuclear weapons threatens the future of all people, and that current progress towards general disarmament is totally inadequate. Moreover, nuclear proliferation is only one aspect of this global problem.

Nuclear weapons can be made from a few pounds of plutonium or uranium. Since the purpose of the breeder and the reprocessing of spent fuel is to separate plutonium or equivalent fissile materials, access to these technologies is access to the capacity to manufacture nuclear weapons. The increasing deployment of these technologies will dramatically increase the risks of nuclear warfare.

New technologies involving lasers and centrifuges are being developed for the purpose of reducing the cost and increasing the efficiency of enriching uranium. The commercial development of these technologies represent a danger to world security, as does the absence of adequate safeguards on the production, storage and international shipment of natural and low-enriched uranium.

No level of international safeguards which is remotely feasible can prevent a determined government from diverting fissile material into weapons manufacture. Thus the development of these technologies will inevitably facilitate the proliferation of nuclear warfare.

Weapons proliferation is unlikely to be confined to national bodies. The relative ease with which stolen plutonium could be fabricated into a weapon adds a new dimension to terrorism. The measures necessary to prevent thefts, recover stolen plutonium and respond to credible threats must lead to the erosion of human rights with repercussions for the social and political fabric of our societies.

These and other considerations lead us to reject the breeder reactor and the use of plutonium or other bred fissile materials as nuclear fuels. Reprocessing of spent fuel is therefore unnecessary, uneconomic and undesirable, and all spent fuel has to be securely stored.

Thermal reactors, which form the heart of the present nuclear program, pose major unresolved problems of proliferation, safety, environmental protection, occupational health and radioactive waste disposal. It is these hazards which have generated the growing public distrust of thermal reactors.

Moreover, the economic case for their

further deployment does not stand critical examination. Nor are nuclear reactors essential to the creation of full employment: indeed, they may be inimical to it.

In order to achieve a non-nuclear future as soon as possible, we believe that the building of any further nuclear facilities should be strongly resisted, and that all governments should forthwith adopt energy policies which provide for the replacement of nuclear power by alternative energy sources as soon as possible.

Those governments, institutions and individuals who assert the necessity of nuclear power do so on the basis of a fundamentally mistaken conception of energy policy, which confuses costs and benefits and neglects to consider the end uses of energy.

We believe that energy policies should be conceived in terms of doing more useful work with less energy, of matching production means to end-use needs, and of reducing vulnerability to interruption. Such policies do not require the use of nuclear power, yet they would be adequate to the needs of the whole world.

In the developed nations such policies would rely primarily on the reduction of energy waste (for instance by actively supporting the introduction of cogeneration and stopping inappropriate uses of electricity) together with the forceful development of alternative energy sources, in particular diverse forms of solar energy. This must involve diminishing the energy growth of these nations and in the long term stabilising their per-capita energy use.

In the developing nations centralised electricity generation is no more a priority than in the developed world, and will tend to exacerbate rather than ameliorate the problem of meeting basic energy needs, especially in the villages of the Third World where half of humanity lives.

The energy needs of the developing nations could be met primarily by solar energy, biogas and other decentralised technologies.

Furthermore, nuclear power increases rather than decreases the dependence of developing countries on the industrialised world, while widening the disparity in wealth between them. We cannot see that any global energy strategy which fails to assist a more equitable distribution of wealth could, or should, succeed.

Such a highly centralised and capital-intensive technology as nuclear power leads to a further concentration of economic and political power in all nations.

Compared to nuclear power, the technologies we propose are—for all nations—cheaper, more reliable, easier to deploy, less disruptive of existing social and cultural patterns, more equitable, less damaging to the environment and more amenable to democratic control.

We are unanimous in our convictions that a non-nuclear future, based on the policies we are advocating, offers people a more secure and a more humane world. We believe that such a future is not only possible but widely desired throughout the world, and to this end we call upon concerned citizens everywhere to demand by non-violent means that international institutions and governments shall—

Immediately close down all fast breeder reactor and fuel reprocessing facilities, and end the development and sale of such facilities.

Immediately develop specific programmes for phasing out all thermal reactors as soon as possible.

Immediately halt development of technologies for enriching uranium by means of lasers and small and efficient centrifuges, and add an international escort service for shipments of all nuclear materials between nations to the safeguards functions of the IAEA and EURATOM.

Divert the funds and human energies released by all these shifts of priorities into the deployment of those alternative technologies which are already available.

Establish a substantially funded international energy organisation charged with the development, promotion, and transfer of non-nuclear energy technologies, which should not be based on the existing IAEA (although the IAEA and EURATOM should continue to strengthen and perform their safeguards function for as long as necessary).

Redirect development assistance in favour of non-nuclear energy technologies.

Develop widespread mechanisms for public participation at al levels of energy policy decision-making. Such mechanisms should pay special attention to the needs of workers, women and other groups who have uniquely valuable perspectives to contribute.

Emotional and personal involvement have been defined as "unscientific" and "irrational". In fact, issues which concern the lives of human beings must be defended with emotion and personal commitment: they must not any longer be only the subject of abstract calculations. In questions of this magnitude, we may not be detached. We must be partisan.

This declaration represents the common ground of agreement between the delegates of many nations. Inevitably differences in political tradition and national circumstance create differences in emphasis on some arguments and differences in approach to the handling of the issue. These differences should not be interpreted as any weakening of our resolve to pursue by all possible non-violent means the early arrival of a non-nuclear world.

SIGNATORIES TO THE DECLARATION OF THE SALZBURG CONFERENCE FOR A NONNUCLEAR FUTURE

Afghanistan

Zalmay Khalizad

Australia

Joseph Camilleri
Noel Nunan

Austria

Cheryl Benard
Freda Meissner-Blau
Paul Blau
Robert Jungk
Ruth Jungk
Arthur Sikora
Peter Weish

Belgium

Petra K. Kelly

Canada

Gordon Edwards
Barry Spinner
Ralph D. Torrie

Denmark

Siegfried Christiansen
Tarjei Haaland

EEC countries

Hubert David

Finland

Pekka Suominen

France

Brice Lalonde
Yves Lenoir
Vincent Richet

German Fed. Rep.

Klaus Batjer
Rainer Beeretz
Brigitte Toni Lerch
Martin Mombaur
Holger Strohm
P-Ch Thurnagel
Benne Trautmann
Hans Heinrich Tucker
Siegfried de Witt

Israel

David Kretzmer

Italy

Emma Bonine
Giorgio Nebbia
Mario Signorino

Japan

Sadao Ichikawa

Malaysia

Gurmit Singh

Netherlands

Daan W. Everts
Erik van der Hoeven
Klarissa Nienhuys
Rien Rense
R. J. Sijmons
W. A. Smit
Pieter Jan Stallen
H. J. M. de Vries

Sweden

Sven Gergström
Ingemar Skarp

Switzerland

Brigitte Fankhauser-Zurbrügg
Konradin Kreuzer
Hanswerner Mackwitz
R. Schleicher

United Kingdom

Tom Burke
Brian Johnson
Walter Patterson
Jon Tinker

U.S.A.

Dean Abrahamson
Robert Fleisher
Jane B. Grant
Jeffrey W. Knight
David Lenderts
Paul Leventhal
Amory Lovins
S. Jacob Scherr
Katherine D. Seelman
Mary P. Sinclair
Thomas B. Stoel Jr.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Michael D. Hawkins, of Arizona, to be U.S. attorney for the district of Arizona for the term of 4 years vice William C. Smitherman, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Monday, May 23, 1977, any representations or objections they may wish to present concerning the above nomination with a further statement whether it is their intention to appear at any hearing which may be scheduled.

A REGIONAL IMPACT ANALYSIS OF PENDING FOOD STAMP REFORM LEGISLATION

Mr. LEAHY. Mr. President, last week, after months of studies, hearings, discussions, and deliberation, the Senate Agriculture, Nutrition, and Forestry Committee voted to report the 1977 Food and Agriculture Act. Included in this

comprehensive measure is a proposal designed to streamline, overhaul, and tighten up the food stamp program. This proposal will substantially improve the administration of the program, and will have significant effects on the program's operation. Moreover, it will have vastly different impacts on various regions of the country.

I think it is important for us to be aware of the implications of this proposal and the other options while we deliberate the reform measure. Consequently, I was most pleased to learn that the Northeast-Midwest Research Institute published on May 1, 1977, a complete history and analysis of the food stamp program reform proposals, entitled "A Regional Impact Analysis of Pending Food Stamp Reform Legislation." I have read the report and found it very useful. I think that it would also be very valuable to my colleagues and therefore ask unanimous consent that the institute's study along with its appendixes be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A REGIONAL IMPACT ANALYSIS OF PENDING FOOD STAMP REFORM LEGISLATION

EXECUTIVE SUMMARY

At a time when the food stamp program has come under increasing public criticism, Congress is faced with the task of reforming it.

Three alternative general policy options are now pending before the Congress: standardizing the deduction system, eliminating the purchase requirement, and cashing out. A fourth implicit policy option is maintenance of the status quo.

There are five major food stamp reform bills—the S. 275 (Talmadge), S. 845 (Dole-McGovern) and H.R. 4484 (the original Richmond Bill), the Administration bill and the House Agriculture Subcommittee Bill. In addition, three amendments or proposals—amendments by Representative McHugh and Senator Leahy and an option by the House Subcommittee staff are being considered by Congress. These bills adopt one, two, or a combination of the general policy options.

In simple terms of dollars gained or lost to the Northeast and Midwest region:

The original Richmond Bill is the most advantageous to the region with a net loss of $1 million.

The Dole-McGovern bill is next most advantageous with a net loss of $49 million.

If a budget constraint of $200 million above current program costs is assumed, the Leahy amendment to the Administration Bill is the most advantageous to the region.

I. INTRODUCTION

At a time when the economies of the Northeast and Midwest are facing serious, continuing difficulty, the food stamp program has become a social welfare program of vital importance to the poor of the region and of some significance to the health of the regional economy.

In 1976, alone, the food stamp program provided nutritional assistance to seven million people in the Northeast and Midwest and contributed $1.2 billion to their states' economies. The program is scheduled to expire in fiscal year 1977 unless the 95th Congress acts to reauthorize it.

On April 5th, Secretary Robert Bergland outlined the Administration's proposal to the House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition. Three additional bills seeking to make significant changes in the food stamp program have also been introduced.

Concerned with the impact each bill would have in redistributing food stamp aid, the Welfare Reform Task Force of the Northeast Midwest Congressional Coalition has requested that the Institute review the present program and the major food stamp reform proposals now before the Congress.

This paper examines the development of the food stamp program, reviews three policy options for reforming it, and analyzes the regional impact of eight legislative approaches.

II. HISTORY

The food stamp program began on an experimental basis in early 1961. President Kennedy's first Executive Order directed the Secretary of Agriculture to expand and improve government programs for distributing surplus food to needy families by initiating 8 pilot food stamp projects. In 1964, President Johnson requested that the food stamp program be established on a permanent legislative basis. The resulting Food Stamp Act of 1964 declared it to be a policy "to raise the levels of nutrition among low-income households . . . [and to] provide such households with an opportunity more nearly to obtain a low-cost, nutritionally adequate diet."

The food stamp program established by the Act was designed to subsidize eligible households in buying food through normal commercial channels. Any household meeting the basic eligibility requirements—an income test, an asset test, and a work requirement—was able to purchase food stamps at a price below their market value. The difference between the market value of the stamps (the "allotment") and the amount paid for the stamps (the "purchase requirement") represents the "bonus value" of the stamps.

The program has been largely state-administered. The responsibilities for establishing the purchase requirements for the full food stamp allotment and paying for the bonus value of the stamps reside with the federal government. The responsibilities for determining the eligibility standards and administering the program were left to the individual states.

A number of problems resulted from having states establish the income and asset criteria. The widely varying eligibility standards and the low participation rates caused by state Administration of the program precipitated major programmatic changes in 1971.

The 1971 Amendment mandated national uniform income and resource eligibility standards. The food coupon allotment provision was amended to broaden the reach of the program and the purchase requirement was reduced from an amount "determined to be equivalent to a household's normal expenditures for food" to an amount representative of "a reasonable investment on the part of the household's income."

As a result, food stamp recipients were able to receive more food stamps for less money. Previously, the 4 person household with a $60 monthly income had to pay $20 for $65 worth of stamps. Under the revised program, recipients only had to pay $10 for $108 worth of stamps. In addition to these changes, special deductions from a household's gross income were allowed.

The 1971 amendments established the major structural characteristics of today's food stamp program. The food stamp program became the first federal welfare program to have national eligibility standards based on need and not on particular household characteristics. Additional amendments in 1973 mandated that all states provide food assistance through the food stamp program by the beginning of fiscal year 1975.

The effect of these programmatic changes was increased participation, increased benefits, and increased costs. Between 1971 and 1976, the average number of monthly participants increased from slightly under 15 million to slightly over 18 million. The average monthly bonus value for an individual increased from about $13.55 to approximately $23.90. Total program costs increased from slightly under $1.7 billion to approximately $5.9 billion; and administrative costs went from $57 million to nearly $370 million.

This growth in the food stamp program, however, was not due solely to the programmatic changes. Almost coincidental with the amendments was a growth in food and housing prices and in unemployment. These factors greatly magnified the impact of the amendments. A recent CBO study points out that a one percentage change in the overall unemployment rate will cause the number of people participating in the food stamp program to change by approximately 628,000 persons.

Yet the rapid growth in the food stamp program—its participation, benefits and costs—over the last 5 years has caused increased public concern. As a result, major food stamp reform legislation was considered in the 94th Congress and is now being addressed by the 95th Congress.

III. POLICY OPTIONS

There are three programmatic options pending before Congress: standardizing the system of deductions, eliminating the purchase requirement, and "cashing out." A fourth implicit alternative is to maintain the status quo.

A. Maintaining the status quo

The food stamp program has two major components: income eligibility standards, including a definition of income and deductions from income, and benefit levels, including purchase requirements and allotment levels.

Eligibility is based on a household's ability to meet an income test, an asset test, and the work requirements. In computing income for food stamp purposes, a household's anticipated monthly net income, rather than gross income, is used to measure how much of a household's income is actually available for food expenses. There is no cap on gross income allowed eligible households. Rather, the household is allowed to deduct various household expenses from its gross income and a limit on its net income is set. The current net income limit for a four-person household is $6,636 a year.

Households also may not have liquid resources exceeding $1500 and any able-bodied adult who is not employed or caring for children must register for work and accept suitable employment.

The benefits a household will receive—its bonus stamps—are based on its net income level and are reduced proportionately with increasing income; that is, for every $3.00 increase in income, bonus food stamps are reduced by $1.00. The bonus stamps represents the difference between the allotted and purchased stamps.

The allotment level represents the amount of money which a given size eligible household needs to buy a nutritionally adquate diet. The purchase requirement represents the amount of cash which the government feels a household can afford to put up for food, based on its net income.

Table I shows that in 1976 4.0 million people participated in the program in the Northeast and, 3.2 million in the Midwest. The national average bonus coupon value was $21.41 per person compared to $18.0 in the Northeast and $20.2 in the Midwest.

B. Standardizing the deductions

This option has the advantage of reducing administrative complexities and costs. However, there is a regional bias inherent in using

a uniform standard deduction. It costs more to live in some parts of the country than in others. Table II shows that the average total deduction nationally is $74 per household. In New England, the average total deductions is over $123; in the industrial Northeast, it is $84; and in the Northwest it is $83. Anything less than the prevailing state's average deduction means that states with high average deductions—those of the industrial belt—will have many recipients who will lose significant amounts of food stamp bonus value.

All the major food stamp reform provisions currently under consideration have replaced the current "itemized" deduction system with a standardization of the deduction system. S. 845 (Talmadge) sets a standard deduction of $70; S. 275, (Dole-McGovern) a deduction of $100; H.R. 4844 (Original Richmond bill) a deduction of $75; the House Agriculture Subcommittee a deduction of $60; and the Administration proposal a deduction of $80. This approach benefits certain regions and penalizes others.

Table II illustrates that while the national average deductions for recipients below the poverty line is $58, it is $88 in New England, $66 in the industrial Northeast, and $62 in the Plains states.

In Urban areas, the average deduction is $83. Yet, in New England the average urban deduction is $132 and in the Industrial Northeast, the average urban deduction is $86. The national rural deduction is $63. However, in New England, the industrial Northeast, the Plains states, and the Northwest, the average rural deduction is $112, $77, $71, and $80 respectively.

Almost all of this variation can be explained by varying shelter costs in the regions. Simply stated, shelter costs reflect regional variations in cost of living.

The regional bias inherent in the standard deduction can be tempered with a variable shelter deduction. This dual deduction is responsive to the regional cost-of-living differentials without establishing an artificially high national standard which would hold harmless high-cost state recipients while giving low-cost state recipients excessive bonus payments.

In theory the most reasonable solution to regional economic variations would be the regionalization of the standard deduction. But in practice, a true measure of cost-of-living differentials is not available. Until such tools as the regional market basket are invented, the shelter cost deduction appears to be a good proxy for reflecting regional needs.

Not only does the shelter deduction constitute the largest share of all itemized deductions, it makes up the largest percentage of all deductions claimed by households. Table III shows that the national average shelter deduction is $46.

But the shelter deductions in New England, the industrial Northeast, and the Northwest are $78, $62 and $55 respectively. Although the Midwestern averages are reported to be slightly below the national average, the state of Minnesota reported a shelter deduction of $70.

Of the major bills introduced in the 95th Congress, only the original Richmond bill incorporated a shelter cost deduction. The bill allows food stamp recipients to take shelter cost deductions up to a maximum of $75. However, when Secretary Robert Bergland informed the Members of the House Agriculture Subcommittee on Domestic Marketing, that the President would veto any bill that cost more than $200 million above current program costs, Congressman Richmond, Chairman of the Subcommittee dropped his earlier proposal in favor of an amended version of the Administration's proposal. The original Richmond bill would cost approximately $550 million above current costs.

During the subcommittee mark-up of the Administration's proposal, two other alternatives for addressing varying cost-of-living standards were discussed. The first alternative, devised by Congressman Matthew McHugh, was to regionalize the standard deduction by factoring in a multiplier which took into consideration a community's climate and degree of urbanization. There were some methodological problems with this proposal and it was never formally introduced.

In its place, Congressman McHugh offered an amendment to the Administration's proposal to lower the standard deduction from $80 to $60 (to keep the bill within a cost range which the President would not veto) and to add a shelter cost deduction up to a maximum of $75. This was adopted by the Subcommittee and is hereafter referred to as the Subcommittee bill. This shelter deduction is only to be applied for calculating the benefits of those determined to be eligible, it is not used for determining eligibility. Simply stated, the effect of this amendment is that fewer families in the Northeast and Midwest will be eligible but eligible recipients will receive higher benefits.

This amendment poses a difficult choice between a program which more adequately meets the needs of fewer eligible people and a program which less adequately meets the needs of more eligible people.

Senator Patrick Leahy feels that this choice does not need to be made. He estimates that incorporating a shelter deduction for both eligibility and benefits would cost approximately another $30 million—a figure he feels is still in the Administration's acceptable range. Senator Leahy has offered and the Senate Subcommittee has accepted an amendment, which would lower the standard deduction from $80 to $60 but which would incorporate a shelter deduction of up to $75 to determine both food stamp eligibility and benefits.

C. Eliminating the purchase requirement

This option removes a major disincentive to non-participation in the current program. For example, household would no longer have to pay anything to participate in the program. If a household should pay $90 for $166 worth of stamps, under the current program, it would simply receive the $76 bonus food stamps. Participation would no longer suffer because households were forced to choose between paying for other essential services like energy or buying food stamps.

Eliminating the purchase requirement is also administratively sound. Although increased participation would be accompanied by increased costs, eliminating the purchase requirement would remove about 40% of all purchased stamps in circulation resulting in administrative savings. More important, eliminating the sale of food stamps by program vendors would improve program integrity and accountability.

The original Richmond, Dole-McGovern, House Agriculture Subcommittee and Administration bills all provide for the elimination of the purchase requirement. However, to limit cost increases due to a rise in participation, all major reform measure substitute a standard deduction for the current "itemized" system and set the net income eligibility cut-off at the poverty level, $5,815 for a family of 4, in place of the current level of $6,636 for a family of 4. This trade-off results in cutting some households from the program.

The elimination of the purchase requirement "EPR" is not an issue with clear regional implications. In fact, Table IV shows that many states in the Northeast and Midwest already claim participation rates higher than the national average. But the trade-off noted above does have a direct regional impact. As already mentioned, there is a regional bias inherent in using a uniform standard deduction. This bias is compounded when the poverty level is used as the eligibility cut-off. The basic factor used in calculating poverty is income and the problem of cost-of-living differentials again becomes apparent. For high-cost states with already high participation rates, it is impossible to accurately predict whether EPR with a uniformed standard deduction and poverty level net income eligibility factor would allow more households into the program or force more out. However, if the standard deduction is adjusted to reflect regional differences—either through a shelter deduction or some other method—more people with higher incomes (in high-cost areas) will meet the poverty level net income cut-off.

D. Cashing out

This option involves replacing the bonus food stamps with an equivalent amount of cash. It represents the final alternative on a continuum from in-kind-welfare program to an unrestricted cash assistance program. This cash out is not normally considered a food stamp option, but rather part of a comprehensive welfare reform package such as that hinted at by President Carter in his statement of May 2.

IV. REGIONAL ANALYSIS OF MAJOR LEGISLATIVE PROPOSALS

The following sections summarize the key structural elements of the alternatives, and analyze their regional impact.

The regions used in this analysis are New England—Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, and Vermont; the Industrial Northeast—New Jersey, New York, Ohio and Pennsylvania; the Industrial Midwest—Illinois, Indiana and Michigan; the Plains states—Colorado, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, and Wisconsin; the Mid-South—Delaware, Maryland, Kentucky, North Carolina, South Carolina, Virginia, Tennessee, Washington, D.C. and West Virginia; the Deep South—Alabama, Arkansas, Florida, Georgia, Louisiana and Mississippi; the Southwest—Arizona, California, Hawaii, Oklahoma, New Mexico and Texas; Northwest—Alaska, Idaho, Montana, Nevada, Oregon, Utah, Washington and Wyoming; and Puerto Rico.

A. S275 (Talmadge)

S275 sets the net income eligibility cut-off at the poverty level (5,815 for a family of four); sets the standard deduction at $70 with supplemental deductions of $25 for households with an elderly person and households with earned income over $150 per month and of all mandatory payroll taxes and fees; and sets the purchase requirement at 27.5% of net income after the standard deduction has been subtracted. (See Appendix I). The program will cost $5.171 billion in 1978—$193 million less than the current program.

Due to the low standard deduction of $70, the poverty level "net" income eligibility cut-off, and the high purchase requirement of 27.5% of net income, households in the Northeast and Midwest currently participating in the food stamp program will suffer a loss of $188 million under this bill. Table V shows that New England will lose $50 million in bonus dollars; the Industrial Northeast will lose $99 million, the Industrial Midwest will lose $14 million and the Plains states will lose $25 million.

Under the Talmadge bill, 42% of the households in the Northeast and Midwest will lose benefits; 56% in New England; 45% in the Northwest; 29% in the Industrial Midwest, and 35% in the Plains states. Nationally, 35% of the households currently participating in the program will lose benefits.

Table VI details the probable effect of S275 on the level of benefits food stamp households would receive, by region.

B. The administration bill

This legislation sets the "net" income eligibility cut-off at the proverty level; sets the standard deduction at $80 with a supplemental deduction of 20% of all earned income; and eliminates the purchase requirement with a 3[illegible]% benefit reduction rate. (See Appendix I for more detail).

This program will cost $5.458 billion—$94 million above the cost of the current program.

Due to the low standard deduction of $80 and the proverty level "net" income eligibility cut-off, households in the Northeast and Midwest currently participating in the program will lose $228 million in benefits—a net loss of $40 million more than under the Talmadge bill.

Table V shows that New England will lose $62 million in bonus dollars; the industrial Northeast will lose $131 million; the Industrial Midwest will lose $10 million and the Plains states will lose $25 million.

Table VII shows how the Administration bill would effect benefit levels.

Table VIII shows that $176 million less money will go to the urban Northeast and Midwest; and $52 million less will go to the rural part of the region.

Table IX displays the effect of the Administration's bill on the level of benefits received by participants under poverty.

C. S845, Dole-McGovern

This legislation sets the "net" income eligibility cut-off at the poverty level; sets the standard deduction at $100 with supplemental deductions of 20% of all earned income, of up to $85 for child care, and of up to $50 for "extraordinary" conditions of hardship to be determined by USDA, and eliminates the purchase requirement with a 30% benefit reduction rate. (See Appendix for more details). The program will cost $5.930 billion in fiscal year 1978—$566 million above the current program and $366 million above the administration's stated veto level.

By setting a standard deduction of $100—$20 above the Administration bill, the Dole-McGovern bill will target somewhat more money to high-cost areas. Households in the Northeast and Midwest currently participating in the program will lose $49 million—a loss of $179 million less than under the Administration bill, and $139 million less than under the Talmadge bill.

Table V shows that households in New England and the Industrial Northeast will lose $38 and $41 million respectively. Households in the Industrial Midwest and the Plains states will gain by $29 and $1 million respectively.

Table X details the national effect of the Dole-McGovern bill on the level of benefits received by participants.

Table VIII shows that $54 million less money will go to the urban Northeast and Midwest, except for New England. The loss, however, will not be felt in the Industrial Midwest. The rural Northeast and Midwest, will get more money for a regional gain of $5 million.

The Intsitute was unable to calculate which households in the Northeast and Midwest will lose benetfis and which will gain under the Dole-McGovern bill.

However, the $100 standard deduction provision allows some educated rough guesses. Because the deduction is high enough to reflect the average total deduction for all areas, except New England, we can assume that the national trend will generally hold true for the Northeast and Midwest region. This means that fewer households will lose less benefits under the Dole-McGovern bill than they will under either the Talmadge or Administartion bills; and more households will get more money.

D. H.R. 4844 (the original Richmond bill)

This legislation sets the net income eligibility cut-off at the poverty level; sets the standard deduction at $75 with supplemental deductions of 20% of all earned income up to $75 for child care, and up to $75 for shelter costs in excess of 50% of income after all other deductions have been substracted; and eliminates the purchase requirement with a 30% benefit reduction rate. (See Appendix I for more details). This program will cost $5.924 billion—$560 million above the cost of the current program and $360 million above the Administration's budget constraint.

Unlike the Dole-McGovern bill which targets most to high cost areas by raising the standard deduction, the original Richmond bill proposes a supplemental shelter deduction. This method of adjusting for regional variations in cost-of-living avoids the excess bonus coupons given to low-cost areas when a high uniform standard deduction such as that under the Dole-McGovern bill is applied. It is a more precise method of targeting. Households in the Northeast and Midwest currently participating in the program will suffer a net loss of $1 million—a loss of $48 million less than under the Dole-McGovern bill, $187 million less than under the Talmadge bill and $227 million less than under the Administration bill.

Table V shows that households in New England and the Industrial Northeast will lose $26 million and $4 million respectively. Households in the Industrial Midwest and Plains states will gain $28 million and $1 million respectively.

Although some regions will receive more bonus dollars under the original Richmond bill than the current program, there will be some households in each region which will lose benefits.

Replacing the system of "itemized" deductions with a standard deduction and placing the net income eligibility at the poverty level will result in a substantial redistribution among recipients in the Northeast and Midwest.

Table XI gives the regional effect of H.R. 4844 on the level of benefits received by those households currently participating in the food stamp program.

Table VIII shows that $3 million less money will go to the urban Northeast and Midwest; and $2 million more to its rural areas.

E. Congressman McHugh's proposal

This amendment changes the Administration's standard deduction by factoring in a multiplier which takes into consideration an area's climate and urbanization. The standard deduction would then range from $40 to $98. The amendment retains 20% of the Administration's supplemental education for all earned income. The program will cost $5.458 billion in fiscal year 1978—$94 million above the cost of the current program.

Congressman Richmond decided not to alter his original bill and instead chose to amend the Administration's proposal. This was one of the alternatives discussed by the House Subcommittee. There were problems with how the data needed would be collected and updated and the amendment was not formally introduced. Under this proposal, households in the Northeast and Midwest currently participating in the program would lose $153 million—$152 more than under the original Richmond bill, $104 more than under the Dole-McGovern bill but $35 less than under the Talmadge bill, and $78 less than under the Administration bill.

Table V shows that households in New England, the Industrial Northeast, and the Plains states will lose $52, $95, and $16 million respectively. Households in the Industrial Midwest will gain $10 million.

Table XII shows that nationally 31% of those households under poverty (those automatically entitled to food stamps in the Administration's proposal) will lose benefits. The table also gives a detailed breakdown of the amounts.

As with the Dole-McGovern bill, the Institute was unable to obtain breakdowns of households by region which would lose and which would gain under the McHugh amendment. However, since the intent of the amendment is to sensitize a uniform standard deduction to cost-of-living differentials, it again can be assumed that the national trend would be reflected in each region.

Table VIII points out that $82 less dollars will go to the urban areas of the Northeast and Midwest, and $71 million less dollars to the rural parts of the region.

Table IX shows the regional changes that will occur in benefit levels.

When this amendment is compared to its intended parent bill, that of the Administration, its regional impact become clear. Under the Administration bill, 48.4% of the households under poverty in the urban north lose benefits as compared to 34.9% under the McHugh amendment. Unfortunately, data showing how many households above the poverty line become ineligible or lose benefits under the amendments was not able to be obtained.

F. The $55 Standard Deduction/$100 (Maximum) Shelter Cost Deduction (House Subcommittee Staff)

This proposal changes the Administration's proposal for standardizing deductions by lowering the standard deduction from $80 to $55 for calculating eligibility and benefits and by adding a supplemental shelter deduction of up to $100 for shelter costs in excess of 50% of income after all other deductions have been subtracted for determining benefits. It retains the Administration's supplemental deduction of 20% of all earned income. The program will cost $5.461 million for fiscal year 1978—$97 million above current costs.

This proposal was discussed by the House Subcommittee as a possible amendment to the Administration bill. Lige the McHugh amendment, this proposal was intended to reflect the needs of high cost areas. However, the proposal was devised to help recipients in high-cost areas get more benefits once they have been determined to be eligible. Yet, households in the Northeast and Midwest currently participating in the food stamp program will lose $336 million—$335 million more than under the original Richmond bill; $287 million more than under the Dole-McGovern bill; $148 million more than under the Talmadge bill; and $108 million more than under the Administration bill.

Table V shows that households in New England will lose $56 million; $115 million in the Industrial Northeast; $137 million in the Industrial Midwest; and $28 million in the Plains states.

The Institute was unable to obtain data showing a regional breakdown of which households now participating will become ineligible and which will lose or gain benefits.

Table XII shows the national changes in benefits levels for households under poverty under the $55/$100 proposal. Table IX breaks this data down regionally.

Table VIII points out that $285 million less will go to the households in the urban Northeast and Midwest; and $51 million less to its rural parts.

When the $55/$100 option is compared with the Administration proposal and the McHugh amendment, it becomes apparent more households lose benefits under $55/$100 than under either of the other two. But this conclusion is based only upon those households currently participating which have net incomes below the poverty line. The real test comes when we find out how many

households become ineligible. From the large loss of bonus dollars going into the region, it appears that many households now receiving food stamps will no longer be able to obtain them at all under this proposal.

G. The House Agriculture Subcommittee Bill

This bill amends the Administration proposal for standardizing deductions by lowering the standard deduction from $80 to $60 for eligibility and benefits and by adding a supplemental shelter deduction of up to $75 for shelter costs in excess of 50% of incomes after all other deductions have been subtracted. It retains the Administration's supplemental deduction of 20% of all earned income, but will include a $75 child deduction. The program will cost $5.551 billion—$187 million above current costs.

Like the suggestion for a $55 standard deduction and a $100 maximum shelter cost deduction, this proposal applies its shelter deduction only to benefits. Because this bill does not lower the standard deduction quite as low as the $55/$100 options, households in the Northeast and Midwest currently participating in the food stamp program lose less than under the $55 proposal: a loss of $179 million instead of $336 million. This loss is still $178 million more than under the original Richmond bill; $130 million more than under Dole-McGovern; and $26 million more than under the McHugh amendment. It is $49 million less than under the Administration bill.

Table V shows that households will lose $5 million in New England; $95 million in the Industrial Northeast; $9 million in the Industrial Midwest; and $23 million in the Plains states.

Regional data detailing which households lose benefits and which gain under this bill was not available.

Table X gives the national figures of the changes in benefit levels, and table XII gives the figures for households under poverty.

Whether or not it can be said that the regions will follow this national pattern is open to debate. However, the low standard deduction seem to support a conclusion that eligibility and benefit losses will be greater in the Northeast and Midwest than the national average.

Table VIII points out that $230 million less will go to households in the urban Northeast and Midwest and $49 million less will go to its rural parts. The table then details the amount of change in benefits regionally.

When the amount of benefit reduction for those households under poverty in the urban North and in the nation are examined, the House Agriculture Subcommittee proposal appears to make fewer households worse off than either the $50/$100 proposal or Congressman McHugh's amendment.

Because regional data detailing the number of households made ineligible was not available, a detailed examination and comparison of the merits of the Administration bill, the House Agriculture Subcommittee bill, and the McHugh amendment, was difficult. A more general examination, however, revealed an apparent trade-off. The Administration bill, with its higher standard deduction would make more households eligible to receive food stamps, but it would drastically reduce benefits to households under poverty. The House Subcommittee bill would give higher benefit levels, but would make fewer households eligible. Therefore a choice must be made between higher benefits or making more households eligible in order to decide which bill would be better. This trade-off would not be necessary, however, if the Leahy amendment, which has been introduced in the Senate Nutrition Subcommittee, were adopted.

H. The Leahy amendment

This amendment changes the Administration proposal for standardizing deductions by lowering the standard deduction from $80 to $60 and by adding a supplemental deduction of up to $75 for shelter costs in excess of 50% of income after all other deductions have been subtracted. Like the original Richmond bill, it will apply a shelter cost deduction to be used for calculating both eligibility and benefits. It retains the Administration's supplemental deduction of 20% of all earned income. The program cost will be $200–$230 million above current costs.

This amendment will do for the region what Congressman Richmond's original bill would do for the region, but on a slightly lower scale. Although the amount of bonus dollars going to the region is unknown, it can be assumed that it is somewhat higher than that directed to the region by the House Subcommittee bill. While both bills have the same benefit formulae, the Leahy amendment expands a household's possible deduction from $75 to $150 keeping more households on file.

Table XIII shows that under the Leahy amendment 6.5% of the households nationally would become ineligible. This is to be compared with 7.8% under the House Subcommittee bill, and 6.7% under the Administration bill. Yet, under both the Leahy amendment and the House Subcommittee, 27.2% of the households lose benefits (including ineligibles), a figure far lower than the Administration bills' 39.5%.

Table XIII shows that under the Leahy amendment, 32% of the households in the Northeast and Midwest currently participating in the Food Stamp program will lose benefits, a smaller percentage than under any other option meeting the $200 million budget constraint.

Under the Leahy amendment, 8.1% of the households in the Northeast and Midwest become ineligible, compared to 8.6% under the Administration bill. In New England, 15.8% become ineligible, compared to 16.4%; in the Industrial Northeast—6.8% compared to 7.9%; in the Industrial Midwest—4.6% compared to 4.7%; and in the Plains—10.3% compared to 8.8%.

When the number of households which are cut from the food stamp program and the benefit levels for those who remain in the program are compared, it is clear that the Leahy amendment reflects the needs of the Northeast and Midwest more than any other option under the $200 million budget constraint. This amendment has been adopted by the Senate subcommittee.

V. CONCLUSION

A detailed regional impact analysis of eight food stamp policy alternatives now under consideration reveals that in the simple terms of dollars gained or lost:

The original Richmond bill is the most advantageous to the Northeast and Midwest with a net loss of $1 million;

The Dole/McGovern bill is next most advantageous with a net loss of $49 million; and

The McHugh amendment ranks behind Dole/McGovern with a net loss of $153 million.

The House Subcommittee bill, the Talmadge bill and the Administration bill rank as less advantageous with losses of $179 million, $188 million and $228 million respectively. The $55/$100 option is least advantageous with a total loss of $336 million.

Although data is incomplete, the Leahy amendment appears to be more advantageous to the region in total dollar terms than the McHugh amendment and slightly less advantageous than the Dole/McGovern bill.

If a budget constraint of $200 million above current program costs is assumed, a choice is required between the Leahy amendment, the Talmadge bill, the House Subcommittee bill, the McHugh amendment, the $55/$100 proposal and the Administration bill. This choice should rest not only on the criterion of dollars gained or lost to the region, but also on the number of people made ineligible and the levels of benefit reduction and gain. In terms of the number of households made ineligible:

The Leahy amendment is the most advantageous to the region with a regional ineligible rate of 8.1%.

The Talmadge bill yields the worst results with a regional ineligible rate of 9.2%.

The Administration bill, the McHugh amendment, the $55/$100 proposal, and the House Agriculture Subcommittee bill all fall in the middle.

A full comparison of the options meeting the $200 million constraint on the basis of the percentages of currently participating households which lose under each is impossible, as this data is not available by region for each option. With respect to those options for which this data is available, the Leahy amendment is the most advantageous to the region, while the Administration and Talmadge bills are the least advantageous. (See Tables VI, VII and XIII).

Based on the currently available data, then, the Leahy amendment is the most advantageous option for the Northeast and Midwest which meets the $200 million budget constraint.

ABOUT THE NORTHEAST-MIDEAST RESEARCH INSTITUTE

The benefits from the modest economic recovery of the past 20 months have not been shared equally by all regions of the country. Unemployment rates in the Northeast, and to a slightly less extent in the Midwest, have remained above the national average while the economies of the Southern and far western states have begun to move forward.

The economic plight of the Northeast-Midwest region* have moved groups of businessmen, Governors, state legislators, Congressmen and others to organize for study and common action.

The Northeast-Midwest Economic Coalition has perhaps the broadest reach of any of these organizations. This bi-partisan group of 204 Congressmen from the 16 states of the region is led by its Chairman, Congressman Michael J. Harrington (D-Mass.); Rep. Frank Horton (R-N.Y.), the Coalition's Co-Chairman; and Rep. James Oberstar (D-Minn.), the Secretary-Treasurer. The Coalition seeks to inform its members about regional implications of federal policies and influence those policies wherever possible.

The Northeast-Midwest Research Institute was developed to analyze the common problems of the region and seek realistic solutions, concentrating on federal policy options. While the Coalition's 204 Congressmen are key clients of the Institute's work, it makes its findings available to Senators, decisionmakers in the Executive Departments, interested Governors and other elected officials, concrned leaders of business, labor, and industry, and the public.

The Institute neither seeks nor encourages confrontation with other regions of the nation. In the Institute's view, economic problems of regions must be addressed in the context of national policy because economic difficulty in one part of the country weakens the nation's entire economic structure.

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*Connecticut, Illinois, Indiana, Iowa, Maine, Massachusetts, Michigan, Minnesota, New Jersey, New Hampshire, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Wisconsin.

TABLE I.—1976 PARTICIPATION

	Total	Public assistance recipients	Nonpublic assistance recipients
Coalition	7, 148, 995	4, 788, 228	2, 360, 767
Northeast	3, 976, 493	2, 653, 702	1, 322, 791
New England	1, 068, 356	544, 632	523, 724
Connecticut	182, 653	95, 414	87, 239
Maine	115, 227	34, 353	80, 874
Massachusetts	576, 659	311, 816	264, 843
New Hampshire	49, 742	20, 364	29, 378
Rhode Island	94, 661	58, 131	36, 530
Vermont	49, 414	24, 554	29, 860
Mid-Atlantic	2, 908, 137	2, 109, 070	799, 067
New Jersey	531, 167	334, 411	196, 756
New York	1, 514, 776	1, 184, 931	329, 845
Pennsylvania	862, 194	589, 728	272, 466
Midwest	3, 172, 502	2, 134, 526	1, 037, 976
Illinois	936, 218	726, 584	209, 634
Indiana	220, 809	104, 817	115, 992
Michigan	671, 268	503, 675	167, 593
Minnesota	174, 090	92, 241	81, 849
Ohio	876, 770	525, 608	351, 162
Wisconsin	178, 456	112, 453	66, 003
Iowa	114, 891	69, 148	45, 743

Source: Tabulations from USDA monthly Statistical Summary of Operations, 1976.

TABLE II.—AVERAGE TOTAL DEDUCTIONS BY SELECTED HOUSEHOLD CHARACTERISTICS AND REGIONS

	All areas average	New England	Industrial Northeast	Industrial Midwest	Plains	Mid-South	Deep South	Southwest	Northwest	Puerto Rico
Overall average	74. 12	123. 62	83. 87	55. 67	75. 15	62. 74	70. 22	73. 58	82. 98	39. 11
Poverty status:										
Less than povert	57. 61	87. 49	65. 83	43. 53	62. 21	51. 68	57. 01	57. 75	64. 93	34. 12
1.01 to 1.25 percent	112. 56	141. 61	109. 31	99. 05	83. 08	113. 37	128. 40	113. 26	108. 37	
1.26 to 1.50 percent	179. 24	202. 86	189. 70	145. 36	164. 50	206. 87	175. 41	162. 74	164. 45	132. 88
+0.150 percent	237. 28	344. 95	203. 08	236. 50	177. 86	190. 06	292. 56	212. 46	257. 86	209. 13
Urban-rura.:										
Rural	62. 69	112. 37	77. 39	61. 54	70. 94	57. 06	57. 36	51. 13	79. 96	39. 11
Urban	83. 19	131. 64	86. 08	53. 61	79. 12	73. 38	87. 46	83. 53	84. 99	39. 11

Source: Courtesy of Wendell Primus Tabulations from USDA—September 1975 food stamp survey tape.

TABLE III.—ITEMIZED DEDUCTIONS PER HOUSEHOLD, UNITED STATES AND REGIONAL AVERAGES

	Overall average	Northeast	Industrial Northeast	Northwest	Plains	Mid-South	Deep South	Southwest	Northwest	Puerto Rico
Shelter	46. 48	77. 85	62. 16	41. 48	45. 39	32. 89	37. 97	44. 29	54. 91	10. 58
Work	18. 13	30. 38	14. 51	10. 54	21. 24	17. 27	18. 38	20. 77	17. 37	22. 30
Other	9. 52	15. 40	7. 21	3. 66	8. 51	12. 60	13. 87	8. 52	10. 36	6. 22
Total deductions	74. 12	123. 62	83. 87	55. 67	75. 15	62. 75	70. 22	73. 58	89. 28	39. 11

Source: Courtesy of Wendell Primus, tabulations from USDA September 1975 food stamp survey tape.

TABLE IV.—PARTICIPATION RATES, FISCAL YEAR 1976

	Percent
Northeast:	
Connecticut	65. 5
Maine	(1)
Massachusetts	75. 9
New Hampshire	(1)
Rhode Island	82. 0
Vermont	51. 7
New Jersey	75. 0
New York	61. 5
Pennsylvania	46. 0
Midwest:	
Illinois	(1)
Indiana	47. 4
Michigan	(1)
Minnesota	(1)
Ohio	71. 2
Wisconsin	(1)
Iowa	(1)

1 Not available.

Source: (a) Testimony of coalition of Northeast Governors before the House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, March 1977. (b) Indiana and Ohio, State offices, Washington, D.C.

TABLE V.—BONUS DOLLARS OF ALTERNATIVE PROPOSALS BY REGION, FISCAL YEAR 1978

	Current program	Administration's proposal	Richmond, H.R. 4844	Dole-McGovern, S. 845	Talmadge, S. 275	McHugh amendment	House Agriculture Subcommittee proposal	$55 standard deduction (maximum), $100 shelter cost deduction—benefits
New England	0. 289	0. 227	0. 263	0. 251	0. 239	0. 237	0. 237	0. 233
Industrial Northeast	. 967	. 836	. 963	. 926	. 868	. 872	. 872	. 852
Industrial Midwest	. 408	. 398	. 436	. 437	. 394	. 418	. 399	. 271
Plains	. 299	. 274	. 300	. 300	. 274	. 283	. 276	. 271
Mid-South	. 684	. 675	. 716	. 727	. 665	. 642	. 671	. 661
Deep South	. 891	. 870	. 924	. 933	. 867	. 843	. 868	. 858
Southwest	. 742	. 698	. 758	. 759	. 701	. 703	. 701	. 691
Northwest	. 268	. 236	. 267	. 262	. 244	. 239	. 243	. 239
Puerto Rico	. 456	. 465	. 472	. 487	. 459	. 446	. 460	. 452

Source: Unpublished paper, majority staff: House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, April 1977.

TABLE VI.—PERCENTAGES OF CURRENTLY PARTICIPATING HOUSEHOLDS WHO LOSE AND GAIN UNDER S. 275 (TALMADGE BILL)

	Overall average	Northeast-Midwest average	New England	Industrial Northeast	Industrial Midwest	Plains	Mid-South	Deep South	Southwest	Northwest	Puerto Rico
Ineligible	7.3	9.2	17.0	8.5	5.3	9.7	3.9	5.3	7.9	9.1	2.2
Lose more than $40	1.6	1.7	3.7	1.8	.2	1.9	.9	1.7	1.7	2.0	0.6
Lose $21 to $40	5.9	6.6	10.0	7 3	3.4	5.6	4.5	6.1	5.4	7.0	3.1
Lose $6 to $20	20.0	24.3	25.5	27.5	20.4	18.1	15.5	15.0	19.6	22.1	8.6
Total lose	34.8	41.8	56.2	45.1	29.3	35.3	24.8	28.0	34.6	40.2	14.5
No change	29.9	28.0	22.0	28.2	28.9	32.2	31.4	28.3	28.0	33.4	44.5
Total gain	35.3	30.2	21.8	26.8	41.8	32.5	43.7	43.7	37.3	26.3	41.0
Gain $6 to $20	30.2	25.5	18.1	23.0	34.5	27.8	37.7	36.4	41.0	22.6	40.8
Gain $21 to $40	5.1	4.7	3.7	3.8	7.3	4.7	6.0	7.3	6.3	3.7	.2

Source: Courtesy of Food Research and Action Center, tabulations from OSDA—September 1975 food stamp survey tape.

TABLE VII.—PERCENTAGES OF CURRENTLY PARTICIPATING HOUSEHOLDS WHO LOSE AND GAIN UNDER THE ADMINISTRATION BILL

	Overall average	Northeast-Midwest average	New England	Industrial Northeast	Industrial Midwest	Plains	Mid-South	Deep South	Southwest	Northwest	Puerto R ic
Ineligible	6.7	8.6	16.4	7.9	4.7	8.8	3.8	4.1	7.2	8.4	1.7
Lose more than $40	2.1	2.4	4.8	2.3	.9	2.4	1.3	2.4	2.0	2.2	1.0
Lose $21 to $40	7.6	8.8	12.6	10.3	3.8	7.2	5.5	6.9	7.3	8.7	4.0
Lose $6 to $20	23.1	28.2	26.6	32.0	25.1	21.6	18.3	18.2	21.3	22.6	12.2
Total lose	39.5	47.9	60.4	52.5	34.5	40.0	28.9	31.6	37.8	41.9	18.9
No change	32.6	28.3	22.4	27.1	29.3	36.0	34.8	32.5	33.1	36.9	55.4
Total gain	27.9	23.8	17.1	20.4	36.1	24.0	36.1	36.0	29.0	21.1	25.7
Gain $6 to $20	26.0	22.5	15.3	19.4	34.6	22.7	34.6	32.3	25.9	20.3	24.2
Gain $21 to $40	1.9	1.3	1.8	1.0	1.5	1.3	1.5	3.7	3.1	.8	1.5

Source: Courtesy of Food Research and Action Center, tabulations from OSDA—September 1975 food stamp survey tape.

TABLE VIII.—BONUS DOLLARS BY DIFFERENT PROPOSALS BY REGION BY URBAN-RURAL STATUS, FISCAL YEAR 1978

	Current program	Administration's proposal	Richmond, H.R. 4844	Dole-McGovern S. 845	McHugh amendment	House Agriculture Subcommittee proposal	$55 standard deduction (maximum) $100 shelter cos deduction benefit
New England:							
Rural	0.129	0.109	0.123	0.119	0.110	0.113	0.111
Urban	.160	.118	.140	.131	.127	.124	.122
Industrial Northeast:							
Rural	.264	.243	.266	.266	.232	.246	.242
Urban	.703	.594	.697	.661	.640	.626	.610
Industrial Midwest:							
Rural	.123	.121	.128	.132	.115	.118	.125
Urban	.285	.277	.308	.305	.303	.281	.146
Plains:							
Rural	.138	.129	.139	.142	.126	.128	.125
Urban	.161	.144	.161	.158	.157	.148	.146
Mid-South:							
Rural	.455	.460	.477	.494	.421	.450	.443
Urban	.229	.215	.239	.234	.221	.221	.218
Deep South:							
Rural	.449	.505	.523	.539	.466	.493	.486
Urban	.392	.365	.401	.394	.377	.375	.372
Southwest:							
Rural	.213	.214	.224	.232	.202	.208	.205
Urban	.529	.484	.534	.526	.501	.493	.486
Northwest:							
Rural	.112	.100	.112	.110	.097	.102	.100
Urban	.156	.136	.156	.151	.142	.141	.139
Puerto Rico	.466	.465	.472	.487	.446	.460	.457

Source: Unpublished paper, majority staff: House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, April 1977.

TABLE IX.—PERCENTAGES OF HOUSEHOLDS GAINING AND LOSING VARIOUS BONUS AMOUNTS BY ALTERNATIVE PROPOSALS IN THE URBAN NORTH VERSUS THE RURAL SOUTH FOR ALL HOUSEHOLDS LESS THAN POVERTY

	Current program	Administration's proposal	McHugh amendment	House Agriculture Subcommittee proposal	$55 standard deduction $100 (maximum) shelter cost deduction—benefits
Bonus (in millions of dollars):					
Urban North	678	621.0	660.0	659.0	650.0
Rural South	895	927.0	857.0	911.0	898.0
Lose more than $40:					
Urban North		2.8	2.2	1.2	1.0
Rural South		.9	1.7	.5	.7
Lose $21 to $40:					
Urban North		10.5	7.9	3.8	3.3
Rural South		4.0	7.4	3.5	3.5
Lose $6 to $20:					
Urban North		35.1	24.8	17.2	21.3
Rural South		14.4	23.8	11.3	12.7

	Current program	Administration's proposal	McHugh amendment	House Agriculture Subcommittee proposal	$55 standard deduction $100 (maximum), shelter cost deduction—benefits
No change:					
Urban North		29.5	32.4	60.7	62.8
Rural South		35.1	46.2	46.7	53.1
Gain $6 to $20:					
Urban North		21.6	29.4	16.8	11.4
Rural South		41.5	20.2	36.7	29.0
Gain $21 to $40:					
Urban North		.5	3.2	.2	.2
Rural South		4.1	.7	1.4	1.0
Gain more than $40:					
Urban North		.1	.1		
Rural South		.1	0		

Source: Unpublished paper, Majority Staff, House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition. April 1977.

TABLE X.—PERCENTAGES OF CURRENTLY PARTICIPATING HOUSEHOLDS WHO LOSE AND GAIN UNDER ALTERNATIVE PROPOSALS

	Administration proposal	Richmond H.R. 4844	Dole-McGovern S. 845	Talmadge S. 275	House Agriculture Subcommittee bill	Leahy amendment
Ineligible	6.7	5.4	5.1	7.3	7.8	6.5
Lose more than $40	2.1	.9	1.7	1.6	1.0	1.1
Lose $20 to $40	7.6	2.6	4.8	5.9	3.2	3.8
Lose $6 to $20	23.1	8.8	16.5	20.0	15.2	15.9
Total lose	39.5	17.7	28.1	34.8	27.2	27.2
No change	32.6	38.1	29.1	29.9	49.9	49.9
Total gain	27.9	44.3	42.8	35.3	22.9	22.9
Gain $6 to $20	26.0	42.5	33.9	30.2	22.1	22.1
Gain $21 to $40	1.9	1.7	8.7	5.1	.8	.8

Source: Unpublished paper, majority staff: House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, April 1977.

TABLE XI.—PERCENTAGES OF CURRENTLY PARTICIPATING HOUSEHOLDS WHO LOSE AND GAIN UNDER H.R. 4844 (RICHMOND)

	Overall average	Northeast-Midwest average	New England	Industrial Northeast	Industrial Midwest	Plains	Mid-South	Deep South	Southwest	Northwest	Puerto Rico
Ineligible	5.4	6.9	13.6	5.9	3.5	8.9	3.2	3.3	6.0	6.8	1.5
Lose more than $40	.9	1.0	2.0	1.0	.5	.8	1.1	.5	1.0	.9	.2
Lose $21 to $40	2.6	2.8	5.4	2.7	1.1	2.6	2.0	3.2	2.3	2.9	1.9
Lose $6 to $20	8.8	9.4	12.5	10.7	4.9	8.5	7.0	9.5	7.3	8.8	9.2
Total lose	17.7	20.1	33.5	20.3	10.0	20.8	13.3	16.5	16.6	19.4	12.8
No change	38.1	39.2	36.9	41.1	35.3	40.9	31.1	30.8	36.8	43.8	59.2
Total gain	44.2	40.7	29.4	38.6	54.8	38.3	55.5	52.7	46.5	36.7	28.1
Gain $6 to $20	42.5	39.7	27.9	38.1	53.5	36.8	53.7	49.4	43.6	35.8	26.6
Gain $21 to $40	1.7	1.0	1.5	.5	1.3	1.5	1.8	3.3	2.9	.9	1.5

Source: Courtesy of Food Research and Action Center, Tabulations from OSDA—September 1975 Food Stamp Survey Tape.

TABLE XII.—PERCENTAGES OF CURRENTLY PARTICIPATING HOUSEHOLDS WHO LOSE AND GAIN UNDER VARIOUS PROPOSALS FOR ALL HOUSEHOLDS LESS THAN POVERTY

	Administration's bill	McHugh amendment	House Agriculture Subcommittee proposal	$55 standard deduction $100 (maximum), shelter deduction benefits		Administration's bill	McHugh amendment	House Agriculture Subcommittee proposal	$55 standard deduction $100 (maximum), shelter deduction benefits
Lose $40	1.7	1.7	0.8	0.8	Gain $6 to $20	30.1	26.7	25.7	19.4
Lose $20 to $40	7.0	6.9	3.3	3.1	Gain $21 to $40	1.9	3.0	.8	.6
Lose $6 to $20	23.3	22.6	13.2	15.9	Gain $40		.1		
No change	36.0	39.1	56.3	60.3					

Source: Unpublished paper, majority staff: House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, April 1977.

TABLE XIII.—PERCENTAGES OF CURRENTLY PARTICIPATING HOUSEHOLDS WHO LOSE AND GAIN UNDER THE LEAHY AMENDMENT BY REGION

	Overall average	Northeast-Midwest average	New England	Industrial Northeast	Industrial Midwest	Plains	Mid-South	Deep South	Southwest	Northwest	Puerto Rico
Ineligible	6.5	8.1	15.8	6.8	4.6	10.3	4.1	4.0	7.3	7.7	1.9
Lose more than $40	1.1	1.3	2.7	1.3	.4	1.1	1.3	.9	1.3	1.2	0
Lose $21 to $40	3.8	3.8	5.7	4.1	1.6	4.0	3.3	4.6	3.4	4.0	3.3
Lose $6 to $20	15.8	18.4	20.1	21.9	11.4	15.2	11.4	14.2	14.9	15.2	12.3
Total loss	27.2	31.6	44.3	34.1	18.0	30.6	20.1	23.7	26.9	28.1	17.5
No change	49.9	51.0	43.5	50.4	57.4	51.3	47.9	42.5	46.7	53.3	67.2
Total gain	22.9	17.3	12.1	15.5	24.5	18.1	32.1	33.8	26.4	18.6	15.2
Gain $6 to $20	22.1	16.7	10.9	15.2	23.7	17.4	31.3	32.5	25.1	18.4	14.4
Gain $21 to $40	.8	.6	1.2	.3	.8	.7	.8	1.3	1.3	.2	.8

Source: Courtesy of Food Research and Action Center, tabulations from OSDA—September 1975 food stamp survey tape.

COMPARISON OF MAJOR FOOD STAMP LEGISLATION

Current program	Administration proposal	Richmond bill, H.R. 4844	Dole-McGovern bill, S. 845	Talmadge bill, S. 275
1. NET INCOME LIMITS				
Set at $6,636 for a family of 4 (eligibility figures are tied to the coupon allotments);	Set at the poverty level ($5,815 for a family of 4);	Same as administration bill	Same as administration bill	Same as administration bill.
Updated semiannually in accordance with the cost of food.	Adjusted annually	Adjusted semiannually	Same as Richmond bill	Same as administration bill.

COMPARISON OF MAJOR FOOD STAMP LEGISLATION—Continued

Current program	Administration proposal	Richmond bill, H.R. 4844	Dole-McGovern bill, S. 845	Talmadge bill, S. 275
2. GROSS INCOME LIMITS				
No firm gross income limits due to the use of itemized deductions.	Set at $6,800 for a nonworking family of 4 and about $8,500 for a working family of 4.	Set at $7,615 for a nonworking family of 4 (assuming maximum shelter deduction), and $9,518 for a working family of 4 (assuming maximum shelter deduction). Dependent care costs up to $75 a month, if applicable, will increase gross income level to about $10,650.	Set at $7,015 for a nonworking family of 4, and at about $8,770 for a working family of 4. (Dependent care costs up to $85 a month, if applicable, will increase gross income level to about $10,000).	Set at $6,655 a year for a nonworking, nonelderly family of 4, and at about $8,000 a year for working nonelderly family of 4.
3. PURCHASE REQUIREMENT				
Varies from 0 to 30 percent of net income. The average household pays 25.6 percent of net income for stamps.	Purchase price is eliminated. Households receive coupon allotments reduced by 30 percent of their net income.	Same as administration bill.	Same as administration bill.	Households pay 27.5 percent of net income (after standard deduction) to purchase stamps.
4. INCOME DEDUCTIONS				
Households get itemized deductions for: taxes and other mandatory payroll withholding; work-related expenses up to $30 per month; medical costs; tuition and fees; child care costs to allow a household member to work; court ordered alimony or support payments; unusual expenses due to disaster or casualty loss; and shelter costs (including rent, utilities, mortgage payments, taxes) to the extent that they exceed 30 percent of income after other deductions are subtracted.	Set standard deduction at $80 a month (deduction in Puerto Rico, the Virgin Islands, and Guam shall be based on the relationship between the existing or potential "itemized" deductions for such areas and the 50 States) plus:	Sets a standard deduction at $75 ($40 in Guam, Commonwealth of Marianas, Puerto Rico, and Virgin Islands), plus:	Sets standard deductions at $100 a month ($60 in Puerto Rico, Guam, and Virgin Islands) plus:	Sets standard deductions at $70 a month ($35 in Puerto Rico, Guam, and Virgin Islands) plus:
	(1) Deduction of 20 percent of all earned income to compensate for taxes, other mandatory deductions and work related expenses.	Same as administration bill.	Same as administration bill.	(1) All Federal, State, and local taxes and mandatory retirement payments.
	No comparable provisions.	(2) Deduction of up to $75 a month for cost of care for a dependent when necessary for work or training; and (3) shelter deduction up to $75 representing amount of actual shelter costs in excess of 50 percent of income after all other deductions have been subtracted.	(2) A deduction of up to $85 a month for the cost of care of a dependent when necessary for work or training; and (3) a deduction up to $50 to account for extraordinary conditions of "hardship" to be determined by USDA.	(2) $25 for households with a person over age 60, or for households with earned income over $150 a month; and
Deductions are for actual cost of deductible items; thus, they increase as cost-of-living increases.	These deductions will all be updated semiannually.	Same as administration bill.	Same as administration bill.	These deductions would remain unchanged throughout the life of the bill (5 years).
5. ASSETS				
No assets test in law. Regulations require that households have less than $1,500 in assets ($3,000 for households of 2 or more persons in which at least 1 person is age 60 or over). Exempted from the assets test is the full value of a home and lot; a car; a second car if needed for employment; all household goods and personal effects; all income-producing property; all life insurance policies and pension funds; tools and machinery needed for work; and resources whose cash value is not accessible to the household such as irrevocable trust funds.	Gives USDA authority to determine asset types and limits by issuing regulations.	Same as administration bill.	Same as administration bill.	Same as administration bill.
6. CATEGORICAL ELIGIBILITY				
Households in which all members receive welfare or SSI are automatically eligible.	Categorical eligibility is eliminated. All households—including those on welfare or SSI—are eligible for food stamps only if they meet the income and assets tests.	Same as administration bill.	Same as administration bill.	Same as administration bill.
7. STRIKERS				
Households containing a striker are eligible if they meet the same eligibility limits as all other households.	Same as current law.	Same as current law.	Same as current law.	Same as current law.
8. STUDENTS				
Students who meet the income and assets limits are eligible unless they are properly claimed as a tax dependent by a household that is not eligible for food stamps.	Students who meet the income and assets limits are eligible unless they are properly claimed—or could be claimed—as a tax dependent by a household that is not eligible for food stamps.	Same as administration bill.	Same as administration bill.	Same as administration bill.
9. REPORTING BY RECIPIENTS				
Households must report changes of more than $25 in monthly income within 10 days, although States are not prohibited from instituting monthly reporting systems.	Household must report (on a form designed or approved by the Secretary) changes in monthly income.	Households must report changes in monthly income.	No comparable provision.	Give States option to institute monthly reporting of income. In States which do not choose this option, recipients must report any change in income over $25 within 10 days.
There is no specific provision for recoupment of nonreported income, although States can institute collection proceedings against households that do not report on time.	A failure to comply can result in disqualfication. No other reporting method is allowed.	Same as administration bill.	No comparable provision.	If such changes are not reported, subsequent coupon allotments will be reduced to compensate for the nonreported income.
10. FRAUD				
States receive Federal reimbursements for 50 percent of the costs of investigations, and related activities, the same as all other administrative costs.	States would receive Federal reimbursement for 75 percent of the cost of investigations, prosecutions, and other activities related to recovering losses.	Same as administration bill.	No comparable provision.	Same as administration bill.

Current program	Administration proposal	Richmond bill, H.R. 4844	Dole-McGovern bill, S. 845	Talmadge bill, S. 275
11. DEFINITION OF INCOME				
Excludes from income the following: money earned by student under age 18; irregular income less than $30 every 3 months; in-kind benefits (except employer-provided housing up to $25 a month); money from loans (except educational loans); money received by ACTION/VISTA volunteers; and HUD vendor payments. Allows educational expenses for tuition and mandatory fees as income deduction.	Adopts current income exclusions to a large degree. However, counts VISTA payments as income.	Same as administration bill.	Same as administration bill.	Same as administration bill, except counts lump-sum payments as income.
12. WORK REGISTRATION				
Requires all able-bodied people between ages 18 and 65 to register for work, and leaves burden of finding employment on State employment agencies. Exempts: students; household members caring for children under 18 or home-bound adults; people already working 30 hours a week; alcoholics or drug addicts in treatment programs, and WIN registrants. Only requires recipients to accept "suitable" jobs; i.e., safe, fairly convenient, and with reasonable wages.	Similar to current program, except people between 60–65 would not have to register for work; people caring for children 12–18 and students during school breaks of more than 30 days would have to register for work. Registrants must fulfill USDA-dictated reporting requirements, and must actively seek jobs as a condition of receiving stamps.	Similar to current program, except people caring for children 12–18 would have to register for work. Registrants must fulfill USDA-dictated reporting requirements.	No comparable provision	Same as administration bill; except students during school breaks o more than 30 days would not have to register for work.
13. ACCOUNTING PERIODS				
Eligibility and benefits based on income expected to be available during the certification period.	Eligibility and benefits based on income actually available during certification period.	Same as administration bill	Same as administration bill	Eligibility and benefit levels to be based on income received over the 30 days prior to applying for food stamps.
14. EXPIRATION OF FOOD STAMP ACT				
Sept. 30, 1977	Sept. 30, 1979	Sept. 30, 1981	Sept. 30, 1982	Sept. 30, 1982.

Sources: (1) Food Research and Action Center, Memo, Mar. 24, 1977. (2) Unpublished paper, Majority Staff: House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, April 1977.

APPENDIX B

DISTRIBUTIONAL IMPACTS OF THE MAJOR PROPOSALS BY SELECTED HOUSEHOLD CHARACTERISTICS

	Current program		Administration's proposal		Richmond, H.R. 4844		Dole-McGovern, S. 845		Talmadge, S. 275	
	Amount (billions)	Percent	Amount (billions)	Percent	Amount (billions)	Percent	Amount (billions)	Percent	Amount (billions)	Percent
Bonus	$5.012	100.00	$4.677	100.0	$5.098	100.0	$5.079	100.0	$4.830	100.0
Poverty status less than 1-percent poverty	4.444	88.6	4.363	93.3	4.702	92.3	4.671	92.0	4.505	93.3
1 to 1.25 percent poverty	.414	8.3	.300	6.4	.356	6.9	.368	7.2	3.17	6.6
1.25 to 1.50 percent poverty	.104	2.1	.013	.2	.036	.7	.038	.7	.009	.2
1.50 percent-plus poverty	.050	.9	.001	.02	.002	.04	.002	.04	.001	.02
Urban/rural	2.399	47.9	2.345	50.1	2.463	48.3	2.520	49.6	2.411	49.9
Do	2.614	52.1	2.333	49.9	2.634	51.7	2.559	50.4	2.410	50.1

Source: Unpublished paper, majority staff: House Agriculture Subcommittee on Domestic Markets, Consumer Relations, and Nutrition, April 1977.

APPENDIX C

COST ESTIMATES FOR ALTERNATIVE PROPOSALS, FISCAL YEAR 1978

[In billions of dollars]

	Current program	Administration proposal	Richmond, H.R. 4844	Dole-McGovern, S. 845	Talmadge, S. 275	McHugh amendment	House Agriculture Subcommittee proposal	$55 standard deduction; $100 maximum shelter cost deduction benefits
Bonus costs:								
Major eligibility provisions	5.012	4.677	5.098	5.079	4.831	4.677	4.727	4.651
Elimination of the purchase requirement		.489	.533	.531		.489	.494	.486
Rebate of sales tax			−.066					
Savings-work registration requirement					−.018			
Counting income tax rebates					−.040			
Administrative costs	.352	.328	.395	.356	.323	.328	.366	.360
Work registration requirement					.075			
Savings from EPR		−.036	−.036			−.036	−.036	−.036
Total Federal cost	5.364	5.458	5.924	5.930	5.171	5.458	5.551	5.461

Source: Unpublished paper, majority staff: House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, April 1977.

BLACK LUNG BENEFITS REFORM ACT OF 1977

Mr. RANDOLPH. Mr. President, today the Committee on Human Resources reported an original bill to amend title IV of the Federal Coal Mine Health and Safety Act. The bill, entitled the "Black Lung Benefits Reform Act of 1977," includes provisions—a black lung disability fund and excise taxes on the sale or use of coal—which are properly matters for consideration by the Committee on Finance.

The press of time precluded the arrangement of a unanimous-consent request to refer the bill to the Committee on Finance. I will be in contact during

the next day or two with the chairman, the ranking minority member, and other appropriate members of the committee to discuss the details of the anticipated referral to the Committee on Finance.

(This concludes additional statements submitted today.)

ORDER FOR RECOGNITION OF SENATOR GRIFFIN AT 12 NOON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, at 12 noon tomorrow, Mr. GRIFFIN be recognized to call up his amendment on the XM tank.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 11:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 11:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR NUNN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, are there any orders for recognition of Senators on tomorrow?

The PRESIDING OFFICER. The senior Senator from Georgia (Mr. TALMADGE) is to be recognized for 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, following the recognition of Mr. TALMADGE tomorrow, Mr. NUNN be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR SENATE TO RESUME CONSIDERATION OF H.R. 5970 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of the two orders on tomorrow, the Senate resume consideration of the military procurement bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that, at that time, Mr. GRIFFIN be recognized to call up his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The earlier unanimous-consent agreement for 12 o'clock is vitiated.

Mr. ROBERT C. BYRD. Yes, I believe I asked unanimous consent that the Senate convene at 11:30 a.m. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. This would mean that, shortly after 12 noon, Mr. GRIFFIN will be recognized to call up his amendment.

The PRESIDING OFFICER. That is correct.

TRANSFER OF MEASURE TO UNANIMOUS CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there is one additional bill that is cleared for unanimous consent. That is Calendar Order No. 126. I ask the clerk to transfer that measure to the Unanimous Consent Calendar.

The PRESIDING OFFICER. It will be so transferred.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 11:30 a.m. tomorrow. After the two leaders or their designees have been recognized under the standing order, Mr. TALMADGE will be recognized for not to exceed 15 minutes, to be followed by Mr. NUNN, who will be recognized for not to exceed 15 minutes; after which the Senate will resume consideration of the military procurement bill; at which time, Mr. GRIFFIN will be recognized to call up his amendment on the XM tank.

There will be several rollcall votes tomorrow on the military procurement bill. Hopefully, Senate action will be completed on that bill tomorrow. I suggest that Senators be prepared for a reasonably late session in order that the Senate may complete action on the bill tomorrow.

Mr. STENNIS. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. STENNIS. For the information of the leadership and the Senators, it seems to me that there is every probability that we shall be able to get through tomorrow with this bill. Certainly, we can get through with the amendments that are now visible. I do not know of any prospect of a major amendment in addition to the ones that are already in. So I think that, with good attendance here and fast voting, we can complete action on this tomorrow.

Mr. ROBERT C. BYRD. I thank the distinguished Senator and manager of the bill.

RECESS TO 11:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until 11:30 a.m. tomorrow.

The motion was agreed to; and, at 5:08 p.m., the Senate recessed until Tuesday, May 17, 1977, at 11:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 16, 1977:

INTERNATIONAL BANKS

Richard N. Cooper, of Connecticut, to be U.S. Alternate Governor of the International Bank for Reconstruction and Development for a term of 5 years; U.S. Alternate Governor of the Inter-American Development Bank for a term of 5 years; U.S. Governor of the Asian Development Bank and U.S. Governor of the African Development Fund, vice William D. Rogers, resigned.

DEPARTMENT OF AGRICULTURE

Gordon Cavanaugh, of Maryland, to be Administrator of the Farmers Home Administration, vice Frank B. Elliott, resigned.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Eleanor Holmes Norton, of New York, to be a member of the Equal Employment Opportunity Commission for the term expiring July 1, 1981, vice Raymond Telles, term expired.

COUNCIL ON ENVIRONMENTAL QUALITY

Marion Edey, of the District of Columbia, to be a member of the Council on Environmental Quality, vice John A. Busterud, resigned.

IN THE AIR FORCE

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Sanford K. Moats, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

IN THE NAVY

Adm. Daniel J. Murphy, U.S. Navy, for appointment to the grade of admiral on the retired list pursuant to the provisions of title 10, United States Code, section 5233.

EXTENSIONS OF REMARKS

STACKING DECK WON'T SOLVE NATIONAL ENERGY CRISIS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. PICKLE. Mr. Speaker, I was very disturbed after reading a story in the New York Times last week about some apparent fast shuffling in the Commerce Energy and Power Subcommittee. For too many years, the debate in the House of Representatives over the energy question has been strictly a sectional dispute: the producer States versus the heavy consuming States. During the last Congress, a great deal of the emotionalism was excised and the serious questions were debated on a more intellectual basis. I think that a large measure of debt is owed to Representative BOB KRUEGER for that situation.

Now it appears that some believe Mr. KRUEGER may be too persuasive, so additional members are added to his subcommittee to counteract his effectiveness. If every chairman started loading a subcommittee which was dealing with a controversial issue to slant that subcommittee so it would produce the result he wanted, we would have chaos in the House of Representatives.

I am enclosing the article which appeared on May 22, 1977, for the Members' benefit. If the facts are as the article indicates there appears to be a raw

deal. This is not characteristic of its chairman and in effect changes the rules after the game has started. This is the committee I had previously served on and I am dismayed to see this power act so wantonly demonstrated.

The article follows:

THREE ADDED TO HOUSE ENERGY UNIT IN MOVE LINKED TO GAS PRICES VOTE

(By Martin Tolchin)

WASHINGTON, May 11.—Liberals on the House Commerce Committee have quietly expanded a key energy subcommittee in an apparent effort to neutralize a Texas Congressman who is pressing for deregulation of natural gas prices. The expansion was a graphic demonstration of the legislative maneuvering that has begun to surround President Carter's energy package.

The next few weeks are considered critical in the shaping of the legislation, leading to a proliferation of White House and industry lobbyists on Capitol Hill these days. In the maneuvering, the energy and power subcommittee of the House Commerce Committee is expected to play a key role.

The subcommittee was quietly expanded by the addition of two Democrats and a Republican, all believed to oppose deregulation of natural gas, in what several committee members consider an effort to stack the committee against a forthcoming deregulation proposal.

"It's one of those horse races in which they change the odds and the rules after the horses have left the gate," said Representative Robert Krueger, Democrat of Texas, a subcommittee member. Mr. Krueger last year came within four votes of getting his deregulation proposal adopted on the House floor.

SUBCOMMITTEE VOTE CRUCIAL

The apparent purpose of the expansion was to provide the votes needed to defeat Mr. Krueger's renewed effort, which must clear the subcommittee before it can be considered by the full committee. Unlike last year, it is unlikely that Mr. Krueger will be allowed to offer such a proposal when the energy legislation reaches the House floor, when only amendments proposed by the ad hoc select energy committee will be in order.

Representative Harley O. Staggers, Democrat of West Virginia, chairman of the committee, denied that the expansion had any such intent. He said that the additional subcommittee members had indicated last December that they "all wanted to be on the subcommittee" and that the subcommittee had been expanded, to 22 members, by unanimous consent of the full committee's Democratic caucus.

"I always felt that the subcommittees were too large," Mr. Staggers said in an interview.

Representative Albert Gore Jr. of Tennessee, one of two Democrats added to the subcommittee, said that he had never requested membership. "The chairman asked me if I'd be interested in going on," he said.

Representative Doug Walgren of Pennsylvania, the other Democrat added to the subcommittee, said: "I had asked for it originally, and lost out in the bidding process. I had forgotten about it, and then a few days ago Chairman Staggers asked me. It's a process I don't fully understand."

The additional Republican is Edward R. Madigan of Illinois.

"NO QUESTION" ON MOTIVE

Mr. Krueger said that although the expansion was approved by unanimous consent it had not been on the caucus agenda and eight of the 29 Democrats on the committee were absent.

"There's no question that the purpose was to seek to expand the committee so that those favoring an extension of Federal regulation of natural gas would be in a larger number," said Mr. Krueger, who was an Elizabethan scholar, an English professor and an academic dean of Duke University before being elected to the House two years ago.

Some committee members who oppose deregulation said today that they nevertheless agreed with him.

"The progressives certainly needed reinforcements, no question about that," said Representative Toby Moffett, Democrat of Connecticut.

Representative Andrew Maguire, Democrat of New Jersey, agreed that "the reason for the expansion was to achieve a balance on the subcommittee that reflected the views of the full committee and the House."

SAVE THE PORPOISES

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. CARTER. Mr. Speaker, there was an article in Sunday's Washington Post entitled, "Save the Porpoises." It has been my pleasure to see porpoises for many years, first in Marineland in Florida, where they had been trained to perform at call, and they actually toss a basketball through a goal. They exhibited many, many other unusual feats. Traveling on troopships in both the Atlantic and Pacific in World II, I saw many schools of porpoises gaily splashing out of the water. They seem to be very happy mammals, and the intelligence quotients of some have been estimated to be 168, which is far above the average intelligence quotient of humans and is in the genius range. These friendly mammals have been known to push drowning men to the shore.

I submit, Mr. Speaker, that the humane thing for us to do is to pass such legislation as is necessary to protect these friendly and highly intelligent mammals. As for myself, I would gladly forgo tuna in order to save the porpoises.

I include for the RECORD the article from the Post, "Save the Porpoises":

SAVE THE PORPOISES

Rep. John Murphy would amend the Marine Mammal Protection Act to let tuna fishermen catch 78,000 porpoises this year and next. That's tens of thousands too many. Under the act, the tuna fleet's catches of porpoises—air-breathing creatures that often swim above tuna—are supposed to fall toward zero. The government and the conservation lobby thought 59,000 was a fair figure, on the way down, this year. But the industry chose to beach its fleet in order to put pressure on Congress to let it catch more. The fleet has not caught many tuna this year, but it did catch Mr. Murphy, chairman of the House Merchant Marine and Fisheries Committee. Hearings on his 78,000-porpoise bill will resume Monday.

The tuna industry seems to feel about saving porpoises the way the old AMA felt about "socialized medicine." It has been regrettably slow, for instance, to install the fine-mesh nets that help keep porpoises from being entangled at the surface, and to introduce the "backdown," a shiphandling maneuver that sluices porpoises out of the nets. The fleet claims that porpoise regulations are an economic burden. But economists note that the industry's troubles have other roots. In its most harassed moments, the fleet threatens to transfer its boats to foreign ports. But that's a non-starter. The requisite government approval would not be granted for a transfer whose purpose was to evade American law. And the law bans the import of tuna caught by methods proscribed for American fishermen.

The fishermen deserve more understanding than they have received. They suddenly find their traditional ways challenged by a government that appears remote and bureaucratic and by a conservation movement that seems elitist and insensitive to everyday concerns. This puts upon the administration, whose own new legislative proposals are expected on Monday, a special burden of empathy—even while it acts to obey the law and save the porpoises.

A RESOLUTION TO ESTABLISH THE THOMAS A. EDISON CENTENNIAL COMMISSION

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. PATTEN. Mr. Speaker, on October 21, 1979, the 100th Anniversary of Light will be celebrated in New Jersey and around the Nation. This date marks the centennial of Thomas A. Edison's invention of the first practical incandescent electric lamp. If Edison had stopped with this one invention, he would have been remembered as one of the world's most important inventors. But he did not stop there. Throughout a long and successful career, Edison gave us hundreds of inventions which are still in use today. Some of these are the phonograph, the motion picture camera, the universal stock ticker, the storage battery, the fluorescent lamp, and the miner's lamp.

To honor this great career and to encourage others to pursue careers in science, invention and discovery, I am today introducing a resolution, with the cosponsorship of 21 of my colleagues, which will designate the year 1979 as the Thomas A. Edison Centennial Year, and establish the Thomas A. Edison Centennial Commission.

Several Federal agencies are already involved in the planning of commemorative events, and a compilation of the papers of Thomas Edison. This Commission will work with those agencies, State and local governments, and private groups to prepare and coordinate programs to observe the Thomas Edison Centennial Year. The Commission will also initiate the development of publications, documentary and bibliographic projects, conferences, seminars and public programs, as well as assist with the issuance of commemorative stamps, coins, and other memorials pertaining to the career and achievements of Thomas Edison.

Thomas Edison was important in his time, and his inventions and dedication are important to all of us living in this scientific era. I hope that the Members of the House will join me in support for the creation of this Commission.

A TRIBUTE TO MSGR. DOMINIC A DIEDERICH

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. FARY. Mr. Speaker, it is with a sad heart that I observe the passing, on April 24, 1977, of a dear and devoted friend who influenced my life and the lives of many others throughout Chicago by his compassion and humility which exemplified his concern for his fellow man—this person is the late Msgr. Dominic Aloysius Diederich. Monsignor Diederich was a very religious man who truly understood what it was to be poor and in need. He had a heart filled with an enormous amount of compassion and he loved the people of Chicago and they returned that love.

I recall a heart warming incident some years ago. I was on my way to a weekday service at St. Maurice's Roman Catholic Church when I noticed between 60 and 70 children crowded outside the St. Maurice School. This was most unusual, but as I drew closer I noticed Monsignor Diederich surrounded by children who were having a wonderful time singing and dancing with Monsignor Diederich leading the children in song. He had a special understanding with children and the feeling he had for them was reciprocated again and again in their merriment.

Since the age of 2 the Monsignor spent his childhood in the Guardian Angel Orphanage. He was born on June 20, 1907, and his mother, Susan Diederich, died shortly after his birth. His widowed father, Michael, could only care for the Monsignor's two older brothers, Peter and Matthew. The Poor Handmaids, who pilot the Guardian Angel Orphanage, affected Dominic's early life, and he grew to love them and the children at the orphanage.

Upon completion of his elementary education Monsignor Diederich entered the St. Lawrence Seminary in Calvary, Ill. There the Capuchen Fathers guided him in preparing for the studies that eventually led to his life in the priesthood. Father Diederich was ordained on June 2, 1917. The very next day he returned to the Guardian Angel Orphanage, and the children, to celebrate his first mass.

Father Diederich's first assignment was as assistant to Rev. Louis Maiworm, the pastor of St. Nicholas Church in Chicago.

In 1930, in the midst of the depression, Father Diederich received his first pastorate, St. Mary's Church, Riverdale, Ill. He worked closely with all the members of his new congregation especially the needy, the elderly, and the middle aged. He initiated many new programs and social events for the children.

For his outstanding accomplishments during his pastorate at St. Mary's Church, His Eminence Cardinal George Mundelein assigned Father Diederich as pastor of St. George Church, Chicago, Ill., a larger congregation. He remained at St. George until 1942 when he was named pastor of St. Maurice Church, my parish church, where he remained until his death. During his pastorate at St. Maurice he was appointed by Pope Pius the XII as domestic prelate—monsignorship—in 1957. St. Maurice was his home and his parishioners were his family.

His understanding and love for those in need extended to all God's creatures. At St. Maurice there was a squirrel who had only one eye. Monsignor Diederich fed that squirrel daily along with a regular group of pigeons. His best friend and companion was a dachshund named "Spooky" who was forever at his side.

His active participation in the community was not limited to his priestly functions. He participated in many worthy causes and was, in fact, spiritual leader and chaplain of Chicago's popular Donkey Sauerkraut Social Club, of which I served as the parental president.

He was a close friend of many city and community leaders, including Chicago's late beloved Mayor Daley.

The monsignor showed his compassion for people every day of his life. He always carried lollipops to give to the children he met on the streets. When there was a birth within his congregation he always sent a gift and his prayers.

The children who surrounded and sang with the monsignor called him by his initials, D.A.D. He was a dad in a very true sense. He had a father's love and understanding for all God's creatures in need.

I join with the monsignor's survivors, which include his two nephews, Martin and Matthew Diederich; his two nieces, Mrs. Phyllis Norton and Mrs. Lillian Morf, and two cousins, Mrs. Rose Cheney and Matthew Schmit, as well as all the parishioners of St. Maurice, the children who loved him so, and all the citizenry of Chicago, in grieving the passage of this most compassionate man. The monsignor lives on in all who knew and loved him. Monsignor Diederich watched over all of them and, if I may borrow some words from a poem by the late James J. Metcalfe, Chicago's poet laureate, he lit "the lamp of faith in God. . . . To guide their lips in prayer."

The grief I feel at the loss of my friend must be swallowed up in exaltation when I ponder how perfectly Msgr. Dominic A. Diederich today could declare the apostolic affirmation:

For I am now ready to be offered and the time of my departure is at hand: I have fought a good fight, I have finished my course, I have kept the faith.

POETRESS OF PROTEST PENTAMETERS THE PLUTOCRATS

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. SANTINI. Mr. Speaker, all of us have experienced novel and original testimony in our field investigations for the Congress.

I now wish to share a recent expression of exasperation about Government rules and regulations which was presented to Chairman ABRAHAM KAZEN'S Mines and Mining Subcommittee hearing in Carson City, Nev.

Mrs. Ellie Spice's poetic statement is a most unique approach to communication. It tells of the disgust and disgruntlement many feel about the excess of governmental invasions into individual's day-to-day lives.

I hope her voice is heard—or read—by the anonymous U.S. "47" who seems to be the ultimate source of all governmental decisionmaking.

The statement follows:

POETRESS OF PROTEST PENTAMETERS THE PLUTOCRATS

We've been to protest meetings, group therapy, it's true.
The BLM has listened, but differently than you.
We hope to help you legislators clean the dusty shelves,
Did you ever hear of anyone investigate themselves?

We want to tell it like it is, with total honesty,
No double-talk, no open gaps, it means whole credibility.
Our kind has lived forever, so the freedoms will not die,
You must insist we have a chance, I beg you now to try.

The Department of Interior has spawned a monster child.
It's name is called the BLM, it's behavior has gone wild.
It's a bureaucratic agency, who've gone beyond intent,
Writing tough gestapo rules, is that our kind of government?
Their press releases spewed confusion from the very first inning.
They said, "Our rules are final", we said, "The fight's beginning".
Ah, but I must stick to issues, according to the rules,
Discussing regulations, designed by paper fools.

Now, as to surface management, experience should show
Who turned the hills and valleys of the desert that we know,
From empty desolation to productivity,
With farms and ranches and the mines, which aid economy.

Somehow the rules were written by those with little sense.
They're unrealistic, dictatorial, without intelligence.
These surface regulations are, as certainly they show.
Put out by environmentalists and the only side they know.

We're mostly always careful, conservation was our game,
Long before ecology even had a name.
Hark! They saved the pupfish by supreme court decree,
And we're forced to honor all the asses who are roaming free.

Let me say, the rules of recordation, as in 1872,
Put claims and filings in a spot which sometimes rang untrue.
You've read about the crooks and cheats who falsified the names,
Well, they are still around today, crafty, jumping claims.

Now the recordation, as suggested by the BLM,
Would balance court-house filings, duplicating them.
There'd be no chance of doctoring the records on the sly,
But BLM officials set down fees entirely too high.

Remember, they're on salary, our taxes pay their bills.
Now, by themselves, they're taxing us and patrolling our own hills.
I think they'd better stick to desk-work, shifting paper by the tons,
Rather than be rangers, dictatorial, armed with guns.

In closing now, I ask you to set a precedent.
Declare the tactics they indulge to freedom's detriment.
They've shed their check and balance and our democracy.
You must support the American way and our privilege to be free.

Their entire sinister program, now imposed by their own laws,
Is far beyond intent of Congress and the reason is because,
It's not their job to legislate, as they're seeming now to do.
They were not elected. That job is up to you!

THE DEMAGOGUERY OVER ENERGY

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. SARASIN. Mr. Speaker, in a very short time the debate on President Carter's energy program will begin, and undoubtedly it will contain a large number of comments addressed to "the plight of the consumer," "the oil companies' obscene profits" and "the unjustly high prices charged by the electrical utilities."

I would like to insert for my colleagues' information an excellent article which appeared in the Wall Street Journal, May 16, 1977, written by Prof. Paul W. McCracken, former chairman of the Council of Economic Advisors, which I believe directs itself to some of the more prevalent forms of the demagoguery over energy.

Professor McCracken's article follows:

THE DEMAGOGUERY OVER ENERGY

(By Paul W. McCracken)

Will it be possible for government to fashion something that would qualify to be called an effective energy policy? No small part of the problem is that to some extent public thinking about energy has become demagoguery's child. The result is misconceptions so firmly fixed in the minds of citizens that a national energy program which would really serve the long run interests of the nation will have hard going. This is a major problem now for the President and the Congress, to some extent one of government's own creation in recent years.

The political horizon is, of course, notably short-run. We are now only 18 months away from another national election when all of the members of the House and one-third of the Senate must be elected. And while the President does not himself have to face the electorate next year, the results of that election will rightly be regarded as a vote of confidence, or of no-confidence, in the President and his program. The pressure is always, therefore, to pursue programs and policies that will look good before the next election, whatever their longer-run consequences may be.

The energy problems has had its full share of posturing and even outright demagoguery, and the citizenry will probably now have to experience more disorganization and disturbance in their lives than the energy problem, serious as it is, would really require. And it is not amiss to suggest that those in political life also have responsibility for the larger and longer-run good.

Professors are supposed to pursue the truth even if it overturns their own theories. Businesses are expected to be good corporate citizens even if it costs at the bottom line. Those in political life have parallel obligations.

NOT "OBSCENE PROFITS"

Illustrative of the misconceptions, to some extent nurtured by political rhetoric, that now complicate the political task of fashioning a good energy program is that oil companies are improperly profitable. ("Obscenely profitable" is apt to be the phrase used.) This is, of course, false. Last year, according to the First National City Bank's annual tabulation, the rate of return that oil companies realized on their net worth was 15.1 percent. This was virtually the same as the 15 percent average for all manufacturing corporations.

Another set of misconceptions bedeviling good national policy has to do with energy prices. A view held with the fervor of a religious conviction is that something like the price of gasoline has gone sky high relative to other prices and incomes. Yet a modern Rip van Winkle, waking up in 1976 after his 20-year snooze, would have had some interesting reactions as he looked at prices. He would have found that prices generally, as measured by the consumer price index, had somewhat more than doubled, rising 110 percent during the two intervening decades.

As he looked around further he would have found that certain things in 1976 were bargains in the practical sense that their prices had increased less than the price level as a whole. They, in short, cost less in 1976 relative to the prices of things in general than in 1956. And in this list of 1976 bargains would be some surprising items. Gasoline would be one, with a price rise for the two decades of 108 percent (compared with a 110 percent average rise for prices generally). Electricity would be another, whose 86 percent price rise was well short of the rise in the price level generally. For new cars the price rise was only 45 percent, and for telephone services 39 percent.

Relative to the price level generally, in short, the price of gasoline in 1976 was 2 percent lower than in 1956. Or to put the matter differently, the average consumer in 1976 had to give up less of other things generally in order to buy a gallon of gasoline than was true in 1956. And the average American in 1976 had to work only three-quarters as long to earn enough to buy a gallon of gasoline as in 1956.

By contrast the price of postal services during these two decades, relative to prices of things generally, rose 63 percent, and for prices of water and sewage services the figure was 32 percent. In 1976 the typical family had to work a little longer to earn the money for its water and sewer bill than in 1956, and 25 percent longer to pay the postage.

The President's message on energy has now started in motion the processes of governance, and it is an inexorable process. There will be a bill (or bills) passed and signed that will influence the direction of our lives for decades to come. Whether this national energy policy will be of a character to serve us well or ill will depend not so much on whether every BTU statistic is in its place as on whether this policy is shaped by some basic guidelines.

What are these guiding principles?

The first requirement for a national energy policy that a few decades hence will be seen to have served the welfare of people is that we start looking at the basic logic and facts of the problem. Thus far the public and political discussion has been more characterized by ideology and theology, and it is not amiss to remind ourselves that religious wars are notably bloody and unproductive.

A second basic principle is that people's lives will be less disorganized if actions are heavily focused on increasing supplies of energy. If the whole adjustment must come through reduced usage, the displacements in patterns of living will be severe—so severe that public support will itself erode.

Here a simplistic view of the problem carries a particularly large potential for trouble—namely, that there is a fixed amount of oil and gas "down there." Now in a sense this is not debatable. There is some finite figure which would represent the earth's total amount of oil or gas or any other resource, just as there is a finite figure for this planet's total mass. Neither figure is, however, particularly interesting or even relevant to the problem. The relevant question is: What can be made available? And at what price? For if additional amounts can be made available, less of the burden of adjustment will be required through curtailed use.

DRAMATIC ARITHMETIC

The arithmetic here is dramatic even on the basis of modest and conservative assumptions. Robert E. Hall and Robert S. Pindyck of MIT, writing in the current issue of "The Public Interest," point out that if the domestic price of energy had been allowed to rise to the world price (and demand and supply were fully adjusted to this) oil imports would now be roughly 2 million barrels per day instead of 7 million. And this would have been accomplished by a level of demand for energy only 3 million barrels per day below current figures, because with domestic energy prices at world levels another 2 million barrels per day of production would have become economically viable.

That price does make a difference is indicated by data on domestic consumption of gasoline. From 1955 to 1973 gasoline demand rose at the average rate of 3.4% per year. From 1973 to 1976 it rose at less than half that rate. While gasoline taxes should be raised (with offsetting reductions elsewhere), those who instinctively doubt that a tax caused price rise for energy is the solution do have a point. Such a strategy would impose on consumers higher energy costs and more severe reductions in energy use than would be necessary if increases in prices were also making additional energy supplies economically viable.

Higher energy prices must, of course, be an important part of the national energy policy if it is to be successful. An attempt to "protect" consumers by keeping energy prices low is really a program to assure shortages, waiting lines and the perverse cumulative effects generally as 216 million ingenious Americans work angles to get more for themselves, thereby assuring collapse of the program.

Even worse. There would be a spreading disrespect for law as it became evident that those who do well are those willing to work the angles, while the law-abiding citizen does without. Conversely, the cumulative results if 216 milion Americans (responding to straightforward incentives) are trying to economize on the use of energy, would be enormous.

An energy policy consonant with the nation's welfare would also be more assured with some changes in governmental organization. The essence of public policy comes close to being captured by the phrase "trade-off." If you want more of one thing, you must accept less of something else. Whether such a change is wise, therefore, depends not on whether what we get more of is in itself good, which is usually true, but on whether it is worth more to us than what must then be given up.

EXPLICIT TRADE-OFF

There is a quite explicit trade-off between energy and environment. If chaos and frustration are not to be the result, these objectives of government policy, proper in each case, must be managed within the same agency.

An agency responsible only for environment inevitably optimizes its own position only in terms of what its requirements do for the environment. The costs of what must be given up elsewhere are problems for someone else. And a department whose only concern is energy would optimize its position by programs that would augment energy supplies with little regard for their environmental costs, which would not be their concern. With separate agencies for the two, the danger is not so much that we would move too far in one direction or the other. The danger is that paralysis would result as we moved too far in both directions at once, winding up with programs impossible to reconcile.

Finally, whether we get on the right path for energy policy will depend on whether we allow time for needed adjustments. A complex, market-organized economy has enormous capacity for adjustment if given time. It has quite limited capacity for fundamental adjustments if we insist on instant rseponses. And it is well to remember that only a strong economy can make the substantial adjustments that are needed and still deliver vigorous creation of new job opportunities and rising levels of living widely shared.

A BILL TO LET THE FAMILY DOG VOTE

HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. DEL CLAWSON. Mr. Speaker, "Now you see it, now you do not." The skilled illusionist employs proven techniques to deflect the attention of the unwary observer from what is really taking place. An editorial by James J. Kilpatrick which appeared in the Washington Star May 14 describes an amazing feat in what might become the legislative "theatre of the absurd." The editorial follows at this point in the RECORD.

A BILL TO LET THE FAMILY DOG VOTE

(By James J. Kilpatrick)

Two kinds of fraud afflict the American political process,—legal fraud and moral fraud. You will find plenty of both kinds involved in the pending debate over the bums' rush bill.

This is Mr. Carter's particular pet project, offered to Congress in the pious name of "electoral reform." The purpose of the bill is to impose upon the states a plan of instant registration on election day.

Through a stick-and-carrot combination of threats and bribes, the states would be compelled to amend their existing registration laws as to federal elections. By inevitable extension, the Carter plan would cover state and local elections also.

The ostensible purpose of the bill is to increase the level of political participation. It is to encourage "democracy." It is to "involve" the people in their government. And all this is very high-minded.

The thinly disguised ulterior motive, freely if privately conceded on Capitol Hill, is to benefit the Democratic party. This is a political power play, as brazen as any stunt ever pulled in the bad old days of Tammany Hall, and it originates wtih the reverend gentleman from Georgia whose pose is to be Above that Sort of Thing.

If this were the only moral fraud involved in the bums' rush bill, perhaps we could grin and bear it. Boys will be boys. The more depressing fraud lies in the solemn contention that Mr. Carter's plan truly would revitalize our apathetic record of participatory democracy.

The contention is nonsense. Is 50 head of indifferent and ignorant prospects are press-ganged into a union bus at 5 o'clock of a Tuesday afternoon, what meaning may be attached to an "increased level of participation"? I perceive no meaning at all. It is pure sham, an empty genuflection to a phony King Numbers.

Put the moral issues to one side. That is where the House of Representatives usually puts them anyhow. Surely some weight should be attached to a warning memorandum from the Department of Justice: "The experience of the Criminal Division in enforcing the federal election laws indicates that there is a tremendous potential for fraud in H.R. 5400."

Of course that potential exists, and it will not be removed by the bristling paper penalties that are being added to the bill.

John Hanly, chairman of the Cook County (Chicago) Board of Election Commissioners, says bluntly that the bill would lead to "graveyard voting, tombstone voting, voting the family dog."

And the problem is that by the time the perpetrators of such fraud had been detected, investigated, arrested, indicted, prosecuted, and finally convicted, the election returns would long since have been certified.

Wisconsin is among the handful of states that have begun to experiment with election day registration. For some first-hand evidence of how the system works, wavering congressmen might consult the letters column of the Milwaukee Journal of last Nov. 22.

One poll worker reported: "We had a great number of people wanting to register to vote who were not even in our aldermanic district—who had come from miles away . . ." Said another: "What I witnessed at the polls on Nov. 2 was the most discouraging and disgusting farce I have ever seen. The people registering on site to vote . . . were unbelievable. In my opinion many were not qualified to vote since they could not supply pertinent information or comprehend enough to pull the handle by themselves. They were brought by carloads and many had written notes with orders to look for that name on the ballot."

Whatever ails the American political process, it is not a problem of registration. Except in a few rural areas, registration requires no more than a minimal effort on the voter's part.

In most jurisdictions, the books are open until 30 days before election day. Some such period is imperative if reasonable safeguards are to be maintained. The apparent problem is that legions of voters who are already registered seldom bother to vote. Nothing in Mr. Carter's bill will cure that malaise.

Honest elections lie at the very foundation of a free society. The bums' rush bill is fundamentally dishonest, in half a dozen different ways. It ought to be junked.

OUR NATION'S WELFARE SYSTEM IS IMMORAL IN ITS TREATMENT OF THOSE IN GENUINE NEED

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. KEMP. Mr. Speaker, in a statement in March before the Secretary of Health, Education, and Welfare's public hearing on welfare reform, I offered this observation:

There must be a redirection in the intent of the system.

Welfare assistance ought to be directed at the improvement of the status of an economically disadvantaged person, to the degree there is a reasonable likelihood the person will be permanently freed from any further reliance on public assistance. This is crucial, because when government takes from one person to give to another, it diminishes the incentive of the one from which it took, the independence of the one to whom it gave, and the moral autonomy of both.

There is a moral case here, and that moral case centers around the disadvantaged—the poor, the infirmed, the dependent—those without adequate food, clothing, shelter and medical care to share with most Americans the abundance of the twentieth century. Against the background of the "Roots" phenomenon sweeping the country, which I think could be one of the healthiest things to happen in this country in years if it makes people more aware of their heritages and traditions, there is no more propitious time than now to address this moral case.

Is there anything in America today that smacks more of servitude, dependence, and subjugation than a disadvantaged person's year-in and year-out dependence on public assistance? Can you imagine what it does to a person's attitude about himself or herself to realize how cruel this system is? Fearing tomorrow can never be better than today?

I consider it to be profoundly immoral—on the part of government, not those having to receive this assistance—for government to continue in place those policies which perpetuate this dependence, which keep these people on the border-line of poverty, and which fail miserably to tie such assistance together with a means of giving them the skills they need to be self-sustaining and independent from control by or subservience to central authority no matter what its form, skills with which to improve their living standard, the material base from which to exercse personal choice as to their own lives. I consider such a policy to be the epitome of arrogance too. I cannot see any reason in the world to continue such a policy.

Last week I read into the RECORD the first part of a thoughtful essay on what ought to constitute welfare reform. The proposals set forth in that essay address themselves to the moral question I have raised, and they stand in marked contrast to what the President has recommended to Congress. Authored by Donald J. Devine of the University of Maryland, the essay appeared in the current issue of Modern Age.

The second and concluding part of that essay follows:

WELFARE WITHOUT INJUSTICE

(By Donald J. Devine)

LOCAL GOVERNMENT WELFARE

There is an alternative to the national welfare state, which is closer to responsible control and to the individuality of personal problems, called local government. It is, in fact, how domestic governmental problems traditionally were handled in the United States before the rise of centralization first in the states in the late nineteenth century and then in the nation after the 1920's. Welfare state proponents will say that local government refused to accept its responsibilities to general welfare and this is what necessitated the welfare state in the first place. But actually power was taken away from local government by the Supreme Court in the late nineteenth century centralization. Consequently, state governments so restricted local powers that by the crises

of the 1930's they were limited in their ability to respond.

Under the pressure of centralization ideologies, the major cities grew so large that they no longer could be called local governments. By the 1960's, annexation movements generally were no longer successful although ones to consolidate local government powers under county governments became more successful. By the 1970's, the central cities had become so large and inefficient that they were ungovernable and even bankrupt. As a result of county centralization outside the cities there were no more municipalities, townships and towns in 1972 than there were in 1942 although suburban population multiplied many times during this period. So in both cities and suburbs, local government became less local and, therefore, less vital. As a result of this, many came to believe that local government itself could not solve modern social problems.

Except for unrealistic and irrational national planning, however, local government can perform any domestic government function that the national state can and, if there are many governments, it even can allow for much greater flexibility. Thus, congenial environment only seems meaningful locally, companionship is necessarily face-to-face and even safety is mostly local. Indeed, all of these can be enforced to some degree locally by pressure rather than by government coercion to keep the use of force at a minimum in society. Moreover, education is, even today, overwhelmingly local and until relatively recently so was health and welfare. Furthermore, all these functions seem to have been performed better before they were nationalized. Likewise, as all funds are raised in some local area, revenue is as available as it is to national government. Even if national agencies can collect taxes more efficiently this is more than offset by the benefit that local ones do not have access to the currency and its means to create inflation. There is some difficulty resulting from wealth being unequally distributed among communities but those with the greatest problems—especially the large cities like New York—have the most wealth and voluntary transfers (*e.g.* from foundations) are not out of the question.

Problems like these which go beyond local boundaries, moreover, seem regional rather than national and they can be dealt with by local governments without changing their nature. One way to deal with these problems is for the local governments concerned to create regional authorities and another is to enter into cooperative agreements. Today there are over 100 authorities which are active in about one-fourth of all metropolitan areas performing areawide services and environmental functions. Cooperative agreements between local governments, likewise, are very popular: *e.g.* a detailed study of the Philadelphia area in 1953 (generally confirmed by a less systematic one in 1960) found 427 local governments involved in 756 agreements; in the St. Louis area all municipalities of over 1000 population have been involved in 241 agreements; and in California there were approximately 3000 city-county agreements and 2000 inter-municipal agreements as of the early 1960's.

Pollution is one such problem which local governments are presumed not able to handle. Yet, most pollution seems local as its externalities become too mild to be of interest and too diffuse to solve beyond a very limited area. Additionally, the major problem with pollution is that no one wants the common property such as the air or water which is being polluted so that someone can sue to prevent the involuntary transfer. The solution, accordingly, would be to vest whatever ownership cannot be assigned to private individuals or groups to local government and then let uses of this now-owned property be charged-for like any other property use; or, if used without permission, to allow the local government to sue for trespass. For region-wide problems, regional authorities can be created by the communities concerned and these have been successful in solving these problems when they have been linked to rational costing policies.

Local governments especially can deal with life-style problems like pornography without improperly limiting freedom of expression. If local government is viewed as a quasi-voluntary association and, if there are a large number of these, a local community may exclude material found objectionable while still allowing other communities—or even "sin cities"—to choose what they will. As long as the face-to-face environment is preserved it is possible not to affront individuals and still to allow others to express their life-style in their own communities.

Yet, as the qualification requiring a large number of local governments being available suggests, many changes are necessary for local governments if they are to be considered free institutions like pure associations. Of first priority, then, is the creation of more of them. The major cities are simply too large to be called local governments and the same may be said of the metropolitan counties which have assumed virtually all municipal functions. It may not be the best plan to create fully autonomous local governments within either but to divide municipal functions between city or metropolitan county units on the one hand and local units on the other, or to create administrative sub-units within them based upon neighborhood constituencies. In any event, it will be better to experiment with several forms also including proprietary communities and, indeed, more use of fully private arrangements through voluntary covenants as is already done in Houston with such great success. The national government, of course, would be needed for national defense and might also provide disaster aid to state and local governments; and states would be needed to resolve conflicts between communities; but it seems that a variety of local governments could handle all other governmental functions and do so with maximum liberty and justice for all. Indeed, it may be possible to recreate the vitality and inventiveness Tocqueville found in American local government before their form ossified under the late nineteenth century centralization.

VOLUNTARY WELFARE

As beneficial as revitalized local government could be, however, a commitment to liberty and justice would probably lead one to prefer use of true associations. For the major difference between using associations and the state in providing welfare is that there may not be uncompensated-for injury in the former in the sense that resources and services are freely provided and benefits are freely accepted when the state does not use its coercion in social relations. As the agreements are freely undertaken neither party can claim injury unless there is fraud and any unintended consequences will be borne only by the two parties and not by third parties without the injured party having recourse to a damage claim against either or both of the original parties. Since both fraud and damage are claimable in a court of law, any injustice may be ameliorated—unlike injury committed by the state which can be excused as being in the public interest.

The association sector is fundamentally different from others as it is neither directed by the profit motive of the business sector nor the power motive of the government sector but is primarily energized by altruism—the desire to do good. Contrary to some opinion, moreover, it is a powerful motivation which has accomplished much for society; and it has been noted as characteristic of the United States; from the visit of Tocqueville in the 1830's when he noted that "Whenever at the head of some new undertaking you see the government in France, or a man of rank in England, in the United States you will be sure to find an association" to modern research which shows Americans more likely than other nationals to join associations.

Although the business sector became preeminent in the next century and national government in this one, today the voluntary non-profit sector remains vital. Now, there are about one million non-profit associations with 3 million employees as compared to 70,000 governments with 16 million employees and 12 million businesses with 67 million employees. But these data greatly underestimate the resources of the association sector as it, unlike the others, is to a great degree defined by its volunteers more than its employees. In this regard the polister, George Gallup, has found that 50 million Americans—or almost half of the adult population—have donated volunteer work at one time or another. And in 1974 $26 billion was contributed in funds by individuals to charitable purposes while another $29 billion was contributed in volunteer time. Indeed, in virtually every sphere of welfare activity non-profit associations have been active and even very successful.

Food and Clothing: There are 118 million church members in the United States almost all of whom contribute to charity in one way or another. Thus, 43 percent of all charitable contributions (or $11 billion in 1974 by one estimate) is contributed to religion—at least 20 percent of which goes to welfare outside the local church. Besides these monetary contributions, moreover, time and goods are contributed through such programs as "meals on wheels" programs of feeding the elderly which now operate in twenty-six states and the District of Columbia; and these programs may be worth more than monetary donations. But churches are by no means the only agencies involved in such programs as they range from a Missouri state-wide program to teach better nutrition, to "walks against hunger" held in many cities across the nation to raise funds for food, to a Long Beach, California breakfast program, to Contra Costa, California and Pontiac, Michigan programs to provide furniture and clothing to the needy. These, however, only touch the surface of what volunteers do for welfare throughout the country.

Shelter: In Indianapolis, Cleo Blackburn, a local businessman, set out to renew a Negro slum. First he persuaded banks to lend money for land and material. He coaxed a foundation to pay the minor cost of a technical center to instruct the men how to work. He organized the slum-dwellers into teams which proceeded to build houses. The banks were then convinced to take labor as a down payment—"sweat equity," Blackburn called it. As a result, they built hundreds of private houses, without any federal aid. In Detroit, the Reverend Nicholas Hood, beginning with no financial resources, built or rehabilitated 500 housing units which only charge between $50 and $135 per month for rent. Indeed, organized religious charities have been especially active in housing and the Catholic Church alone has built over 25,000 units in the past ten years. Other projects stress technical assistance as does the Rural Housing Alliance in Washington, Hope Inc. in Toledo, and "Leap" in Phoenix. In another case, over 1,000 engineering students have contributed time and skills in a number of renewal projects in the Rolla and St. Louis areas both for rural and inner city housing needs.

Safety: Over one million Americans serve in volunteer fire departments—more than five times the number who are paid for the same kind of work by the government. Today, more than half of the people in the

United States enjoy fire protection by men motivated by altruism; and these enjoy comparable insurance safety rates with government departments. There is also a growing number of voluntary auxiliary policemen (New York City alone has 4,000). Over 1,000 volunteers work in the courts to assist community-based rehabilitation programs such as the "Partners Project" in Denver where volunteers develop close relationships with juvenile delinquents in an effort to assist them. Visit campaigns to prisoners also have been organized as have numerous campaigns throughout the country to assist in rehabilitating drug addicts. More directly related to safety, volunteers under names such as Crime Check, Crime Alert, and Crime Stop have organized in a score of cities to educate citizens on how crime can be reduced and some have even set up voluntary neighborhood patrols.

Medical Care: Almost 7,000 non-profit hospitals operate in the United States to provide low cost care. Over 80 percent (perhaps 90 percent) of the population, in addition, is covered by hospital and surgical insurance—most of which is handled by non-profit associations—and this covers the substantial proportion of the total medical expense incurred in the United States.

In the area of research, the National Foundation for Infantile Paralysis conquered polio with peoples' dimes and the American Cancer Society, the American Heart Association, etc. continue this work as individuals and foundations contributed almost $4 billion to health charities in 1974; and some foundations also engage in direct activities such as the Sears Foundation which places doctors in rural areas by showing communities how to attract them. Moreover, incredibly large numbers of people volunteer to collect these funds—the National Health Council alone having 8,700,000 in a recent census. Finally, there are 1,146,780 auxiliaries and 745,924 volunteers (ninety percent women) who both perform administrative duties in hospitals and give comfort to patients.

Education: Twenty thousand private schools and 1,500 private colleges (both overwhelmingly non-profit) educate over 5 million children spending over $16 billion. Millions more children and adults receive non-profit supplementary education—primarily through the churches but also through educational societies. Moreover, character building and recreational groups like Boy and Girl Scouts, Boys Clubs, YMCA, YWCA, CYO, etc. train millions more. In addition, government-run schools must rely upon 200,000 volunteers who give tutoring, library and other educational assistance which the government cannot handle. For higher education, United Student Aid Funds lent almost $50 million to thousands of college students not repayable until they graduated—up to the time it was forced out of business by the national government. At all levels, almost $4 billion was contributed beyond this as purely voluntary donations in 1974.

Employment: On Long Island, an independent organization led by a paraplegic, Henry Viscardi, has helped hundreds of handicapped people become self-suporting. Dr. Thomas W. Matthews has started the National Economic Growth and Reconstruction Organization (NEGRO) which is described as a national self-help program for blacks. It is a non-profit organization which has started a 160 bed hospital and has placed 50,000 "hard-core" unemployed in jobs. The foundation now also owns the entire bus system in the Watts area of Los Angeles, construction firms, industrial factories and more than 600 housing units.

This private association started virtually from nothing and now has over 3 million dollars in assets—and is helping people assume productive places in society—by selling bonds for as low as 25 cents! Likewise, Opportunities Industrialization Center in Philadelphia has trained and found jobs for more than 4,000 unskilled men and women—an 80 percent graduation rate. Its founder, Rev. Leon H. Sullivan, decided that not only skills but attitudes must be changed and his record (much better than government programs) shows what an individual can do. Moreover, "job bank" computer programs which match available employees with available jobs have been successfully implemented by non-profit groups in several metropolitan areas.

Companionship: There are also many programs which attempt to provide companionship for the lonely and neglected although most of this activity is carried out through individual neighborliness. There are, however, "share-a-trip" programs to provide friendship and open new vistas to disadvantaged children, Big Brothers movements, "offenders friends" for those in prison, and senior citizens visiting clubs, as well as the Retired Senior Volunteer Program where the elderly help the young (and incidentally, themselves). At the other end of the age scale, each year 85,000 homeless children are cared for by volunteers while they await adoption and one woman, Mrs. Gertrude Ramey, has aided 3,000 all by herself.

Examples could be given in many other areas. For foreign aid, religious groups have been sending missionaries with health and education skills for many years and over 40 million people have contributed $280 million to CARE while the total for all groups is estimated at a half billion dollars per year. And the American Red Cross has aided millions both domestically and internationally in every conceivable type of emergency. But examples could be multiplied endlessly and one book gives 100 other examples.

FREEING THE VOLUNTARY SECTOR

Even though the voluntary sector remains strong in the United States, it only works at a fraction of its potential. Accordingly, it has been ascertained that 61 million Americans say they would be willing to volunteer a total of 245 million hours a week—equal to the total working time of five of our largest industries (automobiles, food processing, clothing, railroads and department stores)—if effective opportunities were made available. Much of the voluntary sector, thus, still uses outmoded technology but it has the potential to represent a third of the value of the gross national product while today it represents only about 8 percent—only slightly less than does domestic national government.

In my opinion, however, the basic problem is not internal to the association sector but is imposed from outside. All voluntary activities, thus, are hampered by an incredible maze of government-imposed administrative requirements. In too many cases government simply has taken over successful voluntary sector activities and has suffocated them with bureaucracy. The greatest problem, however, is that the welfare state ideology views voluntary action as quaint and intrinsically weak; and, therefore, national leaders using media and political forums degrade this sector as perhaps of marginal importance but certainly not viable like the national government. Yet, this third sector already spends a great deal when compared to government and it seems less subject to manipulation than is government. Thus, local leaders have developed most of the new voluntary sector programs noted above, while national elites have not recently duplicated national voluntary efforts in the past like the Red Cross, scouting, Better Business Bureaus, mutual insurance companies, cooperatives, humane societies, educational institutions, hospitals, etc. most of which were founded before the welfare state ideology became predominant in this century.

Indeed, the ideology itself is destructive because it gives the individual a rationalization why he should not be personally involved in the solution of the real problems which affect society. One, thus, can say that these problems are the responsibility of some amorphous and distant national government and, consequently, not of any concern to him. Of equally great importance, through taxation, confiscation and inflation the welfare state takes substantial funds away from individuals which they could otherwise spend on private welfare activities. And when taxes alone take over one-third of income it is amazing that people now contribute as much as they do and that the voluntary sector is as vital as it has been.

What if people were allowed to deduct 100 percent of new contributions they make to welfare activities up to the degree of national or state government involvement in welfare broadly defined? That is, on the average, if national government spent 40 percent of its budget on foreign policy and 60 percent on domestic policy, individuals could be allowed to deduct up to 60 percent of what they pay as taxes to the national government for what they have contributed to associations or individuals for altruistic purposes.

The great hostility I have found to this proposal among advocates of the welfare state, makes me question whether the issue of the welfare state is an inadequacy of funds or will on the part of associations but to believe that the true issue is one of power. The fundamental issue of welfare policy, then, does not seem to be whether the needy are to be aided but how they are to be aided. The supporter of the welfare state insists that there is one right way to organize welfare to provide for justice, that it is the duty of government to find that single way, and that once it is found it is the function and moral responsibility of the state to follow that path—using coercion where it is necessary to achieve justice as defined by those with political power.

The present review suggests, however, that this approach to welfare produces great injustices and that free associations are much less prone to lead toward such harm. It also suggests that groups and local governments are at least as capable of providing solutions for the welfare problems which face society and which must be attended to (although not necessarily solved given an intractible world) if a society is to consider itself humane. Consequently, as long as a society has a commitment to altruism, the voluntary approach allows problems to be solved without injury and with a diversity and freedom which is sensitive to the uniqueness, complexity and dignity of personal individuality.

THE FDA AND LAETRILE

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. SYMMS. Mr. Speaker, recently the Food and Drug Administration was forced to hold hearings on laetrile by Judge Luther Bohanon of Oklahoma. Judge Bohanon found what a lot of people suspected, namely, that the FDA had never really bothered to get together a body of scientific evidence to back its contention that laetrile is not effective in the battle against cancer. Congressman LARRY MCDONALD of Georgia was unable to present oral testimony at these hearings but did file a very cogent and appropriate statement with FDA which I

feel states the case for laetrile in a very straightforward manner. In this statement he develops the case that while laetrile is not the be all and end all, it certainly has a better record than the so-called orthodox treatments, which the FDA feels the proponents of laetrile are diverting cancer patients from. I commend his statement to the attention of my colleagues:

STATEMENT OF THE HONORABLE LAWRENCE P. MCDONALD, A REPRESENTATIVE FROM GEORGIA

My name is Lawrence (Larry) Patton McDonald, and I currently serve as a member of the United States House of Representatives representing the 7th Congressional District of Georgia. Active legislative responsibilities including recorded votes prevent my testifying in person.

MEDICAL BACKGROUND

After finishing pre-medical training at Davidson College (Davidson, North Carolina), I entered Emory University School of Medicine (Atlanta, Georgia) at the age of eighteen. After graduating with a Doctor of Medicine degree in 1957, I served a year at the National Naval Medical Center (Bethesda, Maryland) in a rotating internship. For the next three years I served as a physician in the United States Navy, serving the majority of those years as Flight Surgeon to U.S. forces in the north Atlantic and was stationed in Keflavik, Iceland. For duties performed in Iceland, I received the Air Force Commendation Medal.

In 1961 I began a two year residency in general surgery at Grady Memorial Hospital in Atlanta, Georgia. In 1963 I entered into a three year residence program in urology at the University Hospital of the University of Michigan (Ann Arbor, Michigan). Since 1966 I have been a junior member of the McDonald Urology Clinic in Atlanta, Georgia. In 1969, I was appointed by Governor Maddox to a three and half year term as a member of the State Medical Education Board; most of that term was served during Governor Carter's administration.

During the period of my active medical practice, I have been a member of the following societies and associations: Southeastern Section of the American Urological Association, Medical Association of Georgia, Fulton County Medical Society, Georgia Urological Association, Atlanta Urological Society; the Reed Nesbit Society, American Society of Clinical Urologist; and the Association of American Physicians and Surgeons. In about 1969, I voluntary terminated my membership in the American Medical Association.

POLITICAL BACKGROUND

In 1974 I was elected to serve as representative in the upcoming 94th Congress. In 1976 I was re-elected and currently serve in the 95th Congress and serve on the Armed Services Committee.

BACKGROUND

Approximately seven years ago I first heard of the metabolic approach and concept in the treatment of those patients with cancer. The metabolic approach includes the use of dietary changes, trace elements, and vitamin supplements. The metabolic therapeutic regimen includes the active use of amygdalin/Laetrile.

Amygdalin is a nontoxic food and has been isolated as a separate compound over 100 years ago, long before the Food and Drug Administration (FDA) was ever conceived. Of special interest, amygdalin has been used in patients with cancer in the 19th Century, again long before the FDA.

Cancer has been viewed by the orthodox medical community as an alien or foreign cell to the normal life cycle. The treatment therefore has been aimed at destroying the intruder by cutting it out (surgery), burning it to death (radiation) or poisoning it to death (chemotherapy) Continued research, however, is causing concern over the initial premise. Today there is growing appreciation that factors such as diet and immune status may play major roles.

Those expressing interest in a metabolic approach view the lump or hump of cancer not as a disease entity but rather the local manifestation of a total body change or disease state. Therapy under this view is directed towards the total system and not toward the lump or hump unless it is obstructing. Medical research findings worldwide continue to give support to this second view (metabolic approach).

All agree that amygdalin/Laetrile is widely found in nature and is nontoxic. All agree that the orthodox approaches to cancer therapy do in themselves carry risks; all radiation is dangerous on a relative basis as compared to no radiation and all chemotherapeutic agents in vogue are toxic.

PERSONAL EXPERIENCE

Upon first hearing about amygdalin/Laetrile and the above mentioned view of malignancy, I naturally thought it nonsense at best and at worst dangerous quackery. Gradually, I looked further into this subject and began to realize that the subject had merit. After reviewing cases, I continued to be impressed.

Beginning in 1972, I started treating and advising patients on a metabolic regimen. This program includes the use of large amounts of amygdalin/Laetrile. At no time has anyone connected with this treatment concept promoted the idea of amygdalin/Laetrile being a *cure for cancer* anymore than proper diet and insulin are cures for diabetes. Instead, and going back to the initial concepts, this metabolic approach is viewed as a control of the total disease state.

Unfortunately orthodox medicine is locked in concrete in its three treatment routes. The standard medical approaches continue deeper and with increased vigor into the blind alleys of more surgery, more powerful radiation, more exotic and toxic chemotherapy. This steadfast attitude, perhaps laudable in some other circumstances, has created the counter charge of vested interests. Ultimately the more orthodox medicine and the federal authorities, principally F.D.A., remain adamant, the worse the image and case becomes to the general public. This is certainly the case with amygdalin/Laetrile.

After treating almost two hundred cases, I would like to report the following observations:

(1) Most patients had proven cancer and had had surgery and radiation and/or chemotherapy. Most cases would have been hopeless by routine medical standards.

(2) Perhaps 30–35 percent received minimal to no benefit from the program.

(3) Approximately 40–45 percent received notable benefit from the program such as improved appetite, improved interest in life, weight gain, lessening or cessation of pain. This category ultimately died but were individually pleased with their improvements.

(4) About 20 percent were in the category of marked improvement. In some cases this has been miraculous with these same patients doing very well today.

SUMMATION

Anyone may logically wonder why this information has not been put into a proper investigative format and presented to various medical bodies. The answer is very simple. With the powerful alliance of the media (especially in Atlanta, Georgia, and certain other cities), the federal agencies and orthodox medical groups, anyone attempting to present such could and would be destroyed with orchestrated cries of "Quackery." There is ample evidence to document this beyond any question.

Too, some may wonder why more have not clinically tested amygdalin/Laetrile under more controlled circumstances.

I know of at least two instances in the Atlanta area where such applications to do just that were summarily rejected.

All of us, members of the medical profession as well as members of the lay public, should hasten to remember that virtually every major advance in medicine down through the ages was hooted as quackery by the established elite at the time. We can quickly point to Jenner, Pasteur, Harvy, Semmelweis, and Fleming as examples. Unless some can honestly claim Divine guidance, spokesmen for orthodox medical views should move with extreme caution in this area judging from past track records.

Legally the F.D.A. is trying to control a food that was noted and isolated before the F.D.A. was even founded. If this is reasonable, white sugar may be next and that would be a good idea from a health standpoint but would continue the same legal defect.

Further and from a legal view the Supreme Court in the abortion decision of *Wade* vs. *Roe* ruled that a woman has the right to do with her own body that which she wishes. While I personally disagree with the *Wade* vs. *Roe* decision on other grounds, that point is in conflict with the F.D.A. opinion that free men and women with or without cancer cannot take a nontoxic substance if they so choose. In the case of cancer patients this has usually been done under a physician's guidance.

Lastly, let's be honest about this whole subject, the cancer cure figures are not good. The improvements over the past thirty years are principally due to improved anesthetics, antibiotics, and blood transfusions. The three treatment measures of the orthodox approach can hardly take credit.

From a legal position, a historical position, a medical position, and an ethical position, the F.D.A. stance is untenable. From my own experience amygdalin/Laetrile should be removed from any federally imposed cloud. As a physician I believe it has great merit and certainly no harm.

As a member of Congress and physician, I urge this hearing to give a positive finding for freedom of choice and against the ridiculous position of F.D.A. on this matter.

HAZEL HENDERSON AND BARBARA MARX HUBBARD TO EXCHANGE VIEWS ABOUT THE FUTURE

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. PICKLE. Mr. Speaker, on the evening of June 8, 1977, the sixth "Dialog on America's Future" will be presented by the Congressional Clearinghouse on the Future. We are fortunate to have as our speakers at that meeting two prominent thinkers and organizers concerned about our future: Barbara Marx Hubbard and Hazel Henderson.

The exchange of views between Hazel Henderson—writer, speaker, and codirector of the Princeton Center for Alternative Futures—and Barbara Marx Hubbard—author, cofounder of the Committee for the Future, and an innovator of the SYNCON process—promises to be informative and stimulating. To better acquaint my colleagues with these two individuals and their ideas, I am inserting in today's RECORD excerpts from an in-

terview with Hazel Henderson published in the Future magazine, and portions of an article written by Barbara Marx Hubbard for the Fall 1976.

I urge all of my colleagues to participate in the June 8 meeting with these two creative and articulate women. This does not mean all members are endorsing all these thoughts and ideas. Indeed there may be some sharp difference of opinons, but these views are stimulating and challenging, and I invite the Members' attention to the articles:

CONVERSATION ABOUT THE FUTURE

(By Hazel Henderson)

Q. Your talk before the Second General Assembly of the World Future Society last year considerably affected those who heard it. You used these words to conclude your remarks: "We are now learning that self interest is identical with group interest and species interest. We should do what we can, to work wherever we are, to seek out others and continue on the path to expanded awareness and the cultural mutation that now must come." Could you expand on this? What kind of future do you see emerging?

A. We have reached an evolutionary culde-sac. The development of instrumental rationality based on materialism and technology has reached an impasse. We are going to find ourselves running into more and more crises until we realize that the only possible path now is to switch into another dimension. Instead of trying all sorts of ways to re-tool the world we should start trying to re-tool ourselves.

Q. What is possible?

A. It seems to me that there is going to be no peace on this planet until we begin to form networks. We need to link our minds together and try to expand our consciousness so that we finally understand the consequences of our individual actions.

Q. Aren't we doing this already?

A. Not with fractionated consciousness. We have pretended to be thinking atoms. We have pretended to be isolated from each other. We have built walls and barriers. I think that continuing in this fashion would be wrong.

Q. Why do you say that? It can be argued, after all, that many successful institutions are based on the assumption that people need to be free and independent agents.

A. Such an attitude may have been workable in the past. People once lived in relatively small communities that were not globally interdependent the way our technological societies are now. People used to get instant feedback to their actions and this provided an external control mechanism. If I punched you in the nose you would immediately punch me back. What's happened in recent years is that our individual actions are amplified in power and scope by the technological toys we've created. And we can no longer get feedback from those actions in time.

Q. Which means?

A. Feedback is displaced in space and extended—stretched out—over time. What I do today may not have consequences until tomorrow or next year. Or it may have effects one minute from now, but in Korea or Germany.

Q. Is there a solution to the problem?

A. We should be able to regain the lost feedback control mechanism to our behavior if we can expand our awareness and join with other beings all over this planet who also have this kind of new awareness. Also that we can use our imagination and intuition to genuinely empathize with others if we cause them pain. We should allow ourselves to use processes of the right brain and humanistic reasoning so that we can mend those long chains of causality of our own actions that have become broken because of our fractionated linear consciousness. Unfortunately, we seldom know what it is that we cause in the world.

Q. But what about the "problem solving" approach?

A. We need to abandon it. The world isn't a big grab bag of problems. We don't know what the solutions we try to dream up actually do until, usually, they become problems themselves. Like the classic case of the taxi company that raised its rates because its revenues were declining only to find that the added cost was more than customers were willing to pay. Hence even more money was lost. We are constantly creating new changes that create chains of causality that we don't understand. We need to get into "another dimension" in order to re-integrate our perception so that we get instant feedback.

WOMEN IN THE FUTURES MOVEMENT

Q. Will women redress the imbalances with the World Future Society? What new role do you see for women in the futures movement?

A. Women should make sure that the futures movement and the World Future Society doesn't remain a linear extension of masculine rationality. Inducting more and more women into the futures movement will make sure that it becomes balanced; currently male modes of thinking dominate futures like they dominate much else in the world. Men have manipulated the future for a long time; these days they are also manipulating the futures movement as well, which must stop. We need the kind of individual thinking that enhances self-actualization, greater awareness and integration. Yet it should be balanced against the more instrumental type of quantitative rationality. At the moment, however, thinking with numbers and abstractions threatens to turn the futures movement into something which is almost past-oriented. Statistical thinking is currently used to prop up "macho consciousness" in the futures movement.

SCIENCE AND VALUES

Q. You make a strong case for bringing science policy under more public scrutiny.

A. I do because almost all technological decisions are made by default even though they are extremely important. They almost inadvertently create new distributions of power, new configurations of population, and different preferences for consumer products. They create new jobs while destroying old jobs. All of this largely outside of the conscious political process. This is becoming dangerous.

Q. Do you see value change as being politically important?

A. Value change is the only ball game in town. But you don't come at it head on. You should present people with existential questions at whose core we find values issues. People should be able to see very quickly that their "problems" require them to peel back the outer layers of the social "onion." What is inside has to do with consciousness and values even if, on the outside, it looks like bonds, automobiles or fertilizer.

Q. Then value questions are behind the issues of social control of science and technology.

A. Yes. We are immediately confronted with value questions.

NEW VALUES FOR THE FUTURE

(By Barbara Marx Hubbard)

Before I discuss new values, I would like to give you the background out of which my value system springs. *I believe that values are inherent in the formative processes of creation.* As our guide to new values we have to consider the longest range past which the human mind is capable of seeing, to try to comprehend how the patterns of nature have worked. Only then can we understand the value systems which may be emerging in our age. I believe we are not only makers of values, but discoverers of values inherent in the entire evolutionary process.

Imagine that you can see the billions and billions of galaxies in the universe. Now try to focus upon our own galaxy. Narrow your vision to a local situation—planet Earth and our solar system. Now go back in time to the beginning of the universe. Visualize a rapid film sequence, a movie of creation, a "photogenesis" in three-dimensional light. Remember those Disney films of a plant growing from the bulb through the green shoots, then the sudden surprising appearance of the tulip flower. Think of our planet as a plant. Try to imagine the creation and development of humankind as a continual process of which we are integral parts, having been created by it, and now beginning to participate in the creation of it.

To help us see the pattern of our own past I will draw a crude evolutionary spiral. We'll start 10 to 15 billion years ago with the creation of the material universe; followed by the creation of earth 5 to 6 billion years ago, then single-celled life 3.5 billion years ago, then multi-cellular or animal life several hundred million years ago, followed by the emergence of humanity in the recent past. Now, I believe, we are living through a new phase, a natural discontinuity, an evolutionary quantum leap in the spiral as radically new as was human consciousness out of animal consciousness, or animal life out of single cells . . . a stage yet nameless—but increasingly *felt* by evolutionary sensitives.

At each of these nodal points of transformation, certain basic design innovations occurred which reveal a remarkable consistency. As Teilhard de Chardin and others have observed, the pattern of transformation is the formation of new whole systems through the synthesis of apparently disparate parts. Each new whole manifests higher degrees of organization, complexity, consciousness, freedom, purposefulness, ability, etc.

"CONSCIOUS EVOLUTION"

Now, I submit, our generation is being swept through another nodal point in the evolutionary spiral. Humanity has spread, dominated, become complex, recognized the end to exponential growth, the need to conserve and coordinate itself . . . and glimmering at the horizon we sense an emerging future of universal dimensions . . . if we can make it through this dangerous transition phase.

Once again, we have come to a limit—like those first cells. It is no longer feasible to accelerate exploitative growth, to pollute, to utilize non-renewable resources, to permit one portion of our social body to absorb energy at the expense of another part. We must evolve toward a higher form of coordination and consciousness, or devolve. Some designing patterning power of sublime intelligence and billions of years of experience is prodding us, nudging us to change.

What design invention must we create comparable to the synthesis of organic compounds, the genetic code, photosynthesis and culture? I suggest it will be "conscious evolution"—the capacity to understand the evolutionary process and work consciously with it to further the natural growth of the human species. I believe a key tool will be understanding synergy—how whole systems work to the benefit of all members of the body and create thereby an entity which is greater than and different from the sum of its parts.

This thought leads me to believe we are on the threshold of a spiritual breakthrough. What has been called "futurism" is the thin membrane separating us from a new consciousness which will "know" how the evolutionary process works so that we can work with it, much as we have learned to work with our own bodies as we gained understanding of their *modus operandi*. This knowing will combine the intuitive, the rational/empirical and the super-intuitive or evolutionary.

The new values will emerge as we learn how the evolutionary process works.

Already we sense an attractive reward sys-

tem beckoning us, one which *rewards us through the feeling of self-actualization*, as we learn to do that which will make this planet whole, that which will make us as individuals whole, that which will make our communities whole.

BEYOND A PLANETARY SOCIETY

As we enlarge our "inner space", becoming an interfeeling, intercommunicating global society, there is no question in my mind that we will also be exploring and developing physical outer space.

I was listening this afternoon to a description of the space colonization concept of Prof. Gerard O'Neil of Princeton. He has indicated that space is a natural growth medium for the next phase of industrial society. Its lack of a biosphere, its 24 hour a day free solar energy, its vast stores of materials on the moon and in the asteroids, its free vacuum, its weightlessness, are all vital attributes for industrialization. Within our life-time, it will be possible to establish habitats in space, and obtain inexpensive solar energy from space. In the universal environment the net costs decrease once the base of operations is established. Not only will much of the polluting manufacturing be removed from Earth into space, which has no atmosphere, but also people will have the freedom to choose from many worlds and lifestyles. Diversity will flower as well as synergy.

MAINSTREAM, INC.

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. EDGAR. Mr. Speaker, on Saturday, May 7, I sponsored a handicapped employment workshop in my district, Delaware County, Pa. My idea was to bring together handicapped individuals and representatives of the major businesses in my area so that they could sensitize each other to their particular difficulties. I was gratified by the warm and enthusiastic response I and my special guests received for this effort to identify special areas of concerns for both groups.

One of our speakers on this occasion was Brenda Jamison of Mainstream, Inc., a unique organization dedicated to helping handicapped people into the mainstream of American society. Mainstream is establishing an invaluable service to help employers to find sources of qualified handicapped individuals. Called HIRE—handicapped information resource for employment—this service provides a necessary link between the law and its implementation.

I am placing this speech in the RECORD so that my colleagues may become aware of this fine organization:

SPEECH BY BRENDA JAMISON

According to somewhat conservative figures, approximately one in eleven Americans of working age, are considered to be handicapped. Many jobs are unavailable to them, not because they can't perform them efficiently, but because offices and work areas are unaccessible, because personnel officers are unaware of possible accommodations, and often, because the attitudinal barriers that disabled people come up against are simply too great.

"What counts is my ability, not my disability."—An obvious statement perhaps, but one echoed in frustration by thousands of these handicapped individuals for whom job-hunting has in the past, been an exercise in rejection.

The passing of the Rehabilitation Act of 1973 was heralded as a landmark in handicapped legislation. Section 501 requires federal government departments to develop affirmative action programs for hiring the handicapped. Section 503 requires the same from businesses receiving over $2,500 annually in federal contracts. Yet, it is not enough simply to state the law in theory. President Carter has pledged to enforce the laws that he, himself, has admitted "mean very little until an administration in full accord with their spirit stands behind the law."

Mainstream. Inc. was founded in 1975 to assist corporations in complying with this law. We have found that many businesses are interested in hiring the handicapped, but lack the nuts and bolts information to do so.

Hiring the handicapped poses problems to business that the hiring of other minorities does not. These problems are by no means insurmountable. Section 503 of the Rehabilitation Act requires that Federal contractors make their buildings accessible, that they carry out job modifications to assist the handicapped worker, prepare themselves and their staff to interview and work with handicapped persons, and that they carry out outreach activities to locate qualified handicapped applicants. Mainstream, Inc. was founded to combat these problems.

What exactly does the law require? With regard to accessibility, the regulations pertaining to Section 503 of the Rehabilitation Act state that Federal contractors must, "make a reasonable accommodation to the physical and mental limitations of an employee or applicant". It is implicit within these regulations that "reasonable accommodation" means architectural accessibility.

Mainstream specializes in, among other things, helping employers comply with the law in creating an accessible environment for handicapped workers. A recent report issued by Mainstream's consultants showed that despite previous beliefs, the cost of accessibility for handicapped workers can average as little as 1¢ per square foot. Or, in other words, accessibility can cost less than the 13¢ per square foot that many facilities spend per year on cleaning and polishing their vinyl floor.

The methodology leading to these promising figures is unique. The many staggering figures often quoted before have been the result of surveys attempting to remove every architectural barrier in all areas of a facility. Mainstream believes that a complete analysis of a particular work place is essential because many architectural barriers may have nothing to do with accessibility. A good example was found in one firm, where four production lines were in operation. Because of the terrain, only one of the production lines was readily accessible. The jobs on all four lines were identical, and it was decided, therefore, that placing those workers requiring greater accessibility on one line and leaving the others as they were would make the job space accessible, while at the same time avoiding an almost prohibitive cost in making all lines accessible. This kind of reasoning has been hailed as good news by many businesses who were afraid of the cost of accessibility, for after all who ever heard of a firm that could not afford to clean and polish its vinyl floors!

But, the problems posed to business are not solely those of accessibility. A unique feature of the Rehabilitation Act is the requirement of Outreach. The law states that contractors "shall undertake appropriate outreach and positive recruitment activities. The contractor shall take positive steps to attract "qualified" handicapped individuals not currently in the workforce, who have requisite skills and can be recruited through affirmative action measures."

What this means is that it is no longer sufficient for federal contractors simply to make a head count of handicapped employees. It is now required that they search out and find such employees and publicize current and future job-openings in areas where handicapped individuals are likely to be located. This is a large area of concern for personnel officers not formerly practiced in this field.

In answer to this problem, Mainstream, Inc. has developed "Outreach Assistance" programs. Mainstream's staff goes out into the field to identify sources of handicapped employment and helps management to evaluate rehabilitation employment training facilities, in both the public and private sectors. What is particularly constructive is that, once in motion, an employment plan based on this type of assistance can relate future job-openings to the relevant training facilities, and a handicapped individual can be trained to take on the job, the moment it becomes available.

We have found that it is quite often extremely difficult to find qualified handicapped workers. It is not that they don't exist. On the contrary, there are a great number of fully qualified handicapped individuals throughout the country. It is simply a matter that firms do not know where to look for them and handicapped people have not traditionally come knocking at the door looking for jobs. We are attempting to solve this with Project HIRE.

HIRE (Handicapped Information Resource for Employment) is being established by Mainstream, Inc., in cooperation with Information Science Incorporated (InSci). Its purpose is to act as a computerized information bank, supplying employers with a direction for their affirmative action programs. Employers using HIRE will be directed to the non-profit agencies most likely to meet their positive recruitment needs.

The computer will not contain specific names of individuals, rather, the names of relevant colleges, rehabilitation agencies, etc., where handicapped individuals can be located for either training or immediate employment. HIRE will also feature advisory services to aid employers in the various facets of integrating the handicapped into their workforce.

We have great hopes for HIRE, and feel that it will be a constructive tool in assisting the mainstreaming of the handicapped into regular working life.

But, again, it is not simply enough to know who to hire and where to find them. What reaction can you expect when you say, "Step into my office" to a paraplegic? Or, "Don't have a fit" to an epileptic? This is the kind of question which many personnel officers are afraid to ask. The result can be a disastrous and embarrassing interview, for both sides. The regulations recognize this. "A strong Outreach program," they state, "will be ineffective without internal support from supervisory and management personnel and other employees who may have had limited contact with handicapped persons in the past." It requires that contractors "schedule special meetings with all employees to discuss policy and explain individual employee responsibilities." In other words, the law is designed to deal with the subtler forms of discrimination. Employers have a responsibility, not only to the law and the handicapped worker, but to themselves and their nonhandicapped staff as well, to provide some form of educational practice to learn about the handicapped.

Mainstream, Inc.'s answer is the human relations seminar. These take the form of small group meetings in which attendees are offered practical information about handicapped people and how to deal with them on a day to day basis. We try to answer the question, "What is expected of me?" Recent interviews carried out by Mainstream as part of this package, show that most businesses are very open to the idea of hiring the handicapped, but often shy away simply be-

cause of lack of education in the field. In fact, the Department of Labor reports that 70 percent of complaints made under Section 503 have stemmed from the interview process. Mainstream offers interview technique training to personnel officers likely to be dealing with what might otherwise be an uncertain situation. A study carried out by psychologists showed an interesting occurance. Personnel officers were found to be very pleasant and willing in correspondence and on the phone, but when it came to dealing with handicapped individuals in a one to one situation when the interview arose, the officers were found to be extremely tense and nervous. This manifested itself as unwillingness and resulted in a bad interview.

You may be interested in taking down our "Call for Compliance—Hotline" number. We set up this free service about a year ago in order to assist the corporate body in complying with the law. All calls are confidential and usually cover a wide range of questions. One example would be the general information request such as what do I have to do in terms of insurance coverage for handicapped employees. Another might be something more specific like "If I'm a contractor and rent office space from a non contractor—whose responsibility is it to make the office accessible. Please feel free to call if you ever have any questions. The number is, 202–833–1139. Incidentally, the answer to that question is that it is the contractor's responsibility.

Finally, once the handicapped individual is located and hired, it is not always a matter of them simply starting work. The fact that they are handicapped may mean that they require special accommodations for them to work at a particular job. The law ensures that contractors must make reasonable accommodation or adjustments to a particular job to make that job open to a particular handicapped person. This might mean a modification of a physical nature like a raised desk for a paraplegic. More often than not, however, it is a matter of adapting the job itself, such as removing the phone duties to allow a deaf secretary to fulfill their potential in all other areas of the job. Mainstream's consultants are well versed in job accommodations and believe that through personnel analysis and on-site job accommodation studies, corporate personnel people will be able to screen in abilities not screen out disabilities.

This is the way we at Mainstream feel that the corporate body can constructively go about mainstreaming the handicapped. I thank you for listening to what I have said and hope that it has been of some use to you. Mainstreaming the handicapped into everyday working life is not the dream that it was a few years ago—today it is a reality!

AUTOS AND ENERGY REFORM

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. FORD of Michigan. Mr. Speaker, I would like to bring to the attention of my colleagues a recent article appearing in the Washington Star by Leonard Woodcock, retiring president of the International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America, the UAW, entitled "Autos Can't Bear the Whole Burden of Energy Reform." I urge all my colleagues from both sides of the aisle to read this article which details the unfair burden which would be placed on the auto industry by President Carter's proposed energy policy.

The article follows:

AUTOS CAN'T BEAR THE WHOLE BURDEN OF ENERGY REFORM

(By Leonard Woodcock)

In the wake of the oil embargo of 1973–74 the American people and their elected officials belately began to recognize that we could no longer continue to waste vast amounts of energy. Energy waste harms the economy by diminishing productivity and promoting inflation. It heightens our dependence on imported oil, and it threatens—if left unchecked—to destroy the very essence of the American economy.

In that post-embargo period, much attention was focused on the automobile. Whether or not the 1974–75 symbolism of the auto as "gas guzzler" was overstated, it is plain that domestically produced autos were unnecessarily energy inefficient. The UAW understood that this failing could not be tolerated.

In March of 1975 I told the Congress, in part: "Legislative requirements for fuel efficiency should be established. An average of at least 20 mpg should be required for 1980 model production . . . A financial penalty might be used in the case of failure to achieve the required fuel efficiency targets."

That year the Congress did enact, in the Energy Policy and Conservation Act, mandatory fuel efficiency standards for autos, including financial penalties for manufacturers who failed to meet the act's requirements.

Very briefly, the law on the books for the past two years requires each auto manufacturer to achieve a fleet average of 18 mpg in 1978, 19 in 1979, and 20 in 1980. The Secretary of Transportation was to establish fleet average standards for 1981–84, and the law specifically requires a 27.5 mpg fleet average for each manufacturer in 1985.

The 1985 goal was set because it represents a 100 per cent gain in auto efficiency in a decade, a tough but attainable goal.

The statute also provides for a nontax deductible fine of $50 per auto for each mile per gallon by which a manufacturer fails to achieve the required standard. If all manufacturers missed the target—which they needn't—by one mile per gallon they would face total fines of $500 million, equal to a billion dollars in pre-tax profits.

I am not talking about some new scheme for improving auto efficiency. This is not some novel approach to deal with gas guzzlers. This is a two-year-old law, which begins to operate this fall, for the 1978 models.

It is in this context, with a clear understanding of the law enacted in 1975, that one must consider the automobile-related provisions of President Carter's energy programs.

First, the eighth of the energy plan's ten guiding principles states: "Government policies must be predictable and certain. Both consumers and producers need policies they can depend on so they can plan ahead." Yet the elaborate scheme of taxes on inefficient autos and rebates on efficient autos would change dramatically the rules set out by law two years ago for improving auto efficiency. The tax and rebate plan is not designed to expand on the admittedly tougher goals of the 1975 law. Instead, it presumes, before the fact, that the auto manufacturers will not meet the goals of the law and attempts to use an elaborate scheme of economic incentives and disincentives to insure compliance.

It is not only inappropriate to hold the industry guilty in advance of violating a law not yet in effect, but the available evidence suggests that the companies will indeed meet those goals. Moreover, the costly fine system of the 1975 law already contains severe economic incentives for compliance.

Certainly no one would suggest that imposing the new tax and rebate concept on top of the existing law constitutes "predictable and certain" government policies.

Why the emphasis on the so-called gas guzzler tax and rebate scheme if it seeks to do no more than a law on the books now? It is appropriate to ask. Why such prominence in the proposed energy plan? Why is the automobile the only consumer item for which such mandatory efficiency standards have been put into law?

The simple answer is that the auto is always in the eye and in the mind of the public. It is highly visible; its waste is seen at the corner service station.

Yet grossly inefficient electric generating plants offer greater potential for energy savings than automobiles, but few Americans know how those generating plants operate, much less how they waste. A national newsweekly recently reported that twice as much energy could be saved if all electric motors were only one per cent more efficient, than if all cars on the road got more than 20 mpg.

But to understand why the auto has been singled out for greater attention than other energy wasters is not the same as achieving equality in energy savings. Transportation consumes 26 per cent of the energy used in the United States; autos one-half of that, or 13 per cent. If, in 1975, all energy users and not just autos had been mandated to achieve a 100 per cent gain in efficiency in a decade, we probably would not need to import a single barrel of oil in 1985.

In the same vein, consider the fact that one of the six national energy goals set out by the President in his message to Congress was to achieve a ten per cent reduction in gasoline consumption by 1985. Actually, the present law should lead to not a 10 but a 17 per cent reduction in passenger car gasoline consumption by 1985, even with a 20 per cent increase in new car registrations.

If the auto has been unfairly and incorrectly labeled as the primary source of our energy problem, that does not change the fact that the energy problem is real. The President has shown good judgment in placing the kind of emphasis he has on the energy problem, and the goals he set out for 1985 deserve the support of all Americans.

Because I agree with the President's assessment of the magnitude of the energy problem, and with his goals, it would be inappropriate not to consider the merits of the gas guzzler tax and rebate plan, despite the discussion above.

The rebate for efficient autos poses an intolerable dilemma. On one horn of that dilemma, we can treat imported cars the same as we treat cars produced in the U.S. This would mean subsidizing imports with a tax on U.S. products, effectively inviting increased foreign penetration of the U.S. market with the resulting negative consequences for the economy. Auto imports passed 200,000 in April, the highest import level in history. We invite economic havoc if we encourage even more imports.

The other horn of the dilemma is equally unsatisfactory. This involves placing some limitations on the numbers of imported cars that can be sold in the U.S. or in some other fashion, to be negotiated with our trading partners, to limit rebates on imported autos. This approach would violate the General Agreement on Tariffs and Trade (GATT) and run the real risk of retaliatory action. Precipitating an inflationary trade war to launch a rebate scheme of dubious merit does not make sense.

The tax on so-called gas guzzlers presents problems of a different nature. Most obviously, the gas guzzler tax tends to ignore present law with its fines for manufacturers who fail to achieve mandated fleet averages. Moreover, it is possible to encounter serious disagreements about just what is a gas guzzler.

Which is more of a gas guzzler, a nine-passenger station wagon that takes a large family on its only vacation each year but

gets only 17 mpg, or a two-door sedan that gets 19 mpg but is used by a lone commuter driving back and forth in rush hour traffic every day?

I am troubled by the obvious fact that taxing gas guzzlers effectively licenses those of means to waste energy.

It is for this reason that I suggest that we consider an outright ban on the production of extremely and unnecessarily inefficient autos which will ultimately be disappearing from the U.S. auto fleet anyhow. I fail to understand why we should produce a machine which deliberately wastes a finite resource simply because the rich can afford to buy it. Yet that is what a gas guzzler tax would do.

There is one other step that might be considered to deal with autos and the energy problem. The 1975 law described above sets tough but achievable goals. To increase the already high probability that the manufacturers will comply with the fleet average requirements, we could consider stiffening the fine already on the books, and making it progressively more severe.

Quite apart from the efficiency of autos, there is much that can be done to indirectly save energy now used by the driving public. We can finally build decent mass transit facilities to get commuters out of their single-passenger car. We can improve intercity rail service to reduce traffic on our interstate highway system. We can make carpooling the rule and not the exception. We can, in the longer term, bring one's job closer to one's home through land use planning and wise development policies.

We should do all this and much more, because our energy problem must be solved. We must remember, however, that the automobile is already under mandate of law to provide its part of the solution, and it cannot do the whole job alone.

FOOD PRICES IN THE 10TH CONGRESSIONAL DISTRICT

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. MIKVA. Mr. Speaker, the results a recent grocery survey conducted by members of my district staff show that while meat prices rose slightly from February to March, food prices in general registered a more substantial decrease.

The eight meat items in the meat-case category increased 0.7 percent from a total cost of $9.83 in February to $9.90 in March, but the 23 general grocery items in the market basket category dropped 1 percent from $20.99 to $20.77.

The decrease in the market basket total was the first decline so far this year as the price of the market basket had been increasing gradually throughout 1976 at a rate of 1 to 2 percent per month. Meat prices had fluctuated throughout 1976 and so far in 1977.

The price of sirloin steak, which had dropped each month since August 1976, jumped 15.2 percent from $1.38 per pound in February to $1.59 per pound in March, which was the largest increase recorded in the meat-case category this month.

The largest decline in the meat case was in round steak, which dropped 18.4 percent from $1.36 per pound in February to $1.11 per pound in March.

String beans had increased more than 60 percent in price during the previous 2 months, but dropped 13.6 percent from $1.03 a package in February to 89 cents a package in March. A 12-ounce can of frozen orange juice continued to rise in price, jumping 5.5 percent from 72 cents in February to 76 cents in March.

Of the five grocery chains surveyed, Kohl's registered the lowest average market basket total in March, at $20.43 and was also the only chain to record an increase in the market basket total from February to March, an increase of 0.05 percent from a total of $20.42 in February.

The other chains, market basket totals and percentages dropped since February are: Dominick's at $20.87, down 0.05 percent; Jewel at $21.03, down 0.9 percent; A. & P. at $20.47, down 2.2 percent; and Treasure Island at $20.67, down 2.8 percent.

My staff has been surveying prices at major supermarkets in the 10th District of Illinois since June 1974. The items included in the market basket and the meat case were selected from a list compiled by the U.S. Department of Agriculture as being particularly indicative of trends in food prices.

The March food survey was conducted with the help of the following high school interns who reside in the 10th Congressional District: Mark Alexander, Mary Anderson, Dina Ciccia, Abbe Cohen, Lynn Fitz-Hugh, Clair Ginger, Warren Kaufman, Carmella Kolman, Paul Luckcuck, Howard Packowitz Florence Rapp, Gail Rubin, Geri Smith, and Jane Weaver.

A table of the survey follows:

SURVEY RESULTS

[Change per store from Feb. 27, 1977, to Mar. 26, 1977]

Town and store	Market basket price	Percent change	Meat case price	Percent change
Evanston:				
Dominik's	$21.50	−2.4	$9.34	−2.8
Jewel	20.75	−2.5	9.60	−7.5
Park Ridge:				
Domnick's	20.56	−.6	9.18	−7.4
Jewel	21.43	+.4	10.30	+.2
Wilmett:				
Jewel	20.75	−2.3	10.10	−2.7
A. & P. (1101 Skokie)	20.15	−3.2	9.92	+1.0
A & P. (1108 Central)	20.67	−2.1	9.92	−1.0
Treasure Island	20.67	−2.8	10.08	−1.6
Lincolnwood: Kohl's	20.41	+.1	10.05	+5.7
Winnetka:				
A. & P.	20.96	−1.9	9.86	−.2
Jewel	20.89	−1.8	9.90	+5.7
Northbrook:				
Jewel	21.28	−.9	10.22	−1.4
A. & P.	20.16	−2.2	9.92	
Des Plaines:				
Dominick's	20.33	+.3	9.73	+7.3
Jewel	21.10	−.9	10.50	+5.3
A. & P.	20.37	−1.6	9.32	−5.1
Niles: Jewel	21.36	+3.0	10.30	+3.2
Morton Grove:				
Dominick's	20.99	+1.4	9.37	+4.0
Kohl's	20.45	−.05	10.65	+15.1
Glenview: Dominick's	21.52	+1.6	11.20	+19.0
Skokie:				
Dominick's	20.78	−.7	9.28	−1.4
Jewel	20.69	−2.0	9.13	−10.3
A. & P.	20.52	−2.3	9.92	−3.9
District average	20.77	−1.0	9.90	+.7
Chain averages:				
Dominick's	20.87	−.05	9.68	+3.0
Jewel	21.03	−.9	10.01	−1.0
A. & P.	20.47	−2.2	9.81	−1.5
Kohl's	20.43	+.05	10.35	+10.3
Treasure Island	20.67	−2.8	10.08	−1.6

THE BREAST CANCER DEMONSTRATION PROJECT AND WOMEN'S HEALTH

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. WAXMAN. Mr. Speaker, I was very dismayed to read a report in the Washington Post on Sunday, May 1, describing overuse of the diagnostic technique mammography in a federally sponsored program. I am submitting the article written by two outstanding investigative reporters, Daniel S. Greenberg and Judith E. Randal, to be printed in the RECORD.

I think there is a great deal we in Congress can learn from their investigation of the National Cancer Institute's breast cancer detection demonstration project, conceived by the American Cancer Society, and conducted at 27 medical centers throughout the United States. Congress has a responsibility to ascertain if the funds were spent wisely, since more than 80 percent of the total cost of at least $54.6 million was paid by the National Cancer Institute in Federal funds.

It would seem from the Greenberg and Randal article that the funds were not spent wisely. Mammography, a diagnostic technique involving X-ray of the breast, is not infallible. It can miss cancer detectable by a routine physical examination. Ironically mammography itself can cause breast cancer. No X-ray dose is so low that it can be considered absolutely safe.

In the breast cancer detection demonstration project, the minimum age for participation was set at 35, despite findings that the hazards of X-raying women under age 50 were not outweighed by the benefits of early detection. The lack of efficacy of mammography for women under 50 was mentioned at a planning meeting for the breast cancer detection demonstration project, but this warning was not heeded.

When I read this article in the Washington Post, it reminded me of our experience with the swine flu immunization program. An idea for preventive health care gained so much momentum that dissenting views simply were not adequately weighed.

What went wrong with the breast cancer detection project? Everything. Dissenting views were not listened to. No control group was used to show the real efficacy of mammography. The 27 screening centers did not follow standardized procedures. At least at the outset, the project was conducted without obtaining the informed consent of the participants. Many X-ray machines at the 27 centers emitted excessive radiation. Many screening centers did not keep adequate records, so we cannot do effective followup on the program's participants. Sometimes mammography failed to show a tumor; surgery was deferred, giving the cancer more time to spread.

The screening program was a mistake, and a dangerous one. There were 280,000 women who participated in the demon-

stration project, and many more, encouraged by a national public information campaign organized by the American Cancer Society, sought mammography in doctors' offices across the country. Many women have apparently been exposed to excess radiation.

Again I am reminded of the swine flu program. The Federal Government encouraged people to seek preventive medical assistance. The public's bewilderment, disillusionment, and anger are understandable—the medical treatment sought, immunization, had hazards they were not informed of.

The Cancer Control Advisory Committee at the National Cancer Institute recommended on May 3 that the Government stop the breast cancer detection demonstration project because the risks of mammography outweigh the diagnostic benefits.

The Federal Government enters such programs with good intentions—but in too much haste. Opposing views simply are not adequately evaluated. The public has not been adequately informed of possible risks. The credibility of Government certainly becomes an issue. I am concerned that if we face a new threat to public health in the future the public simply would not respond and participate in another Government health program.

We in Congress should be more sensitive to other issues raised by the failure of the mammography demonstration project. We should ask ourselves if women are fairly represented at the meetings that create projects such as this one. If women were equally represented in health planning, would mammographies still be conducted today on women under 50?

There is a striking absence of women in health policymaking. Women are not adequately represented in our medical schools, on our medical faculties, in organizations which formulate health policy, or in Government.

Women constitute a majority of our population. They are our major consumers of health care. They live an average of 8 years longer than men, and have a high stake in the quality and comprehensiveness of our health care system. Two-thirds of physicians' office visits are made by women patients, and three-fourths of the health care labor force is women. It is shocking that the United States, despite medical technology second to none, ranks ninth in female longevity. Lung cancer rates for women are spiraling upward at a rate that justifies our deepest concern.

Women have a right to expect equity in the membership of health policymaking organizations and Government agencies. As patients, they have a right to full disclosure about risks of treatment.

On April 3, HEW Secretary Joseph A. Califano, Jr., announced the formation of an advisory committee on national health insurance. Only 5 of the 29 members were women. Our Federal health policy must be more responsive to women's health needs. I doubt this will come about until women are equally represented on committees such as this one which fashion our health goals.

A recent article in the Los Angeles Times brought to my attention the formation of the Women and Health Roundtable to study the participation of women in health policymaking.

The Women and Health Roundtable is an umbrella organization with participating groups which include the National Council of Jewish Women, the American Society of Anesthesiologists, the Coalition for Children and Youth, the National Women's Political Caucus, and the Women's Equity Action League, among others. I applaud their efforts to improve the representation of women on the boards of approximately 200 health systems agencies established in 1974 to plan and assess regional health care services.

I urge the Congress to do a better job of addressing itself to the health care needs of women which have been neglected in the past. I include the Washington Post article on mammography in the RECORD to remind us that our vigilance in cancer prevention programs is essential to protect our people, and to protect the integrity of Federal programs intended to enhance the health and well-being of all Americans:

THE QUESTIONABLE BREAST X-RAY PROGRAM

(By Daniel S. Greenberg and Judith E. Randal)

(While 280,000 women have participated in the NCI-ACS breast cancer detection project, many more have been spurred by fear of the disease to be screened by mammography in doctors' offices and hospitals. There, unfortunately, the equipment may not be calibrated to deliver minimal radiation. Nor is there assurance that the technicians are properly supervised or even trained. Only New York, New Jersey and California require X-ray technicians to be licensed and no states require periodic reviews of competence.

(As a result, many women have probably been exposed to excessive radiation. For example, Dr. Alfred S. Ketcham, professor of surgery at the University of Miami, reported having seen an 18-year-old girl, who without having first had her breasts examined manually, had three sets of breast X-rays in a week. He also cited the case of a 32-year-old woman who had 27 mammograms within seven years.)

The National Cancer Institute provided funds for one of the greatest ventures in mass screening for disease—the Breast Cancer Detection Demonstration Project, conceived by the American Cancer Society and conducted at 27 medical centers throughout the country. More than 80 per cent of the total cost of at least $54.6 million was paid by NCI.

The program is worth looking at in detail, for it illustrates the tail-dog relationship that exists between the relatively small but powerful ACS and the timid but affluent giant that is supposed to be in charge of the government's campaign against cancer, the National Cancer Institute.

For both health and aesthetic reasons, breast cancer is a fearsome disease of women. Currently, some 90,000 new cases are diagnosed each year; the disease now causes some 33,000 deaths a year. It is said by the ACS to be the leading cause of death among women ages 40–44, though that often-used statistic is true only if one divides fatalities from heart disease into sub-categories.

The risks of getting the disease are linked to various criteria: A family history of breast cancer carries with it an increased likelihood of affliction; susceptibility also increases over age 50; women over 30 who have not had children are more prone than those who have given birth, and there is some evidence that the onset of menstruation prior to age 12 increases the risk.

It is a combination of factors that must be considered and it is not yet possible to weigh the various risks accurately.

Left untreated, invasive breast cancer is almost always fatal, since the disease spreads to other parts of the body. Success rates in treatment are closely related to the stage of development. Therefore, great efforts have gone into devising detection techniques. The most common of these are physical examination for suspicious lumps—a harmless and highly effecitve procedure for detecting the disease after the tumor reaches a sufficient size—and X-rays, a possibly risky though often effective technique for detection before breast cancer is otherwise evident.

X-rays, however, like other diagnostic methods, are not infallible; studies show they miss many cancers that are detectable by simple physical examination. X-rays are also dangerous and perverse. They are a potent source of cancer, since they promote biological changes that can blossom into malignancy a decade or more later, depending on the dosage. At low dosages, the risk is low; nonetheless, no dose is so low that it can be considered absolutely safe. This has been established by a variety of studies, among them careful follow-ups of persons exposed to varying degrees of radiation in the atomic bomb attacks on Japan. Thus, prudent radiologists hold that any exposure must be justified in terms of the potential benefits outweighing the possible risks.

There are also other problems of X-rays. Since the density of breast tissue declines with increasing age, X-rays can "see" more in older women, particularly in those over 50. Significantly, this is the age at which the incidence of the disease tends to rise. In younger women, not only are X-rays less revealing, but they are also more likely to trigger cancer eventually, making them most risky for those who have the longest to live.

Studies of persons who were inadvertently exposed to radiation, or who had received radiation in the course of ill-conceived medical treatments years ago, show that teenagers and young adults are especially susceptible in the long run to X-ray-induced cancer.

There is a third method of breast-cancer detection, thermography, which senses differences in the body's heat radiation patterns to locate suspicious tissues. Unlike X-rays, it is non-intrusive and harmless, but the technique requires further refinement to be reliable.

With this background in mind, let's look at the origins of the NCI breast cancer screening program.

The genesis of the program was in 1963, when New York's Health Insurance Plan (HIP), one of the leading comprehensive health care plans in the nation, began a study to determine whether periodic screening would reduce the number of deaths from breast cancer.

Some 62,000 women, ages 40–64, were divided into two groups. Half were offered annual physical and X-ray examinations for breast cancer, of whom about 20,000 accepted, and half continued with their usual health care habits. Nine years later, 98 deaths attributed to breast cancer had been reported among those who had received the regular examinations; there were 128 deaths in the control group. On the face of it, periodic screening, including X-rays, had produced a significant increase in lives saved by early detection of the disease.

When the returns first came in, they were received as a major finding. Upon passage of the National Cancer Act of 1971, the ACB Board of Directors adopted a resolution calling for a nationwide "demonstration" project aimed at applying the HIP experience on a far broader scale.

The idea was to demonstrate the value of periodic screening so that both the public and the medical profession would become

acquainted with it and adopt it as a standard part of health care. As the plan evolved, it called for designating 20—later raised to 27—screening centers around the country at which 280,000 women would be given annual physical, X-ray and thermography examinations for five years. There would be no control group for comparative purposes, since the HIP study was taken as evidence that screening paid off. The object was to evangelize the HIP experience rather than to test it.

The minimum age for participation was set at 35, though it was evident from even early analysis of the HIP findings that the hazards of X-raying women under 50 were not outweighed by the benefits. Records of NCI–ACS planning sessions show that the age issue was raised, but it had no effect on the decision to begin with age 35. Minutes of a meeting held Jan. 9, 1974, report Dr. Philip Strax, president of the Guttman Institute of New York, as remarking "that mammography was of virtually no value in women under 50 years of age." The statement, backed up by the HIP findings, was noted but not heeded.

There were other objections, too. As the program was being formulated, the ACS design for mass screening was reviewed by Dr. John C. Bailar III, who was then NCI's deputy associate director for cancer control.

Bailar, physician-statistician, was troubled by the absence of experimental controls—comparative groups that might yield sophisticated data about the value of screening. His concerns were intensified by the fact that the 27 screening centers were not required to conform to standardized procedures; each was free to conduct the screening in its own way.

In reply to an inquiry from Bailar, Dr. Kenneth B. Olson, chief of the diagnosis branch in NCI's division of cancer biology, wrote a memo, which said in part:

"This project has limited objectives and they have been pretty well dictated by the American Cancer Society. In summary they are: 'Can American Cancer Society volunteers mobilize a large number (100,000 per year) of volunteers for thermography, mammography and a physical exam? . . . Why try to write research or controls into this ongoing program?' "

ACS was calling the signals on this government-financed program. NCI was even told how its own funds for the screening centers were to be allocated geographically.

According to minutes of a 1973 meeting with NCI officials, "ACS was firm in its requirement that the demonstration projects should be distributed equally among the four ACS geographical areas." On top of that, ACS stipulated that the medical institutions serving as screening centers must not solicit public contributions during ACS' traditional spring fund-raising drive.

Since no one involved intended to do harm, the question arises as to the motivations for putting into operation an ill-designed and even dangerous program. As Irwin D. J. Bross, director of biostatistics at Roswell Park Memorial Institute, pointed out last year, "Extensive information about the hazards of ionizing radiation used in the mammography of symptom-free women under 50 was available in the early planning stages of the program." Citing various American, British and Canadian studies, Bross charged that "all evidence was available," but he cited an ACS statistician as saying that "no one at ACS appears to have looked carefully at these hazards and realized their seriousness"—which was that in symptom-free women under 50, "many more cancers are produced than are cured" by X-rays.

The most probable reasons for steamrollering on are to be found in an assortment of factors, among them:

ACS' traditional desire to reach the public, a goal which has both therapeutic and fund-raising elements to it. The 280,000 women in the screening program would serve as a word-of-mouth force that would spread news of breast screening, and ACS's role in it, to many times that number. ACS has long thrived on promoting "checkups and checks."

Enthusiasm on the part of radiologists, of whom Bross later warned: "When enthusiasts for a technology are making decisions on the use of this technology, it is almost impossible to be 'forceful enough' to transmit a message about hazards that they do not want to hear."

Bailar later referred to the X-ray proponents as "gungho mammographers," and Dr. William Pomerance, chief of the diagnostic branch of the NCI Division of Cancer Biology and Diagnosis, subsequently wrote to a colleague about a meeting with "some contractors in breast cancer management" at which he expressed concern about X-raying women under age 50. "They all 'fell on me,' he reported ". . . and even went so far as to decide in their protocol that they would start with age 30."

Finally, the program gained momentum from excitement over the public relations yield that would be had from drawing substantial numbers of women into the War on Cancer. As Dr. Nathaniel I. Berlin, then director of NCI's Division of Cancer Biology and Diagnosis, told a planning session in the early days of the program, according to minutes of the meeting. ". . . both the ACS and the NCI will gain a great deal of favorable publicity because they are bringing 'research findings to the public and applying them.' This will assist in obtaining more research funds for basic and clinical research which is sorely needed."

As thousands of women joined the screening program, an assortment of problems developed. Bross and other critics charged that the program was being conducted in violation of regulations that require informed consent from experimental subjects.

NCI replied that the program was a "demonstration" not a research project, and therefore was not affected by informed-consent requirements—a proposition of dubious legal validity. Nevertheless, minimal forms were adopted and later, under a barrage of criticism, were revised to include warnings of radiation hazard.

More serious, however, was evidence that many of the X-ray machines at the 27 centers were poorly calibrated and were applying radiation far in excess of what was safe or necessary for obtaining useful pictures. Through a freedom of information request, Ralph Nader's Health Research Group obtained data on 57 X-ray machines used in the program and found that 17 were producing radiation levels that were ominously high, including one at Georgetown University that was delivering three times the recommended maximum dosage.

The Cancer Institute has since reported that these shortcomings have been corrected. Monitoring of the overexposed women, however, poses a serious difficulty, since many of the screening centers have neglected to keep careful records for follow-up purposes.

Last August, after doubts about the program began to become public—mainly because of a one-man barnstorming campaign by Bailar—the NCI and ACS jointly issued "interim guidelines" terminating routine X-ray screening of women without symptoms under 50.

Almost immediately, however, ACS began a public relations program that ranged from medical advice columns in women's magazines to an interview with its past president, Dr. Benjamin F. Byrd Jr., in the Reader's Digest. The main point made in the ACS campaign was that, if a woman is at "high risk," she should be routinely X-rayed, no matter what her age and what the dangers might be.

Perhaps the hardest-hitting part of the pro-mammography counterattack was in an "urgent message," widely distributed to doctors and hospitals, as well as the public, by the New York City division of ACS and identified as a document that "reflects opinions shared by breast cancer authorities."

Listing the usual criteria of high risk—such as family history of breast cancer of suspicious lumps—the New York City division added that a woman should be X-rayed "if at any age she has concern and mammography is recommended by her physician. . . . If she has large breasts, mammography is particularly important regardless of age because it is much more difficult to find a lump by palpation (physical examination)". The "urgent message" does not add that lumps are harder to find by mammography, too, in large breasts, or that there is no evidence that cancer is more common in large breasts. At a meeting of regional ACS officials in New York, the "urgent message" was offered to other divisions.

Meanwhile, Ca, a "journal for clincians" which the ACS distributes free to physicians and the press, took virtually the same line. So have articles bearing the ACS imprimatur in mass circulation magazines, the society's annual report and its current issue of Cancer News. In all, more than 75 percent of the women under 50 being screened at the centers have been X-rayed—interim guidelines or no.

When queried about its mammography campaign, ACS insisted that the screening project is a "partnership" between the society and NCI. "The ACS is not pushing mammography for women under 50," said its vice president for public relations, Irving J. Rimer. "We're delineating women who are in high-risk groups and we're saying to them. 'Talk to your doctor about the use of mammography.' "

Though there is little dispute that mammography may be justified for women at "high risk," the definition of that term, as used in the "urgent message" and elsewhere, encompasses about 80 percent of all women under 50, according to the ACS' own estimates.

No attempt has been been made to explain the mathematical absurdity of why—when women have an 8 percent risk of breast cancer in an entire lifetime—4 out of 5 should be at "high risk" before reaching age 50.

While ACS sought to sway public and medical opinion against the interim guidelines—which are still in effect—three committees of experts appointed by NCI in October, 1975, were quietly engaged in studies that eventually hit the X-ray screening program like a bomb crashing into a munitions dump. Their conclusions, issued in March, were released in a tiptoe fashion wholly out of character with the usual practice of announcing major news about cancer research.

Only after one of the authors of this article made a freedom of information request was the material made public and then only a selected group of reporters was on the distribution list. Moreover, the information sheet accomanying the reports did not disclose the kernel of their contents, as is ordinarily done in such cases, and on the Friday before publication, Dr. Guy Newell, acting NCI director, Dr. Diane Fink, chief of the Division of Cancer Control, and Paul van Nevel, NCI's chief public information officer, hurried to New York at the behest of the ACS for a consultation. Asked why, Newell responded: "The ACS is very touchy about this project, you know."

What the studies strongly indicated, in short, is that the HIP data were badly interpreted and the NCI-ACS screening program was a mistake, possibly a very dangerous one for many of the 280,000 women involved.

The three committees had been assigned the task of assessing what is known about the risks and benefits of mammography in general and of re-examination of the HIP data, a process that included a slide-by-slide review

of breast tissue collected in that pioneering venture. Among their findings:

Of the 132 tumors that were detected in the course of the HIP project, 59 (almost 45 per cent) were missed by X-ray examination. Furthermore, "mammography was an ineffectual means of detecting minimal breast cancer"—i.e., cancers in a very early stage of development.

Mammography was best for finding the slow-growing types of cancer, which are not immediately destructive to surrounding tissue and which, as it turns out, are the kind least likely to spread and kill. There may be little benefit to be had from finding these types early; some of them never require surgery other than a tissue biopsy and pose no threat to health and life.

Nearly 47 per cent of the aggressive tumors initially detected only by mammography were so large that they could have been detected simply by careful physical examination.

The report suggested, however, that the examination system was loaded in favor of mammography. X-ray examinations, it stated, were done on an "expert" basis, by well-trained physicians employing uniform techniques. The physical examinations are described as leaving "room for doubt about . . . quality and uniformity."

The three study groups urged "that mammography for routine screening of women under 50 years of age be discontinued," which they followed with what amounts to a death warrant for the entire screening program as it now stands:

"We recommend that further National Cancer Institute support of mammography in breast cancer screening of women over 50 now be concentrated on validating its use through appropriately designed randomized trials"—which means an end to indiscriminate mass screening for "demonstration" purposes and a switch to research-oriented controlled studies.

The report, issued on the eve of the ACS' annual fund-raising drive, has evoked no public comment from ACS or NCI, which said it is awaiting still another report, now in the works, before making a decision on the fate of the program. But at other times, ACS has responded to criticism of the HIP results with the argument that mammography has improved considerably since then, and will further improve in safety and reliability.

However, some of the available evidence on this claim is not comforting. For example, in the March 7 issue of the Journal of the American Medical Association, Dr. Gerson Lesnick of the Mt. Sinai School of Medicine, New York, reports that in a group of 106 breast cancer surgery patients under age 45, 84 per cent of the tumors were detected by the patients themselves; only 2 per cent were detected only by mammography. In 63 per cent of these cancer cases, X-rays failed to detect the disease.

On the basis of these findings, he reported, surgery was deferred in 15 cases, thus giving the disease additional time to advance.

Meanwhile, although the first tumors found by the ACS–NCI screening project were reported about four years ago, the data has been made available exclusively to the society and detection center directors. Thus, Ballar and an NCI consultant who have asked to look at the data have been denied the opportunity and no one knows how many of the growths found may prove to have been either non-malignant or cancers of the slow-growing types which could safely have awaited discovery by other means. But even assuming that none of the tumors fit these descriptions, the cost per case found by mammography alone is upward of $75,000.

With the 5-year "demonstration" program at about its midpoint, the ACS-led cancer lobby can now be expected to put new energy into the old formula of fear and hope, checks and checkups. The opening signal came last November in a presentation of old arguments in Ca, ACS' journal for physicians, under the title of "Restoring Confidence in Mammography."

What really needs to be restored, however, is some backbone in the National Cancer Institute, which, after all, is the public's guardian against a disease that threatens us all.

FEA ADMINISTRATOR O'LEARY NOTES FEDERAL VANPOOLING COMMITMENT AT HOUSE HEARINGS

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. EDGAR. Mr. Speaker, the House Surface Transportation Subcommittee yesterday heard encouraging and informative testimony from John O'Leary, Administrator of the FEA, on the need for expanded vanpool opportunities. I am a strong advocate of this flexible, cost-effective transit mode. Pending before the subcommittee is a bill I introduced, H.R. 869, which would promote increased vehicle occupancy. Such an increase would save energy, reduce pollution and traffic congestion, and save money for participants.

At yesterday's hearings, I was pleased by the dynamic eloquence of the new Administrator of this agency. For the benefit of my colleagues who could not attend, I wish to share for the RECORD his prepared remarks:

STATEMENT OF JOHN F. O'LEARY

It is a pleasure to have the opportunity to appear before you, Mr. Chairman, and Subcommittee members, especially to reiterate the firm commitment which the Federal Energy Administration maintains toward vanpooling, and other forms of ridesharing. It is my understanding that this hearing is particularly devoted to vanpooling.

Transportation is the single largest end user of petroleum in this country. In the President's National Energy Plan, there are numerous energy conservation initiatives affecting the transportation sector. These proposals include: (1) a fuel efficiency tax and rebates for new vehicles, (2) a stand-by gasoline tax and rebates on all vehicles, (3) removing the 10 percent excise tax on intercity buses, (4) increasing the Federal tax on aviation fuel and eliminating the rebate on motorboat fuel, (5) encouraging State enforcement of the 55 MPH speed limit through possible withholding of Federal Highway funds, (6) finding a way to help offset losses in State tax revenues resulting from any decreases in total gasoline sales, and (7) Federal leadership by example through new car purchases that exceed average fuel efficiency standards and through a vanpooling program for Federal employees. An underlying purpose of many of these initiatives is increasing vehicle occupancy and the use of high occupancy vehicles through carpools, vanpools and mass transit.

The significance of the energy conservation potential of vanpooling is immense. Each 11 participant vanpool is estimated to save over 5,000 gallons of gasoline per year. If we could stimulate vanpooling and carpooling to achieve an overall average auto occupancy of just two persons per car, the Nation would realize energy savings of 400,000 barrels of oil per day.

Vanpooling is one of the most attractive of all energy conservation options—it is a low-cost, simple concept, which is easily implemented, saves money for participants, and has positive energy and environmental impacts. The company commuter van or vanpool is a hybrid mode falling between a buspool and carpool. Vanpooling characteristically begins with a company obtaining one or more 12–15 seat vans and assigning them to qualified groups of employees for their daily commute. One member of the group drives and manages the operational aspects including keeping the van clean, fueled and maintained. These services are performed in exchange for a free commute ride and the discretionary use of the van for a minimum fee. The other participants pay low equal monthly fares which amortize all acquisition and operation expenses.

The financial arrangements of vanpooling, while varied, share basic characteristics. The initial van acquisition can be arranged through direct purchase by the sponsoring firm or through a leasing arrangement. Fares are determined by dividing the total leasing or purchasing costs, and all insurance, maintenance and gasoline costs by the number of paying participants. These fares are collected periodically either by payroll deduction or by the vanpool driver.

Commuter van fares usually represent significant savings for vanpool participants. Long distance commuters have the most to gain. For example, a commuter in Minneapolis with a 60 mile round trip spends an average of $137 per month on total commuting costs including gasoline, oil, maintenance, repairs, and tire replacement. This compared to a typical vanpool fare of $40 per month for the same service shows that even when one drives alone on occasion, it still pays to vanpool. As one 3M vanpooler put it, "My personal car gets driven much less. My wife now has a car at home all the time. I feel I've purchased a second car plus chauffer both for only $22 a month."

The Federal Energy Administration has been involved with vanpooling for several years. Promotion of this transportation mode has figured prominently in our energy conservation activities. FEA conducted a vanpool demonstration project designed to test various methods of promoting the concept in five urban areas. This effort was completed last February and has yielded valuable information on vanpooling.

The preliminary evaluation of the project indicates that the vanpooling concept still requires Government assistance in the form of information and funds to help States promote and plan vanpool programs. Our experience indicates that this assistance is needed both to encourage employers to participate and to allow municipalities to develop and promote localized programs. The evaluation also indicates that the general public needs to be made more aware of the advantages of vanpooling and other energy conservation measures.

FEA also has promoted vanpooling in a nationwide series of energy management conferences and workshops. The overall program, entitled "Managing the Energy Dilemma", currently includes commuter van workshops for firms interested in vanpooling programs for their employees. Thirty-four vanpooling workshops have been held across the country.

Our third area of vanpooling involvement stems from the Energy Policy and Conservation Act, signed December 22, 1975, which authorized FEA to establish guidelines for the development and implementation of comprehensive State energy conservation plans. These guidelines were published on November 3, 1976. To be eligible for the Federal assistance included in this program, each State's plan must include five mandatory measures, one of which is, "programs to promote the availability and use of carpools, vanpools and public transportation." States

may choose to include vanpools among the initiatives that satisfy this requirement. FEA is working with the States to assist them in developing workable plans to achieve their goal of reducing energy consumption by 1980 to a level 5 percent below current projections. Of the 24 States that have submitted plans, 21 include vanpooling in their transportation related programs.

The Administration is committed to vanpooling. The President's proposed legislation to implement his comprehensive National Energy Plan includes Federal vanpool demonstration programs for its own employees. This proposed program provides for up to 6,000 vans to be in service 4 years after enactment of the proposed legislation. The program would be developed and implemented by FEA and the General Services Administration.

Vanpooling is attractive because it is a simple, sensible, cost-effective commuter transportation alternative which does not cause any significant loss of mobility. The Federal vanpool program is important as an example of how to decrease our current gasoline consumption.

I have attached a copy of a brochure FEA is distributing on vanpooling which includes a status report on the 62 firms which now sponsor vanpool programs, and the number of vans each program had in operation as of the summer of 1976. Our latest survey reveals that there are now over 85 firms sponsoring vanpool programs with over 1,000 vanpools on the road everyday. I'll be happy to respond to any questions you may have.

REPRESENTATIVE MICHAEL T. BLOUIN OF IOWA SUBMITS THE RESULTS OF HIS 1977 CONSTITUENT QUESTIONNAIRE

HON. MICHAEL T. BLOUIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. BLOUIN. Mr. Speaker, I am happy to include for the record a copy of my 1977 constituent questionnaire.

This year's questionnaire covered a number of timely issues, ranging from energy policy alternatives to farm price supports, social security reform and U.S. defense policy.

For the most part, I believe the questiannaire is a fairly accurate reflection of current public opinion in districts like mine in northeastern Iowa. I think many of my colleagues might find the questionnaire results both interesting and instructive.

CONGRESSMAN BLOUIN'S 1977 CONSTITUENT QUESTIONNAIRE RESPONSES

Some experts believe tax cuts for individuals and businesses are the best way to stimulate the economy and create new jobs. Others believe the government must step up its public works and emergency jobs programs in order to create more jobs directly. All figures are in percent.

1. Which do you think is the best way to stimulate the economy and increase employment?

Tax rebates for individuals	31.8
Tax cuts for businesses	19.3
More public jobs programs	27.5
Incentives for private jobs	48.0
Reduced government spending	58.0
None of the above	2.3

Some experts recommend immediate decontrol of oil and natural gas prices as a way of encouraging more production and solving the "energy crisis." Others suggest a strict conservation program, including mandatory mileage requirements for cars.

2. Which policies would you favor?

Total decontrol of prices	12.5
Partial decontrol of prices	16.3
Mandatory mileage requirements	27.8
Increased incentives for voluntary conservation measures	50.0
Increased government support for the development of alternative energy programs (such as solar energy)	61.3
Increased reliance on nuclear energy	18.8
Reorganization of the oil and natural gas industries	35.5

President Carter has asked for the authority to submit government reorganization plans to Congress. These plans would automatically take effect unless either the House or Senate vetoed the President's plan. Some members of Congress oppose this plan because they think Congress should develop reorganization plans on its own.

3. Do you favor giving the President the authority to develop and submit such plans?

Yes	71.2
No	22.5
No opinion	6.2

4. How do you rank the need for reform of the government bureaucracy?

Top priority	75.8
Of some concern	20.0
Of little concern	2.0
Of no concern	1.2

Federal loan rates and price supports are designed to protect farmers from sudden economic disaster. In recent years loan and price support levels have been set so low that farmers would not recover their costs of production if the market dropped suddenly.

5. Do you think farmers are entitled to loan rates and price supports which would cover the full cost of production?

Yes	47.0
No	40.5
No opinion	12.5

6. Do you think the government should enact laws which would prevent the growth of farms owned and operated or leased by non-family corporations or investment groups?

Yes	85.3
No	10.0
No opinion	4.0

Congress will consider a bill this year to provide federal assistance and funding, over a five year period, to help state and local school districts create better career education programs which will expose all students to the realities of the work-a-day world, give them a better idea of the skills and training they need to get the jobs they want, and to provide more on-the-job experience.

7. Do you think there is a need for such career education programs in your area?

Yes	57.5
No	36.0
No opinion	6.5

Overall the federal government contributes about 7% of the total cost of elementary and secondary education. The rest is made up by the state and from local property taxes. Many experts believe the federal government's share should be increased, without decreasing local control over school systems.

8. Do you think the federal government's share of education costs should be increased?

Yes	37.5
No	55.5
No opinion	7.0

Short-term economic problems and long-term population trends have combined to raise some questions about the stability of the Social Security System. Although there is no immediate danger, Congress may have to consider alternative ways of funding the program. It will also have to decide whether Social Security should remain a supplemental program or become a full-fledged pension program.

9. What alternative funding programs would you support for Social Security?*

Increasing the amount of wages from which social security taxes are deducted	35.5
Increasing the amount of taxes	7.0
Funding the entire program from the general federal treasury	19.3
Funding some programs, such as Medicare, from the general fund	43.5
Other	8.5
No response	9.2

10. Do you thing Social Security should be converted from a supplemental program into a full-fledged pension program?

Yes	28.0
No	60.8
No opinion	11.2

American defense policy is based on a strategy called "mutually assured destruction." It requires the U.S. to maintain enough nuclear and conventional power to convince the Soviet Union (or any other country) that an attack on us would assure the destruction of its own country. Some experts argue that this is not enough and that the U.S. must maintain absolute superiority over the Soviet Union in each and every type of weapons system, equipment and troop deployment.

11. Which policy do you favor?

Mutually assured destruction	46.3
System-by-system superiority	27.5
Neither policy	19.0

12. Do you think the United States should continue to negotiate with the Soviet Union to achieve mutual reductions in nuclear arms?

Yes	80.8
No	16.0
No opinion	3.2

*Percentages for questions 1, 2 and 9 may add to more than 100 because respondents could choose more than one answer.

FOOD STAMP REFORM

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. ARMSTRONG. Mr. Speaker, today I join a group of my Republican colleagues in sponsoring H.R. 6332, the National Food Stamp Reform Act of 1977. Our bill includes 40 basic reforms to meet the needs of poor people in a humane and dignified manner while curbing abuses of the program and, thereby, cutting the cost by $1.5 billion.

The need for reform is emphasized by the many so-called reform bills which have been introduced during recent months. Unfortunately, most of these proposals are not reforms, only increases in benefit levels. In view of skyrocketing costs of this program, which has increased from less than $1 million to nearly $6 billion in 15 years, it is evident that basic reform, not higher benefits, are long overdue.

The food stamp program originated in 1939 as a way to subsidize both depression-era farmers who were going broke and needy urban families who were going hungry. The program lasted 4 years, but was revived in 1961 as part of the Johnson administration's war on poverty.

The following chart shows the year to year costs:

Food stamp program: outlays fiscal year 1961 through fiscal year 1976

Fiscal years:	
1961	$857,918
1962	14,118,262
1963	20,414,913
1964	30,478,640
1965	35,134,797
1966	70,439,588
1967	115,497,706
1968	187,132,246
1969	250,311,119
1970	578,140,679
1971	1,576,424,032
1972	1,912,025,112
1973	2,207,532,000
1974	2,844,815,000
1975	4,598,956,000
1976 (estimated)	5,624,794,000

With this kind of trend, it is no wonder that the public is wary of legislation to increase benefits unless accompanied by strict controls on abuse. Unfortunately however, most of the Democratic proposals ignore abuses and raise benefit levels which will encourage more and more persons to become dependent on food stamps and, at the same time, reduce work incentives for those already receiving food stamps. One such "reform" would attract an estimated 8 million persons to the rolls, increasing recipients from 18 million to 26 million, at an annual cost increase of $2 billion.

In contrast, the Republican plan includes 40 reforms aimed at meeting the needs of poor people in a humane and dignified manner while reducing the overall cost of food stamps to the Nation's taxpayers by $1.5 billion per year. Among the flagrant abuses we seek to correct are:

The program does not establish any gross income ceiling for recipients. Because so many deductions are allowed before an income figure is arrived at for those applying, many with more than adequate incomes are eligible for food stamps.

The program allows some students, strikers and those voluntarily unemployed to receive food stamps.

The program does nothing to insure that those receiving food stamps actually buy nutritionally adequate food.

The GOP program will not only plug these loopholes, but will significantly improve the quality of the program for those enrolled in it. The main features of the Republican program are:

Eligibility: Limits eligibility to those with gross incomes at the poverty line—$5,820 for a family of four—plus a 15 percent allowance for work-related expenses. Total for working family of four: $6,850. The bill contains a further $300 deduction for a household with an elderly person.

Purchase requirement—Establishes purchase requirement at percentage of gross income expended for food by average household of same size and income range with regional variations, as established by the most recent Consumer Expenditure Survey of Bureau of Labor Statistics, or 30 percent, whichever is less. Updates purchase requirements with allotment increases.

Assets: Establishes specific asset limitations, which include:

First. An overall limit on liquid and nonliquid resources of $1,500 for the household, or $2,250 for households of two or more persons with a member or members age 65 or over;

Second. Limit on the principal residence and lot of $25,000 for any household consisting of three persons or less, or $30,000 for any household consisting of four persons or more. These amounts shall be increased by $10,000 in any area defined by OMB where the median market value of personal residences exceeds the U.S. median by 25 percent. These amounts shall be totally inapplicable for households where the head of household is 65 or over;

Third. Limit on a motor vehicle of $1,500;

Fourth. Limit on household goods and personal effects of $1,500;

Fifth. Limit on property used in a trade or business essential to the self-support of a household to the extent that the equity value does not exceed $15,000; and

Sixth. All property, with the exception of "fifth," is to be valued at fair market value.

Transfer of assets to qualify: Establishes a minimum of 90 day's disqualification for knowingly transferring liquid or nonliquid assets with the intent to qualify.

Income accounting period: Uses the 90-day period preceding the date of application or recertification—longer for households who derive their annual income in period of time substantially shorter for 1 year.

Diet plan: Uses the thrifty diet plan for a family of specified size and ages or lowest cost diet which meets recommended dietary allowances, established by the National Research Council of the National Academy of Sciences, for all nutrients for which reliable food composition data are available, whichever is less. Prohibits the use of food stamps for items of low nutritional value or insignificant enhancement of palatability, such as ice cubes, artificial food colorings, powdered and liquid cocktail mixes, chewing gum, carbonated beverages, and cooking wines.

Specific groups:

Strikers, college students, and other voluntarily unemployed persons are made ineligible;

Drug addicts and alcoholics are exempted from work registration requirements if in rehabilitation program the director specifies it would interfere with rehabilitation;

Defines elderly as 65 or over;

Makes minors ineligible—using the age of majority in State—if attempting to qualify as a separate household, and

Aliens: makes persons who are not citizens or legal aliens ineligible, and requires transmission to Department of Justice of any information indicating applicant may be illegal alien.

Definition of income:

Codifies current exclusions—payments for medical costs made on behalf of household; child self-employment income; relocation assistance; infrequent and irregular income; most loans; and the cost of producing self-employed income.

Requires any in-kind income and other public assistance benefits for food or housing to be counted.

Requires VISTA payments and income tax refunds to be counted.

Work requirements:

Requires four-part work component: Work registration, job search, job acceptance if available, and participation in public work programs if offered.

Requires work component be applied to all able-bodied adults between the ages 18 and 65 except: Caretakers of children under 6, same as in AFDC program; bona fide primary or secondary school students, or students in an equivalent training program, and persons employed and working at least 30 hours per week.

Prohibits voluntary reduction in hours worked to qualify, as well as voluntary quit.

Defines good cause for voluntary quits and refusal to accept employment.

Fraud control: Includes, as a requirement where feasible:

Countersigned coupons;

Photo-identification card;

Earnings clearance system, to cross-check earned income against reported income;

National application cross-check, to discover multiple applications;

Monthly income reporting;

Immediate reapplication and recertification 30 days after household moves, and

Increase in Federal sharing from 50 to 70 percent in the costs of all investigations, prosecutions, collection of Federal funds and related activities.

Penalties: Contains system of civil money penalties; makes ineligible for up to a year for fraudlently obtaining coupons; does not lower fine for certain criminal activities.

Definition of household: Defines household as a group of individuals:

Sharing common living quarters;

Who are not residents of an institution or boardinghouse;

Who have cooking facilities, and

For whom food customarily is purchased or prepared in common. Requires Secretary to establish precise criteria for determining and verifying the number of separate households sharing the same housing quarters and for detecting any fraudulent practice employed by such individuals in attempting to qualify as separate households.

These are substantive reforms. Their adoption would reduce the number of those currently enrolled in the food stamp program from about 18 million to about 14 million. The Democrat proposal, on the other hand, would add

about 8 million persons to the food stamp rolls.

I do not think the taxpayers will stand for this. The voters have shown in the last election that they will no longer buy the solution of throwing more and more money at a program in hopes that its problems will disappear.

There are problems with the food stamp program, and we Republicans have come up with a plan which deals with them in an effective manner. It insures that the nutritionally deprived get the supplemental help they need to manage their diets, while cutting out flagrant abuse from the program.

It also says to the American people that there is no program so sacrosanct that it should not be looked at with an eye open to the hard pressed taxpayer, as well as the citizen in need.

BOY SCOUT TROOP 7 OF EAST CHICAGO, IND., CELEBRATES 60TH ANNIVERSARY

HON. ADAM BENJAMIN, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. BENJAMIN. Mr. Speaker, it is a privilege to join with the community of northwest Indiana in commemorating the 60th anniversary of Boy Scout Troop 7 of East Chicago, Ind. The troop will be celebrating the 60th year of its founding by the late Father Michael Gadacz, the first scoutmaster, this Saturday, May 21, 1977, at St. Stanislaus Church Hall, 150th Street and Indianapolis Boulevard, East Chicago, Ind.

The reunion of present and former scouts, leaders, parents, and friends affiliated with the troop will be celebrated with a banquet, the honoring of a new Eagle Scout, Kevin Klocek, a special presentation of the history of the 60 years and accomplishments of those who have passed through the troop, and several distinguished speakers. The spokesmen will be the Honorable Judge William Obermiller, judge, Whiting City Court, representing scouting, and Mayor Robert Pastrick, representing the city of East Chicago.

There have been more than 1,600 boys who have passed through the ranks of this distinguished troop. Of those, 78 have earned the Ad Altare Dei Award, 7 have received the Pope Pius Award, and 47 have earned the coveted rank of Eagle Scout. Of these 47, 5 were from one family, the Szczepanskis, a first for the council as well as the State of Indiana.

Scoutmaster Ed Szczepanski is the present leader of Troop 7. Members of the troop are Michael Brown, Steve Brown, Tim Evans, Wally Churby, Rolando Flores, Edward Garbasik, Stan Gravos, Kevin Klocek, Ted Radziwiecki, and Edward Szczepanski, Jr.

The past leaders attending this special event will be Sam Lula, Mike Czapla, Ed Kenar, Joseph Kish, Terry Kish, John Haburay, Wes Hopf, Barney Savage, Joe Matusik, Tom Szczepanski. Toni Czapla, Tom Augeris, Joseph Volsega, Adam Marszalek, Father Joseph Niezgoda, Milt Bowman, Ziggy Golan, Paul Klocek, William Brown, Ed Kniecik, and present leader Ed Szczepanski.

Among the many remarkable accomplishments attributable to the history of this troop are the awarding of eight Eagle Scouts in one ceremony in 1967—six of whom subsequently graduated from college—one Eagle Scout with 86 merit badges and distinguished leadership, past and present. Of the present leaders, five have received the Catholic Scouting Adult St. George Award, four are Vigil Order of the Arrow Members and two are recipients of the Silver Beaver Award. In past leadership, two leaders received the St. George Award, one received the Vigil Order of the Arrow and one received the Silver Beaver Award. These gentlemen have devoted from 2 to 23 years to boys and scouting.

I am happy to inscribe the accomplishments of this great group of boys, to pay tribute to a group of leaders who devoted their energies to our future decisionmakers and to bring them to the attention of my fellow members. They are to be saluted for their dedication, devotion, and loyalty, as well as accomplishments, for Scouting, their church and the principles on which this great country was founded.

DIRTY CLOUD OVER DENVER

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. ROGERS. Mr. Speaker, during the debate on the Clean Air Act amendments, there were many questions asked about the need to tighten the automobile emission standards. Yesterday there appeared an article which reflected this question.

The story is about Denver, Colo., but as is noted, the same thing is happening all over. Dr. Jim Chandler, a resident of Denver, points out that a "dirty brown cloud" now sits atop Denver many days of the year. It is caused by automobile pollution.

Aside from detracting from the beauty of that city, there is a more important issue—the one of health.

Dr. Chandler now heads the Department of Emergency Medicine at the University of Colorado Medical Center in Denver. He and two colleagues kept records on the days of heavy air pollution and found a correlation between residents' complaints of chest pains and shortness of breath and the city's high readings on carbon monoxide.

The work done by Dr. Chandler is only a small part of the body of work compiled by men and women of science and medicine which sets out the dangers of air pollution. Last week, a more formal and detailed outline of health effects was circulated to Members of this body. It was concern over these health effects which led Congress to enact the Clean Air Act, and has led the American Medical Association, the American Public Health Association, and the American Lung Association to endorse the Clean Air Act amendments as reported by the Commerce Committee. I would hope that each Member would read the story which was in yesterday's Washington Post. If additional materials on health are needed, I would be glad to forward them to any Member:

A "POISON CLOUD" OVER DENVER

(By Bill Richards)

DENVER.—Every morning as he pilots his 1966 Volkswagen to work here, Jim Chandler must leave his suburban mountain home and head down into what he refers to with a wince as "that awful brown cloud."

"When I moved here 12 years ago and was a lineman for a power company, you could climb a pole in the morning and see every building in the city sparkling in the sun," Chandler said. "Now all I see in the morning is a polluted cloud."

Denver, which once boasted air so clean that doctors around the country sent their asthmatic patients here for relief, now has what one senior state official described recently as "a poison cloud" hanging overhead.

During the fall and winter months, when the pollution is most severe, Denver is neck-and-neck with Los Angeles as the American city most polluted with carbon monoxide, nitrogen oxides, hydrocarbons and particulate matter. If Denver had Los Angeles' humidity, a Colorado official said, its pollution would be twice as bad.

Chandler, who left his lineman's job some time ago to become a physician, now heads the department of emergency medicine at the University of Colorado Medical Center here. This past winter he and two colleagues made a disturbing discovery.

The three began keeping tabs on the relationship between the patients coming into their emergency room—the city's third busiest—and the air-pollution level. During a 92-day period they discovered an apparent correlation between people complaining of chest pains and shortness of breath and peaks in the city's carbon monoxide levels.

They reported their findings to the American Association for the Advancement of Science at the group's February meeting here and are planning an expanded study on the relationship. "Our numbers indicate a trend," said Chandler, "and it's enough to make us concerned."

To experts who have studied the problem, Denver's brown cloud—a reference that nearly everyone here immediately understands—is no surprise. Similar polluted clouds have been forming in recent years over unexpected places such as Vail and Aspen, Colo., Albuquerque, Las Vegas and Phoenix.

"These were the places you used to head for to get away from that sort of thing," said Frank Covington, director of the Environmental Protection Agency's Air and Hazardous Material Section in San Francisco. "Now they're finding clean air is becoming a rather scarce commodity wherever vehicular traffic has sharply increased."

The 1.2 million people who live in Denver and its suburbs have a love affair with the automobile that surpasses even that of Los Angeles residents. Denver's nearly 1 million cars and trucks make it the heaviest vehicle-using city in the nation for its size and the city with the lowest numbers of riders per vehicle.

"We know where the problem lies," said Joseph Palumba, technical secretary for the Colorado Air Pollution Control Board. "The only improvements in our air are going to follow improvements in auto emissions."

To some extent that may be happening. EPA officials said federal emission restric-

tions have cut auto pollution 80 percent below 1970 levels. Full federal standards, scheduled to be enforced by 1978, appear likely to be pushed back under President Carter's energy program. But Colorado and other states where auto pollution is bad are moving slowly to enact their own emission standards. California is the only state with such standards now in effect.

Observers here believe the Colorado legislature, which has voted down a state emission-control standard on two occasions, will pass a watered-down version this year.

But even with a new law, Colorado Air Pollution Control Board members predict that only mandatory gas rationing or radical engine redesign to lower emissions could cut vehicle pollution to acceptable levels.

According to federal clean air experts, the West is particularly vulnerable to auto pollution because of its sprawling cities and lack of mass transit, causing a dependence on the automobile that is likely to get worse, particularly in the so-called Sun Belt, where growth projections are the heaviest. One auto industry study last year showed that eight of the nine cities with the highest auto use are in the Sun Belt.

The same areas also are undergoing some of the worst vehicle-produced increases in smog. In Denver the situation has reached the point where the brown cloud often blocks out the city's spectacular Rocky Mountain backdrop. The legislature is deciding whether to spend $100,000 to renew smog-damaged gold leaf on the capitol dome and state maintenance officials complain of a never-ending war against a brown tinge that discolors the marble on state buildings.

"I've experienced Los Angeles smog," said Dick Dillon, who flies a traffic helicopter for radio station KIMN here, "but this stuff is browner and just looks dirtier."

One problem is the city's altitude—5,280 feet. Studies have shown that Denver has 17 per cent less oxygen in its air than is found at sea level. The low oxygen level causes poor engine combustion and leads to excessive pollution. Carbon monoxide emissions pose the most serious problem, according to Dr. John C. Cobb, a university medical center researcher.

In a report delivered to the AAAS in February, Cobb noted that a nationwide test of blood samples taken in various cities showed carbon monoxide levels in the blood were higher in Denver. Other researchers have discovered that Denver's heart-attack death rate goes up significantly on days when carbon monoxide levels are high.

Vehicle air pollution also has caused an ozone problem. The sun, which is more intense in the "Mile High City" than it is at sea level, converts more hydrocarbons and nitrogen oxides of the pollution into the colorless, orderless and tasteless gas than it does in other cities. Ozone aggravates attacks of such respiratory diseases as asthma. Ironically, the National Asthma Center was built here because of Denver's altitude and dry climate.

"People used to come out here for their health," said Denver EPA official Charles Stevens. "Now they go somewhere else because it just isn't healthy here anymore."

THE ILLEGAL ALIEN PROBLEM—ARE WE NOW LISTENING?

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. SISK. Mr. Speaker, after years of neglect by the national media, public officials, and the general public, some attention is finally being given to illegal immigration, the source of almost half of our population growth. Although this body has twice passed legislation to deal with the problem, neither the Senate nor the White House have shown much interest. I am pleased, therefore, that our new President has vowed to do something about the estimated 1 million aliens who enter surreptitiously or overstay as visitors or students each year. However, an important element of his plan, which administration sources say will be presented to the Congress shortly, will be to grant amnesty to a vast portion of the estimated 6 to 8 million illegal aliens already here. These newly legalized aliens would be free to bring their immediate families and dependents to the United States. Perhaps some form of amnesty is essential for the acceptance of any effective program to stem the illegal alien tide, but as noted by New York Times columnist James Reston, who has written quite extensively on this issue of late:

The chances are that this problem will increase unless the administration and the Congress look at . . . Cabinet recommendations with the utmost care.

I highly recommended two recent columns by Mr. Reston to my colleagues:

IS ANYBODY LISTENING?

(By James Reston)

WASHINGTON, May 7.—One of the odd things about life in America these days, as Eric Hoffer and many others keep pointing out, is that we don't know what is happening to us. We have the most advanced and sophisticated communications systems the world has even known, but somehow—despite our computers, pollsters and information satellites—the elemental facts don't seem to penetrate the American mind.

It is not that the facts are not available. This city is drowning in statistics. But here is Joe Califano, the new Secretary of Health, Education and Welfare, complaining that popular myths about the poor overwhelm the facts and that "the real welfare problem may well be the widespread lack of public understanding of what the welfare picture really is . . ."

Here also is the retiring commissioner of the United States Immigration and Naturalization Service, Leonard F. Chapman Jr., complaining on his way out that illegal immigration into the United States "is hopelessly out of control . . . but we as a nation are refusing to acknowledge it and we are taking few, if any, steps to cope with it."

In an interview with this reporter before he left, General Chapman made the following points:

The United States still has the most generous immigration policy in the world. Every year we accept 400,000 legal immigrants, "more than the total number of immigrants accepted by all the rest of the nations on earth." But the illegal immigrants far outnumber the legals every year.

"There are in the United States today," General Chapman said "six to eight million illegal aliens and that number is increasing by half a million a year. The Immigration Service arrested 900,000 of them last year, and we are only skimming the surface."

This is not merely a Mexican problem—though Mexico is the source of about three quarters of the illegals. Every year about 6 million aliens enter the United States on visitors' or student visas "and about 10 percent of them remain illegally and take jobs whenever they can."

Smuggling illegals into the country, even arranging bogus marriages to keep them here, has become big business. "We apprehended over 82,000 illegal aliens who had been aided last year by smugglers," General Chapman said, "and we caught 9,600 smugglers."

Up to half a million aliens enter the United States every year with counterfeit, altered or borrowed documents, but patrolling 6,000 miles of land borders and searching out illegals in a U.S. population of 210 million with 2,900 enforcement officers is clearly inadequate. Last year the Immigration Service had exactly one helicopter to patrol the 2,000-mile Mexican border. Now it has two.

Like Mr. Califano, General Chapman complains about the popular myths that have impeded reform of the immigration policy. One of these is that the jobs illegals take are the underpaid dog-work U.S. citizens reject.

"This is only partly true," he says. "About two-thirds of the illegal aliens we apprehend are working in industry, service and construction jobs that pay good salaries—jobs that might be filled by the 20 percent of jobless American teen-agers or by the 40 percent of black American youths who are out of work."

Mr. Califano is clearly impressed by the difference between popular myths and facts. "The most pernicious and widespread myth," he says, "is that people are poor because they don't work and don't want to work and that the welfare rolls are replete with loafers.

"The facts," Mr. Califano insists, "are quite different. Nearly 71 percent of the 26 million poor individuals in the nation represent people that we do not normally ask to work: children and young people under 16; the aged; the severely disabled; students or mothers with children under 16. . . . Thus 90 percent of poor Americans either work full or part-time, or are people no civilized society would force to work."

Mr. Califano is not defending the present system. He is staggered by the magnitude and complexity of the welfare problem. But in the end, like General Chapman, he is even more baffled about how to get the facts across to the people and their representatives in the Congress.

Even the new President and the new Vice President, who concentrated during the campaign on the internal problems of the nation, are now off again this month in London and elsewhere in Europe concentrating in foreign problems, though the major threat to the free nations of the world is not the traditional threat of war but the unfamiliar threat of disunity and disruption within their own societies.

"We are a different people living in a different country," Eric Hoffer has observed, but he doesn't tell us how different.

We are vaguely aware that something is happening to the American family and to the coherence of our society, that almost half the human race is under 25, most of them living in misery and more and more of them gaining illegal refuge in the United States before we have even been able to take care of our own poor. But as Messrs. Chapman and Califano testified, nobody seems to be listening.

PUBLIC POLICY ON ILLEGAL ALIENS

(By James Reston)

WASHINGTON.—President Carter's Cabinet committee on what to do about the six million to eight million illegal aliens in the United States has now sent its recommendations to the White House, and these recommendations raise some fundamental questions of public policy.

For example, it is understood that Secretary of Labor Marshall and Attv. Gen. Bell have proposed that there should be some kind of limited amnesty for aliens—primarily Mexicans—who have entered the United States illegally. It is suggested in the Cabinet proposals, according to our information, that those who have been here for five years on good behavior should be given the status of permanent legal resident aliens.

On this basis, these suddenly legalized aliens would be free to bring their immediate families and dependents to the United States, and this is a formidable number—

averaging more than five Mexican dependents now residing in Mexico for each illegal Mexican now living in the United States.

Outside of the welfare and race problems in the United States, the illegal movement of Mexicans across the Rio Grande is probably the most complex and poignant social dilemma facing the Carter administration, and as with welfare, the new officials here do not quite know what to do about it.

It is getting deeply involved in the politics and economics of the country. Last year, more than 700,000 illegal aliens, most of them from Mexico, were arrested in the United States. The departing commissioner of the U.S. Immigration and Naturalization Service, Gen. Leonard F. Chapman, former commandant of the Marine Corps, has called it "the Silent Invasion," and he has done more than any commissioner in recent years to bring this problem to the attention of the Congress and the public, much to the distress of the increasingly powerful Mexican-American political leaders.

Accordingly, he is now leaving his post, which is normal at the change of administrations, but is being replaced by Leonel J. Castillo, a 37-year-old Mexican-American and former city comptroller of Houston, Texas, who served with the Peace Corps in the Philippines, and is the state treasurer of the Democratic party in Texas.

Castillo is a highly intelligent and widely respected public servant, who came to Washington after the Carter inauguration to lobby for more Mexican-American jobs in the administration, and made such a good personal impression here that Carter tapped him to head the Immigration and Naturalization Service.

Nevertheless, this has been a controversial appointment. Some unions in Texas have opposed his appointment, as they said in a telegram to President Carter, on the ground that "we firmly believe he condones the hiring of illegal aliens, which has caused high unemployment to the citizens of Texas."

Other unions have opposed him on the ground that he opposes a policy of criminal penalties for employers who hire illegal aliens, and is also opposed to noncounterfeitable identity cards that would enable employers to be sure that they were employing legal rather than illegal workers.

In short, despite the general approval of Castillo's intelligence and personality, even some of President Carter's principal advisers here feel there is a conflict here between Castillo's personal interest in the welfare of the Mexicans in this country and the national interest in getting control of the illegal alien problem and reforming the whole immigration system.

Castillo is not the main issue. He has lived on the border and has some good ideas about how to improve the administration and surveillance of the border patrols, but the main hope of controlling "the silent invasion" lies in denying jobs to illegals and making sure, that employers can identify them and that they risk legal punishment if they employ them. Beyond that, there is the larger question of what kind of immigration policy this country needs whether that policy is to be established in Washington by law, and enforced, or whether it is to be settled by illegal aliens, who are granted amnesty, and then are free to bring their dependents into the United States.

It is obviously easier to define the problem than to resolve it, but for the first time in a generation, the government here is on the verge of doing something about it.

The pressure from Mexico is not decreasing but increasing. Its population has almost tripled from 20 million in 1945 to more than 60 million now, and by the projections of its own government, will be more than 120 million by the end of the century. It has no effective Social Security or unemployment insurance, and no matter how much President Portillo tries to cooperate with President Carter, he cannot keep his unemployed from emigrating north across an undefendable border of 2,000 miles.

The result is that we already have more illegal aliens in the United States than we have unemployed, and the chances are that this problem will increase unless the administration and the Congress look at these Cabinet recommendations with the utmost care.

HOWARD AND HARRIET KURTZ

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. TEAGUE. Mr. Speaker, in the Washington Post for Sunday, May 8, 1977, there appeared an article on two people with whom I have met and discussed their efforts to bring about an end to the arms race on many occasions.

In order that all may read the article in the event it was overlooked, I include it at this point in the RECORD:

CAN HARRIET AND HOWARD PUT AN END TO THE ARMS RACE?

Earnest reader, if you are sincerely sick of the nuclear arms debate, if your mind is thoroughly boggled by the confusion of rocket stockpiles and hard-target kill ratios and throw-weight projections, if you are totally doped out by the diplomatic thunder between Washington and Moscow, here is a sweet idea to consider instead.

Here is what Harriet and Howard are selling as their alternative to the arms race. This is what Harriet and Howard would tell the President if they ever got in to see him (which they won't, because presidents are protected from seeing people like Howard and Harriet).

Mr. President, they might say, the Golden Rule is whirling around out there in space—all you have to do is grab hold of it. Change the world. Open a new epoch. Save humankind from its own worst impulses.

"There has to be a conceptual breakthrough," says Howard. "It's a new use of power, not like the Peace Corps, not like AID. Nothing like this has happened in history."

"Right," says Harriet. "It is a historical breakthrough. That's why we have to be so patient."

These two people, Howard and Harriet Kurtz, are as patient as unhonored prophets. For 20 years, they have been pushing their idea. Sending out reams of letters and bulletins, carefully typed with the key thoughts underlined in red. Calling on scores of government officials with their home-made slide-show briefing. Talking to countless editors and reporters, who listen politely and often stuff the printed materials deep into the file for unsolicited, wacky ideas.

In the meantime, the world's nuclear arsenals have doubled and tripled and the capacity for mass destruction is spreading to additional governments.

And Harriet and Howard are in their sixties now. She has cancer (or she had it until the operation, the prognosis is good). Five years ago, they sold their home in upstate New York and moved their "War Control Planners Inc." to Washington, a ninth-floor apartment on 21st Street NW. They are living on his Social Security, deeply in debt.

Futility? Despair? Sympathetic reader, hers is the startling twist. Howard and Harriet are happy in their work. More than that, they are increasingly confident that their idea, as Harriet puts it, "is just coming down the pike."

The Golden Rule in the sky was a vision which they began promoting in the early 1960s as "War Safety Control." Now, of course it is technologically established—the United States has dozens of space satellites which orbit the globe, collecting data and photos, monitoring everything from wheat blight to weather to troop movements.

The Kurtzes propose that the President of the United States create and promote, with the urgency of JFK's race-to-the-moon, a "global information cooperative" which would plug every nation of the world into the system, friend and foe alike—sharing not only the commercial-environmental benefits, but eventually the military intelligence which is now kept Top Secret.

That's the point where a lot of people throw the Kurtzes' material into the wastebasket. It is not an idea whose time has come—the notion that U.S. security would be strengthened by helping every other nation to protect its own security.

Undaunted, Harriet and Howard argue that the idea makes sense, not just morally, but militarily. When they talk out their idea, it is like a family *pas-de-deux* between the church and the state. She is an ordained minister of the United Church of Christ, commissioned in 1964 to follow an independent mission for peace. He is a former lieutenant colonel in the Air Force, an engineer who prefers practical explanations.

They got into this crusade a generation ago in the strangest way. After World War II, Howard was working for American Airlines, doing the planning for the first New York-to-Moscow air service. The CAB granted a license in 1946. Howard and Harriet were studying Russian at Columbia.

The Cold War intervened. Howard was in Moscow on May Day of 1947 and saw the new Soviet weaponry on display there. "I could see the next war beginning," he said. "We could see our two babies being caught in it."

So they became permanent amateur students of global politics. In the 1950s, they held regular roundtables on the subject, collecting ideas, drafting hopeful proposals. Their children, as teenagers, used to bring home friends to join the discussion. Today they are grown (Brenda is an actress in New York; Bryan is a banker in Chicago) and still encourage their parents.

"Bryan," says Howard playfully, "is trying to make enough money to catch us as we fall out of the nest."

In 1965, Howard lost his job with a management consulting firm, an event which he attributes to pressure from two defense manufacturers who were clients. "I was given the choice of either dropping this foolishness about peace or involuntarily resigning," he said. "I had no other choice but to be true to my conscience and Harriet's."

Since then, they have both done peacemaking full time. They mail out their newsletter, Checkpoint, to a network of about 3,000 friends and supporters, some of whom respond with occasional contributions. "Our parish," Howard calls them.

As they flash slides of global perspectives on their living-room screen, the Kurtzes describe the grand strategic thinking to support their proposition. It starts with feudal castles in Europe. Pictures of ruined castles flash on the screen.

Howard: "For centuries men sought security behind the walls of castles."

Harriet: "The larger the castle, the greater the sense of security. Then technology produced gunpowder-in-cannon. The castle became indefensible. An historic era began to collapse."

Howard (flashing a cartoon of a cracked castle): "If the Lord of a castle was a dove and turned weak in the face of his enemies, he and his people were defeated."

Harriet: "On the other hand, if the Lord

of a castle was a hawk, he and his enemies shot more and more holes in each other's castles. In time the ruins of castles all across the landscape signaled the final collapse of the old security systems."

As the Kurtzes recount it, security defined by castle domains was replaced (after centuries of bloodshed) by the modern nation-state with its own defensible borders. Modern technology has spent most of the 20th Century attempting to break down the national defensive boundaries. It has at last succeeded.

Harriet: "The nation-state is becoming indefensible. A historic era is collapsing all around the world. Both sides of a nuclear war may be obliterated. Our strategic weapons are becoming suicidal weapons. We will find new ideas or risk mutual destruction."

Howard: "The problem we face today may be simply stated: we will now develop global systems and institutions to assure the security and well-being of all nations—or no nation will ever find security again."

Between the preacher wife and the engineer husband, the basic technique of "War Control Planners Inc." is to take the latest marvels of war-and-space technology and try to imagine how this same hardware might be used to assist in global peace-keeping.

Back in 1961, for example, the Kurtzes sent a far-out package to the new President, proposing an "all-nation declaration of independence" and suggesting how the United States might use modern electronics to help all nations protect their borders. Some of the same techniques—electronic sensors as sentinels—showed up in Vietnam a few years later as the famous "electronic battlefield." Something similar is now being proposed as an element in the Middle East peace-making. The Kennedy White House did not reply to Howard and Harriet.

Ten years ago, the Kurtzes shifted their tactics somewhat, talking up the non-military possibilities of the satellite systems which were just then emerging, urging that the new marvels be organized on a broad global basis, rather than exploited commercially by only the most developed nations.

Their theory is that, once hostile nations begin sharing the fruits of weather-geological-agricultural information, the benefits of sharing military intelligence will become obvious. "If you say we ought to share it, that sounds moralistic," Howard warns. "What we're saying is that, unless we share it, we can't use it."

The non-military information collected by NASA satellites is, in principle, available to all nations, shared with anyone who wants it. As a practical matter, the expertise needed to make good use of mineral readings or new agricultural mapping is still largely limited to major multinational corporations and the industrialized nations.

The potential benefits, for peace or for profit, are still unknown, but easy to imagine. One NASA-Department of Agriculture experimental satellite, for example, is able to identify 17 different crops from 570 miles up. It can determine whether the crops are seedlings or mature, healthy or blighted, well-watered or parched.

"Should the United States—or the Soviet Union—have monopoly control of this global intelligence and this power to corner the agricultural markets of the world?" the Kurtzes ask. Or should the United States, on its own, launch a global system which would serve everyone, enable the world to plan its food supplies on an interdependent basis? The Kurtzes propose a CAIA (Central Agricultural Intelligence Agency) without secrecy—and without having to ask the Soviet Union whether it approves.

The sharing of military data will also seem more plausible in time, the Kurtzes insist, when Americans begin to understand that the Defense Department can no longer defend us.

"Conceptually," Howard says, "the Joint Chiefs are now working on a Kamikaze strategy, threatening to destroy ourselves by throwing more and more of our firepower at the enemy."

"The only reason the concept hasn't changed," adds Harriet, "is that strategy usually changes in the ashes of defeat and we haven't had this defeat. We can't have it."

This future of "war safety" which the Kurtzes envision would actually entail a whole new future for the American military, once the generals begin to see national security differently. In the meantime, the government is spending about $225 million on peaceful applications of space satellites and about 10 times that amout on secret military uses.

The armaments continue to build up, the arms treaties notwithstanding, but somehow the Kurtzes are not discouraged. They report that dozens of people inside the government agencies discreetly encourage their crusade, offering better space photos for the slide-show, correcting their technical mistakes, sharing this idea that a "global information cooperative" is a genuine route to a peaceful world.

President Carter's new director of the White House Office of Science and Technology, Frank Press, recently sent them a cordial response, assuring them that scientists generally share their broad goals and urging them to be patient with the constraints of experimentation.

"As is often the case, political and social progress lags behind technological possibilities and sometimes prevents us from moving as rapidly as we might wish in these areas," Press wrote. ". . . The global satellite system which you have so eloquently pleaded for is in fact evolving, but it cannot be created full-blown overnight."

Sometimes, Howard says, "we feel like the people who spent years building a boat in the basement, only to find there was no door big enough to let it out."

Harriet says: "If we have a contribution to make, it's likely to be a very small but a very crucial one. That's what we tell ourselves when we're trying to keep afloat. I don't know whether that's right or not."

And, now, patient readers, armed with the hope of the Kurtzes, you may return to reading about the arms race.

CITIZEN'S CONSERVATION CHECKLIST

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mrs. SCHROEDER. Mr. Speaker, I think we have all finally come to the realization that our natural resources are finite, and that we can no longer continue to deplete them with abandon. Moreover, the individual citizen has become aware that conservation does not have to be a Government-mandated program of monumental proportions. They realize that all conservation measures, no matter how small they may seem, are important, and that the conservation efforts of millions of Americans added together will significantly affect the lives of our citizens today, as well as the quality of life of future generations.

As an example of the involvement of the individual citizen, I would like to share with my colleagues a conservation checklist addressed to President Carter, over 3,000 of which were given to me in Denver on May 8. I plan to deliver all 3,000 checklists to the White House in the near future.

I am encouraged by the initiative taken by the citizens of Colorado. In the statement preceding the checklist, it says:

The task requires more than the Government alone can accomplish, which only reaffirms my belief that the Government does not solve the problems—the people do.

The conservation checklist follows:

DEAR PRESIDENT CARTER: I believe that now is the time for each citizen to express his or her willingness to take action to protect our environment and conserve our natural resources for future generations. I agree with your statements that the task requires more than government alone can accomplish.

I have taken or will take the following steps to reach our common goal:

( ) To help conserve heating fuel, I keep my thermostat set at 65 in the day and lower at night.
( ) My home is properly insulated: —ceiling —walls.
( ) I own or plan to buy energy efficient appliances.
( ) I am interested in using solar energy in my home.
( ) To help conserve gasoline and in the interest of safety, I obey the 55-mile per hour speed limit.
( ) I either walk, bike, use public transportation, or share a ride to my place of employment.
( ) To help conserve fuel, I own or plan to purchase a car that averages more than 20 miles per gallon of gasoline.
( ) To help conserve water, our family uses less than 50 gallons per person per day in the home and minimal amounts on lawn and garden.
( ) To help conserve natural resources, I recycle paper, cans, and glass whenever possible.
( ) Whenever possible, I purchase long lasting, high quality merchandise and avoid "throw-away" products and containers.
( ) To avoid unnecessary packaging and shipping (and for better nutrition), I grow a portion of the food I eat in my garden.
( ) I will reduce or eliminate my consumption of alcoholic products, so that the grain may be used more directly for food.
( ) I plan to reduce my consumption of grain fed (as opposed to range fed) beef, so that the grain may be used for food.
( ) To help protect the quality of our air, I do not buy products in aerosol spray containers.
( ) My entertainment and recreational activities will be consciously chosen to conserve energy and have a minimal impact on the environment.
( ) I will encourage my employer to conserve energy.
( ) In order to make my views known on matters of importance, I am committed to contacting an elected or appointed official at least once a month.

I am willing to commit to the items I have checked because of a sincere belief that when I do what is right, it has a positive effect both for me and the whole world.

Name
Address
City, State, Zip

Check as many as you can. Return to the person who gave the letter to you, or mail to Build the Earth, 1176 Monaco, Denver 80220, or bring it with you to the Capitol Building steps on Mother's Day at 12:30 PM.

FAILURE OF KEYNESIAN ECONOMICS

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. EVANS of Delaware. Mr. Speaker, The Wall Street Journal on May 9 contained a discussion on the need for developing a new economics policy. The article points out the failure of Keynesian economics—with its view toward a governmentally manipulated economy, and its claim for value in deficit spending. In stressing the need for a new policy, it notes that for the first time in half a century, it is conservative ideas that hold intellectual honesty and vigor. I include in the RECORD:

TOWARD A "NEW" ECONOMICS?

(By Irving Kristol)

"We do not dance even yet to a new tune. But change is in the air. We hear but indistinctly what were once the clearest and most distinguishable voices which have ever instructed political mankind."

So wrote John Maynard Keynes in 1926, in a book called "The End of Laissez-Faire." He was pointing to the intellectual impotence of the prevailing economic orthodoxy, which seemed less and less capable of explaining what was happening to the economic universe, and quite incapable of providing a coherent set of economic policies which statesmen could look to with confidence. And, of course, he was predicting—with a prescience matched only by his self-assurance—the emergence of a new economics, what we today call Keynesian or neo-Keynesian economics, to replace the old.

It all came to pass as he foretold. During the next 50 years, Keynesianism established itself as the new economic orthodoxy. Even conservative politicians eventually were to be heard saying "We are all Keynesians now."

But the number of politicians saying it has, in the past five years, dwindled remarkably. For the Keynesian orthodoxy itself is showing clear signs of sclerosis, even senility, and is well on the way to suffering the fate of its predecessor. It cannot explain the key economic phenomenon of our time, "stagflation," i.e., the coexistence of inflation and unemployment. And the "stimuli" it recommends mysteriously fail to stimulate, but only enfeeble.

In desperation, Keynesian economists are now beginning to recommend that we consider seriously the virtues of wage and price controls. Well, for such advice we don't need economists. Politicians have always been able to think up such "cures" for themselves.

THE "CLASSICAL" ECONOMICS

The "classical" economics which Keynes challenged really had no theory of economic policy. Its major contributions were in the area of microeconomics—specifically, the rational allocation of scarce resources—and its work in this area is of enduring validity. As for the economy as a whole, the "classical" tradition assumed that equilibrium at a high level of employment was a "natural" and potentially steady state. It could not convincingly explain recessions or depressions, and its advice to governments consisted of little more than keeping the budget in balance and letting things follow their natural course. Good advice, on the whole—but not for all seasons.

Keynes perceived this deficiency even before the Great Depression made it obvious to everyone, and he spent a decade developing a new theory to correct it. This involved the creation of "macroeconomics" as an independent field of economic theory, in which efforts were made to explain the general level of economic activity by establishing the "proper" relations of aggregate demand to other agreegates (e.g., GNP, national income, etc.).

At the heart of his own "general theory" was the proposition that a modern economy was naturally unstable, because it had an inherent tendency toward a deficiency in aggregate demand—or, to put it another way, once full employment is reached, people's propensity to save tended to outweigh their tendency to invest. The maintenance of high demand, therefore, became the central object of economic policy, regardless of its unbalancing effect on the budget.

And economic policy consisted of government's manipulation of fiscal and monetary affairs—"fine tuning," we have come to call it—to achieve a level of demand that would ensure full employment and prosperity.

That Keynes was a giant in the history of economic theory is beyond question. "Macroeconomics" is here to stay and will remain his permanent testament, as will governmental responsibility for the level of employment. But, with every passing year, his limitations have also become more apparent.

For instance, his extraordinarily cavalier attitude toward budget deficits—"deficits don't matter," as his leading disciple put it—may have soothed the consciences (and quickened the appetites) of politicians, but it never did make any obvious economic sense. Why should a nation's debt be a different economic species from a family's debt? The only visible difference is that a nation can pass on its indebtedness to future generations, while parents have no such right vis-a-vis their children. But does that make it any less real or burdensome? A "psychohistorian" might wonder whether the fact that Keynes himself was childless might have had something to do with shaping this attitude.

Similarly, a cultural historian might properly wonder to what degree the fact that Keynes was a charter member of the "Bloomsbury circle"—a group of talented upper-class aesthetes—had a bearing on his faith in government's ability to "manage" the economy. His masterwork, "The General Theory of Employment, Interest, and Money," reveals a frank disdain for the traditional bourgeois virtures (thrift, industry, diligence) and for the bourgeoisie as a class. There is also a strong implication that ordinary people are just too short-sighted to make capitalism work, and that they needed the likes of John Maynard Keynes to manage the system for them.

None of this would matter much if his policy prescriptions worked. But they don't. Financing those "unimportant" budgetary deficits turns out to cause inflation. And to the degree that the deficits give rise to heavier taxation, the economy stagnates. It also turns out that the effectiveness of governmental stimulus to the demand side of the economy, accompanied by governmental stifling of the supply side (through taxation), only works if everyone is under the spell of a "money illusion"—i.e., if they notice only the increased number of dollars in hand, and fail to observe that each dollar has lost some of its purchasing power. But the people are cleverer than Keynes thought. They do make the requisite observation; they demand that their purchasing power be maintained; and inflation swells from a ripple to a wave to an oceanic storm.

THE "MONETARIST" SCHOOL

In reponse to this crisis in the theory of economic policy, a "new" economics is beginning to emerge. Based on the critique of Keynesianism by the "monetarist" school, as further developed (in a rather heterodox way) in the work of such economists as Robert Mundell and Arthur Laffer, and as vigorously publicized by Jude Wanniski of The Wall Street Journal and Congressman Jack Kemp (R, N.Y.), it is still in an embryonic condition and the world has not yet taken much notice of it. To requote Keynes: "We do not dance even yet to a new tune. But change is in the air."

One uses the inverted commas around that term "new" because, in truth, much of the "new" economics is very old—as old as Adam Smith, say. Its focus is on economic growth, rather than on economic equilibrum or disequilibrium, and it sees such growth arising from a free response (e.g., investment, hard work, etc.) to the economic incentives of a free market.

It does retain the Keynesian macroeconomic apparatus for diagnostic purposes, but its inclination is "conservative" rather than "liberal"—i.e., it believes that only the private sector can bring us sustained economic growth, and that whatever tasks one might wish to assign to the public sector, economic growth cannot be one of them.

This "new" economics is sometimes described, rather cumbersomely, as "supply-side fiscal policy." (There is also an international monetary aspect which a critic has called, not inaccurately, "global monetarism"—but that is another story.) It arises in opposition to the Keynesian notion that an increase in demand, by itself, will increase supply and therefore accelerate economic growth. The "new" economics asserts that an increase in demand, where the natural incentives to economic growth are stifled, will result simply in inflation. It is only an increase in productivity, which converts latent into actual demand by bringing commodities (old and new) to market at prices people can afford, that generates economic growth.

At the moment, and under existing circumstances, the major emphasis by far of the "new" economics is on the need for a substantial, across-the-board cut in tax rates, because it is the high level of tax rates that is stifling incentives to growth. This has caused some concern and confusion among Republican Congressmen, and business executives too, who sense a continuation of the Keynesian unconcern with budget deficits. But the "new" economics is all in favor of balanced budgets—only it believes that, to achieve such a goal, temporary imbalances may be required. Its emphasis on tax-cutting flows from its conviction that this will, through economic growth, eventually lead to a balanced budget.

SUBSTANTIAL TAX CUT

Simply to reduce government expenditures, in a depressed economy, creates too many problems. (And a ruthless dismantling of the welfare state is, in any case, unthinkable.) It is only a substantial tax cut that will, in time, permit us to reduce the relative size of the public sector by an expansion of the private sector.

This is a highly simplified and much foreshortened version of a set of economic ideas that is beginning to reshape our thinking on economic policy. Its political appeal to conservatives is obvious (just as the political appeal of Keynesianism to liberals was obvious) and helps explain the recent willingness of congressional Republicans to vote in favor of a permanent tax cut despite the state of the budget. They were not "playing politics," as some criticis claimed. They were acting on an economic theory which, if only dimly understood, was nevertheless persuasive. After all, as Congressman Kemp has pointed out, all that Republicans were urging is a tax cut similar to the Kennedy tax program of 1963—also made in the face of a deficit. And it worked: The deficit soon declined, employment went up.

It is hard to overestimate the importance of the fact that, for the first time in half a century, it is the economic philosophy of conservatives that is showing signs of intellectual vigor, while the economic philosophy of liberalism keeps tying itself into ever more elaborate knots. As some sage once observed: You can't beat a horse with no horse. Conservatives, who believe in limited government and a strong private sector, may be in the process of acquiring a horse.

FOUR MYTHS ABOUT WORLD HUNGER

HON. EDWARD W. PATTISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. PATTISON of New York. Mr. Speaker, the following article from the Washington Post of May 8, 1977:

FOUR MYTHS ABOUT WORLD HUNGER

(By Frances Moore Lappe and Joseph Collins)

Learning often begins with unlearning. Several years' research on world food problems has helped us see through four pervasive myths that keep most Americans paralyzed by guilt and fear. These myths prevented us from grasping how hunger is generated and that basic food self-reliance is possible for every country in the world.

Myth one: People are hungry because of scarcity—both of food and of agricultural resources. They are hungry because populations exceed the limited amount of food-producing resources.

Can scarcity seriously be considered the cause of hunger when even in the "food crisis" of the early 1970s there was plenty to go around—enough in grains alone to provide everyone with 3,000 calories a day and ample protein?

Such global estimates mean little, we are told; what matters is the food available for each person in the "hungry countries." We found, however, that in countries accounting for 86 per cent of the total population of the underdeveloped world, food production has kept pace with and often exceeds the growth in population during the last 20 years.

The very countries that most of us think of as food-deficient and import-dependent are themselves major agricultural exporters. Forty per cent of all agricultural imports into the United States, itself one of the world's top three agricultural importers, come from countries of supposed scarcity. In 1973, 36 of the 40 nations classified by the United Nations as being most seriously affected by inflated world food prices actually exported agricultural goods to the United States.

Agricultural exports from the Sahelian countries dramatically increased during the early 1970s, in the face of drought and widespread hunger. Still, a U.N. Food and Agriculture Organization survey, squelched by displeased aid-seeking governments, documented that every Sahelian country, with the possible exception of mineral-rich Mauritania, actually produced enough grain to feed its total population, even during the worst drought year. So, while many went hungry, it was not because of scarcity of agricultural production or even of food.

And what of land scarcity? Several authoritative studies agree that only 44 per cent of the world's cultivable land is actually being cropped. Many landowners who hold land as an investment, not as a source of their food, leave vast amounts unplanted. In Colombia the largest landholders, in control of 70 per cent of the agricultural land, planted only 6 per cent in 1960. But it was in assessing *what* is grown that we came to understand the true magnitude of the waste of land needed by hungry people. In Central American and Caribbean countries, where as many as 70 per cent of the children are undernourished, at least half of the agricultural land, often the best land, is made to produce crops for export, not food for the local people.

If "too many people" were the cause of hunger, we should expect to find more hungry people in countries with greater density of people per agricultural acre. We can find no such correlation. In China, for example, 80 per cent more people live from each cultivated acre than in India. Yet today, in what was once called the "land of famine," no one starves. Country-by-country investigations, even of the so-called basket cases like Bangladesh, led us to believe that in fact there may well be no country without adequate agricultural resources to feed its population.

Neither the size of today's population nor population growth is now the cause of hunger. But it is self-evident that continuing to grow at current rates would seriously undercut the future well-being of all of us. This self-evident truth should add even greater urgency to the search for the *real* causes of rapid population growth. And these causes—the insecurity and poverty of the majority caused by the monopolization of food resources by the few—are the same as the real causes of hunger.

Myth Two: The solution to the hunger problem is to produce more food.

Diagnosing the cause of hunger as scarcity inevitably leads to thinking that greater production itself will solve the problem. Thus, for at least 30 years, governments, international agencies and multinational corporations have promoted greater production through "modernization"—large-scale irrigation, chemical fertilizers, pesticides, machinery and the seeds that give higher yields if they receive such inputs.

But when a new agricultural technology enters a system shot through with inequalities, it profits only those who already have some combination of land, money, credit "worthiness" and political influence. This fact alone has excluded most rural people and all the world's hungry.

Once agriculture becomes a speculative investment in which sheer control of the basic inputs ensures financial successes, a catastrophic chain of events is set into motion. Competition for land sends land values soaring. Higher rents drive tenants and sharecroppers into the ranks of the landless who now make up the majority in many countries. With their increased profits, the powerful buy out small farmers. Large commercial operators, taking advantage of government credits and subsidies, mechanize to avoid labor "management problems." Many made landless by the production focus, finding ever fewer agricultural jobs, join the hopeless search for work in urban areas.

To be cut out of production is to be cut out of consumption. The observation of a 36-cent-a-day agricultural laborer in Bihar, India, confirms this truth: "If you don't own any land, you never get enough to eat, even if the land is producing well."

Indeed, in many countries more food per person is being produced, yet many are more hungry. This is not a theoretical point. Study after study around the world documents a consistent pattern: the retrogression of much of the rural population even as production advances. One extensive, just completed study of seven Asian countries containing 70 percent of the rural population of the non-socialist underdeveloped world concludes that "the increase in poverty [of 20 to 80 percent of the rural population] has been associated not with a fall but with a rise in cereal production per head."

Ignoring the social roots of hunger and focusing instead on production increases has taken us backward, not forward. The real obstacle to people feeding themselves is that they do not have control over productive resources. People who know they control their resources will, through their ingenuity and labor, make them ever more productive. The Chinese experience shows that people are a country's most underutilized resource. Human energy, properly motivated and organized, has transformed deserts into granaries.

The reality is that democratic redistribution of control over agricultural resources has historically been shown to result in dramatic production advances in countries as different as Japan, Taiwan, China, and Egypt; moreover, it is the *only* guarantee that the hungry will eat.

Myth Three: An underdeveloped country's best hope for development is to export crops in which it has a natural advantage and use the earnings to import food and industrial goods.

There is nothing natural about concentrating on a few largely low-nutrition crops. The same land that grows cocoa, tea and sugar could grow an incredible diversity of nutritious crops. Nor is there any advantage. Reliance on a limited number of crops generates economic as well as political vulnerability.

Among the many flaws in the natural advantage theory, the most serious is that the people who benefit from the foreign exchange earned by the agricultural exports are not the people who work to produce those exported crops and who need food. Even when part of the foreign exchange earned is used to import food, it is generally not the needed staples but items to satisfy the tastes of the better-off urban classes. In Senegal, the choice land is used to grow peanuts and vegetables for export to Europe. Much of the foreign exchange earned is spent to import wheat for foreign-owned mills that turn out flour for French-style bread for the urban dwellers.

Indeed, the very success of export agriculture can further undermine the welfare of the poor. When world commodity prices go up, self-provisioning farmers may be pushed off the land by cash crop producers seeking to profit on the higher commodity prices. An increase in the world price of a commodity can actually mean less income for the plantation worker or the peasant producer. When the price of sugar on the world market increased several-fold a few years ago, the real wage of a cane cutter in the Dominican Republic actually fell to less than it was 19 years earlier. A nominal increase in the wage of the cane cutter did not compensate for the inflation set off by the sugar boom.

Governments fixated on agricultural exports suppress labor reforms they believe would make their exports uncompetitive. Furthermore, in countries such as the Phillippines, governments exempt land producing for export from land reform, and thereby not only maintain the poverty of the rural landless but further undercut food production as growers shift to export crops to avoid redistribution.

By contrast, food self-reliant policies would measure success in terms of the welfare of the people, not export income. Food self-relience is not isolationist. But trade would become an organic outgrowth of development, not the fragile hinge on which survival hangs. Clearly, no country can hope to "win" in international trade as long as its people's very survival depends on selling one or two products. Once the basic needs are being met, however, trade will no longer be at the cost of the food well-being of the peo-

ple, as evidenced by countries such as Cuba and China.

Myth Four: Hunger is a contest between the Rich World and the Poor World.

Terms like "hungry world" and "poor world" make us think of uniformly hungry masses, while in reality hunger afflicts the lower rungs in both so-called developed and underdeveloped countries. Worse still, the "rich world" versus "poor world" scenario makes the hungry appear as a threat to the majority in countries like our own. In truth, however, the problems of the hungry will never be addressed until the majority in the United States can see that the hungry abroad are their allies, not their enemies.

The poor majority in underdeveloped countries and ordinary Americans are linked through a common threat: the tightening of control over the most basic human need—food—both within countries and on a global scale. The very process of increasing concentration of control over land and all other productive resources that we have identified as a direct cause of hunger in underdeveloped countries is going on right here at home. Only 5.5 per cent of all farms in the United States have come to operate over one-half of all land in farms. The resulting landlessness and joblessness in rural America are at the root of much of the persistent hunger in the midst of agricultural bounty. In food manufacturing, the top four firms in any given food line control, on the average, over half of the market. In 1972, the Federal Trade Commission staff calculated that such oligopolies in 13 food lines cost consumers $2.1 billion in overcharges. For the 1 out of 10 Americans who must spend 69 per cent of all income on food, such inflated prices mean undernutrition.

Many of these same oligopolistic corporations are now expanding their operations into underdeveloped countries. Multinational agribusiness is busily creating a Global Farm to serve a Global Supermarket. Finding production sites in underdeveloped countries, where land and labor can cost as little as 10 per cent of stateside costs, large food corporations are shifting production of high-value items—vegetables, fruits, flowers and meat—out of the industrial countries. They find ready partners in foreign elites who, given the increasing impoverishment of much of the local population, face a stagnated internal market for their production.

In the Global Supermarket the poorest in the Philippines, Colombia and Senegal must reach for food on the same shelf as hundreds of millions of consumers around the world. Every item has a price and that price is determined by what the Global Supermarket's better-off customers are willing to pay. And the sad reality is that even Fido and Felix in countries like the United States can outbid the world's hungry. Consumers in the industrial countries unwittingly become a suction force, diverting food resources in the underdeveloped countries away from local needs.

And the significance for us? In our country, farmers and workers are losing their jobs as agribusiness roams abroad. The United States imports annually between $9 billion and $10 billion in agricultural products, two-thirds of which compete directly with what farms grow here. Moreover, a Global Farm gives the U.S. government further rationale for supporting political and economic structures abroad that block hungry people from growing food for themselves. Nor should we conclude that consumers here get cheaper food. Studies show that lower production costs for food oligopolies on foreign soil do not get passed on to consumers.

The Global Supermarket is the type of interdependence no one needs. "Interdependence" in a world of extreme power inequalities becomes a smokescreen for the usurpation of food resources by the few for the few.

THE FUTURE THAT DOES NOT WORK

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. HAGEDORN. Mr. Speaker, a sobering article by Mr. Peter Jay, economics editor of the London Times, appeared in this weekend's Washington Post. Drawing upon the British experience, instructive to the United States in so many ways, Mr. Jay concludes:

So we reach the depressing conclusion that the operation of free democracy appears to force government into positions (the commitment to full employment) that prevent them from taking steps (fiscal and monetary restraint) that are necessary to arrest the menace (accelerating inflation) that threatens to undermine the condition (stable prosperity) on which political stability and therefore liberal democracy depend. In other words, democracy has itself by the tail and is eating itself up fast.

Mr. Jay, currently embroiled in other controversies, very perceptively, in my opinion, recognizes the political currents in Western democracies that seem to render them powerless to respond in an effective way to increasingly serious economic problems. I would like to call to the attention of my colleagues the complete statement of Mr. Jay which is incidentally excerpted from an excellent book analyzing the malaise of the British political system, "The Future That Doesn't Work," edited by R. Emmett Tyrell, Jr., editor of the Alternative:

THE FUTURE THAT DOES NOT WORK

(By Peter Jay)

We in Britain are a confused and unhappy people. So are those of our fellows on the continent of Western Europe who have their wits about them. So, too, are our many friends in the United States who rightly see in the anguish of the United Kingdom the advanced stages of a disease that has already taken hold throughout Western Europe and that is beginning to show its unmistakable symptoms in the United States.

We are unhappy because the foundations of our prosperity seem to be eroding faster and faster and because we can neither find nor agree upon any sure remedy for this decay. We are confused because we do not clearly understand why all this is happening to us, whether it is due to the malefactions of subversive groups, the incompetence of governments, defects of national character, the rhythms of history, the luck of the draw, or what.

The search for someone to blame adds to the confusion and the bitterness. Government and governed become more and more alienated from one another. The governors believe the governed to be irretrievably greedy, feckless, idle and recalcitrant, while the governed believe the governors to be stupid, corrupt, power-crazed and unrepresentative. Likewise, class is set against class, the middle classes denouncing the rapacity of the workers while the workers rail at the privileges and the hypocrisy of the better-off.

In Britain region is set against region, and separatism gains steady support in Ulster, in Scotland, in Wales and, by reaction, in England itself. Only the Labor Party can any longer claim a vestige of nationwide support, and even it could not get even 30 per cent of the potential electorate to support it in 1974; but for London and Bristol, the Labor Party would be virtually unrepresented from the whole of the south of England.

The fissures spread out in all directions like an ice fall: disintegration in slow motion. Labor unions, business management and financiers are locked in a triangle of mutual vituperation and incomprehension. Union leaders point to the lack of investment in productive industry. Industrialists complain that the capital markets and the banks do not support them because the financiers' time horizons are too short and their understanding of industry is negligible. And the investors ask how they can be expected to put up capital when the unions preempt all, or more than all, the potential return on new plant and equipment.

Weak labor unions with low-paid members loudly support same-all-'round ceilings on pay increases while their stronger brothers, in entrenched industrial positions with higher-paid workers, stoutly defend their "differentials" and angrily compare their lot with standards enjoyed by bloated captalists, whom they still imagine—not always wrongly—to be living like a caricature of a 19th Century railway baron. The media criticize everyone and everything, almost everyone blames the media for the lack of national unanimity and commitment.

It is an unedifying spectacle and an unprofitable arrangement. Nor does it touch at any point on the true causes of the problem. These causes are deep-seated and general, embeded in the very organization of our society. They are also complex and abstract. There are no guilty men, but there are defective institutions.

The political and economic organization of modern liberal democracies is dedicated, above all, to the satisfaction of individual wants. How are we to establish what individuals want? By asking them. How are we to ensure that they get what they want, at least so far as possible? By letting them make the decisions. How do we arrange that? By letting them elect their governments and by letting them spend their money in a free competitive marketplace.

This engagingly simple political philosophy may indeed have been a useful antidote to the depredations practiced on mankind by authoritarian and paternalist regimes in the name of higher values. But, alas, it already has built into it the tension that lies at the root of our present troubles. For, as the Austrian economist Joseph Schumpeter pointed out, the marketplace for votes and the marketplace for goods operate according to vastly different and frequently incompatible criteria. When the domains of the economic and political marketplace overlap—as they often do—they come into serious conflict.

The political arena is a marketplace in votes. Rival teams organize themselves to win a majority or at least a plurality of support so they can exercise power. The only cost of voting for one team is that you cannot vote for another. The teams naturally and inevitably seek to outbid each other by offering more of whatever they think the voters want. There is no mechanism that requires bids to be internally consistent or forces voters to balance more of one good against more of another.

The economic arena is—or at least supposedly starts out as—a marketplace in money. But here the individual chooses quite differently. He makes small decisions all the time instead of one big decision every few years. Each decision is marginal, to spend his next penny on a little more of this rather than a little more of that. He does not have to pledge all his income for the next few years to one of a short list of comprehensive packages.

The conflict between the different logics of political and economic choice is most clearly manifest in the relationship between unemployment and inflation. Since [John Maynard] Keynes, since the war, since the

British *Employment Policy* White Paper of 1944, and since the American Employment Act of 1946, a pledge of full employment has been an indispensable ingredient in any bid for electoral victory.

After the experiences of the 1930s, almost every voter—or so all politicians have assumed—has regarded the avoidance of mass unemployment as an overriding political objective. After the writings of Keynes and even more after the simplified popularization of his writings and their endorsement by government, the politicians and the public have also assumed that the means of security high employment always lay at hand.

Whenever unemployment looked like it was rising to politically embarrassing levels, the response was to put more spending power into people's pockets, whether by cutting taxes, increasing government spending or easing credit conditions through monetary policy.

It was recognized in theory that one might go too far in this direction, overheat the economy and cause inflation. But it was not doubted that there was a safe zone in which something approaching full employment could be maintained without running risks of serious inflation.

The economic realities were unhappily different.

The truth is that in the short term—for the first year or two—demand management, the regulation of spending power, mainly affects the real volume of spending, output and therefore employment, while in the longer run it mainly affects the price level. The notion inherent in the popular understanding of Keynes— that an economy could be indefinitely underemployed through deficient demand without prices eventually being forced down sufficiently to clear markets, including the labor market—was a dangerous misunderstanding of the unhappy experiences of the 1930s.

Nonetheless, the belief was almost universal in British economic circles and increasingly predominant in American and European circles that, provided overheating of the economy was avoided (and with it "overfull employment"), budget deficits and the associated expansion of the money supply could be used more or less without limit to head off any incipient rise in unemployment.

At the same time, there were objective reasons why unemployment was likely to rise above the levels regarded as "full employment," even in the absence of any positively deflationary actions by government and the central bank. These were and are of two kinds, both barely recognized and little understood: the general imperfections of the labor market; and the operation of what is variously known as "free collective bargaining" and as "trade union monopoly bargaining."

Imperfections of the labor market include anything that keeps job seekers and vacancies from being instantly matched to one another. As the pattern of demand and the techniques of supply constantly evolve, different kinds of workers are required by different entrepreneurs in different places. It takes time to convert some workers from one role to another. Others can never be converted and have to be replaced by a new and differently trained generation.

The role of free collective bargaining may be regarded as a second and separate reason why conventional postwar full employment policies were incompatible with price stability—or indeed with a stable rate of inflation—or it can be seen as a special case of the first general reason. The latter way of putting it emphasizes the monopolistic character of collective bargaining by labor unions.

The effect of charging a monopoly price for labor must be to reduce "sales," that is, employment, below the market-clearing level. Some people will get paid more than they would under perfect competition in the labor market, but others will not get jobs at all.

The effect, therefore, of a widespread pattern of monopolistic bargaining in the labor market will be to increase the numbers unemployed—in other words, to raise the "natural" rate of unemployment. This, as has often been pointed out, is in itself a once-and-for-all effect. But like the once-and-for-all effects of other labor market imperfections, it gives rise to an accelerating, eventually explosive rate of inflation when it is combined with a government commitment to maintain by demand management a lower rate of unemployment than this new "natural level."

As soon as unemployment begins to approach the higher "natural" rate, government rushes in with injections of additional spending power, whether by fiscal or monetary means. These monetary or fiscal injections initially increase demand and so check or reverse the rise in unemployment. But this creates an imbalance of supply and demand in the labor market. Either unemployment is now below the natural rate, or it is below the rate that is needed just to inhibit the further exercise of labor unions' monopoly bargaining power.

In consequence, the price of labor rises once again. If final prices are not raised to cover this, businesses close and unemployment rises once again. If prices do go up, consumers' incomes will buy less, the volume of sales falls, output falls and unemployment rises once again. Whereupon government is forced to intervene again with another injection of extra spending power.

Before long, consumers and pay bargainers—indeed, everyone involved in the economy—gets used to inflation. It becomes built into expectations, and so the stimulative effects of any given amount of governmental "reflation" are eroded. Governments then begin to increase the dose; there is no end to this process of trying to keep the actual inflation rate permanently ahead of constantly catching-up expectations until the stage of hyperinflation—and breakdown—is reached.

Surely, it will be said, Western democracy is not going to wreck itself on such absurd and obvious nonsense. Unfortunately, it probably will, at least on the eastern side of the Atlantic.

It takes more and more inflation (or bigger and bigger balance-of-payments deficits, which are in some circumstances an inflation substitute) to achieve—or, more often, to fail to achieve—any given employment level. This evidence has been overlooked because we have all been watching the ends of the seesaw go up and down, without seeing that the fulcrum on which the whole contraption rests is steadily rising.

Even if the danger is fully appreciated, it is far from clear that the right action will be possible. The logic of ballot-box choice enables us—indeed, almost forces us—to vote for full employment without thereby also voting for the means to achieve it, which must include a willingness to sell one's own labor at a market-clearing price. Even that would not be enough. Everyone else would have to be committed to such individual bargaining; and that would imply the end of collective bargaining and therefore of unions in their main historic role.

It would further be necessary to vote for other measures that would reduce the "natural" level of unemployment until it coincided with our chosen definition of full employment. This could certainly include in Britain an end to subsidized municipal housing.

Thus, even though the mass of voters may dislike inflation more than they dislike unemployment, the logic of ballot-box choice may still give rise to inflationary policies. Voters can vote against inflation—or imagine they are voting against inflation—but actually to stop inflation they would have to vote against collective bargaining, housing subsidies, and the like. Even the statesman who fully perceives the nature of the dilemma is debarred from campaigning accordingly. He knows—or thinks he knows—that this would be the road to political extinction, which, as he will say, solves nothing.

Likewise, the fully intelligent citizen is debarred from voting for an option that no party puts forward. Even if the fully perceptive statesman and the fully intelligent voter could somehow establish contact, it is still not certain that it would be rational for the voter to support the statesman. The voter may fear the certainty of a deep and prolonged recession for three or four years more than he fears the eventual crash to which he knows traditional policies must one day lead.

So we reach the depressing conclusion that the operation of free democracy appears to force governments into positions (the commitment to full employment) that prevent them from taking steps (fiscal and monetary restraint) that are necessary to arrest the menace (accelerating inflation) that threatens to undermine the condition (stable prosperity) on which political stability and therefore liberal democracy depend. In other words, democracy has itself by the tail and is eating itself up fast.

There is nothing inevitable, in the absolute sense, about a process that consists of human actions. We could all decide to travel a different route, but that is an extremely difficult thing for people in groups of many millions to do in the absence of a system that reconciles public with private goods, that harmonizes the logic of political choice with the logic of economic choice.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure until the computerization of this information becomes operational, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, May 17, 1977, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 18

9:30 a.m.

Energy and Natural Resources

Public Lands and Resources Subcommittee

To hold hearings on S. 1360, to establish an Advisory Committee on Timber Sales Procedure.

3110 Dirksen Building

Human Resources

Alcoholism and Drug Abuse Subcommittee

To hold hearings on S. 1107, the Occupational Alcoholism Prevention and Treatment Act of 1977.

Until 12:30 p.m. 4232 Dirksen Building

Rules and Administration

To resume hearings to receive testimony

in behalf of requested funds for activities of Senate committees and subcommittees.
301 Russell Building

10:00 a.m.
Agriculture, Nutrition, and Forestry
To hold a business meeting.
324 Russell Building
Appropriations
Transportation Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1978 for DOT.
1224 Dirksen Building
Commerce, Science, and Transportation
To hold hearings on the nomination of John McGrath Sullivan, of Pennsylvania, to be Administrator of the Federal Railroad Administration.
5110 Dirksen Building
Judiciary
Criminal Laws and Procedures Subcommittee
To hold hearings on S. 1382, to establish rational criteria for the imposition of the death penalty.
2228 Dirksen Building
Select Indian Affairs
To hold hearings on S. 103, 667, and 785, to convey certain Federal land to the Ely Indian Colony, Paiute, and Shoshone Tribes.
Room to be announced
Special Aging
To continue hearings concerning development of alternatives to institutional health care for older Americans.
6226 Dirksen Building

11:00 a.m.
Foreign Relations
Near Eastern and South Asian Affairs Subcommittee
To receive testimony on the framework of problems in the Middle East.
4221 Dirksen Building

2:00 p.m.
Appropriations
Military Construction Subcommittee
To mark up proposed appropriations for fiscal year 1978 for military construction.
S-126, Capitol
Rules and Administration
To continue hearings to receive testimony in behalf of requested funds for activities of Senate committees and subcommittees.
301 Russell Building

MAY 19

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 1471, to increase Tax credit for contributions to candidates for the U.S. Senate.
2221 Dirksen Building
Human Resources
Alcoholism and Drug Abuse Subcommittee
To continue hearings on S. 1107, the Occupational Alcoholism, Prevention and Treatment Act of 1977.
Until 12:30 p.m., 4232 Dirksen Building
Judiciary
Antitrust and Monopoly Subcommittee
To hold hearings on S. 825, to foster competition and consumer protection policies in the development of product standards.
2228 Dirksen Building
Rules and Administration
To continue hearings to receive testimony in behalf of requested funds for activities of Senate committees and subcommittees.
301 Russell Building

9:45 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 695, to impose on former Federal procurement personnel an extended time period during which they may not work for defense contractors.
5302 Dirksen Building

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold oversight hearings on efforts being made by the Department of Housing and Urban Development to assist victims of the recent floods in Eastern Kentucky.
324 Russell Building
Appropriations
Transportation Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1978 for DOT.
1224 Dirksen Building
Energy and Natural Resources
To resume hearings on the President's energy program.
3110 Dirksen Building
Foreign Relations
To hold hearings to be followed by a business meeting to consider pending nominations.
4221 Dirksen Building
Judiciary
Criminal Laws and Procedures Subcommittee
To continue hearings on S. 1382, to establish rational criteria for the imposition of the death penalty.
1318 Dirksen Building
Select Ethics
Open, to be followed by a closed business meeting.
1417 Dirksen Building

MAY 20

9:30 a.m.
Governmental Affairs
Energy, Nuclear Proliferation, and Federal Services Subcommittee
To resume hearings to receive testimony on a report of the Commission on Postal Service.
3302 Dirksen Building

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposals to reprogram certain fiscal year 1977 funds for the Army, Navy, Air Force, and Marine Corps.
1223 Dirksen Building
Banking, Housing, and Urban Affairs
To continue hearings on S. 695, to impose on former Federal procurement personnel an extended time period during which they may not work for defense contractors.
5302 Dirksen Building
Joint Economic
To receive testimony on the economic impact of the President's energy proposals.
6202 Dirksen Building
Select Intelligence
To hold a closed business meeting.
H-403, Capitol

11:00 a.m.
Foreign Relations
Near Eastern and South Asian Affairs Subcommittee
To receive testimony on the framework of problems in the Middle East.
4221 Dirksen Building

MAY 23

9:00 a.m.
Energy and Natural Resources
Public Lands and Resources Subcommittee
To hold overnight hearings on the implementation of the Wild Horses and Burros Act.
3110 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue hearings on S. 695, to impose on former Federal procurement personnel an extended time period during which they may not work for defense contractors.
5302 Dirksen Building
Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on S. 600, the Regulatory Reform Act of 1977.
6226 Dirksen Building
Select Indian Affairs
To hold hearings on S. 905, the Central Arizona Indian Tribal Water Settlement Act of 1977.
Room to be announced

MAY 24

9:00 a.m.
Governmental Affairs
Subcommittee on Reports, Accounting, and Management
To resume hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6202 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on S. 657, to establish an Earth Resources and Environmental Information System.
5110 Dirksen Building
Select Small Business
To resume hearings on alleged restrictive and anticompetitive practices in the eyeglass industry.
424 Russell Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on bills dealing with Federal regulation and supervision of financial institutions (S. 1433, 895, 71 and 73).
5300 Dirksen Building
Energy and Natural Resources
Energy Production and Supply Subcommittee
To hold oversight hearings to review the proposed exchange of land between the Superior Oil Company and the Federal Government.
3110 Dirksen Building
Finance
Private Pension Plans and Employee Fringe Benefits Subcommittee
To resume joint hearings with Select Committee on Small Business on S. 285, proposed Tax-Exempt Private Pension Investment Act of 1977, and S. 901, proposed Pension Simplification Act.
2221 Dirksen Building
Foreign Relations
To hold hearings on the Convention on the Prevention and Punishment of the Crime of Genocide (Exec. O. 81st Cong., 1st sess.).
4221 Dirksen Building
Governmental Affairs
Intergovernmental Relations Subcommittee
To continue hearings on S. 600, the Regulatory Reform Act of 1977.
6226 Dirksen Building

10:30 a.m.
Judiciary
To hold hearings on the nomination of Francis J. Boyle, of Rhode Island, to be U.S. district judge for the district of Rhode Island.
2228 Dirksen Building

11:00 a.m.
Judiciary
To resume hearings on S. 1096, to strengthen Federal regulations concerning use of false identification when applying for Federal identification documents.
2228 Dirksen Building

2:00 p.m.
Select Intelligence
Charters and Guidelines Subcommittee
To hold a closed business meeting.
H-403. Capitol

MAY 25

9:00 a.m.
Energy and Natural Resources
Energy Conservation and Regulation Subcommittee
To hold hearings on S. 19, S. 743, and H.R. 130, to provide for the protection of franchised distributors and retailers of motor fuel.
3110 Dirksen Building

*Veterans' Affairs
To hold hearings on S. 247 and S. 1414, to provide recognition to the W.W. II Women's Air Forces Service Pilots and W.W. I Signal Corps telephone operators, respectively; and S. 129, to restore rights and benefits to certain Filipino combat veterans of W.W. II.
Until noon 318 Russell Building

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 657, to establish an Earth Resources and Environmental Information System.
5110 Dirksen Building
Energy and Natural Resources
Energy Production and Supply Subcommittee
To resume hearings on S. 977, to conserve gas and oil by fostering increased utilization of coal in electric generating facilities and in major industrial installations.
4200 Dirksen Building
Select Small Business
To continue hearings on alleged restrictive and anticompetitive practices in the eyeglass industry.
424 Russell Building
Select Indian Affairs
To hold hearings on S. 660, seeking an agreement with the Cherokee, Choctaw, and Chickasaw Indian Tribes of Oklahoma for the purchase or lease of their rights in the riverbed of the Arkansas River.
Room to be announced
Banking, Housing, and Urban Affairs
To continue hearings on bills dealing with Federal regulation and supervision of financial institutions (S. 1433, 895, 71 and 73.
5300 Dirksen Building
Finance
Private Pension Plans and Employee Fringe Benefits Subcommittee
To continue joint hearings with Select Committee on Small Business on S. 285, proposed Tax-Exempt Private Pension Investment Act of 1977, and S. 901, proposed Pension Simplification Act.
2221 Dirksen Building
Government Affairs
Intergovernmental Relations Subcommittee
To continue hearings on S. 600, the Regulatory Reform Act of 1977.
6226 Dirksen Building
Joint Economic
To receive testimony on the economic impact of the President's energy proposals.
1114 Dirksen Building
Select Small Business
To hold hearings on S. 807, to authorize grants to assist individuals and small business concerns in developing solar energy equipment and energy-related inventions.
235 Russell Building

1:00 p.m.
Governmental Affairs
Government Efficiency Subcommittee
To hold hearings to receive testimony on a GAO study alleging inaccurate financial records of the Federal flood insurance program.
1224 Dirksen Building

MAY 26

9:30 a.m.
Energy and Natural Resources
Public Lands and Resources Subcommittee
To hold hearings on S. 1338, to authorize the issuance of permits on public domain national forest lands for commercial outdoor recreation activities.
3110 Dirksen Building
Select Small Business
To continue hearings on alleged restrictive and anticompetitive practices in the eyeglass industry.
235 Russell Building

10:00 a.m.
Foreign Relations
To continue hearings on the Convention on the Prevention and Punishment of the Crime of Genocide (Exec. O, 81st. Cong., 1st sess.).
4221 Dirksen Building
Governmental Affairs
Subcommittee on Reports, Accounting, and Management
To continue hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6202 Dirksen Building
Select Small Business
To continue hearings on S. 807, to authorize grants to assist individuals and small business concerns in developing solar energy equipment and energy-related inventions.
424 Russell Building

JUNE 3

11:00 a.m.
Joint Economic
To hold hearings to receive testimony on the employment/unemployment situation in May.
1202 Dirksen Building

JUNE 6

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on H.R. 5675, to authorize the Treasury Department to make short-term investments of any portion of its excess operating cash balance.
5302 Dirksen Building
Commerce, Science, and Transportation
Communications Subcommittee
To hold oversight hearings on the cable TV system.
235 Russell Building
Select Indian Affairs
To hold oversight hearings on the Indian Education Reform Act (Public Law 93-638).
Room to be announced

JUNE 7

9:30 a.m.
Select Small Business
To resume hearings on alleged restrictive and anticompetitive practices in the eyeglass industry.
424 Russell Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 1397, to increase from 16 to 19 the size of the Board of Directors of FNMA.
5302 Dirksen Building
Commerce, Science, and Transportation
Communications Subcommittee
To continue oversight hearings on the cable TV systems.
235 Russell Building
Foreign Relations
To hold hearings on an agreement with Canada concerning the transit oil pipeline (Exec. F, 95th Cong., 1st sess.), and the Inter-American Treaty of Reciprocal Assistance (Exec.. J, 94th Cong., 1st sess.).
4221 Dirksen Building
Human Resources
Health and Scientific Research Subcommittee
To hold hearings to evaluate information upon which the FDA based its decision to propose regulations banning the use of saccharin.
4232 Dirksen Building
Joint Economic
Economic Growth and Stabilization Subcommittee
To hold hearings on economic development in rural areas.
1202 Dirksen Building
Select Indian Affairs
To continue oversight hearings on the Indian Education Reform Act (P.L. 93-638).
Room to be announced

10:30 a.m.
Appropriations
Transportation Subcommittee
To mark up proposed appropriations for fiscal year 1978 for the Department of Transportation.
S-128, Capitol

JUNE 8

9:00 a.m.
*Commerce, Science, and Transportation
Science Technology, and Space Subcommittee
To hold hearings on S. 421, to establish a program to educate the public in understanding climatic dynamics.
5100 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue oversight hearings on the cable TV system.
235 Russell Building
Energy and Natural Resources Parks and Recreation Subcommittee
To hold hearings on S. 975, to improve the administration of the national park system.
3110 Dirksen Building
Foreign Relations
International Operations Subcommittee
To hold oversight hearings on the role of the media, business, banking, labor, National Security, etc. in the current and future international flow of information.
4221 Dirksen Building
Human Resources
Health and Scientific Research Subcommittee
To continue hearings to evaluate information upon which the FDA based its decision to propose regulations banning the use of saccharin.
4232 Dirksen Building
Joint Economic
To hold hearings to review economic conditions and to discuss the future outlook.
6202 Dirksen Building

JUNE 9

9:00 a.m.
*Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 421, to establish a program to educate the public in understanding climatic dynamics.
5110 Dirksen Building

10:00 a.m.
Foreign Relations
International Operations Subcommittee
To continue oversight hearings on the role of the media, business, banking, labor, National Security, etc. in the current and future international flow of information.
4221 Dirksen Building
Governmental Affairs
Reports, Accounting, and Management Subcommittee
To resume hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6202 Dirksen Building
Joint Economic
To continue hearings to review economic conditions and to discuss the future outlook.
1202 Dirksen Building

JUNE 10

9:00 a.m.
*Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 421, to establish a program to educate the public in understanding climatic dynamics.
5110 Dirksen Building
10:00 a.m.
Foreign Relations
International Operations Subcommittee
To continue oversight hearings on the role of the media, business, banking, labor, national security, etc. in the current and future international flow of information.
4221 Dirksen Building

JUNE 13

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on S. 657, to establish an Earth Resources and Environmental Information System.
235 Russell Building
Finance
Taxation and Debt Management Subcommittee
To receive testimony on proposal designed to encourage economic growth and employment.
2221 Dirksen Building
10:00 a.m.
Governmental Affairs
Reports, Accounting, and Management Subcommittee
To resume hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6226 Dirksen Building

JUNE 14

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 657, to establish an Earth Resources and Environmental Information System.
5110 Dirksen Building
Finance
Taxation and Debt Management Subcommittee
To receive testimony on proposals designed to encourage economic growth and employment.
2221 Dirksen Building
10:00 a.m.
Joint Economic
Economic Growth and Stabilization Subcommittee
To continue hearings on economic development in rural areas.
1202 Dirksen Building

JUNE 15

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 657, to establish an Earth Resources and Environmental Information System.
235 Russell Building
10:00 a.m.
Foreign Relations
To hold hearings on treaties with Mexico and Canada on prisoner exchanges (Exec. D and H, 95th Cong., 1st sess.).
4221 Dirksen Building
Joint Economic
Economic Growth and Stabilization Subcommittee
To continue hearings on economic development in rural areas.
6226 Dirksen Building

JUNE 16

10:00 a.m.
Foreign Relations
To continue hearings on treaties with Mexico and Canada on prisoner exchanges (Exec. D and H, 95th Cong., 1st sess.).
4221 Dirksen Building

JUNE 22

10:00 a.m.
Joint Economic
Subcommittee on Growth and Stabilization
To hold hearings to receive testimony from public pollsters on the current status of, and future conditions affecting the economy.
1202 Dirksen Building

JULY 12

10:00 a.m.
*Foreign Relations
To hold hearings on the Vienna Convention on the Law of Treaties (Exec. L, 92nd Cong., 1st sess.).
4221 Dirksen Building

JULY 13

10:00 a.m.
Foreign Relations
To review the operation and effectiveness of the War Powers Resolution of 1973.
4221 Dirksen Building

JULY 14

10:00 a.m.
Foreign Relations
To review the operation and effectiveness of the War Powers Resolution of 1973.
4221 Dirksen Building

JULY 15

10:00 a.m.
Foreign Relations
To review the operation and effectiveness of the War Powers Resolution of 1973.
4221 Dirksen Building

JULY 19

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To receive a report from the National Commission on Supplies and Shortages on materials policy research and development.
5110 Dirksen Building
Foreign Relations
To hold hearings on the following five tax treaties. Convention with Israel (Exec. C, 94th Cong., 2nd sess.); Convention with Egypt (Exec. D, 94th Cong., 2nd sess.); Convention with United Kingdom (Exec. K, 94th Cong., 2nd sess.); Convention with the Republic of Korea (Exec. P. 94th Cong., 2nd sess.); and Convention with the Republic of the Philippines (Exec. C, 95th Cong., 1st sess.).
4221 Dirksen Building

JULY 20

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To receive a report from the National Commission on Supplies and Shortages on materials policy research and development.
5110 Dirksen Building
10:00 a.m.
Foreign Relations
To hold hearings on the following five tax treaties; Convention with Israel (Exec. C, 94th Cong., 2nd sess.); Convention with Egypt (Exec. D, 94th Cong., 2nd sess.); Convention with the United Kingdom (Exec. K, 94th Cong., 2nd sess.); Convention with the Republic of Korea (Exec. P, 94th Cong., 2nd sess.); and Convention with the Republic of the Philippines (Exec. C, 95th Cong., 1st sess.).
4221 Dirksen Building

JULY 26

10:00 a.m.
Foreign Relations
To hold hearings on protocol to the Convention on International Civil Aviation (Exec. A, 95th Cong., 1st sess.), and two related protocols (Exec. B, 95th Cong., 1st sess.).
4221 Dirksen Biulding

CANCELLATIONS

MAY 18

9:00 a.m.
Governmental Affairs
Subcommittee on Reports, Accounting, and Management
To resume hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6202 Dirksen Building
10:00 a.m.
Banking, Housing, and Urban Affairs
To continue oversight hearings on federally guaranteed loans to New York City.
5302 Dirksen Building

MAY 19

10:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To hold hearings on S. 1391, the Hospital Cost Containment Act of 1977.
4232 Dirksen Building

MAY 20

10:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To continue hearings on S. 1391, the Hospital Cost Containment Act of 1977.
4232 Dirksen Building

JUNE 21

10:00 a.m.
Foreign Relations
To hold hearings on the following prospective international treaties: Economic, Social, and Cultural Rights; Civil and Political Rights; and on the Elimination of all forms of Racial Discrimination.
4221 Dirksen Building

JUNE 22

10:00 a.m.
Foreign Relations
To continue hearings on the following prospective international treaties: Economic, Social, and Cultural Rights; Civil and Political Rights; and on the Elimination of all forms of Racial Discrimination.
4221 Dirksen Building

SENATE—*Tuesday, May 17, 1977*

Legislative day of Monday, May 16, 1977

The Senate met at 11:30 a.m., on the expiration of the recess, and was called to order by Hon. JAMES R. SASSER, a Senator from the State of Tennessee.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray:

Lord, Thou hast been our dwelling place in all generations. Help us now to find our place in the succession of prophets, saints, heroes, and statesmen. We know not what a day may bring forth. But we would live each day in loyalty to Thee. Keep us from being surprised and trapped by anything unworthy, or from breaking faith with those whose confidence we hold. Make us ready for every turn of history and for every opportunity to advance Thy kingdom. Lead us through our working hours, until the shadows lengthen and the evening comes and our work is done. Then, in Thy mercy grant us peace and rest.

Through Him who is Lord of Life. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 17, 1977.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES R. SASSER, a Senator from the State of Tennessee, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. SASSER thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of yesterday, Monday, May 16, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees be permitted to meet today during the session of the Senate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS DECONCINI AND ROBERT C. BYRD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, have any special orders for the recognition of Senators been entered for tomorrow?

The ACTING PRESIDENT pro tempore. No.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, Mr. DECONCINI be recognized for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I understand that Mr. DECONCINI wants more than 15 minutes. I therefore ask unanimous consent that I be recognized for not to exceed 15 minutes following the order for the recognition of Mr. DECONCINI so that I can yield him some of my time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER TO HOLD HOUSE JOINT RESOLUTION 424 AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that House Joint Resolution 424, to authorize the Administrator of General Services to accept land, buildings, and equipment without reimbursement for the John F. Kennedy Library, be held at the desk pending further disposition.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I have a brief statement to make and I will reserve my time, if the distinguished minority leader has anything he would like to say at this point.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee is recognized.

SURFACE MINING CONTROL ACT

Mr. BAKER. Mr. President, later this week the Senate will turn to consideration of the Surface Mining Control and Reclamation Act of 1977. Legislation to provide Federal environmental guidelines for the coal surface mining industry has been a matter of concern in each of the past three Congresses. The debate has been thorough and I am pleased that we are finally approaching final action.

Over the years since the issue was first raised in Congress, a growing awareness of the environmental problems associated with underregulated mining, the expectation of expansion of domestic coal production and the imminence of Federal action have spurred significant activity at the State level. It is a tribute to a strong congressional posture on this issue in past Congresses that this increased State activity has frequently followed the guidelines set forth in Federal bills. Several States have adopted the so-called back-to-contour standard.

The argument is now made that these stronger State laws have obviated the need for strong Federal action. An amendment may be offered which would greatly diminish the Federal presence in enforcement of standards on the premise that such an amendment endorses these State efforts.

I believe that this argument misunderstands both the pressures which for years frustrated the development of effective State programs and the basic need for minimum national environmental standards.

While it is true that many of the States have substantially upgraded their reclamation efforts, the pressures for development of local resources without a strong Federal presence could undermine these efforts. States which have taken a role of leadership in the development and enforcement of strong environmental standards would be disadvantaged by other States who in an effort to encourage local resource development would accept weaker laws or lax enforcement.

While I am mindful of and sympathetic to arguments for enhanced State initiative, I firmly believe surface mine control demands a strong Federal presence if State reclamation efforts are to continue to be effective.

Additionally, there is a real need for uniformity. In fairness to the States and to industry the environmental ethic applicable to surface mining must not only be clear and practicable but must apply equally in all regions. Flexibility in the design of specific standards should be allowed, but fundamental requirements such as contour restoration, erosion control, performance bonding and so forth must be uniformly applied if they are to be equitable. Only a strong Federal presence can assure that these standards will be so applied.

Mr. President, I therefore shall oppose any amendment to curtail Federal enforcement of the environmental standards contained in S. 7 and hope that my colleagues will join me in supporting this bill during Senate action, which is contemplated in the near future.

Mr. President, I have no request for nor further requirement for my time under the standing order, and I yield.

STATUS OF THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, on today's General Order Calendar there are 66 measures. There are 18 measures which are awaiting consideration by unanimous consent. Each of these measures on the calendar must be cleared for passage by the Budget Committee. Many of the measures will require some time for Senate action. Time agreements may be possible on some, others may be cleared for passage by unanimous consent.

I call to the attention of my colleagues on both sides of the aisle the status of the calendar in the hope that the leadership can secure the utmost cooperation from the committee chairmen, the man-

agers of the bills and resolutions, the committee staff members involved, in clearing the items on the calendar for early consideration.

We have had excellent cooperation so far this session from all concerned but we have not been deluged with measures as is the case now.

On behalf of the majority leadership, I express my appreciation to the minority leadership for its prompt consideration and clearance of measures that have been disposed of in this session. Without that consideration and cooperation, the Senate could not do its job.

To clear the calendar in an orderly fashion will require extraordinary effort from all concerned, and I seek the assistance of all my colleagues on both sides of the aisle, of the committee chairmen, of the Members of the Senate, and also of all Senate staff members.

Mr. BAKER. Mr. President, will the Senator yield to me briefly?

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. Mr. President, I take this opportunity once again to commend the distinguished majority leader, my colleague and friend, for the diligent way he has pursued the disposition of the business on the General Orders Calendar, on the Executive Calendar, and others.

I also share with him the feeling that other diligence and effort will be required, and I pledge him the cooperation of the leadership on this side of the aisle to continue the tradition that he has established of quick and prompt dispatch of the Senate's business.

Mr. President, I have no doubt that we can transact the people's business in an orderly way, and I have no doubt that we can do it in a way that takes account of all the problems, all the concerns and reservations of all Members. I will continue to solicit their advice and views on their concerns and their attitudes toward matters on the calendar. I hope they will permit me to continue to work with the majority leader in seeing that this calendar is disposed of as promptly as careful consideration and orderliness will permit.

I thank the majority leader for his good efforts in this respect.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished minority leader. As I say, without that cooperation and consideration, the Senate will not be able to do its job. I state my appreciation to the minority leader and to the Members of the Senate on the minority side.

Mr. President, I yield back the remainder of my time.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Georgia (Mr. TALMADGE) is recognized for not to exceed 15 minutes.

HEARINGS ON MEDICARE AND MEDICAID REFORM BILL—S. 1470

Mr. TALMADGE. Mr. President, on May 5, I was pleased to join 19 Members of the Senate in introducing S. 1470, the Medicare and Medicaid Administrative and Reimbursement Reform Act.

S. 1470 is designed to deal with the costly administrative and reimbursement failings in the present medicare and medicaid programs.

Its provisions reflect constructive changes based upon 5 days of hearings held last July on a predecessor proposal, S. 3205.

The Subcommittee on Health of the Committee on Finance has just announced that hearings will be held on S. 1470 from June 7 through June 10. Each day's hearing will begin at 8:30 a.m. in the Finance Committee hearing room, 2221 Dirksen Office Building.

Mr. President, we just have to run medicare and medicaid on a more efficient and economical basis.

We cannot go on each year announcing astronomical jumps in costs of those programs, along with increasing complaints about what medicare and medicaid are not doing.

As an example, medicare and medicaid were projected to cost Federal and State taxpayers $38½ billion in fiscal year 1977.

The fiscal year 1978 estimate is $9 billion more than that—some $47½ billion.

In fiscal year 1976 costs were at $32½ billion. Thus in two short but extremely expensive years medicare and medicaid costs will have jumped by $15 billion.

Those costs are increasing almost faster than we can add them to the Federal deficit.

We might even wind up with "printer's cramp" at the Bureau of Engraving and Printing.

Exactly 1 year ago, I expressed to the Senate my concern over the report of the trustees of the medicare insurance fund.

That report advised of a 300-percent increase in the actuarial deficit.

Translated into 1976 dollars, it meant that over and above already scheduled future tax increases, medicare would be short some $4½ billion in each of the next 25 years.

Well, Mr. President, it is even worse in this year's trustee report.

The medicare actuarial deficit has been increased once again.

Now the trustees report that, in 1977 dollars, medicare will be short $9½ billion each year of the next 25 years.

There are those who advocate transferring tax money from the medicare trust fund to the cash-short old-age assistance and disability funds.

Under the circumstances, that would be akin to the Federal Government trying to borrow money from New York City.

Given the enormity of the medicare actuarial deficit, this is the time to face up to the issue and not to compound the problem.

Hopefully, our work on S. 1470 will mark a significant step in moving medicare and medicaid toward administrative and fiscal soundness.

SENATE JOINT RESOLUTION 53—INTRODUCTION OF A JOINT RESOLUTION PROPOSING A MANDATORY BALANCED BUDGET

Mr. TALMADGE. Mr. President, President Carter has pledged to balance the Federal budget by 1981. Congress continues to pay lipservice to the concept of a balanced budget. The need for fiscal responsibility in Government was a pivotal issue in last year's election.

In short, everyone talks about it, but, from many years of experience, I am somewhat cynical. I find it very difficult to be optimistic about restoring economic order to the U.S. Government.

In fact, I lean more toward pessimism, an attitude which is shared by many of the world's leading economists, including last year's Nobel Prize winner in economics, Milton Friedman.

I salute President Carter for articulating a balanced budget goal. I wish him well and pledge by full support. However, with all due respect to the President, I do not believe it will be possible for him to achieve a balanced budget by the end of his term.

As for Congress ever balancing the budget, we may as well forget it. We have not had a balanced budget in the past 17 years. In fact, we have plunged the Nation further into debt in the past 9 years than in all of the previous history of the Republic.

A balanced budget has literally become a relic of the past.

I have struck a note of pessimism because that is exactly how I see the situation. However, it does not have to be. We have the power and the means to restore strength and stability to the U.S. economy.

We can act if we will. We can stem the tide of massive deficit spending which pushes our Nation deeper and deeper into debt. Or, we can continue to sit on our hands and court economic disaster.

U.S. fiscal policy can be compared to the plight of the drug addict. We borrow to pump more money into the economy to get things going.

Unfortunately, the high is only temporary and eventually another dose is required. And on it goes.

Each time the dosage must be increased to create any kind of stimulation at all. And sooner or later, there comes the fatal overdose.

So it has been with economic pump priming by the United States in the past two decades. The Keynesian theory of economic stimulation not only made deficit spending acceptable but desirable as well.

The fact is, we have not stimulated the economy. We have not increased productivity in the private sector. We have not reduced unemployment.

We have instead created rampant inflation. We have destroyed confidence in the dollar. We have lost our preeminence in the world. We have destroyed public confidence.

If the massive outpour of Federal funds—which we have had to borrow we could spend—has not bolstered the economy, what then has it done?

We have made Government bigger and bigger. We have created a bureaucratic monster that defies control.

It is within Congress power to balance the budget. I do not think Congress, as presently constituted, has the will to balance the budget. In short, I do not

believe Congress will ever balance the budget until it is made to do so.

I propose we do precisely that. I propose that we throw away the key to the Treasury, and that we stop the run on the taxpayer's money.

I again propose that the U.S. Constitution be amended to provide that, except in a time of war or extraordinary national economic emergency declared by Congress, the aggregate expenditures of the Federal Government shall not exceed the net amount of its revenues in any fiscal year.

I have been pushing for such action for several years. I have twice before proposed a budget amendment to the Constitution. I will continue to stand behind it as long as I am witness to a Congress and U.S. Government that seems bent upon bankruptcy.

Quite simply, my resolution would establish as a supreme law of the land the principle that the budget of the United States must be balanced.

There is growing support for a mandatory budget amendment. More than 50 Members of the House and Senate support such action. Eighteen States have adopted resolutions urging that the Constitution be amended to require a balanced Federal budget.

According to polls, an overwhelming majority of the American people also want to enjoin Congress from deficit spending.

I cannot say that we have the necessary two-thirds vote in Congress to adopt such an amendment. But I believe without hesitation that a budget amendment would be readily ratified by the States if they were given an opportunity to vote on it.

It is the people's money we are talking about. It is their Government. I say we ought to give the people that opportunity.

The need for such a measure as this is well known to every American seeking tax relief and to every citizen. Taxpayer or not, who has been subjected to the ravages of inflation which robs them of their earnings and their savings.

In 39 of the past 45 years, we have mounted multibillion-dollar deficit upon deficit. We have a national debt of some $700 billion. Interest on that debt is the third largest item in the budget.

We will pay more interest on our national debt this year than we spent on all Federal operations in 1950.

In fiscal year 1968, interest on the national debt was $14.6 billion or 12.7 percent of the Government cash receipts of Federal funds. Interest on the debt for fiscal year 1977 is estimated to be $46.3 billion, or 18.1 percent of cash receipts.

When we talk about the $700 billion national debt, keep this in mind: 39 percent of the debt, or approximately $265 billion, has been incurred in the past 4 years alone.

No one argues much about the need to get a tighter grip on Federal expenditures. President Ford supported the concept of a balanced budget and, in fact, President Carter campaigned with a specific promise to balance the budget by 1981.

He cannot do it alone, if at all. Congress must take the initiative. Congress must discipline itself. Congress must put itself under an irrevocable mandate to stop spending beyond our means.

In the final analysis, no matter what the President proposes, final authority over the budget rests with Congress, and with Congress alone.

We cannot continue to spend money we do not have on programs we do not need in the vain hope of being all things to all people, both at home and abroad.

Dollars are squandered throughout the vast Federal bureaucracy and in every nook and cranny of America.

They are scattered in every corner of the world and have found their way into the hands of allies and adversaries alike.

In efforts to solve every problem everywhere in the world. And some that only exist in people's minds, we have succeeded only in breeding contempt for our prosperity and generosity over the past two or three decades.

My father used to say that just as a man cannot drink himself sober, a nation cannot spend itself rich.

Historians have noted that each of the 16 great civilizations of the past fell because of internal economic and political strifes, and not because of invasion or attack by an external enemy.

In view of the fact that more than 7 million Americans are out of work, double-digit inflation remains a serious threat, and we are still trying to recover from the worst recession since the Great Depression, it is proper to inquire if we have not been sowing the seeds of our own eventual destruction.

We cling to the perverse attitude that regardless of which economic ill plagues our Nation at any given time—inflation or recession, or what has come to be known as stagflation—the best way to attack that problem is to throw money at it.

Fearing for our own political lives, we refuse to raise taxes to finance the increasing cost of Government. We simply borrow the money instead.

As a result, deficit spending, traveling under the guise of economic stimulation, has become a way of life.

To continue to borrow and inflate puts an unconscionable burden on generations of Americans yet unborn. This is not economic stimulation. It is theft.

I submit, Mr. President, that such a fiscal lifestyle is at best unhealthy for our Nation, and at worst suicidal.

There can be no stabilization of the U.S. economy without Federal spending control. These are the most important issues and the greatest challenges facing the American Government today.

At stake is the confidence of the world in our economy. At stake is our own national security.

In recent years, our preeminence as leader of the free world has been severely eroded. The American dollar has come under savage attack and has taken beatings in world monetary markets.

Also at stake is the confidence of the American people in their government and, to a large degree, the confidence of our people in themselves.

Lack of public faith is not surprising when one considers that working people must devote more than a third of the year just to meet State, local, and Federal tax obligations.

They are outraged with inequities of the Internal Revenue Code. They demand tax reform and tax relief. I do not blame them.

But, let us not confuse the issue. If the Congress enacted every "soak the rich" tax reform proposal the mind of man could conceive, the revenue gained for the U.S Treasury would be a mere drop in the bucket compared to the projected Federal budget deficit for this year.

For example, the Joint Committee on Taxation estimates that if the Federal Government totally confiscated all individual incomes in excess of $100,000, we would gain approximately $1.3 billion in new revenue.

If we confiscated all individual incomes in excess of $20,000, we would generate an additional $16.3 billion. That is no small amount, but it is only a fraction of the fiscal 1977 budget deficit which at last count will be approximately $64 billion.

Other so-called tax reform approaches have been suggested. We could remove the tax-exempt status of interest earned on State and local bonds—a so-called tax loophole that denies the Federal Treasury approximately $5 billion each year. But such action as this would handicap State and local governments and virtually wipe out many needed services and operations of local government.

We could do away with deductions for charitable contributions. That would bring in an additional $6 billion a year in revenue.

But where would that leave our churches, schools, health organizations, and charities which depend on gifts and donations as their lifeblood?

We could end the Federal income deduction on mortgage interest payments by people who are trying to buy their own homes. We could repeal the deduction for medical, hospital, and drug expenses of the sick, the disabled, and the elderly.

We could go on and on with such a crusade. We could march triumphantly through the Internal Revenue Code, leaving in our wake crushed remains of so-called shelters and the tightly closed remnants of tax loopholes.

But, Mr. President, we need to be honest with ourselves— and with the American public—and determine whether sweeping tax reform is the real answer.

We have tried tax revision. We have tried tax reduction. Understandably, as elected public officials, we are always in search of some reason for enacting some form of tax relief.

In my judgment, the best and most justifiable reason is that taxes at all levels of government are too high.

When you take statutory taxation at all levels of government, and add to that

the cruel tax that is imposed by inflation, it is no wonder that the American people cry for relief—especially low- and middle-income families and people who must live on fixed incomes like social security and retirement benefits.

I submit that tax revision is not the answer. We have pursued a policy of taxing less, of spending more, and of borrowing to the hilt—and instead of relieving taxpayers and working people, we increase their burdens.

I do not deny that Congress should take a long, hard look at our tax laws. On the contrary, I strongly feel that we must launch a comprehensive review of the code, such as I anticipate the President will submit in his tax reform package. I fully support requiring each citizen, individual, and corporation alike, to carry a fair share of the tax burden.

Granted, we need tax revision. But we need budget control more.

We have had astronomical Federal deficits during Republican and Democratic administrations alike. I do not single out any administration for blame. I do not single out any Congress for blame.

I do say Congress, and Congress alone, has the power to act to balance the budget, to lead the way toward order in our economy, and to help rebuild public confidence in government.

There are other potentially disastrous dimensions to our "buy now, pay later" fiscal policy. Americans are already paying exorbitant interest rates on consumer loans and home mortgages.

The situation could be grievously aggravated if the Federal Government must become even more deeply dependent upon private credit markets in order to finance the horrendous budget deficits of this year and next.

Massive borrowing by the Federal Government can crowd working people and businessmen out of the credit market altogether and can place the Treasury Department in open competition for every available credit dollar.

The results could be catastrophic: even more credit shortages and even higher interest rates.

Clearly, Mr. President, we cannot continue on a course of unrestrained spending and festering debt. We cannot continue to run the risk of economic upheaval. We have gone too far down that road already.

I offer my resolution to turn our Nation's fiscal policy around by compelling Congress and the President to appraise our national priorities realistically, and to allocate our national resources responsibly.

Since the luxury of falling back on deficit financing would no longer be easily available, we would be insulated from the day to day pressures and demands to spend more and more money for everything that comes along.

The mechanics of my proposal are simple and straightforward. Only war or an express congressional declaration of national economic emergency would permit deficit financing. In determining whether an extraordinary crisis exists, the Congress would have to consider the extent and the rate of unemployment, industrial activity, inflation, and other economic indicators it deems appropriate.

I am convinced of the need for this resolution. I believe most Americans share this conviction. We have persistently embraced the notion that the best and only way to solve a problem, any problem, is to bury it under a pile of Federal money. We have lost sight of the fact that Government has no ability to produce wealth. It only has what it takes from the people.

We need budget control that is firm, irrevocable, and enforceable, as a major weapon against inflation which has been draining the strength of our Nation. Frustrating the taxpayer, robbing the worker of the fruits of his labor, depriving the elderly of the full benefit of their savings and benefits, and denying the businessman a fair return on his investment.

Undoubtedly, some will say that my approach is bad economics. Some will say that my approach is bad politics. There are even those who will say both.

I submit, Mr. President, that we have followed their advice in the past and look where we are now. The big spenders have had their way, and their way has taken us to the brink of economic collapse and potential political rebellion.

Undoubtedly, many people will say that the approach I suggest is drastic. I concede that point. Drastic action is required. The economic spasms we are experiencing defy ordinary remedy.

When the debt of the U.S. Government is far greater than the combined debts of all other governments of all other nations of the world, drastic action is required.

When we see how a once-powerful nation like Great Britain can be reduced to virtual economic impotence, because of government that has gotten too big and too costly, drastic action is called for.

When Federal, State, and local spending accounts for 40 percent of the gross national product, with Federal spending making up 25 percent of the GNP—drastic action is called for.

Mr. President, we cannot, we must not, be lulled into a false sense of security. Through reckless Federal spending and borrowing policies we have almost bankrupted our Nation, the most powerful, the most wealthy, the most generous society the world has ever known.

We have alientated our constituents. We have mortgaged our children's future. We have no recourse.

Mr. President, I ask unanimous consent that the text of the resolution, which is cosponsored by my distinguished colleague from Georgia (Mr. NUNN), the distinguished Senator from Arizona (Mr. GOLDWATER), and the distinguished Senator from Florida (Mr. STONE) be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 53

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. Except as provided in section 2 of this article, the aggregate amount of expenditures made by the Government during any fiscal year shall not exceed the net amount of revenue received by the Government during that fiscal year.

"SEC. 2. The provisions of section 1 shall not apply to any fiscal year—

"(1) if at any time during that fiscal year the United States is in a state of war declared by the Congress pursuant to section 8 of article I of this Constitution, or

"(2) if, with respect to that fiscal year, the Senate and the House of Representatives agree to a concurrent resolution stating, in substance, that a national economic emergency requires the suspension of the application of section 1 for that fiscal year.

In exercising its power under paragraph (2) of this section, the Senate and House of Representatives shall take into consideration the extent and rate of industrial activity, unemployment, and inflation, and such other factors as they deem appropriate.

"SEC. 3. The Congress shall have power to carry this article into effect by appropriate legislation.

"SEC. 4. This article shall take effect on the first day of the first fiscal year which begins after the date of its ratification.

"SEC. 5. This article shall be inoperative unless it is ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress.".

The ACTING PRESIDENT pro tempore. The Senator from Georgia (Mr. NUNN) is recognized for a period not to exceed 15 minutes.

Mr. NUNN. I do not think I will take all of my time.

I commend my senior colleague from Georgia, Senator TALMADGE, for both of the measures he has talked about and discussed today. I am a cosponsor on both the constitutional amendment, to which my remarks allude today, and also to the medicare and medicaid reform bill which he has just discussed.

Mr. President, today I join my colleague, Senator TALMADGE, in introducing a joint resolution proposing an amendment to the Constitution of the United States to provide that, other than in a time of declared war or an extraordinary national economic emergency so declared by the Congress, the aggregate amount of expenditures made by the Federal Government during any fiscal year shall not exceed the net amount of revenue received by the Government during that fiscal year.

More simply stated, this resolution would establish as a constitutional mandate the requirement that the Federal Government balance its budget. A prohibition of constitutional magnitude would be imposed upon incurring a

budget deficit at any time other than during an emergency of catastrophic character.

I am convinced that the people of this Nation want the Federal Government to restore fiscal integrity to the Federal budget by putting an end to deficit spending financed by geometric increases in our national debt. I believe that the sentiment of the vast majority of the American people that it is high time that the Federal Government put its house in order includes a strong desire to see the Federal Government put its financial house in order.

Excessive Government spending and the resultant impact upon our Nation's economic health were major issues in the 1976 election campaigns. President Carter has reaffirmed many times his campaign pledge to attain a balanced Federal budget by 1981. The main area of disagreement today is not whether the Federal Government has a responsibility owed to the American people to put a lid on our soaring national debt, but is instead how the Government should go about accomplishing this goal.

The unfortunate tale of Federal budgeting over the post-World War II period has been told and retold. Incredible as it may seem, the Federal budget has been balanced only once in the last 19 years. Any household or business in this country with a financial record like that could not have survived. The growing concern of people in this country is just how long our Nation can survive without following in the footsteps of New York City and Great Britain if the Government continues to spend more than it takes in.

The U.S. Government has a record deficit of over $68.9 billion in the fiscal year 1976. Federal spending now rises more in 1 year than the entire 1941 budget figure, the last pre-World War II year. The cumulative deficit is now well over the $600 billion mark and has doubled in the last 10 years. In other words, in 10 years we have managed to duplicate a debt that took 190 years to compile.

Deficit spending must be accompanied by one of two things: Either an expansion of the money supply, or the Treasury borrowing money from the private capital market. Thus, as a consequence of ever-increasing deficit spending, the Federal Government monopolizes two-thirds of the available capital in our economy. This in turn drives up the interest rates and dries up needed investment capital for American agriculture and business. In addition, the interest owed on our national debt alone consumes about one-quarter of all individual and corporate income taxes received by the Treasury; 25 cents out of every tax dollar paid in by the American people goes to pay interest on the national debt, and that figure is increasing every year.

Ironically enough, the excess deficit spending which was supposed to cure such economic ills as high unemployment instead operates to hamper economic recovery. This process drastically limits the lendable funds available, at high interest rates, for the use of the private sector of our economy to increase our productivity and thereby ease inflation and unemployment.

The task facing our Nation to halt Federal deficits is indeed urgent. When Congress passed the Congressional Budget and Impoundment Act of 1974, we took the first step in restoring a sense of fiscal responsibility to the Federal Government. For the first time, meaningful machinery for the formulation and implementation of a rational and economically sound Federal budget is available to the congressional branch of Government. The passage of the constitutional amendment proposal which is being introduced today is the next step in implementing the machinery to make a balanced Federal budget a realistic goal.

The history of the effort to establish a constitutional mandate requiring a balanced Federal budget includes the introduction of a constitutional amendment of this nature in virtually every Congress over the past decade and a half. The Senate held hearings in the 94th Congress on the same proposal as is being introduced today, as well as a similar one offered by the Senator from Nebraska (Mr. CURTIS).

Many of our States operate under State constitutions which require a balanced budget. The Federal Government should follow this example and cease setting the irresponsible and unhealthy precedent of ever-increasing deficit spending. My own State of Georgia is one of the many States which constitutionally requires its government to balance the budget. While this necessitates some difficult decisions, I believe that the record of fiscal stability speaks for itself.

Attempts to balance the Federal budget in recent years have been miserable failures. In bad times the deficit and inflation are both high, and in good times they never come down far enough to offset the preceding economic policy. In fact, of the most distressing aspects of the Federal Government's budgetary practices over the past two decades is how habitual deficit spending has become. We have become content to have an unbalanced budget in good times as well as in bad times. The discussion centers on the size of the deficit rather than its elimination. It has been all too easy for the Federal Government to go to the printing presses and the private money markets to generate the funds to finance someone's latest "something for nothing" scheme. The something is usually another bureaucratic and administrative nightmare, giving money and benefits to many whose need is questionable and whose eligibility is nebulous. The nothing is the revenue we use to pay for these programs. The Congress has been rightly unwilling to tax our people sufficiently to finance these something-for-nothing schemes. Consequently, as our economy has become more financially sophisticated, the Federal Government has learned that it can do more than just print money: It can also print notes and bonds.

The future cost of this practice is ominous. We are mortgaging our future generations with the cost of something-for-nothing schemes for the current population. The irresponsible character of the budgetary process of the Federal Government has become too extreme to ignore. The willingness to accept deficits has been the single most important factor in the ever-increasing spending by the Federal Government, where it is politically expedient to increase spending without paying for the programs through increased revenue. Congress has allowed spending priorities to be determined by the pressures of the moment. Taxes have not been increased sufficiently to cover the costs both, because of political pressures and because of the knowledge that increases in taxes large enough to cover the costs of the multitude of Government programs would surely destroy the American people's will to work and the incentives for American businesses to produce and expand. Fiscal integrity must be restored to the Federal Government's budget in order to bolster the confidence of American consumers and businessmen in our Nation's economic future. This restoration of confidence is a prerequisite for our return to economic prosperity.

The cure for the ills now suffered by the Federal budget does not consist of higher taxes, nor simply of tax reform. Deficit spending can be cured only by the creation of a rule which forces the Government to face its responsibility to balance the Federal budget. The discipline imposed by this simple requirement can operate effectively only if it is imposed by the supreme law of the land: the U.S. Constitution. As a member of the Budget Committee in the past I have participated in difficult sessions in which the attempt was made to responsibly determine the appropriate levels of spending and revenue. In order to insulate the Federal budgetary process from political pressures, a clear and binding standard mandating the fiscal integrity of the Federal Government is needed. Such a standard is proposed by this resolution. It requires the same commonsense approach to Federal budgeting as Americans practice at home: simply stated, income must equal expenses. The establishment of a sound fiscal plan at the Federal level will remove the trauma of runaway inflation and soaring deficit spending and restore the confidence of the consumers and businessmen of our Nation.

It is important to note that this amendment will take some time to become the law of the land. As it moves toward ratification, I hope the Congress, through the Budget Committees, will move toward the level of fiscal integrity which it requires. If the Congress and President Carter work together, the goal of a balanced Federal budget by 1981 can be accomplished. This goal must be attained and then maintained. Of course,

as the proposed amendment states, in those extremely rare cases, genuine of military or economic emergency, an explicit statement by the Congress can authorize a deficit to address the situation.

This proposal gives the American people a clear opportunty to express through both their National and State leaders their support for fiscal responsibility at the Federal level.

Mr. President, I again congratulate my senior colleague for a long number of years advocating this responsible and prudent course of action in terms of dealing with the hard-earned tax dollars of the American people. I am hopeful that Congress will move expeditiously to implement its provisions.

Since I have been in the Senate I have been pleased to join with my colleague each and every year in what so far must be termed, frankly, an unsuccessful effort to get some real movement on this constitutional amendment.

The States of our country are far ahead of the Federal Government in their realization of this very serious problem.

Mr. President, I yield back the remainder of my time.

APPOINTMENTS BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to Public Law 86-420, appoints the following Senators to the Mexico-United States Interparliamentary Conference, to be held in Guaymas, Mexico, May 27-31, 1977: the Senator from Ohio (Mr. METZENBAUM), the Senator from Hawaii (Mr. MATSUNAGA), and the Senator from Indiana (Mr. LUGAR).

MILITARY PROCUREMENT AUTHORIZATIONS, 1978

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of H.R. 5970, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 5970) to authorize appropriations during the fiscal year 1978, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strengthen for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

Mr. TOWER. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time consumed be charged to neither side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

The TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BIDEN). Without objection, it is so ordered.

Under the previous order the Senator from Michigan (Mr. GRIFFIN) is recognized to call up an amendment on the XM tank.

Mr. STENNIS. Mr. President, will the Senator yield to me for less than a half minute?

Mr. GRIFFIN. I yield.

Mr. STENNIS. Mr. President, this is to announce now that we have several amendments that have been agreed on as to time of consideration, and unfortunately we have not yet been supplied with copies of all of these amendments. We are ready to agree to time limitations, Mr. President, on any and all matters, but I feel compelled not to give consent to a time limitation until we have seen the amendment. It does not have to be printed on a printing press. It merely has to be written. The Senator from Michigan has one here that we do have information about, and that is all right.

Mr. GRIFFIN. My amendment was at the desk last night, I say to the Senator from Mississippi.

Mr. STENNIS. That is all right. The Senator may proceed and I thank him for yielding to me.

Mr. President, we have several amendments, and we propose to go down the line here as fast as we can.

The PRESIDING OFFICER. The Senator from Michigan.

AMENDMENT NO. 273

Mr. GRIFFIN. Mr. President, I call up my amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Michigan (Mr. GRIFFIN) proposes amendment numbered 273:

On page 39, line 14, strike the figure and insert in lieu thereof "$2,551,992,000".

The PRESIDING OFFICER. Time for debate on this amendment is limited to 1 hour to be equally divided and controlled by the Senator from Michigan and the Senator from Mississippi.

Mr. GRIFFIN. Mr. President, this amendment would authorize $10 million for further testing of the diesel engine for the XM-1 tank.

The need for continuation of the diesel engine program was underscored in the report of the House Armed Services Committee on this legislation, and an amendment identical to the one I now offer was passed without opposition on the House floor.

Mr. STENNIS. Mr. President, may we have order in the Senate, so that we can hear?

The PRESIDING OFFICER. The Senator will suspend until there is order in the Senate. The Senate will be in order.

Mr. GRIFFIN. It should not be necessary to emphasize the urgency of getting the XM-1 tank into service at the earliest possible date.

Earlier this year our colleagues, Senators BARTLETT and NUNN, travelled to Europe and reported later to the Armed Services Committee on "NATO and the New Soviet Threat." Among their observations was this:

The T-72 main battle tank has been introduced into the Group of Soviet Forces in Germany. This improvement in tank quality has been coupled with an increase of 60 to 80 tanks in the standard inventory authorized for their 16 motorized rifle divisions in Eastern Europe. Together, these improvements have greatly strengthened Pact armor, which today outnumbers NATO's by almost three to one.

A week before the Bartlett-Nunn report was released, Defense Secretary Rumsfeld reported to Congress that during the past 5 years, the Soviet Union has produced nearly six times as many tanks as the United States.

So, in the background, as we consider this amendment, is the numerical imbalance and the obvious need to have our new tank available on schedule.

Fortunately, the Army's XM-1 tank program is expected to provide the United States by 1980 with a new main battle tank that will be significantly superior to anything the Russians have to offer. If all goes well, the qualitative superiority of the XM-1 will help offset the substantial numerical advantage which the Warsaw Pact forces have gained over the past decade.

The amendment which I offer can be viewed as sort of an insurance policy for the XM-1—a guarantee that all will go well.

Because of its recognized long-term possibilities, a decision was made to power the XM-1 with a turbine engine. Base in part on the experience of using turbines in various types of aircraft, the Defense Department opted to try the same technology in the new Army tank. If successful, a turbine engine could provide slightly improved acceleration, reduced noise and smoke, and possibly lower maintenance costs.

However, there are shortcomings connected with the turbine engine—and some clear risks. The turbine is considerably more expensive to procure—at $120,000 per unit it will cost twice as much as the diesel alternative, and it will use 20 to 50 percent more fuel—a fact that should be of some significance at a time when this country is concerned about energy.

More importantly, some doubts apparently remain within the Army itself about the ability of the turbine to do the job; and because of that the committee, at the request of the Army, has added $30 million in this bill for additional testing of the turbine engine.

The situation was succinctly outlined, I think, in the House Armed Services Committee report on this bill, and I read now from that report:

DIESEL ENGINE TECHNOLOGY

The Army has ten years and $50 million invested in the development of the AVCR diesel engine. However, when a winner was selected in the XM1 competition in November, 1976, powered by a turbine engine, the Army decided to terminate further develop-

ment on the AVCR 1360 and concentrate all its effort and funding on bringing the turbine engine to maturity prior to fielding of the XM1.

Based upon testimony received by the committee, the turbine engine has great potential in a land warfare system application and offers several unique tactical advantages over the diesel. Nevertheless, it remains an unproven system. The Army apparently has some reservations about the turbine since it plans to conduct a $30 million turbine maturity program over and above the test plan submitted by the XM1 contractor.

The committee is concerned that the Army may be taking an unnecessary risk in the XM1 program by terminating development of diesel technology before the turbine engine has fully proven itself.

Considering the critical importance of fielding the XM1 on schedule, and considering the amount of time and money the Army already has invested in the AVCR 1360 diesel engine, the committee believes that it would be prudent to continue development of this engine as an in-house project in the Tank Automotive Command until the turbine has been certified to insure its availability as a back-up engine for the XM1.

I am going to mention another consideration which, I think, deserves at least some recognition. As I have noted, an additional $30 million has been included in this bill for further testing of the turbine engine. The Army believes, and the Defense Department believes, that $10 million should be provided to continue testing the diesel engine program as an alternative, or a backup, for the turbine.

If this amendment is rejected and the money is not provided—and I openly confess a parochial concern—a number of people will be thrown out of work. I would not advocate this amendment if there were not a sound defense basis for doing so. But since there is such a basis, I hope the Congress will not throw those people out of useful jobs—and then try to give them makework jobs by authorizing some other program, which could cost even more than the amount involved here.

So, I support the position taken by the House. I would like to add that this amendment is supported by the Department of Defense as well as the Army.

Mr. CULVER. Mr. President, will the Senator yield?

Mr. GRIFFIN. Yes.

Mr. CULVER. It is my understanding, with no disrepect intended for the Senator from Michigan, that the Department of Defense, in response to a telephone inquiry from our own Senate Armed Services staff counsel this morning, advised the Senate Armed Services Committee that, in fact, the Department of Defense was not supporting this particular amendment and did, in fact, oppose it.

Mr. GRIFFIN. Does that mean the Defense Department has changed its position?

Mr. CULVER. That is their position as of this morning.

Mr. GRIFFIN. That is very interesting, because as of April 20 we have documentation that the DOD's position was to support the $10 million diesel engine amendment. We will have to do some checking, to see why the Defense Department has changed its position, if that is the case.

Mr. STENNIS. Will the Senator yield to me for a moment on that point?

Mr. GRIFFIN. I yield.

Mr. STENNIS. I do not want the Senator to be misled, and no one does, as the Senator from Iowa said. When this amendment was filed we checked with the Department of Defense to determine their position. This morning we learned they were opposed to the amendment. That partly explains the rest of the situation. We will give the Senator the name of the man we have talked to. There is a memorandum dated April 20.

Mr. GRIFFIN. I would be very interested to try to find out what has happened since April 20 that caused the Defense Department to change its position.

Mr. STENNIS. The Senator is entitled to know. We will give him the name of the man we spoke to this morning. I did not know about this until after the Senator started speaking.

Mr. GRIFFIN. We will check into that, of course.

If this amendment were adopted and the Senate follows the lead of the House—and incidentally, there was no apparent opposition to this amendment in the House—then a failure of the turbine engine—if that should happen—would not cripple the XM–1 tank program.

For about two-tenths of 1 percent of the cost of the whole XM–1 program, this amendment would retain the option of using the diesel engine—in which we have already invested 10 years and $50 million.

Under the circumstances, I believe that this would be money well spent, and I urge adoption of the amendment.

Mr. President, under the circumstances, I am going to read into the record the document I have. It is headed "DOD Position On Diesel Engine Technology, FY–78 Authorization Bill."

Statement of amendment: Add $10 million to XM–1 tank program for advanced diesel engine.

Effect of amendment: provides funds to support further development of advanced diesel engine technology for the variable compression ratio diesel engine to insure its availability as a backup engine to reduce risk in the XM–1 tank program.

The next paragraph of this document is entitled "DOD Position."

The DOD supports this amendment, provided the funds are to be available to support this project in the Tank Automotive Command.

As described on page 37 of the House Armed Services Committee authorization report of April 7, 1977—

And further provided that the funds added by this amendment do not result in an overall RDT&E authorization total exceeding that of the FY–78 President's budget request.

I might say we checked the report and find that, with the addition of this $10 million, the R.D.T. & E. authorization total would not exceed the fiscal 1978 Presidential budget request.

As I understand it, this document was provided by the Congressional Liaison Office of the Department of Defense in connection with the consideration of an identical amendment on the House side. It would be shocking and surprising if, since April 20, the Defense Department has changed its position on this amendment.

Mr. STENNIS. Mr. President, if the Senator will again yield, I will report to the Senator we have just received another communication from the Department of Defense. We will get it to the Senator in just a moment. It is on that very point.

Mr. GRIFFIN. I thank the chairman.

I would also ask unanimous consent, Mr. President, that Senator Bartlett, at his request, be made a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that a statement by the Senator from Oklahoma (Mr. BARTLETT) in support of my amendment be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BARTLETT

The XM–1 tank may well prove to be the most important new weapon to be introduced by the United States Army for the defense of NATO. Its improved mobility and special armor greatly reduce the effectiveness of light weight, precision guided antitank weapons which, a few years ago, appeared to threaten the survivability of tanks when moving and fighting on the battlefield. Furthermore, the XM–1 tank provides our numerically inferior forces in Europe with a superior weapon capable of moving and meeting massive Soviet attacks on a broad front.

In selecting an XM–1 for engineering development, the United States Army conducted a competition between two prototypes—one produced by Chrysler and powered by a turbine engine and one produced by General Motors and powered by a diesel engine. Both prototypes proved to be far superior to any other tank now in existence and both were capable of overcoming projected threats from precision guided munitions.

However, as in all competitions, there was only one winner. Both tanks were superb, but the Chrysler tank was selected.

The selection of the Chrysler tank did not mean that every aspect of the Chrysler tank was superior to every aspect of the General Motors' tank. Each had its own advantages. This was also true of the engines.

The Chrysler tank was selected for its overall performance, and its turbine engine was selected because this new technology offers the hope of a smaller, lighter weight engine for tanks in the future. There is some risk in the turbine program, and for that reason, the Army has asked for an additional 29.6 million dollars for an engine maturity program for the turbine engine. The Army admits that there is greater risk in going with the turbine engine and is aware that there might be need to fall back on the diesel engine which performed so well in the General Motors prototype.

In the past, the Armies of the world have preferred the diesel engine because it is

reliable, inexpensive, economical to run, and capable of adjusting to a wide variety of weather and environmental operating conditions. There is still great room for growth in diesel technology, and, as concern over the energy crisis deepens, American automobile manufacturers are now introducing diesel powered passenger cars. Even Sweden, which operates the only turbine powered tank in the world, is planning to return to diesel power because of concern over fuel consumption on the battlefield. The need for fuel economy is made clearer when we realize that each of the mighty C-5A cargo aircraft carrying supplies to Europe will take out one pound of fuel for each pound of equipment it delivers.

Since the diesel engine is a proven technology which offers the prospects of lower cost, better fuel economy, and equal or better performance, and because there is some risk in the turbine program, I urge my colleagues to join with me in supporting Senator Griffin in his amendment to add ten million dollars to the Military Authorization bill to provide for a back-up diesel engine for the XM-1 tank.

Mr. GRIFFIN. I yield the floor.

Mr. STENNIS. Mr. President, if the Senator has yielded and the Senator from Iowa is ready, I would be glad to yield him such time as he may wish. He represents the committee. He will take the lead in this matter. I will come back to this other point in a few moments.

Will 10 minutes be sufficient?

Mr. CULVER. Ten minutes will be sufficient.

Mr. STENNIS. Mr. President, I yield the Senator 10 minutes.

PRIVILEGE OF THE FLOOR

Mr. CULVER. Mr. President, I ask unanimous consent that Charles Stevenson and Richard Asplund of my staff be granted the privilege of the floor during consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CULVER. Mr. President, I rise in opposition to this amendment. It is unfortunate that at the outset there is this apparent ambiguity as to the official position of the Department of Defense on this issue. We have been advised by our own counsel that communications with the Department of Defense, as of this morning, indicate that they are opposed to this particular amendment and they do not wish to have these funds included in this budget. Whatever the DOD position is, it was not included in the budget before this time and we can make our own decision, certainly, consistent with our own budget limitations.

Mr. President, this amendment is based essentially on an assumption of failure rather than an assumption of success. The turbine engine is lighter. There are fewer moving parts, so there is a lower life cycle cost for the system. The turbine engine is certainly the way of the future in the Army as it has been in the military generally.

The Army testified before the Senate Armed Services Committee that the turbine engine offers "significant combat advantages and growth potential" compared to the diesel engine.

The Assistant Secretary of the Army for Research and Development also testified:

I am satisfied that the design is sound. I am satisfied it can be built. I am satisfied it will perform to the specs in terms of horsepower.

His only concern, as the Senator from Michigan has observed, was engine maturity. Engine maturity: that is the number of running hours that would be needed prior to production to properly guarantee reliability and maintainability of that system. To alleviate that concern, as the Senator from Michigan has observed, the Army will get $29 million in this budget to guarantee maturity, and to guarantee that this engine will be in the first production model of whatever ultimate XM-1 design is pursued.

We have been looking into this program for 2 years now. General Baer, the program manager, testified:

There is no technology that has not been checked out previously in other applications.

Mr. President, in addition to this testimony it seems to me that there are a number of important problems with going ahead with this amendment, for additional money earmarked for R. & D. on the diesel engine. First of all, we do not know the total cost. We are talking about a $10 million amendment here, but it is only the camel's nose under the tent.

There has been no testimony—not one word—in support of this amendment or this proposal or this alternative before the Senate Committee on Armed Services by the Army or the Department of Defense. There is no testimony whatsoever on what specific work will actually be performed with that $10 million. And there is no testimony whatsoever on what the open-ended cost or the total obligation implicit in this program is likely to be.

Secondly, this jeopardizes the whole effort toward NATO standardization. The Senator from Michigan alluded, and I think properly so, to the very commendable efforts of Senator NUNN and Senator BARTLETT in their NATO review. One of the strongest recommendations that they have made is the essentiality of a greater degree of standardization, interoperability, and commonality of weapons in the NATO area.

The inefficiency in that regard, the lack of combat readiness, the waste, the duplication, are absolutely intolerable. We have a military museum today in NATO, rather than a true fighting force. It is just this tank program, with the standardization and the memorandum of understanding on the tank with Germany, which seeks to address, in a very fundamental way, this very serious deficiency in our conventional preparedness posture in the European theater.

The United States and Germany have agreed, under the memorandum of understanding, to go ahead with this turbine engine after thorough testing and certification.

Third, I think, Mr. President, the diesel engine would also require a long time and a lot of money for its own maturity. The Army Assistant Secretary for Research and Development testified:

I was concerned with the diesel engine (as well). Neither contractor had adequate engine validation or qualification testing program.

Mr. President, what we are, in effect, doing here is setting a precedent where we are, in fact, funding a losing contractor. We are funding the loser in a prototype competition and a development effort. Is that really a good idea? In sum, Mr. President, I urge that this amendment be defeated.

The PRESIDING OFFICER. Who yields time?

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. STENNIS. Yes, I yield the Senator from Arizona 5 minutes, Mr. President.

Mr. GOLDWATER. Mr. President, as much as I dislike doing it, I shall have to vote against this amendment for the reasons that have been offered so succinctly by the Senator from Iowa (Mr. CULVER). I just want to add that the turbine engine is a great step forward. I am pretty well acquainted with both turbines and diesels, having used both of them. The diesel has more moving parts. It is heavier and it also leaves a telltale smoke trail that the enemy can pick up.

The turbine engine, on the other hand, is lighter. It develops more horsepower. It will enable the tank to have greater acceleration, and it will leave no telltale trail.

So, while one might argue that the turbine is new and it is young, and maybe we can validly say that it has not received as much testing as we would like, I do not see any sense in going backward.

The turbine engine is essentially a jet engine, but instead of receiving thrust, as we get from the jet, it imparts its power to a shaft and it enables it to drive equipment such as tanks, propeller-driven airplanes, and so forth.

Experience with the jet-type engine has been very, very good and they regularly provide much more time between overhaul than the older reciprocal engines.

Again, I hate not to agree with my friend from Michigan, because I have high respect for him, but I am afraid that, this time, I am going to have to vote "no."

Mr. GRIFFIN. Mr. President, will the Senator from Arizona yield?

Mr. GOLDWATER. Yes.

Mr. GRIFFIN. I am sure he understands, because he is much more of an expert in this field than I am, that this amendment does not seek to reverse the decision in favor of the turbine engine. There is much more money in this bill for the turbine engine. This is only $10 million to keep alive the diesel engine technology so that the option would be there, down the road, in the event something happens and the turbine engine does not prove out. To reject this amendment involves a risk. At least, there are many who think so, obviously. It means putting all our eggs in one basket.

It may very well be that, if the turbine engine does not prove out, then we shall not have XM-1 tanks in Europe on

schedule. Will the Senator from Arizona agree with that?

Mr. GOLDWATER. No, I would not agree with that, because if we have to use diesels, we have to use diesels. We have been building diesel engines for tanks for many, many years. If the turbine does not prove out, we already have a diesel that was designed for the prototype of the XM-1, so it would merely mean switching the purchase from the turbine to the diesel.

We have the diesels.

Mr. GRIFFIN. I wonder if the Senator from Mississippi, the chairman of the committee, might wish to take a few minutes now to go into a matter.

Mr. STENNIS. Yes. I yield myself 1 minute.

Mr. President, this is an unusual situation. I have no explanation for it. There was a paper in the possession of the Senator from Michigan saying that the Department of Defense supported the amendment.

He was taken by surprise and I was taken by surprise a few minutes ago when we learned that a gentleman from the legislative affairs of OSD said over the telephone that the Department of Defense was not in favor of the amendment, was not supporting the amendment.

I passed that message on to the Senator and within 2 or 3 minutes there came to Mr. Sullivan, our chief of staff, a memorandum dated today saying, as to Senator GRIFFIN's amendment on diesel, to the authorization bill, the DOD supports this amendment.

So we have it on all sides now and it illustrates—and is embarrassing to me in a way—the papers that float around. We do not know where they come from. Sometimes they mislead us and we can hardly act on them. But I want to clear this up if we can.

Mr. GRIFFIN. Is there a question in the chairman's mind about the DOD position now?

Mr. STENNIS. Well, yes, because Mr. Sullivan talked to the gentleman, Mr. Stempler, and he says he knows nothing about where this last paper I referred to came from.

Mr. GRIFFIN. That document did not come from me.

Mr. STENNIS. No.

Mr. GRIFFIN. It came from the Department of Defense.

Mr. STENNIS. No, the very opposite of inferring it came from the Senator, the very opposite of that. I am saying that he said he did not know, either.

So we will just have to call around a little more.

Mr. CULVER. Will the Senator yield?

Mr. STENNIS. Yes, I yield another minute, Mr. President.

Mr. CULVER. Frankly, I think the Senator from Michigan, with his considerable experience as a Member of Congress, is not all that shocked and amazed; this is hardly the first time we received mixed signals from an administration. Although I must confess that normally it comes where one executive department has one view and another has another.

But this does appear to be a case where there is some existing confusion as to what the formal position is.

The person whom the chairman cites is the personal assistant to the Secretary of Defense, Harold Brown, and it was based on that conversation this morning that there were two conversations with him. We were advised, as reported in the early colloquy, that the Department of Defense opposed this amendment.

So there was subsequently a basis for legitimate misunderstanding and confusion here.

But putting that aside, if I might, it seems to me that totally independent of what the Department of Defense's position may or may not be, the fact of the matter is that neither the Army nor the Department of Defense in their initial budget submission to our committee, and in all the weeks of testimony before our full committee, and before those who were asked to look particularly hard at the tank program, did we receive any request from the Army or Department of Defense for this alternative, ongoing, research and development effort with the diesel engine.

It was not included in their budget before. Certainly, I think, Mr. President, we in the Senate should be making our own decision consistent with our own budget limitations, consistent with that formal testimony that has been made part of the record here, all of which goes to support the present recommendations of the committee bill and certainly does not support the alternative as implied in the amendment by the Senator from Michigan.

Mr. STENNIS. Mr. President, I yield myself 2 minutes—or does the Senator from Michigan wish to speak?

Mr. President, I withdraw that.

Mr. GRIFFIN. I call the attention of the chairman and the distinguished Senator from Iowa to the testimony by Mr. Miller, who I understand is the Army's R. & D. director, during the hearings held by the Senate Armed Services Committee. He said:

> Mr. MILLER. I am concerned with the turbine engine. As a matter of fact I was concerned with the diesel engine. I felt that, as proposed, neither contractor had what I considered an adequate engine validation or qualification testing program. My concern is to see that we get enough of these engines built and enough hours and means of testing on them before we get into production.

So, there was concern expressed. The turbine engine has been proved out, as I understand it, in aircraft, but it has not been completely tested as far as its use in tanks is concerned.

I defer to the expertise of others on the floor, but it is my understanding, for example, that Sweden put a turbine engine in its tank. After using it and after having some experience, the Swedes decided to go back to a diesel engine for its tank.

I do not know what that proves for the United States, but at least it is the experience of another nation which has tried out a turbine engine in a tank.

Under all the circumstances here—where we have invested $50 million and 10 years of experience in diesel engine technology—it seems to me that it would be wise now, for this relatively small additional investment, to at least keep alive the backup option, the insurance.

So I hope, Mr. President, that the amendment will be adopted.

Mr. STENNIS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Mississippi has 14 minutes remaining.

Mr. STENNIS. Mr. President, I yield 5 minutes to the Senator from Georgia.

Mr. NUNN. Four minutes.

Mr. STENNIS. Four minutes.

Mr. NUNN. Mr. President, I rise in opposition to the Griffin amendment.

Last August the United States and the Federal Republic of Germany signed an addendum to the memorandum of understanding of 1974 which committed both countries to the eventual adoption of the gas turbine engine for their main battle tanks of the future. Coupled with the adoption of an interoperable main gun, transmission, and tracks, reliance upon a common engine will provide the bulk of NATO's tank forces a degree of commonality unparalleled in the Alliance's history.

To authorize $10 million now for the development of a new diesel engine—which I might point out was not requested by the DOD when the fiscal year 1978 Defense authorization bill was first submitted to Congress—will only encourage those who continue to oppose the enhanced U.S. reliance upon allied weapon systems that is so necessary if we are going to begin to achieve any degree of interoperable reliance.

Whether we call it a backup engine or standby engine, a new diesel engine would be viewed by many as preferable to a gas turbine engine—there is no doubt about that; there are many people in the Pentagon who think it is preferable—even though the development of a gas turbine engine has already proceeded without a hitch and even though most automotive experts believe it is the wave of the future.

It is no secret that many elements in the Army, from the beginning, have resisted the consideration of interoperability and standardization with the German Leopard II as the possible U.S. main battle tank of the future, and they continue to resist even compliance with the addendum of the 1974 memorandum of understanding.

Mr. President, I agree with Senator CULVER's general thrust. I cannot make a technical evaluation about whether the gas turbine engine is going to work or whether the diesel engine might be better 5 years from now.

But I believe I can make a judgment that if Congress inserts the extra $10 million in this budget, the Germans are going to take it as a back-down by Congress on a firm pledge by the administra-

tion, in the memorandum of understanding, to move toward interoperability.

I believe that if, for any reason, the gas turbine engine runs into trouble in the future, the way it should be handled would be for the administration to go to the Germans and say to them, "We have run into problems wtih this engine. We think we need an alternative backup. We would like you to consider proceeding along the same line."

If we in Congress are going to come in unilaterally and say to the Germans, "Folks, we're going to put in a backup engine; you go ahead and plan on the gas turbine engine in compliance with the memorandum of understanding," we are going to undo all that has been put together painstakingly, after a long period of time, in trying to move to interoperability.

I know how important a tank is to the United States. I know how badly we needed one years ago and how badly we need one now. But if we had the very best tank we could buy, and if we had all of them we possibly could afford in Europe, and if the allies do not have anything comparable to that, if we do not have interoperability, if we do not have standardization in any kind of NATO battle, then good quality tanks are not going to make much difference; because we have to have an alliance in NATO if we are going to meet the Warsaw Pact. We cannot meet that challenge unilaterally. It cannot be done by the United States in terms of conventional war power.

Unless we begin to think as an alliance, and unless we begin, in this Congress, to consider the effect we have on even a $10 million item with respect to the understanding the executive branch has reached with Germany, we are not going to move very far in terms of the essential conventional defense we need. For that reason, even though I know that the motive of the Senator from Michigan is good, I would oppose the amendment.

Mr. STENNIS. Mr. President, I yield the Senator from Iowa 4 minutes.

Mr. CULVER. I thank the chairman for yielding.

Mr. President, I should like to address the issue of risk that has been raised by the Senator from Michigan.

First of all, I think it is important to acknowledge that the Assistant Secretary for Research and Development, Mr. Miller, has testified before the Senate Armed Services Committee that, in fact, he did possess very real concerns about the validation and design program and the testing program and its adequacy for both the diesel and turbine engines. The Senator from Michigan and I have alluded to the testimony that gave rise to those reservations. It was for that very fact that the committee approved this $29 million program for the maturity testing of that engine.

Mr. Miller went on to say:

> Without any catastrophic events in the development of this engine, I will be very comfortable with it when it goes into the first production model, and I would not have been without the additional work.

Regarding that, I also quote from Mr. Miller's testimony which has been corrected from what appeared in an uncorrected galley of our hearing on the XM–1. Mr. Foster, a staff member of the Armed Services Committee, posed this question:

> Mr. FOSTER. What confidence do you have that the Army will achieve an accepted level of maturity prior to the production of vehicles?
>
> Mr. MILLER. We have a great deal of confidence in being able to achieve an acceptable level of engine maturity in the production vehicles because of this added maturity effort.

Mr. THURMOND. Mr. President, will the Senator from Michigan yield me 3 minutes?

Mr. GRIFFIN. I yield 3 minutes to the Senator.

Mr. THURMOND. Mr. President, the amendment offered by Senators GRIFFIN and BARTLETT, to provide low level testing and development of a backup engine for the XM–1 tank, is worthy of support.

In a competition last year between the diesel and turbine engines the Army selected the turbine. I have no objection to that choice, and it is my hope this engine will fulfill the Army's expectations.

However, the XM–1 tank program represents an investment of $4.9 billion. We need to field this tank as soon as possible. Since this contract award the Army has added $30 million to the turbine development program for a "maturity" program, indicating a need for refinements over and above that originally envisioned.

With this background, the House and the Defense Department were supportive of continued testing of the diesel as a backup in the event the turbine runs into development problems which could delay tank production.

The $10 million proposed in this amendment would allow for the purchase of four diesel engines, the rebuilding of three and a technology improvement to increase the performance of the diesel.

In view of Defense Department support, it seems to me we should approve this amendment.

Even if the turbine engine proceeds without troubles in the engineering and development phase, this diesel technology will be useful in many other Army programs where diesel engines are used, such as in trucks and heavy equipment vehicles.

The House shared the same opinion, as reflected in their report language. When funds were proposed on the House floor, the managers of that bill readily accepted this amendment in view of its support by the Defense Department. Supporters of this amendment are not against the turbine engine. We support it. What we want is a backup engine.

Mr. President, the Defense Department position on this matter is clear. I ask unanimous consent to have printed in the RECORD their position papers on the House amendment by Mr. VANDER JAGT and the Senate amendment by Mr. GRIFFIN.

There being no objection, the position papers were ordered to be printed in the RECORD, as follows:

DOD POSITION ON DIESEL ENGINE TECHNOLOGY (XM1)

STATEMENT OF AMENDMENT

Add $10.0M to XM1 tank program for advanced diesel engine.

EFFECT OF AMENDMENT

Provides funds to support further development of advanced diesel engine technology for the variable compression ration diesel engine to insure its availability as a back-up engine to reduce risk in the XM1 tank program.

DOD POSITION

The DOD supports this amendment, provided the funds are to be available to support this project in the Tank Automotive Command, as described on page 37 of the HASC Authorization Report of April 7, 1977, and further provided that the funds added by this amendment do not result in an overall RDT&E authorization total exceeding that of the FY 78 President's Budget request. 20 April, 1977.

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The turbine engine selected for the XM1 has excellent potential for this application, but requires substantial development effort before it is qualified for production. It is considered prudent to continue development effort on the AVCR 1360 diesel engine to assure its availability as a back-up engine, pending completion of qualification of the turbine engine.

Support for this amendment is predicated on an addition to the current SASC RDT&E authorization total and not to be derived from a cut in some other program. 17 May, 1977.

Mr. THURMOND. This added funding is an issue which has arisen since the budget was drawn, and to my knowledge, was not extensively pursued in the Committee hearings. I hope the Senate will weigh carefully the advantages of this backup engine and agree with the sponsors of this amendment that adding this money is a prudent and wise step.

Mr. GRIFFIN. Mr. President, there are one or two points that I would like to make.

First, let me make it clear that I strongly support the concept and goal of NATO standardization. My amendment is not designed to undercut that effort. I know that the Senator from Georgia would agree that if and when the turbine is certified, that would be the engine which would be used in the

XM-1 tank, and hopefully in the German Leopard II tank, in accordance with NATO understanding. We are not trying to undermine that agreement in any way.

I point out, however, that the Germans are not putting turbine engines in their Leopard II tanks now, as I understand it. The Germans are putting diesel engines into their new Leopard tanks.

I will say very candidly, for the benefit of the chairman of the committee, that I am reluctant to ask for a rollcall vote on this matter. I understand and realize that few Senators have enough information about it. I do not think there has been an adequate opportunity for Senators to become aware of the arguments.

I called up this amendment, so there could be discussion of the subject, and so a record could be made. I hope the Senate conferees will consider carefully the position taken by the House in this matter, especially in light of the support and the position of the Defense Department.

I wonder if the chairman would comment on what might be the attitude of the Senate conferees in conference.

Mr. STENNIS. Mr. President, I yield myself 2 minutes.

First, I am sorry that this confusion came up, as to the position of the Department of Defense. This is not a budgeted item. The only question was as to whether or not DOD was supporting the amendment, sort of under the ceiling—not under the table—of the budget.

So these contradictory statements came from the same source, and I regret it. I regret to see the Senator from Michigan surprised.

With reference to the point raised by the Senator from Michigan, it certainly is a matter that is highly important. I am opposed to the amendment because of its importance generally—and on tanks, too. The Senator raises a good point, in all sincerity. This matter has been in being 6 or 7 years, and we certainly will keep it open a few more weeks. In the meantime, we will prepare ourselves well on the conflicting memos and otherwise.

I am opposed to the amendment—I want to make that clear—but we certainly will give it the utmost consideration in conference.

Mr. TOWER. Mr. President, will the Senator from Mississippi yield me 2 minutes?

Mr. STENNIS. Yes, I yield the Senator 2 minutes or such time as he wishes.

Mr. TOWER. I would be reluctant to vote for the amendment now, but I certainly have no prejudice toward the substance of the amendment offered by the Senator from Michigan.

I would like to have some matters cleared up in my own mind before I could support it, and I may end up supporting it.

The matter will be in conference. We do have a crack at it now, and I think it would probably be wise for the Senator from Michigan to withdraw the amendment with the understanding that certainly this Senator is going to be very open-minded about it. It is just that there is some confusion in my mind that I would prefer to see cleared up. I would certainly give it very objective consideration in terms of the conference.

Mr. STENNIS. If I may just have a few minutes on a point, we are going into the matter in depth in the meantime, as the Senator from Texas has said, and we will get an estimate of the overall cost and consider it ourselves as a group around our own table, and then take a position on it.

Mr. GRIFFIN. Well, Mr. President, under the circumstances, and in view of the fact that this amendment is already a part of the House version of this legislation, and in view of the strong recommendation of the House Armed Services Committee and the assurance by the chairman and the ranking Republican member, the Senator from Texas, that they will seriously consider this matter and look into it further, I believe it would be the better part of wisdom not to call the roll at this point. I don't want to take a chance that the amendment might go down to defeat. Rather than take that kind of a chance I will withdraw the amendment, Mr. President, and take my chances with the conference.

Mr. NUNN. Mr. President, will the Senator yield 1 minute more? Is the Senator saying that if all the Members were here listening to the debate that they would have rejected the very cogent arguments of the Senator from Iowa and the Senator from Georgia?

Mr. GRIFFIN. My only point is I would not know how they might vote when they came over here.

Mr. NUNN. The memorandum of understanding makes it plain that the Germans will consider the gas turbine engine—that is part of the consideration—for our considering some of the German tank parts. I am not saying to the Senator from Michigan that we will not possibly at some point in the future need a hedge for the gas turbine engine. I do not know. But I am saying if we have to it ought to be cleared with the executive branch and the Germans in advance, otherwise the memorandum of understanding can very well fall apart.

The PRESIDING OFFICER (Mr. BIDEN). Without objection, the amendment is withdrawn.

Mr. STENNIS. Mr. President, I do not know if we have a special order here on these amendments, but we are ready for the next amendment. The Senator from West Virginia may have an understanding.

Mr. ROBERT C. BYRD. Mr. President, we are in contact with Senator PROXMIRE just now to see if he will come over and offer his amendment. We are just not sure.

Mr. TOWER. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time consumed be charged to neither side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 2 minutes without the time being charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSIDERATION OF MEASURES ON THE UNANIMOUS CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are various measures on the Unanimous Consent Calendar that have been cleared for action. They are as follows: Calendar Orders numbered 111, 120, 121, 122, 124, 125, 129, 130, 131, and 132.

Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of those calendar order numbers.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL PROGRAM INFORMATION ACT

The Senate proceeded to consider the bill (S. 904) to provide for the efficient and regular distribution of current information on Federal domestic assistance programs, which had been reported from the Committee on Governmental Affairs with amendments as follows:

On page 2, beginning with line 23, strike through and including page 3, line 7, and insert in lieu thereof:

TITLE I—PROGRAM INFORMATION

DUTIES OF THE DIRECTOR

SEC. 101. The Director of the Office of Management and Budget (hereinafter referred to as the "Director") shall identify all existing Federal

On page 3, line 15, strike "6" and insert "103";

On page 3, line 16, strike "7" and insert "104";

On page 3, line 18, strike "5" and insert "102";

On page 4, line 11, following "amounts" strike through and including line 15, and insert in lieu thereof:

obligated, the average amounts of awards made in past years, and, within two years, to the extent possible and appropriate, current information on the amount of funds not already obligated nor otherwise committed;

On page 4, line 24, strike "an estimate of the time required to process the application;" and insert "to the extent practical, an estimate of the time required to process the application.";

On page 5, beginning with line 3, strike through and including line 9;

On page 5, line 13, strike "agency and individual grant awards under subsection (2) (7) of this section" and insert "agency";

On page 5, line 19, strike "6" and insert "103";

On page 5, line 24, strike "maintained by the Federal Government or by any other person" and insert "wherever available";

On page 6, line 17, strike "7" and insert "104";

On page 7, line 13, strike "not to exceed thirty thousand";

On page 7, line 16, following "tribes," insert "Federal deposit libraries,";

On page 7, beginning with line 18, strike through and including page 8, line 9;

On page 8, beginning with line 10, insert the following:

SEC. 105. (a) The Director is authorized to transfer to the Office of Management and Budget all personnel, books, records, and other documents of the Department of Agriculture of any kind or description which he determines to be principally held or engaged in the operation and function of the Federal Assistance Programs Retrieval System (FAPRS).

On page 8, line 18, strike "9" and insert "106";

On page 8, line 19, strike "$900,000" and insert "to carry out the purposes of this Act $1,200,000";

On page 8, line 20, strike "$1,000,000" and insert "$1,700,000";

On page 8, line 21, strike "$1,000,000" and insert "$2,200,000";

On page 9, beginning with line 1, insert the following:

TITLE II—GRANTS AND BUDGET INFORMATION SYSTEMS

NOTICE REQUIREMENTS

SEC. 201. Title II of the Intergovernmental Cooperation Act of 1968 is amended by striking out section 201 thereof and inserting in lieu thereof the following new section:

"SEC. 201. Any department or agency of the United States Government which administers a program of Federal assistance to any of the State governments of the United States or to their political subdivisions shall, upon request, notify the Governor, the State legislature, or other official designated by either, of the purpose and amounts of actual Federal assistance awards to the State or its political subdivisions. Such notification will, upon request, also provide such additional related information on other Federal assistance awards, where a perceived need exists, to facilitate State and local government planning, budgeting, or program administration; except that this provision shall not be construed to authorize the disclosure of information pertaining to individuals or to awards made directly to individuals. The Office of Management and Budget shall oversee the compliance by the departments and agencies with the provisions of this section, and shall issue guidelines and regulations to provide uniform compliance by all such departments and agencies."

OFFICE OF MANAGEMENT AND BUDGET STUDY

SEC. 202. The Director shall conduct a study of existing Federal information systems that provide fiscal, budgetary, and program-related data, and information on grant awards and shall report to the Congress within one year from the date of enactment of this Act, his recommendations for the appropriate dissemination of Federal financial information, and his recommendations for statutory changes necessary to further consolidate and improve methods for the dissemination of Federal financial infomation, using modern communications technology.

REPORTS

SEC. 203. (a) Not later than twelve months after the date of enactment of this Act, the Comptroller General of the United States shall undertake, prepare, and submit to the Congress a progress report on the action taken by the Director of the Office of Management and Budget to implement this Act and the degree to which any such actions have been successful.

(b) Not later than twenty-four months ofter the date of enactment of this Act, the Comptroller General of the United States shall prepare and submit to the Congress a full report and audit which shall include, but not be limited to, the following:

(1) a progress report on the action taken by the Director of the Office of Management and Budget to implement this Act and the degree to which those actions have been successful;

(2) an evaluation of the effect of the activities of the Director of the Office of Management and Budget on the efficiency and effectiveness of affected Federal agencies in carrying out their assigned functions and duties under this Act; and

(3) recommendations concerning any legislation he deems necessary, and the reasons therefor, for improving the implementation of title I of this Act.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Program Information Act".

DEFINITIONS

SEC. 2. For the purpose of this Act, the term—

(1) "assistance" refers to the transfer of money, property, services, or anything of value; the principal purpose of which is to accomplish a public purpose of support or stimulation authorized by Federal statute. Assistance includes, but is not limited to grants, loans, loan guarantees, scholarships, mortgage loans, insurance, or other types of financial assistance; provision or donation of Federal facilities, goods, services, property, technical assistance, and counseling, statistical and other expert information, and service activities of regulatory agencies; but does not include provision of conventional public information services;

(2) "Federal agency" means an agency as defined by section 551(1) of title 5, United States Code;

(3) "Federal domestic assistance program" means any function of a Federal agency which provides assistance or benefits for a State or States, territorial possession, county, city, other political subdivision, grouping, or instrumentality thereof; any domestic profit or nonprofit corporation, institution, or individual,other than an agency of the Federal Government; and

(4) "administering office" means the lowest subdivision of any Federal agency that has direct operational responsibility for managing a Federal domestic assistance program.

TITLE I—PROGRAM INFORMATION

DUTIES OF THE DIRECTOR

SEC. 101. The Director of the Office of Management and Budget (hereinafter referred to as the "Director") shall identify all existing Federal domestic assistance programs and provide information on each such program to the general public through electronic media as authorized under section 103 of this Act and through a printed catalog as authorized under section 104 of this Act.

INFORMATION REQUIREMENTS

SEC. 102. (a) The Director shall prepare and maintain a Federal Assistance Information Data Base (hereinafter referred to in this Act as the "data base"). For each Federal domestic assistance program the data base shall—

(1) identify each such program by title, by authorizing statute, by administering office, and by an identifying number assigned by the Director;

(2) describe the program, the objectives of the program, and the types of activities which have been funded under the program;

(3) describe the eligibility requirements, the formulas governing the distribution of funds, the types of assistance, the uses and restrictions on the use of assistance, and the obligation and duties of recipients under the program;

(4) provide financial information, including the amount of funds appropriated for the current fiscal year or, if unavailable, the amount of funds requested by the President, and the amounts obligated, the average amounts of awards made in past years, and within two years, to the extent possible and appropriate, current information on the amount of funds not already obligated nor otherwise committed;

(5) identify information contacts including the administering office and regional and local offices, and their addresses and telephone numbers;

(6) provide a general description of any application requirements and procedures and to the extent practical, an estimate of the time required to process the application.

(b)(1) Each Federal agency shall furnish to the Director, at such times as the Director may determine, current information on all domestic assistance programs administered by such Federal agency.

(2) The Director shall on a regular basis incorporate into the data base all relevant information received under paragraph (1) of this subsection.

COMPUTERIZED PROGRAM INFORMATION SYSTEM

SEC. 103. (a) The Director shall establish and maintain a computerized information system to provide access to the data base.

(b) The Director, to the greatest extent practicable, shall provide for the widespread availability of information contained in the data base, by computer terminals wherever available.

(c) The Director, notwithstanding any other provision of law to the contrary, when he determines the efficiency of the information system established pursuant to subsection (a) of this section requires it, may enter into contracts with private organizations to obtain computer time-sharing services including, but not limited to, computer telecommunications networks, computer software, and associated services.

(d) The Director shall insure that the information available under this Act is made available to the public at a reasonable price.

(e) The Director may develop information services to further assist State and local government officials identify or obtain sources of Federal assistance.

CATALOG OF FEDERAL DOMESTIC ASSISTANCE PROGRAMS

SEC. 104. (a) The Director shall prepare and publish each year a catalog of Federal Domestic Assistance Programs (hereinafter referred to in this Act as the "catalog").

(b) The Director shall prepare and publish supplements to the catalog as necessary.

(c) The Director may prepare and publish specialized compilations of the information in the catalog by functions as necessary.

(d) The catalog shall contain, in such form as the Director determines—

(1) all information on Federal domestic assistance programs that is in the data base at the time that the catalog is prepared;

(2) any other information which the Director considers may be helpful to potential applicants or beneficiaries under such programs; and

(3) a detailed index.

(e)(1) The Director shall make each catalog available to the public at a reasonable price.

(2) There are authorized to be distributed, without cost, catalogs to Members of Congress, Resident Commissioners, agencies, State and general purpose units of local government, federally recognized Indian tribes, Federal deposit libraries, and other local repositories designated by the Director.

SEC. 105. (a) The Director is authorized to transfer to the Office of Management and Budget all personnel, books, records, and other documents of the Department of Agriculture of any kind or description which he determines to be principally held or engaged in the operation and function of the Federal Assistance Programs Retrieval System (FAPRS).

AUTHORIZATION OF APPROPRIATIONS

SEC. 106. There are hereby authorized to be appropriated to carry out the purposes of this Act $1,200,000 for fiscal year 1978, $1,700,000 for fiscal year 1979, and $2,200,000 for fiscal year 1980.

TITLE II—GRANT AND BUDGET INFORMATION SYSTEMS

NOTICE REQUIREMENTS

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OFFICE OF MANAGEMENT AND BUDGET STUDY

SEC. 202. The Director shall conduct a study of existing Federal information systems that provide fiscal, budgetary, and program-related data, and information on grant awards and shall report to the Congress within one year from the date of enactment of this Act, his recommendations for the appropriate dissemination of Federal financial information, and his recommendations for statutory changes necessary to further consolidate and improve methods for the dissemination of Federal financial information, using modern communications technology.

REPORTS

SEC. 203. (a) Not later than twelve months after the date of enactment of this Act, the Comptroller General of the United States shall undertake, prepare, and submit to the Congress a progress report on the action taken by the Director of the Office of Management and Budget to implement this Act and the degree to which any such actions have been successful.

(b) Not later than twenty-four months after the date of enactment of this Act, the Comptroller General of the United States shall prepare and submit to the Congress a full report and audit which shall include, but not be limited to, the following:

(1) a progress report on the action taken by the Director of the Office of Management and Budget to implement this Act and the degree to which those actions have been successful;

(2) an evaluation of the effect of the activities of the Director of the Office of Management and Budget on the efficiency and effectiveness of affected Federal agencies in carrying out their assigned functions and duties under this Act; and

(3) recommendations concerning any legislation he deems necessary, and the reasons therefor, for improving the implementation of title I of this Act.

Mr. ROTH. Mr. President, it gives me great pleasure to take this opportunity to speak on behalf of the Federal Program Information Act which is now before the Senate. This legislation, S. 904, is a major step toward assuring that truth in Government is a general practice as well as a promise.

The Senate has considered legislation similar to S. 904 in prior Congresses. A companion bill, H.R. 6257, has been considered by the House Government Operations Committee and I am confident that final passage for this legislation will come during this Congress.

The Senate Government Affairs Committee has considered S. 904 very carefully and several constructive amendments were accepted during its consideration.

The bill also reflects the suggestions made by the Office of Management and Budget during the committee's consideration. The Office of Management and Budget expressed its willingness to vigorously carry out the intent of this legislation. I am very encouraged by the positive expressions of support from the executive branch and I look forward to working closely with them to assure that the intent of this legislation is carried out.

I would also like to thank specially the cosponsors of this legislation for their fine cooperation and support. Senator TED KENNEDY and I have worked in close cooperation to bring the information secrets of the Federal Government out into the open. The effort to make Government more responsive to State and local government officials has been greatly aided by Senators MUSKIE, PERCY, CHILES, GRAVEL, and NUNN who have cosponsored this legislation as well.

I would like to comment briefly on some of the background for this legislation.

TRUTH IN GOVERNMENT

It is a matter of basic fairness to provide equally to all potential applicants, who may be eligible, adequate information about Federal grant money. I believe beneficiaries of Federal grant programs have a right to the full, fair, and timely disclosure of program information and that the Federal Government has a responsibility to make such information readily available.

This legislation would revolutionize the Government way of doing business with Federal grant programs because it will mean that every citizen from the mayor of Smyrna, Del. to the president of Harvard University will have access to the same information about programs and funding availability at the same time.

It is hard to believe that citizens and local officials are prevented today from finding out what grants are available, what purposes they are supposed to serve, and whether funds actually remain for the potential recipient to apply for. But this is often the case.

Truth in government demands that citizens have equal access to information about how government spends their tax dollars. This bill is an important step forward in giving every citizen full and equal access to Government information on Federal grants. Open government reforms will be meaningless if the door opens to government jargon, misleading statistics and bureaucratic hieroglyphics about programs. Access to misleading information is worse than having no information at all. We intend with this legislation that for the first time we will be opening not just the door to government but the government books on the dispersal of grant money to States and localities.

PROGRAM FRAGMENTATION

One of the central concerns in intergovernmental relations in recent years has been with Federal assistance programs. During the past two decades there has been astonishing growth and proliferation of special purpose aid programs. In 1950 the Federal expenditure for grants-in-aid was $2 billion. This year we will spend more than $70 billion.

The Government has created a grants system intended to help serve our citizens by matching local needs with resources earmarked for special high priority purposes. The performance record in accomplishing this goal has been frustrated for years, however, by the redtape, complexity, and absence of information about assistance opportunities.

Last year in a report by the National Governors' Conference entitled "Federal Roadblocks to Efficient State Government" the Governors expressed their frustration with the needless administrative complexity in Federal grant programs. Program implementation is repeatedly delayed by the long approval process, the absence of program guidelines, a lack of coordination, and excessive paperwork requirements. Many local officials do not even bother trying to locate sources of Federal aid because they have neither the time nor resources to compete with professional grantsmen for limited financial resources. Their return on investment is too low to justify the paper chase with Washington.

The Advisory Commission on Intergovernmental Relations recently completed the most comprehensive examination of the Federal grant system ever conducted. It has made a thorough assessment of Federal grants management and published its findings and recommendations in a volume entitled, "Improving Federal Grants Management." The study documents the areas of weak coordination and management of Federal domestic programs and offers many recommendations for improving intergovernmental relations. The Commission documents major areas of weakness in the communication and consultation between Federal and local officials and recommends that Federal grant information systems be upgraded.

I speak from personal experience of the battle to unlock information about Federal programs. When I first came to Congress 10 years ago no one knew how many programs existed. There was no

place that the State and local government officials could turn for full and complete information on Federal categorical programs. I conducted a study in 1968 and 1969 with a small staff to identify and describe for the first time every Federal program by name and department. The product of my investigation was published in 1969 as the first detailed and comprehensive catalogue of domestic assistance programs. The Office of Managment and Budget has continued to publish the Catalogue of Federal Domestic Assistance annually pursuant to OMB Circular No. A-89. Today, the Catalog is still the primary resource for program information available to the public.

HELP FOR LOCAL OFFICIALS

With the development of this information system a local official will be able to select a particular community project such as sewer construction, soil conservation, public housing or recreation facilities and request a listing of all Federal programs which make grants for that purpose. The center will furnish applicants with information about who to contact, where to apply, what restrictions are imposed, and whether any funds are available for the program.

The advantage to the use of a computerized catalog is that a local official is guided to the specific programs which have aid for certain purposes. The user does not have to page through the catalog trying to determine what each program offers.

A potential applicant would feed into the computer some basic information on his project needs and he would provide a simple profile of his community. The computer would then furnish a listing of all programs for which the individual meets the basic eligibility criteria. Thus, the local official would use the computer information center to specify what his needs are and he would receive a printed summary of available programs. The computer, will conduct a search in minutes that has often taken hours of the local official's time.

This comprehensive, quick and easy-to-use system offers a significant improvement over the cumbersome methods now in use. The difficulty that people have identifying programs which may prove to be a source of funds is often the most frustrating aspect of applying for Federal aid programs. Many local officials simply do not bother applying for Federal aid due to the difficulty in locating funds and the administrative redtape.

The computerized information system which would be established by this legislation could be linked to States and communities throughout the Nation. Telecommunications technology is available today that permits data developed and stored in a central file to be transmitted to almost any other geographic location where there is compatible terminal equipment. If there are no terminals in a community it would be relatively easy to gain access to one in a neighboring community or county. A local official could telephone his request into a distribution center 20, 50, or 200 miles away in order to obtain access through a terminal to the central computer. The request would be processed in seconds and the printed summary of program information can then be mailed back to the outlying community official.

These distribution centers could include many types of Federal agency offices, State government offices, or private organizations. The bill imposes no restrictions on the types of offices which could provide access for the program information. Thus the terminal equipment may be located in a county office, a U.S. Department of Agriculture office, Governor's office, a Congressman's or Senator's office, a university office, a social security office, or a private business office. The intent of the legislation is to make the distribution as broad as possible.

BREAKTHROUGHS IN TECHNOLOGY

Despite the recent history of growth in intergovernmental assistance, we have not witnessed a corresponding improvement in grants management and information systems. The tremendous breakthroughs in information technology of the past decade have not been utilized effectively to improve information systems in Federal grant administration.

It seems incredible that an airline firm can determine whether a seat has been booked for a 10 o'clock flight 2 months in advance, but that the Federal Government cannot tell the city of Seaford, Del., whether there is money available to apply for in developing a community health facility. Yet this is true today.

S. 904 would be a giant step forward in improving both the access and the quality of information available to citizens and State and local officials.

The "Catalog of Federal Domestic Assistance" is the primary tool today for local officials trying to locate Federal assistance. The catalog contains descriptions of the more than 1,000 domestic aid programs. However the information is often outdated by the time a local official tries to use it. The local official must spend hours pouring over indexes, eligibility requirements, and program descriptions.

Once a prospect is identified, the applicant spends more hours preparing an application to document the need for a project. Months later, after the application is completed and processed, the local official may discover that all of the funds for the program have been committed and no funds are available. The time and money spent on the application is completely wasted. The American taxpayer pays twice for the same project—once through the Federal tax dollar to fund the program and again through the State and local tax dollars to pay for the time spent locating and applying for the Federal funds.

The information on the availability of funds will be extremely helpful to anyone planning to apply for a grant. Computerized access to program data by local officials will go a long way to assure that time and resources are not wasted in a fruitless search for Federal funds.

Senators and Congressmen will be greatly assisted by these advances in computerized data systems. For the first time, they would be in a position to respond quickly to constituent inquiries about programs for district projects. The access to programs and funding data through a computer terminal located in a congressional office will short cut the tedious and time-consuming telephone search required when looking for a program with funds available.

This legislation is a logical step forward in fulfilling our commitment to open Government and in making Government more manageable, more effective, and more responsive to the public.

Mr. MUSKIE. Mr. President, S. 904, the Federal Program Information Act, is an important step toward providing complete and accurate information about Federal assistance programs to intended beneficiaries. Enactment of this legislation will mean a substantial reduction in time spent by applicants searching for Federal assistance funds. And it will mean that all units of government will be able to compete for Federal dollars on a more equitable basis.

It is not difficult to justify the need for this legislation. Since the early 1960's, Congress has enacted hundreds of Federal assistance programs to meet specific needs. There are now over 1,100 different, Federal assistance programs administered by some 52 separate Federal agencies. Each of these programs has its own set of regulations, eligibility requirements, and application requirements and deadlines.

During this period, little was done to assure that information about these programs reached those whom they were designed to benefit. As a result, applicants, mostly State and local governments, have had to use their own resources to seek out Federal assistance programs. This is a difficult, time-consuming task. Often, an applicant will overlook a very important program for which his community is qualified. Or, as the General Accounting Office reported in a study last year, "many State and local officials do not learn about a program until it is too late to apply."

This situation has resulted in the reliance of many units of government on full or part-time Washington representatives, whose job is to seek out sources of Federal assistance. But what of the community that cannot afford this kind of professional help? These communities often lose out, because they have neither the time, nor the expertise needed to look after their interests.

The Federal Program Information Act seeks to correct these problems in what I believe is a most sensible method. A potential applicant will be able to obtain a computer printout, within minutes, of all the programs his jurisdiction is eligible for, within a given program area. If he were to use only the Catalog of Federal Domestic Assistance Programs, this search could take hours.

And most importantly, the applicant will be able to determine, before spending dozens of hours devising a plan, meeting the program requirements and filing the complex application forms, whether there are funds to be applied for.

Mr. President, the Federal grant system has become cumbersome and com-

plicated. This bill takes an important step toward making that system more usable by its intended recipients.

Mr. President, in closing I want to pay special tribute to the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Delaware (Mr. ROTH) for their outstanding contributions to the development of this legislation. It is because of their work that this necessary bill will pass the Senate today.

Mr. KENNEDY. Mr. President, the Federal Program Information Act which is before the Senate today, will bring Federal funding into the computer age. Enactment of S. 904 will establish in the Office of Management and Budget a computerized information system to provide the public with information on all Federal domestic assistance programs.

There are over 1,000 Federal domestic assistance programs, but there is no straightforward way to obtain information on these programs. Many intended beneficiaries are unable to obtain assistance because of the difficulty of identifying programs for which they are eligible. Frequently, a city or town seeking Federal aid to build a new hospital, a school, or a sewage treatment plant, will spend weeks trying to determine which programs might be available to the community. Then the community may spend additional time working through the forms and going through the application process. Finally, by the time the application is filed, the deadline for consideration by the agency may have passed or the funds may have been shifted to another program.

With the system established by this legislation, the applicant will feed into a computer some basic information on the kinds of assistance needed, and he will also provide a profile of his community. The computer will then furnish a list of all the programs for which the applicant meets the eligibility requirements. This system is quick, efficient, and easy to use. It represents a great improvement over the cumbersome methods now in use.

At a time when millions of Americans are questioning the capacity of the Federal Government to place the people's interests ahead of the bureaucracy's interests, the Federal Program Information Act represents a small but important step toward restoring the credibility of the Government. I urge the passage of this legislation.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-135), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of S. 904 is (1) to increase the availability of information about Federal domestic assistance programs to intended beneficiaries, and (2) to improve and consolidate postaward notification systems to help beneficiaries better plan for and manage Federal assistance funds.

The legislation would accomplish this by requiring the Director of the Office of Management and Budget to:

(1) Establish and maintain a data base containing comprehensive information on all Federal domestic assistance programs;

(2) Develop and maintain a computerized information system to provide for the widespread availability of information contained in the data base by computer terminal facilities;

(3) Publish a catalog of Federal domestic assistance programs containing information from the data base;

(4) Develop and establish as part of the data base financial information, including unobligated and uncommitted funds;

(5) Overseas agency compliance with section 201 of the Intergovernmental Cooperation Act of 1968, as amended by this legislation; and

(6) Study existing postaward notification systems and recommend to Congress how to further consolidate and improve these systems.

BACKGROUND

Over the past decade and a half, Congress has attempted to solve many problems facing society by enacting programs of Federal aid to States, local governments, institutions, Indian tribes and individuals. Accordingly, the number of Federal domestic assistance programs has increased significantly during this period, from a cost of $7 billion annually in 1960 to over $60.5 billion in fiscal year 1976. The number of Federal grant authorizations increased from 160 in 1962, to over 650 in 1971. The actual total number of programs administered under these authorizations is much larger. The 1976 Catalog of Federal Domestic Assistance lists over 1,100 assistance programs administered by 52 separate Federal agencies.

Each of these programs has its own set of regulations specifying different requirements for eligibility, types of assistance provided, application forms to be filed, and application deadlines.

Despite the rapid proliferation of Federal assistance programs little has been done to provide information about these programs to intended beneficiaries. The General Accounting Office reported recently that:

The Federal Government has no single source of reliable and complete information on the type and availability of Federal assistance programs for State and local governments. Because of the proliferation of such programs, State and local governments have devoted considerable time and effort to identifying, keeping informed of, and availing themselves of Federal assistance. Despite these efforts, many State and local officials do not learn of available Federal assistance or learn of it too late to apply.

Currently, the primary tool available to individuals and government units seeking Federal assistance is the Federal Domestic Assistance Catalog prepared by the Office of Management and Budget.

However, the size and complexity of the catalog and its limited capacity to provide current grant information limits its usefulness. Lois M. Parke, councilman from New Castle County, Del., testified at hearing on S. 904:

I don't believe it was Congress intent for it (grant-searching) to become a highly specialized field in which those who are experts in the profession would be able to achieve grants, and those who were NOT would be denied grants. Unfortunately, I think in many cases this occurs.

The committee is also concerned about the trend for cities and States to open Washington offices. About 40 cities and 22 States now have Washington representatives. The number of cities participating in the National League of Cities—U.S. Conference of Mayors "man in Washington program" has jumped from 26 to 40 in 2 years.

These statistics indicate that increasingly, cities and States, which are the principal recipients of Federal domestic assistance, must employ full-time professionals to seek Federal funds. In addition to unnecessarily burdening those cities and States able to afford it, this practice places other cities and States, unable to afford such professional help, at a real disadvantage in securing Federal assistance. As Senator Roth stated during hearings on S. 904, ". . . in many cases, those with the greatest need have the least opportunity."

The experience applicants have had with the Federal assistance application process has also demonstrated a need for a financial information tracking system, so that an applicant knows, before going through the complex application process, whether or not funds are available to be applied for. Mayor John Ed Scott of Murray, Ky., testified that one of the problems in applying for Federal assistance "is the frustration which occurs over time spent applying for a program and meeting its requirements only to find out that there are no longer any funds available. . . ."

In addition, States and local governments currently have no reliable way to find out what grants are being made by the Federal Government in their area, nor in what amounts or for what purposes. There are currently systems in place to monitor amounts of Federal aid, but each of these systems is maintained separately and none are coordinated. Further, these systems have been criticized for being inaccurate, untimely and incomplete.

The General Accounting Office, in a 1975 report to Congress entitled "States Need, But are Not Getting Full Informaiton on Federal Financial Assistance Received", states that:

States and local governments must devote considerable time and effort to simply keep informed on available Federal assistance. These problems, individually and collectively, cause the planning and implementation of State and local projects to be significantly impeded.

The Program Information Act of 1977, S. 904, is similar to a bill introduced during the 94th Congress, S. 3281, which was approved by the committee and passed by the Senate on a voice vote. No action was taken in the House.

Similar legislation has been considered and reported favorably during four consecutive Congresses. S. 60 passed the Senate in October, 1970 (91st Congress); S. 718 passed the Senate in September, 1972 (92d Congress); S. 928 passed the Senate in November 1973 (93d Congress); and S. 3281 passed the Senate on June 11, 1976 (94th Congress). In each case, the legislation was not fully considered in the House of Representatives and was never enacted.

SUMMARY AND NATURE OF THE FEDERAL PROGRAM INFORMATION ACT

The Federal Program Information Act would require the Director of the Office of Management and Budget to establish and maintain current information, in machine-readable form, about all Federal domestic assistance programs. This information would be made accessible by computer terminal, as well as in a published catalog of Federal domestic assistance programs.

Full disclosure of program information would be required under the act, including the identification of the program, a comprehensive description of the program and its objectives, eligibility requirements and restrictions on the use of funds and obligations under the program, identification of appropriate officials to contact, financial information including current information on funds not already committed, a description of the application process, and identification of closely related programs.

The information would be maintained on data files for each Federal program. A potential applicant would be able to identify programs suited to his particular needs by using a computer to cross-reference his requirements with available programs. The user would receive a printed summary listing all programs which may have funds available for the specified needs of the applicant.

The program information would continue to be published in catalog form, using the same information provided in the data base, and made available to State and local governments and Members of Congress. The catalog would be updated or supplemented annually, or as often as practicable.

S. 904 would provide the applicant with more complete and more up to date information than is presently available. It would further improve postaward notification systems, to help applicants, especially State budget planners, better manage and plan for Federal assistance.

The committee witnessed a demonstration of the Federal Assistance Program Retrieval System (FAPRS) that has been developed by the Rural Development Service of the Department of Agriculture, as well as a computerized postaward-tracking system. The Committee believes that FAPRS should serve as a model for the information system to be established by this act, and that to the extent practicable, the computerized program information system should build upon FAPRS.

At the present time, the Department of Agriculture has responsibility for FAPRS, and the Catalog of Federal Domestic Assistance Programs is prepared by the Office of Management and Budget. It is hoped that economies can be realized by establishing the Office of Management and Budget as the single focal point for the gathering and dissemination of information about Federal assistance programs. For instance, the catalog could be prepared from the same data tapes that are used for the computerized information system.

It is the intent of the committee that the data base established under this act be revised on a regular basis so as to incorporate information with respect to any change in each Federal domestic assistance program as soon as practicable after the change is made. This may necessitate the use of informal methods of communication between the Office of Management and Budget and the administering offices, such as the communication of information by telephone.

While recognizing that these methods may make it difficult for the Director of the Office of Management and Budget to be strictly accountable for the accuracy of the information in the data base, the committee considers it desirable to use the most rapid methods of communication in the interest of being able to provide the public with information that is significanly more timely than the present techniques allow.

The committee further recognizes the difficulty of providing the public with timely, meaningful financial information for each Federal domestic assistance program, and is aware of the fact that appropriation accounts do not correspond on a one-to-one basis to program accounts. It is also recognized that, because most agencies apply a system of administrative reservations in programing their funds, the amount of unobligated funds may overstate the amount of funds that are truly available to an applicant.

Nevertheless, the committee wishes to stress the importance of providing prospective applicants with useful information on availability of funds, so that applicants will not waste time applying for funds only to find that funds have been exhausted. It is technically feasible to provide accurate financial information. The legislation gives the Office of Management and Budget the authority and flexibility to develop appropriate procedures for accounting and reporting the information.

It is the intent of the committee that the information system use existing commercial computer timesharing services to the greatest extent possible. The act provides authority for the Office of Management and Budget to contract with private timesharing companies.

It is not intended that the Government purchase a network of computer terminals solely for the purpose of disseminating information to individuals and local officials under this act. The information could be made available to any person through the use of computer terminals wherever available. Thus terminals could be supplied by State government offices, Federal agency offices, congressional offices, and by profit or nonprofit corporations. The Office of Management and Budget would assure that the information is available at a reasonable price if a user charge is made.

The committee believes further that there are serious gaps and inefficiencies in the postaward notification systems, and that the Director of the Office of Management and Budget should have a stronger responsibility in insuring that this information is provided accurately and in a timely fashion.

The act gives responsibility to the Director of the Office of Management and Budget to examine postaward notification systems that provide fiscal, budgetary and program-related data and information on grant awards and make recommendations to the Congress for improving and consolidating these systems. These information systems are now administered in a scattered, uncoordinated fashion. They include Treasury Circulars 1082 and 1014; OMB Circulars A-95 and A-98; the Community Services Administration's Report on Federal Outlays; and the General Services Administration's Circular FMC 74-7, as well as individual agency notification systems.

The committee believes a system can be developed whereby post-award notification can be handled in a consistent and comprehensive manner. The committee believes that this can be accomplished if a centralized information system is developed. At a minimum, conflicting methods and procedures for reporting awards by the Federal agencies should be coordinated and made more uniform. The committee places responsibility with the Office of Management and Budget to oversee and enforce the notification of awards to State and local governments.

HEARINGS

A day of hearings was held on S. 904 on April 5, 1977. Witnesses included James T. McIntyre Jr., Deputy Director of the Office of Management and Budget; Lois M. Parke, councilman, New Castle County, Del.; Aliceann Fritschler, deputy director of Federal affairs National Association of Counties; Joseph Stewart, deputy director, Office of Finance and Administration, State of Arkansas (testifying for the National Association of State Budget Officers); Lee Galeotos, deputy comptroller, State of Iowa; Paul Kugler, Director of Plans and Programs, Rural Development Service, United States Department of Agriculture; Jerry Stephens, Assistant Regional Director for Intergovernmental Programs, H.E.W., Dallas region; Barry I. Budlong, administrator, Office of Intergovernmental Affairs, State of Connecticut; John Ed Scott, mayor, Murray, Ky.; Howard K. Atherton, commissioner, Bureau of Community Affairs, State of Georgia; Senator Edward M. Kennedy, Senator Thomas J. McIntyre, co-chairman, Commission on Federal Paperwork.

All of the witnesses testified in support of the bill.

Mr. James McIntyre expressed some practical concerns about several portions of the bill—chiefly the provisions requiring information on unobligated or uncommitted funds and the postaward tracking system. Ensuing discussions between the committee staff and the staff of the Office of Management and Budget resulted in amendments that were mutually agreeable.

Mr. McIntyre also expressed concern about the provision requiring the establishment of a Program Information Center within the Office of Management and Budget, and the appointment of a Director, in view of the current reorganization of the executive branch agencies. That section was deleted, and responsibility given to the Director of the Office of Management and Budget.

CONCLUSION

The committee concluded that the beneficiaries of Federal assistance programs have a right to the full, fair and timely disclosure of program information and that the Federal Government has a responsibility to make such information readily available. The enactment of the Federal Program Information Act would be an important step in fulfilling this responsibility and reducing the inequities and inefficiencies inherent in the present information system.

ESTIMATED COST

This legislation would authorize the Center for 3 years, beginning at a level of $1,200,000. The authorization would increase by $500,000 increments for each succeeding year to provide for development costs and increased administrative, maintenance and printing expenses.

AMENDMENT OF THE DEEPWATER PORT ACT

The Senate proceeded to consider the bill (S. 891) to amend section 25 of the Deepwater Port Act of 1974 by providing a permanent authorization of appropriations, which had been reported from the Committee on Commerce, Science, and Transportation with an amendment on page 1, beginning with line 5, to strike through and including line 6, and insert in lieu thereof:

"SEC. 25. There are authorized to be appropriated for administration of this Act not to exceed $2,500,000 for the fiscal year ending June 30, 1975; not to exceed $2,500,000 for the fiscal year ending June 30, 1976; not to exceed $2,500,000 for the fiscal year ending September 30, 1977; not to exceed $2,500,000 for the fiscal year ending September 30, 1978; not to exceed $2,500,000 for the fiscal year ending September 30, 1979; and not to exceed $2,500,000 for the fiscal year ending September 30, 1980.".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read:

A bill to extend the authorization for appropriations under the Deepwater Port Act, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-145), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

It is the purpose of this bill to extend the authorization for appropriations under the Deepwater Port Act of 1974 (Public Law 93-627). The Deepwater Port Act established a

licensing and regulatory program governing offshore deepwater port development beyond the territorial limits of the United States.

The act authorizes the Secretary of Transportation to issue, transfer, amend, or renew a license for the ownership, construction, and operation of deepwater port. Section 6 of the act requires the Secretary to establish environmental review criteria which shall be used to evaluate a proposed deepwater port, and section 4 of the act requires a demonstration by the applicant that the proposed deepwater port will be constructed and operated using best available technology, so as to prevent or minimize adverse impact on the marine environment.

DESCRIPTION

S. 891, would amend the Deepwater Port Act of 1974 by authorizing appropriations for fiscal years 1978, 1979, and 1980 of not to exceed $2.5 million for each year to cover administrative costs of the Department of Transportation.

BACKGROUND AND NEED

In the latter part of the 1960's, business and Government officials identified the need to develop port facilities capable of handling unusually large oil tankers. New oil tanker orders asked for ships 5 to 10 times the size of the 40,000 deadweight ton vessel which made up the bulk of the oil tanker fleet after World War II. These larger vessels could not only carry a rapidly expanding world oil trade but could do it much more cheaply. Crude oil tankers of 200,000 tons or larger brought about a cost saving equal to one-third the cost of operating the smaller vessels. Building one 200,000-ton vessel is also much cheaper than building five 40,000-ton vessels.

As the world fleet was being transformed into a fleet of "supertankers," the United States faced the possibility of losing the economic savings brought about by their use. Existing U.S. oil ports simply could not accommodate the deep draft of these oil vessels. Depths of 100 feet are required. But U.S. east and gulf coast ports are limited to 45-foot-draft vessels.

When examined, use of offshore ports, several miles from the coast, appeared both feasible and economical to handle larger tankers. In addition, Government studies showed substantial environmental benefit as a result of offshore port siting. Less congestion in coastal waters reduced the risk of oil spills. Also, offshore ports would obviate the need to dredge inshore ports to make adequate channels depths for the larger crude oil vessels.

The Deepwater Port Act became law on January 3, 1975. Immediately thereafter, the Department of Transportation took steps to implement the law. Regulations were promulgated, environmental investigations begun, and interagency coordination instituted. Deepwater Port Act applications were received from LOOPS, Inc., and Seadock, Inc., to construct and operate ports off the coast of Louisiana and Texas, respectively. Approximately 1 year later, as required under the act, Secretary William Coleman offered licenses to both LOOP and Seadock. However, because of conditions in the licenses to prevent anticompetitive abuse, the two companies are still reviewing the professed licenses. The two applicants must decide by August 1, 1977, whether they will accept or reject the licenses. If the licenses are accepted, it is estimated that the ports would be operational by mid-1979.

S. 891 is needed in order to enable the Department of Transportation to conduct the necessary oversight of construction and operation of the ports. Besides basic engineering oversight, the Department must monitor certain aspects of the ports to insure conformity with license conditions and environmental impact statements. Finally, the Department must retain a state of readiness in case additional applications for deepwater port construction are received.

COMMITTEE ACTION

The Committee on Environment and Public Works ordered S. 891 (as amended) favorably reported by unanimous voice vote on May 10, 1977.

The Committees on Energy and Natural Resources and Commerce, Science, and Transportation ordered the bill favorably reported by unanimous voice vote on May 12, 1977.

ESTIMATED COSTS

Pursuant to the requirements of section 252 of the Legislative Reorganization Act of 1970, the Committees estimate that the cost of the proposed legislation will be as follows:

Fiscal year 1978	$2,500,000
Fiscal year 1979	2,500,000
Fiscal year 1980	2,500,000
Total	7,500,000

REGULATORY IMPACT STATEMENT

Paragraph 5(a) of rule XXIX of the Standing Rules of the Senate requires the inclusion of a regulatory impact statement in Committee reports on proposed legislation. The Deepwater Port Act of 1974 authorized a regulatory regime to govern the ownership, construction, and operation of offshore ports located beyond U.S. territorial limits (3 miles). By providing this legal regime, the legislation paved the way for secure investment in a previously uncertain undertaking. However, the legislation provides authority to impose regulations to carry out the purposes of the act: environmental protection, sound construction, certain responsibility for damages, safe navigation, and prevention of anticompetitive abuse. Regulations for these purposes are already in place. This legislation neither adds to nor subtracts from that body of regulations.

DEPARTMENTAL REPORT

DEPARTMENT OF TRANSPORTATION,
Washington, D.C., January 17, 1977.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed within herewith is a draft of a proposed bill "to amend Section 25 of The Deepwater Port Act of 1974 by providing a permanent authorization of appropriations."

The authorization for appropriations contained in the Deepwater Port Act of 1974, Public Law 93-627, expires at the end of fiscal year 1977. On April 7, 1976, similar legislation was submitted by the Department of Transportation to meet the requirements of the Congressional Budget and Impoundment Control Act of 1974. Although this proposal was introduced as S. 3601 in the second session of the 94th Congress, no congressional action was taken. However, the administration of the Deepwater Port Act by the Department of Transportation is a permanent, active program requiring an extension of its current authorization. The decision has been made to license the first two deepwater ports. Prompt consideration of this proposal is essential.

The Deepwater Port Act of 1974 created a Federal Plan for authorizing and regulating offshore ports designed to receive oil from vessels too large to enter conventional ports. The Act authorizes the Secretary of Transportation to license owners and operators and to issue regulations to control the location, construction, and operation of deepwater ports. The Secretary is required to take steps to protect the marine and coastal environment and, after consultation with other Federal agencies, to prescribe environmental protection criteria. The Coast Guard, operating within the Department of Transportation, has been delegated the primary responsibility of implementing the Act with policy making authority reserved to the Secretary.

Section 18 of the Act prohibits oil discharges from deepwater ports and creates a "Deepwater Port Liability Fund." This revolving fund, financed by a charge levied on oil transferred at deepwater ports, is primarily liable for oil spill removal expenses and damages. This fund will not come into existence until completion of the first deepwater port, still several years away. The complete process of licensing, engineering review, and safety regulation formulation for the first two deepwater ports is not expected to be completed until the latter part of 1978. Meanwhile, the President submitted a proposal for a "Comprehensive Oil Pollution Liability Compensation Act" to the 94th Congress. The need for a comprehensive law to replace the existing patchwork of liability compensation legislation has been widely recognized. If such legislation is enacted the provisions of section 18 of the Deepwater Port Act of 1974 relating to oil pollution damage and cleanup should be superseded. However, administrative functions relating to the licensing and operations of the deepwater ports will remain, and appropriations will be necessary for continuing administrative expenses and salaries.

Section 25 of the Deepwater Port Act of 1974 presently authorizes appropriations of $2,500,000 for fiscal year 1976 and the same amount for fiscal year 1977. Since future expenses under this Act will be primarily for administrative expense and salaries, we are proposing to amend section 25 to provide a permanent authorization of appropriations. If this proposal is enacted the funds necessary to implement the Act will be included in those funds requested by the Department of Transportation in its yearly request for appropriations. This approach is consistent with the usual method of funding departmental administrative activities.

It would be appreciated if you would lay this proposal before the Senate. A similar proposal has been submitted to the Speaker of the House of Representatives.

On January 17, 1977, the Office of Management and Budget advised that the Administration has no objection to the enactment of this proposed legislation.

Sincerely,

WILLIAM T. COLEMAN, JR.,
Secretary.

Enclosure: Draft Bill.

A bill To amend section 25 of the Deepwater Port Act of 1974 by providing a permanent authorization of appropriations

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 25 of Public Law 93-627, (88 Stat. 2147; 33 U.S.C. 1524) is amended to read as follows:

"SEC. 25. There are authorized to be appropriated such sums as may be necessary for the administration of this Act."

STATEMENT OF ERNEST T. BAUER, ACTING DIRECTOR, OFFICE OF DEEPWATER PORTS, UNITED STATES DEPARTMENT OF TRANSPORTATION, BEFORE THE SUBCOMMITTEE ON WATER RESOURCES OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION OF THE U.S. HOUSE OF REPRESENTATIVES ON LEGISLATION TO EXTEND AUTHORIZATIONS FOR THE DEEPWATER PORT PROGRAM, APRIL 25, 1977.

Mr. Chairman and members of the subcommittee, I am Ernest T. Bauer, Acting Director, Office of Deepwater Ports in the Department of Transportation. I welcome the opportunity to appear before this Subcommittee today to discuss the Department's Deepwater Port program, and to express our appreciation for the Committee's prompt consideration of our authorizing legislation. The authorization for appropriations contained in the Deepwater Port Act of 1974

expires at the end of fiscal year 1977. However, the administration of the Deepwater Port Act by the Department of Transportation is a continuous, active program, and therefore we have requested extension of the current authorization beyond the current expiration date.

As we indicated in our letter transmitting the proposal to the Congress, future expenses under the Act will be primarily for administrative expenses and salaries. Accordingly, we are proposing that the Act be amended to provide a permanent authorization of appropriations, so that funds necessary to carry out our activities under the Act will be included in those funds requested by the Department in its yearly budget request for appropriations. I might add that this approach is consistent with the usual method of funding departmental administrative activities.

Mr. Chairman, when deepwater ports become operational in this country, they will provide a superior method—from both a cost and environmental viewpoint—for handling that portion of oil which we cannot avoid importing for some years ahead in order to meet our energy needs. The immense capacity of supertankers will reduce significantly the per barrel cost of transporting oil. Also, the use of such tankers in conjunction with deepwater ports will reduce the danger of spills and increase environmental protection, since fewer conventional tankers would be required to deliver oil to our crowded harbors.

I would now like to highlight some of the Department's activities and progress towards achieving a viable operational Deepwater Ports Program. As you know the Deepwater Port Act of 1974 created a Federal Plan for authorizing and regulating offshore ports designed to receive oil from vessels too large to enter conventional ports. The Act authorizes the Secretary of Transportation to license owners and operators and to issue regulations to control the location, construction, and operation of deepwater ports. The Secretary is required to take steps to protect the marine and coastal environment and, after consultation with other Federal agencies, to prescribe environmental protection criteria.

In carrying out the Department's responsibilities under the Act, former Secretary of Transportation Coleman approved on January 17, 1977, deepwater port license applications for LOOP, Inc. and Seadock, Inc. to construct and operate deepwater ports in the Gulf of Mexico off the coasts of Louisiana and Texas, respectively. The Department's processing of these two license applications was completed in the approximate one year time frame provided for by the statute and involved many different aspects of the proposed ports. Environmental impact review received a high priority during the processing of these two applications and the Department produced, through private consultants, comprehensive environmental impact statements for both proposed ports. We also processed requests received from the States of Florida and Mississippi for adjacent coastal State status, but the requests were ultimately denied by the Secretary, as not meeting the criteria established by the Act. Another of our activities was the review in detail of an alternative deep draft channel proposed by the Port of Galveston which we compared to the Seadock application. In approving the Seadock application, the Secretary found, after consideration of economic, social, and environmental factors, that, of the two proposals, the Seadock proposal would better serve the national interest.

The Department conducted public hearings both in Louisiana and Texas, in May 1976, as required by the Act, and a final public hearing was held in September 1976 in Washington, D.C.

Antitrust reviews of both applications were carried out by Department personnel working in close cooperation with the Department of Justice and the Federal Trade Commission. This review resulted in conditions being included in the licenses that are designed to prevent anticompetitive practices in the operation of the ports. The licenses also contain conditions to ensure environmental protection and safety.

The issuance of licenses marked the beginning of the Departments' responsibility with respect to the design, construction and operating phases of the ports. The two applicants must decide by August 1, 1977, whether or not they will accept the licenses. August 1 concludes a six month period during which the licensees are required to keep their membership open, in satisfaction of one of the antitrust conditions of the licenses. At present, the Department is working with both licensees to agree on a form of financial guarantee (financial guarantees to cover construction, port removal, and oil spill liability) as required by the Act.

We estimate that the ports may become operational within two years of acceptance of the licenses, or by mid-1980. During design and construction of the ports, the Department will conduct an engineering review of plans and monitoring aspects of the ports to ensure conformity with license conditions and the environmental impact statements.

Once the ports become operational, Departmental monitoring teams will observe port operations to ensure conformance with environmental and antitrust license provisions, as well as occupational safety. Teams will board the tankers calling at the ports to oversee crude oil transfer operations and will continually monitor tanker safety. Surveillance flights over the ports will monitor any oil spill pollution. In the civil rights area, an affirmative action program drafted by the licensees will be monitored to safeguard against any discrimination in employment.

Finally, the Department must remain prepared to process additional license applications as they are received.

Mr. Chairman, this concludes my prepared statement. We will attempt to answer any questions the Subcommittee may have.

ATLANTIC TUNAS CONVENTION ACT AUTHORIZATIONS

The bill (H.R. 6205) to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Atlantic Tunas Convention Act of 1975, was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-146), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the legislation is to amend the Atlantic Tunas Convention Act of 1975 to authorize to be appropriated such sums as may be necessary to carry out its purposes for fiscal years 1978, 1979, and 1980.

DESCRIPTION

H.R. 6205, as reported, would amend the Atlantic Tunas Convention Act of 1975 to extend it for an additional 3 years, until September 30, 1980. That act implements an international convention which governs fishing for tuna and tuna-like fishes in the Atlantic Ocean. In addition, the bill would redefine the term "fisheries zone" as used in the act to give it the same meaning as used in the Fishery Conservation and Management Act of 1976, Public Law 94-265.

BACKGROUND AND NEED

The International Convention for the Conservation of Atlantic Tunas (ICCAT) was signed in Rio de Janeiro on May 14, 1966. It was ratified by the United States on April 24, 1967, and entered into force on March 21, 1969, upon receiving the required ratifications of seven of the parties to the convention. Parties to the convention presently include the United States, Canada, Brazil, Cuba, France, Portugal, Spain, Ghana, the Ivory Coast, Morocco, Senegal, South Africa, Japan, Russia, Angola, and Korea. The Governments of the Dominican Republic, Gabon, and Venezuela have signed the convention, but have not yet ratified it. Much of the credit for bringing the International Commission for the Conservation of Atlantic Tunas into being belongs to the United States. The United States has had years of experience in the eastern Pacific with the Inter-American Tropical Tuna Commision and had been aware of the need for international cooperation and scientific conservation programs to maintain tuna resources in a highly productive condition.

The convention was a response to the increasing exploitation of tuna resources of the Atlantic Ocean by a large number of nations of Europe, Africa, the Americas, and Asia. It further indicated the concern of fishery experts of those nations over the danger of overfishing and the decline in productivity levels of tunas and tuna-like fishes.

Those species of tuna that have been identified as being covered by the convention are the bluefin, southern bluefin, yellowfin, albacore, bigeye, Atlantic little tuna, blackfin, and skipjack. Those species of tuna-like fishes covered by the convention are the Atlantic bonito, frigate mackerel, bullet mackerel, Atlantic sailfish, black marlin, Atlantic blue marlin, Atlantic white marlin, longbill spearfish, Mediterranean spearfish, and the broadbill swordfish.

The convention provides for the establishment of a Commission and states that each of the contracting parties shall be represented on the Commission by not more than three delegates. The Commission, which is required to meet once every 2 years, is charged with the responsibility of conducting research "on the abundance of tuna and tuna-like fishes, biometry and ecology of the fishes, the oceanography of their environment, and the effects of natural and human factors upon their abundance." In carrying out this responsibility, the Commission is directed to utilize, to the maximum extent possible, the services and information of agencies of the contracting nations.

The Commission is also empowered, on the basis of scientific information, to make recommendations to maintain the population of Atlantic tunas "at levels which will permit the maximum sustainable catch." Each recommendation shall become effective 6 months after adoption by the Commission. However, any nation may file a formal objection to the recommendation and thus exempt itself from the recommendation's effect. Further, if a majority of the contracting nations file an objection to the Commission, that recommendation shall be deemed null and void. Enforcement of the Commission's recommendations is the responsibility of each contracting nation.

To date, the Commission has promulgated three recommendations which have been accepted by all of the contracting parties. The first two recommendations restrict catch size by establishing the minimum weight requirement for bluefin tuna and yellowfin tuna. The minimum weight is 6.4 kilograms and 3.2 kilograms, respectively. The third recommendation limits each nation's annual blue-

fin catch to recent levels. The term "recent levels" is left undefined.

Administratively, the Commission is organized into a Council which is in charge of directing staff operations between meetings of the Commission. The Council is required to meet at least once in the interim between regular meetings of the Commission. Additionally, the Commission may establish panels with the responsibility for keeping under review the status of specific species. To date, the Commission has established four panels on (1) tropical tunas (primarily yellowfin and skipjack); (2) temperate tunas of the Northern Hemisphere (albacore and bluefin); (3) temperate tunas of the Southern Hemisphere (albacore and bluefin); and (4) other species. The United States is a member of the Council and also each panel.

The Commision's activities are supported by contributions from each of the contracting parties. Each nation contributes annually an amount equal to $1,000 for every Commission and panel member. If that amount is insufficient to meet the Commission budget, each nation contributes an additional amount in proportion to (1) the membership on the Commission and the panels; and (2) its round weight catch of Atlantic tuna.

The Commission's budget was $210,000 in 1974; $240,000 in 1975; $293,000 in 1976; and $320,000 in 1977. The U.S. contributions to the Commission were $26,791 in 1974; $29,028 in 1975; $36,199 in 1976; and $38,877 in 1977. The Department of State estimates the U.S. share will be $43.000 in 1978.

Although the United States ratified the convention in 1967, it did not possess the statutory authority to carry out its responsibilities under the convention until legislation was reported in the 94th Congress that resulted in the enactment of Public Law 94–70.

Public Law 94–70 authorized and directed the Secretary of Commerce to administer and enforce the provisions of the convention; adopt such regulations as may be necessary to carry out the purposes and objectives of the convention; and cooperate, with concurrence of the Secretary of State, with the authorized officials of the Government of any party to the convention. Also, it permits the Secretary of Commerce to utilize, with the concurrence of the Secretary of the Department in which the Coast Guard is operating, by agreement with any other Federal department or agency, or the agency of any State or the Commonwealth of Puerto Rico, the personnel, services, and facilities of that agency for enforcement purposes.

In addition, the act authorizes the President to appoint Commissioners and alternate Commissioners to represent the U.S. Government on the Commission and it authorizes the Commissioners to appoint an advisory committee. Further, Public Law 94–70 authorizes the Secretary of State to receive, accept, or object to conservation recommendations made by the Commission and it directs the Secretary of Commerce to promulgate and enforce such regulations to insure compliance of U.S. fishermen with conservation measures. Finally, it authorizes the Secretary of Commerce to cooperate in carrying out the scientific and other programs of the Commission.

ESTIMATED COST

Pursuant to the requirements of section 252 of the Legislative Reorganization Act of 1970, the Committee estimates that the cost of the proposed legislation will be as follows:

Department of State—Contribution to convention:	
1978	$50,000
1979	50,000
1980	50,000
Total	150,000
Department of Commerce—Research on blue-fin tuna:	
1978	650,000
1979	650,000
1980	650,000
Total	1,950,000
Total cost	2,100,000

REGULATORY IMPACT STATEMENT

Paragraph 5(a) of rule XXIX of the Standing Rules of the Senate requires the inclusion of a regulatory impact statement in committee reports on proposed legislation. In accordance with that rule, the Committee on Commerce, Science, and Transportation states that the regulatory impact of S. 1451 will be minimal. The Atlantic Tunas Convention Act contains authority to regulate fishing by U.S. citizens in the Atlantic Ocean. The purpose of these regulations is to conserve stocks of tuna and tuna-like fishes so as to prevent overfishing. The content of such regulation is determined by the International Commission for the Conservation of Atlantic Tunas. The United States participates as a member of the Commission and may either adopt or reject regulations approved by the Commission. The United States has accepted all three recommendations of the Commission: minimum weights for bluefin and yellowfin tunas, and a limitation on annual bluefin catches based on "recent" levels.

COMMERCIAL FISHERIES RESEARCH AND DEVELOPMENT ACT AUTHORIZATION

The Senate proceeded to consider the bill (H.R. 6206) to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Commercial Fisheries Research and Development Act of 1964, which had been reported from the Committee on Commerce, Science, and Transportation with an amendment on page 2, line 19, following "Act" to insert a colon and the following:

Provided, That the Secretary shall give a preference to those States in which he determines there is a commercial fishery failure or serious disruption affecting future production due to a resource disaster arising from natural or undetermined causes in providing funds to States from the amount in clause (2) of this subsection,"

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–147), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the legislation is to increase the funding for Federal/State efforts in research and development under the Commercial Fisheries Research and Development Act and to extend the act for an additional 2 years.

DESCRIPTION

H.R. 6206, as reported would authorize to be appropriated $10 million per year under section 4(a), $3 million per year under section 4(b), and $500,000 per year under section 4(c) of the Commercial Fisheries Research and Development Act. In addition, the proposed legislation would increase the current authorizations under section 4 to these same levels for fiscal year 1978, and extend the act for an additional 2 years (fiscal years 1979 and 1980) at these levels.

BACKGROUND AND NEED

The Commercial Fisheries Research and Development Act of 1964 (16 U.S.C. 779–779f), as amended, will expire on September 30, 1978. The act authorizes the Secretary of Commerce to cooperate with the 50 States, the Commonwealth of Puerto Rico, and the governments of the Virgin Islands, Guam, and American Samoa in carrying out research and development of the Nation's commercial fisheries. This legislation, established for the first time, a State-Federal cooperative program to improve fisheries research and development.

Conservation and development of the fishery resources and supporting environment have largely been the responsibility of the individual States. However, most of the States have not had the financial resources and facilities to conduct fishery programs necessary to carry out the responsibility. The program established by the Act has provided research laboratories and vessels that have had lasting benefits to the States in carrying out research and development programs. It has enabled the States to secure needed information to better manage important commercial fishery resources and it has provided funds to better utilize undeveloped resources.

The benefits from this program are widespread and enjoyed not only by the States but by other groups as well. As noted above States have benefited by increased research capabilities through the construction of laboratories and vessels and have enhanced fishery stocks through the construction of fish culture facilities. Other Federal agencies benefit because the program contributes supporting knowledge which results in a strengthened national effort. There is also substantial benefit to industry and the public from projects dealing with technology, extension, research and enabling better use of fisheries products.

Many valuable resources have been and continue to be sharply reduced in abundance, as well as in some instances made unfit for use because the supporting habitat has been severely damaged or destroyed. This grant-in-aid program provides for a coordinated effort for continued rehabilitation of damaged fish stocks and for research and development of all commercial fisheries resources, as well as the environment that supports them. The need for the continuation of this program is indicated by the unanimous support and participation at this time of all the States and Puerto Rico, Guam, Virgin Islands, and American Samoa.

Mr. Jack W. Gehringer, Deputy Director of the National Marine Fisheries Service in the Department of Commerce, outlined the accomplishments of Public Law 88–309 since 1966 in a recent hearing before the House Merchant Marine and Fisheries Committee as follows:

A total of 712 projects have been initiated at an estimated total cost, both State and Federal, of nearly $70 million. Of these projects, 578 costing about $54 million have been completed and 134 are continuing at various stages of completion with an estimated cost of more than $15 million.

The projects initiated cover various activities, including equaculture, construction, coordination and planning, development, research, and disaster aid.

Research continues to be the backbone of the program with 67 percent of the Federal dollars being utilized for this purpose, 9 percent for the collection of statistics, 6 percent for aquaculture, 10 percent for technical assistance and marketing, 6 percent for

coordination and planning, and 2 percent for construction and operation and maintenance.

When the program started, several States and territories including Alaska, California, Georgia, Hawaii, Louisiana, Maine, Massachusetts, Michigan, Montana, New York, Washington, Texas, Puerto Rico, American Samoa, Guam, and others constructed laboratories and/or acquired research vessels, and purchased needed equipment, which greatly increased their capabilities to better study and regulate the fisheries.

The program appears to have contributed much to State needs and priorities. For example much scientific information has been obtained on local stocks of shellfish and finfish. Advancement has been made in aquaculture for the rearing of catfish, trout, shrimp, oysters, clams, and other shellfish. Improvements have been made in fish by-products and development of new products. It has helped to alleviate resources disaster from such causes as hurricanes and fish diseases.

Additionally, projects funded with these State-Federal funds have produced results which have received the approval and strong support of the Nation's scientific community as well as the fishing industry.

Some States are using a portion of their Federal dollars made available under this authorization to provide research support for cooperative State/Federal fisheries management. Plans that have been implemented include: American lobster, gulf of Maine shrimp, South Atlantic shrimp, surf clams, and dungeness crab, and for those plans that have been proposed for future initiation—Atlantic menhaden, Pacific salmon, and Alaska king crab.

Assessment and statistical programs are being conducted on offshore and Continental Shelf fish stocks which will assist in providing a data base for management plans identified by the regional councils under the Fishery Conservation and Management Act of 1976.

The following table, prepared by the Department of Commerce, presents a more detailed breakdown on how the funds were utilized under the act during the 10-year period, 1966–76:

[In thousands of dollars]

Classification	Fiscal year 1966	Fiscal year 1976
Aquaculture	$2,709	$227
Percent	(6)	(6)
Construction:		
Fish culture facilities	112	----------
Fish landing facilities	322	----------
Stream improvement	21	----------
Hatcheries	144	----------
Laboratories	1,753	33
Research vessels	459	41
Subtotal	2,811	74
Percent	(6)	(2)
Coordination and planning	3,772	215
Percent	(8)	(6)
Development:		
Economics	100	----------
Exploratory fishing	1,701	----------
Extension services and marketing	5,241	380
Operation and maintenance	272	19
Statistics	1,963	332
Subtotal	10,609	730
Percent	(22)	(19)
Research:		
Finfish	12,601	1,453
Shellfish	11,535	1,100
Subtotal	24,136	2,553
Percent	(51)	(67)
Disaster aid	$3,449	----------
Percent	(7)	----------
Total	47,486	$3,800
Percent	(100)	(100)

The following tables prepared by the Department of Commerce show the apportionment of Federal funds among the States for fiscal year 1975, fiscal year 1976, and fiscal year 1977:

State and others	Fiscal year 1975 Public Law 88-309 (in thousands)
Alabama	$326,164
Alaska	204,600
Arizona	17,050
Arkansas	25,000
California	204,600
Colorado	17,050
Connecticut	17,050
Delaware	17,050
Florida	204,600
Georgia	67,825
Hawaii	30,393
Idaho	17,050
Illinois	17,050
Indiana	17,050
Iowa	17,050
Kansas	17,050
Kentucky	17,050
Louisiana	479,600
Maine	143,667
Maryland	478,365
Massachusetts	204,600
Michigan	17,050
Minnesota	17,050
Mississippi	249,864
Missouri	20,146
Montana	17,050
Nebraska	17,050
Nevada	17,050
New Hampshire	30,656
New Jersey	99,091
New Mexico	17,050
New York	124,721
North Carolina	39,614
North Dakota	17,050
Ohio	40,569
Oklahoma	17,050
Oregon	117,621
Pennsylvania	78,150
Rhode Island	26,571
South Carolina	29,101
South Dakota	17,050
Tennessee	17,050
Texas	204,600
Utah	17,050
Vermont	17,050
Virginia	660,138
Washington	141,409
West Virginia	17,050
Wisconsin	21,087
Wyoming	17,050
American Samoa	96,793
Guam	17,050
Puerto Rico	204,600
Virgin Islands	17,050
Total	[1] 4,997,516

[1] Includes section 4 (a) and (b) funds.

State and others	Fiscal year 1976 and fiscal year 1976T, Public Law 88-309 (in thousands)
Alabama	$98,800
Alaska	285,000
Arizona	$23,800
Arkansas	31,100
California	285,000
Colorado	23,800
Connecticut	23,800
Delaware	23,800
Florida	285,000
Georgia	94,600
Hawaii	39,800
Idaho	23,800
Illinois	23,800
Indiana	23,800
Iowa	23,800
Kansas	23,800
Kentucky	23,800
Louisiana	285,000
Maine	198,000
Maryland	177,600
Massachusetts	285,000
Michigan	23,800
Minnesota	23,800
Mississippi	141,000
Missouri	27,800
Montana	23,800
Nebraska	23,800
Nevada	23,800
New Hampshire	40,300
New Jersey	145,100
New Mexico	23,800
New York	160,600
North Carolina	56,800
North Dakota	23,800
Ohio	62,500
Oklahoma	23,800
Oregon	154,600
Pennsylvania	104,600
Rhode Island	34,200
South Carolina	42,100
South Dakota	23,800
Tennessee	23,800
Texas	285,000
Utah	23,800
Vermont	23,800
Virginia	165,500
Washington	196,200
West Virginia	23,800
Wisconsin	25,800
Wyoming	23,800
American Samoa	139,200
Guam	23,800
Puerto Rico	285,000
Virgin Islands	23,800
Total	[1] 4,750,000

[1] Includes transition quarter funds.

State and others	Fiscal year 1977 Public Law 88-309 (in thousands)
Alabama	$74,400
Alaska	228,000
Arizona	19,000
Arkansas	31,300
California	228,000
Colorado	19,000
Connecticut	19,000
Delaware	22,300
Florida	228,000
Georgia	65,000
Hawaii	31,200
Idaho	44,100
Illinois	19,000
Indiana	19,000
Iowa	19,000
Kansas	19,000
Kentucky	19,000
Louisiana	228,000
Maine	155,500
Maryland	129,700

State and others	Fiscal year 1977 Public Law 88-309 (in thousands)
Massachusetts	228,000
Michigan	19,000
Minnesota	19,000
Mississippi	110,500
Missouri	20,300
Montana	19,000
Nebraska	19,000
Nevada	19,000
New Hampshire	27,800
New Jersey	110,600
New Mexico	19,000
New York	122,600
North Carolina	46,500
North Dakota	19,000
Ohio	48,600
Oklahoma	19,000
Oregon	332,000
Pennsylvania	79,600
Rhode Island	24,600
South Carolina	29,700
South Dakota	19,000
Tennessee	19,000
Texas	228,000
Utah	19,000
Vermont	19,000
Virginia	130,000
Washington	165,000
West Virginia	19,000
Wisconsin	19,600
Wyoming	19,000
American Samoa	107,000
Guam	19,000
Puerto Rico	228,000
Virgin Islands	19,000
Trust Territory of the Pacific	
Total	3,800,000

The following table prepared by the National Marine Fisheries Service indicates the amount of grants that have been made available to the States under section 4(b) of the act to provide disaster aid during the years 1965-76:

[In thousands of dollars]

	Appropriation	Obligation	Utilization (disaster and States)	Unobligated balance
Fiscal year:				
1965	400	400.0	Great Lakes botulism (Michigan, Minnesota, Wisconsin, and Illinois.)	0
1966	400	200.0	Seed oyster (Connecticut).	200.0
		100.0	Hurricane "Betsy" (Louisiana).	100.0
1967	400	178.0	MSX research (Maryland, Delaware, Virginia, and New Jersey).	322.0
1968	400	45.0	Oyster (Alabama)	677.0
		5.6	Hurricane "Beulah" (Texas).	671.4
1969	0	50.0	Chesapeake Bay blue crab (Maryland and Virginia).	621.4
		75.0	South Atlantic blue crab (Florida, Georgia, North Carolina, and South Carolina).	546.4
1970	563	65.0	Whirling disease (Michigan).	1,044.4
		200.0	Haddock disaster (Massachusetts).	844.4
		281.4	Hurricane "Camille" (Alabama, Louisiana, and Mississippi).	563.0
1971	0	70.0	Oyster (Alabama)	493.0
		113.1	Oyster (Florida)	379.9
		79.4	Oyster—Hurricane "Ginger" (North Carolina).	300.5
1972	0	0		300.5
1973	0	0		300.5
1974	0	213.6	Oyster-Flood 1973 (Alabama, Louisiana, and Mississippi).	86.9
	[1] 1,287	482.4	do	891.5
		804.6	Oyster-tropical storm "Agnes" (Maryland and Virginia).	86.9
1974	0	86.9	Oyster-tropical storm "Agnes" (PRFC).	0
1975	0	0		0
1976	0	0		0
Total Oct. 1, 1976).	3,450	3,540.0		0

[1] Supplemental.

The House of Representatives Committee on Merchant Marine and Fisheries Committee conducted a poll recently to determine if State needs were being met under the authorization levels now in section 4 of the Commercial Fisheries Research and Development Act. As a result, it was learned that there are program proposals totaling more than $7.5 million for which funding would be sought if additional Federal matching funds were made available under the act.

Following is a list of the States responding to the poll, together with the estimated cost of carrying out such programs:

State	Cost per year
Maine	$252,500
New Hampshire	36,000
Rhode Island	467,500
New York	850,000
New Jersey	455,000
Delaware	145,000
Virginia	907,000
North Carolina	475,000
South Carolina	50,000
Georgia	185,000
Alabama	85,000
Florida	266,000
Louisiana	1,387,000
Mississippi	190,000
Texas	333,000
Washington	614,875
Oregon	480,000
California	375,000
Total	7,553,875

It should be noted that the $7.5 million for additional programs to be funded represents proposals from only 18 of the 50 States. Also, it should be noted that a number of the coastal States did not respond. Because of the need to move the legislation at an early date, the inland States and the outlying areas were not polled.

The following table, prepared by the Department of Commerce, indicates the apportionment to the States based upon an appropriation of $10 million under section 4(a) using 1977 values:

States	$1,000 apportionment
Alabama	$195,830
Alaska	600,000
Arizona	50,000
Arkansas	82,360
California	600,000
Colorado	50,000
Connecticut	50,000
Delaware	58,600
Florida	600,000
Georgia	173,470
Hawaii	82,190
Idaho	116,950
Illinois	50,000
Indiana	50,000
Iowa	50,000
Kansas	50,000
Kentucky	50,000
Louisiana	600,000
Maine	409,110
Maryland	341,320
Massachusetts	600,000
Michigan	50,000
Minnesota	50,000
Mississippi	290,680
Missouri	53,520
Montana	50,000
Nebraska	50,000
Nevada	50,000
New Hampshire	73,240
New Jersey	290,000
New Mexico	50,000
New York	322,580
North Carolina	122,360
North Dakota	50,000
Ohio	127,790
Oklahoma	50,000
Oregon	347,510
Pennsylvania	209,500
Rhode Island	64,700
South Carolina	78,110
South Dakota	50,000
Tennessee	50,000
Texas	600,000
Utah	50,000
Vermont	50,000
Virginia	342,540
Washington	434,300
West Virginia	50,000
Wisconsin	51,660
Wyoming	50,000
American Samoa	281,590
Guam	50,000
Puerto Rico	600,000
Virgin Islands	50,000
Trust Territory	50,000
Total	10,000,000

It should be noted that under a $10 million authorization, the 27 States and territories currently receiving the minimums of 0.5 percent ($19,000) would receive $50,000 per year and the 7 States and territories currently receiving the maximum of 6.0 percent ($228,000) would receive $600,000 per year. The other 23 States and territories receiving less than the maximum of 6.0 percent, but more than the minimum of 0.5 percent, would receive an apportionment according to the values of the raw fish landed and products processed.

The minimums and maximums referred to are based on past appropriations under existing law of $3.8 million (although $5 million was authorized to be appropriated each year), and the minimums and maximums referred to under the legislation assume an appropriation of the full amount authorized of $10 million.

CONCLUSION

The Commercial Fisheries Research and Development Act is one of the Nation's basic fisheries statute. The Federal/State cooperative program has worked well and is strongly supported by the States. Restrictions on funding levels have prevented greater use of the program. For the past 8 years, only $3.8 million has been made

available under section 4(a) for general programs. Subsection (b) of section 4 provides funds on an emergency basis for natural disasters or similar occurrences. Very little has been made available under this provision even though there has been the need to use these funds. Finally, no funds have been appropriated under section 4(c) for developing new fisheries.

Consequently, the Committee is increasing by twofold the authorizations for appropriations under section 4. In addition, the Committee is acting 1 year early because: (1) There may be need for increased levels of funding to certain States arising out of the findings of a Federal Task Force and Indian Treaty Fishing in the Pacific Northwest; (2) the coastal States have new duties under the Fishery Conservation and Management Act for assisting in the management of offshore fisheries; and (3) there is greater need to prevent the decline of fisheries and increase the availability of fish stocks.

THE AMENDMENT

The amendment would make funds available to the states under section 4(b) of the act if there is (1) a commercial fishery disaster or (2) serious disruption affecting future production due to a resource disaster arising from natural or undetermined causes. Under the existing language of the act, only actual disasters can qualify a state for funds. The amendment would broaden this provision to allow for financial assistance in the event of an impending disaster because of drought, a weather disruption, or the like.

ESTIMATED COSTS

Pursuant to the requirements of section 252 of the Legislative Reorganization Act of 1970, the Committee estimates that the cost of the proposed legislation will be as follows:

[In millions of dollars]

	Fiscal year—			Cumulative cost
	1978[1]	1979	1980	
Sec.:				
4(a)	10.0	10.0	10.0	30.0
4(b)	3.0	3.0	3.0	9.0
4(c)	.5	.5	.5	1.5
Total	13.5	13.5	13.5	40.5

[1] It should be noted that for fiscal year 1978, the last year of the program under existing law, there is authorized to be appropriated to carry out sec. 4 of the act the sum of $6,600,000, broken down as follows: Section 4(a)—$5,000,000; sec. 4(b)—$1,500,000; and sec. 4(c)—$100,000.

REGULATORY IMPACT STATEMENT

Paragraph 5(R) of rule XXIX of the Standing Rules of the Senate requires the inclusion of a regulatory impact statement in committee reports on proposed legislation.

The bill (S. 1452) continues the authorization for appropriations under the Commercial Fisheries Research and Development Act, which created a financial assistance program for the individual States. Because the act and the bill would not regulate any private activity, the Committee concludes that the proposed legislation will have no regulatory impact.

COMMODITIES FOR NUTRITION PROGRAMS FOR THE ELDERLY

The Senate proceeded to consider the bill (S. 1170) to strengthen the surplus commodities provision of the Older Americans Act of 1965, and for other purposes, which had been reported from the Committee on Human Resources with an amendment on page 1, line 3, to strike "704" and insert "707"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 707(a)(4) of the Older Americans Act of 1965 is amended by striking out the word "and" following "1976," and by inserting after "1977" a comma and the following: "and 30 cents per meal during the fiscal year ending September 30, 1978".

(b)(1) Section 707(d)(1) of such Act is amended by striking out 'in any case in which a State has phased out its commodity distribution facilities before June 30, 1974, such" and inserting in lieu thereof the word "'a".

(2) The second sentence of section 707(d)(2) of such Act is amended by inserting "only" after "shall".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–149), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SUMMARY

S. 1170 extends the commodities program through fiscal year 1978 to coincide with the authorization period of the title VII program. In addition, it would give the States the option to receive cash in lieu of such commodities. The cash would be financed under section 32 of the Agriculture Adjustment Act (7 U.S.C. 601 et seq.) which currently supports the commodities programs.

BACKGROUND

The nutrition program for the elderly under title VII of the Older Americans Act was authorized in 1972. Because of technical omissions in that legislation with regard to U.S. Department of Agriculture food donations, it was not until the Older Americans Comprehensive Services Amendments of 1973 was enacted that recipients of grants or contracts under title VII became eligible to receive donated foods under section 32 of the Agriculture Adjustment Act. The Older Americans Act of 1975 further amended the commodities provision to require the Secretary of Agriculture to maintain an annually programed level of assistance—15 cents a meal in fiscal year 1976, and 25 cents a meal in fiscal year 1977. In addition, the 1975 amendments required the Secretary to purchase meats and other high protein foods for the title VII nutrition program. Nationally, the donated food level for title VII for the current fiscal year is based on 27.25 cents per meal, with $22 million budgeted.

NEED FOR LEGISLATION

The Older Americans Act of 1975 extended the commodities provision of the title VII program through fiscal year 1977, while the other programs authorized under the 1975 amendments were extended through fiscal year 1978. A 1-year extension is necessary to bring the termination date of the commodities provision into conformity with that of other programs under the act.

Elderly nutrition service people have advocated the discontinuance of commodity distribution in favor of cash assistance. They have argued that elderly feeding sites frequently receive commodities from the Department of Agriculture which do not suit the dietary needs of the elderly. Furthermore, they maintain that storage, packaging, and recordkeeping present formidable problems for the nutrition sites. Reflecting these concerns, S. 1170 allows the States the option to receive cash in lieu of such commodities, thereby providing the means for the States to best meet the particular needs of their elderly.

COMMITTEE ACTION

On May 5, 1977, the Subcommittee on Aging adopted a technical amendment to the bill to correct a reference to a section of the act, and reported the bill to the full committee.

On May 6, the Committee on Human Resources unanimously ordered S. 1170, as amended by the subcommittee, reported favorably.

COST ESTIMATES

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91–510), there is no cost connected with the changes made by this legislation.

CONGRESS OF THE UNITED STATES,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., May 9, 1977.

Hon. HARRISON A. WILLIAMS, JR.,
Chairman, Committee on Human Resources, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed S. 1170, a bill to strengthen the surplus commodities provision of the Older Americans Act of 1965, and for other purposes.

Based on this review, it appears that no additional costs to the Government would be incurred as a result of the enactment of this bill.

Sincerely,

ALICE M. RIVLIN,
Director.

AGE DISCRIMINATION AMENDMENT OF 1977

The bill (S. 1321) to extend the deadline for transmittal of U.S. Commission on Civil Rights report on unreasonable discrimination based on age in programs and activities receiving Federal financial assistance, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 307(d) of the Age Discrimination Act of 1975 (42 U.S.C. 6106(d)) is amended—

(1) by striking out "eighteen months" and inserting in lieu thereof "two years"; and

(2) by adding at the end thereof the following new sentence: "The Commission is authorized to provide, upon request, information and technical assistance regarding its findings and recommendations to Congress, to the President, and to the heads of Federal departments and agencies for a ninety-day period following the transmittal of its report.".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–150), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

BACKGROUND

The Age Discrimination Act of 1975 mandated a study to be conducted by the U.S. Commission on Civil Rights on the subject of age discrimination, to be completed prior to implementation of the prohibition against age discrimination contained in the act. The study was to be submitted to Congress not later than 18 months after the enactment date of November 28, 1976; thus, the report would have been due in June 1977. However,

appropriations to support the Commission's study were not made available until May 28, 1976, and the study was not actually begun until July 1976.

NEED

Given the 6-month delay in actual startup of the study, the committee believes it is necessary to extend the deadline for submission of the study for a commensurate period of time. No regulations implementing the age discrimination prohibition can be prepared by the Department of Health, Education, and Welfare until May 1978. Thus, the Commission's report, with the 6-month extension, will be required to be submitted in November 1977. The committee believes that there will still be ample time to review the Commission's report, and address the issue it considers the reauthorization of Older Americans Act programs. In addition, the bill authorizes the Commission to provide information and technical assistance to Congress, the President, and heads of departments and agencies for a 90-day period following transmittal of its report.

COMMITTEE ACTION

On May 5, 1977, the Aging Subcommittee reported the bill to the full committee. On May 6, the Committee on Human Resources unanimously ordered the bill favorably reported.

COST ESTIMATES

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91-510) the following cost estimate has been provided by the Congressional Budget Office:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., May 29, 1977.

Hon. HARRISON A. WILLIAMS, Jr.,
Chairman, Committee on Human Resources, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for S. 1321, a bill to extend the deadline for transmittal of United States Commission on Civil Rights report on unreasonable discrimination based on age in programs and activities receiving Federal financial assistance, and for other purposes.

Should the committee so desire, we would be pleased to provide further details on the attached cost estimate.

Sincerely,

ALICE M. RIVLIN, *Director.*

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

MAY 9, 1977.

1. Bill number: S. 1321.

2. Bill title: A bill to extend the deadline for transmittal of United States Commission on Civil Rights report on unreasonable discrimination based on age in programs and activities receiving Federal financial assistance, and for other purposes.

3. Bill status: As ordered reported by the Senate Committee on Human Resources.

4. Purpose of bill: The Older Americans Act of 1975 directed the U.S. Commission on Civil Rights to prepare and submit to Congress a report on unreasonable discrimination based on age in programs and activities receiving Federal financial assistance. The report is due within 18 months of the enactment date of November 28, 1975. This bill would extend the deadline for the report by 6 months and would authorize the Commission to provide information and technical assistance regarding its findings for a 90-day period following transmittal of its report.

5. Cost estimate:

Fiscal year:	*Thousands*
1977	$325
1978	317
1979	----
1980	----
1981	----

The cost of this bill falls within budget function 750.

6. Basis of estimate: Extension of the deadline would allow work on the study to continue through the end of November 1977, with follow-on activity, through February 1978. The work during the remainder of fiscal year 1977 is estimated to cost $328,000 (which has been appropriated in the spring supplemental, H.R. 4877), of which $325,000 will outlay in fiscal year 1977. The administration's request for the final months of the study effort in fiscal year 1978 is $314,000, all of which will outlay in fiscal year 1978.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared and approved by:
ROBERT A. SUNSHINE,
(For James L. Blum,
Assistant Director for Budget Analysis).

SAMEEK KESHARY RAY

The bill (S. 464) for the relief of Sameek Keshary Ray, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, the periods of time Sameek Keshary Ray has resided in the United States since August 10, 1970, shall be held and considered to meet the residence and physical presence requirements of section 316 of the said Act.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-155), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

STATEMENT OF FACTS

The beneficiary of the bill is a 33-year-old native and citizen of India who first entered the United States September 4, 1965, as a student and had his status adjusted to that of permanent residence on August 10, 1970. He is married to a U.S. citizen and they have two citizen children. He presently resides in the Republic of Singapore where he is employed as a regional production manager for the Otis Elevator Co. He has been unable to satisfy the residence and physical presence requirements of the Immigration and Nationality Act because of his overseas assignment.

A letter, with attached memorandum, dated July 12, 1976, to the chairman of the Senate Committee on the Judiciary from the Commissioner of Immigation and Naturalization, wth reference to S. 2841, a bill for the relief of the same beneficiary introduced in the 94th Congress, which reads as follows:

U.S. DEPARTMENT OF JUSTICE,
IMMIGRATION AND
NATURALIZATION SERVICE,
Washington, D.C., July 12, 1976.

Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In response to your request for a report relative to the bill (S. 2841) for the relief of Sameek Keshary Ray, there is attached a memorandum of information concerning the beneficiary.

The bill if enacted, provides that, for the purposes of the Immigration and Nationality Act, the periods of time the beneficiary has resided in the United States since August 10, 1970 shall be held and considered to meet the residence and physical presence requirements for naturalization as provided in section 316 of the Act.

Sincerely,

L. F. CHAIRMAN, Jr.,
Commissioner.

Enclosure.

MEMORANDUM OF INFORMATION FROM IMMIGRATION AND NATURALIZATION SERVICE FILES RE S. 2841

The beneficiary, Sameek Keshary Ray, a native and citizen of India, was born on February 19, 1944. He resides in the Republic of Singapore where he is employed as a regional production manager for the Otis Elevator Co. at a salary of $28,000 plus overseas allowances of $17,000 per year. His assets consists of savings and personal property in the amount of $18,000. The beneficiary earned a bachelor of science degree in mechanical engineering from Marquette University of Milwaukee in 1968.

The beneficiary married Mary Jane Ray in 1968 at Milwaukee and they have two children. His spouse and children are U.S. citizens. His widowed mother and brother reside in India. He has a sister residing in the United States.

Mr. Ray first entered the United States on September 4, 1965, as a nonimmigrant student. He adjusted his status to that of a lawful permanent resident on August 10, 1970. The beneficiary has been employed abroad since February 1972 and desires to naturalize upon his return to the United States.

Senator William Proxmire, the author of the bill, has submitted the following information in connection with the case:

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, D.C., February 14, 1977.

Hon. JAMES O. EASTLAND,
Chairman, Senate Judiciary Committee, Senator Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing to you in behalf of S. 464 which I have introduced for the relief of Sameek K. Ray, an Indian national who is presently residing in Singapore. Mr. Ray is the husband of Mary Jane Ray, an American citizen, and is employed by the Otis Elevator Co. as a regional production manager. Mr. Ray was married in 1968 in Milwaukee and has two children. He was graduated in Mechanical Engineering from Marquette University in 1968.

Mr. Ray became a lawful permanent resident of the United States in August of 1970. He has fulfilled the 3-year-resident requirement for naturalization purposes but, while he has resided physically in the United States for 18 consecutive months, his present employment does not permit him to reside here for 18 consecutive months immediately prior to his filing for naturalization. While his employment may bring him back to this country for short periods of time, there is no plan in the foreseeable future to bring him here for 18 months so that he may file for naturalization.

I am enclosing a letter from Mrs. Mary Jane Ray which will explain her husband's case in greater detail. I am also enclosing letters from John K. Madden. Assistant Public Defender of Cook County; Mrs. Grace Falbo, Assistant Executive Director of the International Institute; Mr. Al Schlecht of Grafton, Wis., and from four officials of the Otis Elevator Co. which attest to their high regard for Mr. Ray and their strong support

of the private bill. These letters refer to S. 2841 which was the bill number last year.

Mr. Ray is a valued employee of an American firm, he has a lovely American wife and family, and I am confident that he would be a great credit to the United States were he to become a citizen. Since Mr. Ray's employment calls for overseas residence, it is unlikely that he will ever qualify for naturalization since he will not reside in this country for an 18-month period prior to his filing for naturalization. Since Mr. Ray has already met all the other requirements for naturalization, I hope that your Committee will see fit to favorably recommend this legislation. I thank you for your consideration of this request.

Sincerely,

WILLIAM PROXMIRE, *U.S.S.*

OTIS ELEVATOR INTERNATIONAL CAPITAL CORP.,
New York, N.Y., August 17, 1976.

Senator W. PROXMIRE,
U.S. Senate, The Capitol,
Washington, D.C.

HON. SENATOR PROXMIRE: As an associate of Mr. S. K. Ray who is presently employed as Manager of Production at the Regional Headquarters of Otis Elevator Company in the Pacific, I am writing to support the enactment of Bill S. 2841 which effectively grants him American-Citizenship.

After completing his education at Marquette, and deciding to settle in the United States with his American wife, Mr. Ray filed naturalization papers. However, before the physical presence requirement was satisfied, his employer, then Koehring Company, assigned him in Germany. Due to the fact that he later was engaged by Otis and assigned directly for training in Europe, he was unable to complete his physical presence requirement, and has accordingly been disqualified from obtaining his citizenship on a technicality.

Mr. Ray is performing a valuable service for an American Company, and has repeatedly asserted his desire and intention to take American Citizenship. He should not be prevented from it by a technicality which was certainly not the intent of the regulation.

I would appreciate your forwarding my request to the Senate Immigration Subcommittee in the hope that the Subcommittee will report the Bill out for enactment.

Respectfully,

A. ROBERT TRUDEL,
Senior Director, Technical Operations,
Pacific Region.

OTIS ELEVATOR CO.,
New York N.Y., August 18, 1976.

Senator W. PROXMIRE,
U.S. Senate, The Capitol,
Washington, D.C.

HON. SENATOR PROXMIRE: This letter is in support of the enactment of Bill S. 2841 to grant United States citizenship to Mr. Sameek K. Ray.

From my close business and personal association with Mr. Ray over the past 18 months it is my sincere opinion that the earnest wish of Mr. Ray for U.S. citizenship should be granted and that he shall prove to be a very valuable asset to our country.

It is my understanding that all prerequisites for U.S. citizenship have been met by Mr. Ray, but due to an administrative technicality in respect to the timing of his employment overseas and his temporary physical absence from the U.S. there has been some delay in the normal processing of his application. I personally urge that in this instance the technicality in question be set aside and Mr. Ray's application for citizenship be approved at the earliest possible date.

I would very much appreciate your forwarding this request to the Senate Immigration Subcommittee with your endorsement that Bill 2841 be promptly enacted.

Thank you for your consideration on this matter.

Very truly yours,

R. P. WHELAN.

OTIS ELEVATOR
INTERNATIONAL CAPITAL CORP.,
New York, N.Y., August 17, 1976.

Senator W. PROXMIRE,
U.S. Senate, The Capitol,
Washington, D.C.

DEAR SENATOR: As both a personal friend and business associate of Mr. Ray's, I should like to confirm my support for the enactment of Bill S. 2841 which would grant Mr. Ray the American Citizenship he so ardently desires.

I sincerely trust that the concerned Subcommittee will graciously expedite their consideration of the bill in question. There is no doubt that Mr. Ray will make a fine citizen.

Respectfully,

L. T. MILLER,
Director of Marketing and Operations.

OTIS ELEVATOR INTERNATIONAL CORP.,
New York, N.Y., September 7, 1976.

Senator W. PROXMIRE,
U.S. Senate, The Capitol,
Washington, D.C.

Hon. SENATOR PROXMIRE: After having the pleasure of working with Mr. Sameek K. Ray and being acquainted with him and his family for more than a year, I am writing to support the enactment of Bill S. 2841 which would grant Mr. Ray citizenship.

Mr. Ray is sincere in his desire to become a U.S. Citizen and would be an asset to his community.

It would be a shame to block his application due to an administrative technicality.

I respectfully request that you forward this endorsement to the Senate Immigration Subcommittee for consideration and early enactment of Bill S. 2841.

Thank you.

Very truly yours,

JOHN D. CRAIG.

GRAFTON, WIS., *August 2, 1976.*

Senator WILLIAM PROXMIRE,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR PROXMIRE: I wish to thank you for introducing Bill S. 2841 for the relief of Sameek Keshary Ray.

I have known Mr. Ray since September of 1965. I can highly recommend Mr. Ray for citizenship since I know he will be an asset to this country. He is of very high moral character, very conscientious about his civic duties and responsibilities; a very highly intelligent engineer and a dedicated family man. I would also like to urge the Sub-Committee to consider this Bill favorably and would hope they would expedite said Bill as soon as possible.

I base my recommendation on my position as a Vice President of Moebius Printing Company and also as an elected Village Trustee for the last four years in the Village of Grafton, Wisconsin. Also, I have worked with the International Institute since 1963 and have provided hospitality for many state department visitors from throughout the world since that time.

Again, I wish to thank you for your representative action, your deep concern and your continuing good work in the Senate of the United States.

Thank you very much.

Sincerely,

AL SCHLECHT.

INTERNATIONAL INSTITUTE
OF MILWAUKEE COUNTY,
Milwaukee, Wis., August 3, 1976.

Senator WILLIAM PROXMIRE,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR PROXMIRE: I have been informed that you have introduced Bill S. 2841 for the relief of Sameek Keshary Ray.

I have known Mr. Ray since April 1966. At that time, Mr. Ray was a foreign student and was quite involved with the International Institute.

Mickey, as we know him, related well to the entire staff and other foreign students and also was of great assistance to the International Institute with its foreign student and foreign visitor program.

I can highly recommend Mr. Ray for citizenship since I know he will be a tremendous asset to our country. He is of very high moral character, is conscientious, responsible, a highly qualified engineer and a dedicated family man. I would also like to urge the Subcommittee to consider Bill S. 2841 favorably and would hope they would expedite it.

As the Assistant Executive Director of the International Institute, I have worked with programming and providing hospitality for many State Department visitors from throughout the world since 1966. I wish to thank you for your representative action, your deep concern, and your continual good work in our field of helping the foreign born.

Again, thank you so much.

Sincerely yours,

Mrs. GRACE M. FALBO,
Assistant Executive Director.

OFFICE OF PUBLIC DEFENDER
OF COOK COUNTY, ILL.,
Oak Lawn, Ill., August 3, 1976.

WILLIAM PROXMIRE,
U.S. Senate, Committee on Appropriations,
Washington, D.C.

DEAR SENATOR PROXMIRE: I am writing in connection with bill No. S. 2841, which you introduced in the Senate on behalf of Mr. Sameek Ray. I have known Mr. Sameek Ray and his wife Mary for the past 10 years and would like to express my own personal appreciation and support of your efforts in behalf of Mr. Ray. I know Mr. Ray to be a person of excellent character.

I would hope that your subcommittee would expedite their consideration of this bill so that we all could benefit from the addition of Mr. Ray as a citizen of the United States. I remain,

Respectfully yours,

JOHN K. MADDEN,
Assistant Public Defender of Cook County.

GLEN ELLYN, ILL., *July 9, 1975.*

Senator WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

Hon. SENATOR PROXMIRE: As a long time Wisconsin resident, I am writing to you after nearly 18 months of frustrating correspondence with various offices of Immigration & Naturalization on behalf of my husband. We would be extremely grateful for any advice or assistance you might be able to give us.

My husband, Sameek K. Ray, is a citizen of India. However, since August, 1970, he has had his American permanent resident alien papers which are on file in Milwaukee, where we last resided in the United States. (I am presently writing you from my parents' residence where I am spending the summer.)

Since January, 1972, my husband has been employed in Germany with two American firms: from January, 1972, with Koehring Co. of Milwaukee at their Hamburg, Germany facilities; and as of February, 1975, with Otis Elevator International in Berlin. In September of this year we will be transferred to

Singapore with Otis. During the last three years my husband has paid full Federal and Wisconsin state taxes.

Our problem is specifically that my husband greatly wishes to acquire American citizenship, but after a great deal of correspondence (all of which is on file with the Department of Immigration & Naturalization, 1025 Vermont Ave. N.W., Washington, D.C.), we seem to be snagged on a technicality.

Being married to an American, my husband has fulfilled the three years residence in the United States (at least 18 months of which he has been physically present in the United States between August, 1970, and January, 1972). Also while working for American firms overseas he has continuously retained permission to preserve residency for naturalization purposes as well as paid annually the above mentioned taxes.

Moreover, we have been informed that an individual in his situation who wishes to apply for naturalization but who would have only a short time present in the U.S. (i.e., who is employed by an American firm and temporarily residing overseas), is able to receive an appointment at the Department of Immigration & Naturalization in Washington on the first Tuesday of a specific month and that citizenship may be acquired one week later if everything is in order. Apparently this "quickie" proceedings is particularly provided for applicants presently residing overseas.

As my husband will be present in the United States from August 1 until September 15, he has hoped to apply for a September date in Washington, however we have just been informed that he is possibly ineligible in that he has not been physically present in the United States for the 18 months immediately prior to filing. (There seems to be a distinction between residency and physical presence, which we did not realize.) As his position with Otis International overseas is for an indefinite duration, we have suddenly begun to wonder if he will remain unable to acquire American citizenship indefinitely until we receive a transfer back to the United States. Or is it in any way possible to have this 18-month requirement waived in special circumstances?

If you should be able in any way to assist us, Senator Proxmire, we would be very grateful. If you should desire my husband's file, I will gladly have it sent to you. In the meantime I will enclose below various information which you may want to know in the event you can assist us.

Please know how much my husband and I appreciate any help you can give us in this matter.

Very truly yours,

MARY J. RAY.

GENERAL INFORMATION

Name: Sameek Keshary Ray.
Nationality: Indian.
Birthdate: February 19, 1944.
Place of Birth: Cuttack, India.
Alien registration No.: A14512460.
Social security No.: 399-54-1096.
Employer: Otis Elevator International, Suite 209, Cathay Building, Singapore 9.
Wife: Mary Jane Ray.
Wife's American passport No.: B2291008.

LEE YOUNG SOO

The bill (S. 556) for the relief of Lee Young Soo, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Lee Young Soo may be classified as a child within the meaning of section 101(b)(1)(F) of such Act upon approval of a petition filed on her behalf by Lieutenant Colonel and Mrs. Duane L. Ginter, citizens of the United States, pursuant to section 204 of such Act. The parents, brothers, and sisters of the said Lee Young Soo shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-156), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States as an immediate relative of the alien child to be adopted by citizens of the United States.

STATEMENT OF FACTS

The beneficiary of the bill is a 15-year-old native and citizen of Korea who is a ward of the Immanuel Bo Yook Home in Kimchon, Korea. The prospective adoptive parents, who are U.S. citizens, have contributed to the beneficiary's support for more than ten years.

A letter, with attached memorandum, dated May 20, 1976, to the chairman of the Senate Committee on the Judiciary from the Commissioner of Immigration and Naturalization, with reference to S. 3017, a bill for the relief of the same beneficiary passed by the Senate in the 94th Congress, reads as follows:

U.S. DEPARTMENT OF JUSTICE,
IMMIGRATION AND NATURALIZATION SERVICE,
Washington, D.C., May 20, 1976.

A21 265 192

Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In response to your request for a report relative to the bill (S. 3017) for the relief of Lee Young Soo, there is attached a memorandum of information concerning the beneficiary.

The bill provides that the 15-year-old beneficiary, who is to be adopted by United States citizens, may be classified as a child and be granted immediate relative status.

Absent enactment of the bill, the beneficiary, a native of Korea, is chargeable to the nonpreference portion of the numerical limitation for immigrants and conditional entrants from countries in the Eastern Hemisphere.

Sincerely,

LEONARD F. CHAPMAN, Jr.,
Commissioner.

MEMORANDUM OF INFORMATION FROM IMMIGRATION AND NATURALIZATION SERVICE FILES RE S. 3017

Information concerning this case was obtained from Lt. Col. and Mrs. Duane L. Ginter, the prospective adoptive parents of the beneficiary.

The beneficiary, Lee Young Soo, a native and citizen of Korea, was born on April 5, 1961. She is a ward of the Immanual Bo Yook Home in Kimchon, Korea. According to a report from the home, the beneficiary has neither parents nor relatives and is available for adoption.

As sponsors of the beneficiary, Lt. Col. and Mrs. Duane L. Ginter have contributed to her support for more than ten years through the auspices of an international child welfare agency. In December 1974 while in Korea, Colonel Ginter met the beneficiary for the first time. Thereafter, he sought to initiate adoption proceedings only to learn that the beneficiary does not qualify for immediate relative status as a child under section 101(b)(1)(F) of the Immigration and Nationality Act because she had attained her 14th birthday.

Colonel and Mrs. Ginter are natives and citizens of the United States, born April 13, 1934 and August 2, 1936, respectively. They married April 6, 1963. Two sons, ages 11 and 2, and a daughter, age 9, were born of this marriage. The family resides near Honolulu, Hawaii.

Colonel Ginter has been a commissioned officer in the United States Army since May 1957. He currently earns $30,000 per year. Mrs. Ginter devotes full time to household duties. Their combined assets approximate $59,500.

Colonel Ginter is presently assigned to the Schofield Barracks Army Installation in Hawaii as the Army Regional Representative to the Federal Aviation Administration. Prior to his current assignment, Colonel Ginter was assigned to the Office of the Army Chief of Staff in Washington, D.C. He has also served tours of duty in Vietnam and Korea and has been the recipient of numerous decorations during the course of his military career.

A report on this legislation submitted by the Department of State reads as follows:

DEPARTMENT OF STATE,
Washington, D.C., July 27, 1976.

Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary,
U.S. Senate.

DEAR MR. CHAIRMAN: In reference to your request for a report concerning the case of Lee Young Soo, beneficiary of S. 3017, 94th Congress, there is enclosed a memorandum of information concerning the beneficiary. This memorandum has been submitted by the American Embassy at Seoul, Korea in whose consular jurisdiction, the beneficiary resides.

The bill would provide for the beneficiary's classification as a child and for granting of immediate relative status upon approval of a petition filed by Mr. and Mrs. Duane L. Ginter, American citizens. It also provides that the brothers or sisters of the beneficiary shall not by virtue of such relationship, be accorded any right, privilege or status under the Immigration and Nationality Act.

Sincerely yours,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

Enclosure: Memorandum of information.

SUBMITTED BY THE AMERICAN EMBASSY AT SEOUL, KOREA

MEMORANDUM OF INFORMATION CONCERNING S. 2618 FOR THE RELIEF OF LEE, YOUNG SOO

The beneficiary is a foundling whose birthdate and birthplace are unknown. Attendants at the Immanuel Bo Yook Children's Home at Kimchon, Korea found her on their doorstep February 4, 1964. The head of the orphanage gave her name of Lee, Young Soo, and designated April 5, 1961, as her birthdate. Nothing is known of her parentage. She is at present in the second grade of the Kimchon Han II Girls' Middle School at Kimchon. She still resides at the Immanuel Bo Yook Orphanage.

Mr. and Mrs. Duane L. Ginter, citizens of the United States, are in the process of adopting this child. Because she has attained

the age of fourteen years she does not qualify for immediate relative status as a child under Section 101(b)(1)(F) of the Immigration and Nationality Act.

The child is chargeable to the foreign state limitation for Korea. Since an immediate relative petition cannot be filed in her behalf, she would qualify only under the non-preference category. As there are at present no numbers available under this category, she would have an indeterminate wait before reaching her turn for processing.

The adoption of this child will be handled by the Holt Adoption Agency in Seoul, Korea. She will not undergo a medical examination until her case is taken over by that agency. If the medical examination shows any grounds of visa ineligibility, a follow-up report will be forwarded promptly.

Senator Robert Dole, the author of the instant bill, submitted the following information in connection with S. 3017 and was contained in Senate Report 94-1286:

FEBRUARY 3, 1976.

Senator ROBERT DOLE,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR DOLE: My wife and I solicit your assistance in our adoption of a 14-year-old Korean orphan girl, Lee Young Soo. We have sponsored Young Soo through the Christian Children's Fund, Inc. (home officed at Richmond, Va.), for over 10 years and we decided to initiate adoption procedures after I had met the girl on a trip to Korea in December 1974. The urgency of the situation is increased (in our conscience, at least), because I unwittingly let her know that we had started the adoption process through the Holt Adoption Program Inc. Copies of correspondence with Holt are attached. You will note that Holt advised us that foreigners over 14 years of age cannot enter the U.S. without a special bill through Congress. Can you sponsor an appropriate bill in Congress to allow Young Soo to join our family?

Ms. Janice Fritts of your office advised me to write all the circumstances down and attach all pertinent information that might be of use to you. She further advised me that one of your assistants would be handling our case if you were able to sponsor our bill. In that light I submit the following information.

I am a Lieutenant Colonel in the U.S. Army serving at Schofield Barracks, Hawaii. My home and official residence is Hiawatha, Kansas. I hope to return to Kansas this summer on normal PCS move and eventually retire in Northeast Kansas. We have three children, Scott (11), Teri (9) and James (2½). My wife and I are devoted Christians and feel that we can offer a great deal to Young Soo, in fact, I don't want her to have to stay in Korea under the present unsettled political conditions. We felt also that to adopt her now while in Hawaii, where so many of our neighbors are of Oriental heritage, would ease her transition into our family and a new country.

I have inclosed copies of the various documents received from Holt Adoption Program, the Christian Children's Fund Inc., and the home in Korea for your information. My home telephone number is 808-624-9531 and my office phones are 655-9531/9621 or 438-9911. Feel free to call the home phone number collect at any time; however, I cannot accept collect calls on the government office phones. I will gladly reimburse your office for any calls made to the government numbers.

I again respectfully ask that you favorably consider sponsoring our little girl's bill in Congress. Thank you for your attention to this very personal matter.

Sincerely yours,

DUANE L. GINTER, LTC, U.S.A.

HOLT ADOPTION PROGRAM, INC.,
Eugene, Oreg., December 10, 1975.

Mr. and Mrs. DUANE L. GINTER,
Duncan Street,
APO San Francisco, Calif.

DEAR MR. AND MRS. GINTER: We received the "Special Child Adoption Request" along with your check in the amount of $100.00.

We were dismayed, however, to find that the child is over fourteen years of age. United States Immigration only issues orphan visas to children who have not yet reached their fourteenth birthday. We are sorry for the disappointment to you and to the child. It is sad that the child was told so far in advance that you were interested in adopting her. The people where she lives should have known that she is too old, but possibly not.

Since non-preference visas are not being issued now to orphans, the only possibility would be a special bill through Congress. This may be a very lengthy and uncertain process. It would be up to you to find out whether a member of Congress from your area would be willing to handle it for you.

Unless you were to try to work through the adoption on your own, which is risky, you would still need to go through the regular process of becoming an approved adoptive family through either Holt or a similar agency. If you feel this is worth the effort and expense, we would be willing to try to help you. We will hold the $100 fee until we know your decision.

Sincerely,

Mrs. KATHRYN KULP,
Counselor, Initial Services.

HOLT ADOPTION PROGRAM, INC.,
Eugene, Oreg., August 15, 1975.

LTC and Mrs. DUANE GINTER,
Duncan Street,
APO San Francisco, Calif.

DEAR MR. AND MRS. GINTER: This is in reply to your letter of July 24 telling us of your interests in adopting LEE, Young Soo. In general Holt Adoption discourages families from undertaking to adopt a child who is not known to us because frequently the family/child adjustment is unsatisfactory and another home must be found for the child. In fact these "special child" requests constitute about 20% of our replacement situations.

However, in the best interest of the child you mentioned, and because probably an adoptive home will not be available readily, we are willing to review your request to adopt her. It will be necessary for us to check out in Korea whether or not this child is in an orphanage with whom we already work, and whether the child is legally and socially ready for adoption.

It is also necessary that you meet the requirements for adoptive parents as set by the State of Hawaii, Holt Adoption Program, and Korea. There is the additional concern of whether or not this can be done before you leave Hawaii. The requirements are explained in the attached material. We ask that you study this material carefully to determine whether or not you are able to meet all the requirements. If you feel that you are, then the procedure would be as follows:

1. Complete the enclosed "special child adoption request," giving us complete information on the child as to name, sex, age, current location, how you became acquainted with her, and why you wish to adopt her.

2. Complete the enclosed Preliminary Information Blank and return it to us with the filing fee of $10 and the special child adoption of $100.

3. We will review the Preliminary Information Blank to determine whether or not we can proceed with your request and will notify you of the decision. If the decision is "no," we will return the $100 special processing fee.

4. If it is determined that we should proceed, we will then ask our Korea office to investigate the legal and social adoptability of the child, and we will notify you of the results. If the child is not adoptable, the case will be closed.

JULY 24, 1975.

HOLT ADOPTION PROGRAM,
Eugene, Oreg.
Re Lee Young Soo,
Case No. 012659/55,
Immanuel Bo Yook Won, Korea.

DEAR SIRS: We contacted Catholic Social Services, here in Honolulu, Hawaii, and were told by them to write you and send you the above information.

The child is taken care of by Christian Children's Fund, Inc., Richmond, Virginia 23261; phone (804) 644-4654. We have sponsored her for over ten years now through them. My husband visited her, on a business trip, in December of last year and since then we have talked and prayed about this and feel it is the Lord's will. We are anxious to have her as soon as possible and will appreciate any help you can give us. You see we are due to rotate out of Schofield Barracks, Hawaii, in July of 1976. We feel this would be a perfect transition area for her as there are children and parents of all races here. Please take this into consideration.

Mr. Verent J. Mills, Executive Director of Christian Children's Fund, Inc., wrote us and said that they have informed the home of our interest and there will be no chance for the child to be given for adoption to any other person.

We will be anxiously awaiting your reply. Thank you.

Yours very truly,

DUANE L. GINTER.

DORA ALICIA ADAN

The Senate proceeded to consider the bill (S. 58) for the relief of Doa Alicia Adan, which had been reported from the Committee on the Judiciary with an amendment to strike all after the enacting clause and insert the following:

That, for the purposes of the Immigration and Nationality Act, Dora Alicia Adan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-157), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to grant the status of permanent residence in the United States to Dora Alicia Adan. The bill provides for the payment of the required visa fee and for an appropriate visa number deduction. The bill has been amended to correct language no longer applicable.

STATEMENT OF FACTS

The beneficiary of the bill is a 19-year-old native and citizen of Mexico who entered the United States in 1965 with her mother as a visitor. The beneficiary was abandoned by her mother and reared by a migrant farm family. In 1974 the interested parties, Reverend and Mrs. Phillip Kessler, took her into their home. She has resided with and been supported by them since that time.

A letter, with attached memorandum, dated November 2, 1976, to the chairman of the Senate Judiciary Committee from the then Acting Commissioner of Immigration and Naturalization refers to S. 3791, a similar bill introduced in the 94th Congress. The information contained therein reads as follows:

U.S. DEPARTMENT OF JUSTICE, IMMIGRATION AND NATURALIZATION SERVICE,
Washington, D.C., November 2, 1976.

A21-246-457.

Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In response to your request for a report relative to the bill (S. 3791) for the relief of Dora Alicia Adan, there is attached a memorandum of information concerning the beneficiary.

The bill would grant the beneficiary permanent residence in the United States as of the date of enactment upon payment of the required visa fee. It would also direct that an appropriate visa number deduction be made.

Absent enactment of the bill, the beneficiary, a native of Mexico, would be chargeable to the numerical limitation for immigrants from the Western Hemisphere.

Sincerely,

JAMES F. GREENE,
Acting Commissioner.

Enclosure.

MEMORANDUM OF INFORMATION FROM IMMIGRATION AND NATURALIZATION SERVICE FILES RE: S. 3791

The beneficiary, Dora Alicia Adan, a native and citizen of Mexico, was born on August 24, 1957. She resides with Reverend and Mrs. Phillip Kessler in Logansport, Indiana, where she has completed high school. She is not employed and is totally supported by the Kesslers.

Ms. Adan entered the United States in 1965 with her mother as a nonimmigrant visitor for 72 hours and did not receive any extensions of temporary stay. Shortly after entry, the beneficiary's mother remarried and gave Ms. Adan to a migrant family to raise. From 1968 until 1974 the beneficiary followed the migrant circuits from Texas to Florida with the family to whom she was given. She was taken in by the Kesslers in 1974 and has resided with them since that time. The present whereabouts of the beneficiary's mother is unknown. Her father is deceased. She has no known relatives in this country or in Mexico. On August 5, 1975, the beneficiary was granted voluntary departure to September 6, 1975, and received extensions to June 14, 1976. She failed to depart within the specified time and deportation proceedings were instituted against her on August 19, 1976.

The Reverend and Mrs. Kessler are willing to assume full responsibility for the beneficiary. Reverend Kessler is the pastor of the Church of the Brethren in Logansport, Ind. Mrs. Kessler is employed as a store clerk at the Logansport State Hospital. They have a combined income of $17,000 and personal property valued at $4,000. They reside in the church parsonage for which no rent is charged.

A supplemental report from the Immigration and Naturalization Service dated March 10, 1977 reads as follows:

U.S. DEPARTMENT OF JUSTICE, IMMIGRATION AND NATURALIZATION SERVICE,
Washington, D.C., March 10, 1977.

A87-246-457.

DEAR MR. CHAIRMAN: This refers to S. 58 in behalf of Dora Alicia Adan, who was also the beneficiary of S. 3791, 94th Congress.

The beneficiary has graduated from high school and is working part-time, 2 hours a day, as a dietary assistant at the Logansport State Hospital, Logansport, Ind.

There are no other material changes in the aspects of this case.

Sincerely,

L. F. CHAPMAN, Jr.,
Commissioner.

Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, D.C.

Senator Birch Bayh, the author of the bill, submitted the following supporting information:

U.S. SENATE,
Washington, D.C., February 16, 1977.

Hon. JAMES O. EASTLAND,
Chairman, Subcommittee on Immigration and Naturalization, Committee on the Judiciary, Washington, D.C.

DEAR MR. CHAIRMAN: I am today introducing statements of support for S. 58.

Alicia Dora Adan, known to her friends as Lisa, was brought into this country from Mexico by her widowed mother when she was approximately eight years old. Her mother then married an American citizen. Following her mother's remarriage, Lisa was subjected to physical and sexual abuse which resulted in her being "given away" first to an aunt and then to a traveling migrant family. Until 1974 Lisa followed the migrant circuit. Then in Cass County, Ind., she became acquainted with Reverend and Mrs. Phillip G. Kessler, who are active in the Migrant Ministry of Cass County. They took Lisa into their home, where for the first time she was given the opportunity to live a normal life.

Last May Lisa graduated from high school in Indiana. Her greatest ambition is to become a citizen of the United States, continue her education and obtain meaningful employment.

I am enclosing, Mr. Chairman, several letters from members of the Cass County community who join with me in urging the passage of S. 58.

With warmest regards, I remain,

Sincerely,

BIRCH BAYH,
U.S. Senator.

LOGANSPORT, IND.,
May 20, 1976.

Senator BIRCH E. BAYH, Jr.,
Washington, D.C.

DEAR SENATOR BAYH: Sometime ago I sent a copy of a letter addressed to the President of the United States regarding Dora Alicia Adan and United States citizenship. You corresponded with us regarding this letter. We still are running into blank walls and have accomplished nothing regarding securing citizenship for this girl. I am again writing to you requesting your help and guidance.

The following is our story and our concerns:

Dora Alicia Adan, who goes by the name, Lisa, has been living with us since October of 1974. Lisa was born in Reynosa, Tamps., Mexico. We have been advised by the INS and by officials in our denominational headquarters that a special bill at this crucial time would be the most sure and possibly the quickest way to secure citizenship for Lisa. We are appealing to you for any help you can give us.

Lisa's father died when she was 5 years of age. According to the U.S. Immigration Service information, Lisa and her mother entered the United States on a 72 hour visa in 1965. Lisa would have been approximately 8 years of age. Lisa's mother then married a U.S. citizen and she lived with them for a time in Texas. Sometime around the age of 11 or 12 years the stepfather attempted to sexually abuse Lisa. The mother then sent Lisa to stay with her married sister. The stepfather went to the sister's house one evening when both the mother and the sister were working and nearly choked Lisa to death before she was able to scratch her way to freedom with her finger nails. After this the mother gave Lisa to another family to raise. She was then taken to Florida and then followed the migrant circuit annually with this family.

My wife and I had known Lisa for about three summers during which time we had worked with the Migrant Ministry of Cass County, Ind., on a volunteer basis along with other members of our church congregation. During the summer of 1974 we became aware that the people Lisa was living with were not her parents and that there were problems. She then began sharing with me that she had been beaten and that she had been told she would not be allowed to complete her high school education. She was not allowed to attend school in the fall of 1974 with the rest of the migrant children but was sent to the fields to work or made to care for the babies and household chores. In September 1974, she asked and was granted permission to spend the night with us. I took her to a physician for wounds and verification of mistreatment. She had also been mentally abused by constantly being told that "not even her own mother loved her" and that she was dumb and no good. She ran away from our home that night and later returned to us after the migrant people had left this community.

When Lisa came to live with us, we immediately began trying to make it possible for her to stay in the United States legally and to attain her citizenship. We secured John Hillis, of Logansport, as our lawyer. He wrote the INS at Hammond, Ind., and after many attempts received an answer which was rather indicisive. The first suggestion they gave was for us to return with Lisa to Mexico and secure a legal passport into the United States. This we were prepared to do during the school holidays at Christmas 1974. At the last moment the INS said not to do that but to secure a student visa which was later refused. They suggested that we adopt the girl and we took all the necessary steps to do this and at the time of the final act they again said, no. Later the INS ask for a personal interview (without our attorney) at Hammond. At this time we were told that there was surely some way Lisa could be allowed to stay with us. Financial statements and various forms were filled out and we were given a 30-day temporary visa for Lisa. It then became necessary to appeal for an-

other 30-day visa extension and we are still continuing to appeal for new extensions as necessary. Finally we received a letter stating that Lisa was refused permission to stay in the United States by the decision of the United States Attorney General. This was in reference to a student visa. Three reasons were given: (1) ". . . you have remained in the United States beyond the time authorized and have failed to maintain your nonimmigrant visitor's status." I can only comment that I doubt that any 8-year-old child who was later passed around a great deal would know to do this: (2) "in that you are not a bonafide nonimmigrant student." (3) "and because the school you wish to attend does not have approval by this Service to accept foreign students." This statement came as a great surprise to the Logansport Community School officials as they have a rather extensive foreign exchange program. We also appealed this deportation notice and was again granted temporary extensions.

It is Lisa's desire to continue to live with us and to complete her education. She is making real progress with her studies in spite of the constant emotional turmoil her legal status keeps her in. She will complete her senior year and be graduated from Logansport High School on May 25, 1976. We also have reason to believe that Lisa could possibly be more lost in Mexico than in the United States. We feel with the event of graduation from high school the INS will no longer grant the temporary extensions which would no longer solve any problems since as an adult she really needs some permanent status for many reasons.

Lisa thinks she would like to continue her education in the field of social studies but would like to hold a job and attend night school to study more basic math and better her understanding of the English language first. However, she cannot hold a job because she cannot secure a social security number while she is here on temporary visa extensions. Even institutions of high learning require a social security number on their registration forms. She cannot get a driver's license. Lisa has a good mastery of the English language and her grades have steadily improved during these last 2 years she has lived with us. She is well adjusted socially, has been active in the high school chorus and was in the senior class play.

We have records of her school attendance back through the 1970–71 school year and are trying to secure earlier records but the school she attended has been closed and so far we have not been able to secure school records for earlier than 1970. It is our understanding from the INS that if we could prove by records that Lisa has been in this country for seven years that she would be automatically eligible to apply for citizenship in the United States but we have not been able to acquire school records for that many years although she says she did attend Catholic school in Pharr, Tex., during those years prior to 1970. In writing for her records we did discover that she was promoted from the third grade in 1971 and we do now know that she is graduating from high school in 1976. This alone tells something of her ability to learn. To have accomplished 9 years in 5 is an accomplishment for anyone let alone one with a language barrier.

We have not been able to locate the mother or any close relative of this girl. She is very much alone. Can she not be allowed citizenship in this country?

Lisa has studied U.S. Government this year in school and has worked very hard at it. In a recent discussion regarding her being able to stay in this country she cried and said, "It says in the government book that if one has no home and no place to go, and if one learns the laws of this land, the language and ways of this land, that one can become a U.S. citizen. Why cannot I do it?" I think the question had a great deal of thought behind it and was well stated.

We have either done or tried to do each thing the INS suggested. We do not know where to turn now, but just keep trying any new suggestions.

In a time when hundreds are coming to our country to live, cannot one lone girl, brought here as a child and who has lived in the country continually since 1965 and only last August was 18 years of age, be allowed to stay in this country with those who love her, can care for her and would help give her further education if she so desires? I personally do not feel Lisa is responsible for being in this country. She has tried since she was old enough and had acquired the understanding of what should be done to become a legal citizen.

The Logansport Church of the Brethren of which I am the pastor, and the national offices of our denomination support me in my efforts to help Lisa secure U.S. citizenship. We can secure letters of support both from the local congregation and from our denominational headquarters.

And, now, we are asking for any help or suggestions that you may have. We feel the time is extremely short and Lisa has no one to go back to Mexico to so any help you can give us would be greatly appreciated.

Respectfully submitted.

PHILLIP G. KESSLER.

LOGANSPORT, IND.

Re Dora Alicia Adan.

BIRCH E. BAYH, Jr.,
Washington, D.C. (Attention of Joni Cole).

It has been my privilege to know Dora Alicia Adan (known to us as Lisa) for a little over 2 years. I first knew her when a group from our church (Church of the Brethren) visited the migrant camp where she lived. At that time I was quite impressed with her intelligence. She served as interpreter during a Bible study we conducted as some of the other migrants did not understand English very well.

Since she has been living with the Kessler's her personality and intelligence have become more apparent. She has participated in the high school choir, church choir, church youth group and been a regular attender at church services and activities. It is my opinion that she has made a remarkable adjustment to our society (though I am sure it has not been easy for her).

Two ambitions Lisa has told me about repeatedly are to finish high school (now accomplished), go on with further schooling, and to have a job. She desires very much to have a job and not be dependent on Kesslers for spending money, clothes, etc.

It is my opinion that Dora Alicia Adan would be a very desirable person to be a citizen of the United States of America—she is willing, indeed eager, to work and to better herself through education.

It is my prayer that Lisa will soon be allowed the privilege of citizenship!

Respectively,

PHYLLIS J. STROUP.

CHURCH OF THE BRETHREN,
Elgin, Ill., September 21, 1976.

Hon. BIRCH E. BAYH, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BAYH: In recent conversations with Dora Alicia Adan and the Reverend and Mrs. Phillip G. Kessler, I have learned that you have introduced a special bill (No. 3797) to secure U.S. citizenship for Alicia. I believe that this case merits this action and want to express my appreciation to you for your initiative in this regard. I hope that the bill will soon be enacted so that the anxiety related to Alicia's status may soon be removed.

Thank you again for giving your time and attention to this matter.

Sincerely,

H. LAMAR GIBBLE,
Peace and International Affairs Consultant.

MEXICO CHURCH OF THE BRETHREN,
Mexico, Ind., September 15, 1976.

Senator BIRCH BAYH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BAYH: Dora Alicia Adan (No. 3791) has been an acquaintance of mine for more than 3 years. She is an impressive young lady who has adapted graciously to our society. She is energetic and anxious to work to support herself. Her burning desire to be an American citizen has been manifest ever since I have known her. She would be one I would be proud to claim as one of my own.

It is my fervant desire that you do all you can to help Dora Alicia Adan become an American citizen.

Sincerely yours,

DONALD E. RITCHEY.

NOSTRATOLLAH MORADI

The Senate proceeded to consider the bill (S. 215) for the relief of Nostratollah Moradi, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 4, following "Moradi," to insert "the spouse of Deborah Haltunen Moradi, a citizen of the United States," so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Nostratollah Moradi, the spouse of Deborah Haltunen Moradi, a citizen of the United States, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–158), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to grant the status of permanent residence in the United States to Nostratollah Moradi, the spouse of a U.S. citizen. The bill provides for the payment of the required visa fee. The purpose of the amendment is for clarification.

STATEMENT OF FACTS

The beneficiary of the bill is a 24-year-old native and citizen of Iran who entered the United States on July 14, 1972 to train as an airplane mechanic for the Iranian Air Force. On April 24, 1973, he deserted his training and on April 28, 1973, he married a citizen of the United States. A petition to classify the beneficiary as an immediate relative was approved on July 3, 1973; however

an application for adjustment of status was denied on January 15, 1974, as a matter of discretion. The beneficiary is currently employed by the Anaconda Mining Co. and is studying petroleum engineering at the Montana College of Mineral Science. He and his wife are the parents of a daughter, born September 22, 1975, in Anaconda, Mont.

A letter, with attached memorandum, dated May 20, 1974, to the chairman of the Senate Judiciary Committee from the then Commissioner of Immigration and Naturalization refers to S. 3329, a similar bill introduced in the 93d Congress. The letter and memorandum read as follows:

U.S. DEPARTMENT OF JUSTICE,
IMMIGRATION AND NATURALIZATION SERVICE,
Washington, D.C., May 20, 1974.

Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary,
U.S. Senate, Washington, D.C.

DEAR SENATOR: In response to your request for a report relative to the bill (S. 3329) for the relief of Nosratollah Moradi, there is attached a memorandum of information concerning the beneficiary.

The bill would grant the beneficiary permanent residence in the United States as the date of its enactment upon payment of the required visa fee. It would also direct that a visa number deduction be made.

The beneficiary, a native of Iran, is chargeable to the non-preference portion of the numerical limitation for immigrants from countries in the Eastern Hemisphere.

Sincerely,

L. F. CHAPMAN, Jr.,
Commissioner.

Enclosure.

MEMORANDUM OF INFORMATION FROM IMMIGRATION AND NATURALIZATION SERVICE FILES RE S. 3329

The beneficiary, Nosratollah Moradi, a native and citizen of Iran, was born on November 3, 1952. He is married and resides with his wife in Anaconda, Mont. He is employed as a laborer at the smelter in Anaconda where he earns $35 per day.

Mr. Moradi entered the United States on July 14, 1972, as an official of the Iranian Government. He was a member of the Iranian Air Force and came to the United States to train as a helicopter mechanic.

The beneficiary deserted from his training unit at Lackland Air Force Base, San Antonio, Tex. on April 24, 1973. He proceeded to Great Falls, Mont. where he married Deborah Haltunen, a U.S. citizen, on April 28, 1973. He had become acquainted with Miss Haltunen, a native of Montana, while in San Antonio, Tex.

Mrs. Moradi submitted a petition on July 3, 1973, to classify the beneficiary as an immediate relative and thereby eligible to become a permanent resident. The petition was approved at the Helena, Mont. District Office on July 11, 1973.

An application for adjustment of status to that of a lawful permanent resident was filed by the beneficiary on July 3, 1973. The application was denied at the Helena District Office on January 15, 1974 as a matter of discretion. This denial was affirmed by the Northwest Regional Commissioner, Twin Cities, Minn., on March 15, 1974. The denial was based on correspondence from the U.S. State Department and the Consulate General of Iran, San Francisco. The State Department expressed the view that to facilitate or otherwise abet Mr. Moradi's desertion would be damaging to our political relations with the Government of Iran. The State Department recommended that the application be denied.

Mr. Moradi has no immediate relatives in the United States other than his wife. His immediate family, consisting of his mother and father, three brothers and four sisters, all reside in Iran.

Mrs. Moradi has been treated by a psychiatrist since 1970 for several acute psychotic episodes. Medication and psychotherapy have enabled her to function in a normal manner. Her psychiatrist has recommended that the continuing support of her husband would be of benefit to her.

The beneficiary submitted a notarized affidavit to the Helena District Office, dated January 25, 1974, which appealed the decision of the District Director, Helena, denying the beneficiary adjustment of status. The beneficiary stated in the affidavit that his wife was expecting a child which would be born shortly. When interviewed by an officer of this service on April 26, 1974, Mrs. Moradi stated that she was not certain that she was pergnant, and that no doctor had stated that she was.

Supplemental reports dated December 27, 1974 and March 4, 1977, read as follows:

U.S. DEPARTMENT OF JUSTICE, IMMIGRATION AND NATURALIZATION SERVICE,
Washington, D.C., December 27, 1974.

Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary,
U.S. Senate, Washington, D.C.

DEAR SENATOR: This refers to your recent request, dated November 22, 1974, for additional information relating to Nosratollah Moradi, beneficiary of S. 3329.

Mr. Moradi's application for adjustment of status to that of a lawful permanent resident was denied by the District Director, Helena, Mont. on January 15, 1974, as a matter of discretion. This decision was affirmed by the Northwest Regional Commissioner of this Service on March 15, 1974.

The beneficiary renewed his application for adjustment of status at a deportation hearing before an immigration judge on July 2, 1974. By written decision dated August 1, 1974, the immigration judge denied the renewed application and found Mr. Moradi deportable. He was granted a period of time to voluntarily depart the United States with an alternate order of deportation should he fail to depart when required. He did not elect to appeal this decision to the Board of Immigration Appeals.

The beneficiary has been advised that since a private bill in his behalf is pending, the date by which he may voluntarily depart has been extended to February 1, 1975, or until adverse action is taken on the bill, whichever is sooner.

Sincerely,

L. F. CHAPMAN, Jr.,
Commissioner.

U.S. DEPARTMENT OF JUSTICE,
IMMIGRATION AND
NATURALIZATION SERVICE,
Washington, D.C., March 4, 1977.

Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This refers to S. 215 in behalf of Nosratollah Moradi, who was also the beneficiary of S. 807, 94th Congress.

Mr. Moradi and his wife are now the parents of a daughter, born September 22, 1975, in Anaconda, Mont.

The beneficiary continues to be employed by the Anaconda Mining Co. in Anaconda, and on February 7, 1977, enrolled as a student at the Montana College of Mineral Science and Technology, Butte, Mont. He is majoring in petroleum engineering.

Mrs. Moradi recently advised that she has suffered no emotional problems since 1974. Information relating to this is contained in a memorandum of information relating to the beneficiary, which was forwarded to your office on May 20, 1974.

Sincerely,

L. F. CHAPMAN, Jr.,
Commissioner.

Senator Lee Metcalf, the author of the bill, submitted the following supporting information in connection with S. 3329, his similar bill introduced in the 93d Congress:

U.S. SENATE,
COMMITTEE ON INTERIOR AND
INSULAR AFFAIRS,
Washington, D.C., July 11, 1974.

Hon. JAMES O. EASTLAND,
Chairman, Senate Judiciary Committee, 2226 Dirksen Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: The enclosed letter from the attorney representing Nostratollah Moradi, the subject of my bill S. 3329, comments in detail on the Immigration and Naturalization Service memorandum of information as well as pointing out other factual and compassionate considerations relative to his request for permanent resident in the United States.

I appreciate the opportunity to submit this for consideration by the Subcommittee on Immigration and Naturalization, and am hopeful that favorable action will be taken on this bill.

Very truly yours,

LEE METCALF.

Enclosure.

McKEON & McKEON, P.C.,
ATTORNEYS AT LAW,
Anaconda, Mont., June 25, 1974.

Re Nostratollah Moradi, Immigration anl Naturalization Service file Re S. 3329.

Hon. LEE METCALF,
U.S. Senate Office Building, Committee on Interior and Insular Affairs, Washington, D.C.

DEAR SENATOR METCALF: Thank you for your letter of June 17, 1974, concerning the special legislation which you introduced on behalf of the above named. I am also in receipt of your enclosure entitled "Memorandum of Information from the Immigration and Naturalization Service."

In discussing the Memorandum with my client, I have noted some errors which he would like brought to your attention. Mr. Moradi deserted from his training unit at Dyess Air Force Base in Abilene, Tex. Also, relative to the pregnancy of his wife, when Mr. Moradi initially contacted me relative to his naturalization status, both he and his wife were of the opinion that she was pregnant. Later it was determined that she was not. It appears there is some confusion as to this particular point.

Presently Mr. Moradi is still employed as a laborer for the Anaconda Co. at the Smelter here in Anaconda. While he desperately desires to remain in the United States with his wife who, as mentioned in the memorandum, has had acute episodes of phychosis, he also expresses a great fear of being forced to return to Iran. This fear is based on the penalties which he feels he would be subjected to should he be forced to return to Iran. Mr. Moradi greatly fears that he will be made an example of and that the penalty in the country for desertion is extremely harsh.

Also, by way of correction of the memorandum mentioned above, Mr. Moradi informs me that he was sent to the United States for training as an airplane mechanic and not as a helicopter mechanic.

While I appreciate the fact that this is an extraordinary method of securing permanent residence for my client, there are extenuating circumstances which would merit the passage of this special legislation.

Mr. Moradi is desperately needed by his

wife, Debbie. She is 21 years of age and they have been married for over a year. Her dependence upon Nosratollah is accentuated by her emotional condition. I feel that to separate at this time, or any time in the future, would result in emotional disaster for her. Also, Mr. Moradi has been very close to the parents of his wife and her entire family and if this bond were to be severed it would result in serious emotional crises to them all. My client feels that if he is forced to return to Iran he will never see his wife or in-laws again. Needless to say, he is deeply troubled by this thought.

Mr. Moradi has, since coming to the United States, been an exemplary resident who works hard for a living. He has never been in any type of trouble and has at all times obeyed and adhered to the laws of the State of Montana and the Federal Government. In short, I feel that he would be an exemplary citizen whose residence in this country would certainly be of benefit to us all.

Again, I wish to thank you on behalf of Mr. Moradi and myself for the extremely kind consideration you have shown in introducing this legislation and I hope and pray on behalf of Mr. Moradi that we are able to secure citizenship for him.

With kindest personal regards, I am

Very truly yours,

MIKE MCKEON.

Mr. ROBERT C. BYRD. Mr. President, I move en bloc to reconsider the votes by which the various measures were passed.

Mr. TOWER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JOHN FITZGERALD KENNEDY LIBRARY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 424.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H. J. Res. 424) to authorize the Administrator of General Services to accept land, buildings, and equipment, without reimbursement, for the John Fitzgerald Kennedy Library, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the joint resolution be considered as having been read the first and second time and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read twice by its title.

Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The joint resolution (H.J. Res. 424) was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MILITARY PROCUREMENT AUTHORIZATIONS, 1978

The Senate continued with the consideration of the bill (H.R. 5970) to authorize appropriations for fiscal year 1978 for military procurement, research and development, active duty, Selected Reserve, and civilian personnel strengths, civil defense, and for other purposes.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, back on the bill, we need to take up these amendments now. The next one that I have on my list is an amendment by Senator BAKER having to do with civil defense.

No, excuse me, we cannot take that one up now.

The Senator from Alaska (Mr. STEVENS) has two important amendments, one with reference to an ROTC unit in each State. If he is ready to bring that up now——

Mr. STEVENS. I am ready to call up my amendment.

Mr. STENNIS. Senator NUNN is handling that and we have to get him to come to the Chamber.

Mr. STEVENS. I am at the Senator's convenience.

Mr. STENNIS. All right.

Mr. President, if I may have the attention of the Senator from Alaska, is he ready on the other amendment?

Mr. STEVENS. I might say to the Senator that I am having a drafting difficulty in that because the amendment that was prepared does not address the point I wish to raise. The point I wanted to raise was that where there is a State that has a sustained high level of unemployment and there is a defense contract, specifically a construction contract, to be let in that State—that preference should be given to the contractors who will employ the residents of that State where there is already high unemployment, rather than bringing in a contractor from what we call the lower 48 with his own employees, which would only serve to aggravate the situation.

Unfortunately the draft of the amendment that has been presented to me does not have the triggering device of the high unemployment level, and let me make it clear that I am not talking about defense production here; I am talking about repair of a runway or reconstruction of a hangar.

I must send it back. I will try to get it prepared for this afternoon but I certainly shall not delay the bill because of this. This is a fairly limited issue.

I do not know whether the Senator will agree with me or not, but where you have labor-intensive projects, construction projects in a State with high unemployment, it just makes no sense for the Government to let contracts to a contractor from far away who brings in his own people and does not have any impact on the local unemployment situation. It is the triggering device that we are working on as far as the unemployment factor is concerned.

Mr. STENNIS. The Senator does state a very serious situation. My observation is that in trying to get an amendment or a bill that covers in a legal and constitutional way a problem of that kind is very difficult.

Mr. STEVENS. The Senator from Alaska is finding that out.

Mr. STENNIS. Yes.

Mr. STEVENS. So we are going back to the drawing board. If we can get an amendment which will attempt to do that, we will raise it this afternoon.

Mr. STENNIS. All right. I wish the Senator well in it. If he does not get it this afternoon, we are hoping to pass this bill, but there will doubtless be other bills the Senator might want to consider.

Mr. STEVENS. As I said, we will not hold up the bill on this matter.

Mr. STENNIS. I thank him very much for his fine attitude about it.

Mr. STEVENS. I am prepared to raise the other amendment any time the Senator has a representative of the committee who wishes to address the problem.

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 2 minutes without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

ELEANOR ROOSEVELT NATIONAL HISTORIC SITE

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 5562.

The PRESIDING OFFICER (Mr. ZORINSKY) laid before the Senate H.R. 5562, an act to authorize the establishment of the Eleanor Roosevelt National Historic Site in the State of New York, and for other purposes, which was read twice by its title.

Without objection, the Senate will proceed to its consideration.

The bill was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Calendar Order No. 123, S. 1125, a bill to authorize the establishment of the Eleanor Roosevelt National Historic Site in the State of New York, and for other purposes, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and

ask unanimous consent that the time be charged against both sides on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE PRESIDENT—ORDER FOR JOINT REFERRAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a message from the President of the United States relative to a governing international fishery agreement between the United States and Cuba be jointly referred to the Committees on Commerce, Science, and Transportation and Foreign Relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and I ask that the time not be charged against either side.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER VITIATING JOINT REFERRAL OF MESSAGE FROM THE PRESIDENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the referral of the message from the President of the United States which was just referred jointly be vitiated for the time being.

THE PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a brief period for the transaction of routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

PARTIAL AIRLINE DEREGULATION

Mr. STEVENS. Mr. President, I ask unanimous consent that a statement made by my good friend, the Senator from Nevada, and the statement I made introducing him in Anchorage yesterday when he discussed at length the proposals in the Cannon-Kennedy bill for partial airline deregulation be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR STEVENS BEFORE THE AVIATION SUBCOMMITTEE, SENATE COMMITTEE ON COMMERCE, MAY 16, 1977

Mr. Chairman: First, I would like to welcome you to the State of Alaska. All Alaskans appreciate your taking the time from your busy schedule to come to Alaska to chair this hearing on airline regulatory reform. As you know, this is an issue of paramount importance to all Alaskans, and I am hopeful that this hearing will provide us with valuable background information upon which to base decisions by the Congress concerning airline regulatory reform in Alaska.

The distinguished Chairman, Senator Howard Cannon, is a good friend of Alaska. He understands the concerns of Alaska as they relate to aviation and has worked with us in the past to insure the satisfaction of Alaska's needs in federal legislation affecting aviation. Senator Cannon played a key role in the passage of last year's Aid to Development of Airports Program legislation which provided needed funds to maintain and improve Alaska's airports. Without his help, the ADAP program, particularly as it affects Alaska, would not have passed. This is but one example of Senator Cannon's understanding of Alaska's needs in aviation. Another is his agreement to hold this hearing today.

Senator Cannon is a long time friend of aviation and is Chairman of the Aviation Subcommittee of the Senate Committee on Commerce.

His association with aviation goes back at least as far as World War II in which he was a decorated fighter pilot. Senator Cannon served 20 months overseas, for which service he received the Legion of Merit, the Distinguished Flying Cross, the Air Medal with two oak leaf clusters, the Purple Heart, the European Theater Ribbon with eight battle stars, the French Croix de Guerre with silver star, and a Presidential Citation. During this service overseas, Senator Cannon was shot down over Holland and evaded capture for 42 days before reaching Allied lines. He maintains his connection with military aviation as a retired Major General in the Air Force Reserves.

We in Alaska are really pleased that Senator Cannon has come to our State to hear Alaska's special concerns regarding airline deregulation. At this hearing, the Committee will hear testimony concerning the special conditions accompanying air service. In a state one-fifth the size of the United States, we have single carriers serving individual regions of the State rather than a number of carriers serving the same areas. Major transportation routes are served by subcontractors and charter carries over distances which in the south 48 are served by national and regional air carriers.

It is my hope that this hearing will provide us with comments and ideas upon which to base specific solutions within the scope of airline regulatory reform to serve Alaska's unique situation. Once again, I thank Senator Cannon for his courtesy in coming to Alaska to chair this hearing. In doing so, he has acknowledged his concern and cognizance of Alaska's unique air problems. With his help, I am convinced that we can provide the proper framework to insure continued and improved air service throughout the State of Alaska and with its connections to the south 48 states.

REMARKS OF SENATOR HOWARD W. CANNON BEFORE THE CHAMBER OF COMMERCE, ANCHORAGE, ALASKA, MAY 17, 1977

It's a distinct pleasure to be here in Anchorage today to review with your aviation officials and the airline people of the 49th State the special air transportation needs of this unique and beautiful State.

You know, I'm told that many Alaskans feel that the Government is so far away in Washington and we folks in Washington really don't know much about the needs of Alaska, that sometimes we make some pretty silly decisions insofar as their practicality in Alaska goes. While that is often true in many areas of national policy, I can assure you it is not true in respect to air transportation needs.

Ted Stevens, my good friend and colleague, makes sure that we on the Senate Commerce Committee are very much aware of Alaska's special and unique aviation needs. Every time the Airport and Airway Development Act comes up for amendment or renewal, Ted makes sure that we get educated on the need for adequate funds up here and I promise you that Congress, as a result of Ted's tireless efforts, takes good care of Alaska's airport development needs.

Ted's interest and enthusiasm in all facets of aviation is why I am here today conducting hearings as the Chairman of the Senate's Aviation Subcommittee. During the course of the last 2 years our Subcommittee, on which Ted is the ranking Republican member, has been investigating the need for changes in the regulatory structure in air transportation.

Many of us are convinced that major structured changes in the way the CAB regulates the airlines are required if our system of privately-owned airlines is to survive to meet the Nation's transportation needs. During the course of hearings, which began in March of this year in Washington on legislation which I introduced with Senator Kennedy and legislation introduced by Senator Pearson of Kansas, it became obvious through Senator Stevens questioning of witnesses, that the air transport system in Alaska, partially regulated by the CAB and partially regulated by the Alaska Transportation Commission, required special study.

Senator Stevens convinced us that what might be good or appropriate for the lower 48 States might not work here, and he asked me to come up here to Anchorage to hear from Alaskans whether the current system of airline regulation is working here and whether it can be improved.

The argument in Washington during the past couple of years has been over how much governmental regulation and control over the affairs of the airlines is necessary to protect the public interest. Some, on one extreme, advocate that the airlines be entirely deregulated, the CAB be abolished and the airline system be left to the vagaries of the free enterprise system. On the other extreme, the President of American Airlines is advocating nearly total control over all airline business. He is even advocating that the Government, in effect, control airline scheduling.

It is my view that the optimum regulatory structure lies somewhere in between.

There are two broad directions public policy might take in response. One approach is to begin to regulate more actively to keep costs and prices down. The economic philosophy of the depression that told us to regulate prices and profits in the private sector is not dead. Economic regulation is the traditional way to protect consumers from monopoly practices. The Chairman of Eastern Airlines is most vocal in proclaiming that

airlines are simply public utilities and should be regulated accordingly.

Under current law, the airlines have not been regulated like a public utility. Instead, they have been half slave and half free, with the government regulating price, but allowing other decisions to remain by and large in the hands of management. But full-blown public utility-type regulation would see the Congress and the public tell the regulator to make more decisions in order to control costs—especially the cost of flying so many empty seats. It could do so by controlling scheduling so that planes are reasonably full before they take off. It could do more by striking from the rate base all costs attributable to flying too many empty seats. Full-blown regulation could start passing judgment on the aircraft investment decisions of airlines in the same manner that utility commissions tell power companies whether they can build a new plant. Since such strict regulation would eliminate financial risk, the regulators would adjust downward the level of profits airlines would be allowed to earn.

This type of regulation, if it kept prices down, might satisfy most consumers and travelers. But I doubt whether it would please airline shareholders and suppliers. It certainly would put airline management under an even heavier regulatory burden and wrap their proposals in even tighter procedural knots. The prospects for corporate growth and innovation would be no greater, and probably less, than under current regulation.

The major alternative to more regulation is, of course, less regulation—primarily more price flexibility and more liberal entry. An important feature of this approach is that decisions be made and implemented by airline management operating in a competitive environment. If the reform movement is to be anything other than new or more government interference in the private sector, the Congress must to some extent remove the power of the regulator to interference with business decisions. In my view, this approach is fundamentally superior to the strict public utility approach.

The basic reason is a philosophical one. Less regulation is vastly more in keeping with important political and economic American ideals. It is more in tune with our Jeffersonian tradition of individual free choice. It comes close to maintaining our basic industrial system of free enterprise and market choice. The free enterprise system is praised and enshrined in hundreds of speeches before local Chambers of Commerce every year. It is extolled in business and trade journals, and practiced skillfully and successfully by the executives of thousands upon thousands of companies. It generally deserves the good press it has received, but it also ought to have a more central place in the practical workings of important industries, and not just exiled to the editorial page of company newspapers. It ought to have a more central place in the economics of 20th century air transportation. Of course, a number of businessmen who pay lip service to this important economic tradition balk when it is suggested that their regulated industry or business begin to operate under the same rules that guide most other industries of this Nation. This is quite true of a number of airline executives. But our important traditions must apply to industries even if the executives of those industries would prefer that they did not.

A second reason I prefer less regulation is a practical one. In the case of airlines, the free enterprise solution appears to be more workable than the regulatory alternative. Fuller-plane, lower-fare service is much more likely to become a permanent and important feature of domestic air travel through competition. This is the clear lesson to draw from 40 years of regulatory experience and the real-world economics of airlines.

The airlines are ready for these forms of competition. Take price competition, for example. Is it likely to be destructive or wasteful? The fact is that current regulation brings about its own form of wasteful competition that exacts a heavy toll on profits and productivity. Airlines circumvent CAB price controls and channel their fiercely competitive energies into service competition that sends $30 million aircraft speeding across the country side-by-side. Although half the seats are empty, the galley is loaded down with prime beef, imported champagne and other frills. This explains why airline profits are so modest; the highfare revenues are competed away in the form of lavish, duplicative scheduling. Service competition is no less dangerous or risky than price competition, but current regulation has no power to control it, and by stamping out price competition has actually caused it.

Lower prices, on the other hand, are more likely than empty planes to attract passengers who would not otherwise fly, and to expand future traffic far beyond the modest growth projected under current regulation. This has been the clear lesson on low-fare routes in Texas and California, and in the domestic and international charter markets.

Unlocking the handcuffs on price competition will not ensure that airlines will behave as perfect competitive models. But price competition is less likely to be as wasteful as the excessive service competition of regulation. Since there are many markets that lower fares could help develop, price competition is likely to be productive. It can increase business, reduce or moderate the rise in unit costs, even in an inflationary economy, and stimulate a more dynamic industry.

Pricing flexibility will, however, be a dismal failure unless we chisel some fairly large holes in the CAB's entry barriers so that firms on the protected side of the wall can react to the newcomers on the outside. The threat of new competition regulates prices a lot better than the CAB's domestic passenger fare formula—and it does so with no bureaucracy and no code of Federal regulations. This is not simply good economic theory, it is demonstrable fact.

In the course of the hearings before the committee, a host of myths were voiced in an attempt to turn attention from the real issue involved. The most outrageous of these myths is that we will have an unsafe airline system if regulatory reform is adopted. Of course, nothing could be further from the truth. However, those who wish to divert attention from the imperfections of present regulation have cleverly seized on an idea to scare the public with the fear that regulatory reform will cause airplanes to fall out of the sky. The answer to that is quite simply, hogwash.

First of all, entry to the business, as is the case today, will be open only to operators who the board finds fit, willing and able. That means fly-by-night operators, poorly financed speculators and those with past safety problems need not apply. Second, there will be no change whatsoever in the manner in which the FAA regulates the safety practices of the airline industry. The same stringent operating standards of Part 121 of the aviation regulations will apply to all operators whether new or old. Third, most of the new entry into the passenger business will come from experienced airline people who, in the past, have been kept from joining the club.

Another myth is that air service to small communities is going to decline further or disappear altogether. Of course, this comes from the same airline executives whose companies have been leaving small communities steadily for the past 10 years. And this in spite of the testimony of the Nation's largest operator of small community air service, United Airlines, who has said it has no plans, under a new regulatory structure, to abandon service to the small towns it serves. In fact, United has recently told me that it plans to introduce 737 jet service into two small towns in my state, Elko and Ely, and cancel a long-standing wet lease with Frontier which has been providing service with Convairs.

It was amusing to note that the president of the one carrier that doesn't serve any small communities, TWA, was the most outspoken in protecting small community interests.

The fact is that air service to small town America will be improved by bringing commuter air carriers fully into the system under legislation I am developing, in cooperation with Senator Pearson and Senator Stevens. The commuters are today's specialists in local air service and have become so in a largely unregulated environment.

Another totally unfounded myth is that thousands or tens of thousands of employees in the airline industry will lose their jobs with enactment of legislation on regulatory reform. This is sheer nonsense voiced by executives of companies who don't want to face the challenge of changing the old-fashioned ways in which they have done business. It is also parroted by the chieftains of the labor movement who have enjoyed, over the years, a built-in incentive provided by regulatory protection to seek and attain bargaining achievements, frequently out of line with employee productivity. When the average airline pilot in the United States flies only 45 to 50 hours a month when the law says he can fly 80, and sometimes at salaries exceding $80,000 per year, it is hard not to perceive the inefficiencies the regulatory structure has built into the system. The plain fact is that employment in the industry is found to rise under a system which places emphasis on competition and innovation. New jobs will be created by the stimulation of lower fares in some markets as passengers leave their automobiles for airplanes as they have in Texas. Efficient and innovative companies will be rewarded in a regulatory system emphasizing competition, and they will grow and prosper creating the need for additional employees.

While it is certainly true that dislocations may occur as economic conditions change and as market forces operate, such dislocations are very real and prevalent in the present system. One need only count the thousands of employees laid off during the early and mid-70's to understand that employment in the airline industry fluctuates greatly with changes in the economy. Labor, particularly those employed by the less efficient airlines, must sharpen its pencil at the bargaining table to ensure that its demands are in line with productivity needs. Airlines cannot be efficient and innovative when hamstrung by work rules and restrictions, the type of which have pushed many railroads into bankruptcy.

A final myth worth discarding is that airline fares will go up, rather than down with regulatory reform. Those peddling this myth are as guilty as those who say that deregulation will result in lower fares. Neither, in my judgment, is right. First, air fares like all other goods and services in our economy, will rise as the general costs of doing business rises. Five years from now airline fares will doubtless be higher than they are today. However, that is not to say that a change in

the regulatory structure will not bring downward pressure on prices. I think it most certainly will. It is even happening today in isolated situations under the present system of rigid price controls.

The experience with PSA in California and Southwest Airlines in Texas shows that innovative pricing coupled with efficient operations in markets with significant traffic density can produce lower cost service to the public. That type of operation is not possible in every market—perhaps not even in the majority of markets in the United States. But a regulatory system which does not even permit the public to benefit from such services when they may be made available is not serving the people or the industry well.

I am convinced that enormous opportunities for more efficient and price-conscious airline services exist, which will be of great benefit to the public and to the industry. But under the highly exclusionary and inefficient policy mandates of the present act, as administered by the CAB, these benefits will not materialize.

In the next few weeks, the Senate's Aviation Subcommittee, including Senator Stevens and Senator Pearson, will be developing legislation to accomplish a more competitive airline system. While it will loosen the grip of regulation, regulation will not be abandoned. While essential public transportation purposes will be protected, airlines will no longer be protected from each other or from newcomers who might enter the business.

This legislation will not be popular in many quarters. The less-efficient members of the airline industry will attack it on the basis that business-as-usual will no longer be the rule of the day. Some of the largest airlines may not like it because it will mitigate against further economic concentration in the industry and provide more incentives for the small airlines than the large. The smallest carriers may cry that it doesn't adequately protect them from competition from the larger carriers.

But protection of narrow competitive interests is a luxury we can no longer indulge. It is wasteful, it is inefficient, it is expensive. In the long run, it serves neither the airline nor the public.

Passing this legislation will be a tough job. But I will not shirk from the task. While uncertainty lies ahead as we move toward a more competitive airline system, there is no doubt in my mind that failure to pass legislation will provide even more uncertainty and, in the end, the chaos, disarray and huge public bailouts which are now characteristic of the Nation's railroad system.

I appreciate this opportunity to appear before you today to discuss this issue of vital importance to us all. Thank you very much.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

FISHERY AGREEMENT BETWEEN CUBA AND THE UNITED STATES—MESSAGE FROM THE PRESIDENT—PM 80

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States:

To the Congress of the United States:

In accordance with The Fishery Conservation and Management Act of 1976 (P.L. 94–265), I transmit herewith a governing international fishery agreement between the United States and Cuba, signed at Havana on April 27, 1977.

This Agreement, one of a series to be negotiated in accordance with that legislation, is significant because it is the first to be negotiated personally by representatives of the two governments since 1958. Favorable action by Congress on this Agreement will constitute a tangible step in the improvement of United States-Cuban relations.

In that regard I note that the Fishery Conservation and Management Act provides for 60 calendar days of continuous session for review of the Agreement by Congress. Since the Agreement in all material respects is in accordance with the provisions of the Act, I strongly recommend that the Congress consider extending the provisions of the Fishery Conservation Zone Transition Act (P.L. 95–6) to this Agreement in order that it may be brought into force at the earliest possible date.

JIMMY CARTER.

THE WHITE HOUSE, *May 17, 1977.*

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the message from the President of the United States, relative to a governing international fishery agreement between the United States and Cuba, be jointly referred to the Committees on Commerce, Science, and Transportation and the Committee on Foreign Relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

At 11:33 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that the House has passed the following bills and joint resolution in which it requests the concurrence of the Senate:

H.R. 1952. An act to amend the corporate name of AMVETS (American Veterans of World War II), and for other purposes;

H.R. 3849. An act to establish qualifications for individuals appointed to the National Advisory Committee on Oceans and Atmosphere and to authorize appropriations for the Committee for fiscal year 1978; and

H.J. Res. 424. A joint resolution to authorize the Administrator of General Services to accept land, buildings, and equipment, without reimbursement, for the John Fitzgerald Kennedy Library, and for other purposes.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDING OFFICER laid before the Senate the following communications which were referred as indicated.

EC–1342. A letter from the Secretary of the Senate transmitting, pursuant to law, a statement of the receipts and expenditures of the Senate for the period from October 1, 1976 through March 31, 1977 (with an accompanying report); ordered to lie on the table and be printed.

EC–1343. A letter from the Governor of the Farm Credit Administration transmitting, pursuant to law, the 43rd annual report of the Farm Credit Administration and the cooperative Farm Credit System covering the fiscal year ended June 30, 1976 (with an accompanying report); to the Committee on Agriculture, Nutrition, and Forestry.

EC–1344. A secret communication from the Assistant Secretary of Defense transmitting, pursuant to law, selected acquisition reports for the quarter ending March 31, 1977 (with an accompanying report); to the Committee on Armed Services.

EC–1345. A letter from the Chairman of the Export-Import Bank of the United States transmitting, pursuant to law, a report on loan, guarantee and insurance transactions supported by Eximbank during March 1977 to Communist countries (with an accompanying report); to the Committee on Banking, Housing, and Urban Affairs.

EC–1346. A letter from the Secretary of Commerce transmitting a draft of proposed legislation to amend the Marine Mammal Protection Act of 1972 in connection with the incidental taking of marine mammals in the course of commercial fishing (with accompanying papers); to the Committee on Commerce, Science and Transportation.

EC–1347. A letter from the Director of the United States Arms Control and Disarmament Agency transmitting a request for the designation of several Senators as advisers to the SALT Delegation; to the Committee on Foreign Relations.

EC–1348. A letter from the Assistant Secretary for Congressional Relations transmitting, pursuant to law, a report on excess defense articles delivered to foreign governments in the first quarter of FY 1977 (with an accompanying report); to the Committee on Foreign Relations.

EC–1349. A letter from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a report on a new system of records, in accordance with the Privacy Act (with an accompanying report); to the Committee on Governmental Affairs.

EC–1350. A letter from the Executive Secretary to the Department of Health, Education, and Welfare transmitting, pursuant to law, a document which has been transmitted to the Federal Register for publication on International Studies Centers, Graduate and Undergraduate International Studies Program, Foreign Language and Area Studies Fellowships and Research and Studies (with an accompanying report); to the Committee on Human Resources.

EC–1351. A letter from the Director of ACTION transmitting a draft of proposed legislation to provide authorizations of appropriations for programs under the Domestic Volunteer Service Act of 1973 (with accompanying papers); to the Committee on Human Resources.

EC–1352. A letter from the Executive Secretary to the Department of Health, Education, and Welfare transmitting, pursuant to law, a document which has been transmitted to the Federal Register for publication on State Planning Commissions Program—Intrastate Planning (with an accompanying report); to the Committee on Human Resources.

EC–1353. A letter from the Attorney General of the United States transmitting a draft of proposed legislation to authorize appropriations for the activities of the Department

of Justice (with accompanying papers); to the Committee on the Judiciary.

EC–1354. A letter from the Administrator of the Veterans Administration transmitting a draft of proposed legislation to amend title 38 of the United States Code to increase the rates of disability and death pension, and to increase the rates of dependency and indemnity compensation for parents, and for other purposes (with accompanying papers); to the Committee on Veterans Affairs.

REPORT OF COMMITTEE SUBMITTED DURING THE RECESS

Under authority of the order of May 16, 1977, Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation, submitted the following report on May 16, during the recess of the Senate:

With an amendment:

S. 1425. A bill to amend section 304 of the Marine Protection, Research, and Sanctuaries Act of 1972, as amended, to etxend the authorization of appropriations (Rept. No. 95–216).

REPORTS OF COMMITTEES

The following reports of committees were submitted today:

By Mr. HATHAWAY, from the Select Committee on Small Business:

S. Res. 174. An original resolution waiving the provisions of section 402(a) of the Congressional Budget Act of 1974 with respect to S. 1442. Referred to the Committee on the Budget.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 1952. An act to amend the corporate name of AMVETS (American Veterans of World War II), and for other purposes; to the Committee on the Judiciary.

H.R. 3849. An act to establish qualifications for individuals appointed to the National Advisory Committee on Oceans and Atmosphere and to authorize appropriations for the Committee for fiscal year 1978; to the Committee on Commerce, Science, and Transportation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. TOWER:

S. 1540. A bill to amend the Davis-Bacon Act and for other purposes; to the Committee on Human Resources.

By Mr. HOLLINGS:

S. 1541. A bill for the relief of Dr. Kostadin Vaklev; to the Committee on the Judiciary.

By Mr. PROXMIRE (by request):

S. 1542. A bill to amend the Council on Wage and Price Stability Act; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PROXMIRE:

S. 1543. A bill to amend part I of the Interstate Commerce Act in order to prohibit certain rate discrimination on the basis of geographical location; to the Committee on Commerce, Science, and Transportation.

By Mr. MORGAN (for himself, Mr. HELMS, Mr. SARBANES, and Mr. MATHIAS):

S. 1544. A bill to amend section 501(c) of the Internal Revenue Code of 1954; to the Committee on Finance.

By Mr. ABOUREZK:

S. 1545. A bill to authorize the guarantee of certain State, local, or other public agency bonds issued to finance water resource facilities, and for other purposes; to the Committee on Governmental Affairs.

S. 1546. A bill to establish Admiralty Island National Preserve in the State of Alaska, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HOLLINGS:

S. 1547. A bill to amend the Communications Act of 1934, as amended, with respect to penalties and forfeitures, and to authorize the Federal Communications Commission to regulate pole attachments, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. RIEGLE:

S. 1548. A bill for the relief of Hun Sik Sanderson; to the Committee on the Judiciary.

By Mr. THURMOND:

S. 1549. A bill for the relief of Kostadin Vaklev, M.D., his wife, Ruzhitsa Vaklev, and his child, Liljana Vaklev; to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 1550. A bill to amend the Marine Mammal Protection Act of 1972 in connection with the incidental taking of marine mammals in the course of commercial fishing; to the Committee on Commerce, Science, and Transportation.

By Mr. ANDERSON:

S. 1551. A bill for the relief of In Hea Kim and Myung Sung Kwon; to the Committee on the Judiciary.

By Mr. TALMADGE (for himself, Mr. NUNN, Mr. STONE, and Mr. GOLDWATER):

S.J. Res. 53. A joint resolution proposing an amendment to the Constitution to provide that, except in time of war or economic emergency declared by the Congress, expenditures of the Government may not exceed the revenues of the Government during any fiscal year; to the Committee on the Judiciary.

By Mr. WILLIAMS (for himself and Mr. CASE):

S.J. Res. 54. A joint resolution to designate the year 1979 as the Thomas A. Edison Centennial Year and to establish the Thomas A. Edison Centennial Commission; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TOWER:

S. 1540. A bill to amend the Davis-Bacon Act, and for other purposes; to the Committee on Human Resources.

Mr. TOWER. Mr. President, I am introducing the Federal Construction Costs Reduction Act, a bill to provide for comprehensive revision of the Davis-Bacon Act. Similar legislation has been introduced in the House by my colleague from Minnesota, Mr. HAGEDORN.

The Davis-Bacon issue is not a new one to me, and those familiar with my record here in the Senate will recall that over the years I have introduced several bills to repeal this act entirely. I maintain my conviction that total repeal is the most desirable and effective method for dealing with the inequities of this outdated statute, but I am not optimistic that such action will be taken by this present Congress. The legislation I am offering today is a reasonable and practicable way to deal with the most onerous aspects of this act; that is, the inflationary impact it inflicts upon our economy, and the discrimination it applies to many American workers.

I think we can all recognize the fact that the construction industry in this country represents the backbone of our growth and development, and a vital component of our national security system. As an industry, construction accounts for nearly 9 percent of our GNP, making it the largest individual contributor. It is understandable, then, that we should view with some concern the nature of inflationary pressures in construction, particularly to the degree that this tendency is influenced by Federal law.

The prime culprit behind today's soaring construction rates is the Davis-Bacon Act, also known as the prevailing wage law. While there is some evidence that support for a prevailing wage system existed prior to the depression of the 1930's, it was during those difficult years that public pressure prompted enactment of this legislation. Work was scarce, and wages were low. Proponents of Davis-Bacon claimed that some contractors working on Federal projects were able to pay substandard wages by utilizing labor from nonlocal, low-wage areas.

In order to protect local construction workers, and to assure that Federal projects were not being used to deflate or inflate wage rates, Congress passed the Davis-Bacon Act. Over the objections of his Comptroller General, who warned that

> It (Davis-Bacon) removes from competitive bidding of the project an important element of cost.

President Hoover signed the law in 1931.

Davis-Bacon was the first Federal wage law affecting non-Government employees, and provides that on federally-affected construction projects costing $2,000 or more, wages "prevailing" in the construction area must be paid by the bidding contractors. Initially, wage rate determinations were made by the contractors and contracting agencies. Subsequent amendments, however, have placed the responsibility for wage predetermination with the Secretary of Labor. In 1964, fringe benefits were added to the definition of "prevailing wages."

Whatever benefits may have accrued from original passage of this legislation, subsequent experience with its administration and relative changes which have occurred over the past 46 years have led to the realization that Davis-Bacon is an inefficient and inequitable statute which should be substantially modified or repealed. These conclusions have been drawn from a number of studies and re-

ports from both public and private sources. From the economic sector, such noted experts as Milton Friedman, Paul McCracken, and Hendrick Houtthaker have cited problems with Davis-Bacon. Representatives from the Department of the Interior, the General Services Administration, the Department of Housing and Urban Development, and the General Accounting Office have testified to the law's damaging effects. Both the American Enterprise Institute and the University of Maryland's Wharton School have published extensive analyses of Davis-Bacon, and the National Association of Minority Contractors has recommended suspension of the act due to its discriminatory provisions.

Most widely cited among criticisms of Davis-Bacon is the manner in which the act is administered. Because the original act is remarkably vague, particularly in terms of defining the wage determination process, much discretion has been left to the Secretary of Labor. It is his responsibility to determine the wage rates, based on the geographical area involved, the job classifications, the project descriptions, and the time frame for conducting the survey.

A study conducted by the General Accounting Office in 1971, revealed blatant evidence of mismanagement, resulting in excessive costs to the taxpayers. Among the specific administrative problems with Davis-Bacon administration is the fact that the minimum wage rates are, in many cases, significantly higher than the prevailing wage in the areas surveyed. As a result, project costs are unnecessarily overpriced from 5 percent to 15 percent. Considering the fact that enactment of Davis-Bacon was supposed to prevent disruption of the market, it is evident that current practices under Davis-Bacon violate original congressional intent.

Further evidence of error has been found in the classification of workers for which determinations are made, the definition of geographical areas to be surveyed, and the differentiation between varying types of construction. In many instances, the Labor Department merely accepts previous wage determinations, or collective bargaining agreements, without verifying whether such rates are, in fact, representative of the prevailing wages in a given area.

While administrative problems may surface as the most obvious deficiencies of the Davis-Bacon Act, there are other factors which must be considered in light of changes which have occurred since 1931.

For one thing, we must consider the growth of Federal participation in construction projects. In the early years of Davis-Bacon, coverage was extended to familiar Government projects such as post offices, Federal office buildings, customs houses, and veterans' hospitals.

Since that time, not only has the direct Federal construction program grown tremendously, but there have also been enacted nearly 80 Federal laws with Davis-Bacon wage requirements. Among these are such measures as the Federal Aid Highway Act, various housing acts, the Health Professions Educational Assistance Act, the Library Services and Construction Act, the Air Quality Act, the Juvenile Delinquency Prevention Act, and the Elementary and Secondary Education Act. It is estimated that roughly one-third of all construction is subject to Davis-Bacon provisions.

According to the Wharton School study conducted by Armand J. Theiblot, Jr.:

> It is probably safe to say that any bid contract involving building or buildings, or earthmoving above or below water, in which the Federal Government has an interest through ownership, ownership participation, funds guaranty, or second-level funding will probably be covered by Davis-Bacon provisions.

While the cost estimates for such pervasive use of this mandatory "superminimum wage" vary, it is generally estimated that public construction costs the taxpayer between $1 and $3 billion a year more than it should simply because of Davis-Bacon, and that does not include the indirect costs of inflation, unemployment, and administrative costs to the Government. I have requested the General Accounting Office to determine just what it does cost the Government to operate under Davis-Bacon, and I am eagerly awaiting the results of their 2-year study.

After studying some 29 federally financed projects, the General Accounting Office found that improper wage determinations and other administrative errors resulted in a cost to the taxpayers of $9.1 million. In housing construction alone, GAO estimated an annual excess cost of $60 million due to error. When interviewd about this latter figure, one GAO employee said:

> This ($60 million) is the public number. GAO actual estimate was on the order of $300,000,000, but the higherups got scared and reduced the amount before submitting it to Congress.

Many examples have been cited of cost increases on particular projects, and this waste affects everything from military facilities, to housing projects, to sewage treatment plants, to recreational parks, and hospitals. In Austin, Tex., for instance, estimates show that Davis-Bacon provisions increased labor costs by $32,300 on construction of the district headquarters building of the Texas Department of Public Safety.

In Houston, a new student union building was added at Texas Southern University. Computations show that the total cost for this building could have been reduced by 11.2 percent without Davis-Bacon. It is interesting to note that in the Houston area, the 1976 Davis-Bacon wage rate for carpenters was set at $10.70 per hour—including $1.30 for fringe benefits—while the overall manufacturing wage rate for that area is $5.76.

Kansas Governor Robert Bennett estimates that Davis-Bacon will increase the cost of highway construction in that State over the next 5 years by some 38 percent. And just recently, Governor Godwin of Virginia pointed out that a controversial new wage rate determined for highway construction on Interstate 66 reflects increases of 125 percent.

Mr. President, I think this sort of operation is just plain inexcusable. While exhorting the private sector to hold this line on wages and prices, it is the Federal Government itself, in this instance, which leads the parade of inflation, and that parade marches right down the main street of every city, town, and hamlet where federally affected construction projects are found. Davis-Bacon fuels inflation through artificially high wages and subsequent price increases. I think it is high time we put a halt to this "do as I say, and not as I do" attitude on the part of the Federal Government.

Economic conditions in this country are far different than they were in 1931, and there is no longer any rational justification for this kind of protectionist law to operate as it does. Construction workers, today averaging $7.84 per hour—compared to $5.14 for the nonagriculture private sector—can hardly cite the need for this continued Government subsidy. Furthermore, it must be remembered that a number of other "protective" labor laws have been passed since Davis-Bacon, including the minimum wage law, unemployment compensation, and workers' compensation.

In its own convoluted way, Davis-Bacon protects those who least need protecting, and discriminates against those who most need it. By failing to recognize the categories of helper, trainee, and apprentice, Davis-Bacon discourages the use of these individuals as well as the programs themselves. As a result, valuable on-the-job training opportunities are lost, and there is increased unemployment, particularly among minority workers. Artificially high wages contribute heavily to the excessive unemployment rates among construction workers—12 percent—as compared to overall unemployment—7 percent.

Until some drastic revisions are made, Mr. President, continued operation of the Davis-Bacon Act will perpetuate high wages, rising costs, and unemployment. In my opinion, this is totally contrary to our present Government policy of stimulating economic growth and employment. On the one hand, we are funneling billions of dollars into public works construction projects and other job creating programs, and on the other hand we are spending comparable tax dollars to defeat these same objectives.

Mr. President, the legislation I am introducing today attempts to deal with those elements of Davis-Bacon which stifle competition, needlessly increase costs to the taxpayer, and discourage equitable treatment of all construction workers. I believe this bill will continue adequate protections for unskilled laborers, and provide a sizeable savings in terms of tax dollars and consumer prices.

As a member of the Armed Services Committee, and the Banking and Housing Affairs Committee, I am particularly sensitive to the distortions caused by Davis-Bacon. I am hopeful that we will have an opportunity here in the Senate to hold hearings on this issue, and I ask

unanimous consent to have printed in the RECORD a summary of the major provisions of the Federal Construction Costs Reduction Act together with a copy of my bill.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

S. 1540

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Construction Costs Reduction Act of 1977".

SEC. 2. (a) Section 1(a) of the Act entitled "An Act relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors and subcontractors, and for other purposes", approved March 3, 1931 (46 Stat. 1494; 40 U.S.C. 276a et seq.; commonly referred to as the "Davis-Bacon Act") (hereinafter in this Act referred to as the "Act") is amended—

(1) by striking out "$2,000" and inserting in lieu thereof "$40,000",

(2) by striking out "mechanics and/or laborers" and inserting in lieu thereof "laborers",

(3) by striking out "various classes of laborers and mechanics" and inserting in lieu thereof "laborers",

(4) by striking out "corresponding classes of laborers and mechanics" and inserting in lieu thereof "laborers",

(5) by striking out "all mechanics and laborers" and inserting in lieu thereof "all laborers",

(6) by striking out "laborers and mechanics" in each place where that term appears and inserting in lieu thereof "laborers", and

(7) by inserting "order of" immediately after "determined by".

(b)(1) Such section 1(a) of the Act (as amended by subsection (a) of this Act) is further amended—

(A) by inserting immediately after "civil subdivision" "(except that the Secretary shall under no circumstances base such determination upon projects which are located outside the county in which the work is to be performed, unless he (i) determines that the number of such projects within the county in which the work is to be performed during the two years preceding the date of determination provides an insufficient data base, and (ii) bases such determination upon projects located in the following areas (in order of priority) having a sufficient number of such projects, including projects in the previously considered areas, within such two-year period:

"(I) first, the nearest county to the project work, within the same State, adjacent to the county in which the work is to be performed (unless there is located within such county a standard metropolitan statistical area with a population greater than two hundred thousand);

"(II) second, counties, within the same State, adjacent to the county in which the work is to be performed (unless there is located within such county a standard metropolitan statistical area with a population greater than two hundred thousand);

"(III) third, counties, within the same State, secondarily adjacent to the county in which the work is to be performed (unless there is located within such county a standard metropolitan statistical area with a population greater than two hundred thousand; or

"(IV) fourth, the State in which the work is to be performed (excluding counties with standard metropolitan statistical areas with a population greater than two hundred thousand).

If the Secretary is unable to identify a sufficient data base within these areas, the wage rate determination shall be set as twice the maximum wage established by the Fair Labor Standards Act (52 Stat. 1060)", and

(B) by adding at the end thereof the following new sentences: "In determining under this subsection the prevailing wages for purposes of a contract, the Secretary shall employ a sufficient data base for such determination, and shall determine that the prevailing wages for laborers employed on projects of a character similar to the contract work shall be the average wages received by laborers employed on such projects. For purposes of the preceding sentence, average wages shall be computed by dividing the sum of the basic hourly wage rates of all such laborers by the number of all such laborers. The term 'sufficient data base' means data from at least three construction projects of a character similar to the contract work performed over the previous two years. When a 'sufficient data base' has been identified, the wage rates paid on the total number of projects during the entire two-year period for the area in which the base has been identified shall be used in determining the prevailing wage for the contract work. "Projects of a character similar to the contract work shall be defined for each project by the Secretary based upon due regard for the following factors: recommendations of Federal, State, and local agencies involved in the contracting process; recommendations of potential bidders operating in the area; recommendations of labor organizations that are parties to labor agreements in effect on apparently similar projects in the area; similarity of purpose; similarity of engineering, architectural, and construction operations; lines of demarcation between the following categories of construction in general use in the area in which the contract work is to be done: heavy construction, building construction, highway construction, and residential construction; and the interchangeability of types of construction personnel, contractors, and equipment."

(2) Section 1(b) of the Act is amended by adding at the end thereof the following new paragraph:

"For purposes of this Act, the term 'laborer' means any ordinary laborer engaged in carrying, moving material, cleaning, lifting, sweeping, assisting tradesmen, or generally performing the most unskilled labor activities at the lowest wage scale."

(3) Sections 1(b), 2, and 3 of the Act are amended by striking out "and mechanics" and "or mechanic" wherever those terms occur.

(c) Section 1 of the Act is further amended by adding at the end thereof the following new sections:

"(c) Apprentices, helpers, and trainees are to be exempt from coverage under this Act, and the Secretary is not to promulgate regulations, or engage in any action pursuant to this Act which discourages or limits the utilization of apprentices, helpers, and trainees, provided that such utilization on a project within the scope of this Act is of a sort customarily made by the contractor or subcontractor on projects not within its scope.

"(d) At the beginning of each calendar year as soon as the necessary data becomes available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall adjust the dollar amount in section (a) by the ratio which the price index for the preceding calendar year bears to the price index for the year during which this Act becomes effective. As multiplied, the dollar amount shall be the amount in effect for the one-year period starting on June 1 of the calendar year in which such adjustment is made. The term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.

"(e) The wage determination by the Secretary shall operate as the minimum rate payable on the contract work for laborers and mechanics, except with respect to apprentices, helpers, and trainees.

"(f) Except under circumstances which are defined by the Secretary to make an earlier determination impractical, the wage determinations to be made by the Secretary under subsection (a) shall be made no later than sixty days prior to the opening of invitations for bids for projects covered by this Act.".

SEC. 3. The first sentence of section 2 of the Act entitled "An Act to effectuate the purpose of certain statutes concerning rates of pay for labor, by making it unlawful to prevent anyone from receiving the compensation contracted for thereunder, and for other provisions", approved June 13, 1934 (48 Stat. 948; 40 U.S.C. 276c), is amended by striking out everything after "United States" and inserting in lieu thereof the following: ". Such regulations shall not require any contractor or subcontractor to submit to the Secretary of Labor any statement with respect to wages paid to employees other than (a) in the case where there is no evidence that the contractor or subcontractor is violating such provisions, an affidavit, to be submitted not more often than once per week, stating that the contractor or subcontractor, as the case may be, has complied during the preceding week with the applicable provisions (relating to payments of wages and posting of wage scale) of the contract required by section 1(a) of the Act entitled 'An Act relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors and subcontractors, and for other purposes', approved March 3, 1931 (46 Stat. 1494; 40 U.S.C. 276a et seq.; commonly referred to as the 'Davis-Bacon Act'), and (b) in the case where there is evidence that the contractor or subcontractor is violating such provisions, weekly certified payroll statements and such other information as the Secretary of Labor may require in order to determine whether or not such contractor or subcontractor is complying with such provisions.".

SEC. 4. The Act is amended by adding at the end thereof the following new section:

"FEDERAL CONSTRUCTION APPEALS BOARD

"SEC. 8. (a) There is hereby established a Federal Construction Appeals Board (hereinafter in this section referred to as the 'Board'). The Board shall be composed of three members who shall be appointed by the President, by and with the advice and consent of the Senate, from among persons who by reason of training, education, or experience are qualified to carry out the functions of the Board under this Act. The President shall designate one of the members of the Board to serve as Chairman.

"(b) The terms of members of the Board shall be six years except that (1) the members of the Board first taking office shall serve, as designated by the President at the time of appointment, one for a term of two years, one for a term of four years, and one for a term of six years, and (2) a vacancy caused by the death, resignation, or removal of a member prior to the expiration of the term for which he was appointed shall be filled only for the remainder of such unexpired term. A member of the Board may be removed by the President for inefficiency, ne-

glect of duty, or malfeasance in office. No individual shall serve on the Board for more than two consecutive terms, although an individual appointed to fill a vacancy prior to the expiration of a term may serve an additional two terms if the period for which he filled the vacancy was less than two years.

"(c)(1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"'(63) Chairman, Federal Construction Appeals Board.'

"(2) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"'(113) Members, Federal Construction Appeals Board.'

"(d) The principal office of the Board shall be in the District of Columbia. Whenever the Board deems that the convenience of the public or of the parties may be promoted, or delay or expense may be minimized, it may hold hearings or conduct other proceedings at any other place.

"(e) The Chairman shall be responsible on behalf of the Board for the administrative operations of the Board and shall appoint such hearing examiners and other employees as he deems necessary to assist in the performance of the Board's functions and to fix their compensation in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates: *Provided*, That assignment, removal, and compensation of hearing examiners shall be in accordance with sections 3105, 3344, 5362, and 7521 of title 5, United States Code.

"(f) For the purpose of carrying out its functions under this Act, two members of the Board shall constitute a quorum and official action can be taken only on the affirmative vote of at least two members.

"(g) Every official act of the Board shall be entered of record, and its hearings and records shall be open to the public. The Board is authorized to make such rules as are necessary for the orderly transaction of its proceedings. Unless the Board has adopted a different rule, its proceedings shall be in accordance with the Federal Rules of Civil Procedure.

"(h) The Board may order testimony to be taken by deposition in any proceedings pending before it at any state of such proceeding. Any person may be compelled to appear and depose, and to produce books, papers, or documents, in the same manner as witnesses may be compelled to appear and testify and produce like documentary evidence before the Board. Witnesses whose depositions are taken under this subsection, and the persons taking such depositions, shall be entitled to the same fees as are paid for like services in the courts of the United States.

"(i) For the purpose of any proceeding before the Board, the provisions of section 11 of the National Labor Relations Act (29 U.S.C. 161) are hereby made applicable to the jurisdiction and powers of the Board.

"(j) A hearing examiner appointed by the Board shall hear, and make a determination upon, any proceeding instituted before the Board and any motion in connection therewith, assigned to such hearing examiner by the Chairman of the Board, and shall make a report of any such determination which constitutes his final disposition of the proceedings. The report of the hearing examiner shall become the final order of the Board within thirty days after such report by the hearing examiner, unless within such period any Board member has directed that such report shall be reviewed by the Board.

"(k) Except as otherwise provided in this Act, the hearing examiners shall be subject to the laws governing employees in the classified civil service, except that appointments shall be made without regard to section 5108 of title 5, United States Code. Each hearing examiner shall receive compensation at a rate not less than that prescribed for GS–16 under section 5332 of title 5, United States Code.

"(l)(1) Any interested person may appeal to the Board for a review of an order of determination of wage rates made by the Secretary under this Act, or of any rule, regulation, interpretation, or order of compliance promulgated by the Secretary which is likely to affect substantially future orders of wage determination. Any such appeal shall be received, accepted, and decided on the record after opportunity for a hearing, in accordance with regulations of the Board. Appeals of wage determination orders, however, shall be made no later than thirty days prior to the opening of invitations for bids for projects covered by this Act, and shall be decided by the Board no later than ten days prior to the bid opening. Decisions of the Board shall be subject to judicial review as provided in chapter 7 of title 5, United States Code.

"(2) For purposes of this subsection, the term 'interested person' includes any contractor (or association representing that contractor) who is likely to seek or to work under a contract continuing a particular wage determination issued under this Act, any laborer (or any labor organization which represents that laborer) who is likely to be employed or to seek employment under a contract containing such a determination, and any Federal, State, or local agency concerned with the administration of a proposed contract or a contract containing such a determination."

SEC. 5. (a) The amendments made by this Act shall take effect ninety days after enactment, but shall not affect any contract then existing or any contract that may thereafter be entered into pursuant to invitations for bids that are outstanding on the effective date.

(b) All Acts of Congress which incorporate, or which refer to the Act of March 3, 1931 (46 Stat. 1494; 40 U.S.C. 276a et seq.), or to the Davis-Bacon Act shall, on this Act's effective date, be deemed to incorporate, or refer to such provisions as amended by this Act.

FEDERAL CONSTRUCTION COSTS REDUCTION ACT

I. COVERAGE LEVEL

The Act would increase the threshold level for Federal and Federally-assisted construction to be covered by Davis-Bacon from $2000 to $40,000 in order to reflect economic changes in the past 42 years, and to encourage bidding on Federally-affected projects by small businessmen and minority contractors. The threshold would subsequently be indexed to reflect further changes in the cost-of-living.

II. PREVAILING WAGES

A "prevailing wage" would be set for all workers on public construction projects, which would be an average of the wages paid to unskilled laborers. The "30 percent rule" (states that in the event there is not a majority of workers paid the same rate within a given area, then the prevailing rate is that rate paid to as few as 30 percent of the workers) would be eliminated. Skilled tradesmen would be removed from "prevailing wage" coverage, thus allowing more flexibility for their wages to be set competitively. While the cost to government for construction would remain slightly above comparable private costs, the difference would be much less than it is under current law.

III. GEOGRAPHIC AREA

The Department of Labor would be limited as to what geographic areas it could look to in order to determine the "prevailing area wages". It could not, for example, be permitted to look at wages in a large urban area in order to determine wage rates for a rural community 100 miles away. In considering previous projects, the Department could go back no further than two years, and would be required to consider all comparable projects, not just the most high paying ones. The Department would be required to find at least three projects in the past two years.

IV. SIMILARITY OF PROJECTS

A great deal of controversy has arisen over the present practice of basing wage determinations upon projects varying substantially from the contract work. The Act requires the Secretary to consider a number of factors prior to making these decisions, such as similarity of engineering, architectural, and construction operations.

V. APPRENTICES, HELPERS, AND TRAINEES

Apprentices, helpers, and trainees would be exempt from Davis-Bacon coverage, and the Department of Labor would be prohibited from promulgating rules or regulations interfering with contractors' use of such personnel. This would allow optimum productivity and eliminate restrictive work practices.

VI. WAGE DETERMINATION DEADLINES

Wherever possible, final wage determinations would be required by the Department of Labor no later than 60 days prior to the opening of invitations for bids. This would provide opportunity for bidders to assess fully their possible participation, and time for interested parties to challenge improper determinations.

VII. ADMINISTRATIVE REQUIREMENTS

Absent any evidence of violation, the Secretary could require nothing more from contractors and subcontractors than weekly affidavits of compliance, signifying that proper wage rates were posted for all employees and in fact paid. This would eliminate a tremendous amount of paperwork burden which falls particularly hard on the small contractor, and would enable the Labor Department to concentrate on more constructive work.

VIII. FEDERAL CONSTRUCTION APPEALS BOARD

The Act calls for establishment of a wage appeals board, consisting of three members to be appointed by the President and confirmed by the Senate. Interested parties would be able to appeal wage rate determinations, or other Labor Department rules or regulations likely to have a substantial effect on future wage rate determinations. Expeditious consideration would be required, with judicial review available.

IX. EFFECTIVE DATE

The Act would take effect 90 days after enactment, and would not affect existing bids or contracts.

By Mr. PROXMIRE (by request):

S. 1542. A bill to amend the Council on Wage and Price Stability Act; to the Committee on Banking, Housing, and Urban Affairs.

Mr. PROXMIRE. Mr. President, at the request of the administration I am introducing legislation to amend the Council on Wage and Price Stability Act of 1974. The legislation will extend the Council to September 30, 1979, and provide for an increase in the Council's authorization. In addition, the legislation provides for several changes to the act that would strengthen the Council's influen e by clarifying its authorization to collect necessary data and reports and

to provide confidentiality of certain information.

The Council on Wage and Price Stability is charged with monitoring and analyzing inflationary developments in the economy. Its job is important for two reasons that are interrelated. While we have made progress in reducing the rate of inflation from the double-digit levels experienced in 1973 and 1974 we have been unable to eliminate it or even to bring it down to a level which is generally considered acceptable. Part of the reason for only partial success is the type of inflation we are experiencing. It is not of the traditional sort that can be dealt with through monetary and fiscal policies alone. The inflationary process has become much more complicated than that. Indeed, we have reached the point where price and wage decisions are influenced more heavily by the record of past performance of these variables, by expectations of continued inflation, and by institutional arrangements than by competitive demand and supply conditions of specific markets. In short, we are experiencing what some economists have called a momentum inflation.

Traditional macroeconomic policy tools—both monetary and fiscal—still have an important role to play in reducing inflation. But they must be complemented by policies designed to deal with inflation that has its roots at the individual firm and industry level—the microeconomic level. And this is exactly the approach taken by the Council on Wage and Price Stability. The Council's focus is on inflation at the industry and sectoral level. Its influence is exercised through investigations at the microlevel and by the issuance of public reports on its findings. While the Council cannot by itself solve our inflation problems, its function, if carried out effectively, can move our economy in that direction.

Mr. President, I ask unanimous consent that the analysis which accompanied the administration's bill, together with the text of the bill, be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 1542

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 2(c) of the Act of August 24, 1974 (Public Law 93-387; 12 U.S.C. 1904 note; as amended by Public Law 94-78) establishing the Council on Wage and Price Stability is amended by striking the last sentence.

SEC. 2. Section 2(g) of the Act is amended by (1) adding in the first sentence after "relating to wages, costs, productivity, prices, sales, profits, imports, and exports," the words "inventories, shipments, orders and other similar aspects of business operations"; (2) by adding in the fourth sentence after the words "in case of refusal to obey subpoena" the phrase "or an order requiring the submission of periodic reports"; and (3) by adding in subsection 2(g)(1) after the words "ordinary course of business" the phrase "only to entities whose annual gross revenues are in excess of $5,000,000."

SEC. 3. Section 4(f) of the Act is amended by (1) in subsection 4(f)(1) after the words "section 2(g)" adding the phrase "or submitted voluntarily pursuant to a Council request and judged by the Council to be confidential financial information"; (2) in subsection 4(f)(2) after the words "section 2(g)" adding the phrase "or submitted voluntarily pursuant to a Council request"; (3) in subsection 4(f)(1) after the words "title 5 of the United States Code" placing a period and striking the words "and shall not be disclosed by the Council"; and (4) at the end of subsection 4(f)(1) adding a sentence "neither the Director, the Chairman or any members of the Council shall permit anyone other than sworn officers, members, and employees of the Council to examine such data."

SEC. 4. Section 6 of the Act is amended by striking the figures "$1,700,000" and inserting in lieu thereof the figures "$2,500,000"; and (2) by striking the figures "1977" and inserting in lieu thereof the figures "1979."

SEC. 5. Section 7 of the Act is amended by striking the figures "1977" and substituting in lieu thereof the figures "1979."

AN ANALYSIS

Section 1 of the proposal would amend section 2(c) of the Council on Wage and Price Stability Act, P.L. 93-387 (August 24, 1974) as amended by P.L. 94-78 (August 9, 1975) hereinafter called "the Act," and delete a reference to the Deputy Director of the Council. That position is being eliminated as unnecessary for the efficient administration of the Council.

Section 2 of the proposed legislation would make it clear that the Council is authorized to collect data relating to "inventories, shipments, orders, and other similar aspects of business operations" in addition to data "relating to wages, costs, productivity, prices, sales, profits, imports, and exports." In the past the Council has collected information on inventories, shipments and orders and we believe the Act allows the Council to do so. However, some organizations from which the Council collects data have occasionally questioned whether the absence of the words "inventories, shipments, and orders" means that the Council is not authorized to collect data on those aspects of business operations. Although we don't feel that position has substance, the present language of the Act could be subject to Court challenge in this regard thus interfering with the ongoing activities of the Council until resolved. The purpose of section 2 therefore is to eliminate this potential problem.

Section 2 would also make it clear that the Council can resort to the Courts for enforcement of its authority to require periodic reports as well as its authority to subpoena data. Some persons from whom the Council collects data have argued that the present language of the Act provides for enforcement only of subpoenas and not of period report orders. Since the same data could be obtained by repeated subpoenas as by a periodic report orders the Council feels that the above interpretation of the present language of the Act is not correct. However, the present language could provide the basis for a challenge of data collection efforts and interfere with ongoing activities of the Council; the purpose of section 2 therefore is to eliminate this potential problem. At the same time it is made clear that periodic reports, like subpoenas, may be issued only to entities whose gross revenues exceed $5,000,000.

Section 3 of the Act would amend subsections 4(f)(1) and 4(f)(2) of the Act to make it clear that data submitted voluntarily to the Council is afforded the same degree of protection and confidentiality as data which the Council subpoenas. The Council relies to a large degree upon the voluntary submission of data; and, although the Council has the power to issue subpoenas and periodic reports, it has never done so.

Some organizations from which the Council collects data have, however, asked to be served with subpoenas rather than submit data voluntarily believing that the degree of protection of confidentiality for the voluntarily submitted data was less than that afforded subpoenaed data. Section 3 would clarify the protection afforded voluntarily submitted information requested by the Council.

Section 3 would also amend section 4(f) of the Act to strengthen the present language in the Act requiring the Council to maintain the confidentiality of trade secrets and other confidential business information submitted to it The Council relies to a large extent on the cooperation of businesses and labor unions who voluntarily submit data to the Council. Some of this data is very sensitive information to those persons who submit it. From time to time they have expressed concern about the Council's ability to maintain the confidentiality of that information. The proposed changes would make it clear that where the Council determines information submitted to it is, in fact, confidential business information, that information cannot be disclosed to anyone outside of the Council or Council staff.

Section 4 of the bill would amend the Act to increase the Council's authorization from $1.7 million to $2.5 million.

Section 5 would extend the Council to September 30, 1979.

By Mr. PROXMIRE:

S. 1543. A bill to amend part I of the Interstate Commerce Act in order to prohibit certain rate discrimination on the basis of geographical location; to the Committee on Commerce, Science, and Transportation.

Mr. PROXMIRE. Mr. President, today I am introducing a bill to amend the Interstate Commerce Act to eliminate rail freight rate discrimination against the Midwest and Great Lakes ports.

The Midwest is home to more than a third of our Nation's citizens and over 40 percent of our industry. In addition, America's heartland constitutes the largest exporting area of the United States. For these reasons it is especially galling that the Interstate Commerce Commission, an agency of the Federal Government charged with regulating commerce in the public interest, has endorsed rail freight rates that are prejudicial to the Midwest's Great Lakes ports and give preferential treatment to gulf and Atlantic coast ports.

Although the 1970 Merchant Marine Act recognized the Great Lakes as America's fourth seacoast, the charge-the-Great-Lakes-more policy of the ICC continues to favor ports on the gulf and Atlantic. Import-export rates for any given commodity are lower than the domestic-only rate for the same commodity.

Export rates for Midwest goods sent to tidewater ports were established long ago. Comparable rates have never been set for Midwest goods sent to the Great Lakes. Consider the domestic rates to both sets of ports that have been published. For Great Lakes cargo they are much higher than the rates for the same

goods sent to gulf coast and Atlantic ports.

Even since completion of the St. Lawrence Seaway in 1959 the Great Lakes have been seeking a fair rate formula for their ports. By 1970 the situation had so deteriorated that the rate to ship synthetic rubber from Louisville, Ky., to New York for export was 23 cents per hundredweight cheaper than the rate to transport the same commodity to Toledo, Ohio, which was 536 miles closer.

In 1971 the ICC finally investigated the rate charges to and from the Great Lakes. They compared these rates with the charges to and from other ports. In 1976, after 5 long years and overwhelming evidence to the contrary, ICC ruled that the rates were not unjust, not unreasonable, and not unduly prejudicial. Incredible.

Here's a prime reason why the ICC should be abolished. I have in the past introduced legislation to get rid of it. The ICC has become the bosom buddy of monopoly.

In his excellent book, "Seaway," Jacques LesStrang recounts a marvelous story told by our former colleague, Senator Robert Taft, Jr., of Ohio. The story bears repeating here, for it illustrates the problem I have in trusting the objectivity and credibility of the ICC. In describing the labyrinthine world of ICC, Senator Taft said:

> One only has to think of the Hilt truck line which became so frustrated at ICC practices that it filed a tariff on yak fat from Omaha to Chicago.
>
> If there are any yaks in the United States, I have never seen one. But the tariff stated that the yak fat would be shipped in minimum quantities of 80,000 pounds and would be acceptable in glass or metal containers, barrels, boxes, pails or tubs. The Western Railroads became so alarmed that this rate might take all of the yak fat business away from them that they requested the ICC to suspend the yak fat rate. The railroads filed documents which purported to show that yak fat hauling costs added up to 63¢ a hundred pounds and therefore the 45¢ rate for the Hilt truck line would be below cost!
>
> The regulatory process had become such a never-never land that the non-existence of yak fat freight did not slow up the ICC at all. On April 7, 1965, the ICC's Board of Suspension voted to suspend the yak fat rate.

If this is what happens when the commodity in question does not even exist, you can appreciate why I do not trust the ICC's judgment on discrimination against the Great Lakes for commodities that are very real indeed. Notwithstanding the incredible judgment of ICC on this matter, consider some current examples of the problem for the lakes:

The carload rate to ship machinery from Cincinnati, Ohio, 560 miles to Baltimore, Md., is $2.99 per hundredweight. But the rate for sending that same machinery to the Great Lakes port of Cleveland, Ohio, only 239 miles away, is $2.40 per hundredweight. Cleveland is more than 50-percent closer, but the rate is only 20-percent lower. If the rate were published on a proportionate formula basis, taking distance into account, the rate to Cleveland would be $1.97 per hundredweight, a savings to the shipper of $1.02.

How about agricultural equipment out of Minneapolis? The rate to Duluth, 151 miles away is 92 cents per hundredweight. The rate to send the same equipment 1,210 miles to New Orleans is $2.25 per hundredweight. The distance is 8 times greater, yet the rate is not even 2½ times higher. A proportionate rate to Duluth would be only 79 cents instead of 92 cents.

Take the case of wall plaster shipments from Omaha, Nebr. The rate to the gulf port of New Orleans, 1,052 miles away, is $1.03 per hundredweight. The rate to the Great Lakes port of Duluth—a distance of only 483 miles—is $1.01—just 2 cents cheaper at a savings of more than half the distance. A proportionate rate, as would be required by my bill, would be only 67 cents per hundredweight to Duluth, a savings to the shipper of 36 cents.

One of the most ridiculous examples concerns fiberglass shipments from Charleston, W. Va. The present rate to send this commodity to Baltimore is 68 cents per hundredweight cheaper than the rate to Cleveland, even though Cleveland is 143 miles closer. If equitable rate schedules were in effect, the situation would be reversed, and the rate to Cleveland would be 30 cents per hundredweight less expensive than the existing rate to Baltimore.

In some cases the rates between Midwest hinterlands and Great Lakes ports are lower in amounts than the rates between such points and the tidewater ports, but higher in level considering the distances involved. In other cases, as in the last example I gave, the rates to Great Lakes ports are higher in amount as well. Both kinds of rate disparity are discriminatory, and both should be eliminated.

The Great Lakes have tried and failed to get administrative relief from freight rate discrimination. Clearly the Interstate Commerce Commission is not about to upset the status quo by fulfilling its responsibilities under the law to regulate commerce in the public interest. The only relief from the problem of rate discrimination against Great Lakes ports is the legislative route. I intend to pursue it by introducing a bill that would prohibit rate discrimination on the basis of geographical location. It is time for us to back up our recognition of the fourth seacoast with action to end this kind of discrimination once and for all.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1543

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Interstate Commerce Act (49 U.S.C. 3) is amended by inserting at the end thereof the following:

"(6)(a) It shall be unlawful for any common carrier subject to the provisions of this part to establish any rate for any commodity for export different from the established rate for the similar domestic movement of the same commodity unless such carrier simultaneously establishes export rates for that commodity from the same point of origin to all port ranges served by such carrier; and all such export rates shall be established so as to adequately reflect the proportional difference in the distances measured over the carrier's own tracks by the shortest available routing, between the point of origin and the various port ranges served by the carrier.

"(b) The Commission shall not hold the rates of any carrier or groups of carriers subject to this part to a particular level to negate the geographical advantage or geographical position of any particular person, company, firm, corporation, association, locality, port, port district, gateway, transit point, region, district, territory or any particular description of traffic in any respect whatsoever.".

By Mr. MORGAN (for himself, Mr. HELMS, Mr. SARBANES, and Mr. MATHIAS):

S. 1544. A bill to amend section 501(c) of the Internal Revenue Code of 1954; to the Committee on Finance.

Mr. MORGAN. Mr. President, today I am introducing a bill along with Senator HELMS, Senator MATHIAS, and Senator SARBANES which will grant tax exempt status to the Savings and Loan Guaranty Corporations of North Carolina and Maryland, a designation already accorded to similar corporations in both Massachusetts and Ohio.

A similar bill was introduced and passed the Senate last year without opposition as an amendment to the tax reform bill but was dropped in conference with the House. The corporations operating in these two States are providing the valuable service of providing guaranty insurance to institutions who are not covered by FDIC insurance and were created to fill the gap for non-Federal institutions. Twice before, Congress has granted specific exemptions to cover identical institutions in Massachusetts and Ohio and I would contend Mr. President that a similar exemption should be granted in the cases of North Carolina and Maryland corporations.

I might add that the corporation in North Carolina goes a step further in providing this valuable service to credit unions who are nonfederally chartered.

Mr. President, I urge the prompt passage of this equitable legislation.

By Mr. ABOUREZK:

S. 1545. A bill to authorize the guarantee of certain State, local, or other public agency bonds issued to finance water resource facilities, and for other purposes; to the Committee on Governmental Affairs.

WATER RESOURCE FACILITIES FINANCING ACT

Mr. ABOUREZK. Mr. President, today I am introducing the "Water Resource Facilities Financing Act," a bill which would provide Federal guarantees for revenue bonds issued by municipalities, counties, public corporations, and other entities for the purpose of constructing projects for water resource development, conveyance, conservation, treatment and or distribution for public or private domestic, industrial or municipal use. I be-

lieve that this legislation would go a long way toward helping communities assure a reliable supply of good quality water to their residents and businesses.

The current situation in water development is not encouraging. There are, of course, a wide variety of programs that provide financing or actually construct water facilities. EPA, the Farmers Home Administration, the Economic Development Administration, the Bureau of Reclamation, the Department of Housing and Urban Development and the Corps of Engineers all have programs. Most of these programs, however, either face a tremendous backlog of applicants—FmHA alone has a backlog of 3,740 applicants—have inadequate funds to serve all needs, or, where Federal construction is involved, demand very long delays between authorization and project completion. Moreover, even if these programs did not have these problems, they leave a large number of gaps in their coverage, particularly in the area of water supply.

The Farmers Home Administration, for instance, can make grants and loans to communities under 10,000 for the purpose of water supply, but, as I have noted, they have a tremendous backlog of applicants. Last year, in my State, they approved one application, but 25 are pending. I, along with many other Senators, have introduced legislation to change this program, but it is unrealistic to expect that it could even meet the full need for water facilities in rural areas—a need that has been estimated to require billions annually. The FmHA authorization this year is $300,000,000.

The Environmental Protection Agency makes grants and guarantees loans primarily to larger municipalities for waste treatment facilities, but its previous loan guarantee program for meeting the requirements of the Safe Drinking Water Act was allowed to lapse. All of us, I am sure, have received letters from cities in our States asking how they will be able to meet the requirements of this act without some Federal assistance.

HUD and EDA programs can provide helpful grants and loans, but only under certain circumscribed conditions, conditions that have prevented these programs from being a major source of funding for water supply facilities for most places.

Projects built by the Bureau and the corps can provide domestic and industrial water supplies under certain conditions, but these projects literally take decades to construct, and the supply of water can only be a subsidiary function of the overall project. Moreover, we must realize that the project-building era of these agencies is probably over.

These gaps and delays are serious, because there is a genuine crisis in water development in this country. Expert after expert has testified that we face a very uncertain climatic future, and that we must plan carefully to have water facilities available for water-lean years. New Federal standards, particularly the Safe Drinking Water Act, place a tremendous burden, especially on rural communities, to clean their water supplies, many of which are health hazards. A startling percentage of our people still lack complete plumbing or running water. Communities in my State are faced with the prospect of losing businesses because their water supplies are so poor that businesses cannot operate. Many rural communities must truck their water supplies.

The answer to these and other problems is often regional planning, or long-range planning for individual communities. Pipelines to good, reliable water facilities, for instance, can be one solution. These pipelines can bring in a reliable water supply that is much cleaner and requires a great deal less treatment than existing local sources, yet, due to very high initial capital costs, cannot be afforded by the communities, even though the long-run costs might be lower.

What I am proposing today, therefore, is a program that would encourage local initiatives in water resource development. The Federal Government, through the FmHA for rural areas and HUD for nonrural areas, would guarantee revenue bonds issued by various public agencies for water facility construction. This would mean that the issuers of the bonds would have Federal backing, and, in many cases, this would result in a significant decrease in the interest costs of the bonds. One bond analyst told me that in South Dakota, this bill could reduce the interest by 2 to 4 percent.

The impact of this assistance would vary, of course, depending on the financial standing of the issuer. For some, there would be no advantage in this program, since there is a provision requiring the administrator of the program to institute a surcharge to cover administrative costs and establish a reserve fund adequate to cover defaults. For others, however, this program would mean the difference between being able to build a project and having to continue to rely on an inadequate system. This would be particularly the case in smaller communities or regional associations of communities who have not had an opportunity to establish a strong credit rating. These communities are often unable to issue a revenue bond because of the high cost it would entail. L. Douglas James, of the Center for Water Resources Research at Utah State University, commented on this situation in a letter to me:

> In general, I would strongly support such a measure. Sources of capital for the regional rural or urban community water supply projects which your bills appears to focus upon are currently almost nonexistent. Such a bill would not only supply necessary capital but would also create a much needed motivation for rural communities to join together in regional water supply planning as opposed to the limited single municipal boundary perspective which is typically encountered.

Professor James' point, of course, goes to the heart of the need for this bill: creative local initiatives, especially regional initiatives, are what are really needed in the area of water resource development. Such initiatives, however, are all too often stifled by a lack of funding, or access to funding markets. This bill would solve that problem.

This, of course, is not a panacea. Water development costs would still be high. Communities would have to accept the brunt of fiscal responsibility. Yet, for a small Federal investment, a great deal could be accomplished, and it could be accomplished by local people, without endless Federal regulations or redtape.

The bill is drafted to assure, moreover, a fiscally conservative approach. Communities must demonstrate that the projects are technically, economically, and environmentally feasible. They must pledge and demonstrate that sufficient revenues can and will be generated to repay the bonds. The Secretary of the Treasury, at his option, can insist that the bonds be subject to Federal income tax. The costs associated with the program, then, will come from a provision allowing the Secretary to rebate up to 30 percent of the interest costs of the bonds to the communities. This approach to the taxation of municipal bonds is one favored by most recent administrations, and is embodied in legislation currently before both Houses. It is, I believe, a sound and progressive approach.

I have received many letters from water resource experts all over the country concerning this bill, and the large majority of them have been favorable. I am convinced that this approach is a low-cost, locally oriented means of solving a real and growing problem, and I hope that the Senate will act expeditiously on it.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1545

A bill to authorize the guarantee of certain State, local, or other public agency bonds issued to finance water resource facilities, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Water Resource Development Act of 1977".

STATEMENT OF FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that—

(1) providing an adequate supply of good quality water is essential for the maintenance of health and commerce;

(2) many communities are unable to provide an adequate supply of good quality water because they are unable to raise the necessary capital, although once the supply, conveyance, or treatment facilities are constructed, such communities can meet the required payment schedule;

(3) many other communities can only raise the necessary capital at unreasonably high costs; and

(4) many water projects do not represent the most efficient solution in terms of costs or water supply quality because such projects require an initial outlay of large sums of capital which the communities cannot raise.

(b) The purposes of this Act are to—

(1) provide Federal guarantees of revenue bonds for water development issued by local

authorities who are unable to raise the capital needed for the construction of water supply or treatment projects; and

(2) make such guarantees in order to encourage the construction of cost-efficient, environmentally, and technically sound water development projects where such projects otherwise might not be constructed, or where less than adequate facilities can be improved.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Secretary" means the Secretary of Agriculture, acting through the Farmers Home Administration, in any rural area and the Secretary of Housing and Urban Development in any other area;

(2) "rural area" has the same meaning as under section 306 of the Consolidated Farm and Rural Development Act;

(3) "project costs" means the aggregate of debt service, administrative costs, principal payments, legal fees, operation, and maintenance costs, and any other costs required to construct and operate a water development project; and

(4) "net interest costs" is the yearly amount of interest on these payments to holders of revenue bonds issued for any project, exclusive of any surcharge costs or penalty payments.

AUTHORITY

SEC. 4. (a) The Secretary is authorized to guarantee and make commitments to guarantee repayment of principal and interest as scheduled on revenue bonds issued by any unit of a State or local government, or by a public agency or private corporation designated by such unit, for the purpose of financing the construction of projects for water resource development, conveyance, treatment, and distribution for public or private domestic, industrial or municipal use.

(b) A guarantee may be made under this Act only if—

(1)(A) the applicant cannot obtain financing for such project without such guarantee; or

(B) the applicant would have to pay such interest rates as would increase charges to users unreasonably, as determined by comparing such charges of similar communities in the applicant's geographic area, and that such applicant will collect, during the period in which its obligations are outstanding, revenues sufficient to pay the principal of, and the interest on, such obligations;

(2) the project proposed is technically, environmentally, and economically feasible;

(3) the applicant does not have an adequate quality or quantity of water supplies on the date of the enactment of this Act, or, according to the determination of the Secretary, is likely to have inadequate water supplies at any time during the ten-year period beginning on such date;

(4) the Secretary has received a pledge of revenues from the applicant for the repayment of any amount required to be paid by the United States, relating to any guarantee under this section; and

(5) the project is the highest priority on a list established, not later than one hundred and eighty days after the date of the enactment of this Act, by the State in which such project is situated, except that such list may be modified thereafter in accordance with the rules and regulations of the Secretary.

(c) The Secretary of the Treasury shall require any applicant whose obligations are guaranteed under this section to make and collect, from users of water for which facilities are to be constructed, sufficient revenues to pay the principal and interest on such obligations, normal operation and maintenance expenses, and to establish a reserve necessary to allow for the depreciated life of all physical assets. Whenever such user defaults, the United States shall succeed to any remedy available to the applicant against the user.

(d) Nothing in this Act shall be construed to bar any application for, or receipt of, any grant or loan under any other Federal program to assist in the financing of the same project.

ADMINISTRATION

SEC. 5. (a) The Secretary is authorized to issue obligations to the Secretary of the Treasury in such amounts as are approved in appropriations Acts and as may be necessary to carry out obligations under guarantees authorized by this Act, subject to the limitations of this section. Such obligations shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any such obligations of the Secretary, and for such purposes is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act. The purposes for which such securities may be issued under such Act are extended to include the purchases of the Secretary's obligations hereunder.

(b) The Secretary shall establish and collect a fee for any guarantee. The amount of such fee shall be adequate to establish a reserve fund to cover defaults and administrative costs. The Secretary shall report to Congress within one year of the date of the enactment of this Act on such fees. The Secretary may vary such fee with the project, based on project costs and the ability of the locality to pay such fee.

(c) The Secretary is authorized to prescribe such regulations as he may deem necessary to carry out the purposes of this Act, including—

(1) regulations assuring adequate assistance for rural areas; and

(2) the availability for projects in each State of at least one-half of 1 per centum of the total amount of authority for guarantees under this Act.

TAXATION OF OBLIGATIONS

SEC. 6. (a) The Secretary of the Treasury may require, as a condition to a guarantee that the percent paid on an obligation guaranteed shall be subject to Federal income taxation. Whenever taxable obligations are issued and guaranteed, the Secretary is authorized to make, and to contract to make, grants to, or on behalf, of the issuer not to exceed 30 per centum of the net interest cost to the issuer of such obligations.

(b) There are authorized to be appropriated such amounts as are necessary for payments under subsection (a).

DROUGHT-RELATED EMERGENCIES

SEC. 7. Whenever the Secretary determines that a drought-related emergency is imminent, and the Secretary has accepted a project in the area of such drought for a guarantee, he may request from the Congress a grant for such project equal to a portion of the interest costs of the project. He may also, at his discretion, appropriate money from the reserve fund for such projects, but only upon certifying to the Congress that sufficient funds will remain in the reserve fund for probable costs that may be incurred due to default or other administrative costs.

LIMITATIONS

SEC. 8. (a) The aggregate amount of guarantees under this Act may not exceed $5,000,000,000 at any time.

(b) No commitment to guarantee under this Act may be made after the expiration of five years after the date of enactment of this Act.

By Mr. ABOUREZK:

S. 1546. A bill to establish Admiralty Island National Preserve in the State of Alaska, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. ABOUREZK. Mr. President, today I am introducing a bill to establish the Admiralty Island National Preserve in southeast Alaska. This legislation would create a preserve, within the National Park System, of approximately 1 million acres delineated, essentially, by the natural shorelines of this magnificient island.

The Tlingit Indians of Angoon, whose forefathers have inhabitated Admiralty for more than 10,000 years, have asked me to introduce this bill on their behalf. I am happy to do so. Admiralty has been an area in contention for a great many years. Its future is uncertain. The people of Angoon, the only permanent community on Admiralty, fear their traditional lifestyle will be lost forever, unless Congress acts to protect and preserve their ancient homeland.

This is an appropriate time to bring forth this legislation on Admiralty. Congress, in this session and the next, will be considering a variety of proposals dealing with the disposition of Alaska's national interest lands, the so-called d-2 lands. Under section 17 d-2 of the Alaska Native Claims Settlement Act of 1971, national interest lands in Alaska were withdrawn from appropriation so that Congress could make a determination of how to best protect these lands for future generations of Americans. The deadline for that decision is December of 1978.

Many proposals have been made since the turn of the century for the protection of Admiralty's scenic and wildlife values. Other proposals have been made for the use of its timber resources. The Forest Service has actually sold the magnificent Sitka spruce and Western hemlock timber resources four times. The most recent sale, in 1968 to U.S. Plywood Champion, was the largest timber sale in U.S. history, 8.75 billion board feet over the 50 year life of the contract. The initial cutting area under that contract was to have been right there in Angoon's backyard. That small village was saved when, after years of litigation by conservationists, Champion pulled out of the sale. Incidentally, the timber from that sale had been committed to Japan for the first 15 years of the contract.

The pressure to log Admiralty continues. And the Forest Service has been gearing up for sales of smaller tracts on the island.

The people of Angoon feel they can no longer sit silently by. They have considered the preserve legislation for more than a year. They feel that giving Admiralty preserve status would best protect and perpetuate their traditional lifestyle, the wildlife and its natural habitat, as well as protect and enhance Admiraltys' scenic and recreational value for all Americans.

There are bills now before Congress, S. 500 and H.R. 39, that would designate Admiralty as a wilderness area, and another, H.R. 2082, to create an Admiralty wildlife refuge. More Admiralty bills will undoubtedly be introduced.

The people of Angoon want to insure

that the cultural heritage and traditional values of the Tlingit tribes will receive full and equal consideration with the outstanding wilderness qualities and nautral features of Admiralty. They want to know that their voices will be heard and that they will be fully involved in this legislative process.

I visited Southeastern Alaska last summer, conducting hearings of the Indian Affairs Subcommittee. I flew over the lush rain forests of the panhandle region with its network of islands rising to jagged peaks from the churning waters. The Southeastern region is spectacular by anyone's standards.

Admiralty is the third largest island in the Alexander Archipelago. It has special characteristics which make it a prime candidate for preserve status.

Its mountainous and heavily forested terrain provides the most important nesting place today of the American bald eagle, our Nation's symbol of sovereignty which is becoming extinct in many areas. The Alaska brown bears roam freely, and the Sitka blacktail deer thrive in this habitat. Admiralty's inlets, bays, and estuaries have abundant supplies of salmon, trout, and other marine life.

The people of Angoon live in harmony with the land, as the Tlingits have done for centuries. They take food from the land and from the waters. This is an important reason for living in Angoon.

Yet there is controversy about Admiralty and its future. Admiralty was made a part of the Tongass National Forest in 1909. Timber sales and the whirl of the logger's chainsaw are a continuing threat. The people of Angoon do not want to cut the trees. They are not loggers. They are fishermen and they fear that clearcutting areas of Admiralty will destroy the fish and upset the habitat of the island wildlife.

There is a dilemma. Under terms of the Claims Act, Angoon's village corporation, Kootznoowoo, Inc., is entitled to select 23,040 acres of land traditionally used by the village. The Interior Secretary withdrew lands from which Kootznoowoo will select. Angoon still is not interested in cutting timber, yet the village corporation is expected to use these lands to make a profit for its shareholders.

In the legislation I am introducing, this problem is addressed. Angoon would not be forced to become a logging community to fulfill its obligation to its corporation stockholders mandated in ANCSA. Angoon would exchange its timber rights on Admiralty for timber elsewhere in the Tongass in a less sensitive area. The two urban Native corporations of Sitka and Juneau also have had land withdrawn for selection on Admiralty. The three Native corporations are working toward an agreement among themselves on this land selection matter that would provide for the two urban corporations to select timber of equal or better value in other areas of the Tongass off of Admiralty Island. The bill gives full congressional recognition to the right of these two urban corporations to receive land off of Admiralty.

The bill, however, is not intended to prejudice pending litigation on this issue. My purpose in introducing this bill is to provide an alternate approach for considering all the values on Admiralty and permitting full participation of the Angoon residents most directly affected by the actions of Congress on this issue. Other bills currently before Congress consider the wilderness and wildlife values of Admiralty, but do not recognize the specific concerns of the Natives, and make no provision for the land selections of the urban Native corporations. Angoon's land selections are protected, in any event, but the village would have little option, but to cut the timber. That would be its primary economic base, since there would be no provision for the exchange of timber rights.

The Admiralty preserve bill would give Angoon's village corporation the first right of refusal for providing visitor services and facilities. This would provide much needed jobs for the people of Angoon as guides, bush pilots, boat skippers, lodge managers, maids, clerks, and many more.

The preserve bill would allow the continued sports hunting and fishing as well as the subsistence use by the Native people.

The preserve legislation also provides for the development of a Native cultural heritage center for the artifacts found on Admiralty and for identification of historical sites.

Mr. President, I believe the Admiralty Island preserve legislation has a great deal of merit and deserves the consideration of Congress.

I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1546

A bill to establish Admiralty Island National Preserve in the State of Alaska, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in order to assure the preservation, conservation, and protection of the natural, scenic, esthetic, cultural, floral and faunal, subsistence, and recreational values of Admiralty Island in the State of Alaska and to provide for the enhancement and public enjoyment thereof, the Admiralty Island National Preserve is hereby established.

(b) By this Act, it is the intent of Congress to recognize, protect, and preserve the many natural features of the Admiralty Island environment which are of national and local value and interest; to recognize and protect Admiralty Island as the most important remaining nesting area for the American Bald Eagle which is the emblem for this Nation's longevity and sovereignty; to recognize and preserve Admiralty Island as one of the more important and productive habitat areas remaining for the brown and grizzly bear and the blacktail deer; to recognize and protect the many fjord-like bays and interlocking bay complexes which provide estuarine nursery areas and which abound in valuable marine resources and natural scenic qualities; to recognize and protect the many naturally occurring streams and lakes which provide a vital link in the continued productivity of the commercial and recreational salmon and trout fisheries; to recognize and preserve the coastal rain forest ecosystem, including virgin Sitka spruce and Western hemlock, for which Admiralty Island is renowned; to recognize, protect, and preserve cultural values of the Tlingit peoples and the Angoon village community and assure perpetuation of the natural resources essential to their cultural and subsistence needs; to recognize, protect, and preserve the several species of aquatic mammals whose continued procreation depends on the lands and waters of Admiralty Island; to recognize, protect, and preserve Trumpeter swans and other migratory and resident waterfowl and other fish and wildlife species and the Admiralty Island habitat on which these species depend; to protect and preserve historic and archeological sites, rivers, lakes, and lands; to preserve wilderness resource values and related recreational opportunities within the boundaries of the preserve; to maintain opportunities for scientific research in undisturbed ecosystems; and to provide the means for the shareholders of Kootznoowoo, Incorporated, the Village Corporation for the Village of Angoon, and other native corporations, to fully share in the economic and other benefits of the Alaska Native Claims Settlement Act of 1971 (85 Stat. 688), as amended, while preserving the forest on the settlement lands conveyed, or to be conveyed, to them by exchanging timber rights as provided under section 22(f) of that Act.

(c) The Admiralty Island National Preserve (hereafter sometimes referred to as "preserve") shall comprise the areas generally depicted on the map entitled "Admiralty Island National Preserve (and Wilderness)" dated March 1977, which shall be on file and available for public inspection in the Offices of the National Park Service, Washington, District of Columbia, and shall be filed with appropriate offices in the cities of Angoon, Juneau, and Anchorage in the State of Alaska. The Secretary of the Interior (hereafter referred to as "Secretary") shall, as soon as practicable, publish a detailed description of the boundaries of the preserve in the Federal Register which shall include all of Admiralty Island.

(d) The lands comprising the Admiralty Island National Preserve are hereby withdrawn from all forms of appropriation under the public land laws, including the mining and mineral leasing law, as amended.

(e) The Secretary is authorized to acquire by donation, exchange, or purchase with the consent of the owner, with donated or appropriated funds, or by transfer from any other Federal agency, any lands, waters, and surface and subsurface interests therein which are located within the boundaries of the preserve: *Provided,* That this Act shall not apply to any lands selected under section 6 of the Alaska Statehood Act for the city of Angoon; nor to lands held or reserved for the Angoon Community Association under the provisions of the Act of June 13, 1934 (48 Stat. 984), specifically those lands withdrawn under Public Land Order 593; nor to any lands acquired by Kootznoowoo, Incorporated, in which the subsurface estate has been acquired by SEAlaska Corporation, the southeast Alaska regional corporation formed pursuant to section 7 of the Alaska Native Claims Settlement Act of 1971 (85 Stat. 688), as amended; nor to lands within the townsite of the village of Angoon. No improved property located within the preserve boundaries shall be acquired without the consent of the owner unless the Secretary, in his judgment, determines that such property is subject to, or threatened with, uses which are, or would be, detrimental to the purposes of the preserve.

(f) Historical sites which have been identified and selected under section 14(h)(1) of the Alaska Native Claims Settlement Act shall be included within the boundaries of the preserve: *Provided,* That the deed or deeds conveying such sites shall contain covenants preserving said sites in their natural condition and preventing timber development, all of which covenants are within the

intent and purposes of this Act: *Provided further,* That land ownership of such historical sites shall remain in perpetual ownership of the stockholders of SEAlaska Corporation and Kootznoowoo, Incorporated: *Provided further,* That if the portion of two million acres of land allocated to the southeast region pursuant to section 14(h)(1) of the Alaska Native Claims Settlement Act of 1971 (85 Stat. 688), does not include all of the historical sites of Admiralty Island as viewed by the Tlingit community of Admiralty Island, then Kootznoowoo, Incorporated, as representative of said community, may designate additional lands within the boundaries of the preserve as having important cultural and historic significance.

(g) Under no circumstances shall the Secretary, or any of his authorized officers, permit educational, charitable, or nonprofit organizations or institutions, public or private museums, galleries, societies, associations or groups, private persons, Federal, State, or local agencies or any of their subdivisions access to the historical sites for archeological or anthropological research without the express written consent of Kootznoowoo, Incorporated, as representative of the Tlingit community of Admiralty Island. Any and all artifacts found during excavation are to remain in the village of Angoon, unless written permission is given by Kootznoowoo, Incorporated, to lend the artifacts to a public institution for a limited time and purpose.

(h) The Secretary is authorized to enter into cooperative agreements with Kootznoowoo, Incorporated, for the establishment of research programs related to preservation of cultural resources of Admiralty Island on public and private lands. After effecting such agreements and within three years of the date of enactment of this legislation, the Secretary shall submit to the Congress a plan for the survey and evaluation of the cultural resources of Admiralty Island on both public and adjacent private lands. Such plan shall include but not be limited to—

(i) development of a native cultural heritage center, including repository for cultural artifacts deriving from Admiralty Island;

(ii) salvage and restoration programs where applicable;

(iii) native education and training programs for development of technical, scientific, and management skills relating to preserve operation and management;

(iv) enforcement of Antiquities Act requirements on both public and private lands for the protection of cultural resources.

(i) The Secretary, with the concurrence of Kootznoowoo, Incorporated, shall seek to locate administrative sites and visitor facilities on adjacent privately owned lands included within the preserve wherever possible or desirable.

(j) The Secretary is authorized to enter into agreements with private landowners and interests for the establishment and maintenance of cooperative planning and management zones on lands adjacent to the preserve established by this Act. Such zones are defined as areas within which resource use and development are related to management of the adjacent preserve lands. Within three years of enactment of this Act, the Secretary shall submit a report to the Congress indicating whether such agreements have been consummated and whether land use controls needed for the proper protection, management, and interpretation of the unit established by this Act have in fact been instituted effectively. In preparing his report, the Secretary shall assure public participation and shall include in his report the views of all interested parties.

(k) Any person who shall appropriate, excavate, injure, or destroy any historic site designated under this Act, or any airfact or object or antiquity, situate within the Admiralty Island National Preserve, without permission of the Secretary or other Government agency having jurisdiction over the preserve, shall, upon conviction, be fined a sum of not more than $500 or be imprisoned for a period of not more than ninety days, or shall suffer both fine and imprisonment, in the discretion of the court.

SEC. 2. (a) In recognition of the efforts and concerns of the Tlingit people of Admiralty Island and the city of Angoon, the native village corporation, Kootznoowoo, Incorporated, conservation organizations, sportsmen, and other persons, organizations, and associations, throughout Alaska and the United States, the Secretary is directed to proceed as expeditiously as possible to acquire the lands and interests in lands necessary to achieve the purposes of this Act.

(b) Within one year after the date of the enactment of this Act, the Secretary shall submit, in writing, to the Committee on Interior and Insular Affairs and the the Committee on Appropriations of the United States Congress a detailed plan which shall indicate:

(i) Lands on Admiralty Island designated as sites of historical and cultural significance to the people of Angoon, Alaska.

(ii) Lands on Admiralty Island designated by the community of Angoon and Kootznoowoo, Incorporated, as having historic and significant use in their subsistence activities.

(iii) Lands on Admiralty Island which the Secretary has previously acquired by purchase, donation, or transfer for administration for the purposes of this preserve.

(iv) Lands within the boundaries of the preserve which have potential for use as fish hatcheries and aquaculture sites as long as such use is compatible with the intent and purposes of this Act and will not conflict with other values sought to be protected by establishment of this preserve.

(v) Lands on which a valid application has been filed by individual natives pursuant to the Indian Allotment Acts of 1887, 1906, and 1910.

(vi) Lands of special interest for the scientific study of resident and migratory flora and fauna.

(vii) The annual acquisition program (including the level of funding) which is recommended for the ensuing five fiscal years.

(c) It is the express intent of Congress that the Secretary should substantially complete the land acquisition program contemplated by this Act within six years after the date of its enactment.

SEC. 3. (a) The owner of improved property on the date of its acquisition may retain for himself, his heirs, and assigns the right of use and occupancy: *Provided,* That the National Park Service shall have the first right of refusal should such owner seek to assign, sell, lease, or otherwise transfer said right of use and occupancy: *Provided further,* That National Forest Service permits for a dwelling or campsite will expire not later than ten years from the enactment of this Act. Improved property in this Act means:

(i) A detached, one-family dwelling which is used for noncommercial, recreational, or residential purposes.

(ii) Commercial recreational facilities.

(iii) Federally owned recreational cabins and trails.

(iv) Lands patented under the public land laws prior to December 18, 1971.

(v) Valid existing rights of all persons who have made a lawful entry on public lands on or before December 18, 1971, in compliance with the public land laws for the purpose of gaining title to homesteads, headquarter sites, trade and manufacturing sites, or small tract sites and any valid mining claim or location under the general mining laws of the United States.

(b) Whenever an owner of property elects to retain the right of use and occupancy as provided in this section, such owner shall be deemed to have waived any benefits or rights accruing under sections 203, 204, 205, and 206 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894) and for the purposes of such sections such owners shall not be considered a displaced person as defined in section 101 (6) of such Act.

SEC. 4. (a) The area within the boundaries depicted on the map referred to in section 1 shall be known as the Admiralty Island National Preserve. Such lands shall be administered by the Secretary as a unit of the National Park System in a manner which will assure their natural and ecological integrity in perpetuity in accordance with the provisions of this Act and with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1–4), as amended and supplemented.

(b) In administering the preserve, the Secretary shall develop and publish in the Federal Register such rules and regulations as he deems necessary and appropriate to limit and control the use of Federal lands and waters with respect to:

(i) Motorized vehicles.

(ii) Aircraft.

(iii) Fish processing waste discharge.

(iv) Aquaculture, including mariculture.

(v) Hunting, fishing, and trapping.

(vi) Other such uses as the Secretary determines must be limited or controlled in order to carry out the purposes of this Act.

(vii) The following uses will be prohibited within the boundaries of the preserve:

(A) New construction of commercial, recreational, or residential facilities, except as provided in this Act.

(B) No mining or mineral exploration activities of any kind including oil and gas.

(C) No predator control harvests: *Provided,* That should an animal species be in danger of depletion due to hunting pressures, natural phenomena, or other cause, recreational and subsistence hunting may be banned until such time as that species has reached a strong and stable population level.

(D) No motorized vehicles will be permitted in the preserve, except watercraft and float planes in the waterways, and along existing rights-of-way.

SEC. 5. (a) The Secretary shall permit hunting, fishing, and public entry onto the lands and waters under his jurisdiction within the preserve in accordance with the applicable laws of the United States and the State of Alaska: *Provided,* That he may designate zones where, and periods when, no commercially related or recreational hunting, fishing, or entry will be permitted for reasons of public health, safety, or welfare, flora and fauna protection and management, subsistence activities of the Tlingit community, or administration within the intents and purposes of this Act. The Congress further recognizes that some of the uses on Admiralty Island, such as wildlife photography and observation and hunting may at times be in conflict with one another, and for this reason so designates the Pack Creek and Swan Cove area, within the boundaries of Pack Creek Research Natural Area as prohibited to recreational and subsistence hunting.

(b) Except in emergencies, any regulations prescribing closure or restrictions relating to hunting, fishing, and public entry shall become effective only after consultation with the Fish and Game Advisory Committee of Angoon, which is the appropriate agency having jurisdiction over hunting and fishing activities. The Fish and Game Advisory Committee shall consist of seven members, all of whom must be subsistence users and residents of Admiralty Island and possessing such other qualifications as may be established by the Secretary. Membership on the committee shall be determined by popular vote at any regular or special election held in Angoon, Alaska.

(c) Notwithstanding this section or any other provision of this Act, members of the Angoon Tribes of Tlingit Indians residing on Admiralty Island shall continue in perpetuity their usual and customary use and occupancy of public lands and waters within the preserve, including, but not limited to, hunting, fishing, trapping, gathering of fruits and shellfish, and the use of any non-endangered bird or animal species for traditional ceremonials, regalia, and native arts and crafts.

SEC. 6. (a) Notwithstanding any other provision of law and before entering into any contract for the establishment of revenue-producing visitor services—

(i) the Secretary shall offer to Kootznoowoo, Incorporated, a first right of refusal to continue providing such services within the preserve subject to such terms and conditions as are reasonable and appropriate;

(ii) before entering into any contract or agreement to provide new revenue-producing visitor facilities or services within the preserve, the Secretary shall first offer to Kootznoowoo, Incorporated, the right to build and operate such facilities, which right of first refusal to remain in force for a period of one hundred and twenty days. Should Kootznoowoo, Incrporated, respond with proposals that satisfy the terms and conditions established by the Secretary, it will be awarded the contract. If Kootznoowoo, Incorporated, does not respond with a proposal that satisfies the terms and conditions established by the Secretary, the Secretary shall allow a reasonable period of negotiation, and if no satisfactory agreement is reached, the Secretary shall direct the National Park Service to provide such visitor services in accordance with the Act of October 9, 1965 (79 Stat. 969; 16 U.S.C. 20). No such agreement may be assigned or otherwise transfered without the consent of the Secretary.

(b) In order to assure that the Tlingit community of Admiralty Island derives the maximum benefit from the provision of this Act, it is intended that visitor facilities and services be located to the maximum extent possible on fee-owned lands of Kootznoowoo, Incorprated.

SEC. 7. In furtherance of the purposes of the Wilderness Act (78 Stat. 890), those certain lands in the Tongass National Forest, which comprise about one million thirty thousand acres (excluding the lands of the Kootznoowoo, Incorporated, and the Village of Angoon), which are generally depicted on the map entitled "Admiralty Island National Preserve (and Wilderness)", dated March 1977, which shall be on file and available for public inspection in the offices of the National Park Service, Washington, District of Columbia, are hereby designated as wilderness and, therefore, as the Admiralty Island component of the National Wilderness Preservation System.

SEC. 8. Congress shall appropriate such sums as may be necessary to carry out the provisions of this Act. In the construction, maintenance, and operation of any visitor facilities and in the operation of the preserve as a whole, the local people will have priority in hire: *Provided*, That visitor facilities must have accommodations for the aged and handicapped: *Provided further*, That Kootznoowoo, Incorporated, shall, on its acceptance, be granted the right to operate, administer, and maintain any federally owned cabins and trails existing on Admiralty Island at the time of enactment of this Act, under contract with the National Park Service which provides that expenses of such operation, administration, and maintenance shall be borne by the National Park Service. Any funds donated by private institutions or individuals for perpetuation of the preserve will be used only for the maintenance of lands and waters within the preserve.

SEC. 9. (a) As provided under section 22 (f) of the Alaska Native Claims Settlement Act, as amended, the Secretary and the Secretary of Agriculture are specifically authorized and directed, if the shareholders of Kootznoowoo, Incorporated, so elect, to exchange the timber rights to those lands selected for the village of Angoon under section 16 of the Alaska Native Claims Settlement Act for timber rights elsewhere within the Tongass National Forest in areas not designated as wilderness or wilderness study areas under other provisions of law. If the shareholders of Kootznoowoo, Incorporated, so elect, the timber rights to lands selected by the village under section 16 of the Alaska Native Claims Settlement Act shall be conveyed to the Secretary. Within one year of such conveyance, the Secretary of Agriculture shall convey to Kootznoowoo, Incorporated, timber rights under this section which are of equal value to those conveyed to the Secretary. The conveyance of timber rights to the Secretary shall be conditioned upon the conveyance to Kootznoowoo, Incorporated, by the Secretary of Agriculture of timber rights of equal value under this section: *Provided*, That if within one year of conveyance of timber rights to the Secretary of Agriculture, said Secretary cannot identify timber rights of equal value under this section by mutual agreement, Kootznoowoo, Incorporated, at its election, may either rescind the conveyance to the Secretary, or identify not more than twenty-three thousand and forty acres of land within the Tongass National Forest otherwise available for exchange under this section. The timber rights in such lands shall then be conveyed to Kootznoowoo, Incorporated, by the Secretary of Agriculture: *Provided further*, That timber to which the Secretary acquires title under this section shall not be sold or otherwise cut or disturbed, except for subsistence usages: *Provided further*, That notwithstanding the provisions of section 21(c) of the Alaska Native Claims Settlement Act, for the purposes of this timber rights exchange, the basis of valuation of the timber rights granted Kootznoowoo, Incorporated, shall be the highest market value of the timber during the twenty years preceding the conveyance.

(b) As provided under section 22(f) and section 21 (c) and (d) of Alaska Native Claims Settlement Act, as amended, the Secretary may exchange the timber rights for cash: *Provided, however*, That the basis for valuation shall be the highest market value of the timber conveyed to the Secretary during the twenty years preceding the conveyance.

SEC. 10. (a) In order for the Secretary to proceed as expeditiously as possible, lands within the Angoon withdrawal pursuant to Alaska Native Claims Settlement Act (85 Stat. 688) shall remain open to selection by Kootznoowoo, Incorporated. Lands not so selected by Kootznoowoo, Incorporated, shall become part of the preserve.

(b) At the time the above lands are conveyed to Kootznoowoo, Incorporated, the Secretary may cause to be reserved in favor of the United States all valid existing easements. These easements shall be the only easements reserved in favor of the United States over the lands conveyed to Kootznoowoo, Incorporated, as intended under the Alaska Native Claims Settlement Act.

(c) That in satisfaction of the rights of the Natives of Sitka and Juneau provided by section 14(h)(3) of the Settlement Act, and otherwise to carry out the provisions thereof, the Secretary shall designate alternative lands of equal or greater value located elsewhere in southeast Alaska for the benefit of the Juneau and Sitka urban corporations: *And provided further*, That the area presently withdrawn for selection by the Angoon Native Corporation pursuant to the mandatory provisions of section 16(a) of the Act shall not be affected by this amendment and shall remain available for selection by the Angoon Native Corporation; except, however, the Secretary shall include in this study alternative areas for timber harvest by the Angoon Native Corporation off of Admiralty Island and, if possible, in conjunction with the lands designated for the Juneau and Sitka Urban Corporations in order to determine if it is in the best interests of the United States and the Native Corporation of Angoon to trade timber interests as provided under section 22(f) of the Alaska Native Claims Settlement Act of December 18, 1971 (85 Stat. 688), as amended.

(d) It is the intent of Congress that all water rights in and to the lands conveyed to Kootznoowoo, Incorporated, are hereby recognized as vesting in that corporation, except for prior, valid appropriations and that no such water rights are reserved to the United States. The Congress further recognizes the potential for expansion of the city of Angoon and does hereby authorize said city to enter into the preserve and obtain such water and water rights as may be required to provide municipal water supply for public and private consumption.

(e) In accordance with the Alaska Native Claims Settlement Act, the city of Angoon must be granted fee title to the surface estate in one thousand two hundred and eighty acres of land. The Secretary is authorized to exchange a portion or all of these lands for lands located elsewhere outside the preserve; such lands as may be retained by the city of Angoon for purposes of municipal expansion and other public purposes may be developed by the city for uses compatible with the intent and purpose of this Act.

(f) Congress further intends that none of the lands contained in this preserve may be disposed of by lease, sale, assignment, or other transfer, for any purpose, including but not limited to townsites and all other purposes not expressly recognized by this Act.

SEC. 11. As used in this Act, the following terms shall be accorded the meanings as defined herein unless otherwise indicated in the context:

(a) "Subsistence use" means the customary and traditional use by natives of local natural resources where such resources are used for either food, shelter, materials, firewood, clothing, tools, transportation, or handicrafts and where such uses provide a direct mainstay for the livelihood of such native and his family, and provided that such use is consistent with the sound management of the resources and the preserve.

(b) "Undeveloped" means lands and waters as such exists in a natural state unaffected by any activity of man, other than subsistence activities.

By Mr. HOLLINGS:

S. 1547. A bill to amend the Communications Act of 1934, as amended, with respect to penalties and forfeitures, and to authorize the Federal Communications Commission to regulate pole attachments, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. HOLLINGS. Mr. President, I introduce a bill (S. 1547) to amend the Communications Act of 1934 in two respects. First, this bill addresses problems attendant to the use of utility poles, ducts, conduits, or rights-of-way by cable television systems. The question of cable's access to utility poles owned or controlled by electric power or telephone utilities, as well as the reansonableness of the rates charged for such access, has become a matter of significant practical concern to the cable television industry, a matter which impinges upon the abil-

ity of cable television to serve its viewing public.

The second part of this bill unifies and strengthens those provisions of the Communications Act dealing with the imposition of forfeitures or civil penalties by the Federal Communications Commission for violation of the act and Commission rules and regulations.

The Commission's forfeiture authority would be enlarged in scope to cover persons not now under forfeiture provisions.

I believe that it is imperative for Congress to act in these two areas now, without awaiting a more thorough review of the basic statute governing the entire national communications structure. Furthermore, I think it appropriate to consider these two provisions in tandem as they both involve Federal regulatory intervention in areas where the need for prompt, effective action is becoming increasingly apparent.

The pole attachment provision which I introduce today is the outgrowth of an agreement on draft legislation reached by representatives of two of the affected parties, namely the National Cable Television Association and the National Association of Regulatory Utility Commissioners. I understand that other interested parties have not participated directly in these negotiations.

The bill establishes Federal Communications Commission jurisdiction to regulate the rates, terms, and conditions for pole attachments for wire communication if the pole, duct, conduit, or right-of-way is used in whole or in part for wire communications, and is owned or controlled by any person who provides telephone service or electric energy to the public. Such Federal jurisdiction would not be exercised in any case where a State authority regulates those rates, terms, and conditions. The bill requires the Commission or the State authority, as the case may be, to assure that only "just and reasonable" rates are charged for pole attachments, and sets forth certain parameters to this standard.

My purpose in introducing this pole attachment measure at this time is to provide a framework for further discussion and consideration of a very complex matter which raises broad legal and economic issues of utility regulation and communications policy extending beyond the immediate practical problems faced by cable television operators.

Indeed, this proposal is only a modest first step, and implicitly raises many questions which may require additional statutory refinement. For example, we should examine the appropriateness of delegating to the FCC jurisdiction over nontelephone company practices not heretofore within the ambit of that agency's authority. Moreover, we should consider whether pole attachment and conduit space agreements constitute "communication by wire or radio" within the meaning of that phrase under the Communications Act. Perhaps, after further deliberation, it will be shown that pole attachment legislation should more clearly circumscribe the rate-setting authority of State regulatory bodies which exercise pole attachment jurisdiction.

Finally, while this draft proposal speaks in terms of regulating the "rates, terms, and conditions for the use of communications space in poles . . ." the proposal addresses itself only to rate regulation. The draft offers no specific mandate to the Commission to require access to poles in the first instance, or the expansion of cable communications use on existing or newly available poles. I hope that all of these considerations and others will be explored in the near future in committee hearings, at which time all interested parties will have an opportunity to present their views and perhaps to suggest alternative legislative approaches which might better accommodate the concerns to which I have briefly alluded.

Nevertheless, the proposal which I offer today is a constructive first step in recognition of a Federal interest in assuring that all those providing communications services are able to use existing communications space on poles which are owned or controlled by regulated utilities. Of ultimate concern, however, will be the effect that any legislation in this area will have on the interests of the consumer, and by "consumer" I mean not only the cable television subscriber, but the consumer of electric power, telephone and other public services.

The forfeitures section of this bill is identical to S. 2343, which was passed by the Senate last June.

The Federal Communications Commission testified last year to the Commerce Committee that its existing forfeiture authority is inadequate effectively to enforce the Communications Act of 1934. The limitations period within which a notice of apparent liability must be issued is unrealistic in light of the necessary preliminary field investigations required. The maximum amount of forfeitures permitted for single and multiple offenses are unrealistically low to form an effective deterrent or to provide sufficient penalty to warrant the attention of Federal prosecuting authorities.

This bill would enlarge the scope of forfeiture liability to cover all persons subject to the Communications Act—such as cable television systems, users of experimental or medical radio equipment, persons operating without a valid radio station or operator's license, and some communications equipment manufacturers. This expanded enforcement authority will be especially important since the number of cable systems can be expected to increase in the coming years, and, of course, the number of licensees, as well as persons operating without required authorizations, in the citizens band radio service, has increased dramatically in the recent past.

Additional alterations in the existing forfeiture revisions would be accomplished by extending the limitations period within which the Commission must act, granting a greater degree of procedural flexibility, and by raising the maximum forfeiture that could be imposed for single and multiple offenses.

Significantly the FCC would be required to provide a personal interview and a "second clearance" before levying a fine on all persons subject to FCC regulations who logically would be expected to be unfamiliar with the FCC's rules and regulations. Moreover, with respect to cable television in particular, it should be remembered that the purpose of this bill, as with its predecessor bill last session, is not to create general forfeiture liability for that industry, but to treat all parties subject to the Communications Act equitably. Consistent with past practice, the FCC, I trust, is unlikely to use its new authority over cable to harass small operators for insignificant and isolated technical violations which have insignificant impact on broadcasters or cable subscribers.

However, as the Commerce Committee stated in its report on S. 2343, this bill's predecessor, persons wishing to use the Nation's scarce electromagnetic energy spectrum for their own commercial or personal benefit must accept the responsibilities commensurate with that privilege.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 1550. A bill to amend the Marine Mammal Protection Act of 1972 in connection with the incidental taking of marine mammals in the course of commercial fishing; to the Committee on Commerce, Science, and Transportation.

Mr. MAGNUSON. Mr. President, I introduce today, at the request of the Department of Commerce and on behalf of myself and my colleague, Mr. PEARSON, a bill to amend the Marine Mammal Protection Act of 1972 in connection with the incidental taking of marine mammals in the course of commercial fishing.

I ask unanimous consent that the text of the bill and the accompanying statement of purpose and need in support thereof be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1550

Be it enacted by the Senate and the House of Representatives of the United States in Congress assembled,

Sec. 1. Section 2 of the Marine Mammal Protection Act of 1972 (16 U.S.C. § 1361) is amended by deleting the word "and" at the end of subsection 5, replacing the period at the end of subsection 6 with "; and", and adding a new subsection (7) as follows:

(7) While substantial efforts have been undertaken to reduce the incidental mortality and incidental serious injury of marine mammals in the course of commercial fishing operations for yellowfin tuna, this mortality and serious injury should be further reduced and measures should be taken to develop and promote fishing techniques which do not result in the incidental taking of marine mammals.

SEC. 2. Paragraph (2) of subsection (a) of Section 101 of the Marine Mammal Protection Act of 1972 (16 U.S.C. § 1371(a)(2)) is amended to read as follows:

(A) Except as provided in subparagraphs (B) and (C) marine mammals may be taken incidentally in the course of commercial fishing operations and permits may be issued therefor pursuant to section 104 of this Act, subject to regulations prescribed by the Secretary in accordance with section 103 of this Act. It shall be the immediate goal that the incidental mortality and incidental serious injury of marine mammals permitted in the course of commercial fishing operations be reduced to insignificant levels approaching a zero mortality and serious injury rate.

(B) During calendar year 1977 marine

mammals may be taken incidentally in the course of commercial fishing operations for yellowfin tuna pursuant to the provisions of the regulations, permits, and certificates issued under this Act in effect on April 15, 1977, except that the number of mammals from the eastern stock of spinner dolphin (Stenella longirostris) authorized to be taken shall be 6,500 killed or seriously injured, 549,000 encircled, and 820,000 pursued and the number of whitebelly spinner dolphin (Stenella longirostris) authorized to be taken shall be 11,200 killed or seriously injured, 1,402,000 encircled, and 2,120,000 pursued.

(C)(i) Subsequent to calendar year 1977 marine mammals may be taken incidentally in the course of commercial fishing operations for yellowfin tuna and permits may be issued therefor pursuant to section 104 of this Act, subject to regulations prescribed by the Secretary in accordance with section 103 of this Act. The incidental mortality and serious injury of marine mammals allowed shall be progressively reduced to insignificant levels approaching zero. The Secretary shall achieve this reduction by establishing annual quotas for affected species and populations that accomplish significant reductions in the total incidental mortality and serious injury each year and that ensure that no such species or population will be reduced below its level of optimum sustainable population. The total incidental mortality and serious injury authorized in calendar year 1980 shall be limited to no more than 50% of that authorized for calendar year 1977, and the total limitation authorized thereafter shall be reduced by at least 50% by every second year.

(ii) Any holder of or applicant for a permit to take marine mammals incidental to commercial fishing operations for yellowfin tuna may petition the Secretary for extraordinary relief to increase the limitation on total quotas set forth in clause (i) above at least six months prior to the time such limitation becomes applicable. The Secretary may, in consultation with the Marine Mammal Commission, grant such relief after an agency hearing on the record in which the petitioner shall have the burden of proving that:

(a) the total reduction required by the limitation, even if the best available fishing techniques and equipment and due care in fishing operations to minimize incidental mortality and serious injury of marine mammals are used, cannot be achieved without a major and lasting economic and social disruption; and

(b) an alternative limitation can be imposed that will avoid such major disruptions and will be otherwise consistent with the provisions of this Act.

(iii) During such period as the eastern stock of the spinner dolphin (Stenella longirostris) as determined by the Secretary to be depleted, the Secretary may issue permits for the taking of mammals from such stock incidental to commercial fishing operations for yellowfin tuna until December 31, 1981: *Provided*, That the number of spinner dolphin from such stock authorized to be taken each year shall be—

(*a*) maintained at as low a level as possible and in any event shall not result in the killing or serious injuring of more than 6,500 of such stock,

(*b*) limited to taking that is accidental or in association with other stocks of species for which a permit has been granted, and

(*c*) limited so as to assure, on the basis of the best estimate, significant annual increases in such stock and the recovery of such stock to its optimum sustainable population as soon as possible but in no event later than December 31, 1981, and, on the basis of virtual certainty, that the present population of such stock will not be reduced.

(D) The Secretary of the Treasury shall ban the importation of comercial fish and products from fish which have been caught with commerical fishing technology which results in the incidental mortality or incidental serious injury of ocean mammals in excess of United States standards. The Secretary shall insist on reasonable proof from the government of any nation from which fish or fish products will be exported to the United States of the effects on ocean mammals of the commercial fishing technology in use for such fish or fish products exported from such nation to the United States.

SEC. 3. Section 101(a)(3)(B) of the Marine Mammal Protection Act of 1972 (16 U.S.C. § 1371(a)(3)(B)) is amended by inserting immediately before the words "during the moratorium" the words "and except as provided in section 101(a)(2) of this title,".

SEC. 4. Subsection (d) of Section 111 of the Marine Mammal Protection Act of 1972 (16 U.S.C. § 1381(d)) is amended to read as follows:

(1) If the Secretary has reasonable cause to believe that a commercial fishing vessel will engage in the incidental taking of marine mammals, in the course of commercial purse seine fishing for yellowfin tuna, whether or not a permit or certificate has been issued to the owner or operator of said vessel under section 104 of this Act with respect to said taking, a duly authorized agent of the Secretary may, after timely notice to the owner of said vessel, board and accompany said vessel for the purpose of conducting research, observing fishing operations, and monitoring for compliance with the provisions of this Act and regulations and permits issued thereunder. The Secretary may provide for the cost of quartering and maintaining such agents.

(2) The Secretary is authorized to place observers aboard commercial fishing vessels of foreign registry for the purpose of conducting research, observing fishing operations, and monitoring for compliance with United States standards and the provisions of this Act.

(3) Any commercial fishing vessel having a carrying capacity of 400 tons or more whose owner or operator is authorized to take marine mammals incidental to commercial purse seine fishing for yellowfin tuna under a permit or certificate issued under section 104 of this Act, commencing as soon as is practicable after the date of enactment of this paragraph (but not later than 120 days thereafter) and until the close of December 31, 1978, shall be accompanied on any commercial fishing trip by a duly authorized agent of the Secretary for the purpose of conducting research, observing fishing operations, and monitoring for compliance with this Act and with regulations, permits, and certificates issued thereunder. After December 31, 1978, an agent shall accompany each such vessel unless the Secretary determines that the owner and operator of said vessel have complied with all applicable regulations, permits, and certificates issued under this Act for at least one year, are likely to continue to do so, and have satisfied such additional standards of performance as the Secretary shall establish by regulation under section 112. The requirements of this paragraph and the authority of the Secretary hereunder, shall be in addition to the authority of the Secretary provided in paragraph (1) of this subsection.

(4) Agents shall carry out the functions referred to in paragraphs (1) through (3) of this subsection in such manner as to minimize interference with fishing operations. No master, operator, owner or crew of any fishing vessel shall impair, or in any way interfere with, the carrying out of such functions by any agent.

(5) Each agent shall be an individual who is

(A) an officer or employee of the Department of Commerce; or

(B) an officer or employee of any other Federal agency who may be detailed, on a reimbursable basis or otherwise, to the Secretary for assignment as an agent.

SEC. 5. Subsection (g) of Section 104 of the Marine Mammal Protection Act of 1972 (16 U.S.C. § 1374(g)) is amended to read as follows:

(1) The Secretary shall establish and charge a reasonable fee for permits issued under this section. Fees charged for permits and certificates issued with respect to the incidental taking of marine mammals may recover all or part of the cost of agents placed aboard such vessels under section 111 of this Act and shall recover the cost of chartering one or more commercial fishing vessels to be used for such research as the Secretary deems appropriate. In addition, such fees may be established on the basis of the number and kind of marine mammals authorized to be killed or seriously injured, and may provide an incentive to masters, owners, operators and crews of individual fishing vessels to reduce the incidental taking of such mammals, and in particular to reduce to the maximum extent possible the incidental mortality and serious injury of the eastern stock of spinner dolphin (*Stenella longirostris*). Such fees may be returned in whole or in part if the Secretary determines, in his discretion, that the return of such fee or portion thereof would further the purposes and policies of this Act.

(2) All fees for permits issued under this section shall be deposited into miscellaneous receipts of the Treasury.

SEC. 6. Section 101 of the Marine Mammal Protection Act of 1972 (16 U.S.C. § 1371) is amended by adding a new subsection (d) as follows:

(d) In the event that the approval of the Secretary is sought under the provisions of subsections 808 and 835 of Title 46 of the United States Code in relation to a commercial fishing vessel which has been operated pursuant to a permit issued under section 104 of this Act authorizing the taking of marine mammals incidental to commercial purse seine fishing for yellowfin tuna or which was designed for or is capable of such fishing, such approval shall not be granted unless the transferee agrees to comply with United States standards for the incidental killing and serious injuring of marine mammals and to allow observers approved by the Secretary to board and accompany such vessel in a manner consistent with subsection (d) of section 111 of this Act and a bond is filed with the Secretary in an amount and form determined by the Secretary to be necessary and appropriate to ensure performance of such agreement.

SEC. 7. Section 104 of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1374) is amended by adding a new subsection (i) as follows:

(i) Any holder of a permit allowing the taking of marine mammals incidental to commercial fishing operations for yellowfin tuna issued under this section shall make reports in such form, at such times and containing such information concerning the economic impact of the terms and conditions imposed by such permit as the Secretary may require by regulations issued under section 112 of this Act and shall keep and make available to the Secretary such records as may be required by the Secretary for the verification of such reports.

SEC. 8. Section 108 of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1378) is amended by adding a new subsection (c) as follows:

(c) Additionally, the Secretary and the Secretary of State are directed to commence bilateral negotiations immediately with all foreign governments which are engaged in, or which have persons or companies engaged in, commercial yellowfin tuna operations which result in the incidental taking of marine mammals, and further to commence negotiations within the Inter-Ameri-

can Tropical Tuna Commission, to make provisions no later than January 1, 1978 to effect essential compliance with the provisions of this Act and the regulations prescribed thereunder including the placement of observers aboard commercial fishing vessels. The Secretary and the Secretary of State are further directed to request the Director of Investigations of the Inter-American Tropical Tuna Commission to make recommendations to all member nations of the Commission as soon as is practicable as to the utilization of methods and gear devised under subsection (a) of this section.

THE SECRETARY OF COMMERCE,
Washington, D.C., May 16, 1977.

Hon. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed are six copies of a draft bill "To amend the Marine Mammal Protection Act of 1972 in connection with the incidental taking of marine mammals in the course of commercial fishing," together with a statement of purpose and need in support thereof.

This proposed legislation has been reviewed by the Department in the light of Executive Orders 11821 and 11949 and OMB Circular A-107 and has been determined to not contain a major proposal requiring evaluation and certification as to its economic impact.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of our draft bill to the Congress and further, that enactment would be in accord with the program of the President.

Sincerely,

JUANITA M. KREPS.

STATEMENT OF PURPOSE AND NEED

The incidental taking of porpoise in the course of the commercial tuna fishery is governed by section 101(a)(2) of the Marine Mammal Protection Act of 1972, which is administered by the Department of Commerce. Consistent with the purposes of the Act, the taking of porpoises in the tuna fishery has been severely limited, and in some cases prohibited, by regulations promulgated under the Act. Unfortunately this has resulted in hardships and financial difficulties for the United States tuna fishing fleet. The present legislation is intended to provide some relief to the fleet and at the same time provide continued protection for marine mammals.

In addition, a number of ambiquities exist in the present law with respect to the nature of the regulations which the Secretary is obligated to promulgate, and her enforcement responsibilities. It is not presently clear, for example, how fast the reduction in the kill of porpoise must take place. Furthermore, the right of the Secretary to place observers on all vessels, particularly vessels without permits, is questionable under existing law, as is her right to charge a schedule of fees which would reimburse the United States for the cost of such observers.

An additional question exists as to the right of the United States to place conditions upon the transfer of tuna vessels to foreign registry under Title 46 of the U.S.C. in order to obligate such vessels to comply with United States standards with respect to marine mammals.

The proposed legislation would provide relief to the industry by setting certain quotas for eastern spinner porpoises and whitebelly spinner porpoises with respect to 1977 which are in excess of the present quotas allowed. A schedule of reduction in the total porpoise quota is set forth in the proposed legislation, but under certain circumstances the Secretary is given discretion to change the rate at which reductions shall be made.

Discretion is further given the Secretary to set the fees for permits and certificates at a level which will recover all or part of the cost of observers, and which shall recover the cost of chartering a commercial fishing vessel to be used for such research as the Secretary finds appropriate. These fees may also be set on a basis which will provide an incentive to reduce mortality and serious injury of porpoises.

The authority of the Secretary to place observers on tuna vessels, whether or not sailing with a permit or certificate, is clearly set forth. Observers on all such vessels are mandated until the end of 1978, after which the Secretary may permit vessels to sail without observers if they have satisfied certain conditions.

If application is made by an owner of a tuna vessel to transfer to foreign registry, the proposed legislation requires that the Secretary may grant such permission to transfer only upon certain conditions which are to be secured by the provision of a bond.

Finally, in order to supplement the above provisions, a new financial reporting requirement is imposed upon holders of permits. The Secretary of Commerce and the Secretary of State are given the joint task of commencing negotiations with foreign governments to effect essential compliance by foreign vessels fishing for tuna with the provisions of the Marine Mammal Protection Act.

No new appropriation authority is contained in the proposed legislation since it is felt that separate legislation presently under consideration by the Congress contains adequate authority to provide resources for the new obligations of the Secretary under the proposed legislation.

THE SECRETARY OF COMMERCE,
Washington, D.C.

Hon. JOHN M. MURPHY,
Chairman, Merchant Marine and Fisheries Committee, House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in respond to your request for the views of this Department regarding H.R. 6970, a bill to amend the Marine Mammal Protection Act of 1972 with respect to the taking of marine mammals incidental to the course of commercial fishing operations, and for other purposes.

The incidental taking of porpoise in the course of the commercial tuna fishery is governed by section 101(a)(2) of the Marine Mammal Protection Act of 1972, which is administered by the Department of Commerce. Consistent with the purposes of the Act, the taking of porpoises in the tuna fishery has been severely limited, and in some cases prohibited, by regulations promulgated under the Act. Unfortunately this has resulted in hardships and financial difficulties for the United States tuna fishing fleet. H.R. 6970 is intended to provide some relief to the fleet and at the same time provide continued protection for marine mammals by providing for calendar years 1977 and 1978 somewhat larger porpoise quotas for several porpoise species than those contained in the regulations, permits, and certificates issued under the Act and which went into effect on April 15, 1977.

Specifically, H.R. 6970 would provide for a quota of 50,400 spotted dolphin, 17,000 whitebelly stock of spinner dolphin, 6,500 eastern stock of spinner dolphin, and 5,000 for all other stocks. Also the bill would authorize the Secretary to establish a program which would place observers aboard tuna fishing vessels and specifically through December 31, 1978 on all tuna vessels or four hundred tons or more as soon as practicable after the date of enactment of the bill (but not later than October 1, 1977). Lastly, the bill would require that in order to obtain a permit, the tuna industry would have to provide to the Secretary a suitable vessel during the period between the date of enactment and January 1, 1979, for research regarding fishing gear and fishing methods to reduce the incidental taking of porpoise and for research relating to the conservation of porpoise stocks affected by tuna fishing.

We concur with the purposes and intent of H.R. 6970. However, as Dr. Robert M. White, Administrator of the National Oceanic and Atmospheric Administration (NOAA) stated during the May 13, 1977, hearings of your Committee, we believe that certain provisions of the bill involving the levels of the quotas for the numbers of porpoises that would be killed or seriously injured should be revised. We also feel that the issue of quotas and the rate of reductions in these quotas after 1978 must be addressed. Likewise, we believe the Secretary should be given the authority to charge permit fees to reimburse the United States for all of the costs involved in chartering a vessel for conducting research into the tuna-porpoise problem. This authority to collect fees must also allow the Secretary to use the fee system in such a manner as to provide an incentive to the tuna fishing industry to reduce mortality and serious injury of porpoises.

In addition, we believe that the Act should be amended to clarify the United States' right to place conditions upon the transfer of tuna vessels to foreign registry under Title 46 of the United States Code in order to obligate such vessels to comply with United States standards with respect to marine mammals.

Finally, we believe that the Act should be amended to place a financial reporting requirement upon holders of permits to allow for the assessment of the economic impact of the terms and conditions imposed by such permits, and to give the Secretary of Commerce and the Secretary of State the joint task of commencing negotiations with foreign governments to effect essential compliance by foreign vessels fishing for tuna with the provisions of the Marine Mammal Protection Act.

To provide the basic changes in the Act that we believe are necessary, several fundamental changes as set forth below should be made to H.R. 6970.

Replace section 1 of the bill regarding porpoise quotas for calendar years 1977 and 1978 and Secretarial discretion to reduce such quotas for 1978 with the following sections 1, 2, and 3. These sections would add a new finding to section 2 of the Act, establish certain new quotas, provide a schedule for future year reductions with an appropriate degree of Secretarial discretion, and require the Secretary of the Treasury to ban the importation of commercial fish and fish products which have been caught with commercial fishing technology which results in the incidental kill or serious injury of ocean mammals in excess of United States standards.

SEC. 1. Section 2 of the Marine Mammal Protection Act of 1972 (16 U.S.C. § 1361) is amended by deleting the word "and" at the end of subsection 5, replacing the period at the end of subsection 6 with "; and", and adding a new subsection (7) as follows:

(7) While substantial efforts have been undertaken to reduce the incidental mortality and incidental serious injury of marine mammals in the course of commercial fishing operations for yellowfin tuna, this mortality and serious injury should be further reduced and measures should be taken to develop and promote fishing techniques which do not result in the incidental taking of marine mammals.

SEC. 2. Paragraph (2) of subsection (a) of Section 101 of the Marine Mammal Protection Act of 1972 (16 U.S.C. § 1371(a)(2)) is amended to read as follows:

(A) Except as provided in subparagraphs (B) and (C) marine mammals may be taken incidentally in the course of commercial fishing operations and permits may be issued therefor pursuant to section 104 of this Act, subject to regulations prescribed by the Secretary in accordance with section 103 of this

Act. It shall be the immediate goal that the incidental mortality and incidental serious injury of marine mammals permitted in the course of commercial fishing operations be reduced to insignificant levels approaching a zero mortality and serious injury rate.

(B) During the calendar year 1977 marine mammals may be taken incidentally in the course of commercial fishing operations for yellowfin tuna pursuant to the provisions of the regulations, permits, and certificates issued under this Act in effect on April 15, 1977, except that the number of mammals from the eastern stock of spinner dolphin (*Stenella longirostris*) authorized to be taken shall be 6,500 killed or seriously injured, 549,000 encircled, and 820,000 pursued and the number of whitebelly spinner dolphin (*Stenella longirostris*) authorized to be taken shall be 11,200 killed or seriously injured, 1,402,000 encircled, and 2,120,000 pursued.

(C) (i) Subsequent to calendar year 1977 marine mammals may be taken incidentally in the course of commercial fishing operations for yellowfin tuna pursuant to section 104 of this Act, subject to regulations prescribed by the Secretary in accordance with section 103 of this Act. The incidental mortality and serious injury of marine mammals allowed shall be progressively reduced to insignificant levels approaching zero. The Secretary shall achieve this reduction by establishing annual quotas for affected species and populations that accomplish significant reductions in the total incidental mortality and serious injury each year and that ensure that no such species or population will be reduced below its level of optimum sustainable population. The total incidental mortality and serious injury authorized in calendar year 1980 shall be limited to no more than 50% of that authorized for calendar year 1977, and the total limitation authorized thereafter shall be reduced by at least 50% every second year.

(ii) Any holder of or applicant for a permit to take marine mammals incidental to commercial fishing operations for yellowfin tuna may petition the Secretary for extraordinary relief to increase the limitation on total quotas set forth in clause (i) above at least six months prior to the time such limitation becomes applicable. The Secretary may, in consultation with the Marine Mammal Commission, grant such relief after an agency hearing on the record in which the petitioner shall have the burden of proving that:

(*a*) the total reduction required by the limitation, even if the best available fishing techniques and equipment and due care in fishing operations to minimize incidental mortality and serious injury of marine mammals are used, cannot be achieved without major and lasting economic and social disruption; and

(*b*) an alternative limitation can be imposed that will avoid such major disruptions and will be otherwise consistent with the provisions of this Act.

(iii) During such period as the eastern stock of the spinner dolphin (*Stenella longirostris*) is determined by the Secretary to be depleted, the Secretary may issue permits for the taking of mammals from such stock incidental to commercial fishing operations for yellowfin tuna until December 31, 1981: *Provided*, That the number of spinner dolphin from such stock authorized to be taken each year shall be

(*a*) maintained at as low a level as possible and in any event shall not result in the killing or serious injuring of more than 6,500 of such stock,

(*b*) limited to taking that is accidental or in association with other stocks of species for which a permit has been granted, and

(*c*) limited so as to assure, on the basis of the best estimate, significant annual increases in such stock and the recovery of such stock to its optimum sustainable population as soon as possible but in no event later than December 31, 1981, and, on the basis of virtual certainty, that the present population of such stock will not be reduced.

(D) The Secretary of the Treasury shall ban the importation of commercial fish and products from fish which have been caught with commercial fishing technology which results in the incidental mortality or incidental serious injury of ocean mammals in excess of United States standards. The Secretary shall insist on reasonable proof from the government of any nation from which fish or fish products will be exported to the United States of the effects on ocean mammals of the commercial fishing technology in use for such fish or fish products exported from such nation to the United States.

SEC. 3. Section 101(a)(3)(B) of the Marine Mammal Protection Act of 1972 (16 U.S.C. section 1371(a)(3)(B)) is amended by inserting immediately before the words "during the moratorium" the words "and except as provided in section 101(a)(2) of this title,".

Replace section 2 of H.R. 6970 regarding the observer program and provision of a research vessel with the following section.

SEC. 4. Subsection (d) of Section 111 of the Marine Mammal Protection Act of 1972 (16 U.S.C. section 1381(d)) is amended to read as follows:

(1) If the Secretary has reasonable cause to believe that a commercial fishing vessel will engage in the incidental taking of marine mammals in the course of commercial purse seine fishing for yellowfin tuna, whether or not a permit or certificate has been issued to the owner or operator of said vessel under section 104 of this Act with respect to said taking, a duly authorized agent of the Secretary may, after timely notice to the owner of said vessel, board and accompany said vessel for the purpose of conducting research, observing fishing operations, and monitoring for compliance with the provisions of this Act and regulations and permits issued thereunder. The Secretary may provide for the cost of quartering and maintaining such agents.

(2) The Secretary is authorized to place observers aboard commercial fishing vessels of foreign registry for the purpose of conducting research, observing fishing operations, and monitoring for compliance with United States standards and the provisions of this Act.

(3) Any commercial fishing vessel having a carrying capacity of 400 tons or more whose owner or operator is authorized to take marine mammals incidental to commercial purse seine fishing for yellowfin tuna under a permit or certificate issued under section 104 of this Act, commencing as soon as is practicable after the date of enactment of this paragraph (but not later than 120 days thereafter) and until the close of December 31, 1978, shall be accompanied on any commercial fishing trip by a duly authorized agent of the Secretary for the purpose of conducting research, observing fishing operations, and monitoring for compliance with this Act and with regulations, permits, and certificates issued thereunder. After December 31, 1978, an agent shall accompany each such vessel unless the Secretary determines that the owner and operator of said vessel have complied with all applicable regulations, permits, and certificates issued under this Act for at least one year, are likely to continue to do so, and have satisfied such additional standards of performance as the Secretary shall establish by regulation under section 112. The requirements of this paragraph and the authority of the Secretary hereunder, shall be in addition to the authority of the Secretary in paragraph (1) of this subsection.

(4) Agents shall carry out the functions referred to in paragraphs (1) through (3) of this subsection in such manner as to minimize interference with fishing operations. No master, operator, owner, or crew of any fishing vessel shall impair, or in any way interfere with, the carrying out of such functions by any agent.

(5) Each agent shall be an individual who is

(A) an officer or employee of the Department of Commerce; or

(B) an officer or employee of any other Federal agency who may be detailed, on a reimbursable basis or otherwise to the Secretary for assignment as an agent.

Add a section 5 as follows to grant the Secretary authority to charge permit fees to reimburse the United States for all or part of the cost of agents placed aboard fishing vessels and all of the costs involved in chartering a vessel for conducting research into the tuna-porpoise problem.

SEC. 5. Subsection (g) of Section 104 of the Marine Mammal Protection Act of 1972 (16 U.S.C. § 1374(g)) is amended to read as follows:

(1) The Secretary shall establish and charge a reasonable fee for permits issued under this section. Fees charged for permits and certificates issued with respect to the incidental taking of marine mammals may recover all or part of the cost of agents placed aboard such vessels under section 111 of this Act and shall recover the cost of chartering one or more commercial fishing vessels to be used for such research as the Secretary deems appropriate. In addition, such fees may be established on the basis of the number and kind of marine mammals authorized to be killed or seriously injured, and may provide an incentive to masters, owners, operators and crews of individual fishing vessels to reduce the incidental taking of such mammals, and in particular to reduce to the maximum extent possible the incidental mortality and serious injury of the eastern stock of spinner dolphin (*Stenella longirostris*). Such fees may be returned in whole or in part if the Secretary determines, in his discretion, that the return of such fee or portion thereof would further the purposes and policies of this Act.

(2) All fees for permits issued under this section shall be deposited into miscellaneous receipts of the Treasury.

Add a section 6 as follows to clarify the right of the United States to place conditions upon the transfer of tuna vessels to foreign registry under Title 46 of the United States Code in order to obligate the transferees of such vessels to comply with United States standards with respect to marine mammals.

SEC. 6. Section 101 of the Marine Mammal Protection Act of 1972 (16 U.S.C. § 1371) is amended by adding a new subsection (d) as follows:

(d) In the event that the approval of the Secretary is sought under the provisions of sections 808 and 835 of Title 46 of the United States Code in relation to a commercial fishing vessel which has been operated pursuant to a permit issued under section 104 of this Act authorizing the taking of marine mammals incidental to commercial purse seine fishing for yellowfin tuna or which was designed for or is capable of such fishing, such approval shall not be granted unless the transferee agrees to comply with the United States standards for the incidental killing and serious injuring of marine mammals and to allow observers approved by the Secretary to board and accompany such vessel in a manner consistent with subsection (d) of section 111 of this Act and a bond is filed with the Secretary in an amount and form determined by the Secretary to be necessary and appropriate to ensure performance of such agreement.

Add a section 7 as follows to impose a new financial reporting requirement upon holders

of permits to allow for the assessment of the economic impact of the terms and conditions imposed by such permits:

SEC. 7. Section 104 of the Marine Mammal Protection Act of 1972 (16 U.S.C. § 1374) is amended by adding a new subsection (i) as follows:

(i) Any holder of a permit allowing the taking of marine mammals incidental to commercial fishing operations for yellowfin tuna issued under this section shall make reports in such form, at such times and containing such information concerning the economic impact of the terms and conditions imposed by such permit as the Secretary may require by regulations issued under section 112 of this Act and shall keep and make available to the Secretary such records as may be required by the Secretary for the verification of such reports.

Add a section 8 as follows to give the Secretary of Commerce and the Secretary of State the joint task of commencing negotiations with foreign governments to effect essential compliance by foreign vessels fishing for tuna with the provisions of the Marine Mammal Protection Act:

SEC. 8. Section 108 of the Marine Mammal Protection Act of 1972 (16 U.S.C. § 1378) is amended by adding a new subsection (c) as follows:

(c) Additionally, the Secretary and the Secretary of State are directed to commence bilateral negotiations immediately with all foreign governments which are engaged in, or which have persons or companies engaged in, commercial yellowfin tuna operations which result in the incidental taking of marine mammals, and further to commence negotiations within the Inter-American Tropical Tuna Commission, to make provision no later than January 1, 1978 to effect essential compliance with the provisions of this Act and the regulations prescribed thereunder including the placement of observers aboard commercial fishing vessels. The Secretary and the Secretary of State are further directed to request the Director of Investigations of the Inter-American Tropical Tuna Commission to make recommendations to all member nations of the Commission as soon as is practicable as to the utilization of methods and gear devised under subsection (a) of this section.

The Office of Management and Budget has advised us that submission of this report to the Congress is in accord with the President's program.

Sincerely,

JUANITA M. KREPS.

Mr. WILLIAMS (for himself and Mr. CASE):

Senate Joint Resolution 54. A joint resolution to designate the year 1979 as the Thomas A. Edison Centennial Year and to establish the Thomas A. Edison Centennial Commission; to the Committee on the Judiciary.

THE THOMAS A. EDISON CENTENNIAL

Mr. WILLIAMS. Mr. President, October 21, 1979, will mark the 100th anniversary of Thomas Edison's invention of the first practical incandescent electric lamp. To commemorate this historic "anniversary of light," I am today introducing a joint resolution, along with my distinguished colleague from New Jersey (Mr. CASE). Congressman EDWARD J. PATTEN introduced an identical resolution in the House yesterday.

Thomas Edison was probably the most prolific inventor in our Nation's history. Installing his own laboratory at the age of 10, he developed an early interest in chemistry. At 16, he began inventing telegraphy devices, and went on to originate and perfect a wide range of inventions, including the universal stock ticker, the carbon telephone transmitter, the phonograph, the first practical incandescent lamp, a kinetographic camera, the magnetic ore separator, the storage battery, and a dictating machine. The brilliance of Edison's inventions was exceeded only by his perseverance in seeing them through to their practical application. He was interested in devices which could be mass produced, and distributed widely and cheaply. His work is reflected in countless consumer items in use today.

In 1928, the Congress awarded Edison a gold medal "for development and application of inventions that have revolutionized civilization in the last century." The resolution I am introducing today would commemorate the anniversary of one of his most significant inventions, by designating the year 1979 as the "Thomas A. Edison Centennial Year." To plan and coordinate appropriate observances and activities, the resolution would establish a "Thomas A. Edison Centennial Commission." The Commission would be composed of 20 members, including 11 ex officio members, and 9 public members to be appointed by the President. The Commission's offices would be located at the Edison National Historic Site in West Orange, N.J.

Mr. President, I ask unanimous consent that the joint resolution be printed at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 54

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas October 21, 1979, will mark the 100th anniversary of the invention by Thomas A. Edison of the first practical incandescent electric lamp;

Whereas the career of Thomas E. Edison has enhanced the lives of United States citizens and of millions of people throughout the world by his many inventions, including the phonograph, the motion picture camera, the universal stock ticker, the storage battery, the magnetic ore separator, the florescent lamp, and the miner's lamp;

Whereas many of the power and communications capabilities existing today are a reflection of the work and dedication of Thomas A. Edison; and

Whereas the genius of Thomas A. Edison has helped develop the modern technological era enjoyed by the world today: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

THOMAS A. EDISON CENTENNIAL YEAR

SECTION 1. The President is authorized and requested to issue a proclamation designating the year 1979 as "Thomas A. Edison Centennial Year" in recognition of the completion by Thomas A. Edison of his invention of the first practical incandescent electric lamp on October 21, 1879.

ESTABLISHMENT OF COMMISSION

SEC. 2. There is established a commission which shall be designated as the "Thomas A. Edison Centennial Commission" (hereinafter in this joint resolution referred to as the "Commission").

FUNCTIONS OF THE COMMISSION

SEC. 3. The functions of the Commission shall be—

(1) to prepare a program to observe the Thomas A Edison Centennial Year and to plan, encourage, develop, and coordinate observances and activities in connection with such program;

(2) to consider, in preparing its program, any plans or programs developed by State or local public agencies or private organizations, in connection with the Thomas A. Edison Centennial Year, and to consult with representatives from such agencies or organizations to coordinate such plans or programs;

(3) to initiate the development of publications, documentary and bibliographic projects, conferences, seminars, and public programs in connection with the Thomas A. Edison Centennial Year, and to encourage and coordinate similar activities by State and local public agencies and private organizations.

(4) to recommend, encourage, and coordinate commemorations of specific events and the issuance of commemorative coins, medals, stamps, and other memorials, pertaining to the career and achievements of Thomas A. Edison.

(5) to encourage efforts to preserve and develop historic sites pertaining to the career and achievements of Thomas A. Edison and to consult with the Secretary of the Interior and other appropriate officials in connection with such efforts;

(6) to encourage and coordinate efforts to develop scholarly works, exhibitions, publications, and educational programs pertaining to the career and achievements of Thomas A. Edison and to consult the Smithsonian Institution, the Library of Congress, the National Science Foundation, the National Endowment for the Arts and Humanities, the National Archives, and the National Historical Publications and Records Commission in connection with such efforts; and

(7) to encourage and coordinate efforts to compile and publish the papers of Thomas A. Edison.

MEMBERSHIP

SEC. 4. (a) NUMBER AND APPOINTMENT.—The Commission shall be composed of 20 members as follows:

(1) the Secretary of the Interior;

(2) the Secretary of Commerce;

(3) the Secretary of Health, Education, and Welfare;

(4) The Librarian of Congress;

(5) the Secretary of the Smithsonian Institution;

(6) the Archivist of the United States;

(7) the Chairman of the National Endowment for the Arts;

(8) the Chairman of the National Endowment for the Humanities;

(9) the Director of the National Science Foundation;

(10) the Executive Director of the National Historic Publications and Records Commission;

(11) the Director of the National Park Service; and

(12) nine individuals to be appointed by the President within 60 days after the date of the enactment of this joint resolution—

(A) who are not officers or employees of any Federal or State government or local unit of general government,

(B) who are qualified to serve on the Commission by virtue of their education, training, or experience in the field of academics, business, or science and by virtue of their knowledge with regard to the career and achievements of Thomas A. Edison, and

(C) not more than five of whom shall be of the same political party.

A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(b) CONTINUATION OF MEMBERSHIP.—If any member of the Commission, who was appointed to the Commission as an officer or employee of the Federal Government, leaves that office, or if any member of the Commission, who was appointed from individuals who are not officers or employees of any gov-

ernment, becomes an officer or employee of a government, he may continue as a member of the Commission for not longer than the 30-day period beginning on the date he leaves such office or becomes such an officer or employee, as the case may be.

(c) TERMS.—The members of the Commission shall be appointed for the life of the Commission.

(d) PAY AND TRAVEL EXPENSES.—The members of the Commission shall receive no compensation for their services as such, but members of the Commission who are officers or employees of the Government shall be allowed necessary travel expenses in accordance with section 5702 of title 5, United States Code, and members of the Commission appointed by the President pursuant to section 3(a)(12) of this joint resolution shall be allowed necessary travel expenses as authorized by section 5703 of such title.

(e) QUORUM.—5 members of the Commission appointed by the President pursuant to section 3(a)(12) of this joint resolution shall constitute a quorum.

(f) CHAIRMAN.—The Chairman of the Commission shall be designated by the President from those members of the Commission appointed by the President pursuant to section 3(a)(12) of this joint resolution.

(g) MEETINGS.—The Commission shall meet quarterly. Additional meetings may be called by the Chairman or by a quorum of the Commission.

(h) OFFICES.—The offices of the Commission shall be located at the site in West Orange, New Jersey, designated as the Edison National Historic Site by the Act of September 5, 1962 (Public Law 87-628; 76 Stat. 428).

DIRECTOR AND STAFF OF COMMISSION; EXPERTS AND CONSULTANTS

SEC. 5. (a) DIRECTOR.—The Commission shall have a Director who shall be appointed by the Chairman, with the advice of the members of the Commission, and whose pay may be fixed by the Chairman subject to subsection (c).

(b) STAFF.—Subject to such rules as may be adopted by the Commission, the Director may appoint not more than 10 individuals as staff personnel and may fix the pay of such personnel subject to subsection (c).

(c) COMPENSATION AND APPLICABILITY OF CIVIL SERVICE LAWS.—The Director and staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that—

(1) the Director may not be paid basic pay at a rate in excess of the maximum annual rate of basic pay then payable for GS-15 of the General Schedule under section 5332 of such title, and

(2) members of the staff (other than the Director) may not be paid basic pay at a rate in excess of $30,000 per year.

(d) EXPERTS AND CONSULTANTS.—The Commission may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay then payable for grade GS-15 of the General Schedule under section 5332 of such title.

POWERS OF COMMISSION

SEC. 6. (a) COOPERATION OF OTHER AGENCIES.—The Commission may consult and seek advice and assistance from appropriate Federal departments and agencies. Such Federal departments and agencies are authorized and requested to cooperate with the Commission in carrying out the purposes of this joint resolution.

(b) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of money or property.

(c) SUPPLIES AND SUPPORT SERVICES.—The Commission, to such extent as it finds to be necessary, may procure supplies, services, and property; make contracts; and expend in furtherance of this joint resolution funds appropriated, donated, or received in pursuance of such contracts. The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(d) MAILS.—The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

REPORTS

SEC. 7. The Commission shall transmit to the President and to each House of Congress interim reports not later than 1 year after the date on which appropriations are first made under this joint resolution and annually thereafter during the life of the Commission and shall transmit a final comprehensive report to the President and to each House of Congress not later than September 30, 1980. Each report shall include a detailed statement of the accomplishments of the Commission during the period of time covered by such report and recommendations for such legislation or administrative actions as the Commission deems appropriate.

TERMINATION

SEC. 8. The Commission shall cease to exist on September 30, 1980. In connection with the termination of the Commission, any papers of the Commission may be transferred by loan or gift to such public or private agency or agencies as the Commission deems appropriate (subject to subchapter II of chapter 5 of title 5, United States Code), any unexpended funds of the Commission then remaining shall be covered into the Treasury as miscellaneous receipts, and any property acquired by the Commission then remaining shall be disposed of by the General Services Administration as excess or surplus property.

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 9. There is authorized to be appropriated not to exceed $500,000 for each of the fiscal years 1978, 1979, and 1980 to carry out the purposes of this joint resolution.

ADDITIONAL COSPONSORS

S. 11

At the request of Mr. MCCLELLAN, the Senator from Oregon (Mr. PACKWOOD) was added as a cosponsor of S. 11, to provide for the appointment of additional district court judges.

S. 76

At the request of Mr. STONE, the Senator from Idaho (Mr. MCCLURE) and the Senator from Michigan (Mr. RIEGLE) were added as cosponsors of S. 76, a bill to amend title XVIII of the Social Security Act to authorize a payment under the medicare program for certain services performed by chiropractors.

S. 77

At the request of Mr. MATHIAS, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 77, to amend the Social Security Act.

S. 555

At the request of Mr. RIBICOFF, the Senator from Maine (Mr. MUSKIE) has been added as a cosponsor of S. 555, the Public Officials Integrity Act of 1977.

S. 664

At the request of Mr. BROOKE, the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 664, the Young Families' Housing Act.

S. 694

At the request of Mr. KENNEDY, the Senator from Maine (Mr. MUSKIE) was added as a cosponsor of S. 694, to adjust the status of Indochinese refugees to that of lawful permanent residents of the United States.

S. 708

At the request of Mr. CLARK, the Senator from Maryland (Mr. SARBANES), the Senator from Alabama (Mr. SPARKMAN), the Senator from Maine (Mr. MUSKIE), and the Senator from Florida (Mr. STONE) were added as cosponsors of S. 708, to amend title XVIII of the Social Security Act to provide payment for rural health clinic services.

S. 834

At the request of Mr. SCHWEIKER, the Senator from New Mexico (Mr. DOMENICI) and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of S. 834, a bill to amend the Internal Revenue Code of 1954 to permit a taxpayer to deduct, or to claim a credit for, amounts paid as tuition to provide education for himself, his spouse, or for his dependents.

S. 987

At the request of Mr. ANDERSON, the Senator from California (Mr. CRANSTON) was added as a cosponsor of S. 987, to amend the Immigration and Nationality Act.

S. 1021

At the request of Mr. BAYH, the Senator from Iowa (Mr. CULVER), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. ABOUREZK), the Senator from Ohio (Mr. METZENBAUM), and the Senator from Arizona (Mr. DECONCINI) were added as cosponsors of S. 1021, a bill to extend the Juvenile Justice and Delinquency Prevention Act of 1974.

S. 1080

At the request of Mr. MATHIAS, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 1080, to provide for voluntary citizen financing for the arts and education.

S. 1137

At the request of Mr. ANDERSON, the Senator from New Hampshire (Mr. DURKIN) was added as a cosponsor of S. 1137, to amend the Internal Revenue Code.

S. 1295

At the request of Mr. TOWER, the Senator from Wyoming (Mr. HANSEN) was added as a cosponsor of S. 1295, to reform the food stamp program.

S. 1310

At the request of Mr. DOLE, the Senator from Wyoming (Mr. HANSEN) was added as a cosponsor of S. 1310, providing for the installation of a teletypewriter in the Capitol.

S. 1360

At the request of Mr. CHURCH, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 1360, to establish an Advisory Committee on timber sales procedures.

S. 1379

At the request of Mr. SASSER, the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. ANDERSON), and the Senator from Ver-

mont (Mr. LEAHY) were added as cosponsors of S. 1379, the Taxpayer Assistance Fairness Act.

S. 1382

At the request of Mr. MCCLELLAN, the Senator from Louisiana (Mr. LONG) was added as a cosponsor of S. 1382, to establish rational criteria for the imposition of the sentence of death, and for other purposes.

S. 1385

At the request of Mr. HELMS, the Senator from New Mexico (Mr. SCHMITT) was added as a cosponsor of S. 1385, to amend title XVIII of the Social Security Act.

S. 1392

At the request of Mr. RIBICOFF, the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1392, relating to the early and periodic screening, diagnosis, and treatment program.

S. 1420

At the request of Mr. MCGOVERN, the Senator from West Virginia (Mr. RANDOLPH), the Senator from Illinois (Mr. PERCY), the Senator from Kansas (Mr. DOLE), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Michigan (Mr. RIEGLE), and the Senator from Minnesota (Mr. ANDERSON) were added as cosponsors of S. 1420, the National School Lunch Act and Child Nutrition Act Amendments of 1977.

S. 1436

At the request of Mr. CASE, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor to S. 1436, to authorize the Secretary of Agriculture to prohibit the availability of so-called junk food in food service areas during the time meals are served to children under the Child Nutrition Act of 1966 and the National School Lunch Act.

S. 1471

At the request of Mr. PACKWOOD, the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 1471, a bill to amend the Internal Revenue Code of 1954 with respect to contributions to candidates for public office.

S. 1479

At the request of Mr. CHURCH, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 1479, to amend the Social Security Act.

S. 1495

At the request of Mr. PACKWOOD, the Senator from Alabama (Mr. SPARKMAN) and the Senator from South Dakota (Mr. ABOUREZK) were added as cosponsors of S. 1495, to provide grants for the construction of bikeways.

SENATE JOINT RESOLUTION 33

At the request of Mr. BROOKE, the Senator from Minnesota (Mr. ANDERSON) was added as a cosponsor of Senate Joint Resolution 33, to restore the Medal of Honor to Dr. Mary Edwards Walker.

SENATE JOINT RESOLUTION 48

At the request of Mr. CHURCH, the Senator from New York (Mr. JAVITS) was added as a cosponsor of Senate Joint Resolution 48, relating to a White House Conference on Aging.

SENATE RESOLUTION 174—ORIGINAL RESOLUTION REPORTED RELATING TO THE CONSIDERATION OF S. 1442

(Referred to the Committee on the Budget.)

Mr. HATHAWAY, from the Select Committee on Small Business, reported the following original resolution:

S. RES. 174

Resolved, That the provisions of section 402(a) of the Congressional Budget Act of 1974 are waived with respect to S. 1442, a bill which includes a title to reform disaster relief procedures in the Small Business Administration.

AMENDMENTS SUBMITTED FOR PRINTING

SURFACE MINING CONTROL AND RECLAMATION ACT OF 1977—S. 7

AMENDMENTS NOS. 275 THROUGH 278

(Ordered to be printed and to lie on the table.)

Mr. JOHNSTON. Mr. President, today I am submitting four proposed amendments to S. 7, the Surface Mining Control and Reclamation Act of 1977. The four amendments seek to correct what I believe to be deficiencies in the bill as reported by the Energy and Natural Resources Committee. The amendments are as follows:

AMENDMENT NO. 275—ALLUVIAL VALLEY FLOOR AMENDMENT

This amendment deletes section 410 (b)(5) and proposes substitute language for that paragraph. Paragraph 5 provides for the protection of water resources and certain agricultural lands in alluvial valleys west of the one-hundredth meridian. My problem with the provision in the bill is that it contains such ambiguous terms as "significant to the practice of farming" and "potential farming or ranching operations if such operations are significant and economically feasible." My amendment protects the water resources during and after mining and provides that mining may not be done when the value of the coal to be mined is less than 100 times more valuable than the farming and ranching products which would be produced by the land during the time the acreage is out of production due to the mining activities.

AMENDMENT NO. 276—SURFACE OWNER COMPENSATION AMENDMENT

This amendment deletes section 515 and inserts in lieu thereof a new section 515. Section 515 as reported by the committee allows landowners who own the land which lies over federally owned coal deposits to block production of the Federal coal by withholding their consent to allow the mining operator to enter their land. My amendment would treat the land owner generously, but would not allow him to block production of the federally owned coal.

AMENDMENT NO. 277—EXCLUSIVE STATE JURISDICTION AMENDMENT

This amendment proposes the addition of a new subsection 429 which will allow a State to retain exclusive State jurisdiction over surface coal mining operations. The amendment allows a State to retain its law or enact a law which meets or exceeds the surface mining standards embodied in section 415 and 416 of the reported bill.

AMENDMENT NO. 278—COAL PIPELINE ACT OF 1977

This amendment adds a new title VI to the bill, which title would be identical to S. 707 which I introduced earlier this year. The amendment would grant the power of eminent domain to coal slurry pipeline companies which have been granted a certificate of convenience and necessity by the Secretary of Interior. The bill does not affect water rights, the jurisdiction over which remains with the individual States or other governmental units which now have jurisdiction over those rights.

Mr. President, I ask unanimous consent that these amendments be printed in the RECORD at this point so that my colleagues may study the amendments prior to consideration of S. 7.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 275

On page 207, strike all of lines 1 through 21 and insert in lieu thereof the following:

"(5) the proposed surface coal mining operation, if located west of the one hundredth meridian west longitude, would not interrupt, discontinue or prevent farming on alluvial valley floors unless:

(a) throughout the surface mining operation, upstream and downstream ground and surface water flows in these alluvial valley floors are maintained so as not to impair existing rights of other water users; and

(b) during and after the reclamation process, the essential hydrologic functions of the area is preserved without materially damaging the quantity and quality of surface and ground water systems that supply these valley floors and

(c) the total value of the coal mined by the surface mining operation would exceed, by a ratio of 100 to 1, the total value of the farming or ranching products that would be produced from said acreage while out of production as a result of the mining activity.

(6) Paragraph (5) shall not affect those surface coal mining operations located within or adjacent to alluvial valley floors which in the year preceding the enactment of this Act were engaged in the commercial production of coal, or which had obtained prior to January 4, 1977, specific permit approval by the state regulatory authority to conduct surface coal mining operations within said alluuvial valley floors, or for which substantial financial and legal commitment had been made."

AMENDMENT NO. 276

On page 303, line 21, strike all of Section 515 and insert in lieu thereof a new Section 515 as follows:

"SECTION 515. (a) The provisions and procedures specified in this section shall apply where coal owned by the United States under land the surface rights to which are owned by a surface owner as defined in this section is to be mined by methods other than underground mining techniques.

(b) Any coal deposits subject to this section shall be offered for lease pursuant to section 2(a) of the Mineral Leasing Act of 1920 (30 U.S.C. 201a), except that no award shall be made by any method other than competitive bidding.

(c) Prior to placing any deposit subject to this section in a leasing tract, the Secretary shall give to any surface owner whose land is to be included in the proposed leasing tract actual written notice of his intention to place such deposits under such land in a leasing tract.

(d) The Secretary shall not approve any mining plan pursuant to this Act until the appraised value of the surface owner's interest has been tendered in accordance with the provisions of subsection (e). Upon such tender and upon approval of the mining plan, the lessee may enter and commence mining operations whether or not the determination of value of the surface owner's interest is subject to judicial review as provided in this section.

(e) Tender of the appraised value of the surface owner's interest shall occur when:

(1) The lessee and the surface owner agree on an amount and method of compensation for the surface owner's interest, whether or not the amount of compensation is fixed in accordance with the provisions of subsection (f), and the surface owner has given the Secretary written consent for the lessee to enter and commence surface mining operations; or

(2) The lessee has deposited the appraised value of the surface owner's interest in the United States district court for the locality in which the leasing tract is located. At any time after the appraised value of the surface owner's interest is deposited in the court and upon execution by the surface owner and the lessee of a final settlement of their rights under this section, the surface owner shall be entitled to withdraw from the registry of the court the full amount of the deposit.

(f) For purposes of this section, the term "appraised value of the surface owner's interest" means the value of the surface owner's interest fixed by the Secretary based on appraisals made by three appraisers. One such appraiser shall be appointed by the Secretary, one appointed by the surface owner concerned, and one appointed jointly by the appraisers named by the Secretary and such surface owner. In computing the value of the surface owners interest, the appraisers shall fix and determine:

(1) the difference between the fair market value of the surface estate, computed without reference to the value of the underlying coal, immediately before mining is to commence, and what said fair market value is reasonably expected to be immediately after mining and associated activities have been completed;

(2) the net income the surface owner can be expected to lose as a result of the surface mining operation during the two years immediately following approval of the mining plan; provided, however, that if mining and associated activities are reasonably expected to be completed within a shorter period of time, then said net income shall be computed only for that shorter period of time;

(3) the cost to the surface owner for relocation or dislocation during the mining and reclamation process; and

(4) any other damage to the surface caused or reasonably anticipated to be caused by the surface mining and reclamation operations.

(g) For the purpose of this section the term "surface owner" means the natural person or persons (or corporation, the majority stock of which is held by a person or persons who meet the other requirements of this section) who:

(1) hold legal or equitable title to the land surface; and

(2) have their principal place of residence on the land; or personally conduct farming or ranching operations upon a farm or ranch unit to be affected by surface coal mining operations; or receive directly a significant portion of their income, if any, from such farming or ranching operations.

(h) The United States district court for the locality in which the leasing tract is located shall have exclusive jurisdiction to review the determination of the value of the surface owner's interest made pursuant to this section.

(i) This section shall not apply to Indian lands.

AMENDMENT NO. 277

On page 284, line 6, insert a new subsection 429 as follows:

429(a). Notwithstanding any other provision of this Act, any State which has, on the date of enactment of this Act, an existing program regulating surface coal mining operations may elect to retain exclusive State jurisdiction over the regulation of surface coal mining and reclamation operations taking place on lands within the State by incorporating in State law standards which are equal to or more stringent than the Environmental Protection Performance Standards of sections 415 and 416.

(1) If a State so elects, it shall notify the Secretary within 135 days after enactment of this Act. Pending final determination by the Secretary pursuant to this section (including judicial review), the State shall apply and insure compliance with subsections 402 (a), (b) and (c).

(2) Such environmental performance standards shall be incorporated into State law within 24 months after enactment of the Act.

(3) The Secretary shall hold a public hearing in the State as soon after such standards are incorporated into state law to determine if the environmental performance standards are equal to or more stringent than the standards in sections 415 and 416.

(4) If the Secretary finds that the State standards are not equal to or more stringent than the standards in sections 415 and 416, he shall recommend to the State what conforming changes are necessary and shall afford such State an appropriate period of time to enact conforming amendments but in no event shall such period exceed adjournment sine die of the next full session of the State legislature to occur after such finding. Such finding shall be reviewable in a trial de novo in a Federal district court in such State.

(5) If such State fails within the prescribed time to submit acceptable amendments, the Secretary shall impose a program pursuant to section 403 or 404.

(6) If the Secretary finds that State law is equal to or more stringent than the standards in sections 415 and 416, then the State shall retain exclusive jurisdiction pursuant to State law over all surface coal mining operations in such State except as follows:

(A) For a period of four years after such determination, the Secretary shall take such actions as he deems appropriate to monitor State regulation. If within this period the Secretary determines after public hearings that the State is failing to effectively enforce state law with regard to the environmental performance standards, he shall impose a program pursuant to section 403 or 404 of this Act. Such determination shall be reviewable in a trial *de novo* in a Federal District Court in such State.

(B) Nothing in this section shall be construed to deny such States the effect of sections 505 (a) and (c) of this Act, nor the right to fully participate with respect to title III in the same manner as a State with an approved State progam.

(C) States, with cooperative agreements with the Secretary existing on the date of enactment of this Act, which elect pursuant to this section shall be permitted to continue to regulate surface coal mining and reclamation operations on Federal lands within the State pursuant to such agreements provided that the Secretary has made the determination required by subsection (a)(6) and such agreements are modified accordingly.

Provided further, that such existing agreements are modified to require compliance with the Initial Regulatory Procedures of subsection (a)(1).

The Secretary shall retain his duties under sections 2(a), (2)(B), and 2(a)(3) of the Federal Mineral Leasing Act, as amended. Nothing in this section shall be construed as authorizing the Secretary to delegate to the States his duty to designate certain Federal lands as unsuitable for coal mining pursuant to section 422 of this Act, or to regulate other activities taking place on Federal lands.

AMENDMENT NO. 278

On page 305, after line 25, and in the Table of Contents, add a new Title VI as follows:

"TITLE VI. COAL PIPELINE ACT OF 1977

"SHORT-TITLE"

"Section 601. This Title may be cited as the "Coal Pipeline Act of 1977."

DEFINITIONS

SEC. 602. As used in this Act—

(a) "carrier" means any carrier of coal by coal pipeline that is subject to any of the provisions of this Act;

(b) "Department" means the Department of the Interior;

(c) "Secretary" means the Secretary of the Department of the Interior;

(d) "right-of-way" includes necessary land or other property for the location of pipelines, pumping stations, pressure apparatus, tanks, or other stations, equipments, or appurtenances required for the proper operation of a coal pipeline or pipelines; and

(e) "control" means the power to exercise control by whatever means: any person who (1) is a director of a carrier or of any other person, or (2) owns in excess of 5 per centum of the voting stock (or any like evidence of participation) of a carrier or of any other person shall be deemed to have the power to exercise control of such carrier or other person, as the case may be.

RIGHTS-OF-WAY ON FEDERAL LANDS

SEC. 603. Subsection 28(a) of the Mineral Leasing Act of February 25, 1920, as amended by the Act of November 16, 1973 (87 Stat. 567), is further amended by inserting the word "coal" between "natural gas," and "synthetic".

EMINENT DOMAIN

SEC. 604(a) Except as provided in subsection (b), when any carrier cannot acquire by negotiation the right-of-way required to construct, operate, and maintain any proposed coal pipeline or pipelines, such carrier may acquire the same by the exercise of the power of eminent domain in the district court of the United States for the district in which such property is located or in the courts of the State in which such property is located.

(b) The power of eminent domain shall not be exercised to acquire (1) lands owned by the United States or by any State, or (2) lands held in trust by the United States for an Indian or Indian tribe.

(c) Nothing in this section shall be construed to permit acquisition of any right to use or develop water through the exercise of the right of eminent domain.

CERTIFICATION OF PUBLIC CONVENIENCE AND NECESSITY

SEC. 605. (a) The power of eminent domain granted pursuant to this Act may be exercised only by a carrier holding a certificate of public convenience and necessity issued by the Department of the Interior. The Secretary is authorized to issue such a certificate if the Secretary finds, with respect to the particular project of the carrier as to which said power is sought, that the project is in

the national interest and provides the capacity necessary to fulfill the requirement of a common carrier of coal, as determined by the Secretary. In addition to other factors customarily considered in determining common carrier status in the case of pipeline common carriers, the Secretary shall consider contracts for the carriage of coal which are in existence or proposed as of the date of the application for certification and may also consider such contracts for such carriage as may reasonably be anticipated, at the time of issuance of the certificate, to be entered into after such date. In determining the size of the pipeline to be certificated, the Secretary shall take into account the resultant cost to ultimate consumers of services or products affected by such transportation.

(b) In making the findings required in (a) of this section the Secretary shall consider and make independent findings on the extent to which the project—

(1) would help meet national needs for coal utilization, considering, among other matters, alternate routes or means of transportation of coal and the relative costs of such alternative routes or means;

(2) may be impeded or delayed unless granted the power of eminent domain;

(3) involves disruption to the environment, as compared with disruption from other routes or modes of transportation or other methods of utilization of the coal resources involved; and

(4) considers the balance between the energy needs of the area to be benefited by the project and the water requirements and other impacts on the area from which the coal is to be transported.

The Secretary's findings as to whether a project is in the national interest shall be based on the record as a whole taking into consideration each of the criteria set forth in this subsection.

(c) The Secretary shall require as a condition of issuance of a certificate of convenience and necessity under this Act that any pipeline for which such certificate is issued be constructed, operated, and maintained as a common carrier as provided in the Interstate Commerce Act. Any violation of such condition shall be enforced as provided in such Act, and nothing in this paragraph shall be construed to limit, impair, or otherwise affect any provision of such Act.

(d)(1) No carrier granted the power of eminent domain under this Act shall transport any coal mined by it or under its authority or which it may own in whole or in part, or over which it may have any control, direct or indirect.

(2) The prohibition contained in subsection (d)(1) shall not apply to the construction, ownership, and operation of a feeder line for the purpose of gaining access to a coal pipeline by any person who would otherwise be ineligible if—

(A) the carrier has declined a formal request to construct, own, and operate the feeder line;

(B) the owner of the feeder line will operate the line as a common carrier for any excess capacity in the feeder line; and

(C) the Secretary has determined that an exemption from subsection (d)(1) is in the public interest.

(3)(A) No certificate of public convenience and necessity may be issued to any carrier which controls, is controlled by, or is under common control with any person which uses or will use coal transported by the carrier or which supplies coal to the pipeline and (B) no carrier granted the power of eminent domain under this Act may control, be controlled by, or be under common control with any such person.

(4) The penalties and enforcement provisions of section 8 shall not apply to this subsection, but whenever, on the basis of any information available to it, the Interstate Commerce Commission finds that any carrier or other person is in violation of paragraph (1) or (3)(B), it shall notify such carrier or other person. If such violation extends beyond the thirtieth day after the date of such notice, the Commission shall, after notice and opportunity for hearing, issue an order requiring such carrier or other person to comply. Failure to obey any such order shall be subject to the same penalty as provided for in section 16(8) of the Interstate Commerce Act (49 U.S.C. 16(8)).

(e) No certificate of public convenience and necessity may be issued to any person engaged as a common carrier in interstate transportation of coal by any mode unless such person enters into a compact with the Secretary within two years from the date of enactment of this Act providing means whereby rights-of-way across the lines of such person may be acquired by a carrier on terms customarily employed with reference to other types of pipeline. Any Federal court of competent jurisdiction may entertain a suit by an interested party to enforce the provisions of such compact.

(f) If the Secretary determines, in the course of the consultations and findings required by subsection (b) or the hearings required by section 6 that the project right-of-way may be utilized for additional uses, compatible with operations of the project line, the Secretary may, in his discretion, require as a condition to the grant of a certificate of public convenience and necessity that the particular project right-of-way be subject to such compatible uses.

(g) The Secretary shall require the additional use described in subsection (e) only if he by rule (1) finds—

(A) the additional use is a compatible use, and

(B) conditioning the issuance of the certificate upon the availability of the right-of-way for the additional use is in the public interest, and

(2) establishes reasonable provisions for the payment of compensation for the additional use to the person otherwise entitled to the exclusive use.

PROCEDURE

SEC. 606(a). Applications for a certificate of public convenience and necessity under this Act shall be filed with the Department pursuant to such regulations as it may prescribe. Each carrier applying for a certificate shall reimburse the Department for administrative and other costs incurred in processing the application as the Secretary shall prescribe.

(b) A certificate authorized by section 5 may be issued only after public notice and public hearings in accordance with this section.

(c) The carrier shall publish, in accordance with regulations promulgated by the Secretary, a notice that it has filed an application for a certificate of public convenience and necessity under this Act in a newspaper of general circulation in each county in which the project will be located. The notice shall, among other things, specify to the greatest extent practicable the land which would be subject to the power of eminent domain.

(d) The Secretary shall publish in the Federal Register a notice of the receipt of each application under this Act.

(e) The Secretary shall hold at least one public hearing in each State in which the project involved will be located. Any interested person may present relevant material at any hearing. After all hearings in each State are concluded, the Secretary shall hold at least one public, formal adjudicatory hearing in accordance with the provisions of section 554 of title 5, United States Code, in the District of Columbia at which the Federal Energy Administration and the Environmental Protection Agency shall, and other Federal, State and local agencies may, participate.

ANTITRUST REVIEW

SEC. 607(a). The Department shall not issue any certificate pursuant to section 5 of this Act unless it has received the advice of the Attorney General of the United States and the Federal Trade Commission that such action would not restrain trade, further monopolization, substantially adversely affect competition, or otherwise create or maintain a situation in contravention of the antitrust laws. The issuance of a license under this Act shall not be admissible in any way as a defense to any civil or criminal action for violation of the antitrust laws of the United States, nor shall it in any way modify or abridge any private right of action under such laws.

(b)(1) Nothing in this section shall be construed to bar the Attorney General or the Federal Trade Commission from challenging any anticompetitive situation involved in the operation of a coal slurry pipeline.

(2) Nothing contained in this section shall impair, amend, broaden, or modify any of the antitrust laws.

(3) As used in this section, the term "antitrust laws" includes, but is not limited to, the Act of July 2, 1890, as amended; the Act of October 15, 1914, as amended; the Federal Trade Commission Act (15 U.S.C. 41 et seq.); and sections 73 and 74 of the Act of August 27, 1894, as amended.

ENFORCEMENT AND PENALTIES AND JUDICIAL REVIEW

SEC. 608 (a) At the request of the Secretary the Attorney General may institute a civil action in the district court of the United States for the district in which the affected operation is located for a restraining order or injunction or other appropriate remedy to enforce any provision of this Act or any regulation or order issued under the authority of this Act.

(b) If any carrier shall fail to comply with any provision of this Act, or any regulation or order issued under the authority of this Act, after notice of such failure and expiration of any period allowed for corrective action, such person shall be liable for a civil penalty of not more than $5,000 for each and every day of the continuance of such failure. The Secretary may assess and collect any such penalty.

(c) Any person who knowingly and willfully violates any provision of this Act, or any regulation or order issued under the authority of this Act, or makes any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this Act shall, upon conviction, be punished by a fine of not more than $10,000, or by imprisonment for not more than six months, or both.

(d) Whenever a carrier violates any provision of this Act, or any regulation or order issued under the authority of this Act, any director, officer, or agent of such corporation or entity who authorized, ordered, or carried out such violation shall be subject to the same fines or imprisonment as provided for under subsection (c) of this section.

(e) Petitions for judicial review shall be filed in the court of appeals of the United States for the circuit in which the pipeline's originating point of coal transportation is located.

CONSTRUCTION OF LAW

SEC. 609. Nothing in this Act shall be construed—

(1) as affecting in any way any existing law governing appropriation use, or diversion of water, or any Federal, State, or private right to water;

(2) as expanding or diminishing Federal, or State jurisdiction, responsibility, or interests in water resources development or control;

(3) as displacing, superseding, limiting, or

modifying any interstate compact or the jurisdiction or responsibility of any legally established joint or common agency of two or more States or of two or more States and the Federal Government; or

(4) as superseding, modifying, or repealing, except as specifically set forth in this Act, existing laws applicable to the various Federal agencies which are authorized to develop or participate in the development of water resources or to exercise licensing or regulatory functions in relation thereto.

REGULATIONS

SEC. 610. The Secretary is authorized to promulgate such rules and regulations as he deems necessary to carry out the purposes of this Act.

UNDERGROUND CONSTRUCTION

SEC. 611. All coal pipelines subject to this Act shall, to the maximum extent practicable, consistent with environmental protection, safety, and good engineering and technological practices, be buried underground.

RELATIONSHIP TO INTERSTATE COMMERCE ACT

SEC. 612. Except where otherwise provided by this Act, the provisions of part I of the Interstate Commerce Act (24 Stat. 379) as amended (49 U.S.C. 1–40) shall be applicable to coal pipelines subject to this Act.

SEC. 613. Subsequent to the passage of this Act, no person shall engage in the transportation of coal by slurry pipeline without first obtaining a certificate of public convenience and necessity under sections 5 and 6 of this Act unless such person enters into a compact with the Secretary within two years from the date of enactment of this Act providing means whereby rights-of-way across the lines of such person may be acquired by a carrier on terms customarily employed with reference to other types of pipeline. Any Federal court of competent jurisdiction may entertain a suit by an interested party to enforce the provisions of such compact.

AMENDMENT NO. 279

(Ordered to be printed and to lie on the table.)

Mr. ABOUREZK. Mr. President, I am submitting today an amendment to S. 7, the Surface Mining Control and Reclamation Act, which would establish procedures for the regulation of surface mining on Indian lands. This amendment would provide Indian tribes with three options regarding such regulation: First, they could prepare their own program, which would be submitted to the Secretary of the Interior and would be subject to the same provisions and restrictions as programs submitted by the States; second, they could allow the Secretary to administer a Federal program on their lands; or third, they could elect to participate in the Indian lands study, authorized by another section of S. 7, and designed to provide guidance on how Indian lands should be handled under this legislation.

If a tribe chooses the first option, they will receive Federal funds to help pay for administrative costs, in the same way States will receive such funds. Nothing in this amendment, however, would allow a tribe to impose or enforce standards any less strict or effective than those required by the provisions of S. 7. In effect, the first option allows the tribes to choose to act as States as far as this bill is concerned. Similarly, nothing in this amendment would allow through the choice of the third option, a delay in the imposition of Federal standards for Indian lands. Tribes choosing the third option would still be subject to Federal regulations during the period in which the study is completed and recommendations are made and acted on.

The purpose of this amendment is to provide maximum flexibility for the tribes in responding to this new Federal legislation. It recognizes that tribes vary tremendously in size and administrative capacity. It also assures that the standards of the bill will not be diluted. Finally, it allows those tribes who can administer the program a chance to exercise a degree of autonomy. The amendment has the support of the major tribes involved in this issue, and I hope the Senate will accept it. The amendment follows:

On page 297, beginning with line 4, strike out all through line 9 on page 299, and renumber succeeding sections accordingly.

At the end of the bill, add the following new title:

"TITLE VI—INDIAN LANDS

"INDIAN LANDS PROGRAM

"SEC. 601. Any Indian tribe on whose lands there are or may be conducted surface coal mining operations may elect, in such manner as the Secretary may prescribe pursuant to section 603, to (1) assume exclusive jurisdiction over the regulation of such coal mining operations and reclamation operations pursuant to an approved Indian lands program, (2) have any such Indian lands program administered by the Secretary, or (3) participate in the Indian lands study authorized by section 611 of this title. In no case, however, shall any election under clause (1) or (2) be construed as precluding that tribe's participation in such study pursuant to section 611.

"GRANTS TO TRIBES

"SEC. 602. (a) The Secretary is authorized to make annual grants directly to any Indian tribe for the purpose of (1) assisting such tribe in developing, administering, and enforcing an Indian lands program under this title, and (2) enabling such tribe to realize benefits from the development of its coal resources while protecting the cultural values of the tribe and the physical environment of the reservation, including land, timber, agricultural activities, surface and ground waters, and air quality.

"(b) Any Indian lands program developed by any Indian tribe shall meet all provisions of this Act and where any provision of any tribal code, ordinance, or regulation in effect upon the date of enactment of this Act, or which may become effective thereafter, provides for environmental controls and regulations of surface coal mining and reclamation operations which are more stringent than the provisions of this Act or any regulations issued pursuant thereto, such tribal code, ordinance, or regulation shall not be construed to be inconsistent with this Act.

"INDIAN LANDS ENVIRONMENTAL PROTECTION STANDARDS

"SEC. 603. On or before the expiration of the one hundred and eighty day period following the date of enactment of this Act, the Secretary shall promulgate and publish in the Federal Register regulations covering a permanent regulatory procedure for surface coal mining and reclamation operations on Indian lands setting mining and reclamation performance standards based on and incorporating the provisions of title IV of this Act, and establishing procedures and requirements for preparation, submission, and approval of Indian lands programs. Such regulations shall be promulgated and published under the guidelines of section 401 of this Act.

"APPROVAL OF PROGRAM

"SEC. 604. (a) Each Indian tribe, on whose lands there are or may be surface coal mining operations, which wishes to assume exclusive jurisdiction over the regulation of surface coal mining and reclamation operations, except as provided in title III of this Act, shall submit to the Secretary, on or before the expiration of the eighteen-month period following the date of the enactment of this Act, an Indian lands program which demonstrates that such tribe has the capability of carrying out the provisions of this Act and meeting its purposes.

"(b) The Secretary shall approve or disapprove an Indian lands program, in whole or in part, within six full calendar months after the date such program was submitted to him, except as provided in section 506.

"(c) If the Secretary disapproves an Indian lands program, in whole or in part, he shall notify the tribe in writing of his decision and set forth in detail the reasons therefor. The tribe shall have sixty days in which to resubmit a revised Indian lands program, or portion thereof. The Secretary shall approve or disapprove the resubmitted program or portion thereof within sixty days from the date of resubmission.

"(d) For the purpose of this title, and section 606 of this Act, the inability of an Indian tribe to take any action, the purpose of which is to prepare, submit, or enforce an Indian lands program, or any portion thereof, because the action is enjoined by the issuance of an injunction by any court of competent jurisdiction shall not result in a loss of eligibility for financial assistance under this Act, or in the imposition of a Federal program. Regulations of the surface coal mining and reclamation operations covered or to be covered by the Indian lands program subject to the injunction shall be conducted by the Indian tribe pursuant to section 605 of this Act, until such time as the injunction terminates or for one year, whichever is shorter, at which time the requirements of this section and section 606 again shall be fully applicable.

"(e) The Secretary shall not approve an Indian lands program submitted under this section until he has—

"(1) obtained the written concurrence of the Administrator of the Environmental Protection Agency with respect to those aspects of an Indian lands program which relate to air or water quality standards promulgated under the authority of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1151–1175), and the Clean Air Act, as amended (42 U.S.C. 1857);

"(2) held at least one public hearing on the Indian lands program for the enrolled members of the tribe on its reservation;

"(3) found that the Indian tribe has the legal authority, the qualified personnel, and sufficient funding necessary for the enforcement of the environmental protection standards; and

"(4) found that the Indian tribe has established a process for the designation of areas as unsuitable for surface coal mining comparable to section 422 of this Act.

"INITIAL REGULATORY PROCEDURES

"SEC. 605. (a) No person shall open or develop any new or previously mined or abandoned site for surface coal mining and reclamation operations on Indian lands after the date of enactment of this Act unless such person is in compliance with existing Federal regulations governing surface coal mining on Indian lands.

"(b) Within six months after the date of enactment of this Act, the Secretary shall implement a Federal enforcement program which shall remain in effect on those Indian lands on which there are surface coal mining operations required to comply with the provisions of this Act, until an Indian lands program has been approved pursuant to this Act or until a Federal program has been implemented pursuant to this Act. The enforcement program shall be carried out pursuant to the provisions of section 402(e) of this Act.

"(c) All surface coal mining operations on Indian lands on which such operations are regulated by existing Federal regulations which commence operations pursuant to a permit issued on or after the date of enactment of this Act shall comply, and such permits shall contain terms requiring compliance with, the provisions of subsections 415(b)(2), 415(b)(3), 415(b)(5), 415(b)(10), 415(b)(13), 415(b)(19), and 415(e) of this Act.

"(d) On and after one hundred and thirty-five days from the date of enactment of this Act, all surface coal mining operations on lands on which such operations are regulated by existing Federal regulations which are in operation pursuant to a permit issued before the date of enactment of this Act shall comply with the provisions of subsections 415(b)(2), 415(b)(3), 415(b)(5), 415(b)(10), 415(b)(13), 415(b)(19), and 415(e) of this Act, with respect to lands from which overburden and the coal seam being mined have not been removed.

"(e) Following the final disapproval of an Indian lands program, and prior to the formulation of a Federal program pursuant to this Act, including judicial review of such a program, existing surface coal mining operations may continue pursuant to the provisions of this section.

"FEDERAL PROGRAM

"SEC. 606. (a)(1) The Secretary shall prepare and, subject to the provisions of this section, promulgate and implement a Federal program for an Indian tribe which has received grants pursuant to section 602 of this Act, if such tribe—

"(A) fails to submit an Indian lands program covering surface coal mining and reclamation operations by the end of the eighteen-month period beginning on the date of enactment of this Act;

"(B) fails to resubmit an acceptable Indian lands program within sixty days of disapproval of a proposed Indian lands program: *Provided*, That the Secretary shall not implement a Federal program prior to the expiration of the initial period allowed for submission of an Indian lands program as provided for in clause (A) of this subsection; or

"(C) fails to implement, enforce, or maintain its approved Indian lands program as provided for in this Act.

"(2) If tribal compliance with section 604 requires action on the part of the tribal council or tribal legislature, the Secretary may extend the period for submission of an Indian lands program up to an additional six months. Promulgation and implementation of a Federal program vests the Secretary with exclusive jurisdiction for the regulation and control of surface coal mining and reclamation operations taking place on lands within any tribal reservation or upon tribal lands not in compliance with this Act. After promulgation and implementation of a Federal program the Secretary shall be the regulatory authority. In promulgating and implementing a Federal program for a particular tribe, the Secretary shall take into consideration the nature of that Indian tribal reservation's terrain, climate, biological, chemical, and other relevant physical conditions.

"(b) At any time prior to the approval of an Indian lands program so submitted, or the approval of a resubmitted program, an Indian tribe may elect to abandon its efforts to develop and administer its Indian lands program. Such tribe shall immediately notify the Secretary of such a decision and return the unused portion of the moneys granted it pursuant to section 602 of this Act. Upon notification of such intent, the Secretary shall immediately assume exclusive jurisdiction for the regulation and control of surface coal mining and reclamation operations taking place on lands within the tribe's reservation pursuant to subsections (c) and (d) of section 605 of this Act.

"(c) In the event that an Indian tribe has an Indian lands program for surface coal mining, and is not enforcing any part of such program, the Secretary may provide for the Federal enforcement, in a manner comparable to the provisions of section 421, of that part of the Indian lands program not being enforced by such tribe.

"(d) In any case in which an Indian lands program is replaced by a Federal program, permits issued pursuant to such approved Indian lands program shall be valid but shall be reviewable under such Federal program. Immediately following the promulgation of a Federal program, the Secretary shall undertake to review such permits to determine that the requirements of this Act are not being violated. If the Secretary determines that any permit has been granted contrary to the requirements of this Act he shall so advise the permittee and provide him a reasonable time to conform ongoing surface coal mining and reclamation operations to the requirements of the Federal program.

"(e) An Indian tribe, which has elected to have an approved Indian lands program, or has received funds pursuant to section 602, and which has failed to obtain the approval of an Indian lands program prior to the implementation of a Federal program in accordance with this title, may submit an Indian lands program, at any time after such implementation, pursuant to section 604 of this Act. Until an Indian lands program is approved as provided under this section, the Federal program shall remain in effect and all actions taken by the Secretary pursuant to such Federal program, including the terms and conditions of any permit issued thereunder, shall remain in effect: *Provided*, That surface coal mining operations upon lands of a tribe which has elected to abandon its efforts to develop and administer a program in accordance with subsection (b) of this section, shall be regulated pursuant to subsections (c) and (d) of section 605.

"(f) In any case in which a Federal program is replaced by an approved Indian lands program, permits issued pursuant to the Federal program shall be valid but reviewable under the approved Indian lands program: *Provided*, That the Federal permittee shall have the right to apply for an Indian lands program permit to supersede his Federal permit. The tribal regulatory authority may review such permits to determine that the requirements of this Act and the approved Indian lands program are not violated. If the tribal regulatory authority determines any permit to have been granted contrary to the requirements of this Act, or the approved Indian lands program, he shall so advise the permittee and provide him a reasonable opportunity for submission of a new application and reasonable time to conform ongoing surface mining and reclamation operations to the requirements of this Act or approved Indian lands program.

"ADMINISTRATION BY THE SECRETARY

"SEC. 607. At any time, a tribe may select to have its program administered by the Secretary. Upon such a request by a tribe, the Secretary shall immediately assume the responsibility for administering the tribe's Indian lands program for that reservation.

"PERSONNEL

"SEC. 608. (a) Indian tribes are authorized to use the funds provided pursuant to section 602 of this Act for the hiring of professional and technical personnel and, where appropriate, to allocate funds to legitimately recognized organizations of the tribe that are pursuing the objectives of this title, as well as hire special consultants, groups, or firms from the public and private sector, for the purposes of developing, establishing, or implementing an Indian lands program.

"AUTHORIZATION PRIORITY

"SEC. 609. Of the funds made available under section 511(a) of this Act, first priority on $3,000,000 for each of the fiscal years shall be for the purposes of this title.

"REPORTS TO THE SECRETARY

"SEC. 610. Any Indian tribe which is receiving or has received a grant pursuant to section 602 of this Act, shall report at the end of each fiscal year to the Secretary, in a manner prescribed by him, on activities undertaken by the tribe pursuant to or under this title.

"INDIAN LANDS STUDY

"SEC. 611. (a) The Secretary is directed to assist the Indian tribes in a study of the regulation of surface coal mining on Indian lands which will achieve the purposes of this Act and recognize the special jurisdictional status of these lands. In carrying out this study, the Secretary shall give grants to the Indian tribes whereby such tribes may contract qualified institutions, agencies, organizations, and persons to assist in completing the study. The study report shall include recommended changes, if any, in the provisions of the Indian lands program set forth in this Act which, if enacted, would further achieve the purposes of this Act. Any Indian tribe on whose lands there are or may be conducted surface coal mining operations, and any tribe that has received financial or technical assistance to develop, administer, or enforce an Indian lands program pursuant to this title, may participate in this study, receive grants pursuant to this section, and incorporate into an existing Indian lands program, approved by the Secretary, any recommendations resulting from such study.

"(b) The study report required by subsection (a) of this section, together with drafts of proposed legislation and the view of each Indian tribe which would be affected, shall be submitted to the Congress as soon as possible but not later than January 1, 1979.

"(c) On and after thirty months from the date of enactment of this Act, all surface coal mining operations on Indian lands shall comply with requirements at least as stringent as those imposed by sections 407, 408, 409, 410, 412, 413, 414, 415, 417, 418, 419, 421, and 422 of this Act, and the Secretary shall incorporate the requirements of such provisions in all existing and new leases issued for coal on Indian lands.

"(d) With respect to leases issued after the date of enactment of this Act, the Secretary shall include and enforce, in such leases, such terms and conditions, in addition to those required by section 605 (c) and (d) and subsection (c) of this section, as may be requested by the Indian tribe.

"(e) Any change required by section 605 (c) and (d) and subsection (c) of this section in the terms and conditions of any coal lease on Indian lands existing on the date of enactment of this Act, shall require the approval of the Secretary.

"(f) The Secretary shall provide for adequate participation by the various Indian tribes affected in the study authorized in this section and not more than $700,000 of the funds made available for such study shall be reserved for such purposes.".

On page 301, line 22 strike out "508" and insert in lieu thereof "611".

NOTICES OF HEARINGS

ACCOUNTING HEARING TIME CHANGES

Mr. METCALF. Mr. President, because of the press of floor activity this week, including the strip mining bill and the energy reorganization bill, the hearings scheduled for Wednesday, May 18, by the Subcommittee on Reports, Accounting and Management, have been postponed to Tuesday, May 24.

On that day, beginning at 9 a.m., in 6202 Dirksen, the subcommittee will receive testimony from the managing partners of Arthur Andersen & Co., Arthur Young & Co., Coopers & Lybrand, and Mason & Co., as part of our review of the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.

The Cost Accounting Standards Board will testify on May 26, outside witnesses will testify on June 9, and the Securities and Exchange Commission will testify on June 13, in what will be the concluding hearing in this series. The hearings on these last 3 mentioned days are all scheduled to begin at 10 a.m. Except for the June 13 hearing, which will be in 6226 Dirksen, the hearings will be held in 6202 Dirksen.

SUBCOMMITTEE ON HEALTH AND SCIENTIFIC RESEARCH

Mr. KENNEDY. Mr. President, I wish to announce that the Subcommittee on Health and Scientific Research will hold hearings on S. 1391, the Hospital Cost Containment Act of 1977, on May 24 and May 26, 1977. Although S. 1391 will be the main focus of these hearings, it is my intention to also explore alternative mechanisms for controlling the increasing costs of hospital care as contained in other legislation pending before the Congress.

All persons wishing to testify should contact the Subcommittee on Health and Scientific Research, Dirksen Senate Office Building, Washington, D.C. 20510, or by phone at 224–7675.

ADDITIONAL STATEMENTS

ADVERSE EFFECT OF INCREASING THE MINIMUM WAGE

Mr. HARRY F. BYRD, JR. Mr. President, proposals are pending in the Congress which would provide immediate, substantial increases in the minimum wage and tie further annual increases as a percentage of average manufacturing wages.

I am sure that I am not alone in the amount of mail I have received protesting these proposed increases.

People fear that one of four currently employed persons—who are directly affected by the proposed increases—would be fired because of the increased costs to the employer.

There is fear that business will curtail extensively the hiring of teenagers and other part-time workers.

There is fear that summer employment of students will be eliminated in certain industries—for instance, fast food merchandising.

But the worst fear is inflation. No rational observer can deny that this inflationary impact is real, and substantial, and that it will impact upon every industry and every American.

Inflation is a cruel and hidden tax upon the spending power of all people, especially those on fixed incomes and in the middle and lower income brackets—including the poor and the aged.

This Nation needs more jobs in the nonpublic sector of our economy.

What this Nation does not need is legislation which would result in a reduction of employment opportunities.

Mr. James E. Cornett, Jr., president of CMI of Virginia, Inc. has provided me an interesting example showing a result of raising the current minimum wage to $2.86 per hour. He concludes that this increase would provide a single worker with a 9-percent net increase in spendable income while the increased revenue benefit for Federal and State governments in additional taxes would be 38 percent.

I ask unanimous consent that Mr. Cornett's letter, and enclosure, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CMI OF VIRGINIA, INC.,
Culpeper, Va., April 8, 1977.

Hon. HARRY F. BYRD,
U.S. Congress, U.S. Senate, Washington, D.C.

DEAR SIR: If the minimum wage is increased, as proposed, to whom is the Congress really giving an increase? According to my figures on the attached chart, this is a way of giving the government MORE TAXES under this disguise of helping the lower paid people.

Many of the workers in this category are housewives supplementing their income as their schedules permit. More are students on their first job, going through the learning process; working for spending money, and deciding what they like and dislike, which does not always make for an efficient worker, causing employers a higher rate of turnover and training costs.

Who will this excessive rate of change put out of work first? The students that Congress screams about creating jobs for, and keeping off the streets.

Congress would accomplish more by cutting government spending, reducing government debt, and waste. As a result—lowering taxes and inflation.

I don't think Congress is fooling the high school boy or girl who is working! They look at the stub of their pay checks, and it is the net proceeds that count, not the gross. They are all complaining! I think they deserve to grow up in a "free-enterprise nation," built by their forefathers in a free-enterprise system, and built by work with no guarantees from cradle to grave. These young people do not deserve to be saddled with the debt and taxes of an irresponsible Congress.

Sincerely,

JAMES E. CORNETT, Jr.
President.

Rate/hour	Gross pay	F.I.C.A.	Federal tax withheld	State tax	Net pay
Single person claiming themselves as dependent—working 30 hr a week:					
$2.86	$85.80	$5.02	$7.40	$1.26	$72.12
$2.30	69.00	4.04	4.70	.91	59.35
Change	+16.80	+.98	+2.70	+.35	12.77
Percent change	+24	+24	+57	+38	+22

Rate/hour	Gross pay	F.I.C.A.	Federal tax withheld	State tax	Net pay
Single person claiming 0 dependents—working 30 hr a week:					
$2.86	$85.80	$5.02	$10.30	$1.61	$68.87
$2.30	69.00	4.02	7.10	1.14	56.72
Change	+16.80	+.98	+3.20	+.47	12.15
Percent change	+24	+24	+45	+41	+21

Results after deducting estimated inflation of 10 percent caused by wage increase:

Employee:

Net pay increase: $12.15.

Less inflation of 10 percent on $68.87: $6.88.

Spendable increase: $5.27 or 9 percent.

Federal Government increase taxes: +$3.20 or 45 percent.

FICA: +$.98 or 24 percent.

State tax: +$.47 or 41 percent.

Total increase in taxes collected: $4.67 or 38 percent.

Results: 9 percent increase for the employee, and 38 percent for government.

AMERICAN AMATEUR ATHLETES

Mr. SCHMITT Mr. President, I wish to call my colleagues' attention to a letter from one of my constituents, Michelle Anderson, of Albuquerque, N. Mex. I ask unanimous consent that the complete text of Michelle's letter as well as the article she refers to by Jim Murray be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Enclosed is a copy of an article that appeared in "The Albuquerque Journal" about three weeks ago. The article concerns broken time payments for American athletes. I hope you will not only take the time to read it, but, perhaps, to help put a program such as this into action.

Broken time payments would be one of the greatest contributions to amateur athletics that this country could possibly make. Not only would they help an athlete to continue his training, but they would prove that the United States was behind their athletes all the way.

Someday, I hope to have the opportunity to represent the U.S. in the Olympics. I would never quit training or go professional for money. But there are many athletes who have no choice but to go "pro" if they wish to continue to support themselves and their families.

I hope you will be able to at least bring this program to the attention of the other Senators. Thank you for your time.

[From the Albuquerque Journal]

WORD "AMATEUR" CONFUSES LEXICOGRAPHERS

(By Jim Murray)

There are many words in the language difficult to define or understand. Who knows

what "dactylic hexameter" really is? "Elemosynary?" "Einstein's Theory of Relativity?"

But one of the most complex is "amateur." Lexicographers of sport have wrestled with that word throughout the ages without coming up with a precise definition.

For Jack Kramer, the tennist, the answer was simple: "An amateur is one who won't take a check." For others, an amateur was one who got paid off under a bridge by a guy wearing a mask.

Avery Brundage knew precisely what "amateur" was. Rich.

The White House is the latest body to try to pin down that elusive word, to define once and for all what that endangered species, The Great White-Sweatered, Blonde-Crested American Amateur really is.

The definition is embodied in one of the lame-duck administration's last contributions to the Republic, the final report on the President's Commission on Olympic Sports.

Politics being what they are, this is probably the only place you will ever read about the ambitious survey and document. It is not likely an incoming Administration will ever implement any recommendations of the outgoing Administration. I mean, Jimmy Carter is not going to push through Congress something that will be known as the "Ford Plan" from then on.

Too bad. The President's Commission report might have put an American track-and-field team in Russia in 1980 that could have had The Star-Spangled Banner on the Moscow Hit Parade. Not that that should be one of our national priorities. On the other hand, detente should stop well short of the shotput ring.

In any area of our society, the word "amateur" is a term of derision. "God deliver me from amateurs," the late Jack Hurley used to say. When a golfer misses a putt, we usually say he hit on the "amateur" side of the hole. When we say someone in politics is "an amateur," we say it with scorn.

We don't let amateur surgeons operate on us. We don't want weekend dentists pulling our teeth. Amateur plumbers. Amateur lawyers.

But we want amateurs running our metric miles, throwing our javelins, putting our shots, jumping our crossbars. In theory, anyway.

It is fashionable to point at Europe and especially the Iron Curtain countries and cry "professional" at them because they are subsidized by the government, the Army, the Party or the Sports Ministry.

The President's Commission points out that Olga Korbut is a lieutenant, no less, in the Red Army—although no one has ever seen her fix a bayonet or blow up a bridge.

But American "amateurs" frequently—in fact, usually—get up to $12,000 worth of free education, including, often, board and room, transportation, and a well-paying "job" sweeping out the shotput ring every week.

The President's Commission points out that the Russian weightlifting king gets $2,000 from his government every time he breaks a world record. So he does it very carefully, kilogram-by-kilogram. A Finnish distance runner, Lasse Viren, got a promotion in the police department at home and a resort cottage of his own on a lake in Lapland.

But, the report also points out, the International Olympic Committee "shows no inclination" either to suspend East European athletes for violations of the Olympic Code or to permit Western professionals to compete. Like Solomon, they prefer not to cut the baby in half.

It has never been successfully proven that a mass infusion of money has ever been able to make a man run faster, hit harder or throw farther. If a man can run the 100 in 9.8 at his peak, no amount of money is going to make him run faster. On the other hand, if a runner can run the 100 at 9.2 at his peak but has to get a job in a foundry between meets, the chances are he soon will be unable to beat the 9.8 runner. If the Russians find a 9.2 sprinter (and they did), they can keep him there. American runners tail off once they leave the university athletic field.

The President's Commission would permit "broken time payments" for athletes who have to take time off a job to prepare for the Olympics. They would permit the granting of "technical scholarships" (i.e. paychecks) for qualified athletes. They would permit "amateurs" to engage in commercial tie-ins like the pros (in archery, skiing, shoes, poles or discuses, for example). In short, they wouldn't be "semi-pro" they would be "semi-amateur."

The Commission would set up a "Central Sports Organization," a kind of red-white-and-blue Politburo of Sports, an interesting refinement of the dictum "if you can beat 'em, join 'em."

Something should be done if we're going to have the fun of seeing the Red Army Band struggle through the intricacies of our national anthem come 1980, but the strongest likelihood is that, as President Ford leaves the White House, President-elect Carter will pick up the two-volume, 600-page report and say, "Here, Jerry, you can take this with you. We won't be needing it around here."

ELIOT JANEWAY: AGRIPOWER, THE REAL AXIS ON WHICH THE WORLD TURNS

Mr. McGOVERN. Mr. President, the Sunday, May 15, edition of the Washington Star contains an unusually perceptive article by its distinguished economist and financial writer, Eliot Janeway, entitled "America's Agripower; A Forgotten Weapon."

The article is significant and, I believe, worthy of consideration by Senators and others principally because it sets forth a refreshing grasp and an unusual perception of the world's geopolitical situation as it is rather than in isolated bits as so many of us like to view it. To those who continue to view international affairs as a series of military monoliths and "nuke oneupmanship" it provides insight into the dimension where the ultimate diplomatic crisis will prevail: Food. To those content to continue to fill the public record with pious incantations of the genius of American agriculture or the rural like virtues of the family farm, it serves to point out graphically that those pastoral, bucolic rural scenes throughout the Nation provide the real residue, the ultimate bargaining chip for world peace and survival.

Though the surface might indicate that the Big Three—the United States, U.S.S.R., and China—continue public skirmishes in terms of nuclear superiority and missiles, Mr. Janeway points out both the U.S.S.R. and China:

> Remain as dependent on clement weather as America once was. . . . Even if all that Russia or China had to worry about was rationing consumption on minimal levels under normal conditions, neither could afford the risk of going it alone.

Russia has now exhausted its ability to purchase wheat from our "junior competitors," all of whom are "battered from pillar to post between external currency devaluations and domestic liquidity strains," but this only prolongs the illusion that the Kremlin has no continuous dependence on the Grain Belt. China has made a frenetic foray into the American soybean market and has nowhere else to go.

Any aggressive designs Russia may have on any American supply line may make good reading, but the continuous maneuvering inside the Kremlin for position vis-a-vis China makes for more serious counting. The fact that no faction in the Moscow or Peking power structures can know whether or when a realignment of ruling coalitions may heat up the cold war in the Far East gives American agripower a commanding hold on the balance of power there.

The really important message of Eliot Janeway is that too few of our leaders realize where the real turf is. Indications are that last year's somewhat puny agreement with the Soviets to purchase 6 million tons of wheat represents a shortfall rather than a long range recognition of our position.

If we wake up, we can assert our influence as well as make certain that our farmers receive a just financial reward for what they produce. If we do not, a demoralized market will drive wheat further below the cost of production and toward bargain basement prices.

In the end, we are all pragmatists in world trade. To survive we must export 2 bushels of every 3 bushels of our wheat production capacity to keep from large carryover stocks. In the last 3 marketing years, South Dakota exports amounted to over $1 billion—2 percent of our total exports of agricultural commodities. It is imperative that we not stand still on these figures but expand them and expand them at prices that produce a profit. It is evident that we have the capacity in both an economic and diplomatic sense. It remains to be seen if we have the wisdom to move.

The final two paragraphs of the Janeway article contain his admonition to those of us who would turn our heads to other matters when they should be looking straight at the heart of the matter.

It is to Russia's interest for Washington to let time run against the Grain Belt, while American agripower is disarmed. And it is to America's interest to accelerate the bargaining round with Russia that is coming eventually. Secretary Bergland has a realistic grasp of the freedom America enjoys to price her wheat aggressively rather than defensively, now that "The Little Three" are sold out.

The importance of the wheat trump card in America's agripower hand is emphasized by Russia's large-scale reliance on wheat to supplement corn, soybeans and the lesser grains as feedstuffs.

Just as Russia will need to buy more grains than just wheat for stockpiling as well as for use, so China will need to accumulate more than just U.S. soybeans. If ever there was a time when America could profit and the world could benefit from a Washington move to turn swords into plowshares, it is now.

Mr. President, I ask unanimous consent that the full text of the article to which I have referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star, May 15, 1977]

ELIOT JANEWAY: AMERICA'S AGRIPOWER A FORGOTTEN WEAPON

(By Eliot Janeway)

American agripower remains the forgotten weapon in the arsenal of democracy. The

headlines focusing on weapons in the destructive category continue to command our attention.

Yet, the more the world power struggle takes the form of multinational bets on the combat weapons that may be decisive in the 1980s, the more decisive American agripower is becoming in the maneuvering for advantage during this critical phase of the 1970s.

The benign neglect of agripower in Washington has not led to unilateral disarmament, but neither has it led to defeat and disgrace. By the sound of the tall tales heard of Russia's ever-ready plans to pounce on the prey America is under pressure to defend, the test of strength will climax with a simple bilateral confrontation between a united, purposive, vibrant and self-sufficient Russia and a drifting and defenseless America.

The facts are rather more complex than the scores that conjure up visions of Russia jumping South Africa in order to cut off America's oil supplies, or than the dope stories emanating from British think-tanks which hark back to Kipling's jingoism and project Russian-inspired takeovers of the Saudi oil fields.

To take the latest ad campaign, which targets the Cape of Good Hope, the fact is that South Africa is in a better position to fend off any Russian takeover than Israel; and Israel has adequately demonstrated her immunity from this threat, for she has no need to demonstrate her nuclear capacity as a desperate alternative to extinction.

This fact of Israel's membership in the nuclear club has been a constant reminder that nuclear weaponry, despite its bad name, is a great leveler. It has equipped the potential Czechoslovakias of our time to stand up to the most sinister and swaggering aggressor.

South Africa enjoys an even more impressive sanctuary than Israel, not to mention closer working affinities with her presumed Soviet menacer.

In the first place, despite exaggerated presumptions of ideological hostility, South Africa and the U.S.S.R. are joint venturers in the rarified world of cartelized precious-metals dealers. They routinely operate in their mutual interest, if not necessarily on joint accounts, in their efforts to rig the gold market to their advantage as indigent producers in constant need of a rising market on which to dump.

South Africa happens to enjoy a nuclear capability, too. There is no more doubt that South Africa would play eyeball-to-eyeball against Russia than that Israel would.

So far as the balance of terror against Russia is concerned, the nuclear capability of both South Africa and Israel is as adequate as the United Nations is pathetic.

Thanks to their national resolve and ready-to-use pulverization power, Russia's splashy investment in a blue-water navy could turn out to be a more self-indulgent and self-defeating boondoggle, alongside these emergent nuclear arsenals than even her humiliating fiasco in making Egypt a military protege. Certainly Russia's systematic diversion of resources away from agriculture is a victory of waste over need.

In the Kremlin, all is not exactly vodka and cavier enjoyed against a background of Chopin and Tchaikovsky.

LBJ's classic simplification of political nuances—"politics is just sitting around waiting to go to funerals"—applies to the Presidium more acutely than Clausewitz's better-known definition of war as "an extension of politics by other means."

With a working minority of the Presidium walking around on motor-power supplied by pacemakers made in Minneapolis, the Kremlin has a vested interest in doing business with America, not getting into a replay of the Cuban crisis against her.

Specifically, Russia is operating under immeasurably more pressure to guarantee herself open food supply lines from America than to threaten to shut down oil supply lines to America.

Russia's latest caper in the world wheat market comes as a reminder that the CIA has a forecasting record bad enough to win it a seat on any recent President's Council of Economic Advisors, if not a Nobel Prize.

Its prediction of a bumper crop in Russia followed on the heels of its guarantee of President Carter's promise of an irremediable and unmanageable oil shortage. The fact that the Saudis have started to bring in another major field has not changed the CIA's luck.

Thanks to America's proprietary technology for recovering gases formerly flared off and wasted over oil fields, the natural gas reserves Saudi Arabia is bringing in are too astronomic to count.

It might not be a bad idea to ask the Saudis to express their appreciation for all that America is doing for her—safeguarding her dollars, selling technology to her, scaring the Shah of Iran out of bullying her, and arming her—by paying us an extra royalty in the form of a gas reserve as a national stockpile.

Although President Carter's energy message omitted any mention of a gas stockpile, Saudi Arabia is now in a position to help us in this way, as she has never been before. Her eagerness to stockpile dollars here demonstrates her willingness to make her contribution to American security.

As an indication of the practicality of the CIA's reassurances that Russia will be comfortable for wheat, she just bought 5½ million tons of wheat from America's junior competitors.

The Kremlin's incentives to favor Canada, Australia and Argentina first are obvious. All three countries are being battered from pillar to post between external currency devaluations and domestic liquidity strains. Consequently, all three are necessitous sellers.

Russia has been able to buy out the supplies available in "The Little Three" under the cover of secrecy, prolonging America's illusion that the Kremlin has no continuous dependence on the Grain Belt.

It's not as if Russia's escalation by stealth of her wheat buying were an isolated incident. It follows hard on the heels of China's frenetic foray into the American soybean market. China has nowhere else to go.

This sequence of desperate Chinese buying of soybeans suggests the practicality of viewing the Russian-American confrontation in a broader perspective than a mere tussle between a grizzly bear and a Boy Scout.

Any aggressive designs Russia may have on any American supply line may make good reading, but the continuous maneuvering inside the Kremlin for position vis-a-vis China makes for more serious counting. The fact that no faction in the Moscow or Peking power structures can know whether or when a realignment of ruling coalitions may heat up the cold war in the Far East gives American agripower a commanding hold on the balance of power there.

Moscow is not likely to reckon on America being her patsy, so long as she can see Washington using her wherewithal to fill China's reserve food bins. It's not irrelevant to recall that the same Kissinger real politick that kept soybeans from China gave away wheat to Russia.

Neither red belligerent is free to contemplate the rigors of a shoving match with the other, while going it alone agriculturally. Anyone arguing—as I do—that America's stubborn belief in the decisive role of the weather has been made obsolete by the technological revolution of the past generation will note that America's new operational freedom is not shared by either red adversary.

Both of them remain as dependent on clement weather as America once was. As Secretary of Agriculture Bob Bergland says, the Kansas wheat crop nowadays can be blown out as many as six times between planting and harvest and still come in a bumper crop, as it will this year.

Even if all that Russia or China had to worry about was rationing consumption at minimal levels under normal conditions, neither could afford to risk going it alone.

But the price Russia has paid for plunging into the arms race as a discretionary indulgence is that her food stockpiling requirements have been inflated into a nondiscretionary necessity; the same goes for China. The priorities of mobilization multiply the arithmetic or stockpiling.

To complicate considerations for the quartermasters of both red high commands, Brazil has belatedly made the sensible move to dedicate her farm surplus to overcoming her fuel deficiency.

She is going all-out on the grain road to fuel self-sufficiency; she has decided that her formula for fuel conservation is to convert grain into alcohol. She has satisfied herself that the loss of grain export income is a bargain alongside the cost of extortionate oil import prices.

A typically impractical holdover from the Kissinger-Butz-Ford regime is hampering America's ability to get out from under the intolerable burden of her mountainous wheat surplus.

When Kissinger was routinely acting out Buchwald's lampoons of his technique for negotiating himself into a box, one of his clumsier-strokes was to lock Washington into an October-to-October year for counting the mimimum annual quota Moscow agreed to buy, Butz, a ranter in public and purrer in private, was content to go along with this.

Consequently, Russia now enjoys a 6 million-ton call on "new" 1977 U.S. wheat, effective Oct. 1 at no set fixed price; while at the same time she is helping to kick the demoralized market in "old" 1976 wheat down farther and farther below the cost of production and toward the bargain price levels she is eyeing.

It is to Russia's interest for Washington to let time run against the Grain Belt, while American agripower is disarmed. And it is to America's interest to accelerate the bargaining round with Russia that is coming eventually. Secretary Bergland has a realistic grasp of the freedom America enjoys to price her wheat aggressively rather than defensively, now that "The Little Three" are sold out.

The importance of the wheat trump card in America's agripower hand is emphasized by Russia's large-scale reliance on wheat to supplement corn, soybeans and the lesser grains as feedstuffs.

Just as Russia will need to buy more grains than just wheat for stockpiling as well as for use, so China will need to accumulate more than just U.S. soybeans. If ever there was a time when America could profit and the world could benefit from a Washington move to turn swords into plowshares, it is now.

THERE ARE BETTER WAYS TO SAVE $2.6 MILLION

Mr. TOWER. Mr. President, sometimes when I read about the General Accounting Office being an "arm of the Congress" and when I read some of the findings and recommendations of that Agency, I simply cannot avoid the feeling that we would be better off letting that so-called "arm" wither away.

The latest significant finding of GAO is that weather bureau forecasts for local cities somehow are similar to those

for multicounty zones for which the weather is forecast.

This burning disclosure comes at us with a recommendation that perhaps many if not most of the local forecasts can be done away with in order to eliminate this duplication at a proposed saving of some $2.6 million per year.

Now there are just a couple of things wrong with those findings and recommendations.

First, the disclosure that local and zone forecasts are similar is placed upon the table as if some great truth had been discovered. Frankly, I do not find it unusual at all that the weather for an area, and for several parts of that geographic area, are similar. It is the same weather pattern, even if GAO is only now finding that out.

To the end that these forecasts are duplicative, however, there is no straightforward assumption that the local forecasts should be eliminated. As a matter of fact, when one considers which of the two forecasts—zone and local—would be most beneficial to a person depending on such news, I would suspect that the latter might influence far more people in one local area. The exception, of course, are those who depend on the weather forecast for larger areas such as pilots and travelers.

Mr. President, the fact of the matter is that both forecasts serve useful purposes. The GAO study points up the frequency of similarity, but what of the occasions of dissimilarity? Surely for the people of Houston, Tex., the most accurate weather information would be the forecast for Houston, and not, for instance, San Antonio, some 200 miles away but in the same zone.

I have recently read an outstanding editorial in the Houston Chronicle discussing the GAO report—this "asininity" is the word of reference in the editorial—and I would appreciate the opportunity to share it with my colleagues.

I am not convinced that GAO accounts for the sum total of all human wisdom and truth, and in fact, I am extremely skeptical about the Agency's ability to recommend at all, given this convuluted reasoning which typifies the report on weather forecasting.

As one who will oppose any cutback in local forecasting where a clear need can be shown to continue, I disagree almost totally with the recommendations of GAO in this matter, and in furtherance of this one Senator's effort to stop the GAO, I ask unanimous consent that a copy of the editorial entitled, "There are Better Ways to Save $2.6 Million," from the May 1, 1977, Houston Chronicle be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THERE ARE BETTER WAYS TO SAVE $2.6 MILLION

We would find any number of ways for the federal government to better save $2.6 million a year than by cutting out local weather forecasts for some 170 cities around the country.

A General Accounting Office report has recommended this asininity because it considers the local city forecasts too duplicative of forecasts made for zones. These zone forecasts are for areas encompassing several counties.

We never cease to wonder at how someone in Washington can blithely make policy recommendations based on statistics and theory without apparently taking into consideration what goes on in the real world out there away from the Potomac.

Specifically targeted local city forecasts and their changing local aspects, especially for larger cities, are not just something for the public to idly peruse because of the normal human curiosity about the weather.

These local forecasts are used extensively by many businesses and individuals to plan their operations. They are vital to people's livelihoods, not to mention their personal planning.

What kind of thinking is it that would just do away with a basic service that is so important and necessary to so many people?

We sometimes suspect that the activist federal establishment has become bored and impatient with the routine, ordinary activities which the people expect their government to perform for them.

Delivering the mail or forecasting the weather is nowhere near as exciting or glamorous as some new program and tinkering experiment which garners lots of publicity. It is much more interesting to be doing those kind of things than paying some attention to trying to deliver the mail.

The old-hat, fundamental services may not be very fashionable in Washington but they are gut-level important to the people—if that is any criteria for capturing Washington's interest.

We said we could find better ways to save $2.6 million than eliminating local weather forecasting. Just for starters we would consider eliminating the money spent to come up with that kind of idea.

DONALD WOTRING RETIRES FROM CAPITOL HILL AFTER 29 YEARS OF HELPFUL SERVICE

Mr. RANDOLPH. Mr. President, I call to the attention of the Senators the retirement of Donald Wotring on February 25 after approximately 29 years of service in the Capitol and Senate Buildings. Over the years, Mr. Wotring, as head air-conditioning engineer, has provided the Capitol and other legislative buildings with heating and cooling which has greatly enhanced our environment and improved our working conditions.

Don left Terra Alta, W. Va., 37 years ago and has been with the legislative branch of the Government ever since he started working, with the exception of 5 years with the U.S. Army and the General Accounting Office.

Mr. President, in the years of service that he has given us, Don has never been too busy to offer advice and instruction in the heating and cooling of our offices. I am sure that his many friends in Congress join me in congratulating him for a fine record of service and wish him many more years of happiness and productive life.

INVENTIVENESS MASTERS HANDICAP

Mr. DOLE. Mr. President, I am pleased to report to my colleagues that the city of Pittsburg, Kans., will be getting a new industry soon. If needed financing can be found, production will start on an innovative new automobile wheelchair loader-carrier, the invention of one of my constituents, Mr. Larry Lowry.

By any standard, Larry Lowry is an exceptional individual. A paraplegic since age 2, Larry knows full well how difficult and inconvenient it is for persons confined to wheelchairs to get around. He knows how very difficult it is to transport his wheelchair by automobile as he does about the business of making a living for his family. So he decided to develop a mechanism which will allow persons confined to wheelchairs to single-handedly load collapsible wheelchairs on their automobiles. The result is the Lowry Automatic Car-top Wheelchair Loader-Carrier.

Not only does his invention offer new opportunities for travel by handicapped persons, it will help the millions of Americans in wheelchairs contribute to energy conservation since it permits wheelchairs to be transported on the top of small, energy-efficient automobiles.

Recently, the Pittsburg, Kans., Sun ran a feature story on Larry and his invention. I think it will be of interest to my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the feature story was ordered to be printed in the RECORD, as follows:

[From the Pittsburg (Kans.) Sun, Mar. 26, 1977]

INVENTIVENESS MASTERS HANDICAP
(By John Hay)

An affliction that has been with him virtually all of his life has been the forge for inspiration to Larry Lowry. He has turned his liability into a blessing that promises to be a boon for the handicapped as his concept blossoms into a new industry in Pittsburg.

Lowry is about ready to begin manufacturing a mechanism that will give "total independence" to wheelchair individuals in operating an automobile. The device would store a wheelchair in a compartment on top of an automobile, loading and unloading it automatically thereby freeing the handicapped from dependency on a second person for handling the wheelchair. Also, the wheelchair would be stored without taking up any of the vehicles interior space.

The new device really is revolutionary. There is nothing like it now available to the handicapped. Lowry has it fully patented.

While a prototype unit has been developed to the point where manufacture of the automatic mechanism could begin, Lowry needs the support of the community to pave the way for production, he reports.

Lowry now is endeavoring to arrange for financing his new industry and interest and response by local sources not only is needed to help get the manufacturing operation off the ground but it would be "deeply appreciated," Lowry says. Initially the plant would employ 25 to 35 persons, he reports.

The automobile wheelchair device is only one of many innovative ideas that Lowry has developed to help make life easier and more pleasant for the handicapped. Prototypes for others will be forthcoming, Lowry says.

This innovative approach to problems which handicapped persons face provided a "natural" name for the firm that Lowry founded to develop and manufacture his brainchilds. The firm is Innovations, Inc., the office being located at 305 S. Pine, Pittsburg, Kansas 66762. The city also have approved the new firm's manufacturing activity at 104 E. Kansas, Pittsburg, Kansas 66762 for light industrial products.

Lowry is president of the company. A brother, Richard, is executive vice president. Another brother, Ron, is marketing vice president. Herb Gill is chief engineer.

Lowry, a polio victim, has had paralysis as his adversary since the age of two. Both legs are paralyzed, hence he depends upon the wheelchair for mobility. His automobile is modified so that he can drive it, but because of his wheelchair he is limited to the type of automobile he can drive, and the rear seat area is filled by the wheelchair.

Since a wheelchair weighs 50 to 55 pounds, many handicapped and elderly persons find it difficult, if not impossible, to load the wheelchair into an automobile, Lowry explains. He is fully aware of this through personal experience.

Lowry's 'automatic' wheelchair device would give the interior rear space of the automobile back to the handicapped and in the process preserve the dignity of the individual because "dependency upon another to load and unload a wheelchair damages self-esteem," he said.

Lowry's invention has received a "very positive" response from his peers with whom he has been in contact through various means. He feels the unit will help paraplegics lead a more normal and productive life with their independence restored.

The young handicapped are interested and aggressive and want to take their place in the productive life of the nation, Lowry reports. These persons are not content to sit and mope around, they want to be active and Lowry's invention will help do this, he says.

Lowry says installation of the device will be simple. "We want to make life as convenient and simple as possible for the handicapped so they can be as independent as the next person in getting around," he said.

It comes on the scene just as emphasis is on smaller automobiles and Lowry's device will fit upon a car of just about any size, he reports.

Despite his affliction, Lowry has maintained a confident, optimistic attitude, his problem enables him fully to appreciate the predicament of the paraplegic and other handicapped persons.

His fertile mind has enabled him to be creative and active despite his paralysis. Certainly, he is cheerful and greatly encouraged as he faces the future with many innovative ideas to help the handicapped be independent and assume active roles in life.

"The handicapped have much to offer," Lowry says "We want to help them make important contributions by being functional and by reducing pressures resulting from their afflictions. We want the community to have the opportunity to help us in this venture in any way that might be feasible."

STONE CRITICIZES UNFAIR TAX INCREASE FOR SINGLE TAXPAYERS

Mr. STONE. Mr. President, yesterday both Houses of Congress adopted the conference report on H.R. 3477, and cleared the bill for the President's consideration. While I supported the conference report and believe it to be, in general, a wise approach toward tax relief at the present time. I am compelled to express my criticism of the final bill in one particular respect. For 1.7 million single taxpayers who use the standard deduction, the conference bill means an increase in tax liability. At a time when almost everyone agrees that some measure of tax reduction is necessary to stimulate economic recovery, the Congress is actually increasing taxes over present law for these taxpayers.

This has resulted from an attempt by the Congress to solve a difficult problem presently built into our Federal tax law, the so-called marriage penalty. The marriage penalty represents the difference between the standard deduction available to a person filing as a single taxpayer and the standard deduction available to married persons filing jointly. In general, the marriage penalty occurs only in those cases where the incomes of married persons filing jointly are approximately the same. In other cases, presumably the majority, the marriage penalty is offset by other tax advantages to married persons filing jointly.

Under present law, the marriage penalty varies because the standard deduction available for single taxpayers and married persons filing jointly itself varies depending upon income. The maximum standard deduction under present law is $2,400 for single taxpayers and $2,800 for married taxpayers filing jointly resulting in a marriage penalty of $1,000.

The Senate Finance Committee and the House Ways and Means Committee commendably proposed to simplify and to increase the standard deduction, used by 70 percent of U.S. taxpayers. The proposed change in the standard deduction incorporated in the conference report is for a flat standard deduction rather than the present percentage standard deduction with a maximum. I strongly support this simplification and increase in the standard deduction.

In developing a flat standard deduction for single taxpayers and married persons filing jointly, the respective Senate and House committees addressed the problem of the marriage penalty. The House of Representatives originally adopted a standard deduction of $2,400—the maximum under present law—for single taxpayers, and $3,000—a $200 increase over the maximum under present law—for married persons filing jointly, resulting in a marriage penalty of $1,200. The Senate adopted the Finance Committee's proposal of $2,200 for single taxpayers—a $200 decrease over the present maximum—and $3,200 for married persons filing jointly—representing a $400 increase over the present maximum—resulting in a marriage penalty of $800.

In an unsuccessful effort to eliminate this unfair increase in taxes for single taxpayers, I supported an amendment to the committee bill, sponsored by Senators PACKWOOD and MATSUNAGA, to establish the standard deduction for single taxpayers at $2,400, the present maximum, and $3,200 for married taxpayers filing jointly, a $400 increase over the present maximum. This proposal would have meant modest tax relief for all taxpayers who use the standard deduction. Unfortunately, this amendment was not adopted by the Senate and the conference report incorporates the Senate Finance Committee's proposal.

In brief, in attempting to reduce the marriage penalty, the Congress has reduced the standard deduction available for approximately 1.7 million taxpayers—those single taxpayers with incomes over $13,500 who are presently eligible to take the maximum $2,400 standard deduction under present law. It will mean an average increase in taxes of about $45 for these taxpayers.

Mr. President, trying to solve the marriage penalty problem this way is especially unfair inasmuch as thousands of these single taxpayers whose tax burden will be increased are elderly citizens—many widows and widowers—who live on modest, fixed incomes. It simply makes no sense to attempt to solve a structural inequity in the tax code by increasing the tax liability of 1.7 million middle-income taxpayers when the fundamental purpose of this tax bill is to stimulate economic recovery by a modest reduction in taxes. I certainly hope that the unfair and unjustified increase in tax liability for these taxpayers can be rectified when the Congress considers comprehensive tax reform legislation in the 95th Congress.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter I received from the National Retired Teachers Association-American Association of Retired Persons which deals with this matter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL RETIRED TEACHERS ASSOCIATION,
AMERICAN ASSOCIATION OF RETIRED PERSONS,
May 5, 1977.

Senator RICHARD STONE,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR STONE: Our 10.7 million member Associations appreciated your support for the Matsunaga-Packwood Amendment that was offered to the Senate Finance Committee's version of H.R. 3477 to increase the flat standard deduction to $2400 for single persons. We consider it unfortunate that the amendment was defeated and that the Senate-House Conference Committee agreed to accept the Senate-approved provision.

We can appreciate why the Finance Committee would attempt to reduce the "marriage penalty" by recommending that the present maximum standard deduction of $2800 for joint returns be increased to a flat standard deduction of $3200. We can not understand why the Committee would, however, recommend penalizing certain single taxpayers by lowering their present maximum standard deduction of $2400 to a flat standard deduction of $2200 in order to decrease the marriage penalty even further. A "tax cut" bill that was to provide a $50 rebate for every taxpayer for the purpose of stimulating consumer spending has ended up containing provisions that will result in an increase of an average of $50 for many single taxpayers—some of whom will be widows, widowers and other aged individuals.

Although a flat $2200 standard deduction will obviously help many single taxpayers who would have previously claimed the minimum standard deduction of $1700 (or a standard deduction of less than $2200) it will still penalize those persons who could have claimed a deduction in excess of $2200 or the maximum standard deduction of $2400. Specifically, it will penalize single taxpayers who have annual adjusted gross incomes in excess of $13,750.

Our Associations objected to the flat $2200 standard deduction because it will mean increased tax liabilities for some of our members. (According to the Internal Revenue Service's 1973 Statistics of Income, over 65% of returns filed by elderly taxpayers used the

standard deduction.) Moreover, this increased tax liability will be imposed retroactively—that is, with respect to the taxable year already in progress. We consider retroactive tax increases to be bad tax policy. It is ironic that a bill that contains provisions to eliminate certain retroactive increases in taxpayer liabilities that resulted from the enactment of the 1976 Tax Reform Act contains provisions that will have precisely that effect on at least 1.7 million single taxpayers.

Sincerely,

PETER W. HUGHES,
Legislative Counsel.

YOUTH CAMP SAFETY LEGISLATION

Mr. THURMOND. Mr. President, I have before me an excellent article on the Youth Camp Safety Act which is now pending in the Human Resources Committee. It was writen by the eminent journalist, James J. Kilpatrick.

In characteristic style, Mr. Kilpatrick points to our obsession in the Congress with Federal panaceas to essentially local problems. I commend this commonsense article which appeared in the May 12, 1977, Charleston Evening Post, to the attention of my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Charleston (S.C.) Evening Post, May 12, 1977]

CAMP SAFETY LUNACY

(By James J. Kilpatrick)

WASHINGTON.—Now and then a case history comes along that perfectly illustrates the bureaucratic lunacy that afflicts our federal government. Such an example is now at hand in the pending Youth Camp Safety Act. It has everything.

The pathology is well known. The disease begins with a small problem that has large political appeal. Here the small problem is that every year a few youngsters are killed, and a few more are injured, in accidents at summer camp.

Tragic as these accidents are, their number is remarkably small. By any rational standard of risks, the risks associated with camping are infinitesimal. Proponents of this legislation have been hard put to dredge up any convincing statistics that might support federal regulation.

Nevertheless, the idea of protecting little children has a fine emotional appeal. It is the very sort of idea that captivates weep-easys, do-gooders and suburban mamas with time on their hands. Given the small problem and the large appeal, the next step follows as the night the day. The next step is to say, "We gotta have a law." A federal law.

Thus, for the third time in the past five years, congressional liberals are rolling their eyes and wringing their hands for the poor little neglected children who might stub a toe at some summer camp. In the 93rd Congress, such a bill passed the Senate and died in the House. In the 94th, the bill passed the House and died in the Senate. A couple of weeks ago, a House subcommittee voted 8–1 in favor of this year's model legislation.

The one committee member who had the guts to vote against this sappy proposition is Republican Bud Shuster of Pennsylvania. Let's hear it for Shuster! We could use 434 like him.

The pending bill is in the classic pattern. It would create a new Office of Youth Camp Safety within the Department of Health, Education and Welfare. The office would be staffed by job-hungry bureaucrats, nice Nellies and various simpering nitwits whose first task would be the drafting of rules and regulations to implement the act.

They would have plenty of room to turn around in. The act would apply to all "day camps, residential camps, troop camps, travel camps, and trip camps" everywhere in the nation. The act would fix standards. The act would require reports. The act would provide fines for violations. The whole panoply of bureaucracy here unfolds like a colossal pup tent.

Shuster provides a couple of specific examples of the foolishness with which the bill abounds. The act would require "that a detailed itinerary be filed with the federal government, in duplicate, every time a Boy Scout or Girl Scout troops goes on a hike." Under some proposed regulations worked up by the HEW folks in 1975—regulations that need only to be dusted off if the bill is enacted—a Boy Scout would be "subject to a fine" if he camped out alone overnight in order to fulfill an Eagle Scout requirement.

It is part of the typical case history that new bureaucracies duplicate the work of old bureaucracies. So it is with the federal regulation of summer camps. Such camps already are subject to an astounding array of state and federal laws having to do with food, milk, water purity, sanitation, safety and the like. The owner of a camp in North Carolina has counted up nine federal agencies, ten state agencies and four county agencies to whom he is now responsible. One more pup tent!

The sponsors estimate that their little bureaucratic babysitter would cost only $7.5 million the first year. Such first-year estimates, as every political pathologist knows, are wholly meaningless. The rule of any bureaucracy is to start small and to grow large. There always will be expanding parameters that must be implemented, and that which is not immediately implemented must be prospectively prioritized, need-wise. Aaarghh!

This proposal, in brief, precisely echoes the very things that Jimmy Carter campaigned incessantly against. A thousand times he denounced Washington's "bloated bureaucracy." What we have here, no matter how attractive it may appear, is a little more bloat.

EXTRADITION AND THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, one frequent objection to the Genocide Convention is that it clears the way for U.S. citizens to be tried in foreign courts which lack the rights guaranteed in our Constitution. This fear is completely without foundation.

According to article VI of the treaty, if an American citizen is accused of committing genocide in another nation, while he is in that nation, he may be tried by a competent tribunal of the nation in which the act was committed. There is nothing unusual about this provision; any foreign power holding an American citizen can try that citizen on any charge it wishes to bring, from shoplifting to espionage and even to genocide. And the United States is powerless to intervene. One recent example is the trial and execution of American mercenaries that were fighting in Angola. Ratification of the Genocide Convention could not have altered this situation, just as it would not alter similar situations.

In the case of an American citizen who has returned to the United States and is charged by a foreign nation with committing genocide, article VI states that extradition is to be granted in accordance with laws and treaties in force. Since we currently have no extradition treaties dealing with genocide, this article would only be applicable to future treaties, which would naturally be passed only with the advice and consent of the Senate.

Without an extradition treaty dealing with genocide, we would not be required to extradite a person accused of the crime. We have never negotiated an extradition treaty with a nation that does not provide either our form of due legal process or what we consider to be the equivalent of it. There is considerable doubt as to whether we could under the Constitution, as this would be an action of the Government that would infringe on individual rights.

The Genocide Convention, then, is not in itself an extradition treaty. The United States already possesses extradition arrangements for various other offenses with more than 80 nations. Since there is no reason to think that our future extradition arrangements concerning genocide would substantially differ from existing treaties, criticism of the Genocide Convention on these grounds is unreasonable.

I urge the Senate to ratify the Genocide Convention without further hesitation.

AIR FORCE FLIGHT SIMULATOR SYSTEMS

Mr. GOLDWATER. Mr. President, because of our consideration of the military procurement-authorization bill, I was reluctantly forced to cancel a long-standing engagement to deliver the keynote address at the 1977 Image Conference at Williams Air Force Base in Arizona. Although I will not be there in person, I am sure that all my friends at Williams realize that I am with them in spirit, and the remarks which I had prepared for that important occasion will be read by someone else. Because I consider this an extremely important conference, I ask unanimous consent that my keynote address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

KEYNOTE ADDRESS BY SENATOR BARRY GOLDWATER

Colonel Boren, Mr. Monroe, and distinguished conferees, I thank you for asking me to be your keynote speaker at this important Conference. I always enjoy coming back to Williams Air Force Base, where, as I am sure most of you know, I have spent a lot of time over the years.

Since your Conference is on simulation I start with the premise that there are some things that cannot be simulated—nor should they be.

As long as I am here at Willy, I cannot pass up the opportunity to reminisce for a moment or two. I guess most of you old-timers remember when Ed Link developed his first trainer in about 1929 and all of the thousands of Links that were used in World War II. I remember the first time I flew a Link, which was in about 1940 and I later met Ed Link sometime during World War II. At about that time I was serving in the old Ferry Command as an Operations Of-

ficer of a squadron. We had Link trainers and like typical military, we were required to fly them a certain number of hours each month. Well, I never could get the other pilots to do their share because they did not like to fly the "Blue Box," so I got a lot of extra Link time. In fact, I really became proficient.

Of course, there was no similarity between that trainer and any aircraft I was flying, and it really did not "fly" like an airplane. But in retrospect, it was a wonderful device and a superb trainer for learning instrument procedures. I am also convinced that was good transfer of learning, to use a term popular here at HRL.

Also, on the plus side was the fact that the Link trainer instructors did not rap your knees with the stick like your instructor pilot did when you made a mistake. That rapping technique certainly did get the students' attention, but if it was used today, I suspect the instructor would probably be cited for some violation of the students' Constitutional rights.

We have come a long way since the early days of Ed Link and the "Blue Box." I am not sure whether we have come as far with this simulator technology as we have with our aircraft technology, but if we have not, we are rapidly catching up. By that I mean the flight simulator can now do just about everything the aircraft can do, almost to the point that the pilot, once he really puts himself into the training mission, treats and thinks of the flight simulator as the real thing. In fact, in his mind, it is the real thing and he is really flying and he encounters all of the sensations and apprehensions associated with flying.

It is this realism where such significant progress has been made over the past few years. Specifically, the development of high fidelity control response and very realistic motion systems put the "feel" into the simulator and got the pilots saying the simulator flew like the real thing—as long as you were IFR. The visual problem has been tougher.

More recently have come the dramatic improvements in visual systems which have given us the ability to have for the first time a full mission simulator. It looks like the potential multiplier in the visual category will be the computer generated image technique which can reproduce many scenes not possible or practical with the model board. The flexibility of this system is probably its greatest attraction because the military pilot and his aircraft represent a multimission capability and, therefore, have a multimission training requirement.

As an aside at this point, I hope one of the goals of this Conference can be to standardize on the term for visual images that are generated by computer. The most common terms are Computer Generated Image (CGI) and Computer Image Generation (CIG). I have no preference, but I do hope you can resolve to all use the same term.

The idea of having one visual system that can reproduce all scenes such as take-off, air refueling, formation, air to air combat, air to ground attack along with enemy defenses, and landing, represents the ultimate in a system. It is the perfection of this technique that remains to be accomplished because I know we are all aware of the many other applications of such a system. These could include stored programs of worldwide tactical target areas, air to air combat situations taken from the data obtained from our ACEVAL operation at Nellis Air Force Base, and a complete brigade or possibly division ground operation with attack and scout helicopters working against enemy targets. Potentially, the capability is there, but still a lot of refinement and study is needed.

Before we go charging after complete and total real world visual duplication, we need to ask some serious questions. First, how close to the real world must these artificial scenes be in order to achieve the required training benefit? Second, how much are we willing to pay for that capability? Third, will we really know when we have the answers to the first two questions?

At the moment I do not feel confident we have the answers to the first two questions, nor are we especially pursuing their answers. My observation is that we are currently proceeding with the general attitude of, "Let's make all of these systems as close to what the real aircraft feels like and what the real world looks like, and if it later turns out that that was really not required, it is better to have erred on the plus side."

I think a review of the magnitude of the flight simulator program over the past few years will support my concern.

To do this, let me now discuss Congress and flight simulators over the past few years because it bears on these points.

We all know that flight simulators have become hot items in a very short time. Not only have they become the "in thing" and very good, they have also become very expensive. For example, one B–52G/H simulator, our most expensive system, is estimated to cost $25 million.

Over the past three years the Senate Armed Services Committee has taken the lead in the Congressional approval of over $786 million for flight simulators and associated equipment. Next year the anticipated FY 1979 request is expected to be about $350 million. Over one billion invested over a four year period!

Some of the statistics associated with these devices are impressive. By October of this year the simulator devices on hand will enable a flying hour reduction of approximately 675,000 hours. This will be a saving of about 565 million gallons of jet fuel and avgas and about $625 million in cost avoidance, although that does not represent a net savings as it has not been adjusted for the cost of operating the training devices. On the average, we will amortize our investment in these devices in about 5½ years. I also point out we are not yet realizing the full benefits of most of the devices the Congress has funded over the past three years.

What those figures also do not convey is the qualitative improvement that our aircrews gain through the use of these new high technology devices. It is this qualitative improvement we must not lose sight of and we must make sure that these devices always remain the means and not the end. This could happen and we must continually emphasize that these devices are not substitutes for aircraft, but that they merely complement and improve the quality of aircrew training and readiness.

To some in the decision chain, simulation and substitution are synonymous terms. We need to correct that misconception wherever it is encountered.

I think that message is now getting through, although a few years back I was more concerned. At about that time the office of Management and Budget established as a goal for the Department of Defense, a 25 percent reduction in flying time by the early 1980's through the increased use of flight simulators.

Now whoever thought that up, I suspect, was not concerned about getting a qualitative improvement in our aircrew force. To the contrary, the goal was to save fuel, and to do that, flight simulator hours would be substituted for aircraft hours. Apparently, on paper at least, 25 percent looked like a good goal. As far as I have been able to determine, it was an arbitrary, bureaucratic figure and certainly not based on any data provided by the Services.

In May 1976, just a year ago, I conducted the only hearing ever held by the Congress on flight simulators, and I explored this 25 percent figure in depth. It turned out that no one in DOD knew the originator of the idea, and the more we pressed the matter, the more it became apparent that OMB was retreating from this arbitrary position.

The danger, of course, is the way the idea was originated in that it was totally unrelated to the requirement for qualitative improvement and combat readiness.

During the hearing I cautioned that we should not get carried away with the use of flight simulators as a substitute for flying. It would be possible, I suggested, to do 100 percent of one's training in flight simulators and only fly when there was an emergency or war. However, that is not practical because the entire support base exists only to insure that the aircrews have an effective weapon system to fly. This base must be exercised on a routine and regular basis.

For example, think of all the specialists in the Services that can only maintain proficiency in their specialty when their aircrews and aircraft fly.

Think, also, of all the logistic and maintenance systems that must be exercised on a routine and regular basis if they are to have any hope of meeting surge demands during emergency or combat operations.

It is stating the obvious to say that flight simulators cannot shoot down airplanes, drop bombs, kill tanks, provide close air support or kill enemy ships, but it makes the point that flight simulators must not be thought of as substitutes for airplanes, especially combat airplanes.

It would be a mistake to think that achieving a 25 percent reduction in flying time through the use of flight simulators meant there could be a 25 percent reduction in aircraft. Yet, some of the system analysts I am occasionally critical of may come to that same conclusion. Again, I stress that such a conclusion would be a mistake.

For example, referring back to the estimated avoidance of 676,000 flying hours projected as an estimate for FY 1978, that is 14 percent of the total flying hours that would have been required if simulators were *not* available. By 1981 the percentage is expected to increase to 17 percent.

However, these figures without some further explanation can be misleading. Not all aircraft systems are supported by modern, sophisticated flight training devises. For example, the inventory of some aircraft systems is too small or widely dispersed to support feasible utilization of expensive flight training equipment. When the flying hours for all aircraft systems in the active force are included, the estimated flying hour avoidance for FY 1978 becomes 11 percent, and the FY 1981 estimate becomes about 14 percent.

So, I think we are proceeding in a prudent way, and the reduction figures we are headed toward are reasonable. However, we do have to remember that the energy policy the Congress is now backing may force us to substitute more simulator hours for flight hours than we would like. At the moment I do not think anyone has a good handle on this.

Now you gentlemen are experts in this business and probably could make the best judgment on what can be substituted with flight simulators in flying training and what cannot. The expertise of the Air Force Human Resources Lab has pioneered many of the innovative ideas that are operational on flight simulators today.

Certainly, the Advanced Simulator for Undergraduate Pilot Training is a pioneer and is known throughout the simulator community. I have flown the ASUPT, and the substantial and verifiable data gathered on how the human senses relate to simulation and how transfer of learning takes place, is,

to me, the correct way to approach the question of, "How much flight simulator time is enough?"

Now this brings me back to my other point about visual systems. We need to continually ask ourselves, to use your vernacular, "How much visual is enough?" Further, "Are images that are indistinguishable from the real world really required?"

Your studies here at HRL have made a major contribution to this field of knowledge. However, I understand your study results are not always the most popular with the operators who possibly have only a gut feeling that flight simulators must reproduce real world conditions to the nth degree possible—otherwise they are not effective.

Here then is the challenge that faces you gentlemen.

Do not goldplate this goose or otherwise it will never get off the ground. Remember that tough budget times are ahead. Make sure you can fully justify the visual systems you propose because, in the future, Congress will be examining this justification more closely than ever. Build what is required into these systems, but nothing more and make sure your research is complete before you come to the Congress.

I compliment you on the significant and impressive contributions you have made to this important field.

Have a good Conference.

FREEDOM OF CHOICE ON TV

Mr. HATHAWAY. Mr. President, we often hear the term "freedom of choice" regarding everything from medical care to buying hamburgers. Yet one seldom notes this phrase when it concerns our television viewing.

In the May 10 issue of The Washington Post, Nicholas von Hoffman—a trenchant and sometimes iconoclastic critic of contemporary society—raises the question of whether constraints on pay TV do not deprive the majority of families in this country who watch this medium of a freedom of choice.

It is a thought-provoking article and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PAY TV'S POTENTIAL: BUYING THE FREEDOM TO MAKE A CHOICE

(A Commentary by Nicholas von Hoffman)

The National Association of Broadcasters had its annual convention here the other day and listened with great satisfaction while their top industry spokesman, Eric Sevareid, told them they had been deprived of their First Amendment rights. The broadcasters want to be put in the same legal category as newspapers and escape from the government rule which requires them to give someone they've attacked the right to go on the air and defend themselves.

Sevareid failed to discuss his industry's plotting to deprive cable television of its First Amendment rights. That was left to the U.S. Court of Appeals. Shortly before the broadcasters convened their convention, a three-judge panel threw out the Federal Communications Commission regulations effectively banning movies and sports events from cable TV. One of the reasons given for the ruling was improper contact between FCC personnel and the industry's lobbyists.

If Sevareid's rights as a broadcast journalist ever have been injured by government action, it is as nothing compared to the harm done to the whole nation by those who have conspired to destroy competition through the suppression of cable TV.

For years the networks have argued that they are offering free what the cable companies will charge for. By now, however, we all ought to know that there is no such thing as a free lunch or free entertainment. If you drink Coke, use skin cream or swallow a laxative, you pay whether or not you watch the free entertainment the advertising provides.

Pay TV is more rational. Instead of having non-sports fans pay an invisible tax on their cars and their toothpaste so that sports fans can watch the next Olympic games those who want to watch bear the expenses. Ah, but what about the poor? If we can give food stamps, there is no reason why we can't have Health, Education and Welfare Secretary Califano give away entertainment stamps. His personal, tax-supported HEW chef might be put in charge of the program.

Assuming that the court ruling stands up and that Congress doesn't intervene in favor of the network oligopoly, it doesn't necessarily follow that free TV will vanish. For the next five or perhaps 10 years there won't be enough cable-wired homes for pay TV to outbid the networks for many kinds of entertainment. But as pay TV grows, so will diversity for the reason that shows which can't pull large ratings by network/advertising agency standards can still be huge financial successes.

A series like Star Trek wouldn't have been dropped with pay TV. The show was easily popular enough so that 7 or 8 million homes would have paid a dollar a week to see each episode. Seven or 8 million on free TV is a minuscule audience, but it's huge if it's paying.

Pay TV gives our society a chance to destroy the mass audience, to break it up into smaller, self-selected groups. Since the homogenized, conforming American with the malted milk brain is an object for universal disapproval, you would assume that breaking up the kind of television which helps to produce humanoids would be a major policy goal.

Multiplying entertainment choices alone will not break up the mass audience. It hasn't worked that way in many markets where there is a fourth, non-network, independent station. If only the networks have the money to produce shows with any kind of a budget, they will continue to make the fourth choice a poor choice. With "Mary Hartman, Mary Hartman," Norman Lear demonstrated what can happen when money and talent is available to off-network stations. Pay TV can generate enough money to make the fourth choice a real choice.

Pay TV also should help settle the problem of censorship versus violence. Pay TV restores parental control over what is watched and what is not allowed in the living room. Adults who wish to watch those kinds of movies can insert the special key, or however it is mechanically done, so they can see "Taxi Driver." Families who don't care to have such goings-on displayed in the nursery have a practical way of controlling what is seen.

What the industry must be taught is that freedom of speech only gains meaning if there are many voices speaking, and if we also have the freedom not to listen.

ASSISTANT SECRETARY OF AGRICULTURE CAROL FOREMAN

Mr. CURTIS. Mr. President, in filling his top-level posts in the administration, President Carter has generally appointed some capable and effective individuals. Most of the President's Cabinet nominees drew little opposition in the Senate, from either side of the aisle.

However, since the top posts have been filled, there has been much concern over the qualifications of many of the subcabinet appointments that have been made by the administration. That concern has arisen because many individuals have been appointed to positions for which they have little or no qualification by way of background, education, or expertise.

I have been particularly concerned about the appointments to positions in the administration that deal with agriculture and rural affairs. One such appointment I opposed in committee was that of Mrs. Carol Foreman to be Assistant Secretary of Agriculture.

Members of the Committee on Agriculture, Nutrition and Forestry are familiar with my questioning of Mrs. Foreman when she was before the committee. At that time, Mrs. Foreman affirmed that she had no background in farming, in nutrition, or in livestock or poultry inspection—all functions over which she is now responsible in the Department of Agriculture.

While her education and background may qualify her for any number of other top-level Government positions, Mrs. Foreman clearly has no background or expertise in agriculture.

If the administration of Federal agencies is to be effective, the people who administer the programs should have the highest qualifications in the respective fields over which they will be responsible.

Mrs. Foreman recently talked to a group of the Nation's farm editors. I am sure that at least one of her statements at that meeting has been an embarrassment to the Secretary of Agriculture and the administration. At the farm editors conference she said that nitrates were added to poultry meat to make it red like the Rhode Island Red chicken.

Perhaps it was one of Mrs. Foreman's first lessons in a top Government job to learn that poultry is not red meat and that the Rhode Island Red chicken is so named because of its red feathers and not because it has red meat.

Although this is a small matter, it does cause me concern as to what positions Mrs. Foreman may take in matters that may be crucial or that may seriously affect agriculture because of her lack of knowledge of agriculture.

I believe that agriculture has been slighted by the Carter administration. When heads and top-level appointees to other Departments such as Labor, Health, Education, and Welfare, and others are appointed from among people with expertise and knowledge of those areas, I think the administration should have made its top agriculture appointments with people who have agriculture backgrounds or knowledge.

Indeed, to my knowledge there have been no individuals from agricultural backgrounds appointed to policy positions in the other Departments and I think that the administration should at least have made efforts to keep the Agriculture Department for agriculture and the American family farms.

The farm editor of the Lincoln Evening Journal Dominick Costello, attended the farm editors conference at which Mrs. Foreman spoke. He wrote a column on

that meeting in the May 6 issue of the Lincoln Journal.

I ask unanimous consent that it be printed in the RECORD so that colleagues will be able to share in some of Mrs. Foreman's views about agriculture.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

FOREMAN RAISES FARMERS IRE

(By Dominick Costello)

Carol Foreman, consumer, now assistant secretary of agriculture, is a tiny red-headed lady who seems to raise the ire of farmers even when she doesn't do anything.

Mrs. Foreman was tarred with the label of organizer of the beef boycott, an infamous act according to livestock producers. Foreman says she didn't do it. She points out that at the time of the boycott she was working for Planned Parenthood.

Foreman may not have painted any signs nor walked on a picket line but farm groups clearly regard her as a fellow of those who did.

She has bluntly told cattlemen in the past week that she thinks the new meat grading system is a rip-off for consumers because it reduces the cost of feeding cattle. Cattlemen who have been losing money for three straight years don't take kindly to that kind of statement.

Foreman also has added that she doesn't intend to try to change the grading system back to the grain fed fat cattle because she recognizes the change only would add to the problems in the livestock industry.

NO POSITION

She has said she is opposed to advertising that adds cost to the product, but not opposed to advertising that compares prices between the grocery stores in daily newspapers.

One possible reason for the confusion over just what Mrs. Foreman did or did not do is the large number of consumer groups that are involved in various food-related activities.

Farmers have never really understood or cared about the different agencies in the U.S. Department of Agriculture, so we may be expecting too much for them to sort out the different consumer groups. Farmers tend to class these groups as the enemy even if their uniforms are the same.

Farmers point out that they too are consumers, and that the tougher inspection system for meats and new labeling regulations have increased retail food cost without adding to the quality of the product.

BENEFITS V. COST

Mrs. Foreman admits that they have added to the cost of marketing but insists that the benefits outweigh the cost.

Mrs. Foreman also admits that there must be a vastly improved government effort at educating the consumer so they will do a better job of shopping for food and other items.

Just how much she knows about agriculture is doubtful. At the newspaper farm editors conference she said that nitrates were added to poultry meat to make it red like the Rhode Island Red chicken.

She did seem a little startled to learn from farm editors that the feathers on the Rhode Island Red are indeed red but the meat was the same color as any other chicken.

She is not the first consumer advocate in the Department of Agriculture. Nancy Storts held a consumer post of lower rank under Earl Butz who had his own war with consumers.

Butz may be gone from the USDA scene but Mrs. Foreman will make the agricultural scene in Washington at least as interesting to watch as Butz did.

AN ENERGY EXPERIMENT IN MOSCOW, IDAHO

Mr. CHURCH. Mr. President, today we are faced with the realization that our natural resources are dwindling. The cold hard facts were presented to us this past winter when many people around the country did not have enough fuel to heat their homes. We now know that we must conserve what remains and it causes us to devise creative ways of doing just that.

One in particular was brought to my attention—for it took place in my home State. The Latah County commissions declared Zero Energy Hour. This was a set time between 10 a.m. and 11 a.m. during which frivolous expenditures of energy were to be curtailed. People were alerted and asked to join in—and join they did. Zero Energy Hour was a success. At a time when the West was asked to reduce consumption by 10 percent; they had only achieved a 3 percent reduction. After Latah County declared Zero Energy Hour they achieved an 18-percent reduction of power usage during this time period.

Mr. President, this is a beginning—a successful beginning. For this reason I ask unanimous consent to have printed in the RECORD two editorials from the Idahoanian in Moscow, Idaho. In addition, I ask unanimous consent to have printed in the RECORD an editorial regarding an energy task force at the University of Idaho. These two ideas will not solve our energy problems—but they are a beginning.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

AN HOUR TO THINK

Another nice day, another day that bodes ill for the summer.

We've had a lot of them, and the result is a water shortage throughout the Northwest that everybody knows about but not enough people are acting upon.

On Monday, we all will get a chance to think specifically about changes we can make to save energy. The occasion is Zero Energy Hour, and it will run from 10 to 11 a.m.

Schools, businesses and individuals are all being asked to use, during that hour, only the power and water that is absolutely necessary. Essential service won't be cut, but the use of power for the frills of life ought to be severely curtailed.

The idea is to make us more aware of all the various ways we use power, so that we can better understand how we can save it.

So, at 10 a.m., turn off the lights you don't need, don't run the water (which must be pumped with electricity), don't drive your car, and think about all the other things you can do to cut down.

The Northwest has been asked to reduce power consumption by 10 per cent; so far we've only cut back three per cent. We've got to do better.

WE CAN CUT BACK

The main thing that Zero Energy Hour proved is that we can cut back.

Turning off a light doesn't seem like much, but when a lot of them are turned off and other energy-saving measures are taken, the cumulative effect can be considerable. From 10 to 11 a.m. yesterday, the Zero Energy Hour designated for Latah County, power usage was reduced about 18 per cent, according to Washington Water Power figures.

Something else that the Hour showed was that, even with considerable publicity about the project, not everyone gets the word. An Idahonian reporter went up and down Main Street and found most, but not all, lights off. One office was ablaze and the workers there said they had not heard about it.

The point of the program was to increase our awareness of the energy problems we face, and to begin thinking about some of the things that can be done to cope with these problems. The workers who hadn't heard indicate that the industry and the media must do a better job of getting the information out.

The Idahonian carried a picture last Friday that will be the first of a series on energy heroes and hogs. The photo was of an old Moscow house in which insulation was being installed. We'll run the first hog this Friday and hope to alternate them on succeeding Fridays. We'd be glad to hear from readers with examples of either.

SPREADING A GOOD IDEA

That energy task force set up at the University of Idaho represents a good idea that ought to be pushed downtown, too.

The group is being formed as a result of concern expressed by two UI students, who noted that there was no campus-wide approach to energy conservation. The plan is to identify energy-saving steps that can be taken, then determine in what areas they can be implemented. The group also will try to promote awareness of energy conservation, serve as a clearinghouse for energy-saving ideas and energy research by faculty members, and monitor energy use to see if the program is working.

Those who want to join the campus group may sign up through the president's office.

Downtown businesses, perhaps through the Chamber of Commerce, ought to do the same thing, and we all might follow suit. The chamber could set up a task force to recommend actions its members could take to conserve energy.

Dimming business lights during daylight and when a business is closed—a move proposed this week to the city council as a possible ordinance—is one obvious step. Idaho First National Bank and some other merchants have already done that; there undoubtedly are several other measures that would help, too.

The chamber might consider promoting a conservation program much as it promoted wheat with a campaign focusing on the amount of wheat in a loaf of bread. We could, for example, strive to be the first community in the nation to reduce its energy consumption by, say, 20 per cent.

What two Moscow businesses, or three Moscow households, do to save energy won't have much of an impact on the nation's energy crisis, but if they can help make others aware of our increasingly critical energy situation, the ripple effect would be significant.

THE RP FOUNDATION STORY

Mr. MATHIAS. Mr. President, on Sunday, May 15, 1977, the Baltimore Symphony Orchestra, under the direction of its distinguished conductor Sergiu Comissiona presented a benefit concert as a tribute to Joseph Meyerhoff. One of the largest audiences in the history of the Baltimore Symphony attended the concert to honor Joseph Meyerhoff for his cultural and philanthropic leadership in the Baltimore community and to enjoy a glorious performance by guest artist Beverly Sills and the orchestra.

The evening climaxed a fundraising drive for the National Retinitis Pigmentosa Foundation in which Mr. Meyerhoff has been a prime mover. The concert program contained a very moving account of the work of the foundation and of Mr. Meyerhoff's important contribution to it. I am submitting this account for the RECORD in the thought that Members of the Senate will be heartened by this story of generous voluntary response to a serious public health problem. The foundation has also been strongly supported by Mr. and Mrs. Jerome Cardin of Baltimore who shared in the events of the evening and in the labor that made them possible.

I ask unanimous consent that the excerpts be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

THE RP FOUNDATION STORY

The birth of the National Retinitis Pigmentosa Foundation (NRPF) can be traced to the reactions felt by a Baltimore couple when they discovered two of their three children have RP and were gradually going blind. With no known cure or treatment, the only solution the doctor could suggest was "teach your children braille." Unwilling to accept the verdict, these two distraught parents joined forces with a man from Princeton, New Jersey, who knew the horror of the disease—he is virtually blind from RP. They, along with others, decided to spearhead a two-fold attack: to educate the public about RP and to sponsor an in-depth research program. The result was the founding of the RP Foundation, which in five short years has grown to a national group with 37 chapters.

Retinitis Pigmentosa is the name applied to a group of hereditary diseases that affect the retina, the film-like tissue in the back of the eye. The retina slowly degenerates and loses its ability to transmit pictures to the brain, thus resulting in blindness. RP is an inherited disease which most often strikes children and young adults. Because one person in every 80 carries a recessive gene for RP, the disease can strike without warning in a family with no previous history of blindness.

Research and help are underway. The Foundation's first grant was made to help establish the Berman-Gund Laboratory for the Study of Retinal Degenerations at the Massachusetts Eye and Ear Infirmary in Boston. This laboratory marks the world's first multidisciplined approach to finding a cure and treatment for RP. Dedicated in 1974, the laboratory bears the name of its two founders: Bernard Berman, a Baltimore real estate developer and President of NRPF; and Gordon Gund, a Princeton, New Jersey, investment consultant, and Vice-Chairman of NRPF.

What began as a parents' quest for help has culminated in a national organization that provides knowledge and hope to the thousands afflicted with RP.

A TRIBUTE TO JOSEPH MEYERHOFF

With deep appreciation of the National Retinitis Pigmentosa Foundation for his encouragement and invaluable support in helping to establish the Foundation.

When the Retinitis Pigmentosa Foundation was organized in September 1971 to raise the funds to build the first multi-disciplined laboratory for the study of retinal degenerations, a call went out to Baltimoreans for help: the goal—to raise $375,000 by December 31 of that year to insure the building of this laboratory.

Deeply touched by the tragic events surrounding the birth of the Foundation and convinced by the logic of a multi-disciplined approach, Joseph Meyerhoff was the first to answer our plea with a challenge grant. His gift helped assure the construction of this laboratory.

At the 1974 dedication of the Berman-Gund Laboratory for the Study of Retinal Degenerations at the Massachusetts Eye & Ear Infirmary, a founders' plaque was unveiled which hangs today as a tribute to Joseph Meyerhoff and others for their faith in a dream.

Mr. Meyerhoff has always been interested in helping others achieve their goals. Upon assuming the presidency of the Baltimore Symphony Orchestra Association in 1965, he set out to establish a leading symphony orchestra. Under his leadership a world-wide search for an outstanding music director was initiated, and Baltimore and the State of Maryland were most fortunate that Maestro Sergiu Comissiona was engaged and persuaded to continue in that role for the past seven years. Under his gifted direction and leadership, the Baltimore Symphony has received critical acclaim for its growing artistic excellence. It has 96 full-time musicians, plays 45 weeks to 9,000 season subscribers and to a total audience last year of approximately 400,000. It is now recognized as one of the leading symphony orchestras in this country.

Joseph Meyerhoff's generosity and dedication go beyond the RP Foundation and the Baltimore Symphony. He is equally well known and highly regarded for his devotion to the community at large. He has been involved in the activities of two major local hospitals as a co-chairman of the Building Committee of Sinai Hospital and as chairman of the Planning and Building Committee of the Provident Hospital. He has also served on a number of boards and commissions of civic, municipal and state institutions, including the chairmanship of the Maryland State Planning Commission, the President of the Center Club of Baltimore, a member of the Board of the Maryland Opera Company and the Baltimore Museum of Art. He is a Past President and life member of the Associated Jewish Charities and Welfare Fund.

His support of Israel, both financially and in contributing his expertise to help develop the economy of the country and help build universities, museums and especially public libraries, has been unstinting and magnanimous. From 1961 to 1965 he was National General Chairman of the United Jewish Appeal of the United States. He is a board member of a number of cultural institutions and universities in Israel.

Mr. Meyerhoff has been engaged in real estate development for over 50 years. He served as National President of the National Association of Home Builders in 1946–47.

He now serves as Chairman of the Executive Committee of Monumental Properties, formerly the Joseph Meyerhoff Corporation, a nationally recognized company in the development and ownership of major shopping centers and apartment communities. In the Baltimore metropolitan area alone, Mr. Meyerhoff and his associates have built over 20,000 homes and apartments.

In all his areas of concern, encompassing business, culture, and philanthropy, Mr. Meyerhoff has exhibited dynamic leadership in a rare humanitarian spirit in his efforts to improve the quality of life in Baltimore City, the State of Maryland, and the entire country, as well as in Israel. For these unique qualities and achievements, the National Retinitis Pigmentosa Foundation is proud to honor Joseph Meyerhoff with its Humanitarian Award.

THE 50TH ANNIVERSARY OF LINDBERGH'S FLIGHT

Mr. HARRY F. BYRD, JR. Mr. President, 50 years ago tomorrow a 25-year-old test pilot made aviation history by flying nonstop from New York to Paris.

Charles A. Lindbergh flew alone in a single engine plane on a flight that took him approximately 33 hours.

Lindbergh and the "Spirit of St. Louis" achieved instant fame.

It was my privilege as a young boy to have known Captain Lindbergh. He stayed at our home in Virginia on a number of occasions following his transatlantic flight of May 20, 1926.

Although it was a long time ago, I remember Captain Lindbergh—subsequently colonel—as being shy and unpretentious. He liked to go quail shooting with my father.

Ironically, Lindbergh and my father's brother, Cmdr. Richard E. Byrd—later admiral—had been rivals in the effort to be the first to make a nonstop transatlantic flight. Commander Byrd's three-engine Fokker had planned to take off before Lindbergh, but the Fokker crashed on a test flight.

Commander Byrd and his crew subsequently made a 42-hour nonstop flight from New York to France, but fog over Paris made it impossible for him to land. He set his plane down in the surf off the coast of Normandy.

But it was the boyish Lindbergh who captured the public's imagination, and deservedly so. He was a skilled and cautious pilot yet his solo flight across the Atlantic in a small plane with a speed of scarcely more than 100 miles per hour was a daring and as difficult as could be conceived.

It is a privilege to salute this courageous airman on the occasion of the 50th anniversary of his historic flight.

SENATOR MOYNIHAN ON PUBLIC ADMINISTRATION AND ENERGY

Mr. RIBICOFF. Mr. President, we are in the process of examining the Government's relationship to energy. The Governmental Affairs Committee has reported out an energy reorganization bill. The President has sent an energy proposal to Congress. It is well that we look at these things as part of a whole. How we react to our energy problems may be symptomatic of how we deal with the world at large.

In a recent commencement address, Senator MOYNIHAN addressed this very issue. In his remarks, he looks at energy proposals from the perspective of public administration. He considers what they do to Government and its relationship to policy goals. These remarks are particularly timely now. I should like to share them with my colleagues.

Mr. President, I ask unanimous consent that the text of Mr. MOYNIHAN's address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMMENCEMENT ADDRESS

Although this is my first visit to Salem College, the graciousness and warmth of your welcome make me feel I have returned to a place of friendship and shared endeavour. Indeed there is a sense in which this is true, for I have returned to the academy, whence I came, this being my first address on a campus since coming to the United States Senate.

Indeed this is the first occasion of this kind since giving the Commencement address at Harvard a year ago. It seems a very long time ago. I cannot remember a word I said. I cannot even remember what those protesting my appearance said. Or rather shouted.

It has been a very long time, has it not? So much of the tumult and the shouting has died away. There has been a change of government. A new President, a new Speaker of the House. A new Majority Leader of the Senate—that extraordinary public man, as hardscrabble and as richly endowed as the West Virginia hills that nurtured him, Robert C. Byrd.

I suppose there is no way for us not to take for granted the orderliness by which Americans transfer power at election time, from one person to another, from one party to another. Very possibly the ease of the transfer of power among us is facilitated by its seeming commonplace nature. But of course it is anything but commonplace. Several years ago I was serving as our nation's ambassador to the United Nations, where there were then 142 members. We got to wondering one day just how long was the length of time in which the typical UN member had enjoyed a relatively stable government without violent overthrow or usurpation, including revolution. We decided to draw up a list and see. We put ourselves down for 199 years, Belgium for 144, France (rather generously) for 127, Australia for 74 (which is the whole of its self governing period) and so on through the UN membership. And what did the median number of years come out to be? 11 years. For the median member of the UN it has been eleven years since the establishment of the government or the last revolution. For half the membership, of course, the period was less than eleven years. It is no wonder what Oscar Wilde said of America that our youth is our oldest tradition.

The more then we may treasure having among us a man whose family's history stretches so far back into our own history, and has been so much intertwined with it, and further a man whose own personal history itself goes so far back, and is so intimately involved with our own.

I was present on the steps of the Capitol on January 20th to witness the great ceremony of the Republic, the transfer of power, the departure of the old President, the inauguration of the new one. It was a memorable experience in the whole, and yet I know that what I personally shall longest remember—shall always remember—of that occasion was the quiet comment of Jennings Randolph that the spirit of the occasion reminded him so much of the inauguration of Franklin D. Roosevelt, forty-four years earlier. For he was present on that occasion as well. The only member of the United States Congress still serving, who was serving then. And how mightily he has done that: served his nation and his state, his people, his God, with a perfect courtesy and infinite patience that is exceeded only by his determination that the will of the American people should be carried out by the Congress, as the Constitution provides. He has risen not merely to leadership in the Senate, but to authority in the American government, an authority that is essentially moral in its nature, and derives fundamentally from the quality of example and strength of character. Not long ago Salem College named a year for him. Let me, the most junior member of the great committee over which he presides, assert that he has already left his mark on an era.

These are thoughts which lead me to my brief remarks today. I have been thinking of the durability of the American political system and of those facets of political sensibility which will preserve it further. Early on—at the outset—we understood in the Constitution that power may be abused and we organized our internal defenses against such abuse. What we have not so carefully done, I fear, is to cultivate a sensibility to that deformation of a political system which arises simply from the enlargement of power. I speak not to the misuse of government, but to its growth.

This question confronts us today in an almost subtle manner, a subtlety you might say of numbers, of statistics. Without anyone having very much intended it, the size of government has grown exceptionally in recent years. So much so that even those who have desired this have evidently not been able to keep abreast of the data. In one of the first committee meetings which I attended in the Senate a representative of an important and respected national organization presented testimony on behalf on increased government spending. With a candor that is rare, but an inaccuracy which alas is not so rare, our witness declared that if his particular object should require an increase in the public sector of the economy, then so be it. The public sector, he explained, was only 32 percent of gross national product, less than of many western nations. I beckoned to a member of the committee staff and within minutes was able to inform our witness that the public sector of the United States GNP was already at 38 percent. At current rates it will surely reach fifty percent by the end of the century. One asks: will we quite recognize ourselves in such a situation? Will we quite have intended it?

This comes so much to mind as the Congress commences to deal with the President's proposals on energy. In announcing those proposals the President recalled that phrase of William James' concerning the need for a "moral equivalent to war." A splendid phrase that. And yet how ironic it would be if James' concern to support the pacifist movement of his time—a movement which must surely be credited with sensing what would be the irredeemable horror of world war which so soon was to devastate Western civilization—should now become the battle cry of a not less fatal enterprise, the irreversable growth of the power of government here in the United States. In the modern age, nothing has so much enlarged the power and scope of government as war. Should we not assume that simulated war will do as much?

A decade ago the energy sector of the American economy was almost wholly private. And energy was cheap. Gasoline by volume sold at about the price of bottled water. Far more importantly, the price of energy was not a political issue.

A state of innocence, you might say. And yet so it was, and so little distant in time. And so irretrievable. It was not our own doing that we were driven from this Eden. Large movements in world politics led to our expulsion. But there remains the question of how will we respond to the real world, with the knowledge of good and evil that has been forced upon us.

I can report one early response. I as a member of the drafting committee for the Democratic platform this last year. At one point in our proceedings we were caught up with the question of whether we would propose the horizontal or vertical divestiture of the holdings of American oil companies. I sincerely hope there was someone present who knew what we were talking about, for surely I did not. For all I knew it was a question of whether oil companies should be stood up straight, or laid on their side. Rather like coal mines. I don't the least remember what we decided, although even at the time I recalled Melbourne's remarks after a meeting of the British cabinet at which they discussed the price of wheat, or corn as they call it over there. At the end of the meeting, as the cabinet was trooping downstairs, Melbourne, who was then Prime Minister, called to them. "A minute now," he said. "Did we decide to raise the price or lower the price. It doesn't matter which, but it does matter that we all say the same thing."

His point, as I take it, was that the political process pays but little heed to the substance of these issues in the short run. But the long run is another matter. Last fall Charles Shultze, now the Chairman of President's Council of Economic Advisors, gave the Godkin lectures at Harvard University and took as his theme the extraordinary clumsiness with which American government of late has been going about the business of attaining desired social purposes. We are doing it, he said, in a systematically bad way. Whenever an issue or a problem confronts us, instead of restructuring incentives so that public goods become private incentives, we choose instead to remove the decision making power from the private sector and turn it over to the public sector. The command and control approach of a centralized bureaucracy has become, he said, virtually the only mode of American government. The result, he continued, were social interventions that are staggeringly complex, and ultimately futile.

Save, I would add, that in the end government commences to be satisfied with whatever increases its power, however little it may increase its efficacy.

The evidence of this process is daily to be encountered in press reports of the passage of the President's energy program through Congress. Only on Thursday the House Government Operations Committee resolved that the import of oil should henceforth be a government monopoly. They reversed themselves on Friday, but we shall look to tomorrow's newspapers to learn what they—we—have decided about, for we shall surely think of something, coal. Inasmuch as the price of coal in terms of energy production, or technically per million BTU's is less than one half the current price of oil, I should be wary if I lived in West Virginia.

Devising a system under which the supply allocation and price of energy becomes a matter to be determined by the national government—which is what our President has proposed and what his predecessor proposed—without vastly enhancing the power of the national government will be the most challenging task of public administration since the era of the New Deal. Only one thing may be said with certainty, which is that we shall certainly fail at this task unless from the first we conceive it in these terms.

What this comes to is a simple matter and not I hope, inappropriate to a commencement address. Freedom is not a condition of mankind: it is an achievement. It is not the gift of government: it is the genius of a people. That genius is nowhere more needed than in assessing the uses of government which will preserve freedom and enhance it. For this there is no substitute for the trained mind and the willing heart. I sense that the class of 1977 leaves Salem with just those qualities, and trust that in your journey ahead you will find the occasion from time to time to look back, and remember where it was you gained so many of the qualities that our democracy so much needs.

FLUOROCARBON PHASEOUT ANNOUNCED

Mr. HATFIELD. Mr. President, on May 11, 1977, the Food and Drug Administration, the Environmental Protection Agency, and the Consumer Product Safety Commission announced their approval of regulations to phaseout the nonessential use of fluorocarbons gases in aerosol spray products. This would affect such products as hair sprays, deodorants,

antiperspirants, colognes and perfumes, pesticides and industrial products, and household air fresheners and cleaners.

In Oregon we have a similar ban that recently went into effect, and the law is working well despite some minor problems regarding certain medical uses that I am sure have been addressed in the new Federal regulations.

We in Congress are often quick to criticize various Government agencies which we feel have exceeded their authority. I want to be just as quick to praise the people in those agencies who have recognized the serious health implications of continued fluorocarbon use, and worked on these regulations. If the aerosol lobby has a fraction of the resources and influence of the lobbyists fighting my returnable beverage container legislation, then I know that these agencies were under considerable pressure not to act on this matter.

I want to call to the attention of my colleagues the statements of the three agencies involved, and ask unanimous consent that this material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The Food and Drug Administration (FDA), Environmental Protection Agency (EPA) and Consumer Product Safety Commission (CPSC) today proposed a three-step timetable for a phaseout of non-essential uses of chlorofluorocarbons as propellants in aerosol products.

The phaseout would start October 1978 and be completed by April 1979. It would affect from a third to a half of the 2.4 billion aerosol containers sold in the United States annually. The primary affected products are deodorants, antiperspirants, hair sprays, colognes and fragrances, regulated by FDA; pesticides and industrial products, regulated by EPA; and household cleaners and air fresheners, regulated by CPSC. Most other aerosols are propelled by other chemicals.

The proposed three-step timetable for eliminating chlorofluorocarbons as propellants is as follows:

As of October 15, 1978, no company may manufacture chlorofluorocarbons for use in aerosol products.

As of December 15, 1978, companies must stop using chlorofluorocarbons as propellants in aerosol products.

As of April 15, 1979, products containing chlorofluorocarbon propellants may not be introduced into interstate commerce. Products already on the market on this date will not have to be recalled.

The basis for the proposed action is that chlorofluorocarbons can reduce the ozone shield, a gaseous belt extending 10 to 30 miles above the Earth that filters out harmful ultraviolet radiation from the sun. Scientists reason that reduction of this filter may lead to an increased incidence of skin cancer, altered crop yields and other adverse environmental effects.

The proposed action would eliminate about 60 percent of all chlorofluorocarbon emissions in this country. The remaining 40 percent of chlorofluorocarbon emissions come from non-propellant uses, such as in air conditioners and refrigerators. Regulations dealing with non-propellant uses will be proposed by the FDA and EPA next year.

Last month, FDA, EPA and CPSC took the first coordinated steps toward phasing out the use of aerosol products propelled by chlorofluorcarbons. FDA ordered that such aerosols containing foods, drugs and cosmetics that are shipped in interstate commerce after October 1977 must carry a label warning about the risk of ozone depletion. CPSC asked for public comment on a proposal which will require the same label warning for products under its jurisdiction. EPA ordered that chlorofluorocarbons be identified on the labels of all pesticides containing the chemical.

The labeling actions are intended to encourage voluntary cutbacks by consumers in the use of these products while the mandatory phaseout is taking place.

FDA regulates about 85 percent of all products using chlorofluorccarbons as propellants in the United States. CPSC and EPA regulate the remaining 15 percent.

The regulations proposing the phaseout will be formally issued by FDA and EPA. CPSC has been working with the two agencies and has agreed to let EPA propose the phaseout under the newly-enacted Toxic Substances Control Act, since the Act gives EPA broad authority over aerosols and renders action by CPSC unnecessary.

Exempted from the proposed ban will be essential aerosol products in which the use of chlorofluorocarbon propellants is necessary, such as over-the-counter drugs intended for inhalation therapy for bronchial asthma, contraceptive vaginal foams, cytology fixatives (medical devices used in a diagnostic procedure for cancer), all regulated by FDA; and a mine safety warning device, release agents for certain plastic molds, and some flying insect sprays, all regulated by EPA.

The three agencies recently announced their intentions to phase out chlorofluorocarbons in aerosol products and to require the interim labeling. The commitments were made in response to the National Academy of Sciences report, issued in September 1976, affirming that chlorofluorocarbons rise into the stratosphere and affect the ozone layer. The theory was first advanced by scientists in 1974.

EPA estimates that the aerosol industry may lose $169 million to $267 million a year for each of the four years after the ban takes effect. Consumers, however, may save $58 million to $240 million a year because products that do not contain chlorofluorocarbons typically sell for 8 to 19 cents less than their chlorofluorocarbon-propelled counterparts.

FDA's proposed phaseout regulations will be published in the Federal Register May 13, 1977. Comments will be accepted for 60 days and may be sent to Hearing Clerk, Food and Drug Administration, Room 4-65, 5600 Fishers Lane, Rockville, Maryland 20857.

EPA's proposed phaseout regulations will be published in the May 13, 1977 Federal Register. Comments will be accepted until July 15 and may be sent to Ms. Joni T. Repasch, WH-557, 401 M Street, SW., Washington, D.C., 20460. EPA plans an informal hearing on its proposed regulations August 1 at 9 a.m. at EPA headquarters.

FDA will allow 30 days after that hearing for public comment on additional information brought out at the hearing that may affect FDA's regulations.

STATEMENT BY DONALD KENNEDY

Under a cooperative plan to be carried out simultaneously by three regulatory agencies, the Federal government is proposing dates and deadlines for a mandatory phaseout of all non-essential uses of chlorofluorocarbons in aerosol products. We propose the phaseout to begin in October 1978 and to be completed by April 1979.

The phaseout is necessary in the face of scientific confirmation that continued nonessential uses of chlorofluorocarbons may pose an unnecessary and, therefore, unacceptable risk to individual health and to the earth's environment.

Chlorofluorocarbons presently are used as propellants in a third to a half of the 2.4 billion pressurized product containers sold each year in the United States.

The Food and Drug Administration regulates products using about 85 percent of the chlorofluorocarbons used in the United States as aerosol propellants. The Consumer Product Safety Commission and Environmental Protection Agency control the remaining 15 percent.

The proposed program we are announcing today was developed jointly by these three agencies.

If adopted without change after a required period for public comment, the phaseout will follow a three-date timetable:

First, as of October 15, 1978—18 months from now—no company may manufacture chlorofluorocarbon propellants for nonessential uses in foods, drugs, cosmetics, household cleaners, pesticides and other products regulated by the three agencies.

Second, as of December 15, 1978—about 20 months from now—all companies must stop using existing supplies of the chemical in making aerosol products regulated by the three agencies.

And, finally, as of April 15, 1979—slightly less than two years from now—all stock still containing the banned propellant and regulated by these agencies can no longer be shipped in interstate commerce.

We are taking a coordinated approach to the phaseout to avoid duplication and overlap, to prevent gaps in product coverage, and to promote the efficient application of differing regulatory laws.

We are not acting against aerosol products per se. Many products using other propellants—such as carbon dioxide—will not be affected by these regulations.

During April, the FDA, CPSC, and the EPA all took the first preliminary steps toward the phaseout. During that month, the FDA ordered a warning label on all appropriate food, drug, and cosmetic aerosols to begin in October 1977; the CPSC asked for comment on a similar proposal affecting household aerosols; and EPA orderd that chlorofluorocarbons be identified on the labels of all pesticides containing the substance.

In all three cases, the labeling actions are intended to encourage voluntary cutbacks in consumer use of aerosol products containing chlorofluorocarbons.

The labeling also should give industry both time and incentive to change voluntarily to other aerosol propellants or to non-aerosol packaging of their products before the phaseout becomes mandatory.

This combined government effort to eliminate chlorofluorocarbon use is based on evidence that these compounds, released from hair sprays and deodorants and household cleaners and many other products, destroy ozone in the upper atmosphere. In so doing, they subject all of us to an increased risk of skin cancer and to an increased risk of environmental change that might include altered climate and adverse crop conditions.

The theory behind today's actions, first offered in 1974 and confirmed in 1976, is that chlorofluorocarbons gradually drift upward through the atmosphere until they reach the ozone. This gaseous belt which extends from 10 to 30 miles above the earth screens out ultraviolet radiation from the sun. When the chlorofluorocarbon molecules reach the ozone area, they are split apart by ultraviolet radiation and the resulting chlorine atoms destroy ozone. A reduction in the ozone layer would permit potentially damaging ultraviolet radiation to pass through the screen and reach the earth.

When in 1976, a National Academy of Sciences study confirmed the theory of ozone depletion, the scientists involved could not pinpoint the amount of depletion. They estimated that the ultimate ozone reduction, if chlorofluorocarbon use were to continue

indefinitely at present levels, was relatively certain to be between two and twenty percent of the present amount.

The NAS study left us with one clear fact and one large uncertainty about the depletion problem. The clear fact is that chlorofluorocarbons do destroy ozone. The large uncertainty is how much of this destructive process is going on and how rapidly is it taking place.

If we take the estimate of an ultimate two percent depletion, the result in terms of skin cancer alone could ultimately be an additional 12,000 cases per year in the United States.

If the eventual reduction in ozone were confirmed to be 20 percent, then we in the United States might ultimately expect up to 120,000 new skin cancers a year.

And these figures are for this country alone. No nation is immune from the effects of ozone depletion, because it affects the entire earth's atmosphere.

The FDA believes that even a two percent reduction of the protective ozone layer is intolerable.

Some people argue that, since we still do not know how much—or how little—the ozone is being affected, we should wait for further study before we act.

The trouble with this argument is that scientists now estimate the total ozone is now being reduced as the result of chlorofluorocarbon residues released in years past. It is estimated that even if we stopped all chlororfluorocarbon emissions tomorrow, the chlorofluorocarbons already in the atmosphere would continue to eat away at the ozone layer for a least another decade.

Even if all nations were to stop chlorofluorocarbon production tomorrow, we may have yet to feel the full impact of chlorofluorocarbon emissions during the past 10 to 20 years.

But as the NAS committee emphasized, the amount of chlorofluorocarbon added in any single year has only a small effect on the total amount of ozone depletion. Thus, there will be no climate change overnight, and no immediate dramatic change in the skin cancer rate, as a result of the ozone depletion that has taken place so far.

Our concern is for the future. Unless we begin now in orderly and deliberate fashion to deal with this issue, then those who come after us may suffer. And the fault would be our own timidity and shortsightedness.

Science has given us clear evidence of the *need* to act. The Congress has given our agencies clear *authority* to act.

We, therefore, commend to public comment and support the actions we propose today. We judge these actions to be a prudent and proper response to the problems of human health and safety imposed upon our world by a chemical introduced and used in innocence but now apparently both insidious and destructive.

Clearly, the actions that we propose are not the total answer. While the measures we are announcing today represent a good start by this country to reduce the hazard, it will be necessary for worldwide action to eliminate it. Toward this end, two weeks ago FDA, EPA and CPSC co-sponsored an international conference on chlorofluorocarbons and, we hope, made a start toward a global effort to reduce chlorofluorocarbon use.

I would now like to call on John Byington, CPSC Chairman, and Douglas Costle, EPA Administrator, for further explanation and comment.

PRESS CONFERENCE STATEMENT BY EPA ADMINISTRATOR DOUGLAS M. COSTLE

Good morning. The EPA regulations are being issued under the new Toxic Substances Control Act and have been developed cooperatively with the Food and Drug Administration and the Consumer Product Safety Commission. The EPA regulations will affect household products such as pesticides, cleansers, air fresheners, waxes and polishes. Industrial uses such as lubricants and battery sprays will also be regulated.

We expect that the economic impact of the combined EPA–FDA regulations will be twofold. On the one hand, the cost to industry will range from about $169 to $267 million a year for the four year period beginning in the fall of 1978. On the other hand, the consumer could end up saving from eight to nineteen cents on each product because alternatives are expected to be less expensive. We estimate the total savings for consumers will range from $58 to $240 million a year.

In preparing these regulations, we looked closely at the economic impacts of the proposed 18-month phase out schedule as compared to a six-month and a 30-month schedule. A six-month schedule would have caused significantly larger impacts because of industry's inability to produce alternative products within that time frame. Extending the compliance schedule to 30 months, however, would not have significantly reduced the impacts. We believe that the 18-month phase out schedule will permit an orderly transition to available alternatives without causing undue economic hardship to industry or the consumer.

As an interim measure, EPA has also required that all pesticide products containing certain chlorofluorocarbons produced after April 15th of this year say so prominently on the front label. This labelling requirement at least gives the consumer an opportunity to decide for himself whether to buy a product containing these chlorofluorocarbons.

In addition, EPA plans to issue proposed regulations in June 1978 for nonpropellant chlorofluorocarbon uses such as in air conditioners and refrigerators.

In the regulations proposed today, certain "essential" uses will be excepted. These are a mine safety warning device plastic mold release agents, and flying insect sprays used on airplanes and in commercial food-handling areas. These and FDA's exemptions make up two to three percent of the total aerosol propellant use in this country.

The United States is a major producer and user of chlorofluorocarbons, but obviously the problem of ozone depletion is not limited solely to this country. And our actions alone will not solve the problem. Ozone depletion is truly a global problem which will require international cooperation and action.

We have just completed a three-day meeting here in Washington with eleven of the other major world producers and users of chlorofluorocarbons and five international organizations. We explained the regulatory actions that we are taking and shared with them the information we have on the economic effects of using alternative propellants. We feel confident that the meeting laid the groundwork for additional discussions and future cooperation.

The actions we are proposing today represent a major step toward protecting the earth's ozone layer. EPA is pleased to have been involved in this cooperative effort.

STATEMENT BY S. JOHN BYINGTON

On November 22, 1976 the U.S. Consumer Product Safety Commission decided that regulatory action was needed on chlorofluorocarbons in aerosol consumer products. At the time we also indicated that we were aware that the Environmental Protection Agency (EPA) planned to regulate non-essential uses of chlorofluorocarbon propellants under the Toxic Substances Control Act, and that EPA's action might preclude the need for our own regulation.

Today we are announcing an agreement with the Environmental Protection Agency under which EPA will utilize the Toxic Substances Control Act to regulate the same products which would have been affected by our regulatory action under the Consumer Product Safety Act. CPSC will therefore terminate development of its proposed regulation so as to avoid duplication of effort, although we will proceed with the labeling requirements of aerosol products utilizing chlorofluorocarbon propellants as we proposed on April 29, 1977.

The Consumer Product Safety Commission will continue to work closely with the Environmental Protection Agency, the Food and Drug Administration and other concerned regulatory bodies, to ensure an orderly and efficient phase-out of the non-essential uses of chlorofluorocarbons.

Copies of the CPSA/EPA Memorandum of Understanding are available upon request from the Office of Public Affairs, Consumer Product Safety Commission, 1111 18th St., N.W., Washington, D.C. 20207. Telephone (202) 634–7780.

COL. WILLIAM J. RUSHTON, MAN OF THE SOUTH

Mr. TALMADGE. Mr. President, each year, Dixie Business magazine, edited by Mr. Hubert F. Lee, of Decatur, Ga., names an outstanding southerner as "Man of the South."

Col. William J. Rushton, chairman emeritus of the Protective Life Insurance Co. of Birmingham, Ala., was named for this 1976 honor. This is a well deserved tribute to one of the South's most distinguished citizens and leaders.

I ask unanimous consent that the Dixie Business article on Colonel Rushton be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WILLIAM J. RUSHTON: MAN OF THE SOUTH FOR 1976

(By Hubert F. Lee)

Colonel William J. Rushton, Chairman Emeritus and a director of Protective Life Insurance Company, has been honored as the Man of the South 1976.

Colonel Rushton was named from the 200 Living Leaders on the South's Hall of Fame for the Living honor group, which included Jimmy Carter who was named the "A Great American."

The editors of Dixie Business seek to honor notable men who have contributed to the South during their lifetime, so they personally derive some satisfaction in knowing their work has been appreciated by their contemporaries.

Colonel Rushton was presented the Man of the South award at the Birmingham Rotary Club by Rotarian Hubert F. Lee on November 24, 1976.

It was fitting that Colonel Rushton should be honored at the Birmingham Rotary Club.

His father, the late J. Frank Rushton, was president in 1916–1917.

His brother, the late Allen Rushton, was president in 1962–1963.

His nephew, Allen D. Rushton was president in 1973–1974.

Colonel Rushton was president in 1952–1953.

And his son, William J. Rushton, III, is a member of the club.

Colonel Rushton is the sixth member of the Birmingham Rotary Club to be named Man of the South since Thomas W. Martin was named in 1946.

The six: Thomas W. Martin, 1946; Donald Comer, 1947; Frank P. Samford, 1958; J. Craig Smith, 1970; Robert Jemison, Jr., 1971; and Col. Wm. J. Rushton, 1976.

Mayor David Vann issued a proclamation declaring November 24, 1977 as Colonel

William J. Rushton Day in Birmingham calling on all citizens to honor him for his half century of Distinguished Public Service.

Charley Clayton, retired president, and Robert L. Stewart, president of Liberty National Life Insurance Company, were my guests at the luncheon and Charley came by the Kaler Plaza Hotel, drove to the Liberty National Life building to visit with old friends and then on to Rotary.

When Charley Clayton was a Boy Scout, Colonel Rushton told him he would buy Charley a dinner if he became an Eagle Scout. Charley Clayton and Gerald Ford are two of the nation's top Eagle Scouts today. He is a member of the Boy Scouts National Executive Board.

Charley wrote, "I would like to second the nomination of William J. Rushton . . . he has been connected with almost everything that has been good in our community."

On the dais were J. Craig Smith, Man of the South for 1970, who on November 11, 1977 received the first Free Enterprise Award from the Agricultural Appreciation Day in Huntsville, Ala. the latest of many.

Also John A. Hand, Chairman Emeritus of the First National Bank of Birmingham and a great civic leader for many years, who has been named to the South's Hall of Fame for the Living honor group. After the luncheon, John showed Colonel Rushton and I through the new bank building.

Bishop Carl J. Sanders delivered a stirring Thanksgiving message, after Colonel Rushton received the Man of the South Award.

Crawford Johnson, III, president of the club and a grandson-in-law of the late Robert Jemison, Jr., and president of the Birmingham Coca Cola Bottling Company, introduced me.

Roy Hickman and Frank Spain, both past president of Rotary International and members of the South's Hall of Fame honor group, were there.

I was the guest of Frank Spain at the Birmingham Rotary Club the day after the late Frank P. Samford was presented the Man of the South for 1959 at the Birmingham Country Club.

Before Colonel Rushton was named Man of the South, Frank Samford, Jr., said that naming Colonel Rushton was a terrific idea and that the past Man of the South honorees would be honored to have Colonel Rushton added to the list.

Clyde Porter, Secretary of Alabama By-Products Corp., was at Rotary.

On June 2, 1959, Clyde wrote, "I would like to propose Colonel William J. Rushton for consideration next year. Bill is president of Protective Life, a long time head of the Army Ordnance District, a hard worker for Southern Research, a trustee of Southwestern and a fellow elder in the First Presbyterian Church. . . ."

I was guest of Clyde Porter's at the Birmingham Kiwanis Club many years ago when Thomas D. Russell was the speaker. His father, the late Benjamin Russell was the first President of the Alabama Chamber of Commerce in 1937.

My friend, the late Allen Rushton, then president of the Birmingham Ice and Cold Storage Company, under date of November 9, 1959, wrote:

"I am also pleased to note that you have written my brother, Bill Rushton, as I believe he richly deserves to be included in the Honor Group list.

"He, too, has performed a great many unselfish tasks and has made a very fine name for himself throughout this entire area. . . ."

Donald Comer, Jr., Chairman of Avondale Mills, whose father was Man of the South for 1947, wrote: "Colonel Rushton is one of my favorite people."

Emory Cunningham, who received the Publisher of the Year Award for outstanding achievements in publishing Southern Living and Progressive Farmer, wrote: "Bill Rushton is an effective, dedicated business leader. I know of no one who has a more genuine interest in helping the South move forward. . . ."

Alexander Nunn, a founding managing editor of Southern Living, who recruited thousands of Lone Scouts through Progressive Farmer after the merger with the Boy Scouts in 1924, said, "I don't think you could have done better. . . ."

Dr. J. McDowell Richards, the Man of the South for 1967 and president emeritus of Columbia Theological Seminary, said, "I think Colonel Rushton is worthy of the honor. . . ."

Jack W. Warner, chairman of Gulf States Paper, who was Master of Ceremonies on Sept. 14, 1976 when Harry Mell Ayers, John Cecil Persons, Frank Maxwell Moody and Joseph Linyer Bedsole were inducted into the Alabama Business Hall of Fame at the University of Alabama, said; "I very much approve of Colonel Rushton's selection. . . ."

Joseph A. Farley, president of Alabama Power Company, who succeeded Thomas W. Martin to the honor group, wrote: "Certainly there is no finer person or businessman in our area than Colonel Rushton. . . ."

John A. Hand, chairman emeritus of the First National Bank of Birmingham and an Academy of Honor honoree, wrote on July 30, 1976:

"I write you to nominate Colonel William J. Rushton for Man of the South for 1976. I have never known a man that did more for the City of Birmingham than Colonel Rushton."

John sent a copy of the Alabama News Magazine for July 1976 that had the Colonel's picture on the front cover and many clippings about his retirement on June 30, 1976, etc. John wanted to give the Colonel a big dinner but the Colonel was to modest to want one.

Leslie S. Wright, president of Samford University, said: "Colonel Rushton is truly a man of the South." Wright was giving his wife a birthday party at the Club the evening of Nov. 23, 1976 when Colonel Rushton took me up the 1,300 feet of Red Mountain for dinner.

Like Birmingham's The Green, and the Liberty National Green, the Club is one of the world's show places. I dined at the Club years ago with the late Mark Hodo, my good friend and associate editor for 40 years.

Irving Beiman, Dean of Business News Editors' was at Rotary. His 3-column report was encored in the last issue of Dixie Business.

COMMUNITY CHEST HONOR

When Colonel Rushton was made the First Honorary member of the Birmingham Community Chest on January 24, 1958, Thomas W. Martin the Man of the South for 1946 made the presentation.

Mr. Martin said:

Of the Community-mindness and social concern, as well as of the zeal and ability, which have qualified Colonel Rushton for this recognition it may be said with the Bible, "We can but speak the things which we have seen and heard." (Acts 4: 20)

His works have been inspired in him not only by the scene and environs of his own active, successful life but in unceasing awareness of generations nobly in service before him, a father and mother, a pioneering grandfather,—God loving, family-loving—country loving all.

They were great citizens of the community—made so by the causes they sponsored and carried to fruition, and by the high light of their personal lives.

The grandfather whose name he bears established a tradition of business success, civic concern, cultural appreciation, social awareness and a helping hand to those bufeted by life.

As is said of his grandfather, he is a man of keen literary taste, he is a scholar fit to mingle and to hold his own with erudite.

In manner he is the most courtly of gentleman.

In these recognitions the community chest cites William J. Rushton good citizen, good businessman, good Samaritan.

The great Protective Life stands as a monument to Colonel Rushton's acumen and business genus.

J. Craig Smith, Alabama Newcomen Chairman, in introducing William F. Rushton, III, at the Newcomen dinner on September 29, 1976, said:

Nineteen years ago, the distinguished father of our speaker addressed the Newcomen Society. His subject was the Governor's Company's First 50 years. Many of us feel that the Colonel's Company would have been a more accurate description.

Protective Life was founded by Governor William D. Jenks in 1907, who wanted to keep the insurance money in the South.

His board of directors included: Craig Smith, (father of the Man of the South for 1970) E. W. Cabaniss, Dr. W. D. Harrison, Robert Jemison, father of the Man of the South for 1971, and George Malone of Dothan, grandfather of Wallace Malone, Jr. president of Southern Bancorpation.

Protective Life survived the panic of 1907, and in 1915 moved from a one story location to a two story building at 2112 First Avenue, North, and the next year, 1916 paid its first dividend.

In 1923, 14 story building was built on 1st Avenue and 21st Street at a cost of $900,000 which John Temple Graves termed a cathedral of business. A. Thomas Bradbury, Atlanta famed architect for the Governors' Mansion and other notable buildings, then a young architect with Warren, Knight and Davis, helped on the building.

Colonel Rushton was head of his family's Birmingham Ice and Coal Storage Company when he was called to become president of Protective Life in 1937.

Colonel Rushton was leading ice man in the nation then, having served as head of National Association Refrigerated Ice Warehousemen's Association.

As his son told the Newcomen Society on September 29, 1976, the Colonel believed that Protective Life is not only the best in the world, but it is almost the only Company in the world.

When Colonel Ruston moved up to Chairman and CEO in 1967, I wrote in my column in Dixie Business:

Rushton—After 30 years as president of Protective Life, our good friend Colonel William J. Rushton has advanced to Chairman and CEO.

And in a Like Father-Like Son promotion, his son, William J. Rushton III, was elected president at the 60th annual meeting.

Present assets exceeded $150 million while life insurance in force is over $1,750,000.00.

On June 30, 1976, when Colonel Rushton retired and became Chairman-Emeritus and director, assets exceeded $300 million and life insurance in force exceeded $4.7 billion with offices in 34 states and the District of Columbia.

Directors today include William J. Rushton, J. Craig Smith, R. A. Monagham, Richard J. Comer, William J. Rushton, III, Alvin W. Vogtle, Jr., Henry C. Goodrish, John S. Shaw, Jr., Hall W. Thompson, John W. Woods, Crawford T. Johnson, III, Alen T. Drennen, Jr., William J. Cabaniss, Jr., Emil Hess.

DISTINGUISHED MILITARY CAREER

Colonel Rushton's distinguished military career began when at 17 he enlisted in the U.S. Army infantry.

He was discharged at the end of the war as a Sergeant.

He enlisted in the U.S. Army Reserves, where he earned a commission as Second Lieutenant. He was promoted to Captain and then Major, ranked to Captain and then Major, the rank he held when called to active duty in 1940.

He was assigned to the staff of Major General Hershey, director of Selective Service.

He was transferred to the Army Ordnance Corps in 1942, and in time was promoted to Lt. Colonel, and then Colonel, becoming Commanding Officer of the Birmingham Ordnance District, which directed all ordnance procurement activity in eight Southern States during World War II.

At the close of the war, he was awarded the Legion of Merit and several citations from the Chief of Ordnance and Secretary of the Army for his outstanding military services.

Colonel Rushton, in the Spring of 1946 (the year Thomas W. Martin was named the first Man of the South) was persuaded to take the post of Civilian Chief of the Birmingham Ordnance District which he held until he resigned in August 1955.

Colonel Rushton's distinguished career spanned three wars—World War 1, 2 and the Korean War—covering himself with glory in each.

Colonel Rushton has had a life of three careers—military, Birmingham Ice and Cold Storage and building the great Protective Life Insurance Company.

In addition he has contributed vastly to scouting, his church, Community Chest, and many other civic activities.

ELDER EMERITUS

Colonel Rushton was honored by the congregation and the session of the First Presbyterian Church on December 31, 1972 as Elder Emeritus.

At that time his pastor, the late Dr. Edward C. May, said:

"Ruling Elder William James Rushton, on October 29, 1972 this congregation honored you and itself by electing you to the office of Elder Emeritus, and today we give formal recognition to your entrance upon that new relationship."

Even before you were born your heritage in this church was established by your parents and your grandparents. Here you were presented for baptism as an infant, here you were nurtured in the Christian faith; here you professed your faith in Christ and entered communicant membership on January 1, 1911; here you were ordained to the office of Deacon on January 30, 1927, and to the office of Ruling Elder on October 13, 1935, and here you have served across the span of your whole lifetime, giving generously of your time, your substance, and your considerable talents, responding to your church's call to serve in a variety of roles from church school teacher, to Scout Master, to building committee chairman. Moreover you have also served your denomination by taking responsibilities in the Presbytery, the Synod and the General Assembly.

Every task you have done for the church has been marked by your thoroughness, your knowledgeableness, and your insistence that nothing but excellence should be offered for God's service.

In all things you have shown yourself to be a churchman of the first order, devoted to the accomplishment of that which you perceive to be the best interest of the Lord Jesus Christ.

PROCLAMATION

City of Birmingham, Alabama.

Proclamation

Whereas, Colonel William J. Rushton, a leader of Birmingham for more than half a century, has been named the "Man of the South" for 1976, and

Whereas, Colonel Rushton is to be presented the Man of the South for 1976 today at Birmingham Rotary Club by Colonel Hubert F. Lee, editor of Dixie Business since 1929 and founder of the South's Hall of Fame for the Living and a Rotarian, and

Whereas, Colonel Rushton was inducted into the Alabama Academy of Honor and,

Whereas, Colonel Rushton has honored Birmingham, his church, his scout troop, his Rotary Club and other organizations by his life of civic service above the call of duty, and is the fourth member of his family to serve as President of the Birmingham Rotary Club, and

Whereas, Colonel Rushton was named to the South's Hall of Fame for the Living, the honor group limited to two hundred Living Leaders, from which he was named the 31st Man of the South

Now therefor, I, David Vann, Mayor of the City of Birmingham, Alabama, do hereby Proclaim November 24, 1976 as Colonel William J. Rushton Day and urge all Citizens of this City to honor Colonel William J. Rushton for his service for half a century.

In witness, I have hereunto set my hand and caused the seal of the City of Birmingham, Alabama, to be affixed this 24th day of November 1976.

IF ANYONE CARES TO NOTICE

Mr. MATHIAS. Mr. President, the Chesapeake Bay is our Nation's largest estuary and one of its most precious natural resources. It is the crowning glory of Maryland and Virginia—the States that share its bounty.

Today, pressures of urbanization threaten the Bay, and the time is overdue for a national effort to protect the Bay. Hundreds of concerned citizens, including myself, have long been working toward this end, but progress has been slow. Now, almost as if by Divine Providence, assistance has come to the Bay from a totally unexpected source.

It comes in the form of a Pulitzer Prize-winning book, "Beautiful Swimmers", written by William W. Warner about the Bay's crab population. Mr. Warner's fascinating account of Bay life has captured the imagination of the entire Nation. His book is sheer delight to read and I commend it to my colleagues. It has also performed the added and timely service of focusing national attention on the Bay at a crucial period in its history.

On Sunday, May 15, the Baltimore Sun, which has itself done an extraordinary job in researching and reporting the Bay's problems and perils, published an encomium to William Warner and his "Beautiful Swimmers." I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IF ANYONE CARES TO NOTICE

William W. Warner's book, "Beautiful Swimmers" will give many Marylanders, some for the first time, a sense of what a beautiful and complex—and sometimes puzzling—place the Chesapeake Bay is.

The volume, which won a richly deserved Pulitzer Prize, is much, much more than a compendium of information. It is a work of ecology in the broadest sense of that word, for although it avoids the jargon of science, it tells the reader of the relatedness of the things of the bay: of the eel grass and the crabs, of the watermen and the types of craft in which they pursue their lonely trade, of the winds and the tides, even of the water and the salt dissolved in it.

Mr. Warner's point of departure is the blue crab, *Callinectes sapidus*. (Callinectes means "beautiful swimmer" in Greek and furnished the title.) And although the book is about crabs, both exhaustively and fascinatingly so, it also is about a great deal more.

Perhaps most of all it is about the people whose lives are most intimately involved with crabs. The complex mixture of experience and intuition which tell the watermen where to look for crabs and what bait to use; the incredible dexterity of the women who make their living extracting the meat from the crabs—it is all there for those whose lives and livelihood are connected to the bay in less direct ways.

If for no other reason (and there are others), "Beautiful Swimmers" deserves lasting recognition for the love and concern it shows for the bay and its people. Although the book is anything but an environmentalist polemic, Mr. Warner conveys throughout it a feeling that what he is describing is a way of life that could end one day not far in the future. It is near the final pages that he becomes most explicit:

". . . It occurred to me that whether or not a good crop of crabs came up that year or any year . . . didn't really depend so much on the weather, the price of crabs or oysters and other things that men talk about around the picking plants or shucking houses. There were those other factors. Coliform bacteria indices, atomic plant pass-throughs, siltation-caused reduced photosynthetic capabilities, oxygen deprivation, nutrient loading and the doubling rate.

"They all had those long names and I doubted many watermen understood the full threat of their quiet and insidious workings. Perhaps it was easier to put it the way they do. You look hard at the water and sometimes it seems like it's getting a little old and tired, a little messy. Simple as that; if anyone cares to notice."

RESEARCH AND DEVELOPMENT OF ALTERNATIVE SOURCES OF ENERGY

Mr. HOLLINGS. Mr. President, on May 11, 1977, the South Carolina General Assembly passed a concurrent resolution memorializing the Congress to enact such legislation as will encourage research and development of alternative sources of energy for the purpose of insuring that sufficient supplies of energy will be available in the future in all parts of the United States regardless of season.

On behalf of the senior Senator from South Carolina (Mr. THURMOND) and myself, I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

A CONCURRENT RESOLUTION

Whereas, the winter of 1976–77 has been one of the worst winters in the history of the United States; and

Whereas, because of this harsh winter, severe shortages of energy have developed in many parts of the country; and

Whereas, parts of the northeast, midwest and south have in particular experienced severe shortages of natural gas; and

Whereas, this shortage has put thousands of people temporarily out of work and has threatened the health and safety of huge segments of our population; and

Whereas, even if more natural gas and other available energy supplies can be located and provided to consumers, it will be necessary in the long run to develop alternate sources of energy if a recurrence of the current energy crisis is to be prevented.

Now, threfore, be it resolved by the House of Representatives, the Senate concurring:

That the Congress of the United States be memorialized to enact such legislation as will

encourage research and development of alternate sources of energy for the purpose of insuring that sufficient supplies of energy will be available in the future in all parts of the United States regardless of season.

Be it further resolved that a copy of this resolution be forwarded to the President of the United States, to each United States Senator from South Carolina, each member of the House of Representatives of Congress from South Carolina, the Senate of the United States and the House of Representatives of the United States.

LOCKS AND DAM 26—THE REHABILITATION ALTERNATIVE

Mr. WALLOP. Mr. President, yesterday the Committee on Environment and Public Works and the Committee on Commerce, Science, and Transportation jointly filed a report on S. 790, an important bill addressing both the reconstruction of Locks and Dam 26 on the Mississippi River and the imposition of waterway user charges.

With that report, several of my colleagues on the Committee on Environment and Public Works filed additional views expressing their support for a provision that was adopted in subcommittee, but deleted in full committee. That subcommittee provision would have authorized the President to undertake an 18-month study of the rehabilitation alternative for Locks and Dam 26. I favor such a study.

However, neither the distinguished Senator from Colorado (Mr. HART) nor I were available yesterday at the time to sign these views, although we support them. I therefore ask unanimous consent that these additional views, together with the names of all six signers, be printed in the RECORD.

There being no objection, the additional views were ordered to be printed in the RECORD, as follows:

ADDITIONAL VIEWS

We voted to report S. 790. In its overall impact, we believe it is a sound and reasonable approach to the future of the inland navigation program. During Committee consideration, we also voted to sustain the Subcommittee's recommendation, which provided an opportunity to obtain major cost savings at Locks and Dam 26.

During Committee testimony, the Secretary of Transportation and the Director of Civil Works for the Army Corps of Engineers both stated their belief that a potential savings of many millions of dollars—possibly well over half the project's estimated cost of $421,000,000—could be obtained if the existing locks and dam were safely rehabilitated.

Secretary Adams testified: "The conclusion reached by our engineers is that there are lower-cost approaches for rehabilitation of the existing dam which ought to be tested before a final decision is reached. Our engineering task force is of the opinion that there is no useful purpose to be served by any further paper studies on this question. Their recommendation is that, as early as possible, engineering investigations be undertaken in a way which will let us experiment with the techniques and measures that are in question. Secretary Alexander and I have discussed this recommendation and have concluded, especially in view of the possibility of significant savings if rehabilitation proves feasible, that it should be tried.

"In his testimony, General Graves of the Corps will provide you with more details on specifically what is involved. In taking this course, we believe it will be possible to determine for $10 to $15 million—a low cost relative to the costs of rehabilitation or replacement—whether the lower cost alternative rehabilitation methods are, in fact, feasible. If these measures do turn out to be feasible, we can go ahead with the rehabilitation of the existing structure. This rehabilitation could well include provision of a 1,200-foot lock. A final decision on the level of capacity to be provided in a rehabilitated dam cannot be made, however, until further engineering work has been completed.

"On the other hand, if the results of this experiment show that the less expensive ways of rehabilitating the dam do not work, then we can turn to the construction of a new facility with the certain confidence that we have not overlooked an opportunity to effect significant savings.

"As far as legislation on Alton Locks and Dam are concerned, then, I have the following specific recommendations:

"The Congress should postpone a decision on rehabilitation or replacement until the engineering questions have been resolved.

"Any future authorizing legislation should contain a prohibition against a 12-foot channel project on the upper Mississippi River and provide for additional economic and environmental study of future transportation needs of the upper Mississippi and Illinois regions.

"There should be action by the Congress to enact a fair and effective system of waterway user charges."

The Subcommittee on Water Resources adopted the Secretary's recommendation, including, as a new Section in the bill, the following language:

"SEC. 4. Prior to the initiation of construction of a new, single lock and dam at Locks and Dam 26, authorized by section 3 of this Act, the President, acting through the Secretaries of Army and Transportation, shall study the alternative of rehabilitating the existing structure and expanding its capacity by constructing a new 110-foot by 1,200-foot lock in the center of such existing structure or such other alternatives as the Secretaries determine are appropriate to assure adequate, efficient, and safe navigation. Within eighteen months after enactment of this Act, the President shall report his findings to the Congress on whether rehabilitation or some other alternative is preferable to the project authorized by section 3 of this Act in the interest of efficient and wise use of Federal expenditures, recognizing the need for adequate, efficient, and safe navigation. If the President determines and so reports that rehabilitation or some other option is not in the best interest of the United States, the President shall direct the Secretary of the Army, acting through the Chief of Engineers, to proceed with the construction of the new facility, as authorized by section 3 of this Act. If, however, the President determines and reports that rehabilitation appears feasible, reasonable, cost-effective, and in the national interest, he shall so state in his report to Congress, and there shall be a period of one hundred and twenty legislative days in which Congress may act to modify the authorization in section 3 of this Act. If the Congress fails to act within one hundred and twenty legislative days thereafter, the President shall direct the Secretary of the Army, acting through the Chief of Engineers, to proceed with such rehabilitation or other alternative at Alton, Illinois, that the President determines appropriate."

We believe this is a reasonable approach. The existing structure is not in danger of collapse, according to the testimony of the Corps. The Corps is undertaking remedial work necessary, in any case, before any new facility can be used. We, therefore, voted against immediate reconstruction of Locks and Dam 26. We believe an in-the-field investigation of alternatives, including the inclusion in the existing dam of new capacity greater than that created at the new facility, would establish the information needed to determine the best, most efficient, and economical approach in the interest of the American taxpayer.

ROBERT T. STAFFORD.
JAMES A. MCCLURE.
PETE V. DOMENICI.
GARY HART.
JOHN H. CHAFEE.
MALCOLM WALLOP.

DOCUMENT CONTROL SYSTEMS FOR SENATE COMMITTEES

Mr. STEVENSON. Mr. President, the Temporary Select Committee to Study the Senate Committee System has concluded its business with a series of final recommendations to improve the operation of Senate committees. None is more promising than the proposal that the Senate establish a uniform, automated document control and microfilm records system for use by all committees.

The Senate suffers serious lapses in institutional memory because it has neglected to develop efficient information systems. Paper files, which have long been used by most Senate offices, consume enormous space, provide few access points to information, and entail time-consuming manual searches for material. Central indexes often do not exist; cross-referencing is difficult or impossible. When records are transferred to the National Archives, normally at the close of each Congress, they are often haphazardly and improperly labeled and thus virtually inaccessible to the originating committee in developing legislation or conducting oversight. Valuable documents are submerged in a mass of routine paperwork and printed documents.

From its creation, the select committee sought a more efficient system for collecting, storing, and retrieving its records. With the aid of the Congressional Research Service, the Subcommittee on Computer Services, and the Senate Computer Center, the committee staff developed an automated document control system in which records are cataloged and cross-referenced by name, date, subject, and subtopic. They are stored on microfilm cassettes and can be instantly retrieved either in printed form or on a screen. Paper files have been vastly reduced, and the system has been accessible to all staff members.

The select committee was convinced by its experience that modern information retrieval technology is relatively simple, cost effective, and readily adaptable to the needs of committees. As a guide to the Senate in designing and instituting such a system, the committee staff has prepared a report entitled, "Document Control Systems for Senate Committees: Design of an Information System with Procedures and Recommendations." Copies have been sent to all offices and committees and additional copies are available from the Rules Committee.

The more than 15,000 pages of select committee hearings, reports, internal memorandums, correspondence, staff papers, and other records are contained

on eight microfilm cassettes which have been transferred to the National Archives as the permanent record of the committee's work. With two exceptions, this material will be available immediately to researchers, journalists, and other members of the public. Transcripts of interviews with designated committee staff members who were promised confidentiality and the administrative-personnel records of the select committee will be available in 10 years.

In accordance with the committee's recommendation, I ask unanimous consent that these instructions to the National Archives be printed in the RECORD.

There being no objection, the instructions were ordered to be printed in the Record, as follows:

U.S. SENATE,
Washington, D.C., May 11, 1977.

Mr. GEORGE PERROS,
Director, Legislative Records Division, National Archives and Records Service, Washington, D.C.

DEAR MR. PERROS: In accordance with Section 679 of the Senate Manual, I am transferring the records of the Temporary Select Committee to Study the Senate Committee System for deposit and preservation in the Archives of the United States. They are contained on duplicate sets of eight microfilm reels.

This complete record of the Senate committee reorganization includes all internal memoranda, correspondence received by the Committee, papers prepared by and for the staff, interviews with selected Senate staff members, administrative records, hearings and reports of the Select Committee, transcripts of the deliberations of the Committee on Rules and Administration, and the record of the Senate debate on S. Res. 4. The last reel contains name, date, and subject indices by which any document can be identified and located. As a further aid to users of this material, each document listing in the index is accompanied by a brief description.

It is the recommendation of the Select Committee that these records be made available to the public as soon as is practicable, wtih the exception of the administrative records of the Committee and transcripts of interviews with Senate staff who were promised confidentiality. These personnel files and transcripts, the latter identifying respondents only by committee or office, are contained on reels 7 and 8, which should be made available to the public after April 30, 1987.

Sincerely,

ADLAI STEVENSON.

DR. DOUGLAS MacFARLAND LEAVES A GREAT LEGACY

Mr. RANDOLPH. Mr. President, I think it should be noted that the community of blind Americans has lost one of its great leaders.

Douglas C. MacFarland, Ph.D., 58, director, Office for the Blind and Visually Handicapped, Rehabilitation Services Administration, Department of Health, Education, and Welfare, died of a heart attack in his home in Springfield, Va., Tuesday morning, May 3, 1977.

Dr. MacFarland, who had been blind since the age of 9, was an internationally known and respected figure in the field of work with the blind.

After holding various positions for the New Jersey, Delaware, and Virginia State Commissions for the Blind, he became director of the Virginia State Commission for the Blind in 1956. He held ths position until 1964, when he entered Federal service as Chief of HEW's Division of Services for the Blind.

Dr. MacFarland was twice past president of the American Association of Workers for the Blind. He served as a trustee of the board of directors of the American Foundation for the Blind, as co-chairman of the Committee on Industrial and Rural Employment of the World Council for the Welfare of the Blind, and 3 years as an adviser to the Seeing Eye Foundation.

He was a life member of the National Rehabilitation Association, held memberships in various other organizations, and was the author of numerous publications.

On November 21, 1974, he was presented with the Order of the Republic of Tunisia, a decoration authorized by President Bourguiba for Dr. MacFarland's work on behalf of the blind in Tunisia. He also traveled as an HEW consultant to other rehabilitation projects in developing nations in Asia, Africa, and Eastern Europe.

On October 23, 1975, he received the Migel Medal from the American Foundation for the Blind for outstanding services in the field of work for the blind.

This July, Dr. MacFarland was to have received the Ambrose Shotwell Memorial Award at the 1977 Convention of the American Association of workers for the Blind for his outstanding services and dedication to the blind. This award is the highest given by the association. Dr. Shotwell's widow, Marjorie, will accept the award at the convention.

Those of us who have worked with blind Americans to achieve the goals of dignity and independence will miss Dr. MacFarland's contribution and leadership. Our heartfelt condolences are extended to his wife and family.

FINANCIAL DISCLOSURE

Mr. CLARK. Mr. President, each year since I have been a Member of the Senate I have filed a complete financial disclosure of my net worth. In addition I have annually reported my Federal and Iowa income tax returns. I ask unanimous consent to have printed in the RECORD similar tax and net worth information for 1975, along with a listing of the honoraria I received in 1976. I also ask unanimous consent to have printed in the RECORD a copy of a letter to the Secretary of the Senate asking that all of this information be kept on file and available to the public on request.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., May 16, 1977.

Hon. STAN KIMMITT,
Secretary of the Senate, U.S. Capitol, Washington, D.C.

DEAR MR. SECRETARY: Enclosed is a complete financial statement for myself. It details my assets and liabilities as of January 1, 1977, and it include a summary—as well as a complete story—of my 1976 federal and Iowa income tax returns and a summary of my income from honoraria.

Please make it available to the public on request.

Sincerely,

DICK CLARK.

SUMMARY OF 1976 FEDERAL TAX RETURN

Personal income:	
Senate salary	$44,600
Interest	22
Speaking fees	9,558
Total	54,180
Less loss from transfer of mutual funds and stocks	224
Less adjustments to income:	
Congressional travel allowance	2,646
Less itemized personal deductions:	
State and local taxes	5,060
Home mortgage, credit card account interest	4,997
Alimony	3,900
Medical, dental expenses	150
Total	14,107
Less personal exemption	1,500
Net taxable income	35,703
Total income tax	11,775
Self employed Social Security tax (due on earnings from speaking fees)	755
Total federal tax	12,530

SUMMARY OF 1976 IOWA TAX RETURN

Personal income:	
Senate salary	$44,600
Interest	22
Speaking fees	9,558
Total	54,180
Less loss from transfer of mutual funds and stocks	224
Less adjustments to income:	
Congressional travel allowance	2,646
Addition to adjusted gross income:	
Self employment tax	1,063
Adjusted gross income	52,373
Less additional federal tax paid in 1976	1,668
Less federal tax withheld in 1976	11,091
Less itemized personal deduction:	
Home mortgage, credit card account interest	4,997
Alimony	3,900
Local taxes	1,881
Medical, dental expenses	150
Total	10,928
Net taxable income	28,686
Tax:	1,989
Less personal exemption credit:	25
Total Iowa State tax:	1,964

STATEMENT OF ESTIMATED FINANCIAL WORTH—JANUARY 1, 1977

Assets:	
Savings deposits, cash on hand	$909.40
Senate retirement fund equity	13,791.42
Personal belonging (car, clothing, books, other personal effects)	7,250.00
Real estate [1]	58,200.00
Total	80,150.82
Liabilities:	
Mortgage liability: [2]	34,869.70
Total	34,869.70
Net worth	45,281.12

NOTES

[1] Amount listed represents one half of current assessed valuation ($116,400) of residence held jointly by Dick Clark and his former wife, Jean, and occupied by her.

[2] Amount listed represents one half of total mortgage liability ($69,739.40) on above residence.

Net worth figures for previous years were

as follows: Jan. 1, 1974, $43,851 90; Jan. 1, 1975, $47,405.42; Jan. 1, 1976, $66,566.68. These figures were based on joint statements of financial worth by Clark and his former wife, Jean.

SENATOR DICK CLARK: INCOME IN 1976 FROM SPEECHES AND ARTICLES

Date, Institution or group; place, and amount		
Jan. 26	Foreign Policy Association, N.Y., N.Y.	$250
Jan. 29	New York Times (article)	150
Feb. 19	Brookings Institution, Williamsburg, Va.	400
Mar. 2	University of Missouri, Columbia, Mo.	500
Mar. 8	Washington Post (article)	75
Mar. 11	Brookings Institution, Washington, D.C.	150
Mar. 12	Land Improvement Contractors of America, San Diego, Calif	750
Mar. 23	Brookings Institution, Washington, D.C.	150
Mar. 24	National Town Meeting, Washington, D.C.	500
Mar. 24	Princeton University, Princeton, N.J.	350
Mar. 29	IMPACT, Washington, D.C.	100
April 7	Pennsylvania Food Day Panorama, Harrisburg, Pa.	500
April 23	Georgetown University, Washington, D.C.	700
April 28	Brookings Institution, Washington, D.C.	200
May 13	Washington Journalism Center, Washington, D.C.	150
May 14	Brookings Institution, Washington, D.C.	400
May 25	Brookings Institution, Washington, D.C.	150
June 18	United Methodist Church (article)	100
June 28	Illinois Bread of the World, Chicago, Ill.	500
July 2	Southwest State University, Marshall, Minn.	1,000
Oct. 10	Brookings Institution, Aspen, Colo	400
Nov. 1	State University of New York at Oswego, Oswego, N.Y.	750
Nov. 8	International Food Service Assn., Marco Island, Fla.	1,333
	Total	9,558

Speech income totals for previous years were as follows: 1973, $3,500; 1974, $6,480; 1975, $13,450.

HIGH ENERGY COSTS AND THE ELDERLY

Mr. GLENN. Mr. President, as a member of the Senate Special Committee on Aging, I am concerned about the impact high utility costs are having on our Nation's senior citizens. The Aging Committee recently held hearings on high energy costs and the elderly, and Senator CULVER was one of those who submitted testimony.

I would like to share with my colleagues Senator CULVER's statement. Senator CULVER represents the State of Iowa which has the third highest proportion of elderly citizens of all the States in the Nation.

In his statement, Senator CULVER reviews the harsh impact mounting utility prices have had on senior citizens, in light of their lower incomes, poorer health, and older homes. The most practical solution, Senator CULVER states, lies in the Community Services Administration's free home winterization program for the elderly and poor. To date, this CSA program has insulated some 200,000 homes nationwide, and the average unit cost of $180 has cut energy consumption by 35 percent and more. Senator CULVER points out dependence on foreign oil, creation of thousands of constructive job opportunities, and assistance to the elderly and poor.

Mr. President, I would hope that my colleagues could benefit from Senator CULVER's remarks, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN CULVER

Mr. Chairman, I appreciate this opportunity to present testimony to the Select Committee on Aging on the impact of high energy costs on our nation's elderly citizens. I wish to commend you and the Committee on Aging not only for holding this timely hearing but also for providing a forum for examining some of the most critical problems plaguing the older members of our society. Your hearings and findings in recent years have helped make the Senate more aware of and responsive to the special needs of the elderly, and your panel has become a visible symbol of hope for millions of concerned senior citizens.

Th subject of this hearing is a problem as timely as it is crucial, as serious as it is widespread—the effect of rising fuel costs on the elderly. My statement is the perspective of one Senator representing Iowa—a state which, I might add, is the third highest in its proportion of elderly citizens.

Obviously, fuel and utility price hikes affect us all. There is scarcely an American family that hasn't felt the pinch of dramatically higher electricity and fuel costs. I am sure that the winter's 20, 30, or 40 dollar increase in monthly utility bills came as an unpleasant surprise for most of us. But for a great many elderly people, that 20, 30 or 40 dollar monthly rise came not as an unpleasant surprise, but as a tragic blow. What was a pinch on the average American's budget is a stranglehold on a typical older citizen's fixed income. However hard the average family is hit by mounting utility bills, the elderly family—with a median income of only about half that of younger families—is hit many times as hard.

Not only do the elderly have less income to absorb higher fuel costs and less savings to make related home improvements, but numerous other characteristics render them more vulnerable to the recent cold weather/rising utility rate squeeze.

Surely poorer health must rank as a major reason for the elderly's vulnerability to rapidly rising utility costs. Roughly 85 percent of people aged 65 and over have at least one chronic disease, such as cancer, heart disease or stroke, and nearly half of these are disabling. For someone recovering from a simple cold, the flu, or a recent hospitalization, home temperatures hovering in the thirties, forties, fifties, and even low sixties can be devastating. Even for healthy persons, seriously lowered thermostats are an open invitation to debilitating sickness.

We also must consider the typical homes and apartments of senior citizens. The majority of the aged own their own homes, over half of which are more than 30 years old. Older and less valuable, many of these homes have inadequate insulation, broken windows, leaky roofs and the like. Elderly renters, on the whole, live in even older units than homeowners. More than 60 percent dwell in apartments over 30 years old. In fact, 90 percent of the units rented by poor elderly persons do not meet U.S. census housing adequacy standards.

The list goes on, including paying the highest electricity unit rates to being unable to eliminate luxury utility uses only because many aged have no luxuries.

At this point let me cite a few figures and hardship cases, both national and in Iowa, to illustrate the crisis far too many elderly are facing. Mr. Chairman, I am sure the Committee's files are filled with statistics of alarming utilities cost increases, so I will mention only a few. Following a decade of relatively stable electricity rates, it is rather startling to realize that the average kilowatt rate has soared 70 to 100 percent since 1970. Federal Power Commission figures show that the average wholesale natural gas prices to utility companies have jumped from 40 cents in 1970 to $1.06 in 1976 per 1000 cubic feet—almost a three-fold increase.

As far as my own state of Iowa is concerned, consumer natural gas rates increased by about one-third from the winter of '76 to the winter of '77. And as a result of last winter's bitter cold, overall residential usage of natural gas jumped by more than one-fifth. The average Iowan didn't need his empty pocketbook to tell him that his heating bills were at least half again as much as the previous winter's.

Contrast this to the annual increase in Social Security last July of 6.5 percent.

In New England the cost of home heating this winter reportedly could reach an astonishing $1,000. Just try to imagine how a Social Security recipient could manage to pay that, or even half that amount.

It is not fair to assume that the utility companies are wholly to blame for these increases—the bulk of these cost hikes may be beyond their control. Some companies have made special provisions for the elderly and the poor, such as halting power cutoffs and allowing delayed installment payments. But a recent Washington Star headline—"Utilities Crack Down on Late Bills: Winter's Over and the Gloves Come Off"—is alarming.

Again, Mr. Chairman, I am sure that examples of "horror stories", as they are called, abound in your Committee's files and in the testimony at this hearing. So I will not cite the worst examples. I am sure you've heard them before. What concerns me as much are the common hardship cases that occur by the millions across the nation. Let me share with you just a few of the many I have learned about in Iowa—for instance, the 81-year old Des Moines woman whose only income, Social Security and SSI, totals $187. Last winter her highest monthly utility bill was $41; this winter her peak bill was $68—an increase of 66 percent. For that month, more than one-third of her income went to utilities alone. Or an 84-year old Des Moines man whose wife is ailing spoke of an $80 heating bill one month, contrasted with his SSI income of $190. In Council Bluffs, a seventy-year-old woman simply could not afford her huge heating bill with her small Social Security income. So she turned her furnace off and lived in her kitchen which was heated by her oven at mealtimes.

In short, these good people—like hundreds of thousands of others—have been financially squeezed by record cold temperatures and escalating energy costs. For so many of these people on Social Security, or SSI, or Social Security and a small pension, there is no recourse. Often there are little or no luxuries to do without. Often there are little or no savings to withdraw. What these people are sacrificing may be a trip to the doctor, their home telephone, a winter coat, all but one meal a day. Some, I fear to say, could be sacrificing all of those.

The only realistic recourse in this case is government assistance. And for that reason I applaud the $200 million included in the current supplemental appropriation for the

Community Services Administration. As you know, the $200 million emergency fuel assistance money will provide the immediate cash these people require for utility bills, or food and clothing in some cases. Hopefully, with quick approval by the President, and the provision for the most efficient distribution in the many states, these funds can quickly flow to where they are needed.

More important from the long-range perspective is the $82.5 million supplemental appropriation for purposes of weatherizing the homes of the elderly and impoverished.

The Community Services Administration is the proper vehicle for this program, in light of its valuable experience in winterizing homes, and its avenues of communication with elderly and poor communities. In up to 90 percent of the country the CSA already has established the network of contacts to install insulation where it is most needed, for people who are unable to do the project themselves or benefit from tax credits.

For as little cost as $180 per home—which is the current CSA weatherization average—heating fuel consumption can be cut by at least one third. And in a rundown home, some $700 can cut energy use by 60 percent, or seven or eight barrels of crude oil a year. At the same time the CSA also teaches important energy conservation practices, engages in crisis intervention and represents the elderly and poor in utility rate hearings.

To date, it is estimated that the CSA has weatherized nearly 200,000 homes nationwide. As of November, 1976, some 7,000 homes were insulated in the State of Iowa and by now that number is approaching 10,000.

This hearing is assembled to find appropriate relief measures for the plight of millions of elderly after this record cold winter. One major proposal that has merit is the reassessment of the present electrical 'declining block rate' structure. While I realize this is a very controversial and complex matter, the system which reduces kilowatt rates as kilowatt consumption increases may be inappropriate in a time of energy conservation. The claim that the elderly and lower income families must have some relief from the maximum electrical rates they are now paying certainly is valid. Proposals such as lifeline rates—that is a minimum level of electricity at a low price—or marginal cost pricing definitely deserve consideration.

Looking ahead to the Fiscal 1978 appropriations and beyond, the single most promising solution for the elderly's utility cost problem is a greatly expanded home weatherization program. The CSA grants for home insulation serve three purposes:

(1) conserving energy for heating by 35 percent and more, saving roughly 250 gallons of fuel oil annually for each house weatherized, thereby reducing our dependence on foreign oil,

(2) creating tens of thousands of productive job opportunities,

(3) helping to meet the very real needs of our elderly and poor in a project they could not otherwise undertake, reducing their utility bills for years to come.

Few programs can boast of such broad benefits on three issues of national priority—energy conservation, job creation, and aiding the elderly and poor.

In the coming year we could witness a debate over whether home weatherization programs could be administered by a new Energy Department or by the Community Services Administration. Without judging the issue prematurely, I might just say that there seems to be a strong argument for keeping the home insulation grant project for the elderly and poor within the Community Services Administration.

We cannot ignore the CSA's established program, existing network throughout the Nation's elderly and poor communities, educational services, and greater sensitivity to the clientele. I understand a ranking energy staff person recently called an inner-city Community Action Agency and inquired how much penetration a 40 percent tax credit for insulation would have in the area. Apparently he wasn't prepared for the answer he got: zero. These people haven't enough income to pay taxes.

Specifically concerning the Fiscal '78 appropriations, the past level of weatherization funding of $27 million is clearly inadequate. If we are to begin to conserve energy and go beyond stop-gap assistance for the elderly, then this winterization effort must be greatly expanded. We must be prepared to commit several hundred million dollars in Fiscal '78 to this most worthy of all programs. That level of funding should be maintained or increased in the next few years to reach the millions of homes necessary.

I might add one final note about a serious shortcoming the Community Services Administration has encountered so far in their insulation program. I am advised that in many of the older homes the winterization crews are discovering serious disrepair. Often faulty wiring, leaks in roofs, broken windows and rotten frames are found—and for the most part neither the money nor the materials exist to patch up these conditions. Clearly there is a deserving need for a greater Federal commitment to home repair grants for the elderly and poor. I understand that one vehicle now in place is the Farmers Home Administration Section 504, home repair grants, which has not been funded at all until this year when $5 million was appropriated. I recommend this level be significantly increased to better fill this need.

In the interests of the elderly, in the interests of the unemployed, and in the interests of energy conservation, a bold, expanded home winterization program is the best ready-made solution.

BOB RICE OF BOISE, IDAHO, WINS OUTSTANDING DEALERSHIP AWARD

Mr. CHURCH. Mr. President, it gives me great pleasure to announce that Bob Rice, president of Rice Ford in Boise, Idaho, has been selected as a 1977 National Representative for the Time Magazine Quality Dealer Award. He shares in this honor with Warren McElheney of Clinton, Iowa. They were chosen by a panel of judges from the University of Michigan Graduate School of Business Administration on the basis of "exceptional performance in their dealerships combined with distinguished community service."

Bob Rice owns and operates Bob Rice Ford, Inc., in Boise, and has been active in the automotive field in Boise since 1956. He has received Ford's Distinguished Achievement Award every year since 1970, and has been awarded three Ford Distinguished Service Citations. He is the immediate past president of the Idaho Automobile Dealers Association, a past president of the Boise Auto Dealers Association, and a member of the National Automobile Dealers Association.

Active in local and State affairs, Bob Rice has been chairman of the Idaho State Board of Correction for the past 4 years. Appointed by the Governor, he has overseen construction of a much-needed new State prison complex, developed a 2,800-acre prison farm, and established a work-release program.

He serves on the advisory board of the Boise Salvation Army, and is a leadership member of the Boy Scouts of America. He annually donates cars for local driver training programs in addition to his many other community activities.

Rice has received many honors for his community activities, including a State of Idaho Certificate of Recognition and Commendation Award for his work with the State correction board, and a 1975–76 United Way Campaign Award for Outstanding Citizenship.

Bob and his wife, Joan, have sons and two daughters. Their son, Fred, is following in his father's footsteps as secretary-treasurer and general sales manager of the dealership.

Mr. President, all of Idaho is proud of Bob Rice, and his splendid service to the community.

ATTORNEY GENERAL BELL REINVIGORATES THE FREEDOM OF INFORMATION ACT

Mr. KENNEDY. Mr. President, over 10 years ago Congress passed the Freedom of Information Act with a firm commitment to opening the processes of Government to greater public scrutiny. The law embodied a presumption that all Government information was public unless it fell within nine specific exemptions in the act.

Over the next few years, agencies disregarded the FOIA or abused its procedures to the point that the law became in many ways a shield for withholding information from the public. This led to the 1974 amendments, which clarified two of the more troublesome exemptions of the act and streamlined its procedures substantially. By overriding a Presidential veto of the amendments, Congress again made clear in 1974 its strong dedication to open government. Subsequent enactment of the Privacy Act and the Sunshine Act reinforced the basic principle that a democratic government works best when it works openly.

President Ford's veto of the FOIA amendments, though overridden, sent a message to the Federal bureaucracy which conflicted with that contained in the amendments themselves. So agency footdragging, overuse of exemptions, and procedural sleights of hand continue to mitigate full implementation of the act.

President Carter has stated his personal commitment to more "sunshine" on the Potomac; but until now we have seen little concrete action to back up that welcome rhetoric. Last week, however, Attorney General Griffin Bell made a bold move to reinvigorate the spirit and the letter of the Freedom of Information Act.

On May 5, the Attorney General wrote to the heads of all Federal departments and agencies conveying an important message loudly and clearly:

The government should not withhold documents unless it is important to the public

interest to do so, even if there is some arguable legal basis for the withholding.

And then Attorney General Bell went one step farther—he indicated that the Department will defend FOIA suits "only when disclosure is demonstrably harmful, even if the documents technically fall within the exemptions of the act."

This, Mr. President, reflects a significant change from the Department's previous practice of blindly defending agency refusals to disclose information whenever a complaint was filed against the Government. This "hired gun" attitude by Justice not only ran counter to the FOIA itself—which contemplates a leadership role by the Department to induce greater, not less, disclosure of information by agencies—but also led to the litigating of hundreds of cases in Federal court. The present FOIA docket has over 600 cases; in probably half or more of these, the information could well be disclosed with no harm to any governmental or private interest. But, agencies have come to view litigation as simply one more procedural tool for extending the time period they have before turning over information, particularly if it is of an embarrassing nature. The readiness of Justice to defend all comers has encouraged agencies to take this "let them sue" approach to FOIA requesters.

The Attorney General has done more than just make a nice pronouncement; he has established four specific criteria to be applied by Justice in determining whether to defend an FOIA suit against an agency. The key criterion is "whether there is a sufficient prospect of actual harm to legitimate public or private interests if access to the requested records were to be granted to justify the defense of the suit."

But, that is not all. Attorney General Bell also gave a new boost to the Department's FOIA Committee, which advises agencies regarding appropriate responses to requests. This committee, over the years, has done yeoman's service to the Government and the public by providing objective, enlightened counseling to agencies on particular applications of the FOIA. It fell into disuse over recent years, however, especially since Justice lawyers stood ready to defend an agency whether or not the agency sought or followed the FOIA Committee's advice. No doubt the committee will have an added workload in the months to come, but if it can continue to do its job of influencing greater disclosure by agencies and reducing the number of suits ultimately filed, the new burdens will be well worth the effort.

Finally, the Attorney General has requested the Civil Division to review pending cases to determine which litigation can be brought to a premature close by release of the information sought by the plaintiff. This may be the most concrete step the Department has taken to reduce the workload of the Federal courts since the new Attorney General took office, and I suspect this review will pay off handsomely.

Mr. President, I applaud this important and forceful step by Attorney General Bell to breathe new life into the Freedom of Information Act and to begin to fulfill this administration's more general commitment to the spirit of openness, which underlies our democratic system of government.

I ask unanimous consent that the Attorney General's memorandum of May 5, 1977, be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C., May 5, 1977.

LETTER TO HEADS OF ALL FEDERAL DEPARTMENTS AND AGENCIES—RE FREEDOM OF INFORMATION ACT

I am writing in a matter of great mutual concern to seek your cooperation.

Freedom of Information Act litigation has increased in recent years to the point where there are over 600 cases now pending in federal courts. The actual cases represent only the "tip of the iceberg" and reflect a much larger volume of administrative disputes over access to documents. I am convinced that we should jointly seek to reduce these disputes through concerted action to impress upon all levels of government the requirements, and the spirit, of the Freedom of Information Act. The government should not withhold documents unless it is important to the public interest to do so, even if there is some arguable legal basis for the withholding. In order to implement this view, the Justice Department will defend Freedom of Information Act suits only when disclosure is demonstrably harmful, even if the documents technically fall within the exemptions in the Act. Let me assure you that we will certainly counsel and consult with your personnel in making the decision whether to defend. To perform our job adequately, however, we need full access to documents that you desire to withhold, as well as the earliest possible response to our information requests. In the past, we have often filed answers in court without having an adequate exchange with the agencies over the reasons and necessity for the withholding. I hope that this will not occur in the future.

In addition to setting these guidelines, I have requested Barbara Allen Babcock, Assistant Attorney General for the Civil Division, to conduct a review of all pending Freedom of Information Act litigation being handled by the Division. One result of that review may be to determine that litigation against your agency should no longer be continued and that information previously withheld should be released. In that event, I request that you ensure that your personnel work cooperatively with the Civil Division to bring the litigation to an end.

Please refer to 28 CFR 50.9 and accompanying March 9, 1976 memorandum from the Deputy Attorney General. These documents remain in effect, but the following new and additional elements are hereby prescribed:

In determining whether a suit against an agency under the Act challenging its denial of access to requested records merits defense, consideration shall be given to four criteria:

(a) Whether the agency's denial seems to have a substantial legal basis,

(b) Whether defense of the agency's denial involves an acceptable risk of adverse impact on other agencies,

(c) Whether there is a sufficient prospect of actual harm to legitimate public or private interests if access to the requested records were to be granted to justify the defense of the suit, and

(d) Whether there is sufficient information about the controversy to support a reasonable judgment that the agency's denial merits defense under the three preceding criteria.

The criteria set forth above shall be considered both by the Freedom of Information Committee and by the litigating divisions. The Committee shall, so far as practical, employ such criteria in its consultations with agencies prior to litigation and in its review of complaints thereafter. The litigating divisions shall promptly and independently consider these factors as to each suit filed.

Together I hope that we can enhance the spirit, appearance and reality of open government.

Yours sincerely,

GRIFFIN B. BELL,
Attorney General.

COLLEGE TAX CREDITS

Mr. ROTH. Mr. President, earlier this year, the distinguished Senator from Connecticut (Mr. RIBICOFF) and I introduced legislation to provide tax credits to help offset the rising college tuition costs. This bill, the College Tuition Tax Relief Act of 1977 (S. 311), is a bipartisan effort, cosponsored by 25 Members of the Senate, to ease the financial burdens that the increasing college tuition expenses are imposing on middle-income families.

The increasing college tuition costs, higher prices, and a growing tax burden are making it more and more difficult for qualified middle-income students to attend college, and we are rapidly approaching a situation in this country where only the affluent and the poor will be able to attend college. We are convinced that action must be taken on this legislation to provide college tax relief to the working middle-income families of this country.

Although the Senate twice approved my college tax credit legislation by overwhelming margins last year, the House failed to act on the legislation. However, there is growing support in the House for this legislation and more than 50 college tax relief bills have been introduced in the House this year. In addition, the House Budget Committee's Task Force on Tax Expenditures, Government Organization, and Regulation is conducting hearings on college tax credits, and I was privileged to testify before the committee on May 12.

Mr. President, I ask unanimous consent to print in the RECORD a list of the cosponsors of S. 311, a copy of my testimony before the House Budget Committee, and an excellent article by Mr. Mark R. Arnold in this week's National Observer on the college tax credit legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COSPONSORS OF THE COLLEGE TUITION TAX RELIEF ACT (S. 311)

Mr. RIBICOFF, Mr. ANDERSON, Mr. CANNON, Mr. CHURCH, Mr. DECONCINI, Mr. DOLE, Mr. DOMENICI, Mr. GARN, Mr. GOLDWATER, Mr. GRIFFIN, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. HUMPHREY, Mr. JOHNSTON, Mr. LEAHY, Mr. LUGAR, Mr. MAGNUSON, Mr. MATHIAS, Mr. MOYNIHAN, Mr. PACKWOOD, Mr. RIEGLE, Mr. SCHMITT, Mr. STAFFORD, Mr. STEVENS and Mr. THURMOND.

COLLEGE-TUITION TAX CREDIT—A MIDDLE-CLASS BALM

(By Mark R. Arnold)

If you're planning to send a child to college in the next few years, reflect on these

numbers from a recent survey by the College Entrance Examination Board: The average cost of a year's education for a student who goes away to a four-year private institution next fall will be $4,811. The average cost at a public institution will be $2,906.

Those figures, up 5 percent from this year's charges (for tuition, room, board, and incidental expenses) are potent political arguments for one of the year's most popular—and most controversial—proposals in Congress: an income-tax credit for college expenses.

More than 50 tuition-relief bills have been introduced in Congress this year. Under most, a taxpayer regardless of income could subtract from his tax bill the educational expenses of a full-time student family member, up to a specified limit. The leading Senate bill, sponsored by Delaware Republican William Roth and Connecticut Democrat Abraham Ribicoff, would set the maximum credit at $250 in 1977, rising to $500 in 1980 and thereafter. It would apply to tuition, fees, books, and supplies required for courses at private and public colleges and universities and postsecondary vocational schools.

The legislation is a prescription for middle-class tax relief, and Senator Roth, for one, is proud of it. "I think working people are entitled to provide for the upward mobility of their children without going into serious debt," he says. "A lot of these same people have been paying taxes for years to send other people's children to college. It's time to restore to them the same opportunities [for a college education] available to the rich and the poor."

Twice last year, Roth's tuition-relief bill passed the Senate by three-to-one margins but died for lack of House action. This year a House Budget subcommittee has already held two days of hearings, and more are planned. Proponents hope to graft the bill onto tax-reform legislation to be fashioned by the Ways and Means Committee later this year, or onto other tax legislation. Supporters represent the ideological spectrum from Republicans Barry Goldwater and Strom Thurmond to Democrats Hubert Humphrey and Daniel Moynihan.

There's a rub, however: The Carter Administration stanchly opposes tuition tax relief. Officials term it expensive, ineffective, and inequitable. "Passing it without Carter's support will be tough," says one Senate strategist, "but we have a fighting chance."

The conflict over the bill reflects a fundamental disagreement over the extent of the middle-class "tuition gap" and of the proper role of Government in bridging it. Current Federal policy is to provide student assistance based on proven need. Families with incomes of $12,000 or less generally can qualify for "Basic Opportunity Grants," and those with incomes up to $25,000 are eligible for Government-guaranteed student loans. All told, Washington is dispensing $8.5 billion in student aid this year, compared with $3.4 billion in 1972. Federal administrators say the increase in aid, coupled with rising incomes, has neutralized the 35 to 40 per cent rise in college and university charges over the past five years.

Supporters of the tuition legislation dispute this conclusion. Their calculations suggest that the enrolment of students from families earning $10,000 to $20,000 has declined in recent years while enrolment of students at lower and higher incomes has remained stable.

"Growing numbers of qualified students are being denied a college education because of increasing costs," explains Roth. He says middle-income ($10,000 to $20,000 a year) students' college-atendance rate dropped 8.8 per cent from 1969 to 1974.

Besides helping to offset this middle-income squeeze, backers of college-tuition credits insist that the subsidy is needed to help restore the vitality of private colleges, many of which are losing enrolment as mounting costs make them less competitive with tax-supported institutions.

At a recent budget hearing presided over by Illinois Rep. Paul Simon, a Treasury official sought to refute these arguments. Asserting that the plan could "easily become a major drain on Federal revenues," Assistant Secretary Laurence N. Woodworth said that a tax credit of $500 would initially cost $2.2 billion, but that pressures to expand it might prove inexorable. "When your bill is $4,000," he reasoned, "$500 really isn't much help."

Woodworth and Mary F. Berry, assistant Secretary of Health, Education, and Welfare for education, questioned the efficiency of a universal subsidy that would extend tax relief to families that don't need help along with those that do. They also insisted that financially troubled institutions would be tempted to raise tuition enough to offset the increase in educational buying power.

"POOR TOOLS" FOR HELPING

Woodworth's testimony infuriated New York Rep. Barber Conable. Conable is ranking Republican on the House Ways and Means Committee and—more important—a father seeking to support three children in college. He accused Woodworth of taking a "cavalier attitude" toward the problems of middle-class Americans. He confessed that he had been forced to sell a large home in suburban Washington to find the money to pay his children's way.

"If I as a congressman making $57,500 a year have trouble sending my kids to college," asked Conable sternly, "how do you think someone on $18,000 can do it?" Woodworth acknowledged that paying for a college education can be painful, but he insisted that a tax credit is a poor tool to assist those who need help. Retorted Conable: "Sometimes it's better to use poor tools than none at all."

VARIOUS PLANS PROPOSED

The Roth-Ribicoff bill avoids the direct-subsidy approach of the GI Bill, thus simplifying administration. A family with one child in college would get a $500 tax credit; a family with two or more, $1,000. Other, similar measures in Congress would limit the subsidy to families with more than one child in college, or peg the subsidy to tuition level or to family income, or substitute tax deferral for a tax credit.

The bill's fortunes in Congress ultimately may rest with two men: Senate Finance Committee Chairman Russell Long, who has twice voted for it and pledges to work for its passage, and Long's House counterpart, Chairman Al Ullman of the Ways and Means Committee.

Ullman's position is unknown, and he seems to want to keep it that way. "There's no question that the tuition credit has tremendous popular appeal," says an aide to Ullman's committee. "It strikes just where the voters are, in the middle, where people think they're taking it on the chin.

"On the other hand, it's expensive as hell and amounts to a top-bracket subsidy. So it comes down to questions like: Is it needed? Can we afford it? Are there better ways to accomplish the same ends? Right now we don't know the answers. If the bill gets the kind of attention it deserves, we may find out."

COLLEGE TUITION TAX CREDITS

Thank you very much Mr. Chairman for inviting me to testify on my legislation to provide tax credits to help offset college tuition costs. As far as I know, this may be the first time a committee of the House of Representatives has ever held comprehensive hearings on college tax credits.

Increasing college tuition costs, higher prices, and a growing tax burden are making it more and more difficult for qualified middle-income students to go to college.

That is why I have again this year introduced legislation to provide tax credits for college education expenses. This legislation, The College Tuition Tax Relief Act of 1977, (S. 311) provides tax credits for education expenses paid by an individual for himself, his spouse, and his dependents. To be eligible for the credit, an individual must be a full-time student at an institution of higher education or at a vocational school. The amount of the tax credit is to be $250 the first year, increasing in incremental stages to $300 the second year, $400, and then $500.

Last year the Senate twice overwhelmingly endorsed my college tax credit legislation by votes of 68 to 20 and 62 to 21. The legislation was initially approved by the Senate Finance Committee and adopted by the full Senate as an amendment to the tax reform bill. The Senate approved the legislation a second time after members of the House Ways and Means Committee made a commitment to bring the college tax credit up for a House vote in a separate piece of legislation. Unfortunately, the press of business prevented a House vote before the 94th Congress adjourned.

I am convinced that Congress can, and must, enact this legislation to provide tax relief to the millions of families struggling to send their children to college. According to the statistics, there is a growing number of qualified students who are prevented from obtaining a higher education because of increasing costs.

In the past few years, the cost of a college education has skyrocketed. According to the College Entrance Examination Board, the average annual total cost of a public university has increased 40 percent in the past 5 years, from $1,782 to $2,790. For a private university, the average annual total cost has increased 35 percent, from $2,793 to $4,568. And according to a New York Times survey, the total annual costs at many colleges and universities are as high as $7,000.

Tuition costs will continue to increase. If a parent has a one-year old baby today, it has been estimated that it will cost $47,000 to send that child to a public university and $82,000 for a private university in the 1990's. For a student entering college next fall, the total cost will be $17,500 for a public university and $30,000 for a private college.

These increasing costs are a primary reason why college attendance has declined in the past few years. The U.S. Census Bureau reports that there has been a significant decrease in the percentage of 18 to 24 year old dependents attending college full time. In addition, U.S. Census Bureau data shows that families are especially hard hit right now because many of them have more than one child of college age at the same time. These families face the difficult problem of educating two or more children over an 8 to 10 year period.

Middle-income families are especially hard hit by the increasing college education costs. There are millions of families today who are neither affluent enough to afford the high cost of college nor considered poor enough to qualify for the many different government assistance programs which their taxes make possible.

As a result, college attendance of middle-income students has declined substantially in the past few years. Between 1969 and 1974, college attendance for children of middle-income families declined at a rate of 22 percent, while enrollment for lower and higher income students remained fairly stable.

Mr. Chairman, we are rapidly approaching a situation in this country where only the very affluent and the very poor will be able to attend college, and I am convinced that action must be taken to ease the financial plight of middle-income families.

I respectfully disagree with the Administration's argument before this committee that college tax credits are unnecessary because Government assistance programs have increased substantially over the past ten years.

Government assistance programs have increased substantially, but these assistance programs are aimed almost exclusively at lower-income students and are denied to middle-income students. For example, as of January 1975, less than 4 percent of the basic educational opportunity grants, the main federal college assistance program, went to families earning more than $12,000 a year.

I strongly support financial assistance programs for lower-income families, and I do not believe that the enactment of college tax credits would lessen Congress' commitment to these assistance programs. But we must not lose sight of the fact that the families who are paying the taxes to finance these programs are themselves finding it more and more difficult to educate their own children.

As a New York Times article has said, the difficulty that these parents are having in sending their children to college suggests "outright disaster for the vast majority of American middle-class families in the $12,000–$20,000 range who are considered too affluent for federal or state scholarship aid."

The editorial goes on to urge the Federal government "to open its eyes to a clear and present danger—that college gates are being shut to increasing numbers of able, middle-class young people on economic grounds alone. Nothing less is at stake than the future of an open, upward-mobile democratic society."

The Administration also believes that if any increased federal financial aid is to be given, it should be in the form of a federal grant, based on financial need.

An expanded system of Federal grant is not the solution for the financial burdens of the middle-class. America was built on hard work and perseverance. We cannot and should not sap the productive energies and self-reliance of our working people with more and more government aid programs. Rather, let us build on the spirit that made America great by enabling our working people to keep more of what they earn to pay their own bills and not the government's.

I believe there is something fundamentally wrong in the growing concept that working American taxpayers should come to Washington to apply for government aid programs financed by their own taxes. Rather than "helping" people by requiring them to fill out detailed forms, baring their personal finances and pleading poverty in order to receive a portion of the money they have already paid in taxes, Congress should allow taxpayers to keep a larger portion of their own income to spend on education expenses.

Working Americans, caught in the middle, do not want a government handout. They merely want to keep more of what they earn to spend on such basic American rights as a college education for their own children.

Mr. Chairman, and members of this committee, I believe there is a clear and vital need for the adoption of this legislation. I realize that many Members of Congress are concerned about the revenue impact of this legislation—which according to the Joint Committee on Taxation, begins at $175 million in fiscal 1978 and increases to $1.9 billion in fiscal 1981 when the full $500 tax credit is in effect.

But how much more expensive is it to deny millions of young Americans the opportunity for upward mobility that a college education offers? I believe this revenue impact would be a worthwhile and necessary investment in the future of our country—an investment that would be returned in higher earnings, better job opportunities, and consequently, higher federal tax revenues.

Over the past ten years, the Senate has passed college tax credit legislation by substantial majorities five separate times. This year there are more than 50 pieces of legislation providing college tax relief already introduced in the House of Representatives. It is an idea whose time has come, and I urge this committee to favorably consider this legislation to provide middle-income taxpayers relief from a financial burden that no other generation has ever experienced before.

RESERVE MINING CO.

Mr. ANDERSON. Mr. President, on Monday, May 16, I testified at a public hearing in Silver Bay, Minn., before the district engineer of the St. Paul district, U.S. Army Corps of Engineers, on the applications by Reserve Mining Co. for Federal permits to construct and operate the Mile Post 7 taconite tailings basin west of Silver Bay. On behalf of my colleague, Senator HUMPHREY, I urged the Corps of Engineers to issue these permits at the earliest date in order that construction can begin this year of an on-land disposal system for the taconite wastes from Reserve Mining Co. that have been deposited in Lake Superior for over 21 years.

Mr. President, in order that my colleagues will gain some appreciation of the history and complexity of the dispute between the U.S. Government and the State of Minnesota and Reserve Mining Co. on the disposal of taconite tailings in Lake Superior at Silver Bay, I ask unanimous consent that my statement of May 16 be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR WENDELL R. ANDERSON

Colonel Ted Gay, ladies and gentlemen: I am appearing at this public hearing on behalf of myself and Senator Hubert Humphrey. We urge the Army Corps of Engineers to issue the 30 Federal permits required by section 404 of the Federal Water Pollution Control Act, so that Reserve Mining Company can proceed with the construction of a taconite tailings disposal basin at the milepost 7 site. And we urge that these permits be issued as quickly as the law allows.

The law requires the Corps of Engineers to ask whether the public interest is well served by permitting Reserve to place fill material in both the navigable waters and wetlands of the Beaver River watershed during the construction and operation of a milepost 7 tailings facility.

The answer to this question in our judgment is yes.

Immediately following the decision of the Minnesota Supreme Court ordering the State of Minnesota to grant permits for milepost 7, I wrote to Lieutenant General Morris of the Corps of Engineers and to the heads of the Environmental Protection Agency, the Council on Environmental Quality, and the Department of the Interior. I asked the Corps and these agencies to do everything possible to expedite the Federal Government's review of this project, so that the necessary approvals for milepost 7 can be granted in time to begin construction during the 1977 season.

I re-emphasize this point here today.

The Reserve Mining case is near final settlement. Assuming that State permits and land transfers will be approved only the Federal Government or Reserve can now delay the day when milepost 7 replaces Lake Superior as the basin for 67,000 tons of tailings per day.

It is now possible to end this tragic misuse of a great national and State resource that has gone on now for over 21 years.

It would be very unfortunate to lose the 1977 construction season because of avoidable delays by any Government agency involved in this case. A construction delay would only prolong the pollution of Lake Superior.

This issue has been with us since 1969. During that time the Reserve Mining case has been reviewed, analyzed, and assessed from every conceivable perspective. The case was thoroughly and exhaustively heard by the U.S. district court and the U.S. circuit court of appeals, and the judgments reached there were summarily affirmed by the Supreme Court.

The siting decision has been given similar treatment by the State of Minnesota and its courts. There is, consequently, more than sufficient information available so that the Corps and the other Federal agencies can now make a decision and issue the necessary Federal approvals to Reserve.

In 1975, against considerable opposition, I ordered that hearings on Reserve's permit applications for Milepost 7 begin immediately. It was my judgment then and now that Milepost 7 was not perfect, but was environmentally acceptable and offered the best hope for ending reserve's pollution of Lake Superior, and, this long and frustrating dispute.

The state hearing officer, whose judgment was considered binding, disagreed and recommended the midway site. But now a three-judge district court panel and the Minnesota Supreme Court have unanimously ruled in favor of Milepost 7.

Their decisions are final and merit the support of all parties, including the Federal Government. The Minnesota Supreme Court has ordered Reserve to comply with the very rigorous construction and operating standards devised by the Minnesota Pollution Control Agency.

The legal case against Reserve began over 8 years ago. The day I was inaugurated as governor, in January of 1971, my first official act was to commit the State of Minnesota to the position that Reserve must stop discharging its tailings into Lake Superior.

That was not a popular decision in Northeastern Minnesota. The following 6 years were full of frustrations and delays.

But now it is time to put the battle behind us and enable Reserve to do what we demanded 6 years ago: Discontinue the pollution of Lake Superior and remove the threat to the health of residents of Northeastern Minnesota.

Milepost 7 is the most practical and effective vehicle available to accomplish this purpose. The 30 applicable permits should be issued as expeditiously as humanly and legally possible.

Thank you very much.

AIRLINE REGULATORY REFORM URGED BY SENATOR KENNEDY

Mr. PERCY. Mr. President, on May 11, 1977, Senator EDWARD M. KENNEDY spoke on airline regulatory reform before the Society of Automotive Engineers meeting in Washington, D.C. He succinctly stated the compelling case for less Government interference in the economic affairs of the airlines of this Nation. His speech merits the closest reading by those concerned by an air transport system used regularly by only one out of every four Americans. Most of the rest simply cannot afford today's high fares.

Senator KENNEDY shares my view that, because of Government controls on fares, airlines too often compete on the basis of wasteful and duplicative frequencies, service, and food. The current system, he observes, "sends $35 million aircraft speeding across the country side by side. Although half the seats are empty, the galley is loaded down with beef, imported champagne, and other frills."

Senator KENNEDY deserves considerable credit for his tenacity in fighting for less regulation of the airline industry before this struggle became popular. As chairman of the Subcommittee on Administrative Practice and Procedure of the Judiciary Committee, he held eye-opening oversight hearings in 1975 into the failings of the Civil Aeronautics Board. He and Senator HOWARD CANNON, Democrat, Nevada, have now joined together to introduce S. 689, which would reform Government regulation of the airline industry. I decided to cosponsor that legislation because it provides for a sound and rational timetable for reform that would give airlines and their employees sufficient time to adjust to a less regulated environment—without loss of small community service.

Mr. President, I ask unanimous consent to submit for the RECORD Senator KENNEDY's remarks so that his observations on this subject can be carefully studied.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

ADDRESS OF SENATOR EDWARD M. KENNEDY BEFORE THE SOCIETY OF AUTOMOTIVE ENGINEERS, NATIONAL AIR TRANSPORTATION LUNCHEON

I am proud to join you here today. The society's accomplishments over its long history reflect the accomplishments of American and global technology over the last 75 years. SAE's current 30,000 members are expanding the frontiers of a technological tradition that has given us vehicles to span the far reaches of our planet and, more recently, our solar system. The future challenges facing us may be less dramatic than putting a man on the moon or a machine on Mars, but they are no less important.

This is especially true in the field of air transportation, where society is calling upon you to be environmentalists by creating aircraft that fly quieter and are free of harmful emissions. You are called upon to be conservationists by giving us airplanes that consume less and less fuel. You are being called upon to be something just short of magicians by developing aircraft that will be powered with non-fossil fuels. Yet neither society, nor Government, nor the financial rules of a complex free market economy will allow you, in assuming your new roles, to relinquish your previous role as the developers of safe and affordable aircraft. To achieve these and other conflicting goals is an enormous responsibility.

But, we in the Government also face some enormous challenges. The whole bundle of questions wrapped up in the term "regulatory reform is one of the most important set of issues facing the country this decade. Economic regulation and the reforming of it is the most developed regulatory reform issue, partly because some of our most recent failures have been economic ones. How do we tame rampaging inflation if our Federal regulatory agencies provide the underbrush for it to roam unmolested among important transportation industries, while the cost-plus regulations continually protect and nourish the beast. How can we ever hope to reestablish consumer confidence and demand if Government regulation forces some producers to give consumers too much of what the few want, and too little of what the many need? And, if Government regulation is allowed to fuel higher prices, feed overproduction in some areas, and cause underproduction in others, how are we ever going to solve the problems of depressed earnings and sluggish investment in industries like air transportation, that is the bread and butter of most everyone in this room?

Economic problems like these have no easy solutions, but the reform of Federal economic regulation is one place to begin.

Let's take our cue from the airline industry. In 1974, when my Judiciary subcommittee first started looking at airline regulation, the trade press was virtually the only source of news on the industry. But, Civil Aeronautics Board regulation was the target of some rather serious if underpublicized complaints. Unions, some airlines, aircraft manufacturers, municipalities and travelers complained that the CAB was wrong to allow some airlines to agree among themselves to reduce service on many competitive long-haul markets. The supplemental airlines charged the board with trying to raise the fares of low-fare charter service to protect the high-fare structure of international scheduled service, while cranking up the regulatory apparatus to outlaw the only marketable type of charter then in existence. On top of all this, one board member was accused of accepting gratuities from regulated firms, and the institution itself was under attack. Meanwhile, the airlines grumbled the loudest about poor earnings and stampeded each other to obtain large and frequent price increases. Yet, virtually every economist believed CAB regulation gave the air traveler air fares that were already too high.

The Congressional examinations prompted by those circumstances produced some very clear findings.

First and foremost, air fares on many routes seemed too high. A rigid CAB price formula governs the nation's air fares. This system of Federal price control keeps lawyers, economists, statisticians, accountants and file clerks busy, but it keeps air fares too high.

We can compare the CAB regulated fares with concrete examples of fares charged in many markets in Texas and California, and, more recently, Florida, where airlines not crossing state lines make pricing decisions without the artificial regulatory constraints of the CAB's formula. In Texas, fares are 20–60 percent lower than the CAB formula rate. The story is similar in California. While the traveler flying the 456 miles between San Diego and San Francisco pays $32 on an intrastate carrier, the 399-mile flight between Boston and Washington on a CAB carrier costs $51. There are dozens of other examples of low-fare, jet service to large, medium and smaller cities by companies like Southwest Airlines, Pacific Southwest Airlines, and Air California. Just recently, a relatively new intrastate carrier has begun developing high-frequency, low-fare jet service in Florida.

These cases are not mere aberrations. Aircraft operating cost analyses by Boeing and Lockheed studies by the Department of Transportation and, more recently, a report from the General Accounting Office confirm the proposition that low-fare service is feasible in many other markets that happen to cross state lines.

The second major finding about Federal airline regulation is that the CAB thwarts the entry of new companies into the business and restricts the expansion of existing airlines into new markets. In 1938, when Congress enacted the current regulatory statute, there were 16 trunk airlines, but today there are only 10. Although we have one-third fewer trunk airlines operating today, it is not for a lack of companies knocking at the CAB's door. Since 1950, there have been over 80 applications by new firms to provide trunk service, but none have been granted. Although regulation has seen new classes of airlines crop up, the fact is that air service performed today by firms not operating in 1938 accounts for a mere 10 percent of the domestic market. The CAB has wielded its rules like a bludgeon and beaten back all attempts to join the club of certificated trunk carriers.

The third major fact about airline regulation concerns its practices and procedures. The regulatory procedures of the CAB are fundamentally unfair and a scandal when they are at their worst, and glacially slow and ponderous when they are at their best. Despite a statute that requires the board to set route applications for hearing "as speedily as possible," only 5 percent of the applications for trunk line service ever received a hearing. And, as to applications by existing firms for competitive service, the board secretly implemented a five-year moratorium on route hearings.

Although the board recently ended the route moratorium, and has begun to accept applications for hearings, the pace of board decisionmaking is a continual source of frustration and needless expense to companies litigating before it. Seven-month-old applications to provide low-fare service to many cities from Chicago's Midway Airport are still awaiting a board order simply to set the scope of the hearing. Once that order is forthcoming, the citizens of Chicago can expect to await anywhere from one to three years before the CAB makes a decision. And, cases like this are where public pressures for fast action are the most pronounced. Less publicized cases take even longer.

Nor is CAB regulation giving the nation an exceptionally healthy airline industry. During most of the last ten years, the domestic industry has not even reached its 20-year average of a 6.4% return on investment, an average which is itself quite low. If profits under current regulation were good, then perhaps there would be at least one aspect of the current scheme to which we could point with pride. But the airlines' past financial performance and future projections simply give us no confidence in the status quo.

Regulation cannot return to the 1960's, a period when the introduction of jets brought increasing productivity, saw air fares fall in real dollar terms, and thus airlines experienced good profits. Unless SAE's members have some technological breakthrough on the immediate horizon, excessive service competition, high unit costs, high fares and frequent fare increases will continue to characterize the regulated airline industry. Current airline regulation is the problem and returning to the "good old days" is not a solution available to us.

There are two broad directions public policy might take in response. One approach is to begin to regulate more actively to keep costs and prices down. The economic philosophy of the depression that told us to regulate prices and profits in the private sector is not dead. Economic regulation is the traditional way to protect consumers from monopoly practices. The road to more regulation has been partially mapped by some unlikely sources. For example, the Chairman of American Airlines advocates that the board start controlling capacity, that is, the number of flights each carrier offers on each route. The Chairman of Eastern Airlines is most vocal in proclaiming that airlines are simply public utilities and should be regulated accordingly.

Under current law, the airlines have not been regulated like a public utility. Instead they have been half slave and half free, with the Government regulating price, but allow-

ing other decisions to remain by and large in the hands of management. But, full-blown public utility-type regulation would see the Congress and the public tell the regulators to make more decisions in order to control costs—especially the cost of flying so many empty seats. It could do so by controlling scheduling so that planes are reasonably full before they take off. And, it could do so by striking from the rate base all costs attributable to flying too many empty seats. And, full-blown regulation could start passing judgment on the aircraft investment decisions of airlines, in the same manner that utility companies tell power companies whether they can build a new plant. Since such strict regulation would eliminate financial risk, the regulators would adjust downward the level of profits airlines would be allowed to earn.

This type of regulation, if it kept prices down, might satisfy most consumers and travelers. But, I doubt whether it would please airline shareholders and suppliers. And, it certainly would put airline management under an even heavier regulatory burden and wrap their proposals in even tighter procedural knots. The prospects for corporate growth and innovation would be no greater, and probably less, than under current regulation.

The major alternative to more regulation is of course, less regulation—primarily more pricing flexibility and more liberal entry. An important feature of this approach that decisions be made and implemented by airline management operating in a competitive environment. If the reform movement is to be anything other than new or more Government interference in the private sector, the Congress must to some extent simply remove the power of the regulator to interfere with business decisions. In my view, this approach is fundamentally superior to the strict public utility approach.

The basic reason is a philosophical one. Less regulation is vastly more in keeping with important political and economic American ideals. It is more in tune with our Jeffersonian tradition of individual free choice And it comes closer to maintaining our basic industrial system of free enterprise and market choice. The free enterprise system is praised and enshrined in hundreds of speeches before local Chambers of Commerce every year. It is exploited in business and trade journals, and practiced skillfully and successfully by the executives of thousands upon thousands of companies. It generally deserves the good press it has gotten, but it also ought to have a more central place in the practical workings of important industries, and not just exiled to the editorial page of company newspapers. It ought to have a more central place in the economics of 20th century air transportation. Of course, a number of businessmen who pay lip service to this important economic tradition balk when it is suggested that their regulated industry or business begin to operate under the same rules that guide most other industries of this nation. This is quite true of a number of airline executives. But, our important traditions must apply to industries even if the executives of those industries would prefer that they did not.

A second reason I prefer less regulation is a practical one. In the case of airlines, the free enterprise solution appears to be more workable than the regulatory alternative. Fuller-plane, lower-fare air service is much more likely to become a permanent and important feature of domestic air travel through competition. This is the clear lesson to draw from 40 years of regulatory experience and the real-world economics of airlines.

The airlines are ready for these forms of competition. Take price competition, for example. Is it likely to be destructive or wasteful? The fact is that current regulation brings about its own form of wasteful competition that exacts a heavy toll on profits and productivity. Airlines circumvent CAB price controls and channel their fiercely competitive energies into service competition that sends $35 million aircraft speeding across the country side-by-side. Although half the seats are empty, the galley is loaded down with prime beef, imported champagne and other frills. This explains why airline profits are so modest; the high-fare revenues are competed away in the form of lavish, duplicative scheduling. Service competition is no less dangerous or risky than price competition, but current regulation has no power to control it and by stamping out price competition, has actually caused it.

Lower prices, on the other hand, are more likely than empty planes to attract passengers who would not otherwise fly, and to expand future traffic far beyond the modest growth projected under current regulation. This has been the clear lesson on low-fare routes in Texas, California and Florida, and in the domestic and international charter markets.

Unlocking the handcuffs on price competition will not ensure that airlines will behave as perfect competitive models. Perfect markets and economic equilibrium live only in the circuits of computers in the economic departments of universities. But, price competition is less likely to be as wasteful as the excessive service competition of regulation. And, since there are many markets that lower fares could help develop, price competition is likely to be productive, it can increase business, reduce or moderate the rise in unit costs, even in an inflationary economy, and stimulate a more dynamic industry.

Pricing flexibility will, however, be a dismal failure unless we chisel some fairly large holes in the CAB's entry barriers so that firms on the protected side of the wall can react to the newcomers on the outside. The threat of new competition regulates prices a lot better than the CAB's domestic passenger fare formula—and it does so with no bureaucracy and no Code of Federal Regulations. This is not simply good economic theory, it is demonstrable fact.

Look at the Peanut Fares of Texas International that offer 50% price reductions on many routes. Traffic has increased 200% on some segments, profits have increased, and these low fares are filling airplanes so successfully that they are now being offered on monopoly routes as well as competitive routes. But, offering Peanut Fares is a relatively recent competitive response to several years of rivalry between Texas International and Southwest Airlines. Before wielding the tools of the market and lowering prices, Texas International—a CAB carrier—used the weapons of lawsuits and administrative hearings to fight the low fares and high profits of its smaller intrastate rival in Texas.

This is a familiar story in the airline business. Only in places like California and Texas have the CAB carriers matched the low prices charged by intrastate carriers. The much-heralded Super Saver Fare is simply a competitive response to low-cost, cross-country charter flights, the World Airways $89 coast-to-coast proposed fare and the Cannon-Kennedy bill which would allow new low-fare carriers to enter the industry. Realistic threats of new entry are often enough to make the incumbent act first with low fares of its own. And, the greatest barrier to entry—the best protection for existing carriers against new competition—is low prices and satisfied customers.

There are also a number of reasons to think that the competitive regulatory solution is more likely to produce the environment for airlines to raise capital to finance new aircraft and underwrite growth. A less regulated environment will turn management's eye toward cost consciousness and efficiency. Competitive energies can help replace management's static obsession with market share with dynamic concern for market stimulation. And, such an industry will open the doors to the capital markets for well-managed firms.

The airline industry's poor financial performance under regulation has virtually dried up the equity markets. Risk and venture capital are by and large unavailable to today's CAB airlines. In ten years, the value of trunk stock has plummeted to a fraction of its book value, and the airlines have had to borrow heavily under rising interest rates and more restrictive terms than ever before. Yet, the less regulated firms who compete head-to-head with the debt-ridden CAB carriers have been able to attract enormous sums of equity financing.

Midway Airlines—still a paper company—has multimillion dollar commitments from a variety of investors. Just recently, Air Florida was able to market 3 million new shares of stock. Southwest Airlines in Texas has seen its stock soar from under $10 per share to over $20 in a year's time. The perceived increase in risk to some firms under less regulation is more than offset by the increased opportunities to explore new markets and earn dramatic rates of return that will not be limited by the CAB's notion of what constitutes reasonable profits.

And, whether we are talking about borrowed or invested money, it is quite simply mistaken to claim, as some have, that a less regulated environment will slam the bank doors to the airlines. The very day that one airline president was testifying along these lines before the Senate Aviation Subcommittee, the Wall Street Journal carried an article pointing out how that same airline had just received an $80 million line of credit from a 20-bank consortium. The banks that lent the money at the prime interest rate were apparently not too concerned with the fact that Congress was on the verge of deregulating the recipient of that loan.

Without CAB protection, firms like Federal Express, Southwest Airlines and others are able to get large bank loans. If there are real or potential profits, there will be capital, and current regulation is guaranteeing neither.

Less regulation will bring a new management flexibility and imagination. An industry where the Government sets prices and picks markets is hardly the environment to spur innovation. Managerial talents will be directed toward making money, instead of winning lawsuits. The public, airline investors, and airline suppliers will be better off if airlines start developing new markets and stop engaging armies of Washington lawyers in protracted administrative battles with other airlines and CAB bureaucrats.

While the long term prospects for the aviation industry are as good or better under less regulation, the short-term fears of some are based essentially on the notion that regulatory change increases uncertainty. There is no doubt that the fear of the unknown causes investors and suppliers to view reduced regulation with some alarm. But, this alarm is based on a serious misconception that current regulation acts as some kind of crystal ball for the future. It does no such thing. Even if Congress were to defeat legislative reform tomorrow, past and present CAB regulation is too dim a beacon for banks and aircraft manufacturers to plot a prudent future course.

Route policy, for example, has swung like a wild pendulum between the extremes of a route moratorium to a binge of competitive route awards. The swings in charter and fare policies have been equally extreme.

Changes in board policy occur with little forewarning and with few clear standards. This is not surprising. The board, even at its best, is a mixed body made up of five political appointees. With five decisionmakers, there is no single identifiable policymaker.

Votes on any given issue may be negotiated, cajoled and bartered. The board is answerable to a smorgasbord of constituencies and pressure groups—from the professional CAB staff, to the President, the Congress, air travelers, local officials and, of course, the various segments of the airline industry itself. Even the harshest of marketplaces does not have to contend with some of the peculiar uncertainties built into today's CAB. The only thing certain about current regulation is its uncertainty.

I have tried to suggest some reasons why less regulation is a preferable alternative to current regulation or increased regulation, and how the financial future of the industry could be brighter if we choose the competitive path.

There are, however, unknowns associated with any course we take. The risks involved in regulatory change are clearly recognized and prudently reflected in the legislation that Senator Howard Cannon and I introduced earlier this year and are still refining today. The Cannon-Kennedy bill will not mean total or immediate deregulation. The changes it proposes are fundamental, but within the framework of current law. The bill provides for a transition period to smooth out bumps and dips that accompany any worthwhile reform. Together with Senator Cannon and other members of the Commerce Committee, I will continue to work vigorously during the weeks ahead to bring this legislation to the Senate floor.

Finally, I would not want to leave without taking this opportunity to comment briefly on how private citizens can interact more effectively with Government officials, which is one of the reasons you are meeting in Washington. There are some lessons to be learned from the legislative efforts in the regulatory reform arena.

Obviously, the issues that command the attention of the Congress are often quite complicated and complex. To be credible, therefore, business and industry must be analytical and thoughtful. The complexity of the issues must be reflected through sophisticated positions in order to make an impact. When business takes extreme positions, proposes simplistic solutions, fights its legislative battles with slogans rather than reasons, the efforts are seldom effective and occasionally backfire. One major airline, opposed to legislative change, sent letters to its suppliers predicting that reform will mean fewer jobs, depressed earnings and a host of other horrors. The letter urges the supplier to write his Senators and Congressmen to oppose the legislation. The letter intimates that the supplier might lose its healthy customer if the supplier fails to lobby on behalf of the airline.

Last week one of the recipients of this letter—an airline supplier and a Massachusetts constituent—wrote to say that the airline letter was, and I quote, "an insult to the intelligence of its recipients." The constituent went on to urge speedy passage of the reform bill.

A second suggestion is that business and industry must be willing to come forward on economic and regulatory issues of general concern, even if those businesses do not have a direct financial interest.

To refuse to get involved or devote the resources to such important public issues, except those that mean hard dollars and cents, is a sure way to limit effectiveness and credibility. Commercial interests must and should be represented. But, to fight only the fights where there is a direct financial interest is to forfeit the opportunity to nurture credibility by participating in the policymaking processes on other issues.

Again, the airline regulatory reform effort provides some good examples of this process. Numerous business organizations have been active for several years in efforts to influence public policy, and lately have done so under the banner of reducing Federal interference in the private sector. But, when consumer groups approached the business groups to form a coalition to support less airline regulation, the response they often heard was "what's in it for us" and "how does it affect our profits?"

Finally, although one philosopher has told us that simple consistency is the hobgobblin of small minds, in the legislative arena fundamental inconsistency is to be avoided by those who want Congress to listen. One of the most striking recent examples of what not to do again comes from the airline reform issue. Recent hearings on the Cannon-Kennedy bill saw an officer of one of the nation's largest banks paint a bleak and gloomy picture of less regulation. He urged Senator Cannon, who was chairing the hearings to maintain the current regulatory scheme which tells airlines what to charge for each ticket and where they can fly their planes. A scant four weeks later, a full-page, $10,000 ad appeared in the Washington Post decrying the "torrent of indecipherable Government regulation." In one particularly impressive passage, the ad stated that "Our lawmakers and regulators alike seem to have forgotten that they are not physicists, and that we are not mere physical bodies of quanta of energy swarming about in space, but intelligent beings whose nature requires us to be free agents." The ad called for self-restraint among legislators and regulators, but lamented the fact that there were presently few signs of restraint. The ad should be read in its entirety. It was articulate and thoughtful. And, the sponsor was none other than the same major bank that sent its vice president here one month earlier to lobby Congress *not* to exercise the regulatory restraint it later paid lip service to in the newspaper ad. Government officials might be excused if they fail to pay close attention to the next newspaper ad or the next Congressional witness that particular bank sends to Washington.

I am confident that many of you have lessons to pass on to us in Congress—how we can do our job more effectively and competently. I do not doubt that the mistakes of Government in the past years must be shared by all of us who serve in Government today. Society's dissatisfactions with too much Government are often translated into dissatisfaction with the people in Government. This is both understandable and proper. For although we strive to have a Government by laws, not of men, the laws and the regulations they spawn are conceived, formulated, enacted and enforced by people.

So the challenge to those who serve in Government is to rethink the regulations of Government; to update what is outmoded; improve what is inadequate; discard what is unnecessary; and soften what is oppressive.

If the laws and regulations we in Washington toil over are to be responsive to the nation's economic and technological spirit, we must act with appropriate caution, but we must be bold as well, and be willing to choose different solutions and new approaches. The basic distrust of a market economy by a depression-weary Congress in the 1930's and that era's technological infancy help explain the rigid regulatory choice for air transportation made forty years ago. But, the 1970's are not the 1930's. We recognize today that healthy growth in the travel and the air transportation industries is more likely to be stunted by trifling regulation than competitive market forces. Reduced regulation is an achievable and worthwhile goal that offers a promising reprieve from the inertia of the status quo. The stifling regulatory mantle should be lifted from the air transportation system.

SENATOR NELSON DELIVERS THOUGHTFUL STATEMENT ON PENSION ISSUES

Mr. BENTSEN. Mr. President, on May 10 the Senate Finance Committee's Private Pension Subcommittee, which I chair, and the Senate Small Business Committee, chaired by Senator NELSON, began a series of joint hearings to formulate ways to reduce excessive paperwork and redtape under the 1974 Pension Reform Act and ways to insure that pension investments do not impose unnecessary obstacles to economic growth. These hearings are a continuation of the joint efforts of the Senate Finance Committee and the Senate Small Business Committee that began 2 years ago to simplify our private pension laws.

Many good pension plans, particularly for smaller businesses, have been forced to terminate because of duplicate government reporting requirements, and a snarl of redtape. Dual enforcement of the pension reform law by two different Government agencies—the Labor Department and the Treasury Department—has resulted in a bureaucratic nightmare. The costs of administering pension plans have skyrocketed and delays have stretched out. The cost of administering one pension plan, with 19 participants, rose by almost half in the year after the law went into effect. It took Labor and IRS 26 months to agree on the procedure for handling exemptions from one provision in the law and 29 months after the law was signed only 12 out of 600 exemptions had been granted.

In his opening statement at the pension hearings on May 10, Senator NELSON traced our efforts to relieve the burdens of compliance and paperwork under ERISA, so that existing pension plans can be continued and new ones created to preserve and expand financial security for retired persons.

I ask unanimous consent that Senator NELSON's thoughtful remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

OPENING STATEMENT OF SENATOR GAYLORD NELSON

The hearings about to begin constitute a continuation of the joint inquiry of the Senate Small Business Committee and the Subcommittees on Private Pension Plans and Financial Markets of the Senate Finance Committee on the impact of the Employee Retirement Income Security Act (ERISA) on the business community, and particularly small business.

ERISA, which is also known as the Pension Reform Act of 1974, had the worthy objective of strengthening the retirement security of the approximately 50 percent of U.S. workers who are covered by private pension plans. Since more than 97 percent of the business community can be classified as "small business," it is not surprising that the statistics show that 96½ percent of pension plans have less than 100 participants and 93 percent have 25 or less.

Accordingly, the major requirements for change under this landmark legislation fell upon smaller employers who had chosen to make financial contributions toward future

financial security for themselves and for their employees.

Our investigation began during 1975, when it became apparent that problems were arising in the implementation of the law, and especially in the paperwork burdens involved in reporting of information to the several departments and agencies administering ERISA. This culminated on November 18, 1975, in a joint letter from the Chairman of the Finance Committee (Senator LONG), the Chairman of the Financial Markets Subcommittee (Senator BENTSEN), and the Chairman of the Select Committee on Small Business and the Private Pension Plans Subcommittee (myself) addressed to the Department of Labor and the Internal Revenue Service.

In this letter we made a number of specific requests to simplify and reduce the size of the description and annual report forms that businesses would have been required to fill out; to eliminate the requirement for an accountant's opinion; and to extend the unreasonably short periods of public comment and evaluation. It was gratifying that in December of 1975, these requests were substantially granted. In fact, the proposed EBS–1 form was reduced from 16 to 6 pages and the annual report/return (5500) was cut from 5½ to 2½ pages.

To monitor these developments and to examine the trends in pension plan creations and terminations under ERISA, joint hearings of these committees were conducted on February 2 and 3, 1976. Testimony was taken from a broad spectrum of administration and small business witnesses, including those who provided professional services to smaller pension and retirement plans.

On the basis of these proceedings, and our continuing research, the Committee provided the Senate with an interim report on September 30, 1976 (CONGRESSIONAL RECORD, p. 33951). The report revealed that formation of new pension plans had dropped from about 60,000 in 1973 and 1974 to about one-half of that level in 1975 and 1976. The number of applications for terminations also rose steeply in the years following the Act.

In other words, the ratio between the creation and termination of pension plans fell from a range of 13- or 16-to-1 prior to ERISA to a ratio of 3.7-to-1 in 1975 and 1.2-to-1 for the first 9 months of 1976.

We hope that these hearings will update and refine these statistics and that we will receive a thorough analysis of the reasons underlying these trends.

Senator Bentsen and I have expressed deep concern about these developments. We are particularly worried about the termination of private pension retirement plans that would be considered sound in every respect but may have been terminated because of compliance, administrative or paperwork burdens of the Act.

Beyond this, although many Congressional committees, government agencies and private organizations have examined various aspects of the Pension Reform Act, there has been virtually no discussion about how the investment policies will affect the structure of our economy and society. We hope in these hearings to learn of the impact of investment policies governing the $445.4 billion in pension assets (as of December 31, 1976). We would like to know more about the effects of these policies upon capital markets, on opportunities for the creation of new ventures, on productivity, the present and potential competitiveness and efficiency of American industry, employment, and other trends in the labor market. We are beginning to realize also that the investment policies, as well as the administration of these laws, will affect the quality of life for the 30 million people currently receiving retirement benefits, as well as the millions of our citizens who will advance to retirement age in years to come.

We have been acutely aware of the criticisms by small business relating to administrative requirements under the Act, the structure under which multiple federal departments and agencies are implementing the reform law, the duplicative reporting requirements, and some of the substantive features of the law.

Considering the magnitude of these problems and their significance to our economy and society, we are reminded of the words of President Lincoln that:

"The occasion is piled high with difficulty, and we must rise with the occasion . . . we must think anew and act anew."

It is a source of pride, however, that our committees have taken the lead in exploring the problems under ERISA and in attempting to resolve them.

These hearings are additional evidence that the Congress is ready to review its work and experience of the past 2½ years in the pension field, in order to grapple with the legislative and administrative problems. Hopefully, we advance the process of working out ultimate solutions.

Senator Bentsen has prepared two bills, S. 901 and S. 285, which are before us. These will serve as vehicles for the discussion of the general questions involved and the alternative courses of action.

We very much look forward to receiving the testimony of eminently qualified witnesses which are to appear before us in the next weeks and months. We pledge the full cooperation of the Senate Small Business Committee in this important work.

SHOULD SOCIAL SECURITY BE A TOTALLY INDEPENDENT AGENCY?

Mr. CHURCH. Mr. President, President Carter has submitted an eight-point program to Congress to strengthen the financing of social security.

This package has already stirred up controversy during recent hearings conducted by the House Ways and Means Committee.

Some congressional modifications may be needed.

However, I think it is essential that the Congress act promptly to guarantee the financial integrity of social security.

I consider this to be one of the highest domestic priorities of the 95th Congress.

Practically every American is affected by social security in one way or another.

It is vitally important that workers, retirees, and other beneficiaries have confidence in the stability of this system.

I am also hopeful that the Congress can consider ways to improve the administration of social security in tandem with proposals to strengthen its financing.

In recent years the Social Security Administration's reputation has been tarnished by problems encountered with the supplemental security income program.

We have all read about the computer errors, the long delays, and the lost checks.

Quite clearly, action is needed to improve the administration of social security. I am convinced that my Social Security Administration Act, S. 1194, can be an important step forward in implementing this goal.

It would reestablish the Social Security Administration as an independent agency outside the Department of Health, Education, and Welfare under the direction of a three-member governing board appointed by the President with the consent of the Senate.

Independent status, I strongly believe, would improve the efficiency of social security. A three-member board—appointed for staggered terms—would permit continuity of operation. It would also allow some degree of specialization for the appointees. The members, for example, could be experts in a particular area, such as retirement benefits, SSI, or medicare.

S. 1194 would also protect social security from being exploited for narrow, partisan purposes.

My proposal has strong bipartisan support. Twenty-two Senators have already joined me in sponsoring this measure. Former Secretary of HEW Wilbur Cohen has also enthusiastically endorsed it, saying:

> Congress should act favorably on this important measure. Social Security should be removed from any implication that it may be utilized for any partisan political objective or any economic manipulation which makes it subservient to changing economic or fiscal theories or the unified budget.

A recent article by Wendell Coltin in the Boston Herald American provides further persuasive reasons for approval of my Social Security Administration Act.

Mr. President, I commend this account—"Should Social Security be a Totally Independent Agency?"—to Members of the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the account was ordered to be printed in the RECORD, as follows:

SHOULD SOCIAL SECURITY BE A TOTALLY INDEPENDENT AGENCY?

(By Wendell Coltin)

Since the Carter Administration is reorganization-minded as far as Federal agencies are concerned, it will be interesting to see what official reaction will be to a proposal that the Social Security Administration be separated from HEW and established as an independent agency.

This is called for in a bill filed by Sen. Frank D. Church (D-Idaho), chairman of the Senate Committee on Aging and Rep. Charles A. Vanik (D-Ohio), a senior member of the House Ways and Means Committee. Their bill proposes the SSA be reestablished as an independent agency under direction of a three-member governing board. This is similar to previous legislation filed by Church.

The National Council of Senior Citizens, in the past has urged legislation to make the SSA a separate autonomous agency, completely independent from HEW.

In November, 1974, we interviewed Church and he expressed his opinion the SSA should be a separate agency and said he was filing legislation. Nothing came of it, however.

"Social security clearly deserves full-time non-political executive attention," Church contends. "The rapid turnover of secretaries at the Dept. of Health, Education and Welfare—and there have been 12 Secretaries during the past 24 years—creates problems for the operation of Social Security. And it certainly does not contribute to the best administration of this important institution which now affects almost every American family."

Church points out that Social Security accounts for more than half the income of nearly seven out of 10 aged individuals and one out of two elderly couples. It also represents almost the entire source of support, 90 percent or more of total income, for one out of four single aged persons and one out of 12 older couples.

Vanik says, "It is ridiculous to have the Social Security Administration in this maze of HEW bureaucracy. In the coming year, Social Security will administer aged individuals and one out of two elderly couples. It * * * $115 billion in public funds, while all the rest of HEW is responsible for $47 billion. To subordinate Social Security to HEW is to have the tail wagging the dog."

Vanik, who served as chairman of the House Ways and Means Oversight Committee in the last Congress, reported the subordinate status of Social Security results in inefficiencies and waste.

"The Supplemental Security Income program did not receive priority attention or support from top HEW officials," according to Vanik. "As a result, the SSI program was started by Social Security with insufficient staff and computer resources. The result since 1974 has been nearly $2 billion in erroneous payments and a disruption of regular Social Security services to the nation's retirees."

It is appropriate to note here that when Congress amended the SSI program the month before the program was to get underway a few years back, that didn't contribute to the smoothness, of efficiency, of the transition from the former State-administered programs of Old Age Assistance and Aid to the Blind and Disabled of all ages.

That was tantamount to changing signals at the line of scrimmage. We can recall the Saturday work and many hours of overtime Social Security employes were called upon to put in, to "gear up" for the advent of the new Supplementary Security Income Program.

Congress did not make the job of administering the program any easier by establishing various living arrangements (whether a person lived alone, or shared accommodations with others), which would affect the amount payable to eligible individuals and couples. Nor did the fact some states would add to the Federal SSI payment and others would not make the job any easier to administer. Even though SSI was to be Federally-administered by Social Security offices, the program was not uniform when one got beyond the Federal SSI payment levels.

SSI, when it became a Federal program, resulted in increases in payments for any Old Age Assistance beneficiaries, also recipients of benefits for blindness and disability, in states where those payments were lower than the new Federal levels.

The Social Security Administration paid a penalty for establishing over the years a good reputation as an efficient Federal agency with low administrative costs. Because of that reputation, and the confidence Congress had in SSA's ability to do a good job, Congress dumped the SSI program into its lap, after having burdened it several years earlier with Medicare. Also, it did not allow for a substantial increase in SSA personnel to do the job.

SSA had considerable more time to prepare for the Medicare program after it was enacted into law than it was given to administer the SSI program for the aged, blind and disabled. So incensed were some applicants for benefits, SSA employes in some offices, notably New York, were physically assaulted. More than SSA's image was damaged.

S. 1486

Mr. BELLMON. Mr. President, last week I introduced a bill to provide authorization for payment under the supplementary medical insurance program for services furnished by physician extenders, nurse practitioners, and clinical staff of community mental health centers. At that time, however, I inadvertently omitted the request for the bill to be printed after my statement. I now ask unanimous consent that the complete text of bill number S. 1486 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1486

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1861(s)(2) of the Social Security Act is amended—

(1) by striking out "and" at the end of subparapgraph (C); and

(2) by adding at the end thereof the following new subparagraphs:

"(E) services furnished by a physician extender (as defined in subsection (aa)) and/or a nurse practitioner (as defined in subsection (bb)) to the extent recognized under State law or State regulatory mechanisms, rendered under the supervision and direction of, and billed by, a physician, notwithstanding whether such services are performed in the physician's office and notwithstanding whether the physician is physically present when such services are rendered; and

"(F) services furnished in accordance with regulations by the clinical staff of a community mental health center;".

(b) Section 1861 of such Act is amended by adding at the end thereof the following new subsections:

"Physician Extender

"(aa) The term 'physician extender' means a physician's assistant or medex who, having completed an educational program meeting guidelines prescribed by the Secretary, or having been certified by an organization, commission, or agency recognized by the Secretary, performs (under the supervision and direction of a physician) such services as he is legally authorized to perform in the States in which he performs such services.

"Nurse Practitioner

"(bb) The term 'nurse practitioner' means a nurse practitioner who, having completed an educational program meeting guidelines prescribed by the Secretary, or having been certified by an organization, commission, or agency recognized by the Secretary, performs (under the supervision and direction of a physician) such services as he is legally authorized to perform in the State in which he performs such services.".

(c) Section 1833(a) of such Act is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof a comma; and

(3) by adding at the end thereof the following new paragraphs:

"(3) in the case of services described in sections 1861(s)(2)(E) and 1861(s)(2)(F), reimbursement shall be made at a rate equal to 100 percent of the lesser of the reasonable costs of such services or the customary charges for such services, when such services are rendered in health manpower shortage areas (as defined in section 323(a) of the Public Health Service Act), and at a rate equal to 75 percent of such rate, when such services are rendered outside of a health manpower shortage area, and

"(4) in the case of services described in section 1861(s)(2)(E), reimbursement shall not be made for the services of more than two physician extenders or two nurse practitioners per one supervising physician;".

SEC. 2. The amendments made by the first section of this Act shall apply with respect to services furnished on or after the first day of the month following the month in which this Act is enacted.

H.R. 5262

Mr. ABOUREZK. Mr. President, when H.R. 5262, the international financial institution bill is considered by the Senate, there will be legislation offered which would add to the human rights portion of the bill. The Friends Committee on National Legislation has prepared an excellent question and answer factsheet on the Hatfield-Abourezk amendment which is valuable in explaining the amendment itself and in clarifying what it would do. I therefore ask unanimous consent that it be printed in the RECORD.

There being no objection, the factsheet was ordered to be printed in the RECORD, as follows:

FACTSHEET

1. The bill reported by the Senate Foreign Relations Committee already contains human rights language. What is the difference between it and the Abourezk-Hatfield proposal?

The Committee language is advisory only. It suggests human rights policy guidelines when U.S. representatives vote in international financial institutions for loans. But the President is given complete discretion as to whether he shall follow them. In addition, the Committee's bill, Sec. 702, repeals stronger human rights language approved by Congress in 1976 for the Inter-American Development Bank and African Development Fund.

The Abourezk-Hatfield amendment, on the other hand, sets a mandatory standard: The U.S. representative must vote against a loan to a government which consistently and grossly violates human rights "unless such assistance is directed specifically to programs which serve the basic human need of citizens of such country."

2. Does the Abourezk-Hatfield amendment set a reasonable standard?

Similar language, the "Harkin amendment," was adopted by Congress in 1975 to apply to the U.S. bilateral aid program (P.L. 94-161) and in 1976 to apply to the Inter-American Development Bank and the African Development Fund (P.L. 94-302). Congress also adopted a closely related standard for U.S. military and other security assistance in 1976 (P.L. 94-329).

U.S. A.I.D. administrators are living with this standard and seeking additional ways to implement U.S. human rights concerns.

The Abourezk-Hatfield language was added to the comparable bill, H.R. 5262, on the House floor April 6.

3. But the Administration argues that the Abourezk-Hatfield language will take away needed "flexibility."

The provisions of the Abourezk-Hatfield amendment are broad and general. In determining whether a country violates the standard, one must look for a "consistent pattern." The violations must be "gross" and the rights must be "internationally recognized." Not every human rights violation qualifies—specific reference is made to especially reprehensible actions such as "torture," "cruel, inhumane, or degrading treatment," "prolonged detention without charges," and "flagrant denials of the right to life, liberty, and the security of the person." And it is the Administration which determines whether the objective situation in a particular country meets these criteria.

But even if a country is found to be a gross

human rights violator, there is a broad exception, permitting U.S. support for the loan if it "is directed specifically to programs which serve the basic needs of the citizens of such country." This, too, is determined by the Administration.

Thus the Abourezk-Hatfield amendment's only inflexibility is in requiring Administration representatives to vote against loans which the Administration itself determines do not serve the people's basic human needs and go to grossly repressive governments. It does not require the Administration to vote for any loan to a repressive government which does meet human needs, as some opponents have charged.

Certainly, any statutory language can be misconstrued by the Executive Branch, but the Carter Administration, which has a clearly stated commitment to human rights, should be able to apply this Congressional standard fairly.

4. Would the Abourezk-Hatfield amendment interfere with effective U.S. relations with international financial institutions?

Three loans to Chile have been considered in the Inter-American Development Bank since the 1976 law went into effect. The U.S. voted for two of them and against a loan to the central bank which was not felt to directly benefit needy people. The U.S. view did not prevail on the bank loan, but this action has helped make human rights a more important factor in IDB considerations.

During the House debate Representative Rousselot reported that "in discussions I had with President Ford last fall, although he had originally objected to the Harkin amendment, he said once it was out in place as law, he not only was able to live with it but he felt that it was a very appropriate weapon in the hands of our U.S. representatives to the two funds to which this law now applies." (*Cong. Record* H 3121, April 6, 1977)

5. Would a U.S. "no" on human rights grounds be interference in a country's internal affairs?

No more so than in many other areas. The U.S. "interferes" in many countries' affairs through its aid, trade, military and diplomatic and other policies. Even international bank loans can be political—bailing out a particular government, failing to grant urgently needed aid to another. A U.S. vote *for* a loan which aids a grossly repressive government and not its people is also "interference" in the country's internal affairs. The U.S. thereby helps to continue a repressive elite in power at the expense of democratic elements in the society.

6. Why is the Abourezk-Hatfield amendment necessary?

The trend toward authoritarian governments is growing in the world. Torture and other gross violations of the person abound. The United States must stand against these practices consistently and effectively. International financial institutions are channels through which U.S. aid reaches many countries. The Congress needs assurance that U.S. tax dollars are not being used to prop up repressive governments with loans for programs which benefit only a narrow ruling elite.

Latin America's military governments have reportedly taken heart from the Carter Administration's opposition to Harkin-type amendments, as the Washington Post reported April 13 from Buenos Aires: "Encouraged by President Carter's opposition to legislation barring U.S. approval of multilateral loans to human rights violators, Latin America's military governments are awaiting an indication of where the Administration's human rights policy is heading." Congress has a responsibility to clarify for the world our national concern for human rights.

7. Is this really a Legislative-Executive Branch struggle?

Given the general unity of President Carter and members of Congress on the importance of human rights considerations, the current controversy seems nearly inexplicable except in terms of a classic difference in perceived roles for Congress and the President. The President seeks maximum discretion and freedom of action, receiving Congressional policy statements and advice, but resisting binding conditions. Congress, on the other hand, in wisdom gained in recent years, seeks to spell out reasonable standards and conditions with which any President and his representatives must comply.

Given the mixed signals the Administration is sending Congress in its FY78 requests for military aid to various repressive governments, Congress may reasonably conclude that a simple but mandatory standard such as that in the Abourezk-Hatfield amendment is desirable and entirely consistent with ongoing Congressional concern for human rights.

The same test Congress applied to the Ford Administration should be set for the Carter Administration and future Administrations. This will help to institutionalize the U.S. concern for human rights in a way which carries much more conviction than discretionary or advisory provisions.

TED DEIKEL OF FINGERHUT CORPORATION

Mr. ANDERSON. Mr. President, several weeks ago I noticed a small item in the Wall Street Journal. The item caught my eye because it mentioned a Minnesota businessman who I know well and who I have the honor and pleasure of regarding as a friend.

This businessman, Ted Deikel is the president of Fingerhut Corp., a Minnesota firm, that is engaged in the direct mail distribution of a number of consumer products. Many of these products are manufactured by Fingerhut at plants scattered around the State of Minnesota.

Many businesses provide useful services and benefits for their employees beyond those strictly required by contract. But Mr. Deikel has recently provided for Fingerhut's employees an extra benefit that is of unique value. Each of the company's 2,600 employees is receiving free a smoke detector for use in their homes.

Every year many thousands of people are killed in fires in the home. A very large number of these deaths could be prevented if the occupants of the homes had received a few minutes of warning before the fire and smoke took control. The smoke detectors which have come on the market in the last few years will usually provide that vital few minutes of warning. Fingerhut deserves mention for this highly commendable action. Mr. President, I ask unanimous consent that the item on this from the Wall Street Journal be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Fingerhut Corp., noting the rising number of deaths caused by fires in the home, is distributing smoke detectors free to its 2,600 employes. Ted Deikel, president, made the move after hearing that a father, who had just lost three of his children in a fire, had planned to buy a smoke detector the next day.

PERSPECTIVE ON THE ARMY

Mr. PERCY. Mr. President, I have had the pleasure over the last few months of working with an extremely talented officer of the U.S. Army. Col. Al Shockley, the first military officer to be an American Political Science Association congressional fellow, served on my foreign policy staff from December through April. His assistance was invaluable in preparations for and the carrying out of Senate Foreign Relations Committee hearings on the strategic balance between the United States and the Soviet Union.

On May 8, Colonel Shockley delivered to newly commissioned officers at the University of Richmond an insightful address on the relationship between the professional soldier and the civilian society which he or she serves. I would like to share parts of his address which I found particularly interesting.

I ask unanimous consent that excerpts from Colonel Shockley's address be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM AN ADDRESS BY COL. HENRY A. SHOCKLEY

I am aware that only a few of you have chosen the military as a way of life. By acceptance of a commission, however, you have identified yourselves with the Army. That identification can be a positive or negative factor depending upon your attitude toward the service and the way military service is viewed by society. The former is dependent upon you, the latter is a variable that is largely independent of your performance.

Recently Professor Samuel Huntington of Harvard said: ". . . the dilemma of military institutions in a liberal society can only be resolved satisfactorily by a military establishment that is *different from but not distant from the society it serves.*" The military establishment you enter today is indeed different, but unfortunately, I believe it is also too distant from the society it serves.

In the few minutes I have with you today I seek not to impart some mystic wisdom, but to offer you my own perspective on the Army of today and the emerging Army of the future. I have purposely omitted the confusing line and block charts, the doomsday weapons, and the modern machinery that serves the decisionmaking processes. Rather the Army I want to present to you is a group of diverse people interacting with each other and with the society they are sworn to serve. . . .

There is a certain changeless nature to the Army. It has always been set aside from society by time-honored traditions, a clearly delineated hierarchy of command, a strong disciplinary system, and by the cohesion and comradery of its cadre. Today's Army reflects these timeless characteristics but in addition it also reflects the temper of the times. It is at once more highly and selectively educated, more technically oriented, and more willing to deal with its problems and weaknesses in an open and pragmatic manner than ever before. . . .

. . . One particular area of concern for me is the reduced opportunity for graduate study at the more prestigious universities for our middle and senior level officers. Constrained budgets and smaller cadres will lessen these heretofore frequent and wel-

comed mid-career civilian and military classroom interchanges. The exchange and exploration of ideas, the sharing of common and uncommon experiences, and the solving of similar managerial problems has traditionally opened new vistas for the participants and has inspired at least grudging appreciation of one another's views.

Decreasing opportunities for formal civilian/military interchange at the intellectual and problem-solving levels inhibits exposure to fresh ideas, new techniques, and the concerns of an enlightened and influential portion of society. When the burden of remaining different without becoming distant from the society we serve is placed on the individual rather than on the system, interchange tends to become superficial at best and non-existent at worst.

My belief in the need for professional civilian/military exchanges is grounded in my own personal experience. On three occasions I have been given the opportunity to leave the military environment and go figuratively off to a distant mountaintop and view my chosen profession from a different vantage point.

In my eighth year of service I was sent for a year to a civilian graduate school. From my twelfth through my fourteenth year of service I was seconded to the British Ministry of Defense as an intelligence analyst in a totally civilian environment. Most recently I have been a member of the personal staff of Senator Charles H. Percy of Illinois. Now I am completing my first week of duty on the staff of Representative Gillis Long of Louisiana. Each of these sabbaticals has provided me with a fresh look at the Army, a window on another institution, an opportunity to test my skills in a different setting, and a chance for intellectual stimulus. I have enjoyed each experience immensely and have received great personal and professional gratification in return. Perhaps immodestly I also feel I have been able to make a positive contribution to each assignment as well.

Despite the pleasure derived from a look "outside", my return to the Army has always been a welcome one. On each occasion I have felt a renewed appreciation for its organization and sense of purpose, and for the caliber of its soldiers, NCOs, and officers. Nonetheless, each tour has left me with a feeling of unease and concern. I fear that we in the armed forces may become isolated from the mainstream of thought and too far distant from the needs and concerns of this nation. My latest journey away from the Army to Capitol Hill has reinforced and intensified that feeling.

In the late sixties and early seventies there was a tendency to worry about isolation, but that concern was, in my view, a rather superficial one. We looked at the apparent differences between military and civilian life and unsuccessfully and unnecessarily tried to gloss over the differences. Military life is different. It requires different things from its members than does civilian life, but there needs to be a common perceptual framework for all citizens. There is a wide, and I fear growing, perception gap between the military establishment and the society it serves. It has already led to distrust and misunderstanding and—if left unchecked—it could lead to hostility.

There are startling differences in perception of our national priorities, the threat to this nation from external forces, and the role of the military in a peacetime environment. My own amateur analysis of the reason for these perceptual differences comes back to a single overriding issue: our inability to come to grips with the moral, social and political ramifications of the Vietnam War.

We in the Army have a tendency to see national priorities in terms of rather narrowly defined military objectives. We are trained to prepare for the worst possible contingency and to see our national security as the single, overriding concern of this nation. During our participation in the Vietnam War we defined the mission, laid out the requirements for successful execution, and when the mission was more narrowly defined and the requirements reduced, we saluted and did our job, and did it well. When the military establishment became the symbol of all that was wrong with the war and the world, we simply squared our shoulders and stoically accepted the slings and arrows of society.

Insulated by our sense of "rightness", we were able and willing to put Vietnam aside when it was over and move onto the more pressing mission of preparing for any eventuality. But in setting Vietnam aside under the category of military lessons learned, we have, I believe, failed to understand its residual effect on a generation that now controls, or is coming of age to control, the political, economic, opinion making, and intellectual communities of this nation.

As a result, we are hurt when our warnings of impending doom go unheeded. We tend to forget that ten years' worth of predictions of doom, overly optimistic estimates of success, and a seemingly insatiable appetite for new and more modern weapons of war, damaged our credibility and gave us an image of being aggressively opportunistic—opportunistic enough in the eyes of some to build a false threat in order to perpetuate our way of life.

At a time when many see a large standing military force as a provocation rather than as a deterrent to war, pleas for new equipment, more research and development, and increased operational funding are viewed with skepticism if not cynicism. The echoes of political promises to seek an end to the arms race, and to lessen the dangers of nuclear war, clash loudly with renewed calls for increased military expenditure.

As we begin to focus sharply on the needs of the poor and disadvantaged, long needed military pay and retirement equity are seen as wasteful and excessive. The storied fringe benefits of the Army—free medical care, PXs, commissaries, and housing—all grander in the telling than in the living—are viewed as unneeded. As budgets become more constrained, there will be more of a tendency to pit military requirements against civilian needs in an intellectually vacant zero sum game.

During the Vietnam War there was an unfortunately large segment of the military community that retreated into itself. Stung by often unfair criticism and distorted information, bright young acquaintances of mine refused to read newspapers and magazines, watch the television news, or associate with those who did. They withdrew from critical thought and lost their ability to evaluate. If the war went badly, it was the fault of bumbling and misguided politicians who got us into it, tied our hands during its execution, and then, when victory was in sight, allowed Vietnam to be lost by a failure to provide necessary support.

Now, many of these same people are muttering darkly about wrongheaded politicians, an anti-military press, and what they see as a hostile and capricious public that neither understands nor appreciates the military. At the other side of the spectrum there are equally unenlightened civilians who consistently close their minds to the legitimate needs of the military and pay scant attention to the security requirements of this nation. Extremists on both sides may be relatively few in number, but they pose a potential impediment to better understanding at best, and a divisive force at worst.

The military's preoccupation with national security, a natural consequence of our profession, should not preclude a better understanding of the needs of this nation. If we are to heed Professor Huntington's warning about becoming too distant from the society we serve, it is necessary to make ourselves aware of the needs and concerns of that society.

As a totally unexpected by-product of my experience on Capitol Hill, I had the opportunity to measure my own awareness of the needs and concerns of Americans. Despite my schizophrenic soldier/scholar existence of the last decade, I scored rather poorly on the non-military, non-national security issues of the day.

The beginning of awareness came through direct day-to-day contact with Senator Percy and his staff. I was struck from my first staff meeting with the multiplicity of issues that cried out for solution and the paucity of resources available to meet even the most pressing of needs.

The largely academic staff discussions were brought home graphically when in late February I was given the unique opportunity to travel to Chicago with the Senator. For two days I accompanied him during a whirlwind tour of that great city's less-advantaged areas. At each stop I listened to the poor, the old, the black, the disadvantaged and the disenchanted present their petitions to their elected representative. Their requirements were basic: jobs, public transportation, security for their homes and their persons, equal opportunity in fact as well as under law, justice, more responsive public servants, dignity. . . . The list never seemed to end. The image of suffering, humiliation, and grinding poverty will not abate. The feeling of personal helplessness has not been erased. In terms of the current vernacular: "I had my consciousness raised."

I am not for one minute advocating an abandonment of national security priorities. Clearly, only under an umbrella of undoubted security can we as a nation address the problems of human suffering. What I am concerned about is that we as the sworn servants of our nation, not lose sight of the concerns and needs of our citizens. National security and individual well-being need not be mutually exclusive concepts. We owe it to ourselves to learn to appreciate the many contending and legitimate demands that are placed against this nation's shrinking resources.

It is clear to me that we in armed services may have placed too great a distance between ourselves and the society we serve. There is a clear need for more interaction and exchange of ideas, exploration of values, and mutual investigation of ways in which we may all better serve.

FISH AND U.S. FOOD POLICIES

Mr. KENNEDY. Mr. President, with the extension of U.S. fishery jurisdiction to 200 miles, the United States has assumed control of a major renewable, high-quality protein food resource. This not only has an important and long-overdue implication for the people of the United States, but it also poses some critical question for our international food policies.

In a provocative article in last week's Boston Globe, some of these questions were raised by Richard Chaisson, a fisheries biologist with the Massachusetts coastal zone management program in the Office of Environmental Affairs.

As he notes in his article, the United States now produces not only the largest share of exportable grains, but we also control a significant percentage of the world's fisheries—and yet we do not have a comprehensive national food policy.

Mr. President, I would like to draw the

attention of Senators to Mr. Chaisson's article, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Boston Globe, May 13, 1977]

NEEDED: A SPIRITED U.S. POLICY TO FEED THE HUNGRY OF WORLD

(By Richard E. Chaisson)

At a meeting of fisheries biologists last fall, some Federal officials and scientists were discussing the impact of the then-upcoming extension of U.S. fisheries jurisdiction to 200 miles.

Speaker after speaker talked about revitalization of the U.S. fishing fleet, techniques for assessing fish stocks, new economic data requirements and problems with enforcement. Not one seemed to be aware that the U.S. was about to take control of a renewable, high-quality protein resource. The Federal bureaucracy could not bring itself to think of fish as food.

Recent seizures of Soviet fishing vessels, with the accompanying focus on enforcement of the extended jurisdiction, have further diverted attention from that aspect of the 200-mile limit.

But these developments are not surprising: The U.S. has never managed its agricultural or fisheries resources as food. Now however, the 200-mile limit can and should become the catalyst for a national food policy addressing all levels of food production and processing.

Most important, a national food policy must address food distribution. In a world where hundreds of millions of people face starvation or malnutrition, it is a disgrace that the nation producing the largest amount of exportable grains and now controlling a significant percentage of the world's fisheries lacks a comprehensive policy for sharing its bounty.

The production of food is being increasingly constrained by limitations on—and the cost of—energy. Currently, food production in the U.S. requires one-third as much energy input as energy yielded. National food policies must consider the energy requirements of production and processing and base priorities on those requirements. Such a policy might, for example, optimize nearshore fisheries, which use far less energy than, say, grain production.

The use and distribution of fertilizers and pesticides is another area to be addressed in national food policy. Currently, thousands of tons of fertilizers are applied to Americans in lawns and golf courses when they would be better used to bolster agriculture in developing countries. The widespread use of some chemical pesticides, while enabling massive monocultures to flourish, can also have serious impact on the environment and public health.

Moreover, we must decide whether we should continue to support certain types of agricultural production, such as tobacco, which waste valuable agricultural resources.

Current U.S. fish policy, like agriculture policy is business-oriented and treats fisheries primarily as an industry. Thus, decisions about conflicts between fisheries and other ocean uses, such as offshore oil or gas development, are based on industrial productivity rather than the inherent value of the resource. Fish are more than an important trade commodity; they are a food source that is theoretically inexhaustible if properly managed.

The free-market system cannot meet the protein need of the world's hungry. But a well-planned American fisheries policy incorporated in an over-all American food policy could begin to make progress toward an equitable distribution of food commodities worldwide.

The Carter Administration and Congress must take a hard look at our agricultural and fisheries policies. Fishermen, farmers, environmentalists, politicians and, most important, the American consumer must join together to build a food policy for this nation that maximizes efficient production and responsible distribution of our food resources.

AMERICAN INDIAN POLICY REVIEW COMMISSION FINAL REPORT

Mr. HATFIELD. Mr. President, today the American Indian Policy Review Commission, on which I have served, submits its final report to Congress. I commend our distinguished chairman, Senator ABOUREZK, my fellow Commissioners, and the staff for all their hard work over the past 2 years.

Mr. President, the Commission's work represents a dramatic departure from the history of American Indian policy formulation. Not only the views but also the participation of Native Americans were actively encouraged. As a result, the Congress for the first time has a comprehensive review of Indian policy with a list of recommendations and a great amount of supporting information to detail what the Indian people themselves wish Indian policy to be. I am confident the Congress will rely heavily on the report in enacting legislation to foster Indian self-determination and cultural identity.

I want to make clear that my approval of the final report does not mean that I endorse every one of its recommendations. I have serious reservations about many of them. For example, there is the matter of tribal jurisdiction over non-Indians. The Commission has recommended that Congress take no legislative action on this matter at this time. But this does not close the case, and any legislative action contemplating a grant of tribal jurisdiction over non-Indians who do not have a voice in tribal government must be very, very carefully weighed by Congress. Basic constitutional rights are at stake.

I am sure several of my colleagues will also have doubts about some of the Commission's recommendations. As a member of the Senate Select Committee on Indian Affairs, I can assure them that all recommendations will be studied very carefully, and any legislation to implement those recommendations will be given all due consideration.

Again, Mr. President, I congratulate our chairman, Senator ABOUREZK, my fellow Commissioners, and the staff for their fine work in producing the final report.

ELECTION DAY REGISTRATION

Mr. ANDERSON. Mr. President, on May 4, 1977, I appeared before the Senate Rules and Administration Committee in support of S. 1072, the Universal Voter Registration Act of 1977, of which I am a cosponsor.

My role at that hearing was to review briefly the history of election day registration in Minnesota and to introduce Minnesota's secretary of state, Joan Growe. As the State's chief election officer, Secretary Growe is one of the few people actually qualified to report what really happens as a result of election day registration instead of what someone might imagine could happen.

Deputy Attorney General Flaherty also testified at that hearing, and it was then that a now-famous internal staff memorandum from someone in the Justice Department first gained public notice.

The memorandum has been made public since the hearings, and opponents of S. 1072 have delighted in citing the memorandum's specter of "an enormous potential for fraud" under S. 1072.

Mr. President, I urge every Senator to read that memorandum. It appeared in the May 10, 1977, RECORD on page E2865. It is filled with unsubstantiated generalizations and conclusions. Like much of the criticism of election day registration, it misses the essential points.

The memorandum raises a vision of criminals armed with scores of false identification cards wandering from polling place to polling place to vote over and over again on election day.

To demonstrate that this will occur, the memorandum's author generalizes that "fraud is widespread in State and Federal elections" and notes the Justice Department's investigations of corrupt activities of election officials.

Mr. President, the author's argument is illogical and unsupported.

From the citations, it is obvious that preregistration has not prevented fraud by election officials, and there is no documentation in the memorandum that fraud is indeed "widespread in State and Federal elections."

Where there is massive fraud, the memorandum tells us that it is not carried out by citizens voting several times at different places, but by corrupt election officials who change the results after voting has finished.

The writer of this memorandum appears to like prior registration, because it provides some ways to catch corrupt election officials after the damage has been done, not prevent it from occurring. How is that different from what would occur under election day registration? S. 1072 and the election day registration systems now in effect in my home State of Minnesota and elsewhere also provide methods of investigating and prosecuting alleged fraud after the fact. In that respect, election day registration is no better, and no worse, than the existing preregistration system.

The information in the memorandum plainly shows that prior registration fails to prevent major fraud. If there is the "widespread" election fraud claimed but not documented in the memorandum, prior registration is apparently a poor deterrent.

Indeed, no system is proof against corrupt election officials. In essence, the memorandum says that the present system does not prevent such fraud, so it should be kept. That is an enormous non sequitur.

Mr. President, the real difference between prior registration and election day registration is that prior registration succeeds in reducing honest voting, while

election day registration encourages honest voting.

In Minnesota in 1976, more than 20 percent of those who voted did not register in advance. Because of election day registration, they were able to act on their later developing interest in the election and exercise the precious right to cast their ballots.

Election-day registration has always been provided in the rural areas of Minnesota, without problems. In 1973 this was extended to the cities as well. A great many local, State, and Federal elections have taken place since the law was passed. In all these elections only one case alleged fraud ever went to court. And in that case the Judge dismissed the suit on the grounds that there was no credible evidence that substantial irregularities had occurred. Nor has any other investigation in Minnesota turned up fraud as a result of election-day registration.

Mr. President, voting is a right. It is not a privilege to be earned by jumping through procedural hoops. Cumbersome registration requirements are not a legitimate test of fitness to vote. Even the seemingly uninterested have a right to become interested and exercise the right to vote. Even the unschooled in our election processes are legitimate voters.

It is our obligation to encourage them to participate, not to devise barriers to this basic right.

Mr. President, it is a mystery to me why this memorandum, riddled as it is with unsupported allegations about election-day registration, should affect the decision of any Senator considering this important legislation.

I ask unanimous consent that my statement on May 4, 1977, before the Rules and Administration Committee and that of Minnesota Secretary of State Jean Growe be printed in the RECORD along with a March 22, 1974, editorial on election-day registration that appeared in the St. Paul Dispatch and my reply to that editorial.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR WENDELL ANDERSON

It gives me great pleasure to introduce to this committee the Secretary of State of the State of Minnesota, Joan Anderson Growe. Secretary Growe is the chief election official of Minnesota and has served our State enthusiastically and creatively in that position since 1975. Minnesota's election day registration, postcard registration, and voter outreach programs were largely implemented under her leadership. She will testify as to what actually does happen when such laws are passed. She can tell you which of the concerns about these laws are based on fact and which are only imagined.

It is appropriate that our Secretary of State is here to testify on this bill. It is not an exaggeration to claim that Minnesota is in part responsible for this proposal being here. This is the case both because Minnesota did it first, and because Vice-President Mondale is a forceful advocate of the program.

There have always been a number of States that have refrained from putting bureaucratic barriers in the path of a citizen's right to vote. But these States have mainly been rural States. Minnesota was the first State with a major urban area to remove artificial roadblocks to the right to vote.

In 1973 and 1974 Minnesota reformed its election laws to keep our democratic system healthy. In that year we established a tough code of ethics for candidates and office holders, required disclosure of contributions, established a dollar check-off to publicly finance State election campaigns, required automatic recounts in close elections, and provided for removal of artificial barriers to voting through postcard registration and election day registration.

The voter registration reforms were a high priority for me as governor. I recommended them strongly to the legislature. Secretary Growe was then serving as a member of the State House of Representatives. Both she and I assure this committee that every change that could be made regarding election day registration was made in 1973 in Minnesota. Predictions of administrative chaos, massive fraud, and total confusion at the polls—we heard it all.

These predictions were not accepted by the legislature. The election reforms were passed in Minnesota in 1973. The predictions of chaos, fraud and confusion did not come true as Joan Growe will detail to you. However, besides presiding over the implementation of these laws, she also has initiated an active outreach program to inform citizens of the new laws and to educate election officials on the correct administration of them.

The results of the Minnesota experience with election day rgistration are gratifying to those of us who backed the new laws. As with any change in the law there were difficulties and administrative errors. But there was no chaos.

And what of possible fraud committed under the new laws? Because of the predictions of fraud, a number of Minnesota journalists looked closely at the implementation of the new election statutes. Several unsuccessful candidates, and their lawyers looked even closer at the State and local elections that have occurred since 1973. But the media has uncovered no stories, and the candidates found no cases to pursue. Occasional errors there were, but no deliberate fraud. No doubt someday there will be a case of fraud. There were cases under the prior registration system. But, I do not see that such cases will be any more common under our new system than under our old.

A few years ago Neil Pierce in one of his fine books on State political systems subtitled a chapter on Minnesota as "The State That Works". I, and all Minnesotans, take pride in the judgment that in Minnesota, democracy works the way it is supposed to work.

But you must remember that Minnesotans are not a population of virtuous statesmen. We are ordinary Americans. What we have done in Minnesota is simply try very hard to allow ordinary Americans to exercise their ability to govern themselves. We know that there is no greater danger to the legitimacy of democratic government than the discouragement of large numbers of our citizens from exercising the basic democratic right of choosing who shall govern them.

In Minnesota we do not believe jumping through procedural hoops makes for good government. In Minnesota it is easy to vote. It is easy to run for public office. It is easy to get involved in either major political party, or our dozen minor parties. It is easy for citizens to get something done. Because it is easy for citizens to govern themselves, the democratic political system of Minnesota does, indeed, work.

I am pleased to present to this Committee Secretary Growe whose own work has helped tremendously in making Minnesota work. I know you will be most interested in her firsthand experience on how the system envisioned nationwide in S. 1072, that I am pleased to cosponsor, has worked in Minnesota.

TESTIMONY BY JOAN ANDERSON GROWE, SECRETARY OF STATE, STATE OF MINNESOTA

Good morning. My name is Joan Anderson Growe, and I'm the elected Secretary of State and chief elections official for Minnesota. I am here today to share with you the Minnesota story. Our goal has been to increase participation, to make the elections process accessible to everyone and maintain safeguards in the system. We feel that we have been successful.

Minnesota has been successful, not because we are measurably different from any other State, but because, at all levels of government, our people feel that their participation in the process produces results.

We feel that way because we have excellent leadership in Minnesota. Our public officials of all political persuasions inspire confidence in the electorate.

I feel that same sort of leadership is now being given to the Nation, by this administration and by this Congress. I believe the citizens of the United States will respond to that leadership, and that is why I am convinced that universal voter registration will work nationally, just as it has in Minnesota.

Let me tell you about Minnesota's experience.

In recent years under the leadership of then Governor Wendell Anderson, the Minnesota legislature has enacted into law, a wide variety of measures which reinforce the goals and philosophy that I mentioned a moment ago, namely, participation of as many people as possible in the system. There has been legislation requiring open meetings, providing for public financing of legislative candidates and creating a State ethical practices board. The declining voter turnout in recent years led the Minnesota legislature in 1973, to pass a comprehensive voter registration program. Like many other States, Minnesota historically had not required advance registration in large portions of our rural counties. Citizens in those areas of the State traditionally have been able to go to the polls on election day and after identifying themselves as a local resident, they were allowed to vote. In 1973, the Minnesota legislature, concerned as always with open and honest election procedures, enacted legislation allowing Minnesota voters in those portions of the State which required advance registration, our major metropolitan areas, to have the same privileges as those voters in more rural areas, voting on election day without having registered in advance.

At the same time, a system of permanent registration was established throughout the State. This involved a uniform system of maintaining voter registration files at the local level and permitted voters to register in advance of elections on postcards, which they fill out and mail to the county auditor or the city clerk. These cards, available at county and municipal offices, are also distributed by candidates and civic organizations.

A major part of the registration program is election day registration.

I'd like to describe to you how it works.

If people have neglected to register because they have changed their address, have changed their name, or simply forgotten, they may present themselves at the polling place on election day and show an election judge the proper identification. At that time, the election judge will allow them to register and vote. We allow five kinds of identification:

1. Minnesota driver's license;

2. A Minnesota State-issued identification card, which we call a nonqualification certifi-

cate which is issued to people who don't drive;

3. A form we call notice of incomplete registration which is mailed from the registration office;

4. A registration in the same precinct, but at a different address, for the same person;

5. And by having another registered voter in the same precinct vouch for the voter who is registering.

In Minnesota, there are an average of four people working at each polling place. These election judges take an oath on that day and are paid for their work. It is the normal procedure in our precincts for one of the election judges to be responsible for election day voter registration. Another judge compares the signature on the voter registration card with a voter certificate signed by each voter before being allowed to vote.

The cards of those voters who registered on election day will be placed in the permanent file with those cards of the pre-registered voters. A non-forwardable card will be mailed to the registrant by the county auditor or city clerk.

We believe that this system is working in Minnesota. People are responding as the legislature had expected they would.

Certainly, as with any legislation, a valid question is: How is this law administered? I made working with local elections administrators a top priority. My office held a series of informational meetings throughout the state for city clerks, township officers, election judges, and county auditors, who are the chief election officials at the local level.

My office prepared an election judges guide and produced a 30 minute television program describing the activities that take place on election day to assist judges.

From our past experiences, we know that there was congestion at some of the polling places. Therefore, for the 1976 election, we recommended that there be two clearly designated lines; one for those people who are simply coming in to vote, and the other for those registering and voting.

We recommended that ample supplies be available at the polling place for those who wanted to register and vote.

We also highly recommended that precinct maps be available for each precinct on election day so that the judge could determine where each person lived, and if he or she was in the correct polling place.

Posters were placed in every polling place listing the five types of identification.

In addition to this, public service announcements through all the media and informational brochures distributed through civic organizations, and the political parties, gave voters in the state the information they needed about procedures and deadlines for voting and registration.

Samples of these materials are included in the booklets that have been distributed.

The question has also been raised concerning opportunities for intentional fraud under the new system.

I know there has been discussion about an election for the State legislature in a college community in Minnesota. This election was contested in the court because a challenger vouched for the residency of many student voters in his precinct. Our rules forbid challengers from vouching.

The candidate who lost contested the election but in the court ruling, it was found that there was no evidence of fraud and the election results were valid.

Since initiating election day registration in 1973, there have been no cases of fraud under this law.

Another comment I often hear is that election day registration will bring more Democrats into the polling places than Republicans. We do not find this to be true. The difference that we see is between the rural and urban areas of the State. Consistently, a higher percentage of voters in rural congressional districts register on election day than do voters in our urban areas.

In the April 29, 1977 edition of the *St. Paul Dispatch*, an article quoting the Independent-Republican chair of Minnesota says, "Some conservatives who criticize 'easy registration' are mistaken about which party's candidates benefit from the Minnesota system. 'Our analysis leads us to believe that President Ford got 60 per cent of the vote from those who registered on election day. We can't convince some of our State legislators, though. They think they were beaten by it even though I don't see any evidence to support them."

I had made voter participation a special project and goal for my office. Special efforts were made through a nonpartisan, nonprofit citizenship fund to involve community and government, business and labor, in an effort to persuade Minnesota voters to "register, inform themselves and vote". We feel that this voter information project made substantial contributions to reversing a downward trend in voter participation.

We conveyed our message through the media, radio, television, and newspapers. Television personalities taped our message with interesting variations. These public service messages had, I believe, a great impact, and contributed to public awareness of the importance of voting.

The same message, without "Vote '76" logo, was also sent out in flyer-form by a large Minneapolis bank in their monthly statements.

This citizenship fund also made possible a voter hot-line, to tell voters the location of their polling place. Again, the media publicized the number the voters were to call for instructions on how to register and where to vote.

Another project which had some impact on voter turnout was our "votingest" contest. Civic pride and competition were stimulated by this contest and record numbers of voters registered and voted. Many cities in Minnesota, in fact, won the national "votingest" contest for municipalities.

I'm pleased the Congress has recognized the necessity of an outreach program of this type for the universal Federal election day legislation. The funds that you are providing will allow every State to best determine how to take the message to its own citizens. You, the Congress, could pass the most progressive registration system for the country, but if citizens are not aware of it, and do not know how to take advantage of it, then the full impact will not be felt.

In Minnesota, our results have definitely shown that an effort to inform and educate voters is a necessary part of our program.

In 1952, our statistics indicate that 83% of the eligible voters in Minnesota went to the polls. By 1972, this participation had declined to 69%.

Many reasons for the national trend of declining voter participation have been delineated. Certainly, over the last 20 or 30 years, our society has become more mobile, and large percentages of our population move regularly to new residences on short notice. Election day registration recognizes this trend. And our participation has been good.

Minnesota turnout in 1976, a national election year, was 1.9 million voters, or over 75% of our eligible voters, making Minnesota the votingest State in the Union. 454,000 of these voters, or almost 23%, registered on election day.

In summary then, our goal in Minnesota has always been to have an elections process that is open and accessible to all eligible voters, but maintains the necessary safeguards so the public has confidence in the process and the government they elect.

We have a successful program because we have:

1. Voter information programs.
2. Training of local election officials to make sure that the system we have developed works.
3. Election day registration, and of course the most important by product of an open and honest system.
4. Confidence in Government.

I heartily applaud your efforts to develop a universal voter registration program. In Minnesota, we have found that the program works on an administrative level, and in achieving our goals of voter participation.

I believe that what can and has worked in Minnesota, can and should work for the Nation.

[From the St. Paul Dispatch, Mar. 22, 1977]

ASKING FOR TROUBLE

Maybe the folks down in Plains, Ga., would never think of stuffing a ballot box, but the amendment to the federal voting law that President Carter is proposing would throw the system wide open to people who would.

Mr. Carter wants Congress to approve an amendment that would eliminate voter registration and permit any eligible citizen to vote for federal candidates if he went to the polls on election day with an identification card bearing his name, address and age.

The President thinks that this would help 45 million more American citizens to participate in the 1980 presidential and congressional elections. Either his naivete runs deeper than anyone suspected or he has been misled.

There might be 45 million more votes cast, but they wouldn't come from 45 million more voters.

Since the repeal of the poll tax and the passage of the Civil Rights Act, any American who has the desire to vote has been able to do so. Of the estimated 146 million people who were eligible to vote in the 1976 presidential election, 99 million made the minimal effort needed to register and 83 million actually voted.

There are millions of Americans who would not vote if they were transported to the polls in their sleep and asked only to open their eyes long enough to pull the handle on the voting machine. And there is no reason that they should vote, given their disinterest in and lack of knowledge of the whole election procedure.

But there also are other Americans who would vote several times for any candidate whose supporters offered sufficient motivation. This has been difficult to police in such sophisticated centers as Illinois and New Jersey under the registration system. It would be impossible under the wide-open system proposed by the President.

The White House proposal is modeled after a looney law which is in effect in Minnesota. That permits people to vote without presenting any identification, providing they are vouched for by someone already registered in the same precinct. That feature was abused in the 1976 general election. In Mankato, for example, one person who vouched for dozens of others later admitted that he didn't know many of them.

Congress should withdraw Mr. Carter's invitation to voter fraud.

To the editor:

Your March 22 editorial on election day registration is disappointing. More than 20 percent of the voters of the state of Minnesota exercised their right to vote last November by registering on election day. They made Minnesota the leader in voter turn-out during the 1976 election period. Your allegation that people who would use election day registration are uninterested or lack knowledge in the election process is refuted by their very act of going to the polls to vote.

People who don't know, or don't care, about elections would not make the effort to vote.

Voting is a right, it is not a privilege to be earned by jumping through procedural hoops. Cumbersome registration requirements are not a legitimate test of fitness to vote. Even the seemingly uninterested or the unschooled have a right to vote in a democracy. It is the obligation of democratic government to encourage them to participate and not to devise areas to this basic right.

Your points about possible fraud are refuted both by the experience in Minnesota and by the history of voter registration in America. After a thorough investigation of the recent Mankato case involving election day registration Judge John Fitzgerald did not find any cause for judicial reversal of the election results nor has any other investigation in Minnesota turned up fraud in election day registration.

WENDELL R. ANDERSON,
U.S. Senator.

SENATOR HARRISON H. SCHMITT: A NEW VIEW OF EARTH

Mr. PERCY. Mr. President, our distinguished colleague from New Mexico (Mr. SCHMITT) on February 8, 1974, gave an address entitled "A New View of Earth," based on his observations of the Earth from his space capsule. These observations were made, of course, before he joined us in the Senate and when he served as part of the U.S. space program, but they are nonetheless as fresh and incisive today as they were then. Because I think so many would benefit from reading it, I ask unanimous consent that his challenging address of his colleagues who have since observed first hand the depth of his thinking given at Pepperdine University, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A NEW VIEW OF EARTH

(By Dr. Harrison H. Schmitt, Apollo 17 astronaut)

May I offer my sincere congratulations to Mr. Strong, Dr. Hutchinson and Dr. Haagen-Smit. I and the men and women of NASA deeply appreciate all you have done and will do to preserve and enhance the earth it has been our privilege to serve. On the second night that I spent on my way to the Valley of Taurus-Littrow on the moon, I took one more glance at home before covering the windows for sleep. My feeling then was "if there ever was a fragile-appearing piece of blue in space, it's the earth right now." Let me tell you more about our generation's new view of earth.

The Apollo explorations we have watched and lived were man's first halting, but clearly personal look at his universe. Our unique character among the living species of nature is carried forward in many ways. One outward reflection of this character is that we have had the audacity to try to understand our place in this universe and in its future. We have had the further audacity to try to use that understanding to alter the universe and to more fully understand the earth using in large measure the corrected vision from space.

Like our childhood's home, we really see the earth only as we prepare to leave it. First, there are the basically familiar, though expanded views of earth from the now well-traveled orbits: banded sunrises and sunsets changing in a few seconds from black to purple to red to yellow to searing daylight and then back in never-ending progression; tinted oceans and continents with structural patterns wrought by aging during four-and-one-half billion years of time; shadowed clouds and snows ever-varying in their mysteries and beauty; and the warm fields of lights by night and of homes by day created by men but now seen without the boundaries in their minds.

But then, as we leave what is familiar, the strange new perspective is that of the earth filling only one window and gradually, not even doing that. The disquieting thought is that it is no longer the earth of our past. It is only a fragile blue globe in space.

There is no apparent purpose in the cyclic wandering of our ship THE EARTH through its own universal sea. The forces that hold us to this invisible course have been long explained but never understood. There are waves that we do not feel, there are storms we cannot see, and there is history we have not read. Only the hope of continuity has always been reality during our voyage around the sun and through the galaxy.

Again, like childhood's home which we now only visit, changing in time but unchanged in the mind, we see the full earth revolve beneath us. All the tracks of man's earlier greatness and folly are displayed in our window in the course of a single day The Roman world, the explorers' paths around the continents, the trails across old frontiers, and the migrations of peoples are accented in their significance by our own act of seeing.

Then, with some of the disappointment felt as loved ones age, we see the gradual change with each revolution as the full earth changes to half and then to crescent and then to a faint moonlit hole in space. The line of night crosses water, land, and cloud, sending its armies of shadows ahead. In its inevitable rhythm of motion, we see that night, like time itself, masks but does not destroy beauty.

So, like any aspect of nature seen through the eyes of study and time, we begin to understand. The sparkling sea's ever-changing character is clearly shown in the diffusion of its sun's reflection, in the changing hues of blue and green around the turquoise island beads, and in its icy competition with the virgin polar lands. The morning green of broken rafts of land seen before the midday's clouds, is soon lost in its blending with the colors of the sea, but the land's message survives in the warm yellow-reds of the timeless plains and deserts. The arcing, changing sails of clouds, following whirling, streaking pathways of wind, never cease to turn the pages of our future as they mark the passage of the life-blood of the planet.

The revolving equatorial view we have of earth concentrates our attention on the cradles of man, cradles of both the far past and the near future. There is that vast unbroken expanse of the Indian Ocean south of the even more vast green and tan continent of Asia. In one complete view there are all of the blending masses of greens, reds, and yellows of Africa extending from the historic Mediterranean to the Cape of Good Hope and from Cape Verde to the Red Sea. Then we see across the great Atlantic from matching coast to matching coast between Africa on the east and South America on the west. Later, watching all of South America with one glance, we seemingly move with imperceptible motion as our home turns irrevocably below us

Finally, there is the South Pacific. At one point in the planet's rotation, only the brilliant, snowy ranges, valleys and plains of Antarctica remind the viewer that land still exists. The red continent of Australia finally conquers this impression and becomes the earth's natural desert beacon. The island arcs of the Indies and then the eastern regions of Asia slowly revolve into view to finally saturate the mind, and the cycle repeats.

As day follows day, it is the patterns of weather, the ever-changing panorama of clouds, storms, and summer days that return to dominate our thoughts. The pinwheel cyclones that overpower the tropics; the daily pulsing masses at the equatorial convergence of the wind; the arrowheads of curving fronts trailing out of polar cold, across the ice pack and into a never-ending eastward track around their source. These outward expressions of earth's energy do not yet fully touch our minds.

At last, when we are held to our own cyclic wandering around the moon, we see the earthrise; that first and lasting symbol of a generation's spirit, its daring and its imagination. Having seen the earthrise as did our predecessors, we have reaffirmed Man's evolution into his universe, never to be satisfied with only the beauties and comforts of that rising earth. Paradoxically, we also find enhanced awareness and appreciation of that which we are now so willing to leave behind.

That lonesome, marbled piece of blue with ancient seas and continental rafts is our earth and will be our home as men travel the solar system. The modern challenge, emphasized by our travels, is to both use and protect that home, together, as people of earth. If we are successful, the historians of the solar system may say, when someday they write of those people, that this was their greatest act.

You may feel that this new view of the earth must also have more and deeper spiritual meaning than I have given you. It must prove that there is a God; or it must prove that there is no God; or it must prove that it makes no difference. We will not make the choice for you. We will only make it for ourselves. Even then, it turns out to be a choice we have already made in some other unaware time. All that is absolute and that will stand forever is that Man was there to see for himself.

(This concludes additional statements submitted today.)

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

MILITARY PROCUREMENT AUTHORIZATIONS, 1978

Mr. ROBERT C. BYRD. Mr. President, what is the business before the Senate?

The PRESIDING OFFICER. The clerk will state the pending business.

The assistant legislative clerk read as follows:

MILITARY PROCUREMENT AUTHORIZATIONS, 1978

The Senate continued with the consideration of the bill (H.R. 5970) to authorize appropriations for fiscal year 1978 for military procurement, research and development, active duty, Selected Reserve, and civilian personnel strengths, civil defense, and for other purposes.

Mr. STENNIS. Mr. President, right now is a kind of an odd time—one of the

groups, a minority group, is having a conference meeting—but I have just observed that we have a number of amendments here. Senators are calling in and coming in to see what we are going to do with them. The authors are not here.

Under the rules of the Senate, as I understand them, the manager of a bill can call up an amendment and move to table it and dispose of it in that way. I certainly would not be quick to do that and would not want to do it at all, but we have to do something to clear this docket.

I may call some of them up and, at least, make the committee's arguments against them. Maybe that will prompt a little further attention.

We must do something. This bill can very readily be finished today, I think, without a doubt. I hope we can at least start moving along.

The Senator from Alaska is ready with an amendment. Maybe he and the Senator from Georgia have had a chance to go over it. I yield to the Senator from Alaska to answer that question, if he wishes.

Mr. STEVENS. I thank the Senator.

Mr. President, this is one of the

UP AMENDMENT NO. 212

amendments that I have time for in the order. I send it to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes unprinted amendment No. 212.

On page 51, between lines 17 and 18, insert the following new subsection:

(c) The Secretary of Defense shall maintain at least one Senior Reserve Officers' Training Corps unit in each State. Such unit shall be at the principal State university, as designated by the Governor, if the university governing board so requests and no other unit exists in the State. In the case of a State with only one State university, the Senior Reserve Officers' Training Corps unit shall be required to serve students at all branch campuses of that university as the university administration requests.

The PRESIDING OFFICER. The time limit on this amendment is 1 hour. Who yields time?

Mr. STEVENS. I yield myself such time as I may need.

Mr. STENNIS. If the Senator will yield to me, I call attention to the fact that we have a vote scheduled for 2 o'clock. It might be necessary to interrupt the Senator, but we can handle it that way.

Mr. STEVENS. I hope that will not be required.

Mr. President, this amendment would require the Secretary of Defense to maintain at least one senior Reserve Officers' Training Corps unit in every State at the principal State university as long as the university administration requests that it should be maintained. In the case of a State with only one State university, the senior Reserve Officers' Training Corps unit would serve all students at all branch campuses where the university requests it.

With the all-volunteer force, it is especially important that we rebuild our reserve and active forces. I believe it is essential to maintain strong reserves and provide incentives to encourage people to join these forces. We must make the military service a viable career alternative for our young people. The senior Reserve officers training program is an excellent opportunity to encourage students to become involved in military affairs.

Mr. President, in my State of Alaska, we have been notified that the senior Reserve Officers Training Corps will be disestablished. This notification came at the same time as the disestablishment of three other senior Reserve Officer Training Corps units—one at a West Virginia University, Potomac State College at Keyser, W. Va.; one at the University of Connecticut, the Waterbury branch at Waterbury, Conn.; and one at DePauw University. These are effective on June 30, 1977.

Alaskans who would like to receive a commission through the ROTC will now have to attend a university in what we call the South 48. It will mean that the young Alaskan who wants to participate in the ROTC program will have to leave our State in order to acquire a university or college level education.

If the person who would like to attend ROTC could have that option available to him in his own State, we feel he would be better off. Some of our supplemental scholarship programs that are available to our own residents and to our native people are not available if they leave the State. I do not believe that young men and women should be forced to attend school in another State in order to be prepared to serve their country.

Travelling to another State to attend school, in some cases, may cause undue hardship, financially and otherwise, to the student and his parents. In the case of Alaska and Hawaii, I do not need to make the point that the next State is many, many air miles away.

With its immense terrain and different climatic conditions in various regions, the Arctic and the southeastern area, our State has proven to be an ideal training ground for military forces. As a matter of fact, a substantial portion of Alaska's land is dedicated to training our military forces. Because of our strategic location, an adequate Alaska defense installation is basic and essential to our whole system of national defense.

I feel Alaska should continue to be a part of the Senior Reserve Officers Training Corps program. As we have improved our educational program at the university level, we have now established several branches of the University of Alaska. We have the main branch at College, near Fairbanks. We have a branch in Anchorage, which is growing in enrollment; another one in Juneau, another one in Ketchikan, another one in Sitka, and we are now opening a new branch in the Bethel region in the interior of Alaska.

Now in order to maintain a Senior ROTC unit, we are informed that it is necessary to maintain on the main campus of the university—and the university is at College, as I indicated before—a level of 17 active members. The problem is that the student population is now spread all over the State. It is difficult to have the identity with the ROTC that used to be possible with only one campus for the university, and the numbers are not responding to the great diversification of our educational process at the university level. We, in the past, have produced an average of eight new officers from our University of Alaska. Unfortunately, for the last 2 years, it has dropped down to two. One of the reasons is that a young person who goes 2 years at Sitka or Ketchikan or Juneau quite often goes outside, to the University of Washington or down into Oregon, to get 2 years of higher education. We are not seeing these people stay a full 4 years. In order to get the full 4 years, they would have to move from the 2-year college campuses up to Fairbanks to get the last 2 years.

I think it is very unfortunate that the arbitrary guidelines that have been imposed by the Department of Defense mean that the University of Alaska will have no Senior ROTC unit. It means that our State will have absolutely no ROTC at any campus in the State. I think it is unfortunate. I think it is going to increase the growing antagonism between some of our young people in Alaska and the military. There are those there who want to enroll in ROTC. There are those presently enrolled in ROTC who are now being told they will have to leave and will not be able to finish at the University of Alaska; that they will have to go elsewhere to complete their ROTC training.

My amendment would say to the Secretar of Defense that there must be at least one Senior ROTC training corps unit in every State. The cost of that cannot be substantial. I do not know what we are talking about as to cost, frankly. Maybe my good friend, Senator NUNN, may know what the cost is up to the so-called break-even point of 17.

I issue a warning to the Senate that if Alaska cannot maintain at least one ROTC unit, the United States had better start thinking about how it is going to maintain the millions and millions of acres of our land that are dedicated to national defense for bombing purposes, for troop training purposes, and for other things, as these young people grow up in my State alienated against the military because this program, which still has some acceptance among our young people has been denied them because of the way the State has divided the student population throughout Alaska.

Mr. NUNN. Mr. President, will the Senator yield just for a moment?

Mr. STEVENS. I am happy to yield to the Senator.

Mr. NUNN. The Senator posed a question about the cost of this. It is my understanding the average cost for an ROTC graduate to the Government is $15,000.

It is my understanding that as the number of students enrolled goes down, which is the problem in Alaska now, the cost per student goes up, and that the problem now is that the cost per student in Alaska is $30,000, about twice the national average. That is the cost implication.

I completely sympathize with the Senator's position. But, by the same token, if there cannot be as many as 15 students enrolled in the third year in ROTC in Alaska at the principal institution, the amount of alienation is not going to be very severe because we do not have enough students. We do not have enough students that want it and that is the very criterion.

I know the Army would like to keep the ROTC program going in Alaska.

I was going to propose an alternative to the Senator's amendment that would simply require the Secretary of Defense to maintain an ROTC unit in every State provided that there would be at least 15 third-year students enrolled.

If we cannot get 15 third-year students enrolled in Alaska, then I am not sure that there is going to be any kind of tremendous alienation there. Who is going to be alienated? Certainly not many people because it does not indicate that much interest.

That is the basic problem. Perhaps the Senator would agree to a substitute that I would propose along that line.

Mr. STEVENS. It would be meaningless for the four universities that have been notified in my State because of the way they count the numbers.

Beyond that, I point out to my friend, we have just gone through building our Alaska pipeline. Now, a young man or woman at the university, as we see, the initial enrollment years are very good, but during this period of time these young people have been able to earn substantial amounts of money.

My own daughters, one took three quarters out of school, another a year and a half, went to work, put the money in the bank, and are putting themselves through school the way they want to do it.

That has happened in Alaska and will continue as long as the construction programs go along. They will go back one of these days, or they will, I assume, as my daughters have, and they will reenter the university—we do not know. But the dropoff between the first and second years has been extreme.

The point is that if there is going to be a nationwide ROTC program, the Army should not deny each State at least one unit.

What is it going to cost? Suppose we have 10 people and the price goes up $5,000 apiece for those 10. What we are talking about is $50,000 in order to maintain a nationwide image.

And what about the ROTC person involved? We have what we call "WAMI"—that is, a Washington, Alaska, Montana, Idaho program for premedical education. We share our facilities. So we might have a young man at Idaho who is an ROTC student and wants to go to Alaska to be involved in some study of arctic health problems. If we are going to do away with the ROTC program, he is not going to come if he is part of ROTC at Idaho and there is no program at the University of Alaska.

I think there should be at least one ROTC unit in every State on this level.

Mr. NUNN. The Senator's amendment as it is drawn now would require the Secretary of Defense to maintain the ROTC program in Alaska even if there were no students enrolled. Are we going to send officers and facilities, and everything else, to Alaska, hold them there, and spend the money with nobody enrolled?

Is there any minimum the Senator would agree with? I am trying to be reasonable here. Nobody would advocate having the ROTC unit in Alaska if nobody wants to belong.

Mr. STEVENS. It is only done if the university requests it under my amendment; and I am certain the university would never request it if they did not have any.

Besides that, we have two major Army installations within driving range of both these main campuses. They are the people from the Army base who assist in this. The Army is not sending any people to Alaska to maintain offices and reserve officer corps. They are going to make arrangements to take these people from Fairbanks to Fort Wainwright and from Anchorage to Fort Richardson for drills if they want to participate in the ROTC.

The Army tells me they have got to have a separate building and drill hall, and all that. That is a lot of nonsense. We have two major military installations under the Army's jurisdiction within 20 miles of each of these campuses.

Mr. NUNN. I understand the Senator's problem and I would like to agree to something here; I just want to know if there is any minimum number of students the Senator will agree with.

Mr. STEVENS. I would agree to a minimum number in the full 4-year course. As we see, they pick the one year these kids are dropping out now—age 19—when they can get a pretty good job in a construction season. They are taking them off right in the middle of the 19th or 20th year. Why not go on a total population level at all campuses?

Mr. NUNN. The reason for that is, and I think the Senator will agree, that they have to go through the whole program before they become an officer. That is the purpose of the program.

Mr. STEVENS. How about 30 in the program as a whole? Why take one year? Why say 17 in the third year?

Mr. NUNN. Does the Senator have any figures now about the number of people in the 4-year——

Mr. STEVENS. We have never dropped below 32 in the total program, not counting the people that want to be involved in Ketchikan or Sitka or Juneau. They do count Anchorage, that shifts back and forth. We have the feeder colleges, the 2-year colleges, and several locations that feed into those other main branches, where they must go there. That means in the third year they have to decide if they are going to Fairbanks, or Anchorage, or the University of Washington, or Puget Sound University, or somewhere else.

Our problem is that as the university spreads out, they will not all feed in to the upper division. Some will, in fact, leave, and we cannot maintain these numbers on a third-year basis because there are too many 2-year campuses.

Mr. NUNN. The minimum number of 30, if that were the case, then we would not be maintaining 17 in any of the——

Mr. STEVENS. The first year has always been more than that.

Mr. NUNN. If 17 are in the first-year class and there are 30 in total, then we would have 13 in the three other classes, which would be an average of 4⅓. It seems to me we ought to be talking about somewhere around 50 or 60 as a minimum.

I understand the problem, but there ought to be some minimum here to indicate the interest of the students.

I say to the Senator, the fact that there are two military bases that close should help enrollment. I know it would help facilitate the servicing of the unit. I do not dispute that at all. But, by the same token, it also should help enrollment. There should be more young people that would be willing to go into the ROTC and anxious to go into it. I have never known it to fail near any military base in my area of the country.

Mr. STEVENS. I think the Senator ought to take a look. They are failing all over the country. The ROTC——

Mr. NUNN. That is not the case in my section of the country. We have got school after school that wants new units and has students that will sign up.

Mr. STEVENS. In the one announcement we got on the University of Alaska, there are three other universities listed, and I am led to believe they are closing them, they are being disestablished.

Mr. NUNN. I am not saying that some schools are not being disestablished. I am saying that the big period of disenchantment with the ROTC was 3 years ago, and now the trend is upward, not downward, overall. But that does not solve the Senator's problem one way or the other.

I am asking the Senator if there is any number. I could go for a number of, say, a minimum of 50 students over a 4-year program. That would be an average of only 12¼ students per year, which is considerably less than the average, and would entail a subsidization of the Alaska program. I would like very much to see it continued in Alaska, but I think we have to be reasonable and have some minimum number for the purpose of being equitable to the taxpayers, who are paying for it.

Mr. STEVENS. That is not a good offer. The Senator is a kind friend and a gentleman, but that is not a good offer. It is not a final offer, unless they are on all campuses. We are putting these people through the first 2 years, and the first 2 years are when we have the population. In the last 2 years, we do not have the population, because many of them do not move up to Fairbanks or Anchorage.

Mr. NUNN. How many students are in the University of Alaska?

Mr. STEVENS. The total, including correspondence course students would be about 4,000.

Mr. NUNN. And of the 4,000, 50 are interested in ROTC over a 4-year period?

Mr. STEVENS. The Senator and I served in the service. Would the Senator like to go out and wear that uniform and drill alone?

The problem is that we had a budding ROTC. As we diversify, the units are not that big, and they will not count them, anyway. They count them only at the two campuses. They only allow us to have ROTC at Anchorage and Fairbanks. As a consequence, by meeting our objectives of reducing the cost of our State university and making the university more available to the area where they live, we have reduced this population.

Mr. NUNN. 4,000 students is still a large school.

Mr. STEVENS. That includes six campuses and correspondence students.

Mr. NUNN. The Senator is talking about six separate campuses. I think I have received the right answer to the wrong question, or vice versa.

How many students are on the main campus? The Senator says that the 4,000 figure applies to all the campuses. Is that correct?

Mr. STEVENS. Less than 2,000. I will have to get the figure, and I will put it in the RECORD. It is less than 2,000.

Mr. NUNN. But the 4,000 figure applies to six separate campuses, total?

Mr. STEVENS. And the correspondence people. We are not large in population, and the difficulty is that many of our young people leave the State, particularly in the third and fourth years. That is the problem.

Mr. NUNN. I certainly think it is reasonable to put a minimum figure on the 4 years. I guess we just have not reached an agreement on what is a good minimum figure. Thirty students over a 4-year period, counting everybody—it seems to me that the taxpayers of the country would not agree with the Senator's position that if you have 30 students, there should be a fullfledged ROTC unit there. That is not economical, from any point of view.

Mr. STEVENS. The country should look at what they are getting in Alaska for the military effort, for almost free. No one is paying for the land. No one is paying to go out on the public land and conduct exercises. We turn out a greater per capita support for the military than any other State in the Union.

If the Senator will agree with me that we get out of that third-year category and take the average total population of the first 2 years, and say to the ROTC people, "You are going to continue that through 4 years; as long as there are enough entrants in the first 2 years, they can go through," then I think we will have an agreement. We cannot maintain that third year average because of the problem.

If one is going to be a lawyer, by the time he hits his third year on one of those campuses, he is going to go to the University of Washington or Seattle. We have no law school; we have no medical school; we have no dentistry school. We have none of these schools, except one, and that is mining, so far as the graduate schools are concerned, in the professions.

Mr. NUNN. I have agreed with the Senator. The Senator has been persuasive in the fact that the criteria not apply to just the third year. I am agreeing to that, and I am trying to ask the Senator if we can come up with a reasonable number of students that we could say would be a minimum over a 4-year period. I submit to the Senator that I do not think 30 is a reasonable number.

Mr. STEVENS. The Senator is bargaining. We cannot maintain the 50; we know that. We already have lost that. If the Senator would put it at 40, they could restore the 40 before the year is out. It has been above 40.

Mr. NUNN. Does the Senator have a breakdown of how many are in the first year and how many in the second year, how many in the third year, how many in the fourth year?

Mr. STEVENS. For the one campus only.

Mr. NUNN. For the one campus only. That is the criterion.

Mr. STEVENS. We have the one campus, and that is the Anchorage campus. We do have a breakdown of that and will be glad to share it with the Senator.

Mr. NUNN. Mr. President, I propose to the Senator from Alaska substitute language for his amendment which would read as follows:

The Secretary of Defense shall maintain at least one Senior Reserve Officers' Training Corps unit in each State, if such a unit is requested by an educational institution in the State and approved by the Governor of that State. Such unit shall be established under and be subject to the provisions of Chapter 103 of title 10, of the United States Code, provided that the Secretary of Defense determines that there will be at least 40 students enrolled in the program.

Mr. STEVENS. Mr. President, I would be willing to accept the Senator's amendment if it were clear, either through our legislative history here or, preferably, in the amendment, that we are not talking just about one campus of a university, if it is a State university; or, if the Senator wants to push it, only those two campuses, for instance, for 4-year courses. I think it would be fair to count students enrolled in all campuses of the same university in order to determine the minimum amount necessary for the program.

Mr. NUNN. I do not have any objection to counting the other students at other universities who are not on the main campus, so long as they are serviced by the same unit.

Mr. STEVENS. Yes; they would be.

Mr. NUNN. But I do not think we are talking about creating a separate unit, with separate costs, at each campus.

The PRESIDING OFFICER. Under the previous order——

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Alaska may have 2 additional minutes, so that this matter can be resolved before we vote on the Dole amendment, without any prejudice to the amendment by Mr. DOLE.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I thank the Senator. I think we are in agreement.

UP AMENDMENT NO. 213

Mr. NUNN. Mr. President, I send the substitute amendment to the desk and ask that it be stated by the clerk.

I will ask the clerk to read the amendment, if he will.

The PRESIDING OFFICER. Until the time has expired on the Stevens amendment, an amendment to it will not be in order.

Mr. STEVENS. Mr. President, I ask unanimous consent that it be in order to have the amendment read at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, I ask unanimous consent that we be given an additional 4 minutes on the Stevens amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. STENNIS. Mr. President, may we have order. This is an important part of this amendment.

The legislative clerk read as follows:

On page 51, between lines 17 and 18, add a new section as follows:

SEC. 602. The Secretary of Defense shall maintain at least one senior Reserve Officers' Training Corps unit in each state if such a unit is requested by an educational institution in the State and approved by the Governor of that State. Such unit shall be established under and be subject to the provisions of chapter 103 of title 10, United States Code: *Provided*, That the Secretary of Defense determines that there will be at least 40 students enrolled in the program.

Mr. STEVENS. Mr. President, will the Senator allow me to modify that, where it says "enrolled in the program", to add "at the camuses of such university".

Mr. NUNN. I say to the Senator the title to which we refer has a specific provision in law that states that provided it meets certain criteria, and provided the units can be served, the other off-campus schools can be served by the same unit. I believe that is taken care of under the amendment.

Mr. STEVENS. Assuming that is correct, fine. It is not my understanding so far as my State is concerned, but perhaps there has been some——

Mr. NUNN. I think the legislative history will indicate that it will be the intention of this amendment that on any additional campuses that are served by

the unit on the parent campus, the students would be counted provided they are served by that unit at the main campus and, if necessary, if that has to be changed, we could take another look at it.

Mr. STEVENS. The Senator is as usual gracious, and I thank him for his proposition.

Is it in order for me to modify my amendment as suggested by the Senator, or is he offering it as a substitute?

Mr. NUNN. Either way.

The PRESIDING OFFICER. The Senator may modify his amendment.

Mr. STEVENS. Mr. President, I modify my amendment in accordance with the Senator from Georgia's compromise, and I thank him for his courtesy.

I ask unanimous consent that a letter from my Governor and a series of telegrams received from the State concerning this ROTC unit be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE OF ALASKA,
Juneau, April 26, 1977.

Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR TED: It has recently been brought to my attention that the Department of the Army intends to eliminate the ROTC program at the University of Alaska at the end of this school term. It is my understanding that this is being done because of low enrollment, and pressure from the Administration for savings.

I appreciate the fact that enrollment at the University does fall below the Department's minimum, however, the ROTC program offers the only commissioning program in Alaska. Further, there are currently five junior year students in the program to whom I feel the Army has made a certain commitment, but have been informed that they should enroll in another college should they wish to complete their ROTC. Minimally, the program should be continued long enough for these students to complete their commitment to the Army at the University of Alaska. It is my understanding that the Department of the Army usually gives one year's notice prior to an action of this nature. This courtesy has not been extended the University.

I would appreciate any assistance you could render in this regard.

Sincerely,

JAY S. HAMMOND,
Governor.

TELEGRAM

FAIRBANKS, ALASKA.

Senator TED STEVENS,
Capitol Hill, D.C.:

Disapprove of Army eliminating ROTC at University of Alaska. ROTC only commissioning program for Alaskans.

THOMAS A. MERRICK.

TELEGRAM

ANCHORAGE, ALASKA.

Senator TED STEVENS,
Capitol Hill, D.C.:

Extremely concerned regarding immediate disestablishment of Alaska ROTC. Your action required now for continued program.

HOWEARD AND MARY THEW.

TELEGRAM

FAIRBANKS, ALASKA.

Senator TED STEVENS,
Capitol Hill, D.C.:

I am a cadet at the University of Alaska. The Army is going to abolish the ROTC program in Alaska. If this happens there won't be an officer producing program in the State. My commission would have been in the Alaska National.

Please your help is needed.

BILL WEBB.

TELEGRAM

ANCHORAGE, ALASKA.

Senator TED STEVENS,
Capitol Hill, D.C.:

As Alaskans we strongly object to the Army's elimination of ROTC at the University of Alaska. Alaskans cannot obtain Army commissions without leaving Alaska if ROTC eliminated. We believe the Army is rushing this action to forestall interference from Alaskans and their elective representatives. Your immediate action would be appreciated.

Lercy Cook, Margaret Cook, James G. Ambrose, Paul D. Bly, Bill Bezona, Marge Bezona, and Robert Sackett.

TELEGRAM

FAIRBANKS, ALASKA.

Senator TED STEVENS,
Capitol Hill, D.C.:

Disapprove of Army eliminating ROTC at University of Alaska. ROTC only commissioning program for Alaskans.

KENT D. THEW.

Mr. STEVENS. I yield back the remainder of my time.

Mr. STENNIS. I thank the Senators for working out a complex matter here. It seems to me that the Senators did a good job. Every State is certainly entitled to one of these ROTC units and, for my part, I am glad to support the amendment. Mr. President, I yield back all remaining time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska, as modified.

The amendment, as modified, was agreed to.

Mr. STENNIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. Is it not true that now we have the so-called Dole amendment?

The PRESIDING OFFICER. That is correct.

Mr. STENNIS. Five minutes' argument on each side, and then proceed to a vote.

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 270

The clerk will report the amendment by Mr. DOLE.

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) for himself, Mr. WILLIAMS, and Mr. TOWER proposes amendment No. 270:

On page 46, line 2, strike out "76,400" and insert in lieu thereof "95,900".

Mr. STENNIS. Mr. President, if we have only 10 minutes here, 5 minutes to the side, will the Chair first get the Senate in order? Someone would like to hear what is being said.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Kansas.

Mr. DOLE. Mr. President, just let me recap what was stated yesterday. This is a very simple amendment. It simply authorizes the strength for the Naval Reserve at 95,900. That is slightly less than the current authorization which Congress set last year of 96,500.

The amendment of 95,900 is based on the most recent DOD analysis that was done at the request of the Congress last year. The committee bill provides a strength authorization of 76,400, which is more than a 20-percent cut in the Select Naval Reserve strength.

The Senator from Kansas would point out that the senior Senator from New Jersey (Mr. WILLIAMS), the senior Senator from Texas (Mr. TOWER), the Senator from New Jersey (Mr. CASE), and the Senator from North Carolina (Mr. MORGAN) are cosponsors of this amendment.

Mr. President, I want to touch on just one point, and that is the mission of the Naval Reserve. Yesterday during the debate our distinguished colleague from Georgia (Mr. NUNN) said that those naval reservists cut under the committee proposal do not have a mission.

The fact is that all those reservists provided under this amendment for 95,900 are vitally essential. This number has been justified by the Department of Defense in the last three studies.

The Department of Defense, supported by the Navy, has shown that 95,900 reservists are essential to sustain any kind of combat operation by the Navy during the first 90 days of a national emergency. It is true that those units proposed to be cut by the committee are support units. But they are absolutely essential. We cannot sustain the Navy during combat operations or during a national emergency without logistics. We must have support units and they must be available immediately.

Just one other point: It has also been pointed out that DOD is not proposing that any naval reservists be terminated. But what DOD is proposing is that they simply stay in the Reserves without any monthly drill status—that they be taken off the monthly drill status.

The point is, according to indications we have had, if you do that you lose about 94 to 97 percent. They will simply leave the Naval Reserve.

What DOD wants to do is retain a minimum of 95,900 naval reservists, as their most recent analysis completed in February has shown, but they simply want naval reservists to participate without any drill pay. In other words, they want something for nothing.

As the Armed Services Committee report on this bill states, testimony indicates that most reservists transferred to the nondrill status will simply leave the Naval Reserve.

So if we agree there is a minimum requirement of 95,900, which the amendment provides, and which the Senator from Kansas believes is totally justified, then we should adopt this amendment that retains those reservists on drill status. It is almost in line with the measure in the House.

It just seems to me that, based on last year's debate and on the last 3 years' studies by the DOD, it is a figure that can be justified and should be adopted by the Senate.

I reserve the remainder of my time.

Mr. THURMOND. Mr. President, as a long supporter of adequate manning levels for the Naval Reserve, I feel compelled to endorse the amendment offered

by the distinguished senior Senator from Kansas (Mr. DOLE).

Last year Congress explored the Naval Reserve manning carefully and provided for a manning level close to the pending amendment.

Since that time a study, requested by the Congress, has justified this level of manning. This level is 95,900, a number 19,500 above that provided in the current bill.

If this cut proposed by the committee stands, it will mean a manning level below that needed for mobilization. Furthermore, it would bring about a loss in enlisted Reserve personnel who simply will not serve without pay, as is the case with some officers.

Mr. President, I urge the Senate to accept this amendment in order that personnel stability can be achieved in the Naval Reserve. This is necessary if this important segment of our total force is to effectively carry out its mission of filling our regular units and providing new units in the event of a national emergency.

Mr. STENNIS. Mr. President, I yield such time as the Senator may use to the Senator from Georgia. I yield him 5 minutes.

Mr. NUNN. Mr. President, on the last point made——

Mr. STENNIS. Mr. President, may we have conditions here where some can hear, anyway?

The PRESIDING OFFICER. The Senate will be in order. Is the Senator yielding time on the bill? There are only 4 minutes left on the amendment.

Mr. STENNIS. All right. I yield 4 minutes and some on the bill if the Senator so desires.

Mr. NUNN. Mr. President, on the last point made by the Senator from Kansas, it simply is not accurate to say that the Department of Defense has certified to the mission of the Naval Reserve for all of these units, as a result of recent studies.

I have a letter here dated February 24 from Mr. Charles Duncan, who is the Deputy Secretary of Defense, and I read from that letter on this particular point. He says:

> I am not satisfied as to the justification for the specific selected reserves strength suggested. The study does acknowledge shortcomings in addressing manpower and fleet considerations and correctly points out that other reserve studies are planned or underway.

These studies have not been ratified by the Department of Defense. They are specifically disavowed by the Deputy Secretary of Defense. In just summarizing the debate we had yesterday, our committee and our subcommittee have carefully reviewed the President's budget request for the various kinds of Naval Reserve units. Based on this detailed study, the committee recommended adding 24,400 to the President's budget for deployment related units, ship and aircraft maintenance units, units with technical and professional skills and units to do new missions transferred from the active Navy to the Naval Reserve. The committee recommended strength would not require reductions in the current number of Naval Reserve construction battallions known as the Seabee battalions.

Many of the units that would be added by the Dole amendment have been identified by the Navy as low priority and many involve command headquarters and staff activities. It is difficult to justify large expenditures to retain units with little or no specific relationship to early deployment plans.

As I stated in the debate yesterday, Mr. President, I would be among the first to be in favor of adding back Naval Reserve units when and if they are given a mission which the Navy is going to let them carry out.

We have been through this year after year. Everybody will agree that the units that the Committee has not added back for biweekly training are units not given a mission today and do not have a meaningful wartime mission.

If we want to take $20 million and put it in here because of some pressures we may be getting from one source or the other, this is a perfect opportunity to do it. But I warn my colleagues that under the budget resolution this $20 million is not coming out of the sky. It is not coming out of some money tree. It is coming right out of readiness, research and development, or procurement, because we have an overall ceiling on what we are going to be able to spend. So if this is of high priority, I urge Senators to vote for it. If the priority is one of the lowest priorities in the entire defense budget—and as a matter of fact it is not even in the budget—then I urge Senators to reject the amendment.

Mr. STENNIS. If the Senator will yield for a question, as a matter of fact, we already put in 24,400. Is it not above the budget request?

Mr. NUNN. The committee bill is 24,000 naval reservists above the administration's request; the Dole amendment would virtually double that. So the Senator from Mississippi is entirely correct.

The PRESIDING OFFICER. Who yields time?

PRIVILEGE OF THE FLOOR

Mr. HAYAKAWA. Mr. President, I ask unanimous consent that my staff member, Dr. John Backer, have the privilege of the floor.

The PRESIDING OFFICER (Mr. HATHAWAY). Without objection, it is so ordered.

Mr. DOLE. Mr. President, I do not have any quarrel with the statements made by the distinguished Senator from Georgia or his response to questions. I might say the figure in the House bill is 93,600. The figure recommended by the Carter administraiton was 52,000. The figure recommended in the third and most recent study by DOD was the figure the Senator from Kansas proposes, 95,900.

It may be true they are going to have still another study. This will be the fourth study by the Department of Defense, and we have had nothing but turmoil in the Naval Reserve since the early seventies. It is pretty hard to reorganize and really get out on a mission and have the resources and morale we need if we are constantly reorganizing the Naval Reserve. It just seems to me it is no use to say, "Well, we are going to call them back in if needed." What is going to happen with the Naval Reserve once we eliminate 20,100, which is what the committee wants to do? They are not going to be there. They are going to be gone.

Mr. NUNN. I ask the Senator from Kansas one question. What are the 24,400 going to do right now if we have a war?. That is the problem. If we take $20 million, use it for something and improve our national security, that is the whole point.

Mr. DOLE. They have a mission. In fact, they had missions taken away. It seems to me instead of putting the pressure on to cut back the Naval Reserve, the pressure should be put on the Navy and DOD to complete those missions. But I suggest that the DOD is saying in effect: "Well, we want them to stay in the Reserve; but we do not want to pay them for drill status."

We simply cannot have a Reserve on that basis. The Senator from Kansas is convinced that the 95,900 figure is justifiable.

Having said that, I yield back the remainder of my time and ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURKIN (when his name was called). Present.

Mr. ROBERT C. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from Montana (Mr. MELCHER) are necessarily absent.

I further announce that, if present and voting, the Senator from Arizona (Mr. DECONCINI) would vote "no."

Mr. STEVENS. I announce that the Senator from New Mexico (Mr. DOMENICI), the Senator from Maryland (Mr. MATHIAS), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that the Senator from Oklahoma (Mr. BARTLETT) is absent due to illness.

I further announce that, if present and voting, the Senator from Maryland (Mr. MATHIAS) would vote "yea."

The result was announced—yeas 44 nays 46, as follows:

[Rollcall Vote No. 143 Leg.]

YEAS—44

Allen	Garn	Johnston
Baker	Goldwater	Laxalt
Bayh	Griffin	Long
Bentsen	Hansen	Magnuson
Brooke	Hatch	Matsunaga
Bumpers	Hatfield	McClure
Case	Hayakawa	Morgan
Chafee	Helms	Pearson
Curtis	Humphrey	Pell
Dole	Inouye	Roth
Ford	Jackson	Sarbanes

Sasser	Stafford	Tower
Schmitt	Stevens	Wallop
Schweiker	Stone	Williams
Scott	Thurmond	

NAYS—46

Abourezk	Glenn	Muskie
Anderson	Gravel	Nelson
Bellmon	Hart	Nunn
Biden	Haskell	Packwood
Burdick	Hathaway	Percy
Byrd, Harry F., Jr.	Heinz	Proxmire
	Hollings	Randolph
Byrd, Robert C.	Huddleston	Ribicoff
Cannon	Javits	Riegle
Chiles	Leahy	Sparkman
Church	Lugar	Stennis
Clark	McClellan	Stevenson
Culver	McGovern	Talmadge
Danforth	Metcalf	Young
Eagleton	Metzenbaum	Zorinsky
Eastland	Moynihan	

ANSWERED "PRESENT"—1

Durkin

NOT VOTING—9

Bartlett	Domenici	McIntyre
Cranston	Kennedy	Melcher
DeConcini	Mathias	Weicker

So the amendment (amendment No. 270) was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. NUNN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. STENNIS. Will the Senator yield to me for just a moment?

Mr. GRIFFIN. Yes.

Mr. STENNIS. Mr. President, if we may have quiet, I am trying to review the situation briefly here. We have a matter to be presented by the Senator from Michigan (Mr. GRIFFIN). I think that will take 5 or 6 minutes. Then we propose to have the Proxmire amendment next. That relates to a matter concerning the Navy. Then, if the schedule runs well, we shall have the Baker amendment next, which relates to civil defense. I believe that is all that we have definite information on.

PRIVILEGE OF THE FLOOR

Mr. ZORINSKY. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. GRIFFIN. I yield.

Mr. ZORINSKY. Mr. President, I ask unanimous consent that Lewis Ashley, a member of my staff, may have the privilege of the floor during consideration of H.R. 5970, which is before us.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I insist that we must have order if we are to be able to hear the Senator from Michigan.

The PRESIDING OFFICER. The Senate will be in order.

Mr. GRIFFIN. Mr. President, on behalf of the Senator from Utah (Mr. GARN), I ask unanimous consent that Dave Fitzgerald of his staff have the privilege of the floor on a similar basis.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROJECT SEAFARER

Mr. GRIFFIN. Mr. President, at this time, I wish to focus the Senate's attention on a proposed naval communication system known as Project Seafarer, which is referred to in title II of this bill. It is envisioned that Seafarer, a huge, underground antenna, would be used by the Navy to communicate with our submarine fleet, utilizing extremely low frequency—ELF—signals.

Some of my colleagues will recall earlier references to a predecessor project, referred to as Sanguine, which would have been a hardened ELF communications system, originally designed to survive a nuclear attack.

In the beginning, it was proposed that Sanguine would be built in Wisconsin, but the proposal generated so much public and political controversy there from 1968 to 1972 that the Navy was directed to withdraw from Wisconsin and to consider alternate sites.

Subsequently, the Navy abandoned Sanguine as a project and substituted a modified version, which it calls Seafarer. Seafarer has become very controversial in my State, since Michigan has been under consideration as one of several possible sites for this project. It is controversial not only because its construction, obviously, would make that part of the State a prime enemy target in the event of war, but also because there are many unanswered questions about the project—its environmental impact, its technological feasibility, and, indeed, even the military necessity for such a massive system.

The National Academy of Sciences has been engaged in a study of the environmental impact of Seafarer, but it has not issued a final report. As proposed, the project would encompass an area of 4,000 square miles. It is my strong view that the Senate should not authorize construction of Seafarer before the Academy's final report is issued and unless concerns raised in the report about adverse long-term effects on human health and the environment are researched and resolved.

I wish also to call attention to concerns raised by the House Armed Services Committee regarding the feasibility of Seafarer. On February 18, 1977, the Subcommittee on Investigations of the House Armed Services Committee issued a report stating in part:

Because of its vulnerability and its very limited transmission rate, the Seafarer system, as presently proposed, however, appears to be an incomplete answer to that critical command and control problem. The Panel believes that intensified research into submarine communications systems should be continued. That research should include exploration of all possible alternatives to Seafarer in an effort to identify a more responsive and survivable system.

Subsequently, the full House Armed Services Committee refused to authorize further funding of Seafarer and stated in its report on this bill:

The Committee does not believe that the present Soviet anti-submarine warfare (ASW) threat to U.S. attack and ballistic missile submarines justifies at this time the development of the proposed Seafarer communications system.

The technological feasibility and the environmental impact of Seafarer are important considerations, but I am even more concerned about another issue so far as Seafarer relates to my State. I refer to a matter of simple good faith.

Because of certain developments which have transpired—and I shall explain them—Seafarer has become, for the people of Michigan, an important test of the good faith of the Federal Government.

When the Navy first began to search for a site for an ELF communications system, it was determined that a Midwest location was preferred because of a geologic rock formation known as the Laurentian Shield. Wisconsin was the Navy's first choice for the Sanguine system, and a test facility was built at Clam Lake, Wis. Since the criteria used for site selection for Sanguine were identical to those for Seafarer, it is reasonable to assume that Wisconsin is regarded by the Navy as its first choice location for Seafarer.

However, Wisconsin was not mentioned as a possible site in the Navy's 1977 draft environmental impact statement—EIS—for Project Seafarer because of local opposition and a previous directive from the Secretary of Defense in 1972 relating to Project Sanguine. To quote from the Navy's 1977 draft EIS, Sanguine was not built in Wisconsin because:

The Secretary of Defense, having assessed the project in terms of public and political acceptance, directed the Navy late in 1972 to discontinue system planning for Wisconsin and investigate the usefulness of the Texas site as an alternative location.

The Texas site was later also rejected.

Opposition remained in Wisconsin to the Seafarer system so attention was turned to another Midwestern site—Michigan.

However, in light of the concerns earlier raised in Wisconsin about Sanguine and Seafarer, our Governor, Governor Milliken, refused to cooperate with the Navy in studying the possibility of Michigan as a Seafarer site unless he received assurances that the Governor's concurrence would be obtained before any decision would be made to locate it in Michigan.

Indeed, in February 1976, Deputy Defense Secretary William Clements confirmed in writing to Governor Milliken, that such concurrence or veto power would be extended to the Governor of Michigan. In a letter dated February 12, 1976, the Deputy Secretary wrote:

You have my every assurance that a Department of Defense decision to add Michigan as a final candidate site along with those in Nevada and New Mexico could be made *only with your concurrence.* (Emphasis supplied)

Shortly after President Carter took office, his administration acknowledged and reaffirmed the commitment of the previous administration giving Governor Milliken a veto authority with respect to Seafarer.

Thereafter, on March 18, 1977, Governor Milliken wrote Defense Secretary Harold Brown as follows:

I have repeatedly received assurances from the Department of Defense, confirmed by the White House, that Seafarer would not be built in Michigan if I object.

Mr. Secretary, *I object.* (Emphasis supplied)

It would be viewed as a cynical act for the Senate to ignore these assurances and the Governor's objection and authorize a Michigan site for Seafarer.

But good faith is at stake in another way, as well.

During his election campaign, Candidate Carter issued a statement on October 25, 1976, directed to the people of Michigan's Upper Peninsula. The statement included this commitment by Mr. Carter:

If I am elected, Project Seafarer will *not* be built in the Upper Peninsula [of Michigan] *against the wishes of the citizens.* (Emphasis supplied)

There have been a number of referendums held in the Upper Peninsula of Michigan concerning project Seafarer. It is clear that the overwhelming majority, by margins of up to 4 to 1, are against the location and construction of Seafarer in the Upper Peninsula of Michigan.

Now that Mr. Carter is President and Commander in Chief of the Armed Forces, of course, it is inconceivable that he would disregard such a commitment to the people of Michigan—and I feel confident that he will not.

Accordingly, if and when Seafarer is determined to be necessary and feasible as a communications system for the Navy—which is not the case today—Seafarer should not be located in Michigan, in view of the circumstances I have outlined and in view of the commitments that have been made.

Now, Mr. President, having recited that history, I come to the matter of the legislation before us.

It concerned me to find money in the bill for Seafarer, but I have inquired and have learned that none of the money authorized by the bill will go for construction of Seafarer in Michigan—or anywhere else. The money in this bill, as it is presently written, goes toward further research on the project.

I will not quarrel with the idea that the Navy needs a system to communicate with its submarines, and it may be that further research is justified.

I have taken it upon myself to get in touch with Senator MCINTYRE, chairman of the Military Research and Development Subcommittee of the Armed Services Committee. I have asked him a series of questions directly on this point—questions about the impact and effect of this authorization bill with respect to any possible development of Seafarer in Michigan.

The colloquy makes it clear that none of the funds in the bill this year would be used for that purpose.

I appreciate the assistance of the distinguished Senator from New Hampshire (Mr. MCINTYRE) in clarifying this matter, and with his approval, I ask that my questions and his answers may be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ANSWERS FOR THE RECORD BY SENATOR THOMAS J. MCINTYRE, CHAIRMAN, SENATE MILITARY RESEARCH AND DEVELOPMENT SUBCOMMITTEE, TO QUESTIONS SUBMITTED BY SENATOR ROBERT P. GRIFFIN

Question: Will any of the $20.1 million authorized under H.R. 5970 be available for use by the Department of Defense for the construction of Project Seafarer in Northern Michigan?

Answer: No. There are no funds authorized in this bill, either in the $20.1 million authorized for ELF communications or in any other part of the bill, to construct Project Seafarer in the State of Michigan or to construct a test site for Project Seafarer.

Question: Would it be possible for the Department of Defense to request the reprogramming of funds for the construction of Project Seafarer in Michigan during fiscal year 1978?

Answer: No, the intent is clear that no money shall be used for that purpose. Since that is the case, the project would not be eligible for the reprogramming to reverse this decision by Congress.

Question: So, in sum, then am I correct in understanding that for all practicable purposes the question of constructing Project Seafarer or initiating a test site for the purpose in Michigan is dead during the next fiscal year?

Answer: You are entirely correct. It would take a new bill which would ask for that express authority and for all practicable purposes this would not occur until the next budget cycle next year.

Question: Will any of the funds authorized under this bill be available for use by the Department of Defense in the promotion of Project Seafarer in Northern Michigan?

Answer: No. Funds would not be available for Project Seafarer in Northern Michigan. Naturally the Department of Defense must meet its obligations under the law to provide information to the public as a part process, but there is no intent to authorize funds for "promotion" of this project beyond providing the public with this information.

Last year our Subcommittee rigorously examined this question in our hearings. Navy committed to quite specific and, in our judgment appropriate, guidelines regarding Navy's informational activities on Seafarer and it is our intention that those guidelines still be in effect through the next fiscal year and beyond.

Question: Will the Senate Armed Services Committee direct the Navy to examine the National Academy of Sciences report to be released later this year, in order to ensure that all questions relating to potential threats to human health and the environment are thoroughly examined; and, further, that any remaining questions on the effect of Seafarer concerning adverse human health effects or the environment raised by the NAS report will receive such study as the Academy required before any construction of Seafarer will begin?

Answer: Yes. The Armed Services Committee's interest in this subject dating back to 1969 has been to ensure that this capability which we believe necessary to our national security be achieved in a way that thoroughly avoids any threat to human health or any significant, adverse impact on the environment. If the final National Academy of Sciences report raises any such questions it would be quite consistent with the Committee's history to ensure that Navy has thoroughly studied these matters and devised measures to protect humans and the environment before construction could begin.

Question: Will the Senate Armed Services Committee reexamine Project Seafarer after studies of a smaller ELF system are submitted by the Navy to determine if Seafarer is still a necessary and effective communications system before any decision to construct the system is authorized? Will a specific determination by the Senate Armed Services Committee that Seafarer is necessary for our national security be made before any decision to construct Seafarer is made?

Answer: The answer to both questions is "yes". In fact, the Committee on Armed Services has for years made this a subject of special interest and has insisted that the Department of Defense assume a burden of proof about military requirements not only before it goes into deployment of a system but even before it enters full-scale development.

Question: If Project Seafarer or some version of this ELF system is determined to be necessary for our national security and is technologically feasible, will the Committee ensure that it will be placed in the location that yields the greatest operational capability and effectiveness?

Answer: Of course, as I am sure my good friend from Michigan is well aware, the principal responsibility for any initial request to deploy an ELF system at any particular location first rests with the Executive branch. In fact, the Committee on Armed Services has for two years now done its best to insist that the Department of Defense assume this responsibility which is clearly theirs. Any such proposal must be explicit and must assume a burden of proof in demonstrating that the location chosen does in fact yield the greatest operational capability and effectiveness.

The Committee and this body would certainly review any such proposal and independently judge whether the Executive branch has adequately met the necessary burden of proof before agreeing to fund such a request.

Mr. RIEGLE. Mr. President, will the Senator yield?

Mr. GRIFFIN. I am glad to yield.

Mr. RIEGLE. Mr. President, I thank the Senator for yielding.

I want to add my voice as well, because we have, with both Senators from our State, strong bipartisan opposition to the continued funding, any continued funding, for locating Project Seafarer in Michigan.

In my own case, that comes after classified briefings from Department of Navy officials, after several trips to Michigan's Upper Peninsula where I had extensive discussions with area residents about Seafarer, and after reviewing the hearings and recent action taken by our colleagues in the House of Representatives and my colleagues on the Senate Armed Services Committee.

As we know, residents of the Upper Peninsula of Michigan have repeatedly voted in public referenda by margins of 4 to 1 in opposition to this project and have otherwise clearly evidenced strong and sustained feelings on this issue. I need not remind this committee of the earlier rejection of Sanguine/Seafarer by Wisconsin and Texas. I will point out, however, that if our experience in Michigan is indicative of earlier activities in Wisconsin and Texas, the Department of Navy has been its own worst adversary in this long debate.

I might just say parenthetically at

this point, in terms of the alternative site locations for this project that were thought to be necessary, when I asked the person in charge of that project in the Navy Department some months ago the ideal location in the country for the placement of such a system as they have in mind, he was very clear in saying that the best location from the point of view of rock structure and the rest was the State of Wisconsin. But, as was pointed out, apparently because of opposition from the State of Wisconsin and former Defense Secretary Laird, blocked that possibility, and this project has been bouncing around since and has now bounced into Michigan.

But as we know, over the years, local residents of proposed sites for Project Sanguine/Seafarer have voiced their greatest concerns over the possible damage that would result to the environment of their area and its hazardous effect on their health, that of their families, and friends. I must say that I share those concerns and I do not think all the questions have been answered that have arisen.

However, my strongest objection to any continued effort to locate project Seafarer in Michigan rests with my strong doubts about its technical capacity to meet the needs of the Department of Navy. Certainly I have a strong commitment to my State and to my constituents. As we all do, I believe in a strong defense, and I believe national security needs must always be taken with utmost seriousness.

Mr. President, after my latest classified briefing by the Department of Navy on March 2, 1977, Congressman CARR joined me in a letter to President Carter and Secretary of Defense Brown pointing out two main operational problems of the ELF communications system:

(1) high vulnerability of the transmitter to attack and destruction in a wartime situation, and (2) the extremely low rate at which Seafarer could transmit information, limiting its peacetime usefulness.

When these limitations are considered, it appears that the real utility of the system lie in a bellringer function to notify submarines to move close to the surface for further information. Congressman CARR and I pointed out that this bell-ringer function can be adequately performed by the existing Wisconsin ELF test facility at Clam Lake. We further proposed that the Defense Department explore the possibility of using the Clam Lake bellringer for the short term, while at the same time exploring high-technology, long-term alternatives which will not have Seafarer's numerous deficiencies.

Mr. President, the Senate Armed Services Committee addressed many of these concerns in its hearings and came to different conclusions than our House colleagues. I have reviewed the committee report and am troubled by the differences in the action taken by the Senate on the one hand, and the House on the other.

I rise today to make it clear I continue to oppose this project wherever it might be placed.

Mr. President, I, too, have addressed prepared questions to Senator MCINTYRE, chairman of the Senate Military Research and Development Subcommittee, concerning subjects raised in the committee's report. He has been quite responsive, and it is my hope that the answers he has provided will be helpful to the House and Senate conferees when they meet to address the differences with regard to Project Seafarer. I ask unanimous consent that my questions and Senator MCINTYRE's answers be printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ANSWERS FOR THE RECORD BY SENATOR THOMAS J. MCINTYRE

Q. Senator RIEGLE. Why, if this project is so critical to our national security, has this decision been delayed for so long?

Senator MCINTYRE. The Committee shares your frustration regarding the delay.

Part of the delay has been necessary to resolve the environmental controversy surrounding ELF transmissions in a proper way. Our Committee has tried to ensure an orderly and objective resolution of this dispute by insisting on a fair and authoritative review of the matter by the National Academy of Sciences. I personally regret that the Academy has taken as long as it has to issue its final report. We had hoped that it might be finished late last year.

There has also been indecision in the Executive Branch about where the project should be located. This is also a clear case of a capability which the country needs and which our technology can provide which has been delayed primarily because of the inability of the Executive Branch to make some difficult decisions.

Q. Senator RIEGLE. If national security needs are so overwhelming, why was a veto granted to the Governor of Michigan, and why were Texas and Wisconsin allowed to reject this project?

Senator MCINTYRE. Neither the Committee nor this senator ever concurred in the granting of a veto to the Governor of Michigan. Such a procedure has, in my view, dubious constitutionality and national security matters should depend on rational considerations rather than local ones.

At the same time, the Committee has consistently believed that, while there is a national security need that should be met, we should make every effort to do so in a way that would be biologically and environmentally safe and which would accommodate, as much as possible, local feelings about land use.

I am not aware that Texas and Wisconsin were allowed to reject this project in any formal sense. As I understand it the Wisconsin site was precluded from consideration by the then Secretary of Defense Laird for reasons that are best known to him. The Committee was not consulted nor did it participate in such a decision. We did look into the Texas site and the evidence is fairly clear that rocky terrain there would have made that site unduly expensive because of higher construction costs.

Q. Senator RIEGLE. How can the House of Representatives conclude that the transmission rate of the ELF is insufficient to communicate adequately with deeply submerged submarines while the Senate Armed Services Committee concluded that the ELF system as now designed provides such an excessive rate of transmission, that a significantly reduced ELF system would be sufficient?

Senator MCINTYRE. We look forward to understanding the position of the House more clearly once we begin conference on this bill.

Our Committee made a detailed independent review of the adequacy of an ELF system and we feel quite confident that our reasoning in our report is valid.

It is possible that the differing conclusions may be rooted in differing assessments of two variables. First, our Committee looked with great care at the likely operating areas of both our strategic submarines and our SSNs to judge the distance to which an ELF system would have to transmit. It seemed impractical and irrelevant to judge the adequacy of a system in terms of transmitting to places on the globe that our submarines are not likely to operate. Our Committee's confidence in our judgment on this point is enhanced by years of intensive inquiry into these operational aspects of our submarines, particularly as we reviewed the Trident system and the Soviet anitsubmarine warfare threat.

Secondly, we feel that there is a greater inherent capability for message compression through the exploitation of digitized transmission techniques than either certain elements of the Navy or the House apparently believe.

In sum, we are confident that the Seafarer as currently designed would be more than adequate to meet current operational requirements of our submarines. In fact we feel, as our report indicates, that a smaller system may be adequate.

Q. Senator RIEGLE. What consideration was given to the blue-green laser?

Senator MCINTYRE. Our report speaks to the satellite laser question. First, there are substantial questions whether this system could be realized in the practicable future. But even if it could be demonstrated, it would likely introduce new vulnerabilities to our operating submarines because the submarine would apparently have to restrict its freedom of movement in order to receive messages from such a system. We have invested literally tens of billions of dollars and the genius of our technology in our strategic submarines, primarily to increase this ability to patrol freely and to complicate thereby the Soviet antisubmarine warfare task.

Q. Was the Committee aware that the Department of Navy has instructed its technicians not to discuss the development of the blue-green laser because it is seen as an alternative to the ELF? (Those technicians would indicate that the laser will be available in 4–5 years).

Senator MCINTYRE. The Committee is not aware that the Navy has instructed technicians not to discus this development. Certainly, I would personally oppose any such restriction. But frankly, the blue-green laser seems so unlikely a possibility and as such, a dangerous liability, that I personally do not regard this as a serious alternative to a buried ELF system.

Q. Senator RIEGLE. Does the Committee expect, through this authorization, that the Department of Navy is to argue for a Michigan site after already documenting earlier that Wisconsin would be the best site; What voice would the residents of the Upper Peninsula have in a site selection: What weight did the Committee give to the fact that there is bipartisan objection to this project within the Congressional delegation from Michigan and that the Governor of Michigan has exercised the veto extended him over Project Seafarer by former President Ford and renewed by President Carter?

Senator MCINTYRE. The principal responsibility for any initial request to deploy an ELF system at any particular location first rests with the Executive Branch. In fact, the Committee on Armed Services has for two years now done its best to insist that the Department of Defense assume this responsibility which is clearly theirs. Any such proposal must be explicit and must assume a burden of proof in demonstrating that the

location chosen does in fact yield the greatest operational capability and effectiveness.

The Committee and this body would certainly review any such proposal and independently judge whether the Executive Branch has adequately met the necessary burden of proof before agreeing to fund such a request.

Mr. RIEGLE. Mr. President, I conclude by saying, as was pointed out by Senator GRIFFIN, President Carter, when he was a candidate for President, made it very clear in travels throughout my State that the State of Michigan would have the right to exercise a veto over this project if, in the will of the citizens of that State, it decided, for whatever the reasons, it did not want it placed there.

That commitment was very clear; there were no strings attached, at least none identified.

Now, the State, both by public referendum and by action of the Governor has indicated we do object, and wish to exercise our veto. That veto is supported by both Senators from the State, who happen to represent both major parties.

While there is no money, per se, for building that project in this bill, it has been my observation after 10 years in the House, that defense projects of this sort linger on year after year after year, with the justification not clear, and a tendency to be funded with research money and kept alive. Very often, they finally take on new life of their own and make their way into being.

I do not want to see that happen in this case, and if there were money in this bill for that purpose, to build the system, I would have to move to strike it. And failing that, I would then have to vote against the entire bill.

So I hope it will not come to that situation in the future.

I thank the Senator for yielding.

AMENDMENT NO. 272

Mr. PROXMIRE. Mr. President, I have an amendment at the desk which I call up at this time.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Wisconsin (Mr. PROXMIRE) proposes an amendment numbered 272.

The amendment is as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. . (a) Notwithstanding any other provision of law, the Secretary of Defense is authorized, under such regulations as he shall prescribe, to expand the job classifications to which female members of the Armed Forces may be assigned. The Secretary of Defense may include the following types of duty within the job classifications to which female members of the Armed Forces may be assigned:

(1) permanent duty assignment to hospital ships, transport ships, and ships used for similar or related purposes, and temporary duty assignments to any other vessel not likely to be used for combat mission purposes;

(2) permanent duty assignment as missile launch officers in the Air Force;

(3) permanent duty assignment as pilots and navigators in aircraft not likely to be used in combat missions;

(4) permanent duty assignment as tactical communications chiefs in the Army; and

(5) such other temporary or permanent duty assignments as the Secretary of Defense determines can be made to eliminate discrimination against female members of the Armed Forces without adversely affecting the ability of the military departments to carry out their respective missions.

Nothing in this section shall be construed as requiring the Secretary of Defense to place female members of the Armed Forces in positions where they are likely to be personally involved in direct combat.

(b) The Secretary of Defense shall define the terms "combat" and "combat mission" for purposes of this section and such terms shall apply uniformly to all branches of the Armed Forces of the United States except in cases where the Secretary of Defense determines uniform application is impracticable and authorizes exceptions to be made.

PRIVILEGE OF THE FLOOR

Mr. PROXMIRE. Mr. President, I ask unanimous consent that Joyce Kaufman and Ron Tannen, of my staff, be permitted to remain on the floor during the debate and the vote on this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

On this amendment there is a limitation of 1 hour, to be equally divided.

Mr. PROXMIRE. Mr. President, I yield myself such time as I may require. I will not require a great deal.

Mr. STENNIS. Mr. President, may we have order? We might finish this debate quickly if we are listened to.

The PRESIDING OFFICER. The Senate will be in order.

Mr. PROXMIRE. Mr. President, this amendment will give the Secretary of Defense the authority to increase the opportunity for women in the Armed Forces. The amendment will not require that women be involved in a direct combat role. What will it do? It will allow the Secretary to open up areas now prohibited to women by statute, by policy, or by tradition. It will provide for a more efficient use of women and therefore better use of all personnel within the services.

The amendment suggests some specific areas within each of the services where the role of women could be expanded, and it also provides for new initiatives of the Secretary of Defense.

Specifically, this amendment gives the Secretary of Defense the authority to permanently place women in the Navy on hospital ships and transports and the temporary duty on the other vessels not expected to be engaged in combat. It would allow women in the Air Force to be used as pilots and navigators on aircraft not expected to see combat. It would open up the position of missile launch officers. It would also open certain jobs in the Army to women.

In each case, let me stress again, these are not direct combat positions. But for a number of reasons, women have been precluded from these jobs in the military.

What now prohibits women from assuming these noncombat positions? The answer is tradition, and a hodgepodge of conflicting regulations and laws. If there is one clear conclusion that can be reached from studying the regulations, practices, and laws applying to women in the military, it is that there is no clear policy. Each service has a different interpretation. Let me explain.

CONFUSIONS IN THE LAWS AND REGULATIONS

Title 10, section 6015, specifically prohibits women in the Marines and the Navy from serving on board vessels and on aircraft in combat. It should be noted, however, that the Navy now has asked that this prohibition be modified. It has asked Congress to change the law so that women can serve on ships such as hospital ships and transports, on a permanent basis, and on other ships not expected to see combat, on a temporary basis. This is exactly what my amendment would do—carry out the request of the President and the Secretary of the Navy to make better use of women in the Marines and the Navy. The Navy letter requesting this authority is on the desk of every Senator.

Title 10, section 8549, governs the role of women in the Air Force. It prohibits women from being assigned to aircraft that are engaged in combat missions. What the Air Force has done traditionally is to interpret this so broadly as to not allow women to be trained as pilots, navigators or crew members regardless of whether or not the aircraft is likely to see combat. Further, the Air Force restricts women from serving as missile launch officers.

This is a policy decision and is not based on law. The Air Force is now conducting experiments using women as pilots and navigators. My amendment would open up these job classifications to women on a permanent basis where the aircraft involved are not expected to be engaged in combat. It follows along the lines of the Air Force experiment.

There is no specific legislation that restricts women in the Army, the WACS, from serving in jobs denied to women in the Navy and Air Force. However, Army policy specifically precludes women from serving in specific military occupational specialties—MOS—33 of the 389 available MOS's, approximately 10 percent, are currently closed to women. This does not, however, mean that women are automatically assigned to serve in the available 90 percent. My amendment would open up one new Army area to women—tactical communications chief—and allow the Secretary to find other job classifications that can be made available to women.

EFFECT ON WOMEN

NAVY

What do these prohibitions mean to women in the service? In the case of the Navy, it means that a woman is barred from command at flak rank because she cannot serve on board a ship. It means in effect, that there is a limit imposed on how far up the officer scale she can go. In Annapolis, it means that women cadets cannot go on the summer sea training cruises, which are an integral part of their education at Annapolis, as well as a part of their orientation to the Navy on the whole. And it means that a woman graduating from Annapolis comes out with a bias against her that her male counterpart will not have to overcome. Now it is understandable why women would be barred from those vessels that could be engaged in direct combat, such

as the 6th Fleet in the Mediterranean, and the 7th Fleet in the Far East. These are potentially volatile areas, and those vessels might be faced with immediate danger. However, the limitation as it now stands, even forbids women from serving on oceanographic vessels, as well as other ships that are not in immediate combat zones. Without that type of experience, these women can never be considered true Navy officers by their peers and their careers will suffer accordingly.

PROMOTION LIMITATION FOR NAVY AND MARINE WOMEN

In addition, there is another more formal restriction that deals with the highest rank women in the Navy and Marine Corps can attain. Title 10, section 5767, paragraph C, deals with the promotion of a woman to the rank of rear admiral in the Navy, and brigadier general in the Marine Corps. This was part of a package introduced in 1967 to equalize the promotion of women in all the services. But, in practice, while it lifted some restrictions on women in the Army and Air Force, it states that a woman can only be granted spot promotions—not permanent—in the Navy and Marines. The ironic part of this is that, even if the law were to be modified to equalize promotions, a woman in the Navy still will not be promoted to flag rank command without having served on sea duty. Hence, the ability to go to sea is critical to the future of any woman in the Navy.

The legislation and restrictions that are applicable to the women in the Navy also apply to women in the Marines. Women officers in both services are, by law, promoted according to a separate structure than the one that governs male officers. There is one structure that exists for women, and another one for men. There is no way of knowing how that affects the caliber of the officers promoted.

ARMY

Within the Army, there is no legislative restriction on women in terms of the rank they can attain. A woman, however, is limited because she cannot serve in combat. Hence, it is possible that many qualified, career WACS will never attain the highest possible rank to which they are entitled because they have not served in those positions which promotion boards consider essential for career advancement.

At West Point the women cadets receive identical training. But the positions that they can accept upon commission are limited to noncombat. Not only does this restrict these women, but it restricts the men as well. Selection of jobs determined by class rank. As the women are doing well academically, it means that they will probably rank toward the top of their class Hence, they will be given first choice of the limited number of jobs available, thus forcing the men toward the bottom of the class to take not only what is left, but also what women are prohibited from, even if the women wanted those areas. Hence, both the men and women suffer in that case.

AIR FORCE

The Air Force is in a similar situation, both with the women in the academies, and in the services on a whole. In the Air Force it is not quite as extreme, because there is such a large number of men who wish to be pilots, it leaves a wider choice open to women. If the pilots positions were open to women, all men and women would be competing for these on an equal basis depending on need. Again this does not refer to women in combat missions, but merely women as pilots, serving support roles.

The argument that women in the Air Force raise is that the Air Force is structured around flight. By being barred from that area, this negatively affects a woman's career potential in the Air Force. In fact, only a pilot can serve as wing commander, and that eliminates women. Further, in the Air Force Academy, the only training that differs for men and women there is that women are not allowed to take the flight training course, as was seen with the two other services, this limits a woman from one area that she was attracted to the service for.

CAN WOMEN DO THE JOB?

Can women do the job? My answer is an unqualified yes. But you do not have to take my word for it.

A test conducted by the Army at Fort Jackson, proved that women can perform as well as men in basic training. As a result of this experiment, Army policy will change so that men and women will be receiving the same basic training.

A Navy experiment with women on board the U.S.S. *Sanctuary* indicated that women could perform successfully onboard ship. One of the Navy's conclusions from that experiment is: "Women can perform every shipboard function with equal ease, expertise, and dedication as men do."

Women Marine officers are in an experimental situation, training with men at Quantico. Preliminary results show that they are doing well.

The Air Force is in the midst of a training program for women pilots and navigators; 10 women entered the training program for pilots in August 1976, and all 10 are expected to complete the course successfully and graduate in September 1977; 10 more women have just begun this program. Thus far, no woman has dropped out of this training, and the Air Force feels that the women are performing equaliy as well as the men. Further, the completion rate for the women thus far is 100 percent, while the "washout" rate for men has been averaging around 12 percent. Of the six women who began navigator training in March 1977, five have successfully completed the first stage of their training. The sixth woman was seriously injured during training, and will resume the course with the next class.

Navy boot camps and officer candidate schools have been integrated male and female. At West Point, women are trained for, and are expected to successfully complete, combat training just as men are.

Further, all the services seem to agree that in the cases where women have been added either to a unit, or to a specific training program, the performance of the entire group increased, and standards in general have gone up.

But what does this tell us? First, it indicates that, where tried, the women have been successful in performing new, and nontraditional roles in the services. Second, it shows that women can perform up to the existing standards that had been set for men, and up to the standards currently imposed on men in the services. Third, in many cases it shows that women are prepared for, and expected to take a position of responsibility in nontraditional, as well as the more traditional areas.

Fourth, it indicates that, each of the services has initiated and responded to this changing role of women on its own, and has a trial program to see how their women would do when forced to compete and put into more difficult and atypical situations. The results have universally been that not only can women do well, but that the men also do better with the presence of women.

SKYROCKETING MANPOWER COSTS AND TEETH TO TAIL RATIOS

Mr. President, one of the serious problems facing our Armed Forces today is the skyrocketing costs of manpower. Manpower consumes well over 50 percent of the defense budget. A collateral issue has been turning more tail into teeth through the Nunn amendment and by cutting back on headquarters staffing.

The number of women in the military has increased from 30,000 in 1965 to 120,000 at present. With a more effective utilization of women, many support positions now held by men could be assumed by women with a release of manpower for direct combat roles. Furthermore if women are allowed to serve on board ship and fly aircraft in support positions when not expected to engage in combat, we can concentrate our combat pilots and ships in those areas where tensions are the highest and combat would be more likely to break out. Thus this would release highly trained personnel for the frontlines.

For example, if only a man can ferry an aircraft from one point to another, he is not available for combat duty. A woman pilot could do that job every bit as effectively.

In other words, opening up new job classifications to women will help in the teeth to tail conversion problem and most likely even will cut down on costs over the long run. How would it cut down on costs? Well, the attrition rates for women are much lower than for men. With a lower turnover rate, there are considerable savings in training.

WOMEN IN COMBAT

Does this amendment say that women will have to go into combat? Absolutely not. We do not want women to have to be subjected to the dangers of direct combat. We do not want any American, male or female, to have to experience this. Each, however, should be given a chance to attain his or her potential within the field of their choice, without unfair prohibitions imposed on the basis of sex.

It is not fair to prohibit women from areas in which she will be in no immediate danger, and in which she can both

enhance her career, and do a great service to her branch of the Armed Forces as well. This question should be looked at not only from the perspective of what the services can do to benefit women, but what can these bright, highly qualified and dedicated women do for the services? That is the question that should be answered.

This need to open more doors to women comes from the necessity to utilize this resource, as well as the movement toward social and human equality.

As the situation stands, many of the laws and policies have existed for a number of years, and have not been reexamined in light of changing social policies as well as the needs of the All-Volunteer Force. The services appear to be waiting for congressional guidance before moving on this question. This guidance can be provided through this amendment.

CONFLICTING STATUTES AND INCONSISTENCIES

Before concluding, I think it is important to look at some of the inconsistencies that exist regarding conflicting statutes and limitations pertaining to the Armed Forces. If nothing else, this proposed amendment might help to clarify these.

An example might be the WACS. WACS are trained in "defensive" combat roles and are expected to be able to defend themselves, and their units if the need should arise. Yet, they are expressly forbidden to be placed in offensive combat situations. In actual combat, there is often little or no distinction between offensive and defensive combat. Further, in 1973, Army policy was modified to allow women to serve in combat support units, provided no more than 25 percent of any unit was composed of WACS. This was deemed the maximum allowable number to keep the unit at full readiness. In case of direct combat, these women would be in danger. Yet, this utilization of women was permitted. Hence, there seems to be an inherent inconsistency in this aspect of Army policy. While this amendment will not explicitly allow women to be placed in direct combat positions, there does not seem to be any reason why women should not be permitted to be in a greater number of combat support positions such as those suggested in 1973. Further, in case of a change in the combat situation, and the need for immediate action should arise, these women would be trained and prepared to take such action if necessary.

There are cases of inconsistencies across services so that what is forbidden to women in one service is permitted to women in another. Although women are prohibited from serving on board ships, this prohibition does not apply to women in the Army and Air Force. In a similar inconsistency the Air Force claims that they permit women to serve as missile repair persons. Yet, the Army has this category of jobs, among its restricted MOS's. This could be clarified by allowing Army women to serve as repair persons on nonmobile missile systems. This would allow for uniformity, and would afford women that option as a career choice, which is currently closed to them.

DEFINITION OF COMBAT

Finally, all the restrictions and prohibitions on job choices available to women hinge very closely on a definition of combat. Most of the legislation explicitly states that "combat missions" defines those areas that a woman is excluded from. Yet there is no consistent definition of what combat is. In fact, there is widespread inconsistency as to what defines a combat mission, or what "engaged in combat" actually means. This definition has become especially critical since the battle lines of old are no longer clearly drawn. In fact, in the days of Vietnam, all service personnel assigned to Vietnam received hazardous duty pay, thus indicating that the entire nation was really defined as a combat zone. And women were among those assigned there.

The point here is quite simple. What used to be clear cut in terms of defining the front lines, no longer is. Yes, we might like women to be removed from any immediate danger. No, we might not want women to be in the offensive attack units. However, beyond that, lines have blurred. There are many more roles, in support positions, that women can and should hold. And women in the services should be able to play a larger role.

In other nations, such as Israel and Vietnam, women have out of necessity played a very active and important support role in the armed forces. While they were not among the offensive units, they have served as border guards on the Suez and in support roles similar to those I just mentioned. Even in this country, in the past when the need has arisen, women have played an active and nontraditional role in the armed services.

Test situations as well as history have shown that, in case of combat emergency, women were able to perform very well under pressure. And they can be expected to continue that trend.

The Armed Forces are competing with the private sector in terms of attracting qualified and responsible women and in keeping them. In order to do this, the services must be competitive. They must be able to offer these women more than they can get elsewhere. In short, the services must continue to provide a viable alternative.

To do this, to continue to attract the kind of women the services want we must make sure that the armed forces can offer everything possible to these women. Easing the restrictions that now exist might be one way to help see that this is done.

AUTHORITY OF THE SECRETARY OF DEFENSE

Mr. President, I want to make clear just what this amendment does with respect to women in combat positions. The amendment does not require that women be placed in direct combat situations. Obviously there are those times when noncombatants, male or female, will be involved in combat situations such as a breakthrough in the lines or emergencies or incidental occurrences that cannot be foreseen. No legislation can cover these unexpected situations.

The amendment makes it clear that the Secretary of Defense is not required to place women in direct combat. It gives him the flexibility to make decisions about job classifications. It allows him to refine and standardize the definition of combat so far as that is possible. And, of course, it does not preclude the Secretary from recommending that women have combat roles of one kind or another. In fact, the Department of Defense is studying that specific area. The Secretary still retains the authority to make such judgments about combat under this amendment. However, the issue of women in combat will have to be addressed at a later date. The intent here is not to preclude further adjustments or modifications on the Secretary's part involving women in general or combat.

Should the Secretary of Defense one day decide that women should be given unrestricted combat roles, then he could make such a determination and submit it to Congress for approval in new legislation. He retains the power to do that at any time in the future.

Since women in the Army are not prohibited from combat by law, this amendment should not be construed as placing a new prohibition against combat on them. It leaves it up to the Secretary of Defense.

Mr. President, in closing I would like to quote from General Eisenhower a statement which, I think, gives us some feeling of what we are up against with this kind of a proposal. President Eisenhower said:

> Like most old soldiers I was violently against women soldiers. I thought a tremendous number of difficulties would occur, not only of an administrative nature but others of a more personal type that would get us in trouble. None of that occurred. In the disciplinary field they were a model for the Army. More than this, their influence throughout the entire command was good.

Mr. President, I think that President Eisenhower reflects a feeling that many of us have had, men and women, about the women in the military, and his experience, which is certainly superior to that of, perhaps, anyone because of his great experience in World War II should, I think, weigh very heavily with us.

He, as I said, was opposed to women, strongly—he says violently—but he came to conclude that they could add a great deal to the military not only in the job they could do, and do well, just as well as men, but in the excellent effect they had on men in improving their conduct, too.

Mr. President, I reserve the remainder of my time.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. TOWER. I yield ten minutes on the bill to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, while I find myself in sympathy with what the Senator from Wisconsin is trying to do, and I can verify much of what he said because I have flown with women pilots in World War II, I do not believe the amendment is necessary, and I would like to state why.

At the paragraph (b) on page 2 of the amendment, and I read:

> (b) The Secretary of Defense shall define the terms "combat" and "combat mission"

for purposes of this section and such terms shall apply uniformly to all branches of the armed forces of the United States except in cases where the Secretary of Defense determines uniform application is impracticable and authorizes exceptions to be made.

Now this, to me, Mr. President, is the real problem we face, because when the Chairman of the Joint Chiefs of Staff appeared before us very early this year I brought up the subject of women in combat, and he said, "Senator, you are going to have to get a new definition for the term 'combat.' "

My staff and I have been working ever since to come up with one that would protect or keep women out of combat.

He said it for this reason, and I call my friend from Wisconsin's attention to this: "Women are not supposed to be in combat," yet in Vietnam we gave them, I do not know the exact number, over 20 Purple Hearts. Purple Hearts are awarded for wounds received in combat, and these women were not specifically assigned to combat units, but they were caught in shellings or particularly in hospitals that were rocketed or in ambulances that had been shelled.

So we face a basic need, and I am going to keep on pursuing this, of a new definition and a proper definition of "combat."

Let us see what this amendment specifically wants to do. But before that let me call the attention of the Senate to the major reason I do not think we need this. The Army now permits women to serve in 356 of 389 MOS's, which is 92 percent; the Navy assigns women to 87 of 102 career fields; the Air Force utilizes women in 449 of 459 specialty codes; and the Marine Corps assigns women to 36 of 40 occupational fields.

The only qualifications in the law that bear on the duties of women involve Navy ships and combat aircraft and Air Force aircraft engaged in combat missions; and again, what are combat missions? We might find a woman, for example, in time of war serving once again in a revived ferrying command on a relatively peaceful mission of delivering an airplane to a foreign country, but being shot down in the course of that.

We have no way of knowing what can happen. I think otherwise the secretaries have full discretion in the assignment of women, and I think we should observe this broad discretionary authority and give careful review to existing combat restrictions in the law in ascertaining what changes may be necessary.

The Department of Defense opposes the position relating to Air Force missile silo launch officers, and frankly, I could agree with the Senator on that. That is one of the suggestions of the Senator that I could go along with. It is a mighty lonesome kind of service, but the Air Force, through the Department of Defense, opposes that.

Mr. President, reading the amendment, practically every paragraph states "duty assignments not likely to be used for combat mission purposes," and this one refers to hospital ships, transport ships, and ships used for similar or related purposes.

Now, a transport ship in time of war is a target. A hospital ship is not supposed to be fired on, and this has been pretty well observed throughout our wars. Permanent duty as missile launch officers I find no complaint with. Why the Air Force opposes that I do not know.

Mr. TOWER. Mr. President, will the Senator from Arizona reflect on that for a moment and, perhaps, he will understand.

Mr. GOLDWATER. I already have reflected on it, and I can say this: If I were assigned to a missile silo I can think of nothing finer than having a woman serve with me. It might be a problem—it would be a problem with the Senator from Texas but not with the Senator from Arizona. [Laughter.]

In paragraph (3) "permanent duty assignments as pilots and navigators in aircraft not likely to be used in combat missions," again we do not know, with the new ability of our enemy aircraft as to their ability to actually fly over our shores at will, where one of our aircraft can fly with the safety of saying we are not flying in combat.

Then "permanent duty assignment as tactical communications chiefs in the Army." A tactical communications chief serves in forward sections of the Army. They are not located back of the lines. They are located in the lines for tactical communications purposes.

So, in conclusion, Mr. President, I just refer to existing law. The Navy and the Marine Corps are prevented by law from assigning women to duty in aircraft that are engaged in combat missions, and they cannot be assigned to duty on vessels of the Navy other than hospital ships and transports. That is already in the law.

The law that covers the Air Force says that. "Female members of the Air Force, except those designated under section 806(7) of this title, who are appointed with a view to designation under that section, may not be assigned to duty in aircraft engaged" again "in combat missions."

Now, Mr. President, this is the thrust of my argument. We need a new definition of combat.

About the closest that we have come to it is a woman with a 60-pound pack on her back carrying a rifle and accompanying men in actual forward positions. That is as close as I can come to actual combat, because we have probably more civilians killed in any war than we have men in uniform killed.

If it is the intent of the Senator's amendment to broaden the scope of women's assignments, I say with the figures I have read where 92 percent of the Army women now serve in MOS's that could be classified under this amendment, the Navy assigns women to 67 of 102 career fields, the Air Force utilizes women in 449 of 459 specialty codes, and even the Marines assign women to 36 of 40 occupational fields, I hate at this time to give the impression to the Secretary of Defense, whoever he might be, that we have no hesitancy in assigning a woman to a combat position.

I am not saying that a woman might not be good in a combat position, but I do not think a woman should ever participate in combat. Contrary to helping the morale of the troops—I have said this often—I would not want a woman flying on my wing because I would be just naturally more interested in her safety than my own or the objective of hitting the enemy, and chances are I would get clobbered. So, I want them back where they belong. I have always said I have nothing at all against a woman doing anything a man can do as long as she gets home in time to cook dinner. That is my attitude on it.

So I hope that this amendment is defeated. I see no real reason for it. We have had no real testimony on it except the chairman of the Joint Chiefs has warned us that defining "combat" is an almost impossible thing to do. I hope we will vote against this amendment.

Mr. PROXMIRE. Mr. President, I yield myself 3 minutes.

In response to my good friend from Arizona, let me say, in the first place, I think all of us have to delegate our military judgment often to experts, at least to some extent, and certainly the Senator from Arizona is an outstanding expert in this area. But I call attention of my colleagues to the fact that this amendment is supported by the Defense Department. I have their communication right here. It states that Defense Department supports the amendment, but recommends minor language changes to sections attached. The minor language changes can easily be made in conference. But the Defense Department wants this amendment and they support it.

Mr. STENNIS. Mr. President, will the Senator yield to me there for a question?

Mr. PROXMIRE. I yield.

Mr. STENNIS. The Senator is arguing now from a memo dated May 17, 1977?

Mr. PROXMIRE. May 16, yesterday.

Mr. STENNIS. All right. I have in my hand one dated the 17th. The Armed Services Committee had not gotten any kind of notice about this bill, so-called the Navy bill, until yesterday. We were already in debate on this bill. And I have here a memo dated today that seems to have been sent to us that says that the DOD supports the amendment in this field of personnel.

Mr. PROXMIRE. That is correct.

Mr. STENNIS. Here is my question. I have found this to be most difficult. The Senator is a fine, experienced legislator. Does he recommend that here on the floor of the Senate, on a day's or 2 days' notice, we try to work out here and put in the law, written in letters on stone, just what should be the situation about the ladies in the Navy? Is that the best way to get at the merits of it?

Mr. PROXMIRE. May I say to my friend from Mississippi that this is a matter that has been studied for a long, long time. As the Senator knows from his much longer experience in the Senate than I have had, amendments very often are offered that are of much more substance, go farther, and cost a great deal of money, and they are taken and accepted or voted by majority votes in favor of them in the Senate. It certainly is not unusual to have a floor amendment.

It is true that this amendment has not

been before the Armed Services Committee. I recognize that. I wish it had been. Nevertheless, it is an amendment, as I say, that is in fact supported by the Defense Department.

I might also respond to my friend from Arizona. He made a very strong point of the argument that most of the jobs in the Armed Services—the overwhelming majority, I think he said—are now open to women. Let me give him some facts here. Because of Air Force restrictions and interpretations about 30,000 officer billets are directly closed to women. All told about 37,000 jobs or 37 percent of the total are closed to women officers; 90,000 jobs or 1 in 5 are closed to Air Force enlisted women. Although some 445,000 Air Force jobs, or 78 percent of the total, can be filled by qualified men and women within current Air Force policy, only about 1 in 10 will be filled in fact by a woman. Furthermore, 60 percent of Navy enlisted billets are closed to women.

Mr. President, the Senator from Mississippi, of course, makes a very strong point. It is influential with all of us when he says that legislation should be considered in advance by the committee. But I wish in the years I have been here handling bills on the floor that every amendment, that comes up, when it comes up to be presented on the floor to a bill we had in our committee, had been considered previously by the committee. A very large proportion of them have not been.

I think the support for this amendment is overwhelming. The Defense Department supports it, and I hope that under these circumstances the Senator from Mississippi will take this amendment to conference.

Mr. STENNIS. Mr. President, I yield myself 3 minutes.

Mr. President, to every Member that is here let me point out: Here is a two-sheet piece of paper that says DOD position, and it is signed at the bottom ODASD/MRA&L(P&R) Ext. 79106, May 16, 1977. Then it says:

Substitute for section (a) of Senator PROXMIRE'S amendment.

That is all that is on there. There is not a name on it. There is not a name of a department. There is no verification, no identity. It is just a bunch of junk.

If the Department of Defense is going to follow the practice of sending stuff like this over here, this is notice that "we will not take anything you send; you will have to come yourself where we can cross-examine you."

I am talking now for the Senate, not the committee.

Most of the Members of this body do not want to have to pass on intensely complicated matters as this, neither for the womanhood of this Nation nor for the naval strength or naval security of this Nation, in this manner.

We had this morning two more of these notices as to who was for what and where, and within minutes there was a total contradiction, with one telephone in the Pentagon saying one thing and one another. And I walked out of the Chamber and talked to someone from the military. He went off to find out what was the trouble, and the Senator sponsoring the amendment withdrew it.

So I think, with all deference to our friend from Wisconsin—and he is a splendid man both on the floor and in the committee—the cart is before the horse.

If we are going to get an indepth weighing of testimony by competent witnesses, not just what someone may want way off yonder somewhere in an organization, and considered by competent professional staff members and by competent Members of this body—and we are blessed with them on the Armed Services Committee—and then to come back in here and make a recommendation and a report with testimony to back it up. If that is what Senators want, let us vote down this amendment and give the agency and the proper committees a chance to pass on this matter and make some kind of a recommendation. But we cannot legislate here on this memorandum stuff, and the Senator from Wisconsin certainly is not responsible for this. He took what was handed to him, but the dates show.

I will close. We have not had this so-called Navy proposal before us. It just came in yesterday. Debate had already started. There was no chance for hearing and no chance for review.

Mr. PROXMIRE. May I say to the Senator this is not from a mystery man in the Pentagon. It is from the Assistant Secretary of Defense for Manpower. That is what the initials stand for.

We have called the Defense Department and confirmed the fact that it did actually come from them. There is no question that it did. I would agree that it would be more satisfactory if they had appeared in person before the committee and submitted themselves to cross examination.

I had hoped that there would be overwhelming support for this kind of an amendment, since it was requested by the Defense Department and since it is so obviously does work in the direction of equal justice.

Mr. President, will the Senator from Mississippi yield back his time so we can get a vote on this?

Mr. STENNIS. I will not yield back any of it now.

Mr. NUNN. Will the Senator yield?

Mr. STENNIS. How much time does the Senator want?

Mr. NUNN. Three minutes.

Mr. STENNIS. I am glad to yield 3 minutes.

Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Mississippi has 27 minutes. The Senator from Wisconsin has 13 minutes. The Senator from Georgia is recognized for 3 minutes.

Mr. NUNN. Mr. President, I share the concern expressed by the Senator from Mississippi regarding the Proxmire amendment. I really think at the appropriate time, after appropriate hearings, that I personally, the junior Senator from Georgia, would favor the Proxmire amendment. I certainly favor the thrust and direction in which he is going.

I believe we are going to need to use more women in the military services. I believe that is an area of great opportunity. I believe one of the opportunities to do a better job with the volunteer force than is now being done is to expand the number of jobs that women can hold in the military services. But we simply have not had a chance to have hearings on this subject. We have just received the bill in the full committee from the Navy. We have not had one moment of hearing on it. We have not had the first witness. We do not know about the problems that may be created.

I believe if there is anything Congress has demonstrated over the last 10 or 15 years it is that we usually live to regret amendments that come up on the floor when there have been no hearings and when we do not know anything about them.

They sound good. They have the right kind of theoretical title to them. They have all the code words about equality, and so forth, and so on, and yet we really do not know what they do.

We have learned here in a very interesting dialog about some of the capabilities and probable behavior of the Senator from Arizona and the Senator from Texas under certain conditions, but we have not really learned much about the Proxmire amendment. I think all of us probably would like to know more about that amendment.

We probably might also learn more about the Senator from Arizona and the Senator from Texas, too, if this dialog continues. I am not sure that is relevant as to what the Senate ought to do under this amendment.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. I yield an additional 2 minutes to the Senator, Mr. President.

Mr. NUNN. I would like to propose as a substitute, and at the appropriate time I will propose as a substitute, in lieu of the Proxmire amendment, the following language, which at the appropriate time I will send to the desk. I read the proposed substitute:

At the appropriate place in the bill insert a new section as follows:

For the purpose of promoting quality and expanding job opportunities for the female members of the Armed Forces, the Secretary of Defense shall within 6 months from the enactment of this section, submit to the Congress a definition of the term "combat" together with recommendations on expanding job classifications to which female members of the armed services may be assigned, and recommendations on any changes in law necessary to implement these recommendations.

At the appropriate time, Mr. President, I will ask that the Senate vote on this amendment in lieu of the Proxmire amendment. I thank the chairman for yielding me time.

Mr. STENNIS. I thank the Senator.

How much time does the Senator from Texas wish?

Mr. TOWER. Just 1 minute.

Mr. STENNIS. I yield such time as the Senator from Texas wishes. May we have order, Mr. President?

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. TOWER. Mr. President, this

amendment would write into law a few selected job classifications in the various services. That is something we have not done in the military authorization bills. I do not think it is appropriate for Members of the Senate to try to write and describe job classifications for the services. That should be left to the professional military men or the civilian leadership of DOD.

This amendment mentions silo launch officers and communications chiefs. Why not loadmasters or flight engineers, or boatswain's mates? If we want to legislate assignment policies for specific skills, why single out only a few areas?

I think this is a bad precedent to set, getting into the business of trying to write military job descriptions into a military authorization bill. For that reason, if none other, I would hope that the amendment would be rejected.

As the Senator from Georgia suggests, we probably do not have an adequate understanding of what the definition of the term "combat" really is. I was taught that there is no rear echelon in the Navy. Any man assigned to a naval vessel, whether he is a yeoman, a storekeeper, or whatever he is, a cook, a baker, has a combat assignment aboard that vessel. When a naval vessel fights, there are no noncombatants. The whole ship fights, regardless of what one's job description is. In terms of auxiliary vessels, they can be brought into combat situations. Any ship that is a blue water ship is potentially a ship to be involved in combat whether it is armed or not. I think we would all be interested to know more about how the term "combat" is to be defined by the professional military men before we act on an amendment of this type.

Therefore, I would think the suggestion of the Senator from Georgia is well taken.

Mr. STENNIS. Mr. President, I yield myself 1 minute.

The Senator from Georgia did not identify himself in the talk he made. The Senator from Georgia is chairman of our Manpower Subcommittee. We ought to change that title a little and add ladypower, too. (Laughter.)

Mr. PROXMIRE. Mr. President, I yield myself 3 minutes.

First, Mr. President, I would point out there has been extensive study of this matter. There were 2 years of study of women in the military academies with hearings, extensive hearings. I have a list before me of a number of pages of studies of women in the Armed Forces, at least 50 or 60 studies which have been made.

Mr. President, I recognize the Senator from Mississippi, the Senator from Georgia, the Senator from Texas, the Senator from Arizona, and others have made an excellent point. As the Senator from Georgia says, we should have a study. We should do it deliberately.

With reluctance, I am happy to modify my amendment by accepting the Nunn proposal as a substitute for my amendment. I think I am free to do that since the yeas and nays have not been ordered. I worked out a little different language than the Senator from Georgia read to the Senate. Will he read the language again?

Mr. NUNN. I will be glad to read this language.

The proposal would be in lieu of the Proxmire amendment to read as follows:

At the appropriate place in the bill insert a new section as follows:

For the purpose of promoting quality and expanding job opportunities for the female members of the Armed Forces, the Secretary of Defense shall within 6 months from the enactment of this section, submit to the Congress a definition of the term "combat," together with recommendations on expanding job classifications to which female members of the armed services may be assigned, and recommendations on any change in law necessary to implement these recommendations.

Mr. PROXMIRE. Mr. President, I understand in the parliamentary situation I have to yield back my time on my original—I guess I do not have to do that.

The PRESIDING OFFICER. The Senator has the right to modify the amendment at this point, and the amendment is so modified.

Mr. STENNIS. I commend the Senator from Wisconsin, Mr. President. I highly commend him for accepting the idea of a study that will get into this subject. We will certainly try to respond in the best way we can to him and the Senator from Georgia for working out this substitute. The bill we were talking about does not have anything to do with this subject we will get into.

Mr. TOWER. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. TOWER. If the Senator from Mississippi is prepared to accept the amendment of the Senator from Wisconsin, as modified by the suggestion of the Senator from Georgia, in behalf of the minority we are prepared to accept it, too.

Mr. STENNIS. I thank the Senator from Texas. I gladly accept the suggestion or the proposal and support the substitute.

Mr. PROXMIRE. This was implied but it has not been expressly stated. I would appreciate it if the Senator from Mississippi could inform the Senate whether or not he would expect to schedule hearings on the recommendations of the Secretary of Defense when he sends them up in 6 months or so?

Mr. STENNIS. If he signs the recommendations, we shall certainly give them consideration.

I thank the Senator from Georgia. We have been talking with each other and with others on the committee and with the Senator from Wisconsin about hearings. We shall go into that. I am not in a position to promise it now. I am not trying to kill the measure or the amendment as such. Whatever merit it has, it has to stand on.

Mr. PROXMIRE. I do not want to put it off for another year. If it comes up in 6 months, we can make progress before this Congress dies and enact it into law.

Mr. STENNIS. My disposition would be to try to go into it, yes.

Mr. NUNN. What is the new name of my subcommittee, I ask the chairman?

Mr. STENNIS. We have to be careful of words.

Mr. NUNN. The Personnel Subcommittee intends to continue our review of the All-Voluntary Force, and certainly, as an important part of that, the role of women in the service will be a part of that scrutiny. We shall give careful attention to this matter in hearings. Whether we have a whole set of hearings specifically on this point, or whether it will be part of the overall effort to see if the All-Volunteer Force can be improved and whether there will be a long-term answer to our personnel policies, we shall certainly give the issue due consideration.

Mr. PROXMIRE. I appreciate that very much. I am sure the Senator understands that the Senator from Wisconsin reserves the right to bring this proposal up again in the event that there is no action on it for a year or so.

Mr. NUNN. I certainly understand that.

The PRESIDING OFFICER. Is all time yielded back on the amendment?

Mr. STENNIS. I yield back such time as I have.

Mr. PROXMIRE. I yield back my time, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, of the Senator from Wisconsin (Mr. PROXMIRE).

The amendment, as modified, was agreed to.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STENNIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. STENNIS. Will the Chair indulge me for just a minute? I suggest the absence of a quorum, but just for 1 minute or less.

Mr. TOWER. I ask unanimous consent that the time consumed be charged to neither side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, we have an amendment to be offered by the Senator from Tennessee (Mr. BAKER). The Senator from Iowa is waiting here. He has another complication. I do not know where the Senator from Tennessee is just now.

There was some talk that we might go off on a colloquy. I do not know. I am not stating anything.

So far as I am advised definitely, those are the last amendments. There has been one matter mentioned to me by the Senator from Georgia and the Senator from Florida.

If we can call the Senator from Alaska in, and the Senator from Maryland had mentioned a matter to me—I do not know if it ever took the form of an

amendment or not—we are right down almost to the end. If the Baker amendment is not offered, so far as I know, there perhaps will not be any further debate—not much, anyway.

I do not want anyone to make any other plans just on my uncertain statement.

Mr. TOWER. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time consumed be charged to neither side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT 274

Mr. BAKER. Mr. President, I call up my amendment No. 274 and ask that it be considered.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read as follows:

The Senator from Tennessee (Mr. BAKER) proposes an amendment.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 51, line 23, strike "$95,250,000" and insert in lieu thereof "$134,800,000".

The PRESIDING OFFICER. There is 1 hour on the amendment, to be equally divided.

Mr. BAKER. Mr. President, I yield myself such time as I may require.

The amendment is two lines long and simply requires that on page 51, line 23, the figure $95,250,000 be stricken and there be substituted the figure of $134,800,000.

This, of course, has to do with the funding level of civil defense. I do not intend, Mr. President, to ask for a rollcall vote on this amendment. I wish to elaborate and discuss my reasons for offering it, and to express the range of my concerns about it.

I recognize that, at this point and on the floor, it is unlikely that I shall be able to succeed with this amendment in this way. I urge, however, that when the bill is passed by the Senate, it go to conference with the House of Representatives, and that the conferees take account of the disparities between the Senate bill as it is likely to pass and the House bill as it has already passed.

Mr. President, civil defense in the minds of many conjures up an image of backyard bomb shelters. Civil defense in the eyes of some conjures up the image of storehouses full of medicine, clothes, water, and other emergency supplies. Some think of it as a dual purpose system that will serve us in the event of national disaster and great social distress.

All of those concepts are, to one degree or another, accurate and certainly useful. But my own view and concern for civil defense in its primary scope extends beyond that, especially since the advent of a substantial increase in Russian attention to the civil defense program created primarily for the evacuation and dispersal of industry.

It seems to me that civil defense has become a part of the essential balance between the military capability of the United States and that of the U.S.S.R.

To paraphrase the language of one distinguished scientist who is conversant with the subject, the paradox of the time may be that civil defense, which is thought of as a defensive mechanism and purely passive, may in fact, be active, and the most significant and potential destabilizing force in the mutual balance of terror.

It requires no particular attention to the imagination to conjure up in the mind's eye a situation where the Russians could methodically evacuate much of their population from their city centers while the United States could not, and in the course of a comparatively short time be able to say to us that the number of Americans held hostage to the Russian nuclear threat and the number of Russians held hostage to the American nuclear threat were no longer equal; and while previously there might have been as many as 60 million, 70 million, or 80 million Russians that would be the victims of an American retaliatory strike, that now there were only 10 million or 15 million, while the American number might still remain at 70 million or 80 million.

What the reaction of the U.S. Government might be in those circumstances, it seems to me, is unpleasant to contemplate, and at least uncertain as to its imported ramification. That is not to say the addition of this money will either cure the deficiency or eliminate the possibility; but, rather, to say that with the addition of this money to this bill we can signify our intention to give fresh and renewed attention to the question of civil defense, both in its dual purpose role and in terms of our reexamination of its usefulness in terms of our balance of power.

So, Mr. President, I have offered this amendment to increase the authorization for civil defense for this country from $95,250,000 to $134,800,000, which is the figure authorized by our colleagues in the other body. I believe this is a modest increase and that if adopted the total would still be modest.

I would ask my colleagues, Mr. President, to compare that figure to the estimated $4 billion the Soviet Union spends every year for civil defense programs.

There is an obvious disparity there, Mr. President; and I, and I believe many of my colleagues in both Houses of the Congress, find that disparity alarming. It is one about which we have talked a great deal, but done very little.

As we all know, adding $35 million to this authorization will not cure the problem; but it will put the administration on notice as our colleagues in the House already have done, that we, the Congress, are concerned—that we believe the time has come, and, in fact, long since passed, when serious consideration should be given the strategic ramifications of this disparity.

As I have stated many times before, my concern is that we have allowed a serious imbalance to develop in the respective strategic postures of the United States and the Soviet Union. If, through an effective civil defense program, the Soviet Union has been able to minimize the destructive prospects of nuclear war, then the concept of mutual deterrance is seriously degraded.

I notice, Mr. President, an article in this morning's Post regarding the report of the Joint Committee on Defense Production entitled "Civil Preparedness Review." I by no means reject out of hand the conclusions of the report and, in fact, commend the committee for its efforts to pull together the various aspects of civil defense and emergency preparedness and their relationship to the strategic balance. On the other hand, I cannot accept the conclusions of the majority portion of that report, at least as it relates to the civil defense program of the Soviet Union, and find myself far more in agreement with the minority views of Senators TOWER and BROOKE and Congressmen BROWN and WYLIE.

I believe the jury is still out on the effectiveness of the various civil defense programs of the Soviet Union, but there is no question that they continue to make massive investments in this area, that they consider civil defense an essential element of their overall military posture and that we would be remiss if we did not consider the strategic implications of the Soviet programs. I believe we have to consider their efforts; we have to consider the possibility that the leaders of the Soviet Union might have a different perspective on the acceptability of projected results in a nuclear exchange than we do; we have to consider their perceptions of what those results might be and not depend merely on our own analysis; and we have to remember that the issue is simply too important to dismiss with an offhand remark about returning to the age of air raid warden's tin hats and back yard fallout shelters.

Finally, I would endorse the conclusion of the minority that the United States should not attempt to establish the mirror image of the Soviet civil defense program; regardless of the effectiveness of the Soviet Union that quite likely is not the direction we would wish to take; and, obviously, my amendment would make no pretense of doing so.

This amendment is designed to do two things: First, to say that if there is even some degree of effectiveness to the efforts of the Soviet Union then the trend is alarming, and if the strategic balance is not now destabilized, it will be at some point in the future. By my amendment, I want to indicate that I believe now is the time to begin addressing that potential for imbalance.

Second, my amendment is designed to indicate my concern that for too long we have allowed the entire civil preparedness efforts of the United States to continue in a disorganized, fragmented, ineffective manner. For too long, we have proceeded with ill-defined concepts

and a minimal understanding of the proper relationship between the Federal and the State and local governments in providing for the emergency preparedness of the American public. The time has come to streamline and consolidate the Federal structural organization and to define the mission of that organization in terms of total preparedness for either natural or manmade disasters.

I understand that there are hearings tentatively scheduled by the Senate Armed Services Committee on the former of these objectives at some point during the summer following the completion of the CIA study of the effectiveness of the Soviet Union's civil defense programs. I endorse wholeheartedly the holding of these hearings, look forward to their occurrence, and to reading the testimony and the report of the committee.

Moreover, I understand that Senator PROXMIRE and Senator HUDDLESTON, as well as Representative BRINKLEY and perhaps others, have legislation pending that will accomplish the latter of these objectives, and I likewise endorse their efforts in these areas.

I hope that hearings can be scheduled on these proposals at an early date. Of course, I look forward to the beneficial results that would come from such hearings on these important problems.

Mr. HUDDLESTON. Mr. President, will the Senator yield?

Mr. BAKER. I yield to the distinguished senior Senator from Kentucky.

Mr. HUDDLESTON. I thank the distinguished Senator from Tennessee.

While I have reservations about his suggestion that the amount of money be increased for this appropriation at this time, he certainly has raised some very important points that it is time for Congress to consider and the people in the country to consider relative to our civil defense and the preparedness of this country to meet disasters, whether natural or caused by an adversary.

In the last few months, we have come through a number of disasters in various sections of the United States. We have had drought; we have had tornadoes; we have had flooding. In each case, the response of the Government in trying to help our citizens meet the difficulties caused by these disorders has not been well organized and has not been effective. It is partly for that reason that I have introduced legislation that would attempt to consolidate our civil defense effort in order to be able to meet these kinds of problems as they come about and at the same time prepare us for any nuclear threat that might be posed by any foreign enemies.

I had hoped that by this time we would have had before the Senate for consideration a civil defense effort, and that we would be able to act forthwith to bring it in line with what the needs actually are, from a defense standpoint and from the standpoint of meeting the problems that our citizens are confronted with when disasters strike.

That measure is in the Armed Services Committee. There are jurisdictional problems, I think, with any effort to bring together these problems. The Armed Services Committee certainly is involved, as are the Governmental Affairs Committee, the Committee on Energy and Natural Resources, and the Committee on Environment and Public Works.

So I think we should have some understanding—I would like to see us achieve some understanding, if we could—from the distinguished members of the Armed Services Committee, who are concerned with this problem, as to whether or not we could expect to move forward as quickly as possible and try to develop the kind of system that will be effective and that will represent an efficient expenditure of public funds in trying to achieve the objective we all want.

We certainly want to be prepared to the fullest extent possible in order to meet any kind of foreign threat to this country, but it seems to me that we can achieve that best by also being prepared to meet natural disasters that are visited upon our people from time to time.

The distinguished Senator from Iowa, I know, is interested in this problem and is concerned with it; and I hope that he feels that it would be appropriate, in all possible haste, to begin reviewing the proposed legislation, looking toward coming to the Senate with a plan that will be effective in this regard.

Mr. STENNIS. Mr. President, if I may intervene, I yield the Senator from Iowa such time as he may wish to use.

Mr. CULVER. I thank the distinguished chairman for yielding.

Mr. President, I also wish to express my appreciation to the Senator from Tennessee for raising this important issue and to express my appreciation for his consideration in affording an opportunity for a colloquy on this important subject, rather than perhaps going to a vote on this additional dollar request.

I say to the Senator from Tennessee that this was the first year, as a result of an amendment to the statute last year, that the Armed Services Committee considered, for specific authorization, the Defense Civilian Preparedness Agency's request. As chairman of the General Legislation Subcommittee, we did have this year—prior, of course, to the presentation of our bill to the Senate—hearings on their request.

I believe it is important for Senators to be aware that both President Ford and President Carter, after reviewing the state of the Soviet civilian defense program, were agreed in their recommendation to Congress for a $90 million program. That was the request that came to us.

It also is important to keep in mind that that $90 million figure was not picked out of the thin air but was felt to be tailored properly both to our own civilian programs and to a monitored identification of the pace and nature of the present Soviet capabilities in that area.

Mr. President, the subcommittee held 2 days of hearings on this $90 million request. We heard from the Central Intelligence Agency in a full day of briefings on this subject. The U.S. intelligence community appears to be in general consensus with regard to the current capabilities of the Soviet program.

The Soviet Union has always emphasized defense heavily in their whole planning, whether it be of a conventional or a strategic character. The intelligence community is agreed that the Soviets are placing consistent attention to the protection of their political leadership and a small industrial cadre, but apparently they have not been involved in a massive program to protect population of a general nature, and if in fact they were to do so, it would be different in character from any of their previous program history.

At the same time, they have acknowledged that there are certain uncertainties about the program. They are in agreement that they see no evidence of a crash program, but they see some steady developments that they do wish to monitor closely, on which they currently are in the process of getting the hardest possible fix, to verify the intelligence estimate upon which this $90 million program request initially was made.

As the Senator from Tennessee has mentioned, they are in the process of such a review currently. It is true that our subcommittee and the full Armed Services Committee will look at that program and continue to do so very closely, to avoid destabilizing implications and potentials, if in fact this should become a massive program accelerated on a crash timetable. We see no evidence of that today, but it is certainly important to watch it very closely, and we intend to do so.

Second, we also have received testimony that we presently have an incredible arsenal of retargeting and targeting capabilities in our strategic stockpile, which, with our degree of accuracy, would more than offset anything that we can see, or that we can anticipate.

One has to make a cost estimate decision, in terms of our strategic national security program planning, as to what is the best response for the United States, faced with these facts, in terms of the efficiency and the most cost-effective way to maintain a credible deterrent and guard against misadventure or miscalculation or misperception in terms of the Soviet program, in the sense of the Soviet ability to involve themselves in a nuclear exchange and still survive.

Also, Mr. President, the subcommittee looked very closely, in addition to these intelligence estimates and Defense Department responses to the known evidence, at the activities of the DCPA in our own Government. Frankly, as we know, this has been a program in the history of nuclear capability in which there has been a great deal of vacillation, fits and starts, ambiguity, and certainly lack of consistency in our program effort and priorities.

When we had these Department witnesses before us, the new Director, Mr. Tirana, said, in effect, "I cannot handle any more money."

Moreover, there was a General Accounting Office report on that agency which showed an incredible problem of mismanagement in terms of the administration of that program and its per-

sonnel and its allocation of funds, and so forth.

So I assure the Senator from Tennessee that the committee looked very closely at that. We also probed. We found no area in the $90 million that we felt was justified in being cut. We did, however, find three areas where we have recommended an increase to the Senate, totaling just over $5 million: $2 million to improve the communications system, to automate it, computerize it, so that we do have a more reliable system and do not have to rely on some of the manual practices currently required for this purpose.

We are also addressing the problem the Senator from Tennessee noted in terms of the question of hardening the industrial economic base. The Senator cited the report of the joint committee that was cited in the morning paper.

It was interesting, I think, that those three members who dissented from that also dissented because they felt these areas should be studied further; but they did not necessarily call for more money at this time.

The full Senate Armed Services Committee agrees with that, and we have earmarked $1,250,000 to study industrial and economic survivability techniques in a research and development program: what can we do in cooperation in research on the industrial side with the private sector and the Government in taking steps to harden industry with dirt, design, and so forth, that would be relatively inexpensive but should be considered for new facility construction and in some of the existing sensitive areas of our national economy that would be critically important in terms of recovery.

We are providing money for that as an increase. We are also providing another $2 million for planning money for the relocation in crisis situations.

So what we have done, I want to assure the Senator from Tennessee, is to take this $90 million, to try to see if there are any soft spots—we do not think there are any. We also carefully tried to prioritize these three areas that we do think meet some of the legitimate apprehension and concern that the Senator from Tennessee has expressed, and we think that by adding that money and giving that focus and direction to this department, under new leadership, that there will be a wise expenditure for programs, and we will avoid throwing money at the problem. We will at least have the data base upon which to make informed decisions at a later date.

Finally, I wish to assure the Senator from Kentucky, as well as the Senator from Tennessee, that we will be holding hearings this summer on this same general subject, including those other proposals of a jurisdictional nature that we have authority over for review and consideration. We will be working closely with that department, which has an enormous internal management problem, because these matching funds oftentimes are being applied not on the basis of priority need but on which State happens to come up with the money. We are going to be working with them as well as the intelligence community to try to have a responsible program that does not respond to fear or rumor or unfounded suggestions, but one, rather, that is considered and based not only on the most cost-effective response in the United States but, most importantly, one that best assures our national security interests.

I thank the Chair.

I ask unanimous consent that some prepared remarks summarizing the committee's recommendations on civil defense be reprinted at the conclusion of these remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE RECOMMENDATION ON CIVIL DEFENSE

The Committee on Armed Services has recommended $95,250,000 be authorized for fiscal year 1978 for the Defense Civil Preparedness Agency, that arm of the Department of Defense responsible for the Federal civil defense effort.

With the adoption last year of Section 804 P.L. 94–361, this was the first time that a separate authorization of the Defense Civil Preparedness Agency has been required. That amendment to the Federal Civil Defense Act last year was intended to focus some of the concerns expressed about the pace of Soviet efforts in this area and the potential threat some of these activities represented to the strategic balance. There is agreement in the Committee that the separate authorization requirement for the civil defense program will provide greatly needed Congressional oversight and direction for the civil defense program.

The General Legislation Subcommittee of the Committee on Armed Services held two days of hearings on civil defense. The Subcommittee concentrated on what was felt to be the two most important issues in reaching our recommendations for the budget markup: first, what is the Soviet Union doing in this area? and, secondly, what is the present plan of the Federal agency responsible for our own effort and planning?

We had the intelligence community, as represented by the CIA, present its findings, and we learned that there is a general agreement on current Soviet capabilities but there are uncertainties which are being closely studied by the intelligence community.

The CIA advised us that the Soviet Union has always emphasized civil defense, has stressed protection of the leadership and industry rather than the general population, and the current activities show steady progress rather than a crash program in this regard.

In my view, the Soviet activities certainly require continued and close monitoring. However, the United States presently possesses retaliatory capabilities and offensive target systems in the strategic area which are more than adequate to deal with any existing capabilities on the Soviet side or any capabilities that would presently appear to be within their potential to develop.

Turning to our own effort, the review of the U.S. program found an agency, DCPA, that is just beginning to sort out its own priorities. Civil defense has been an issue where there has been considerable vacillation as to the federal government's judgment as to the appropriate role and policy in our overall defense planning.

The Defense Civil Preparedness Agency has recently been subjected to a General Accounting Office study which provided examples of serious mismanagement of the program. For example, equipment purchased and personnel paid with federal funds on occasion were used for activities not related to disaster in the event of nuclear attack contrary to the intent of section 804 in last year's authorizing legislation.

The new leadership in the Agency assures us that they are planning a careful review of all activities to insure that funds go where they will do the most good, because, currently with the current Federal/State 50–50 matching program, often times, some areas that are exposed to the highest risk of nuclear attack are neglected while others in exposed areas receive funding because of their ability to come up with the matching funds.

Presidents Ford and Carter have reviewed this budget that has been requested and both recommended $90 million as adequate. We found no obvious budget areas that commend themselves for cuts in this $90 million recommended figure. But we did feel that there were identifiable to our satisfaction three areas which warrant modest increases in the DCPA program for fiscal year 1978.

First, we strongly recommend that an initial review of this Nation's economic recovery capabilities and related questions be undertaken in fiscal year 1978. $1.25 million has been recommended to be authorized for this purpose. The study for which these funds are provided would seem of particular value because neither the Defense Civil Preparedness Agency nor other elements of the executive branch charged with the responsibility for industrial survival in the event of attack have done the research to understand clearly the problem of economic recovery. It is felt this research and development funding will clarify public discussions about the feasibility and utility of industrial survival.

Second, an additional $2 million is recommended in order to intensify planning for nuclear civil protection including relocating urban populations in a crisis and protecting remaining essential service personnel in shelters in existing buildings. This intensified investigation would assist in clarifying the feasibility of civil defense capabilities.

Third, two million dollars is recommended to be authorized in addition to the President's request to purchase automatic computerized message transmission equipment for the eight Regional Emergency Operating Centers. It seems particularly important in a period of crisis that the national command authority have a direct and certain communications link with both the Regional and State Emergency Operations Centers.

We discussed with the DCPA each of these increases. They indicated to us that they did not have the capability to use efficiently any additional funds in each of these three program areas.

In analyzing available budget options, we sought to avoid premature commitment of funds to programs which would require substantial increase in funding in later years. We also wished to give the new Administration more time to sort out its own plans and provide additional alternatives. Finally, it is worth noting the Committee's recommendation on DCPA was adopted without dissent, and that interest has been expressed by members of the Armed Services Committee about the extensive oversight hearings which will be held later this year. By that time, it is hoped that the intelligence community will have had an opportunity to complete its individual review of the findings on the Soviet civil defense program and the Administration will also have completed its internal review of the priorities and program needs.

Mr. STENNIS. Mr. President, I yield myself 2 minutes. May I have the attention of the membership.

The PRESIDING OFFICER (Mr. LEAHY). The Senator from Mississippi.

Mr. STENNIS. I have listened with great interest here to what has been said by the Senator from Tennessee, the Senator from Kentucky, and the Senator from Iowa, and others who might have put in a word.

I certainly agree as to the seriousness of this matter. We had hearings with the CIA, among the very first meetings of our full committee in January, with reference to the civil defense part of this matter in the Soviet Union. We had additional hearings of the General Legislation Subcommittee.

I got a briefing this morning, not knowing what might come up here in debate, but we have it on our minds.

I listened to what the Senator from Iowa said about the added matters that do not pertain directly to civil defense, and I listened to the Senator from Kentucky, and I think we have had a good debate.

I want to assure the Senate, though, that this matter is being considered, is being gone into, that it is being kept up with.

There is some difference of opinion with the intelligence agencies, and so forth, but I think we know pretty well what the situation is.

Mr. HUDDLESTON. Mr. President, will the Senator yield for a moment? Does the Senator feel he believes the committee will take into account the concept that was expressed by Mr. Tirana, as a matter of fact, yesterday, that natural disaster planning and response go hand in hand with nuclear preparedness and should be an integral part of our civil defense efforts?

Mr. STENNIS. Frankly, I think a lot has to be determined in that field yet before we can have a firm conclusion as to how far we would go in blending the two. Certainly natural disasters, and so forth, are serious and deserve some attention, and a lot of that work could be in common. But if we are going into a civil defense that costs us many, many billions of dollars, I would be concerned that we get the competence, the hard core competence, of the men and women who look after that kind of work. But this other point also comes in, and it will be developed and will be weighed along with it as we get into it.

Mr. HUDDLESTON. The installation has been reduced, of course, and we will attempt to move in that direction, but apparently the administration is now endorsing that concept and suggesting that they do, in fact, go hand in hand, and possibly the best policy will be one that will embrace both problems.

Mr. STENNIS. That could certainly be approached and weighed and a conclusion reached about it.

Mr. HUDDLESTON. If we could be assured that there will be hearings and studies of the legislation——

Mr. STENNIS. It will be related, and the Senator from Iowa has expressed his opinion.

Mr. HUDDLESTON. I thank the Senator.

Mr. STENNIS. I just advise caution now in going into it in a big way, and going on the right track.

Mr. BAKER. Mr. President, I yield to the distinguished Senator from Texas.

Mr. TOWER. Mr. President, I will be very brief. I just wanted to express my appreciation to the distinguished Senator from Tennessee for focusing attention on this matter. I think it is enormously important.

The Senator from Tennessee had alluded to a report that was issued by the Joint Committee on Defense Production with which I disagree. I think it takes the whole matter of Soviet defense efforts too lightly. The Senator from Tennessee has pointed to the minority views expressed there, and I want to simply say that while the civil defense efforts of the Soviet Union do not necessarily indicate a willingness to go to war, I think what this could ultimately lead to, if the Soviets felt reasonably well-assured that they could protect a significant portion of their citizens, is that the idea of nuclear war would become far less unthinkable to the Soviets than perhaps it is now.

We do not know to what extent it is really unthinkable to them now, and remembering they do not place the value on individual life that we do here in the United States, given the ability to protect a significant portion of their population, I think that the nuclear threshold could be significantly lowered.

If indeed they continue on this course of expanding their civil defense capability, I believe we must think very seriously in terms of the potential for a first strike against the United States. I am not saying they have a first-strike policy or first-strike mentality, but I am also saying I am not sure they will not have at some point in time.

I thank the Senator from Tennessee for focusing on this problem.

Mr. BAKER. Mr. President, I express my appreciation to our colleague from Texas. He is vitally interested in this subject. I was much intrigued with his remarks and the remarks of those who joined him in the minority views in the report to which he referred.

I express my thanks as well to the distinguished Senator from Iowa for his remarks and his expression of willingness to consider this matter further as we proceed and to have further hearings; my thanks to the Senator from Mississippi, the distinguished chairman of the committee, for his understanding of the breadth of the problem; and my special thanks to the Senator from Kentucky for indicating that the matter will be examined still further and expressing his sympathy in support for assessment of the seriousness of the problem.

Mr. President, with that and with the colloquy that has now ensued, and judging that this is adequate to underscore my concern in this respect and to restate my ambition that the matter be examined more fully, I am prepared at this time to withdraw the amendment, if there are no other requests for time.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. STENNIS. Mr. President, I again thank the Senator from Tennessee for his handling of this matter.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. Mr. President, I first ask unanimous consent that Ron Chiodo, of my staff, be allowed to remain on the floor during the consideration and vote on this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, I briefly bring to the attention of the Senate one aspect of this year's defense authorization as to which I believe the distinguished chairman from Mississippi (Mr. STENNIS) deserves special recognition and appreciation.

In the committee report on page 19 Senators will see a new section, "Analysis by Mission Category." The chairman and I have talked in the past about the benefits of taking this "mission" approach to the budget, asking to see where our dollars are going for end-purpose defense capabilities. The chairman wrote me a letter in January saying he was going to have hearings on major mission areas, which he did, and the report reflects this new mission approach.

We have a new emphasis on mission need for our new weapons acquisition policies in OMB circular A–109.

Mr. STENNIS. Mr. President, may we have order? We cannot hear the Senator. He is about 5 feet from me, speaking in more than average volume.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Florida may proceed.

Mr. CHILES. We have a new emphasis on mission need for our new weapons acquisition policies in OMB circular A–109. The Budget Committee, under the leadership of Senator MUSKIE and Senator BELLMON, has also tried to focus on defense missions and other mission needs.

Next year, the law requires a new mission budget to come to us from the Pentagon with categories which go beyond those in this particular report.

But I just want to stand here to offer my personal thanks and appreciation to the chairman for his efforts to bring about the best and most appropriate means for this body to fulfill its important responsibilities to understand the defense budget.

He is serving us well.

Mr. STENNIS. For the committee and our staff I thank the Senator, and I thank him for the original suggestion that he made in this field.

Mr. CHILES. Mr. President, I send to Mississippi.

UP AMENDMENT NO. 215

Mr. CHILES. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida (Mr. CHILES) proposes an unprinted amendment numbered 215:

On page 39, lines 15 and 16, strike, "$4,061,665,000" and insert in lieu thereof, "$4,074,665,000."

Mr. CHILES. Mr. President, this amendment would add $13 million to the Navy R.D.T. & E. account for the SIRCS program. The original budget request, which was approved by the committee, was $3.9 million for this project, which is to develop a shipboard inter-

mediate range combat system for Navy ships for the mid-1980's time period. There is $3 million to be allocated specifically to contractor studies of the SIRCS and air-to-air AMRAAM missile requirements to see if they can be combined and a single missile produced to satisfy both operational needs.

The SIRCS program has been formulated under the new guidelines of OMB circular A–109 and it involves private industry in formulating system requirements right from the beginning of the program.

While I feel strongly that the A–109 concept is providing the Navy with a needed new approach to define system requirements for SIRCS, I also acknowledge the committee's concern that the development of the SIRCS program uncoordinated with others possibly could lead to a duplication of the missiles in the future time period.

I have worked with Senator CANNON of the Tactical Air Subcommittee on this matter and we have reached an agreement that the $13 million to be added by my amendment, $3 million is to be allocated specifically to contractor studies of the SIRCS and air-to-air AMRAAM missile requirements to see if they can be combined and a single missile produced to satisfy both operational needs. The other $10 million is to be allocated to the SIRCS program to allow the Navy to move this program forward at a more normal pace during the upcoming fiscal year. I think that this amendment will be responsive to the committee's position and also to my own concerns that the SIRCS project will move along at a reasonable pace.

My Subcommittee on Federal Spending Practices has worked on weapons reforms for 3 years now. The reforms come from the unanimous recommendations of the Congressional Procurement Commission.

That is where SIRCS stands today. It has received rave reviews from the Navy, the industry and the program office. I have personally spent considerable time studying its progress so far.

The Navy has testified that SIRCS would require $22 million to proceed with full competitive exploration. This amendment, in bringing the total funding for SIRCS to $13.9 million would at least permit more advanced design development of software, radar, and fire control systems, while the issue of possible commonality of the missile with other possible missions is fully addressed by the Pentagon.

It should be perfectly clear, though, that we expect programs for the air-to-air missions also will be conducted in compliance with the A–109 procedures. In fact, the distinguished Senator from Arkansas (Senator MCCLELLAN) has written to the Pentagon for a review of major systems acquisitions, including AMRAAM and others to see that they do comply with this most important OMB circular.

I want to say, however, that this compromise does not help the problem. I would much prefer that we, in general, first, agree on the seriousness of the mission need and it is serious, fleet defense; and then give the military the funding needed to efficiently carry one competitive exploration to find the best system.

We are not doing that here, again, because we are putting strings on the orderly development of the program.

Having recognized that, though I believe that, on balance, the amendment does reflect a compromise and should be agreed to.

I ask the Senator from Nevada, a fellow member of the Armed Services Committee, to comment on the amendment.

Mr. CANNON. Mr. President, I thank the distinguished Senator from Florida for his statement on his amendment, which the committee is prepared to accept. We do feel very strongly on the committee that there is a need to prevent duplication and proliferation of similar missile systems, which is why we deleted the funds to start prototype missiles in the AMRAAM program and insisted that the Defense Department take a look to see if one missile can satisfy the SIRCS and AMRAAM and possibly the AIM missile requirements.

I am glad that the Senator from Florida concurs with us that if one missile can do all of these functions then only one missile should be developed.

As said in the floor statement, if additional funding is needed in the AMRAAM program to resolve this basic question then I would be happy to consider reprograming more funds into this project. I point out to the Senator from Florida that if a single missile proves feasible then there is the possibility that that missile development would be broken out from the rest of the SIRCS program and developed independently by the Government. With these understandings, the committee is happy to accept the Senator's amendment which adds $3 million specifically for the missile commonality studies and another $10 million allocated to the remainder of the SIRCS program.

Mr. GOLDWATER. Mr. President, will the Senator yield for a question?

Mr. CHILES. I yield.

Mr. GOLDWATER. Mr. President, this is the first the subcommittee heard about this amendment, and because we only provided $3.9 million and the House zeroed it, I wish to know a little more specifically what the $13 million is going to be used for. I am not in opposition. I just want to know something about it.

Mr. CHILES. The Navy has said that to continue this program, on the path at which they could see the development following on, they would need a figure of approximately $22 million or $23 million.

The House zeroed the program. The House has a feeling, really, through some of the committee staff on the House side, that they want to see this kind of work done more in-house. SIRCS is one of the first programs to be following the concept of A–109 that, is that there is a determination of what the mission of a new weapons system is going to be before deciding what the hardware is going to look like.

There is some feeling on the House side coming from the committee staff members who came out of a Navy lab that they want to do it the old way, that they always want to sort of have it designed first and then it goes out to let industry see how they would bid on it.

I feel, and the procurement commission strongly felt, that the only way we can really utilize the expertise and the ingenuity of our American corporate structure is to tell them, "Here is our problem. Here is the mission we want to accomplish. How would you solve this?"

That is what they are doing in SIRCS. SIRCS is an intermediate shipboard defense system, primarily a defense against the cruise missile. It is something we have to be tremendously concerned about. The Navy does not have their minds made up on how the system is going to work, but they have selected three good companies and they are asking those companies, "How do you see a solution to this?"

They are getting their ideas before they lock in what the requirements are.

Under the Senate figure of $13.9 million it would allow them to proceed further with their studies as to what the radar should be, how they should work this up, so that it would be ready for the mid-eighties, which is the time we have scheduled to have this operational.

That would be the effect of the program.

There was a feeling in the Armed Services Committee that there were some three missiles coming along in development, and there is a need to determine if there could be commonality. The Senator from Florida certainly does not disagree with that. As the Senator from Arizona knows, I had a little commonality problem with the F–16/18–A program. I think where we can, we should get commonality.

Where we have the first example of using the first circular, A–109, I would like to have a different way of procuring a weapons system, a way which will keep us from having cost overruns, or which will allow us to not have as much chance of cost overruns; which will allow us to have the expertise of the corporate structure unfettered, before we tell them what it has to look like, weigh, and do. To use that expertise, we have to follow this circular. This is the first example.

The Navy is interested in the program now. They say it is proceeding on a good schedule. I have talked to the particular contracting officer in charge of this. He is excited about it. He said we are really getting some innovative, new ways that will make us a generation ahead of where we would be if we decided in advance what we wanted. For that reason we are trying to seek the additional funds.

Mr. GOLDWATER. Mr. President, I am not in opposition to the concept the Senator has spoken of. For years, in fact, I have been advocating the same thing.

I serve on the Tactical Airpower Subcommittee and that is the first I have heard about this. We did have hearings, but the Navy did not ask for $22 million nor did they ask for an additional $13 million when they appeared before us. I am a little at a loss to know why the Navy all of a sudden has changed its mind.

I have great confidence in my chairman. If he says he will take the amendment, I will go along with him. It was just sort of a revelation to me.

The PRESIDING OFFICER (Mr. CLARK). The Senator from Missouri is recognized.

Mr. STENNIS. Will the Senator yield for an inquiry about the bill?

Mr. EAGLETON. I yield.

Mr. STENNIS. Does the Senator understand this will dispose of the Chiles amendment?

Mr. CHILES. We have not had a vote.

The PRESIDING OFFICER. The amendment is pending. There has been no vote.

Mr. CHILES. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. STENNIS. I move to reconsider the vote by which the amendment was agreed to.

Mr. EAGLETON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. I thank the Senator for yielding.

UP AMENDMENT NO. 216

Mr. EAGLETON. Mr. President, I have an amendment which I send to the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Missouri (Mr. EAGLETON), for himself and Senator BELLMON, proposes an unprinted amendment No. 216.

The amendment is as follows:

At the appropriate place in the bill insert new sections as follows:

SEC. . Notwithstanding any other provision of law, in any case in which the retired pay of any member or former member of the armed forces of the United States in any year is equal to or less than $5,000, the amount of such retired pay shall be increased by an amount which, when added to the amount of income of such member or former member for such year from all other sources will result in income for such year of $5,000. As used in this section (1) the term "retired pay" includes retainer pay, and means retired or retainer pay based on twenty or more years of active military service or on a service incurred or aggravated disability, and (2) the term "income" means adjusted gross income as defined in section 62 of the Internal Revenue Code of 1954 plus any amounts received as monthly insurance payments under title II of the Social Security Act.

SEC. . (a) Except as provided in subsection (c), none of the funds authorized to be appropriated by this or any other Act may be used on and after October 1, 1979, to meet in whole or in part—

(1) the cost of purchasing or maintaining equipment or supplies for the operation of any commissary store under the Department of Defense,

(2) the cost of any utilities furnished by the United States in connection with the operation of any such store,

(3) any loss incurred by any such store as the result of shrinkage, spoilage, or pilferage of merchandise under the control of any such store, or

(4) any other direct cost incurred in the operation of any such store other than transportation costs outside the United States.

(b)(1) Except as provided in subsection (c) and paragraph (2) of this subsection, none of the funds authorized to be appropriated by this or any other Act may be used by any military department to meet in whole or in part any cost or loss referred to in subsection (a) in any amount in excess of 66⅔ per centum of any such cost or loss incurred by the commissary stores of such military department in the fiscal year beginning October 1, 1977, or in any amount in excess of 33⅓ per centum of any such cost or loss incurred in the fiscal year beginning October 1, 1978.

(2) Any utilities furnished by the United States to commissary stores outside the continental United States shall be furnished to such stores during the fiscal year beginning October 1, 1977, at not less than 33⅓ per centum of the cost of such utilities to the United States, and during the fiscal year beginning October 1, 1978, at not less than 66⅔ per centum of the cost of such utilities to the United States.

(c) Notwithstanding any other provision of law, the Secretary of any military department is authorized, in accordance with such regulations as the Secretary of Defense may prescribe, to utilize appropriated funds to aid in financing the operations of commissary stores in any fiscal year, but any amounts utilized for such purpose shall be repaid the United States by such commissary stores and the sales price of merchandise sold in such stores shall be adjusted to the extent necessary to permit repayment of such amount to the United States. The amount required to be repaid for any such assistance during the fiscal year beginning October 1, 1977, or the fiscal year beginning October 1, 1978, shall be the amount in excess of the amount referred to in subsection (b). Any amount repaid the United States under this subsection shall be credited to the appropriate account of the military department concerned.

Mr. EAGLETON. Mr. President, this amendment is offered by myself and Senator BELLMON. Though I will not press this amendment to a vote, I do ask unanimous consent that the amendment be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. I shall be brief. I hope we may have a comment or two from the distinguished chairman of the Armed Services Committee (Mr. STENNIS).

Mr. President, it is a rare situation when the Senate has an opportunity to help some of our poorest citizens, eliminate an inequitable subsidy, and save money all at the same time. That, however, is precisely what this amendment will accomplish.

There are two parts to this amendment—one concerns military retiree income levels, and the other involves phasing out the commissary subsidies for civilian clerk-hire.

Under the amendment, the lowest paid annuitants on the military retired payrolls—the 77,990 who make under $5,000 a year in taxable income from all sources plus social security—would receive a recomputation of their annuities. Their annuity would be adjusted so that they receive a minimum of $5,000 per year. This novel form of "negative income tax" would provide a far more respectable income level for those who served their Nation's armed forces, but retired many years ago when pay scales were very low. The total cost of this half of my amendment is $148 million in fiscal 1978, and it declines in cost each year thereafter.

At the same time, this amendment would tend to reduce or eliminate the pressure which I see building up again for massive recomputation of retired pay. The old form of recomputation, which passed the Senate in 1972, 1973, and 1974—the Hartke amendment—would cost $1.4 billion the first year, and $96.4 billion in lifetime costs. And to top it all, the Hartke-type proposal, which is embodied in S. 390, a bill introduced by Senator MATSUNAGA, would provide an economically indiscriminate form of recomputation—in many cases those now on the lowest annuities would receive the smallest dollar increase, while individuals on relatively high annuities would get far larger increases.

At the same time we are helping the lowest income annuitants, we can do it at no cost to the Government within 2 years and with significant future savings if we couple this income proposal with a phaseout of the clerk-hire subsidies at our military commissaries. I am proposing that we phase out this subsidy, which amounts to $287 million in fiscal 1978, over a 3-year period. This would result in a savings of $96 million in 1978, $203 million in 1979, and $322 million in fiscal 1980, with annual savings increasing each year till they reached over $500 million per year.

The arguments in favor of eliminating the clerk-hire subsidy are well known.

Last year, for example, the Senate included a 3-year subsidy phaseout on two bills—the military procurement bill and the defense appropriations bill. Both amendments were lost in conference.

However, the fact still remains that there are 133 commissaries located within 10-minutes driving time of the nearest commercial supermarket. It is still true that there are several metropolitan areas literally glutted with commissaries. There are four of them in Norfolk, three in Honolulu, five in San Antonio, four in San Diego, five in San Francisco, and six in Washington, D.C. This is a far cry from the original justification for commissaries, the original justification being to provide life's necessities to soldiers at remote frontier posts. That is why commissaries were originally created, a justifiable creation at that time but, obviously, the number of commissaries we have is quite excessive in terms of today's situation.

Today, the commissary clerk-hire subsidy amounts to an economically indiscriminate subsidy. It helps the four-star general officer, who is making over $57,000 per year, just as much as and perhaps more than it helps the lowest-ranking enlisted person making $6,732 per year, or, for that matter, the retired annuitant, trying to live on an annual pension of $3,500.

If I may point out at this point, Mr. President, it strikes me, at the very least, as amusing that we have an elaborate commissary subsidy in the name of national security and national defense. I find no national security reason why a general or a colonel or an admiral or a Navy captain can buy a discount shotgun at a commissary and have the subsidy

attributable to national defense. I do not see why that same officer, in the name of national defense, has to be provided the opportunity to buy a discount Arnold Palmer sand wedge. Be that as it may.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. EAGLETON. Yes.

Mr. CANNON. The Senator is giving a false impression here. Neither shotguns nor Arnold Palmer sand wedges nor any other kind of golfing equipment are sold at the commissary. If people are going to try to buy those, they are going to buy them at the PX's or the base exchanges, which are completely separate. The Senator should not confuse them with the commissary, from which they are completely shut out. One can buy groceries, but one cannot buy golf equipment nor shooting equipment in the commissary.

Mr. EAGLETON. The Senator from Nevada is correct in what he says up to a point. It is all part of the same type of system. Albeit the physical premises of the PX are separate and distinct from the premises of the commissary, but both receive generous Federal subsidies.

I used to work in a commissary when I was a seaman apprentice in the U.S. Navy. I went into the U.S. Navy as a seaman apprentice. My career flourished. I knew it was my golden opportunity and I came out of the U.S. Navy as a seaman apprentice. It was my responsibility, as part of that duty, to lug canned goods, wine, lettuce, and sundry other goods from the commissary of the Great Lakes Naval Training Station north of Chicago, Ill. Believe me, Mr. President, on payday, Friday, I was a pretty tired soul. I was deserving of combat pay, I lugged out so much equipment, so much merchandise, all of it selling consistently below the then market price.

It is well known that the phaseout of the subsidy does not mean the phaseout of commissaries. They will still exist. The only thing that will change is that the discounts below local grocery stores will be cut from the current level of about a 25-percent discount to a 5-percent discount.

In conclusion, Mr. President, I urge my colleagues to consider this amendment, since it has a sort of Robin Hood nature to it. It takes away funding from commissary subsidies, which tend to disproportionately benefit the more well-to-do, and shifts it to the little guys, who are on the lowest annuities.

To top it off, the net cost in fiscal 1978 is only $52 million, with net savings of $55 million in fiscal 1979, and increasing savings each year thereafter. Over a 5-year period, beginning in fiscal 1979, this amendment actually will save $850 million.

Mr. President, the details of this amendment are contained in a paper which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

ASSISTING OLDER MILITARY RETIRED PERSONNEL LIVING ON LOW ANNUITIES

Background.—For two years in a row, 1975–1976, the President has proposed that the annual subsidy for military commissaries be phased out. This subsidy is estimated to be $287 million in FY 1978 and $3.8 billion over the next ten years (assumes 6% annual pay raise). One of the strongest arguments raised against the phaseout of the subsidy has been that there are a number of older retired military annuitants who need the commissary savings (which now range from 22%–29% of prices), because they have very low annuities. Elimination of the subsidy would ultimately save $300 million per year or more, but would bring price savings in commissaries down to only 10%–19% below supermarket prices.

The problem of older retired military living on low annuities was raised in 1975 during the Subcommittee markup of the 1976 Defense appropriations bill, again in 1976 at the full Appropriations Committee markup of the FY 1977 Defense bill, and during floor debate on both the FY 1976 and 1977 Defense bills.

RECOMPUTATION AND ADMINISTRATION PROPOSALS

Recomputation.—Recomputation is a system of adjusting retired pay upward whenever active duty pay is increased. According to the House Armed Services Committee*, "Recomputation became an accepted part of the retirement system by the early part of the 20th century, largely through haphazard course of events, and there is no consistent pattern in the early legislative actions of Congress."

Before June 1, 1958, whenever military basic pay was increased, persons receiving retired pay recomputed their retired pay based on the increased basic pay. Recomputation was discontinued in 1958 and, instead, those then on the retired rolls were given a 6% pay increase. The Congress took another important step in the 1963 pay act. After carefully reexamining the concept of recomputation, the Congress provided that those retired before June 1, 1958, could have a "one-shot" opportunity to recompute their retired pay under the 1958 scales or could receive a 5% cost-of-living increase, whichever was greater. This action was taken following assurances in hearings by representatives of the Retired Officers Association, who has sought to have recomputation restored, that this one-time recomputation, to make up for the lack of prior notice to pre-1958 retirees, would "absolutely" settle the problem once and for all.

In 1963, the cost-of-living approach was made a premanent feature in place of recomputation by establishing the system of automatically adjusting retired pay based on the Consumer Price Index (CPI).

RECOMPUTATION PROPOSALS

During the years 1963–1968, there was little pressure for renewing recomputation. However, the action of both Presidential candidates in 1968 in endorsing recomputation, coupled with the relatively large and frequent increases in basic pay which began in 1967, generated considerable interest in the subject. In 1971, an Interagency Committee reviewed the military retirement system and concluded that, apart from the "ethical obligation" issue, which was not considered overriding, there was no justification for recomputation, since protection of the purchasing power of retired pay was the proper objective of post-retirement adjustment of retired pay, and the existing CPI system achieved that objective. However, the Committee also concluded that, in view of the discontinuance of recomputation in 1958 and the relatively large increases in military pay in 1963–1971, which brought military pay to a level that is generally competitive with that in the private sector, a one-time recomputation based on the January 1, 1971, pay rates could be justified.

Based on these recommendations, the Administration submitted a legislative proposal to Congress on April 15, 1972, and again on February 1, 1973, which called for a one-time recomputation of the retired pay of pre-1971 retirees based on the January 1, 1971, basic pay rate. Some disability retirees (depending on degree of disability) were to receive immediate increases while non-disability retirees with less than 25 years of service but 60 years of age or older and more than 25 years and age 55 or older would also experience pay increases. These legislative proposals were never adopted by the Congress.

In fact, the House Armed Services Committee appointed a special subcommittee on retired pay revisions to consider the recomputation proposal, and this committee concluded that recomputation in any form was not warranted, and recomputation legislation should not be considered further by the Armed Services Committee. The Committee came to the conclusions for the following reasons:

1. Court tests proved there was no legal obligation to recompute.

2. The subcommittee could find no evidence of large numbers of retirees in conditions of economic deprivation, and recomputation would not be the best way to deal with such a problem.

3. There was no relationship between recomputation and active duty retention, and recomputation might actually harm retention.

4. The government has a moral obligation to retirees, but "the level of retirement income and benefits received by the retiree is consistent with what he was led to expect when he made his career decision." Some older retirees received lower annuities than more recent retirees, but this happens in all walks of life and is no reason for a special obligation on the part of the government.

5. Recomputation limited to pre-1958 retirees would create new "inversions" with certain later retirees getting less than older retirees.

6. The present retirement system is superior to any system in the private sector, and the CPI formula protects retirees' purchasing power.

7. The present retirement system amply meets the government's obligation to the retirement community and keeps retired pay ahead of the cost of living.

8. Compromise recomputation proposals will never solve the problem. It was "solved" in 1963, but keeps recurring.

The Interagency Committee raised many of the same arguments against recomputation, as well as the following ones:

1. It is costly and inefficient and encourages early retirement.

2. Retired personnel no longer contribute to national security to the same extent as their active duty counterparts, and while their annuities would keep pace with the cost of living, it is illogical to give them the same increase that active personnel receive.

3. The reasons for active duty pay scales relate to procurement and retention needs of the active forces and are totally unrelated to retirees' needs.

4. No major private or public retirement system uses recomputation.

HARTKE RECOMPUTATION PROPOSALS

In addition to the Administration's proposal for one-time recomputation, on three occasions the Senate has passed an amendment by former Senator Hartke to the Military Procurement Authorization Act providing for a one-time recomputation identical with the Administration's 1972 and 1973 proposal, except it uses 1972 pay rates (rather than 1971 rates) and non-disability retirees would all recompute at age 60. The amendment was adopted by the Senate as follows:

July 1972, 82 yeas, 4 nays, 3 "present."

September 1973, 71 yeas, 14 nays, 8 "present."

*House Armed Services Committee No. 92–80, "Recomputation and Other Retirement Legislation". Report by the Special Subcommittee on Retired Pay Revisions of the Committee on Armed Services, House of Representatives, December 29, 1972.

June 1974, 58 yeas, 19 nays, 8 "present."

All three times, the amendment has been dropped in conference because of the strong opposition of the House conferees and the fact that such an amendment is not germane to the Authorization Act under the rules of the House of Representatives. Senator Matsunaga has again submitted a recomputation bill (S. 309) for consideration in the 95th Congress. Several bills have been introduced in the House, the latest of which was introduced on March 2, 1977 by Representative Patterson. His companion bill is H.R. 4305. No hearings have been held on either bill.

PRINCIPAL BENEFICIARIES

The principal beneficiaries of any one-time recomputation are those who retired before June 2, 1958. The average officer retired before June 1, 1958, is currently receiving approximately $7,400 per year, while the average enlisted man is receiving approximately $4,000. The average officer retired in 1971 is receiving approximately $12,100 per year; the average enlisted man is receiving approximately $6,100 per year. Other comparisons are shown in the following table:

CURRENT ANNUAL RETIRED PAY OF SELECTED GRADES AT VARYING TIMES OF RETIREMENT

Rank/years of service	Pre-June 1958	Oct. 1967–June 1968	Jan. 1972	Jan. 1976
O–8/30	$24,480	$27,658	$32,540	$33,562
O–6/30	17,862	21,129	24,853	25,634
O–4/20	7,616	9,608	11,306	10,468
E–7/22	4,733	5,984	7,040	6,606
E–5/20	3,505	3,807	4,479	4,149

The following tables show the various average retired pay increase under different forms of recomputation. The largest dollar increases go to those who retired prior to June 1958.

AVERAGE ANNUAL RETIRED PAY INCREASE IN FISCAL 1977 UNDER HARTKE[1] RECOMPUTATION PROPOSAL

	All retirees	Disability retirees	Nondisability retirees
Members retiring prior to—			
January 1972	$2,141	$1,834	$2,341
Officer	2,796	2,816	2,786
Enlisted	1,381	1,030	1,690
Members retiring prior to—			
June 1958	2,834	2,663	2,979
Officer	3,436	3,122	3,796
Enlisted	1,923	1,605	2,095
Members retiring from—			
June 1958 to December 1971	1,780	1,281	2,060
Officer	2,397	2,317	2,418
Enlisted	1,155	868	1,463

[1] Same proposal as in S. 309, proposed by Senator Matsunaga.

Note: Based upon 10 percent sample of retired members as of June 30, 1976. The average applies only to those members who would be affected by the increase in fiscal year 1977. Costs reflect the March 1976 increase in retired pay, with no subsequent CPI adjustment.

Source: Department of Defense.

AVERAGE ANNUAL RETIRED PAY INCREASE IN FISCAL 1977 UNDER HARTKE RECOMPUTATION TO OCTOBER 1976 PAY SCALE

	All retirees	Disability retirees	Nondisability retirees
Members retiring prior to—			
January 1972	$1,345	$1,160	$1,465
Officer	1,734	1,808	1,697
Enlisted	894	630	1,126
Members retiring prior to—			
June 1958	2,011	1,932	2,078
Officer	2,418	2,246	2,615
Enlisted	1,396	1,207	1,497
Members retiring from—			
June 1958 to December 1971	997	645	1,195
Officer	1,307	1,093	1,362
Enlisted	684	467	917

Note: Based upon 10 percent sample of retired members as of June 30, 1976. The average applies only to those members who would be affected by the increase in fiscal year 1977. Costs reflect the March 1976 increase in retired pay, with no subsequent CPI adjustment.

Source: Department of Defense.

One of the problems of recomputation is that it is economically indiscriminate. In many cases, personnel (especially high-ranking officers) with relatively high annuities will receive higher dollar increases than enlisted personnel who are on very low annuities.

OTHER FACTORS CONCERNING RECOMPUTATION

The costs and average increases under various recomputation proposals are considerable. In FY 1978, costs range from $1,422,000,000 ($1.4 billion) for the Hartke proposal at 1972 pay scales with 6% inflation to $7.6 billion in FY 1978–1982 under the same assumptions. Total lifetime costs of this Hartke proposal are estimated at $96.4 billion by the Department of Defense (assuming future price index increases of 6% a year). Under the Hartke plan, about 75% of all present retirees would have their annuities recomputed, while under permanent recomputation, about 80% would be recomputed.

AN ALTERNATIVE SOLUTION

There is an alternative proposal that would help alleviate the financial problems of older military annuitants on low annual annuities. This proposal is new and overcomes most of the objections raised against recomputation. It is designed specifically to get at the problems of the older personnel who are on such low annuities that even cost-of-living increases tend to result in very small dollar increases and do little to help them maintain an adequate standard of living.

The proposal provides for recomputation of annuity based on total reported income. It should be recognized that this proposal would not eliminate the need for cost-of-living raises based on increases in consumer prices. After the revisions outlined below, cost-of-living increases would continue based on the revised annuity.

MINIMUM ADJUSTED GROSS INCOME WITH SOCIAL SECURITY OFFSET

This option provides adjustment to the annuity so that annuitants receive at least a $5,000 minimum adjusted gross income. Based on the retiree's tax return (the latest one available), his annuity would be adjusted upward so that his total adjusted gross income plus any Social Security benefit at the time of recomputation was at least $5,000. The recalculated annuity would form the basis for future cost-of-living increases as in the other more expensive recomputation proposals. Title III retirees (reserve personnel, who have not served on active duty and therefore, were not career military personnel) would not have their annuities increased.

This proposal is economically discriminate, since only the economically worst-off retirees would receive increases in their annuities. Those who have second jobs or outside sources of income, and who really have no need for an increase in their annuity, would receive none. For example, a study by the Civil Service Commission showed that there are 138,031 retired military—or over 10% of the total retired population—who are employed by the federal government. This group and their compensation break down as follows:

	Number of uniformed services retirees	Average total compensation	Average Civil Service pay	Average retired pay
Commissioned and warrant officers	27,348	$28,970	$19,299	$9,671
Enlisted	110,683	17,441	12,301	5,140
Officers and enlisted	138,031			

It does not make sense to increase retired annuities for persons who are holding government jobs that significantly raise their total incomes. The same is true of individuals who hold jobs in the private sector or whose retired annuity is supplemented by other sources of income (family estate, stocks, etc.) This option avoids providing any increase for such individuals and amounts to a form of "negative income tax" for retirees.

One-year costs of supplemental payments to insure various minimum income levels

The one-year total cost of supplementing 1975 tax year Adjusted Gross Income (AGI) of retired military personnel to the indicated levels is estimated to be $148 million. Costs are based on members on the retired rolls on 30 June 1975. The total cost estimated by DoD was $175 million, for the 77,990 personnel whose incomes would be affected. However, 11,291 of these personnel are also receiving Social Security benefits with an estimated average annuity of $2,400. Thus, the first-year cost is only estimated to be $148 million, considering the offset feature.

It should be noted that these costs would be less for FY 1978 because of retired pay increases and possible other increases to income that have occurred since the 1975 figures used in the data base. It is also possible that some members have since lost a source of income.

The above data does not include approximately 40,000 retired members being paid by the Veterans' Administration, nor 116,000 members whose Adjusted Gross Income is unknown.

Finally, cost of this proposal in each year after FY 1978 would decrease from the $148 million as older annuitants die.

The table on the following page shows the cost of this amendment, along with the corresponding savings that would result from a phase-out of the commissary subsidy for clerk-hire.

EAGLETON AMENDMENT COST DATA

[In millions of dollars]

	Fiscal year—				
	1978	1979	1980	1981	1982
Cost of increasing adjusted gross income (AGI)[1]	148	148	148	148	148
Savings from phasing out commissary subsidy	(96)	(203)	(322)	(341)	(362)
Net cost (savings) under amendment	52	(55)	(174)	(193)	(214)

[1] Costs will actually decline in the outyears as some of the annuitants die. A conservative approach is used for costing purposes.

ADDITIONAL DATA

The following tables are provided as appendices and show additional information pertinent to this proposal.

Appendix 1 shows Adjusted Gross Income of Retired Military Personnel.

Appendix 2 shows average Adjusted Gross Income by Grade for Retired Military Personnel.

Appendix 3 shows Current annual retired pay of selected grades at varying times of retirement. It should be noted that under the Matsunaga bill (S. 309), a proposal similar to the Hartke amendment, the dollar increases would be significantly greater for high ranking officers when compared to lower ranking enlisted personnel. This is summarized below: (assumes pre-June 1, 1958 retirement).

Rank/years of service	Retired pay (present)	Retired pay (recomputed)	Increase
O-8/30	$24,480	$32,532	$8,052
O-6/30	17,856	24,852	6,996
O-4/20	7,608	11,304	2,856
E-7/22	4,728	7,032	2,304
E-5/20	3,504	4,476	972

While two star generals (O-8) who are presently making $24,480 would receive an $8,052 increase, Sergeants First Class (E-7) would get an increase of only $2,304 even though they are presently living on only $4,728. The comparison with an E-5 (Sergeant) is even worse.

APPENDIX 1

ADJUSTED GROSS INCOME[1] OF RETIRED MILITARY PERSONNEL[2]—TAX YEAR 1975

Adjusted gross income range	Number of members in this income range	Number of members in this income range or below
Under $1,000	6,261	6,261
$1,000 to $1,999	7,932	14,193
$2,000 to $2,999	11,891	26,084
$3,000 to $3,999	21,315	47,399
$4,000 to $4,999	30,591	77,990
$5,000 to $5,999	29,660	107,650
$6,000 to $6,999	28,668	136,318
$7,000 to $7,999	29,022	165,340
$8,000 to $8,999	30,707	196,047
$9,000 to $9,999	33,276	229,323
$10,000 to $10,999	35,574	264,897
$11,000 to $11,999	37,980	302,877
$12,000 to $12,999	40,769	343,646
$13,000 to $13,999	42,741	386,387
$14,000 to $14,999	44,042	430,429
$15,000 to $15,999	44,761	475,190
$16,000 to $16,999	44,701	519,891
$17,000 to $17,999	44,638	564,529
$18,000 to $18,999	42,894	607,423
$19,000 to $19,999	39,320	646,743
$20,000 to $20,999	35,274	682,017
$21,000 to $21,999	31,932	713,949
$22,000 to $22,999	28,289	742,238
$23,000 to $23,999	24,122	766,360
$24,000 to $24,999	21,996	788,356
$25,000 to $29,999	74,996	864,352
$30,000 to $34,999	37,038	901,390
$35,000 or more	32,944	934,334

[1] In addition to retired pay, this includes the second career income of the member plus any income from interest, dividends, other pensions, rents, and royalties. It is reduced for moving expenses, tax exempt disability retired pay, any disability income exclusion, and certain employment expenses. A spouse's adjusted gross income is included if a joint return was filed.
[2] Data does not include title III retired members or 116,000 members with an unknown adjusted gross income.

Source: Department of Defense.

APPENDIX 2: AVERAGE ADJUSTED GROSS INCOME[1] BY GRADE FOR RETIRED MILITARY PERSONNEL[2]

TAX YEAR 1975

Grade	Average adjusted gross income
O-10	$48,072
O-9	43,368
O-8	35,016
O-7	32,004
O-6	28,176
O-5	24,144
O-4	21,228
O-3	19,956
O-2	20,664
O-1	21,660
W-4	18,948
W-3	18,288
W-2	15,156
W-1	14,664
E-9	19,236
E-8	17,676
E-7	15,552
E-6	14,052
E-5	12,036
E-4	10,692
E-3	11,016
E-2	10,584
E-1	9,084

[1] In addition to retired pay, this includes the second career income of the member plus any income from interest, dividends, other pensions, rents, and royalties. It is reduced for moving expenses, tax exempt disability retired pay, any disability income exclusion, and certain employment expenses. A spouse's gross income is included if a joint return was filed.
[2] Data does not include Title III retired members or 116,000 members with an unknown Adjusted Gross Income.

Source: Department of Defense.

APPENDIX 3

CURRENT ANNUAL RETIRED PAY OF SELECTED GRADES AT VARYING TIMES OF RETIREMENT (DOLLARS)

Rank/years of service	Pre-June 1, 1958	Oct. 1967-June 1968	Jan. 1971	Jan. 1972	Jan. 1976
O-8/30	24,480	27,658	31,680	32,540	33,562
O-6/30	17,852	21,129	24,192	24,853	25,634
O-4/20	7,616	9,608	11,004	11,306	10,468
E-7/22	4,733	5,984	6,852	7,040	6,606
E-5/20	3,505	3,807	4,356	4,479	4,149

Source: Department of Defense fact sheet, 15 April 1976.

Mr. EAGLETON. Finally, I make this one final comment; then I want to hear from the distinguished chairman of the committee.

Getting back to the original part of the amendment—this being a two-part amendment—I referred to pensions and to the rather meager stipends of the lower annuitants currently receiving benefits. This involves those annuitants who served in the military service many years ago, when the pay was much lower, and thus their annuity, geared to that pay, is very small, indeed, in light of today's inflationary economy.

This whole question, Mr. President, of annuities and pensions for the military and for civilian government employees, is a very, very difficult one. It applies not only to the Federal Government. The same observations can be made with respect to State government, county government, municipal government—namely, that government costs at all levels are being increasingly consumed by pensions.

Not too many years ago, the total pension cost to the Department of Defense was in the neighborhood of $1 billion. Today, it is over $9 billion. It is roughly 8 percent of the current defense budget. Actuarial projections are that, by the end of this century, about 25 years from now, it will be over $30 billion, and thus an even greater percentage of the budget.

I know that the distinguished chairman of the Committee on Armed Services has been considering for some time this facet of the defense budget. I know that the people in the Pentagon are very, very concerned about it.

I know further that the President of the United States has appointed a commission to study this very ticklish and very important problem. I say it is a problem not indigenous solely to the military. The same general critique can be made of the civil service retirement system. Indeed, if one wants to look at the actuarial solvency of social security, as the President of the United States has recently referred it to Congress, it has serious problems in and of itself.

I ask the distinguished chairman, does he think it is likely, in either this calendar year or next, depending upon when the President's commission makes its report, that his committee will be considering this terribly difficult but terribly important question of pensions in the overall. Specifically, will the Armed Services Committee consider the meager nature of pensions for those at the very lowest level, whose pensions are geared to a low pay scale that existed in the military 20, 30, or more years ago?

Mr. STENNIS. Mr. President, I am glad to respond the best way I can to the Senator from Missouri and direct those answers to the two major points, as he so skillfully pointed out, in his amendment.

Mr. President, first as to the proposed change with reference to the pay for the clerks or the clerk-hire in the commissaries, the Senator from Mississippi, all the way through last year—and I suppose we had it up 15 or 20 times—voted for the change with reference to the pay of those clerks. I think the clerks' pay is part of the cost of the goods. It goes into the end product that is being bought, the sack of groceries, and it should be paid for there. But the further that matter went through the authorization committees and the appropriations committees, the fewer votes it got. The last time, as the Senator from Missouri may recall, it came up before the Committee on Appropriations, that was the death blow that killed the last remnant of reform. I think there were just three or four votes for it.

I favor that part, but, with deference, I do not believe that this is the way to go at it. I think the Senate would be turning in a different direction altogether, and I think there would have to be broader adjustments and more across the board.

Now, to apply the money we save there toward increasing the lower level of retired military annuitants, or retired military servicemen or women, that gets over into recomputation. Certainly, there are points in favor, particularly as to some groups of recomputations.

I have opposed, though, a recomputation here. In many years it has come up. the Senator may recall, as an amendment to this bill. I think it is a much deeper and broader and more difficult problem, a system that cannot be cured, or even to start a cure, by an amendment here on the floor.

President Carter has appointed a Com-

mission, as the Senator pointed out, and I immediately wrote him a letter endorsing his move there.

This is one of the many serious matters in this field of retired pay and the cost of the personnel.

I said here before that we must do something about it. The Senator gave the figures. In 1957 or 1958 there was that bill which first had $1 billion. One billion dollars; and now this year it is, I believe, close to $9 billion. Nine billion dollars now in the bill.

I supposed 2 or 3 years ago that if we did not do anything more we could have started out another system, a new system, not just repudiating the old one, but start a new one and have it on a more actuarially realistic basis, let contributions be paid and the Federal Treasury pay part, and keep the old one going on some basis. Keep the old system going on some basis and it would finally play out. There would be no one left under the old system.

I realize it took more than we could do, more in-depth hearing and determination, and just a different approach and opinions from the economic standpoint. So we will have to solve that problem in some way. But I think a commission will have to consider it and at least start off with the recommendation.

I am sorry I could not support it even though I think it would have merit of some degree in the Senator's amendment. I am glad he brought it up. But I do not think it belongs on this bill. I say to the Senator from Missouri, good will came from the debate, but we could not handle an amendment like this in conference.

That is the best I can say.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. STENNIS. Yes, I am glad to yield.

Mr. GOLDWATER. The Senator from Missouri touched on a problem which is, along with civil service retirement, probably the biggest problem this Government faces, but it is one thing we overlook when we assume it can be rather easily accomplished by this body.

When men were enticed, or volunteered to go in the service, or were drafted, one of the promises—and I emphasize this, one of the promises—was a retirement fund.

This is why men used to go on duty for $50 a month, or $125 a month as an officer. There was always that silver rung at the top of the ladder that was a promise from the Federal Government of retirement pay.

We had expected this year that a report would be coming to us from the Pentagon—I do not know, I have not heard of it—where they would outline a new retirement plan, patterned somewhat on the civil service plan such as we have, where we pay a portion of our income into a retirement fund that is later matched by the Federal Government.

I must say that this fund in itself, I think, is around $100 billion in the red.

Now, this money we have promised, I do not see any way in the world we can get out of paying it. To give an idea of the total involved in recomp, as Senator STENNIS has talked of it, and as I see it and other members of the committee, we are talking about $350 billion to $400 billion if we did not take another man in uniform starting right now.

There are new systems of retirement, and I would hope that next year we can force the Defense Department to come over with a plan that I know the services will welcome. Salaries are such now in the services that they can provide retirement for themselves. In fact, they have voluntary plans for health, voluntary plans for additional retirement already going.

But I thank the Senator from Missouri for bringing this up and reminding the chairman we have a responsibility owed us from the Department of Defense to come over with a plan.

I close by saying again that this is a promise we made to the men in uniform, and there is no way we can go back on that word.

Mr. GLENN. Mr. President, will the Senator yield for an additional comment?

Mr. EAGLETON. I yield.

Mr. GLENN. Mr. President, I was not on the floor during the first part of this debate, but I would like to add to what Senator GOLDWATER just said.

I spent some 23 years in the Marine Corps and I did not really look at that as retirement pay I was building toward. In fact, I think this is a misnomer to those who were in during the peacetime, before pay scales were upgraded to the level at the present time.

I agree, we need a new retirement system; it cannot go on like it is. But I can say how I looked at it and how my compatriots at that time looked at it, and that was, we looked at it as deferred compensation, as earned money that was going to come to us later on, and we put up with pay scales at that time that quite often were half or less than half of those of our compatriots, as I say.

I can say that I was once offered more than double what I was making to go out and do the same kind of work outside. I declined. I liked what I was doing in test work.

I might have some figures and might have to correct myself, but I believe at the time I was in orbital work, in 1962, I think my total compensation at that time, including flight pay, was something like $16,000 a year. That was at a time when others on the outside in private industry were making $35,000 to $38,000, something like that.

That was what I was offered one time, anyway.

So whether we say we are in for so many years and then get retirement pay, I think, as Senator GOLDWATER says, this was a contract the Government had with us, and we put up with admittedly lower pay scales.

I know the people I served with then would look at this as a breach of faith if we cancelled out now and said, "You do not rate this."

Not retirement pay; but we looked at it as giving up things for our wives and children, better homes than we might otherwise have had, because of this thing in the future, deferred income.

That is why it wears a little thin with me when people these days say that we are double-dipping for doing this kind of thing. That is supposedly very bad.

I look at it as though we gave a lot in those days compared to what we could have had.

Just about the time I left the Marine Corps was the time when pay scales started going up. I would say they are quite satisfactory now. I think they are very good, very comparable with industry, very comparable with being on the outside in whatever position we could command.

So I think a contributory system of some kind is good to go to, perhaps. I hope we do get a study of that as soon as they can from the Pentagon. I would like to see it.

But I think when we start breaking faith with people who have served and did look at this as deferred income, it borders on being unfair. As Senator GOLDWATER says, they had a contract. I do not like to see that contract broken.

Mr. STENNIS. Mr. President, will the Senator yield so that I may make a statement?

Mr. EAGLETON. I yield.

Mr. STENNIS. Before we leave the subject that has been brought up, I point out that I have had to live with this matter in great detail. There is another problem that goes with it—a solution. We are going to have to do something about this matter of 20 years in and then the person is out, drawing those compensations for life. That raises many new questions. As certainly as we are standing here, that is a great part of our military security problem.

I mention it to challenge the thought of the best minds we have here and in the Nation that are trying to find a way.

Mr. EAGLETON. Mr. President, I thank my colleagues—the three who have spoken last—the distinguished chairman (Mr. STENNIS), the distinguished member of the Armed Services Committee (Mr. GOLDWATER), and the distinguished Senator from Ohio (Mr. GLENN).

Although this debate has been brief and although this amendment is not going to be pressed to a vote, I believe that it nevertheless has served a very useful and worthwhile purpose.

I agree completely with what Senator GOLDWATER said and what Senator GLENN added thereto, in that years ago, when the salary scales of career military people were disgracefully low, the pension or the deferred compensation that was offered as part of the inducement to make the military a career was very much part of a "package."

When I was young—to prove to some in the Chamber that I have lived some years—there used to be a song called "$21 a Day, Once a Month." That was at the eve of World War II. That was the pay-scale for a buck private, if I recall correctly. You got $21 a day, once a month.

When payscales were that incredibly low, the pension or the deferred pay, or whatever label it appropriately bears, made a relevant "package" along with the basic pay and allowances.

However, as Senator GLENN has pointed out, it is quite different today. The pay scales in the military today are

comparable to those on the outside in a whole host of pursuits. Thus, the "package" concept, especially with the "20 and out" factor that Senator STENNIS talks about, no longer applies. When someone retires at age 41, 42, or 43, in the prime of his life, receives a very generous pension, and then starts a new civilian career, often with the Federal Government, it definitely raises very serious actuarial and cost problems.

I know that Senator STENNIS has long had this in the back of his mind. So has Senator GOLDWATER and many other Senators on the floor.

Mr. President, I hope that when the Carter commission—whatever that commission is called—submits its report, the Armed Services Committee and other appropriate committees of Congress—perhaps even the Finance Committee—will give very close attention to it, because the clock is ticking and time is running out. This is not something that we can sweep under the rug every year; because when we do sweep it under, next year the pile gets bigger. Now it is approximately a $9 billion pile for the annual cost and the unfunded liability is even greater. If we wait too long, the annual cost is going to be $15 billion, and the unfunded liability will increase as well.

The clock is ticking and the cost is increasing. Sooner or later—I hope sooner—we will have to devote some very hard and tough attention to this not insignificant financial problem.

Mr. President, if no one else wishes to address himself to this amendment, I will withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. MATSUNAGA. Mr. President, I rise simply for the purpose of a colloquy to establish legislative history relative to industrially funded activities covered by the provisions of H.R. 5970.

The need to assure our industrially funded activities that they will be fully capable of adequately and efficiently performing the functions for which they were designed is an effort in which I have been long involved. Evidence of inefficient and costly manpower practices in these installations, which I believe to be attributable to civilian employment restrictions imposed by Congress, has led me in past Congresses to seek the exclusion of industrially funded personnel from Department of Defense civilian manpower ceilings. In the present Congress, seven of our colleagues have joined Senator BAYH and me in sponsoring S. 544, legislation to accomplish such an exclusion.

In addition, I was joined on February 23 of this year by 9 Members of this body and 14 Members of the other body in communicating our concerns over the management of industrially funded activities to Secretary of Defense Harold Brown.

During consideration of the legislation before us today by the Committee on Armed Services, the distinguished Senator from Georgia (Mr. NUNN), chairman of that committee's Subcommittee on Manpower and Personnel, most kindly arranged for a hearing to investigate the problems being experienced by our industrially funded activities, and I take this opportunity to thank him again for his efforts and expressed concern in this area.

Senator BAYH and I testified before the subcommittee at that time, and engaged in a lively colloquy with Chairman NUNN and others on this matter. It was generally conceded, I believe, that in industrially funded activities, practices exist which are clearly not in line with good management practices. Real problems are posed by inflexibility in the policy to hire new employees to meet fluctuating workloads, increased overtime costs due to such inflexibility, and employee hardship related to the practice of firing workers just prior to the end of a fiscal year in order to meet the end strength civilian ceiling imposed by the Congress.

Most importantly, with particular reference to our continued unconscionably high unemployment rate, we discussed at length the consequences of the imposition of the ceiling, one of which is to prevent the hiring of new employees even when the work and funding are available.

However, while Senator BAYH and I agreed with Chairman NUNN, representatives of the Department of Defense, and others that such problems existed, we differed as to their causes. Senator BAYH and I and many others, including the managers of the industrially funded activities themselves, continue to believe that the congressionally imposed ceilings are in a large part responsible. Chairman NUNN indicated his belief that funding restrictions and the allocation of the ceiling among the various activities by the Department of Defense were to blame.

During subsequent consideration of this issue by the Armed Services Committee, Chairman NUNN's views on S. 544 prevailed. However, as a result of Chairman NUNN's efforts and the most welcome and appreciated efforts of the Senator from Washington (Mr. JACKSON), language was included in the committee's report on H.R. 5970 which I understand specifically directs the Department of Defense to allocate the civilian manpower authorized it by Congress in such a way that industrially funded activities are adequately and efficiently able to perform their function within the funds available for such purposes. The committee further specified that proposed reductions in the civilian manpower ceilings were not intended to be applied to the industrially funded activities.

While my belief that the ceilings are responsible for the management problems in the industrially funded activities remains unchanged, I am willing to accede to the judgment of the committee for the present time, and see whether Department of Defense implementation of the clear expression of congressional intent that industrially funded activities be provided the manpower necessary to fulfill their work requirements will in fact solve the problems. However, my concern is that if the intent of Congress is not made absolutely clear, the Department of Defense, will not adequately implement congressional directives.

Mr. President, at this point I yield to the Senator from Indiana.

INDUSTRIALLY FUNDED DOD CIVILIANS AND MANPOWER CEILINGS

Mr. BAYH. Mr. President, today during our consideration of the Defense Department authorization bill for fiscal year 1978, I want to call the attention of my colleagues to an extremely significant section of the civilian manpower provisions of the committee report. I would also like to take this opportunity to thank my distinguished friend and colleague from the State of Washington for his invaluable assistance in addressing a serious and continuing problem which is occurring at industrially funded Department of Defense facilities.

As my colleagues will recall, I am the sponsor of S. 544, legislation that would have removed industrially funded facilities from DOD civilian manpower ceilings. I was joined in this effort by Senator MATSUNAGA from Hawaii and several other Members who know how these ceilings have affected employment in their States. Without launching into a long discussion on the details of the industrial funding concept, I would only make the following points:

IFA's are not directly funded facilities. The shipyards, weapons support centers, research laboratories, and prototype production installations we are talking about operate on a revolving funds basis. This means that these installations which employ 26 percent of the DOD civilian work force perform work on much the same basis as if they were private firms responding to the laws of supply and demand. The funds they do receive for services performed come from customer accounts.

The problems arise when workloads exceed the physical capability in terms of manpower to do the job. The facility doing the ship or weapons repair and overhaul, design work or prototype production—to name just a few of the possible tasks—cannot hire enough people to do the job in the most efficient way. Overhead costs are driven up because ceiling constraints rule out additional personnel. By contracting out jobs that might be performed more suitably in-house or paying workers in some instances "perpetual overtime," we end up spending more money or not getting the most for the dollar we have already spent. The last point here deserves special attention since S. 544 would not require one penny more in defense appropriations.

Now I do not intend to offer S. 544 as an amendment here on the floor because I believe that thanks to productive efforts of Senator JACKSON in committee we have directionary report language saying to the Department of Defense, "Let the industrially funded facilities

hire up to funded workload." Furthermore, this language of the report says let the managers at these facilities who want to manage do so.

There are few more frustrating things than to learn of an arbitary ceiling figure arrived at through reference to the statutory ceiling denying IFA managers the flexibility to hire more people when there is money to do it and work to be done. This is certainly inconsistent with our efforts to reduce unemployment and create conditions for job stability.

The distinguished and capable junior Senator from Georgia who is chairman of the Senate Armed Services Subcommittee on Manpower and Personnel permitted a hearing to be held on March 29 when Senator MATSUNAGA and I were able to question Department of Defense witnesses at length about this matter. I want to take this opportunity to thank Senator NUNN for his willingness to explore possible answers to the problem of insufficient personnel support that continues to plague IFA's. I am encouraged and do not think I misrepresent his position by saying that he agrees with me that there is a problem. I am afraid that we continue to disagree about the source of the difficulty. However, rather than offer my amendment at this time, I will defer to his judgment in accepting language to direct the Department of Defense to manage its manpower in a way that IFA's will be allowed to hire up to funded workload. I cite page 132 of Senate Report 95–129 in this regard in the section entitled "Industrially Funded Civilians":

> Especially in activities engaged in maintenance, construction and repair, the Services must manage their manpower resources in a fashion that will insure that these activities are provided sufficient civilian manpower to fulfill their work requirements, within the funding plans established for their operations. This process should improve stability and reduce turbulence which otherwise can occur if manpower is only a fallout of annual budget fundings.

This language is saying plainly that industrially funded activities engaged in the type of work that is going on at the Crane Naval Weapons Support Center at Crane, Ind., the Naval Avionics Facility in Indianapolis, the Pearl Harbor shipyard, the Trident facilities at Bangor, Wash., and across the country ought to given 100 percent of the personnel necessary to perform their work requirements. This seems to me to provide support for that section of Public Law 93–365 that requires DOD to manage its manpower affairs as efficiently as possible. Importantly, this section of the report on the fiscal year 1978 DOD authorization specifically excludes IFA's from the $19,800 cut in the Defense civilians authorization.

Mr. President, I am sure that the chairman of the Subcommittee on Manpower and Personnel will understand that I reserve the right to reintroduce S. 544 if it is determined that the statutory ceiling is, indeed, the problem. Despite arguments to the contrary, the end strength DOD manpower ceilings continue to contribute significantly to management difficulties at IFA's across the country. As Mr. Kenneth Blaylock, president of the American Federation of Government Employees, observed during his testimony in favor of S. 544:

> Unfortunately, the industrially funded activities of the Federal government though supposedly modeled on . . . tested private sector principles, are frustrated by the artificial barrier which no private enterprise faces—arbitrary ceilings.

To borrow a phrase of Kenny Blaylock, "where the rubber hits the road"—that is, at the defense installations we are talking about—there is considerable frustration over hitting a 1-day manpower ceiling at the end of a fiscal year when the workload on that day and the funding for that workload could accommodate hundreds of additional personnel. I hope that the language in the committee report will be a clear signal to the Department of Defense that we must hire the people where they are needed.

END-STRENGTH FLEXIBILITY

While the committee did provide constructive language with regard to the management of personnel support for IFA's, I want to go on record in expressing some disappointment that a proposal to increase the end-strength flexibility for the Department of Defense was rejected. That amendment would have increased the present authority of the Secretary of Defense to increase the number of DOD civilian personnel authorized by Congress from its present 0.5 percent to 1.5 percent. The House Armed Services Committee has already approved such an amendment and Congressman CORNWELL, of Indiana was successful in increasing the flexibility still further to 3 percent.

Mr. President, I think that approach is very reasonable, and I urge my colleagues who will serve as conferees to favorably consider this provision of the House bill. The Department of Defense in response to a question by Senator MATSUNAGA on the matter of flexibility indicated its strong support for such a measure. I refer to page 66 of the March 29 hearing transcript on S. 544:

> While the one-half percent increase authority was sufficient to avoid inefficiencies in FY 1977, the only time we had to use it, the Department would welcome a larger range of flexibility. It is quite possible that further unprogrammed requirements could exceed 5,100 spaces and not be offset by other program reductions. More flexibility would lessen the chances that the statutory ceiling could cause inefficiencies.

Even with added flexibility, the statutory ceiling would provide Congress the oversight and control they desire.

The Department of Defense clearly indicates that increased flexibility would allow accommodation and more efficient management of civilian workloads. This is a reasonable and good-sense step that ought to be taken to insure the wisest possible expenditure of the DOD manpower dollar.

CONTRACTING OUT OF IN-HOUSE SERVICES

Another issue has been raised in connection with the whole controversy surrounding the appropriateness of ceiling constraints. This involves their role in facilitating contracting out of in-house DOD services when it may be uneconomic to do so. The House has been so concerned about this matter that its version of the DOD authorization bill contains a moratorium on contracting out until March 15, 1978, after a study has been complete.

During the hearing on S. 544, I posed a question to DOD on this matter concerning the number of man-years purchased through contracting out and have been informed that:

> The Department does maintain records on some contract support services associated with commercial and industrial-type functions in CONUS (Continental United States). These data show a relatively stable number of estimated contractor man years from FY 1973 to FY 1976, of about 130,000.

This response also indicated that this purchase of man-years provided stimulus for "an estimated 2 million man-years in the private sector."

I have been able to undertake only a preliminary study of the replies provided by DOD since they arrived in my office shortly before the close of business on Friday. However, I think this issue certainly merits further study by the Senate even in the event that my colleagues appointed to conference find they cannot agree with the concerns and actions of the House on this matter. Certainly, contracting out activities pursuant to OMB Circular A–76 have raised serious questions that need to be answered.

While DOD does not agree with the argument that manpower ceilings do force contracting out when it is uneconomic, such restraints are characterized as "an effective management tool for promoting improved worker productivity and for stimulating reliance on economical contracting."

At the same time, DOD sees manpower ceilings as a duplication of financial controls based on the labor dollar. Furthermore, this "reliance on economical contracting" is based on the criteria of OMB Circular A–76, themselves subject of examination.

Without going into great detail on this matter, I am gratified to know that Senator NUNN plans to take a rigorous look at this entire matter as it impacts on DOD in hearings which I understand will be held in the near future. Again, I wish to commend my friend from Georgia for his willingness to look into this problem and provide the Senate and the country with answers to some of the rather disturbing questions that have been raised.

I am going to continue to follow this matter closely in the days ahead.

Mr. President, taken together, the Senate and House actions on the civilian manpower portions of the DOD authorization provide us with an opportunity to put our DOD operations on a more efficient footing. I think drawing attention to the difficulties recurring at IFA's has contributed greatly to this process. We must remain open to recommendations on how best to provide the most efficient personnel support for operations at these installations.

Mr. President, it seems clear to me that the language contained in the committee report can be properly construed as a directive to the Department of Defense concerning the management difficulties occurring at IFA's. There are, however, two elements of the report language that may perpetuate uncertainty.

The first involves the term "construction" that I believe should extend to acquisition support engineering, a function which is performed at the Naval Avionics Facility in Indianapolis, an NIF activity. This type of industrially funded engineering support is most crucial to the readiness of the fleet.

The other element involves the phrase "funding plans." In order to accomplish most effectively the purpose of this language, these plans should be taken to mean those of the IFA. Certainly, I would not want to discover a situation where work was being shifted away from one activity to another in order to meet an arbitrary ceiling. This would defeat the entire purpose of the language and I am sure it is not what the distinguished subcommittee chairman or my good friend from Washington intends. But it is important that we get clear answers to these potential uncertainties on the record.

It has also been suggested that the Department of Defense should be instructed to advise Senators in those States where a ceiling reduction at IFA's may occur as to the reasons for such a decrease. This would greatly aid Congress in assuring that its intent is being implemented and would also contribute a more thorough understanding as to the source and nature of the problem.

On sum, I think we are addressing this problem reasonably given the differences of opinion involved. It is clear that we must not allow situations to recur where funds are available, there is work to be done, but for some bureaucratic or statutory reason people cannot be hired.

Mr. President, I express my appreciation to the Senator from Hawaii for his great interest and the great contribution he has made to this joint effort that concerns both of us as well as the Senator from Washington (Mr. JACKSON) and some other Members of this body, relative to the industrially funded operations.

The PRESIDING OFFICER. The Chair interrupts to ask who is yielding time to the Senator from Hawaii.

Mr. STENNIS. Mr. President, I am glad to yield 2 or 3 minutes on the bill to the Senator.

Mr. MATSUNAGA. May I have 5 minutes?

Mr. STENNIS. Other Senators have amendments they wish to call up.

Mr. MATSUNAGA. I will take 3 minutes.

Mr. STENNIS. And I will yield a couple of minutes to the Senator from Indiana.

Mr. BAYH. Mr. President, we would like to ask the Senator from Georgia, who is the distinguished chairman of the Subcommittee on Manpower and Personnel, to address himself to the language that was put in the report which really goes to resolving the problem that the Senator from Hawaii and the Senator from Indiana know have occurred at some of these industrially funded operations. Together with several of our colleagues, we offered an amendment to the bill. Because of the cooperation of the Senator from Georgia and the iniative of the Senator from Washington, we feel that this matter probably has been handled by the report language, but we want to get the assessment of the subcommittee chairman as to this language.

Mr. MATSUNAGA. If I may have the attention of the Senator from Georgia, I should like to ask him three questions.

No. 1, is the language in the committee report on H.R. 5970 intended as a directive to the Department of Defense to provide the industrially funded activities with the full manpower they require to perform their work adequately and efficiently, within the limits of the funding available to them for such purposes?

Mr. NUNN. I answer the Senator from Hawaii with a brief "yes." That is the intent. But we want to add to that the further intent and clarification that the words "industrially-funded" apply in some services different from other services.

There are some functions, for example, in the Navy that are handled by industrially funded employees and the same functions perhaps are handled by the Marine Corps with nonindustrially funded employees.

So the committee report and the committee's intention is to emphasize the importance of operations in maintenance, construction, and repair that have a direct impact on the readiness of current forces; and those categories generally include all the industrially funded civilians to whom the Senator from Hawaii makes reference, but do not include all civilian employees who happen to be accounted for by industrial fund concepts.

Mr. MATSUNAGA. I thank the Senator from Georgia.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. MATSUNAGA. I yield.

Mr. BAYH. The Senator from Georgia, I am sure, also would include certain kinds of very sophisticated research facilities in those particular categories.

Mr. NUNN. I cannot give precise definitions of what maintenance and construction and repair include in terms of varying kinds of research, but I would think that the presumption of the Senator from Indiana would be true generally.

Mr. BAYH. The type of work done by the Naval Avionics Facility in Indianapolis is almost impossible to describe because of its sophistication. However, I am sure that would fit in the category. I am not trying to throw a ringer into the situation.

Mr. NUNN. I certainly would not disagree with the interpretation of the Senator from Indiana on that because I do not have enough in-depth knowledge of that to give precise definitions.

Mr. STENNIS. Mr. President, there are some Senators who wish to offer amendments. Will the Senators finish their colloquy later?

Mr. MATSUNAGA. Is our 3 minutes up as yet?

The PRESIDING OFFICER. The Senator has a minute and a half remaining.

Mr. MATSUNAGA. May I proceed for the minute and a half?

Mr. STENNIS. All right.

Mr. MATSUNAGA. My second question is, can we not expect the Armed Services Committee, in particular the Senator's Subcommittee on Manpower and Personnel, to conduct a reexamination of this matter next year to determine; First, whether the Defense Department has adequately implemented congressional intent; and second, if so, whether such action has improved the management capabilities of our industrially funded activities?

Mr. NUNN. The answer to that question would be, "Yes", we certainly intend to include that important item as part of our overall subcommittee deliberations.

Mr. MATSUNAGA. I thank the Senator from Georgia. As one who represents a State which is deeply involved in industrially funded activities, I appreciate the distinguished chairman's response to the questions.

Mr. NUNN. I thank my colleagues from Hawaii and Indiana.

Mr. BAYH. Mr. President, if the Senator will yield back to me for a moment—and I will say that by giving us the 2 or 3 minutes the Senator is keeping us from having to introduce an amendment—I appreciate the courtesy of the Senator from Georgia. I want to thank the Senator for his patience. He has not always agreed with us, but he has been a gentleman.

What we are in essence saying is that the report says to those military service agencies to which the Senator from Georgia alluded earlier, that where a budget figure allotting so much money has been given to a facility, arbitrary manpower ceilings should not keep that money from being expended, and people should be employed to do the job as long as the work can be done efficiently, with a great degree of expertise, in that particular facility.

Mr. MATSUNAGA. I thank the Senator from Mississippi for yielding.

Mr. NUNN. I thank my colleagues from Indiana and Hawaii.

Mr. TOWER. I yield 3 minutes to the Senator from Maryland.

Mr. MATHIAS. I thank the Senator from Texas.

Mr. President, I wanted to raise a subject which I state at the outset is not strictly within the purview of this bill. It is more properly a subject for the military construction bill, but I wanted to raise it with the distinguished chairman of the committee very briefly.

The Vice President did me the great honor this year of appointing me a member of the Board of Visitors of the Naval

Academy. The Naval Academy is, of course, an institution in which we in Maryland take great pride. It is one of our most historic and time-honored educational institutions. It has produced many great Americans and, I believe, the President of the United States would share this view.

I have been to the Academy many times, and each time I come away with a new sense of the dedication with which both the faculty and the midshipmen apply themselves.

However, the last time I was there, which was within the last 10 days, I took a look at the physical education facilities. The gym at the Naval Academy is an old torpedo boat shed buit in 1905, and they just filled in the slip where the torpedo boats used to run in.

What it called the natatorium, where they get swimming training, survival training, water survival training, was built in 1924, and together they were only constructed or designed to meet the needs of a midshipmen batallion of about a third the size of the present enrollment. Of course, the swimming pool, I do not have to emphasize, is a very important facility for the Navy because of the fact that every naval officer should be expert in water survival.

So I was pleased when the chairman included in the military construction report a reference on page 15 to the need for this facility.

I am, therefore, taking this time to ask the Senator from Mississippi, who is diligent, as he always is, when I brought this matter to his attention, whether he feels that the language on page 15 of the construction indicates that the committee will give sympathetic attention to this problem in the coming year.

Mr. STENNIS. Well, I certainly anticipate that is the purpose of the language, and that is what it means.

We share, I share and I am sure other Members do, too, the concern for the need that this fine academy has for some physical improvement connected directly with every student we have there, and I commend the Senator for bringing the matter up.

Mr. MATHIAS. If I can just press the Senator a little further, I understand the Navy has already begun the design or is considering requesting design of a supplementary structure, and that the Navy currently plans to include a request for construction in the next year's military construction bill. I wonder if the Senator has that same understanding.

Mr. STENNIS. Yes, that is my information and that is my understanding. I have discussed it with a very knowledgeable staff member, and I also had a chance to discuss it with the Senator from Maryland, so I am in sympathy, and I heartily agree with his position.

Mr. MATHIAS. I appreciate the Senator's assurance. I will be talking with him further in the coming year.

Mr. STENNIS. Very good.

Mr. MATHIAS. I thank the Senator.

Mr. STENNIS. I thank the Senator very much.

The PRESIDING OFFICER. Who yields time?

UP AMENDMENT NO. 217

Mr. STEVENS. Mr. President, I have an amendment at the desk and there is a time limitation on it.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an unprinted amendment numbered 217.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 53 between line 13 and 14 add new Section 803(a). If in any state there is an "emergency on" unemployment indicator as specified in Section 102(b)(3)(B)(i) of the Emergency Employment Compensation Act of 1974 (P.L. 93-572) the Secretary of Defense shall give special preference in the award of contracts for the construction of military installations in that state to any bidder who agrees to employ, to the greatest extent possible, residents of that state.

(b) The preference to be given bidders employing residents of states with high unemployment, as specified in (a), shall be calculated by subtracting from the bid or offered price an amount equal to 6 percent of the bid or offered price and authorizing contract awards based on that reduced bid or offered amount.

On page 53, line 15 renumber section beginning "This Act" Section 804.

The PRESIDING OFFICER. Is this the second amendment on which there is to be a 1-hour time limit?

Mr. STEVENS. It is. I might say to the Chair that I have no intention of taking 1 hour.

Mr. STENNIS. Mr. President, will the Senator yield to me a moment? Let me say to the Chair I think it is highly important that we have conditions here where we can hear the Senator. We do not know what this amendment is.

The PRESIDING OFFICER. The Senate will please be in order.

Mr. STENNIS. We have not had a chance to read it.

The PRESIDING OFFICER. Members of the Senate will please take their seats.

Mr. STENNIS. We have not seen it. All right, I thank the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, the problem this amendment attempts to address is that where a State has consistent high unemployment levels. Under the Emergency Employment Compensation Act of 1974 there is a triggering device of an unemployment indicator which this amendment would adopt.

The difficulty is this—and I do not think it should apply solely to military construction; I think it should apply to general U.S. Federal construction in the various States—when a State has high consistent unemployment the contractors in those States pay high administrative costs trying to keep their staffs and trying to be in position to participate in construction opportunities; that is, opportunities for construction contracts as they come along.

Unfortunately, however, there is no preference for the contractors who would hire local people when these moneys are made available through the Federal process for military construction or other Government construction, such as the GSA manages.

The purpose of this amendment would be to give preference to bidders who would employ the residents of these States of high unemployment, and to give them that preference similar to the Buy American Act by giving them a 6-percent deduction from their bid offered price as compared to those contractors from outside of that State.

It does raise some serious constitutional questions which we have been trying to address. I have discussed it with some of the members of the committee.

(Mr. METZENBAUM assumed the chair at this point.)

Mr. STEVENS. My reason for raising it is that in my State, despite the construction on the Alaska oil pipeline, we have had now steady unemployment that exceeds 10 percent, and in many areas it is as high as 60 percent unemployment, with staggering unemployment costs to the Federal Government on the extended benefits concept that we have already enacted.

I feel that there are other States that have similar problems, that we should find a way to give some preference to the bidders who will employ the labor in the area where there is this sustained high unemployment. I really believe it would reduce the total cost to the Federal Government of the unemployment programs, and it would provide a mechanism for assuring that the people, the contractors who will hire those local unemployed people, will get the award.

Unfortunately, in the last year I have had a series of letters from contractors who have pointed out to me the problems they are having in competing with people who come from the sunshine and fun country like down in Texas, and they have a full year of construction season, but they find they can come up to Alaska in the 8 to 9 weeks that we have for our construction season and bring their crews with them and perform the construction on some particular things, like repairing hangars or repairing runways on the airfields. One was a roofing contractor who wrote to me he felt very much they had been excluded from the competition because their basic overhead in order to keep their people even to a bare staff ready to participate in the contract if they were successful, was so much higher than those who had contracts and employment in other areas of the South 48 throughout the whole 12-month period.

As I said, what I really want to do is to raise this question with the chairman and the ranking member of the committee. I think that we will have an opportunity at the time the military construction appropriations bill is presented to the Senate to consider whether or not it is possible to work out some mecha-

nism to give a preference similar to the Buy American Act to those contractors who are operating in those areas of prolonged sustained unemployment where the costs, as I said, already are so great for the Federal Government in terms of maintaining the unemployment programs that we have in effect already.

I am not seeking any commitment from the chairman of the committee or the ranking Republican member. I really would ask that they address the problem. I intend to see to it that the Government Affairs Committee addresses the problem with regard to the GSA construction because I think there are too many areas where unemployment is becoming persistent and is going into periods of years. Despite the fact that there are substantial Federal moneys going into those areas for construction and despite the fact that the costs of the unemployment in the areas of the sustained unemployment are rising, we find, as I said, contractors coming in from the South 48 with full crews and mobile trailers, moving in and getting the employment and leaving; and they leave an economy that is just as bad if not worse than when they came in.

I believe that we need to address this and to try to find some way to see if it is possible—and again I say that I am cognizant of the constitutional problem but it is important—if it is possible constitutionally, to attempt to channel these jobs towards the organizations and contractors that will hire the people who have been unemployed for so long.

Again I do not ask for a commitment from the chairman. I think that perhaps if we cannot get to it in the military construction appropriations bill, maybe we can get to it next year in the authorization, either in this bill or the military construction bill.

Mr. STENNIS. Mr. President, I shall be quite brief in response to the Senator. He stated his problem before, yesterday, I believe. We discussed the legal problems involved in such legislation as this. This problem to some extent exists in many other places in other States. It belongs with military construction, as the Senator has suggested.

I would think we would have to have additional facts, though, and to that extent we have to have some hearings, an estimate of what it is going to cost the Government and to what extent this has to be followed with, some limit on it, and work out something in that way that would help. It would help, and that would be my attitude about it, the way I see it now.

Mr. STEVENS. There is a set-aside program for the contractors, but there is no assurance that those people will in fact hire from the area of the State where the persistent unemployment exists. I think it is a very difficult problem. I appreciate the Senator's comment.

As I said, if we had been able to answer the questions the Senator raised, and properly so, I would persist with the amendment. But I do not intend to do so today.

I thank the Senator.

Mr. STENNIS. I thank the Senator very much.

Mr. STEVENS. I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. STENNIS. Mr. President, so far as I know, except for one technical amendment which I hold in my hand, these are all the amendments.

UP AMENDMENT NO. 218

Mr. President, I offer on behalf of the committee a technical amendment to the bill. The amendment makes no substantive change in the funds to be authorized, but rather adjusts the figures printed in the bill to conform to the committee's action. The process of developing this bill involves many hundreds of separate programs and thousands of separate figures. One figure in the bill as printed does not conform to our action, and should be changed to reflect an arithmetical correction. It involves correcting the figure for Air Force aircraft on page 33 from $7,532,500,000 to $7,502,500,000, a difference of $30,000,000. But it really does not increase in any way the price, the cost of the matters that we passed.

Mr. TOWER. If the Senator will yield, I join him in offering that amendment.

Mr. STENNIS. I thank the Senator from Texas very much.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Mississippi (Mr. STENNIS) proposes unprinted amendment No. 218 of a technical nature.

On page 33, line 25, strike out "$7,532,500,000" and insert in lieu thereof "$7,502,500,000".

Mr. STENNIS. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. STENNIS. I move to reconsider the vote by which the amendment was agreed to.

Mr. TOWER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CANNON. Third reading.

UP AMENDMENT NO. 219

Mr. MATHIAS. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Maryland (Mr. MATHIAS) proposes unprinted amendment No. 219.

On page 46, line 2, strike out "76,400" and insert in lieu thereof "93,600."

Mr. MATHIAS. Mr. President, I ask unanimous consent that the distinguished Senator from New Mexico (Mr. DOMENICI) and the distinguished Senator from Connecticut (Mr. WEICKER) may be added as cosponsors to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Will the Senator yield to me for an announcement?

Mr. MATHIAS. I yield.

Mr. STENNIS. This pending matter is perhaps the last. We will have some remarks. The Senator from Nevada has been on the floor with some very valuable remarks.

I shall ask for the rollcall on final passage of the bill. I think we ought to have a rollcall vote.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. STENNIS. I do not move now. Let us hear the Senator first.

Mr. MATHIAS. Mr. President, this amendment will be familiar to Members of the Senate because it is, in essence, the same as the Dole amendment which was acted on earlier today with one exception. I am a little more conservative than the Senator from Kansas, and therefore I have suggested a somewhat lower authorization than that proposed in the Dole amendment, that instead of 95,300, which was proposed by the Senator from Kansas, I am proposing 93,600. That is not a magic figure, but it is a figure which the House of Representatives has already agreed to. I think it is the minimum point at which we should peg the Naval Reserve.

I must speak very frankly that I am colored in my views by my own experience of 30 years of both active naval service and reserve service. I know how valuable this can be. But I am not going to belabor the point, Mr. President, because obviously this is a decision which is going to be made in conference. The conference between the House of Representatives and the Senate, is going to resolve this.

I point out, however, that the three cosponsors of this amendment, who unfortunately were detained and not able to be present at the time of the consideration of the Dole amendment, added to those who voted for the Dole amendment would be a majority in the Senate. I hope the conference will take due notice thereof and govern themselves accordingly.

Mr. GOLDWATER. Mr. President, will the Senator yield to me?

Mr. MATHIAS. I am happy to yield to the distinguished Senator.

Mr. GOLDWATER. Mr. President, I had 37 years' experience in the Reserve, and during all that time we looked upon the Navy as having the best Reserves. I will have to say that in the last 10 years or so the Navy has not seemed to be able to find any programs to keep the Naval Reserve going. This might be due to the fact that we have foolishly cut flying time in all the services; it might be due to the low state of the Navy at the present time, in which the ships of the line are older than at any time in my life.

I believe the answer to the proper use of the Naval Reserve is going to rest right in the Pentagon with the top brass in the Navy, whom we have argued with on this subject year after year after year. We have not been able to say the Navy really has jobs at which to keep these men at work. I wish they did have.

We will continue to, as we used to say, to "gig the brass," or induce them, in the Air Force, to see if we cannot get something done.

Mr. MATHIAS. Let me say to the Senator from Arizona I share his views. This really goes back to a question of motivation. If the leadership is going to motivate the troops, I think we will find a training mission here of major importance and we will get back that kind of spirit which General GOLDWATER and Ensign MATHIAS once knew. But we are not going to get that motivation back if the Congress is undercutting the program and depreciating the program by cutting the authorization.

Incidentally, I am advised that the current Chief of Naval Operations is very much in favor of the Naval Research and of making greater use of it. I believe congressional action supporting the authorization would be strengthening the hand of the Chief of Naval Operations.

Mr. NUNN. Will the Senator yield for a brief comment?

Mr. MATHIAS. I yield.

Mr. NUNN. I do not know the view of the Chief of Naval Operations, but I do want to clarify one point. The committee's position does not cut the authorization. The committee position adds 24,400 people to the request of the Department of Defense and those people are in the high skilled and priority areas of the Naval Reserve.

I agree with everything Senator GOLDWATER has said about this subject. I would like to let the Senator from Kansas, the Senator from Maryland, the Senator from New Mexico, and others who are legitimately interested in a strong Naval Reserve, know that I will join with them in any kind of letter they would like to write to the Secretary of Defense or the Chief of Naval Operations, asking them to give the Naval Reserve a meaningful mission.

I do not think we have too many men in the Naval Reserve. I think we have too many men in units that do not have a mission and which are not being utilized in a war scenario. Maybe our opinions are not that far apart. I would be glad to join in any kind of effort.

The Committee on Armed Services and the Subcommittee on Personnel, for the last 3 or 4 years, have been urging this course of action on the Navy without success. I might say if the Chief of Naval Operations is really intent on making good use of the Naval Reserve, I am sure that by this time next year he will get the job done. He did not do the job in the last 12 months in utilizing the Naval Reserve. Maybe we will see a change in that.

Mr. MATHIAS. I believe the Senator from Georgia is absolutely right. There is nothing more useless than a reservist or anybody else just sitting around playing pinochle. If there is a training mission, the training mission should be accomplished. I would like to accept the Senator's offer and join with him to see what we can do about motivating the training mission of the Reserve.

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. DOMENICI. I want to thank the Senator from Maryland for offering the amendment. I am pleased to be a cosponsor.

I am not nearly as expert on the subject as my good friend from Georgia, and certainly not as expert as Senator GOLDWATER or the chairman. But it does seem to me that we are in somewhat of a chicken-and-the-egg situation. The turmoil has been rather rampant since about 1970 as to what the Congress expected and what the Navy expected.

I join in this amendment with the distinguished Senator because I believe we have a responsibility to recognize the potential in terms of the overall preparedness of our Naval Reserve, and to set at rest once and for all the turmoil that abounds. We should send a rather clear, adroit, and specific message that we expect them to come up with a mission; that we do not intend to be niggardly about how we support that; that we really think in terms of cost effectiveness this would be a superb approach by the Navy. It is in that context that I thank the Senator for offering it.

I thank the Senator from Georgia for his observations. I understand he has been for increasing the Naval Reserve. I understand his concern about the budget, and his concern about increasing personnel costs. It does appear to this Senator that this use of manpower and ultimate effectiveness in the event we have a problem in one part of the service, in particular the Navy, which can be extremely cost effective. I join with the Senator in an effort to lend my strength in a positive approach to the Navy with reference to the appropriate level and appropriate use of the Naval Reserve.

Mr. DOLE. Mr. President, will the Senator from Maryland yield?

Mr. MATHIAS. I yield.

Mr. DOLE. I commend the distinguished Senator from Maryland and the distinguished Senator from New Mexico. It does seem to me this should give the conferees added guidance and direction when they go to conference. The Senate figure, of course, will be 76,400 and the House figure will be 93,600, the same as the Mathias-Domenici-Weicker amendment. On the basis of the discussion, I think the case has been made to strengthen the hands of the conferees. Perhaps when there is a compromise, it will be on the upper side and not the lower side. I understand there may be some give and take in conference.

Mr. NUNN. If I may respond to the Senator from Kansas, I will say as one conferee—and I speak only for myself—I would be persuaded much more by the Chief of Naval Operations writing a letter stating that he does support an increase in the Reserve figure as proposed by the House and that he will give these additional men and women in the Naval Reserve a meaningful mission to be performed if we have any kind of military confrontation.

That mission is what our committee is looking for. We are looking for a justification for this expenditure. That is what we have not had in the past. That would be very persuasive to me as a conferee, but we have not received it yet.

Mr. DOLE. Perhaps we could help stimulate such a response. I appreciate the efforts of the Senator from Georgia and the distinguished Senator from Mississippi. I also appreciate the efforts of the Senator from Maryland.

Mr. MATHIAS. If I could respond to the Senator from Georgia for a moment, when he said he would be persuaded by a letter from the Chief of Naval Operations, I had sort of a sentimental flashback to a great compatriot of the Senator from Georgia, the great Carl Vinson. Every now and then he used to say things like that when we were serving in the other body together. He would want to get the right kind of testimony, direct, honest, and candid testimony, from the witness. He would begin the hearing by looking sternly at the witness and say, "Now, Admiral, take off your muzzle."

What we need to do is to get the admiral to take off his muzzle. Then I believe we will get the answer the Senator wants.

Mr. President, as I say, regardless of what the Senate would do on this amendment, this issue is going to be resolved in conference. Rather than go through the exercise of a rollcall vote—and I suspect if we did there will be prolonged debate before we reach that point—I withdraw the amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. STENNIS. I thank the Senator from Maryland.

Mr. President, may I ask the Senator from Georgia if he will agree now that we will put in that letter to the Chief of Naval Operations and that he will give this matter his personal attention? I just feel that we need someone in real authority to reach down, open it up, and take a real look. Some of these fine units that I happen to know about are being decimated on some kind of a priority basis which I cannot understand.

Mr. NUNN. I certainly agree with the chairman. I would say that, without success, our subcommittee has tried to get the Navy to address this issue seriously over the last 3 years. They cannot get together in the Department of Defense. They have people going in different directions.

Unless the Department of Defense and the Navy do get together in this matter, it simply does not make sense to keep on saying, "These are the people you are going to keep, no matter what the waste of taxpayers' money is," because they are not giving them a mission. These are good people, good men and women in these units. They have good units with a lot of potential. But it simply has to be justified on the basis of mission as far as our subcommittee is concerned. I believe the full committee shares that feeling.

REPORT OF THE TACTICAL AIR SUBCOMMITTEE ON THE FISCAL YEAR 1978 BUDGET PROGRAMS

Mr. CANNON. Mr. President, today I will give the recommendations of the Tactical Air Subcommittee on programs which we examined in the fiscal year 1978 budget request. Our subcommittee's review covers the tactical airplanes, the tactical missiles, including air-to-air,

air-to-surface, and surface-to-air, and supporting technical areas such as tactical electronic warfare, reconnaissance and signal intelligence, and radar warning programs. The total amount of funding requested that the Tactical Air Subcommittee reviewed was $10.3 billion, of which $2.6 billion is in research and development and $7.7 billion is in procurement. The $10.3 billion is roughly 30 percent of the total authorization request of $35.9 billion. When the total Defense budget is broken down into "mission areas," tactical air usually is allocated 29 to 30 percent of the total budget, so the scope of our coverage of research and development and procurement seems in line with that overall figure.

By specific category, the programs that our subcommittee reviews include the tactical combat aircraft, that is, the air-to-air fighters and also light attack dive bombers and heavy attack all-weather airplanes. These fighters are the F-14 and F-18 for the Navy, the F-15 and F-16 for the Air Force, and of course the venerable F-4 Phantom which still is the inventory workhorse for the services and takes a significant share of modifications funding, although it no longer is being procured new.

The light attack planes include the A-7E for the Navy, AV-8B advanced Harrier in research and development for the Marines, and the A-10 for the Air Force. The F-16 also will be used for the light attack role, doing daylight dive bombing and close air support for the Air Force, and the A-18 version of the F-18 will be replacing the Navy's A-7E in the 1980's and it too will be used for that mission. The F-111 is the Air Force's all-weather attack bomber, and the A-6E is the Navy's plane in that category. The F-111 no longer is in production, and shutting off that line last year is going to prove to have been a mistake, in my opinion. The A-6E still is being built at a 12-a-year minimum sustaining rate, and it probably will continue well out into the 1980's. I will have more to say on this later.

We also review the combat support aircraft, that is, the reconnaissance, electronic jammers, radar warning, tankers, and airlift airplanes. The first three we examine in detail while the tankers and airlift are looked at by us only from a general force structuring viewpoint and are reviewed in detail by the General Procurement Subcommittee. The reconnaissance planes include Air Force RF-4C's, Marine Corps RF-4B's and the Navy's F-14 reconnaissance pod program. Electronic jamming planes are the EA-6B used by the Navy and Marines and the Air Force EF-111, a modified F-111A. The radar warning planes are the Navy E-2C and Air Force E-3A AWACS. The Navy tanker plane is the KA-6D, a modified A-6 attack bomber, the Marines use the KC-130, and of course the Air Force uses SAC's KC-135's and Air Guard KC-97's to give tanker support to its tactical fighter forces.

We also review the Army combat attack helicopters, the AH-IS Cobra/TOW and Advanced Attack Helicopter—AAH—the Hellfire missile being developed for the AAH, and this year included the Army Scout helicopters in our program.

In the surface-to-air missile SAM category, our subcommittee covers Army and Marine Corps air defense SAM's, except that on the Roland and Patriot projects the Research and Development Subcommittee gives the detailed program reviews. The Army antiaircraft guns and also Navy shipboard SAM's and close-in-defense machineguns also are in our subcommittee.

Overall, as I said before, these programs take about 30 percent of the funding in the authorization bill.

SUBCOMMITTEE SCHEDULE

We followed the same basic schedule and format as in prior years, one which happens to coincide very nicely with our new congressional budget cycle timetable. Staff reviews of the budget in February precede the start of our hearings in early March. This year we held our reviews in 12 successive working days, starting March 1st and ending on March 16, 11 hearings being on the budget request and one on the Enforcer airplane.

The first hearing was our annual threat review from the Defense Intelligence Agency, where we received an update on the order of battle of the Soviet and Warshaw Pact tactical air force, their equipment modernization program, and their new weapons R. & D. programs. Special briefing topics of interest this year included the Foxbat exploitation in Japan and the shakedown cruise of the *Kiev* carrier, from the Black Sea through the Mediterranean to the White Sea, which took place in July and August 1976.

The security classification of the DIA hearing is such that the transcript is not published. As an overall summary of what we heard, the Soviets are modernizing their tactical aircraft forces at a very rapid rate by bringing in their Mig-23 Flogger airplanes in both air-to-air fighter and air-to-ground attack versions, they are introducing SU-19 Fencer all-weather bombers at a more modest rate, are building more Foxbat high altitude reconnaissance airplanes and also swing-wing Fitter C ground attack planes. Both their air-to-air capability and ground attack/deep interdiction capability are being improved dramatically with these new generation aircraft, and our need for more capable air defenses, of both counter-air and SAM types, will continue to grow as this modernization program continues.

SCOPE OF PROGRAM REVIEWS

When the subcommittee reviews the individual items in the authorization bill, we try to perform each review within the broader context of looking at the service's force structure plan, both current status and then near-term and extended-term planning, to see how each project fits into both current and future needs. During our review we also try to keep track of similar programs in other services, to look for areas where possible savings might accrue from combining weapons systems requirements into joint programs. This year 4 of our 11 budget hearings were joint service reviews, including the topics of air-to-air missiles; air-to-ground ordnance; electronic warfare programs; and finally joint battlefield reconnaissance/intelligence, close air support, and defense suppression.

Within that broader framework, we held detailed program reviews on the budget requests for 35 major programs, plus review of a large number of other lower level R. & D. projects.

SERVICE FORCE STRUCTURES

The Air Force is not changing greatly in its buildup toward 26 wings although an increase in squadron UE from 1656 to 1680, or the increase of 1 squadron, will occur during the coming year. Primary changes during fiscal year 1978 are to complete a second wing of F-15's, to be based at Bitburg in Germany, and to start the third wing which will be based at Holloman in New Mexico. Also A-10's will be phasing in at Myrtle Beach in the second wing. The procurement program in the fiscal year 1978 budget supports F-15's, A-10's, and the first 105 F-16's, all of which will be delivered in the 1979-80 time period. This will cause F-4's and A-7D's to phase out of the active force and into the Air National Guard, allowing the Guard's modernization to continue as F-100's, A-37's, and other older airplanes are retired.

One point brought into focus in our force structure review was the potential for a lack of tactical fighter production programs in the 1980's. Under the present longer term planning, as revealed to the subcommittee during the hearings, the F-15 and A-10 production lines would stop after the fiscal year 1981 airplanes are delivered, and the F-16 would be the only tactical combat plane in production for the Air Force in the mid-1980's. This does not seem like a desirable situation, and I believe that the longer term plans should be structured to avoid this. Also there will be no replacement for the F-111 until the late 1980's, another undesirable situation.

The Navy's aircraft budget continues the modernization of their carrier air wings, based on a 12-carrier force structure, with F-14's, A-6E's, EA-6B's, and E-2C's being the primary budget requests. Our hearings this year revealed that the Navy planning is that they will not start any new airplane programs into R. & D., except V/STOL projects, out through the 1980's. The ongoing AV-8B improved Harrier and F-18 fighter/attack airplanes would be the only two new production programs starting in the early 1980's, and all other Navy procurement will be essentially attrition replacement buys of A-6E's, EA-6B's, F-14's, and E-2C's in the mid to late 1980 time period. This planning projects a rather slim market for the airplane industry in that time period.

Our hearing on the V/STOL program showed that the Navy plans to start a major program in fiscal year 1978 to develop a 'type A" V/STOL airplane, which is their designation for a subsonic cruise efficient type of design. This potentially could perform missions such as ASW—presently done by the S-3—airborne radar warning—E-2C—airlift—COD—tanker—KA-6D—and Marine Corps troop lift—CH-47. Preliminary studies indicate a plane in the 50,000 pounds weight/size category will be re-

quired, which is bigger than the S–3 and E–2C. 1OC is indicated in the 1988–90 time period. A combat V/STOL plane, called type B, is indicated as starting major development in 1980 and having a 1955 era 1OC.

V/STOL NO PANACEA

Mr. President, there is a lot of discussion going on about V/STOL as the future course for naval aviation, and I feel compelled to repeat my warning of a year ago that V/STOL designs inherently are less efficient but more expensive air vehicles than conventional airplanes, due to their high thrust-to-weight ratios, high wing loading and complex control systems. While the Navy states that it is in the process of doing total force effectiveness analyses of V/STOL, until these studies of total fleet effectiveness are done and until successful experimental prototypes are completed, I believe that we should take a position of caution regarding this move toward V/STOL. The extremely poor results to date with the thrust augmented wing prototype program, an ongoing V/STOL prototype effort, should serve to remind us of the many past failures with V/STOL prototypes and urge us to be cautious as we look to the future.

ARMY RESTRUCTURING

The Army's planning for its combat aviation has undergone a significant reassessment during the last year, with the result that a major decrease in aviation support structure will be made in order to provide an increase in the number of attack helicopter companies without increasing total manpower. The Army will recommend buying more advanced attack helicopters in the 1980's and also converting the remainder of the Cobras to the Cobra/TOW version in order to gain these added assets to increase its tooth-to-tail ratio.

Army air defense has not changed significantly since last year, although this budget request does contain a request to start a modern antiaircraft gun prototype program which potentially could result in a gun and/or ammunition common with our NATO allies in the 35 millimeter or 40 millimeter category.

MAJOR SUBCOMMITTEE RECOMMENDATIONS

Mr. President, the major recommendations for changes to the amended budget were as follows:

First. Navy aircraft; reduction of the F–14 request from 44 to 36 airplanes, reduction of F–14 advance procurement funds for fiscal year 1979 from 60 to 36 F–14's; addition of 12 A–7E's, up from the amended request calling for no A–7E procurement, and addition of advance procurement funds for 12 A–7E's in fiscal year 1979.

Second. Army aircraft; restoration of $75 million of the $100 million reduction in the budget amendment to the Army's Advanced Attack Helicoper R. & D. request; deletion of $18.3 million in R. & D. to start an interim scout helicopter, and application of the $18.3 million to start a more capable Advanced Scout Helicopter.

Third. Army missiles; restoration of $35.3 million, deleted in the budget amendment, to increase the operational readiness of the Improved Hawk SAM system; restoration of $8.3 million of the $50 million amendment reduction in the Stinger missile to provide 187 more missiles plus ground support equipment.

Fourth. Air-to-air missiles; deletion of $5.9 million requested to start a new missile to be the follow-on to the AIM–9L Sidewinder; deletion of the $23.6 million requested to start the follow-on to the advanced monopulse version of the Sparrow radar-guided missile.

More detailed comments follow on the reasons for these recommendations.

NAVY COMBAT AIRCRAFT

During the budget review cycle in calendar 1976, formulating the present fiscal year 1978 budget program that we are considering in this bill, the Office of the Secretary of Defense—OSD—made a major revision to the 5-year planning for Navy combat aircraft procurement. During that cycle, belated recognition was given by OSD to the need to continue A–6E production for the Navy and a 3-year procurement program was added in fiscal year 1978, 1979, and 1980. The Congress was instrumental in achieving this accomplishment by our addition of six A–6E's in fiscal year 1977 when none had been requested in the budget. The other major change by OSD last year was to accelerate the planned production rate of the F–14 and at the same time stop production of the A–7E light attack plane, over the objections of the Navy.

Apparently there were two reasons for this change. First was the change of the planned Navy interim reconnaissance plane, shifting from the A–7E to the F–14 as the aircraft to carry the planned camera pod to provide a reconnaissance capability when the RA–5Cs now in the inventory are retired at the end of this decade. In prior years our subcommittee had been criticizing the intended use of the A–7E for this reconnaissance role because it is too slow for that mission. The reconnaissance inventory requires about 45 to 50 planes, so there was a need for more F–14's and less A–7E's due to this shift. Despite this decrease, however, the Navy does have a valid and demonstrable requirement for procurement of 36 A–7E's to maintain its light attack force at 24 squadrons of A–7E's until the A–18 begins to replace it in the 1983 time period.

The second reason for increasing the F–14 production rate was to buy an "advanced attrition" quantity of airplanes at a faster but more economical production rate, and then to stop building F–14's after the fiscal year 1981 procurement. This increase, from 36 a year last year up to a 60 a year rate in fiscal year 1979, 1980, 1981, would have the effect of reducing the unit cost several million dollars per airplane. Buying any airplane, tank, or other item of equipment at high rate always will cut the unit cost. The unit "savings" may be illusory, however, if the total cost makes the item unaffordable. In the case of the F–14, buying at 60 a year costs $1.2 billion a year, a very difficult financial burden for the limited Naval Aviation budget.

Another planning factor brought out during our review is that the F–14's replacement now is presumed to be a high performance V/STOL airplane, called a type B by the Navy, and it will not be ready for production until perhaps 1995. There is a long R. & D. cycle which must be accomplished before this type B V/STOL is ready, and at the present time it is not within the state of the art of our aircraft technology. Closing the F–14 line in fiscal year 1981 does not make commonsense if there would be a 10 to 15 year gap until the follow-on plane is available.

Finally, as we were considering these various factors brought out in our review of the fiscal year 1978 budget plan, we began to hear stories of internal Navy budgeting studies showing severe financial shortages while starting the preparation of the fiscal year 1979 budget cycle. These funding problems, aggravated by the F–14 requirement for $1.2 billion next year, were causing some within the Navy to consider cancellation of the F–18 program in order to provide the funds for the F–14. This would be a foolish long-term solution to a near-term problem, since the F–18 is an absolutely vital part of the Navy and Marine Corps fighter/attack program of the 1980's.

In summary, when the subcommittee reviewed the total Navy combat aircraft procurement planning, we saw three problems with it: The need for continued A–7E procurement, a longer term need for continuing F–14 production out into the 1980's, and the near-term funding problems caused by the accelerated F–14 production program. The solution that seemed to be most reasonable was to reject the proposed acceleration of the F–14 production rate and insist instead on an evenly balanced Navy aircraft procurement program. For these reasons we have recommended limiting F–14 production to not more than 36 a year but planning on extending the production line out into the 1980's.

ARMY AIRCRAFT

The Army combat aircraft programs that the subcommittee examines include the attack helicopters and their associated missile and gun systems, and this year we added the Army scout helicopters.

The budget amendment reduced the R. & D. request on the advanced attack helicopter from $200 million to $100 million. The stated rationale for the reduction was the issue of attack helicopter survivability on the modern battlefield, with the new administration taking the position that this question needed further review and therefore the AAH development should be slowed down. In our hearing it was brought out that the $100 million reduction would stretch out the development program on the AAH an additional 10 months, even if full funding was restored next year and in subsequent years, and the stretched out program would cause an increase in the R. & D. cost of $115 million.

The committee does not believe that there is a valid basis for slowing the AAH program, and indeed if the new administration desired to slow spending on

attack helicopters it would have been more logical to reduce production funding for the AH-IS Cobra/TOW in this year's budget, since the Cobra is a much less capable attack helicopter than the AAH. But we have been following the Army's attack helicopter programs since our hearings on close air support in 1971, and even prior to that time, and the committee supports the Army's position that the attack helicopter survivability question has been resolved and these programs all should move forward.

The AAH will provide a quantum increase in capability over the Cobra when it enters the inventory in the early 1980's. A god analogy might be to say that the AAH is to the Cobra as the F-15 is to the F-4, that is, there is just no comparison between them. The AAH has so much more performance and agility and also for the first time for a helicopter will have the ability to fight at night and in adverse weather. These improvements in capability must be brought along without further delay.

In discussing the budget program with the Army, they already have slowed the current year development program due to the proposed fiscal year 1978 reduction and believe that they can not efficiently use more than $175 million in fiscal year 1978, so we only restored $75 million of the $100 million reduction. Nevertheless we recommend that the AAH be fully supported in subsequent years and be brought back to the original schedule if possible.

On the request for an interim scout helicopter, the Army would have added a laser designator system to the old Huey troop-lift helicopter to provide an "interim" capability to complement the AAH. This scout role for the Huey would result in a large, not very agile, day-only scout; in other words one that would not be a very impressive adjunct to the AAH. It also would be an expensive program, with an investment cost of nearly $300 million. We believe that those funds should be applied to the development of the advanced scout helicopter—ASH—one that the Army has tried to start for the last several years. The ASH will be small, have AAH performance and agility, the same night and adverse weather capability, and will be a true battlefield partner to the AAH. Therefore we reallocated the interim scout funds to start the ASH program.

ARMY MISSILES

In reviewing the amended budget, the subcommittee felt that the proposed reduction of $35.3 million from the Improved Hawk was a mistake. The Army would use those funds to convert Basic Hawk ground launcher batteries to the Improved Hawk configuration to act as a "maintenance float", that is, a set of spare equipments that would provide replacements for operations batteries when they need maintenance and depot overhaul. The Improved Hawk system has had readiness problems, not because of the missile which is a modern solid state design, but because the ground equipment is vacuum tube era technology which is only partly modernized when it is converted to the Improved Hawk configuration. Since this missile system is the Army's primary SAM system and is the mainstay of Army air defenses. it is urgent that it be fully supported and we restored the funds.

For the Stinger shoulder-launched small SAM missile, we recommended a partial restoration of the amendment reduction. The original budget request was for $84.0 million for 890 Stinger missiles, with production to be split between two producers. Since this is the first year of production, it seems premature to establish a second source to build the missile until the company that developed the missile has a chance to work the "bugs" out of the production line. Therefore we agreed with the amendment position that only one company should build Stinger this year, but we did add back funds for ground support equipment, primarily training aids, and also to buy more missiles; that is, half of the 890 originally requested.

AIR-TO-AIR MISSILES

Mr. President, as a lead-in to the discussion on air-to-air missiles, I would like to quote from the committee's report:

AIR-TO-AIR MISSILES

CURRENT BUDGET PROGRAM

The Air Force, Navy, and Marine Corps fighter aircraft currently operate with three types of air-to-air missiles; the short range dogfight Sidewinder heat-seeking missile; the medium range all-weather Sparrow radar-guided missile: and the long range Phoenix interceptor missile (presently used only on the Navy F-14). The "Sea Sparrow" also is used as a surface-to-air missile on Navy ships, and a variant of the Sidewinder is used as a SAM missile by the Army.

The committee recommends approval of the procurement requests for Sidewinder, Sparrow, and Phoenix.

Research and development requests for fiscal year 1978 for air-to-air missiles include $5.9 million for improvements to the AIM-9L Sidewinder plus $5.9 million for a new dogfight missile to replace the Sidewinder; $18.9 million for an Advanced Monopulse Seeker for the Sparrow, $6.4 million for the NATO Sea Sparrow, plus $23.6 million for a new Advanced Medium Range Air-to-Air Missile (AMRAAM) to replace the Sparrow; $7.1 million for Phoenix improvements; and $3.9 million for studies of a Shipboard Intermediate Range Combat System (SIRCS) program for the Navy which would include a new missile to replace the Sea Sparrow. There also is general supporting technology effort for an Advanced Intercept Missile (AIM), which would replace the Phoenix and which could be used by both the Air Force and Navy, although no specific program has been started yet. In summary, there are product improvement efforts on the existing missiles and also funding on replacement programs for all of the existing missiles.

COMMITTEE CONSIDERATIONS

The committee believes that the status of the present air-to-air missile program is quite encouraging.

The Sidewinder-9L is proving in operational tests to be a superior weapons system. Both the Air Force and Navy are procuring this missile in common after years of using different versions of the basic Sidewinder.

The Sparrow missile has known and much-publicized operational shortcomings in its present-7F seeker, but competitive prototype tests of the new monopulse seeker have been extremely favorable. The monopulse Sparrow promises to be a superior missile for the 1980s time period. Both the Air Force and Navy will use the monopulse Sparrow, which will retain commonality in their medium range inventory.

The Phoenix has been extremely successful in operational trials to date and the improvement program should make it better.

COMMITTEE RECOMMENDATIONS

The committee is concerned that the proposed new development programs could lead to a proliferation of different missile types in the 1980s, as contrasted to present use of 3 basic designs. Proliferation of air-to-ground weapons has been a problem in the past and potentially it could occur with air-to-air missiles.

The committee recommends that careful analyses of presently on-going operational tests on dogfight missiles (called AIMVAL/ACEVAL) be completed to determine if any new program is warranted or if the -9L should be further improved. The committee deleted the $5.9 million requested for a new program as being premature, and further insists that any new dogfight missile be used in common by both the Air Force and Navy and be jointly funded.

The committee believes that the request to start AMRAAM prototypes this year also is premature and deleted the $23.6 million requested. The implied requirements for 2 new missiles to replace the Sparrow (AMRAAM and SIRCS) should be re-evaluated during the coming year, as should the possibility of combining the AIM Intercept Missile into the Sparrow replacement. There is $5.0 million carryover available from fiscal year 1977 in the AMRAAM account that can be used for this purpose, as well as the SIRCS funds approved by the committee.

The committee also recommends that the Department of Defense reevaluate the use of the present -9L Sidewinder fuse to see if lower cost fuses such as the Army's DIDO might not be more cost-effective.

Mr. President, I cannot emphasize too highly the need for interservice commonality and the importance of preventing duplication and proliferation in the air-to-air missile program. The House and Senate Armed Services Committees have had to take the lead in controlling air-to-air missile R. & D. in the last few years, primarily I believe because of the failure within D.D.R. & E. to coordinate the programs emerging from the services. Congress has cancelled the Air Force Claw and Navy Agile, which would have been single service replacements for the Sidewinder. Congress cancelled the lightweight radar missile, which would have been a duplication of Sparrow capability. Now again this year we are asking for a re-evaluation of the AMRAAM, SIRCS, and AIM missiles to see if these three programs cannot be combined into two or possibly one new missile for the mid 1980's. If we can combine the programs it will save a large R. & D. cost, will result in higher volume production of one—or two—designs and therefore unit savings, and will cut down on the costs of depot-level support and the overall logistics train needed for each individual system.

While we have recommended applying $5 million of carryover funding from the AMRAAM and the $3.9 million requested for SIRCS to further the industry studies during fiscal year 1978, I personally would be prepared to support reprogram-

ing of more funds to these projects during the year if it is needed to resolve the issue in a timely manner.

While commenting on the general subject of commonality between the services and the need to prevent proliferation, I would observe that proposals to use the British Skyflash missile in a limited inventory buy for the Air Force or Navy would go directly against this principle. The Skyflash is a monopulse version of the AIM–7E Sparrow which is being developed by the United Kingdom and is looking very promising during its R. & D. firing trials taking place at the Navy test range at Point Mugu, Calif. The United States monopulse Sparrow is being developed on the AIM–7F Sparrow airframe, which has a more powerful rocket motor and larger warhead than the 7E Sparrow. It thus has more range and killing power and overall is somewhat more advanced technically than Skyflash. But its primary attribute is that the U.S. Advanced Monopulse will be interoperable on all Air Force and Navy fighters that fire Sparrow, whereas Skyflash would not be useable on the F–15. Therefore the committee urges that the development of the U.S. monopulse Sparrow be expedited as much as is possible under an orderly R. & D. program, as that program will provide missile commonality.

Mr. President, this concludes my remarks on the Tactical Air Subcommittee's review of the fiscal year 1978 budget programs.

THE F–18 PROGRAM

Mr. President, I would like to address some further remarks to the F–18 program and state why I believe it is vital to Naval Aviation in the 1980's. First lets consider its role in the Navy and Marine Corps.

For the Navy, the F–18 will be replacing the A–7E light attack dive bombers and will be known as the A–18, although the difference from the F–18 is only in changing a few radios and pilot cockpit display scopes. The Navy inventory requirement is for 2 12-plane squadrons per carrier, or 24 squadrons in all for a 12-carrier Navy. The A–18 will have the same outstanding bombing capability as the A–7E, will have almost the same range and payload, but most importantly the F–18 will have the performance needed to survive in the fighter and SAM missile environment of the future.

The F–18 has the same kind of airplane performance as the Air Force's F–15 and F–16, and the Navy needs this kind of capability in its combat airplanes. The A–7E can not be upgraded to achieve the high acceleration and tight turn performance of these new generation airplanes, and the Navy should not ask its attack pilots to go into combat with lesser capability when the F–18 is available in the early 1980's. Thus Navy combat airplanes in the 1980's and early 1990's will be the F–14 fighter, A–18 attack plane, and A–6E heavy all-weather bomber, with both the F–14 and F–18 being modern era aircraft.

The Marines plan to replace their 12 squadrons of F–4 fighters with the F–18 starting in 1982. Here again, the F–4 is obsolescent and not up to surviving in the modern threat environment, and the Marines also need the excellent ground attack capability that the F–18 will give them. The Marine aviation force structure in the 1980's and early 1990's will be composed of F–18 fighters, AV–8B advanced Harrier V/STOL light attack bombers, and A–6E all-weather attack bombers. Both the F–18 and AV–8B are advanced designs now in R. & D., so the A–6E will be the only "old" plane in their inventory.

PILOT COMMENTS ON F–18

Mr. President, in our hearing this year we called a veteran Navy fighter pilot who has flown the F–17, prototype of the F–18, to testify about the plane's performance. This Navy lieutenant commander runs the Navy's dogfight training school at NAS Mirimar in California and has flown the F–4, A–7E and F–14 so he not only is a highly qualified fighter pilot, but he is in a position to make valid comparisons between these planes. He stated that the F–18 will defeat the F–4 and the F–14 in a dogfight "hands-down". He also said in no uncertain terms that the F–18 is needed to replace the A–7E for the attack role.

Mr. President, I ask unanimous consent that the transscript of his testimony and also a copy of the pilot's report be included int he record at the conclusion of my remarks. I think it makes colorful and very informative reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

NO GOOD ALTERNATIVES TO THE F–18

Mr. CANNON. As I said in my earlier remarks on the budget recommendations of the Tactical Air Subcommittee, the current financial problem the Navy has in preparing the fiscal year 1979 budget are causing some within the Navy to consider canceling the F–18 program. The primary cause of the financial squeeze is the $1.2 billion cost of the F–14 next year, which is why the committee recommended holding F–14 production at no more than 36 a year. But let us examine the alternatives if the F–18 was terminated.

For the Navy's light attack inventory, the only two reasonable possibilities are a reengined A–7E or the AV–8B Harrier. Neither of these should be very attractive. A reengined A–7 still will have only a small performance improvement over the basic A–7E in lieu of the quantum improvement provided in the F–18. The AV–8B V/STOL would be a step backwards, as that plane is no better in range and payload than the A–4M. The reason the Navy abandoned A–4's in the early 1960's to develop the A–7 was because the A–4 had inadequate range for the carrier-based attack mission.

As for the Marines, if the F–18 is not available the Marine's will have to stay in F–4's until they are attrited out in the late 1980's, and then they would have to go to the F–14 as the only available fighter until V/STOL designs come along in the 1990's. Since the Marines have already rejected the F–14 as being too big, expensive, and hard to maintain, that plane does not seem like a reasonable alternative to the F–18.

SUMMARY

Mr. President, it is for the reasons discussed above that I believe the F–18 is vital to the future of Navy and Marine aviation in the 1980's and 1990's. The alternatives are simply bad alternatives.

If funding is the basic problem, then the solution that the committee proposes seems most reasonable. The Navy needs both F–14's and F–18's. It already has over 300 F–14's ordered, so if procurement of one or the other must be slowed, the F–14 should be the one, in order that the total force can be balanced.

Mr. President, that concludes my remarks.

EXHIBIT 1

FLIGHT TESTS ON F–18 PROTOTYPE

Mr. CROMWELL. Is Lt. Comdr. Monroe Smith here?

Commander SMITH. Yes, sir.

Mr. CROMWELL. Would you come up, please. Would you identify for the RECORD and say what your present job is in the Navy?

Commander SMITH. I am Lt. Comdr. Monroe Smith, commanding officer of the Navy Fighter Weapons School at NAS Miramar, Calif.

Mr. CROMWELL. Did you fly the Northrop YF–17 prototype?

Commander SMITH. I flew it the first week of March for 2 days; the first and second of March.

Mr. CROMWELL. How many flight hours did you have?

Commander SMITH. I had a total of six flights totaling 4.7 hours flight time.

Mr. CROMWELL. What was your impression of that airplane as a potential fighter?

Commander SMITH. I was very much impressed with the airplane because of its high thrust-to-weight ratio and its high maneuverability. Every fighter pilot wants more thrust and will accept the penalties of less gas; but that is speaking from a personal point of view. The Navy has always had to accept an airplane that was a little underpowered relative to thrust/weight because of the increased weight requirements associated with landing aboard ship. We have always paid a price for carrier suitability in terms of thrust to weight in our fighters.

Mr. CROMWELL. How did the performance of the prototype compare with the other Navy fighters that you have flown, or any other fighters?

Commander SMITH. Sir, I have flown everything from the F–86H to the F–14. In the Navy Fighter Weapons School we fly A–4 Echoes—we have the F–5E's and of course the T–38. I have flown the F–14 for more than 500 hours and I have over 100 carrier landings in that airplane.

Mr. CROMWELL. Have you ever flown the F–4?

Commander SMITH. I have over 2,000 hours in the F–4 both as a pilot and as a naval flight officer. I have over 300 carrier landings in the F–4.

Mr. CROMWELL. If you had to fly the F–18 against the F–4 how would they do against each other?

Commander SMITH. There is no real comparison to be made here. If you are talking about a day visual engagement, as I saw the YF–17, it is superior to any tactical fighter we have in the Naval inventory. If you are talking about a day visual air-combat engagement; commencing from a head-on pass at 15,000 feet, 400 knots—or you pick the initial conditions—in a one versus one sterile environment, the YF–17 will be superior every single time.

Mr. CROMWELL. Would it beat the slatted F–4?

Commander SMITH. Yes, sir.

Mr. CROMWELL. How about the F–14?

Commander SMITH. It will beat the F–14.

Mr. CROMWELL. Hands down?

Commander SMITH. In my opinion; yes, sir.

Mr. CROMWELL. What was the overall purpose of your flight evaluation?

Commander SMITH. Well, sir, I am commanding officer of Navy Fighter Weapons School and we have no charter to evaluate new hardware or equipment. We instruct postgraduate level tactics in fleet fighters. However, my background is such that I have enjoyed a tour in air test and evaluation squadron 4 and was the F-14 project officer from 1971 through 1973. I do understand operational evaluation and I flew these flights to assess the tactical applicability of the YF-17 as it existed in the prototype in the day VFR environment. I felt that I could give my opinion on flying qualities and performance as a graduate level fighter tactics instructor but not as a test pilot. I am not a designated test pilot.

Mr. CROMWELL. Did you write a report on your flights?

Commander SMITH. Yes, sir. I did write a report. It was in the form of a letter from my Command to the commander, Fighter Airborne Early Warning Wing Pacific.

Mr. CROMWELL. No copies?

Commander SMITH. No copies.

Mr. CROMWELL. Would you give us a summary, a verbal summary?

Commander SMITH. Yes, sir, it laid out the statistics of the flights. They were flown on the first and second of March. Two flights were flown out of Miramar and four flights out of Yuma, Ariz. Two flights took place over water in a warning area utilizing my F-5E aircraft as chase, target, and adversary. The four flights in Yuma took place on the air-combat maneuvering range and utilized two F-5E's versus me in the YF-17. I pitted myself against my own expert tactics instructors in F-5E's for four flights. Basically those four flights were "no holds barred, the sky is the limit, and call it like you see it."

Mr. CROMWELL. Did you win?

Commander SMITH. Quite frankly, I got shot every single time. And this is nothing more than what we have seen everytime we heavily engage in a turning dogfight given a multitarget environment against small airplanes that you can't maintain sight of. As long as I attempted to keep both aircraft in sight I could control the fight very easily. When I decided to go in for a gun attack on one fighter, that left the other airplane free to maneuver to my "blind side" for an attack. During the last flight it took 4 minutes for this to happen. During that extended engagement I fired a number of high angle gun shots prior to being shot myself with a simulated missile. But we are talking now of tactics and not aircraft performance. My job was to assess every aspect of the airplane in simulated combat which, by design and intent, placed it in an environment where it couldn't survive.

Mr. CROMWELL. Right. Have you flown the A-7E?

Commander SMITH. Yes, sir; I have flown over 50 hours in the A-7E and I have had some number of practice bombing missions with the airplane.

Mr. CROMWELL. How do you assess the performance, the advantages of the A-18 as shown in the prototype over the A-7E? What performance advantages would it have and how do you feel they would be useful tactically?

Commander SMITH. The A-7E is a very effective bomber. No one doubts that. However, it is underpowered in my opinion. The YF-17 with the extremely high thrust to weight ratio that it enjoys—of course I am talking about in the fighter version and I am not sure what the thrust to weight is in the attack version—I would have to get that from Captain Lenox and performance assessment would only be conjecture on my part.

Captain LENOX. It is the same.

Commander SMITH. He says it is the same. However, the A-7, once it is loaded with bombs can barely maintain [deleted] knots indicated airspeed at 15,000 feet. It certainly can't execute defensive maneuvers without jettisoning it's external stores. We fly against the A-7s, seven times a year at the Navy Fighter Weapons School. Once the A-7E comes under attack by the F-5E, it cannot get away. We kill him every single time. The F-5E is a very close simulator to the MIG 21. If a MIG-21 jumps an A-7 with intent to shoot him, the A-7 driver is going to get it! It is that simple. This is due in part to the fact that the A-7 is a subsonic airplane. The YF-17, of course, could jettison ordnance and go supersonic among other things. Also the A-7, once forced to execute a high G break against a SAM, or whatever—a missile break to defeat an air-to-air missile—will quickly lose altitude and/or air speed. Without thrust to weight you cannot maintain air speed and altitude so you either have to jettison bombs in my opinion, or you have to be shot or you have to go down to a very low altitude and hope you are no longer under attack. In any case, it is my opinion that high thrust to weight is needed in the attack airplane, not just to go supersonic but to ingress and egress from a target with high speed, good maneuverability, and hopefully, increased survivability. I do believe this increases survivability as well as combat effectiveness.

Mr. CROMWELL. Thank you very much, Commander.

NAVY FIGHTER WEAPONS SCHOOL,
NAVAL AIR STATION MIRAMAR,
San Diego, Calif., March 11, 1977.

From: Commanding Officer, Navy Fighter Weapons School.

To: Commander Fighter Airborne Early Warning Wing, U.S. Pacific Fleet.

Subj: YF-17A Tail Nr. 10569 (F-18 Prototype) Flight Report.

Ref: (a) COMNAVAIRSYSCOM 152030Z Feb. 77.

1. Background. Reference (a) authorized YF-17A prototype familiarization flights for the Commanding Officer, Navy Fighter Weapons School during the week of 28 FEB-4 MAR 1977. Intent was to provide exposure of the aircraft to NAS Miramar aircrews and to allow an early, subjective evaluation of the prototype in simulated Air Combat Maneuvering (ACM). NFWS has no charter to technically or operationally evaluate new aircraft or equipment. The CO of NFWS previously conducted a seven flight Initial Operation Test and Evaluation (IOT&E) of the F-14A in SEP/OCT 1972 and a six flight IOT&E of the Navy's slatted F-4J in DEC 1972 when assigned as a project officer at VX-4. The purpose of this letter is to document pilot preparation prior to flight, the statistics and narrative of these flights, and to submit pilot opinion of the flying qualities and performance of the YF-17A prototype.

2. Preflight preparation:

a. MACAIR. One and one-half days were spent at MACAIR/St. Louis, Tues., 22 through Thurs., 24 FEB 77, with intensive F-18 production airplane briefings being given. Contractor specifications of performance, maintainability and reliability were presented. Approximately 2 hours were spent in the F-18 flight simulator analyzing cockpit systems and weapons systems, and weapons systems/pilot interface functions. Additionally, the actual cockpit mock-up was made available for review and critique. The purpose of this trip was to provide information necessary to draw parallels (Opinions/conclusions) between actual YF-17A prototype and proposed F-18 production airplane performance. Briefings were pilot oriented, but still touched on all critical design and production issues.

b. NORTHROP. Fri, 25 FEB was spent at NORTHROP/Hawthorne with a quick trip to Palmdale for actual YF-17A cockpit check out and airplane preflight. This day was necessarily dedicated to design concepts as incorporated into the YF-17A, aircraft subsystems, and emergency procedures. Briefings were thorough, interesting and not overwhelming.

3. YF-17A Delivery to Miramar. The YF-17A was flown from Palmdale to Miramar by Mr. Hank Chouteau, Northrop Test Pilot, Monday, 28 Feb. at 1630. An P-5E was "scrambled" for intercept/escort into the Miramar traffic pattern since the YF-17A had no TACAN and the pilot was unfamiliar with Miramar course rules. A low altitude fly-by was conducted prior to landing.

4. Flight Statistics:

Flight, date, duration, area, and mission:

1, 1 Mar. 77, 60 min., P-1 (W-291), FAM.

2, 1 Mar. 77, 50 min., P-2 (W-291), PERF COMP F-14/F-5.

3, 2 Mar. 77, 55 min., R-2507, X-C TO YUMA/1 VS 2.

4, 2 Mar. 77, 55 min., ACMR, 1 VS 2.

5, 2 Mar. 77, 30 min., ACMR, 1 VS 2/PERF COMP F-14.

6, 2 Mar. 77, 35 min., ACMR, 1 VS 2.

(Six flights in 2 days totaling 4.7 hours.)

5. Narrative of Each Flight:

a. FLIGHT No. 1. FAM; chased by NORTHROP Test Pilot, Mr. Hank Chouteau in NFWS F-5E. Additional F-5E with NFWS instructor, LT TAYLOR, provided performance comparison. VF-126 TA-4, pilot, LT BORICH flying NORTHROP photographer, Mr. Ed Reiley also accompanied the flight. Typical FAM maneuvers were performed including slow flight, 1 "G" stalls, and high AOA flying qualities. One "G" level acceleration performance was compared with the F-5T at 20,000 ft MSL. YF-17A used mil power while the F-5E used maximum A/B. Results; YF-17A exactly matched the F-5E with no noticable trends from 250 KTS to 500 KTS IAS. . . . IMPRESSIVE! Gunsight tracking on the F-5E and heavy tail chase were also conducted along low altitude investigation of high speed rolling performance.

b. Flight No. 2. Performance comparison with F-14A and F-5E. VF-213 F-14A TOPGUN student crew LT SHAFFER/LT CARLSON performed the exercise with NFWS instructor LT NATHMAN flying the F-5E. VF-126 CO, CDR SCHOENFELDT flew the TA-4 photochase with NORTHROP photographer, Mr. Ed Reiley aboard.

(1) YF-17A VS F-14A (Block-90). Only subsonic, level acceleration tests, zoom climb performance and sustained turning performance comparisons were conducted. As expected, the YF-17A was superior in every case. Maximum acceleration was compared from 310KTS to 500 KTS IAS at approximately 20,000 ft MSL. Initially, the YF-17A leaped ahead of the F-14A, but approaching MACH 1.0, the F-14A stopped the relative opening rate. Analysis of contractor data made this predictable. One max power zoom climb from 15,000 ft MSL/350 KTS to 33,000 ft was conducted with the YF-17A finishing an estimated 5000 ft above the F-14A at the same airspeed (approx 150 KTS). During gunsight tracking exercises, the YF-17A enjoyed a power advantage over the F-14A even at 300 KTS where F-14A block-90 slats provide a noticeable increase in performance.

(2) YF-17A VS F-5E 1 VS 1. One head-on, co-altitude, co-speed set up was conducted with the YF-17A using military power only and the F-5E using maximum A/B. The YF-17A easily forced the F-5E into a defensive position in 2 turns. The fight was terminated in a nose down spiral at 11,000 ft MSL with the F-5E defensive.

c. Flight No. 3. Cross country from Miramar to Yuma, via R-2507 for 1 VS 2 F-5E enroute: NFWS instructors Maj. Rietsch and Capt. Hoyt. One engagement was conducted head-on at approx. 20,000 ft. MSL. While the YF-17A could easily force one F-5E into

a defensive position, the other F-5E was normally able to maneuver to the "Blind Side" of the engagement and take a "Shot of Opportunity". This was seen on every engagement and every flight. Only one long engagement was conducted. The YF-17A continued to Yuma while the F-5E's recovered at Miramar.

d. Flight No. 4. 1 VS 2 F-5E on ACMR. NFWS instructors Lt. Pace and Lt. Barwick. Two engagements were conducted. Again, the YF-17A easily controlled the fight and could engage/disengage at will. The YF-17A speed brake was considered to be totally ineffective at all speeds. This, coupled with inadequate "Back Stick" available at slow airspeeds precluded ""Saddling Up" on the F-5E for a classic guns kill. As before, once heavy prosecution of a particular F-5E began, the "Free F-5E" was able to maneuver either out of visual acuity range or to the "Blind Side" of the fight and call a Sidewinder type shot. YF-17A speed was maintained between 200 and 350 KTS and the maximum "G" recorded was 6.0. Military power only was used above 250 KTS and, on this mission the YF-17T drove the F-5E's down to Bingo.

e. Flight No. 5. 1 VS 2 F-5E on ACMR and YF-17A/F-14A accel and turn performance. NFWS instructors Lt. Garland and Lt. Harris. VF-124 F-14A eight crew was LCDR GILES and Lt. McCabe. Two engagements were conducted with F-5E's. Attempt to fight YF-17A below 200 KTS after commencing engagements was made. NFWS instructors performed superior loose deuce tactics on YF-17T and, due to the slow speed "Corner of the Envelope" being evaluated, were able to "Blow it Away". Analysis of YF-17A ability to defeat guns tracking was made. Thrust-to-weight better than one-to-one played a significant role in the ability of YF-17A to escape guns attack; however, escape from below 200 KTS *was not* "Scott Free" or instantaneous. At airspeeds ranging from 80 KTS to 200 KTS, it appeared that the control stick was "Back Against the Seat" and more "Pitch/Nose Up" horizontal tail authority was needed. Additionally, at angles of attack ranging from 22° to 28° *True*, the aircraft stability declined and the controls appeared to "Wash Out" or become sluggish relative to pilot in-put/commands. It must be noted, however, that at No time did the YF-17A ever exhibit any tendency to depart controlled flight. F-5E pilots could not keep each other in sight throughout enagagements but could maintain sight of the YF-17A due to its large size. This made it easier to set up a "Blind Side" attack. The size of the YF-17A was considered slightly smaller than an F-4 by most instructors. On this mission a maximum of 6.5 "G" was recorded and A/B was not used above 200KTS. It was noted that once the YF-17A was "Loaded Up" at high angles of attack below 200 KTS, maximum A/B did not provide a "Magic" increase in performance in spite of its high thrust-to-weight ratio. It did provide about ½ "G" additional performance. This is not unlike the F-14A or any other fighter flown to date. The result was high fuel consumption with very little increase in performance. Prior to this flight, it was anticipated that performance in this very slow environment would be somewhat better. The F-5E's drove the YF-17A down to Bingo fuel. Prior to departing ACMR one Max power level acceleration comparison with an F-14A was conducted at 18,000 ft. MSL from approximately 300 to 425 KTS. The YF-17A had 1500 lbs. fuel remaining while the F-14A had approx. 11,500 lbs., but the results were eye watering. The F-14A then took a guns tracking position and a turn was commenced smoothly increasing "G" with a corresponding decrease in airspeed. Increased power was required by both aircraft to sustain flight in this environment. The F-14A required maximum/zone-5 A/B to stay in position at 200 KTS while the YF-17A used only military power. The YF-17A was light on fuel, but results were indicative of all other performance comparisons observed up to this point.

f. Flight No. 6. 1 VS 2 F-5E on ACMR, but no ACMR PODS were carried and no data taken due to late afternoon/overtime involved. NFWS instructors Lt. Garland and Lt. Harris again participated. YF-17A speed was maintained between 250 and 450 KTS, and A/B was normally not deselected below 300 KTS. A maximum of 7.5 "G" was recorded on this mission with the F-5's driving the YF-17A down to Bingo fuel state. The first engagement was aborted after the initial pass/zoom to 32,000 ft MSL due to failure of the YF-17A cockpit pressurization. After descent/reset, the fight was commenced. The YF-17A easily controlled this engagement and switched several times between the F-5E's. As before, the instructors performed loose deuce tactics flawlessly and, after approximately four minutes, achieved a Sidewinder "Kill" on the YF-17A. Another engagement was commenced, however, the YF-17A combat fuel package was such that only military power could be utilized. While this appeared to be adequate in 1 VS 1 against a single F-5E, it could not be effectively used against expert NFWS fighter pilots in 1 VS 2 environment. Another Sidewinder type "Kill" was achieved on the YF-17A and all aircraft returned to Yuma.

6. Pilot opinion and observations:

a. YF-17A size and paint scheme. Head-on/tail-on, the YF-17A is relatively small. NFWS instructors had little difficulty in maintaining sight of the YF-17A during ACM. It was generally concluded to be slightly more difficult to see than the F-4. Enclosure (1) is a photo that provides comparison of YF-17A/F-5E/TA-4 in planform. Paint scheme was Topgun camoflaged gray and was considered exceptionally good at all times of the day over both sea and desert.

b. Pilot field of view from the cockpit is superior to any tactical operational aircraft. The only obstruction to rearward visibility is the headrest of the ejection seat. It was impressive to note that the angle of the canopy plexiglass was such that the pilot could see through it when looking aft as it did not pick up any cockpit or hardware reflections. This is not the case in the F-14A.

c. Canopy height above the pilot's helmet is very small. Anticipate canopy scratches from pilots helmets. Recommend off-set visor knobs (such as those used on UNSAT dual visor helmets) be investigated.

d. Pilot adjustable sitting height, relative reach to control stick and general cockpit comfort was outstanding. This included rudder pedal reach, rudder pedal angle and all other environmental factors too numerous to mention. Reach to the throttle and total travel from idle to max A/B was equally superb.

e. A single throttle controlling both engines (peculiar to YF-17A prototype only) was installed as per USAF requirements. The USAF praised the single throttle concept. This in itself tells a great deal about the Air Force.

f. The YJ-101 engines were flawless. Starting was the hardest part. Engines had to be motored over at 30 percent for 60 seconds prior to selecting throttle on. Ignition was automatic. Then, engines had a slight tendency to "Hang-up" at 69 percent . . . just under idle of 71-74 percent. Ground idle produced so much thrust that the brakes had to be applied constantly. Engine acceleration was extremely quick from idle to max A/B. During flight, no smoke was ever observed in basic engine. Every A/B light and de-select was broadcast over UHF. Never was a single burner puff observed by anyone at any altitude from 5,000 to 35,000 ft MSL! Increased oil consumption was noticed on one engine by the Northrop crew, but no oil pressure deviation was observed by the pilot on any flight.

g. Post start checks were simple and the aircraft was clean after every hop. No maintenance problems were incurred in 6 flights.

h. Unlike the F-14A, the YF-17A flaps were fully automatic throughout the flight envelope and trouble free! Take-off, raise the landing gear and the flaps take care of themselves. Below 21° true AOA, there was never any sensation of the flaps transitioning from one position to another. Above 22° true AOA, it is hypothesized that some of the control "wash out" previously mentioned was due to the trailing edge flaps raising.

i. The YF-17A was considered to be as simple to fly as the F-5E with the same resistance to departures and/or spins. Aileron/rudder interconnects worked effectively and almost any pilot command of rudder was too much. The aircraft was exceptionally stable at all airspeeds up to 1.2 MACH and very little longitudinal trim change was ever required from take-off to landing. Formation flying was smooth with no "neutral static stability" characteristics being apparent as previously thought.

j. Landing. The YF-17A has a slight tendency to "float" in ground effect, but has no adverse landing configuration related problems. Approach angle is low; over-the-nose visibility is very good and aerodynamic braking is effective. Main Landing Gear (MLG) wheels/brakes were basically F-5E hardware and at the upper limit of their capability. Even so, hot brakes were not a problem. High crosswinds prevailed at Miramar on 1 MAR 77. YF-17A crosswind limits were advertised at 90°/15 KTS. According to tower reports of landing winds, these limits were exceeded on 3 out of six flights. Even though distance between the MLG was small, directional control was good during landing roll and aileron authority was more than adequate to hold the wing down during gusty wind conditions.

7. Tactical utility:

a. Attack mission. NFWS believes the subsonic A-7E is highly vulnerable when laden with air-to-ground ordnance and penetrating a high threat environment. This is proven on every ALFA Strike graduation exercise with every Topgun class. The A-7's total lack of excess power and poor maneuverability leave it few alternatives for escape once under attack. While ordnance load and system accuracies cannot be addressed, it is clear that the fantastic increases of the YF-17A in maneuverability and acceleration over the A-7E provide tactical capability never before achieved in a single seat attack aircraft. A self defense capability must be inherent in every tactical aircraft of the future; the reasons are obvious.

b. Fighter mission. The YF-17A is not a small, light weight fighter until it is compared to the F-14A. In a sterile 1 VS 1 dogfight, there is little doubt that the YF-17A would be superior to the F-14A. The F-14A has 2 crewmembers, but due to its physical size, not one has ever survived a 1 VS Many exercise at Topgun. On the other hand, many F-4B/J's have survived. Whether or not the YF-17A could survive in this environment is a matter of conjecture. It normally follows that loose deuce tactics increase the survivability of a single cockpit aircraft. AIM/ACE EVAL is proving this.

8. The Navy can utilize the F/A-18 immediately. My greatest concern is the unacceptable time lag between now (1977) and (1985) when a reasonable number could be placed into the fleet. This means the Navy will be going into the 1990's with a 1970 airplane. This is UNSAT! It does not "HAVE TO BE". In spite of DSARC and RED TAPE, testing can be shortened and production accelerated. New concepts of VSTOL and thrust vectoring must be considered for 1990 air-

craft if tactical air power is to survive in the 21st century.

J. M. SMITH.

Mr. GOLDWATER. Mr. President, once again it is my pleasure to support my good friend and colleague HOWARD CANNON and the report and recommendations in this bill on tactical air matters. As ranking minority member of the Tactical Aircraft Subcommittee, I want to assure my colleagues that it is my judgment that the recommendations are sound ones and will improve the strength of our tactical forces.

In my report, which will be brief, I intend to highlight those major recommendations that may be of interest to the Senate. The details of all the programs are, of course, provided in the committee report.

For tactical aircraft the committee recommendation includes funds for about $5.4 billion to buy 507 tactical aircraft. This equates to 83 for Army, 94 for the Navy and Marine Corps, and 330 for the Air Force.

For tactical missiles the committee recommends about $1.0 billion for about 28,000 missiles for all the services, ranging from the nonnuclear Lance, Hawk, and Stinger for Army; Sparrow, Sidewinder, Phoenix, Harpoon, and Tow for Navy; Sparrow, Sidewinder, Shrike, and Maverick for Air Force; and Hawk, Dragon, and TOW for the Marine Corps. The largest single recommendation, for about 14,000 Dragon missiles, is for the Marine Corps.

In addition, the bill contains recommendations for funding many other tactical programs that are necessary to support our general purpose forces.

Mr. President, I would now like to discuss some of the major recommendations that received the unanimous approval of the committee.

The committee recommendation in the bill adds $75 million to the Army's advanced attack helicopter program for a total of $175 million. Some Members of the Senate may remember that I was initially opposed to this weapon system concept because I had doubts about helicopter survivability. However, I have been with this program since its inception and have watched the Army build in survivability features that were not possible in previous aircraft. In addition, the Army has developed tactics using nap of the Earth techniques, and they will use the Hellfire missile on the advanced attack helicopter. This weapon, when working with a laser designator from another source, will give the AAH a real fire and forget capability, thereby greatly enhancing its survivability.

I am disturbed that Secretary Brown indicated in his statements to us earlier this year that he wanted to slow this program down so that he could review further its survivability and effectiveness. I am convinced there is adequate data now on hand, including a special test conducted in Europe, that shows the AAH is a survivable and effective system. Mr. President, the AAH is an urgently needed system for our Army forces. The committee also believes this since it voted to continue the program at its previously planned rate.

The committee also added funds for 12 A–7E's for the Navy's light attack force. This action was taken because the Secretary of Defense, in cancelling further buys of the A–7E during the fiscal year 1978 internal Pentagon budget process, thereby insured the Navy would incur a shortfall of 36 A–7E's by the time the F–18 was scheduled into the inventory.

The bill also contains about $626 million for continued development of the F–18 program, but one only has to read the recent trade journals to know that program is a prime candidate to be cancelled in order to accommodate to Secretary Brown's notice to the services that future defense budgets are going to be reduced. Therefore, we believe it is very prudent to insure that the only light attack aircraft production line in the United States continues in operation and that, in a time of increasing Soviet conventional forces, we do not deliberately create a shortage in our own forces.

The committee also recommends that a request by the Army for an interim scout program be denied. Instead, we direct that these funds go toward the development of an advanced scout helicopter, which we feel is going to be an essential partner for the advanced attack helicopter.

Mr. President, there seem to be a number of people who complain about these various tactical programs because they are expensive, but if we must fight outnumbered and win, we had better spend our money on these vital systems. There is no other way we can muster the firepower necessary to meet a quantitatively superior Warsaw Pact force.

I urge the Senate to support the bill as presented.

Mr. President, finally I want to commend Charles H. Cromwell and Robert Q. Old of our professional staff who did their usual fine job in assisting with the bill.

Mr. GARN. Mr. President, I rise in support of the Senate Armed Services report and to express my congratulations to the committee and the staff for their outstanding effort in bringing this bill to the floor. I particularly appreciate the support I received on those portions of the bill that I was involved with personally, namely the Minuteman and MX program.

Because I feel they play such an important part in our total strategic forces, I intend to take a few minutes to discuss that belief.

In 1973 while at Prague, Secretary of the Communist Party Brezhnev made a statement that I never saw in the local press, but nonetheless shed considerable light on the Russian policy of "détente." ". . . we are achieving with détente what our predecessors have been unable to achieve using the mailed fist." He then went on to say:

> We have been able to accomplish more in a short time with détente than was done for years pursuing a confrontation policy with NATO . . . Trust us, comrades, for by 1985, as a consequence of what we are now achieving with détente, we will have achieved most of our objectives in Western Europe. We will have consolidated our position. We will have improved our economy. And a decisive shift in the correlation of forces will be such that, come 1985, we will be able to extend our will wherever we need to.

The cold war has heated up and many of us have not even recognized it. Since 1969 we have lost strategic superiority and may have slipped to a position of strategic inferiority. Unless we rectify this serious imbalance, we can expect the Soviets to become more adventuresome. As Senator JACKSON once stated: "The Soviets still prowl the corridors of the world looking for unlocked doors." Unless we address ourselves to this issue soon, we will not have to worry about the Soviets prowling the corridors of the world looking for unlocked doors; they will politely knock down any and every door, locked or unlocked, and we will not have the capability to do anything about it.

Our constant policy of unilateral restraint has since 1969 allowed this situation to develop. During this period we:

First. Gave up ABM without a compensating increase in civil defense.

Second. Did not develop a large throw weight ICBM to match the increase in the Soviet target complex.

Third. Did not provide for a new, more survivable basing mode for Minuteman or some new ICBM.

Fourth. Limited the deployment of MIRV to half the ICBM force.

Fifth. Did not provide higher accuracy, higher yield options for the SLBM force.

Sixth. Did not initiate full scale development of cruise missile for our bomber force.

Seventh. Approached shutdown of the Minuteman production line.

Eighth. Have not moved ahead with the new MX ICBM system.

The United States has tried to live by the intent and spirit of SALT. The Soviets, on the other hand, initiated crash programs to implement most of the items listed above—all done within the letter of SALT I and negotiations for SALT II—but certainly not in the spirit of the talks.

The Soviets are now engaged in massive development and production of a number of ICBM's, SLBM's, and bombers, have an accelerated effort on civil defense, as well as outspending the United States nearly 2 to 1 in the critical area of research and development. In terms of strategic capability we have fallen behind the Soviets and they now have the development and production momentum while we do not. The relative capability we have given up in the last 7 years will take us at least 5 to 10 years to recover and regain with the Soviets; provided we initiate action now—but there is no evidence at present that we have the will to meet this challenge.

A recent example of what we can expect from the Soviets is their rejection of President Carter's very generous SALT proposal he submitted to them in March. I believe this is just one indicator of what we can expect in the future. It will be impossible to get any equitable treaty if they can perceive they have strategic superiority. If we are to be successful at SALT, and we all want to be, then we must address the issue of strengthening our hand at SALT, and the best way

to do that in my opinion is to rectify the strategic imbalance that presently exists. The committee recommendations in the area of strategic forces is a good start in that direction.

The area I am most concerned about is the land-based ICBM's—Minuteman/MX. The land-based missile force contributions to the Triad are very impressive; first, the Minuteman is the only element of the Triad with the capability of meeting all the strategic force mission requirements. This is possible because of its quick response time, range, accuracy and payload. Further, it has the most efficient constant, two-way command and control system.

At least 95 percent of the Minuteman force is on operational alert at any time, compared to 30 percent for bombers and 53 percent for SLBM's. It contains approximately 68 percent of the total delivery vehicles on alert and carries 57 percent of the available strategic payload on alert. The operation and maintenance costs are significantly lower than either of the others and its deployed completely within the sovereign territory of the United States. Senator HOWARD CANNON last year's debate succinctly stated in more detail the role Minuteman plays in during last year's debate succinctly stated in more detail the role Minuteman plays in our strategic forces.

I ask unanimous consent to have printed in the RECORD an excerpt from the CONGRESSIONAL RECORD dated May 26, 1976, at page 15639.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Mr. CANNON. Mr. President, I rise to speak in favor of continued production and deployment of the Minuteman III missile. By way of preamble, it might be well to review some of the characteristics of Minuteman, and the contribution of the strategic missile to the defense of the United States.

Minuteman II and Minuteman III missiles form a unique element of the U.S. strategic deterrent force—the Triad of bombers, sea-launched ballistic missiles, and land-launched intercontinental ballistic missiles.

Minuteman missiles maintain the highest continuous day-to-day alert rate of the Triad elements. Normally, almost all of our Minuteman missiles are ready for immediate launch, regardless of the state of warning. This high availability rate combines with low day-to-day operating costs to make the ICBM the least expensive weapon in our strategic arsenal.

Dispersal and hardening of the ICBM launch facilities means that each missile is a separate target for the enemy. Hence, in order to attack the 1,000 Minuteman missiles the Soviet Union must commit a large portion of its resources to their destruction—resources which otherwise could be used against other military targets, our cities, and our industry. However, in order to attack Minuteman, the Soviet Union must attack the sovereign territory of the United States, thus inviting immediate retaliation. This expectancy of retaliation contributes directly to deterrence.

Responsiveness to command and control, rapid retargeting, quick launch time, short time of flight, high ability to penetrate to the target, and lethal accuracy, make Minuteman a very capable and flexible weapon system. The receipt of Presidential launch orders can be acknowledged instantly by reliable means and, upon execution of the orders, the launch results and the status of the remaining forces can be reported promptly. It is these characteristics that make Minuteman—particularly Minuteman III—a uniquely effective military weapon, commanding the respect of any potential enemy.

Minuteman remains highly survivable and able to withstand a Soviet first strike and then retaliate quickly and effectively. Moreover, the survivability of the elements of the Triad, including Minuteman, is further reinforced by the synergistic benefits of mutual reinforcement. Any attack directed at our bomber force will provide warning sufficient to launch our ICBM's prior to being attacked and conversely any attack directed at our ICBM's provides sufficient warning to launch our bombers under positive control.

Thus, the Minuteman ICBM force, because of its unique characteristics, contributes today and will continue in the future, to contribute to the strategic deterrent posture of the United States.

A review of the strategic situation last year resulted in a tentative decision to close the Minuteman III production line. At the same time it was understood that, depending upon the outcome of ongoing arms limitation negotiations and our continuing assessment of Soviet ICBM programs, the option would be retained to make further improvements in the U.S. ICBM posture by continuing Minuteman III production.

Since that time, it has become clear that the Soviets have not matched our restraint. They have continued a program of strategic force improvement and modernization that apparently is aimed at achieving superiority over the United States. Soviet international adventurism has increased, and they have boldly pursued foreign military intervention with their own forces and through client states.

The SALT II negotiations have not been concluded and the Soviets continue to deploy new MIRV strategic missiles. Since it is the only U.S. strategic system currently in production, preparation for continued Minuteman III deployment can provide leverage in the negotiations. The Trident I missile is not expected until fiscal year 1979, and the B-1 bomber until 1981.

There is room within the 1,320 Vladivostok MIRV ceiling for continued deployment of Minuteman III now. Should Minuteman III's be increased from the present level of 550 to 700, readjustment between land-launched and sea-launched MIRV's would not occur before the early 1980's, depending upon the rate at which Trident joins the fleet, and perhaps not at all, depending upon the service life of the Poseidon missile and also the outcome of SALT talks. We should remember that under the Vladivostok understandings, the decision as to proper division of 1,320 MIRV's between land- and sea-launched systems remains a national prerogative.

Additional Minuteman III production at this time provides a modest and measured increase in strategic capability aimed at persuading the Soviets to restrain their offensive initiatives. In addition, Minuteman III missiles offer the potential for cost-effective incremental increases in military capability through accuracy and yield improvements, thereby providing continued flexibility in the face of any further Soviet initiative during this decade.

It would also be prudent to retain the Minuteman production line as a hedge against any delay in the Trident I missile program. Our early experience with ballistic missiles should serve as a warning of the delays inherent in new programs. Continued Minuteman III production and deployment would close this gap should it develop.

U.S. options for new ICBM programs depend upon a skilled industrial base. Cancellation of Minuteman production is estimated to result in the termination of 40,000 jobs, and will force many large and small contractors out of the ICBM business. Not only will this make any future reconstitution of Minuteman production inordinarily expensive, but the dissipation of produtcion skills and techniques would slow the Nation's ability to begin production of follow-on ICBM systems.

Based on these factors, I believe that it is reasonable, that it is prudent, and that it is imperative, that we make this investment at this time in our future security.

Mr. GARN. At present the United States has 550 Minuteman III's and 450 Minuteman II's. In anticipation of reaching an agreement on the Vladivostok accords the Pentagon opted to stop deployment of Minuteman II's at the 550 level. The 550 ICBM MIRV's coupled with the planned 656 SLBM MIRV's would keep us well within the proposed 11,320 MIRV level discussed at Vladivostok. For fear that this unilateral action could jeopardize future SALT discussions, I have in the past advocated we keep the Minuteman III production line open and deploy an additional 150 missiles—this, in hopes would encourage the Soviets to come to an early agreement on MIRV's. However, we have not reached the point where it does not make much sense to continue to produce Minuteman III, as it appears there is no further hope of their being deployed. For that reason, I have recommended we continue to produce those components that would be necessary for upgrading the aging Minuteman II's. The most expeditious and least expensive plan would be to use the existing Minuteman III booster—first, second, and third stages—the NS 20 guidance set and a single reentry vehicle. However, there is still some concern that this approach is not compatible with proposed SALT language. Therefore, I am amiable to doing what is necessary to resolve this issue, be it using a truncated third stage or going to a two-stage missile. The important thing is that we recognize that the Minuteman II force will likely be in the inventory through the 1980's. It is our responsibility to ensure that we maintain the force effectiveness at its highest in the most cost effective means possible. For that reason, I feel it would be ludicrous to the extreme to allow the Minuteman production line to close down and then attempt to reopen it in say 1 or 2 years at a substantial cost. In fiscal year 1977 we authorized $225.5 million for procurement of 60 Minuteman III missiles. Approximately $70 million has already been expended. By changing the existing language and encouraging the Air Force to make a decision on this issue, the more likely we are of having funds to continue producing those crucial items through fiscal year 1978 as well as starting R. & D. programs on any new items required. A timely decision will also allow an earlier deployment date. I am pleased to say the committee adopted this proposal, and inserted language recommending DOD make a timely decision on this proposal. This proposal would significantly improve the capability of the Minuteman force, especially when

coupled with the ongoing silo upgrade program. Modernization of the Minuteman II's would:

First, replace aging components;

Second, increase hardness and survivability;

Third, improve guidance; and

Fourth, extend the expected life.

Since 1970 we have been studying alternate modes for a new land-based system and we still have not selected a concept. As a matter of fact that was the reason given by Secretary of Defense Brown for cutting the MX funding proposed by the Ford administration from $294 million to $134 million. At the very earliest, assuming congressional support, MX would not be operational until 1985. There are now indications that it may even slide to 1986 or beyond. I am afraid our record for getting new systems deployed is not the most impressive, so I am very concerned about a 1986 IOC.

Therefore, the best option available for maintaining a strong deterrent force and achieving meaningful SALT agreements appears to me to be improving our strategic forces—namely, a solid commitment to MX, B–1, and Trident.

Mr. STENNIS. Mr. President, the Senator from New Hampshire (Mr. McINTYRE) has served for 8 years as chairman of the Research and Development Subcommittee, and he and the other subcommittee members are very valuable in their service. I express the special thanks and commendation of the chairman and other members of the committee for the very fine work that he and the other subcommittee members have done.

Senator McINTYRE is unable to be here today. He has prepared special remarks with reference to the work of the Research and Development Subcommittee of our full committee. I ask unanimous consent that his remarks be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF SENATOR McINTYRE

As Chairman of the Subcommittee on Research and Development, I would like to speak in support of HR 5970, the Military Procurement Authorization Bill for fiscal year 1978. In my judgment the bill before you is a responsible bill that will provide for the defense of our country, but will do so with a minimum of waste.

The Department of Defense request for research and development funds for fiscal year 1978 is $11.7 billion, an increase of $1.2 billion or about 12 percent over that appropriated last year. The bill before you recommends an authorization of $11.4 billion for research and development, a decrease of $257 million from the request. This amount provides for an increase of slightly over 9 percent. Allowing for inflation it would result in a real increase of about 3 percent.

I have been chairman of the Subcommittee on Research and Development for eight years and I have listened to and participated in the debates regarding our national security even longer than that. The constant concern is how to sustain and strengthen the technological leadership that has long been the cornerstone of our military capability.

Throughout the hearings conducted by our Subcommittee this year, we have tried very hard to determine the status of the balance of technology between the United States and the Soviet Union. The answer to that question is very elusive but I would make several observations that I believe are relevant.

The first point I would make on the condition of the technological balance is that it is a balance unlike that which we are used to defining in a military sense. That is, we cannot count aircraft, or missiles, or tanks and arrive at some quantitative comparison. In the area of technology development, one brilliant idea effectively executed can tip the balance despite thousands of mediocre ideas moving along at plodding speeds. We must look beyond an accounting of how much we spend for research and development to determine whether we indeed will maintain our technological lead.

A second concern is the fact that the Soviet Union is not a newcomer to the world of high technology and indeed has an illustrious history in the basic sciences. As was pointed out to us by an expert on high energy lasers from the Department of Defense, the Russians shared the Nobel Prize for the discovery of the laser. This expert testified further that when he was working in the laboratory and wanted to study the effects of lasers on materials, he found the Russian writings on that subject to be the best available.

I point this out not to panic anybody but to place in perspective the fact that our adversary has a long history of excellence in the basic sciences. His limitations are the social and economic systems which convert science to useful products; including operational weapons systems. This is the strength of our system and we must ensure that our research and development is managed so as to retain this advantage.

There are trends in the management of defense research and development which are very disturbing to the Committee and which I think impede the effective use of the monies authorized and appropriated by the Congress. The challenge to the new management in the Pentagon is to find ways to use more effectively the funds provided by the Congress. My intention is not to cast doubts on the performance of previous administrations. What I am saying is that the change in administration provides an opportunity to review our practices and management techniques and to keep that which has been useful and to discard that which is not. I am concerned that various management practices that have been employed in the past have slowed the flow of technology from the laboratory to the battlefield to a snail's pace. Why does it take us 10 years to develop a new sonobuoy? Fifteen to twenty years to develop an amphibious assault vehicle? Eighteen years to develop new air defense systems? There are many more examples, but these are adequate to make it clear that in our rapidly changing world, we cannot afford to continue these practices.

The first practice is the seeming inability of the Department of Defense to set priorities. There are indications that the Department tries to keep twice as many projects alive as can reasonably be funded at a full level of effort. The result is that many programs crawl along at such a slow rate that they are obsolete well before they are deployed to the forces. No one realizes the pressures to keep favored programs alive more than the Chairman of the Research and Development Subcommittee. But I am convinced we must have the courage to make choices, to set priorities to accomplish the most important things and do so in a timely manner.

The second practice which is of concern to the Committee is the tendency of the Department of Defense research community to become more ingrown, relying more and more on their own laboratories and less and less on the work of our universities and private companies. Between 1965 and 1975, the funds for research remained nearly constant, but the effect of inflation was to cut the real effort by half. Nearly all of the reduction was taken in funds going to private companies and universities. The Department of Defense laboratory funding remains essentially level. We must return to greater reliance on our private sector. I made the point earlier that the Russian people have a rich history of scientific accomplishment as do we. The difference has been the effectiveness of our private enterprise system that has allowed us to exploit our scientific accomplishment to the advantage of both our military and private sectors.

A third issue of concern is the ponderous nature of the Department of Defense review process. I am concerned that this process has become so frightening and so all-encompassing that the concept of individual and personal responsibility is lost. I challenge any serious student to pinpoint who is responsible for the overruns in any one of dozens of programs. My point in raising this is not to try to affix blame; my point is to illustrate that the review-approval management structure is so layered and complex that it must be viewed as an impediment to crisp, effective, decision-making.

Let me review the major features of the research and development portion of this bill.

The bill provides for an 11-percent increase in funds for the research and exploratory development programs known collectively as the technology base. These programs seek to expand our basic knowledge and apply it to military problems and concerns. They are our investment in our future technical leadership.

Funds for research and development for general purpose forces increases from $3.6 billion in fiscal year 1977 to $4.2 billion in fiscal year 1978, an increase of 16 percent. The weapons now in full scale development will provide for modernization of our forces at an unprecedented rate. Even a partial list gives a feeling for the magnitude of our efforts.

For the Army:
XM–1 Main Battle Tank;
Mechanized Infantry Combat Vehicle;
Patriot Air Defense System;
Roland Air Defense System;
Stinger Air Defense Missile;
General Support Rocket System; and
Copperhead Guided Projectile.

For the Navy:
Lamps ASW Helicopter;
F–18 Fighter;
CH–53E Heavy Lift Helicopter; and
Aegis Air Defense System.

For the Air Force:
F–16 Fighter;
Stretched C–141;
Rewinged C–5; and
Ground Launched Cruise Missile.

These programs, coupled with many supporting programs and improvements to existing weapons, will provide major improvements for our general purpose forces.

I call the attention of my colleagues to provisions of Section 202 of the bill. This section requires the Secretary of Defense to report annually on testing done with chemical and biological agents involving human subjects. It also requires advanced notification of plans for such experiments. I feel it is very important that the Congress increase their oversight control of this critical area.

In the area of research and development for strategic forces, the Committee recommended an authorization of $2.2 billion, a decrease of $8.1 million from the Department of Defense's request.

In addition to the full Armed Services Committee's hearing on strategic posture, the Research and Development Subcommittee held intensive hearings on specific topics such as strategic bomber weaponization, survivability of our ICBMs, etc. These hearings resulted in Committee report language sup-

plementing recommended changes in the dollar amounts requested by the Department of Defense.

The Committee has recommended full funding of the requested amounts for several programs, but, anticipating major decisions regarding these programs in next year's authorization request, the Committee's report contains language requesting the Department of Defense to conduct internal reviews on these programs to ensure that the Committee and the Senate has sufficient information to make these difficult decisions next year. The programs involved are: weaponization of our strategic bomber force; planned upgrade of Minuteman II missiles; development of the Trident II and MX missiles; MARV developments and the MK-12A Advanced Ballistic Reentry Vehicle.

All the Committee asks in each of these cases is that the Defense Department concentrate its attention over the next year on a set of comprehensive and integrated studies to give us a better basis to make decisions which we anticipate next year.

The first program for which an internal review has been requested is weaponization of our future bomber force. In recent years, the debate on modernization of the strategic bomber force has focused on what kind and how many new bombers will be needed. In my view, insufficient attention has been paid to how the bombers should be weaponized. A number of weapons are being developed: two modifications of the SRAM, two of the Air Launched Cruise Missile and the Advanced Strategic Air Launched Missile absent an integrated plan of what mix of weapons is desirable, how the developments should be paced, what characteristics the weapons should possess, and what inventory will be required.

The Committee's report requests that the Department of Defense submit a study with next year's authorization request embracing this criteria, and defining an integrated bomber weapons development plan by which the Senate can judge the Department's future requests.

The Department is also asked to conduct an internal review of alternative approaches to upgrading our Minuteman II missiles. While there are no funds requested for Minuteman II in fiscal year 1978, next year's authorization bill is expected to include $23 million to begin a Minuteman II upgrade program which is currently estimated to involved development costs in the area $500 million. There are differing judgments as to whether and how the Minuteman II force should be upgraded. Some of these differences revolve around what possible effects SALT limitations might have on our MIRVed missiles. The Committee's report language ensures that the Department will have defined alternative approaches to the planned Minuteman II upgrade and will report these with next year's budget request.

The Trident II program is another program for which a relatively small level of funding is requested this year, but the Committee is aware that over the next five years development funds of approximately $2.8 billion over five years will be requested. Beyond that, the development cycle would not be complete for another four years. Looking toward these projected increased funding requests in the future, the bill includes authorization of $5 million requested for FY 78 to initiate tradeoff studies for the Trident II as a necessary preliminary effort. The Committee's report requests that the Department of Defense undertake a major review of our future sea-based weapons requirements, including an examination of whether potential threats to our currently projected sea-based deterrent require additional range, payload, or weapons improvements to maintain the survivability and required levels of effectiveness for our SLBMs. This language maintains the Committee's emphasis on maintaining a survivable and effective sea-based nuclear deterrent.

The Committee's report also includes report language relating to three developments in our land-based ICBM force.

First, regarding the M-X program, this year's request for continued advanced development of the M-X missile is consistent with the Committee's recommendation last year that the program not move from advanced development to full engineering development until the Department resolved contradictions in its position on future ICBM capabilities and demonstrated a clear need for a particular mobile basing alternative. The Committee's report reiterates the Committee's continued support for the TRIAD and explains its support for continued development of the M-X missile as a hedge against future ICBM vulnerabilities. The Committee also looks toward receiving the comprehensive review of the future of ICBMs in our strategic forces and the President's certification that the report represents national policy requested last year.

Second, the Committee is asking the Department of Defense to conduct a rigorous comparative review of the Navy's MARV EVADER and Air Force's Advanced MARV developments. Both these developments to our reentry vehicles have been justified as counters to potential Soviet ABM systems. Due to advances in the EVADER program, the differences between the two programs narrowed to the point where there may be no differences in practical effectiveness against Soviet AMBs. Thus, the Department is requested to see if both MARV developments are required or whether one could be modified to fulfill all requirements.

Third, as with the MARV EVADER and the AMARV programs, the differential between the MARK 12-A and ABRV programs has narrowed to the point where the Committee is recommending that the Department of Defense conduct a rigorous comparison of the two programs. The review should tell the Senate whether the MARK 12-A could meet these requirements as designed or if modified or whether continued development of both programs is justified.

I also call my colleagues' attention to the Committee's continued efforts to ensure that individual cruise missile applications should be paced by specific missile requirements rather than by technology.

I think the Committee and the Senate should be proud of their efforts in recent years to bring this kind of reasoning to bear on cruise missile programs. For example, it was Congress' insistence that the cruise missile be put on our strategic bombers against some important opposition in the Department of Defense. Moreover, it was at Congress' insistence that the Department refocused its application of the so-called "land attack" TOMAHAWK on theatre missions rather than the SIOP applications which absorbed so much of the Department's attention.

In fact, the relative clarity of the Department's current explanations of its various cruise missile developments reflects, in my judgment, the leadership of Congress in insisting on *discriminate* military judgments about cruise missile applications rather than developing certain cruise missiles simply because it can be technically done.

The Committee's report continues this leadership in the area of cruise missile technology by asking the Department of Defense to intensify its investigations of effective non-nuclear arming of cruise missiles which would be used against land targets in the theatre. Such a development could significantly raise the nuclear threshold.

Further, the Committee is recommending programmatic direction to the Air Launched Cruise Missile program which will protect the accelerated initial operating capability of 18 months with ALCM-A, rather than with ALCM-B while fully meeting Strategic Air Command operation requirements.

As a result of the Committee's review of Navy's ELF communications system (Seafarer), the Committee recommends support for $21.1 million of the $23.7 million request for this system, and denial of authority and the $3.6 million requested for full scale development. While the Committee continues to support the development of a communications system which will further ensure the survivability of our sea-based deterrent, full-scale development could not be approved absent positive resolution of the environmental considerations and accommodation of reservations about candidate sites. The Committee is urging the Department of Defense to develop a compromise involving a reassessment of its requirements for transmission rates and a smaller antenna requiring less land.

The Committee's report describes the many other important recommendations made by the Committee in the area of research and development. I have merely tried to highlight some specifics of interest to my colleagues in the Senate. I would also like to take this opportunity to commend the efforts of the membership of the Research and Development Subcommittee, who unanimously supported the recommendations of the Subcommittee to the full Armed Services Committee. On the majority side, we have the junior Senator from Iowa (Mr. Culver), who again led the Subcommittee's review of tank and tank armament programs, along with the ranking minority member, the junior Senator from Oklahoma (Mr. Bartlett). In addition, the junior Senator from Arkansas (Mr. Bumpers) has joined the Subcommittee this year. Of course, the distinguished senior Senator from Arizona (Mr. Goldwater) continues to serve on the Subcommittee as he has for many years.

It is also a credit to the R&D Subcommittee members and the excellent staff that they were able to so competently review the many programs in research and development within the limited period of time available.

In closing, I submit that the funds recommended for authorization and the programmatic direction recommended by the Committee in the field of research and development are consistent with the need for a strong military technology effort by the United States. Coupled with sound and effective management practices within the Department of Defense, I am confident that these recommendations will continue our strong R&D program, and move new technology from the laboratory to the battlefield.

ADDITIONAL STATEMENTS SUBMITTED ON H.R. 5970

Mr. BAYH. Mr. President, the Senate Armed Services Committee has reported a bill to provide some $35.89 billion for new military procurement, research, and authorization. My understanding of the total budget impact of this bill is that it will not lead to military spending this year which will exceed the budget target of the first concurrent budget resolution of $118.5 billion. The amended budget request of the administration for fiscal year 1978 shows a total requested budget authority of $117.7 billion. Although the committee has made some important changes in the administration's request, especially in the area of shipbuilding, recent data indicates that we will not be spending up to budget authority. In fact, based on recent OMB estimates for the current fiscal year, actual outlays will be close to $10 billion below actual spending authority. I hope that this

trend will remain true for the fiscal year 1978 budget. At this point, I would like to associate myself with the comments of May 9 made by the distinguished senior Senator from California and our majority whip, Senator CRANSTON, when he pointed to this trend by way of emphasizing the continuing need to "boil the fat" out of the defense budget.

While I intend to support the bill before us today, there are some features of the legislation which I would not have approved if I sat on the Armed Services Committee. For instance, $78 million for the procurement of 360 nonnuclear Lance missiles seems to me the wrong way to go about strengthening our conventional capabilities in Europe. From the point of view of cost-effectiveness, aircraft sorties are preferable to firing a conventionally armed weapon at the kind of targets that would be presented by the Soviets in any invasion in Europe. I note that the administration did not request such authority. Similarly, I am hesitant to endorse the committee's action in authorizing $91.4 million for the purchase of some 24 additional A–7E light attack aircraft. Again, there was no request by the administration.

In expressing my concern about these actions, I would also offer my approval of the committee's decision not to provide funding for the purchase of the Navy's 8-inch major caliber lightweight gun. This weapon has yet to be tested satisfactorily for accuracy according to a GAO report. In December of last year, I expressed my own concern about this matter to the Department of Defense. I am gratified to see both the Senate and the administration defer funding for procurement of this weapon. I urge my colleagues who will represent us in the conference to resist funding support for the Mk 71 MCLWG.

While these items are relatively minor in their budget impact, the Senate did make a major change in the structure of the Navy's shipbuilding program by adding some $923 million. Here too, there are areas in which considerable question can be raised in particular regard to the go-ahead with the AEGIS antimissile fleet defense system and funding for the procurement of another *Nimitz*-class nuclear carrier. However, it is equally important to note that the committee has taken this action in order to present a broad set of options for future decisions concerning the design and mission of the fleet. Just as importantly, the committee's action paves the way for future favorable consideration for the procurement of VSTOL—vertical short takeoff and landing aircraft—aircraft carriers rather than purchase of large carriers which are more difficult to defind against the highly sophisticated Soviet cruise missile threat at sea. As Senator HART from Colorado, who has become an expert in the assessment of the growing Soviet naval challenge, correctly notes:

> The Soviet's problems are command and control of simultaneous missile strikes from aircraft, submarines and surface ships, and of making certain that after a missile attack no U.S. carriers remain operable to launch relatiatory strikes, against Soviet ships.

Mr. President, the reluctance of the Navy to explore more aggressively the VSTOL concept is disturbing since it does offer a means to meet the requirements of a future wartime environment at sea by taking advantage of certain technological trends favoring tactical aviation. Still, the committee has provided an environment within which the option for pursuing a VSTOL strategy is maintained.

The importance of maintaining a national defense so sufficient that it can never be successfully challenged cannot be overstated even though the world around us becomes increasingly complex and our economic, social and military-political problems ever more complicated. This task cannot confine itself to providing appropriate support to the Department of Defense alone. We must constantly remember that an expanding economy providing jobs and meeting the needs of our citizens in the areas of health care, equal opportunity for quality education and support for those who are disabled or otherwise unable to find gainful employment are critical challenges as well. Meeting these challenges while maintaining a strong defense can only enhance our overall strategic posture and guarantee the maintenance of a durable peace in a too often hostile world.

Mr. MUSKIE. Mr. President, I wish to take this opportunity to support the hardened ballistic missile defense—BMD—materials program and the dedication of a minimum of $4 million of the $107.297 million provided in the ballistic missile defense advanced technology program to hardened materials research.

The hardened ballistic missile defense materials program supports the materials technology base by developing specialized materials and technologies and by continually assessing U.S. materials capabilities and limitations. The dedication of a minimum of $4 million for this materials research in conjunction with the Army's research in materials program will assure the continuation of this vital effort.

The House Armed Services Committee included express language to that effect and the Senate has provided sufficient funds to accommodate the program. I encourage the Senate conferees to join the House in express support for this effort.

The Senate committee has also provided $18.635 million to meet the Navy's request for funding in the materials technology program. This level of funding is sufficient to accommodate a $6 million effort in the strategic missile materials technology program to develop advanced, high performance materials and design concepts for advanced strategic systems. It is crucial that this exploratory and development work be continued and I encourage the committee to provide appropriate guidance to the Navy in that regard.

Mr. MATHIAS. Mr. President, I rise today to speak in support of what I consider to be one of the most vital programs in the fiscal year 1978 military procurement authorization bill, which we now have under discussion. That is the A–10 close air support aircraft program.

The A–10 program, incorporate many of the good things which we would like to find in all of our new weapons systems: a clearly defined, extremely vital mission, that of working with the ground forces to destroy enemy armor by massive and concentrated firepower; a program so well managed that the contractor is currently a month ahead of schedule on deliveries; an aircraft system that is proving itself superior in every category from maintainability to mission effectiveness. Tests over the past few months have proven this time and time again.

Last fall, the A–10 flew a series of adverse weather tests against armored targets in the State of Washington. Ceilings were less than 1,000 feet and visibility ranged from 1 to 3 miles. Heavy rains reduced visibility even further. The A–10 proved it could operate, find, and attack targets in such weather—weather which is characteristic of Central Europe where a Warsaw Pact attack would likely occur. The GAU–8 30-mm gatling gun was especially effective when the poor weather precluded attack by more sophisticated weapons.

The A–10 has also been evaluated in the Air Force's red flag complex which is perhaps the most realistic threat and target environment range in the free world today. The evaluation showed the A–10 to be a very survivable weapons system and extremely effective in performing the close air support mission.

In February of this year, two combat configured A–10's flew 34 simulated combat sorties in 11 hours from an austere forward operating base in Arizona. Each A–10 flew 60 nautical miles to the target, dropped four 500-pound bombs, fired over 100 30-mm rounds and then returned for reloading and refueling. The A–10 surge rate was much higher than expected and the tests were stopped only because the supply of ordnance was exhausted at the forward base. Had more ordnance been prepositioned, more sorties could have been flown, but the 17 sorties per aircraft more than proved the A–10's sustained capability and set new standards of performance for close air support aircraft.

More recently, in fact the operation is still underway, the A–10 proved itself again in a massive training exercise with Army, Navy, and Marine Corps units at Bicycle Lake at Fort Irwin, Calif. The Army troops have been very satisfied with the A–10 because it is the one aircraft that stays with them and provides sustained support rather than making one fast pass and then disappearing.

All these tests prove beyond a shadow of a doubt that the A–10 is the weapon system necessary to provide the badly needed increase in antiarmor capability in Europe which the report, "NATO and the New Soviet Threat," so ably prepared by the junior Senators from Georgia and Oklahoma called for, and which just the other day was reiterated by the President after his visit to Europe.

The Air Force has testified that they are convinced the A–10 is the best close air support aircraft in the entire world and they are convinced that it will survive in its operational environment. In short, I believe the A–10 deserves the

support of each of my colleagues in the U.S. Senate.

Mr. BELLMON. Mr. President, I rise in support of the military procurement authorization bill reported by the Armed Services Committee. This bill is the foundation of our Nation's military capabilities. And hence, it is crucial to our continued national security. For this reason I would like to comment on the most important aspects of the bill.

First, Mr. President, I express my appreciation to the distinguished Senator from Mississippi for the great effort he exerted in readying this bill for the Senate's early consideration. This year the committee's work was complicated by the administration's submission in late February of major reductions to the January budget. These cuts created strong pressures to add money to the President's amended request. Senator STENNIS and his committee responded to this volatile situation with prudence and restraint. Where they felt specific cuts should be restored, this was done. At the same time, however, the overall request was scrutinized for lower priority items which could be reduced. The net result is a bill which supports the vital elements of our national security while coming in below the President's request by $0.1 billion in BA and $0.4 billion in outlays.

These reductions, Mr. President, make a contribution toward reaching the targets for the national defense function which were included in the first concurrent budget resolution passed by the Senate on May 13, 1977. The bill before us does not achieve the full reduction in the national defense function contemplated in the first concurrent resolution. It should not be expected to do so. The military procurement and research and development authorizations in this bill account for about one-third of the overall national defense function. Since these are the highest priority portions of the function, most of the reductions necessary to reach the target should come from lower priority items and from financial adjustments such as the utilization of prior-year unobligated funds. If historical reductions achieved by our Appropriations Committee are any guide, the Senate should be able to reach the targets contained in the budget resolution without cutting into defense muscle.

There is one portion of this bill which does give me serious concern, Mr. President, and that is the proposed shipbuilding program. It strikes me as extremely inappropriate to authorize advance procurement funds for another *Nimitz*-class nuclear aircraft carrier only 2 months after the Congress rescinded funds for a similar ship. In addition, this bill contains over $600 million for something called air capable destroyers. The shipbuilding section has been described as providing options for administration and congressional consideration next year. I must say that $600 million for two ships the Navy has not planned nor requested and which would require design modification appears overly generous. This is a time of tight budgets which requires a more careful weighing of spending priorities than the shipbuilding program appears to have received.

Mr. President, while the bill before us can be accommodated within the targets in the budget resolution, I am not confident that the same can be said of the House-passed military procurement authorization bill. Including the funding implications of the personnel ceilings in both bills, the House-passed bill is higher than the bill before us by $0.4 billion in both BA and outlays. Moreover, the House bill contains an unlimited authorization for payment of shipbuilding claims. This could add an additional $0.3 billion in BA and outlays which the administration requested but was not included in the shipbuilding section of the House-passed bill. Even greater costs could result if the administration took advantage of this provision to settle the remaining claims this year without the discipline normally exerted by authorization committee oversight.

Acceptance of these aspects of the House-passed bill by our conferees, Mr. President, would put a great burden on the subsequent appropriations process to achieve the reductions necessary to stay within the budget targets. An even greater danger exists, however. Pressure may develop from the House side to go outside the range and agree to a conference report above the House figures. I want to make it clear, Mr. President, that such an outcome could place an unbearable burden on the appropriations committees and would be the cause for reevaluating my expected support for the conference report.

In conclusion, I must say it is ironic that while the House Budget Committee supports low targets in the defense function, it seems to have little effect on the House military procurement bill. Thus, it falls to the Senate to exercise the discipline for both Chambers. It is a measure of the skill and responsibility of Senator STENNIS and the other members of the Armed Services Committee that they were equal to this challenge in conference last year. I am confident they will accomplish no less this year.

Mr. President, the bill before us provides for a strong national defense within the constraints and priorities set by the Congress in the first concurrent budget resolution. Senator STENNIS and the other members of his committee deserve our appreciation for this achievement. I urge my colleagues to support the bill here on the floor and to work to preserve its essentials in conference.

Mr. HOLLINGS. Mr. President, the conferees on the budget agreed last week to allow $118.5 billion in budget authority and $111 billion in outlays for national defense. This allowance amounts to a cut of $1.6 billion in budget authority and $900 million in outlays below the request of President Carter, and is below the amounts which will be authorized and appropriated in the national defense function if the military procurement bill we are debating today is accepted and fully funded.

Since, on the face of it, the budget resolution and this bill are in conflict, I think it is important to review exactly what the budget resolution implies with respect to defense.

When the first concurrent resolution on the budget was passed by the Senate, it provided $120.3 billion in budget authority and $111.6 billion in outlays for national defense—an amount sufficient to accommodate the bill now before us.

I fought against the recommended cut in defense during the House-Senate conference on the budget until it became evident that we could gain no further concessions from the House of Representatives. I agreed to the recommended amounts on one critical condition.

The critical condition is the one stipulated on the floor of the Senate last Friday by the very able chairman of the Budget Committee, Mr. MUSKIE. I quote:

> Reductions in manpower and its associated costs and in investment and readiness costs will not be used as the vehicle for accommodating the targets.

I wish to join the chairman of my committee, Mr. MUSKIE, in expressing my thanks to the Senator from Mississippi, Mr. STENNIS, who chairs the Senate Armed Services Committee, and the Senator from Arkansas, Mr. MCCLELLAN, who chairs the Appropriations Committee, for their aid and cooperation in working out this agreement. It is important because it means that no arbitrary cuts in defense programs will have to be taken as a result of the recommendation of the conferees on the budget. I wish to thank the Senator from Maine, Mr. MUSKIE, also for his efforts to resolve the deadlock with the House of Representatives over the defense budget without giving up the substance of the Senate's position on the need for a real growth in defense.

The budget resolution assumes that large financial adjustments can be made in the administration's request for defense funds, without reducing the defense program. These adjustments include a possible slowdown in foreign military sales, the transfer of unobligated funds from prior-year appropriations to finance a portion of the fiscal 1978 defense program, a lower rate of inflation than assumed in the administration's budget, and a partial absorption of the October 1977 pay raise.

While I am happy to see that the Senate's position on the substance of the defense program was preserved in the conference. I am concerned that we were forced by the House to agree to financial adjustments of this magnitude. With the exception of the pay raise absorption, which can be expected to be on the order of $300 million in budget authority and $300 million in outlays, the proposed financial adjustments are based on some highly dubious assumptions. I think most of the premised cuts are wholly unrealistic, and will not occur.

If they do not, we will be obliged to adjust the second concurrent resolution accordingly.

First let me take up the postulated slowdown in foreign military sales. The administration currently is of the opinion that there will be an increase of several billion dollars in budget authority for foreign military sales as the result of expected new orders. I informed the House conferees of this fact, but they chose to ignore it, and continued to assume that sales would decrease.

Second, the recent trends in inflation are not downward, as assumed in the budget resolution, but upward. This fact

reflects poorly not only on adequacy of the projected fiscal 1978 budget, but also on the premised availability of excess funds from prior year appropriations. Inflation in the first quarter of this year exceed an annual rate of 10 percent in the Wholesale Price Index. This is well above rates for fiscal 1977 as estimated in multi-year appropriations for procurement stretching back to fiscal 1972. Consequently these prior year funds may prove to be inadequate to cover approved purchases.

Moreover, medium-term forecasts of inflation are rising. In December 1976, Data Resources Inc. forecast an increase in the Wholesale Price Index in fiscal 1978 of 5.4 percent. In the most recent update of their forecast, issued this month, DRI now anticipates a rise of 6.9 percent in the WPI during the forthcoming fiscal year. This is an increase of 1.5 percent in the rate. Inflation allowances in the fiscal 1978 defense budget, which were built in last fall, thus may be low by more than 1 percent, or more than $500 million.

I am seriously disturbed to see the budget process muddied by dubious—if not devious—financial assumptions such as those postulated by the House Budget Committee and insisted upon by the House conferees. Therefore, I am serving notice that I will ask the Director of the Office of Management and Budget and the Secretary of Defense that I be supplied with an accounting of all actual transfers of unobligated balances, all lapsed balances of such funds, all receipts and all other historical evidence of financial adjustments in the defense budget for each of the 5 last fiscal years, through fiscal 1976. I will ask as well for their best current estimate of financial adjustments in the fiscal 1977 and fiscal 1978 defense budgets, as well as their estimates of foreign military sales activity and the adequacy of inflation allowances in the light of current trends.

Mr. PROXMIRE. Mr. President, I would like to discuss a point concerning the proposed 50-percent increase in the budget of the Defense Civil Preparedness Agency.

No one in the Government today can tell Congress how much is being spent each year for our total preparedness effort. We have asked, but there are no answers. The Joint Committee on Defense Production came up with a rough estimate of $175 million annually. Yet nobody really knows for sure. That is why I oppose additional spending for this purpose.

We should not spend any more money on disaster preparedness programs until we have solved the current problems with the organization and priorities of the Federal preparedness effort. Instead, we should move on proposals to consolidate the existing agencies in a more efficient organization. Right now, the Federal Government has three such preparedness plainning and relief agencies—FPA, DCPA, and FDAA. And there are 175 interagency committees, working groups, and task forces. Several dozen other departments and agencies have preparedness programs.

Before President Nixon reorganized the preparedness function in 1973, there was central policy direction and budget control. But not any more. No one can adequately explain why this important mission is split up among several agencies. Nor can it be explained why central budget management was stopped.

The confusion and misplaced priorities which result from this fragmentation waste taxpayers' dollars. More seriously, there are gaps in the protection of life and property in emergency and disaster situations. We must make sure that we are getting full value for every dollar spent by using each dollar for multipurpose programs for major widespread disasters of all kinds—not for duplicative programs that make a distinction between nuclear disasters and natural disasters. This fragmentation thwarts the ability of preparedness organizations to take advantage of the economies that are possible from central management of similar programs. Many of the preparations for natural disaster are the same as those for nuclear attacks. Yet, the Federal Government for the last several years has pretended that these similarities do not exist.

The distinguished Senator from Illinois and I have introduced legislation to achieve this needed consolidation. Other legislation has been offered by the Senator from Kentucky (Mr. HUDDLESTON). The Proxmire-Percy bill would restore centralized budget control over preparedness spending. It would allow us to determine whether we are spending preparedness money wisely. It would allow us to straighten out preparedness spending priorities, avoid duplication, and increase efficiency. These proposals must be addressed now, before we sink more money into the rabbit warren of the Federal preparedness organizations.

The Congress needs to move on consolidation legislation before it moves on spending issues.

SEAFARER

Mr. NELSON. Mr. President, for the past several years I have been working very closely with the distinguished chairman of the Armed Services Committee's Research and Development Subcommittee on Project Seafarer.

In preparing for consideration of H.R. 5970, the fiscal year 1978 military procurement bill, the Senator from New Hampshire (Mr. MCINTYRE) and I prepared a colloquy covering several points relating directly to this most controversial issue. I ask unanimous consent that the colloquy be printed in the RECORD.

There being no objection, the colloquy was ordered to be printed in the RECORD, as follows:

Mr. NELSON. Mr. President, I would like to ask the distinguished Chairman of the Senate Armed Services Committee's Research and Development Subcommittee (Mr. McIntyre) a few questions regarding the authorization for Project Seafarer contained in H.R. 5970, the Fiscal Year 1978 authorization military procurement, research and development, etc.

It is my understanding that this bill contains authorization of $20.1 million for further testing and evaluation of the system. The $3.6 million requested by the Navy to initiate Full Scale Development has been denied by the Committee. Is this correct?

Mr. MCINTYRE. The Senator is correct.

Mr. NELSON. Last year's conference report on H.R. 12438, the Fiscal Year 1977 military authorization bill, contained very specific criteria governing the sequence of events that must be followed by the Navy before the Congress will authorize Full Scale Development funding. The conference Committee's report stated that Full Scale Development authorization was "contingent upon: (1) completion of studies of the environmental and biomedical impacts of the Seafarer system and the conclusion that the system poses no unacceptable environmental or biomedical hazards; (2) selection by the Navy of a candidate site; and (3) a firm plan including a schedule to begin installation of the system at the selected site."

Am I correct in assuming that when the Committee voted to delete the requested funding for Full Scale Development it was simply underscoring and re-emphasizing this procedure?

Mr. MCINTYRE. The Senator from Wisconsin is quite correct. The Committee's position on that central point this year is identical to its reasoning last year.

Mr. NELSON. In other words, the Committee will continue to deny all requests from the Navy for Full Scale Development until: (1) the National Academy of Sciences submits its final biomedical and environmental report, (2) the final environmental impact statement for the system is filed with the President's Council on Environmental Quality, (3) the Navy has chosen a specific site for the system, and (4) the Navy has provided the Congress with a detailed development plan for the candidate location. Is this scenario correct?

Mr. MCINTYRE. Yes, the Senator has accurately described the approach the Committee will continue to take in reviewing Project Seafarer.

Mr. NELSON. Just one more point. As the Senator knows, the Senator from Wisconsin has been active in monitoring this program—the Sanguine-Seafarer program—over the past eight or nine years. I have always approached the problems posed by this technology within the context of three basic questions: (1) Does the system work? (2) Is it safe? That is, does it pose any adverse biomedical or environmental hazards? and (3) Is it vital to the Nation's defense?

On the first point, the Navy appears satisfied that the system does work. Second, regarding any biomedical or environmental impacts, the evidence is not yet in—the environmental impact statement process is incomplete and the final National Academy of Sciences report is not yet available. Finally, in regard to the need for Project Seafarer, as to its relationship to national security, this issue, in my view, has not been adequately debated. I note in the Committee report on pages 93–94 that (Report No. 95–129) it is the Committee position that an extremely low frequency communication system, either Seafarer or something very close to Seafarer, is indeed vital to the Nation's security. Would the Chairman like to comment on this point?

Mr. MCINTYRE. The Nation's security is involved in two ways. First, the effectiveness and stability of our nuclear deterrent depends on the certain survivability of our strategic submarines. We have the very highest confidence in their current survivability. However, our strategic submarines now must use buoys or wires to receive messages so, over a long period, it is conceivable that patterns of operation could be deduced if the Soviets acquire the ability to detect and monitor our submarines through this one indicator. A buried ELF communication sys-

tem would enhance the survivability of our strategic submarines by enabling them to operate at more survivable depths and without such buoys or wires.

An ELF communications system would also be important for the effective operation of our attack submarines. By far, the most formidable element of the Soviet Navy is their attack submarines and our best military counter to this threat is our own SSNs. An ELF system would permit substantive messages to be transmitted to our SSNs while they are engaged in an actual military operation and while they are operating at effective speeds. Without an ELF system, our attack submarines might have to disengage from their tactical situation, reduce their speed and come near to the surface in order to receive a critical message so the result would be the sacrifice of the military effectiveness of our SSNs.

The ELF system is, therefore, critical both to the survivability of our sea-based deterrent and to continued effectiveness of our attack submarines. These are the primary reasons why the Senate Armed Services Committee has insisted, over the years, that this technology be pursued.

We have also worked hard to find ways this very important capability can be acquired without risks to human well-being or any significant adverse impact on the environment. We also hope that a smaller system could be defined that would use much less land and thereby accommodate the feelings of the local population where an ELF system might be located.

Mr. NELSON. I thank the Chairman.

Mr. NELSON. I want to congratulate the committee for approaching this complicated and very emotional issue in this careful manner. It seems to me that everything that needs to be done is, in fact, being done to insure that the environmental, biomedical, and national security issues are fairly evaluated before the Congress makes a decision whether or not to proceed to full scale development. This decision will have to await all of the final reports we have just discussed.

Mr. President, I ask unanimous consent that a statement I made on this issue April 6, 1977, and additional material be printed in the RECORD.

There being no objection, the statement and attachment were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR GAYLORD NELSON

Mr. Chairman, I appreciate the opportunity to share my views on the Fiscal Year 1978 Budget for the Navy's Project Seafarer with this Committee.

Before getting into the substance of this year's request, I want to commend the distinguished Chairman of the Research and Development Subcommittee (Mr. McIntyre) on the analytical and systematic approach adopted by the Committee in reviewing the advantages and problems of this extremely low frequency communication system. The process and criteria established by the Committee last year for the evaluation of Project Seafarer has worked well and should, in my view, be continued.

As you know, the Navy has requested $23,741 million for continued work on Project Seafarer during Fiscal Year 1978. Of this total, the Navy has asked for authorization to spend $3.6 million on Full Scale Development (FSD). Full Scale Development is the stage of program development immediately preceding system deployment. It involves selection of a system site and preparation of the site for construction of the actual antenna and communication network.

Last year, the Congress took an important step toward resolving the many technical questions that surround this communication grid. Senate Report 94-1004, the Conference Committee Report accompanying H.R. 12438, the bill authorizing appropriations for Fiscal Year 1977 for military procurement, contains, for the first time, a specific timetable and exact criteria governing future consideration by the Congress of Project Seafarer.

The Conference Committee Report provides that Full Scale Development funding is "contingent upon: (1) completion of studies of the environmental and biological impacts of the Seafarer system and the conclusion that the system poses no unacceptable environmental or biological hazards; (2) selection by the Navy of a candidate site; and (3) a firm plan including a schedule to begin installation of the system at the selected site."

In other words, the Congress agreed that Full Scale Development funding should be withheld until: (1) the final report of the National Academy of Sciences with regard to biomedical and environmental impacts was filed with the Congress, (2) the Navy had picked a specific site for project installation, (3) a site development plan was submitted to the Congress, and (4) the final Environmental Impact Statement was filed with the President's Council on Environmental Quality.

As of this date, the Navy has failed to make any of this information available to the Congress. They have failed to provide any of this documentation because it is not yet complete. Not one of these reports has been finished. The Congress must have this critically important data before authorizing Full Scale Development.

Therefore, according to the procedure laid down by this Committee and the Congress last year, I respectfully recommend that the $3.6 million slated for Full Scale Development be deleted from the requested authorization.

Last week the House Armed Services Committee voted to delete all funding for Project Seafarer from the FY '78 Budget. This action, in effect, kills the 18-year-old program. The Committee did, however, vote to authorize $2 million to upgrade the Wisconsin Test Facility as an operational test bed and $5 million for research and development of a blue-green laser communication system.

The House Commitee has decided that Project Seafarer is not vital to this nation's defense. Two points are now before this Subcommittee for resolution: (1) the Navy's $23.7 million FY '78 request and a repeated determination that Project Seafarer is necessary to the country's defense, and (2) the decision by the companion House Committee to kill this particular ELF effort. I do not have an opinion on the second point because the merits of the case have not been thoroughly argued in the Senate in open debate. Because of the House Armed Services Committee's action to delete all authorization for continued work on Project Seafarer, it seems to me that this Committee will have to decide and make a recommendation to the Senate whether or not this particular Project or some other communication system is vital to the defense of this nation.

There should be no question about the Full Scale Development funds; the Senate should deny the Navy the requested $3.6 million. The door of decision has been flung wide open by the House; we must now scrutinize this program and decide the fate of the Project Seafarer.

Mr. Chairman, I have a short list of questions that I would appreciate if the Committee would submit to the Navy so their responses can be printed in the record.

STATEMENT BY SENATOR GAYLORD NELSON

Senator NELSON. Thank you, Mr. Chairman.

I am addressing myself to the narrow question at the moment of timely necessity of the request of the $4.65 million for full scale development.

I have been involved in the project for 8 years since it was first announced. And I must say, Mr. Chairman, that over that period of time I have had the privilege of meeting with representatives of the Navy on a regular basis, sometimes once, and sometimes twice, and sometimes three times a year. The Navy has been most cooperative in sending over their experts and discussing in great detail the proposal and what the objective was. And I am very appreciative of it.

When the proposal was first announced it contemplated a system that involved 25,000 square miles. It is my understanding that it is now more sophisticated, to encompass about 3,500 square miles. And I immediately raise the question of environmental impact, because in that kind of area you would be crossing hundreds of streams and marshes, and you would be in clay country.

After these objections were raised the Navy immediately announced a study by the Hazlitt Corp. for approximately $125,000. We discussed that proposal at some length. We found that it would require substantially more funding. Consequently the Navy has proceeded to request and engage in extensive environmental studies contracted out to a number of universities and other scientific personnel.

From the beginning it has been my posture and my understanding, an understanding that has been repeatedly confirmed by conversations with representatives of the Navy, including Admiral Kaufman, with whom I met several times, including statements in the committee reports on several different occasions, and including a detailed exchange of letters with the Navy in 1972, that there were three aspects of the problem involved here. I put them in a different order for the 8 years the Navy has on this presentation:

One, the validation phase and the question of whether it would in fact as a practical matter work. It appears clear it will.

That validation phase was carried on at Clam Lake in the Chequamegon National Forest.

The second question raised was the question of environmental implications of the installation of the system. His question has been, as I said, studied very extensively.

Third is the question of whether or not this communications system is a vital part of our weapons system, is it vital to the defense of the United States, is it vital to assure the credibility of our capacity to respond?

That was the third issue to be considered as we discussed it at least over the past 8 years.

I have always taken the position that I was in no position, based upon what I knew thus far, to make any independent judgment as to whether or not it was vital to our defense. However, if it were vital to our defense, I don't think there would be any objection basically in this country, because it is necessary to have it. That question for debate has not been brought up in Congress thus far. Of course the Navy has long ago concluded that if it will work and if the environmental impact is not consequential, that in fact it is vital to the defense.

In a series of committee comments and reports it has been well understood and agreed that there would be no request for full-scale development or deployment, both words used interchangeably, for several years until the testimony today, until the first two questions have been settled, the validation question, and second, the environmental studies completed and evaluated by the scientific community. That second step has not yet been completed. We have repeatedly discussed this with the Navy. The record, is replete with comments. In fact, in an exchange of letters with the Assistant Secretary of the Navy, this was June 19, 1972, I said in my letter to the Navy, and they in return:

"In summary, it is my understanding in my discussions with the Navy that the fiscal

year 1973 appropriations which the Congress is asked to act involve only continuation of research and development (validation phase) and do not include any funds for the final development and deployment phases. I would appreciate being advised if my interpretations of these conferences do in fact represent a correct view of the status of Project Sanguine and the purpose of the funds requested for fiscal year 1973."

In response Assistant Secretary of the Navy Robert Frosca states in one paragraph:

"Approval of these funds and the conduct of the validation phase, do not constitute a commitment to full-scale development of production of a Sanguine system. Development needs to proceed in order to insure that future decisions on full-scale development are based on availability of all necessary factors, including environmental issues."

In several other places—and I will submit all of it for the record, Mr. Chairman—this posture has been endorsed in committee reports, House and Senate, as well as by the Navy.

Now, I notice in today's testimony by Captain Pollack that the language which is new to me for the first time—

"This phase is called full-scale development in the DOD weapons acquisition process."

As you know, this is occasionally confused with deployment of an operational system rather than a continuation of the normal development required before entering into production. That distinction was never made during the 8 years that I have discussed it with the Navy, and in fact the Navy itself didn't make that distinction in its own presentation. This is the 1975 fiscal year House Appropriations Committee report. In that report it states:

"None of the funds provided should be used for FSD of the Sanguine system. Furthermore, the committee will not consider funding full development of Sanguine until a site has been selected, and State and local government agencies concerned concur in the deployment plan."

And then supplied for the record by Captain Galloway was this:

"The DOD is taking active measures to select a site for an ELF system and will not enter into full-scale development until a DSARC II review has been conducted. Design validation, in its latter phase, will continue concurrently with full-scale development. Design validation consists of the development, test, and evaluation of critical ELF components on a site independent basis. Once a site is selected and approved, full-scale development will be accomplished utilizing the components developed in design validation."

I have several quotes which I don't want to burden the committee with. The National Academy of Sciences, as everybody knows, entered into an agreement with the Navy assessing the biological and ecological effects of the project. So it is simply my posture at least that the committee and the Congress should stick to the posture it has clearly had for the past 8 years that the issue of full-scale development and/or deployment, both of which are used in a number of places interchangeably in the past, should not proceed until we have completed the environmental studies that have been contracted for, and the scientific community has had the opportunity to evaluate them. If there are no serious environmental impacts, then we are down to the issue of whether or not the system is vital to the defense of the country and should then go to full-scale development or deployment, however, one uses the word.

So my only point is that point that we have made on the floor of the Senate, and every time the issue has been before us, sometimes in colloquy with Senator McIntyre, and also with Senator McClellan when it was before the Appropriations Committee. And I will quote that colloquy with Senator McClellan for the record.

Senator NELSON. In a discussion on the floor with Senator McClellan December 13, 1973, I stated:

"I used the phrase which the Navy uses "full scale development of Project Sanguine," which, by their definition, means deployment of the system for use.

"Senator MCCLELLAN. I would not want them to do that. I am happy personally to accept the amendment."

So, Mr. Chairman, I think the record is clear that the intent, the congressional intent all along has been to complete the validation and the environmental studies which have been contracted for prior to requesting and proceeding with full-scale development. And I would hope that the committee would stay with the posture that it has had for the past several years.

[The prepared statement of Senator Nelson follows:]

PREPARED STATEMENT OF SENATOR GAYLORD NELSON

Mr. Chairman, I appreciate the opportunity to participate with this Committee in its evaluation of the Navy's $29.8 million FY '77 authorization request for Project Seafarer, the Navy's land based extremely low frequency (ELF) submarine communication system.

Before getting into the specifics of this year's request, I would like to thank and commend the Committee for the time and effort it has expended so far in its investigation of the various controversial issues generated by Project Seafarer and its predecessor system, Project Sanguine. Over the years, the Committee has done an outstanding job in monitoring this project through its research, testing, and evaluation phase.

The FY '77 budget contains a request for $4.65 million Full Scale Development of Project Seafarer. I believe this request for funds should be denied.

In the period of time since 1968 that I have been involved in this question, I have met several times a year with the Navy. They have given me their specific assurances, in writing and verbally, that they would not proceed with Full Scale Development until the validation phase was completed and the evidence was clear that the system worked.

In 1968, I raised the question about the adequacy of the Navy's environmental impact research program. Consequently, the Navy has undertaken many studies and has made a substantial effort in this area. The studies are not yet complete. Each year the Navy has personally assured me, either verbally or in writing, that they have no intention of going to Full Scale Development until the first two items were completed; that is until the validation phase and the environmental impact studies had been carefully evaluated by the independent scientific communities.

Then, and only then, if based upon hard and scientific evidence, there were no serious environmental implications, the Congress would proceed to debate the question of whether or not this communication system is vital to our nation's defense.

On that question, I don't have a viewpoint. Based upon this understanding as well as a three year record of Committee report language and legislative history, I respectfully request that the $4.65 million requested for Full Scale Development of Project Seafarer be deleted from the fiscal year 1977 authorization. Such a request, in my judgment, is premature and ill-advised because a very large majority of the information essential to the Congress making an informed and considered judgment is not yet available. Much of this critical information will be produced within the next 12 months. Rational decision-making and sound public policy demand that the congressional decision whether or not to authorize and appropriate Full Scale Development funds be deferred until an adequate information base can be developed.

In my view, the following information should be submitted to the Congress before authorization and appropriation of Full Scale Development funds are considered.

First, the report of the National Academy of Sciences' review and assessment of the Navy's ELF biomedical and environmental research program. The Academy, under contract to the Navy, will evaluate the quality of past research. It will look into the very serious allegations of mismanaged research and the suppressions of adverse biomedical impacts of the Seafarer system. The Academy will make recommendations as to the need for future research and an assessment of our understanding of this issue.

Second, a copy of the new draft environmental impact statement the Navy will file with the President's Council on Environmental Quality (CEQ) around the first of the year.

Third, a report of the conclusions of the Defense Systems Acquisition Review Council II meeting and the submission of a recommendation where the system is to be deployed. According to the Navy, both items are due in April 1977.

Fourth, a copy of the final environmental impact statement, including public as well as other federal agency comments, will be filed, according to the Navy, with the CEQ in May 1977.

And finally, the concurrence of affected state and local officials as to site selection. This aspect is due in July 1977. Each and every one of these reports is critical and indispensable to the Congressional evaluation of Project Seafarer.

It seems to me these hearings could initiate the discussion of the technical feasibility, environmental capability, and national defense requirements of Project Seafarer. It is a logical time for such a detailed and rigorous examination and evaluation to begin. We are between stages in project development. Full Scale Development clearly is closer to actual deployment of the system than it is to research. In fact, using the Michigan candidate site as an example, a large majority of the work performed under Full Scale Development in the construction of a pilot project would be incorporated into the full Seafarer system.

These hearings certainly can speak to the question of technical feasibility. These hearings can begin the evaluation of the environmental compatibility as well as strategic need of the system. It is obvious, however, that these discussions on the last two points cannot be completed until the information outlined above is made available to the Congress.

Therefore, I suggest we begin a meticulous examination of the Navy's ELF program. An integral part of that examination would be an underscoring of the existing congressional policy that this committee will not consider authorizing Full Scale Development funds until an adequate information base has been developed and a specific site has been chosen and local concurrence for that site has been obtained.

In addition to the question of funding Full Scale Development, and the question of environmental impacts, several other areas of the Navy's ELF program bear examination.

First, we should clearly understand why the Navy has shifted its money and effort into the development of a non-survivability communication system when the Congress

had been funding Project Sanguine, a survivability ELF system for 16 years. Second, we should clearly understand the relationship of Project Seafarer to Project Sheif. Third, we should clearly understand what implications such a shift holds in terms of defense and foreign policy considerations. Fourth, the Navy request for funding of Project Pisces should receive most careful scrutiny.

Full scale development

Question. How does the Full Scale Development (FDS) activity scheduled for FY 77 differ from previous research? How does it differ from actual deployment? Is FSD a fine tuning process?

Answer. All research and development accomplished prior to FSD has been for conceptual system design, designing of system components, establishing working parameters and defining environmental impacts. In FSD prototype components of the Seafarer system are to be built for operational test and evaluation. The components are planned to be installed in a testbed or test facility. The FSD test facility will be a small scale version of the production (deployed) system capable of limited ELF transmission to submarine mounted prototype receivers. FSD is primarily a process of verification that the system will perform as designed. Component adjustment, timing and final design modification will be accomplished as required.

Question. For each of the three potential candidate sites, what is envisioned by full Scale Development? What is the planned location and configuration of this segment? How many miles of cable are involved? How many transmitters will be constructed?

Answer. FSD would be essentially the same at any of the three candidate sites. An FSD test facility would be constructed within the selected candidate production system area. Regardless of location, the test facility would contain one transmitter station, one transmitter control center and approximately 130 miles of antenna cable. In Nevada the test facility antenna would be two parallel east-west lines, totaling 125 miles, in the northern portion of the Air Force Range. For the White Sands, New Mexico site, five east-west lines totaling 130 miles are envisioned to be located in that portion of the Missile Range to the northwest of the City of Alanogardo. In Michigan a 135 mile antenna consisting of one east-west and two north-south would be located entirely within Marquette County.

Question. For each potential site, how much federal and private land will be utilized? What are the provisions regarding rights of ways and easements?

Answer. The FSD test facilities at either the Nevada or New Mexico sites can be located entirely on federally owned or controlled land. In Michigan, the only federal land to be employed would be K. I. Sawyer AFB, where the transmitter station and transmitter control center would be placed. The antenna lines would be routed along existing rights of way such as state or county roads and utility lines for all but about 18 miles of the 135 mile array. This 18 miles represents private or corporate land for which easements would be obtained.

Agreements for co-use of existing rights of way and easements for new rights of way would be acquired by the Naval Facilities Engineering Command using established real estate procedures after site selection.

Question. How long will the Full-Scale Development program operate? How much will it cost?

Answer. The Full-Scale Development phase of Project Seafarer is planned to be completed November 1978. The follow-on effort, utilizing the test facility constructed during FSD and using prototype equipment, will be used to gather test data and to conduct biological/ecological and environmental studies. This work will continue as needed.

Question. How will the pilot project be operated? What technical and biomedical/signal be modulated and represent as closely as possible the specifications required by Project Seafarer?

Answer. The test facility will be operated by the design validation/full scale development contractor and will provide assistance to the Navy in conducting tests of prototype equipment.

Baseline Biological/Ecological studies will be conducted at the Full-Scale Development site. The response to Biomedical/Environmental question 4 identifies the studies which may be conducted at the final site.

The signal design and modulation used at the test facility will be identical to those to be used in the production system.

Question. What are the estimated costs of building Full Scale Development at each of the three candidate sites?

Answer. Costs for design and construction of FSD test facilities are:

	In millions
1. Nellis AFB, Nevada	$12.4
2. White Sands MR, New Mexico	12.6
3. Michigan U.P	11.9

These do not include the cost of prototype equipment design, fabrication and installation which are carried under system development tasks. All costs are escalated to 1978 estimated values.

Question. What are the estimated costs of deploying Seafarer at each of the three candidate sites? What are the advantages and disadvantages of each site?

Answer. The estimated investment costs for deploying Seafarer, based on candidate site, are:

	In millions
1. Nellis AFB, Nevada	$983
2. White Sands MR, New Mexico	815
3. Michigan U.P	315

These costs represent the optimum systems that can be achieved at each site while minimizing environmental impact. All are escalated to the 1979/1980 time frame. Major advantages and disadvantages of each site are:

a. Michigan—Major economies in construction cost; power usage; and operational performance are associated with a Laurentian Shield site installation such as typified by the Michigan area. Easy access to/from the construction site and ample logistics facilities exist in the area. Attainment of an acceptable interface with public facilities is the primary distinct factor in this site area.

b. Nellis—Good operational performance, total utilization of Federal land, and relatively remote location are major advantages. Different antenna lay down in mountainous areas; interface with ongoing operations; and additional logistic support required for work crews provide the most serious problem.

c. White Sands—Poorest operational performance area, if constrained as planned to total Federal Land usage. Remote location and popular local support of citizens are major advantages. Antenna lay down problems similar to that at Nellis.

Question. How much of the pilot project at each candidate site will be included in the deployment of the full system?

Answer. Regardless of site, the entire test facility, including buildings is planned to be incorporated into the production system.

Question. What contact, if any, has the Navy or anyone associated with the ELF communication program had with the Air Force concerning the status of Sawyer Air Force Base? Has the Navy developed a memorandum, similar to the March 25, 1976 memorandum from the CNO to CSAF concerning Project Seafarer for the White Sands or Nellis site?

Answer. Seafarer Project Office presentations at Strategic Air Command (SAC) Headquarters in Omaha on 17 September 1975 advised the Air Force of Navy desire to locate portions of Seafarer on K 1 Sawyer AFB.

Seafarer Project Office presentation at K 1 Sawyer on 18 September 1975—advised this base of Navy desire to locate portions of Seafarer system on the K I Sawyer complex.

On 11 November 1975 the Navelex Special Communications Project Manager, Captain Cobb, visited K I Sawyer and discussed the Seafarer site survey effort and Navy plans to locate portions of the Seafarer installation at K I Sawyer.

25 March 1976 Memorandum from CNO to CSAF concerning Project Seafarer.

Correspondence has been originated by the Chief of Naval Operations regarding the Nevada and New Mexico sites. These communications were directed to the Chief of Staff, Army; Chief of Staff, Air Force; Energy Research and Development Agency (ERDA) and other interested activities. This correspondence outlines the scope and concept of Navy use of these facilities for Seafarer.

Question. One page 11, Captain Pollak states that White Sands "cannot fully satisfy the Seafarer requirements" principally due to "avoidance areas." Please detail the problems posed by these avoidance areas at White Sands as well as the other requirements the White Sands site cannot fulfill.

Answer. Avoidance areas/features are specific areas which a Seafarer antenna will not be placed near or through. At the White Sands Missile Range Complex these areas features include such areas as:

Trinity Site National Monument, White Sands National Monument, an extensive instrumentation system involving over 2000 instrument sites used to support range activities, radar target scatter facility hazardous test area containing electro-magnetic radiation effects laboratory, South Range Launch Complex, small missile range, radiation hazard areas, power distribution stations, telephone central exchangers, built up headquarters area, Rhodes Canyon Range Center, Oscura Range Center, Stallon Range Center.

The White Sands National Monument has had the most significant impact on system design and antenna layout. It was originally felt that Seafarer could utilize the Army-Park Service—co-use area of the White Sands National Monument for the installation of Seafarer. The Department of Interior National Park Service has advised the Navy that they would object to any Seafarer installation on the White Sands National Monument lands and sited the wilderness recommendation White Sands National Monument, New Mexico, August 1972 as a guideline reference for their objections. The Navy has now excluded the National Monument co-use area for possible Seafarer installation. This exclusion resulted in a reduction in the number of miles of antenna that could be installed at White Sands. Other avoidance features for the most part can be avoided by antenna routing.

Question. Captain Pollak also states, "A system in Nellis would almost meet the requirements." What requirements cannot be met? What effect would this have if Nellis becomes an FSD site?

Answer. A Seafarer system at Nellis AFB would be able to transmit messages at 70 percent of the rate of specification requirements.

If Nellis becomes the selected site, no effect will be experienced on the Full-Scale Development phase of the Project.

Question. In your professional judgment,

what is the prime candidate site for Full Scale Development of the Seafarer system?

Answer. The Full Scale Development site should be within the selected site for the production system in order to allow for the most realistic testing of prototype hardware and the incorporation of the test facility into the production system, if built. The site selection process involves a complex evaluation of trade offs. Major economies in construction cost, power usage, and operational performance are associated with a Laurentian shield area site location. Evaluation of all these factors must be completed prior to any conclusive assessment of a prime candidate site.

Time table

Question. When does the Navy estimate having Project Seafarer operational? How was this date set?

Answer. The expectation is to have the Seafarer system fully operational April 1981.

This date is predicated on many factors which include site selection and approval in April-May FY 77, Congressional approval of funding to permit entering Full-Scale Development in FY 77, a production decision and availability of military construction and procurement funds in FY 79.

Question. It is my understanding a production decision is slated for the second quarter of FY 79. How was this time table established?

Answer. The pacing factor for a production decision is analysis of the data obtained from the operation of the Test Facility. Data required to support a production decision is expected to be completed in October 1978.

Question. What problems would be posed by any slippage of this schedule?

Answer. The most significant effect of schedule slippage is delay in the availability of the operational system for use by our submarines.

Question. If Full-Scale Development funds were denied in FY 77 but included in the FY 78 budget, what impact would a two to six month delay have on the program?

Answer. The start of FSD would be delayed about five months if funding were to be denied until FY 78. This delay could cause a delay up to one year in the start of the production system and subsequent full operational capability. A delay of this type will add approximately $3.6M to total cost due to increased contractor costs and escalation.

Biomedical/environmental

Question. What is the current status of the Navy's biomedical/environmental research program?

Answer. The "Navy Sponsored ELF Biomedical and Ecological Research Summary" (update) attached, (TAB A) and the (TAB B) (Question 4) provide a summary of the current status of the present program.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., April 2, 1976.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: This is in response to your letter of March 24, 1976, concerning the requirement for an arms control impact statement on Project Seafarer.

As you point out, based on the single criteria of a $250 million estimated total program cost, Seafarer, like many Department of Defense sponsored programs, is affected by Section 36 of the Arms Control and Disarmament Act and subject to an arms control impact statement. You are aware, however, that the legislation which amended the Arms Control Act by adding this section was not enacted until December 1, 1975, very close to our FY 1977 budget submission date. Because the passage of this legislation occurred so late in our budget cycle, it was not possible to establish the requisite internal operating procedures and to accomplish the preparation of statements on all affected programs for the FY 1977 authorization request. The Secretary of Defense decided to adopt interim procedures pending full compliance next year.

You have seen a copy of these interim procedures. Basically, they limit the submission of arms control impact statements in conjunction with the FY 1977 budget to selected major programs. The Congress was notified of this intention when Defense submitted legislation to authorize appropriations during FY 1977. In selecting the programs on which to prepare statements this year, emphasis was given to the apparent intent of Congress in enacting Section 36—namely, the arms control impact of direct application weapons, particularly those which had passed DSARC II. As a command and control system still under development, Seafarer was deleted from the list of selected programs.

Although the preceding paragraph explains why a formal arms control impact statement on Project Seafarer has not been prepared this year, I cannot see how a communication oriented program such as this would impact on current arms control policies and negotiations at this time. There are no present agreements which constrain systems of this nature and such systems are not the subject of any ongoing negotiations. In light of Seafarer's capability to assist in minimizing the vulnerability of our submarine forces, the system enhances the credibility of one of our major deterrents and thus adds to stability.

You may be assured that the Department of Defense has fully balanced the impact of the Seafarer project and all other Defense programs on arms control against our overall national security needs.

Sincerely,

JAMES P. WADE, Jr.,
Deputy Assistant Secretary.

Question. Please describe the present and envisioned anti-submarine warfare capability and threat. How are the presently identified ELF communications systems, Projects Seafarer, Sanguine, and Shelf, expected to meet the enemy's current capability and future capability?

Answer. The force structure of the Soviet Navy has changed markedly since the mid-1950's reflecting the change in the Soviet Navy's role from a coastal defense force to a worldwide instrument of Soviet power with a true open ocean capability. The intentions of the Soviet in regard to seapower were recently summarized by Fleet Admiral Gorschov, the Soviet Chief of Naval Operations, in his book "Seapower and the State". He wrote, in regard to countering U.S. naval ballistic missile submarines—"The employment of naval forces against the enemy's seaborne strategic nuclear systems in order to disrupt or blunt their attacks against ground targets to the maximum degree has become the most important of the Soviet Navy's efforts." The foregoing, coupled with Soviet technological capability as evidenced by their development of sophisticated anti-submarine warfare equipment and techniques, dictates the need for the capability provided by ELF. Concern centers on their ability to detect and track submarine antennas displayed above the surface or in the near surface depths.

The characteristics of extremely low frequencies to penetrate to the deep ocean depths will permit the submarine to operate without an antenna above or near the surface.

Reference should be made to the SSBN Security briefing for the Senate Armed Services R&D subcommittee on 23 March 1976 and that portion of the Seafarer briefing for the same committee on 6 April 1976 provided by Captain John Shilling which provided extensive detail on techniques and threat.

Question. Is Project Sanguine dead?

Answer. Research and development for Project Sanguine was terminated in early 1975.

Question. Although the Navy has made it clear that deployment of Project Seafarer is not in pursuit of a U.S. first strike capability, please respond to concerns of those who believe an enemy might well perceive the construction of such a non-survivable command and control system in that manner.

Answer. The concerns cited are appreciated. It is the position of the Navy that the addition of this system to our existing communications network should make a significant contribution toward reducing the probability of a nuclear attack on the United States. Specifically, it would add redundancy to our communications, improve our capabilities against Soviet ASW, and thereby, strengthen the credibility, of our fleet ballistic submarines to retaliate against such an attack.

ADDITIONAL QUESTIONS SUBMITTED BY SENATOR NELSON REGARDING PROJECT SEAFARER

Senator MCINTYRE. Thank you, Senator Nelson.

Senator TAFT. I notice the final slide here says: "ELF is important to national security,"

Also above it says: "Rapid system attainment is essential."

Is that any more true today than it was last year or the year before?

Senator MCINTYRE. Admiral Boyes, you are here as a backup witness. I want to recognize you at this time. Perhaps you could take on Senator Taft's question.

Admiral BOYES. Thank you very much.

I think the answer to the question, Senator, is that the Soviets are becoming more oriented, and their technology is improving. Certainly they are fully aware of the very serious efforts required on their part to locate and detect the FBM submarines. And it is our belief that they take full advantage of technology, that they probably are taking full advantage of technology, and that therefore the sooner that we can test a system such as Seafarer, and ultimately deploy it, the safer our retaliatory capability will be.

I hope I have answered your question, sir.

Senator TAFT. Is the Backfire bomber to be developed as a part of that project?

Admiral BOYES. I am not qualified to answer that question, I am sorry.

Senator TAFT. How long would it take you to build the system if you get the green light on it?

Admiral BOYES. I think the system will take about 2½ years to build, once it has been tested.

Senator TAFT. What is involved in the preceding vessel? Would they have to refit?

Admiral BOYES. They will not be required to go into the yard to refit for an extensive period of time. The receivers, of which we are buying 15 this year, will become the prototype. And that type of receiver can be installed generally by a small yard force or a tender, sir.

THE B-1 BOMBER

Mr. HAYAKAWA. Mr. President, I would like to address an issue today that is of grave importance to the security and national defense of the United States—the B-1 bomber.

For the past few months, I have refrained from taking a definite and final position on the B-1 bomber program until I had studied all the pertinent material. As an educator for many years, I want to be thoroughly informed about both sides of an issue before committing myself to either side. I recently traveled to Edwards Air Force Base where I saw the B-1 bomber and was briefed in depth

on it. I have also read extensive material on the subject. In addition, I reviewed the Quanbeck-Wood study which assesses the B–1 bomber and proposes alternatives. After careful study and thought, I now feel confident in giving the B–1 bomber program my unqualified support.

From the outset, I have said that the B–1 bomber is an absolutely magnificent plane. It is two-thirds the size of the B–52 but carries twice the payload, it flies at Mach 1.6 at high altitudes, it climbs above 50,000 feet, it can cruise at treetop level, it is hardened against nuclear blast effects, it has a greater penetration speed, it has a smaller radar cross-section than the B–52—I could go on and on.

Having actually seen the plane, one cannot help but be impressed by its sheer beauty, its superb construction, and the brilliant technology that went into its creation. The B–1 bomber, I am convinced, will make aviation history.

The question, then, is not of the plane's capabilities—that, I think, is quite clear. Rather, the question is whether or not a triad is needed and the B–1 bomber's place in the triad.

I favor the triad concept for several reasons. For one, three systems provide a safeguard in the event of the failure of any one element. Second, the systems strengthen our deterrent posture and provide us with counterattack options by complementing each other. And, it will protect us in the event of a Soviet technological breakthrough against one of the systems. Already the Soviet Union is researching the development of a charged particle beam device that would render our ballistic missiles useless.

Manned bombers are the only element of the triad which have been proven under combat conditions. They can be launched and recalled, retargeted in flight, and are under the control of both the central command agency and experienced, highly trained crew members. In my opinion, manned bombers are an important element of the triad and the B–1 is the bomber that can do the job.

Opponents of the B–1 bomber program and other strategic military programs like to label proponents of these programs as "war lovers." Nothing could be farther from the truth. History has proven all too often that it is military weakness that leads to war more often than does strength. In this uncertain time when nations are seeking to protect their sovereignty and security, a strong national defense is the most powerful bargaining chip to the keeping of peace. Such a defense serves to deter confrontation—not to start it. If we do not have this weapon we are likely to need it desperately; if we have it we are likely never to have to use it.

The B–1 bomber is a vital element of our overall strategic defense. I therefore offer my full support for the production of the B–1 bomber.

THE B–1 BOMBER PROGRAM

Mr. CULVER. Mr. President, this bill contains nearly $1.9 billion for the B–1 bomber program—a huge sum in itself, but only the latest installment in what may well be a $28 billion program.

I want the record to be clear that my vote in support of this bill does not imply support for the B–1. Last year the Senate debated and approved legislation deferring the production decision until this year, when a new administration took office and began a full-scale review of the B–1 and related strategic programs.

President Carter, who as a candidate last year called the B–1 wasteful and unnecessary, has yet to announce his decision. I hope that he will act soon, so that we can have the benefit of his judgment in time for our consideration of the defense appropriations bill.

Meanwhile, we have additional evidence of increasing costs of this enormously expensive aircraft. The latest official estimate gives the program unit cost of the B–1 as $101.7 million—nearly triple the original projection. Moreover, the Senate Armed Services Committee has been informed that an independent cost analysis team in the Air Force has estimated that the actual cost of procurement could be 20 percent higher, leading to a unit cost of nearly $117 million.

Although the Air Force prefers the lower estimate, the higher figure may well turn out to be the actual price tag which U.S. taxpayers will have to pay.

Mr. President, I hope that President Carter will weigh these high costs and the marginal military benefits promised by the B–1 and will choose a better alternative.

RESERVATIONS ABOUT THE FY 1978 MILITARY AUTHORIZATION PROCUREMENT BILL

Mr. PROXMIRE. Mr. President, even though I have serious reservations about the fiscal year 1978 military authorization procurement bill, I will vote for this measure on final passage since it contains financing essential to the national defense.

This does not mean, however, that I find either the total amount authorized in this bill acceptable or individual items. On the contrary, there are many issues that are not adequately resolved in this bill.

First there is manpower. The limitation of generals and admirals is far too restrained. As Admiral Rickover has testified, we could reduce the number of generals and admirals by 30–50 percent.

Second, there is civilian manpower. The 2-percent cutback in civilians in the bill is far too small. There are more civilians employed at the Defense Department than all the other Government agencies combined except for the Post Office.

Third, the continued funding of the B–1 bomber is unnecessary and in fact wasteful of scarce defense resources. We should have made a decision on the B–1 long ago. I find myself in agreement with the Senator from Arizona (Mr. GOLDWATER) on this issue. It is time to make a final B–1 decision and get on with other critical defense programs. My choice would be to say no to the B–1 and begin looking at the alternatives.

Fourth, we need to pay more attention to solving the grade creep problem. The reduction in high level civilian employees in the Defense Department is a step in the right direction but may be too little too late to reverse the $1.1 billion annual cost of grade creep for both military and civilian personnel.

Fifth, there is no need to continue with the rewinging of the C5–A. At a total cost of $1.3 billion, the rewinging program is just about as disastrous as the original aircraft procurement. The money could better spent on new aircraft rather than fixing the C5–A.

Sixth, there still are about 300 military servants authorized in this bill. Although cut down substantially from prior years, there is no justification for continuing this program at any level. The brass can find ways to hire domestic help just like other Americans.

Mr. President, there are many areas I could mention that would document where several billion more could be saved in this budget. We are nowhere near the efficiency reduction of $5 to $7 billion mentioned by the President during the last campaign. I am convinced that by cutting away at the fat in this budget, we could encourage a more efficient fighting force.

THE F–18

Mr. DANFORTH. Mr. President, I was pleased to see that the Senate Armed Services Committee recommended the full amount requested for fiscal year 1978 by the administration for the F–18 aircraft—$626.6 million for research and development, and $29.3 million for long-lead procurement items.

The F–18 is, as you know, a multipurpose strike fighter designed to replace both the F–4 for the U.S. Navy and Marine Corps in the fighter role and the subsonic A–7 for the Navy in its attack role. By replacing two aircraft with one, enormous savings can be achieved in both production and maintenance costs throughout the life of the new aircraft.

I noted that in the report accompanying this bill, the committee stated that "maintainability and reliability criteria require increased emphasis in design and development of new weapon systems." In fact, reliability, maintainability, and survivability have been major design criteria for the F–18. The F–18 Hornet will have reliability improvements three to six times greater than the A–7 and the F–4. Less maintenance will be required for the Hornet than for either of the two older aircraft. And drawing on the recent experience in Vietnam, protection and system redundancy have been built in to achieve improved survivability.

In the fighter role, in comparison with the F–4J, the Hornet will require 53 percent less maintenance man-hours per flying hour and will have 31 percent better range than the F–4. Its turning performance will be 70 percent better than the F–4 and it will out-accelerate the Phantom by better than 30 percent. Its radar system will be far simpler; the new, more accurate F–18 radar will have only 12,000 parts compared with 20,000 parts in the F–4. Besides the technical and performance improvements such a radar system will have, fewer parts means improved reliability and easier maintenance.

Because of improved engine and aircraft design, the F–18, compared to

either the F–4 or the A–7, will take off in a shorter distance and will require substantially less maneuvering by an aircraft carrier to enable the plane to take off.

Increased maintainability also means that fewer personnel will be needed. Whereas an F–4 squadron requires approximately 270 people and an A–7 squadron requires about 260 personnel, the new F–18 will need only 204 people per squadron. This reduction in personnel obviously means reduced operating costs.

In the attack role, in comparison with the A–7, the F–18 will possess a higher subsonic speed and a better turning rate. An improved turning rate means that the aircraft can more easily escape hostile enemy action which in turn means improved survivability.

The F–18 will also have an improved air to ground weapons system which will give it substantially better bombing accuracy than either the F–4J or the A–7E. Therefore, it will need to spend less time in the target area. This feature also means less time over hostile territory and, again, improved survivability.

Because maintainability has been built into this aircraft from the beginning, the Hornet will require 25 percent fewer maintenance man-hours per flying hour than does the A–7. This means lower operating costs and increased operating availability.

Although the engine is in the same thrust class as the F–4 engine, it will have 7,700 fewer parts and will be 24 percent shorter in length and 45 percent lighter in weight. Prior to the time the aircraft becomes fully operational, the engines will receive 16,000 hours of testing compared with only 10,000 hours of testing in most other aircraft programs. This also means improved reliability, maintainability and performance.

This improved performance will be accomplished in an aircraft smaller than either of the two airplanes it is planned to replace. Three F–18's will take approximately the same amount of space as two A–7's and one F–4, a vital factor aboard an aircraft carrier where space is at a premium.

Finally, the F–18 reverses the trend of ever-increasing aircraft costs. By any measure, an F–18 will cost slightly less than half the cost of an F–14.

Mr. President, the F–18 is a realistically priced aircraft which will help meet the Navy's aircraft needs in the 1980's at reduced operating costs and improved performance. The committee has recognized that this combination is deserving of the full support of both the Congress and the administration.

Mr. EAGLETON. Mr. President, I have been most interested in Senator DANFORTH'S remarks on the F–18. I was pleased with the strong support which has been given by the Senate Armed Services Committee to the Navy's F–18 program. In its report the committee notes that the F–18 is an "excellent" airplane for its missions:

> The F–18 excels both as an escort fighter and as a light attack strike plane the two roles that the Navy and Marines plan for it.

The committee has recommended a total of $655.9 million for the F–18 program, which is the full amount requested. I believe this decision is a sound one, and that these funds will be well spent.

The F–18A naval program is well underway. The F–18, a multimission strike fighter, will replace the aging F–4 for the Navy and Marine Corps as fighter escorts, and the subsonic A–7 for the Navy's attack role. Its twin engines and improvements in radar and missile technology mean that the F–18 will have much better performance than the two aircraft it replaces—and the R. & D. costs are considerably less than those required to develop two separate aircraft.

The Navy has placed great emphasis on reliability, maintainability, and survivability as the F–18 is developed. The F–18 is anticipated to have a reliability of three to six times greater than the aircraft it replaces; maintenance will be significantly less than either the F–4 or A–7. Twin engines, sensors, and new sophisticated radar to use an all-weather missile, indicate that this will be the most reliable and maintainable fighter/attack aircraft ever.

It is important to note the F–18's low risk procurement schedule, and a most conservative production build-up compared to any recent fighter programs. The production decisions will be based on well-documented development results.

The F–18, when deployed on the Navy's carriers, will be helpful in simplifying the carrier deck, and will supplement the unique capability of the Navy's F–14 aircraft and its missile—a very valuable fighting addition to Naval airpower.

THE F–18 PROGRAM

Mr. KENNEDY. Mr. President, I rise to express my concern about reports that some service personnel are suggesting that the Navy should not request funds for the development of the F–18 fighter/attack aircraft for the 1979 fiscal year.

It seems to me that dropping the F–18 will at once weaken our defense through the 1980's and yet increase the cost of providing it. The F–18 was chosen by the Navy after competition between it and other planes showed that it better meets the Navy's needs, and will ultimately be less expensive.

Increasing production of the F–14 rather than starting F–18 production may save some money in the first few years but will prove more costly after that. No one denies that once in production, the F–18 is a less costly plane, unit for unit, even if we are optimistic about ironing out problems in the F–14. Moreover, we can hardly ignore the fact that while Malcolm Currie, the Defense Department's former Director of Defense Research and Engineering has noted of the F–18 that "all major milestones have been on schedule," the F–14 has been plagued with problems, prompting U.S. News & World Report to label an article on it "Inside Story of a Troubled Plane That Will Cost Taxpayers Billions." The magazine noted, in 1976, that there were no end of troubles in sight.

These technical troubles of course reflect on the ability of the F–14 to perform in our defense arsenal as well, while Vice Admiral Turner testified in the House Armed Services Committee to the reliability and maintainability of the F–18.

But even if we match up a fine tuned F–14, the F–18 is a better fighter plane and just as good an attack bomber.

In sum, I must note here that I will carefully review the fiscal year 1979 budget when it comes in to see if the F–18 has been abandoned, for the facts available to me suggest that the competitive selection process by which the Navy chose the F–18 produced the better plane.

Mr. President, one aspect of the legislation we are presently considering, section 612, is particularly significant. These provisions are the result of intense efforts on the part of the distinguished members of the Armed Service Committee to focus on the often haphazard and costly ramifications of base realinement decisions in the past.

I am especially heartened by the committee's strong endorsement of these provisions and the recognition that permanent law in this regard is necessary.

I concur with my colleagues on the Armed Services Committee that major base realinements do have a significant impact on the surrounding community—often an economically devastating impact—and decisions concerning base realinments should be made carefully and with adequate public participation.

On previous occasions in this Chamber I have emphatically stated that military bases should not be maintained when there is no military necessity or when significant and genuine economies in defense expenditures can be realized by realinement.

However I have also stated that realinements cannot be made indiscriminately and for political reasons. And the people of the Commonwealth of Massachusetts have adequate examples to demonstrate that base realinements in the past have been capricious and token nods to rational decisionmaking and good management on the part of the Defense Department.

While the list of these arbitrary decisions which seriously impaired the economic development of Massachusetts is too long to enumerate, there is one example that these base realinements provisions guaranteed a rationale and objective decisionmaking process to the residents of local communities and military personnel at a military installation in my State.

Over a year ago the Army announced that Fort Devens, located in Ayer, Mass., was a candidate for major realinement. Appropriate studies of military justification, and cost analysis were undertaken. As a result of these studies, President Carter was able to announce that Fort Devens stood on its own merits and consequently was no longer a candidate for major realinement.

The procedures set forth in section 612 are essential because they give Congress and the public adequate opportunity to contribute to the decisionmaking process. The procedures set forth in section 612 also assure that the adverse impacts of base realinements on local communities will be adequately considered before such action is taken. Possibilities to

mitigate these adverse impacts must also be explored.

Persons affected by base realinements are entitled to the guarantees which these provisions provide. They are entitled to the rationale decision-making process established by these provisions.

It is unfortunate in terms of the economic devastation left behind and the personal turmoil caused to personnel at military installations that these provisions were not implemented sooner. However it is important that these provisions were again included in the military construction authorization bill for fiscal year 1978. The people of Massachusetts whom I represent know exactly what they mean in human, economic, and military terms.

Mr. President, I would also like to make one other observation on the military construction authorization bill. I noted and I know my other colleagues from New England also noted that out of an authorization request of $3.6 billion for fiscal year 1978 only about $11 million of that amount is earmarked for New England. I think it important to point this out for the RECORD.

(This concludes additional statements submitted on H.R. 5970).

Mr. STENNIS. Mr. President, as far as I am concerned, I am ready for the third reading of the bill.

The PRESIDING OFFICER. The question is on agreieng to the committee amendment as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

Mr. STENNIS. Mr. President, I request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is all time yielded back?

Mr. STENNIS. All my remaining time is yielded back.

Mr. TOWER. Mr. President, the Senate, I think, will soon vote on this measure. In my view, at best, it is barely adequate. Certainly, if further reductions are incorporated in next year's defense budbet——

Mr. STENNIS. Mr. President, may we have order? The Senator from Texas is entitled to be heard.

The PRESIDING OFFICER. Let us have order.

Mr. TOWER. Mr. President, the Senate will soon vote on the fiscal year 1978 Defense bill for defense programs which, at best, is barely adequate. Certainly, further reductions cannot be incorporated into next year's defense budget without taking unnecessary risks in meeting the national security requirements of the United States.

In the opening statement of our distinguished chairman, he commented on the relation of this bill to the overall budget ceilings for the national defense function defined in the First Concurrent Budget Resolution. Even though the budget target of $118.5 billion for national defense represents a $1.6 billion cut from the President's budget request, it is the committee's understanding, as explained by the chairman, that certain financing arrangements involving foreign military sales, inflation rate adjustments, and unobligated balances from previous budgets can be used to account for this reduction. I want to stress that should these accounting adjustments prove to be inadequate for the purpose of identifying a $1.6 billion reduction, the Senate must not permit reductions in procurement and research programs authorized by this bill in order to make up the deficit. I understand that the distinguished chairman of the Budget Committee, the Senator from Maine, and the able ranking minority member, the Senator from Oklahoma, support the bill reported by our committee. Though I have yet to see a concise explanation of just how we can go from $120 billion in defense to $118.5 billion in defense without possibly jeopardizing some of the programs supported in this bill, I will accept the judgment of the Budget Committee's leadership and the distinguished chairman of our committee that this difference can be reconciled by simple "bookkeeping adjustments." Mr. President, I want the record to show that it is not the will of this body that additional reductions to the defense program authorized in this bill be made in order to comply with levels in the First Concurrent Budget Resolution.

Mr. President, the support of this bill by the Senate marks an important step in the direction of continuing the essential modernization of our weapons systems and equipment inventories that have long been in need of attention. The real increase in our defense expenditures contained in this bill, although far less than I believe necessary, is vital for our forces.

Mr. President, I wish to commend to the attention of the Senate the work of those minority members of the committee, particularly those who serve as the ranking minority members on our major legislative subcommittees. These members include Senator GOLDWATER for the Tactical Air Power Subcommittee, Senator SCOTT for Manpower and Personnel Subcommittee, Senator BARTLETT for the Research and Development Subcommittee, and Senator GARN for the Subcommittee on General Legislation. In addition, I would like to commend the efforts of the able staff of the Committee on Armed Services for their diligent work on this bill.

Lastly, Mr. President, I want to call to the attention of the Senate that many major decisions which have not been addressed in this bill will come before the Senate next year as a part of the fiscal year 1979 budget request. In several critical areas of our national security program, we will be required to pass on proposals that will weigh heavily on the military posture of the United States for the remainder of this century. Thus, as one member of the committee, while I consider this year's bill to prove adequate funding for the Armed Forces, I would signal to all my colleagues that serious problems in our preparedness remain which we must not fail to more fully address next year. Thank you, Mr. President.

Mr. STENNIS. Mr. President, the Senator from Texas has been a highly valuable Member during his first year as ranking minority member of our committee. I thank him personally, too, for, when he heard this bill was up—we changed plans a little—he raced back here after canceling out a speech engagement. It is characteristic of the way he approaches his duties here. I thank him again.

Mr. TOWER. I thank my distinguished chairman for his very kind and generous remarks. I think it goes without saying, Mr. President, that I am grateful to have the opportunity to serve under the leadership of one of the giants of the Senate—not for this time, but for all time—JOHN STENNIS. He has done his usually splendid job on this bill.

I believe this is the first time we have ever passed a procurement bill in 2 days' time. I think it is a great tribute to our distinguished chairman. I can remember when it has taken 3 or 4 weeks to pass one. I think we would both be remiss if we did not thank the other Members of the Senate for their cooperation in helping us to expedite the passage of this bill.

Mr. STENNIS. I thank every member of the subcommittee, if the Senator will yield to me a moment, including those who became Members this year, and also the members of our splendid professional staff, who know the subject from working in depth—including Mr. Frank Sullivan, in his first year as our chief of staff. His work has really been outstanding.

Mr. TOWER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from Montana (Mr. MELCHER) are necessarily absent.

I also announce that the Senator from Hawaii (Mr. INOUYE) is absent because of illness.

I further announced that, if present and voting, the Senator from Arkansas (Mr. MCCLELLAN) would vote "yea."

Mr. STEVENS. I announce that the Senator from Massachusetts (Mr. BROOKE) is necessarily absent.

I further announce that the Senator from Oklahoma (Mr. BARTLETT) is absent due to illness.

The result was announced—yeas 90, nays 3, as follows:

[Rollcall Vote No. 144 Leg.]

YEAS—90

Allen	Gravel	Nunn
Anderson	Griffin	Packwood
Baker	Hansen	Pearson
Bayh	Hart	Pell
Bellmon	Haskell	Percy
Bentsen	Hatch	Proxmire
Biden	Hathaway	Randolph
Bumpers	Hayakawa	Ribicoff
Burdick	Heinz	Riegle
Byrd, Harry F., Jr.	Helms	Roth
Byrd, Robert C.	Hollings	Sarbanes
Cannon	Huddleston	Sasser
Case	Humphrey	Schmitt
Chafee	Jackson	Schweiker
Chiles	Javits	Scott
Church	Johnston	Sparkman
Clark	Kennedy	Stafford
Culver	Laxalt	Stennis
Curtis	Leahy	Stevens
Danforth	Long	Stevenson
DeConcini	Lugar	Stone
Dole	Magnuson	Talmadge
Domenici	Mathias	Thurmond
Durkin	Matsunaga	Tower
Eagleton	McClure	Wallop
Eastland	Metcalf	Weicker
Ford	Metzenbaum	Williams
Garn	Morgan	Young
Glenn	Moynihan	Zorinsky
Goldwater	Muskie	
	Nelson	

NAYS—3

Abourezk	Hatfield	McGovern

NOT VOTING—7

Bartlett	Inouye	Melcher
Brooke	McClellan	
Cranston	McIntyre	

So the bill (H.R. 5970), as amended, was passed.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make clerical and technical corrections in the engrossment of the Senate amendments to H.R. 5970.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. STENNIS, Mr. JACKSON, Mr. CANNON, Mr. MCINTYRE, Mr. HARRY F. BYRD, JR., Mr. NUNN, Mr. CULVER, Mr. HART, Mr. TOWER, Mr. THURMOND, Mr. GOLDWATER, Mr. SCOTT, and Mr. BARTLETT conferees on the part of the Senate.

Mr. STENNIS. Mr. President, I ask unanimous consent that the bill as passed be printed in full, with amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I want to express my special appreciation for the cooperation and assistance which has been extended to me by all concerned on this legislation, from the beginning of the Senate hearings and on down until now. I especially want to thank the ranking minority member, Senator TOWER, for his fine work.

As we all know, Senator CANNON, chairman of the Tactical Air Subcommittee, Senator MCINTYRE, chairman of the Research and Development Subcommittee, Senator NUNN, chairman of the Manpower and Personnel Subcommittee, and Senator CULVER, chairman of the General Legislation Subcommittee, have also carried heavy responsibilities on this entire authorization bill in its preparation and presentation. Also, Senator CULVER conducted a special study on readiness and Senator HART looked into the shipbuilding portion of this bill. Both of these Members did a fine job in presenting the results to the committee.

I should like to extend the personal appreciation of myself, as well as the members of the committee, for the consistent hard and fine work performed by our able committee staff. Floor action is only a small portion of the time consumed in the preparation of this legislation. This year the committee received from witnesses testimony totaling thousands of pages, and the staff in their usual capable and professional manner analyzed all the facts in order to assist our Members in making the decisions. The entire staff was involved in this to some degree, and I should like to specifically mention their names:

Mr. Francis J. Sullivan, our staff director, and our other professional staff members John C. Roberts, John T. Ticer, Phyllis A. Bacon, Charles J. Conneely, Charles H. Cromwell, George H. Foster, Louise Hoppe, Edward B. Kenney, Don Lynch, Robert Q. Old, George Riedel, Larry K. Smith, George Travers, Roberta Ujakovich, William L. Ball, Rhett B. Dawson, Kenneth W. Fish, and Ernest Evans.

I also want to pay special tribute to the clerical staff since each of them participated in getting this bill passed. They are Doris Cline, Doris Connor, Chris Cowart, Marie F. Dickinson, Fran Frazier, Jeanie Killgore, Judy Landesman, Betty Mayo, Sue Ann Spatz, and Diane Varoz.

Finally, Mr. President, I want to acknowledge the printing work performed in connection with this bill. As the Senate well knows, this annual military procurement authorization bill is a very complex piece of legislation involving thousands of testimony. On behalf of the entire committee I would like to specifically thank Messrs. G. D. Strickler, Nathan Segal, Elbert Payne, Richard Caswell, and the Government Printing Office for their hard work and expert handling of this massive amount of material.

Mr. THURMOND. Mr. President, I commend the chairman, the Senator from Mississippi (Mr. STENNIS), and the Senator from Texas (Mr. TOWER), minority member, for their excellent handling of this important bill, H.R. 5970.

This bill provides important funding for essential defense programs, and I am pleased the Senate has given such strong support to the committee bill.

ORDER FOR STAR PRINT—REPORT NO. 95–114, S. 1305

Mr. NELSON. Mr. President, in the printing of report No. 95–114 for S. 1305, changes in existing legislation were not properly noted in italics. I, therefore, ask unanimous consent that report No. 95–114 be star printed, with the corrections as herewith submitted.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION TOMORROW OF S. 826, DEPARTMENT OF ENERGY ORGANIZATION ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the orders for the recognition of Senators have been completed, the Senate proceed to the consideration of S. 826, the Department of Energy Organization Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 12:30 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 12:30 p.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSFER OF MEASURES TO THE UNANIMOUS CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are three measures on the general orders calendar, Calendar Orders numbered 179, 180, and 182, which have been cleared for action by unanimous consent, and I ask that the clerk transfer those three measures to the Unanimous Consent Calendar.

The PRESIDING OFFICER. They will be so transferred.

JOINT REFERRAL OF A MESSAGE FROM THE PRESIDENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a message from the President of the United States relative to a governing international fishery agreement between the United States and Cuba be jointly referred to the Committees on Commerce, Science, and Transportation, and Foreign Relations. Earlier today Senator STEVENS had an objection. He has now cleared that, I understand, so I renew the request.

The PRESIDING OFFICER. Without objection, it is so ordered.

MAY 17, NORWAY INDEPENDENCE DAY

Mr. HUMPHREY. Mr. President, I feel it is most appropriate that the Senate of

the United States should once again be reminded, as indeed I hope the entire Nation of the United States of America will be reminded, that May 17 is Norway Independence Day, and I am happy to say that today my friend of Swedish extraction, the junior Senator from Minnesota (Mr. ANDERSON) presented me with a pin which I have in my hand, May 17, Norway Independence Day, Norway 1814.

Now, this is very significant to me, because my mother was born in Norway, and the first celebration that I can recall as a youngster, according to the reports that I have heard, and that is why I recall them, it is said that my mother one day found she could not find her little boy, and they looked around, and I was in a parade in the great metropolitan center of Codington County, S. Dak., known as Wallace.

I think there were approximately 150 Norwegian descent, with one or two other stragglers who had come in, and I was marching in the parade at the tender age of 4.

Ever since then I have always taken special interest in reminding my family, my friends, and those who are not even interested in having me remind them, that May 17 is Norway Independence Day.

Today in Minnesota there is jubilation and joy and happiness amongst those of Norwegian ancestry. Might I add, there are a rather substantial number of our constituents, and I might also add that some of them have been so broad-minded and charitable and understanding as to intermingle with people from other parts of the world, so you will have occasionally someone of Norwegian and Swedish ancestries.

The distinguished Vice President of the United States also claims to be Norwegian. He claims it, and I have reason to believe it is true, because only last year he visited the home of his grandparents.

Now, I visited the home of my mother, not just my grandparents. My mother's home is Kristiansand, Norway, a beautiful little community near Stavender in the southeast section of Norway. My grandfather was a Norwegian sea captain for over 15 years, sailing the high seas. He came into South Dakota as a young man feeling and with the understanding that he would be able to sail on the Missouri River.

When he arrived he found there were more sandbars than there was water in the Missouri River, so he retreated to the East, so to speak, and ended up in Dade County, S. Dak. He was one of the homesteaders, one of those who received some of the original Federal Government grant of 160 acres of good South Dakota land.

Now, all of this, of course, relates to this historic day, May 17. I wear today with great pride, this pin which, by the way, I had to literally pull off the jacket of my distinguished friend, the junior Senator from Minnesota.

I said it is bad enough to have had the Swedes dominate the Norwegians, and then to have them come in and wear the May 17 pin, was just a little too much. But because he is such a generous and good man and such a wonderful partner in the Senate, he said, "I will let you have it for a half hour," which means I have to cut this speech short which, I know, is going to be of great sorrow to my colleagues in the Senate (laughter) because, as you know, I am slow to warm up, but once I get started, I tell you it is that Norwegian blood; when you live up there in that north country, it takes a little while to thaw out.

By the way, I see my friend from Massachusetts (Mr. KENNEDY). Might I say that he is of Irish extraction, and very proudly so. But I think the record should reveal that had it not been for those of Norwegian background and the Vikings that the Irish to this day might yet be pagans, because it was the Vikings who brought the Christian faith to the Irish.

The Irish were ungrateful. We stayed there 100 years bringing them into the culture of the rest of the Western world and Christendom. What did they do? They kicked us out, and the poor Norwegians have been a-sail on the high seas ever since, trying to find some little place where they could continue their missionary work. They came to Minnesota, they came to South Dakota, and they have been doing very well in those areas.

In case the Senator from Massachusetts would like me to yield for any adjustments of the historical accuracy of what I just said, I am willing to yield at this point.

Mr. KENNEDY. Just to bring history into its proper perspective, the Senator is quite correct; the Vikings came to the southern shores of Massachusetts. If the Senator in his many travels might have visited some of the small inlets in the lower capes, he will still see the fastenings of the Viking ships that came there. But if the Senator remembers, after Leif Ericson traveled there, and he went back home to Scandinavia, and he reported back about his trip into this area, which then was Vineland, and it is indicated that he went to Martha's Vineyard and Nantucket, he described at that time certain words that were being used in certain colors and features of those who greeted him.

If you travel into the deepest recesses of Norway's historical places, you will find that these words that Ericson brought back were Gaelic words; so this helps to reaffirm the basic discoverer was St. Brendan the navigator, who came to this country in the 600's or 700's on the ships which were called currachs at that time, and if you read the oldest, oldest, oldest Irish history to see as St. Brendan traveled across through Iceland down through Greenland, he came to Massachusetts to welcome Leif Ericson, and I am glad we can get that straight on the floor of the U.S. Senate. [Laughter.]

Mr. HUMPHREY. May I say a word for Christopher Columbus? [Laughter.] We would not want to leave out that great navigator. But truly this was something I thought we needed, we needed a moment here—I have great respect for a gallant little country, the country of Norway, that is a faithful ally in the NATO Alliance, and that has a splendid record of democracy of the highest standards and, above all, to say something in the Senate today that would enlist the sort of repartee we have had here this afternoon.

I am very proud that I can now present the pin back to my esteemed colleague, Senator WENDELL ANDERSON, of Minnesota, who is much loved by the people of our State and who, might I say, when he attends Norwegian celebrations is Norwegian, and when he attends Swedish celebrations like St. Gunnar's Dag, he is Swedish but, above all, he is a great American.

Here you are, Senator. [Applause, Senators rising.]

HEALTH PLANNING AND HEALTH SERVICES RESEARCH AND STATISTICS EXTENSION ACT

Mr. KENNEDY. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 4975.

The Presiding Officer laid before the Senate a message from the House of Representatives insisting upon its amendment to the amendment of the Senate to the bill (H.R. 4975) to amend the Public Health Service Act to authorize appropriations for fiscal year 1978 for biomedical research and related programs, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. KENNEDY. I move that the Senate disagree to the amendment of the House of Representatives and agree to the request of the House for a conference, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Messrs. KENNEDY, WILLIAMS, CRANSTON, PELL, NELSON, HATHAWAY, JAVITS, SCHWEIKER, and CHAFEE conferees on the part of the Senate.

APPOINTMENT OF ADDITIONAL CONFEREE—H.R. 4991

Mr. KENNEDY. Mr. President, I ask unanimous consent that Senator WILLIAMS be appointed a conferee on H.R. 4991.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I thank the Chair.

U.S. INTERNATIONAL TRADE COMMISSION BUDGET AUTHORIZATION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 6370, Calendar Order No. 101.

This measure has been cleared for action by unanimous consent.

The PRESIDING OFFICER (Mr. ANDERSON). The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 6370) to authorize appropriations to the International Trade Commission for fiscal year 1978, to provide for the Presi-

dential appointment of the chairman and vice chairman of the Commission, to provide for greater efficiency in the administration of the Commission, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

There being no objection, the Senate proceeded to consider the bill (H.R. 6370) which had been reported from the Committee on Finance with an amendment to strike out all after the enacting clause and insert the following:

SECTION 1. AUTHORIZATION OF APPROPRIATIONS.

Subsection (e) of section 330 of the Tariff Act of 1930 (19 U.S.C. 1330(e)) is amended—

(1) by inserting "(1)" immediately before "For", and

(2) by adding at the end thereof the following new paragraphs:

"(2) There are authorized to be appropriated to the Commission for each fiscal year after September 30, 1977, in addition to any other amounts authorized to be appropriated for such fiscal year, such sums as may be necessary for increases authorized by law and salary, pay, retirement, and other employee benefits.

"(3) There are authorized to be appropriated to the Commission for the fiscal year ending September 30, 1978, $12,187,000.".

SEC. 2. ADMINISTRATIVE RESPONSIBILITY OF CHAIRMAN.

Subsection (a) of section 331 of such Act (19 U.S.C. 1331) is amended to read as follows:

"(a) ADMINISTRATION OF COMMISSION.—

The Chairman shall—

"(1) appoint and fix the compensation of such employees of the Commission as he deems necessary, including a secretary,

"(2) procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, and

"(3) exercise the executive and administrative functions of the Commission with respect to—

"(A) the supervision of personnel employed by, or assigned to, the Commission, except that each Commissioner may select and supervise personnel for his personal staff,

"(B) the distribution of cases, investigations, and other official matters among personnel employed by, or assigned to, the Commission, and

"(C) the use and expenditure of funds appropriated or made available to the Commission.

Any decision by the Chairman pursuant to the preceding sentence shall be subject to disapproval by a majority of the full Commission.".

SEC. 3. CONTINUATION OF REPORTS WITH RESPECT TO SYNTHETIC ORGANIC CHEMICALS.

The International Trade Commission is hereby directed to make during each calendar year ending before January 1, 1981, reports with respect to synthetic organic chemicals similar in scope to the reports made with respect to such chemicals for the calendar year 1976.

Mr. CURTIS. Mr. President, I voted to report this bill which authorizes $12,187,000 in appropriations for the International Trade Commission for fiscal year 1978. Additional sums are also authorized to be as are necessary for increases authorized by law in salary pay, and retirement benefits.

The bill approved by the House of Representatives made a change in the term of and method for designating the Chairman and Vice Chairman of the Commission. Rather than a rotating system, the President shall appoint the Chairman and Vice Chairman, by and with the advise and consent of the Senate, for a term of 3 years with a limit of two full terms for each Commissioner.

In addition, the House of Representatives provided that the Chairman of the Commission shall be responsible for administrative matters of the Commission, except that the Chairman shall be responsible for initiating and the Commission shall be responsible for approving and may initiate administrative action in the following areas: The employment and discharge of key personal, external relations, and the budget of the Commission.

The bill as reported by the Committee on Finance did not make extensive changes in the organization of the Commission. Nevertheless, the bill does provide that the Chairman is to be delegated full responsibility for all administrative matters subject to majority vote in opposition by Members.

Mr. President, it is my understanding that the Commission has been spending an inordinate amount of time on routine administrative matters instead of concentrating on the major substantive issues before the Commission. While I am hopeful that we can offer some guidance in this area, I am strongly opposed to giving the Commission Chairman the authority to resolve all administrative problems subject to a vote by four members of the Commission. This provision would, in effect, give the Chairman an extra vote on administrative issues.

Mr. President, the International Trade Commission has a vital role to play in the solution of our international economic issues and it is our responsibility to determine that the Commission operate as efficiently and effectively as possible. In this regard, I will support the requested authorization for the Commission budget for fiscal year 1978 and will also support a method for the Commission to expeditiously carry out routine administrative chores. However, Mr. President, I cannot support legislation which would grant extraordinary authority to the Commission Chairman.

Mr. ROBERT C. BYRD. I move the adoption of the committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read:

An act to authorize appropriations to the United States International Trade Commission, to provide for greater efficiency in the administration of the Commission, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–122), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

I. SUMMARY

The Committee on Finance amendment to H.R. 6370, which is in the nature of a substitute, is designed to achieve three objectives:

To authorize appropriation of $12,187,000 to the U.S. International Trade Commission for fiscal year 1978;

To provide for efficient administration of the Commission by making the Chairman, rather than the full Commission, responsible for administrative matters; and

To require reports by the Commission on synthetic organic chemicals until 1981.

II. REASONS FOR THE BILL

Section 175(b) of the Trade Act of 1974 amended section 330 of the Tariff Act of 1930 to require an annual authorization of appropriations to the U.S. International Trade Commission (ITC). The committee recognizes the increased responsibilities of the Commission under the Trade Act of 1974 and therefore believes the ITC fiscal year 1978 request for $12,187,000 is entirely justified.

The ITC is suffering from internal administrative problems, particularly personnel problems which have inhibited efficient administration and hurt employee morale. The committee believes these problems result from the inability of the Commissioners to agree among themselves and the cumbersome requirement that the full Commission act on all administrative matters. The committee is convinced the best way to end these problems is to give the Chairman of the ITC administrative authority subject to the disapproval of the full Commission.

III. GENERAL EXPLANATION

A. Budget authorization

Secion 1 of the House bill would provide an authorization of appropriations of $11,522,000 to the ITC for fiscal year 1978. This amount represents a $655,000 decrease from the Commission's budget request. The Ways and Means Committee report calls for decreases in self-initiated investigations, travel, and printing and reproduction costs.

Section 1 of the committee amendment authorizes appropriation of the full amount requested by the ITC. The committee believes this amount is entirely justified by the increased workload of the ITC resulting from changes in its responsibilities made under the Trade Act of 1974.

The ITC authorization for fiscal year 1978, $12,187,000, represents a dollar increase of $347,000, or 2.9 percent, over the appropriation for fiscal year 1977. Seventy-four percent, or $9.5 million, of the fiscal year 1978 request is for personnel. The budget request calls for 395 permanent employees, the same number as was budgeted for fiscal year 1977. The ITC currently has 359 employees.

The low number of actual employees results from the hiring freeze which the Commission imposed pending completion of its internal reorganization. Before the reorganization, the ITC was authorized to hire 426 permanent employees. Under the current reorganization plan, approximately 90 old positions will be abolished and 60 new positions will be created, resulting in a net reduction of 30 employees.

Changes in the ITC budget between fiscal year 1977 and 1978 are shown in the following table:

COMPARATIVE OBLIGATIONS, BY ACTIVITY

[In thousands of dollars]

Activities	Fiscal year 1976 actual	Increase or decrease, fiscal year 1977 from fiscal year 1976	Fiscal year 1977 estimate	Increase or decrease, fiscal year 1978 from fiscal year 1977	Fiscal year 1978 estimate
Public investigations:					
Import injury (TEA of 1962 and TA of 1974)	1,560	−405	1,155	189	1,344
Under sec. 332 of the Tariff Act of 1930:					
Pursuant to Presidential request	179	676	855	−148	707
Pursuant to congressional resolution	452	58	510	24	534
Initiated on the Commission's own motion	176	729	905	48	953
Interference with agricultural programs (AAA)	41	49	90	4	94
Antidumping (Antidumping Act, 1921)	506	45	551	25	576
Unfair practices: Sec. 337 and 303 of the Tariff Act of 1930, as amended and secs. 301(c) and 301(e) of the Trade Act of 1974	817	877	1,694	13	1,707
Probable economic effect of concessions (TA of 1974)	106	−106			
Total public investigation	3,837	1,923	5,760	155	5,915
Furnishing technical information and assistance to—					
Congress	335	−6	329	16	345
Federal agencies and the public	319	−10	309	41	350
Total furnishing technical information, etc	654	−16	638	57	695
Other substantive activities:					
East-West trade reports (sec. 410 of TA of 1974)	115	19	134	33	167
Relating to trade agreements	459	202	661	−48	613
Statistical enumeration, code structure and publication	1,263	29	1,292	9	1,301
Assembling and analyzing economic and technical information	1,411	−499	912	71	983
Other	473	−31	442	−20	422
Total other substantive activities	3,721	−280	3,441	45	3,486
Total substantive activities	8,212	1,627	9,839	257	10,096
Executive direction and administration:					
Commissioners' offices	898	199	1,097	41	1,138
Administration	752	120	872	7	879
Severance pay		42	42	42	84
Total obligations	9,862	1,988	11,850	347	12,197
Less: Estimated reimbursements	32	−22	10		10
Net obligations	9,830	2,010	11,840	347	12,187

Note: Does not include transition quarter.

The committee does not agree with the limitations on Commissioners' personal staff in the House bill or the specific budget reductions recommended in the House report. In particular, the committee believes the ITC should continue to anticipate the information requirements of the Congress and the Executive by initiating investigations on its own motion. The committee does not believe Congress should attempt to regulate the day-to-day activities of the Commission. The committee believes Congress must rely upon the discretion of the Commissioners in the conduct of their official duties.

The committee expects the ITC to continue its efforts to realize savings through internal reorganization and the use of modern techniques in printing and information collection. The committee also expects the ITC to consult with the committee and the Ways and Means Committee to insure that the Commission's self-initiated studies meet the information requirements of the Congress.

B. Administration of the Commission

The House bill included changes relating to administration of the ITC. The House bill would require an individual appointed to the ITC to be knowledgeable about international trade. Present law requires such an individual to be capable of developing knowledge of international trade.

The House bill would require the President to appoint the Chairman and Vice Chairman for 3-year terms. Present law rotates those offices. Each Commissioner serves as Chairman during the last 18 months of his term as a Commissioner.

The House bill would give the Chairman administrative authority for all matters except the budget, external relations, and employment of "key personnel." Present law gives the entire Commission administrative authority for the ITC.

The committee amendment deletes the House provisions on qualifications for appointment to the ITC. The committee believes commonsense and intelligence are prerequisites for appointment to the ITC. The President should be free to select any individual who possesses these characteristics. He should not be limited to individuals who may, because of prior knowledge of the substantive issues before the ITC, have rigid opinions on international trade issues. Such individuals may be unable to make the objective, unbiased decisions required of an ITC Commissioner.

The committee amendment deletes the House provisions on administration of the ITC and inserts a new provision in section 2. The committee believes the administrative problems of the ITC will best be resolved by giving the Chairman administrative authority for the agency. Because many of the administrative problems arise over the budget and the employment of "key personnel," the committee believes the House provision would be a change without effect: Disputes over the most serious administrative problems would continue to consume the time of the full Commission. The authority the committee proposes to give the ITC Chairman is similar to that of the chairmen of many independent regulatory agencies, such as the Chairman of the Securities and Exchange Commission (see sec. 2 of the act entitled an "Act To Authorize the Securities and Exchange Commission to Delegate Certain Functions," Public Law No. 87-592, sec. 2 (Aug. 20, 1962) (15 U.S.C. 78d-2); 1950 Reorg. Plan No. 10 (15 Stat. 3175, 64 Stat. 1265) (15 USCA 78d note)).

The committee recognizes that a strong Chairman could dominate the other Commissioners on substantive issues. For that reason, the committee believes administrative decisions of the Chairman should be subject to disapproval by the full Commission and the chairmanship should continue to rotate Commissioners. This will insure that no individual and no political party can exercise undue influence over the Commissioners on substantive issues.

The committee expects the Commission to quickly conclude revision of its Policy Manual to establish regular procedures for administration of the ITC, consistent with the administrative role of the Chairman established in section 2 of the committee amendment.

C. Synthetic organic chemical reports

The ITC prepares and publishes reports on sales of synthetic organic chemicals and the raw materials from which they are produced, a directory of manufacturers of those products, statistics on imports of benzoid chemicals, and monthly statistical reports covering production of a selected list of synthetic organic chemicals considered to be representative of the industry. The House bill does not contain any provision on these reports; the committee amendment authorizes continuation of the reports through 1980.

The ITC proposed to continue publication of synthetic organic chemical reports during fiscal year 1978. However, the ITC asked for congressional guidance on the future of the reports. Although approximately 90 percent of the reports are distributed to the public, the committee understands that the reports are used by many Government agencies. The Office of the Special Representative for Trade Negotiations, in particular, requires the reports for the multilateral trade negotiations now underway in Geneva. The committee believes the ITC should continue publication of the synthetic organic chemical reports at least during the trade negotiations. Because the negotiating authority terminates in 1980, section 3 of the committee amendment requires publication until January 1, 1981.

IV. COST OF CARRYING OUT THE BILL

In compliance with section 252(a) of the Legislative Reorganization Act of 1970, the committee estimates the cost of carrying out this bill, as amended, will be $12,187,000 during fiscal year 1978 if the amount authorized is appropriated. The committee estimates the

cost of carrying out the bill during fiscal years 1979, 1980, and 1981 will be approximately $248,000 per year for the preparation of synthetic organic chemical reports. The committee expects savings to be realized from more efficient administration of the ITC if its amendment is enacted. The committee is not able to estimate the amount of these savings at this time.

In compliance with section 403 of the Congressional Budget Act of 1974, the Director of the Congressional Budget Office has submitted the following report to the committee:

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

1. Bill number: H.R. 6370. Date: May 3, 1977.

2. Bill status: Reported by the Senate Committee on Finance.

3. Description of bill: This legislation amends the Tariff Act of 1930, as amended to:

Authorize to be appropriated for fiscal year 1978, $12.187 million to meet the expenses of the International Trade Commission;

Authorize to be appropriated such funds as may be necessary for increases in pay and employee benefits authorized by law for each fiscal year after September 30, 1977;

Define the administrative responsibility of the Chairman of the Commission; and

Continue reports with respect to synthetic organic chemicals.

4. Budget impact:

Budget function 152

	Millions
Fiscal year 1978:	
Authorization amounts	12.8
Estimated costs	11.9
Fiscal year 1979:	
Authorization amounts	.7
Estimated costs	1.5
Fiscal year 1980:	
Authorization amounts	.6
Estimated costs	.6
Fiscal year 1981:	
Authorization amounts	.7
Estimated costs	.7
Fiscal year 1982:	
Authorization amounts	.7
Estimated costs	.7

5. Basis for estimate: This estimate assumes enactment of this legislation on or before September 30, 1977, and is subject to subsequent appropriations. The allowances for pay and benefit increases are compounded on the fiscal year 1978 pay raise using current CBO economic assumptions.

Estimated costs are derived by applying historical outlay rates to the authorization amounts.

6. Estimate comparison: None.

7. Previous CBO estimate: An estimate was prepared for H.R. 6370, as reported by the House Committee on Ways and Means, on April 21, 1977. The bill passed by the House on April 25, 1977, authorized the appropriation of $11,522,000, or $665,000 less than authorized for appropriation in this legislation.

8. Estimate prepared by: Joseph C. Whitehill.

9. Estimate approved by: James L. Blum, Assistant Director for Budget Analysis.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 12:30 p.m. tomorrow.

After the two leaders or their designees have been recognized under the standing order, Mr. DECONCINI will be recognized for not to exceed 15 minutes, after which I will be recognized for not to exceed 15 minutes, after which the Senate will proceed to the consideration of S. 826, the Department of Energy Organization Act.

It is likely that the Senate will stay in until a reasonably late hour tomorrow and that it will come in reasonably early on Thursday, stay in reasonably late on Thursday evening, come in perhaps reasonably early on Friday, stay in reasonably late on Friday evening, and come in reasonably early on Saturday and stay in until a reasonably late hour on Saturday, which normally is a little different from a reasonably late hour on any other day of the week.

There will be rollcall votes tomorrow undoubtedly on amendments and on motions in relation to the Department of Energy bill.

Other measures may be taken up from time to time if they have been cleared for action.

Conference reports, being privileged matters, may be called up, and rollcall votes may occur.

RECESS TO 12:30 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 12:30 p.m. tomorrow.

The motion was agreed to; and, at 6:01 p.m., the Senate recessed until Wednesday, May 18, 1977, at 12:30 p.m.

NOMINATIONS

Executive nominations received by the Senate May 17, 1977:

DEPARTMENT OF STATE

Richard K. Fox, Jr., of Minnesota, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Trinidad and Tobago.

DEPARTMENT OF JUSTICE

Thomas P. Sullivan, of Illinois, to be U.S. attorney for the northern district of Illinois for the term of 4 years vice Samuel K. Skinner, resigning.

Robert L. Wright, of Kentucky, to be U.S. marshal for the western district of Kentucky for the term of 4 years vice Jesse W. Grider, resigned.

James G. Barton, of Texas, to be U.S. marshal for the eastern district of Texas for the term of 4 years vice J. Keith Gary, resigned.

Joseph J. Harvey, of Washington, to be U.S. marshal for the western district of Washington for the term of 4 years vice Charles E. Robinson, resigning.

HOUSE OF REPRESENTATIVES—*Tuesday, May 17, 1977*

The House met at 12 o'clock noon.

Rev. Joseph M. Smith, director, Ministries in Higher Education, District of Columbia Baptist Convention, offered the following prayer:

O Lord, our Lord, how excellent is Thy name in all the Earth!

We praise Thee for implanting a sense of purpose within our hearts; we give Thee thanks for Thy indwelling spirit, luring us forward. Indeed Thou art a God who does not hide from us, but who gives us a renewed spirit.

Yet we also confess that we do lose sight of Thy calling, that even while we suppose that we do well, we are caught in self-interest.

Deliver, then, our Nation from causes too small to challenge us. Grant to this House fresh insight into Thy will; give them compassion for the needs of all Thy children; and endow them with the courage which will fill us all with hope.

In Thy power alone we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Chirdon, one of his secretaries, who also informed the House that on May 13, 1977, the President approved and signed bills of the House of the following titles:

H.R. 11. An act to increase the authorization for the Local Public Works Capital Development and Investment Act of 1976.

H.R. 4876. An act making economic stimulus appropriations for the fiscal year ending September 30, 1977, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3477) entitled "An act to provide for a refund of 1976 individual income taxes and other payments, to reduce individual and business income taxes, and to provide tax simplification and reform," and that the Senate agreed to House amendment to Senate amendment numbered 85 to the foregoing bill.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3437. An act to make certain technical and miscellaneous amendments to provisions relating to vocational education contained in the Education Amendments of 1976.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 24. Joint resolution to authorize and request the President to issue annually a proclamation designating the first Sunday of September after Labor Day of each year as "National Grandparents Day".

LEONARD WOODCOCK

(Mr. BRADEMAS asked and was given permission to address the House for 1

minute, to revise and extend his remarks and include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, when Leonard Woodcock retires this week after more than 40 years with the United Auto Workers he will embark on two new careers—as a distinguished elder statesman of the American labor movement and the prospective new envoy from the United States to the People's Republic of China.

As cochairman of the congressional delegation which visited the People's Republic of China only last month, I can say that I am all the more sensitive to the great importance of this appointment. In selecting Leonard Woodcock to fill our chief diplomatic post in the world's most populous nation, President Carter has chosen a tough and skillful negotiator for the delicate task of moving toward normalization of our relations with that country. This will be Mr. Woodcock's second diplomatic mission to Asia this year. Last March, as the President's special representative, he led a five-member commission to Vietnam and Laos and returned with significant new information on the status of Americans missing in action during the Vietnam conflict.

Leonard Woodcock began his multifaceted career as a machine assembler at the Detroit Gear & Machine Co. before joining the United Auto Workers. He served as a member of a UAW local and on the staff of a union regional office before moving up in 1946 to become administrative assistant to UAW President Walter Reuther. In 1955 he became international vice president and succeeded to the UAW presidency upon Reuther's death in 1970. During a 7-year stewardship, he continued the UAW tradition of concern with domestic social programs and Leonard Woodcock served as the conscience of the labor movement in advocating opposition to further involvement in the Vietnam war.

Mr. Speaker, working Americans of all political persuasions can be grateful to Leonard Woodcock for his many efforts in their behalf over the years. His interests have transcended narrow issues of labor and management to address the vital concerns of the Nation. As a spokesman for human rights and social justice, Leonard Woodcock will find ample scope for his many talents in his new role of full-time diplomat.

DR. JOSEPH M. SMITH

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, I would like to commend Dr. Joseph M. Smith who delivered such a fine invocation at the beginning of today's session.

Dr. Smith is a native of my home of Louisville and has had a most distinguished career. He received his B.A. from the University of Louisville in 1960 and then went on to receive his doctor of divinities and doctor of ministries from the Southern Baptist Theological School in Louisville.

Since that time Dr. Smith has devoted his considerable skills and energies to the service of education. He has been the chaplain at five different schools including the University of Kentucky and Berea College.

Dr. Smith is now director of the Ministry for Higher Education of the District of Columbia Baptist Convention.

I also thank you, Mr. Speaker, for your courtesy in allowing Dr. Smith to offer today's prayer.

POSTAL REFORMS OF 1970 HAVE FAILED MISERABLY

(Mr. HAGEDORN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAGEDORN. Mr. Speaker, I am sure that I will not be alone in condemning the proposal of the Postal Service to simultaneously increase postal rates by up to 23 percent while eliminating Saturday mail deliveries. It is clear to most everybody now that the postal reforms of 1970 have failed miserably.

They have deprived Congress of any meaningful opportunity to oversee the operations of the postal system while yielding no counterbalancing economies. In effect, we have achieved the worst of two worlds: An enterprise completely independent of both public supervision and the constraints of the marketplace. The Postal Service is simply unaccountable to the public as either taxpayers or consumers. Despite repeated references to the quasibusinesslike aspects of the Postal Service, the hard fact remains that the service is free from competition in most respects and has few real incentives to manage its affairs in an efficient manner.

The Postal Service today is the largest single employer in the Nation, employing 700,000 individuals or nearly three-fourths of 1 percent of the entire work force in this Nation. Eighty-five percent of the total postal budget goes toward the salaries of this immense labor force, salaries which are tied to what is perhaps the most liberal cost-of-living escalator in either the public or private sector. It is no great mystery where economies are going to have to be achieved if accelerating postal costs are going to be checked.

While not necessarily the ultimate solution, I believe that Congress must reassert full supervision over the postal system and end the Postal Service mockery. At the same time, it is unreasonable to expect that renewed legislative supervision will result in any major efficiencies in the delivery of mail in this country. Likely, the system will operate the same total cost except that it will be borne, to a greater extent, by the taxpayer.

While insuring that any longer range reforms protect the interests of all segments of America, including otherwise isolated rural users, I believe that it is about time that we in Congress started considering new ways to structure postal delivery in this country.

GOVERNING INTERNATIONAL FISHERY AGREEMENT BETWEEN UNITED STATES AND CUBA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC NO. 45–157)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94–265), I transmit herewith a governing international fishery agreement between the United States and Cuba, signed at Havana on April 27, 1977.

This Agreement, one of a series to be negotiated in accordance with that legislation, is significant because it is the first to be negotiated personally by representatives of the two governments since 1958. Favorable action by Congress on this Agreement will constitute a tangible step in the improvement of United States-Cuban relations.

In that regard I note that the Fishery Conservation and Management Act provides for 60 calendar days of continuous session for review of the Agreement by Congress. Since the Agreement in all material aspects is in accordance with the provisions of the Act, I strongly recommend that the Congress consider extending the provisions of the Fishery Conservation Zone Transition Act (P.L. 95–6) to this Agreement in order that it may be brought into force at the earliest possible date.

JIMMY CARTER.

THE WHITE HOUSE, *May 17, 1977.*

PRINTING OF REPORT ON H.R. 7171, AGRICULTURAL ACT OF 1977

Mr. FOLEY. Mr. Speaker, I offer a resolution (H. Res. 574) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 574

Resolved, That there shall be printed for the use of the Committee on Agriculture of the House of Representatives the maximum number of copies of the House report to accompany the bill (H.R. 7171) and entitled the "Agricultural Act of 1977" which may be printed at a cost not to exceed $1200.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON CAPITAL, INVESTMENT AND BUSINESS OPPORTUNITIES TO SIT TOMORROW, WEDNESDAY, MAY 18, 1977

Mr. LAFALCE. Mr. Speaker, since we will be starting our House session at

10 a.m. tomorrow, Wednesday, May 18, 1977, I ask unanimous consent that the Subcommittee on Capital, Investment, and Business Opportunities of the Committee on Small Business be granted permission to conduct hearings previously scheduled for tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

JENNET JUANITA MILLER

The Clerk called the bill (H.R. 1405) for the relief of Jennet Juanita Miller.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

DIMITRIOS PANOUTSOPOULOS, ANGELIKI PANOUTSOPOULOS, AND GEORGIOS PANOUTSOPOULOS

The Clerk called the bill (H.R. 1940) for the relief of Dimitrios Panoutsopoulos, Angeliki Panoutsopoulos, and Georgios Panoutsopoulos.

There being no objection, the Clerk read the bill, as follows:

H.R. 1940

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Dimitrios Panoutsopoulos, Angeliki Panoutsopoulos, and Georgios Panoutsopoulos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PATRICIA R. TULLY

The Clerk called the bill (H.R. 2661) for the relief of Patricia R. Tully.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CHRISTOPHER ROBERT WEST

The Clerk called the bill (H.R. 2662) for the relief of Christopher Robert West.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MRS. CHONG SUN YI RAUCH

The Clerk called the bill (H.R. 3081) for the relief of Mrs. Chong Sun Yi Rauch.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

MILOS FORMAN

The Clerk called the bill (H.R. 3085) for the relief of Milos Forman.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

FIDEL GROSSO-PADILLA

The Clerk called the bill (H.R. 3090) for the relief of Fidel Grosso-Padilla.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

OLIVE M. V. T. DAVIES AND HER CHILDREN

The Clerk called the bill (H.R. 3215) for the relief of Olive M. V. T. Davies and her children.

There being no objection, the Clerk read the bill, as follows:

H.R. 3215

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Olive M. V. T. Davies and her children, Samira D. K. Davies, Ola-Tomi K. Davies, Ola-Yinka K. Davies, Ilesha E. K. Davies, and Baba-Tunji K. Davies, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees.

SEC. 2. Upon the granting of permanent residence under the first section of this Act to the individuals specified in such section, the Secretary of State shall instruct the proper officer to deduct the required numbers from the total number of immigrant visas and conditional entries which are made available under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act (8 U.S.C. 1153(a)) to natives of the country of each such individual's birth.

With the following committee amendment:

On page 1, line 7 after "can considered" strike out the remainder of the bill and insert in lieu thereof the following: "to be within the purview of section 203(a)(2) of that Act and the provisions of section 204 of the Act shall be inapplicable in their cases."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended so as to read: "For the relief of Mrs. Olive M. V. T. Davies and her children, Samira D. K. Davies, Ola-Tomi K. Davies, Ola-Yinka E. Davies, Ilesha E. K. Davies, and Baba-Tunji K. Davies."

A motion to reconsider was laid on the table.

MARIE GRANT

The Clerk called the bill (H.R. 1427) for the relief of Marie Grant.

There being no objection, the Clerk read the bill, as follows:

H.R. 1427

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for purposes of determining entitlement to a survivor annuity under section 8341 of title 5, United States Code, Marie Grant of Chicago, Illinois, is deemed to have met the requirements of subsection (a)(1) of such section.

SEC. 2. For purposes of chapter 83 of title 5, United States Code, any entitlement of Marie Grant to a survivor annuity by reason of the first section of this Act shall be effective as of August 26, 1969, the day after the date of death of her husband, Nathaniel Grant, Junior. The aggregate amount to which Marie Grant is so entitled for the period before the date of the enactment of this Act shall be paid in a lump sum.

With the following committee amendment:

On Page 1, line 6, strike "(a)" and insert in lieu thereof "(b)".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VELZORA CARR

The Clerk called the bill (H.R. 2563) for the relief of Velzora Carr.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

WILLIAM J. ELDER AND THE ESTATE OF STEPHEN M. OWENS, DECEASED

The Clerk called the bill (H.R. 3460) for the relief of William J. Elder and the estate of Stephen M. Owens, deceased.

The Clerk read the bill, as follows:

H.R. 3460

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That each of the following-named persons is relieved of all liability to repay the United States the amount which appears beside his name:

William J. Elder, $1,143.37.

The estate of Stephen M. Owens, deceased, $231.25. Such amounts represent overpayments of travel, transportation, and other related expenses made, as a result of an ad-

ministrative error to the above-named civilian employees of the Department of the Navy during the years 1974 and 1975. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for amounts for which liability is relieved by this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GARY DAVES AND MARC CAYER

The Clerk called the bill (H.R. 4533) for the relief of Gary Daves and Marc Cayer.

There being no objection, the Clerk read the bill, as follows:

H.R. 4533

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, $29,241.45 to Gary Daves of Albuquerque, New Mexico, and $25,869.47 to Marc Cayer of Quebec, Canada, for the period of their imprisonment in Southeast Asia which commenced while both Mr. Daves and Mr. Cayer were employed (as volunteers) by International Voluntary Services Incorporated pursuant to a Government contract between the Agency for International Development and International Voluntary Services Incorporated (AID/W235). Such compensation shall be in addition to that received by Mr. Daves pursuant to the provisions of the War Claims Act of 1948 (50 App. U.S.C. 2001 et seq.), and by both Mr. Daves and Mr. Cayer pursuant to the provisions of the War Hazards Compensation Act of 1942 (42 U.S.C. 1701 et seq.).

SEC. 2. No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim. Any person violating this section shall be fined not more than $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMANDER EDWARD WHITE RAWLINS, U.S. NAVY (RETIRED)

The Clerk called the bill (H.R. 1445) for the relief of Commander Edward White Rawlins, U.S. Navy (retired).

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

LILIA ARAUJO

The Clerk called the bill (H.R. 1406) for the relief of Lilia Araujo.

There being no objection, the Clerk read the bill as follows:

H.R. 1406

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Lilia Araujo may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Mr. and Mrs. Rafael Araujo, citizens of the United States, pursuant to section 204 of the Act. The natural parents or brothers or sisters of Lilia Araujo shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UMBERTO RUFFOLO

The Clerk called the bill (H.R. 1420) for the relief of Umberto Ruffolo.

There being no objection, the Clerk read the bill, as follows:

H.R. 1420

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of section 212(a)(1) of the Immigration and Nationality Act, Umberto Ruffolo may be issued a visa and admitted to the United States if he is found otherwise admissible under the provisions of this Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act: *And provided further,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. DESOLINA SCIULLI

The Clerk called the bill (H.R. 1432) for the relief of Mrs. Desolina Sciulli.

There being no objection, the Clerk read the bill, as follows:

H.R. 1432

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(9) of the Immigration and Nationality Act, Mrs. Desolina Sciulli may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SOO JIN LEE

The Clerk called the bill (H.R. 1437) for the relief of Soo Jin Lee.

There being no objection, the Clerk read the bill, as follows:

H.R. 1437

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Soo Jin Lee may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. and Mrs. John H. Aleshire, citizens of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

SEC. 2. Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ANGELITA SHORT

The Clerk called the bill (H.R. 1428) for the relief of Mrs. Angelita Short.

There being no objection, the Clerk read the bill, as follows:

H.R. 1428

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Angelita Short of Chicago, Illinois, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, in the administration of the Immigration and Nationality Act, Mrs. Angelita Short, the widow of a citizen of the United States, shall be deemed to be an immediate relative within the meaning of section 201(b) of such Act, and the provisions of section 204 of that Act shall not be applicable in this case."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ABDELAH AHMED CHRAYAH

The Clerk called the bill (H.R. 1750) for the relief of Abdelah Ahmed Chrayah.

There being no objection, the Clerk read the bill, as follows:

H.R. 1750

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Abdelah Ahmed Chrayah shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant visas and conditional entries which are made available

to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of sections 203(a)(1) and 204 of the Immigration and Nationality Act, Anthony Rogers shall be held and considered to be the natural-born alien son of Mr. Charles Rogers, a citizen of the United States: *Provided*, That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Anthony Rogers."

A motion to reconsider was laid on the table.

JOSEPH LEE SORYUNG

The Clerk called the bill (H.R. 1936) for the relief of Joseph Lee Soryung.

There being no obligation, the Clerk read the bill, as follows:

H.R. 1936

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Joseph Lee Soryung may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, and a petition filed in his behalf by Mr. and Mrs. Douglas Dix, citizens of the United States, may be approved pursuant to section 204 of the Act. Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

With the following committee amendments:

On page 1, line 4, strike out the name "Joseph Lee Soryung" and substitute the name "Lee So Ryung".

On page 1, line 8, strike out the word "Act." and insert in lieu thereof the following: "Act: *Provided*, That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Lee So Ryung."

A motion to reconsider was laid on the table.

RUBEN P. DIN

The Clerk called the bill (H.R. 2253) for the relief of Ruben P. Din.

There being no objection, the Clerk read the bill, as follows:

H.R. 2253

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Ruben P. Din may be classified as a child within the meaning of section 101(b)(1)(E) of the Act, upon approval by a petition filed in his behalf by Staff Sergeant and Mrs. Neal R. Olmstead, a citizen of the United States and an alien, respectively, pursuant to section 204 of the Act: *Provided*, That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

YOUNG GUN KIM

The Clerk called the bill (H.R. 2553) for the relief of Young Gun Kim.

There being no objection, the Clerk read the bill, as follows:

H.R. 2553

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Young Gun Kim may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. and Mrs. Roger D. Taylor, citizens of the United States, pursuant to section 204 of the Act: *Provided*, That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEEJA SA FOSTER

The Clerk called the bill (H.R. 3217) for the relief of Meeja Sa Foster.

There being no objection, the Clerk read the bill, as follows:

H.R. 3217

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Meeja Sa Foster may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Lieutenant Colonel William R. and Brenda Foster, citizens of the United States, pursuant to section 204 of the Act: *Provided*, That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

SEC. 2. Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARK CHARLES MIEIR AND LIANE MARIA MIEIR

The Clerk called the bill (H.R. 3313) for the relief of Mark Charles Mieir and Liane Maria Mieir.

There being no objection, the Clerk read the bill, as follows:

H.R. 3313

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Mark Charles Mieir and Liane Maria Mieir may be classified as children within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in their behalf of Mr. and Mrs. Charles Mieir, citizens of the United States, pursuant to section 204 of the Act: *Provided*, That the natural parents or brothers or sisters of the beneficiaries shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEE KYUNG YOO

The Clerk called the bill (H.R. 4246) for the relief of Hee Kyung Yoo.

There being no objection, the Clerk read the bill, as follows:

H.R. 4246

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Hee Kyung Yoo may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. and Mrs. Donald Weicht, citizens of the United States, pursuant to section 204 of the Act: *Provided*, That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment:

On page 1, at the end of the bill, insert the following sentence: "Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that further reading of the Private Calender be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

TRANSMITTAL OF THE 26TH ANNUAL REPORT OF THE JOINT COMMITTEE ON DEFENSE PRODUCTION

Mr. MITCHELL of Maryland. Mr. Speaker, in accordance with section 712

(B) of the Defense Production Act of 1950, as amended, there is transmitted herewith the 26th annual report of the Joint Committee on Defense Production. I am filing this report on behalf of Leonor K. Sullivan, who before her retirement at the close of the 94th Congress, was chairman of the joint committee.

This report comprises two volumes, the first being information on the activities of the joint committee in 1976, results of committee studies, and such recommendations as it deemed desirable. The second volume contains information on programs carried on by departments and agencies performing functions under authority of the Defense Production Act for fiscal year 1976.

The report reveals the aggressive, close-in oversight activities which the joint committee carried out in the 94th Congress. During 1976, for example, the committee chose to concentrate on reviewing the condition of Federal emergency preparedness and mobilization policies, programs, and organizations, and examining the development of Federal materials policy in terms of its implications for the availability of materials for defense purposes.

I know that this report will be of especial interest to many Members of this body. I hope they will give it the close reading which it deserves.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated, and after those motions to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

YOUTH EMPLOYMENT AND INNOVATIVE DEMONSTRATION PROJECTS ACT OF 1977

Mr. HAWKINS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6138) to provide employment and training opportunities for youth, as amended.

The Clerk read as follows:

H.R. 6138

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Youth Employment and Innovative Demonstration Projects Act of 1977".

TITLE I—YOUNG ADULT CONSERVATION CORPS

SEC. 101. This title may be cited as the "Young Adult Conservation Corps Act".

SEC. 102. The Act entitled "An Act to establish a pilot program in the Department of the Interior and Agriculture designated as the Youth Conservation Corps, and for other purposes", enacted August 13, 1970 (84 Stat. 794; as amended, 16 U.S.C. 1701–1706) (hereafter in this Act referred to as the Youth Conservation Corps Act) is amended by adding at the end thereof the following new title:

"TITLE II—YOUNG ADULT CONSERVATION CORPS

"STATEMENT OF PURPOSE

"SEC. 201. The purpose of this title is to complement the Youth Conservation Corps and to provide employment and other benefits to young adults while reducing the inventory of conservation work and completing many other projects of a public nature on the lands and waters of the United States. This title supplements and extends the provisions of title I of this Act and does not limit or repeal any existing authority provided by title I of this Act.

"EXTENSION OF YOUTH CONSERVATION CORPS

"SEC. 202. The Secretary of the Interior and the Secretary of Agriculture (hereinafter in this title referred to as the 'Secretaries') shall jointly extend the Youth Conservation Corps so as to make possible the year-round employment of young adults. Section 102 of this Act applies to the extended Corps under this title, except that individuals employed as Corps members under this title—

"(1) shall be referred to the Secretaries by agencies affiliated with the United States Employment Service, prime sponsors qualifying under section 102 of the Comprehensive Employment and Training Act of 1973 and other agencies according to interagency agreements entered into with the Secretary of Labor;

"(2)(A) shall at the time of enrollment have attained age nineteen but not attained age twenty-four or (B) shall have attained age sixteen (or completed high school) but not attained age nineteen, in the case of individuals who have left school and who give adequate assurances, under criteria established by the Secretaries, that they did not leave school for the purpose of obtaining employment under this title;

"(3) shall be physically capable, as determined under regulations established by the Secretaries, to carry out the work of the Corps;

"(4) shall be given preference for employment if they reside in areas of substantial unemployment as defined in section 204(c) of the Comprehensive Employment and Training Act of 1973;

"(5) may be employed for a total period of not more than twelve months, with such maximum employment period consisting of one continuous twelve-month period or of two or more periods which together total twelve months; and

"(16) shall be unemployed at the time of enrollment.

"SECRETARIAL DUTIES AND FUNCTIONS

"SEC. 203. (a) Section 103 of this Act, relating to the duties and functions of the Secretaries, applies to this title, except that in administering this title the Secretaries shall—

"(1) place individuals employed as Corps members into jobs which will diminish the backlog of relatively labor intensive projects which would otherwise be carried out if adequate funding were made available;

"(2) employ such individuals in such projects as but not limited to—

"(A) tree nursery operations, planting, pruning, thinning, and other silvicultural measures;

"(B) erosion control and flood damage, and other natural disaster measures;

"(C) wildlife habitat and fisheries habitat improvements and preservation;

"(D) range management improvements;

"(E) recreation development, rehabilitation, and maintenance;

"(F) forest insect and disease control, road and trail improvements, and wildlife preservation; and

"(G) general sanitation, cleanup, and maintenance of State and public lands;

"(3) in determining appropriate work projects for Corps members, give priority to projects that—

"(A) are relatively labor intensive;

"(B) have work plans or for which work plans could be readily developed;

"(C) may be initiated promptly; and

"(D) are productive;

"(4) to the maximum extent practicable employ such individuals in areas where existing residential facilities are available;

"(5) to the maximum extent practicable employ such individuals in activities similar to activities of those employed in seasonal and part-time employment, in the case of the Secretary of the Interior, in the National Park Service, Bureau of Outdoor Recreation, the United States Fish and Wildlife Service, the Bureau of Reclamation, the Bureau of Land Management, and the Bureau of Indian Affairs, and, in the case of the Secretary of Agriculture, in the Forest Service and the Soil Conservation Service;

"(6) determine rates of pay which shall be at least at the wage required by section 6(a)(1) of the Fair Labor Standards Act of 1938; and

"(7) provide for the safety, health, and welfare of Corps members.

"(b) Whenever economically feasible, existing but unoccupied or underutilized Federal, State, and local government facilities, and equipment of all types, shall be utilized for the purposes of the Corps where appropriate, with the approval of the Federal, State, or local agency or government involved.

"(c) The Secretaries, in carrying out the purpose of this title, shall work with the Department of Health, Education, and Welfare to make suitable arrangements whereby academic credit may be awarded by educational institutions and agencies for competencies derived from work experience obtained through programs established under this title.

"EXTENSION OF GRANT PROGRAM FOR STATE PROJECTS

"SEC. 204. (a) The Secretaries shall jointly extend the grant program for State projects required by section 104 of this Act so as to provide increased employment to young adults to develop, preserve, and maintain non-Federal (including State and local) public lands and waters within the States, as defined in section 104(a) (and such employment may include employment on projects which assist the selective cutting and thinning of timber on such lands for essential fuel purposes). For the purpose of this section 'local' includes any political subdivision of the State. Sections 104 (a), (b), and (c) of this Act apply to the extended grant program for State projects under this title, except that for the purposes of this title, each grant application shall contain assurances satisfactory to the Secretaries that individuals employed under the project for which the application is submitted (1) meet the qualifications set forth in section 202, (2) shall be paid wages in accordance with section 203(a)(6), and (3) that the activities funded—

"(A) will result in an increase in employment opportunities over those opportunities which would otherwise be available,

"(B) will not result in the displacement of currently employed workers (including partial displacement such as reduction in the hours of nonovertime work or wages or employment benefits),

"(C) will not impair existing contracts for

services or result in the substitution of Federal for other funds in connection with work that would otherwise be performed,

"(D) will not substitute jobs assisted under this title for existing federally assisted jobs, and

"(E) will not result in the hiring of any youth when any other person is on layoff from the same or any substantially equivalent job.

"(b) Not more than 30 per centum of the sums appropriated to carry out this title for any fiscal year shall be made available for grants under this section for such fiscal year and shall be made on the basis of total youth population within each State.

"(c) Each of the Secretaries shall enter into an agreement with the Secretary of Labor with respect to the administration of the provisions of subsection (a)(3).

"SECRETARIAL REPORTS

"SEC. 205. The Secretaries shall prepare jointly and submit to the President and the Congress a report detailing the activities carried out under this title for each fiscal year. Such report shall be submitted not later than February 1 of each year following the date of enactment of this Act. The Secretaries shall include in such report such recommendations as they deem appropriate.

"APPLICATION OF PROVISIONS OF FEDERAL LAW

"SEC. 206. Except as otherwise specifically provided in the following paragraphs of this section, Corps members shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment including those regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits:

"(1) For purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.), Corps members shall be deemed employees of the United States and any service performed by a person as a Corps member shall be deemed to be performed in the employ of the United States.

"(2) For purposes of subchapter 1 of chapter 81 of title 5 of the United States Code, relating to compensation to Federal employees for work injuries, Corps members shall be deemed civil employees of the United States within the meaning of the term 'employee' as defined in section 8101 of title 5, United States Code, and provisions of that subchapter shall apply, except that the term 'performance of duty' shall not include any act of a Corps member while absent from his or her assigned post of duty, except while participating in an activity (including an activity while on pass or during travel to or from such post of duty) authorized by or under the direction and supervision of the Secretary.

"(3) For purposes of chapter 171 of title 28 of the United States Code, relating to tort claims procedure, Corps members shall be deemed civil employees of the United States within the meaning of the term 'employee of the Government' as defined in section 2671 of title 28, United States Code, and provisions of that chapter shall apply.

"(4) For purposes of section 5911 of title 5 of the United States Code, relating to allowances for quarters, Corps members shall be deemed civil employees of the United States within the meaning of the term 'employee' as defined in that section, and provisions of that section shall apply.

"ANTIDISCRIMINATION

"SEC. 207. (a) No persons with responsibilities in the operations of such programs will discriminate with respect to any program participant or any applicant for participation in such program because of race, creed, color, national origin, sex, political affiliation, or beliefs;

"(b) The Corps shall be open to youth from all parts of the country of both sexes and youth of all social, economic, and racial classifications.

"INTERAGENCY AGREEMENTS

"SEC. 208. The administration of this title shall be pursuant to interagency agreements entered into by the Secretary of Labor with the Secretaries.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 209. There are authorized to be appropriated such sums as may be necessary for the fiscal year beginning October 1, 1977, and for each of the two succeeding fiscal years, for the purpose of carrying out this title."

SEC. 103. The Youth Conservation Corps Act is further amended by—

(1) inserting immediately after the enacting clause the following:

"TITLE I—YOUTH CONSERVATION CORPS";

(2) redesignating sections 1 through 6 as sections 101 through 106, respectively;

(3) striking out "section 6" in section 104(d) (as redesignated by clause 2 of this section) and inserting in lieu thereof "section 103"; and

(4) striking out "Act" each place it appears in sections 101 through 106 (as redesignated by clause 2 of this section) and inserting in lieu thereof "title".

TITLE II—YOUTH INNOVATIVE DEMONSTRATION PROJECTS ACT

SEC. 201. This title may be cited as the "Youth Innovative Demonstration Projects Act of 1977".

SEC. 202. Title III of the Comprehensive Employment and Training Act of 1973, as amended, is amended by adding at the end thereof the following new part:

PART C—YOUTH INNOVATIVE DEMONSTRATION PROJECTS

"STATEMENT OF PURPOSE

"SEC. 316. It is the purpose of this part to establish pilot, demonstration, and experimental programs to explore methods of dealing with the structural unemployment problems faced by this Nation's youth. The basic purpose of these programs shall be to test the relative efficacy of different ways of dealing with these problems in different local contexts but this basic purpose shall not preclude the funding of programs dealing with the immediate difficulties faced by youth who are in need of, and unable to find a job. It is explicitly not the purpose of this part to provide make-work opportunities for unemployed youth; instead, it is the purpose to provide youth, and particularly economically disadvantaged youth, with opportunities to learn and earn that will lead to meaningful employment opportunities after they have completed the program.

"USE OF FUNDS

"SEC. 317. Twenty-five per centum of the funds available for carrying out this part shall be available only for carrying out section 318, and the remainder shall be available for carrying out section 319.

"YOUTH INCENTIVE ENTITLEMENT

"SEC. 318. (a) The Secretary shall enter into arrangements with prime sponsors selected in accordance with the provisions of this section for the purpose of demonstrating the efficacy of guaranteeing otherwise unavailable part-time employment, or combination of part-time employment and training, for economically disadvantaged youth between the ages of sixteen and nineteen, inclusive, during the school year who resume or maintain attendance in secondary school for the purpose of acquiring a high school diploma or in a program which leads to a certificate of high school equivalency and full-time employment or part-time employment and training during the summer months to each such youth.

"(b) Each prime sponsor who applies for and is selected by the Secretary to carry out a pilot program under this section shall guarantee such employment to each such unemployed youth who resides within the area or a designated part thereof served by the prime sponsor and who applies to that prime sponsor for employment, and the Secretary shall provide to each prime sponsor, from funds appropriated for carrying out this section, in combination with any funds made available by such prime sponsor according to an agreement made pursuant to subsection (e)(4)(E) of this section, the amount to which that prime sponsor is entitled under subsection (c).

"(c) Each prime sponsor shall be entitled to receive, for each youth who is provided employment by that prime sponsor, the costs associated with providing such employment. Such costs shall take into account funds made available by such prime sponsor under subsection (e)(4)(E).

"(d) Employment opportunities guaranteed under this section shall take the form of any one of the following or combination thereof:

"(1) part-time employment or training or combination thereof during the school year, not to exceed twenty hours per week for each youth employed, and not to last less than six months nor more than nine, on projects operated by community-based organizations of demonstrated effectiveness which have a knowledge of the needs of disadvantaged youth; local educational agencies (as defined in section 801(f) of the Elementary and Secondary Education Act of 1965); institutions of higher education (as defined in section 1201(a) of the Higher Education Act of 1965); nonprofit private organizations or institutions engaged in public service; nonprofit voluntary youth organizations; nonprofit private associations, such as labor organizations, educational associations, business, cultural, or other private associations; units of general local government; or special purpose political subdivisions either having the power to levy taxes and spend funds or serving such special purpose in two or more units of general local government;

"(2) part-time employment on an individual basis in any of the institutions and under the same conditions provided for in clause (1);

"(3) part-time employment on either a project or individual basis in any of the institutions and under the same conditions as provided in clause (1) which includes as part of the employment on-the-job or apprenticeship training;

"(4) full-time employment during the summer months, not to exceed forty hours per week for each youth employed, and not to last less than eight weeks, in any of the institutions described in clause (1).

"(e) In selecting prime sponsors to operate a youth incentive entitlement project, the Secretary shall—

"(1) select prime sponsors from areas with differing socioeconomic and regional circumstances such as differing unemployment rates, school dropout rates, urban and rural variations, size, and other such factors designed to test the efficacy of a youth job entitlement in a variety of differing locations and circumstances;

"(2) take into consideration the extent to which the prime sponsors devote funds made available under title I and section 304(a)(1), (2), and (3) of this Act for the purpose of carrying out a youth incentive entitlement program or for supportive services;

"(3) take into consideration the extent to which new and different classifications, occupations, or restructured jobs are created for youth;

"(4) not select any prime sponsor failing to submit a proposal which includes—

"(A) a description of the procedure to be utilized by the prime sponsor to publicize, consider, approve, audit, and monitor youth incentive projects or jobs funded by the prime sponsor under this part, including copies of proposed application materials, as well as examples of audit and client characteristics reports;

"(B) a statement of the estimated number of economically disadvantaged youth to be served by the prime sponsor, and assurances that only such disadvantaged youth will be served;

"(C) assurances that, if new and different classifications, occupations, or restructured jobs are created under section 318(e)(3) and are covered under section 208(a)(2) of this Act, prime sponsors have entered into agreements with employers and any labor organizations representing employees engaged in similar work in the same area with respect to the establishment of such new and different classifications, occupations, or restructured jobs;

"(D) assurances that the prime sponsor has consulted with public and private nonprofit local educational agencies including vocational and postsecondary education institutions and other agencies which offer high school equivalency programs; public employers, including law enforcement and judicial agencies; labor organization; voluntary youth groups; community-based organizations; organizations of demonstrated effectiveness with a special knowledge of the needs of such disadvantaged youth; and with the private sector in the development of the plan, and that arrangements are made with appropriate groups to assist the prime sponsor in carrying out the purposes of this section;

"(E) assurances that arrangements are made with the State employment security agencies to carry out the purposes of this section;

"(F) an agreement that title I funds planned for economically disadvantaged youth employment programs and funds available for the summer youth program under section 304 for youth eligible under subsection (a) will be used in support of the program authorized under this section;

"(G) assurances that the employment of eligible youth meets the requirements of eligible activities under subsection (f);

"(H) Assures that participating youth shall not be employed more than twenty hours per week during the school year and not more than forty hours per week during the summer;

"(I) assures that a participating youth is not a relative of any person with responsibility for hiring a person to fill that job;

"(J) assurances that youth between the ages of sixteen and nineteen, inclusive, employed thereunder shall be paid wages which shall not be lower than the higher of (i) the minimum wage specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 or (ii) the State or local minimum wage for the most nearly comparable covered employment; except when such employment involves additional on-the-job, institutional, or apprenticeship training provided by the employer, and if such training is not paid for in full or in part by the prime sponsor under any other program authorized under this Act, wages may be paid in accordance with the provisions of section 14(b) of the Fair Labor Standards Act of 1938, and with the balance being applied to the cost of training;

"(K) assures that arrangements have been made with the appropriate local education agency or with the institution offering a certified high school equivalency program to assure that such youth is enrolled and meeting the minimum academic and attendance requirements of that school or education program and with employers to assure that such youth meet the minimum work and attendance requirements of such employment and that any employment guarantee is conditioned on such enrollment; and

"(L) assurance that the prime sponsor will make available the data necessary for the Secretary to prepare the report required by subsection (h).

"(f)(1) Employment and training under this section shall be of a nature of developing the participant's role as a meaningful member of the community, and may include, but is not limited to, such employment, and training in such fields as environmental quality, health care, education, social services, public safety, crime prevention and control, transportation, recreation, neighborhood improvement, rural development, conservation, beautification, and community improvement projects.

"(2) No funds for employment funded under this section shall be used to provide public services, through a nonprofit organization, association, or institution, or a nonprofit private institution of higher education, or any other applicant, which were previously provided by a political subdivision or local educational agency in the area served by the project or where the employment and training takes place, and no funds will be used under this section to provide such services through such an organization or institution which are customarily provided only by a political subdivision or local educational agency in the area served by such project or where the employment and training takes place.

"(g) The Secretary may, in approving a prime sponsor to operate a youth incentive entitlement project, test the efficacy of any of the following:

"(1) the use of a variety of subsidies to private-for-profit employers, notwithstanding the provisions of subsection (d) and (f)(1), to encourage such employers to provide employment and training opportunities under this section, but no such subsidy shall exceed the net cost to the employer of the wages paid and training provided;

"(2) arrangements with unions to enable youth to enter into apprenticeship training as part of the employment provided under this section;

"(3) a variety of administrative mechanisms to facilitate the employment of youths under an entitlement arrangement;

"(4) the inclusion of economically disadvantaged youths between the ages of nineteen and twenty-five who have not received their high school diploma;

"(5) the inclusion of occupational and career counseling, outreach, career exploration, and on-the-job training and apprenticeship as part of the employment entitlement; and

"(6) with the approval of the appropriate authorities, the inclusion of youth under the jurisdiction of the juvenile or criminal justice system.

"(h) The Secretary shall report to the Congress no later than March 15, 1978, on his interim findings on the efficacy of a youth incentive entitlement. He or she shall submit another report three months after the termination of the youth incentive entitlement projects authorized under this section. Included in such a report shall be findings as to—

"(1) the number of youth enrolled at the time of the report;

"(2) the cost of providing employment opportunities to such youth;

"(3) the degree to which such employment opportunities have caused out-of-school youth to return to school or others to remain in school;

"(4) the number of youth provided employment in relation to the total which might have been eligible;

"(5) the kinds of jobs provided such youth and a description of the employers—public and private—providing such employment;

"(6) the degree to which on-the-job or apprenticeship training has been offered as part of the employment;

"(7) the estimated cost of such a program if it were to be extended to all areas;

"(8) the effect such employment opportunities have had on reducing youth unemployment in the areas of the prime sponsors operating a program; and

"(9) the impact of job opportunities provided under the program on other job opportunities for youth in the area.

"DEMONSTRATION PROJECTS

"SEC. 319. (a)(1) Seventy-five per centum of the funds available for carrying out this section shall be allocated as follows:

"(A) 75 per centum of the amount available for this subsection shall be allocated on the basis of the relative number of unemployed persons within the State as compared to such numbers in all States; and

"(B) 25 per centum of the amount available for this subsection shall be allocated on the basis of the relative number of persons in families with an annual income below the low-income level within the State compared to such total numbers in all States.

"(C) Of the amount allocated to any State, 5 per centum shall be available to the Governor to provide financial assistance for special statewide programs or other types of programs or categories of eligible youths not being adequately provided by prime sponsors.

"(D) The remainder of the sums allocated to each State shall be allocated by the Secretary among areas served by prime sponsors within the State, as determined by the Secretary, on an equitable basis based upon the factors set forth in paragraphs (A) and (B).

"(E) In determining allocations under this subsection, the Secretary shall use what he or she determines to be the most recent and best available data.

"(2) The remaining one-fourth of the funds available to carry out this section shall be used at the Secretary's discretion to carry out innovative and experimental programs for eligible participants, for the purposes of preparing them for, enhancing their prospects for, or securing their employment in jobs through which they may be reasonably expected to advance to productive working lives.

"Eligible Activities

"(b) Financial assistance under this section shall be available for programs, projects, and activities designed to make a significant long-term impact on the structural unemployment problems of youth with particular emphasis on the problems of economically disadvantaged youth and consideration for youth with special problems such as migrants, native Americans, handicapped, offenders, and those with dependents. Such programs, projects, and activities may include but shall not be limited to—

"(1) outreach, assessment, and orientation;

"(2) counseling; including occupational information and career counseling;

"(3) activities promoting education to work transition;

"(4) development of information concerning the labor market, and provision of occupational, educational, and training information;

"(5) services to youth to help them obtain and retain employment;

"(6) literacy training and bilingual training;

"(7) attainment of certificates of high school equivalency;

"(8) job sampling, including vocational exploration in the public and private sector;

"(9) institutional and on-the-job training, including development of basic work skills and job skills;

"(10) transportation assistance;

"(11) child care and other necessary supportive services;

"(12) employment in community service and community improvement projects as defined in section 321;

"(13) programs jointly administered by prime sponsors and local education agencies to coordinate work in the private and public sector with education and supportive services;

"(14) job restructuring to make jobs more responsive to the objectives of this part, including assistance to employers in developing job ladders or new job opportunities for youths, in order to improve work relationships between employers and youths;

"(15) employment and training, employment opportunities, and related services conducted by community-based organizations which have demonstrated effectiveness in meeting the needs of youths;

"(16) community-based central intake and information services for youth;

"(17) job development, direct placement, and placement assistance to secure unsubsidized employment opportunities for youth to the maximum extent feasible, and referral to employability development programs;

"(18) programs to overcome sex-stereotyping in job development and placement;

"(19) programs and outreach mechanisms to increase the labor force participation rate among minorities and women; and

"(20) upgrading the quality of on-going title I youth programs.

"(c) The Secretary shall not provide financial assistance under section 319(a)(1) unless the prime sponsor or Governor submits an application, in such detail as the Secretary may prescribe, describing the programs, projects, or activities proposed to be carried out with such assistance. The provisions of sections 108, 109, and 110 shall apply to applications for financial assistance by prime sponsors under this section and such applications shall be reviewed by prime sponsor-planning councils in accordance with the provisions of section 104: *Provided*, That eligible youth and representatives of youth-serving agencies shall be added to such councils when reviewing applications under this part. Such application shall be coordinated to the maximum extent feasible, with the plan submitted under title I, but services to youth under that title shall not be reduced because of the availability of financial assistance under this section. Such application shall also provide for the maximum feasible utilization of any services that are available without reimbursement from the State employment service that would contribute to the achievement of the purposes of this section.

"(d) In order to carry out this section the Secretary, a Governor, or a prime sponsor may enter into contracts with project applicants (as defined in section 701(a)(15)) or employers organized for profit but payments to such employers shall not exceed the amounts permitted under section 101(5), or may operate programs directly if, after consultation with community-based organizations and nonprofit groups, they determine that such direct operation will promote the purposes of this part.

"(e) Participants in programs authorized by this section shall be limited to persons between ages sixteen through twenty-one, inclusive.

"(f)(1) Programs under this section shall serve youths who are not members of households which have current gross family income, at a rate exceeding the lower living standard income level.

"(2) Income eligibility determinations under this subsection shall be made consistently with the provisions of section 608(a)(2).

"(g) Notwithstanding subsection (f) not more than 10 per centum of the funds available for this section may be used for programs which include youth of all economic backgrounds to test the desirability of such a mix.

"(h) Prime sponsors may use up to 30 per centum of their allocation for community improvement projects and such projects may use up to 25 per centum of the financial assistance provided for them under this Act for supplies and equipment.

"(i) In the administration of this section, appropriate efforts shall be made to encourage the granting by the educational agency or school involved of academic credit to eligible participants who are in school and for competencies derived from work experience obtained through programs established under this section.

"(j) Programs under this section shall be subject to continuing performance evaluation pursuant to the provisions of section 313(a) of this Act. The Secretary shall report to Congress by March 15, 1978, on the progress of the program under this section.

"DISREGARD OF EARNINGS

"SEC. 320. Earnings received by any youth under this part shall be disregarded in determining the eligibility of the youth's family for, and the amount of, any benefits based on need under any Federal or federally assisted programs.

"DEFINITION

"SEC. 321. For the purposes of this part 'community improvement projects' means projects which provide work which would not otherwise be carried out, including, but not limited to, the rehabilitation or improvement of public facilities: neighborhood improvements, including basic repairs to low-income housing; and conservation, maintenance, or restoration of natural resources on publicly held lands other than Federal lands.

"LABOR STANDARDS

"SEC. 322. No program, project, or activity shall be funded under this part unless there is adequate assurance that no youth will be hired when any other person is on lay-off from the same or any substantially equivalent job and that it meets the requirements of this part, of sections 205(c)(8), 205(c)(24), 205(c)(25), 208(a)(1), 208(a)(2), 208(c), and 605(b), and of title VII: *Provided*, however, That in the case of community improvements projects of the kind to which the provisions of section 706 or 604(b)(3) would otherwise apply, the Secretary is authorized, for projects of under $5,000, to approve rates of pay for youth participants which are not less than the applicable minimum wage but not more than the wage rate of the entering apprentice in the most nearly comparable apprenticeable trade, and to prescribe the appropriate ratio of journeymen to such participating youths.

"AUTHORIZATION

"SEC. 323. There are authorized to be appropriated such sums as are necessary to carry out the provisions of this part for the fiscal year ending September 30, 1978.".

TITLE III—MISCELLANEOUS

SEC. 301. The limitations of section 4(e) of the Comprehensive Employment and Training Act of 1973 shall not apply to appropriations for part C of title III and for title IV of such Act for the fiscal year ending September 30, 1978.

SEC. 302. Appropriations for youth programs (other than those authorized under section 304(a)(3)) under title III of the Comprehensive Employment and Training Act as in effect before the amendments made by this Act shall to the maximum extent consistent with law, be obligated and expended in accordance with the provisions of part C of title III, as added by this Act.

The SPEAKER. Is a second demanded?

Mr. SARASIN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

CALL OF THE HOUSE

Mr. ASHBROOK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 239]

Abdnor	Forsythe	Neal
Andrews, N.C.	Gaydos	Nix
Annunzio	Giaimo	Poage
Armstrong	Gibbons	Pressler
Ashley	Hansen	Price
Badillo	Harrington	Railsback
Beard, R.I.	Harsha	Roe
Bedell	Hefner	Roybal
Blouin	Heftel	Scheuer
Boggs	Jacobs	Sebelius
Clawson, Del	Johnson, Colo.	Seiberling
Collins, Ill.	Keys	Sisk
Conyers	Koch	Skubitz
Corman	Krebs	Staggers
Dellums	Lederer	Steers
Dent	McKinney	Stokes
Diggs	Mann	Teague
Dingell	Mathis	Thompson
Drinan	Mazzoli	Udall
Eilberg	Moffett	Van Deerlin
Fascell	Moorhead, Pa.	Waxman
Flippo	Murphy, Pa.	Wiggins
Florio	Myers, Michael	Young, Alaska

The SPEAKER pro tempore. On this rollcall 363 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 10, FEDERAL EMPLOYEES' POLITICAL ACTIVITIES ACT OF 1977

Mr. MURPHY of Illinois, from the Committee on Rules, submitted a privileged report (Rept. No. 95-350) on the resolution (H. Res. 575) providing for consideration of H.R. 10, to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 6884, INTERNATIONAL SECURITY ASSISTANCE ACT OF 1977

Mr. MURPHY of Illinois, from the Committee on Rules, submitted a privileged report (Rept. No. 95-351) on the resolution (H. Res. 576) providing for the consideration of the bill (H.R. 6884) to amend the Foreign Assistance Act of 1961 to authorize international security assistance programs for fiscal year 1978, to amend the Arms Export Control Act to make certain changes in the authorities of that act, and for other purposes, which was referred to the House Calendar and ordered to be printed.

YOUTH EMPLOYMENT AND INNOVATIVE DEMONSTRATION PROJECTS ACT OF 1977

The SPEAKER pro tempore. The gentleman from California (Mr. HAWKINS) and the gentleman from Connecticut (Mr. SARASIN) will each be recognized for 20 minutes.

The Chair recognizes the gentleman from California (Mr. HAWKINS).

Mr. HAWKINS. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, I am pleased to rise in support of H.R. 6138, as amended, the Youth Employment and Innovative Demonstration Projects Act of 1977.

I wish to express my gratitude to the chairman of the Education and Labor Committee, CARL PERKINS, for his able assistance in drafting this legislation and for his cooperation in expediting committee action and House consideration of this measure. Of necessity, we have moved with haste, but I believe we have developed a bill which effectively addresses the problems of youth unemployment and offers us the opportunity to determine the best approach to take in long term legislation to be drafted next year. I also wish to congratulate the members of the subcommittee whose loyal attendance and thoughtful contributions brought about helpful refinements of this bill. Finally, I want to express my extreme gratitude for the fine cooperation I have received from the ranking minority member of the Subcommittee on Employment Opportunities, the Honorable RONALD SARASIN, and the very able ranking minority member of the full committee, the Honorable ALBERT QUIE. Through their efforts, we have developed a truly bipartisan measure to address a very complex issue.

Mr. Speaker, on March 9, President Carter submitted his message to Congress on youth employment. In his message, President Carter outlined his program to be financed by his request in the economic stimulus appropriation for a total of $1.8 billion for 18 months. Along with doubling the Job Corps, the President proposed a Young Adult Conservation Corps, a Youth Community Conservation and improvement projects program, and a comprehensive youth employment and training program. The combined program would operate under the existing titles of CETA. Later, on April 6, the President submitted his request as legislation establishing a new title VIII of CETA.

The bill before you today has taken the basic thrust of the President's proposal and has assumed the funding level outlined in the economic stimulus appropriation. However, this bill differs substantially from the President's earlier request in that it reflects the short term nature of the proposed programs. This legislation authorizes a variety of approaches to address the continuing high rate of youth unemployment. While the committee bill clearly recognizes the necessity to move promptly and forcefully to provide employment and training opportunities for our Nation's young people, it also recognizes that we do not have the answers about what works best.

We anticipate that youth employment programs, including those already authorized by CETA, will be carefully reviewed in connection with reauthorization of the Comprehensive Employment and Training Act next year. It is our intention to draft a comprehensive youth employment strategy tying in existing youth-serving programs and education programs. Further, we believe that by that time we will have some indication based on the experience of this legislation as to the most promising approaches to address the structural unemployment of youth.

There, rather than proposing at this time a new title to CETA with the implication that we are offering a truly "comprehensive" approach, we are proposing two separate programmatic thrusts: First, through the establishment of a Young Adult Conservation Corps to be funded for 3 years, and second, through authorization of demonstration projects as an amendment to title III of CETA for 1 year.

Title I of H.R. 6138 establishes a year-round Young Adult Conservation Corps for youth 16–24 to be administered by the Department of Agriculture and Interior through interagency agreements with the Department of Labor. Youth are to be referred to the Corps through CETA prime sponsors and Employment Services. The YACC is modeled after the successful summer YCC program enacted in 1970. Congressman LLOYD MEEDS authored a bill establishing the year-round program which passed the House in the last Congress by a vote of 290 to 70. Unfortunately, the Senate took no action on this program. We have incorporated this program in the committee bill to emphasize that while we view the YACC as a program primarily designed to address pressing conservation and land management needs, it offers an outstanding opportunity to provide useful employment to youth of all backgrounds. It is the intention of the bill's authors that the Corps should be open to youth from all areas of the country and should be represenative of youth of all socioeconomic and racial classifications.

Title II adds a new part C to title III of the Comprehensive Employment and Training Act. This new part authorizes a variety of innovative demonstration projects to explore the relative advantages of different approaches to the problem of youth unemployment. Twenty-five percent of the funds under this title are reserved for pilot projects to demonstrate the effectiveness of a program to guarantee employment to poverty-level youth age 16–19 who are in school or willing to return to seek a high school diploma or its equivalent. The Secretary of Labor is directed to select prime sponsors from a variety of socioeconomic and geographic circumstances to test the program.

Of the remainder of the funds under this title, 75 percent are to be allocated to prime sponsors by formula similar to title I of CETA for a variety of youth employment and training programs. Twenty-five percent of the funds are reserved for innovative programs at the discretion of the Secretary of Labor. Among the activities which the bill authorizes are: Outreach, counseling education-to-work transition, job sampling, cooperative programs between prime sponsors and education agencies, programs for minorities and women and other activities designed to improve the employability of youth.

It is the intention of the authors that this bill should encourage the continued involvement of private nonprofit youth-serving organizations and other community-based organizations in employment and training projects for youth. Section 319(d) of the act encourages prime sponsors to contract with community-based groups in the operation of such projects. One such organization which has provided particularly effective service in this area is OIC, Opportunities Industrialization Centers. OIC's career intern program is an example of one outstanding activity which this bill might fund.

The committee amendments to H.R. 6138 are based on several premises endorsed by numerous witnesses and endorsed by the committee members. Those premises are:

First. While there is acknowledged benefit in providing opportunities for all youth, there is a need to target limited funds to those youth in greatest need;

Second. Education, training, and supportive services are essential components for employability development for youth.

Third. An effective youth strategy must have ties with the educational system, including vocational education institutions;

Fourth. Employment opportunities must provide valuable experience in terms of training and work performed. "Make-work" jobs are little more than a temporary salve, and in fact are rejected by the youth themselves as efforts by the middle-class adults to keep them off the streets without improving their chances for future employment; and

Fifth. Private sector involvement is essential for a lasting and effective program to address the structural unemployment problems of youth.

While H.R. 6138 is not the answer to all the problems which face our Nation's youth in their efforts to obtain and improve their employment opportunities, it is, I believe, a valuable first step which will provide us with worthwhile experience and information as we attempt a more comprehensive approach in the near future.

Mr. SARASIN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I wonder if it is possible in this Chamber to cast half a vote, because this is what I would prefer to do on the legislation providing jobs for youths, which we just this past week reported from full committee.

On the one hand, I like this bill. It is far superior to the legislation proposed by the administration or now under consideration in the Senate. As the esteemed chairman of the subcommittee, Mr. HAWKINS, has already pointed out, this bill is a reasonable response to a problem

we know little about. Rather than enact a full-scale, full-blown program, this bill is designed to search out the answers to the complicated and serious unemployment problems of youths before enacting a permanent fixture.

Second, rather than emphasizing short-term, make-work jobs for out-of-school youth which the administration proposal does, it places major emphasis on in-school youths and on encouraging youths to return to school. At the same time, it is a broad program, flexible in its design, which will reach to all youth in the Nation.

And, third, it will provide ample room to experiment with a variety of different approaches bringing in all segments of the community in trying to resolve the youth unemployment problem. Hopefully, by this time next year, after enacting this bill, we will have a better understanding of the needs of youths and perhaps we can write good legislation rather than legislation resulting from the pressure of politics. The chairman of the subcommittee, the honorable gentleman from California, is deserving of every praise for refusing to go along with the administration's approach.

Yet, I am dismayed by the inclusion of language in the bill requiring the payment of prevailing wage for all the youth jobs created in it. I am particularly dismayed by the application of this language to the section 318 program, the "youth entitlement incentive" program which is derived directly from H.R. 6044, legislation I introduced earlier this session.

The section 318 program can be an effective device to attack the root problems of youth unemployment. We must encourage youth to complete their basic education. Anything short of this will jeopardize their future employability.

Ironically, we now have extensive programs in higher education such as work-study and the basic opportunity grant program, but we have nothing for high school youths. And it is here where the problem of future unemployment really begins. Section 318 provides for such an approach—on a pilot basis. Yet the inclusion of prevailing wage, as opposed to minimum or apprenticeship wages, in this program is potentially ruinous.

During full committee, I distributed a list of the existing prevailing wages, some of which I have mentioned in the supplemental views to the report. For example, the prevailing wage for an unskilled worker in California is $5.03; for a parking attendant in the same State it is $4.95. In New York State, it is nearly $4. And if you employ a youth in a custodial capacity in Michigan, it is $4.29.

If local employers are required to pay this wage, I seriously doubt that any youth will be hired into this program, for it simply would be too much to expect of local employers to hire an unskilled youth for a part-time or entry level job at those wages.

Kenneth Gibson, mayor of Newark and president of the U.S. Conference of Mayors, argued forcefully during subcommittee consideration that what was really needed was a "differential" for youth and the direct involvement of the private sector. Unfortunately, this legislation has been stripped of almost every provision allowing this to occur.

During full committee, we came up with a compromise which I do not find altogether satisfactory but one which I am ready to accept, if somewhat half-heartedly, and this would provide for job restructuring at the local level before employing any youth. Perhaps this will reduce the prevailing wage and, possibly, it will open up some job opportunities, but I have my doubts.

The unions' concern is that if we don't provide for prevailing wages we will have created a huge number of cheap workers who will be quickly utilized to replace more expensive older workers. Although I share some of their concerns, I seriously doubt that youths working part time during the school year can be or will be used in this fashion, for what this program is at its heart is an education program, not an entry level jobs program. It is designed to urge youths to complete their education and gain some work experience. It is not designed to be used as public service employment by city officials.

Further, none of the existing education programs, such as the work-study program, the work-experience program under vocational education, and even the career education work experience program passed in this House a few weeks ago, include prevailing wage. Some of these programs do not even require minimum wage, yet they involve millions of youths, many times what I have proposed be included in this bill. In fact, the numbers of youths that might be involved under my particular provision, section 318, may not amount to more than 100,000 yet we are here requiring the payment of prevailing wages. Finally, prevailing wages destroys the essential flexibility needed to experiment fully. None of the assumptions regarding the effect of wages or job availability can be tested if we retain the prevailing wage.

I intend to support passage of this bill, but I believe it is up to the conscience of every Member of this House to reflect on what will happen in his or her district if youths are required to be paid prevailing wages as opposed to the minimum or apprenticeship wages; to ask themselves just how many of these youths will actually find jobs.

I am hopeful we can come up with a reasonable solution to this problem, and I hope we can go in a bipartisan fashion to the conference. I feel we must go to conference in this spirit, but it is clear to me that as long as prevailing wage is left intact we may be wasting our time.

Mr. HAWKINS. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. WRIGHT), our distinguished majority leader.

Mr. WRIGHT. Mr. Speaker, we have before us today one of the most important bills of this session. It is one of the major building blocks in the program for economic recovery developed jointly by the President and the Congress.

This bill, H.R. 6138, the Youth Employment and Training Act of 1977, aims to conserve and to redeem the most precious natural resource we have in this country—our Nation's youth.

Among the staggering statistics of the recession which has plagued and haunted our economy there stand out certain figures that are more startling than the rest—the figures which show a persistent, high unemployment rate for young people.

During the first quarter of this year, when the overall unemployment rate was 7.4 percent, the rate for young people between the ages of 16 to 19 who were seeking work was 18.6 percent, and the rate for blacks in the same age bracket was 37.8 percent.

Even when we extend the bracket up to age 24, we find an unemployment rate approximately double the national average. Young people in this age range represent more than 46 percent of the unemployed workers in the Nation.

It is interesting to observe in this connection that 75 percent of all serious crimes in this country are committed by people under the age of 25. The persistent level of structural unemployment in that age range is certainly more than coincidental.

This bill will provide useful summer jobs and part-time work during the school year for more than 200,000 of America's young people. It also provides training.

It includes incentive programs for the private sector to offer useful part-time work for students who otherwise might not be able to stay in school and complete their education.

And it creates a Young Adult Conservation Corps to perform needed, long-deferred, labor-intensive work on our public lands and in our public parks—reforestation, trail and campground improvements, and control of insects, disease, soil erosion, forest fires and floods.

Occasionally we rhapsodize about modern technology, the age of computers, the spinoffs from the space program. But if there were no place in this technological society for humanity, if these advances should mean permanent structural unemployment for millions of people, technology would have failed us.

This need not be the case. But it also is true that young people cannot make it in today's society without education or training.

Most importantly, they cannot make it without motivation. They need to know that somebody sees them, that somebody cares. They need to know that there is work to be done and that there are decent jobs they can fill.

Of course we recognize that, for physical or mental reasons, or because of childrearing responsibilities, there always will be a few people who cannot work, either temporarily or permanently.

But to accept as immutable fact that young, able-bodied people can never find gainful employment—because of defective upbringing, insufficient education, or motivation—is to assign human beings to meaningless lives of oblivion before giving them a chance. It is to consign them blithely to the ash heap of lost causes.

The great merit of the Youth Employ-

ment and Training Act is that it seeks to do something about this deplorable situation through an approach that has been among the most successful in our Nation's history.

Title I of the bill would create the Young Adult Conservation Corps, patterned after the highly successful Civilian Conservation Corps of the 1930's and expanding on the present Youth Conservation Corps, a summer program for young people.

It would give young people aged 19 to 24, as well as high school graduates and school dropouts aged 16 to 19, an opportunity for employment up to a full year doing important conservation work that America needs to have done.

Back in the 1930's CCC workers planted trees which are now being harvested in our national forests. Meanwhile, there is a great backlog of tree planting and other resource conservation work that would go undone but for a new program like the CCC. The Young Adult Conservation Corps can be the answer.

Other examples of important work that needs doing—while many of America's young people remain in an economic and cultural vacuum—are erosion control, the repairing of damage from floods and other natural disasters, range management improvements, recreation development and rehabilitation, forest insect and disease control, road and trail improvements, and wildlife preservation.

Surely it makes eminent good sense to match these two needs—young people needing work, and work needing doing.

By providing young people with work, by broadening their horizons, by giving them the taste of accomplishment the Nation will realize an early return on its investment—and have the benefit, as well, of countless permanent improvements in its forests and parks.

One of the basic reasons we have structural unemployment is that so many young Americans have failed to complete their education, leaving them without marketable skills. Title II of this bill attacks that problem in two ways.

First, it provides an incentive to young people to stay in or return to high school. It does this through offering them part-time employment during the school year and full-time employment during the summer. This reduces the lure that otherwise draws many young people away from school—the irreducible need for funds.

How important it is for a young person to complete his education was shown in a study made in March 1975, of unemployment rates based on educational attainment.

What that study revealed was that persons with less than 12 years of education had an unemployment rate of 13.8 percent, compared to 9.1 percent for those with a high school diploma, 6.9 percent for those with 13 to 15 years of school, and 2.9 percent for college graduates.

Second, the bill provides funding for a variety of innovative demonstration projects that can explore methods of dealing with the structural unemployment of youth. Grants would be made available for projects proposed by local governments, educational agencies, labor organizations, businesses, private associations, and the like—giving us an opportunity to put the best brains of America to work on this critical problem.

Both of these approaches offer real promise of reducing the structural unemployment in our midst.

Mr. Speaker, the future of this Nation rests not only with the young people who go on to college and who hope to fill positions of the highest responsibility in this country. It rests as well with those who must become the artisans of the next generation—the mechanics, carpenters, plumbers, electronic repairmen, and all the rest who will be the backbone of our society.

As a nation we cannot accept and cannot tolerate leaving people by the wayside. Mere handouts often damage most those who receive them. It is our responsibility to give young people every chance to come into the mainstream of American life.

This bill we have before us today is intended to do just that. It extends not a handout but a hand up. I urge its passage.

Mr. HAWKINS. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky (Mr. PERKINS), the chairman of the Committee on Education and Labor.

Mr. PERKINS. Mr. Speaker, I rise in strong support of H.R. 6138, the Youth Employment and Innovative Demonstration Projects Act of 1977.

This bill is the product of a bipartisan effort on the Committee on Education and Labor to come forth with a bill which truly addresses the problems of the millions of unemployed youth in this country, who are ready and able to work but can find no productive employment.

The Subcommittee on Employment Opportunities, chaired by my good friend and distinguished colleague, AUGUSTUS HAWKINS, held numerous hearings and mark-up sessions to come up with the measure we will be voting on today.

H.R. 6138 is a carefully crafted, well-balanced approach to the problem of youth employment, and cleared the committee by a vote of 32 to 2. I wish to congratulate Chairman HAWKINS for his leadership in getting this most important piece of legislation to the floor so rapidly, and I wish to congratulate AL QUIE, the ranking minority member of the committee, and RON SARASIN, the ranking minority member of the subcommittee, for their great contributions to this bill.

After all, Mr. Speaker, the problem of youth unemployment is too serious to be a matter of partisan dispute. The committee worked on this measure in a bipartisan spirit from start to finish, and I am proud of the bill we have reported out.

The Carter administration supports this bill, Mr. Speaker. While the administration wanted a number of features which we decided not to adopt, it nonetheless basically supports the bill as reported. The administration is committed to trying to solve the problem of youth unemployment, and we have tried to cooperate with them as much as we could in reaching that common goal.

Let me move now to a brief explanation of H.R. 6138.

Title I of the bill amends the existing law authorizing the Youth Conservation Corps summer program by creating the Young Adult Conservation Corps Act to employ young adults on a year-round basis.

This program is intended to concentrate both on the high level of unemployment among young people, and badly needed resources management work on our Nation's public lands.

The Department of Interior has informed the committee that it has identified approximately 370,000 man-years of projects within its vast inventory of natural resources and public recreational activities. The Department is ready to employ 10,000 young adults within 90 days of funding.

The Agriculture Department has informed the committee that it has a reforestation backlog of over 3 million acres. It is prepared to employ large numbers of young people to replenish this valuable land.

The program we have developed would be administered by the Secretaries of Interior and Agriculture pursuant to interagency agreements with the Secretary of Labor.

I might say at this point that the House-passed Young Adult Conservation Corps bill of last year, H.R. 10138, which we used as a model for this title, did not provide a role for the Secretary of Labor. The committee felt that it would be fitting to give the Secretary of Labor a role in the administration of the Young Adult Conservation Corps program in this bill. It is fitting because, while the program is an important conservation program, it is also a manpower program and should be administered to give due weight to our manpower policy as interpreted by the Secretary of Labor.

Applicant referrals for the Corps are to be made by way of the interagency agreements from the agencies of the U.S. Employment Service and CETA prime sponsors.

Youth between the ages of 16 and 24, who have completed high school or dropped out for reasons other than joining the Corps, will be eligible for membership.

They must be physically capable of carrying out the work to be accomplished and may be employed for one or more periods, not to exceed a total of 12 months. They may share common facilities with youth enrolled in other federally assisted employment and training programs. They may receive academic credit for their participation if applicable.

Title II of the bill is an amendment to title III of the existing CETA legislation.

Section 318 of this title is an experimental program proposed by Congressman RON SARASIN and adopted by the committee. This youth incentive entitlement program will be operated on a pilot basis by a limited number of prime sponsors to demonstrate the efficacy of guaranteeing employment and training to economically disadvantaged youth age 16 to 19, who are in school or willing to return to school to seek a high school diploma or its equivalency.

Participating youth would be entitled to part-time work not to exceed 20 hours a week during the school year and to a full-time summer job. The youth must meet three requirements:

First. The youth must be economically disadvantaged;

Second. The youth must remain in or enter high school or its equivalency for the purpose of completing his or her high school education;

Third. The youth must maintain the minimum academic and attendance requirements of the school and minimum attendance in work requirements.

The Secretary of Labor is required to report to the Congress on how well this entitlement approach works in meeting the employment and educational needs of disadvantaged youth. Twenty-five percent of the funds available under title II of H.R. 6138 are available for this program.

Section 319 of the bill provides that the remaining 75 percent of the funds for title II will be devoted to innovative demonstration projects in order to determine what approaches work best in alleviating the unemployment problems of youth.

Of the funds available under section 319, 75 percent are allocated to prime sponsors under the CETA title I formula, and 25 percent are to be allocated according to the Secretary's discretion. Of the funds allocated to the States, 5 percent would be available to the Governor to provide financial assistance for special State-wide programs or other types of programs for categories of eligible youth not being adequately served.

Eligible activities include outreach, counseling, activities promoting education-to-work transition, labor market information, attainment of high school equivalency, job sampling, on-the-job training, supportive services, programs jointly administered by prime sponsors and local education agencies, job restructuring, programs to overcome sex-stereotyping in job development and placement, outreach programs for minorities and women, and other activities designed to improve the employability of youth.

The major objective of the activities under title II is to test, on a pilot and experimental basis, what types of programs can best develop the capability of young people to enter the job market and to increase their chances for lasting employment. We can thus make a more intelligent and informed allocation of the resources we have available for assisting our Nation's youth.

Let me say in closing that I have heard some concern expressed about the fact that the bill includes a prevailing wage concept. When Members understand what wage provisions are in the bill, they will realize that these concerns are unfounded.

Under present law, public service employees under CETA must be paid the same wages that other employees employed by the same employer are paid for performing similar public occupations. Obviously, two persons doing the same work for the same employer should not be paid differently—just because the Federal Government is paying the wages of one of them. It is that simple concept that we have also applied to the youth who will be employed under this bill.

Will this lead to youth being paid high wages under the program? Emphatically, no. To make absolutely sure of that, we have special provisions in the bill to encourage public employers to establish new types of jobs, and new classifications and occupations for youth. As these new jobs will not be performed by regular employees, there will be no prevailing rate and the youth will be paid the minimum wage.

Looking at all the provisions of the bill, I think there is no question that the overwhelming number of jobs for youth under this program will be at the minimum wage.

The prevailing wage concept is included only to make sure that the jobs of existing employees are not undermined by unfair competition from underpaid youth. There is no point in providing employment to the young at the expense of the jobs of their parents.

I want to again commend my colleagues on the committee for the bipartisan effort which went into this bill, and I urge my colleagues to vote for its passage.

I want to repeat in conclusion, Mr. Speaker, that the prevailing wage rate as mentioned in the bill applies only to title II and was put in there as a safeguard against displacing adult workers, with classifications that any prime sponsor can come forward with, and as a result of those classifications in title II, in many cases the minimum wage only will be paid and not the prevailing wage rate in that section of the country. We all know the prevailing wage rate varies throughout the Nation, and that is the reason we set up the classification in this bill.

Mr. SIMON. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the distinguished gentleman from Illinois.

Mr. SIMON. I thank the chairman of my committee for yielding.

I simply want to concur in his remarks and to join in praising the chairman of the subcommittee, our colleague, the gentleman from California (Mr. HAWKINS) for his leadership not only on this bill but in the whole jobs area. I think the emphasis placed through the Sarasin amendments on encouraging education is a step forward. I think the bill as a whole is a step forward.

Mr. PERKINS. I wish to thank my distinguished colleague for his comments, and I certainly want to compliment the chairman of the committee.

Mr. SARASIN. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, I rise in support of this legislation. I must admit I feel the strongest about the part of the bill, the Young Adult Conservation Corps, of which the gentleman from Washington (Mr. MEEDS) has been a long advocate and author. Here is an area where we find two particular needs in America right now. One is to provide the conservation work, and I point out particularly the reforestation and improved timber growth, a renewable resource, and the other is to provide jobs for the huge number of unemployed youth. They match together so beautifully to provide jobs and conservation and timber work that is necessary presently. I believe that this is going to turn out to be the most outstanding part of the legislation.

Mr. Speaker, it is far and away superior to what I have seen the administration propose.

The fact is that if we fail to pass this bill today we will only be providing what the administration wants and that is not good enough. Mr. Speaker, the money has already been appropriated and the Secretary already has ample authority to do what he wants under his discretionary authority. But the administration has indicated to us that notwithstanding they will follow what the Congress mandates, and if we prevail in the conference then it will be what we mandate.

On the subject of the prevailing wage, we have, I believe, a reasonable compromise. What we are saying is that the employers and the unions must get together to work out new jobs for youth, and I suspect these will be largely less than the prevailing wage and more than likely at the minimum. This does not exist in the Senate or the administration bills.

This bill is not a wild-eyed shot in the dark. It is flexible and provides ample room to experiment with a variety of different programs to find out what works best. It contains a Young Adult Conservation Corps which will provide all youth with an opportunity to work in the Nation's parklands and forests. It emphasizes the problems of school dropouts by encouraging them to return to school. And it leaves major decisionmaking responsibility at the local level and not in the hands of some Washington bureaucrat.

I would like to address another aspect of this bill. During subcommittee markup, I offered an amendment designed to improve the quality of occupational and career counseling for youth.

We often forget that the success or failure of particular programs depends more on the quality and skills of the people who run them than on the design of the program itself. This Congress could enact a "perfect" program, but it would fail if it were run by poorly trained people.

CETA has suffered from the outset from a lack of technical assistance and skill training. Local elected officials and CETA administrators have had to learn the hard way—by trial and error—when a lot of mistakes and money would be saved if only we improved their capabilities.

The need for qualified people is particularly important in a youth employment program. An unqualified counselor, who knows little about the problems of youth, can do more to undo the benefits of our efforts than any other single person.

I believe it is essential that everyone involved in this program know what they are doing. At the same time, I believe it especially important that local school of-

ficials and the private sector gear their activities toward working with CETA.

It was for these reasons that I offered an amendment during subcommittee markup calling for inservice and preservice training for youth counselors, and placing these counselors throughout the local community.

The committee has decided, rather than enact yet another specific program, to allow such training and pretraining as one of the eligible activities under the part C program. I am encouraged by the committee decision, but I believe it will take firm direction from the Secretary of Labor to initiate this process. It will mean tapping the expertise that already exists, or from the occupational and career guidance profession, or in new and innovative approaches.

Fortunately, this legislation has the flexibility to set new approaches in this area. It is my hope that the Secretary will take this issue seriously and improve his existing efforts to upgrade the quality of occupational or career guidance personnel at the local level.

Mr. Speaker, I yield to the gentlewoman from New Jersey (Mrs. FENWICK), who has some questions.

Mrs. FENWICK. Mr. Speaker, I thank the gentleman from Minnesota for yielding.

I think this is a splendid bill and I heartily concur in youth conservation. That is something I have been urging, as the chairman knows, for many years, ever since I have been here.

I think we should use some of the funds that result from the leasing of our forestlands for direct reforestation, but that is a detail. Wherever the money comes from, still it is the taxpayers who pay it.

But I am troubled by this bill because I, too, have discussed this with Mayor Gibson, who runs one of the most difficult cities in my State. This is not approached just to save money. We are going to have to make some differentials if these young people are going to be employed. They walk the streets of Newark with nothing to do because of the prevailing wage. Young people 16 to 19 years of age are the ones we are talking about.

Mr. HAWKINS. Mr. Speaker, I yield 3 minutes to the gentleman from Washington (Mr. MEEDS).

Mr. MEEDS. Mr. Speaker, I rise in strong support of H.R. 6138 and I want to express my appreciation to the gentleman from California (Mr. HAWKINS), the gentleman from Kentucky (Mr. PERKINS), the gentleman from Minnesota (Mr. QUIE), and the gentleman from Connecticut (Mr. SARASIN) for their help with this legislation.

I would just point out to the body that about 40 years ago almost to the day when this Nation faced a much more critical economic condition than it does today, President Roosevelt suggested an overwhelmingly sensible approach which was called the Civilian Conservation Corps. As near as Skyline Drive or as far as Alaska the physical monuments of that program still stand, the trails and shelters and other parts of the program. But even more important, in addition to the permanent enrichment of our public lands, that program also enriched the lives it touched, the lives of our present-day leaders and many of the people of our country. So the productivity of both our land and our people was enriched by this program.

Today our problems are not as bad as they were in the depths of the depression, but unemployment among youth is one of the most pervasive, one of the most chronic, and one of the most serious problems this Nation faces. This legislation attempts to do something about this problem. Our young people are languishing on street corners and in bars and in unemployment halls, and at the same time there are many jobs that need doing in this country.

Three and a half million acres of our national forests have been cut over and never replanted. There are thousands of miles of trails in our national parks and national lands to be refurbished and upgraded. Campgrounds need to be repaired. Soil erosion needs to be stopped. Fisheries need to be enhanced.

All of these things which will help this country and help the resources of this country and help the young people who need constructive work can be done under this program. This is a program to take the young people off the streets and away from lives of idleness and despair and put them into productive jobs.

It is open to all young people from 16 to 24, of all social-ethnic mix of young people. Title I will be run by the Forest Service and the Interior Department under an interagency agreement.

I think this is important. They have experience running this kind of program. They should continue to do so.

The remainder of the act, I think, Mr. Speaker, is very important.

While title I presents some answers it is not by itself a cure-all for youth unemployment. Title II calls for pilot and demonstration programs in youth employment which should produce some additional approaches to the problem of youth unemployment which will help us substantially reduce it.

Mr. Speaker, I am proud to be the original author and sponsor of title I. I also commend those responsible for title II. I ask my colleagues to overwhelmingly pass the bill.

Mr. SARASIN. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois (Mr. ERLENBORN).

Mr. ERLENBORN. Mr. Speaker, I am finding it difficult to believe that we are bringing a bill like H.R. 6138, the Youth Employment and Training Act, up under suspension of the rules. In effect, we are being asked to vote this bill, which authorizes $1.5 billion, up or down with no chance whatever to amend it one way or another. Although I voted to report this bill, I did so in the belief that the full membership would have a chance to have their say. Apparently, we will not.

I am especially concerned because title II of the bill contains a provision requiring the payment of prevailing wage to youth. This means, Mr. Speaker, that any employer who wishes to hire youth will be required to pay entry level wages ranging up to $5 and $6 an hour.

This is totally unacceptable. It not only will discourage hiring young people which is the intent of the bill, but also sets an unwise precedent.

Let me present some hypothetical situations which I believe will point out the absurdity of requiring prevailing wage.

Let us assume you are a public employer. A 17-year-old walks through the door along with a parent; both need the job, the question is whom do you choose, the parent who has the skills and can work fulltime and with a family to take care of, or the young person who lacks the schooling necessary, might be working only parttime and has no family responsibilities? Naturally you take the older person. The result of this situation is that the youth you are trying to help is not going to get the job.

Now, assume you as an employer have been given the money to hire the young person but you have nothing in your budget for the parent. Now what do you do? Of course, you hire the youth, but at what price? A frustrated, older worker who really needs the job and who would better fit your needs than the young person. Next, let us assume you have enough money for both. This situation may be very real since CETA is expanding so rapidly in the public service jobs program. Now you hire both, but you are required to pay both the same pay, even though the parent may have 20 years working experience and the youth none. Again I ask is this fair? In all three instances there are serious questions of equity.

There are those who might argue that this is not a "real world problem." Do not tell that to your local officials who have the responsibility for operating this program and hiring the people. I might add the "real world" also includes many Americans, heads of households who earn the minimum wage or a little better in the private sector and now that youngster next door is getting a public job paying a salary far beyond his capabilities. It will also encourage youth to leave their jobs in the private sector; a problem so clearly spelled out by economists such as Charles Schultz when "prevailing" was included in H.R. 50, the full employment bill.

It is possible that this committee would not have included the prevailing wage provision had not organized labor applied such immense pressure. At the same time, organized labor was successful in stripping the bill of most of its provisions to encourage private sector participation. The net result is that we have a bill that on one hand excludes youths from public jobs and on the other from private. So what then do we have?

The only attempt made to reconcile this problem, which I believe every member of this committee understands full well, is the language that encourages job restructuring, contained in the section 318 youth incentive entitlement program.

Unfortunately, fully three-quarters of the funds outside of the Young Adult Conservation Corps are to be spent under section 319, which includes a variety of demonstration projects to be operated by CETA prime sponsors.

But my chief concern is that passage of this bill along with the prevailing wage provision would have serious implications for every other youth employment pro-

gram we have on the books. The next thing we know we will be requiring prevailing wages in work-study, in vocational education, in the summer employment, and in title I of CETA. In effect, the prevailing will become the "minimum" and will distort the wage standards throughout the private sector of the economy.

The Youth Employment and Training Act is intended to improve a youth's chances in gaining long-term employment by encouraging that youth to complete his or her high school education. It couples work experience with job training. No Federal training programs require the prevailing wage, not even Chairman PERKINS' Career Education Act which we passed a few weeks ago. If we want our young people to get jobs, I do not believe we should impose the prevailing wage.

This bill on the whole represents a considerable amount of bipartisan effort to develop a truly reasonable approach, considering that the funds have already been appropriated. For the most part I would agree that it is reasonable, but this provision is its "Achilles' heel."

I ask the chairman of the committee to pull this bill off suspension and come back with a more reasonable approach.

Mr. HAWKINS. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. WEISS).

Mr. WEISS. Mr. Speaker, I rise in support of H.R. 6138, the Youth Employment and Innovative Demonstration Projects Act of 1977 because this legislation provides us with a necessary first step toward our solving the chronic youth employment problem which the Nation faces. I would like to thank chairman CARL PERKINS for his leadership in promoting this legislation and for his foresight in prompting its consideration. It is important that we move quickly in order that our young people may start working. It is my hope that the other body will follow the lead set by Mr. PERKINS and the committee and conclude its deliberations without delay.

During subcommittee consideration of the many youth proposals which resulted in H.R. 6138, there was a great deal of discussion concerning exactly whom this legislation would serve and whether urban youth — particularly inner-city youth—would have the opportunity to participate in the title I program, the Youth Adult Conservation Corps. In reviewing the enrollee characteristics of many of our existing programs, the subcommittee found that some groups without question were underrepresented.

We noticed a trend in the Youth Conservation Corps—the model program for the Young Adult Conservation Corps—YACC—away from participation by low-income youth; in 1971, 36.15 percent of YCC enrollees were from families with incomes of $5,000 or less and 13.8 percent were from families with incomes of $15,000 or more. In 1975, the situation was essentially the reverse: 8.2 percent from families under $5,000 and 25.5 percent from families $15,000 or greater.

In subcommittee, I proposed an amendment, which was adopted, which would have limited participation in the YACC to youths from families with income levels at or below 150 percent of the Bureau of Labor Statistics lower living standard, approximately $15,000 a year for a family of four.

While I, too, would prefer an untargeted program in an ideal situation, I found that we were talking about only 203,000 slots over the next 18 months. It is estimated that there are almost 3½ million unemployed youth. Since we are limited in the amount of money we have for this program. I felt compelled to attempt to target participation to those who would be in real need of the program, middle class youth and below. Interesting enough, over 60 percent of all American families would have qualified for participation had my amendment remained in the legislation. The full committee, however, thought that it would be best to have an untargeted title I program.

Another concern of many of the members of the subcommittee was the participation of young women in these programs. Many of the witnesses who appeared before us reminded the subcommittee that all unemployed youth are not male. They pointed to the Job Corps which is considered an effective training program but which in 1976 was comprised of 71.3 percent males and 28.7 percent females.

According to the Labor Department 1976 annual averages for teenage unemployment young women suffer substantially the same from unemployment: 17.2 percent of young white women and 43 percent of young black women in our cities are unemployed. The statistics for suburban areas and nonmetropolitan areas are not much better: in suburbs, 16.4 percent of young white women and 36.6 percent of young black women are unemployed; in nonmetropolitan areas unemployment includes 15.7 percent of young white women and 42 percent of young black women.

Title I of this bill has safeguards regarding discrimination of any kind: sex, race, creed, national origin, and political affiliation. In addition to these safeguards, title II has sections dealing with the special problems of young women who have dependents.

One other area of concern which the subcommittee dealt with was the participation of urban youth and youth from the eastern population centers in the title I program. The subcommittee accepted an amendment which includes local jurisdictions—cities, counties, townships—as eligible recipients of money under the State grant section of title I. This language together with the expressed intent of the Department of Interior that YACC sites will be 60 percent residential and 40 percent nonresidential insures that urban and eastern youth will have the opportunity to utilize this program.

In closing I would like to say a word about our subcommittee chairman, AUGUSTUS F. HAWKINS. I think that I would be correct in saying that no Member of this House is more committed to getting Americans back to work than is Chairman HAWKINS. This bill is yet another example of his leadership in the area of unemployment problems. As you know, H.R. 6138 is not the legislation which the administration proposed to the Congress in early April. The approach which the subcommittee and the committee has adopted under Mr. HAWKINS' guidance makes a great deal of sense: Establish a program with which we have had some experience—the YACC for 3 years—and promote innovative demonstration and pilot projects which we can review for future programs for 1 year. Under this legislation there will be input from various sources: State and local governments, the prime sponsors, the Department of Labor, and most importantly youths themselves.

H.R. 6138 is not the final word on youth employment. It represents a commitment to deal with the structural unemployment problems which plague our young people, but it is not a restraint. This bill gives us the opportunity to work with an administration which is sympathetic to our goal of constructively involving young Americans in our economic system. I applaud the chairman and I urge its passage.

Mr. SARASIN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman from Connecticut for yielding to me.

Mr. Speaker, over the course of the past two decades, Congress has enjoyed some success in its efforts to make life better for the American people. One of our Government's most startlingly failures, however, has been the evident lack of concern about our young people and the jobs that must be theirs if they are to realize their promise in this land of plenty. Since 1955, the unemployment rate among 16 to 24-year-olds has practically doubled, from 11 to 20 percent. Young people comprise only one-fourth of our labor force, yet nearly one-half—about 3.5 million—of the unemployed in this country are youngsters.

There bulk figures are, at best, but a crude description of a complex national problem of many dimensions. Consider, for example, statistics cited by one serious student of the problem, Representative RON DELLUMS. In 1955, about 16 percent of our black youth were jobless; today, the figure stands at 40.5 percent—a national disgrace. Furthermore, these figures do not take dropouts into account.

LABOR FORCE PARTICIPATION

One out of every five black high school graduates has dropped out of the labor force and more than two out of every five black high school dropouts are not looking for work. The LFP rates for young whites are not much better: 16.2 percent of the high school graduates and 36.4 percent of the dropouts are not looking for work.

This brief statistical sketch by no means is a complete picture of the very serious problem of youth unemployment in this country. But it does give one a fix on the enormity of the problem. It was with this in mind that I was deeply concerned over the youth employment proposals submitted this year by the Carter administration, most of which relied on existing CETA programs, referred to by Representative DELLUMS as

"old" and "shopworn"—retreads of the 1960's. Frankly, I was alarmed at the prospect of having to pass judgment on programs dredged up from a bygone era. Programs that did not work then, and would not work now, according to an April 7, 1977 study by the General Accounting Office, which concludes that CETA public service employment programs have been only minimally successful.

Unlike the Senate, the House committee saw fit to substantially change the Carter proposal and it is for that reason that I am pleased to support, with some reservations, H.R. 6138, as reported. The bill creates a Young Adult Conservation Corps, aimed at 16- to 24-year-olds who are unemployed, regardless of family income.

In addition to YACC, the bill authorizes funding through CETA prime sponsors for innovative demonstration projects to upgrade the training and employability of disadvantaged young people aged 16–21.

Finally, the bill calls for CETA prime sponsors to conduct imaginative, new demonstration projects to encourage economically disadvantaged 16- to 19-year-olds to either remain in high school or to return to high school. The youth incentives will be designed to keep young people in high school or to induce dropouts to return by funding 20-hour per week part-time jobs during the school year and full-time jobs during the summer.

Taken as a whole, I think the bill is a step in the right direction. We have a responsibility to the youth of the Nation, a national treasure that has been squandered as we have stood by and watched the unemployment rate for young people climb steadily for two decades.

At the same time, however, I am deeply concerned about one particular provision in title II, which stipulates that participants in the youth incentive programs must be paid the prevailing wage. In spite of language in the committee report which attempts to soften this requirement, I believe that its ultimate impact may be counterproductive and deliterious to our goal of reducing unemployment among young people. If strictly interpreted, the prevailing wage requirement will mean that young hirees may not be paid entry-level wages. Instead, they must be paid at the same levels—regardless of training or skill—as current employees performing the same task.

It seems to me that this could have a variety of adverse effects. A certain percentage of CETA prime sponsors, if required to pay prevailing wages, will undoubtedly want to hire more skilled, older workers eligible for CETA jobs. This would have the unfortunate effect of pitting young, unskilled labor against older, more skilled members of the labor force. The net result is to discriminate against young people, the very ones we are trying to help.

Another shortcoming of the prevailing wage provision is that it "shrinks" the authorization—approximately $250 million—for these incentive programs. It is estimated that as many as 90,000 young people could be put to work this summer with this money, if prevailing wages do not have to be paid. At higher wage rates, substantially fewer young people will be hired. Finally, if accepted, the prevailing wage requirement ruins a chance to test out the broader, more complete ramifications of the youth incentive experiments provided for in the legislation.

In spite of my misgivings, I intend to support this bill, because of my abiding concern about youth unemployment. I think it is a good investment in a sadly neglected resource and I encourage my colleagues to join me in support of H.R. 6138.

Mr. ERLENBORN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Illinois (Mr. ERLENBORN).

Mr. ERLENBORN. I thank the gentleman for yielding.

Mr. Speaker, the gentleman has made a fine statement, and I want to thank him for it. The gentleman also serves on the Committee on Rules. I would like to ask the gentleman if he sees any hazard in going to the Committee on Rules and getting a rule and having their bill considered on the floor under the usual procedure.

Mr. ANDERSON of Illinois. Mr. Speaker, in response to the question of the gentleman from Illinois, of course I would vote for an open rule that would permit amendments.

But I will today support the legislation.

Mr. HAWKINS. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. CHISHOLM).

Mrs. CHISHOLM. Mr. Speaker, I rise today in support of the Youth Employment bill.

The problems of our youth are enormous and for those of us who represent poverty districts, the situation has reached crisis proportions.

As I indicated in my testimony before the committee, the problems of our young people are so pressing and acute, there is tremendous political pressure on us to "do something!"

Unfortunately the youth employment problem is structural in nature and there is no agreement on the best approach or series of approaches to the problem. The purpose of the legislation before us today is to provide the money and resources for a variety of these approaches to be tried out.

Then we will review all of the approaches and incorporate those that have the most promise in a permanent Comprehensive Training and Employment Act for youth.

I think the inclusion of a program to encourage young people to complete their schooling and to involve the private sector are very important.

I am also especially pleased at the inclusion of these amendments which target the bulk of the money on those from poverty families and call for special attention to youngsters with special problems such as youthful offenders, those with drug and alcohol abuse problems, migrants, those with limited English speaking ability and young people with dependents.

I would like to take a few moments to enlarge on the employment problems of the latter category, most of whom are young women.

I have been distressed that throughout the testimony on the bill and in the literature on the subject, the reference is always to he, him, and his. It is assumed that this is a problem only for young men.

In point of fact, the two-parent working family is now the national norm. Most young women will have to work outside of their homes to support their families. This is especially true of children for low-income families.

In addition, there has been a dramatic rise in teenage pregnancies. In fact, pregnancy is the single biggest reason girls drop out of school.

The Library of Congress indicates that of CETA youth in the 20 to 24 age group—not including summer youth or public service employment—51 percent had one or more dependents.

If these young girls are not to become candidates for the welfare roles, we must help them to finish school and to acquire the job skills they need to support their families.

I would also like to reiterate the need for carefully monitoring, evaluation, and review as well as appropriate technical assistance so that those grantees who are trying out new techniques will provide us with the best possible data base from which to write permanent comprehensive youth employment legislation

Finally—and I realize that there are those who believe I am beating a dead horse—I believe that part A, the Youth Conservation Corps program ought to be targeted on low-income youth as well.

We have limited money and an enormous problem. We do have a responsibility to target our resources regardless of what is "politically popular."

I hope that such targeting will be employed when YCC is reviewed in the future.

I thank you.

Mr. SARASIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Speaker, I rise in opposition to H.R. 6138, the Youth Employment and Innovative Demonstration Projects Act. Although the House bill is definitely superior to the one being developed in the other body, it still suffers serious shortcomings.

In addition, I am opposed to the procedure under which the bill is being considered. I cannot understand what a bill of this magnitude, complexity and importance is doing on the Suspension Calendar. Under this procedure no amendments are in order. The House will not have an opportunity to work its will on this major piece of legislation. In my view the bill should be rejected for this reason alone.

I am also concerned that the bill requires payment of prevailing wages for youths other than those in the Young Adult Conservation Corps. The overall

effect will be to exclude youth from public service jobs. Employers will in most cases select an older and more experienced person for the job rather than a young and inexperienced person. The goal of the program—to stimulate youth employment—will be greatly diminished.

Nevertheless, I believe that the House bill, despite its hasty drafting, is definitely superior to the one being developed in the other body. It recognizes that we don't know all the answers and that what we ought to do is experiment before enacting a full-blown, massive, permanent Federal program. If we have no choice in spending $1.5 billion, it is a better way to go, although I believe the bill suffers serious shortcomings and its effect has been severely undercut by the application of prevailing wage.

I am distressed, however, that we are spending $1.5 billion under any circumstances, when not a single day of hearings has been held on the actual problem of youth unemployment by the authorizing committees. Although hearings have been held on specific proposals, hardly a day's time has been spent trying to determine the nature of the youth unemployment problem.

Youth unemployment is a very complicated subject, and will not be resolved by throwing a billion and a half dollars at it. The problem involves the school systems and the effect which they have on making youth employable. It involves our socioeconomic problems and the effect which they have on youth. It involves the desires of youth. It involves the availability of long-term career jobs in the private sector.

It involves the differing needs of youth, be it in the inner-cities or in rural areas. To some extent it involves postsecondary education. It involves the changing nature of our labor market. It involves changes in attitude and family structure. In short, youth unemployment is not easily solved by short-term, make-work, quick-fix public service jobs approaches. Again, I believe that the House bill is superior because it provides for some experimentation. However, we ought to find out first what the problem is to some degree before experimenting. I seriously doubt whether we have enough of a grasp of the problem to even design a proper experiment.

Even more troublesome is that we are already spending billions of dollars specifically on youth and have little notion as to what these programs are doing or if they are working. In fiscal year 1976 this Government spent $5.4 billion on youth at the Federal level alone. Of this expenditure for youth, $1 billion is being spent on direct job creation; $2.7 billion on education programs; $1.6 billion on training programs not to mention the amounts spent in other areas such as juvenile justice and welfare programs, and those operated by the Veterans' Administration.

These programs cover a variety of different employment-related activities including vocational education, higher education programs, Job Corps, CETA title I of which more than 60 percent is spent on youth, the summer youth employment program where more than half a billion dollars is spent on youth and a variety of other areas. Considerable sums are being spent, in addition, to experiment with the problems of youth in the Office of Education, in the National Institute of Education, and other agencies of the Departments of Health, Education, and Welfare and the Department of Labor. Yet this Congress has not spent any time trying to find out what they have come up with. What seems to be a better course to follow is to understand what we are doing with our current $5.4 billion before throwing another $1.5 billion at the problem.

In sum, I do not oppose efforts to resolve the Nation's serious unemployment problem among youth. I am opposed to spending $1.5 billion based on a lot of preconceived notions, with no understanding of the real nature of the problem, with no effort to find out what we are doing now, and with no assurance that any of these funds will be spent correctly. As the old saying goes:

If you don't know where you are going, any road can take you there!"

This is my view of H.R. 6138, Mr. Speaker, my minority views filed in the report on this bill are as follows:

DISSENTING VIEWS OF CONGRESSMAN ASHBROOK

There are those who might wonder why anybody would be opposed to legislation ostensibly designed to resolve unemployment problems among our nation's youths. I am not; what I am against is throwing $1.5 billion out the window like so much confetti. And this is what we would be doing if we enacted this bill.

I think a review of the legislative process that was followed regarding this youth employment proposal provides an interesting comment on the consideration—or the lack thereof—which this Congress gives to some of our nation's social and economic problems.

Despite the fact that the minority members of our committee have for years talked about the need to target employment dollars to the structurally unemployed and particularly to youth, it wasn't until President Carter submitted his budget message that majority began to respond. And as soon as it became clear that the youth unemployment problem was the "in" issue for the year, those committees with jurisdiction rushed to do something. First, the House and Senate Budget Committees quickly enacted as part of their second concurrent resolution an additional $1.5 billion for youth employment programs, and almost immediately thereafter the House Appropriations Committee reported a bill including $1.5 billion for youth programs. Incredibly, this was done before any of the authorizing committees had even begun to consider a youth employment bill, much less hold hearings to investigate the problem. All the Appropriations Committee indicated was its belief that $1.5 billion ought to be spent in fiscal year 1977 for youth programs, although, of course, they had no firm idea what this involved except for a somewhat general description of the administration's proposal.

The authorizing committees' response to the Budget and Appropriations Committees' actions is instructive, for it reveals the manner in which this Congress really legislates. In effect, the Appropriations Committee had left the $1.5 billion on the proverbial stump. As is too often the case, members of this body reacted by moving as quickly as they could to grab it before someone else did. The first effort was an amendment offered to the public works legislation in the Senate which provided for a new title to that bill containing community service public works projects for youth. This program involved out-of-school unemployed youth who would be employed in labor-intensive, heavy construction. The Senate Human Resources Committee—lacking jurisdiction over public works—feared losing its jurisdiction of the youth issue along with the $1.5 billion. This esteemed committee quickly moved to block the passage of the public works youth employment program. In doing so, it hatched a deal with the administration to the effect that the administration would propose a youth employment package to include the community services program. As a quid pro quo, the public works forces agreed to drop their youth program.

Meanwhile, the House wondered if they would be consulted by the Administration. As events show, we were not. In fact, the Administration failed to consult with the House until just a few days prior to the markup of the bill before us, although it was their clear desire that the House enact their proposal without too much of a shift, as Department of Labor officials stated at the hearings. No one enjoys being told what to do without some chance to comment on it, and the legislation which we reported from this committee is a strong message to the current administration that unless they do some previous prior planning they will pretty much end up wtih poor performance. The House quickly moved to develop their own proposal. In fact, the Subcommittee acted so quickly that on the day the bill was scheduled for markup May 2, in the subcommittee, the chairman confessed he hadn't seen it. Nevertheless, a bill was reported and only 3 days later we reported virtually the same bill from full committee.

I believe that the House bill, despite its hasty drafting, is definitely superior to the one being developed in the Senate. It recognizes that we don't know all the answers and that what we ought to do is experiment before enacting a full-blown, massive, permanent Federal program. If we have no choice in spending $1.5 billion, it's a better way to go, although I believe the bill suffers serious shortcomings and has been made virtually meaningless by the application of prevailing wage.

But I am distressed that we are spending $1.5 billion under any circumstances, when not a single day of hearings has been held on the actual problem of youth unemployment by the authorizing committees. Hearings have been held on specific proposals but hardly a day's time has been spent trying to determine the nature of the youth unemployment problem.

Youth unemployment is a very complicated subject, and is not easily resolved by throwing a billion and a half dollars at it. It involves the school systems and the effect which they have on making youth employable. It involves our socioeconomic problems and the effect which they have on youth. It involves the desires of youth. It involves the availability of long-term career jobs in the private sector. It involves the differing needs of youth, be it in the inner cities or in rural areas. To some extent it involves postsecondary education. It involves the changing nature of our labor market. It involves changes in attitude and family structure. In short, youth unemployment is not easily solved by short-term, make-work, quick-fix public service jobs approaches. Again, I believe that the House bill is superior because it provides for some experimentation. However, we ought to find out first what the problem is to some degree before experimenting, and even here I would charge that neither committee on either side of the Congress has enough of a grasp on the problem to even design a proper experiment. Even more troublesome is that we are already spending billions of dollars specifically on

youth and have little notion as to what these programs are doing or if they are working.

In fiscal year 1976 this government spent $5.4 billion on youth at the Federal level alone. Of this expenditure for youth, $1 billion is being spent on direct job creation; $2.7 billion on education programs; $1.6 billion on training programs not to mention the amounts spent in other areas such as juvenile justice and welfare programs, and those operated by the Veterans' Administration. These programs cover a variety of different employment-related activities including vocational education, higher education programs, job corps, CETA title I of which more than 60 percent is spent on youth, the summer youth employment program where more than half a billion dollars is spent on youth and a variety of other areas. Considerable sums are being spent, in addition, to experiment with the problems of youth in the Office of Education, in the National Institute of Education and other agencies of the Department of Health, Education, and Welfare and the Department of Labor. Yet this Congress has not spent any time trying to find out what they've come up with. What seems to us the better course to follow is to understand what we are doing with our current $5.4 billion before throwing another $1.5 billion at the problem.

In sum, I do not oppose efforts to resolve the nation's serious unemployment problem among youth. I am opposed to spending $1.5 billion based on a lot of preconceived notions, with no understanding of the real nature of the problem, with no effort to find out what we are doing now, and with no assurance that any of these funds will be spent correctly. As the old saying goes: "if you don't know where you are going, any road can take you there!" This is my view of H.R. 6138.

Mr. HAWKINS. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. LE FANTE).

Mr. LE FANTE. Mr. Speaker, I rise in support of H.R. 6138, the Youth Employment and Innovative Demonstration Projects Act of 1977.

As a member of the Subcommittee on Employment Opportunities, it has been my privilege to participate in the development of this timely and innovative legislation. I particularly wish to commend our distinguished subcommittee chairman, Mr. HAWKINS, for his outstanding leadership and efforts in bringing out a responsive and responsible piece of legislation in the limited amount of time available. Chairman HAWKINS afforded all members of the subcommittee the opportunity to contribute fully to the process of putting together this vitally needed legislation.

Joblessness among youth is an increasingly serious problem. Estimates show that young people aged 16 to 24 represent more than 46 percent of the unemployed workers in the Nation. Moreover, the unemployment rate of 16- to 19-year-olds has consistently been double that of the national adult rate. Among minority youths, the figures are even higher, reaching 37.8 percent for black youths aged 16 to 19 during the first quarter of 1977.

In my own State of New Jersey, which has one of the highest unemployment rates in the Nation, the picture is even worse. While the official rate of unemployment for youths between ages 16 to 19 averaged 19 percent nationwide last year, it was almost 22 percent for the same age group in New Jersey.

No single piece of legislation can solve the chronic unemployment problems faced by this Nation's youth. H.R. 6138 admitedly proposes short-term solutions to structural unemployment problems admittedly proposes short-term solutions which allows us to explore in greater detail various proposals and programs aimed at dealing with the long-term problems.

The Subcommittee held a series of in-depth hearings on the problems of youth employment and on the merits of specific proposals. I believe we were able to get to the heart of the youth employment issue during field hearings which I took part in in New York. We heard many experts testify as to the inadequacies of the response to our Nation's unemployed youth. But even more valuable to the members of the subcommittee was the chance to hear several panels of youths who told us of their frustrations and cynicism concerning the current employment efforts for young people. They told us about the difficulties they had in getting any kind of jobs; they related their desire to work at meaningful tasks, not just make-work or dead end jobs that do nothing for their future employment prospects.

These are the people we are trying to reach with this legislation—the youths who will be participating in the programs we are authorizing today. Young people are this Nation's most precious resource. We owe it to them as the leaders of the future to respond to their employment needs now. I believe this legislation does exactly that.

Mr. Speaker, I urge all my colleagues to support this bill which takes that first important step in making a commitment to our Nation's youth by combatting the unacceptably high rate of unemployment among youths.

Mr. SARASIN. Mr. Speaker, I yield 1 minute to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Speaker, I thank my colleague, the gentleman from Connecticut, for yielding this time to me.

I would like to ask this question: Why do we put a phrase like "the prevailing wage" or "the minimum wage" in the bill if on pages 42 and 43 we show people how to get around those provisions? Why do they appear there? Why are they there in the first place?

Why do we not listen to a mayor who is trying to tell us what the problem is? My motivation for bringing this out comes from no other source than that. We are trying to deal with this situation in my State, and the problem there is one of the worst in the Nation.

The unemployment of the youth in the city of Newark has reached desperate proportions. The rate is 30 to 40 percent, as the gentleman from California (Mr. DELLUMS) has cited.

Why has "prevailing wage" been put in the bill if on pages 42 and 43 of the bill people are shown how to get around it? What is the point? Who put it there, and why?

Mr. Speaker, is there any answer to that question? I ask it because really this is a serious matter.

Mr. HAWKINS. Mr. Speaker, if the gentlewoman has time remaining, I will ask her to yield.

The SPEAKER pro tempore. The time of the gentlewoman from New Jersey (Mrs. FENWICK) has expired.

Mr. HAWKINS. Mr. Speaker, I yield myself 2 additional minutes.

Mr. Speaker, this bill has been thoroughly aired in committee for a long time.

Title I has a history of more than 2 years. Quite a bit of discussion has been addressed to the prevailing wage concept.

Mr. Speaker, I can assure the membership that the overwhelming number of jobs will be at the minimum wage. Further, a compromise was effected whereby prevailing wages can be limited by the restructuring of occupations so that practically most of the opposition can be eliminated.

Mr. Speaker, time is of the essence. We do appreciate the fact that we must move in a hurry, since this body has already made available to the Chief Executive of this Nation $1 billion to expend.

If there is any question of whether or not we wish to have any impact on the expenditure of that money which is already made available to the President to spend as he desires under existing authority, the authority in this legislation is not needed for the expenditure of that money. Therefore, if the Congress wishes to have any impact on the expenditure of this money, this is the only way in which to do it.

Mr. Speaker, let me just indicate what a "no" vote actually means. A "no" vote on this bill means that the Congress abdicates its responsibility and turns over completely to the administration the expenditure of $1 billion under existing authority, to spend as the administration so desires, without any impact by this body.

Second, Mr. Speaker, the expenditure of that $1 billion would be under a continuation of youth programs to which training and educational ties are too often not connected.

Mr. Speaker, a "no" vote also means that we will be voting against the involvement of the private sector which we have been able to put into this bill for the first time.

Mr. Speaker, I ask for an "aye" vote on this bill.

Mr. DRINAN. Mr. Speaker, I rise in strong support of the Youth Employment and Innovative Demonstration Project Act (H.R. 6138). This legislation is designed to provide employment opportunities for thousands of our young people who simply have not been able to find a job.

As the economy has improved in recent months, unemployment has dropped in most sections of the country. The average worker is better able to find a job and the employment market shows signs of substantial improvement. But, unfortunately, the prospect of finding a job has not gotten much better for our younger workers.

Mr. Speaker, the 16- to 24-year-old group makes up slightly under a quarter of the civilian labor force, yet they represent more than 46 percent of the unem-

ployed workers. The unemployment rate for youths between the ages of 16 and 19 is particularly disheartening, as it has exceeded 18 percent, or more than double the national unemployment rate, for the last 2 years. During the first quarter of 1977 when the national unemployment rate was 7.4 percent, the unemployment rate for youths age 16 to 24 was 14.3 percent, for white youths age 16 to 19 it was 18.6 percent, and for black youths the same age it was 37.8 percent.

While these joblessness figures are indicative of the problems which young people face in the job market, they only tell half the story. As Prof. Bernard E. Anderson of the Wharton School has commented, "the numbers will not convey the reduced sense of self worth, the dashed hopes and dreams, and the pervasive alienation that can develop among youth when joblessness leads them to believe that they can make no useful contribution to society." In view of these types of problems, the cost of youth joblessness may impose far more serious consequences on society than the loss of productive labor and unemployment compensation payments.

In order to deal with this country's very serious youth unemployment problem, I have consistently been a strong supporter of youth employment proposals. In previous years, I have cosponsored this type of legislation and I voted in favor of the Young Adult Conservation Corps last year when it was considered before the House of Representatives. This year I have drafted my own legislation, the Community Service Youth Employment Act, which is designed to both provide jobs for young people and help communities meet many of their public needs. Accordingly, I am delighted that the House is considering H.R. 6138 today.

Mr. Speaker, the Youth Employment and Innovative Demonstration Projects Act encompasses a number of employment programs for jobless young people. The bill expands the Young Adult Conservation Corp, authorizes the establishment of youth demonstration projects, and provides employment and training opportunities to disadvantaged youths while they attend school. The range of programs which are targeted to youth unemployment in H.R. 6138 promise to make inroads on a very serious problem which we have faced in the United States for years.

I would now like to expand upon the particular provisions in greater detail.

The Young Adult Conservation Corp will be a year-round compliment to the existing summer-only Youth Conservation Corp which has operated so successfully in the past few years. The program will employ persons between the ages of 19 and 24 for a maximum of 1 year. The Corp employees will be paid no less than the Federal minimum wage and they will be housed, wherever possible, in existing but unoccupied or underutilized Government facilities. It is also hoped that suitable arrangements can be made to have educational institutions award academic credit for conservation corp work experience.

Young people who are employed on conservation projects will have a great deal of work in store for them. Going to work in national parks, wildlife reservations, woodlands, and elsewhere on public lands, these youths can accomplish labor intensive projects which would otherwise not be carried out. The Corp will be particularly effective in diminishing the backlog of projects which must be accomplished in the very near future in national parks and forests which have been deteriorating to some extent in the past few years due to lack of funds.

The second major portion of this bill deals with youth demonstration projects. Demonstration and experimental programs can be set up to explore methods of dealing with the structural unemployment problems of youths. While the legislation does not mean to create makework opportunities, it is designed to provide the flexibility which is needed to establish successful job programs.

One of the reasons that demonstration projects were used in H.R. 6138 stems from the fact that all of the answers are not in yet as to the solutions for the problem. More information and experimentation is still needed before a truly long-term youth program is institutionalized. By having the Federal Government work with the States and local agencies and by trying out some of the more innovative ideas, we may in fact be able to establish programs which will lead to sound long-range strategies for the future.

A third major aspect of the legislation involves employment and training opportunities for disadvantaged youths who are still going to school. Youths would be entitled to part-time work not to exceed 20 hours a week during the school year and a full-time summer job when these individuals meet certain criteria. This provision will not only help a student stay in school but lead to training prospects which could lead to long-term jobs.

Mr. Speaker, we can no longer ignore our unemployed youth. The future prosperity of the Nation is dependent upon the creativity of our young people, and we must insure that this talent is utilized to the fullest extent possible. For this reason, I enthusiastically support the passage of H.R. 6138.

Mr. ZEFERETTI. Mr. Speaker, we are all aware of today's high rate of unemployment and the implications it has on the American economy. We have heard numerous proposals on how to reduce unemployment, but surely we must begin to attack the problem where it is most severe. It is for this reason that I wholeheartedly support passage of H.R. 6138, the Youth Employment and Training Act of 1977.

By now we are all familiar with the figures—a 17-percent unemployment rate among teenagers, and double that rate for black youths. But that figure does not reflect the severity of the problem in our urban areas such as New York City, where the rate of unemployment among teenagers is even more staggering.

The problem is not a lack of desire to work on their part. These people want to work, not rely on welfare. The jobs are simply not available, and the situation is worsening. If we continue to ignore youth joblessness we are courting future disaster when today's youth becomes tomorrow's middle-age Americans with little or no job skills.

The real tragedy is not only the fact that this national resource is being wasted, but also the ripple effect it has on other aspects of our society, particularly crime. Out of idleness and frustration, many of these potential workers turn to crime and vandalism. Well over half of the major crimes committed last year involved youth under the age of 25.

It is estimated that vandalism in our schools is costing the American taxpayer over $600 million per year. Street crime has been a surrogate for employment and vandalism is an alternative to boredom. Other consequences of youth unemployment include alcoholism and drug abuse.

The bill we are considering today is an excellent start toward alleviating these problems. The Youth Employment and Training Act of 1977 is an investment in human capital whose potential benefits far outweigh the initial costs. I am confident that my colleagues understand the importance and necessity of the disproportionate burden of unemployment shackling today's young Americans and will overwhelmingly approve the bill.

Mr. BOLAND. Mr. Speaker, I rise in support of H.R. 6138. The Youth Employment and Innovative Demonstration Projects Act of 1977 is an important piece of legislation. The Committee on Education and Labor estimates that this bill will create over 200,000 jobs. I do not think anybody will quarrel with the fact that those jobs are desperately needed right now. This bill is an important step in lowering the intolerably high unemployment rate among the young.

I am particularly pleased to support title I of this bill. I have long supported an extension of the Youth Conservation Corps program. The creation of the Young Adult Conservation Corps is, I believe, the necessary and logical extension of the excellent YCC program. The jobs created by the Corps are not "makework" jobs. They result in tangible benefits to Federal, State, and local lands. Dollars spent under title I reap two harvests—needed jobs for young adults and necessary resource management. This money is well spent.

H.R. 6138 does not end the problem of unemployment among our youth. It represents, however, definite progress toward reducing that unemployment. Funds authorized by this bill will go toward the development of demonstration programs to test new approaches to the problem of youth unemployment. It then will be an incentive program designed to keep youth in school by guaranteeing them part-time employment. CETA prime sponsors will be able to develop similar programs to deal with a problem that has already been too long with us. Funds will also be available for innovative projects and programs aimed at the special problems of employment training for youth. As I mentioned, these are not the absolute answers to this pressing problem. This bill does allow us to gain experience in different ap-

proaches for dealing with youth unemployment. That experience will be needed next year when the Comprehensive Employment and Training Act is reexamined.

Mr. Speaker, it will, of course, be up to the Department of Labor and the CETA prime sponsors to make this program work. I am certain they can. I expect a great deal from this program, because I perceive the problem to be a great one. If we do not take steps now to foster the employment opportunities for our youth, this Nation will face serious economic difficulties in the near future. We can take measures now to forestall those problems. H.R. 6138 is one such measure and I urge my fellow Members to support it.

Mr. FORD of Michigan. Mr. Speaker, I rise today to urge my colleagues' support for H.R. 6138, the Youth Employment and Innovative Demonstration Projects Act of 1977. The problems which this bill addresses are critical; the programs which it offers are creative first steps to solve youth unemployment problems.

By passage of this act, Congress will recommit the Federal will to encourage the development and self-sufficiency of our youth, to minimize the country's high unemployment among youth, and through the Young Adult Conservation Corps (YACC) put the energies of our young people to the task of improving our Nation's public lands and natural environment. The House passed a similar bill last year which died in the Senate.

Title I of this act provides a particularly well proven and popular first step toward eliminating youth unemployment, the Young Adult Conservation Corps (YACC). Public support for the YACC concept is quite high. According to the latest Harris poll which appeared in the New York Post on May 2, 1977, Americans by a margin of 59 percent to 31 percent approve of a program setting up 3-year, noncompulsory camps for teenagers.

But the American people do not just want our youth off the streets and put into "make-work" kinds of projects. Our people want a program that will reduce youth unemployment by providing meaningful employment opportunities and supportive services so that youth can continue or resume their education and become more responsible and productive citizens. Thus, the idea of the Young Adult Conservation Corps, an idea proven effective 40 years ago, attracts the imagination of our people.

However, the YACC, whether it proves as effective today as during the Depression or not, cannot be the only means of alleviating youth unemployment. We must continue to develop new ideas and search for more meaningful programs for our youth. That is why the "innovative demonstration projects" section of this bill is so crucial. H.R. 6138 adds a new provision to title II of CETA to authorize the establishment of pilot, demonstration, and experimental programs to explore methods of dealing with the structural unemployment problems of youth. It specifically states that it is not the bill's purpose to provide make-work opportunities for youth. Rather, the bill directs that funds be made available for projects which are designed to make a significant long-term impact on the structural unemployment problems of youth. Programs are to serve low income youths, in particular, but 10 percent of the funds is reserved for innovative programs that include youths from all economic backgrounds.

Mr. Speaker, I believe that the innovative demonstration projects section of this act is a realistic and rational approach to creating solutions to the youth unemployment problem. It is an approach which allows for learning as much as we can so that when CETA is reauthorized next year, the Congress will have a better idea as to what types of programs actually work. Of all the witnesses that appeared before the Subcommittee on Employment Opportunities, not one had a definitive answer as to what would solve the problem of chronic youth unemployment. All agreed that a variety of methods should be tested and that the educational system should be linked with whatever approach was finally agreed upon. H.R. 6138 does provide for that variety and does link the educational system into these approaches. I am convinced that this approach offers the best possible solution, in the long run, to solving the problem of chronic youth unemployment.

Mr. Speaker, while a battery of statistics does not speak in human terms, it is helpful to grasp the size and nature of chronic youth unemployment. For each of the past 3 years, the unemployment rate for youths age 16 to 19 has exceeded 15 percent, or more than double the national unemployment rate; the unemployment rate for all young people (16 to 24 years) has not been much lower (14.3 percent). In fact, in some urban categories, the youth unemployment rate is as high as 42 percent. Perhaps the most striking statistic, however, is that youth aged 16 to 24 represent more than 46 percent—or almost half—of the unemployed workers in the Nation. Clearly, youth unemployment is a critical problem, critical enough to warrant the attention of the major Western World leaders at the economic summit meeting in London this month.

Yet, as I stated before, these statistics describe only part of the problem. The words of Prof. Bernard E. Anderson of the Wharton School, in testifying before the Subcommittee on Employment Opportunities, eloquently express the crucial human aspect of chronic youth unemployment:

> [Unemployment statistics] will not convey the reduced sense of self worth, the dashed hopes and dreams, the pervasive alienation that can develop among youth when joblessness leads them to believe they can make no useful contribution to society. In many ways the noneconomic cost of youth joblessness might impose more serious consequences on society than the narrowly measured economic cost of high unemployment and lost income.

For these reasons, Mr. Speaker, I am asking my colleagues to cast a vote for the future of this country by supporting passage of H.R. 6138.

Mr. LEGGETT. Mr. Speaker, in view of the recent public debate over whether President Carter's economic priorities run to controlling inflation or reducing joblessness, I am especially pleased that the House is coming forward today with a measure that attacks our economic problem carrying the most immediate human cost-unemployment. This Youth Employment and Training is a far-seeing proposal which is designed in part to help break the cycle of hopelessness that creates what we call the hard-core unemployed. I believe that the Youth Incentive Entitlement will become a significant tool in encouraging young people to complete their basic education, therefore making them more employable.

Title I of this bill enacts a program which I have advocated and cosponsored over several years, the Young Adult Conservation Corps. This marriage of needs, the combination of our requirement for resource management work on public lands and for suitable employment for the age group in which unemployment is highest must be, if not made in heaven, at least highly regarded there. I am particularly pleased that this proposal includes all unemployed youth regardless of family background. It is my belief, and the Committee on Education and Labor received testimony to this effect, that the sort of economic integration in pursuit of a common goal envisioned in this bill will return inestimable social benefits in coming years.

Unemployment, in my view, carries the most serious long-term implications for our society of any problem we face. No effort spent in attacking this problem is too great, but innovative and pragmatic strategies are required. I believe this bill meets those criteria, and I am proud to support its passage.

Thank you.

Mr. CONTE. Mr. Speaker, I would like to take this opportunity to commend the authors of this bill to authorize the establishment of a year-round Young Adult Conservation Corps, youth incentive demonstration projects, and innovative demonstration projects. Many of my fellow colleagues are aware of my strong commitment to reducing our Nation's high unemployment problem—a problem which affects all individuals, young and old. It is especially important for us to recognize the current plight of a young person today seeking productive work with thoughts directed toward pursuing a career. Young people between the ages of 16 to 24 comprise only one-quarter of the total labor force, but 46 percent of all unemployed workers.

As I have said time and time again, one of the best programs that ever came out of the New Deal era was the Civilian Conservation Corps. The provision of lasting benefits in the form of environmental and conservation work, combined with good solid jobs, are goals which are admirable in themselves as well as good for the American economy. And to recreate such a program for our youths is even more commendable, as it provides them with gainful employment which enhances their self-motivation and direction.

As a cosponsor of the original legisla-

tion for a Young Adult Conservation Corps, I am very pleased with the programs extended and created under the Youth Employment and Training Act, using the appropriation of $1.5 billion as approved as part of the economic stimulus appropriation.

It is also important to acknowledge that the Youth Conservation Corps has already been fully authorized in the amount of $60 million. This summer program will complement the year-round YACC by providing young people between the ages of 15 and 18 with important summer jobs while they are still in high school.

Mr. Speaker, I urge my colleagues to support this worthy bill.

Mr. DICKS. Mr. Speaker, the President in his legislative recommendations has provided strong recognition to the urgent need to provide employment opportunities for this Nation's youth. In the economic recovery package sent to the Congress on January 31 he requested a number of specific programs to meet this goal.

This bill, H.R. 6138, is a positive first step in reaching that legislative objective. It creates a Young Adult Conservation Corps for youth between the ages of 16 and 24. This program will build on the existing and successful Youth Conservation Corps. While the YCC provides summer work experience the Young Adult Conservation Corps would allow applicants to work for up to 12 full months and will operate year round.

A similar bill, H.R. 10138, passed the House in the last Congress by a very substantial margin was not, unfortunately acted upon by the other body.

The Young Adult Conservation Corps is designed to reduce the current volume of resource management work that needs to be done on our Nation's public lands. As a member of the Interior Subcommittee of the Appropriations Committee I have become painfully aware of this situation.

The YACC would be administered by the Secretaries of Agriculture and Interior through interagency agreements with the Secretary of Labor, similar to the way that Job Corps Civilian Conservation Centers are currently handled. The Departments involved have assured us of their capacity to operate both the YCC and YACC programs simultaneously because they are aimed at different groups and operate during different periods.

The requirement that applicants must be unemployed and have completed high school or dropped out of school for reasons other than joining the Corps will insure that this program will be able to directly address the youth unemployment situation. If applicable, academic credit may be awarded to help those in need of completing their education. Earnings received by youth in these programs would be disregarded in determining eligibility for, and the amount of, any benefits for other family members based on need under other Federal programs. In this way there will not be a family disincentive for those most in need of employment under the program.

The provisions for a youth incentive entitlement and demonstration project under title II establish experimental programs to explore methods of dealing with the structural unemployment problems faced by our youth and, I feel, are especially promising.

This program is not a pork barrel for one particular region of the country. Preference in employment would be given to applicants who reside in areas of substantial unemployment and 30 percent of the funds provided under title I would be allocated to the States based on their total youth population.

I was happy to join with my colleague from Washington, Mr. MEEDS, who has long been an advocate of this concept, in sponsoring H.R. 30, a similar bill to H.R. 6138. I commend the committee for the fine work it has done in reviewing and developing this legislation and strongly urge its passage.

Mr. PEASE. Mr. Speaker, I rise in support of H.R. 6138. Title I, which creates a Young Adult Conservation Corps (YACC), is of special importance and special interest to me.

High unemployment among young adults is a problem in Ohio as it is throughout the Nation. The Congress has enacted legislation to extend the Public Works Employment Act. Hopefully, these efforts will result in a sizable reduction of the unemployed. However, while we are creating jobs for workers in depressed industries who have been laid off because of cyclical fluctuations in the national economy, we must also strive to provide jobs for young people looking for their first jobs.

I have been a proponent of creation of the YACC for some time. In the Ohio legislature, I pushed for participation in such a program. When I came to Congress last January, I became a cosponsor of legislation to create the YACC and I have actively promoted it.

The YACC is modeled after the Civilian Conservation Corps of the 1930's and the Youth Conservation Corps created in 1970. It is a tried and proven approach to youth employment programing. The YACC would provide gainful employment to many of our young people, while reducing the tremendous backlog of work to be done on our public lands. It will give young people jobs that are meaningful because they give unemployed youth a sense of contributing to society while they learn a variety of work skills.

The time is right, the need is apparent, and the public support is there for Congress to enact legislation to provide jobs for our young people. I urge your support for this responsible legislation that will help revitalize our national economy. This reasoned, balanced approach to public service employment will tackle head-on the inter-related problems of youth unemployment and high juvenile crime rates.

Mr. DUNCAN of Oregon. Mr. Speaker, I rise in support of H.R. 6138, the Youth Employment and Innovative Demonstration Projects Act of 1977. Specifically, I am pleased to speak regarding title I of that act which would amend the Youth Conservation Corps Act by authorizing creation for 3 years of a Young Adult Conservation Corps to be jointly administered by the Departments of Interior and Agriculture. Title I is similar, though not identical, to the bill I have introduced, H.R. 353, which would revive the Civilian Conservation Corps.

As you will recall, a bill which I cosponsored and which was introduced by Congressman MEEDS passed the 94th Congress last year by a vote of 291 to 70. Only a technical conflict with the Budget Act kept the bill from reaching the White House. That bill is essentially the same as title I of H.R. 6138. I expect this bill to pass the House again and am confident that in this session the bill will be enacted into law.

While my support for title I is unqualified, I hope I may be forgiven for suggesting that the details of my bill are preferable. I consider it inadvisable and unnecessary to have the Department of Labor involved in the administration—especially when the President is dedicated to simplifying Government and eliminating overlapping bureaucracies. I think it unwise to deny use of corpsmen on privately owned small woodlots and rangelands where cooperative programs are already authorized on a cost-sharing basis by existing law. Two-thirds of our timber potential lies in those holdings and they are most in need of help.

But these are details. The important thing is the program. We can improve it as time goes by and the public lands can use all the help we can give them at the moment.

The purpose of title I and all the other CCC related bills is primarily to find work for those hardest hit by unemployment, the urban youth of this Nation. But there are incidental and related benefits. For example, the urban crime rate should be reduced as the same youngsters are taken off the streets and put into productive employment. The program will also result in an infusion of labor intensive capital into the natural resources of this country, an area neglected too long by both political parties. It is a productive program, not paper shuffling. We still enjoy the trails and roads and camp sites built by the old CCC and we are beginning to harvest the trees the corpsmen planted. It produces wealth and therefore should not be inflationary. And its major product will be the productive, useful men and women it will produce.

This is also a program which is overwhelmingly supported by the Nation. A recent Gallup poll showed that 85 percent of those surveyed favored federally sponsored program youth camps such as the CCC. I believe the reason for that response is directly tied to the multipronged purpose I mentioned, plus a nostalgic fondness for the old CCC, a program which has been generally recognized as the best of the New Deal programs initiated by Franklin Roosevelt.

At its height, in 1935, the Civilian Conservation Corps numbered a half million men scattered in more than 2500 camps under supervision of the old War Department. The Corps was made up of young men from our Nation's troubled cities, scarred by the stigma of unemployment and with no hope for a job.

Unemployment is the No. 1 target of this Congress. In our zeal to act, I think we should look carefully at who are most affected by unemployment. The unemployment figures that I read points to the young people of this Nation as being the hardest hit by unemployment. We generally find that the rate for nonwhite teenagers is about 37 percent, and for white teenagers 17 percent. The economic and social implications of those figures, which are probably on the conservative side, are staggering. Many leading economists have said that a well-planned jobs program targeted at those between the ages of 16 and 24 is the best way to cut our overall unemployment figures, as well as to avert serious social consequences.

Probably the greatest problem associated with youth unemployment is that of time, and unquestionably idle time leads to crime. Criminal action becomes a much more attractive and viable option if one is unemployed, especially among the young. There is no question in my mind that our crime rate is far too high, and I think the answer to the problem is getting those young men and women who are potential criminals jobs. I think we all realize that unemployment leads to a never-ending circle of further unemployment, welfare and crime. Title I will help break that circle and give young men and women a chance that they do not now have.

Because I sit on the Interior and Related Agencies Subcommittee of the Appropriations Committee, I am most concerned about the necessary steps we must take to improve our natural resources. One thing has remained constant since the time I left Congress in the 1960's and my return in 1974, the great natural resource agencies have been and are starved by the Office of Management and Budget and its predecessor, the Bureau of the Budget, as they strived to compete with all other Government programs for a share of the Federal tax dollar. Inadequate capital investment coupled with excessive use in the past have resulted in the following: First. Our outdoor recreational facilities have deteriorated and many campgrounds and picnic facilities have been closed or abandoned. Second. Millions of acres of timberland lie fallow and unproductive because we have not spent the money and made the effort to replant. And this is at a time of rising lumber prices, increasing demands for wood products, and ever-increasing pressure from groups to diminish the harvesting of trees. Third. Millions of acres of rangelands are today capable of carrying only low allotments of livestock because they have been overgrazed and the waterholes stomped dry. Continued grazing with no efforts of rehabilitation results in further deterioration. Not only do we lose the capacity to convert forage unpalatable to humans in the useful protein to help feed a hungry world, but as the sagebrush and the bitterweed take over from the bunch grass and the crested wheat, reduced forage for the wildlife results in the diminution of their numbers. The drought in the West has only aggravated these already critical problems.

All of this work is labor intensive requiring many people and only simple tools and equipment readily available. And by so doing, we will not only be rehabilitating those who do the work, but we will be insuring the productivity of the land for those who come after us.

I have briefly summarized the benefits that title I of this bill will help bring to the American people. But there are other benefits to be derived from title I and those are mainly intangible benefits. The old CCC established a spirit among its members which endures to this day and in my own State there is not a segment of our lives which has not been leavened with the presence of former corpsmen. We find them in the top echelons of business, government, labor, and agriculture. Such things as leadership, civic pride, and spirit are nearly impossible to measure, but those are the truly lasting benefits of the old CCC. Those qualities are the things which distinguish the CCC from other jobs programs. And that is why the CCC holds such a unique place in American history. With the passage of title I and this bill we can again revive the spirit of the old CCC and begin to whittle down further our unemployment figures and at the same time offer a second chance and some hope to those young people who have been locked in the grips of despair for too long.

I ask for support from all of you on this bill which so many of you have worked tirelessly on. I am pleased to have had some input on this title, but I gratefully acknowledge the role of the chairman, the members of the committee, Congressman MEEDS, and the Speaker himself who has been a strong supporter.

Mr. BIAGGI. Mr. Speaker, the 95th Congress has already amassed an impressive record enacting legislation to put more Americans back to work. We have already seen signs of improvement. Last month our unemployment rate dropped to its lowest level in almost 2 years.

Today we are considering an extremely important bill which seeks to deal with a group that has suffered higher levels and longer periods of unemployment than others in this Nation—namely youth. The Youth Employment Act is a comprehensive and ambitious measure which provides a better economic future for thousands of young Americans.

I am proud to be a member of the House Education and Labor Committee which conceived and considered this bill. H.R. 6138 represents a sound fiscal investment for the future of this Nation. It deserves our unqualified support.

The unemployment figures among youth in this Nation are both shocking and intolerable. It is estimated that almost one-half of the total unemployed of this Nation are between 16 and 24. Youth unemployment averages twice the national level. Among selected groups of youth, particularly black youths, the unemployment rate runs in excess of 35 percent.

Congress in the past has not been oblivious to the youth unemployment problem. We have responded, but our solutions were short term and largely incomplete. Today we have a bill which will give young people employment for more than just the summer. We are providing in this bill year-round, substantive and meaningful employment for eligible young people. For example, the Youth Conservation Corps established in legislation passed in 1976 established hundreds of thousands of summer jobs for young people. The program has worked, but many of those employed under the bill were cut off at the end of the summer. H.R. 6138 will make the YCC program year round to employ persons between 19 and 24 who have completed school.

Other important features of the bill include the creation of a new part C of title III of CETA to authorize pilot, demonstration and experimental programs designed to find the causes of and offer solutions to the problem of youth unemployment.

In essence this legislation represents a positive response to a critical problem. We must view this legislation not only from an economic standpoint but a law enforcement standpoint. We are aware that the crime rate among young people is growing at an alarming rate. For many young people, crime represents a response to the frustrations of unemployment. One more young person gainfully employed might mean one less young person roaming the streets. We know that many thousands of young people presently unemployed want to work. This is evident quite clearly when we hear reports of many thousands of young people showing up at employment offices to fill several hundred jobs. The idea is to provide more jobs which can be filled.

H.R. 6138 represents an important commitment to the youth of this Nation. Both the Congress and the administration recognize the compelling need to provide more jobs for the youth of this Nation. In addition to this legislation we have enacted several other key legislation proposals which will provide employment for young Americans. This legislation is unique because it establishes a mechanism by which the problems of youth unemployment can be monitored on a regular basis and our response can be adjusted to meet special needs.

I am pleased to be associated with the development of this important measure. Special credit should be given to my colleague from California, Mr. HAWKINS, for his leadership on behalf of this bill. Passage of this bill today will be a tribute to him and will represent the continuation of the commitment of this Congress to the problem of unemployment.

The SPEAKER pro tempore. All time has expired.

The question is on the motion offered by the gentleman from California (Mr. HAWKINS) that the House suspend the rules and pass the bill H.R. 6138, as amended.

The question was taken.

Mr. ASHBROOK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII, and the prior announcement of the Chair, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 6138, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CONTROLLED SUBSTANCES ACT EXTENSION

Mr. ROGERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5742) to amend the Controlled Substances Act to extend for 3 fiscal years the authorization of appropriations under that act for the expenses of the Department of Justice in carrying out that act.

The Clerk read as follows:

H.R. 5742

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 709(a) of the Controlled Substances Act (21 U.S.C. 904(a)) is amended—

(1) by striking out "and" after "1976,",

(2) by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1977, $190,000,000 for the fiscal year ending September 30, 1978, $215,000,000 for the fiscal year ending September 30, 1979, and $240,000,000 for the fiscal year ending September 30, 1980", and

(3) by striking out "(other than its expenses incurred in connection with carrying out section 103(a))".

(b) Section 103 of such Act (21 U.S.C. 803) is repealed.

The SPEAKER pro tempore. Is a second demanded?

Mr. CARTER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida (Mr. ROGERS) and the gentleman from Kentucky (Mr. CARTER) are recognized for 20 minutes each.

The Chair recognizes the gentleman from Florida (Mr. ROGERS).

Mr. ROGERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to present to this body legislation to extend the authorizations of appropriations for 3 fiscal years for the Drug Enforcement Administration in the Department of Justice to carry out its law enforcement and regulatory responsibilities under the Controlled Substances Act. The Controlled Substances Act is the primary Federal statutory authority for drug abuse law enforcement and for regulatory activities aimed at controlling abusable drugs distributed from illicit sources as well as those diverted from legitimate channels of trade.

The legislation proposes a simple 3-year extension of the appropriations authorizations which are due to expire at the end of the current fiscal year, 1977. In addition it merges the separate appropriation authorization under section 103 for administrative activities of the Drug Enforcement Administration with the appropriation authorizations under section 709 for the administration and enforcement activities of the DEA.

The proposed authorization levels for the next 3 fiscal years total $645 million. This total represents a new authorization of $627 million for the next 3 fiscal years since the bill repeals the ongoing annual $6 million appropriations authorization under section 103 of the act. The total authorization is comparable to a total level of $498 million for the 3 fiscal years 1975, 1976, and 1977 under existing law.

The Subcommittee on Health and the Environment held hearings on the proposed legislation, and it was ordered reported by unanimous voice vote in both the subcommittee and the full Committee on Interstate and Foreign Commerce.

Testimony on this legislation at hearings conducted by the Subcommittee on Health and the Environment this year reaffirmed the need for an effective law enforcement and regulatory program directed at drug abuse prevention and control. The testimony indicated that heroin addicts alone are responsible for 19 percent of all property crime in the United States at an economic cost of $3.65 billion annually and incalculable social costs in human suffering and wasted potential for productivity.

Although much more needs to be done in the area of drug abuse law enforcement, DEA has revealed significant achievement in carrying out these responsibilities. In 1976, total DEA arrests for high-level heroin traffickers represented a 26-percent increase over the 1975 total. DEA has reported that between fiscal years 1975 and 1976 there has been almost a twofold increase in the number of conspiracy prosecutions and convictions of major illicit drug traffickers.

The testimony of the Drug Enforcement Administration before the subcommittee indicated that the heroin purity level dropped from 6.6 percent in March 1976 to 5.8 percent in March 1977. I am not convinced that this measurement and other suggested measurements are entirely valid and reliable as indices of heroin availability and abuse. However, I would urge that the Drug Enforcement Administration, the National Institute on Drug Abuse, and other Federal and State agencies continue and increase their efforts to develop meaningful methods of data collection, measurement, and assessment.

The total number of heroin addicts currently in the United States has been estimated by various individuals and organizations at between 400,000 and 800,000.

There is obviously a need for the development of a reliable and valid method of pinpointing estimates of the size of the heroin addict population. Through new and improved methods of information retrieval, we now have more reliable estimates of the total annual number of heroin deaths. These estimates reveal that the total number of heroin deaths in the United States has continued to rise steadily on an annual basis since 1974. In fiscal year 1974, 1,465 heroin deaths were reported. This level was reported to have increased to 1,840 in fiscal year 1976, although there were indications that heroin deaths during the last 3 months of fiscal year 1976 decreased from the level of the preceding 3-month period.

I am hopeful that this latest indication of a decrease signals a long-term trend of reduction in heroin use and heroin deaths, but I believe it is premature to draw this conclusion.

Despite the impressive achievements of DEA in its drug abuse law enforcement and regulatory compliance activities, it still appears to me that heroin and other abusable drugs flowing into this country are certainly not in scarce supply. I believe that DEA needs to augment its current non-law-enforcement activities in conjunction with the State Department and other appropriate Federal agencies and foreign governments and their appropriate ministries and agencies to eliminate the sources of these drugs and to prevent potential new sources from developing. As a practical matter, it is only through such coordination that the flow of heroin and other abusable drugs into the United States will be substantially curtailed.

I commend these agencies and foreign governments for the actions they have taken to date. In particular, I would point out that the DEA and the State Department in their recent efforts worked with the Mexican Government to destroy thousands of poppy fields which, if harvested, could produce many tons of heroin.

In 1976, in fact, the poppy eradication program succeeded in destroying 28,280 Mexican poppy fields capable of producing 78 tons of 6 percent pure heroin. This year, between January 1 and April 10, this program succeeded in the eradication of an additional 25,479 poppy fields capable of producing 73 tons of 6 percent pure heroin.

I believe there is a need to continue to augment this program and to develop similar programs in other countries which are currently sources of heroin and which could become the primary heroin sources for the United States in the future. Also, additional intelligence gathering and analysis and information exchange resources need to be developed, and existing resources improved, in DEA, State Department, and other appropriate agencies in conjunction with other foreign governments.

The subcommittee intends to conduct additional oversight activities in the drug abuse law enforcement and regulatory area during the 95th Congress and to consider legislation to revise the Controlled Substances Act as necessary and consistent with foreseeable needs. The subcommittee invites the new administration and other interested parties to review existing programs and their implementation and to make recommendations with respect to these activities.

Mr. Speaker, I want particularly to thank and commend the activity of the

gentleman from Kentucky (Mr. CARTER), the ranking minority member on the subcommittee, and his staff, whose interest in the drug abuse enforcement programs in the Department of Justice has been demonstrated over the years. In addition, I want to thank the gentleman from West Virginia (Mr. STAGGERS) for his leadership on this legislation as chairman of the full committee. Finally, I want to express appreciation to all the other members of the Subcommittee on Health and the Environment, Mr. SATTERFIELD, Mr. PREYER, Mr. SCHEUER, Mr. WAXMAN, Mr. FLORIO, Mr. MAGUIRE, Mr. MARKEY, Mr. OTTINGER, Mr. WALGREN, Mr. BROYHILL, Mr. MADIGAN, and Mr. SKUBITZ, for their fine contributions and support of this legislation.

Mr. Speaker, I strongly urge you and my colleagues in the House to support this legislation for the continuation of the authorization of appropriations for our Nation's drug abuse law enforcement effort.

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the legislation now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CARTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill does just as the chairman, the gentleman from Florida (Mr. ROGERS) has said, it extends for 3 fiscal years the authorization of appropriations for expenses of the Drug Enforcement Administration of the Justice Department at a total of $645 million. However, this bill also repeals the $6 million which is authorized for the hiring of additional agents under section 103 of the Controlled Substances Act over a 3-year period thus leaving a total of $627 million of new authorization.

As my good friend the distinguished gentleman from Florida (Mr. ROGERS) has said, the cost of heroin addict property related crime is more than $10 million per day or about $3.65 billion each year. That amount does not include the cost of drug law enforcement and treatment programs, nor the inestimable cost of human suffering.

At the present time the DEA employs over 4,000 people. There are 2,000 agents, almost 500 are in regulation and compliance, 300 in State and local enforcement, 500 in drug-trafficking intelligence, and 30 individuals in research and development. DEA also has 64 offices in 39 countries overseas.

Mr. Speaker, the arrests for high level heroin traffickers—class I—represented a 26-percent increase in 1976, but I regret to say that in my honest opinion we have not been too effective in our drug enforcement. It was reported that we had 1,465 deaths from heroin in 1974. This number has increased in 1975 to 1,698 and in 1976 to 1,840. There has been an increase in the number of deaths in the United States from this tragic habit. Even though the figures for the last quarter of 1976 do show a decline in deaths, I do not believe this change can be interpreted as the beginning of a long-term trend. We need to monitor this situation carefully.

It is evident that heroin can be easily obtained. This I regret, although, over the years, we have tried to stem the flow of heroin into our country. In 1972 we did this through an arrangement with Turkey in which Turkey agreed to prohibit opium—gum—production and we pledged $35 million to help compensate for the economic impact of this production change.

However, we get heroin now from Mexico. Eighty to ninety percent of the heroin supply today comes from there. We have had an arrangement by which we have lent six planes to Mexico and also aids, in 1976, which destroyed on one occasion some 28,000 fields of poppies, and recently some 25,000 poppy fields which would have produced 151 tons of 6 percent heroin.

Mr. Speaker, this was very effective, and very helpful, but the opium still comes in large amounts across the border. We have too much here at the present time. Some have suggested that DEA should be merged with the Federal Bureau of Investigation. I am not so sure that this should not be done because we have too many drug-related deaths; we have too much crime. The drug abuse problem is costing us too much in health and money.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding.

I want to commend the gentleman from Kentucky (Mr. CARTER), the ranking member of the subcommittee, and the gentleman from Florida (Mr. ROGERS), the chairman, for focusing attention on this highly critical problem.

Mr. Speaker, I want to take this opportunity to express my support for this measure, H.R. 5742, authorizing new budget authority for the Drug Enforcement Administration. As a member of the House Select Committee on Narcotics Abuse and Control, I have become acutely aware of the critical narcotics problem confronting this Nation.

The Drug Enforcement Administration, under the dedicated leadership of Peter Besinger, has been instrumental in a growing number of narcotics seizures, and in the stoppage of narcotics trafficking both domestically and internationally. While the work of the DEA in the past few years has been highly commendable and laudable, I believe that an increase in funding would be not only beneficial, but essential for the sustenance and maintenance of its enforcement work that has become so necessary.

Our law enforcement officers are pitted against the sophisticated operations of highly organized crime, and the level of drug related crimes has risen dramatically within the last few years, reaching a figure of $17 billion last year. The Justice Department has stated that narcotics crime is costing the American taxpayer $10 million a day, and that 19 percent of property crime is committed by heroin addicts. While these figures are startling, pointing to the urgent need for stronger and more effective enforcement efforts, We must not overlook the toll in human lives as a result of narcotics abuse. Last year, over 5,000 young Americans died of overdoses and more than 800,000 of our citizens are addicted to "hard drugs." The psychological and social effects that narcotics abuse has on young lives is immeasurable.

This legislation grants the Drug Enforcement Administration new budget authority of $190 million for fiscal year 1978, $215 million for fiscal year 1979, and $240 million for fiscal year 1980. These funds are authorized to continue for 3 years the programs under the Controlled Substances Act, and repeals the act's separate annual authorization for justice agents.

As a member of the House Committee on Narcotics, the need for more effective coordination of narcotics related agencies has become increasingly clear. There is an immediate mandate to halt the flow of narcotics along the 2,000-mile Mexican border; 80 to 90 percent of the heroin on the streets of America being "imported" from Mexico. The members of our Narcotics Select Committee saw first hand the techniques of smuggling and the severity of the problem on our recent trip to the Mexican border. Over $10 billion of narcotics is smuggled to the United States annually, causing a problem which reaches into all facets of American life.

Accordingly, I urge my colleagues to join with me in their support of this important authorization, and to pledge their support for waging an all out war against narcotics. I cannot stress strongly enough the urgency, and the importance of combatting and stamping out the formidable criminal organizations engaged in narcotics trafficking. It is essential that all of us—the Congress, the executive branch, as well as State and local governments—join together in this effort, an effort against one of the most insidious and debilitating miseries that plagues our Nation—narcotics abuse.

Mr. CARTER. I thank the distinguished gentleman for his contribution, but I regret to say, Mr. Speaker, that there is too much heroin in the United States today. I hope that the DEA will do a better job. Of course, DEA was created in 1973 by combining other drug enforcement agencies' functions including the Bureau of Narcotics and Dangerous Drugs, the Narcotics Enforcement section and the U.S. Customs Service, the Office of Drug Abuse Law Enforcement, and the Office of National Narcotics Intelligence, and also a segment from the White House Office of Science and Technology. All were combined under DEA.

Mr. Speaker, I certainly feel that we should have oversight hearings and demand more action and better work from this particular agency. It is my feeling, too, Mr. Speaker, that we should have careful oversight hearings to see that the personnel are trained and that they are doing the job. I support this legislation, but I would hope that in the future we can strengthen it so as to rid our country of this terrible drug habituation.

Mr. Speaker, I reserve the remainder of my time.

Mr. KASTENMEIER. Mr. Speaker, I wanted to take the occasion of our consideration of this bill to extend the authorization of the Drug Enforcement Administration for 3 additional years to note what I believe to be a serious deficiency in our current drug law—namely the classification of marihuana as a schedule I controlled substance, subject to some of the harshest criminal penalties under the law.

Under the Controlled Substances Act, which the DEA is authorized to enforce, marihuana is classified under schedule I along with heroin, LSD, mescaline, peyote, and other such "hard drugs" despite the fact that most scientific studies have shown that marihuana is not seriously harmful to either the physical or mental health of the individual user when taken in moderate amounts.

Under the Controlled Substances Act, simple possession of any amount of marihuana is subject to penalties of up to 1-year imprisonment and $5,000 in fines. This is excessive, in my view, and unreasonable in light of what we now know about marihuana.

Back in 1972, the National Commission on Marihuana and Drug Abuse, after one of the most exhaustic studies of the issue ever undertaken, concluded:

> Marihuana's relative potential for harm to the vast majority of individual users and its actual impact on society does not justify a social policy designed to seek out and firmly punish those who use it.

The National Institute on Drug Abuse, charged with the responsibility of reporting yearly to Congress on research related to marihuana and health, in six consecutive annual reports has never concluded that marihuana use poses a significant health hazard.

According to an April 1976 survey conducted by the National Institute on Drug Abuse, 35 million Americans have tried marihuana at least once, while 13 million Americans are considered current users. I would wager a bet that almost every one of us in this body knows at least one person who has used or uses marihuana. I am also relatively certain that we would not classify those persons as criminals.

Yet, under the law, that is exactly what they are. I am not talking about the trafficker. I am talking about the person who uses marihuana casually, as some use alcohol. The law classifies them as criminals. Those criminals are your neighbors, your friends, often your children.

According to FBI crime reports, there were 416,000 marihuana arrests in 1975. Sixty-nine percent of all drug arrests in the entire country in that year involved marihuana. And, the vast majority of those were simply consumers.

Fewer than 10 percent were commercial traffickers. While less than 1 percent of the arrests occurred under Federal law, the Federal statute remains a constant reminder to States that the U.S. Congress still classifies marihuana users as criminals.

Support for the removal of criminal penalties is growing rapidly. Eight States have removed criminal penalties. In those States where studies have been conducted after decriminalization, no significant increase in use was found, while it was discovered that the law enjoyed wide support among residents. At the same time, the energies and money of the law enforcement agencies were freed to concentrate on the hard drug problems and the problem of heavy trafficking.

Removal of criminal penalties for personal possession has been endorsed by the President's Marihuana Commission, the American Bar Association, the Consumers Union, the American Public Health Association, and the Governing Board of the American Medical Association, to name a few organizations.

Decriminalization has also been endorsed by such diverse individuals as President and Mrs. Carter, NIDA Director Dr. Robert L. DuPont, William F. Buckley, Jr., James J. Kilpatrick, Ann Landers, and Art Linkletter.

This is clearly not a radical position.

There are currently at least two bills pending before the Subcommittee on Health and Environment which propose to remove Federal criminal penalties for the possession of marihuana. I have introduced H.R. 2997 which calls for the removal of criminal penalties for the possession and not-for-profit transfer of up to 100 grams. The gentleman from New York (Mr. KOCH) has introduced H.R. 432, which removes criminal penalties for the possession and not-for-profit transfer of up to 1 ounce, imposing, instead, a $100 civil penalty. These bills provide reasonable alternatives to the unreasonable law which currently stands on the books.

I am not proposing to encourage the use of marihuana by such legislation, just as I would not encourage the use of alcohol or cigarettes. I strongly support a national policy of discouraging the use of all mind-altering drugs. However, I do believe it is time to acknowledge the fact that marihuana users are not criminals. They no longer should be stigmatized with criminal records that prevent them from getting jobs or licensed in certain professions. They should not be spending time in jail for using a substance which many believe to be less harmful than alcohol or cigarettes.

Mr. Speaker, I would conclude by urging my colleague, Mr. ROGERS, who has done such a superb job of providing leadership for the House on important health legislation, to schedule hearings on the bills to remove Federal criminal penalties for possession of marihuana now pending before this Subcommittee. It is far past the time to bring our law into conformity with reality. I hope that this Congress will finally act on the issue.

Mr. CONYERS. Mr. Speaker, I wish to register my opposition to H.R. 5742, a bill to extend a 3-year appropriations authorization for the Drug Enforcement Administration of the Department of Justice.

The simple fact is that the record of DEA does not support this reauthorization, either for the period of time—3 years—nor the level of funding, a 3-year total of $645 million—$190 million for fiscal year 1978, increasing to $215 million in fiscal year 1979 and increasing to $240 million in fiscal year 1980. This 3-year total represents a 30-percent increase over the past 3 years. The Committee on Interstate and Foreign Commerce, in favorably reporting this bill, itself noted that—

> Despite the impressive statistical successes of the DEA in its drug abuse enforcement and regulatory activities, it does not appear to the committee that there has been a substantial reduction in the supply of heroin and other abusable drugs and substances available in the United States.

This is consistent with the findings of the Senate Committee on Government Operations, whose permanent Subcommittee on Investigations last year issued a report on Federal narcotics enforcement. Testimony before that subcommittee indicated that not only had no improvements in enforcement been made under DEA, but that "there has been a failure to hold the gains which were in hand at the time DEA was created." Similarly, Dr. Thomas E. Bryant, president of the Drug Abuse Council, expressed doubt that spending more and more tax dollars on enforcement will curtail the drug problem to any substantial extent.

The record of DEA has been one of confusion and lack of direction, coordination, planning, and policy. It has a record of internal incompetence and allegations of widespread corruption at the highest levels. It has a long history of fighting with, rather than cooperating with, the agency it should be cooperating with most closely, the U.S. Customs Service. The list of its abuses of civil and constitutional rights is massive. Perhaps this institutional attitude is not surprising, given the atmosphere in which it was launched. When President Nixon created this superagency, it is reported that aide Egil Krogh, who was later to gain fame for other extraordinary administration of justice accomplishments, made the following remarks concerning reported opposition to the agency:

> Anyone who opposes us we'll destroy. As a matter of fact, anyone who doesn't support us we'll destroy.

Mr. Speaker, I believe it is also significant to note that this proposed reauthorization is considerably more generous that the Attorney General himself proposed. The Attorney General proposed only a 2-year appropriations authorization, asking for $182 million for fiscal year 1978—$8 million less than this bill would authorize—and for "such sums as may be necessary for the fiscal year ending September 30, 1979." Furthermore, it is a matter of public record that the Attorney General has under active consideration a recommendation that DEA be merged with the FBI. These are but additional reasons suggesting the lack of wisdom in reauthorization at this level and for this duration.

Mr. Speaker, I strongly urge the rejection of this bill.

Mr. ROGERS. Mr. Speaker, I have no further requests for time.

Mr. CARTER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. ROGERS) that the House suspend the rules and pass the bill (H.R. 5742).

The question was taken.

Mr. ROUSSELOT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

AUTHORIZING APPROPRIATIONS FOR THE SECURITIES AND EXCHANGE COMMISSION FOR FISCAL YEAR 1978

Mr. ECKHARDT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3722) to amend the Securities Exchange Act of 1934 to authorize specified amounts to be appropriated for the Securities and Exchange Commission for fiscal years 1978–80, as amended.

The Clerk read as follows:

H.R. 3722

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 35 of the Securities Exchange Act of 1934 (15 U.S.C. 78kk) is amended—

(1) in the first sentence thereof, by striking out "and not to exceed" and inserting in lieu thereof a comma;

(2) by inserting immediatley before the period at the end of the first sentence thereof the following: ", and $67,000,000 for the fiscal year ending September 30, 1978", and

(3) in the last sentence thereof, by striking out "the 1977 fiscal year" and inserting in lieu thereof "fiscal year 1978".

The SPEAKER pro tempore. Is a second demanded?

Mr. BROYHILL. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas (Mr. ECKHARDT) and the gentleman from North Carolina (Mr. BROYHILL) are recognized for 20 minutes each.

The Chair recognizes the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill we are considering today which was unanimously reported out of my Subcommittee on Consumer Protection and Finance, and out of the full Interstate and Foreign Commerce Committee, amends the Securities Exchange Act of 1934 to provide for a budget authorization for the Securities and Exchange Commission for fiscal year 1978 of $67 million.

This represents an increase of $10.5 million over the agency's fully appropriated authorization for 1977, and is very much needed for several reasons:

First, the increase will permit the Commission to continue its program to modernize its automatic data processing and records keeping systems. In light of the enormous amount of corporate information that is filed with the Commission, this systems updating is urgently needed to insure the disclosure of such information in a timely manner.

Second, this will permit the Commission to acquire additional office space to relieve the present intolerable overcrowded conditions. The office space problem at the Commission is even worse today than it was 2 years ago when my subcommitee held hearings on the General Services Administration's attempt to relocate the Agency to Buzzards Point.

Third, the authorization would allow an increase in the size of the staff of the Commission to cope with what is perceived to be a crushing workload problem. As a result of the Securities Acts Amendments of 1975, alone, the Commission, without additional staff, has undertaken substantial new responsibilities in the municipal bond and transfer agent areas. As the mandated national market system develops, it will continue to take on additional responsibilities.

Moreover, the enforcement division of the Commission has been so overburdened, that its ability to continue to provide necessary public investor protection may be impaired without additional personnel. As an example, options trading has exploded to the point where the present value of outstanding contracts exceeds $1 trillion. This provides the potential, without close and continuous monitoring, for frauds of enormous dimensions. Yet, the Commission has been able to allocate only one person, part time, to the surveillance of this activity.

Last, the authorization provides for anticipated increased inflationary costs.

It should be noted that the authorization represents a $3 million or 4.6 percent increase over the Commission's original request of $64 million. Although the outgoing Chairman of the Commission acknowledged the space and manpower problems at his Agency, he was unable to satisfactorily explain how his budget, which did not contemplate any increase in staff, nor, of course, additional office space to accommodate them, would solve these problems.

To highlight the problem, in the Division of Enforcement alone, all but the highest ranking professional staff are required to share offices. They have only one secretary for every five professional persons. As a result, attorneys are typing much of their own work and performing other clerical functions. The inefficiencies and counterproductiveness generated by these conditions are self-evident.

It is the intention that this modest increase in authorization will permit the Commission, under its new Chairman, to request appropriations of such sums as are necessary to alleviate the existing overcrowded conditions and to provide for necessary increases in staff. The Securities and Exchange Commission has long been regarded as the most effective and responsive of the independent regulatory agencies. The authorization contained in H.R. 3722 is the bare minimum necessary to assure that this agency will be able continue to maintain that standard.

Mr. BROYHILL. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in support of this bill, H.R. 3722. It is merely a 1-year authorization for the funding of the Securities and Exchange Commission for the fiscal year, 1978. This is only a 1-year authorization. There is a modest increase, I would point out to my colleagues, in this authorization over prior years. I think that the increase is justified, based on the facts that have been outlined by the chairman and in the committee report. We do have a new market operating now in the trading of options. These contracts have a market value of $1 trillion. The market surveillance capacity of the Commission has not kept pace with the tremendous growth of this particular new market. Also, new responsibilities have been added to the Commission in the last Congress under the amendments to the Securities and Exchange Act. The regulatory responsibility was given to the Commission over municipal security dealers.

In addition, responsibility to monitor the planning and implementation of an integrated national market system, where all financial market systems would be interconnected, has been given to the Commission.

When we consider the fact that the Congress has not given any additional funding for additional staff to the Commission in recent years; in other words, the staff has remained fairly static in spite of this increased workload, I think that a case has been made for this very modest increase in the level of funding.

Mr. Speaker, I support the bill as reported from the committee.

Mr. ECKHARDT. Mr. Speaker, I have no further requests for time.

Mr. BROYHILL. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Texas (Mr. ECKHARDT) that the House suspend the rules and pass the bill, H.R. 3722, as amended.

The question was taken.

Mr. BAUMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. ECKHARDT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this bill H.R. 3722.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDING THE INDIAN FINANCING ACT OF 1974 BY REVISING THE APPROPRIATIONS AUTHORIZATION FOR THE INDIAN BUSINESS DEVELOPMENT PROGRAM

Mr. RONCALIO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4992) to amend the Indian Fi-

nancing Act of 1974 by revising the appropriations authorization for the Indian business development program, as amended.

The Clerk read as follows:

H.R. 4992

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 403 of the Indian Financing Act of 1974 (88 Stat. 77, 83), is amended to read as follows:

"SEC. 403. There are authorized to be appropriated not to exceed the sum of $14,000,000 for each of the fiscal years 1978 and 1979 for the purposes of this title.".

The SPEAKER pro tempore. Is a second demanded?

Mr. BAUMAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Wyoming (Mr. RONCALIO) and the gentleman from Maryland (Mr. BAUMAN) are recognized for 20 minutes each.

The Chair recognizes the gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4992 amends the Indian Financing Act of 1974 by extending the authorization of appropriations for the Indian business development program, created by that act, for 2 fiscal years, 1978 and 1979.

The Financing Act was comprehensive legislation designed to address the critical credit needs of Indian tribes and individuals through direct Federal loans, Federal loan guarantees and insurance, and business development grants.

The Indian business development program, created by the act, authorized the Secretary of the Interior to make nonreimbursable "seed money" grants to tribes and individuals to stimulate the development of Indian-owned businesses on or near the reservations. As some of the Members are aware, most Indian reservations are economic deserts with the economic structure owned and controlled by non-Indians surrounding the reservations. It is the function of the business grant program, along with the other provisions of the Financing Act, to give the Indians more control over their economic futures.

Grants under the program may not exceed $50,000: At least 60 percent of the necessary funds for the proposed project must come from other sources: And the applicant must reasonably make available his own financial resources.

As originally established, the grant program was authorized for three fiscal years, 1975, 1976, and 1977, at a level of $10 million. Under this authorization, the administration has requested and the Congress has appropriated $20,464,769 over the three fiscal year period.

In the opinion of the committee, this program, overall, has been successful and deserves continuation. It has resulted in a few green spots in the economic deserts of Indian reservations.

Mr. Speaker, the report of the committee contains a table of statistics relating to this program and I will not go into that. However, I do want to comment on one aspect of the success of the program.

In addition to establishing Indians in business enterprises, the program has resulted in the creation of 6,658 jobs on the reservations. In terms of grant fund dollars, that means that one job was created at a cost of $3,074. I think that that compares very favorably with other Federal employment programs.

Mr. Speaker, I urge the passage of the bill.

Mr. BAUMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Speaker, I rise in support of the legislation, and concur in the remarks made by the distinguished chairman of the subcommittee, the gentleman from Wyoming (Mr. RONCALIO).

Mr. Speaker, I am pleased to rise in support of H.R. 4992. This legislation authorizes appropriations of $14 million for each of fiscal years 1978 and 1979 to continue the Indian business development grant program under the Indian Financing Act of 1974.

The Financing Act was one of several key legislative initiatives designed to implement the policy of Indian self-determination first enunciated in 1971. To achieve meaningful self-determination it was and still is necessary to provide a basis for achievement of long-sought Indian economic self-sufficiency. Central to this problem is the generally inadequate availability of financial resources to enable Indian people to develop their own resources and potential.

During consideration of the Financing Act, the Bureau of Indian Affairs estimated that the credit needs in Indian country were in excess of $1 billion. To meet this need, the act initiated a three-pronged attack on the problem. First, it consolidated and increased by $50 million the revolving loan programs in the Bureau of Indian Affairs to provide direct Federal loans to tribes and individuals at a relatively low rate of interest. Second, it established a loan guaranty and insurance program under which the United States either guarantees loans made by a tribe or individual from a private lender or insures loans a private lender makes to Indian tribes or individuals. Third, it created the 3-year Indian business development grant program which H.R. 4992 would extend for 2 years.

The Indian business development program provided for "seed money" grants to be made to Indian tribes and individuals to establish or expand profit-making Indian-owned businesses and to enhance reservation economies. Grants could be up to $50,000 but for not more than 40 percent of an enterprise. Between 1974 and 1977, Congress appropriated $24 million of the $30 million authorized by the Financing Act. The Bureau of Indian Affairs made 1,395 grants totaling $20,755,000 to Indians and Indian tribes in 24 States. These grants generated $97 million in additional capital and created or sustained 6,658 jobs with an annual payroll estimated at $30.3 million. The average grant per job created or sustained was $3,070.

The grants have been utilized in a wide variety of business enterprises. Individual Indian entrepreneurs received the largest share of the grants, 1,137. Partnerships received 109; Indian tribes, 67; Indian corporations, 79; Indian cooperatives and associations, 15. Significantly, business failures involving these grants have occurred at a rate of only 8 percent, well below SBA's rate and below the annual rate of private business failures nationally, which is about 25 percent.

Witnesses at hearings on H.R. 4992 before the Subcommittee on Indian Affairs and Public Lands testified that the grant program, together with the revolving loan and loan guaranty and insurance programs, have made sizeable inroads into the economic development capital needs in Indian country. However, much more remains to be done, as Indian reservations generally remain areas of chronically high unemployment and do not have significant on-reservation economic communities. The demand for capital remains high. The BIA estimates their current needs under the grant program, based on applications received, is approximately $14 million per fiscal year.

In an era of multibillion dollar proposals for make-work jobs, it is refreshing to know that a program administered by the much-maligned Bureau of Indian Affairs is making progress in creating meaningful jobs and encouraging private economic initiatives in areas of chronically high unemployment. It is providing the taxpayer with a decent return for his tax dollar. The administration, the Interior and Insular Affairs Committee and the Indian community all agree that the Indian Business Development Grant program is cost-effective and worthy of continuation. For these reasons I strongly urge the House to support enactment of H.R. 4992.

Mr. BAUMAN. Mr. Speaker, I have no further requests for time.

Mr. RONCALIO. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wyoming (Mr. RONCALIO) that the House suspend the rules and pass the bill H.R. 4992, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

EXTENDING CERTAIN AUTHORITIES OF THE SECRETARY OF THE INTERIOR WITH RESPECT TO WATER RESOURCES RESEARCH AND SALINE WATER CONVERSION PROGRAMS

Mr. MEEDS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4746) to extend certain authorities of the Secretary of the Interior with respect to water resources research and saline water conversion programs, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4746

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Water Resources Research Act of 1964 (Public Law 88-379; 78 Stat. 330) as amended, and the Saline Water Conversion Act of 1971 (Public Law 92-60; 85 Stat. 162) as amended, are further amended as follows:

(1) Title II, additional water resources research programs, section 200(a) of the Water Resources Research Act, is hereby further amended by adding after "for each of the fiscal years 1972-1976", the words "and for 1978,"

(2)(a) Section 10(b) of the Saline Water Conversion Act is amended by changing the phrase "during the fiscal years 1973 to 1977, inclusive," to read "during the fiscal years 1973 to 1978, inclusive,".

(b) There is authorized to be appropriated to carry out the provisions of the Saline Water Conversion Act of 1971 during fiscal year 1978 the sum of $11,950,000, to remain available until expended as follows:

(1) Research Expense, $1,500,000;

(2) Development Expense, $7,950,000;

(3) Test Facility Operation and Maintenance, $1,500,000;

(4) Administration and Coordination, $1,000,000.

(c) Expenditures and obligations under any activity authorized by paragraphs (1), (2), and (3) above may be increased by not more than 10 per centum if any such increase is accompanied by a corresponding decrease in expenditures and obligations in one or more activities set forth in subsection (b) above.

(d) Notwithstanding any provision of the Saline Water Conversion Act of 1971 (85 Stat. 162) or any other provision of this Act, no authority to make payments under this Act shall be effective except to such extent or in such amounts as are provided in advance in appropriations Acts.

All other provisions of the above Acts shall remain unchanged by this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. LUJAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Washington (Mr. MEEDS) will be recognized for 20 minutes, and the gentleman from New Mexico (Mr. LUJAN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Washington (Mr. MEEDS).

Mr. MEEDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill H.R. 4746 is the annual authorization for appropriations to carry out research and development in saline water conversion technology by the Office of Water Resources Research in the Department of the Interior.

The bill also reinstates the authorization for appropriations with which to finance grants and contracts for research on other water resources problems bearing on the mission of the Department of the Interior. This program is also administered by the Office of Water Resources Research.

The saline water conversion research program, which is quite familiar to most Members of this body, is carried out pursuant to the Saline Water Conversion Act of 1971, which by its terms requires annual authorization of appropriations. H.R. 4746 accomplishes this authorization at the level of $11,950,000 for fiscal year 1978. The President has requested $5,025,000. The committee appreciates that this is a $6,925,000 increase. This increase is amply supported by the needs of the program as developed in the hearing record where qualified witnesses presented impressive justification of increased Federal input to this activity.

In fact, Mr. Speaker, this Member would be quite comfortable with a program level of twice that we are recommending today except that the previous administration has over the past 6 years nearly liquidated the technical staff and brought into question its capability effectively to utilize any more funds than is now proposed to be authorized.

The emphasis in the bill as introduced was limited primarily to the reverse osmosis process for seawater conversion. The committee amendment provides a more diverse program and reinstates funding for the freezing process, the electrodialysis process, and specifically mandates the continued operation of the Government owned test facilities at Wrightsville Beach, N.C., and Roswell, N.M. The overwhelming evidence available to us indicates the desirability of testing desalting systems and components under the uniform conditions that can be afforded at the test facilities. It is most important that testing be uniformly conducted and impartially monitored so that valid conclusions can be drawn with respect to comparative test results.

The attention of the House is also invited to the fact that the bill as presented today provides specifically for the initiation of a program, expected to require 3 years, through which we expect to demonstrate the applicability of membrane desalting processes to the reuse of sanitary sewage effluents for the purpose of recycling the water for reuse. The program visualized by the committee would be carried out in cooperation with a non-Federal groundwater management agency in California having responsibility for preserving the quality and productivity of its groundwater resources. The end product of the proposed demonstration program would be reinjected into the groundwater to provide a fresh water barrier to salt water intrusion from the ocean and ultimately for withdrawal for municipal and industrial consumption. We believe this program will, in addition to providing major technical information, serve as a graphic demonstration of the versatility of desalting processes in solving water resources problems and otherwise justify the confidence that Congress has long reposed in desalting research.

A secondary purpose of H.R. 4746 is the reinstatement of appropriations authority for research activities pursuant to section 200(a) of the Water Resources Research Act of 1964. This program is not operative in fiscal year 1977, the authority having expired at the end of fiscal year 1976. The committee has not heretofore been willing to renew this program because of concern with the lack of evenhanded distribution of the grant funds among the several classes of eligible grantees. There is now some assurance that this program, if reinstated, will not be biased toward one class of eligible grantee and that it continues to merit a limited degree of public support. The bill therefore authorizes, in a technical sense, an appropriation of $10,000,000 for fiscal year 1978. It should be kept in mind, however, that only $2,600,000 has been requested in the budget and that this lesser amount is really all that is in question in this legislation.

In summary, Mr. Speaker, I believe that this is about the best and most realistic bill that we can expect for fiscal year 1978, and it warrants the support of the House. In requesting this support, I want to assure my colleagues that we have definite plans to conduct a far-reaching overview of both these programs to develop, if at all possible, a new and better charter for guiding the Interior Department's water resources research activities. We hope to bring to you, later this year or very early next year, updated organic legislation to provide more relevant and better managed research programs and to have it firmly enacted into law before addressing the fiscal needs of 1979.

With this commitment, I urge every Member to support this bill and thereby identify with us in our effort to upgrade our technological capabilities to solve the water resources problems of the years ahead.

Mr. Speaker, I reserve the balance of my time.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I concur with the remarks of the gentleman from Washington, the very able chairman of our Water and Power Subcommittee, and will add that I consider the saline water program to be one of the most important programs we have in this country to provide new sources of water for future generations.

While we are only extending the appropriations authorizations for 1 year in this bill, I would make it clear that this does not in any way indicate that we intend for the program to die next year. We limited the authority to 1 year at the request of the administration to provide flexibility for the President and the Secretary in their reorganization plans.

The conversion of brackish and saline water to fresh water is one of the major hopes we have in our efforts to make maximum use of every drop of water in this country—particularly in the arid

Western States now suffering from a disastrous drought.

We have increased the administration's requested funding authority by $6.4 million, for a total of $11.9 million. And we have told them where we want the money to go, in terms of the various technologies under development. One of those technologies—the conversion of brackish water by reverse osmosis membranes—is of particular importance to New Mexico, not only because the research facility is located at Roswell, N. Mex., but because our State vitally needs the technology being developed there. We are one of the most arid States in the West, yet we sit on a veritable ocean of brackish water.

If we had the means to convert that brackish water to potable or irrigable water, we would not need to import water from the Colorado River. And our distant neighbors to the northwest, Washington and Oregon, would be relieved of their moral obligation to share with us the surplus waters of the Columbia River.

Brackish water conversion, coupled with the development of geothermal energy, holds promise of providing western States with fresh water and a new source of energy in areas that are now in short supply of both.

The economical conversion of seawater would eliminate the need for huge aqueducts to carry water from our inland river systems to the coastal communities where so many people want to live. Billions of dollars will be saved. And, more importantly, the fragile ecosystems of our river valleys would remain undisturbed by man-made dams, lakes and delivery ditches.

The saline and brackish water conversion program can give us the tools we need to clean up the Great Lakes and keep them clean. We already have under construction a large desalting plant at Yuma, Ariz., that will clean the salts and minerals from the Colorado River before it flows to Mexico, thus honoring our treaty with that nation.

Mr. Speaker, I earnestly hope this administration will catch the same vision of this program that has been apparent to the Congress for many years. And I ask my colleagues to give a strong signal in that direction by passing this bill unanimously.

Mr. MEEDS. Mr. Speaker, I have no further requests for time.

Mr. LUJAN. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Speaker, the saline water conversion program is one of the most important and far-reaching programs in Government today. It is also one of the most successful in terms of accomplishing its original mission. The President wanted to hold the program to the skeleton funding level of $5 million. Our committee increased that amount to $11.9 million because of the overwhelming evidence of need demonstrated and dramatized by the current drought situation in our Western States.

The testimony we received from the Interior Department shows that the staff of highly specialized technicians that had previously been assembled has now been cut to less than a tenth of its 1973 strength. They have neither the manpower nor current planning capability to use more money than is authorized in this bill.

That is why we have limited the authorization to 1 year. We expect the administration to use this money this year to strengthen its Office of Water Research and Technology—with emphasis on the "technology"—so that it will be ready next year to shift into high gear.

When the saline water conversion authorization bill came to the floor 4 years ago, I made the following prediction:

> The water crisis that faces this nation will become more acute than the energy crisis. We must move ahead now, with every resource at our disposal, to develop new sources of water while at the same time developing better methods of managing and conserving the water we now have. Every western state is treading a narrow line today, trying to keep its water supplies in balance with its water demands. The slightest change in climatic conditions—the slightest drop in our water supplies through drought or reduced precipitation—will have disastrous results unless we move now to augment those supplies.

Mr. Speaker, that change in climatic conditions has come about. That drought is upon us. We did not move ahead 4 years ago, and we were therefore unprepared to meet the crisis that changing weather conditions has thrust upon us. California alone will lose billions of dollars in crops this year. The Nation will be faced with reduced food supplies this summer. In State after State throughout the West, farmers cannot plant their parched lands. City after city is being forced to ration household water. And in our committee hearings in Seattle earlier this year, we heard testimony from farmers who said they were ready to defend their dwindling water supplies with guns if necessary.

Yet, during the years when these conditions were developing, the saline water conversion program was allowed by the administration to die on the vine. Despite annual proddings by the Congress, the development of new technology ground to a halt.

And even today, months after the drought has brought devastation to half of the Nation's farmlands, the administration not only seeks to cancel water projects already underway but asks us to stand by while it completes the burial of the saline water conversion program.

I urge my colleagues not to permit this to happen. I ask them to join me in demanding action and results from the people downtown who have the responsibility for developing new supplies of water while better managing the dwindling supplies we now have.

This bill should pass by unanimous vote and I assure you that our committee will exercise strong oversight measures to make certain that we get water-producing hardware as soon as is humanly possible.

Mr. LUJAN. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of H.R. 4746, a bill to extend certain authorities of the Secretary of the Interior for programs in water resources research and saline water conversion for fiscal year 1978.

As you know, this is basically an interim measure that seeks only to allow work to continue on existing programs and to restore funding that had lapsed for fiscal year 1977 for some programs under title II of the Water Resources Research Act. In other words, H.R. 4746 would allow research programs now in effect to continue for an additional year without the risk of further disruption, or pressure on us to rush through more extensive legislation on an emergency basis. There are several bills now being considered by this body to reorganize water reclamation and saline water conversion programs and to provide for a sustained commitment in these research areas. More time is needed, however, to insure enactment of a responsible bill. It is imperative that these programs be continued in the interim without further disruption. H.R. 4746 would fill this gap and is a major step to revive serious efforts to insure adequate water resources for future needs.

Mr. Speaker, the current drought in California and the West emphasizes the need to get on with the business of finding practical and economical ways to desalinize sea water and reclaim brackish and wastewater for domestic and industrial uses.

The saline water conversion research and development program includes research and development on sea and brackish water membranes, technology transfer, and water reuse. Considerable progress has been made in these research areas and it is our hope that a renewed effort will yield major dividends in water reclamation and desalinization technologies.

In addition, the bill earmarks funds for research and development on freezing technology, a promising new method which can be combined with liquified natural gas plants, and helium plants utilizing "waste cold" from the gas vaporization process.

The administration supports this bill and I urge its immediate adoption.

Mr. BROWN of California. Mr. Speaker, I thank the gentleman from Washington (Mr. MEEDS) for providing the opportunity to support this legislation, which includes environmental research leading to methods of reducing the impacts of discharge of brines into lakes, streams, and other waters.

As members of the Subcommittee on the Environment and the Atmosphere heard last fall in hearings on water quality research, the environmental concerns which emerge is converting saline and other chemically contaminated water into water suitable for beneficial consumptive uses are not dissimilar from some of the problems which have been encountered in the EPA Office of Research and Development water quality and water reuse research programs. EPA's efforts to scrutinize innovative technologies in water reuse received a large infusion of support in H.R. 5101, EPA ORD's fiscal year 1978 authorization, which has passed the House.

I note from the committee report that the Office of Water Research and Technology is to be strengthened in its capa-

bilities by this legislation. I would simply like to urge, as the Science and Technology Committee has stated in the EPA Research, Development, and Demonstration Authorization Act (section 6.(b)), that the OWRT Director coordinate with the heads of other agency programs in order to enhance the overall Federal research efforts and to minimize the unnecessary duplication of programs, projects, and research facilities.

Finally, I wish to note that the Subcommittee on the Environment and Atmosphere, which I chair, is planning to have oversight hearings on water recycling and water reuse environmental research issues this fall.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington (Mr. MEEDS) that the House suspend the rules and pass the bill H.R. 4746, as amended.

The question was taken.

Mr. HARKIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 33(b) of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. MEEDS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 4746.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

AMENDING THE WATER RESOURCES PLANNING ACT (79 STAT. 244), AS AMENDED

Mr. MEEDS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6752) to amend the Water Resources Planning Act (79 Stat. 244) as amended, as amended.

The Clerk read as follows:

H.R. 6752

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Water Resources Planning Act of 1965 (79 Stat. 244 as amended) is hereby further amended by deleting section 401(c) the words: "not to exceed a total of $10,000,000 for fiscal years 1976 and 1977" and inserting in lieu thereof "not to exceed the sum of $3,905,000 for fiscal year 1978".

(b) Section 401(a) of the Water Resources Planning Act (75 Stat. 244) is amended by deleting from the first sentence the word "annually" and inserting in lieu thereof the following "for fiscal year 1978".

(c) Section 401(b) of the Water Resources Planning Act (75 Stat. 244) as amended, is further amended by deleting the word "annually" and inserting in lieu thereof the following "for fiscal year 1978".

The SPEAKER pro tempore. Is a second demanded?

Mr. LUJAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Washington (Mr. MEEDS) and the gentleman from New Mexico (Mr. LUJAN) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from Washington (Mr. MEEDS).

Mr. MEEDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the bill H.R. 6752, as amended by the Committee on Interior and Insular Affairs. This measure will authorize appropriations for the fiscal year 1978 for the U.S. Water Resources Council to carry out its responsibilities under section 401(c) of the Water Resources Planning Act.

As recommended by the administration, the measure would have authorized continuing appropriations in an indefinite amount. The committee saw fit, and I believe rightly so, to limit the authorization to $3,905,000—the amount requested in the President's budget.

In addition to authorizing the amount requested to be appropriated, the bill was further amended in committee to convert two other continuing authorizations to the single fiscal year 1978. Thus, all funding authority for activities authorized to be conducted by the Water Resources Planning Act will expire at the end of fiscal year 1978 unless there is further legislation enacted by the Congress.

I believe it is important to point out at this time for the information of our colleagues and for legislative history that the Water Resources Planning Act provides four separate authorizations for appropriations with which to carry out the purposes of the act. One of these authorizations; that is, planning grants to States for assisting in developing State level planning capability, expires at the end of fiscal year 1977. The administration in recent years has not supported extension of this authority.

The other authorizations are to carry out administration of the council and to finance comprehensive river basin planning either through River Basin Commissions or through ad hoc interagency committees. While the objectives of these programs, as intended by Congress in establishing the Water Resources Council, are to stabilize, standardize, and enhance the management and development of our Nations' water resources, the record of the council in this regard is quite undistinguished.

It is simply for this reason that the committee recommends that all authorizations be terminated at the close of fiscal year 1978, or until the program can be carefully scrutinized through oversight hearings to see if its institutions warrant continuation.

Such hearings will be among the highest priorities of the Subcommittee on Water and Power Resources during the remaining days of this session of Congress. We simply must come to grips with this issue. The water resources management and development problems facing this country are simply too crucial to tolerate the present chaotic situation that exists organizationally within the policymaking structure of our Government. Out of the hearings we propose to conduct will hopefully come legislation that will result in there being given meaningful guidance to the water resources development community. It may come through a structure that resembles the present Water Resources Council or it may come through something else—that remains to be seen. Our greatest hope is that we can write a Planning Act that will work better than has been the case with the law on the books for the past 12 years.

Mr. Speaker, I recommend that all Members support H.R. 6752 and thereafter that they support our committee in its efforts to bring into being workable and effective water resources planning mechanisms.

Mr. WEAVER. Mr. Speaker, will the gentleman yield?

Mr. MEEDS. I will be most happy to yield to the gentleman from Oregon, but first let me commend the gentleman for his help in this legislation and for his constructive criticism of the legislation.

Mr. WEAVER. Mr. Speaker, I thank the gentleman and commend him for his work as chairman of the subcommittee and in bringing this legislation to the floor.

I offered the amendment in the subcommittee to terminate authorization for this council at the conclusion of fiscal year 1978, because I believe we must explore deeply the justification for further expenditures on this council and define exactly what the direction of its work should be before the council should be allowed to continue past that date.

Mr. MEEDS. Mr. Speaker, I thank the gentleman from Oregon (Mr. WEAVER). I am sure the gentleman agrees with me that water resources planning is among the most important and imperative functions we must undertake, but that we must do so in a fashion which guarantees that we are going to get some results from those expenditures.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in supporting this bill, I want to notify the members and staff of the Water Resources Council that our committee is not at all satisfied with the results we have seen in recent years from its work.

This council has been in existence for more than 10 years, yet the work of establishing river basin commissions is not yet completed. Nor have we seen any significant results of its river basin planning. It seems to me that after 10 years of work, the council should have had in hand some definite plans for the coordinated operation of river basins that would help the Western States meet the current drought crisis. But after all these millions have been spent for planning, I have yet to see any tangible results in saving, conserving, or producing a single drop of water.

As amended by our committee, the bill limits the council's funding authorization to 1 year and reduces its authorization for preparation of assessments and river basin plans from $5 to $3.9 million for this year.

We want to keep the council in business long enough for it to complete its work, but we want them to move briskly toward that completion and to show us some tangible results.

With those comments, Mr. Speaker, I support the bill and urge my colleagues to vote favorably on it.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentleman yield?

Mr. LUJAN. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Speaker, I concur with the remarks of the very able gentleman from New Mexico and will add only that the Water Resources Council has missed a golden opportunity to perform a much greater service than its work to date would indicate.

Throughout our hearings on the Western drought earlier this year, our committee saw firsthand the need for more comprehensive planning and coordination of our river systems. It is for that purpose that the council was established in 1965. While I recognize the difficulties it has had in obtaining agreement among the States for such coordinated planning, I believe it should be much farther along with its job than it is.

I support this bill, and I commend both the gentleman from Washington, the chairman of our Water and Power Subcommittee, and the gentleman from New Mexico, our very able ranking member on that subcommittee, for the strong emphasis they have placed on prodding the council for faster and better results. As we exercise our oversight responsibilities on this program during the coming year, we will take a very close look at how the money is being spent and at the results we are getting.

I see no objection to the bill as amended and I support its enactment.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington (Mr. MEEDS) that the House suspend the rules and pass the bill H.R. 6752, as amended.

The question was taken.

Mr. HARKIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. HARKIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII, and the prior announcement of the Chair, further proceedings on this motion will be postponed.

The point of order is considered withdrawn.

RIVER BASIN AUTHORIZATIONS

Mr. ROBERTS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5885) authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5885

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in addition to previous authorizations, there is hereby authorized to be appropriated for the prosecution of the comprehensive plan of development of each river basin under the jurisdiction of the Secretary of the Army referred to in the first column below, which was basically authorized by the Act referred to by date of enactment in the second column below, an amount not to exceed that shown opposite such river basin in the third column below:

Basin	Act of Congress	Amount
Alabama-Coosa River Basin	Mar. 2, 1945	$13,000,000
Arkansas River Basin	June 28, 1938	20,000,000
Arkansas-Red River Basin	Nov. 7, 1966	8,000,000
Brazos River Basin	Sept. 3, 1954	60,000,000
Central and Southern Florida	June 30, 1948	9,000,000
Columbia River Basin	June 28, 1938	77,000,000
Mississippi River and tributaries	May 15, 1928	459,000,000
Missouri River Basin	June 28, 1938	170,000,000
North Branch, Susquehanna River Basin	July 3, 1958	75,000,000
Ohio River Basin	June 22, 1936	60,000,000
Quachita River Basin	May 17, 1950	2,000,000
Red River Waterway project	Aug. 13, 1968	101,000,000
San Joaquin River Basin	Dec. 22, 1944	125,000,000
Santa Ana River Basin	June 22, 1936	3,000,000
South Platte River Basin	May 17, 1950	30,000,000
Tampa Harbor	Dec. 31, 1970	23,000,000
Upper Mississippi River Basin	June 28, 1938	2,000,000
White River Basin	-----do-----	2,000,000

(b) Of the amount authorized for the Columbia River Basin, $1,000,000 shall be available for the local flood protection projects authorized by section 204 of the Flood Control Act of 1950, and the authorization for such local flood protection projects is hereby increased to $16,000,000.

(c) The total amount authorized to be appropriated by this section shall not exceed $1,239,000,000.

SEC. 2. The project for flood protection on the Sacramento River, California, authorized by the Flood Control Act approved March 1, 1917, as amended, is hereby further modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to construct bank protection works along the reach of the Sacramento River and its tributaries from Red Bluff to Shasta Dam, subject to the same requirements of non-Federal cooperation applicable to other similar elements of the project, and to include mitigation of fish and wildlife losses induced by the project. The evaluation and justification of the project shall be based on the overall benefits and costs of all project elements. In addition to previous appropriations there is hereby authorized to be appropriated the sum of $25,000,000 to carry out the purposes of this section.

SEC. 3. (a) The project for the Caesar Creek, Ohio River Basin, Ohio, authorized by section 4 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 28, 1938 (52 Stat. 1215, 1217), is hereby modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to construct a public water supply system in accordance with the document entitled "Southwest Ohio Water Plan", prepared by the Ohio Department of Natural Resources (April 1976), with modifications as the Secretary deems advisable.

(b) The Federal share of the cost of construction of the water supply system pursuant to subsection (a) of this section shall be 100 per centum.

(c) Prior to the construction of the water supply system pursuant to subsection (a) of this section, the Secretary of the Army, acting through the Chief of Engineers, shall enter into an agreement with appropriate non-Federal interests which provides that (1) such non-Federal interests will provide the Secretary with the lands, easements, and rights-of-way necessary for the Secretary to construct such water supply system, and (2) after such construction is completed, all right, title, and interest of the United States in such water supply system shall be conveyed to such non-Federal interests who shall thereafter operate and maintain such water supply system.

(d) There is authorized to be appropriated not to exceed $19,000,000 to carry out this section.

SEC. 4. Authorizations for appropriations contained in this Act are for those fiscal years which begin on or after October 1, 1977.

The SPEAKER pro tempore. Is a second demanded?

Mr. DON H. CLAUSEN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas (Mr. ROBERTS) will be recognized for 20 minutes, and the gentleman from California (Mr. DON H. CLAUSEN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. ROBERTS).

Mr. ROBERTS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I bring to the floor, H.R. 5885, a bill authorizing additional appropriations for Corps of Engineers water resources projects in eighteen river basins throughout the country. I wish to commend the distinguished chairman of the committee, the gentleman from California (Mr. JOHNSON) for the usual fine leadership he has shown during the course of our consideration of this legislation. I want to also thank the ranking minority member of the committee, the gentleman from Ohio (Mr. HARSHA), the ranking minority member of the Subcommittee on Water Resources, the gentleman from California (Mr. DON H. CLAUSEN) and all of the members of the subcommittee and full commmittee for the cooperation and assistance they gave us in connection with this legislation.

H.R. 5885, as reported, the River Basin Monetary Authorization Act of 1977, provides additional authorizations for appropriations for water resources projects of the Corps of Engineers. The additional authorizations are designed to cover potential appropriations for fiscal years 1978 and 1979. In each of the basins sufficient authorizations have been included to cover the contingencies of full capability funding and unexpectedly good progress on construction schedules. This was done to avoid the possibility of a recurrence of problems such as those which occurred in the San Joaquin River Basin in California and the Brazos River Basin in Texas where projects will exhaust their monetary limitation prior to the end of fiscal year 1977 even though they were funded to full capability, because of unanticipated good weather which enabled construction to proceed at a faster pace than believed possible.

By providing the contingency allowance for each basin, flexibility is provided for the appropriations process so that any basin or basins can be funded at a level which will avoid such problems subject, of course, to the overall budgetary limitations imposed by the congressional budget process.

Monetary authorizations were first put into effect by the Flood Control Acts of 1936 and 1938. They limit authority to appropriate and expend funds within specified basins or specified major projects to levels below the total costs of the authorized project or basin development. In this way they give the Congress the opportunity to review and control the rate of accomplishment of the basin plans and major projects to which they apply.

In these plans, the Congress has approved an entire plan for development of a river basin in the interests of flood control, navigation, power, and allied water uses, but limited the amount of funds to anticipated appropriations for a specified period of years, allowing accomplishment of only part of the plan. Subsequently the Congress has augmented some of the previously approved plans by authorizing additional projects, or modifications of projects, and increased the monetary authorizations to provide for additional appropriations. When the monetary authorization limit of a plan is approached legislation is required to provide additional authorization so that appropriations can be made to permit the plan to continue. If such legislation is not forthcoming when needed, construction of projects in the basin plan cannot proceed even if funds have been included in appropriations acts for this purpose.

Mr. Speaker, I wish to emphasize that H.R. 5885 is intended only to authorize appropriations for 1978 and 1979. The money already appropriated for fiscal year 1977 is sufficient with the use of reprograming to adequately cover all of the projects in all of these basins through fiscal year 1977. In order to make this abundantly clear, however, there is a technical amendment which specifically provides that authorizations for appropriations contained in H.R. 5885 are only for fiscal years starting with fiscal year 1978 in order to comply with the requirements of the congressional Budget Act.

Mr. Speaker, I now yield such time as he may consume to the gentleman from California (Mr. JOHNSON), the Chairman of the full committee.

Mr. JOHNSON of California. Mr. Speaker, I wish to commend the chairman of the Subcommittee on Water Resources, the gentleman from Texas (Mr. ROBERTS), for the excellent job he has done in bringing this bill to the floor. I also wish to express my appreciation for the usual fine support and assistance of the ranking minority member of the committee, the gentleman from Ohio (Mr. HARSHA) and the ranking minority member of the subcommittee, the gentleman from California (Mr. DON H. CLAUSEN), as well as all of the members of the subcommittee and full committee.

H.R. 5885, which authorizes additional appropriations for continuation of projects in 18 river basins throughout the country, is needed to allow projects which are presently underway to continue. The authority for additional appropriations is designed to cover potential needs through fiscal year 1979. These river basin authorizations have been utilized since the 1930's on basinwide plans and large projects throughout the country as a means of monitoring the progress of work on the plans and individual projects. Less is authorized to be appropriated than is needed, and the appropriations ceilings are periodically raised to allow the projects to continue for a 1- or 2-year period. The last basin authorization bill was in 1976 and additional authorization is needed for fiscal years 1978 and 1979.

I would particularly like to point out one provision of this bill. Section 2 modifies the project for flood protection and other purposes on the Sacramento River, California, to authorize the Secretary of the Army, acting through the Chief of Engineers, to construct bank protection works along the reach of the Sacramento River and its tributaries from Red Bluff to Shasta Dam, subject to the same requirements of non-Federal cooperation applicable to other similar elements of the project. Mitigation of fish and wildlife losses induced by bank stabilization work is also authorized. Section 2 also provides that the evaluation and justification of the project shall be based on the overall costs and benefits of all project elements and authorizes not to exceed $25 million over and above prior appropriations to carry out the project.

The project for flood protection on the Sacramento River and tributaries was originally authorized by the Flood Control Act of 1917. Since then it has been modified and supplemented by a number of subsequent acts. The bank protection feature of the projects consists of a long-range program for construction of bank erosion control works and setback levees. Its purposes are to maintain the integrity of the levee system of the flood control project, and prevent serious erosion problems and associated deposition of sediment in downstream channels. The releases from Shasta Dam, a Federal project, are causing erosion problems in the reach between the dam and Red Bluff. Accordingly, this section of the river, immediately upstream of the existing bank protection work, has been added to the overall project.

Mr. Speaker, I urge passage of the bill.

Mr. DON H. CLAUSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 5885 authorizing additional appropriations for the prosecution of water resources development in 18 river basins. My distinguished colleague, the gentleman from Texas, should be commended for his excellent job in bringing this legislation to the floor. He has aptly explained the purpose of this legislation and its needs. I would like to add my support and point out that only through this legislation to increase the authorization levels can these needed projects continue to be developed.

Mr. Speaker, I regard construction of well justified and environmentally responsive water resource development projects to be one of the most productive investments of public funds available to our Nation. These projects improve navigation, prevent flood damages, produce hydroelectric power, provide water supply, improve water quality, and offer water-based recreational opportunities for the American public. They are authorized and constructed to alleviate water related problems, and hopefully, to prevent a recurrence of some of the more severe manifestations of these problems which have occurred in past years.

I do have a concern, however, that nonstructural solutions to flood control problems have not been adequately explored and utilized. It is my understanding that a locality that chooses a plan which would employ nonstructural measures does not receive the same level of Federal cost sharing for the project as they would if a structural measure had been selected. It is my belief that if a Federal interest is identified for a structural measure, then there should also be Federal participation in a nonstructural measure with the same cost sharing. It is my intention to pursue this matter through the Investigations and Review Subcommittee of the Committee on Public Works and Transportation. But I feel the Members should be aware that a problem exists with the implementation of this program which the Members of this body authorized when they passed section 73 of the Water Resources Development Act of 1974, the provision which first allowed a Federal participation in nonstructural measures.

The legislation currently under consideration seeks to continue the implementation of the longstanding Federal commitment to water resource development. This legislation affects the safety and prosperity of millions of Americans and thus necessitates favorable action by the Congress. It should be noted that this bill does not provide new budget authority or increased tax expenditures. It merely authorizes funding levels for appropriations in these river basins.

Mr. Speaker, I urge passage of H.R 5885.

Mr. Speaker, I now yield such time as he may consume to the gentleman from Ohio (Mr. HARSHA).

Mr. HARSHA. Mr. Speaker, I rise to add my praise to that voiced by the distinguished chairman of the House Public Works and Transportation Committee for the work accomplished by Mr. ROBERTS and his Subcommitee on Water Resources in preparing this legislation. The need for this legislation has already been aptly explained by my distinguished colleagues and I would like to reiterate that although continuing funding is provided by public works appropriations, it is contingent on additional authorizations. Therefore, it is imperative that the Congress act on H.R. 5885 in a timely fashion so that these invaluable water resource development projects will continue uninterrupted. It is not in the national interest to delay the realization of the benefits of flood control, navigation, water supply, hydropower, and recreation that will accrue from these projects.

Mr. Speaker, section 3 provides for the construction of a water supply facility for an area in my district which has little or no capability to provide the citizenry of that area with a reliable source of potable water. This section is the same as H.R. 6968 which I introduced on May 5 of this year.

In 1979 the corps expects to complete construction of the Caesar Creek Reservoir, and the State of Ohio has contracted with the Corps of Engineers for water supply storage which will provide 35 million gallons per day. However, there is no treatment nor transmission system currently available to utilize this water. To construct this system will require an expenditure of approximately $37.5 million before the 18 communities, and the 185,000 people that will ultimately be served, can begin to use this water.

Thus, H.R. 5885 would authorize the Corps of Engineers to provide the water treatment plant at a cost of approximately $19 million. The cost of the total system is more than the individual communities and rural areas can bear. This system will be a regional system with regional benefits. Because the benefits are diffuse, I believe there is a Federal interest in providing some help and financial assistance. The local interests will still be required to put up nearly $18.5 million, roughly one-half the cost of the total system.

Mr. Speaker, currently these communities ride the roller coaster when trying to determine whether or not they will have water. For the first time an assurance that a continual supply of water will be available to those local communities will be provided by H.R. 5885. I believe there is a definite Federal interest in providing this facility. I urge passage of this vitally needed legislation.

Therefore, it is imperative that the Congress act on H.R. 5885 in a timely fashion so that these valuable water resource projects will continue uninterrupted. It is not in the national interest to delay the benefits of flood control, navigation water supply, and recreation, that will accrue from these projects.

Mr. ROBERTS. Mr. Speaker, I have no further requests for time.

Mr. DON H. CLAUSEN. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill H.R. 5885, as amended.

The question was taken.

Mr. HARKIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. HARKIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII, and the prior announcement of the Chair, further proceedings on this motion will be postponed.

The point of order is considered withdrawn.

MEDICINE BOW NATIONAL FOREST SURVEY

Mr. RONCALIO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2501) to provide for the amendment of the public survey records to eliminate a conflict between the official cadastral survey and a private survey of the so-called Wold Tract within the Medicine Bow National Forest, Wyo., as amended.

The Clerk read as follows:

H.R. 2501

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Interior is directed to perform a survey of the boundary between the privately owned lands and the surrounding national forest lands situated in sections 4 and 5, township 12 north, range 78 west, Sixth principal meridian, Wyoming.

(b) The survey shall follow the private survey as monumented or otherwise identified on the ground, known as the W. E. Zipfull (or Zipfel) survey performed in 1954, which purports to identify the exterior boundaries of the following described patented land: southwest quarter of the northwest quarter, north half of the southwest quarter, section 4; southeast quarter of the northeast quarter, section 5, township 12 north; range 78 west; Sixth principal meridian, Wyoming.

(c) Upon completion of the survey, the Secretary shall assign a tract number to the land enclosed by such survey and thereafter the exterior boundaries of the tract shall be considered as being the exterior boundaries of the patented lands described in subsection (b).

(d) The Congress recognizes that the facts in this case involve numerous landowners and are highly unusual and complex, and that only legislation can equitably correct the multiple instances of unintentional trespass on private and public lands resulting from landowners' reliance on the erroneous Zipfull survey performed in 1954. Nothing in this legislation is to be construed as establishing a precedent in dealing with other cases involving trespass on the public lands. Further, nothing in this legislation shall be construed as adversely affecting valid private rights on lands outside the land described in the Zipfull survey.

The SPEAKER pro tempore. Is a second demanded?

Mr. DON H. CLAUSEN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The Chair will recognize the gentleman from Wyoming (Mr. RONCALIO) for 20 minutes, and the gentleman from California (Mr. DON H. CLAUSEN) for 20 minutes.

The Chair recognizes the gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me say at the outset that H.R. 2501 deals with the so-called Wold Tract within the Medicine Bow National Forest, Wyo. The Wold Tract has nothing to do with my predecessor, Mr. John Wold, formerly a Congressman from Wyoming, who lives in a different part of Wyoming, in Casper. He is one of the eminent men in mineral resources.

The purpose of this legislation is to quiet title in effect on about 120 home and cabin sites located in a tract of land called the Wold subdivision of Medicine Bow National Forest. This tract lies within the Medicine Bow National Forest and consists of 160 acres.

An official cadastral survey was completed by the Bureau of Land Management on November 21, 1898, and the lands were patented under a cash entry patent on March 30, 1900. This official cadastral survey was confirmed and verified in 1966 by a Bureau of Land Management resurvey. However, in 1954, W. E. Zipfull performed a private survey, and based on this survey, which proved to be slightly off bearing, the land was subdivided into 120 lots. Due to the errors associated with the Zipfull survey, portions of 34 of the lots are located on National Forest lands. As an example, those who thought they owned land in the green strips shown on the plat before you have now discovered that they would be denied those portions of the green strip visible, and those who owned portions near the pink strips would now under the correction find themselves owning lots larger than they had. To make a long story short—and I recommend the report to any of the Members who would like the details because the report sets forth in detail the steps that went into this legislation—four of these lots currently have permanent improvements constructed upon them as noted by the black dots on the green strips.

Attempts were made by the Forest Service to resolve this conflict over the years through land exchanges or otherwise, and they have never been successful. This has led the agencies involved to agree that the problem most likely cannot be resolved without legislation of some type. Therefore, this bill would direct the Secretary of the Interior to conduct a new survey of the Wold Tract following the boundary lines of the erroneous Zipfull survey. Upon completion of the new survey, the United States would consider this new survey as representing the official boundary between the National Forest lands and the tract of privately owned lands known as the Wold Tract.

In essence, the Government gains no acreage and loses no acreage. I am in-

debted to my colleague, the gentleman from New Mexico (Mr. RUNNELS), who served with me as a Member of this subcommittee, because to have accepted what the Department of Agriculture wanted would have resulted in individuals gaining or few feet of land being required to pay the Government for the additions, whereas those losing some land would not be compensated for that which they lost. That was an untenable position which the gentleman from New Mexico (Mr. RUNNELS) could not accept.

Therefore, we compromised on two amendments acceptable to the Department of Agriculture, and these amendments emphasize that nothing in the legislation is to be construed as establishing a precedent of dealing with other cases involving trespass on the public lands. Therefore, there is no danger of the erroneous survey setting a precedent as governing conveyances in the future.

Second, the amendment insures that nothing in the legislation is to be construed as adversely affecting valid private rights on lands outside the Wold tract.

Specifically, had it been otherwise done, the 116 lot owners who had not erected permanent improvements, those owning lands within the tract, would have had to resort to State law litigation in settlement of titles; in other words, to get a merchantable title, at great time and expense.

The analysis, the history, and the departmental reports are all included in the report.

Mr. Speaker, I ask my colleagues to react favorably to this legislation, which has been expected, and asked for, for so many years by the particular landowners whose interests are adversely affected, and who have patiently awaited the corrective effect of this legislation.

Mr. RONCALIO. Mr. Speaker, I have no further requests for time.

Mr. DON H. CLAUSEN. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wyoming (Mr. RONCALIO) that the House suspend the rules and pass the bill, H.R. 2501, as amended.

The question was taken.

Mr. HARKIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this bill, H.R. 2501.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

AVIATION INSURANCE AND REINSURANCE

Mr. ANDERSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6010) to amend title XIII of the Federal Aviation Act of 1958 to expand the types of risks which the Secretary of Transportation may insure or reinsure, and for other purposes, as amended.

The Clerk read as follows:

H.R. 6010

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1301 of the Federal Aviation Act of 1958 (49 U.S.C. 1531) is amended to read as follows:

"DEFINITIONS

"SEC. 1301. As used in this title—

"(1) the term 'American aircraft' means any civil aircraft of the United States and any aircraft owned or chartered by, or made available to, the United States or any department or agency thereof, the government of any State, territory, or possession of the United States, or any political subdivision thereof, or the District of Columbia;

"(2) the terms 'insurance company' and 'insurance carrier' include any mutual or stock insurance company, reciprocal insurance association, and any group or association authorized to do an aviation insurance business in any State of the United States; and

"(3) the term 'Secretary' means the Secretary of Transportation.".

(b) The center heading of title XIII of the Federal Aviation Act of 1958 is amended by striking out "WAR RISK" and inserting in lieu thereof "AVIATION".

SEC. 2. Section 1302 of the Federal Aviation Act of 1958 is amended to read as follows:

"AUTHORITY TO INSURE

"AUTHORITY OF THE SECRETARY

"SEC. 1302. (a) (1) The Secretary, with the approval of the President, and after such consultation with interested agencies of the Government as the President may require, may provide insurance and reinsurance against loss or damage arising out of any risk from the operation of an aircraft in the manner and to the extent provided by this title, whenever it is determined by the Secretary that such insurance cannot be obtained on reasonable terms and conditions from any company authorized to do an insurance business in a State of the United States.

"(2) The President shall approve insurance or reinsurance under paragraph (1) of this subsection only if he has first made a determination that the continuation of the American aircraft, or the foreign-flag aircraft, operation to be insured or reinsured is necessary to carry out the foreign policy of the United States.

"(3) Insurance shall be issued under this title only to cover any risk from the operation of an aircraft while such aircraft is (A) engaged in foreign air commerce, or (B) being operated between two or more points all of which are outside of the United States.

"BASIS OF INSURANCE

"(b) The premium charged for any insurance or reinsurance issued under any provision of this title shall be based, insofar as practicable, upon consideration of the risk involved.

"PERIOD OF COVERAGE

"(c) No insurance or reinsurance may be provided by the Secretary under this title for an initial period of more than sixty days. Such insurance or reinsurance may be extended for additional periods each of which shall not exceed sixty days, but only if, before each such extension, the President makes the same determination with respect to such extension as he is required to make under paragraph (2) of subsection (a) of this section for the initial provision of such insurance or reinsurance.".

SEC. 3. Section 1303 of the Federal Aviation Act of 1958 is amended to read as follows:

"INSURABLE PERSONS, PROPERTY, OR INTERESTS

"SEC. 1303. The Secretary may provide the insurance and reinsurance, authorized by section 1302 with respect to the following persons, property, or interest:

"(1) American aircraft and those foreign-flag aircraft engaged in aircraft operations deemed by the President to be necessary to carry out the foreign policy of the United States.

"(2) Cargoes transported or to be transported on any aircraft referred to in paragraph (1), including shipments by express or registered mail; air cargoes owned by citizens or residents of the United States, its territories, or possessions; air cargoes imported to, or exported from the United States, its territories, or possessions and air cargoes sold or purchased by citizens or residents of the United States, its territories, or possessions, under contracts of sale or purchase by the terms of which the risk of loss or the obligation to provide insurance against such risks is assumed by or falls upon a citizen or resident of the United States, its territories, or possessions; air cargoes transported between any point in the United States and any point in a territory or possession of the United States, between any point in any such territory or possession and any point in any other such territory or possession, or between any point in any such territory or possession and any other point in the same territory or possession.

"(3) The personal effects and baggage of the captains, pilots, officers, members of the crews of any aircraft referred to in paragraph (1), and of other persons employed or transported on such aircraft.

"(4) Captains, pilots, officers, members of the crews of any aircraft referred to in paragraph (1), and other persons employed or transported thereon against loss of life, injury, or detention.

"(5) Statutory or contractual obligations or other liabilities of any aircraft referred to in paragraph (1) or of the owner or operator of such aircraft of the nature customarily covered by insurance.".

SEC. 4 (a) Subsection (b) of section 1305 of the Federal Aviation Act of 1958 (49 U.S.C. 1535) is amended by striking out "rates" each place it appears and inserting in lieu thereof "premiums".

(b) The center heading of such subsection (b) is amended by striking out "RATES" and inserting in lieu thereof "PREMIUMS".

SEC. 5 (a) Subsection (b) of section 1307 of the Federal Aviation Act of 1958 (49 U.S.C. 1537) is amended by striking out "rates of premium provided for in this title: *Provided,* That" and inserting in lieu thereof "the premiums provided for in this title, except that".

(b) The center heading of such subsection (b) is amended by striking out "RATES" and inserting in lieu thereof "PREMIUMS".

SEC. 6 Section 1312 of the Federal Aviation Act of 1958 (49 U.S.C. 1542) is *amended by striking out "May 7, 1977." and inserting in lieu thereof "September 30, 1982.".*

SEC. 7. (a) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the center heading.

"TITLE XIII—WAR RISK INSURANCE"

is amended by striking out

"TITLE XIII—WAR RISK INSURANCE

"Sec. 1301. Definitions.
"(a) American aircraft.
"(b) War risks.
"(c) Secretary.
"(d) Insurance company and insurance carrier.
"Sec. 1302. Authority to insure.
"(a) Power of the Secretary.
"(b) Basis of insurance.
"Sec. 1303. Insurable persons, property, or interests.
"(a) Aircraft.
"(b) Cargo.
"(c) Personal effects and baggage.
"(d) Persons.
"(e) Other interests."

and inserting in lieu thereof

"TITLE XIII—AVIATION INSURANCE

"Sec. 1301. Definitions.
"Sec. 1302. Authority to insure.
"(a) Authority of the Secretary.
"(b) Basis of insurance.
"(c) Period of coverage.
"Sec. 1303. Insurable persons, property, or interests.".

(b) That portion of the table of contents contained in the first section of such Act which appears under the side heading

"Sec. 1305. Reinsurance."

is amended by striking out

"(b) Rates for reinsurance."

and inserting in lieu thereof

"(b) Premiums for reinsurance.".

(c) That portion of the table of contents contained in the first section of such Act which appears under the side heading

"Sec. 1307. Administrative powers of Secretary."

is amended by striking out

"(b) Forms, policies, amounts insured, and rates."

and inserting in lieu thereof

"(b) Forms, policies, amounts insured, and premiums."

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. ANDERSON) and the gentleman from Kentucky (Mr. SNYDER) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the aviation war risk insurance program was authorized in 1951, and was based on the maritime war risk insurance program.

Under the present program the Secretary of Transportation issues two basic policies, premium and nonpremium. The Secretary is authorized, with the approval of the President, to provide war risk insurance for the protection of aircraft and of persons and property transported aboard them when commercial insurance cannot be obtained on reasonable terms and conditions from the insurance market. The program was designed for use by the Government to meet the needs of the United States.

The premium program is intended to provide war risk insurance for U.S. carriers in addition to other available coverage. During periods of stability in the aviation insurance market, "all risk" and "war risk" policies are available on reasonable terms. However, during periods of international crisis, policies covering certain named war risks—any claim for loss or damage occasioned by war, hostilities, insurrection or acts of foreign enemies—have been terminated or otherwise made unobtainable. Under this program, premiums are set high enough so as not to discourage commercial insurance companies to reenter the market after a crisis has passed.

During hearings in July 1975 the committee became aware that commercial insurance underwriters had drafted exclusions in their "all risk" policies following certain hijacking incidents and the Saigon evacuation, including losses and damage resulting from riots, civil disorders, hijacking, and other similar acts. This created the potential for gaps in air carriers' insurance coverage. The implications of U.S. carriers, being unable to operate abroad due to a lack of 100-percent coverage, caused the committee to include a provision in Public Law 94-90 requiring an investigation and study by the President of the need to extend present program coverage beyond the area of what was then considered "war risks."

The Presidential study received on March 22, 1976, recommended that the present program be expanded to authorize the Secretary of Transportation, after appropriate consultation with the Secretaries of State and Defense and with the approval of the President in each case, to provide interim insurance for air carriers—in addition to that for war risks—when not available elsewhere and when required by reasons of foreign policy for the continuation of a particular air service.

In February 1977, hearings were held on the 1976 Presidential study, and the new administration supported the study's recommendations. The bill, as reported, accepts the premise of the study that the present program needs to be expanded to include risks not considered when the original program was enacted in 1951.

The bill contains several safeguards to carry out the fundamental policy that the Government should not provide insurance on a regular or routine basis—that commercial problems should be solved by commercial entities. I urge passage of this important legislation.

Mr. SNYDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from California (Mr. ANDERSON) has fully explained the provisions of H.R. 6010, so I will not repeat them. Suffice it to say that the minority members of the Committee on Public Works and Transportation fully participated in the development of this legislation. We believe that the bill which has resulted from our deliberations is one which all of our colleagues can and should support because it addresses a problem which is in the category of those which are beyond the capacity of the private sector to handle. Here we have an instance of the Federal Government acting in an area where private firms simply cannot provide what is needed—certainly an altogether proper role for the Federal Government to play.

I wish to emphasize to my colleagues, Mr. Speaker, that this legislation does not involve the expenditure of a single cent of Federal funds. Through premiums collected from air carriers when covered by this insurance, a fund has been built up over the years which now stands at about $14.5 million. In the 1975 extension of the aviation war risk insurance program, we authorized the Secretary of the Treasury to invest revolving fund moneys in interest bearing securities of the United States—a provision which has resulted in approximately $1 million in interest proceeds being credited to the fund. In contrast, the annual cost of administering the aviation war risk insurance program is only about $56,000 per year. Only in the event of a castastrophic loss would the integrity of the revolving fund be threatened.

Mr. Speaker, I would like to state that, due to uncertain world conditions, there appears to be a pressing need for expanding the coverage of the aviation war risk insurance program to other risks beyond those arising from a war situation—such things as hijacking, riots, and vandalism. One cannot readily predict the next move of international terrorists—and it seems entirely reasonable for us to provide the type of standby authority which is contained in this legislation.

I should point out that we do not spell out in the bill the specific types of expanded coverage which could be authorized. We chose this course because of the need to provide flexibility, the ability to adjust to changing conditions. Nor do we provide a blank check. We require that the President approve any additional coverage which the Secretary of Transportation may recommend.

I do not foresee any potential problem which may arise if this legislation is enacted—although I have expressed concern in the past regarding the possibility that such authority as is granted in this bill could conceivably be invoked in the case of a labor dispute overseas. I trust that the legislative history of this bill will reflect that such is not our intent.

Thank you, Mr. Speaker.

Mr. Speaker, I have no further requests for time.

Mr. ANDERSON of California. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. JOHNSON), the chairman of the full committee.

Mr. JOHNSON of California. Mr. Speaker, I rise in support of H.R. 6010, a bill which broadens the scope of, and extends to September 30, 1982, the aviation insurance program.

This program, patterned after the maritime war risk insurance program, has served this country well in times of international stress since 1951. It has allowed the continuation of important commerce between the United States and its trade partners.

During hearings by the House Public Works and Transportation Committee in

1975 we became aware of a new trend on the part of commercial insurance underwriters to exclude certain losses from "all risk" policies which did not fall within traditional "war risk" policies. This has created the potential for "gaps" in air carrier coverage. Following these hearings the committee required a Presidential investigation and study of the need to extend the program beyond the area of what traditionally has been considered "war risks."

This bill accepts the premise of the President's report that the present program needs to be expanded to include risks not considered when the original program was enacted in 1951.

The bill contains several safeguards to carry out the fundamental policy that the Government should not provide insurance on a regular or routine basis—that commercial problems should be solved by commercial entities. First, this remains a discretionary program—no air carrier has a right to the issuance of a policy. Second, the Secretary of Transportation, before issuing a policy, must consult with such agencies as the President directs. Third, the President must approve the issuance of each policy, and such approval can only be given if the President finds that continuation of the flight or flights to be insured is necessary to carry out the foreign policy of the United States. Fourth, policies cannot be issued for periods exceeding 60 days—reissuance requires the same Presidential finding as to foreign policy.

Mr. ANDERSON of California. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SNYDER. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ANDERSON) that the House suspend the rules and pass the bill (H.R. 6010), as amended.

The question was taken.

Mr. BLOUIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 6010, just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

DISASTER RELIEF ACT AUTHORIZATION

Mr. ROBERTS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6197) to amend the Disaster Relief Act of 1974 to provide for authorization of appropriations thereunder through fiscal year 1978, as amended.

The Clerk read as follows:

H.R. 6197

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 606 of the Disaster Relief Act of 1974 is amended by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1978".

SEC. 2. Section 5 of the Flood Control Act approved August 18, 1941 (33 U.S.C. 701n) is amended by inserting "(a)" immediately after "SEC. 5." and by adding at the end thereof the following new subsection:

"(b)(1) The Secretary, upon a written request for assistance under this paragraph made by any farmer, rancher, or political subdivision within a distressed area, and after a determination by the Secretary that (A) as a result of the drought such farmer, rancher, or political subdivision has an inadequate supply of water, (B) an adequate supply of water can be made available to such farmer, rancher, or political subdivision through the construction of a well, and (C) as a result of the drought such well could not be constructed by a private business, the Secretary, subject to paragraph (3) of this subsection, may enter into an agreement with such farmer, rancher, or political subdivision for the construction of such well.

"(2) The Secretary, upon a written request for assistance under this paragraph made by any farmer, rancher, or political subdivision within a distressed area, and after a determination by the Secretary that as a result of the drought such farmer, rancher, or political subdivision has an inadequate supply of water and water cannot be obtained by such farmer, rancher, or political subdivision, the Secretary may transport water to such farmer, rancher, or political subdivision by methods which include, but are not limited to, small-diameter emergency water lines and tank trucks, until such time as the Secretary determines that an adequate supply of water is available to such farmer, rancher, or political subdivision.

"(3)(A) Any agreement entered into by the Secretary pursuant to paragraph (1) of this subsection shall require the farmer, rancher, or political subdivision for whom the well is constructed to pay to the United States the reasonable cost of such construction, with interest, over such number of years, not to exceed thirty, as the Secretary deems appropriate. The rate of interest shall be that rate which the Secretary determines would apply if the amount to be repaid was a loan made pursuant to section 7(b)(2) of the Small Business Act.

"(B) The Secretary shall not construct any well pursuant to this subsection unless the farmer, rancher, or political subdivision for whom the well is being constructed has obtained, prior to construction, all necessary State and local permits.

"(4) The Federal share for the transportation of water pursuant to paragraph (2) of this subsection shall be 100 per centum.

"(5) For purposes of this subsection—

"(A) the term 'construction' includes construction, reconstruction, or repair;

"(B) the term 'distressed area' means an area which the Secretary determines due to drought conditions has an inadequate water supply which is causing, or is likely to cause, a substantial threat to the health and welfare of the inhabitants of the area including threat of damage or loss of property;

"(C) the term 'political subdivision' means a city, town, borough, county, parish, district, association, or other public body created by or pursuant to State law and having jurisdiction over the water supply of such public body;

"(D) the term 'reasonable cost' means the lesser of (i) the cost to the Secretary of constructing a well pursuant to this subsection exclusive of the cost of transporting equipment used in the construction of wells, or (ii) the cost to a private business of constructing such well;

"(E) the term 'Secretary' means the Secretary of the Army, acting through the Chief of Engineers; and

"(F) the term 'State' means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.".

The SPEAKER pro tempore. Is a second demanded?

Mr. DON H. CLAUSEN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas (Mr. ROBERTS) will be recognized for 20 minutes, and the gentleman from California (Mr. DON H. CLAUSEN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. ROBERTS).

Mr. ROBERTS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I wish to commend the gentleman from California, BIZZ JOHNSON, the distinguished chairman of the Committee on Public Works and Transportation, for his excellent leadership of our committee. I also wish to commend the ranking minority members of the full committee and the Subcommittee on Water Resources, the gentleman from Ohio, BILL HARSHA, and the gentleman from California, DON H. CLAUSEN.

Mr. Speaker, as has been pointed out, H.R. 6197 is an extension of authorization for appropriations for the Disaster Relief Act of 1974.

In the past, the Congress has enacted a number of laws providing for disaster relief. The culmination of these efforts was the Disaster Relief Act of 1974, Public Law 93-288.

Public Law 93-288 became effective on April 1, 1974. In the 3-year period from that date to March 31, 1977, there were 109 Presidential "major disaster" declarations and 37 "emergency" declarations. Additionally, under section 417 of the act, provision of fire suppression assistance was authorized by FDAA in 10 instances. The ultimate cost of this assistance to the disaster relief fund is estimated at $717 million.

Assistance authorized by the act may be classified under three broad categories: Assistance to individuals, assistance to State and local governments, and preparedness assistance. Programs funded through the authority of this act include: Temporary housing; disaster related unemployment compensation; individual and family grants; legal aid for disaster related problems; distribution of food commodities and coupons; crisis counseling; relocation assistance; community disaster loans; repair and restoration of public and private nonprofit facilities; and debris removal from public and private property.

The Disaster Relief Act of 1974 authorized such sums as may be necessary to carry out the Federal disaster program for a term of 3 years. That authorization expires this year. H.R. 6197, as reported by the committee, would extend the authorization for an additional year through fiscal year 1978. It would also authorize emergency assistance by the Corps of Engineers for drought-stricken areas.

Mr. Speaker, the distinguished chairman of Public Works and Transportation mentioned that while the committee felt that the Federal disaster program was workable and viable, that it was not without some problems. One of these problems has surfaced in the area of emergency assistance.

During the harsh winter of 1976–77, a number of States sustained severe damage to public facilities such as water systems, roads, streets, highways, and bridges from heavy snow, freezing, and thawing, along with sustained periods of below-normal temperatures. Among these were Indiana, Michigan, New York, Ohio, Pennsylvania, West Virginia, Maryland, Virginia, and Florida.

Some areas, such as the counties surrounding Buffalo, N.Y., and some States, such as Maryland, Virginia, and Florida, were declared major disaster areas and received extensive assistance. However, in four States—Indiana, Michigan, Ohio, and Pennsylvania—the President only declared emergencies.

At least five States have reported winter damage to water systems conservatively totaling almost $30 million. These are States where no Presidential declaration of disaster was issued. Damages reported thus far include $17 million in Ohio, $13 million in Pennsylvania, $4.5 million in West Virginia, $2.5 million in New York, and $1.5 million in Indiana. These damages have caused those areas to be without any source of water for as long as 12 weeks. Some small communities are still piping in temporary supplies of water for essential uses because their water systems are completely out of order. In Indiana serious damages occurred to highways because of the extreme weather conditions.

In all of these cases emergencies were declared. Yet relief available under the Disaster Relief Act was not granted on the grounds that it could only be provided in the event of a major disaster. This is not a correct interpretation of the act. This was acknowledged by the Administrator of the Federal Disaster Assistance Administration, Thomas P. Dunne, in testimony before the Subcommittee on Water Resources on H.R. 6197.

Section 305(c) of the Disaster Relief Act provides that "In any emergency, the President is authorized to provide such other asistance under this act as the President deems appropriate." The purpose of this provision is to enable emergency assistance to be tailored to the specific needs of a particular emergency. It recognizes that all of the provisions of the act may not be applicable in an emergency situation. But it is the intent of this provision that all applicable provisions should apply in the case of an emergency declaration. This is the meaning of the phrase "As the President deems appropriate." If highways, bridges, and water systems are damaged or destroyed, then the assistance for repair and restoration of damaged facilities is to be made available. Similarly, other assistance is to be made available as needed in an emergency.

The committee expects the Federal Disaster Assistance Administration to make the necessary changes in its regulations and its implementation of the act to insure that full compliance with the intent of the law with regard to emergency assistance is achieved.

Mr. Speaker, in spite of some inequities, I believe we have in the Disaster Relief Act a necessary and essential supplement to our State and local governments as they try to "pick up the pieces" after a disaster or emergency has hit. H.R. 6197 would extend this program for 1 year, and I urge the Members to vote for its passage.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from California (Mr. JOHNSON).

Mr. JOHNSON of California. Mr. Speaker. I want to commend the gentleman from Texas, RAY ROBERTS, chairman of the Subcommittee on Water Resources, for his leadership in bringing H.R. 6197 to the Members today. I also want to commend the gentleman from Ohio, WILLIAM HARSHA, the ranking minority member on the full committee, and the gentleman from California (DON CLAUSEN), the ranking minority member of the Subcommittee on Water Resources, for their support.

Mr. Speaker, H.R. 6197 is an extension of authorization for appropriations for Public Law 93–288, the Disaster Relief Act of 1974. The enactment into law of Public Law 93–288 represented an effort on the part of the Congress to bring about a streamlined and more effective Federal response to the catastrophies which befall our Nation each year.

In the 3 years since passage of the disaster Relief Act of 1974 the program has not been without its problems. However, I believe that on the whole we have in Public Law 93–288, a viable, workable aid to our Nation as it attempts to cope with disasters and emergencies.

Mr. Speaker, the Federal Disaster relief program is designed to supplement the efforts and available resources of State and local governments and voluntary relief organizations.

The President's declaration of a "major disaster" or an "emergency" authorizes Federal assistance under Public Law 93–288 and triggers other Federal disaster relief programs.

The Federal response is coordinated by the Federal Disaster Assistance Administration of the Department of Housing and Urban Development. The Disaster Relief Act of 1974 authorized such sums as may be necessary to carry out the Federal disaster program for a term of 3 years. That authorization expires this year. Section 1 would extend the authorization for an additional year.

Section 2 of the bill will provide for relief in drought situations. It authorizes the Secretary of the Army to construct wells upon the request of a farmer, rancher, or community for water supply where the private sector does not have the capability.

The cost of construction of these wells would be repaid to the Federal Government. This section would also authorize the Corps of Engineers to transport water to a drought area in certain circumstances.

Mr. Speaker, H.R. 6197 is essential to the continuation of the Federal disaster relief program, and I urge the Members to vote for its passage.

Mr. DON H. CLAUSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 6197, which provides extensions of authorizations for the Federal Disaster Relief Act. My distinguished colleague, the gentleman from Texas, has aptly explained this bill and I shall not attempt to repeat his explanation.

The Federal Disaster Assistance Administration has provided a great service to the citizens of our Nation demonstrating to victims of natural disasters that their Government does care for their welfare. However, I note that H.R. 6197 is a 1-year extension of the Disaster Relief Act. This 1-year extension recognizes that it would be timely to make a full review of the adequacy of the program and responsiveness to needs. The disaster relief program has been developed over the years on a disaster-to-disaster basis. There has been a lack of comprehensive evaluation and updating. I believe the time has come to begin oversight hearings on needed changes to the law.

Section 2 of H.R. 6197 contains a provision I sponsored which is intended to provide authority to the Corps of Engineers to utilize existing Federal resources, and I must emphasize existing Federal resources, to provide the means necessary for providing a supply of water to farmers and ranchers for livestock and domestic use and to local communities for municipal needs. This authority is a limited response to provide relief to those areas that have not received a Federal disaster declaration. There are some strict guidelines that must be followed to use this provision: First, the Secretary of the Army must determine that an applicant is suffering damage as a result of drought; and second, he must determine that an adequate supply of water can be provided to the applicant. Before the Secretary can utilize the well-digging capabilities of the Corps of Engineers, he must further determine that the private sector cannot provide this service in a reasonable time frame. This does not mean that because there is a backlog in the private sector that the corps can step in. Rather, the corps can provide this assistance only when no one else can provide necessary service in a time frame to prevent the applicant from water supply shortages and related damages.

It is expected that the Secretary of the Army, acting through the Chief of Engineers, will vigorously carry out these new authorities. In addition, it is intended that the corps will work closely with the

Economic Development Administration and the Farmers Home Administration in order to facilitate the implementation of the Community Emergency Drought Relief Act which will be taken up by this body later this afternoon.

S. 1279, the Community Emergency Drought Relief Act of 1977, provides for grants and loans to communities to construct or reconstruct water supply systems and includes an authorization to transport water to drought distressed communities. Section 2 of H.R. 6197 complements this authority by authorizing the Corps of Engineers to use their capabilities to aid communities receiving assistance under S. 1279. The corps, if equipment and personnel are available, can construct the needed facilities or transport the water as necessary using the authorities of section 2 of H.R. 6197 when such facilities or transportation are consistent with the corps authorities under H.R. 6197.

It is estimated, based on data provided by the Corps of Engineers itemizing their capabilities, that when fully implemented it would cost $5 to $15 million per year depending on the severity of drought. However, I should point out that the expense incurred for well digging would be reimbursable to the Federal Treasury.

The Congressional Budget Office cost estimate is set forth on pages 7 through 9 of the committee report, 95–302. They originally estimated that the cost for section 2 of H.R. 6197 is "estimated to be $50 to $150 million for fiscal year 1978 and each succeeding year." As CBO pointed out, they had little information on the potential cost of section 2. Their initial estimate was based on informal discussions with the "staff of the Corps of Engineers and other involved parties." They did not have a copy of the committee report language for guidance. The CBO cost estimate far exceeded the intent of this legislation. Their estimate included costs for irrigation water and costs for contractor-supplied equipment and services. It is not intended that water be provided for irrigation purposes and it is not intended that contractor supplied equipment and services be utilized to carry out section 2. I quote from our committee report on page 4:

It is further intended that the Secretary of the Army, in exercising his authority to drill wells and transport water, will utilize equipment owned by the United States to the maximum extent possible.

I further quote from our committee report:

The authorization to transport water is intended to apply to water needed for livestock and human consumption but not for irrigation of crops.

Section 2 of the bill does not authorize the corps to provide water for irrigation purposes basically because this authority is not within the jurisdiction of this committee. It falls under the jurisdiction of the Water and Power Resources Subcommittee of the Committee on Interior and Insular Affairs. That committee, on which I am also a member, reported the recently enacted bill which addresses the needs of irrigators. Finally, it is not intended that funds authorized by this bill be used to pay the cost of purchase of water.

I repeat, when CBO made their original estimate, copies of our report were not available. After consultation with CBO and after CBO discussions with the corps, a revised cost estimate of $15 million per year was submitted by CBO.

Mr. Speaker, I urge the passage of H.R. 6197.

Mr. Speaker, I include herewith a copy of the revised CBO cost estimate letter which was submitted pursuant to section 403 of the Congressional Budget Act of 1974, as follows:

CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., May 16, 1977.

Hon. HAROLD T. JOHNSON,
Chairman, Committee on Public Works and Transportation, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This letter addresses the estimated costs of Section 2 of H.R. 6197 which amends Section 5 of the Flood Control Act approved August 18, 1941 (33 U.S.C. 701n). On May 12, 1977, the Congressional Budget Office issued a formal cost estimate on this bill as ordered reported by the House Committee on Public Works and Transportation. In that estimate, a potential cost of $50 million to $150 million was indicated for Section 2. This estimate assumed that the drought relief activities would include crop irrigation and also that many of these activities would be performed by contract with private firms.

Subsequent to transmitting this estimate some questions have been raised about the magnitude of the possible costs for Section 2. If the committee were to exclude drought relief for irrigation of crops; to limit the implementation of the provisions of Section 2 to federally-owned equipment presently in drought areas; to exclude federal purchase of the transported water; then the costs of this section would be approximately $15 million annually.

It should be further noted that funds for Section 2 activities would become available upon enactment of this legislation. Therefore, if H.R. 6197 is enacted before September 30, 1977, the bill could have an impact on the fiscal year 1977 budget.

Should the Committee so desire, we would be pleased to provide further discussion of this cost estimate.

Sincerely,

JAMES BLUM,
(For Alice M. Rivlin)
Director.

Mr. DON H. CLAUSEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. HARSHA).

Mr. HARSHA. Mr. Speaker, I feel compelled to call to the attention of my colleagues from my home State of Ohio, as well as the States of Indiana, Michigan, and Pennsylvania to the statement on this bill which appears in the committee report.

During consideration of H.R. 6197, the Water Resources Subcommittee developed information regarding administration misinterpretation of the Disaster Relief Act which amounts to an inexcusable failure to carry out both the spirit and intent of the law. I feel compelled to point these failures out as unwarranted bureaucratic denials to the States and local governments of the benefits and assistance intended by the Public Works and Transportation Committees and the Congress when it established the statutory mechanisms to trigger disaster and emergency relief for the repair or restortion of damaged public facilities.

Without belaboring this body, I wish to point out that those of us representing the States I have mentioned, as well as those from other States, know that badly needed assistance has been denied to States and local governments by the Federal Disaster Relief Administration on the false premise that it takes a Presidential major disaster declaration to obtain those program aids. We proved in the subcommittee hearings that such an interpretation is incorrect. There is authority for such assistance in emergencies in section 305(c).

I wish my colleagues to know that I had prepared for introduction in the subcommittee certain amendments to clarify this matter—in the event FDAA took the position that the law as it exists does not make these programs available under declarations of emergency or disaster. But the Administrator of FDAA openly admitted the law provides the authority to do this, but FDAA simply is not carrying it out. Therefore, I withdrew the amendments on agreement with the subcommittee chairman, the gentleman from Texas, Mr. ROBERTS, that a strong statement pointing this out would be included in the committee report.

I call attention to the statement in the committee report for this reason so that my colleagues will know this problem was not overlooked in subcommittee. The report calls for a full report no later than September 30 from the executive branch of the relief afforded for the repair and restoration of public facilities damaged because of disasters or emergencies during this past winter.

In conclusion, let me assure my colleagues that if the agency does not follow through and provide the relief requested, it is our firm intention to call them to account during oversight hearings.

One final point, Mr. Speaker. We have before us today S. 1279, which is the Senate-passed version of the administration's drought relief bill. My name appears as a cosponsor on the House version of this bill. That should be adequate to demonstrate my support for relief for drought impacted areas. However, our action on drought relief today underscores the need for justice in our treatment of communities which have been unjustly denied relief for repair of winter damage. We cannot on the one hand provide drought relief and allow it to be denied unjustly for winter damage. We have an obligation to see to it that the States and local governments which sustained damage to public facilities during winter emergencies receive Federal assistance to restore those facilities to full use, as the law provides.

Mr. LEGGETT. Mr. Speaker, I rise in support of this legislation which, in effect, extends the Disaster Relief Act of 1974 through fiscal year 1978, and provides permanent authority for the Secretary of the Army to construct wells and transport water to drought areas.

As chairman of the Ad Hoc Drought

Committee for the California delegation, I would like to share with you some of our thoughts and concerns so that you may better understand why passage of this legislation is so important to those of us from the drought-stricken West and Midwest.

Since nationwide data on the continuing drought is sparse at best, I would like to concentrate my remarks solely on the plight of my own State of California.

Let me begin by summarizing our current State water outlook for 1977 which can only be described as parched. Precipitation over Northern California during the month of March was again below normal for the 6th consecutive month, averaging only 30 percent of the monthly norm in previous years. Moreover, many locations have received record low seasonal precipitation amounts.

In addition, snowpacks, which usually account for approximately 70 percent of the State's water, had depths that were only about 30 percent of normal in February. Near Donner Summit in the High Sierras, for instance, the snowpack in March was 27 inches—fully 61 inches below normal. To make matters worse, the snow that did fall was abnormally dry containing only one-fifth of the normal moisture content, and the April 1st snow surveys showed that 15 out of 17 major river basins in the Central Valleys have the lowest snow water storage recorded in the last 47 years.

Contributing to the problem of such record low snowpacks is the fact that the soil is so dry in the mountains that several inches of rainfall will now be required before watersheds are again able to produce any significant runoff. April forecasts indicate that 6 out of 22 major streams flowing into the Central Valley and the Eastern Sierra will have record low flows, and State experts are predicting that the total Spring runoff into the Central Valley will be only 40 percent of normal.

Since the present capacity of all 143 major reservoirs in California amounts to only 12.5 million acre feet as opposed to their normal combined capacities of 33.7 million acre feet, these record low stream flows do not bode well for large water users. A rundown of the water levels in some of the State's major reservoirs reveals that Lake Orville is 45 percent full, Millerton Lake 43 percent, Lake Shasta 32 percent, Folsom Lake 25 percent, the San Francisco water system 24 percent, and East Bay Municipal Utilities District reservoirs only 13 percent. Hetch Hetchy in Yosemite National Park has dropped over 244 feet, and drought conditions have shrunk its usual 7-mile length down to 3 miles.

Statewide, water storage is only 55 percent of average and the snow water content for summer runoff is only 25 percent of normal. Since this year's rainy season has already passed, there is little or no possibility of relief from the drought before November. Indeed, even if by some miracle we do get wet weather in the months ahead, depleted reservoirs and dry soil conditions will assure that the effect of our great western drought will continue well into 1978 for California. And even if 1978 were to bring with it a return to more normal rainfall and snow, the water supply deficits inherited from this year would be extremely difficult to erase. Moreover, we cannot assume that 1978 will be wet, nor that it will be the last dry year in a row for California, especially since we have had up to as many as 6 consecutive years in the past when precipitation was below normal.

Let me now turn to the magnitude of potential drought-related losses confronting my State economy as a whole for 1977.

Unlike most natural disasters which start abruptly, end distinctly, and leave readily identifiable, verifiable, and quantifiable damage, drought is a creeping phenomenon—a cancer against the land—resulting in losses that oftentimes defy precise computation and continue to plague us for many years afterwards. This is especially true in agriculture where the continuing drought is having its most devastating effect. Indeed, some 85 percent of California's water is used for farming, livestock, or agribusiness operations of one form or another. This allocation is quite appropriate, I might add, given that our State produces over 10 percent of the Nation's total agricultural needs and supplies almost 25 percent of the Nation's dinner table needs making agriculture our single largest industry, so to speak. Therefore, to get a proper handle on California's potential drought-related losses for 1977, we must first start with agriculture where some of the richest land in the world—when it is properly irrigated—is now drying up due to life-sucking drought.

State agricultural economists predict that this $9 billion industry will lose between $790 million and $2 billion in productive agricultural capacity during 1977 with the most probable gross loss placed at $1.3 billion.

Dryland grain farmers and nonirrigated rangeland livestock producers will suffer the greatest losses in 1977. However, even irrigated agriculture will be hard hit this year since water available for irrigating crops will be reduced statewide by an average of one-third as a result of insufficient surface runoff and declining water tables. In some areas, only enough water remains for one good irrigation compared to the usual 15–20 irrigations required for healthy crops.

Precisely how such projected water cutbacks have affected farmers' decisions about what to plant this year will not be known until after crop surveys are completed at the end of the month. Generally, though, farmers are expected to reduce acreages of such high-water crops as rice, sugar beets, tomatoes, alfalfa, cotton, and corn, and substitute water-conserving crops like barley, oats, safflower, and wheat. To illustrate the potential water savings by such water conservation measures, barley uses only half an acre foot of water per acre of production as opposed to 2.9 acre feet for corn and almost 8 acre feet for rice. However, such actions by themselves are just not enough to see us through the year.

Some of California's small dairy farmers have already gone out of business along with a small number of cattle and sheep ranchers. Most of these livestock operators graze their herds on nonirrigated pastureland. However, without rain, much of this land—which would normally be knee high in grass at this time of year—is now nothing more than bare ground. Ranchers are having to truck in hay and alfalfa pellets at exorbitant prices ranging from $90 to $110 a ton. Those who can no longer afford such cash drains have been forced to sell their stock early to feed lots or slaughterhouses just to curtail their losses. Evidence exists that some ranchers are even slaughtering their breeding stock as a result of such high feed costs. The average loss according to the California Cattlemen's Association is between $100 and $150 per head, and State experts estimate that the State's livestock industry, which customarily accounts for about one-third of the State's agricultural economy, will in all likelihood suffer a loss in 1977 of more than $500 million.

Directly associated with these dire agricultural problems is a corresponding decline in the revenues of many small businesses that support the family farmers and dairymen in the many rural communities of California's Great Central Valley. Implement dealers report that sales have fallen drastically. Sales last year dropped about 50 percent from 1975 levels. During the first quarter of 1977, such sales have been zero. Similarly, fertilizer manufacturers will experience declines in sales.

As this whole situation spirals and filters down through the entire State economy, overall drought-related losses for 1977 truly become staggering. An economist with the State Department of Water Resources has estimated that under the most optimistic scenario, the continuing drought could cost $2.9 billion in gross State product and 57,000 lost jobs during 1977. Under the most likely scenario, fully $4.5 billion and 140,000 jobs could be lost. And under the most pessimistic forecast, nearly $6.3 billion and 259,000 jobs could conceivably be lost.

Beyond such purely economic losses are the distinct possibilities of: Rolling blackouts due to drought-related power shortages this summer and fall; a greater incidence of forest and brush fires brought on by tinder-dry drought conditions; deterioration of water quality due to low river flows which mean less diluted discharges from secondary waste treatment plants; increased salinity levels especially in the delta proving detrimental to local fish, wildlife, agriculture, and industry alike; increased air pollution as hydroelectric power losses are made up by burning fuel oil in steam-generating plants; and threatened loss of fish and wildlife as spawning streams dry up, water temperatures increase in streams and reservoirs, and grazing forage is lost in the wildlands. Although the full impact of such intangible losses may not be felt for some years to come, they, too, must be factored into any determination of the net damage or disruption caused by the continuing drought.

Such potential disruptions are unconscionable as long as we have at our disposal the means to ameliorate even a small portion of these projected losses yet fail to respond in a positive and timely manner. This bill before us today is by no means a comprehensive solution to the problems of a continuing extreme drought. However, it is an encouraging start which will both authorize necessary sums in fiscal year 1978 for continuation of the Federal disaster relief program coordinated by the Federal Disaster Assistance Administration and, for the first time, permit us to strike directly at the root source of our grave circumstances—an absolutes shortage of life-giving water—through new Federal programs for water well construction loans and emergency water transportation grants.

Therefore, I strongly urge my colleagues to support these essential first steps in coming to grips with the adverse effects caused by continuing drought in our West and Midwest.

Thank you.

Mr. ROBERTS. Mr. Speaker, I have no further requests for time.

Mr. DON H. CLAUSEN. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill H.R. 6197, as amended.

The question was taken.

Mr. BLOUIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

DEEPWATER PORT ACT AUTHORIZATION

Mr. ROBERTS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6401) to authorize appropriations for the administration of the Deepwater Port Act of 1974, as amended.

The Clerk read as follows:

H.R. 6401

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 25 of the Deepwater Port Act of 1974 (Public Law 93-627) is hereby amended to read as follows:

"AUTHORIZATION FOR APPROPRIATIONS

"SEC. 25. There is authorized to be appropriated for administration of this Act, not to exceed $2,500,000 per fiscal year for the fiscal years ending June 30, 1975, June 30, 1976, September 30, 1977, September 30, 1978, September 30, 1979, and September 30, 1980.".

The SPEAKER pro tempore. Is a second demanded?

Mr. DON H. CLAUSEN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas (Mr. ROBERTS) will be recognized for 20 minutes, and the gentleman from California (Mr. DON H. CLAUSEN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. ROBERTS).

Mr. ROBERTS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I bring to the floor, H.R. 6401, a bill authorizing additional appropriations for administration of the Deepwater Port Act of 1974.

I wish to commend the distinguished chairman of the committee, the gentleman from California (Mr. JOHNSON) for the usual fine leadership he has shown during the course of our consideration of this legislation. I want also to thank the ranking minority member of the committee, the gentleman from Ohio (Mr. HARSHA), the ranking minority member of the Subcommittee on Water Resources, the gentleman from California (Mr. DON H. CLAUSEN) and all of the members of the subcommittee and full committee for the cooperation and assistance they gave in connection with this legislation.

H.R. 6401, as reported, authorizes appropriations of $2,500,000 for each of fiscal years 1978, 1979, and 1980 for administration of the Deepwater Port Act of 1974. This act provides for Federal licensing and regulation of offshore ports designed to receive oil from vessels too large to enter conventional ports. It authorizes the Secretary of Transportation to license owners and operators and to issue regulations to control the location, construction and operation of deepwater ports. The purpose of the act is to provide a mechanism for permitting the construction and operation of deepwater port facilities while ensuring the protection of the marine and coastal environment and recognizing and protecting the interests of affected States.

The Deepwater Port Act of 1974 authorized appropriations of $2,500,000 per fiscal year through fiscal year 1977. H.R. 6401 extends this authorization through fiscal year 1980.

H.R. 6401 was jointly referred to the Committee on Public Works and Transportation and the Committee on Merchant Marine and Fisheries. The Committee on Merchant Marine and Fisheries has expressed its concurrence in this committee's action with regard to H.R. 6401 in order to enable the requirement of the Congressional Budget Act concerning reporting of authorizing legislation by May 15 to be met.

Mr. Speaker, I urge enactment of the bill.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. JOHNSON), the chairman of the full committee.

Mr. JOHNSON of California. Mr. Speaker, I wish to commend the chairman of the Subcommittee on Water Resources, the gentleman from Texas (Mr. ROBERTS), for the excellent job he has done in bringing this bill to the floor. I also wish to express my appreciation for the usual fine support and assistance of the ranking minority member of the committee, the gentleman from Ohio (Mr. HARSHA) and the ranking minority member of the subcommittee, the gentleman from California (Mr. DON H. CLAUSEN), as well as all of the members of the subcommittee and full committee.

H.R. 6401 authorizes appropriations of $2,500,000 per fiscal year through fiscal year 1980 for administration of the Deepwater Port Act of 1974. This act provides for the regulation of the construction and operation of deepwater port facilities which are designed for offloading of oil from the very large supertankers. The act is designed to insure that the marine and coastal environment is protected while at the same time permitting the use of the more economical large ships which cannot utilize our coastal and other ports.

The bill was referred both to our committee and to the Committee on Merchant Marine and Fisheries. I wish to thank the distinguished chairman of the committee, the gentleman from New York (Mr. MURPHY) for his gracious cooperation in concurring in our committee's action on this bill so that we could meet the May 15 deadline imposed by the Congressional Budget Act.

Mr. Speaker, I urge enactment of the bill.

Mr. DON H. CLAUSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on January 17, 1977, then Secretary Coleman of the Department of Transportation, sent to Congress a request that Congress authorize such funds as may be necessary for the administration of the Deepwater Ports Act. We instead properly opted to authorize $2.5 million a year for 3 additional fiscal years. It was important in my opinion to do this in order that we might maintain some level of control over the operation of the deepwater ports program.

Two license applications have been approved to construct and operate deepwater ports in the Gulf of Mexico off the coast of Louisiana and Texas. However, I fully expect additional requirements will result in applications from one or more locations along the east coast. The economic, social, environmental, and political implications of deepwater ports are great and it is important for our committee and Congress to maintain close control and scrutiny over this program.

I urge the passage of H.R. 6401.

Mr. ROBERTS. Mr. Speaker, I have no further requests for time.

Mr. DON H. CLAUSEN. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill H.R. 6401, as amended.

The question was taken.

Mr. VOLKMER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3(b) of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that all Members

may have 5 legislative days in which to revise and extend their remarks on the bills H.R. 5885, H.R. 6197, and H.R. 6401.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

SOLAR ENERGY FEASIBILITY STUDY

Mr. MINETA. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 322) to study the feasibility of installing solar energy equipment in the House office buildings, as amended.

The Clerk read as follows:

H. RES. 322

Whereas the House of Representatives finds that in the construction or renovation of buildings, the cost of energy consumed over the life of such buildings must be considered as well as the initial cost of such construction or renovations; and

Whereas the House of Representatives finds that the use of current solar energy technology can assist the Nation in meeting its needs for energy for hot water, heating, and cooling systems; and

Whereas the House of Representatives deems it of benefit to the Nation to promote the use of solar energy; and

Whereas the House of Representatives has a responsibility to promote such use in the national interest; and

Whereas the House of Representatives finds that using solar energy in buildings occupied by its Members or staff may further these objectives: Now, therefore, be it

Resolved, That (a) not later than one year after the date of the adoption of this resolution, the Architect of the Capitol (hereinafter referred to as the "Architect") shall—

(1) conduct a feasibility study of using solar energy in connection with the heating, cooling, and hot water systems or subsystems of—

(A) the House Office Building Annex Numbered 2;

(B) the Cannon, Longworth, and Rayburn House Office Buildings and related structures; and

(C) other House office building annexes and related structures; and

(2) prepare and transmit a report to the House of Representatives.

(b) In conducting the study required by subsection (a)(1), the Architect shall consider and make findings with respect to—

(1) the costs, structural requirements, and time requirements of installing solar energy equipment;

(2) the costs of operation, including the cost of energy consumed over the life of each such building or structure, after such equipment is installed; and

(3) any other factors the Architect considers relevant to such installation or operation.

Such findings shall be made by the Architect for such separate system or subsystem described in subsection (a)(1) within each separate House office building and for each combination of such systems or subsystems within each such building or combination of such buildings.

(c) The reports required by subsection (a)(2) shall include the findings made by the Architect under subsection (b) and his conclusions and recommendations concerning the practicability and desirability of implementing, separately or in combination, any of the utilizations studied by the Architect under this resolution.

SEC. 2. The Architect may enter into contracts to carry out the study required by this resolution.

SEC. 3. The Committee on Public Works and Transportation is authorized to incur expenses for studies and investigations (not in excess of $50,000) as the committee considers advisable, in order to carry out the provisions of this resolution in support of the Architect. Such expenses shall be paid out of the contingent fund of the House on vouchers submitted by the Architect, authorized by the committee, signed by the chairman thereof, and approved by the Committee on House Administration. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law, and shall be available to carry out the purpose of this resolution for a period of one year after the date of adoption of this resolution.

The SPEAKER pro tempore. Is a second demanded?

Mr. WALSH. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. MINETA) and the gentleman from New York (Mr. WALSH) are recognized for 20 minutes each.

The Chair recognizes the gentleman from California (Mr. MINETA).

Mr. MINETA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I move to suspend the rules and pass House Resolution 322, as amended.

Mr. Speaker, House Resolution 322, as amended, would direct the Architect of the Capitol to conduct a feasibility study and report on using solar energy in connection with the heating, cooling, and hot water systems of the House office building complex. The resolution gives priority to House Office Building Annex No. 2, which is currently undergoing extensive renovations and which, with its flat roof, appears the most likely building for retrofitting. The Architect would be directed to consider and make recommendations regarding costs, structural, and time requirements of solar energy equipment installation and the cost of operation including energy consumed over the life of each building. Further, the resolution provides that no later than 1 year after adoption of this resolution, the Architect shall prepare and transmit a report to the House of Representatives which shall include his conclusions and recommendations concerning the practicability and desirability of implementing any of the utilizations studied for this report.

Inadvertently, the committee report accompanying House Resolution 322, as reported with an amendment, did not include an explanation of the amendment, therefore I would like to offer a brief explanation.

Section 3 of House Resolution 322, as introduced, provided an authorization for appropriations for the study funds not to exceed $50,000 under the appropriation heading "Capitol Powerplant" to be expended by the Architect of the Capitol under the direction of the House Office Building Commission. Subsequently, it was determined that if this language were retained, the resolution which pertains solely to a matter under the jurisdiction of the House of Representatives would have to be referred to and passed by the Senate. Accordingly, House Resolution 322 was amended to provide that the Committee on Public Works and Transportation would be authorized to incur the expenses for the study, not to exceed $50,000. The expenses would be paid out of the contingency fund of the House on vouchers submitted by the Architect, authorized by the committee, signed by the chairman, and approved by the Committee on House Administration.

This is clearly the most expeditious and efficient method of funding the study by the Architect. It is intended that the report, including the feasibility study, submitted by the Architect to the House of Representatives, would be transmitted through the chairman of the Committee on Public Works and Transportation.

Mr. Speaker, Congress has recognized the fact that the country needs to establish an effective national conservation program and that we need to develop renewable and essentially inexhaustible energy sources to insure long-term economic growth. Solar energey can assist the Nation in meeting a portion of its needs for energy. Passage of House Resolution 322 is designed to assist in that goal and will demonstrate Congress' intent in its own environment to conserve energy. We need to set an example. Further, the experience and information gained from enactment and implementation of this resolution can be transferred to the private sector thereby furthering our goal of developing and promoting alternative sources of energy.

Mr. WALSH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join my distinguished colleague from California in support of House Resolution 322, which would require a feasibility study of installing solar energy devices in the House office buildings.

It appears as though the known reserves of fossil fuels cannot supply us with enough energy to accommodate the needs of this Nation. The cost of these fuels have taken a dramatic leap in the past few years, and probably will continue to rise in the future. Because of this, we must pursue alternative sources of energy which are now available. Solar heating is one of the alternatives.

If the study proposed in this resolution reaches the conclusion that the installation of solar devices in any buildings of the House complex is a sound idea in terms of cost effectiveness, esthetics, and structural requirements, we should move forward. Also, we will realize at least a partial drop in the operating costs of the buildings that have been retrofitted. This will be a plus for the taxpayers.

Passage of this resolution will help indicate to the American people the commitment of Congress to solve the energy dilemma and contribute to the development of alternative sources of energy. We need to set an example.

I urge my colleagues to support the resolution.

Mr. MINETA. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the full committee, the gentleman from California (Mr. JOHNSON).

Mr. JOHNSON of California. Mr. Speaker, I rise in support of House Resolution 322. The study authorized by this legislation may be the beginning of what will eventually become a program where other than the existing forms of energy we now use will provide for our heating, cooling and hot water systems in the House Office Buildings complex.

This is an imaginative approach. I commend the Public Buildings and Grounds Subcommittee and its members and in particular, its chairman, the gentleman from California (Mr. MINETA) and its ranking minority member, the gentleman from New York (Mr. WALSH) for the time and effort they have spent on this resolution. Energy is indeed the cornerstone of our existence today and it is becoming more and more apparent that this is the case, and it is brought home to us rather vividly when we move to pass this resolution that will provide for the use of other energy sources in the buildings where we work.

I urge support of the resolution.

Mr. WALSH. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Speaker, I thank my colleague, the gentleman from New York (Mr. WALSH), for yielding me this time.

I wonder if I could have the attention of the chairman of the committee and the ranking member. First of all, I would like to congratulate both of them on the job they have done. This is a great big forward step. It is important that the committee has undertaken it. I do not believe we can ask the people of this country to do something about solar energy if we are not prepared to involve ourselves with it here in the Nation's Capitol. I repeat, I believe both of these gentlemen are to be congratulated.

Mr. Speaker, I have only one question and that is with respect to the $50,000 authorized for the Architect of the Capitol. Would it not have been possible to do this without expense through the recommendations from ERDA, or one of the other Government agencies?

Mr. MINETA. Mr. Speaker, if the gentlewoman will yield, in terms of the Capitol Building itself, the jurisdiction is with the Building Commission and the Architect of the Capitol. Therefore, the Architect of the Capitol would be the appropriate person and the Building Commission is the appropriate body to have oversight in the overall response to this.

Mrs. FENWICK. Mr. Speaker, I am sorry, but I do not believe I put my question clearly.

My question is, Could not the Architect of the Capitol, instead of hiring outside people at a cost of $50,000, ask people from ERDA to come here and make recommendations and plans?

Mr. MINETA. In reply to the question asked by the gentlewoman from New Jersey, the Architect of the Capitol can consult with these agencies in contracting for those kinds of studies but I believe that the study would still be under the direct control of the Architect of the Capitol.

Mrs. FENWICK. Mr. Speaker, I must not be asking my question very clearly.

Why is any money necessary since we have governmental agencies concerned with exactly this kind of thing? Why do we have to pay money for this? Why cannot ERDA do it?

Mr. MINETA. Even if it were done by ERDA or FEA, it would still cost us money, and so the $50,000 would still be the appropriate sum to be authorized for this purpose.

Mr. WALSH. Mr. Speaker, will the gentlewoman yield?

Mrs. FENWICK. I am happy to yield to the gentleman from New York.

Mr. WALSH. Mr. Speaker, I would like to attempt to reply to the question asked by the gentlewoman from New Jersey (Mrs. FENWICK). I have been in the construction business, and I have found that any time you do anything unusual in construction you have to go out and get some expert to do it. I am not sure that the Architect of the Capitol has any expertise in the solar energy field, or has any experts on his staff. Further, the appropriation says "not in excess of $50,000" so it may not cost $50,000. He may very well find some expert in ERDA, or any other of the Government agencies and may not need the $50,000, but this is in conjunction with the contingency fund. If he does need it it is there.

Mrs. FENWICK. I thank the gentleman from New York.

Mr. ANDERSON of California. Mr. Speaker, I rise in strong support of House Resolution 322, a measure that authorizes the Architect of the Capitol to study the feasibility of using solar energy in connection with the heating, cooling, and hot water systems of the House office buildings.

I personally can see no better way of demonstrating the desire of the Congress to address the problem of increasing energy costs and dwindling supplies than to come to grips with the problem here where we work.

House Resolution 322 recognizes the fact that our country needs to establish an effective national conservation program. This bill endorses the fact that in the construction or renovation of buildings, the cost of energy consumed over the life of such construction of these buildings must be considered.

House Resolution 322 also reflects my strong belief that the Congress can and must find effective measures to reduce the rate of demand for energy, by implementing such conservation programs.

Currently the United States faces an energy shortage due to this ever-increasing demand for the insufficient domestic supplies. I would hope that this study will be a model for the remainder of the Government, and for private concerns, to begin their own programs of energy conservation.

We cannot rely on foreign imports to satisfy our energy demands. If the Congress is willing to demonstrate its intent in its own environment to conserve energy, then this experience and information gained can be transferred to the private sector thereby furthering our goal of developing and promoting alternative sources of energy such, as solar energy.

Mr. Speaker, I urge support for this measure and hope that we can soon follow it with more legislation to come to grips with this immediate and most important issue.

Mr. CLEVELAND. Mr. Speaker, as a cosponsor of House Resolution 322 I urge its passage by my colleagues. This bill would authorize a study of the feasibility and cost effectiveness of using solar energy in the office buildings used by Members of Congress and staff. The bill is not a research project and not a demonstration project. It is something we ought to do because it is both practical and in the national interest.

The use of solar energy for producing hot water in buildings and for heating and cooling buildings has been adopted in many places around the country in different types of buildings. The initiation of this study might well help lead the Nation in its search to solve our national energy problems.

With the new technology in this field of energy and as Members of Congress we ought to initiate this study. Congress has not been held in high regard by the people of this country, this offers a chance for us to set a good example. Our actions here, will carry more weight to the public and will begin to make a serious impact in the marketplace with solar energy for the good of the taxpayer and this Nation.

I, therefore, urge all Members to support the passage of House Resolution 322.

Mr. PICKLE. Mr. Speaker, I commend the chairman from California (Mr. MINETA) for moving this bill along quickly. I have just come from another full day's hearings in Ways and Means on the energy situation, and I think it is more than symbolic that the House of Representatives is acting on the measure before us now.

The Congress carries a heavy responsibility to help this country meet its energy needs. We can set many policies that will move the country along, but by stepping forward and actively exploring alternative energy sources ourselves we will do more for this country than the words of a thousand policies.

The bill before us is no pie in the sky proposal. The Sun is there and it is ready. The technology to use the Sun is here and it is ready. All that remains is for us to see if we can use it on our own buildings.

Many people have already worked with me on this bill. I thank the 77 cosponsors, particularly Mr. ROSE, Mr. OTTINGER, and Mr. MCCORMACK, who joined with me on this bill when we first conceived the idea several months ago. I also have a special thanks for George White, the Architect of the Capitol, who enthusiastically picked up on this idea when we brought it to him, and to the chief engineer, Mr.

Ray Carroll, who helped us with the technical aspects of the bill.

I also thank the other Members and staff members who have helped and encouraged this idea.

I hope you will approve the bill. I think it is good for the taxpayer, good for us in the House, and good for this Nation.

The bill proposes to spend a small amount of money to see if it would be feasible and cost effective to use solar energy in the office buildings used by the Members and staff of the House of Representatives.

House Resolution 322 gives priority to the House Office Building Annex No. 2, which is currently undergoing extensive renovations and which, with its flat roof, strong structure, and current heating and cooling systems, appears the most likely building for a total retrofit.

The study also would take a look at the Cannon, Longworth, and Rayburn buildings, where some of the subsystems may be convertible to solar energy, and at other House structures.

This bill does not say that we shall install solar energy equipment. We are not interested in foisting on this the American public some sort of fancy energy gimmick.

We propose something that will—if the study verifies our hunches—save the taxpayer money by taking advantage of an energy source that is free and is ready to be used.

If the study does not verify our hunches, then I will be the first to say, "Stop here."

It is easy to think of solar energy as a future energy source. But the future has a funny way of becoming the present—and this is especially true with some forms of solar energy.

Using solar energy for producing hot water in buildings and for heating and cooling buildings is here. It is in use already in places all around the country in many types of buildings.

As time goes on, this budding industry may get better at producing collectors, and they may get better at installing and maintaining them. But in this field we are not waiting for breakthroughs and new technology. The time is ripe and the technicians are already there and trained.

What we propose to this committee is not a research project. It is not a demonstration project. It is something which we ought to do because it is both practical and in the national interest.

As Members of Congress responsible for helping this country solve our national energy problems, it seems to me that we, as a body, ought to initiate this study and help lead the Nation in this search. Our actions here will carry far more weight than a wealth of speeches.

In seeking to retrofit an existing structure, as opposed to including solar energy in a new building, we are, in addition, making an important statement. It is growing more natural, when constructing a new building, to think in terms of solar or other energies. But it will take a very long time for solar energy to make much of an impact on our national energy needs if we use it only in new buildings. We need to think backward as well as forward and to retrofit buildings which are suitable. Only then will we begin to make a serious impact in the marketplace with solar energy.

If I may indulge the House with a personal experience—I went to a dedication recently of an 80-unit college dormitory in Austin, Tex., which is being converted to solar energy with an investment of about $130,000. In 30 days, they got the beams put up on the roof and the structures to hold the collectors. In 30 more days they are to have the collectors in and be producing 35 percent of the hot water, heating, and cooling needs of the building through solar energy. It made quite an impression on me and really brought home the fact that this technology is here, that it does not take forever to get it up and running, and that it can make a significant difference in fuel bills.

We currently spend about $600,000 for the energy needs of House Office Building Annex No. 2 every year. That building is going to be there a long, long time. If we can save 25 or 30 or 35 percent of this cost each year, it will add up.

Our fuel, no matter whether it is bought from the GSA or produced in our own steam powerplant, no matter whether it is coal or oil produced, is going to get more and more expensive. There is no escaping that fact.

Again, we are not proposing a research or a demonstration project. We are proposing that the House of Representatives do what it should do—provide energy for its structures in a manner least expensive to the taxpayer and most efficient for its need.

And let us remember the words found in Ecclesiastes (XI 7): *"Truly the light is sweet, and a pleasant thing it is for the eyes to behold the sun."*

I thank the House for its kind attention.

Mr. WALSH. Mr. Speaker, I have no further requests for time.

Mr. MINETA. I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. MINETA) that the House suspend the rules and agree to the resolution (H. Res. 322) as amended.

The question was taken.

Mr. WEISS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII, and the prior announcement of the Chair, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. MINETA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the resolution just considered, House Resolution 322.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

THE COMMUNITY EMERGENCY DROUGHT RELIEF ACT OF 1977

Mr. JOHNSON of California. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1279) to provide temporary authorities to the Secretary of Commerce to facilitate emergency actions to mitigate the impacts of the 1976–77 drought and promote water conservation.

The Clerk read as follows:

S. 1279

An act to provide temporary authorities to the Secretary of Commerce to facilitate emergency actions to mitigate the impacts of the 1976–77 drought and promote water conservation

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act be cited as the "Community Emergency Drought Relief Act of 1977".

SEC. 101. (a) Upon the application of any State, political subdivision of a State, Indian tribe, or public or private nonprofit organization, the Secretary of Commerce is authorized to make grants and loans to applicants in drought impacted areas for projects that implement short-term actions to augment community water supplies where there are severe problems due to water shortages. Such assistance may be for the improvement, expansion, or construction of water supplies, and purchase and transportation of water, which in the opinion of the Secretary of Commerce will make a substantial contribution to the relief of an existing or threatened drought condition in a designated area.

(b) The Secretary of Commerce may designate any area in the United States as an emergency drought impact area if he or she finds that major and continuing adverse drought condition exists and is expected to continue, and such condition is causing significant hardships on the affected areas.

(c) Eligible applicants shall be those States or political subdivisions of States with a population of ten thousand or more, Indian tribes, or public or private nonprofit organizations within areas designated pursuant to subsection (b) of this section.

(d) Projects assisted under this Act shall be only those with respect to which assurances can be given to the satisfaction of the Secretary of Commerce that the work can be completed by April 30, 1978, or within such extended time as the Secretary may approve in exceptional circumstances.

SEC. 102. Grants hereunder shall be in an amount not to exceed 50 per centum of allowable project costs. Loans shall be for a term not to exceed 40 years at a per annum interest rate of 5 per centum and shall be on such terms and conditions as the Secretary of Commerce shall determine. In determining the amount of a grant assistance for any project, the Secretary of Commerce may take into consideration such factors as are established by regulation and are consistent with the purposes of this Act.

SEC. 103. In extending assistance under this Act the Secretary shall take into consideration the relative needs of applicant areas for the projects for which assistance is requested, and the appropriateness of the project for relieving the conditions intended to be alleviated by this Act.

SEC. 104. The Secretary of Commerce shall have such powers and authorities under this Act as are vested in the Secretary by sections 701 and 708 of the Public Works and Economic Development Act of 1965, as amended, with respect to that Act.

SEC. 105. The National Environmental Protection Act of 1969, as amended, shall be implemented to the fullest extent consistent

with but subject to the time constraints imposed by this Act, and the Secretary of Commerce when making the final determination regarding an application for assistance hereunder shall given consideration to the environmental consequences determined within that period.

SEC. 106. (a) There is hereby authorized to be appropriated for the fiscal year ending September 30, 1977, $225,000,000 of which sum $150,000,000 is to be for the loan program herein, including administration thereof, and $75,000,000 of which is to be used for the grant program herein, including administration thereof, and such additional amounts for the fiscal year ending September 30, 1978, as may be reasonably needed for administrative expenses in monitoring and closing out the program authorized by the Act. Funds authorized by this Act shall be obligated by December 31, 1977.

(b) Funds available to the Secretary for this Act shall be available for expenditure for drought impact projects conducted heretofore by eligible applicants during fiscal year 1977 if such projects are found to be compatible with the broad purposes of this Act.

TITLE II

SEC. 201. The first sentence of section 201 (a) of the Public Works and Economic Development Act Amendments of 1976 (Public Law 94-487) is amended by striking out "one year" and inserting in lieu thereof "eighteen months".

SEC. 202. Section 202 of such Act is amended—

(a) by striking out "and" at the end of subsection (4);

(b) by striking out "chapter 57 and subchapter 53 of such title relating to classification and General Schedule pay rates" in subsection (5), and inserting in lieu thereof "chapter 51 and chapter 53 of such title";

(c) by striking out the period at the end of subsection (5), and inserting a semicolon in lieu thereof; and

(d) by adding at the end the following new subsections:

"(6) accept and use gifts or bequests of services, moneys and property; and

"(7) use appropriated funds and act as may be necessary and appropriate without regard to the provisions of section 551 of title 31, United States Code, section 34 of title 40, United States Code, and section 5 of title 41, United States Code.".

The SPEAKER pro tempore. Is a second demanded?

Mr. HAMMERSCHMIDT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. JOHNSON) will be recognized for 20 minutes, and the gentleman from Arkansas (Mr. HAMMERSCHMIDT) will be recognized for 20 minutes.

The Chair recognizes the gentleman from California (Mr. JOHNSON).

Mr. JOHNSON of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there is no need to detail how the shortage of rainfall and snowpack in the past 2 years have created extreme drought conditions in large areas of the West and Midwest. In my own district in northern California we have had 2 years of subnormal runoff and this will probably be the driest year since records have been kept.

Mr. Speaker, I am sure that Members are already aware that large areas of northern California are already rationing water and there is little question that some water for some users, particularly for irrigated agriculture, will be reduced so much this year that there will be serious economic impacts and increased unemployment in some areas of the West.

Mr. Speaker, because of this emergency we have asked that the rules be suspended so that we can call up S. 1279, the Community Emergency Drought Relief Act of 1977, for passage at this time.

This bill was sent to the Congress last month as part of President Carter's drought relief package and the President urged that the legislation be enacted as quickly as possible. One hundred seventy-five million dollars in appropriations for this bill is included in H.R. 4876, the Economic Stimulus Appropriation Act which was signed by the President last Friday. It is our understanding that the appropriation will cover $75 million in the grants and $100 million for the loans authorized in this bill.

Mr. Speaker, this bill authorizes $225 million in grant and loan authority to the Economic Development Administration for assistance to communities of 10,000 or more population for drought related water supply projects. The Federal assistance may be used for the improvement, expansion or construction of water supplies which in the opinion of the Secretary of Commerce will make a significant contribution to the relief of an existing or threatened drought condition.

Of the $225 million in new authority, $75 million is to be in the form of grants not to exceed 50 percent of project costs. Loan assistance in the amount of $150 million at 5 percent per annum for not more than 40 years makes up the greater portion of the Presidential request. Eligible applicants are States, political subdivisions of States, Indian tribes, or public or private nonprofit organizations. Similar assistance for communities less than 10,000 is to be provided by the Farmers Home Administration.

Mr. Speaker, this bill provides that funds must be obligated by December 31, 1977 and the projects completed by April 30, 1978. This is an extension of the time limits in the original bill which was introduced in the House as H.R. 5884. One other amendment added by the Senate to the original bill provides that funds shall be made available for drought impact projects undertaken by eligible applicants during fiscal year 1977 if the projects are compatible with the broad purpose of the act. It is my understanding that both of these amendments are acceptable to the administration and, in my opinion, significantly improve the bill.

Finally, a minor amendment to the bill requested by the administration has been added as title II. It would extend the time from 12 to 18 months from October 1976 within which a White House Conference on Balanced National Growth and Economic Development may be convened. Public Law 94-487, the extension of the Public Works and Economic Development Act of 1965, as amended, which we passed last year contained an authorization for this White House conference within 1 year of enactment of that act. The amendment further makes technical corrections in the earlier authorization relating to classification and salary requirements of staff.

Mr. Speaker, I urge a favorable vote on the passage of S. 1279.

GENERAL PROVISIONS OF S. 1279

The act authorizes grants or loans to applicants in drought-impacted areas to augment community water supplies.

Permissible activities include improvements or expansion of existing water supply facilities, construction of new ones, and well drilling or impoundment where appropriate.

Transportation of water by vehicle or pipeline is also permitted under this provision.

The purchase of water is also permissible if it is the most economical method of providing the needed supply.

Aid is available to alleviate existing conditions as well as threatened supplies.

Our knowledge of rainfall and water supply is such that future problems of supply can be anticipated with reasonable certainty.

It is appropriate under this legislation to fund projects in anticipation of these problems.

The Economic Development Administration should carefully review applications of this type to determine the seriousness of the problem and that the proposed project will address the expected need.

The threat of the shortage must be highly probable before approval of an application is justified.

ELIGIBLE APPLICANTS

Grants or loans under this program may be made to a State, Indian tribe, unit of local government with a population of 10,000 or more, or a public or private nonprofit organization.

Water districts would be eligible for funding under this provision.

The committee knows that several States have already launched drought assistance efforts, and have gained knowledge about the needs of their communities and experience in a drought assistance program.

Where feasible, EDA should cooperate with these State efforts and coordinate closely to maximize the effectiveness of the program.

ELIGIBLE AREAS

Eligibility is not limited to any specific State or region under this bill.

Any area of the country experiencing a significant shortage of water for normal uses would be eligible for assistance under this program.

The bill gives the Secretary of Commerce authority to designate areas eligible for assistance.

The committee does not consider this to be a time consuming, complex method of designation but a streamline process in keeping with the emergency nature of the program.

Many areas of the country have already been declared eligible for drought assistance by the President under the Disaster Relief Act of 1974, and by the Farmers Home Administration and the Small Business Administration.

It is the committee's intent that areas designated by other Federal agencies administering drought assistance programs would be recognized by the Department of Commerce as eligible areas.

This coordination of declaration authorities will expedite the program.

AVAILABLE ASSISTANCE

Projects may be funded either through grants or loans.

Grants made under the program would be limited to 50 percent of the cost of the project.

The local share of the project may be in a form approved by the Secretary if such arrangements will expedite the project.

The committee intends that a municipality or other eligible applicant may, under regulations prescribed by the Secretary, use in-kind services as its local contribution.

The other funding alternative is a loan to the applicant at 5 percent.

The terms of the loan shall be as determined by the Secretary.

It is the committee's intention that such terms shall expedite the completion of the project.

The Secretary may not approve a loan, however, with a repayment period of more than 40 years.

PROJECT PRIORITIES

The bill provides that the Secretary shall consider the relative needs of the applicants.

Those communities with the most severe problems should receive priority in funding of applications.

Priority should be extended to those communities where limited water supplies will create health problems and where mandatory or voluntary rationing has been implemented.

Threatened shortages with potential health impacts should also receive priority consideration by the Secretary.

The Secretary is provided with wide discretion under this program for making grants and loans.

Careful consideration should be given each request for priority assistance to determine the needs of the local area and the severity of the problem.

FUNDING

The measure authorizes $225 million for fiscal year 1977 of which $150 million is for loans and the remaining $75 million for grants.

One amendment was adopted by the committee to change the program deadlines.

As introduced, the bill requires that funds be obligated by September 30 and all projects completed by November 30 of this calendar year.

The committee amendment extended the deadline for obligation of the funds to December 31, 1977, and the completion date of the projects to the end of next fiscal year, September 30, 1978.

The extension of the deadlines will provide a more adequate opportunity for communities to plan and carry out needed projects.

While appropriations will be available soon, it will take time to implement a program of this magnitude.

Also, communities will need time to complete plans and file applications. New deadlines will give communities more flexibility in designing projects for their drought needs.

WHITE HOUSE CONFERENCE

Title II of the 3-year extension (Public Law 94-487) of the Public Works and Economic Development Act of 1965 enacted by the last Congress authorized the convening of a White House Conference on Balanced Growth and Economic Development.

This legislation extends the time allowed for convening the conference from 12 to 18 months after the date of enactment of Public Law 94-487 and makes other technical corrections in the earlier legislation relating to classification and salaries of staff.

The administration has requested these nonsubstantive modifications of the White House Conference.

The committee concurred that a new administration must be given adequate time to plan this important conference and granted the 6-month delay in the convening date.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the community emergency drought relief program contained in S. 1279. This bill will provide financial assistance for community water supply systems in drought impacted areas. It is designed to provide short-term drought relief action and is one part of a more comprehensive drought assistance program, which was requested by the administration.

This legislation authorizes $150 million in loans which can be extended up to 40 years at an interest rate of 5 percent and $75 million in grants which can be used to cover up to 50 percent of the total eligible project cost. The program will be administered through the Economic Development Administration and will benefit communities with population of 10,000 or more. It is intended to compliment a similar program which will be operated through the Farmers Home Administration to provide like assistance for communities under 10,000 to rehabilitate their water supply systems.

The Secretary of Commerce may designate any area in the country as an emergency drought impact area if she finds that a major adverse drought condition exists. Any community receiving such a designation will be eligible for assistance under this program. The funds may be used to improve or expand existing water supplies, to construct new water facilities or to transport or buy water to meet a short-term emergency.

Many communities have already or soon will implement water rationing plans. This water shortage could cause adverse health problems for many sections of the country. This program is designed to provide financial assistance to these communities, as well as other related situations brought on by the drought.

I am concerned about the requirement that projects undertaken with these funds must be completed by April 30, 1978. I am not sure that this is a sufficient amount of time for local communities to complete a drought project, even one intended to be a short-term measure. With regard to this provision, I would encourage the Secretary to exercise flexibility in recognition of local situations. In addition, I think it is essential that the designation process be simple and swift. A blanket designation of all areas which have previously been declared eligible for disaster relief programs through FmHA, Small Business Administration, or like programs would seem reasonable and would expedite the implementation of this program.

We all recognize that the lack of rainfall and precipitation will have a severe effect on a large portion of the country and action is needed to bring assistance to these areas as quickly as possible. It is for this reason I support the measure before us today despite the fact that several provisions might have been improved, had we the luxury of additional time to examine this legislation.

A section-by-section analysis of S. 1279 follows:

SECTION-BY-SECTION ANALYSIS OF S. 1279 COMMUNITY EMERGENCY DROUGHT RELIEF ACT OF 1977

Section 101.—(a) Authorizes the Secretary of Commerce to make grants and loans to applicants in drought impacted areas for projects that implement short-term actions to increase community water supplies. Applicants may be States, local governments, Indian tribes, or public or private non-profit organizations. Grants may be for the improvement, expansion, or construction of water supplies and the purchase and transportation of water.

(b) Authorizes the Secretary of Commerce to designate any area in the United States as an emergency drought impact area if she finds that a major and continuing adverse drought condition exists and is expected to continue and is causing significant hardship on the area.

(c) Defines eligible applicants as States or political subdivisions of States with populations of 10,000 or more as well as Indian tribes or public and private non-profit organizations within designated areas.

(d) Requires certification that projects assisted under this Act will be completed by April 30, 1978. Authorizes the Secretary to extend this time in exceptional circumstances.

Section 102.—Authorizes grants up to 50% of the allowable cost and authorizes loans at a per annum interest rate of 5% for up to 40 years. Indicates that in determining the amount of the grants the Secretary may take into consideration such factors as established by regulation and consistent with the purpose of this Act.

Section 103.—Requires the Secretary to take into consideration the relative needs of applicant areas for the projects and the appropriateness of the project in relieving the drought condition.

Section 104.—Grants the Secretary power and authority to work cooperatively with other agencies and other duties as authorized in Section 701 and 708 of the Public Works and Economic Development Act of 1965, as amended.

Section 105.—Requires that the National Environmental Protection Act of 1969 be implemented to the fullest extent possible consistent with the time restraints imposed by this Act.

Section 106.—(a) Authorizes $225 million for FY 1977. $150 million is authorized for the loan program and $75 million for the grant program. Requires that funds authorized by this Act shall be obligated by December 31, 1977.

(b) Requires that funds shall be available for expenditure for drought projects begun during FY 1977 if projects are found to be compatible with the broad purposes of this Act.

TITLE II

Section 201.—Extends the time allowed for convening the White House Conference or Balanced Growth and Economic Development from 12 to 18 months. (The President was directed to hold such a conference in PL 94-487)

Section 202.—Makes certain technical corrections relating to classifications and salaries of staff.

Mr. Speaker, if I may, I would propound a question to the distinguished chairman as it pertains to a provincial matter in my own district, if I may have the attention of the chairman. It will not take more than a moment if the House will bear with me to make some legislative history.

Mr. Speaker, Scranton, Ark., a small community in Logan County, lost its water supply in August 1976, when the well went dry. The well currently supplying water for Scranton was considered temporary because of the unacceptable water quality. The present well is a danger to the community primarily because of high sodium concentration which severely affects those with a congestive cardiac failure, hypertension, renal disease, cirrhosis of the liver, and other ailments.

The State board of health would condemn the present well except that such action would leave the city without water for fire protection, sewage, and other domestic uses. The Board has continually advised against using this water for drinking purposes. Many citizens have been hauling water for drinking and cooking. However, the city water supply is still being used in the city schools and by those who cannot haul their own water.

Drilling a new water well would cost approximately $80,000. Treated surface water from the city of Paris or the city of Clarksville to be connected to Scranton would cost $650,000.

The bill before us today authorizes some $225 million for drought relief assistance for cities over 10,000. Farmers Home Administration will provide similar assistance to cities under 10,000. Since Scranton is in a county that is eligible for the Farmers Home Program, which is identical to this program being considered for authorization today, most assuredly this city should benefit from a loan or a grant to solve this drastic problem.

Could the distinguished chairman of our committee respond to this? I yield to the gentleman for that purpose.

Mr. JOHNSON of California. Mr. Speaker, with respect to the matter the gentleman from Arkansas speaks about there would be eligibility under this legislation.

Mr. HAMMERSCHMIDT. Mr. Speaker, I thank the gentleman from California (Mr. JOHNSON) very much.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Speaker, I want to express my strong support for this drought relief legislation before us.

Last month I introduced H.R. 6549, a bill which is almost identical to the drought relief proposal contained in S. 1279. The purpose of this legislation is to provide financial help for communities whose water supply system is jeopardized or threatened because of drought conditions. Due to the lack of rainfall, many water supply systems will run dry. Drinking water in many western parts of the country, including many communities in my own State, may pose possible health hazards, and vital community services may be limited without swift and decisive action to deal with these problems. It is these types of situations that the community emergency drought relief measure is intended to deal with.

It will provide funds to rehabilitate existing water systems, to build new facilities, to transport water or to purchase water if it is the most efficient means of dealing with the water shortage. This type of assistance is essential to towns and communities in impacted areas; $225 in loans and grants would be authorized to augment community water supplies in drought areas. These funds will be directed to communities having the most severe problems.

A similar program has been implemented through the Farmers Home Administration to provide assistance for smaller communities.

Passage of this legislation is necessary so that blanket drought relief coverage will be available to all commmunities, regardless of size. This proposal is aimed at providing assistance for short-term emergency drought-related projects. It is only one element of a broader based disaster relief program. Legislation, also considered on the floor today, to extend the disaster assistance program is another element in the package.

I am pleased that an amendment offered by Senator CRANSTON was added to this bill. This amendment stipulates that communities which had already undertaken emergency drought projects during the fiscal year will be eligible for assistance if the projects are compatible with the broad purposes of this act.

This is critical to areas of the country which had to initiate corrective projects prior to the passage of this bill. A number of communities have already implemented rationing plans and have commenced drought-related water projects. It is only right that these communities should not be penalized because of their desire to begin projects at once.

A comprehensive and flexible relief program is necessary to help speed the recovery of the many areas which have been adversely affected by the lack of rainfall.

In conclusion, I want to urge the Secretary of Commerce to quickly implement this program. The utmost coordination and cooperation are needed to insure designation obtained through other Federal disaster programs will be transferred to this program. The process for applying for assistance under this program should be simple and immediate.

Mr. McFALL. Mr. Speaker, this legislation, the Community Emergency Drought Relief Act, is urgently needed in California and throughout much of the West. The summer is fast approaching, and the time remaining for effective drought relief measures is rapidly eroding. I want to compliment the House for considering this bill in such a prompt manner.

In my own district, one community immediately comes to mind that could benefit from this legislation. The city of Tracy in San Joaquin County, Calif., already has plans ready to improve its water system. The current drought adds to the imperative need for Tracy's plans to move forward expeditiously.

Because of the drought, the mountain reservoirs are at the lowest levels I have ever seen them. As a result, many individuals, farmers, businesses and communities are drilling more and more wells. The underground water table is dropping, and this necessitates more new wells, especially deeper wells. With the continued dropping of the underground water table, some areas of the San Joaquin Valley become threatened with salt intrusion. This salinity is a danger not only to domestic water supplies, but also to agricultural land.

The city of Tracy recognizes that it cannot continue to indefinitely increase its reliance on new and deeper wells. Its plan calls for a 21,300-foot water transmission line to provide the city with a needed supplemental water supply from the Delta Mendota Canal operated by the Bureau of Reclamation. Construction of this project would allow Tracy to execute an existing contract with the Bureau of Reclamation for surface water from the canal.

A second element of Tracy's plan is the installation of a potable water treatment facility. This facility would enable the city to improve the quality of its waste water. The drought has dramatically demonstrated the need to achieve the best management and use of all our water resources, and the city of Tracy has wisely recognized that this means better management of waste water as well. This facility would enable Tracy to achieve that goal.

The total cost for both elements of Tracy's plan is nearly $5.3 million. The city is willing to provide about $300,000 if the Federal Government is able to provide the remaining $5 million. Tracy does have a pending application under the local public works program. However, if the city's application is not selected for funding, then the Community Emergency Drought Relief Act will provide a possible alternative for this necessary Federal aid.

Mr. Speaker, the city of Tracy is but one example of how the legislation now before us will enable California and other drought-stricken areas to effectively minimize the economic and social disruptions from severe water shortages. I urge favorable action by the House on this important measure.

Mr. HAMMERSCHMIDT. Mr. Speaker, I have no further requests for time.

Mr. JOHNSON of California. I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gen-

tleman from California (Mr. JOHNSON) that the House suspend the rules and pass the Senate bill S. 1279.

The question was taken.

Mr. ROUSSELOT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just considered, S. 1279.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion on which further proceedings were postponed in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 6138, H.R. 5742, H.R. 3722, H.R. 4746, H.R. 6752 (de novo), H.R. 5885 (de novo), H.R. 2501, H.R. 6010, H.R. 6197, H.R. 6401, H. Res. 332, and S. 1279.

Pursuant to the provisions of clause 3 (b) (3), rule XXVII, the Chair announces that after the first vote on these motions, he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rules on which the Chair has postponed further proceedings.

YOUTH EMPLOYMENT AND INNOVATIVE DEMONSTRATION PROJECTS ACT OF 1977

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 6138, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. HAWKINS) that the House suspend the rules and pass the bill (H.R. 6138), as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 334, nays 61, not voting 37, as follows:

[Roll No. 240]

YEAS—334

Addabbo	Andrews, N.C.	Barnard
Akaka	Andrews, N. Dak.	Baucus
Alexander	Applegate	Beard, R.I.
Allen	Ashley	Bedell
Ambro	Aspin	Bellenson
Ammerman	AuCoin	Benjamin
Anderson, Calif.	Badillo	Bennett
Anderson, Ill.	Baldus	Bevill
Bingham	Gore	Nichols
Blanchard	Grassley	Nolan
Blouin	Gudger	Nowak
Boggs	Guyer	O Brien
Boland	Hagedorn	Oakar
Bolling	Hamilton	Oberstar
Bonker	Hammer-schmidt	Obey
Bowen	Hanley	Ottinger
Brademas	Hannaford	Panetta
Breaux	Harkin	Patten
Breckinridge	Harrington	Patterson
Brinkley	Harris	Pattison
Brodhead	Harsha	Pease
Brooks	Hawkins	Pepper
Broomfield	Heckler	Perkins
Brown, Calif.	Hefner	Pettis
Brown, Ohio	Hightower	Pickle
Buchanan	Hillis	Preyer
Burgener	Holland	Pritchard
Burke, Calif.	Hollenbeck	Pursell
Burke, Fla.	Holtzman	Quie
Burke, Mass.	Horton	Quillen
Burlison, Mo	Howard	Rahall
Burton, John	Hubbard	Rangel
Burton, Phillip	Huckaby	Regula
Byron	Hughes	Reuss
Caputo	Hyde	Richmond
Carney	Ireland	Rinaldo
Carr	Jacobs	Risenhoover
Carter	Jeffords	Rodino
Cavanaugh	Jenkins	Rogers
Cederberg	Jenrette	Roncalio
Chappell	Johnson, Calif.	Rooney
Chisholm	Jones, N.C.	Rose
Clausen, Don H.	Jones, Okla.	Rosenthal
Clay	Jones, Tenn.	Rostenkowski
Cleveland	Jordan	Ruppe
Cochran	Kasten	Russo
Cohen	Kastenmeier	Ryan
Coleman	Kazen	Santini
Collins, Ill.	Keys	Sarasin
Conable	Kildee	Sawyer
Conte	Kostmayer	Scheuer
Conyers	Krueger	Schroeder
Cornell	LaFalce	Schulze
Cornwell	Lagomarsino	Sebelius
Cotter	Latta	Seiberling
D'Amours	Le Fante	Sharp
Danielson	Leach	Shipley
Davis	Leggett	Sikes
de la Garza	Lehman	Simon
Delaney	Levitas	Skelton
Dellums	Lloyd, Calif.	Skubitz
Derrick	Long, La.	Slack
Derwinski	Long, Md.	Smith, Iowa
Dickinson	Lott	Smith, Nebr.
Dicks	Lujan	Solarz
Dingell	Luken	Spellman
Dodd	Lundine	Spence
Downey	McCloskey	St Germain
Drinan	McCormack	Stangeland
Duncan, Oreg.	McDade	Stanton
Duncan, Tenn.	McEwen	Stark
Early	McFall	Steed
Eckhardt	McHugh	Steiger
Edgar	McKay	Stockman
Edwards, Ala.	McKinney	Stokes
Edwards, Calif.	Madigan	Stratton
Emery	Maguire	Studds
English	Mahon	Teague
Ertel	Mann	Thompson
Evans, Colo.	Markey	Thone
Evans, Del.	Marks	Thornton
Evans, Ga.	Marlenee	Traxler
Evans, Ind.	Marriott	Trible
Fary	Mathis	Tsongas
Fascell	Mattox	Tucker
Fenwick	Mazzoli	Ullman
Findley	Meeds	Vander Jagt
Fish	Metcalfe	Vanik
Fisher	Meyner	Vento
Fithian	Michel	Volkmer
Flood	Mikulski	Walgren
Flowers	Mikva	Walsh
Foley	Miller, Calif.	Wampler
Ford, Mich.	Miller, Ohio	Watkins
Ford, Tenn.	Mineta	Weaver
Fountain	Minish	Weiss
Fowler	Mitchell, Md.	Whalen
Fraser	Mitchell, N.Y.	White
Frenzel	Moakley	Whitley
Frey	Mollohan	Wilson, C. H.
Fuqua	Moorhead, Calif.	Wilson, Tex.
Gammage	Moorhead, Pa.	Winn
Gaydos	Moss	Wirth
Gephardt	Motti	Wolff
Giaimo	Murphy, Ill.	Wright
Gibbons	Murtha	Wydler
Gilman	Myers, Ind.	Yates
Ginn	Natcher	Yatron
Glickman	Neal	Young, Mo.
Gonzalez	Nedzi	Young, Tex.
Goodling		Zablocki
		Zeferetti

NAYS—61

Archer	Goldwater	Robinson
Armstrong	Gradison	Rousselot
Ashbrook	Hall	Rudd
Badham	Holt	Runnels
Bafalis	Ichord	Satterfield
Bauman	Kelly	Shuster
Beard, Tenn.	Kemp	Snyder
Brown, Mich.	Ketchum	Stump
Broyhill	Kindness	Symms
Burleson, Tex.	Lent	Taylor
Butler	Lloyd, Tenn.	Treen
Collins, Tex.	McClory	Waggonner
Corcoran	McDonald	Walker
Crane	Martin	Whitehurst
Daniel, Dan	Milford	Wiggins
Daniel, R. W.	Montgomery	Wilson, Bob
Devine	Moore	Wylie
Dornan	Myers, Gary	Young, Alaska
Edwards, Okla.	Pike	Young, Fla.
Erlenborn	Quayle	
Flynt	Roberts	

NOT VOTING—37

Abdnor	Heftel	Railsback
Annunzio	Johnson, Colo.	Rhodes
Bonior	Koch	Roe
Clawson, Del	Krebs	Roybal
Corman	Lederer	Sisk
Coughlin	Moffett	Staggers
Dent	Murphy, N.Y.	Steers
Diggs	Murphy, Pa.	Udall
Eilberg	Myers, Michael	Van Deerlin
Flippo	Nix	Waxman
Florio	Poage	Whitten
Forsythe	Pressler	
Hansen	Price	

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Hansen.
Mr. Diggs with Mr. Murphy of New York.
Mr. Heftel with Mr. Abdnor.
Mr. Waxman with Mr. Pressler.
Mr. Eilberg with Mr. Bonior.
Mr. Florio with Mr. Del Clawson.
Mr. Moffett with Mr. Roe.
Mr. Corman with Mr. Murphy of Pennsylvania.
Mr. Dent with Mr. Udall.
Mr. Flippo with Mr. Coughlin.
Mr. Lederer with Mr. Staggers.
Mr. Nix with Mr. Van Deerlin.
Mr. Sisk with Mr. Michael O. Myers.
Mr. Roybal with Mr. Railsback.
Mr. Whitten with Mr. Steers.
Mr. Krebs with Mr. Koch.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) (3) of rule XXVII, the Chair announces he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rules on which the Chair has postponed further proceedings.

CONTROLLED SUBSTANCES ACT EXTENSION

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 5742.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. ROGERS) that

the House suspend the rules and pass the bill, H.R. 5742, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 393, nays 1, not voting 38, as follows:

[Roll No. 241]

YEAS—393

Addabbo	de la Garza	Jeffords
Akaka	Delaney	Jenkins
Alexander	Dellums	Jenrette
Allen	Derrick	Johnson, Calif.
Ambro	Derwinski	Jones, N.C.
Ammerman	Devine	Jones, Okla.
Anderson, Calif.	Dickinson	Jones, Tenn.
	Dicks	Jordan
Anderson, Ill.	Dingell	Kasten
Andrews, N.C.	Dodd	Kastenmeier
Andrews, N. Dak.	Dornan	Kazen
	Downey	Kelly
Applegate	Drinan	Kemp
Archer	Duncan, Oreg.	Ketchum
Armstrong	Duncan, Tenn.	Keys
Ashbrook	Early	Kildee
Ashley	Eckhardt	Kindness
Aspin	Edgar	Kostmayer
AuCoin	Edwards, Ala.	Krueger
Badham	Edwards, Calif.	LaFalce
Badillo	Edwards, Okla.	Lagomarsino
Bafalis	Emery	Latta
Baldus	English	Le Fante
Barnard	Erlenborn	Leach
Baucus	Ertel	Leggett
Bauman	Evans, Colo.	Lehman
Beard, R.I.	Evans, Del.	Lent
Beard, Tenn.	Evans, Ga.	Levitas
Bedell	Evans, Ind.	Lloyd, Tenn.
Beilenson	Fary	Long, La.
Benjamin	Fascell	Long, Md.
Bennett	Fenwick	Lott
Bevill	Findley	Lujan
Biaggi	Fish	Luken
Bingham	Fisher	Lundine
Blanchard	Fithian	McClory
Blouin	Flood	McCloskey
Boggs	Flowers	McCormack
Boland	Flynt	McDade
Bolling	Foley	McDonald
Bonker	Ford, Mich.	McEwen
Bowen	Ford, Tenn.	McFall
Brademas	Fountain	McHugh
Breaux	Fowler	McKay
Breckinridge	Fraser	McKinney
Brinkley	Frenzel	Madigan
Brooks	Frey	Maguire
Broomfield	Fuqua	Mahon
Brown, Calif.	Gammage	Mann
Brown, Mich.	Gaydos	Markey
Brown, Ohio	Gephardt	Marks
Broyhill	Giaimo	Marlenee
Buchanan	Gibbons	Marriott
Burgener	Gilman	Martin
Burke, Calif.	Ginn	Mathis
Burke, Fla.	Glickman	Mattox
Burke, Mass.	Goldwater	Mazzoli
Burleson, Tex.	Gonzalez	Meeds
Burlison, Mo.	Goodling	Metcalfe
Burton, John	Gore	Meyner
Burton, Phillip	Gradison	Michel
Butler	Grassley	Mikulski
Byron	Gudger	Mikva
Caputo	Guyer	Milford
Carney	Hagedorn	Miller, Calif.
Carr	Hall	Miller, Ohio
Carter	Hamilton	Mineta
Cavanaugh	Hammer-schmidt	Minish
Cederberg		Mitchell, Md.
Chappell	Hanley	Mitchell, N.Y.
Chisholm	Hannaford	Moakley
Clausen, Don H.	Harkin	Mollohan
	Harrington	Montgomery
Clay	Harris	Moore
Cleveland	Harsha	Moorhead, Calif.
Cochran	Hawkins	
Cohen	Heckler	Moorhead, Pa.
Coleman	Hefner	Moss
Collins, Ill.	Hightower	Motti
Collins, Tex.	Hillis	Murphy, Ill.
Conable	Holland	Murtha
Conte	Hollenbeck	Myers, Gary
Corcoran	Holt	Myers, Ind.
Cornell	Holtzman	Natcher
Cornwell	Horton	Neal
Cotter	Howard	Nedzi
Coughlin	Hubbard	Nichols
Crane	Huckaby	Nolan
D'Amours	Hughes	Nowak
Daniel, Dan	Hyde	O'Brien
Daniel, R. W.	Ichord	Oakar
Danielson	Ireland	Oberstar
Davis	Jacobs	Obey
Ottinger	Sarasin	Treen
Panetta	Satterfield	Trible
Patten	Sawyer	Tsongas
Patterson	Scheuer	Tucker
Pattison	Schroeder	Ullman
Pease	Schulze	Vander Jagt
Pepper	Sebelius	Vanik
Perkins	Seiberling	Vento
Pettis	Sharp	Volkmer
Pickle	Shipley	Waggonner
Pike	Shuster	Walgren
Preyer	Sikes	Walker
Pursell	Simon	Walsh
Quayle	Skelton	Watkins
Quie	Skubitz	Weaver
Quillen	Slack	Weiss
Rahall	Smith, Iowa	Whalen
Rangel	Smith, Nebr.	White
Regula	Snyder	Whitehurst
Reuss	Solarz	Whitley
Rhodes	Spellman	Whitten
Richmond	Spence	Wiggins
Rinaldo	St Germain	Wilson, Bob
Risenhoover	Stangeland	Wilson, C. H.
Roberts	Stanton	Wilson, Tex.
Robinson	Stark	Winn
Rodino	Steed	Wirth
Rogers	Steiger	Wolff
Roncalio	Stockman	Wright
Rooney	Stokes	Wydler
Rose	Stratton	Wylie
Rosenthal	Studds	Yates
Rostenkowski	Stump	Yatron
Rousselot	Symms	Young, Alaska
Rudd	Taylor	Young, Fla.
Runnels	Teague	Young, Mo.
Ruppe	Thompson	Young, Tex.
Russo	Thone	Zablocki
Ryan	Thornton	Zeferetti
Santini	Traxler	

NAYS—1

Conyers

NOT VOTING—38

Abdnor	Heftel	Price
Annunzio	Johnson, Colo.	Pritchard
Bonior	Koch	Railsback
Brodhead	Krebs	Roe
Clawson, Del	Lederer	Roybal
Corman	Lloyd, Calif.	Sisk
Dent	Moffett	Staggers
Diggs	Murphy, N.Y.	Steers
Eilberg	Murphy, Pa.	Udall
Flippo	Myers, Michael	Van Deerlin
Florio	Nix	Wampler
Forsythe	Poage	Waxman
Hansen	Pressler	

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Del Clawson.
Mr. Dent with Mr. Abdnor.
Mr. Heftel with Mr. Pressler.
Mr. Diggs with Mr. Michael O. Myers.
Mr. Eilberg with Mr. Railsback.
Mr. Corman with Mr. Murphy of Pennsylvania.
Mr. Lederer with Mr. Brodhead.
Mr. Nix with Mr. Hansen.
Mr. Flippo with Mr. Wampler.
Mr. Florio with Mr. Bonior.
Mr. Staggers with Mr. Roybal.
Mr. Van Deerlin with Mr. Roe.
Mr. Waxman with Mr. Price.
Mr. Murphy of New York with Mr. Pritchard.
Mr. Udall with Mr. Lloyd of California.
Mr. Koch with Mr. Krebs.
Mr. Sisk with Mr. Moffett.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING APPROPRIATIONS FOR THE SECURITIES AND EXCHANGE COMMISSION FOR FISCAL YEAR 1978

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 3722, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. ECKHARDT) that the House suspend the rules and pass the bill, H.R. 3722, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 375, nays 22, not voting 35, as follows:

[Roll No. 242]

YEAS—375

Addabbo	Coughlin	Horton
Akaka	D'Amours	Howard
Alexander	Daniel, Dan	Hubbard
Allen	Daniel, R. W.	Huckaby
Ambro	Danielson	Hughes
Ammerman	Davis	Hyde
Anderson, Calif.	de la Garza	Ireland
	Delaney	Jeffords
Anderson, Ill.	Dellums	Jenkins
Andrews, N.C.	Derrick	Jenrette
Andrews, N. Dak.	Devine	Johnson, Calif.
	Dickinson	Jones, N.C.
Applegate	Dicks	Jones, Okla.
Archer	Dingell	Jones, Tenn.
Armstrong	Dodd	Jordan
Ashley	Downey	Kasten
Aspin	Drinan	Kastenmeier
AuCoin	Duncan, Oreg.	Kazen
Badham	Duncan, Tenn.	Kelly
Badillo	Early	Kemp
Bafalis	Eckhardt	Ketchum
Baldus	Edgar	Kildee
Barnard	Edwards, Ala.	Kindness
Baucus	Edwards, Calif.	Kostmayer
Beard, R.I.	Edwards, Okla.	Krueger
Beard, Tenn.	Emery	LaFalce
Bedell	English	Lagomarsino
Beilenson	Erlenborn	Latta
Benjamin	Ertel	Le Fante
Bennett	Evans, Colo.	Leach
Bevill	Evans, Del.	Leggett
Biaggi	Evans, Ga.	Lehman
Bingham	Evans, Ind.	Lent
Blanchard	Fary	Levitas
Blouin	Fascell	Lloyd, Calif.
Boggs	Fenwick	Lloyd, Tenn.
Boland	Findley	Long, La.
Bolling	Fish	Long, Md.
Bonker	Fisher	Lott
Bowen	Fithian	Lujan
Brademas	Flood	Luken
Breaux	Flowers	Lundine
Breckinridge	Flynt	McClory
Brinkley	Foley	McCloskey
Brodhead	Ford, Mich.	McCormack
Brooks	Ford, Tenn.	McDade
Broomfield	Fountain	McEwen
Brown, Calif.	Fowler	McFall
Brown, Mich.	Fraser	McHugh
Brown, Ohio	Frenzel	McKay
Broyhill	Frey	McKinney
Buchanan	Fuqua	Madigan
Burgener	Gaydos	Maguire
Burke, Calif.	Gephardt	Mahon
Burke, Fla.	Giaimo	Mann
Burke, Mass.	Gibbons	Markey
Burleson, Tex.	Gilman	Marks
Burlison, Mo.	Ginn	Marlenee
Burton, John	Glickman	Marriott
Burton, Phillip	Goldwater	Martin
Butler	Gonzalez	Mathis
Byron	Goodling	Mazzoli
Caputo	Gore	Meeds
Carney	Gradison	Metcalfe
Carr	Grassley	Meyner
Carter	Gudger	Michel
Cavanaugh	Guyer	Mikulski
Cederberg	Hagedorn	Mikva
Chappell	Hamilton	Milford
Chisholm	Hammer-schmidt	Miller, Calif.
Clausen, Don H.		Miller, Ohio
	Hanley	Mineta
Clay	Hannaford	Minish
Cleveland	Harkin	Mitchell, Md.
Cochran	Harrington	Mitchell, N.Y.
Cohen	Harris	Moakley
Coleman	Harsha	Mollohan
Collins, Ill.	Hawkins	Moore
Conable	Heckler	Moorhead, Calif.
Conte	Hefner	
Conyers	Hightower	Moorhead, Pa.
Corcoran	Hillis	Moss
Cornell	Holland	Murphy, Ill.
Cornwell	Hollenbeck	Murtha
Cotter	Holtzman	Myers, Gary

Myers, Ind.	Rose	Thone
Natcher	Rosenthal	Thornton
Neal	Rostenkowski	Traxler
Nedzi	Rudd	Treen
Nichols	Runnels	Trible
Nolan	Ruppe	Tsongas
Nowak	Russo	Tucker
O'Brien	Ryan	Ullman
Oakar	Santini	Vander Jagt
Oberstar	Sarasin	Vanik
Obey	Satterfield	Vento
Ottinger	Sawyer	Waggonner
Panetta	Scheuer	Walgren
Patten	Schroeder	Walker
Patterson	Schulze	Walsh
Pattison	Sebelius	Wampler
Pease	Seiberling	Watkins
Pepper	Sharp	Weaver
Perkins	Shipley	Weiss
Pettis	Shuster	Whalen
Pickle	Sikes	White
Pike	Simon	Whitehurst
Preyer	Slack	Whitten
Pritchard	Smith, Iowa	Wiggins
Pursell	Smith, Nebr.	Wilson, Bob
Quayle	Snyder	Wilson, C. H.
Quie	Solarz	Wilson, Tex.
Quillen	Spellman	Winn
Rahall	Spence	Wirth
Rangel	St Germain	Wolff
Regula	Stangeland	Wright
Reuss	Stanton	Wydler
Rhodes	Stark	Wylie
Richmond	Steed	Yates
Rinaldo	Steiger	Yatron
Risenhoover	Stockman	Young, Alaska
Roberts	Stokes	Young, Fla.
Robinson	Stratton	Young, Mo.
Rodino	Studds	Young, Tex.
Rogers	Stump	Zablocki
Roncalio	Teague	Zeferetti
Rooney	Thompson	

NAYS—22

Ashbrook	Holt	Rousselot
Bauman	Ichord	Skelton
Collins, Tex.	Jacobs	Symms
Crane	Keys	Taylor
Derwinski	McDonald	Volkmer
Dornan	Mattox	Whitley
Gammage	Montgomery	
Hall	Motti	

NOT VOTING—35

Abdnor	Heftel	Price
Annunzio	Johnson, Colo.	Railsback
Bonior	Koch	Roe
Clawson, Del	Krebs	Roybal
Corman	Lederer	Sisk
Dent	Moffett	Skubitz
Diggs	Murphy, N.Y.	Staggers
Eilberg	Murphy, Pa.	Steers
Flippo	Myers, Michael	Udall
Florio	Nix	Van Deerlin
Forsythe	Poage	Waxman
Hansen	Pressler	

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Roe.
Mr. Eilberg with Mr. Heftel.
Mr. Dent with Mr. Florio.
Mr. Diggs with Mr. Railsback.
Mr. Corman with Mr. Hansen.
Mr. Flippo with Mr. Abdnor.
Mr. Murphy of New York with Mr. Murphy of Pennsylvania.
Mr. Lederer with Mr. Bonior.
Mr. Moffett with Mr. Nix.
Mr. Krebs with Mr. Pressler.
Mr. Koch with Mr. Del Clawson.
Mr. Staggers with Mr. Michael O. Myers.
Mr. Waxman with Mr. Skubitz.
Mr. Van Deerlin with Mr. Steers.
Mr. Roybal with Mr. Udall.
Mr. Sisk with Mr. Price.

Mr. ROUSSELOT changed his vote from "yea" to "nay."

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to amend the Securities Exchange Act of 1934 to authorize appropriations for the Securities and Exchange Commission for fiscal year 1978."

A motion to reconsider was laid on the table.

EXTENDING CERTAIN AUTHORITIES OF THE SECRETARY OF THE INTERIOR WITH RESPECT TO WATER RESOURCES RESEARCH AND SALINE WATER CONVERSION PROGRAMS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 4746, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington (Mr. MEEDS) that the House suspend the rules and pass the bill, H.R. 4746, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 397, nays 2, not voting 33, as follows:

[Roll No. 243]

YEAS—397

Addabbo	Chisholm	Gammage
Akaka	Clausen,	Gaydos
Alexander	Don H.	Gephardt
Allen	Clay	Giaimo
Ambro	Cleveland	Gibbons
Ammerman	Cochran	Gilman
Anderson,	Cohen	Ginn
Calif.	Coleman	Glickman
Anderson, Ill.	Collins, Ill.	Goldwater
Andrews, N.C.	Collins, Tex.	Gonzalez
Andrews,	Conable	Goodling
N. Dak.	Conte	Gore
Applegate	Conyers	Gradison
Archer	Corcoran	Grassley
Armstrong	Cornell	Gudger
Ashbrook	Cornwell	Guyer
Ashley	Cotter	Hagedorn
Aspin	Coughlin	Hall
AuCoin	D'Amours	Hamilton
Badham	Daniel, Dan	Hammer-
Badillo	Daniel, R. W.	schmidt
Bafalis	Danielson	Hanley
Baldus	Davis	Hannaford
Barnard	de la Garza	Harkin
Baucus	Delaney	Harrington
Bauman	Dellums	Harris
Beard, R.I.	Derrick	Harsha
Beard, Tenn.	Derwinski	Hawkins
Bedell	Devine	Heckler
Beilenson	Dickinson	Hefner
Benjamin	Dicks	Hightower
Bennett	Dingell	Hillis
Bevill	Dodd	Holland
Biaggi	Dornan	Hollenbeck
Bingham	Downey	Holt
Blanchard	Drinan	Holtzman
Blouin	Duncan, Oreg.	Horton
Boggs	Duncan, Tenn.	Howard
Boland	Early	Hubbard
Bolling	Eckhardt	Huckaby
Bonker	Edgar	Hughes
Bowen	Edwards, Ala.	Hyde
Brademas	Edwards, Calif.	Ichord
Breaux	Edwards, Okla.	Ireland
Breckinridge	Emery	Jacobs
Brinkley	English	Jeffords
Brodhead	Erlenborn	Jenkins
Brooks	Ertel	Jenrette
Broomfield	Evans, Colo.	Johnson, Calif.
Brown, Calif.	Evans, Del.	Jones, N.C.
Brown, Mich.	Evans, Ga.	Jones, Okla.
Brown, Ohio	Evans, Ind.	Jones, Tenn.
Broyhill	Fary	Jordan
Buchanan	Fascell	Kasten
Burgener	Fenwick	Kastenmeier
Burke, Calif.	Findley	Kazen
Burke, Fla.	Fish	Kelly
Burke, Mass.	Fisher	Kemp
Burleson, Tex.	Fithian	Ketchum
Burlison, Mo.	Flood	Keys
Burton, John	Flowers	Kildee
Burton, Phillip	Flynt	Kindness
Butler	Foley	Kostmayer
Byron	Ford, Mich.	Krueger
Caputo	Ford, Tenn.	LaFalce
Carney	Fountain	Lagomarsino
Carr	Fowler	Latta
Carter	Fraser	Le Fante
Cavanaugh	Frenzel	Leach
Cederberg	Frey	Leggett
Chappell	Fuqua	Lehman
Lent	Nowak	Smith, Nebr.
Levitas	O'Brien	Snyder
Lloyd, Calif.	Oakar	Solarz
Lloyd, Tenn.	Oberstar	Spellman
Long, La.	Obey	Spence
Long, Md.	Ottinger	St Germain
Lott	Panetta	Stangeland
Lujan	Patten	Stanton
Luken	Patterson	Stark
Lundine	Pattison	Steed
McClory	Pease	Steiger
McCloskey	Pepper	Stockman
McCormack	Perkins	Stokes
McDade	Pettis	Stratton
McEwen	Pickle	Studds
McFall	Pike	Stump
McHugh	Preyer	Symms
McKay	Pritchard	Taylor
McKinney	Pursell	Teague
Madigan	Quayle	Thompson
Maguire	Quie	Thone
Mahon	Quillen	Thornton
Mann	Rahall	Traxler
Markey	Rangel	Treen
Marks	Regula	Trible
Marlenee	Reuss	Tsongas
Marriott	Rhodes	Tucker
Martin	Richmond	Ullman
Mathis	Rinaldo	Vander Jagt
Mattox	Risenhoover	Vanik
Mazzoli	Roberts	Vento
Meeds	Robinson	Volkmer
Metcalfe	Rodino	Waggonner
Meyner	Rogers	Walgren
Michel	Roncalio	Walker
Mikulski	Rooney	Walsh
Mikva	Rose	Wampler
Milford	Rosenthal	Watkins
Miller, Calif.	Rostenkowski	Weaver
Miller, Ohio	Rousselot	Weiss
Mineta	Rudd	Whalen
Minish	Runnels	White
Mitchell, Md.	Ruppe	Whitehurst
Mitchell, N.Y.	Russo	Whitley
Moakley	Ryan	Whitten
Moilohan	Santini	Wiggins
Montgomery	Sarasin	Wilson, Bob
Moore	Satterfield	Wilson, C. H.
Moorhead,	Sawyer	Wilson, Tex.
Calif.	Scheuer	Winn
Moorhead, Pa.	Schroeder	Wirth
Moss	Schulze	Wolff
Motti	Sebelius	Wright
Murphy, Ill.	Seiberling	Wydler
Murphy, N.Y.	Sharp	Wylie
Murtha	Shipley	Yates
Myers, Gary	Shuster	Yatron
Myers, Ind.	Sikes	Young, Alaska
Natcher	Simon	Young, Fla.
Neal	Skelton	Young, Mo.
Nedzi	Skubitz	Young, Tex.
Nichols	Slack	Zablocki
Nolan	Smith, Iowa	Zeferetti

NAYS—2

Crane	McDonald

NOT VOTING—33

Abdnor	Hansen	Pressler
Annunzio	Heftel	Price
Bonior	Johnson, Colo.	Railsback
Clawson, Del	Koch	Roe
Corman	Krebs	Roybal
Dent	Lederer	Sisk
Diggs	Moffett	Staggers
Eilberg	Murphy, Pa.	Steers
Flippo	Myers, Michael	Udall
Florio	Nix	Van Deerlin
Forsythe	Poage	Waxman

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Abdnor.
Mr. Heftel with Mr. Railsback.
Mr. Dent with Mr. Hansen.
Mr. Eilberg with Mr. Murphy of Pennsylvania.
Mr. Diggs with Mr. Bonior.
Mr. Corman with Mr. Pressler.
Mr. Udall with Mr. Del Clawson.
Mr. Sisk with Mr. Michael O. Myers.
Mr. Lederer with Mr. Steers.
Mr. Krebs with Mr. Price.
Mr. Staggers with Mr. Roe.
Mr. Van Deerlin with Mr. Koch.
Mr. Roybal with Mr. Moffett.
Mr. Waxman with Mr. Flippo.
Mr. Nix with Mr. Florio.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDING THE WATER RESOURCES PLANNING ACT (79 STAT. 244), AS AMENDED

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 6752, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington (Mr. MEEDS) that the House suspend the rules and pass the bill H.R. 6752, as amended.

The question was taken.

RECORDED VOTE

Mr. HARKIN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 390, noes 6, not voting 36, as follows:

[Roll No. 244]

AYES—390

Addabbo	Carter	Ford, Mich.
Akaka	Cavanaugh	Ford, Tenn.
Alexander	Cederberg	Fowler
Allen	Chappell	Fraser
Ambro	Chisholm	Frenzel
Ammerman	Clausen, Don H.	Frey
Anderson, Calif.	Clay	Fuqua
Anderson, Ill.	Cleveland	Gammage
Andrews, N.C.	Cochran	Gaydos
Andrews, N. Dak.	Cohen	Gephardt
Applegate	Coleman	Giaimo
Archer	Collins, Ill.	Gibbons
Armstrong	Collins, Tex.	Gilman
Ashbrook	Conable	Ginn
Ashley	Conte	Glickman
Aspin	Conyers	Goldwater
AuCoin	Corcoran	Gonzalez
Badham	Cornell	Goodling
Badillo	Cornwell	Gore
Bafalis	Cotter	Gradison
Baldus	Coughlin	Grassley
Barnard	Crane	Gudger
Baucus	D'Amours	Guyer
Bauman	Daniel, Dan	Hagedorn
Beard, R.I.	Daniel, R. W.	Hall
Beard, Tenn.	Danielson	Hamilton
Bedell	Davis	Hammer-schmidt
Bellenson	de la Garza	Hanley
Bennett	Delaney	Hannaford
Bevill	Dellums	Harkin
Biaggi	Derrick	Harrington
Bingham	Derwinski	Harris
Blanchard	Devine	Harsha
Blouin	Dickinson	Hawkins
Boggs	Dicks	Heckler
Boland	Dingell	Hefner
Bolling	Dodd	Hightower
Bonker	Dornan	Hillis
Bowen	Downey	Holland
Brademas	Drinan	Hollenbeck
Breaux	Duncan, Oreg.	Holt
Breckinridge	Duncan, Tenn.	Holtzman
Brinkley	Early	Horton
Brodhead	Eckhardt	Howard
Brooks	Edgar	Hubbard
Broomfield	Edwards, Ala.	Huckaby
Brown, Calif.	Edwards, Calif.	Hughes
Brown, Mich.	Edwards, Okla.	Hyde
Brown, Ohio	Emery	Ichord
Broyhill	English	Ireland
Buchanan	Erlenborn	Jeffords
Burgener	Ertel	Jenkins
Burke, Calif.	Evans, Colo.	Jenrette
Burke, Fla.	Evans, Del.	Johnson, Calif.
Burke, Mass.	Fary	Jones, N.C.
Burleson, Tex.	Fascell	Jones, Okla.
Burlison, Mo.	Fenwick	Jones, Tenn.
Burton, John	Findley	Jordan
Burton, Phillip	Fish	Kasten
Butler	Fisher	Kastenmeier
Byron	Fithian	Kazen
Caputo	Flood	Kelly
Carney	Flowers	Kemp
Carr	Flynt	Ketchum
	Foley	Keys
Kildee	Myers, Ind.	Skubitz
Kindness	Natcher	Slack
Kostmayer	Neal	Smith, Iowa
Krueger	Nedzi	Smith, Nebr.
LaFalce	Nichols	Snyder
Lagomarsino	Nolan	Solarz
Latta	Nowak	Spellman
Le Fante	O'Brien	Spence
Leach	Oakar	St Germain
Leggett	Oberstar	Stangeland
Lehman	Obey	Stanton
Lent	Ottinger	Stark
Levitas	Panetta	Steed
Lloyd, Calif.	Patten	Steiger
Lloyd, Tenn.	Patterson	Stockman
Long, La.	Pattison	Stokes
Long, Md.	Pease	Stratton
Lott	Pepper	Studds
Lujan	Perkins	Stump
Luken	Pettis	Symms
Lundine	Pickle	Taylor
McClory	Pike	Teague
McCloskey	Preyer	Thompson
McCormack	Pritchard	Thone
McDade	Pursell	Thornton
McEwen	Quayle	Traxler
McFall	Quie	Treen
McHugh	Quillen	Trible
McKay	Rahall	Tsongas
McKinney	Rangel	Tucker
Madigan	Regula	Ullman
Maguire	Reuss	Vander Jagt
Mahon	Rhodes	Vanik
Markey	Richmond	Vento
Marks	Rinaldo	Volkmer
Marlenee	Risenhoover	Waggonner
Marriott	Roberts	Walgren
Martin	Robinson	Walker
Mathis	Rodino	Walsh
Mattox	Rogers	Wampler
Mazzoli	Roncalio	Watkins
Meeds	Rooney	Weaver
Metcalfe	Rose	Weiss
Meyner	Rosenthal	Whalen
Michel	Rostenkowski	White
Mikulski	Rousselot	Whitehurst
Milford	Rudd	Whitten
Miller, Calif.	Runnels	Wiggins
Miller, Ohio	Ruppe	Wilson, Bob
Mineta	Russo	Wilson, C. H.
Minish	Ryan	Wilson, Tex.
Mitchell, Md.	Santini	Winn
Mitchell, N.Y.	Sarasin	Wirth
Moakley	Satterfield	Wolff
Mollohan	Sawyer	Wright
Montgomery	Scheuer	Wydler
Moore	Schroeder	Wylie
Moorhead, Calif.	Schulze	Yates
Moorhead, Pa.	Sebelius	Yatron
Moss	Seiberling	Young, Alaska
Mottl	Sharp	Young, Fla.
Murphy, Ill.	Shipley	Young, Mo.
Murphy, N.Y.	Shuster	Young, Tex.
Murtha	Sikes	Zablocki
Myers, Gary	Simon	Zeferetti
	Skelton	

NOES—6

Benjamin	Jacobs	Mikva
Evans, Ind.	McDonald	Whitley

NOT VOTING—36

Abdnor	Fountain	Poage
Annunzio	Hansen	Pressler
Bonior	Heftel	Price
Clawson, Del	Johnson, Colo.	Railsback
Corman	Koch	Roe
Dent	Krebs	Roybal
Diggs	Lederer	Sisk
Eilberg	Mann	Staggers
Evans, Ga.	Moffett	Steers
Flippo	Murphy, Pa.	Udall
Florio	Myers, Michael	Van Deerlin
Forsythe	Nix	Waxman

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Del Clawson.
Mr. Florio with Mr. Hansen.
Mr. Koch with Mr. Bonior.
Mr. Sisk with Mr. Krebs.
Mr. Udall with Mr. Michael O. Myers.
Mr. Waxman with Mr. Abdnor.
Mr. Diggs with Mr. Fountain.
Mr. Dent with Mr. Lederer.
Mr. Eilberg with Mr. Evans of Georgia.
Mr. Corman with Mr. Mann.
Mr. Nix with Mr. Murphy of Pennsylvania.
Mr. Moffett with Mr. Price.
Mr. Heftel with Mr. Railsback.
Mr. Flippo with Mr. Pressler.
Mr. Staggers with Mr. Steers.
Mr. Roybal with Mr. Roe.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

RIVER BASIN AUTHORIZATIONS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 5885, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill H.R. 5885, as amended.

The question was taken.

RECORDED VOTE

Mr. HARKIN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 310, noes 89, not voting 33, as follows:

[Roll No. 245]

AYES—310

Addabbo	Chappell	Gradison
Akaka	Chisholm	Guyer
Alexander	Clausen, Don H.	Hagedorn
Allen	Clay	Hall
Ammerman	Cochran	Hamilton
Anderson, Calif.	Cohen	Hammer-schmidt
Anderson, Ill.	Coleman	Hanley
Andrews, N.C.	Collins, Ill.	Hannaford
Andrews, N. Dak.	Collins, Tex.	Harrington
Applegate	Corcoran	Harris
Archer	Cornwell	Harsha
Armstrong	Cotter	Hawkins
Ashbrook	D'Amours	Hightower
Ashley	Daniel, Dan	Hillis
Aspin	Daniel, R. W.	Hollenbeck
AuCoin	Danielson	Holt
Badham	Davis	Horton
Badillo	de la Garza	Howard
Bafalis	Delaney	Hubbard
Baldus	Devine	Huckaby
Barnard	Dickinson	Hughes
Baucus	Dicks	Hyde
Bauman	Dingell	Ichord
Beard, R.I.	Dornan	Ireland
Beard, Tenn.	Downey	Jenkins
Benjamin	Duncan, Oreg.	Jenrette
Bennett	Duncan, Tenn.	Johnson, Calif.
Bevill	Edwards, Ala.	Jones, N.C.
Biaggi	Edwards, Okla.	Jones, Okla.
Bingham	English	Jones, Tenn.
Blanchard	Ertel	Jordan
Blouin	Evans, Colo.	Kazen
Boggs	Evans, Del.	Ketchum
Boland	Evans, Ga.	Kindness
Bolling	Fary	Krueger
Bonker	Fascell	LaFalce
Bowen	Findley	Lagomarsino
Brademas	Fish	Latta
Breaux	Fithian	Le Fante
Breckinridge	Flood	Leach
Brinkley	Flowers	Leggett
Brooks	Flynt	Lehman
Broomfield	Foley	Lent
Brown, Calif.	Ford, Mich.	Lloyd, Calif.
Brown, Mich.	Ford, Tenn.	Lloyd, Tenn.
Brown, Ohio	Fraser	Long, La.
Broyhill	Frenzel	Long, Md.
Buchanan	Frey	Lott
Burgener	Fuqua	Lujan
Burke, Calif.	Gammage	Lundine
Burke, Fla.	Gaydos	McClory
Burke, Mass.	Gephardt	McCloskey
Burleson, Tex.	Giaimo	McCormack
Burlison, Mo.	Gibbons	McDade
Burton, John	Gilman	McEwen
Burton, Phillip	Ginn	McFall
Butler	Glickman	McHugh
Byron	Goldwater	McKay
Carter	Gonzalez	McKinney
Cederberg	Goodling	Madigan
	Gore	Mahon

Mann	Quie	Stokes
Markey	Quillen	Stratton
Marlenee	Rahall	Stump
Marriott	Rangel	Symms
Mathis	Regula	Taylor
Mattox	Reuss	Teague
Mazzoli	Rhodes	Thompson
Meeds	Rinaldo	Thone
Metcalfe	Risenhoover	Thornton
Meyner	Roberts	Traxler
Mikulski	Robinson	Treen
Milford	Rodino	Tucker
Miller, Ohio	Rogers	Ullman
Mineta	Roncalio	Vander Jagt
Mitchell, Md.	Rooney	Vanik
Mitchell, N.Y.	Rose	Volkmer
Moakley	Rostenkowski	Waggonner
Mollohan	Rousselot	Walgren
Montgomery	Rudd	Walsh
Moore	Runnels	Wampler
Moorhead, Calif.	Russo	Watkins
	Ryan	Weaver
Moorhead, Pa.	Santini	Weiss
Moss	Sarasin	Whalen
Murphy, N.Y.	Satterfield	White
Murtha	Sawyer	Whitehurst
Myers, Gary	Schulze	Whitley
Myers, Ind.	Sebelius	Whitten
Natcher	Shipley	Wiggins
Nichols	Shuster	Wilson, Bob
Nowak	Sikes	Wilson, Tex.
O'Brien	Skelton	Winn
Oakar	Skubitz	Wolff
Oberstar	Slack	Wright
Panetta	Smith, Iowa	Wydler
Patterson	Smith, Nebr.	Wylie
Pease	Snyder	Yatron
Pepper	Solarz	Young, Alaska
Perkins	Spence	Young, Fla.
Pettis	St Germain	Young, Mo.
Pickle	Stangeland	Young, Tex.
Preyer	Stanton	Zablocki
Pritchard	Steed	Zeferetti

NOES—89

Ambro	Fowler	Nedzi
Bedell	Grassley	Nolan
Beilenson	Gudger	Obey
Brodhead	Harkin	Ottinger
Caputo	Heckler	Patten
Carney	Hefner	Pattison
Carr	Holland	Pike
Cavanaugh	Holtzman	Pursell
Cleveland	Jacobs	Quayle
Conable	Jeffords	Richmond
Conte	Kasten	Rosenthal
Conyers	Kastenmeier	Ruppe
Cornell	Kelly	Scheuer
Coughlin	Kemp	Schroeder
Crane	Keys	Seiberling
Dellums	Kildee	Sharp
Derrick	Kostmayer	Simon
Derwinski	Levitas	Spellman
Dodd	Luken	Stark
Drinan	McDonald	Steiger
Early	Maguire	Stockman
Eckhardt	Marks	Studds
Edgar	Martin	Trible
Edwards, Calif.	Michel	Tsongas
Emery	Mikva	Vento
Erlenborn	Miller, Calif.	Walker
Evans, Ind.	Minish	Wilson, C. H.
Fenwick	Mottl	Wirth
Fisher	Murphy, Ill.	Yates
Fountain	Neal	

NOT VOTING—33

Abdnor	Hansen	Pressler
Annunzio	Heftel	Price
Bonior	Johnson, Colo.	Railsback
Clawson, Del	Koch	Roe
Corman	Krebs	Roybal
Dent	Lederer	Sisk
Diggs	Moffett	Staggers
Eilberg	Murphy, Pa.	Steers
Flippo	Myers, Michael	Udall
Florio	Nix	Van Deerlin
Forsythe	Poage	Waxman

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Corman.
Mr. Dent with Mr. Flippo.
Mr. Eilberg with Mr. Del Clawson.
Mr. Lederer with Mr. Hansen.
Mr. Diggs with Mr. Michael O. Myers.
Mr. Moffett with Mr. Bonior.
Mr. Koch with Mr. Udall.
Mr. Heftel with Mr. Abdnor.
Mr. Sisk with Mr. Staggers.
Mr. Price with Mr. Murphy of Pennsylvania.
Mr. Roe with Mr. Steers.
Mr. Waxman with Mr. Pressler.
Mr. Van Deerlin with Mr. Krebs.
Mr. Nix with Mr. Railsback.
Mr. Florio with Mr. Roybal.

Messrs. SEIBERLING, CORNELL, and TSONGAS changed their vote from "aye" to "no."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MEDICINE BOW NATIONAL FOREST SURVEY

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 2501, as amended.

The Clerk read the title of the bill.

The question is on the motion offered by the gentleman from Wyoming (Mr. RONCALIO) that the House suspend the rules and pass the bills, H.R. 2501, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 371, nays 26, not voting 35, as follows:

[Roll No. 246]

YEAS—371

Addabbo	Caputo	Findley
Alexander	Carney	Fish
Allen	Carter	Fisher
Ambro	Cavanaugh	Fithian
Ammerman	Cederberg	Flood
Anderson, Calif.	Chappell	Flowers
	Chisholm	Flynt
Anderson, Ill.	Clausen,	Foley
Andrews, N.C.	Don H.	Ford, Mich.
Andrews, N. Dak.	Clay	Ford, Tenn.
	Cleveland	Fountain
Applegate	Cochran	Fowler
Archer	Cohen	Fraser
Armstrong	Coleman	Frenzel
Ashbrook	Collins, Ill.	Frey
Ashley	Collins, Tex.	Fuqua
Aspin	Conable	Gammage
AuCoin	Conte	Gaydos
Badham	Conyers	Gephardt
Badillo	Corcoran	Giaimo
Bafalis	Cornell	Gibbons
Baldus	Cornwell	Gilman
Barnard	Cotter	Ginn
Baucus	Coughlin	Goldwater
Bauman	Crane	Goodling
Beard, R.I.	D'Amours	Gore
Beard, Tenn.	Daniel, Dan	Gradison
Beilenson	Daniel, R. W.	Grassley
Benjamin	Danielson	Guyer
Bennett	Davis	Hagedorn
Bevill	de la Garza	Hall
Biaggi	Delaney	Hamilton
Bingham	Dellums	Hanley
Blanchard	Derrick	Hannaford
Blouin	Derwinski	Harkin
Boggs	Devine	Harrington
Boland	Dickinson	Harris
Bolling	Dicks	Harsha
Bonker	Dingell	Hawkins
Bowen	Dodd	Heckler
Brademas	Dornan	Hightower
Breaux	Downey	Hillis
Breckinridge	Drinan	Holland
Brinkley	Duncan, Oreg.	Hollenbeck
Brodhead	Duncan, Tenn.	Holt
Brooks	Early	Horton
Broomfield	Eckhardt	Howard
Brown, Calif.	Edgar	Hubbard
Brown, Mich.	Edwards, Ala.	Huckaby
Brown, Ohio	Edwards, Calif.	Hughes
Broyhill	Edwards, Okla.	Hyde
Buchanan	Emery	Ichord
Burgener	English	Ireland
Burke, Calif.	Erlenborn	Jenrette
Burke, Fla.	Evans, Colo.	Johnson, Calif.
Burke, Mass.	Evans, Del.	Jones, N.C.
Burleson, Tex.	Evans, Ga.	Jones, Okla.
Burlison, Mo.	Evans, Ind.	Jones, Tenn.
Burton, John	Fary	Jordan
Burton, Phillip	Fascell	Kasten
Byron	Fenwick	Kastenmeier
Kazen	Murtha	Skelton
Kelly	Myers, Gary	Skubitz
Kemp	Myers, Ind.	Slack
Kildee	Natcher	Smith, Iowa
Kindness	Nedzi	Smith, Nebr.
Krueger	Nichols	Snyder
LaFalce	Nolan	Solarz
Lagomarsino	Nowak	Spellman
Latta	O'Brien	Spence
Le Fante	Oakar	St Germain
Leach	Oberstar	Stangeland
Leggett	Obey	Stanton
Lehman	Ottinger	Steed
Lent	Panetta	Steiger
Levitas	Patten	Stockman
Lloyd, Calif.	Patterson	Stokes
Lloyd, Tenn.	Pattison	Stratton
Long, La.	Pease	Studds
Long, Md.	Pepper	Stump
Lott	Perkins	Symms
Lujan	Pettis	Taylor
Luken	Pickle	Teague
Lundine	Pike	Thompson
McClory	Pritchard	Thone
McCloskey	Pursell	Thornton
McCormack	Quayle	Traxler
McDade	Quie	Treen
McDonald	Quillen	Trible
McEwen	Rangel	Tsongas
McFall	Regula	Tucker
McHugh	Reuss	Ullman
McKay	Rhodes	Vander Jagt
McKinney	Richmond	Vanik
Madigan	Rinaldo	Waggonner
Mahon	Risenhoover	Walgren
Markey	Roberts	Walker
Marks	Robinson	Walsh
Marlenee	Rodino	Wampler
Marriott	Rogers	Watkins
Martin	Roncalio	Weaver
Mathis	Rooney	Weiss
Mazzoli	Rose	Whalen
Meeds	Rosenthal	White
Metcalfe	Rostenkowski	Whitehurst
Meyner	Rousselot	Whitley
Michel	Rudd	Whitten
Mikulski	Runnels	Wiggins
Mikva	Ruppe	Wilson, Bob
Milford	Russo	Wilson, C. H.
Miller, Calif.	Ryan	Wilson, Tex.
Mineta	Santini	Winn
Minish	Sarasin	Wirth
Mitchell, Md.	Satterfield	Wolff
Mitchell, N.Y.	Sawyer	Wright
Moakley	Scheuer	Wydler
Mollohan	Schroeder	Wylie
Montgomery	Schulze	Yates
Moore	Sebelius	Yatron
Moorhead, Calif.	Seiberling	Young, Alaska
	Sharp	Young, Fla.
Moorhead, Pa.	Shipley	Young, Mo.
Moss	Shuster	Young, Tex.
Murphy, Ill.	Sikes	Zablocki
Murphy, N.Y.	Simon	Zeferetti

NAYS—26

Akaka	Hefner	Mattox
Bedell	Holtzman	Miller, Ohio
Carr	Jacobs	Mottl
Ertel	Jeffords	Neal
Glickman	Jenkins	Preyer
Gonzalez	Ketchum	Rahall
Gudger	Keys	Stark
Hammer-schmidt	Kostmayer	Vento
	Maguire	Volkmer

NOT VOTING—35

Abdnor	Hansen	Pressler
Annunzio	Heftel	Price
Bonior	Johnson, Colo.	Railsback
Butler	Koch	Roe
Clawson, Del	Krebs	Roybal
Corman	Lederer	Sisk
Dent	Mann	Staggers
Diggs	Moffett	Steers
Eilberg	Murphy, Pa.	Udall
Flippo	Myers, Michael	Van Deerlin
Florio	Nix	Waxman
Forsythe	Poage	

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Van Deerlin.
Mr. Staggers with Mr. Steers.
Mr. Udall with Mr. Roe.
Mr. Moffett with Mr. Michael O. Myers.
Mr. Lederer with Mr. Koch.
Mr. Dent with Mr. Railsback.
Mr. Heftel with Mr. Hansen.
Mr. Eilberg with Mr. Flippo.
Mr. Diggs with Mr. Price.

Mr. Florio with Mr. Murphy of Pennsylvania.
Mr. Nix with Mr. Corman.
Mr. Mann with Mr. Pressler.
Mr. Krebs with Mr. Bonior.
Mr. Sisk with Mr. Del Clawson.
Mr. Roybal with Mr. Butler.
Mr. Waxman with Mr. Abdnor.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AVIATION INSURANCE AND REINSURANCE

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 6010, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ANDERSON) that the House suspend the rules and pass the bill (H.R 6010), as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 388, nays 8, not voting 36, as follows:

[Roll No. 247]

YEAS—388

Addabbo	Burton, Phillip	Fary
Akaka	Butler	Fascell
Alexander	Byron	Fenwick
Allen	Caputo	Findley
Ambro	Carney	Fish
Ammerman	Carr	Fisher
Anderson, Calif.	Carter	Fithian
	Cavanaugh	Flood
Anderson, Ill.	Cederberg	Flowers
Andrews, N.C.	Chappell	Flynt
Andrews, N. Dak.	Chisholm	Foley
	Clausen, Don H.	Ford, Mich.
Archer		Ford, Tenn.
Armstrong	Clay	Fountain
Ashbrook	Cleveland	Fowler
Ashley	Cochran	Fraser
Aspin	Cohen	Frenzel
AuCoin	Coleman	Frey
Badham	Collins, Ill.	Fuqua
Bafalis	Conable	Gammage
Baldus	Conte	Gaydos
Barnard	Corcoran	Gephardt
Baucus	Cornell	Giaimo
Bauman	Cornwell	Gibbons
Beard, R.I.	Cotter	Gilman
Beard, Tenn.	Coughlin	Ginn
Bedell	D'Amours	Glickman
Beilenson	Daniel, Dan	Goldwater
Benjamin	Daniel, R. W.	Gonzalez
Bennett	Danielson	Goodling
Bevill	Davis	Gore
Biaggi	de la Garza	Gradison
Bingham	Delaney	Grassley
Blanchard	Dellums	Gudger
Blouin	Derrick	Guyer
Boggs	Derwinski	Hagedorn
Boland	Devine	Hall
Bolling	Dickinson	Hamilton
Bonker	Dicks	Hammer-schmidt
Bowen	Dingell	
Brademas	Dodd	Hanley
Breaux	Dornan	Hannaford
Breckinridge	Downey	Harkin
Brinkley	Duncan, Oreg.	Harrington
Brodhead	Duncan, Tenn.	Harris
Brooks	Early	Harsha
Broomfield	Eckhardt	Hawkins
Brown, Calif.	Edgar	Heckler
Brown, Mich.	Edwards, Ala.	Hefner
Brown, Ohio	Edwards, Calif.	Hightower
Broyhill	Edwards, Okla.	Hillis
Buchanan	Emery	Holland
Burgener	English	Hollenbeck
Burke, Calif.	Erlenborn	Holt
Burke, Fla.	Ertel	Holtzman
Burke, Mass.	Evans, Colo.	Horton
Burleson, Tex.	Evans, Del.	Howard
Burlison, Mo.	Evans, Ga.	Hubbard
Burton, John	Evans, Ind.	Huckaby
Hughes	Mitchell, Md.	Sebelius
Hyde	Mitchell, N.Y.	Seiberling
Ichord	Moakley	Sharp
Ireland	Mollohan	Shipley
Jacobs	Montgomery	Shuster
Jeffords	Moore	Sikes
Jenkins	Moorhead, Calif.	Skelton
Jenrette		Skubitz
Johnson, Calif.	Moorhead, Pa.	Slack
Jones, N.C.	Moss	Smith, Iowa
Jones, Okla.	Mottl	Smith, Nebr.
Jones, Tenn.	Murphy, Ill.	Snyder
Jordan	Murphy, N.Y.	Solarz
Kasten	Murtha	Spellman
Kastenmeier	Myers, Gary	Spence
Kazen	Myers, Ind.	St Germain
Kemp	Natcher	Stangeland
Ketchum	Neal	Stanton
Keys	Nedzi	Stark
Kildee	Nichols	Steed
Kindness	Nolan	Steiger
Kostmayer	Nowak	Stockman
Krueger	O'Brien	Stokes
LaFalce	Oakar	Stratton
Lagomarsino	Oberstar	Studds
Latta	Obey	Stump
Le Fante	Ottinger	Taylor
Leach	Panetta	Teague
Leggett	Patten	Thompson
Lehman	Patterson	Thone
Lent	Pattison	Thornton
Levitas	Pease	Traxler
Lloyd, Calif.	Pepper	Treen
Lloyd, Tenn.	Perkins	Trible
Long, La.	Pettis	Tsongas
Long, Md.	Pickle	Tucker
Lott	Pike	Ullman
Lujan	Preyer	Vander Jagt
Luken	Pritchard	Vanik
Lundine	Pursell	Vento
McClory	Quayle	Volkmer
McCloskey	Quie	Waggonner
McCormack	Rahall	Walgren
McDade	Rangel	Walker
McEwen	Regula	Walsh
McFall	Reuss	Wampler
McHugh	Rhodes	Watkins
McKay	Richmond	Weaver
McKinney	Rinaldo	Weiss
Madigan	Risenhoover	Whalen
Maguire	Roberts	White
Mahon	Robinson	Whitehurst
Mann	Rodino	Whitley
Markey	Rogers	Whitten
Marks	Roncalio	Wiggins
Marlenee	Rooney	Wilson, Bob
Marriott	Rose	Wilson, C. H.
Martin	Rosenthal	Wilson, Tex.
Mathis	Rostenkowski	Winn
Mattox	Rousselot	Wirth
Mazzoli	Rudd	Wolff
Meeds	Runnels	Wright
Metcalfe	Ruppe	Wydler
Meyner	Russo	Wylie
Michel	Ryan	Yates
Mikulski	Santini	Yatron
Mikva	Sarasin	Young, Alaska
Milford	Satterfield	Young, Fla.
Miller, Calif.	Sawyer	Young, Mo.
Miller, Ohio	Scheuer	Young, Tex.
Mineta	Schroeder	Zablocki
Minish	Schulze	Zeferetti

NAYS—8

Collins, Tex.	Kelly	Simon
Crane	McDonald	Symms
Drinan	Quillen	

NOT VOTING—36

Abdnor	Florio	Poage
Annunzio	Forsythe	Pressler
Applegate	Hansen	Price
Badillo	Heftel	Railsback
Bonior	Johnson, Colo.	Roe
Clawson, Del	Koch	Roybal
Conyers	Krebs	Sisk
Corman	Lederer	Staggers
Dent	Moffett	Steers
Diggs	Murphy, Pa.	Udall
Eilberg	Myers, Michael	Van Deerlin
Flippo	Nix	Waxman

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Abdnor.
Mr. Corman with Mr. Del Clawson.
Mr. Dent with Mr. Hansen.
Mr. Diggs with Mr. Heftel.
Mr. Eilberg with Mr. Krebs.
Mr. Flippo with Mr. Murphy of Pennsylvania.
Mr. Nix with Mr. Pressler.
Mr. Koch with Mr. Price.
Mr. Bonior with Mr. Railsback.
Mr. Staggers with Mr. Steers.
Mr. Udall with Mr. Van Deerlin.
Mr. Waxman with Mr. Michael O. Myers.
Mr. Lederer with Mr. Moffett.
Mr. Sisk with Mr. Roe.
Mr. Roybal with Mr. Ichord.
Mr. Badillo with Mr. Applegate.
Mr. Florio with Mr. Conyers.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DISASTER RELIEF ACT AUTHORIZATION

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 6197, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill (H.R. 6197), as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 393, nays 5, not voting 34, as follows:

[Roll No. 248]

YEAS—393

Addabbo	Burke, Fla.	Edwards, Calif.
Akaka	Burke, Mass.	Edwards, Okla.
Alexander	Burleson, Tex.	Emery
Allen	Burlison, Mo.	English
Ambro	Burton, John	Erlenborn
Ammerman	Burton, Phillip	Ertel
Anderson, Calif.	Butler	Evans, Colo.
	Byron	Evans, Del.
Anderson, Ill.	Caputo	Evans, Ga.
Andrews, N.C.	Carney	Evans, Ind.
Andrews, N. Dak.	Carr	Fary
	Carter	Fascell
Applegate	Cavanaugh	Fenwick
Archer	Cederberg	Findley
Armstrong	Chappell	Fish
Ashbrook	Chisholm	Fisher
Ashley	Clausen, Don H.	Fithian
Aspin		Flood
AuCoin	Clay	Flowers
Badham	Cleveland	Flynt
Badillo	Cochran	Foley
Bafalis	Cohen	Ford, Mich.
Baldus	Coleman	Ford, Tenn.
Barnard	Collins, Ill.	Fountain
Baucus	Collins, Tex.	Fowler
Bauman	Conable	Fraser
Beard, R.I.	Conte	Frenzel
Beard, Tenn.	Corcoran	Frey
Bedell	Cornell	Fuqua
Beilenson	Cornwell	Gammage
Benjamin	Cotter	Gaydos
Bennett	Coughlin	Gephardt
Bevill	D'Amours	Giaimo
Biaggi	Daniel, Dan	Gibbons
Bingham	Daniel, R. W.	Gilman
Blanchard	Danielson	Ginn
Blouin	Davis	Glickman
Boggs	de la Garza	Goldwater
Boland	Delaney	Gonzalez
Bolling	Dellums	Goodling
Bonker	Derrick	Gore
Bowen	Derwinski	Gradison
Brademas	Devine	Grassley
Breaux	Dickinson	Gudger
Breckinridge	Dicks	Guyer
Brinkley	Dingell	Hagedorn
Brodhead	Dodd	Hall
Brooks	Dornan	Hamilton
Broomfield	Downey	Hammer-schmidt
Brown, Calif.	Drinan	
Brown, Mich.	Duncan, Oreg.	Hanley
Brown, Ohio	Duncan, Tenn.	Hannaford
Broyhill	Early	Harkin
Buchanan	Eckhardt	Harrington
Burgener	Edgar	Harris
Burke, Calif.	Edwards, Ala.	Harsha

Hawkins	Mikulski	Scheuer
Heckler	Mikva	Schroeder
Hefner	Milford	Schulze
Hightower	Miller, Calif.	Sebelius
Hillis	Miller, Ohio	Seiberling
Holland	Mineta	Sharp
Hollenbeck	Minish	Shipley
Holt	Mitchell, Md.	Shuster
Holtzman	Mitchell, N.Y.	Sikes
Horton	Moakley	Simon
Howard	Mollohan	Skelton
Hubbard	Montgomery	Skubitz
Huckaby	Moore	Slack
Hughes	Moorhead, Calif.	Smith, Iowa
Hyde	Moorhead, Pa.	Smith, Nebr.
Ireland	Moss	Snyder
Jacobs	Mottl	Solarz
Jeffords	Murphy, Ill.	Spellman
Jenkins	Murphy, N.Y.	Spence
Jenrette	Murtha	St Germain
Johnson, Calif.	Myers, Gary	Stangeland
Jones, N.C.	Myers, Ind.	Stanton
Jones, Okla.	Natcher	Stark
Jones, Tenn.	Neal	Steed
Jordan	Nedzi	Steiger
Kasten	Nichols	Stockman
Kastenmeier	Nolan	Stokes
Kazen	Nowak	Stratton
Kemp	O'Brien	Studds
Ketchum	Oakar	Stump
Keys	Oberstar	Symms
Kildee	Obey	Taylor
Kindness	Ottinger	Teague
Kostmayer	Panetta	Thompson
Krueger	Patten	Thone
LaFalce	Patterson	Thornton
Lagomarsino	Pattison	Traxler
Latta	Pease	Treen
Le Fante	Pepper	Trible
Leach	Perkins	Tsongas
Leggett	Pettis	Tucker
Lehman	Pickle	Ullman
Lent	Pike	Vander Jagt
Levitas	Preyer	Vanik
Lloyd, Calif.	Pritchard	Volkmer
Lloyd, Tenn.	Pursell	Waggonner
Long, La.	Quayle	Walgren
Long, Md.	Quie	Walker
Lott	Quillen	Walsh
Lujan	Rahall	Wampler
Luken	Rangel	Watkins
Lundine	Regula	Weaver
McClory	Reuss	Weiss
McCloskey	Rhodes	Whalen
McCormack	Richmond	White
McDade	Rinaldo	Whitehurst
McEwen	Risenhoover	Whitley
McFall	Roberts	Whitten
McHugh	Robinson	Wiggins
McKay	Rodino	Wilson, Bob
McKinney	Rogers	Wilson, C. H.
Madigan	Roncalio	Wilson, Tex.
Maguire	Rooney	Winn
Mahon	Rose	Wirth
Mann	Rosenthal	Wolff
Markey	Rostenkowski	Wright
Marks	Rousselot	Wydler
Marlenee	Rudd	Wylie
Marriott	Runnels	Yates
Martin	Ruppe	Yatron
Mathis	Russo	Young, Alaska
Mattox	Ryan	Young, Fla.
Mazzoli	Santini	Young, Mo.
Meeds	Sarasin	Young, Tex.
Metcalfe	Satterfield	Zablocki
Meyner	Sawyer	Zeferetti
Michel		

NAYS—5

Conyers	Kelly	Vento
Crane	McDonald	

NOT VOTING—34

Abdnor	Heftel	Price
Annunzio	Ichord	Railsback
Bonior	Johnson, Colo.	Roe
Clawson, Del	Koch	Roybal
Corman	Krebs	Sisk
Dent	Lederer	Staggers
Diggs	Moffett	Steers
Eilberg	Murphy, Pa.	Udall
Flippo	Myers, Michael	Van Deerlin
Florio	Nix	Waxman
Forsythe	Poage	
Hansen	Pressler	

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Abdnor.
Mr. Corman with Mr. Del Clawson.
Mr. Dent with Mr. Hansen.
Mr. Diggs with Mr. Heftel.
Mr. Eilberg with Mr. Krebs.
Mr. Flippo with Mr. Murphy of Pennsylvania.
Mr. Nix with Mr. Pressler.
Mr. Koch with Mr. Price.
Mr. Bonior with Mr. Railsback.
Mr. Staggers with Mr. Florio.
Mr. Udall with Mr. Van Deerlin.
Mr. Waxman with Mr. Michael O. Myers.
Mr. Lederer with Mr. Moffett.
Mr Sisk with Mr. Roe.
Mr. Roybal with Mr. Ichord.

So (two-thirds having voted in favor thereof), the rules were suspended, and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DEEPWATER PORT ACT AUTHORIZATION

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 6401, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill, H.R. 6401, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 387, nays 6, not voting 39, as follows:

[Roll No. 249]

YEAS—387

Addabbo	Burke, Fla.	Edwards, Ala.
Akaka	Burke, Mass.	Edwards, Calif.
Alexander	Burleson, Tex.	Edwards, Okla.
Allen	Burlison, Mo.	Emery
Ambro	Burton, John	English
Ammerman	Burton, Phillip	Erlenborn
Anderson, Calif.	Butler	Ertel
Anderson, Ill.	Byron	Evans, Colo.
Andrews, N.C.	Caputo	Evans, Del.
Andrews, N. Dak.	Carney	Evans, Ga.
Applegate	Carr	Fary
Archer	Carter	Fascell
Armstrong	Cavanaugh	Fenwick
Ashbrook	Cederberg	Fish
Ashley	Chappell	Fisher
Aspin	Chisholm	Fithian
AuCoin	Clausen, Don H.	Flood
Badham	Clay	Flowers
Badillo	Cleveland	Flynt
Bafalis	Cochran	Foley
Baldus	Cohen	Ford, Mich.
Barnard	Coleman	Ford, Tenn.
Baucus	Collins, Ill.	Fountain
Bauman	Collins, Tex.	Fowler
Beard, R.I.	Conable	Fraser
Beard, Tenn.	Conte	Frenzel
Bedell	Conyers	Frey
Beilenson	Corcoran	Fuqua
Benjamin	Cornell	Gammage
Bennett	Cornwell	Gaydos
Bevill	Cotter	Gephardt
Biaggi	Coughlin	Giaimo
Bingham	D'Amours	Gibbons
Blanchard	Daniel, Dan	Gilman
Blouin	Daniel, R. W.	Ginn
Boggs	Danielson	Gonzalez
Boland	Davis	Goodling
Bolling	de la Garza	Gore
Bonker	Delaney	Gradison
Bowen	Dellums	Grassley
Brademas	Derrick	Gudger
Breaux	Derwinski	Guyer
Breckinridge	Devine	Hagedorn
Brinkley	Dickinson	Hall
Brodhead	Dicks	Hamilton
Brooks	Dingell	Hammer-schmidt
Broomfield	Dodd	Hanley
Brown, Calif.	Dornan	Hannaford
Brown, Mich.	Downey	Harkin
Brown, Ohio	Drinan	Harrington
Broyhill	Duncan, Oreg.	Harris
Buchanan	Duncan, Tenn.	Harsha
Burgener	Early	Hawkins
Burke, Calif.	Eckhardt	Heckler
	Edgar	Hefner
Hightower	Mikva	Scheuer
Hillis	Milford	Schroeder
Holland	Miller, Calif.	Schulze
Hollenbeck	Miller, Ohio	Sebelius
Holt	Mineta	Seiberling
Holtzman	Minish	Sharp
Horton	Mitchell, Md.	Shipley
Howard	Mitchell, N.Y.	Shuster
Hubbard	Moakley	Sikes
Huckaby	Mollohan	Simon
Hughes	Montgomery	Skelton
Hyde	Moore	Skubitz
Ireland	Moorhead, Calif.	Slack
Jacobs	Moorhead, Pa.	Smith, Iowa
Jeffords	Moss	Smith, Nebr.
Jenkins	Mottl	Snyder
Jenrette	Murphy, Ill.	Solarz
Johnson, Calif	Murphy, N.Y.	Spellman
Jones, N.C.	Murtha	Spence
Jones, Okla.	Myers, Gary	St Germain
Jones, Tenn.	Myers, Ind.	Stangeland
Jordan	Natcher	Stanton
Kasten	Neal	Stark
Kastenmeier	Nedzi	Steed
Kazen	Nichols	Steiger
Kelly	Nolan	Stockman
Kemp	Nowak	Stokes
Ketchum	O'Brien	Stratton
Keys	Oakar	Studds
Kildee	Oberstar	Stump
Kindness	Ottinger	Taylor
Kostmayer	Panetta	Teague
Krueger	Patten	Thompson
LaFalce	Patterson	Thone
Lagomarsino	Pattison	Thornton
Latta	Pease	Traxler
Le Fante	Pepper	Treen
Leach	Perkins	Trible
Leggett	Pettis	Tsongas
Lehman	Pickle	Tucker
Lent	Pike	Ullman
Levitas	Preyer	Vander Jagt
Lloyd, Calif.	Pritchard	Vanik
Lloyd, Tenn.	Pursell	Vento
Long, La.	Quayle	Waggonner
Long, Md.	Quie	Walgren
Lott	Quillen	Walker
Lujan	Rahall	Walsh
Luken	Rangel	Wampler
Lundine	Regula	Watkins
McClory	Reuss	Weiss
McCloskey	Rhodes	Whalen
McCormack	Richmond	White
McDade	Rinaldo	Whitehurst
McEwen	Risenhoover	Whitley
McFall	Roberts	Whitten
McHugh	Robinson	Wiggins
McKay	Rodino	Wilson, Bob
McKinney	Rogers	Wilson, C. H.
Madigan	Roncalio	Wilson, Tex.
Maguire	Rooney	Winn
Mahon	Rose	Wirth
Markey	Rosenthal	Wolff
Marks	Rostenkowski	Wright
Marlenee	Rousselot	Wydler
Marriott	Rudd	Wylie
Martin	Runnels	Yates
Mathis	Ruppe	Yatron
Mattox	Russo	Young, Alaska
Mazzoli	Ryan	Young, Fla.
Meeds	Santini	Young, Mo.
Metcalfe	Sarasin	Young, Tex.
Meyner	Satterfield	Zablocki
Michel	Sawyer	Zeferetti
Mikulski		

NAYS—6

Crane	Glickman	Symms
Evans, Ind.	McDonald	Volkmer

NOT VOTING—39

Abdnor	Hansen	Poage
Annunzio	Heftel	Pressler
Bonior	Ichord	Price
Clawson, Del	Johnson, Colo.	Railsback
Corman	Koch	Roe
Dent	Krebs	Roybal
Diggs	Lederer	Sisk
Eilberg	Mann	Staggers
Findley	Moffett	Steers
Flippo	Murphy, Pa.	Udall
Florio	Myers, Michael	Van Deerlin
Forsythe	Nix	Waxman
Goldwater	Obey	Weaver

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Abdnor.
Mr. Diggs with Mr. Del Clawson.
Mr. Dent with Mr. Findley.
Mr. Eilberg with Mr. Goldwater.
Mr. Flippo with Mr. Steers.
Mr. Koch with Mr. Van Deerlin.
Mr. Heftel with Mr. Railsback.

Mr. Florio with Mr. Pressler.
Mr. Nix with Mr. Sisk.
Mr. Obey with Mr. Price.
Mr. Corman with Mr. Krebs.
Mr. Bonior with Mr. Roybal.
Mr. Mann with Mr. Lederer.
Mr. Moffett with Mr. Ichord.
Mr. Waxman with Mr. Roe.
Mr. Weaver with Mr. Hansen.
Mr. Staggers with Mr. Murphy of Pennsylvania.
Mr. Udall with Mr. Michael O. Myers.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SOLAR ENERGY FEASIBILITY STUDY

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and agreeing to the resolution (H. Res. 322), as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. MINETA) that the House suspend the rules and agree to the resolution, House Resolution 322, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 368, nays 29, not voting 35, as follows:

[Roll No. 250]

YEAS—368

Addabbo	Buchanan	Edgar
Akaka	Burgener	Edwards, Ala.
Alexander	Burke, Calif.	Edwards, Calif.
Allen	Burke, Fla.	Edwards, Okla.
Ambro	Burke, Mass.	Emery
Ammerman	Burleson, Tex.	English
Anderson, Calif.	Burlison, Mo.	Erlenborn
Anderson, Ill.	Burton, Phillip	Ertel
Andrews, N. Dak.	Butler	Evans, Colo.
Applegate	Byron	Evans, Del.
Archer	Caputo	Fary
Armstrong	Carney	Fenwick
Ashbrook	Carr	Findley
Ashley	Carter	Fish
Aspin	Cederberg	Fisher
AuCoin	Chappell	Fithian
Badillo	Chisholm	Flood
Bafalis	Clausen, Don H.	Flowers
Baldus	Clay	Flynt
Barnard	Cleveland	Foley
Baucus	Cochran	Ford, Mich.
Bauman	Cohen	Ford, Tenn.
Beard, R.I.	Coleman	Fountain
Beard, Tenn.	Collins, Ill.	Fowler
Bedell	Conte	Fraser
Beilenson	Corcoran	Frenzel
Benjamin	Cornell	Frey
Bennett	Cornwell	Fuqua
Bevill	Cotter	Gammage
Biaggi	Coughlin	Gaydos
Bingham	D'Amours	Gephardt
Blanchard	Daniel, Dan	Giaimo
Blouin	Daniel, R. W.	Gibbons
Boggs	Danielson	Gilman
Boland	Davis	Ginn
Bolling	de la Garza	Goldwater
Bonker	Delaney	Gonzalez
Bowen	Dellums	Goodling
Brademas	Derrick	Gore
Breaux	Devine	Gradison
Breckinridge	Dickinson	Grassley
Brinkley	Dicks	Gudger
Brodhead	Dingell	Guyer
Brooks	Dodd	Hagedorn
Broomfield	Dornan	Hall
Brown, Calif.	Downey	Hamilton
Brown, Mich.	Drinan	Hammer-schmidt
Brown, Ohio	Duncan, Oreg.	Hanley
Broyhill	Duncan, Tenn.	Hannaford
	Eckhardt	Harkin
Harrington	Mikulski	Scheuer
Harris	Mikva	Schroeder
Harsha	Miller, Ohio	Schulze
Hawkins	Mineta	Sebelius
Heckler	Minish	Seiberling
Hefner	Mitchell, Md.	Sharp
Hightower	Mitchell, N.Y.	Shipley
Hillis	Moakley	Shuster
Holland	Mollohan	Sikes
Hollenbeck	Montgomery	Simon
Holtzman	Moore	Skelton
Horton	Moorhead, Calif.	Slack
Howard	Moorhead, Pa.	Smith, Nebr.
Hubbard	Moss	Snyder
Huckaby	Mottl	Solarz
Hughes	Murphy, Ill.	Spellman
Hyde	Murphy, N.Y.	Spence
Ireland	Murtha	St Germain
Jeffords	Myers, Gary	Stangeland
Jenkins	Myers, Ind.	Stanton
Jenrette	Natcher	Stark
Johnson, Calif.	Neal	Steed
Jones, N.C.	Nedzi	Steiger
Jones, Okla.	Nichols	Stockman
Jones, Tenn.	Nolan	Stokes
Jordan	Nowak	Stratton
Kasten	O'Brien	Studds
Kastenmeier	Oakar	Stump
Kazen	Oberstar	Taylor
Kemp	Obey	Teague
Kildee	Ottinger	Thompson
Kindness	Patten	Thone
Krueger	Patterson	Thornton
LaFalce	Pattison	Traxler
Lagomarsino	Pease	Trible
Latta	Pepper	Tsongas
Le Fante	Perkins	Tucker
Leach	Pettis	Ullman
Leggett	Pickle	Vander Jagt
Lehman	Pike	Vanik
Lent	Preyer	Vento
Levitas	Pritchard	Volkmer
Lloyd, Calif.	Pursell	Waggonner
Lloyd, Tenn.	Quayle	Walgren
Long, La.	Quie	Walker
Long, Md.	Quillen	Walsh
Lott	Rahall	Wampler
Lujan	Rangel	Watkins
Luken	Regula	Weaver
Lundine	Reuss	Weiss
McClory	Rhodes	Whalen
McCloskey	Richmond	White
McCormack	Rinaldo	Whitehurst
McDade	Risenhoover	Whitley
McFall	Roberts	Whitten
McHugh	Robinson	Wiggins
McKay	Rodino	Wilson, Bob
McKinney	Rogers	Wilson, C. H.
Madigan	Roncalio	Wilson, Tex.
Maguire	Rooney	Winn
Mahon	Rose	Wirth
Mann	Rosenthal	Wolff
Markey	Rostenkowski	Wright
Marks	Rousselot	Wydler
Marlenee	Rudd	Wylie
Marriott	Runnels	Yates
Martin	Ruppe	Yatron
Mathis	Russo	Young, Fla.
Mattox	Ryan	Young, Mo.
Mazzoli	Santini	Young, Tex.
Meeds	Sarasin	Zablocki
Metcalfe	Satterfield	Zeferetti
Meyner	Sawyer	
Michel		

NAYS—29

Andrews, N.C.	Evans, Ga.	McEwen
Badham	Evans, Ind.	Milford
Burton, John	Glickman	Miller, Calif.
Cavanaugh	Holt	Panetta
Collins, Tex.	Jacobs	Skubitz
Conable	Kelly	Smith, Iowa
Conyers	Ketchum	Symms
Crane	Keys	Treen
Derwinski	Kostmayer	Young, Alaska
Early	McDonald	

NOT VOTING—35

Abdnor	Hansen	Pressler
Annunzio	Heftel	Price
Bonior	Ichord	Railsback
Clawson, Del	Johnson, Colo.	Roe
Corman	Koch	Roybal
Dent	Krebs	Sisk
Diggs	Lederer	Staggers
Eilberg	Moffett	Steers
Fascell	Murphy, Pa.	Udall
Flippo	Myers, Michael	Van Deerlin
Florio	Nix	Waxman
Forsythe	Poage	

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Corman.
Mr. Dent with Mr. Ichord.
Mr. Eilberg with Mr. Flippo.
Mr. Fascell with Mr. Hansen.
Mr. Diggs with Mr. Krebs.
Mr. Lederer with Mr. Abdnor
Mr. Nix with Mr. Murphy of Pennsylvania.
Mr. Staggers with Mr. Bonior.
Mr. Sisk with Mr. Price.
Mr. Roybal with Mr. Del Clawson.
Mr. Udall with Mr. Michael O. Myers.
Mr. Waxman with Mr. Florio.
Mr. Van Deerlin with Mr. Railsback.
Mr. Heftel with Mr. Roe.
Mr. Moffett with Mr. Pressler.
Mr. Koch with Mr. Steers.

So the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE COMMUNITY EMERGENCY DROUGHT RELIEF ACT OF 1977

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the Senate bill S. 1279.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. JOHNSON) that the House suspend the rules and pass the Senate bill, S. 1279, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 395, nays 2, not voting 35, as follows:

[Roll No. 251]

YEAS—395

Addabbo	Brooks	de la Garza
Akaka	Broomfield	Delaney
Alexander	Brown, Calif.	Dellums
Allen	Brown, Mich.	Derrick
Ambro	Brown, Ohio	Derwinski
Ammerman	Broyhill	Devine
Anderson, Calif.	Buchanan	Dickinson
Anderson, Ill.	Burgener	Dicks
Andrews, N.C.	Burke, Calif.	Dingell
Andrews, N. Dak.	Burke, Fla.	Dodd
Applegate	Burke, Mass.	Dornan
Archer	Burleson, Tex.	Downey
Armstrong	Burlison, Mo.	Drinan
Ashbrook	Burton, John	Duncan, Oreg.
Ashley	Burton, Phillip	Duncan, Tenn.
Aspin	Butler	Early
AuCoin	Byron	Eckhardt
Badham	Caputo	Edgar
Badillo	Carney	Edwards, Ala.
Bafalis	Carr	Edwards, Calif.
Baldus	Carter	Edwards, Okla.
Barnard	Cavanaugh	Emery
Baucus	Cederberg	English
Bauman	Chappell	Erlenborn
Beard, R.I.	Chisholm	Ertel
Beard, Tenn.	Clausen, Don H.	Evans, Colo.
Bedell	Clay	Evans, Del.
Beilenson	Cleveland	Evans, Ga.
Benjamin	Cochran	Evans, Ind.
Bennett	Cohen	Fary
Bevill	Coleman	Fascell
Biaggi	Collins, Ill.	Fenwick
Bingham	Collins, Tex.	Findley
Blanchard	Conable	Fish
Blouin	Conte	Fisher
Boggs	Conyers	Fithian
Boland	Corcoran	Flood
Bolling	Cornell	Flowers
Bonker	Cornwell	Flynt
Bowen	Cotter	Foley
Brademas	Coughlin	Ford, Mich.
Breaux	D'Amours	Ford, Tenn.
Breckinridge	Daniel, Dan	Fountain
Brinkley	Daniel, R. W.	Fowler
Brodhead	Danielson	Fraser
	Davis	Frenzel
		Frey

Fuqua	McHugh	Runnels
Gammage	McKay	Ruppe
Gaydos	McKinney	Russo
Gephardt	Madigan	Ryan
Giaimo	Maguire	Santini
Gibbons	Mahon	Sarasin
Gilman	Mann	Satterfield
Ginn	Markey	Sawyer
Glickman	Marks	Scheuer
Goldwater	Marlenee	Schroeder
Gonzalez	Marriott	Schulze
Goodling	Martin	Sebelius
Gore	Mathis	Seiberling
Gradison	Mattox	Sharp
Grassley	Mazzoli	Shipley
Gudger	Meeds	Shuster
Guyer	Metcalfe	Sikes
Hagedorn	Meyner	Simon
Hall	Michel	Skelton
Hamilton	Mikulski	Skubitz
Hammer-schmidt	Mikva	Slack
	Milford	Smith, Iowa
Hanley	Miller, Calif.	Smith, Nebr.
Hannaford	Miller, Ohio	Snyder
Harkin	Mineta	Solarz
Harrington	Minish	Spellman
Harris	Mitchell, Md.	Spence
Harsha	Mitchell, N.Y.	St Germain
Hawkins	Moakley	Stangeland
Heckler	Mollohan	Stanton
Hefner	Montgomery	Stark
Hightower	Moore	Steed
Hillis	Moorhead, Calif.	Steiger
Holland		Stockman
Hollenbeck	Moorhead, Pa.	Stokes
Holt	Moss	Stratton
Holtzman	Mottl	Studds
Horton	Murphy, Ill.	Stump
Howard	Murphy, N.Y.	Symms
Hubbard	Murtha	Taylor
Huckaby	Myers, Gary	Teague
Hughes	Myers, Ind.	Thompson
Hyde	Natcher	Thone
Ireland	Neal	Thornton
Jacobs	Nedzi	Traxler
Jeffords	Nichols	Treen
Jenkins	Nolan	Tribie
Jenrette	Nowak	Tsongas
Johnson, Calif.	O'Brien	Tucker
Jones, N.C.	Oakar	Ullman
Jones, Okla.	Oberstar	Vander Jagt
Jones, Tenn.	Obey	Vanik
Jordan	Ottinger	Vento
Kasten	Panetta	Volkmer
Kastenmeier	Patten	Waggonner
Kazen	Patterson	Walgren
Kelly	Pattison	Walker
Kemp	Pease	Walsh
Ketchum	Pepper	Wampler
Keys	Perkins	Watkins
Kildee	Pettis	Weaver
Kindness	Pickle	Weiss
Kostmayer	Pike	Whalen
Krueger	Preyer	White
LaFalce	Pritchard	Whitehurst
Lagomarsino	Pursell	Whitley
Latta	Quayle	Whitten
Le Fante	Quie	Wiggins
Leach	Quillen	Wilson, Bob
Leggett	Rahall	Wilson, C. H.
Lehman	Rangel	Wilson, Tex.
Lent	Regula	Winn
Levitas	Reuss	Wirth
Lloyd, Calif.	Rhodes	Wolff
Lloyd, Tenn.	Richmond	Wright
Long, La.	Rinaldo	Wydler
Long, Md.	Risenhoover	Wylie
Lott	Roberts	Yates
Lujan	Robinson	Yatron
Luken	Rodino	Young, Alaska
Lundine	Rogers	Young, Fla.
McClory	Roncallo	Young, Mo.
McCloskey	Rooney	Young, Tex.
McCormack	Rose	Zablocki
McDade	Rosenthal	Zeferetti
McEwen	Rousselot	
McFall	Rudd	

NAYS—2

Crane	McDonald

NOT VOTING—35

Abdnor	Heftel	Price
Annunzio	Ichord	Railsback
Bonior	Johnson, Colo.	Roe
Clawson, Del	Koch	Rostenkowski
Corman	Krebs	Roybal
Dent	Lederer	Sisk
Diggs	Moffett	Staggers
Eilberg	Murphy, Pa.	Steers
Flippo	Myers, Michael	Udall
Florio	Nix	Van Deerlin
Forsythe	Poage	Waxman
Hansen	Pressler	

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Ichord.
Mr. Dent with Mr. Krebs.
Mr. Diggs with Mr. Corman.
Mr. Heftel with Mr. Del Clawson.
Mr. Eilberg with Mr. Bonior.
Mr. Flippo with Mr. Lederer.
Mr. Udall with Mr. Florio.
Mr. Roybal with Mr. Abdnor.
Mr. Rostenkowski with Mr. Moffett.
Mr. Roe with Mr. Hansen.
Mr. Price with Mr. Pressler.
Mr. Staggers with Mr. Murphy of Pennsylvania.
Mr. Van Deerlin with Mr. Sisk.
Mr. Waxman with Mr. Michael O. Myers.
Mr. Koch with Mr. Railsback.
Mr. Nix with Mr. Steers.

So (two-thirds having voted in favor thereof) the rules were suspended, and the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON SENATE CONCURRENT RESOLUTION 19, FIRST CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1978

Mr. GIAIMO. Mr. Speaker, I call up the conference report on the Senate concurrent resolution (S. Con. Res. 19) setting forth the congressional budget for the U.S. Government for the fiscal year 1978 (and revising the congressional budget for fiscal year 1977), and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will read the conference report.

The Clerk read the conference report.

(For conference report and statement, see proceedings of the House on May 11, 1977.)

The SPEAKER pro tempore. The Clerk will report the Senate amendment to the House amendment.

The Clerk read the Senate amendment to the House amendment as follows:

In lieu of the matter proposed to be inserted by the House engrossed amendment, insert:

That the Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1977—

(1) the recommended level of Federal revenues is $396,300,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $17,600,000,000;

(2) the appropriate level of total new budget authority is $503,450,000,000;

(3) the appropriate level of total budget outlays is $460,950,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $64,650,000,000; and

(5) the appropriate level of the public debt is $784,900,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $83,600,000,000.

SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares pursuant to section 301(a)(2) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1977, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):
(A) New budget authority, $9,300,000,000;000,000;
(B) Outlays, $111,000,000,000.
(2) International Affairs (150):
(A) New budget authority, $9,300,000,000.
(B) Outlays, $7,300,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $4,900,000,000;
(B) Outlays, $4,700,000,000.
(4) Natural Resources, Environment, and Energy ($300):
(A) New budget authority, $20,700,000,000;
(B) Outlays, $20,000,000,000.
(5) Agriculture (350):
(A) New budget authority, $2,200,000,000;
(B) Outlays, $4,350,000,000.
(6) Commerce and Transportation (400):
(A) New budget authority, $20,000,000,000;
(B) Outlays, $19,400,000,000.
(7) Community and Regional Development (450):
(A) New budget authority, $8,200,000,000;
(B) Outlays, $10,800,000,000.
(8) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $26,800,000,000;
(B) Outlays, $27,200,000,000.
(9) Health (550):
(A) New budget authority, $47,900,000,000;
(B) Outlays, $44,300,000,000.
(10) Income Security (600):
(A) New budget authority, $179,900,000,000;
(B) Outlays, $146,700,000,000.
(11) Veterans Benefits and Services (700):
(A) New budget authority, $20,250,000,000;
(B) Outlays, $20,200,000,000.
(12) Law Enforcement and Justice (750):
(A) New budget authority, $3,700,000,000;
(B) Outlays, $3,850,000,000.
(13) General Government (800):
(A) New budget authority, $3,800,000,000;
(B) Outlays, $3,850,000,000.
(14) Revenue Sharing and General Purpose Fiscal Assistance (850):
(A) New budget authority, $9,800,000,000;
(B) Outlays, $9,700,000,000.
(15) Interest (900):
(A) New budget authority, $43,000,000,000;
(B) Outlays, $43,000,000,000.
(16) Allowances:
(A) New budget authority, $800,000,000;
(B) Outlays, $900,000,000.
(17) Undistributed Offsetting Receipts (950):
(A) New budget authority, —$16,300,000,000;
(B) Outlays, —$16,300,000,000.

SEC. 3. In the Third Budget Resolution for fiscal year 1977, the Congress provided for revenue and spending proposals designed to stimulate the Nation's economy in order to reduce unemployment. These proposals, together with recent indications of more vigorous economic growth in the private sector, provide evidence that the Nation's economy may be returning to the levels needed to provide jobs to millions of our unemployed.

The Congress recognizes, however, that unusual uncertainties surround the current economic outlook for 1977 and 1978—primarily, the economic impact of the stimulus proposals and the likehood of continued economic growth in the private sector—and that additional time and information are needed to make final determinations with respect to fiscal policy for fiscal year 1978; and declares that, if economic recovery does not proceed satisfactorily during the months immediately following adoption of the First Budget Resolution for Fiscal Year 1978, it will be necessary to provide additional stimulus to the economy in appropriate amounts to be determined in the

Second Budget Resolution for Fiscal Year 1978. On the other hand, if the recovery continues to show signs of long-term renewed growth, it may be desirable to reduce some of the economic stimulus provided for fiscal year 1978 in order to make more rapid progress toward a balanced budget.

SEC. 4. (a) Pursuant to section 304 of the Congressional Budget Act of 1974, the appropriate aggregate amounts for the fiscal year 1977 set forth in the first section of S. Con. Res. 10 are revised as follows:

(1) the recommended level of Federal revenues is $356,600,000,000 and the amount by which the aggregate level of Federal revenues should be decreased is $2,600,000,000;

(2) the appropriate level of total new budget authority is $470,200,000,000;

(3) the appropriate level of total budget outlays is $409,200,000,000;

(4) the amount of the deficit in the budget which is appropriate in light of economic conditions and all other relevant factors is $52,600,000,000; and

(5) the appropriate level of the public debt is $701,300,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $1,300,000,000.

(b) Pursuant to section 304 of the Congressional Budget Act of 1974, the allocations for the fiscal year 1977 made in section 2 of S. Con. Res. 10 are revised so that the appropriate levels of new budget authority and the estimated budget outlays for the various functional categories are as follows:

(1) National Defense (050):
(A) New budget authority, $108,800,000,000;
(B) Outlays, $98,900,000,000.
(2) International Affairs (150):
(A) New budget authority, $7,900,000,000;
(B) Outlays, $6,500,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $4,500,000,000;
(B) Outlays, $4,600,000,000.
(4) Natural Resources, Environment, and Energy (300):
(A) New budget authority, $18,700,000,000;
(B) Outlays, $16,100,000,000.
(5) Agriculture (351):
(A) New budget authority, $2,300,000,000;
(B) Outlays, $4,500,000,000.
(6) Commerce and Transportation (400):
(A) New budget authority, $17,300,000,000;
(B) Outlays, $14,900,000,000.
(7) Community and Regional Development (450):
(A) New budget authority, $14,800,000,000;
(B) Outlays, $10,100,000,000.
(8) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $30,400,000,000;
(B) Outlays, $20,900,000,000.
(9) Health (550):
(A) New budget authority, $40,600,000,000;
(B) Outlays, $39,000,000,000.
(10) Income Security (600):
(A) New budget authority, $167,700,000,000;
(B) Outlays, $137,100,000,000.
(11) Veterans Benefits and Services (700):
(A) New budget authority, $18,900,000,000;
(B) Outlays, $18,100,000,000.
(12) Law Enforcement and Justice (750):
(A) New budget authority, $3,500,000,000;
(B) Outlays, $3,600,000,000.
(13) General Government (800):
(A) New budget authority, $3,500,000,000;
(B) Outlays, $3,600,000,000.
(14) Revenue Sharing and General Purpose Fiscal Assistance (850):
(A) New budget authority $7,600,000,000;
(B) Outlays, $7,700,000,000.
(15) Interest (900):
(A) New budget authority, $38,000,000,000;
(B) Outlays, $38,000,000,000.
(16) Allowances:
(A) New budget authority, $800,000,000;
(B) Outlays, $700,000,000.
(17) Undistributed Offsetting Receipts (950):
(A) New budget authority, —$15,100,000,000;
(B) Outlays, —$15,100,000,000.

Mr. GIAIMO (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment to the House amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

MOTION OFFERED BY MR. GIAIMO

Mr. GIAIMO. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. GIAIMO moves to concur in the Senate amendment to the House amendment.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Connecticut (Mr. GIAIMO) for 1 hour.

GENERAL LEAVE

Mr. GIAIMO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to insert extraneous matter, on Senate Concurrent Resolution 19.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. GIAIMO. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA) for purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of the conference report on the first budget resolution for fiscal year 1978. I believe it is a reasonable and realistic compromise between the House and Senate, a compromise that is supported by 11 of our 13 House conferees.

Its adoption today will clear the way for the House's consideration of all spending bills for the coming fiscal year. As Members know, under the budget act, no appropriation or entitlement bill may be considered prior to adoption of this first resolution.

I want to stress also that this resolution proposes only targets and not ceilings of any kind. Spending ceilings and a revenue floor will be set later this year in the second budget resolution for fiscal year 1978. Until then, the targets being set today will guide and influence, but not bind, our action on appropriations and other spending bills.

Mr. Speaker, in one respect this conference between the House and Senate on this resolution was the most difficult we have had under the new budget process. The reason, of course, was the sharply differing views of the two Houses on defense spending for fiscal year 1978.

As Members know, the original budget committee recommendation called for new budget authority of $116 billion for national defense, $4.1 billion below the level recommended by the President. Subsequently, after a series of amendments proposing higher levels were rejected, the House adopted its resolution with an increase in budget authority to $117.1 billion. The Senate, on the other hand, adopted a resolution providing for $120.3 billion, slightly more than the President's recommendation.

In conference, Members from both Houses argued vigorously that any substantial deviation from their House's figures would result in rejection of the resolution. This issue was discussed at great length and completely dominated the conference.

Finally, after a series of offers were made and rejected, the conferees agreed on a budget authority target of $118.5 billion and an outlay target of $111.0 billion. These targets are slightly closer to the House position on budget authority—about $1.4 billion above the House target and $1.8 billion below the Senate target; and slightly closer to the Senate position on outlays—about $1.1 billion above the House target and $700 million below the Senate target.

Together with this agreement on the defense targets, the conferees included language in the statement of managers accompanying the conference report as follows:

This substitute assumes that financial adjustments can be made to the administration's budget request in order to remain within these targets. Such adjustments may include a possible slowdown in projected foreign military sales, the utilization of prior-year unobligated funds to finance a portion of the FY 1978 program, a lower inflation rate from that now assumed in the administration's budget, and a partial absorption of the October pay raise.

Mr. Speaker, I believe that this agreement on the defense targets is the best attainable in view of the adamant position of the other body. In fact, neither the House nor the Senate is getting precisely what it desires in this respect. However, as far as the conferees were concerned, the need to reach some agreement, in the interest of obtaining adoption of this conference report in both Houses, was paramount. I am certain that I speak for all of the House conferees in this respect: the targets we bring back to the House are the only realistic ones if we are to have a first budget resolution for fiscal year 1978.

I would like to summarize, at this point, the major decisions reached by the conferees with respect to the fiscal year 1978 revenue and spending targets.

First, the major budget aggregates agreed to are as follows:

Outlays—$460.95 billion, about $3.5 billion below the House resolution;

Revenues—$396.3 billion, about $1.8 billion below the House resolution; and

Deficit—$64.65 billion, about $1.7 billion below the House resolution.

The reduced deficit is due to the reduction of outlays by $3.5 billion, combined with lower revenues of $1.8 billion. These changes are due primarily to lower outlay estimates for such activities as EPA and highway construction and export-import bank lending, and on the revenue side, conformance to the tax bill agreed to recently by the Ways and Means and Finance Committee conferees.

The $64.65 billion deficit projected in the conference report remains nearly $7 billion above that projected by the President. However, about three-fourths of that amount is accounted for by different economic assumptions and pro-

gram estimates than used by the administration.

I would emphasize to Members that the $3.5 billion reduction in outlays from the House resolution is due, in large part, to lower spending estimates. For example, in the natural resources function, the nearly $700 million decreases in outlays from the House resolution is due primarily to a recent lower estimate of spending in the EPA construction grant program; in the commerce and transportation function, the nearly $900 million decrease in outlays from the House resolution reflects primarily a lagging rate of obligations in fiscal year 1977 from the highway trust fund; and in the education, training, and social services function, the nearly $600 million decrease in outlays from the House resolution reflects primarily a continuing short-fall in education spending and delays in authorization and appropriations for the economic stimulus proposals contained in the third budget resolution for fiscal year 1977.

At the same time, it should be noted that the conferees accepted the Senate resolution's forward funding of the public service employment program for fiscal year 1979, provided in the conference report to assure States and cities that the program will continue in fiscal year 1979 is $3.8 billion. The precise program level, of course, will be determined during the fiscal year budget process.

I will turn at this point to the conferees' decisions with respect to fiscal year 1977.

As Members know, both the House and Senate resolutions had revised the third budget resolution for fiscal year 1977—the House by eliminating the provision for the $50 rebates and special payments to individuals, the Senate by reducing spending estimates due to shortfalls during the first half of fiscal year 1977. The conferees adopted the House position to eliminate the rebates and special payments and the Senate position, with minor adjustments, to reflect for spending shortfalls.

The conferees' actions on fiscal year 1977 produce the following budget aggregates:

Outlays of $409.2 billion, $8.25 billion below the third budget resolution;

Revenues of $356.6 billion, $8.9 billion above the third resolution; and

Deficit of $52.6 billion, $17.15 billion below the third resolution.

I want to remind Members that our revision of the third budget resolution sets a new revenue floor—$356.6 billion—and new spending ceilings—$470.2 billion in budget authority and $409.2 billion in outlays. After adoption of this conference report, any legislation which would reduce revenues below the floor or increase spending above the ceilings would be subject to a point of order.

Mr. MITCHELL of Maryland. Mr. Speaker, will my distinguished chairman yield to me?

Mr. GIAIMO. I would be delighted to yield to the gentleman from Maryland, whom I consider to be one of the outstanding Members of this body and certainly one of the outstanding members of the Budget Committee. It is a pleasure to yield to him.

Mr. MITCHELL of Maryland. I thank the gentleman for his kind words. Unfortunately, I still have to put the question to my distinguished chairman. I just want to make sure I understand what has transpired and that it is clear in my mind.

We came out with a compromise which added another billion dollars or so for the Defense function.

Mr. GIAIMO. We went up.

Mr. MITCHELL of Maryland. Right. Then in conference another $1.4 billion was accepted; is that correct?

Mr. GIAIMO. Yes. It went from $117.1 billion up to $118.5 billion.

Mr. MITCHELL of Maryland. So in effect we have moved $2.4 billion above our original position.

Mr. GIAIMO. From the original resolution, that is right.

Mr. MITCHELL of Maryland. All right. It is my further understanding that the conferees accepted the Senate's position on some domestic programs, something in manpower and some other area.

Mr. GIAIMO. Yes. We accepted those reductions—$3.5 billion—most of which are estimating differences, because of the fact that the Senate had the benefit of the later April reestimates by OMB.

Mr. MITCHELL of Maryland. If my distinguished chairman would just let me put two more questions to him on the domestic program, the manpower program, are they not forward funded so that the bulk of the impact would occur in 1979 perhaps?

Mr. GIAIMO. Yes, there is forward funding.

Mr. MITCHELL of Maryland. But the money that is added onto the military is not any forward funding; that is to be spent in fiscal year 1978; is that correct?

Mr. GIAIMO. That is true, but remember that in both instances we are talking about budget authority, not outlays.

Mr. MITCHELL of Maryland. Yes, I understand that. I thank the chairman—who has instructed me how to vote on this.

Ms. HOLTZMAN. Mr. Speaker, will the gentleman yield?

Mr. GIAIMO. I am delighted to yield to another very distinguished member of the committee, the gentlewoman from New York (Ms. HOLTZMAN).

Ms. HOLTZMAN. I thank the Chairman for yielding.

I would say to the Chairman that I have enormous respect for him, and I know how diligently, how carefully and how hard he has worked to preserve the budget process and to bring back to the House a conference report that we can support.

I would say to the gentleman that because of my enormous respect for his abilities, his concern and his dedication I would have liked to have been able to support this conference report. But the conference report does not address our country's real needs and the priorities we ought to set for Federal spending in order to meet those needs. We are deluding the people of this country when we spend so much money on the military unnecessarily and wastefully. We are serving them badly by shortchanging them on domestic needs. I wish that the circumstances had been different and the conference report had offered serious promise of remedying America's pressing domestic problems, such as rebuilding our cities, providing people with jobs, and insuring quality education for all Americans.

I thank the gentleman.

Mr. GIAIMO. I thank the gentlewoman for her comments.

Mr. THOMPSON. Mr. Speaker, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from New Jersey.

Mr. THOMPSON. First, I should like to commend my distinguished colleague and very dear friend, the gentleman from Connecticut (Mr. GIAIMO) for the really remarkable job that he and the members of his committee have done.

Mr. Speaker, I rise in support of the conference report on the first budget resolution for fiscal year 1978.

It would be impossible for any conference report on the budget—particularly the first target resolution—to make many Members completely satisfied with its contents. All of us would like it to contain target levels that are higher for those programs in which we, or our districts, are most concerned. At the same time, each of us would prefer that spending targets for programs that we think are wasteful or ill-advised could be lower than contained in the report. In a legislative exercise that is as complex as the congressional budget process, it is inevitable that this would be the case.

While this points out the extreme complexity of the budget process, it also highlights the absolute need for the House to approve this conference report. This process gives us a workable mechanism by which to resolve these difficult types of problems that involve spending priorities and to balance one basic priority with another in a rational way.

For myself, Mr. Speaker, I would have hoped that the target spending figure for national defense could have been lower and that additional funds could have been earmarked for education, job training, assistance for the elderly, and for similar types of "people programs" that I have fought to establish and expand. Yet I know the difficult nature of the conference meetings with the other body and the 3-day struggle over the defense function target and am convinced that the House conferees, led by the able chairman of the Budget Committee, the gentleman from Connecticut (Mr. GIAIMO), did the very best they could to hold the line. This is not a pledge to vote for the defense appropriation, but to support the conference. In fact, the budget authority provided in the conference report for defense spending for fiscal 1978 is closer to the House-passed figure than that passed by the other body.

Although it is not perfect, this compromise deserves our support. It is a target only and will be changed in the fall and I urge all Members to vote for it.

It is essential that we adopt this conference report without further delay.

Mr. GIAIMO. Mr. Speaker, I thank the gentleman from New Jersey.

Mr. Speaker, I urge all Members to support this conference report. It is a re-

sponsible compromise between the House and Senate.

As I stated earlier, this is particularly true with respect to the defense spending target. The conference might well have ended in deadlock if both sides had not put the interests of the budget process ahead of a difference, at one time, of less than one-half of 1 percent of the defense function. The amounts finally agreed upon, while not perfectly acceptable to all, deserve the support of the overwhelming majority in both bodies.

Finally, I want to thank Members on both sides who worked so hard in conference to bring back this compromise. There has been a good deal of loose talk in recent weeks that the budget process was floundering, that Members were no longer willing to live even with self-imposed disciplines. The cooperation we have had throughout the House in developing this compromise resolution demonstrates that such talk is unwarranted.

I believe the broad majority remain committed to the new process, despite their disagreement with one or another individual decision. I urge you to support this conference report as a further indication of that commitment.

Mr. Speaker, I include in the RECORD two attachments further explaining the conference report:

ATTACHMENT A: DIFFERENCE BETWEEN PRESIDENT'S REVENUE ESTIMATE AND REVENUE CONTAINED IN FIRST BUDGET RESOLUTION FOR FISCAL YEAR 1978, IN MILLIONS OF DOLLARS

(1) President's April revenue estimate: $404,700.

(a) Rejection of a portion of the April estimate as inconsistent with President's economic assumptions: $1,200.

(b) Conformance to Conference Report on H.R. 3477, the Tax Reduction and Simplification Act of 1977 (tax cuts of $17,751 million, rather than $13,800 million as proposed by the President): $3,951.

(c) Congressional Assumptions on Miscellaneous Tax Proposals: +$228.

No delay in increase in SMI premiums: (+$182).

Delay in enacting social security tax on tips: (−$52).

Delay in enacting municipal bond option: (−$7).

Delay in enacting new fees for waterway users: (−$80).

Allowance for adoption of miscellaneous tariff and other bills: (−$65).

New taxes relating to coal mine operators or per ton for strip mine rehabilitation: (+$250).

(d) Treatment of Earned Income Credit: −$1,000.

(e) Congressional Assumptions on Economic Growth (lower than President's assumptions): $2,500.

(2) Revenue Estimate—First Budget Resolution for FY 1978: $396,277.

ATTACHMENT B: EXPLANATION OF FUNCTIONAL CATEGORY AMOUNTS IN THE FIRST BUDGET RESOLUTION FOR FISCAL YEAR 1978

050: NATIONAL DEFENSE

The conference report provides $118.5 billion in budget authority and $111.0 billion in outlays for National Defense. These amounts are $1.4 billion in budget authority above the House resolution and $1.8 billion below the Senate resolution. Outlays are $1.1 billion above the House and $600 million below the Senate resolution.

The conference report includes language which identifies the areas which the House report indicated could be reduced. The language calls for reductions in foreign sales, prior-year balances, inflation estimates, and personnel compensation. The conference report language does not require reductions in the same amounts as the House resolution report specified, but addresses the same general areas.

150: INTERNATIONAL AFFAIRS

The conference report provides $9.3 billion in budget authority and $7.3 billion in outlays for International Affairs, a reduction of $243 million in budget authority and $97 million in outlays from the House resolution. This reduction results from acceptance of lower estimates of spending in Export-Import Bank activities in FY 1978 and does not effect other House assumptions concerning this function.

250: GENERAL SCIENCE, SPACE, AND TECHNOLOGY

The conference report provides budget authority of $4.9 billion and outlays of $4.7 billion for General Science, Space, and Technology. These amounts are substantially the same as in the House resolution.

300: NATURAL RESOURCES, ENVIRONMENT AND ENERGY

The conference report provides budget authority of $20.7 billion and outlays of $20.0 billion for Natural Resources, Environment, and Energy, $250 million in budget authority and $667 million in outlays below the House resolution. The outlay reduction is attributed primarily to a lower estimate of outlays from prior-year budget authority in the EPA construction grant program. The House resolution had assumed the level of outlays reflected in the President's February budget; however, the conferees receded to the Senate position which was based on a lower estimate recently provided by the CBO.

350: AGRICULTURE

The conference report provides budget authority of $2.2 billion and outlays of $4.35 billion for Agriculture, essentially the same as in the House resolution. These levels reflect recent Administration estimates for the Commodity Credit Corporation, additional capital stock for the Federal Crop Insurance Corporation, and increased spending for agriculture research, grain inspection amendment, Foreign agriculture service market development, and regulatory services personnel.

New farm legislation for 1978 crops is expected to affect fiscal year 1978 budget authority and outlays only minimally. The totals for this function assume $410 million of new entitlement authority for the fiscal year 1978 impact of the new farm bill; no funding is assumed for legislative changes affecting 1977 crops.

400: COMMERCE AND TRANSPORTATION

The conference report provides budget authority of $20.0 billion and outlays of $19.4 billion for Commerce and Transportation. The reductions from budget authority provided in the House resolution recognize that authorizing legislation for many of the proposed new initiatives in transportation programs are being subjected to intensive study, particularly in light of the Administration's energy proposals. The provision in the House resolution for a substantial increase in appropriations for Small Business Administration programs was retained. The outlay reduction recognizes that obligations in the Federal highway trust fund have not been proceeding as rapidly as planned during the current fiscal year. A substantial increase in the rate of obligation—should it occur later this year—could be accommodated in a re-estimate of fiscal year 1978 outlays in connection with the Second Budget Resolution.

450: COMMUNITY AND REGIONAL DEVELOPMENT

The conference report provides budget authority of $8.2 billion and outlays of $10.8 billion for Community and Regional Development. These amounts represent rounding off of budget authority and a reduction in outlays from the House resolution to reflect delays in enactment of the Economic Stimulus Appropriation Act.

500: EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES

The conference report provides budget authority of $26.8 billion and outlays of $27.2 billion for Education, Training, Employment, and Social Services, an increase of $4.061 billion in budget authority and a decrease of $556 million in outlays.

The budget authority increase includes $3.8 billion for forward funding of public service employment in FY 1979, and $261 million for education. The outlay decrease results from the continuing shortfall in education outlays, delays in authorization of and appropriations for FY 1977 economic stimulus programs, and the exclusion of funds for the Job Opportunities Program in the FY 1977 stimulus appropriations bill.

550: HEALTH

The conference report provides budget authority of $47.9 billion and outlays of $44.3 billion for Health. These amounts represent increases of $215 million in budget authority and $62 million in outlays above the House resolution.

The report provides for the following:

(1) For the Medicare program, budget authority is included at $28,375 million and outlays of $26,184 million. The outlay total includes savings of $620 million from legislation to control hospital costs and an additional $26 million for miscellaneous program improvements.

(2) For the Medicaid program, budget authority and outlays are included at $11,540 million. The totals for the program include savings of $106 million in budget authority and outlays from legislation to control hospital costs. The totals also include budget authority and outlays of $177 million for legislation to establish an improved child health assessment program and other miscellaneous legislative initiatives.

(3) For all health programs other than Medicare and Medicaid, budget authority of $8.0 billion and outlays of $7.6 billion.

600: INCOME SECURITY

The conference report reduced budget authority by $2.788 billion and outlays by $1.609 billion due to the following:

Earned Income Credit—Budget authority and outlays are reduced by $969 million as a result of the decision to treat this program as a revenue loss in this resolution, but to address the accounting treatment of this program *de novo* in the Second Budget Resolution for fiscal year 1978.

New Legislation—The report reflects the savings assumed in the House resolution as a result of enactment of a standard deduction for work expenses in the Aid to Families with Dependent Children (AFDC) program ($−50 million in budget authority and outlays) and reforms to the Social Security program ($−777 million in outlays). These reforms were proposed in the Administration's budget and the savings were included in the March 15 report of the Committee on Ways and Means. The conference report assumes the benefit changes contemplated in the House resolution for Federal employee retirement ($10 million in budget authority and $7 million in outlays) and the cash assistance programs ($198 million in budget authority and outlays for the Aid to Families with Dependent Children and Supplemental Security Income programs.) The report also assumes $200 million in budget authority and $137 million in outlays for legislation to liberalize the Special Benefits for Disabled Coal Miners program and to finance most new claims through a trust fund financed by assessments on coal mine operators. The net impact of the conference report is to increase budget authority by $8 million and

outlays by $37 million over the House resolution.

Reestimates—The conference report reduces the estimates in the House resolution by $1,829 million in budget authority and $677 million in outlays as a result of the following:

Unemployment Compensation—The net impact of enactment of Federal Supplemental Benefits extension at a lower cost than was assumed in the House resolution, a shift in accounting treatment for budget authority, and a reestimate of current policy outlays to reflect the lower-than-projected unemployment rate in April is to reduce budget authority by $1,631 million and outlays by $565 million.

Aid to Families with Dependent Children—A current policy reestimate reduces budget authority and outlays by $100 million.

Other—Reestimates in the Child Nutrition and Railroad Retirement programs account for the remaining differences from the House resolution.

The following table lists the estimates by program included in the conference agreement for this function:

FUNCTION 600: INCOME SECURITY

[In millions of dollars]

	President's budget request, fiscal year 1978		House passed, fiscal year 1978		First resolution, fiscal year 1978 conference agreement		Conference agreement over (+) under (−) House passed	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
General retirement/disability:								
Social security	87,327	91,795	88,078	93,133	88,078	93,133	0	0
Proposed legislation	65	−777		−777		−777	0	0
Railroad retirement	3,907	3,896	4,113	3,857	4,008	3,845	−105	−12
Proposed legislation	(−106)		(+106)					
Special benefits, disabled coal miners	995	993	995	993	995	993	0	0
Proposed legislation			192	100	200	137	+8	+37
Other	4	4	4	4	4	4	0	0
Subtotal, 601	(92,298)	(95,910)	(93,382)	(97,310)	(93,285)	(97,335)	(−97)	(+25)
Federal employee retirement	16,888	11,094	17,756	11,135	17,756	11,135	0	0
Proposed legislation			10	7	10	7	0	0
Subtotal, 602			(17,766)	(11,142)	(17,766)	(11,142)		
Unemployment insurance	15,060	12,710	15,360	13,260	14,259	13,010	−1,101	−250
Proposed legislation		400	530	530		215	−530	−315
Subtotal, 603	(15,060)	(13,110)	(15,890)	(13,790)	(14,259)	(13,225)	(−1,631)	(−565)
Public assistance and other:								
SSI	5,750	5,714	5,776	5,740	5,776	5,740	0	0
Proposed legislation			135	135	+135	+135	0	0
AFDC and other	6,606	6,606	6,374	6,374	6,274	6,274	−100	−100
Proposed legislation	−50	−50	13	13	13	13	0	0
Housing assistance	33,536	3,841	33,536	3,841	33,536	3,841	0	0
Food stamps	[1] 5,673	[1] 5,639	5,354	5,358	5,354	5,358	0	0
School lunch: child nutrition	[1] 2,927	[1] 3,514	3,242	3,370	3,249	3,370	+7	0
Earned income credit	835	835	835	835			−835	−835
Proposed legislation	70	70	134	134			−134	−134
Refugee assistance	68	87	68	87	68	87	0	0
Other	183	180	183	180	183	180	0	0
Subtotal, 604	(55,597)	(26,435)	(55,650)	(26,067)	(54,588)	(24,998)	(−1,062)	(−1,069)
Grand total	179,843	146,549	182,688	148,309	179,898	146,700	−2,790	−1,609
Rounded					179,900	146,700		

[1] Administrative costs transfer between these accounts.

Note: Totals may not add due to rounding.

700: VETERANS BENEFITS AND SERVICES

The conference report provides budget authority of $20.25 billion and outlays of $20.2 billion for Veterans Benefits and Services, an increase of $15 million in budget authority and a decrease of $3 million in outlays from the House resolution.

750: LAW ENFORCEMENT AND JUSTICE

The conference report provides budget authority of $3.8 billion and outlays of $3.85 billion for Law Enforcement and Justice, essentially the same as the amounts in the House resolution.

800: GENERAL GOVERNMENT

The conference report provides budget authority of $3.7 billion and outlays of $3.85 billion for General Government. The reductions from the House resolution recognize that certain funding needs anticipated for fiscal year 1978 have been accommodated in the FY 1977 Supplemental Appropriations Act.

850: REVENUE SHARING AND GENERAL PURPOSE FISCAL ASSISTANCE

There were only minor estimating differences between the two bodies with respect to the Revenue Sharing functional category, which also includes estimates of certain revenues returned to states, territories, and local governments. The conference report provides budget authority of $9.8 billion and outlays of $9.7 billion for Revenue Sharing and General Purpose Fiscal Assistance, essentially the same as the amounts in the House resolution.

900: INTEREST

The conference report provides budget authority and outlays of $43 billion for Interest, the same amounts as in the House resolution. Short-term interest rates are expected to average 5.2 percent during fiscal year 1978.

920: ALLOWANCES

The conference report provides budget authority of $800 million and outlays of $900 million for Allowances. The reductions from the House resolution recognize that actual appropriations for supplemental pay raise costs for employees of non-defense Executive branch agencies are traditionally considerably lower than initially estimated. The conference report assumes a 15 percent absorption of pay costs, as estimated by the Executive Branch.

950: UNDISTRIBUTED OFFSETTING RECEIPTS

The conference report provides budget authority and outlays of −$16.3 billion for Undistributed Offsetting Receipts. This functional category includes the offsets to outlays that result from rentals and royalties on the Outer Continental Shelf as well as two other items that represent transactions within the budget that would otherwise result in double-counting of outlays. The functional totals of −$16.3 billion in budget authority and outlays include an estimated $1.9 billion from the Outer Continental Shelf, recognizing that current Administration policy has delayed several sales of tract production rights that had been scheduled earlier.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Speaker, I yield 5 minutes to the gentlewoman from Maryland (Mrs. HOLT).

Mrs. HOLT. Mr. Speaker, as we went through this long and difficult struggle on this budget resolution for fiscal year 1978, we had many problems. The minority Members have had two dominant, critical concerns. One is that America and the free world have got to respond to the challenge of the Soviet military buildup that has been going on for more than 10 years while we have allowed our defensive strength to erode. The danger of this trend is evident to practically everybody, including the President and all of the committees that have dealt with it and the Secretary of Defense. The time left for us to make a change in that trend is fast disappearing.

The second point of concern was the future economic health of our Nation. That absolutely requires that we restrain the growth of Federal spending and reduce the huge deficits that threaten to destroy our economy with inflation. The explosive growth of

spending has got to be brought under control.

I know that many Members of the majority share those concerns.

The budget document that was passed by the House and the Senate, this compromise version reported by the conference committee, is a wildly inflationary one. I suffer with that. Instead of moving toward President Carter's goal of a balanced Federal budget by fiscal 1981, the Congress is receding from it. I do not endorse this mad rate of spending.

When the House debated its budget resolution, the minority Members offered a substitute that would have cut spending substantially, allowed a 10-percent cut in tax rates, and reduced the deficit to $45 billion. We were proud of that effort. The effect would have been less inflation and a healthy durable economic growth in the productive sector of our economy. But that substitute was defeated.

Now all the votes on this first resolution are concluded except for one. The chance for amendments are gone. The conference negotiations are finished.

We fought a good fight and we have managed to save the defense budget from disastrous cuts. In fact, the conference report on the defense function allows for some desperately needed growth in our military strength and preparedness.

Mr. Speaker, I know that many minority Members of the House are appalled at the idea of voting for a budget with a $65 billion deficit caused by the enormous growth of social spending in the past decade. We did our best to prevent it. We can do no more in this particular round, but we will surely continue the fight another day.

I know that my colleagues on this side of the aisle are not impressed at all, but the deficit in the conference report is $2.3 billion lower than the House-passed deficit. The conference also reduced the fiscal 1977 deficit by nearly $7 billion.

Now, the day that I signed that conference report, I would have dearly loved to have said "no" and indulged the luxury of running into my ivory tower and turning my back on that ugly deficit—nothing in the world would have made me happier; but I refuse to stand idly by and permit a small minority of this body to order our national priorities. I am not going to do that. I think that is the wrong way to go. We have got to get involved in it, so now let us concern ourselves with protecting what we have won, that is a defense budget which allows for adequate military outlays in the next fiscal year. As we all know from the recent debate in the Budget Committee and on the House floor, the condition of the defense function could have been much worse at this stage of the proceedings.

The House Budget Committee originally proposed cutting $4.1 billion from defense budget authority and $2.3 billion from the outlays proposed by President Carter. Through the determined efforts of our friends on the majority side, the conferees from the other body, we have managed to restore $2.5 billion to defense budget authority and $1.4 billion to outlays.

The SPEAKER pro tempore. The time of the gentlewoman from Maryland has expired.

Mr. LATTA. Mr. Speaker, I yield 2 additional minutes to the gentlewoman from Maryland.

Mrs. HOLT. Mr. Speaker, so I feel that we have made progress. Given the historical record of declining defense effort over the past decade, this may not seem like enough; but I am suggesting that the growth in defense effort allowed by this budget is respectable and would continue the real growth by this year's budget after years of losing ground.

Mr. Speaker, I think the budget process is in real trouble. We have got to find ways to avoid getting into line items and usurping the jurisdictions of legislative and appropriating committees; but at this point in its development if the Republicans do not take an active part in shaping this target budget, I think we are sorely failing in our responsibility.

Mr. KEMP. Mr. Speaker, will the gentlewoman yield?

Mrs. HOLT. I yield to the gentleman from New York.

Mr. KEMP. Mr. Speaker, I thank the gentlelady from Maryland for yielding, but five times in this Congress the majority has turned down our attempts to reduce taxes and to help the American taxpayer to increase his after-tax income. Five times we have tried to increase incentives for all Americans to work, save, and invest. The gentlewoman has been an active participant in this effort. The budget process has accommodated the $12 extra billion for the President's economic stimulus package, it has accommodated the billions extra for CETA jobs program, it accommodates all the extra spending except when it comes to enacting our tax reduction because, we are told, it is not in the budget. Well I am not impressed. That is the reason I will oppose this budget resolution. This budget, we are told, cannot accommodate tax relief for the taxpayers of America, to help inflation-proof their earnings and increase the reward for their work and investment, but it does accommodate $63 billion of deficit financing which will be paid for out of the pockets and earnings of the American people.

Mr. Speaker, we are strangling the spirit of enterprise in America and the incentives and hopes of Americans by the tremendous tax burden being carried by the people.

Mrs. HOLT. Mr. Speaker, I think I understand that. That is absolutely right. The gentleman knows that I have supported his very successful efforts to bring the story of a sound economy to the people of this country. I applaud and approve the gentleman's statement. I support it totally. I think the gentleman is absolutely right.

The SPEAKER pro tempore. The time of the gentlewoman from Maryland has again expired.

Mr. LATTA. Mr. Speaker, I yield 1 additional minute to the gentlewoman from Maryland.

Mrs. HOLT. But I think this is the time when we are trying to make the budget process work, it is an opportunity for us to really get into this, get the off-budget agencies back on budget and know exactly what we are doing. I think if we are going to be a part of setting the priorities of this country, we have got to get in here and be active in it. We cannot sit back and vote "no"; that is easy, that is beautiful, but we have got to participate if we are going to have any effectiveness in it at all.

So, Mr. Speaker, like they say over in Maryland, "You've got to play to win."

Mr. CONABLE. Mr. Speaker, will the gentlewoman yield?

Mrs.HOLT. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Speaker, I thank the gentlewoman for yielding, and I compliment the gentlewoman from Maryland.

Mr. Speaker, an item in the first concurrent resolution on the budget demonstrates the potential in the congressional budget process for unexpected, unintended, and undesirable consequences which could force us to take actions that make neither practical nor political good sense.

Included in the recommended level of Federal revenues is an item of some $192 million which is to be raised by levying a tax on coal pursuant to section 9 of H.R. 4544, the black lung legislation reported in March by the Education and Labor Committee.

Despite Republican urgings to the contrary, the Ways and Means Committee has chosen not to exercise its rightful jurisdiction over this revenue-generating legislation which leaves the actual tax rates to the discretion of the Secretary of Labor. Nevertheless, because of the requirements of the Budget Act, it is conceivable that the Ways and Means Committee could end up paying the bill for some or all of the $182 million.

Theoretically, of course, the budget process provides for such a situation by permitting an adjustment of revenue levels in the second concurrent resolution. But in the meanwhile, important tax decisions are being made, and the Ways and Means Committee must work within the context of the targets established in the first resolution. The result, quite possibly, could be to limit the flexibility of the Ways and Means Committee to enact tax cuts that might be desirable from an overall economic standpoint.

After enactment of the second concurrent resolution, a revenue requirement reflecting another committee's actions still might exist—perhaps in a situation where the House but not the Senate had enacted a bill. At that point, although a point of order could be raised against legislation that would cause revenues to be less than amounts indicated in the budget resolution, nothing would require enactment of legislation bringing revenues up to prescribed levels.

This would pose a dilemma as to how to comply with the letter, if not the spirit, of the budget process. And even

though the Ways and Means Committee had not exercised its jurisdiction over the revenue measure at the beginning of the year, it could well inherit it at the end of the year by being forced to forego tax cuts that would otherwise have been enacted.

I believe the budget process is having its intended effect in forcing self-discipline and priority-setting. But there are still snags. It is not hard to see how the budget process could boomerang and come back to hit us from the least expected direction.

Mr. GIAIMO. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BROOKS), for purposes of debate only.

Mr. BROOKS. Mr. Speaker, the House and Senate conference on the first concurrent budget resolution for fiscal year 1978 has attained what earlier appeared unattainable—a reasonable compromise on the budget targets for fiscal year 1978. I urge your support of the conference report.

In the brief history of the budget process we have never had a more severe test of our capacity for self-discipline. No Member of Congress ever assumed that any set of recommendations could be conceived in such a way that all competing demands and interests could be accommodated. The critical test was reasonableness and accountability. Both bodies have worked their will and the House and Senate conferees have ironed out the major differences between the House and Senate particularly in the area of national defense.

I emphasize that this is a target resolution to guide our future spending actions and revenue decisions. It is not binding. That is the essence of the budget process—flexibility tempered by self-discipline.

Mr. LATTA. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Speaker, Members of the House, at the conclusion of the House-Senate conference last Wednesday, my colleague from Maryland (Mrs. HOLT) and I signed the conference report as House Republican conferees.

My decision to support the resolution now before us was not an easy one. There are a number of disturbing and inappropriate features: The overall spending totals are out of line with what economic conditions warrant; the concomitant deficit is excessive, and many individual program functions have a potential for excessive spending depending on committee action.

On the other hand, the resolution as reported out of conference is much improved over the version passed by the House recently. The dangerous cuts in national security were largely restored to a level which those of us concerned with the defense of this country can accept. This restoration is vital to our Nation's security.

The deficit projected for 1978 was reduced by nearly $2.3 billion while that for 1977, at the insistence of the Republican conferees, was slashed by $6.6 billion. Both deficits are still high. But they represent a movement in the right direction. However, my decision to support this resolution was motivated by additional factors.

Of utmost importance is the preservation of the vital budget process Congress designed for itself to follow. I am convinced that, in the absence of the fiscal discipline required by the budget process, the spending totals and priorities established within the resolution would be far worse. A deficit of $64 billion is completely inappropriate to the economic conditions that will prevail in the year to come. However, it is considerably more "appropriate" than a deficit of $70 or $80 billion. I feel certain the latter would have prevailed had we abandoned the budget process.

The major objections to the budget process come from those who want more, not less, spending.

There are those Members who claim that social programs are being sacrificed in order to increase the defense budget. Although such accusations are unfounded they are increasingly in vogue. The fact is that since 1969 the defense portion of the budget has increased by 38.4 percent. In the same period, the human resources portion has increased by 274.8 percent.

I imagine there will, however, always be those who seek to refute these facts. To them, the control we strive to achieve through the budget process is a threat. Future fiscal responsibility is dependent on adoption of this conference report. We cannot demand a balanced budget, a moratorium on new spending, and tax relief for the American people, if we help destroy the one vehicle we have to accomplish these objectives—namely the budget process. We are a long way from reaching these goals, but must seize the tool to achieve them which is available.

The budget process has endured a severe test in the past weeks. The turmoil surrounding its survival attests to its strength, not its weakness.

I sincerely believe the resolution before us is the best we can achieve at this point. During the floor debate on the first budget resolution many of us offered a reasonable and viable alternative which was rejected outright. While disappointed, I feel the time will come when such an alternative can win—as long as we have the vehicle of the budget process to accomplish it.

In the interim, I support this resolution. Our likely alternative right now is an even higher deficit, worse inflation, weakened defense capability, and further redistribution of earnings away from the working, taxpaying American.

Mr. GIAIMO. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. LEHMAN), for the purpose of debate only.

Mr. LEHMAN. Mr. Speaker, I rise in support of the conference report on Senate Concurrent Resolution 19, the first concurrent resolution on the fiscal year 1978 Federal budget, and urge my colleagues to join me in voting for it.

Previous debate and votes have shown that most Members of this House support the congressional budget process, even when we differ on the details of specific resolutions. Keeping in mind that no budget can please everyone, we must work, and this committee has worked, to displease everyone as equitably as possible, and to forge the delicate balance between conflicting needs and policies.

I was privileged to be a conferee, working with our exceptionally able chairman, BOB GIAIMO. In large part, we owe our success in conference to our chairman, who never lost sight of the need to make decisions in each of the functional categories based on their relationship to the total budget, not on isolated jurisdictional considerations.

Perhaps the most difficult agreement the conference reached was on the figures for function 050, National Defense. With our chairman's leadership, we were able to stay closer to the House mark than to the Senate's, fully $200 million below the halfway point in the critical area of budget authority. The conference figure of $118.5 billion fully discharges our responsibility to maintain an adequate defense, and, although the original Senate figure was substantially higher, the Senate has now given its "advice and consent" to the lower level in agreeing to the conference report on Friday.

Mr. Speaker, the House should today follow suit and establish the targets for our spending and revenue actions this summer. These are fair and balanced targets, and deserve our support.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, today we are voting on the much heralded budget compromise for the first concurrent resolution on the budget which was worked out last week in conference committee. For 3 days, conferees wrestled with differences in various functional categories in an effort to come up with the "magic numbers" with which a majority in both houses could agree. Whether or not the conferees were successful in their attempt is yet to be determined. But, as a member of the budget conference which worked to develop the final solution, I would say, Mr. Speaker, that as far as I am concerned, we were not.

It is beyond me to believe that a budget resolution which recommends a near record deficit of over $64 billion can be called a compromise for which we should vote. It is impossible for me to reconcile a resolution which boosts the debt subject to limit to $784 billion with something with which we can feel comfortable. Finally, it is difficult to understand how we can dare apply such an appeasing term as "compromise" to a budget which recommends a defense outlay of $111 billion for the coming fiscal year—a full $1.8 billion under the most recent administration estimates for needs for defense and a very healthy $4.9 billion under the administration figure in terms of budget authority. In my view, any budget conference agreement with these characteristics is more of a sham than a compromise.

In addition to the deficits that the conference report recommends, the resolution refuses to recognize the true needs of the average American by refusing to provide for a permanent across-the-board tax reduction for the 90 million working people in this country. On five

occasions, the majority voted down minority amendments which would have provided permanent tax cuts to the taxpayers of this country. An amendment which I offered would have given to the American worker a permanent, across-the-board tax reduction of 10 percent. It is unfortunate that while gargantuan Government spending schemes and bureaucratic welfare programs are carefully catered to in this budget, the true needs of the average American, the needs that can be met by permanent tax cuts, are sadly forgotten.

Mr. Speaker, we have heard much talk in recent days on how the outcome of this resolution is going to "make or break" the budget process. Unless this budget resolution is passed today, we are told, the Budget Control Act, will have been largely for naught. I agree that if the budget process were to be destroyed it would be indeed unfortunate. It is not my belief, however, that the process is worth saving at the expense of record deficits, distorted budget priorities and continued inflation and unemployment which have been the sorry results of this process ever since the Act was passed. It is regrettable for me to say that the budget process, rather than controlling deficits, has simply "legitimatized" them. Somehow, now that we have a budget process, many Members can feel comfortable in passing multibillion deficits because, they assure us, the "process" is keeping things in control.

Mr. Speaker, if this is what we are saving by approving this resolution this afternoon, I for one say that it is not worth it. Perhaps by defeating the resolution, we will all be shaken into a realization that we have to take a new look at the way we have been using the budget process and realize that the deficit-spending mentality which has characterized the Congress over the last several years has got to be changed.

For these reasons, Mr. Speaker, I urge my colleagues to join me in asking for a nay vote on the conference agreement and a new approach to fiscal policy in this Congress.

Mr. GIAIMO. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BURLESON), for purposes of debate only.

Mr. BURLESON of Texas. Mr. Speaker, I do not suppose there are many measures that come before this body with which every Member is pleased, and that is particularly true of legislation of this magnitude. Even when we consider resolutions or bills followed by unanimous votes, there are many times when most of us would like to do something a little differently.

Let us recall the debate on the passage of this resolution. Most of us feel now as we did then, although in my opinion this is a better resolution than the one that left this House, that it is unsatisfactory in a number of respects.

Many of the Members complained during the debate—maybe I should not use the word, "complained"; I will say, "contended"—contended and still contend that we should have a greater portion of our substance and priority pointed toward social programs. Many of us felt and still feel that not enough is pointed toward our national defense if we are to maintain our posture as No. 1 in strength throughout the world.

Then, too, we have heard the discussion about the deficit. I am not happy with the deficit either. As a matter of fact, I want to do those things which will balance this budget, as the President intends, by 1981. I do not see how that is going to be done, but at the same time I am going to do those things that are helpful in that direction.

The deficit we are talking about here is a little bit like the ceiling on the national debt. We should ask ourselves: What is our choice? The choice comes when huge spending programs are before us for authorization. That is the time to say no to raising the debt ceiling, increase the interest on that debt and running up a deficit.

Mr. Speaker, not withstanding objection to parts of this resolution I support it to preserve the budgetary process which holds promise of getting handles on our fiscal affairs. It will work if we make it work and I think we must give it a chance before we abandon the idea.

Before I yield the floor I pay my compliments to the chairman and my colleagues on the committee for their devotion to causes they believe in. It is no secret that more often than not I find myself in the position of being a minority on the majority side. In that situation I shall probably remain. I do however think that more differences could be resolved in the committee than was done when this resolution was brought to this floor for debate and which was initially defeated. That should be avoided in the future.

Finally Mr. Speaker, I wish to compliment the minority members who served on this conference. The gentlelady from Maryland, Mrs. HOLT, stood firm on the issue of national defense and is instrumental in bringing before in this report a much improved and more acceptable provision than that passed by the House.

Mr. LATTA. Mr. Speaker, I yield 4 minutes to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker—

> The Republican Party advocates a legislative policy to obtain a balanced federal budget and reduced tax rates.

Those are not my words. That statement is contained in the Republican Party platform of 1976:

> Inflation is the direct responsibility of a spendthrift Democrat-controlled Congress that has been unwilling to discipline itself to live within our means. The temptation to spend and deficit spend for political reasons has simply been too great for most of our elected politicians to resist. Individuals, families, companies and most local and state governments must live within a budget. Why not Congress?

Those are not my words; those are the words of the 1976 Republican Party platform.

I know that a lot of people do not think party platforms mean anything, and a certain number of people in this country have come to believe that parties do not stand for anything. Witnessing what is happening here today, I may have to concede that they are correct. But one thing I cannot stand for today is this budget resolution.

Mr. Speaker, I must differ with those Members on my side and conservative Members on the other side who stand before us today and are telling us that, for some strange reason, because of some undeniable urge to participate in this budgetary process, conservatives have to take a stand that flies in the face of all the principles for which we have fought over the years. In so doing they would embrace a $785 billion national debt and a $65 billion annual deficit and do it under the cover of a proper level of defense spending.

They are compelled to do so, I have been told, because they feel that the budget process which Congress instituted 3 years ago is of such great importance that it must not be allowed to fail. Those who advocate this position in my view are simply saying that this new procedure is more important than principle. As one who has a great love and respect for procedural safeguards I can understand that position. But in this instance I cannot endorse it.

What, pray tell, is the process about which they are so concerned? Is this process really worth honoring at the cost of embracing a $785 billion national debt and a $65 billion deficit for the coming year? And make no mistake, along with that loving embrace those who engage in it must accept the consequences of the increased inflation which is now raging at an annual rate of nearly 12 percent if the last few months figures are any true indicator. They must be willing to accept the underlying theory of the major proponents of this conference report, that the Federal Government has the ability to promote and produce prosperity by taking vast amounts of wealth from the taxpayers of America and redistributing it for programs which may or may not aid those in need, but which surely support those who are in charge of the programs by increasing their powerful grip over our lives.

When this much heralded budget process was enacted into law 3 years ago we were told that it would force the Congress to examine its fiscal policies as a whole. It would make us live within our means. It would cause us to pause repeatedly, as would any prudent household budget maker or businessman, and fully assess our assets and needs; then produce a sound judgment. We were even told that it would eventually lead to the millennium—a balanced Federal budget. Something I always thought my party stood for without qualification or question, until today.

The truth of the matter is that this magnificent budget process has produced 2 years of enormous national deficits and huge additions to the national debt. Oh yes, it has allowed the liberals in Congress to smile with satisfaction as hundreds of new staff members have sat down and added up all the figures and told us the already notorious bad news about congressional spending habits and lack of self-control. But the major promoters of this conference report think that these figures are beautiful to behold. Like the parents of the ugly little brat,

their child, however illegitimate, cannot be wrong.

Fidelity to this budget process is certainly not all that warranted. I have sat on this floor day after week after month in the last 2 years and seen hundreds of rules passed which wave the budget process so that more and greater deficit spending can go forward. And any process which has produced such deficits and debts does not command this Member's obedience or respect. I would suggest that any adding machine or computer could achieve the same effect at much less cost and with much less time.

Mr. Speaker, what are the awful consequences which might befall us if this resolution is rejected? Well, the membership of the Budget Committee and all its staffers would have to start over again. Like the redemption of baptism which provides a second chance for sinners, they would have a clean slate with which to begin. They could return to their task and make the budget process work as its founding advocates said it would. They could adjust defense figures and cut down on deficits and debts.

And if they refused to do so, the rest of our authorization and appropriations work would grind to a halt. And that would not be all bad. It would focus the eyes of America on Congress, once again racked with scandal. But the scandal this time would be the continued unwillingness of the overwhelming liberal majority to bring our national economic house into good order. The liberals outright rejection of the need for an adequate national defense would be further accented. They might even be forced to change their ways and provide what my party has up until now, said the American people want—less taxes, less inflation, less government, and more freedom.

No, in my view, the budget process has become, as perhaps inevitably it had to become, a political football, allowing liberal members to posture about the wicked conservatives who are said to care nothing for those who have "human needs" which must be met. Conservatives, instead, are said to owe their blind obedience to the munitions manufacturers and the Pentagon brass, the hate objects of the Left, the military-industrial complex.

Mr. Speaker, I realize that one of the central arguments about this first target budget resolution has centered around the defense issue. I have been told that this report is a compromise which goes far toward restoring defense spending. But the amounts for defense contained in this report are still $2 billion below President Carter's request and $4.5 billion below President Ford's request. Some money was restored in conference for defense, but many of us—in fact a majority of us in this House at one point believed that the figure we have before us today was certainly insufficient in the face of international realities. We do believe that a cold war still exists in this real world.

Yes, we conservatives think that human needs and human survival are very important, but both of those principles will not mean a tinker's damn if this country is not free, and most Members on this side really do believe that freedom can only be guaranteed by our maintaining a strong national defense.

Mr. Speaker, this resolution does not necessarily do that. So what do conservatives get for themselves by trading off their principles as we engage in this debate today?

Mr. Speaker, the same liberals who are cozying up to us today will drop us tomorrow. Three weeks ago they were attacking the minority party for not giving them the number of votes they needed to pass the first budget resolution. They have a 2-to-1 majority in this House. How much more must they demand?

They are the same people who in the next several months will be hacking the defense budget well below the figure this resolution sets today, because they are against almost any spending for defense.

Mr. Speaker, there is no reason at this point for my party or conservatives in either party to back down on what they have always understood to be proper and correct. We cannot swallow deficits and debts and still pretend to be true to ourselves and our principles.

Mr. Speaker, if the average American was asked to vote on this conference report, most of them would probably oppose it overwhelmingly. The American people would agree with the suggestion made by the distinguished gentleman from New York (Mr. KEMP) that the Government get off their backs and get its hands out of their pockets, that it reduce their taxes, that it cut down its spending and do away with all the many programs that the American people do not need, do not want, and that only lend greater power to the bureaucrats who control our lives.

Mr. Speaker, there is a special irony in seeing the margin of victory for this radical spending resolution provided by the Republican leadership of this House. The majority of my party does not share their view nor will they vote for the positions those leaders advocate today. They will instead stand by the conservative principles our party has always fought for, and for which our leadership should be standing today.

Mr. Speaker, I should like to quote the message of Abraham Lincoln, delivered in 1859 to a then very young Republican Party in Illinois. He said:

> If we do not allow ourselves to be lured from the strict path of our duty by any such device as shifting our ground . . . then the future of the Republican cause is safe . . . stand by your principles . . . and victory, complete and permanent is sure at last.

Mr. Speaker, I do not think that victory for my party is the most important thing; I think victory for my country is.

Those who vote for this resolution are harming our country by espousing the bankrupt fiscal policies which have caused most of our economic problems for the last four decades, I urge a vote against the motion of the gentleman from Connecticut.

Mr. GIAIMO. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. SIMON), for purposes of debate only.

Mr. SIMON. Mr. Speaker, in the opening remarks in the House the distinguished chairman of our committee used this phrase, that this compromise is "a reasonable and realistic compromise."

I think it is all three. It is reasonable, it is realistic, and it is a compromise.

No one faction, no one viewpoint got its way completely; and there is a fourth thing: It is responsible.

Mr. Speaker, in response to the gentleman from Maryland (Mr. BAUMAN), who just spoke, I would like to quote from the words of the distinguished gentleman from across the river, the gentleman from Virginia (Mr. FISHER), the other day.

Mr. Speaker, I will read a statement by him which had these words in it, which I think contain great wisdom. He said:

> The best is sometimes the enemy of the good. The bad must sometimes be chosen rather than the terrible.

Mr. Speaker, that is what the case is here. The gentleman from Ohio (Mr. REGULA), to whom I will yield in just a few seconds, used the phrase "fiscal discipline." That is what the choice is: It is fiscal discipline or fiscal chaos.

Mr. Speaker, I would like to see a budget more attuned to the kind of preferences that my colleague, the gentleman from Maryland (Mr. MITCHELL), would like; but that is not the choice we face right now. We face the choice of doing a responsible job or not doing a responsible job. Clearly, I think, we have to do a responsible job so that an increasing percentage of our tax dollar goes to the needs of this Nation and not for interest payments.

Mr. REGULA. Mr. Speaker, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Speaker, I thank the gentleman for yielding.

Some of the members of the British Parliament met with members of our Committee on the Budget to examine this process because they felt that the kind of budget control we have in the Congress would help them to slow down spending in their own country. Is that right?

Mr. SIMON. The gentleman is correct.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Speaker, I thank the gentleman for yielding.

The total tax liabilities of the American people in this budget combined with State and local budgets will consume 44 percent of the national income. Of all the income that is produced by people and business in America, 44 percent of it goes to taxes at the Federal, State, and local level. If you add inflation it is nearly 50 percent of all income that now goes to one form of taxation or another.

Mr. Speaker, this means that into June the average American is still working in order to just pay taxes. Is it any wonder that people are discouraged and disappointed by Government.

The overwhelming number of people in this country want tax relief and tax reduction, reduction of that excessive burden of taxation that is discouraging work, production, savings, and investments, as well as hope and incentive.

Mr. Speaker, the complaint I have with this budget resolution is that room was

found to accommodate the President's $12 billion economic stimulus package, room was found in it to increase the CETA program spending, room was found in the budget resolution to accommodate a $63 billion deficit, but when the minority attempted—and I say this to my friends on the minority side—when we attempted to reduce taxes of the American taxpayers we were told five times there was no room for it in the budget.

It seems to me, Mr. Speaker, that therein lies the problem that many of us have with accepting a compromise resolution. Where is the compromise? There was no spirit of compromise so as to work with us to help inflation-proof the American people's income. We tried five times for modest reductions in taxes but the majority argued that there was no room in the budget resolution for a tax cut. But, Mr. Speaker, we find room in the budget resolution for a $63 billion deficit and billions of dollars in increased spending programs. Suffice it to say that I do not think it is a compromise, but a sad day for the people who expected more of their elected representatives.

Mr. LATTA. Mr. Speaker, I yield 1 minute to the gentleman from Delaware (Mr. EVANS).

Mr. EVANS of Delaware. Mr. Speaker, I thank the gentleman from Ohio for yielding to me this time.

Although there are those who have criticized individuals who have opposed the budget resolution, those of us who oppose this resolution do not oppose the budget process. We oppose the end result. It is not because we are not compassionate and we do not care; it is because we just cannot continue on taxing, taxing and taxing the citizens of this country. We are very much in danger of "Britainizing" this country of ours. Take a look at what has happened to Great Britain. I, for one, do not want to see this country in that direction.

I support and commend President Carter for his approach on a balanced budget by 1981, but goals are ends to be achieved. Plans are the means to achieve them. But those plans must be consistent with the goals. In this case we are not moving in the right direction. If we take all incentive away from the private sector and from the individuals who pay the taxes, then we will not have anything left for the services that Government must provide. This resolution threatens to do just that, and I urge its defeat.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado (Mr. ARMSTRONG).

Mr. ARMSTRONG. Mr. Speaker, I thank my colleague, the gentleman from Ohio (Mr. LATTA), for yielding me this time.

Mr. Speaker, I want to compliment the members of the Committee on the Budget for the work and for the dedication they have brought to this subject. Although I disagree with the final outlook, I believe they deserve our thanks for the way they have gone at their work and for the effort they have put in it.

Mr. Speaker, we are being asked to support an inflationary budget resolution in order to get improvement in the military appropriation. While I support a high level of spending for the military, because I recognize the military threat, I believe we ought to reflect for a moment on the fact that there are other threats to the Nation in the future, such as the economic threat implied by this resolution, which, in my judgment at least is as great a one as any from the Soviet Union or from China or any other nation that may threaten us.

This is an inflationary bill. It is an anti-investment bill. It is a bill which will foster unemployment by destroying jobs in the private sector.

May I comment also on the process. We are told that we must vote for this in order to preserve the process. Mr. Speaker, the process is not an end unto itself but merely a means to an end. It is just a vehicle; and if the vehicle is taking us, as others have suggested, down the road that the city of New York and nations such as England have followed, then I do not want to be in that vehicle no matter how elegant and refined it may be.

Mr. Speaker, may I simply say, if we vote for this, then what is our purpose? If Republicans support this, standing out as a party for a balanced budget, then what is our purpose as Members of Congress? If we do not hold out for that alternative, then the people at home do not have anybody to turn to when they get ready to balance the budget.

Mr. GIAIMO. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. FORD).

Mr. FORD of Michigan. Mr. Speaker, I rise in support of the conference report on the first budget resolution establishing spending targets for fiscal year 1978. The new budget process was adopted in 1974 in order to give Congress the capacity to establish its own priorities and to give an accounting to the American people of its spending and revenue decisions.

I support this resolution because it accomplishes these objectives. I believe the compromises arrived at in conference with the other body are both reasonable and appropriate given current economic conditions.

I realize that there has been considerable controversy concerning the appropriate level of defense spending. This process has indicated both to the President and the Defense Department that the Congress has priorities other than high defense spending, especially when we have an unemployment level in excess of 7 percent and the very real prospect of a resumption of double-digit inflation.

I commend the Budget Committee and the Senate conferees also for preserving the basic reordering of priorities initially passed by the House of Representatives. The conference agreement provides over and above the President's recommendation of $1,712,000,000 in budget authority for educational programs; an additional $450,000,000 in budget authority for Small Business Administration; an additional $250,000,000 for transportation programs including highways, urban transit, and railways; and an additional $53,000,000 for discretionary health programs. I am pleased to note also that the conference report recommends advanced funding for public service jobs, which will insure that our State and local governments can plan for their most effective use.

Even with this reordering of priorities, the deficit has been reduced almost $2 billion from the original House-passed version. My friend and colleague, the distinguished chairman, Mr. GIAIMO, and other members of the committee have done an excellent job in blending widely divergent views, and I commend them for it.

However, Mr. Speaker, I must point out to my colleagues that I do not want my support for this budget resolution to be considered as a complete endorsement of the original committee report which accompanied the resolution (Rept. No. 95–189 dated April 6, 1977). I must make this disclaimer only because I feel that it was the intent of the Congressional Budget Act that the Budget Committee would deal only in macrototals of budget authority and outlays—not in predetermined amounts for specific programs. To the extent that the committee's report addresses the question of a specific funding level for any specific program, I believe the report reflects only the opinion of the committee, not the will of the Congress.

The determination of specific funding levels for individual programs is, of course, left for the Congress to decide at a later time, after the Appropriations Committee makes its recommendations, and I would, therefore, not feel that any specific program funding levels mentioned in the committee's report will be binding upon the Congress with the adoption of this resolution.

Mr. Speaker, I urge my colleagues from both sides of the aisle to support this conference report.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. DEVINE).

Mr. DEVINE. Mr. Speaker, this is the culmination of the traditional struggle between the so-called military-industrial complex and the social welfare complex. Frankly, I think that the welfare-education complex poses a greater threat to the future of this Nation than does the military-industrial complex.

Peace through strength: I think during the 10 years I have had the privilege of serving in this body I have maintained a posture that peace through strength is the right posture, even though those of us who follow it are categorized as hawks. Those persons who support the education-welfare complex are variously described as the "do gooders," the "bleeding hearts," the "hand wringers," and the "deep breathers." We are categorized as hawks if we feel we should support the national defense complex.

I have great respect and admiration for my colleague, the gentlewoman from Maryland (Mrs. HOLT). I think that she struggled mightily to try to come to what she feels is the right decision in supporting this resolution, and I compliment her. I know she is sincere, and I know it was a difficult decision. I take the floor today merely to point out that not all of those of us in the category of

having a position in the Republican leadership intend to vote for a deficit of $64.6 billion.

It seem to me that we must look at this document. I think it is one of the most important documents that those of us in the Congress have to look at. It is the budget in brief. I invite the attention of Members to page 2, to the graph there which shows the position of the welfare programs, the do-gooder programs, as shown by this line, and the green line shows the national defense. The lines crossed in 1970. I invite everybody's attention to that.

Mr. LATTA. Mr. Speaker, I yield 30 seconds to the gentleman from Oklahoma (Mr. EDWARDS).

Mr. EDWARDS of Oklahoma. Mr. Speaker, I thank the gentleman for yielding. It will take just that long. I just want to make the point that the deficit in this bill is $64.6 billion, and there is $784.9 billion of public debt, and that the amount to which the limit of public debt will be increased is $83.6 billion.

To save the budget process by which this fiscal instanity will be preserved is absurd.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me first of all commend the chairman and the members of the committee and the staff for the work they have done on this, regardless of their positions on this conference report.

I might say truthfully if people voted for this budget resolution when it left the House of Representatives, they can conscientiously vote for this conference report; and if they voted against the budget resolution when it left this House, I believe they can conscientiously do so now.

Let me say at the outset I support this budget process even though I have disagreed with the outcome each and every time, and I disagree with it now.

During debate a lot of figures have been bandied about, but what scares me is what is happening to this country from the deficit standpoint. This budget has a $64.7 billion deficit—the second biggest ever. Still more serious is the national debt situation. In this budget resolution our national debt is going to go to $784.9 billion, up from $701.3 billion just this year, an increase of 12 percent or $83.6 billion in national debt.

The people back home are starting to understand what this national debt means to them, because cranked into this conference report which we are going to be voting on today are proposed payments of $45 billion alone on that national debt for fiscal year 1978. That is why I do not subscribe to what we have come up with in this conference report on the budget, because I think the third highest item on our budget in this country should not be the interest on the national debt. The people of this country are paying, in my humble judgment, for a dead horse. I do not think we ought to continue to have them do that.

I, too, subscribe to the thinking that by fiscal year 1981 we ought to have a balanced budget. But are we going to have a balanced budget by cranking in all these new programs? One that has not even been mentioned today has been sent down from the White House, that we ought to start drawing on the general fund to pick up the cost of social security. No one knows how much that will cost if we ever get crazy enough to adopt that particular recommendation. I hope we do not.

So we are looking to 1981 toward a time of balancing the budget? Absurd. Absurd, when we go to $83.6 billion further in the red in 1 year. By that time, the way we are going now, we are going to be a trillion dollars—hear that, a trillion dollars—in debt. How can we ask the American people to pay just the interest on that national debt?

That is why I am not supporting this conference committee report.

Mr. GIAIMO. Mr. Speaker, I yield 1 minute to the gentleman from Missouri (Mr. ICHORD), for purposes of debate only.

Mr. ICHORD. Mr. Speaker, on several occasions I have had the opportunity to correct my own mistakes, but it is rare indeed that I have the opportunity to edit the distinguished Latin student and my good friend and congenial adversary, on defense spending, the gentleman from Connecticut (Mr. GIAIMO), chairman of the House Budget Committee, as well as a Washington Post byline journalist, although I must admit that hardly a day passes that I do not take exception to some alleged fact or poor judgment of some no doubt well-intentioned but sadly misguided Washington Post editorial writer.

I ask my colleagues for just a few moments of indulgence for the edification of our CONGRESSIONAL RECORD readers and our students of poetry and prose, in order that I might correct the words of my honorable colleague from Connecticut (Mr. GIAIMO) the Washington Post coverage by Robert H. Williams, and most of all my own ruinous attempt to sanitize through the always inadequate device of paraphrasing one of Mark Twain's quotes made, I am convinced, during one of that great American humorist's more salacious moments.

During our second 1977 budget resolution debate, in the face of my rather persistent insistence that the House support President Carter's defense budget request primarily due to the status of the SALT talks, Congressman GIAIMO quoted Cicero in what I must characterize as most stirring tones "Quo usque tandem abutere patientia nostra, o catalina!" While the tone was fiery, the Latin was flawed and for our Latin readers of future generations and for Cicero himself, I would state that what the gentleman from Connecticut (Mr. GIAIMO) meant to say was: "Quo usque tandem abutere, Catilina, patientia nostra?" To further complicate this twisting of this archaic tongue, the Washington Post's Mr. Williams translates as follows: "How long, oh Cataline, will you continue to abuse our patience?" Once again, poor Cicero is abused. Mr. Williams should have translated as follows: "How long, Catiline, will you abuse our patience?"

To make matters worse, in the interest of propriety I offered in response to Mr. GIAIMO's Cicero, a poor translation of one of Mark Twain's more pithy statements. As so many women have taken exception to my Mark Twain quote, I offer in the interest of clarity the verbatim Mark Twain: "Statistics are like ladies of the night, once you get them down, you can do anything with them."

In defense of one of America's greatest humorists and writers may I further explain as a Missourian that Samuel Clemens, whose roots originated in Kentucky but whose family eventually elevated themselves by moving to Missouri, did not employ the term "ladies of the night" in reference to the female version of homo sapiens who merely stay out late in the evening. Let there be no doubt about that. His remarks encompassed only the unvirtuous, not the virtuous ladies.

My good friend, the gentleman from Connecticut, BOB GIAIMO, allied with my good friends, the gentleman from Texas JIM WRIGHT, and the gentleman from Indiana JOHN BRADEMAS—I do not know where "Tip" was on the matter, as JIMMY called him personally—did not commit, I am sure a "moral" error when they "twisted enough arms" to reverse the vote from 218 to 185 in favor of the House Committee on Armed Services to 233 to 176 in Congressman GIAIMO's favor but I do hope and pray they did not commit a "mortal" error.

With the record now straight for Cicero and Mark Twain, I would advise my colleagues that I must vote against this conference report because I believe, as an accountant, that the House Budget Committee has gotten down on paper some extremely dubious and unvirtuous assumptions and done anything they wanted with them to the dire detriment of the national security of the United States of America.

Mr. GIAIMO. Mr. Speaker, I yield 1 minute to the gentleman from South Carolina (Mr. DERRICK).

Mr. DERRICK. Mr. Speaker, I rise in strong support of the conference report on the first budget resolution for fiscal year 1978 and I urge my colleagues to vote its passage.

As a member of the Budget Committee and a conferee on this resolution, I would like to express my deep respect and profound admiration for our chairman, the gentleman from Connecticut, BOB GIAIMO. Our chairman has kept this vital budget process on course and has steered us through very troubled waters. A new administration, an uncertain economy, the demands of the committees of this House, and the formidable posture of the other body are only some of the difficulties faced and resolved. His patience, understanding, and good humor were sources of strength to all of us.

Specifically, the following are major accomplishments of the House conferees:

First. The deficit is estimated at $64.65 billion, almost $2 billion lower than the original House figure.

Second. Our agreement with the Senate with respect to the defense function (function 050) provides a recommendation of $118.5 billion in budget authority and $111.0 billion in outlays. The critical

area of budget authority is $1.4 billion higher than the House passed version.

Third. Our domestic targets include advance funding into fiscal year 1969 for public service jobs, additional funds above the President's recommendation in education, veterans' benefits, and in health. As part of our agreement with the Senate, we reduced other functions by about $1 billion. Another $2.5 billion was reduced as a result of reestimates.

This is a target resolution. It provides flexibility for the Congress to work its will. We should remind you that if it is not passed we cannot consider any legislative matter that involves expenditures or taxes without special waivers. Adjustments will be made when our ceiling resolution is considered in September.

We think that it is imperative as elected representatives we demonstrate our commitment to the budget process because only through this process can we bring expenditures under control.

The development and acceptance of any budget is a disagreeable task. There will always be unmet needs, and the competition for public resources will always exceed their availability. This is the reality of real world and to function effectively we need the order and logic of a budget process. We cannot abandon the discipline of this process. I urge you to pass this conference report.

Mr. LEGGETT. Mr. Speaker, the budget process is presently undergoing its most critical test since its inception over 2 years ago. I recognize that during the early years many Members were willing to set aside their own views and preferences in order to help this new process get underway. I predicted then that Members would not do this forever, and that they would not support budget resolutions unless they agreed with the substantive recommendations.

There is no doubt in my mind that the issue before us today is whether or not the goals set forth in this conference report are reasonable, not only to us but to the American people. We have had great difficulty arriving at these decisions, but since March 15, when our standing committees filed their initial reports to the Budget Committee, every Member of both bodies of Congress has had ample opportunity to change and alter any and all of these targets. Now, we come to the time of the adoption of the resolution. It is a target resolution; it is flexible; it is open to further revision and change. Beyond that, I think that this resolution is a reasonable compromise of widely divergent viewpoints.

I do not call on any Member to support this resolution because of the budget process alone. Our recommendations must stand or fall on their own merit.

I would like to review for you what I think are our major accomplishments—accomplishments which demonstrate conclusively, in Chairman GIAIMO'S terms, that we are no rubber stamp, that we are capable of setting our own priorities, and that at the same time we are giving President Carter a budget he can work with.

Specifically, the conference report provides:

First, a reordering of priorities to include $1.712 billion in budget authority and $691 million in outlays over and above the President's budget revision for programs in elementary, secondary, and postsecondary education;

Second, an additional $53 million in budget authority above the President's revised budget request in the health function, primarily for discretionary health programs;

Third, approximately $250 million in budget authority above the President's revised budget for transportation programs, including highways, mass transit, and railways;

Fourth, an additional $425 million in budget authority for Small Business Administration programs;

Fifth, an additional $3.8 billion in budget authority in advance funding in fiscal year 1979 for public service jobs which is "up front money" to insure adequate planning at the State and local level.

The conference agreement, I believe, achieves the best possible adjustment of the controversial defense expenditure targets. You will recall that the original House position provided $117.1 billion in budget authority for national defense and the original Senate position was $120.3 billion in budget authority. The House and Senate conferees arrived at the figure $118.5 billion in budget authority, and $111 billion in outlays. This compromise is much closer to the House-passed version than it is to the Senate in budget authority.

Let me put a few myths to rest on this issue, however. The defense budget has not been cut to the quick. The Defense Department is still alive and well getting $10 billion more than it received last year. Not one program, or weapons system, or job is in jeopardy. However, by reducing the President's defense request for fiscal 1978, we are calling on Defense Department officials to improve their financial management system. They know they can do this, and they know that we know they can do this. In addition, we are calling on them to bring under tighter control their personnel practices. This means longer tours of duty, a review of transfer policies, and a go-slow policy on advancement of personnel to absorb pay increases. Other agencies of government have been asked to trim, scrutinize, and monitor their budget requests in an attempt to reach control over government expenditures and I, frankly, for one, cannot see why the Department of Defense cannot also march to the tune of fiscal responsibility. If President Carter needs assistance in balancing the budget and curtailing defense expenditures as he promised the American people in his campaign, then we must be prepared to help him.

Let us now talk about that magic figure, the deficit. Since I have been in Congress, I know of no figure that receives any more political attention and less economic understanding than this one. I realize that some Members will be pleased when I say that the compromise with the Senate lowered our estimated deficit by almost $2 billion. To others, this may not be enough. The national debt will still soar to $785 billion by the end of fiscal year 1978. I am convinced that our concurrent resolution is a step in the right direction.

As a conferee, I supported this report as the best possible accommodation of many hardened and divergent views. Moreover, I feel this report is a fair compromise, and I strongly urge your support. Thank you.

Mr. FRENZEL. Mr. Speaker, this resolution is a significant improvement over the one which this House approved previously. The deficit has been reduced by several billion dollars, and some spending programs have been reduced a little.

But it is hard for me to make much of a distinction between a $64 billion deficit and a $66 billion deficit. While the former is $2 billion better than the latter, both are intolerable. A deficit of that size in a good recovery year is outrageous.

It makes no difference that the conference committee made a fair compromise and, in the process, improved the House version. The tiny improvements do not justify a vote for it. It should be rejected as excessively expensive.

This year's first budget resolution has had an unusual history in this House. Originally it was controlled by our most free-spending Members. Their version failed. It has subsequently been moderated so that our most liberal Members join our most conservative ones in approving it. This is a situation, that often occurs on debt ceiling bills.

Therefore, the vote is expected to be close. Majority Democrats have accused minority Republicans of shipwrecking the resolution. As one member of the minority, I feel I have no responsibility to support a budget with a $64 billion deficit. The budget process will be sustained only if its product, the budget resolutions, earns the support of the House. If the majority Members believe a $64 billion deficit has earned support, let them vote for it.

It is not worthy of my support. I shall vote against it.

Mr. DON H. CLAUSEN. Mr. Speaker, I am deeply concerned with the budget resolution we are debating today and will vote against this proposal which will give congressional approval to a budget deficit of $63 billion.

Our stated goal is supposed to be to strive toward a balanced budget—particularly in times of relative prosperity and in time of peace. I am unable to see any small steps whatsoever in this direction by the Budget Committee.

As I see it today, the only possible way to approach a balanced budget is to have a more realistic balance between the parties in the Congress. Unless and until the American people will take their Government seriously, evaluate congressional action more careful and extensively, and direct their votes toward those people who genuinely believe in budgetary discipline, our Nation will continue down the path to debt and insolvency in the future.

It is accepted that budget deficits lead to inflationary trends that promote the psychology of inflation in the minds of many people. It is up to the Congress to reverse that trend for the benefit of all

Americans, and we find ourselves today voting on a totally unacceptable resolution that creates more problems that it hopes to solve with these vast expenditure on unnecessary programs that could have been reduced or eliminated.

Great Britain has gone down this road. The city of New York has gone this road. Now the majority leadership of the Congress wants to take the United States down this road. I ask the question—who is going to bail out the United States?

Who is going to bail out the millions of senior citizens whose fixed incomes become pitifully inadequate from the curse of inflation? Who is going to bail out the small businessman who is squeezed by the effects of inflationary pressures on his business? Who is going to bail out the working men and women whose wages do not keep pace with the rate of inflation and whose pockets are picked by higher tax rates when they do earn an increased salary?

It is time that the American public calls to account those in the Congress who are endorsing this kind of irresponsibility. The Congress has got to exercise some leadership. Those of us who have introduced sunset laws, for example, recognize the need for substantive action to fight these deficits and the inflation they spawn. But we are in the minority.

We can support the kind of budget ceiling that addresses the basic needs of the country. One that is consistent with our constitutional mandate and meets the real needs of our Nation and that makes allowances for emergencies that arise. But we are in the minority.

We need to move ahead positively and constructively to see to it that the minority on this vote today becomes the majority of the future. I strongly believe that American people recognize this need and will support such an effort.

It is their future at stake. It is their economic liberty at stake. It is their financial freedom at stake.

I hope they will get the message. If they do, you can be sure this will be the last time the Congress will approve a $63 billion budget deficit. It will be the last time it will be so cavalier with a budget that has to include a payment of $43 billion just for interest on the national debt.

If they do not get the message, we are on the threshold of the time when the U.S. Government will owe $1 trillion. That is a bill our children are going to have to pay.

The message is being sent out, we can only hope that it is understood and acted upon.

Mr. WEISS. Mr. Speaker, I rise in opposition to the motion to cut off floor debate and to pass Senate Concurrent Resolution 19—the conference report version of the first concurrent resolution on the budget for fiscal year 1978.

The House should reject Senate Concurrent Resolution 19 and insist on its version of the budget which it passed on May 5.

I have a great deal of respect for the gentleman from Connecticut (Mr. GIAIMO) who, as chairman of the Budget Committee, has so diligently attempted to achieve the development of a just and fair budget. But I must vote against this conference committee version—a so-called compromise—because it approves a bloated and wasteful national defense budget of $118.5 billion while providing for an inadequate spending effort for domestic programs.

The House first considered the budget resolution on April 27. At that time I stood in disbelief as many of my colleagues voted to increase the already excessive defense budget by $4 billion for a total of $120.1 billion; while rejecting a measure that would have transferred approximately $4 billion from national defense spending and placed it into desperately needed domestic programs. Some 252,300 extra jobs would have been created, if the transfer measure had passed; and wasteful defense spending would have been trimmed to a more appropriate level. In the end this version of the budget was viewed by the House as being so unfair that it failed to win approval and the entire proposal was sent back to the Budget Committee for redraft.

In committee a compromise was supposed to be developed. This compromise was expected to employ an improved allocation of spending for domestic and defense needs. Instead the budget came back on the floor on May 5 still overweighted in favor of national defense spending for a total of $117.1 billion with little or no increase for vital domestic programs.

During consideration of this revised budget Congressman PARREN MITCHELL and I introduced an amendment to delete that $1.5 billion increase in order to improve the balance between defense and domestic spending. Unfortunately that attempt failed and the House agreed to the revision with the $1.5 billion increase in defense. This version of the resolution was sent to conference committee.

Now we have presented to us another revision of the budget, but this time there is another increase in defense spending of $1.4 billion—a total of $118.5 billion. In effect we are being asked to approve a total increase of $2.9 billion over the excessive defense budget which the committee first recommended. The thought of that increase is incredible and Congress cannot claim to be representing the American people while agreeing to such misdirected national spending priorities.

In addition the House, in agreeing to its version of the budget on May 5, fought back four attempts to increase defense spending beyond the $1.5 billion contained in the committee redraft. In other words the House, at that time, decisively rejected any attempt to increase the defense budget beyond the $1.5 billion increase.

I believe we cannot and should not, now, turn around and accept a proposal which increases the defense budget even more.

I urge my colleagues to join me in opposing the conference report version of the 1978 budget.

Mr. GIAIMO. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Connecticut (Mr. GIAIMO).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 221, nays 177, not voting 34, as follows:

[Roll No. 252]

YEAS—221

Addabbo	Fuqua	Oakar
Akaka	Gaydos	Oberstar
Alexander	Gephardt	Obey
Allen	Giaimo	Panetta
Ambro	Ginn	Patten
Ammerman	Gonzalez	Patterson
Anderson, Calif.	Gore	Pattison
	Gradison	Pease
Anderson, Ill.	Gudger	Pepper
Annunzio	Hamilton	Perkins
Ashley	Hanley	Pickle
Aspin	Hannaford	Pike
Baldus	Harris	Preyer
Barnard	Hawkins	Rahall
Baucus	Hefner	Rangel
Beard, R.I.	Hightower	Regula
Beilenson	Hillis	Reuss
Bennett	Holland	Rhodes
Bevill	Holt	Risenhoover
Biaggi	Horton	Roberts
Bingham	Howard	Rodino
Blanchard	Hubbard	Rogers
Boggs	Huckaby	Roncalio
Boland	Jenkins	Rooney
Bolling	Jenrette	Rose
Bowen	Johnson, Calif.	Rosenthal
Brademas	Jones, N.C.	Rostenkowski
Breaux	Jones, Okla.	Ryan
Breckinridge	Jones, Tenn.	Scheuer
Brinkley	Jordan	Seiberling
Brooks	Kazen	Shipley
Brown, Calif.	Kildee	Sikes
Buchanan	Krueger	Simon
Burgener	LaFalce	Skelton
Burke, Calif.	Le Fante	Skubitz
Burke, Mass.	Leggett	Slack
Burleson, Tex.	Lehman	Smith, Iowa
Burlison, Mo.	Lloyd, Calif.	Solarz
Byron	Long, La.	St Germain
Carney	Long, Md.	Staggers
Chisholm	Luken	Stanton
Clay	McClory	Steed
Cohen	McCloskey	Steiger
Collins, Ill.	McCormack	Stratton
Conte	McFall	Studds
Cotter	McKay	Thompson
D'Amours	McKinney	Thornton
Danielson	Madigan	Traxler
de la Garza	Mahon	Treen
Delaney	Mattox	Tsongas
Derrick	Mazzoli	Tucker
Derwinski	Meeds	Ullman
Dickinson	Meyner	Vanik
Dicks	Michel	Vento
Dingell	Mikulski	Waggonner
Dodd	Mikva	Walgren
Duncan, Oreg.	Milford	Watkins
Eckhardt	Mineta	Weaver
Edgar	Minish	Whalen
Edwards, Ala.	Mitchell, N.Y.	White
Edwards, Calif.	Moakley	Whitehurst
Emery	Mollohan	Whitten
English	Montgomery	Wilson, Bob
Evans, Colo.	Moorhead, Pa.	Wilson, C. H.
Evans, Ga.	Moss	Wilson, Tex.
Fary	Murphy, Ill.	Wirth
Fascell	Murphy, N.Y.	Wolff
Fisher	Murtha	Wright
Flood	Natcher	Yates
Flowers	Neal	Yatron
Foley	Nedzi	Young, Mo.
Ford, Mich.	Nichols	Young, Tex.
Ford, Tenn.	Nowak	Zablocki
Fowler	O'Brien	Zeferetti

NAYS—177

Andrews, N.C.	Fithian	Miller, Ohio
Andrews, N. Dak.	Flynt	Mitchell, Md.
Archer	Fountain	Moore
Armstrong	Fraser	Moorhead, Calif.
Ashbrook	Frey	Mottl
AuCoin	Gammage	Myers, Gary
Badham	Gibbons	Myers, Ind.
Badillo	Gilman	Nolan
Bafalis	Glickman	Ottinger
Bauman	Goldwater	Pettis
Beard, Tenn.	Goodling	Pritchard
Bedell	Grassley	Pursell
Benjamin	Guyer	Quayle
Blouin	Hagedorn	Quie
Brodhead	Hall	Quillen
Broomfield	Hammer-schmidt	Richmond
Brown, Mich.	Harkin	Rinaldo
Brown, Ohio	Harrington	Robinson
Broyhill	Harsha	Rousselot
Burke, Fla.	Heckler	Rudd
Burton, John	Hollenbeck	Runnels
Burton, Phillip	Holtzman	Ruppe
Butler	Hughes	Russo
Caputo	Hyde	Santini
Carr	Ichord	Sarasin
Carter	Ireland	Satterfield
Cavanaugh	Jacobs	Sawyer
Cederberg	Jeffords	Schroeder
Chappell	Kasten	Schulze
Clausen, Don H.	Kastenmeier	Sebelius
Cleveland	Kelly	Sharp
Cochran	Kemp	Shuster
Coleman	Ketchum	Smith, Nebr.
Collins, Tex.	Keys	Snyder
Conable	Kindness	Spellman
Conyers	Kostmayer	Spence
Corcoran	Lagomarsino	Stangeland
Cornell	Latta	Stark
Cornwell	Leach	Stockman
Coughlin	Lent	Stokes
Crane	Levitas	Stump
Daniel, Dan	Lloyd, Tenn.	Symms
Daniel, R. W.	Lott	Taylor
Davis	Lujan	Thone
Dellums	Lundine	Trible
Devine	McDade	Vander Jagt
Dornan	McDonald	Volkmer
Downey	McEwen	Walker
Drinan	McHugh	Walsh
Duncan, Tenn.	Maguire	Wampler
Early	Mann	Weiss
Edwards, Okla.	Markey	Whitley
Erlenborn	Marks	Wiggins
Ertel	Marlenee	Winn
Evans, Del.	Marriott	Wydler
Evans, Ind.	Martin	Wylie
Fenwick	Mathis	Young, Alaska
Findley	Metcalfe	Young, Fla.
Fish	Miller, Calif.	

NOT VOTING—34

Abdnor	Hansen	Price
Applegate	Heftel	Railsback
Bonior	Johnson, Colo.	Roe
Bonker	Koch	Roybal
Clawson, Del	Krebs	Sisk
Corman	Lederer	Steers
Dent	Moffett	Teague
Diggs	Murphy, Pa.	Udall
Eilberg	Myers, Michael	Van Deerlin
Flippo	Nix	Waxman
Florio	Poage	
Forsythe	Pressler	

The Clerk announced the following pairs:

On this vote:

Mr. Dent for, with Mr. Abdnor against.

Mr. Eilberg for, with Mr. Del Clawson, against.

Mr. Corman for, with Mr. Hansen against.

Until further notice:

Mr. Florio with Mr. Applegate.

Mr. Heftel with Mr. Pressler.

Mr. Teague with Mr. Railsback.

Mr. Price with Mr. Krebs.

Mr. Waxman with Mr. Bonior.

Mr. Diggs with Mr. Murphy of Pennsylvania.

Mr. Flippo with Mr. Udall.

Mr. Koch with Mr. Michael O. Myers.

Mr. Moffett with Mr. Van Deerlin.

Mr. Nix with Mr. Roe.

Mr. Roybal with Mr. Sisk.

Mr. Lederer with Mr. Bonker.

Mr. DERWINSKI changed his vote from "nay" to "yea."

Messrs. ANDREWS of North Carolina, TRIBLE, METCALFE, and BRODHEAD changed their vote from "yea" to "nay."

So the motion was agreed to.

The result of the vote was announced as above recorded.

"BROTHER AGAINST BROTHER IN BLACK RHODESIA"

(Mr. ICHORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ICHORD. Mr. Speaker, on many different occasions I have warned this House that there persists a gross misunderstanding of the situation in Zimbabwe or Rhodesia, whichever you prefer, today. This misunderstanding has clouded our deliberations and has committed us to an improper course.

It is a common and erroneous belief that the blacks inside and outside Rhodesia are fighting against the alleged oppressive white minority rule of Prime Minister Ian Smith. A recent article appearing in the May 8 editorial of the Washington Post, titled "Brother Against Brother in Black Rhodesia," written by Smith Hempstone belies that myth and accurately portrays the situation as it exists in Rhodesia today. What Hempstone fails to point out in his article is that Joshua Kkoma, president of the Zimbabwe African People's Union, is Matabele, and as pointed out in the article the more martial Matabele have a history of warfare against the Karangas. The Karangas are a part of the Mashona, who constitute 80 percent of the total black population. It is this prospect of inevitable civil war and both white and black genocide which causes me such great concern.

There are those, including the present U.S. administration—Great Britain front, who would have you ignore the existing situation and accept black rule at any cost. While such an approach may improve United States-Great Britain diplomatic relations, it ingnores the reality that such a government would likely be constituted from an external minority and would be less representative of the black Rhodesian majority that the Smith government it replaced. Those who are willing to study the situation in Rhodesia, can not help but conclude that such a government would be equally, if not more, unacceptable to the Rhodesian, who is well aware of the potential for disaster.

Unfortunately, President Carter, Secretary Vance and Andy Young, in my opinion, have committed an egregious error when they acted on erroneous information furnished them by the American State Department, whose primary source of intelligence of the Zimbabwe-Rhodesian situation is British Intelligence. Can one, who knows the history of Rhodesian independence, envisage a more biased source of information than the British? I pray that President Carter wakes up to the facts of the situation before it is too late and I fear that the hour is growing late.

I commend the Hempstone article to you, in the hope that a firsthand account of the existing situation will facilitate understanding.

[From the Washington Post, May 8, 1977]

BROTHER AGAINST BROTHER IN BLACK RHODESIA

(By Smith Hempstone)

GWELO, RHODESIA.—"We are marked men," said one of the black cadet officers, "and for that reason we will fight very hard to win this war."

They are the first 11 Africans trained to be commissioned officers in the Rhodesian army and they do not have a very bright future if the black guerrillas win the four-year-old bush war.

Joshua Nkomo, president of the Zimbabwe African People's Union, and Robert Mugabe, leader of the Zimbabwe African National Union, both have threatened reprisals against the 20,000 Africans fighting for Prime Minister Ian Smith's white minority regime.

A guerrilla leaflet recently circulated in the "Repulse" military sector in southeast Rhodesia, bordering on Mozambique, was addressed to black soldiers and warned:

"If you carry the FN [a Belgian-made rifle, standard equipment in Rhodesia's security forces] in order to be Smith's dog, we are going to shoot you. . . . Turn your weapons on the whites."

Black officers obviously can expect special treatment from the guerrillas. And it required the personal intervention of the Rhodesian military commander-in-chief to arrange an interview with the 11 cadet training here in central Rhodesia. Even then, the cadets insisted that no names be used, no photographs taken, and that their course commander be present at their first-ever meeting with a reporter.

These men are not fresh-faced youngsters. Nine were sergeant-majors, two were color-sergeants. Their average age is between 33 and 38, and they have between 12 and 22 years' service behind them, including at least four years of combat. Of the 11, six belong to the Karanga linguistic group of the Mashona-speaking peoples.

TRADITIONS

The role of the Karangas, centered in southeastern Rhodesia, is one of the untold stories of the conflict.

The Karangas account for only 22 per cent of the African population. But if one includes the army, the para-military British South Africa Police, the armed district assistants of the Department of Internal Affairs and the Guard Force organized to defend the "protected villages" (similiar to Vietnam's "strategic hamlets"), close to 60 per cent of the 20,000 blacks fighting for the Smith regime are Karangas. Karangas also, however, play an important role among the 2,500 black guerrillas operating inside Rhodesia, plus the 10,000 encamped near its borders with Mozambique and Zambia.

Mugabe, perhaps the most charismatic of the guerrilla leaders, is a Karanga. So is "General" Josiah Tongogara, the tall military leader of ZANU's guerrillas, whose headquarters are in Mozambique.

Rex Nhongo, another prominent ZANU field commander and something of a rival to Tongogara, also is a Karanga. Indeed, a former guerrilla—white Rhodesians call them "terrs," short for terrorists, or "Freddies"—who recently surrendered to the security forces, told this reporter that "the entire high command of the ZANU army is Karanga, every one of them."

Before the Europeans arrived, the Karangas did not enjoy a martial reputation. In those days, war parties of the rival Matabele tribes

roamed at will across what later became Rhodesia, attacking all the Mashona-speaking people.

But the Karangas came under white domination relatively early, because their homeland is close to Salisbury and to Rhodesia's main line of communications with South Africa. The Europeans took some of their land, stopped the Matabele raiding and brought in missionaries and their medicines. The result: a Karanga baby boom and population pressure on the land. Volunteering for the army or the police provided relatively lucrative employment for the excess population.

Out of economic pressures grew a tradition with a life of its own. Sons, nephews and cousins proudly followed senior relatives into the Rhodesian African Rifles and the police.

Charumbira, a Karanga chief and Rhodesian senator, explains: "The pay is good (about $100 a month for a private), there will be others in his unit from his *kraal* and Karangas are proud to wear the uniform. It is a thing that we have done since first the Europeans came here." By contrast, the once dominant Matabeles do not serve in large numbers in Rhodesia's security forces—mainly because they don't like taking orders from Karanga non-coms.

INEVITABLE TENSIONS

But how does one account for the top-heavy Karanga influence in the ZANU guerrilla force?

A partial explanation, apparently, is the fact that Mugabe, Tongogara and Nhongo are Karangas. They were bound to draw fellow tribesmen into ZANU; despite the sophistication of some African leaders, the tribe remains the most important element in black politics in Rhodesia.

White Rhodesians point to other factors. Lt. Col. Michael Shute, who has spent 22 years with the African Rifles, put it this way: "When a 'terr' swaggers into a Karanga *kraal*, he cuts a romantic figure. He's got an AK-47 [a Russian assault rifle] and a couple of bandoliers of ammunition across his shoulders. He tells tall tales of his prowess in battle against the white man and promises a rosy future for those who join the movement. If he can't get into the security forces because his *kraal*-head has a feud on with the local sergeant-major, the prospect of being what they call a freedom fighter can look pretty good to a youngster whose alternative is herding cattle all day long."

Because Karanga lands are heavily infiltrated by guerrillas, families frequently are divided in their allegiance, with some members fighting for the security forces and others for the guerrillas.

Up around Mt. Darwin, in northern Rhodesia, this reporter met a 48-year-old district assistant whom one can call Dio Ncule (the Ncules are the Smiths of Karanga country). Ncule, a grandfather with 22 years of government service behind him (half in the army, half in the Department of Internal Affairs), has two sons. The eldest, Chance, is a 28-year-old sergeant-major in the African Rifles.

Ncule's second son, Washington, showed great promise as a student ("They told me he certainly would win a scholarship to the university, and might make a doctor or a barrister," Ncule says), but he was abducted by ZANU guerrillas in 1975 from a secondary school, along with more than 100 of his schoolmates, and whisked across the Mozambique border.

Ncule has heard nothing from or about Washington since. But if he is alive today, the odds are that Washington Ncule is a 16-year-old guerrilla (many are younger) who may find himself in combat one day against his sergeant-major brother or his district assistant father. Asked what he would do if such a situation arose, the father replied, "He would have to fight me, and I would have to fight him."

One of the cadet officers may one day face that problem. His younger brother has not been heard from since he went north to Zambia in search of a job several years ago, and chances are he is in the ZANU army.

"If I saw my brother with an AK-47," the cadet officer said in reply to a question, "I would kill him because, if I did not, he might kill me." The other cadets laughed and nodded their heads in agreement.

The situation, nevertheless, is a painful one for Africans in the security forces, and particularly for the first cadet officers. When they go on leave to their homes in the Tribal Trust Lands, where much of the guerrilla activity is concentrated, they do so in civilian clothes and without their weapons. Those not widely known to be members of the security forces tell inquisitive strangers that they have been working in Salisbury as clerks or truck drivers. If they are warned that there are guerrillas in the area, or that they have been singled out for killing, they do not stay at home long.

The families of long-serving soldiers are well known to the guerrillas. Almost without exception, the lives of their families have been threatened.

The Rhodesian command considered concentrating the families of such men in Salisbury or other secure areas, but was dissuaded by the men themselves. They seem to feel that separation of their families from the tribe, with all its interlocking loyalties, spiritual associations and built-in protections, would place them ultimately in even greater danger.

One cadet officer said: "My family, the living and the dead, have had their *kraal* on the same place in Gutu district since a time before the oldest man still alive can remember. We have been soldiers and police for nearly as long, and we will continue to be. The place for my wife and children is there, among my people."

CHANGING TIMES

The syllabus that the African cadet officers study is the same as that which confronts their white peers: administration, weapons, conventional warfare, guerrilla tactics and training procedures. The commissions and pay they will receive when they graduate this month will be the same as those of white officers.

They are the first 11 Africans trained to be commissioned officers in the Rhodesian army and they do not have a very bright future if the black guerrillas win the four-year-old bush war.

Their course commander, Maj. Chris Pearce, acknowledged that most of the cadets will be posted to the African Rifles rather than to predominantly white units, but he insisted, "That has nothing to do with race. Because of their knowledge of Mashona and their familiarity with the men who will be serving under them, that is where they can make the greatest contribution to the winning of the war."

Lt. Gen. Peter Walls, the Rhodesian commander-in-chief, concedes that it is fair to ask why 11 years of independence passed before Rhodesia could train its first class of black officers. "The political and legal climate was not right," he argues. "The law and practice of Rhodesia would have raised problems as to where black officers should be quartered, who they might command, what hospitals they should be sent to if wounded and what their social life should be."

As for the cadet officers, they express surprise and hurt when told that much of the world regards them as blacks fighting a white man's war. One said:

"The war is not one of blacks against whites. It is one of terrorists, who happen to be Africans, against the security forces, who happen to be Europeans and Africans. We are soldiers. We will fight anyone who comes to our country to make trouble. If white terrorists come, we will fight them, too, and the Europeans will help us."

IT IS TIME TO ABOLISH THE POSTAL SERVICE

(Mr. SKUBITZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKUBITZ. Mr. Speaker, I am today introducing legislation to abolish the U.S. Postal Service and return the job of mail delivery to the Government under the direct control of the President and the Congress. The callous disregard that Postmaster General Bailar has consistently shown for the welfare and best interest of the people of rural America is, in large measure, the reason for my action.

Since the day the Postal Service was created by an act of Congress in 1971, a constant battle has ensued between the Members of the body who see delivery of the mail as a service—and a line of Postmasters General, including Mr. Bailar, who, come hell or high water, were bound and determined to compete with Exxon in showing a profit. Only last night, the newspaper trumpeted Mr. Bailar's second straight quarterly surplus. The Postmaster General is now pushing for even greater profits by eliminating Saturday delivery of mail, increasing the price of stamps to 15 or 16 cents, and resuming the closing of rural post offices at a rate of 300 a year.

As most of my colleagues are aware—I have always believed the delivery of mail was supposed to be a service provided by the Government for all the people of this country. That is the reason I voted against the Postal Reorganization Act which established the Postal Service—and that is why I offer this bill today.

The people of rural America are getting a minimal return for their tax dollars—as it is now. The only people from the Government they see on the farm are the postman and the OSHA inspector. Postmaster General Bailar is doing his best to relieve OSHA of any competition.

As a result of the Postal Service's continual rate increases United Parcel Service has completely taken away the once lucrative parcel post business. The Postal Service is currently following a path that will ultimately lead to the loss of second-class delivery. If it were not for laws prohibiting placing of first class mail in postal boxes many utility companies and corporations would be currently delivering their own billing statements.

When the Postal Reorganization Act was passed we justified our action by saying we were removing the Post Office from political influence. Whatever harm there may be in political influence is—I am sure—preferred by rural America to the alternative now being faced—no influence and no mail.

Quite frankly, under the old system we did have a certain amount of political meddling inherent in the system. But I will venture to say that there are few

Members of Congress who found their political input to be advantageous. For every opening for a postmaster we had 20 applicants—by appointing one out of the 20 to the job we ended up with the ill will of 19 political ingrates and one postmaster who could not help us politically anyway.

At least under the old system we had Post Office employees who could dispense money orders and stamps without treating patrons like they were a burden to the new system of bureaucratic cronyism.

I have decided to introduce my bill today—rather than wait for further provovation from the Postal Service which has already had 6 years to refine its operations. During those 6 years prices have gone up drastically—and service has gone down dramatically. I realize full well that my bill will require Federal funds to subsidize mail delivery—but I ask you what is wrong with that approach. Currently the Federal Government subsidizes education, health care, community development, sewers, rents, public works projects, farm products, and over half the free world with foreign aid.

Postmaster General Bailar's next logical step in his quest for profits is to propose the ultimate moneymaker—have the Postal Service pick up the mail and eliminate delivery altogether. Does that sound unlikely—about as unlikely as 16 cents stamps and no rural delivery sounded 6 years ago.

If this country is to return to the concept of service in the delivery of the mail—we must return control of the Post Office to the Government. My bill would provide for that change and insure the service to which the people of America are entitled.

OUR VANISHING FARMLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont (Mr. JEFFORDS) is recognized for 15 minutes.

Mr. JEFFORDS. Mr. Speaker, today I am again reintroducing legislation dealing with a problem vital to our national long-range food producing capability. We cannot continue to lose more than 1 million acres of prime agricultural land yearly without it having a serious impact on our total food and fiber production. The scope of this problem goes well beyond the issue of diminishing farmland acreage. It has a direct relationship to the ability of our family farmers to own and operate farmland on which the price is constantly being bid higher and higher in value. It is quite conceivable that if this trend continues, much of our farmland could be owned by interests outside the agricultural sector.

Factors such as energy usage, availability of water, and the future cost of food to consumers all need to be examined closely since they all will be directly affected by the amount of available farmland.

A few weeks ago, the Boston Globe published an article dealing specifically with this issue and the impact it has had in New England. I would like to insert this article in the CONGRESSIONAL RECORD as part of my remarks today. It summarizes this problem very well:

OUR VANISHING FARMLAND

(By Charles Bonenti)

New England's farmland has been disappearing, and with it has gone the region's ability to feed itself. In the past 25 years we've lost almost 80 percent of our farms to taxes, development, and competition from growers elsewhere. We've become, as one Connecticut official put it, "the Bangladesh of America," dependent on other parts of the country for nearly 85 percent of what we eat.

It means we not only pay 6 percent more than the national average for food, but have little if any cushion against shortages.

We produce most of our own dairy products and contribute a hefty share of the nation's potatoes, cranberries, and maple syrup, but for red meat, grain, most vegetables, and other diet staples we rely on sources hundreds and even thousands of miles away.

If you live in Boston, for example, you probably drank Florida orange juice for breakfast this morning, had Iowa bacon with your eggs from Maine, poured milk from a local dairy into your Brazilian coffee, and munched a slice of toast made from Midwest grain.

If you had soup for lunch, the vegetables in it were probably grown in California, and if you're having steak tonight, you can bet it's from Nebraska.

If a major strike or natural disaster should halt the flow of these products into New England, even for a period of weeks, we would face a regional food shortage of monumental proportions.

We've already had a taste of shortages in recent years. The 1973 truckers' strike, for example, drained supermarket meat counters of beef, lamb, and pork, leaving many of us to eat chicken, fish, and other meatless meals for weeks. In 1973, a severe Christmas ice storm crippled food deliveries to major cities in Connecticut, forcing families there to stretch household stocks as best they could. The loss of 50 percent of Florida's citrus crop this winter, one of the coldest winters on record, the California drought, and the natural gas shortage are already being felt in higher prices and shortages in the North.

Incidents like these, coupled with a growing public concern over rising energy and food prices, are forcing government officials to take a hard look at longstanding land-use practices that have allowed farms to be gobbled up for housing, highways, and supermarkets. Insurance against future shortages would be to preserve whatever farmland remains in New England.

By any estimate, the loss of agricultural land in the region over the past 25 years has been alarming.

In 1950, according to the US Department of Agriculture, New England had a total of 126,000 farms. Today there are only 27,280. There were 13.8 million acres in agriculture then. There are 5.4 million acres today. Over the same period, our population increased about one-third, from 9.4 million to more than 12 million.

The farms we have left tend to be bigger—an average of 198 acres compared to 109 in 1950—more productive and more specialized than those 25 years ago. Dairy, broiler, and cranberry production are actually up, while beef, potatoes and maple syrup have declined.

The productivity we have achieved, however, depends on modern farming methods that consume enormous amounts of fossil fuel energy. And as fewer farmers are called upon to feed more people on less land, that dependence on dwindling and costly fossil fuels puts us in a precarious balance.

What economists and agriculture experts are asking is how much longer we can maintain that balance, not just in New England, but nationwide. It would take 10 times the energy reserves we have now to double the yield of our farms. The alternative to energy-intensive farming is to bring more arable land into production and to rely more on manpower than on machinery. Given the land and energy squeeze we're already facing in New England, either choice would demand tremendous public sacrifice. Our best hope, many experts feel, lies in finding alternatives to wasteful land-use practices that have allowed good farmland to be paved with blacktop, wasteful technology that has driven up farm costs and drained energy reserves, and food-pricing policies that farmers say are putting them out of business.

Agriculture already accounts for 3.5 percent of US energy consumption. As an industry, it ranks third in demand for fossil fuels behind steelmaking and petroleum refining. Fossil fuels go into all sorts of agricultural activities from the 12.8 million tons of fertilizer spread annually over 337 million acres of US farmland to the 6 million tractors farmers use to till the soil, spread that fertilizer, plant their crops, and harvest them. Fossil fuels go into the making of pesticides and herbicides and into the planes and equipment that spray pest and weed-killers over the fields. Farmers rely on electricity to pump water for livestock and irrigation, to run milking machines, and to control the temperatures in poultry sheds and incubators.

And we consumers depend on oil and electricity for the processing, packaging, and shipment of food to our local supermarkets.

Agriculture in the United States has become so dependent on abundant fossil fuel energy that if petroleum and gas supplies should be severely cut short, modern farming as we know it would collapse.

A report prepared by the Stanford Research Institute for the Federal Office of Civil Defense predicts that without the heavy applications of fertilizers now being used, the annual US wheat and corn harvest could drop about 45 percent in one year, leading to widespread slaughter of livestock dependent on these feed grains. And without petroleum, the report goes on, none of our major food or feed crops, which are all mechanically planted and cultivated, could be harvested under present methods.

The report was compiled in 1969 to show the potential effect of a nuclear attack on agricultural production, but its statistics give a chilling picture, nonetheless, of how far removed farming is today from the natural cycles of ecology.

It got that way because modern farming is caught in a double squeeze; a squeeze to get more productivity out of a fixed amount of land and a squeeze to cut costs because farmers cannot set the price of food they sell.

Farming is not like clothing or automobile manufacturing.

People can be persuaded to buy two cars, three television sets, and closets full of clothes, even if they don't really need them to survive. But the demand for food is constant. It doesn't rise or fall with the supply. People need food to stay alive and they will do almost anything to get it when it is scarce. In times like that, prices rise. When food is abundant on the other hand, people won't buy more than they can eat, so prices fall.

The rise and fall in prices during periods of scarcity and abundance has historically created "boom and bust" cycles for the farmer—years of profit followed by years of loss.

To protect the farmer from these disruptive ups and downs and at the same time keep food prices relatively stable for consumers, the Federal government has long pursued a policy of agricultural price supports, paying farmers not to produce, guar-

anteeing minimum crop prices, and buying surplus yield for national stockpiles.

But while Federal subsidies have helped to stabilize yearly income for farmers, they've also tended, along with other market forces, to establish ceilings on what they can get for their produce. Despite what many consumers think, two-thirds of the price of food is made up of marketing costs. And it is these costs that have risen steadily over the years.

Since no single farmer can affect the price he gets on the competitive market by increasing or lowering his level of production, he tries to widen his margin of profit by cutting costs. And over the years, cutting costs has meant investing in labor-saving devices or in new technology that increases yield per acre. It means buying livestock feed rather than tying up expensive land to grow it, investing in machinery to replace costly hired labor, using store-bought fertilizer instead of collecting and spreading manure, and buying seeds rather than saving from the farm crop.

Yet even with these changes, farm production costs—becase of inflation, the price of land, and the price of energy—have risen from 50 percent of gross farm income before World War II to more than 70 percent today. It's a cost-price squeeze that only the most efficient, and necessarily large-scale farms can survive.

In an urban region like New England, all these pressures are particularly acute, not only because land is more expensive than it is in other parts of the country, but also because farmers here are hard-pressed to compete with growers elsewhere who can spread the same costs over much bigger farm operations.

Except in specialized activities like dairying and potato-growing, where freshness and bulk make closeness to the market important, New England farmers are at a disadvantage.

What state officials in the region are looking at now are ways to offset that disadvantage through tax relief, the abolition of rail rates that discriminate against New England in the shipment of feed grain, the encouragement of diversified farming, and the opening of new markets. All these measures would help make farming more profitable.

More importantly, they are looking at ways to reverse longstanding land-use practices that have played a big part in creating New England's food vulnerability.

Farming in New England has never been easy. Even in the best of times, New England farmers have had to cope with a short growing season and land that, outside of valley regions like the Connecticut, Merrimack, and Champlain, runs both hilly and rocky. Yet despite those drawbacks, farming boomed here during the 18th Century and spread rapidly throughout the region until two developments around 1810 conspired to blunt its growth and diversity.

The first was the opening of land for settlement in the Ohio Valley and the second was the rise of textile manufacturing in the Northeast. The westward migration sapped New England of its best young farmers and the mills put the region on the path toward urbanization. New England shifted from a food-producing region to a manufacturing, food-consuming one. And it has remained that way.

We are an urban region with cities melting into one another from Portland to Boston to Providence and down the Connecticut coast. As our cities have grown, they pushed inland, consuming farms for suburbs and industry and driving up the price of remaining open land. So many uses are competing for the same space that land has become a commodity to be bought and sold for whatever brings the highest price. In an urban region like New England, housing, jobs, and places to shop are more in demand than farmland.

Even our land-use regulations reflect urban priorities. They are geared more toward protecting the population against pollution and the homeowner against property devaluation than toward saving land for its best productive use. Where open space has been conserved by popular desire, it has been mainly for recreational purposes.

Now the prospect of food and energy shortages is forcing government officials to rethink a lot these land-use policies.

Massachusetts, Connecticut, and Vermont have already compiled studies on why their farmland has declined and what can be done about it. New Hampshire, Maine, and Rhode Island are starting to take a look.

The remedies that are being proposed are as complex as the problems and demand dramatic changes in the way in which we think of land ownership.

All the New England states now have legislation that offers some sort of tax relief to farmers. The laws allow farmland to be assessed at its agricultural value rather than its potential value for housing or other development. This can mean a difference in assessment of say $300 an acre (farm value) and $1800 (development value) an acre, depending on where the land is located and how rich and flat it is. In most cases, the farmer has to apply for the lower agricultural assessment each year and the decision to grant it rests with local authorities. Connecticut, with the strictest law, requires assessors to value farmland by its agricultural use, while Vermont, the most permissive, allows farmers to negotiate tax-stabilization agreements with local authorities.

Yet these tax-relief measures have been only moderately successful, state officials say. In many cases, farmers are either unaware of them or mistrust them and assessors either do not understand them or are loath to allow reductions. In Massachusetts, for example, only 20 percent of the state's farmers have taken advantage of tax-relief laws.

"The trouble with these laws," says Massachusetts Agriculture Commissioner Frederic Winthrop, "is that they don't guarantee the land will remain in farming."

More dramatic programs are being considered that would do just that.

Massachusetts and Connecticut each have bills coming before their legislatures this year that would allow state governments to buy development rights, or easements, over prime farmland

It means that in return for saying how the land can be used, the state would pay the farmer the difference between the value of his land for agriculture and its potential value for housing or other development. Vermont already has a law like this on its books, but no money has been appropriated to buy land rights. New Hampshire may begin studying the approach this year, and Maine and Rhode Island are thinking about it.

What the states want to do is remove the threat that farmers will sell their land for development by giving them a cash incentive to keep it in agriculture. The amount of money to be paid would depend on the quality of the land and its location.

What has stalled these programs so far—Connecticut has been trying for two years to get a bill through the Legislature—is the vast amount of money that has to be raised to buy these rights. Connecticut's program calls for a $500 million bond issue to buy rights over 325,000 of the state's 510,000 acres of farmland. It has been proposed that the bond issue be paid off by imposing a one percent tax on all real estate transfers. Officials estimate the tax would raise $25 million a year. So far, even though proponents have argued the tax would hit real estate speculators more than the average taxpayer, the legislature has turned thumbs down.

In Massachusetts, a bill asking for a $5 million bond issue to start a pilot program in buying development rights failed to come up for legislative consideration last year. Comr. Withrop sees its chances of passage this year as 50-50.

"There's tremendous support for it in theory," he says, "but not in expense."

Money is not the only obstacle advocates of these development rights proposals have to overcome. The belief that a landowner can do what he wants with his property is one that runs deep in American culture. Even if farmers are promised compensation, many as hearings in Connecticut have shown, are not eager to give up what they consider a fundamental right to choose. They also have voiced fears that they won't be allowed to subdivide their land when they want to pass it on to their children and that they'll find it harder to borrow money if the cash value of their property is diminished.

Conservationists argue, in answer, that we can no longer consider land an inexhaustible resource to do with as we please; that we must see it is used in ways that benefit the most people. Many states already have environmental regulations that prevent property owners from creating pollution that would jeopardize public health. The purchase of development rights on farms, proponents say, has the same legal justification. By conserving fertile land for its most productive use, we are protecting the public welfare by safeguarding the food supply.

Advocates are also telling farmers that they stand to gain by having extra money, that would be paid as compensation, to invest in property improvements. They say, too, that as the price of farm land is brought down, because of restrictions on its use, young people who cannot afford to do so now will be able to go into farming.

And government officials in Connecticut and Massachusetts maintain that programs to protect agricultural land will enhance, rather than hurt, the farmer's borrowing power.

It is like a state vote of confidence in the future of agriculture, says Massachusetts Comr. Winthrop.

The drive to preserve agricultural land and create a cushion against food shortages has, in some ways, drawn the New England states closer together. Officials are beginning to see their states' problems as problems that are common to the region and, in some cases, they are looking at regional solutions.

The six states, under a grant from the New England Regional Commission, are already looking into the possibility of establishing grain storage warehouses within the region to build up reserves against price hikes and shortages. And the New England Grain and Feed Council, with the backing of governors in each state, has asked the US Interstate Commerce Commission to investigate current railroad rate structures that make it $8 to $12 more costly per ton to ship grain from the Midwest to New England than it is to ship from the Midwest to the southeastern states.

In addition, agriculture schools and organizations like the New England People's Cooperative and the Natural Foods and Farming Association are looking into ways to cut down on the enormous consumption of energy by modern farming.

Among the proposals are ones to use more animal wastes in the place of conventional fertilizers, to reduce the number of times farmers till their fields, and to devote more arable land to growing food for people rather than silage for animals.

It has been estimated that we can get 1.3 barrels of oil out of each ton of dry organic waste that, in many cases now, is simply dumped into sewage treatment plants. And studies indicate that farmers could save 6 percent of the energy they use by planting and fertilizing in untilled soil rather than tilling, plowing, planting and applying weed controls in separate operations.

Another way to cut down on the energy demand for farming, experts say, would be if people substituted more plant protein in

their diets for grain-fed meat. Right now, 70 percent of our protein comes from animals and projections are that we will need 60 to 180 percent more fuel energy by the year 2000 to maintain that kind of diet.

Yet even while state officials and agriculture experts see the energy crisis, the loss of farmland, and the increasing demand for food as serious regional problems, some believe the problems will create their own solutions.

THE HARD FACTS IN NEW ENGLAND

Number of farms

	1950	1977
Connecticut	20,000	4,200
Maine	35,600	7,600
Massachusetts	29,100	5,600
New Hampshire	15,800	2,600
Rhode Island	3,400	680
Vermont	22,100	6,600
Total	126,000	27,280

Acres in farming

	1950	1977
Connecticut	1,560,000	510,000
Maine	4,450,000	1,710,000
Massachusetts	1,860,000	700,000
New Hampshire	1,850,000	560,000
Rhode Island	250,000	65,000
Vermont	3,800,000	1,800,000
Total	13,770,000	5,405,000

SOURCE.—U.S. Department of Agriculture.

ELVIS PRESLEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 10 minutes.

Mr. DUNCAN of Tennessee. Mr. Speaker, an internationally famous fellow Tennessean is coming to Washington this week, Mr. Elvis Presley.

In view of unfounded rumors which comes with the territory in the entertainment industry, I would like to offer a few observations to the Congress on Elvis.

First, as Tennesseans we are proud of the Horatio Alger, poor-boy-makes-good story which Elvis represents. That is the essence of the American dream which sets our Nation apart from the rest of the world.

As a Tennessean I am proud of the positive image Elvis has created for our State by conducting his career with the one word that sums up this Tennessean, class.

Although he refuses to publicize it, Elvis, in his own quiet way has dedicated his good fortune to helping others, whether it is helping a children's hospital that is in need or extending a helping hand to a family facing some tragedy.

The character of this man is also revealed by the gospel songs which have influenced his life and have been the foundation of his singing career.

The church he built and dedicated to his mother tells more about the man than printed words.

Elvis and his manager, Col. Tom Parker, have been the best ambassadors for Tennessee in the history of our State. All of us in Tennessee are proud that one of our own has become the most outstanding entertainer in his generation, Elvis Presley.

ASPIN AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. FISH) is recognized for 5 minutes.

Mr. FISH. Mr. Speaker, due to personal obligations, for which I had a leave of absence, I was not able to be present for the consideration and vote on H.R. 6810, the Countercyclical Antirecession Assistance to State and Local Governments Act, Friday, May 13.

If I had been present for the vote, I would have voted against the Aspin amendment to this legislation, which would have changed the allocation formula from the unemployment rate to each specific area's tax effort. This would have had an adverse effect on New York State by reducing its allocation. In dollars, it would have meant a reduction of $19 million for the State while for the 25th Congressional District, which I represent, would have lost $500,000. I am very pleased to see that the majority of my colleagues in the House decided to defeat this amendment.

LIBRARY OF CONGRESS REPORT ON EXPERIENCE OF WESTERN INDUSTRIAL COUNTRIES WITH GASOLINE TAXES AS A MEANS OF REDUCING DEMAND FOR GASOLINE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, in preparation for consideration by the Ways and Means Committee of a standby gasoline tax and in connection with my work as chairman of the Ways and Means Trade Subcommittee, I asked the Library of Congress to provide me with a report on the experience of Western industrial countries with gasoline taxes as a means of reducing demand for gasoline.

The Library notes:

In most Western industrial countries, high gasoline taxes have resulted in consumer gasoline prices that are considerably higher than in the United States.

The Library states that—

Two kinds of evidence suggest that, as a short-run conservation measure, gasoline taxes have had limited success.

The Library cited one 1975 study by Data Resources, Inc., which estimated that—

Short-run and long-run price elasticities for gasoline in the countries of the Organization for Economic Cooperation and Development (including the United States . . .) are —.070 and —.204 respectively. If this estimate is accurate, a 10% increase in the price of gasoline would result in a .7% decrease in gasoline consumption in the short run and a 2% decrease over time. . . . The DRI estimates suggest that increases in the price of gasoline have a relatively small impact on consumption.

The administration's proposed gasoline taxes will have very little effect on reducing gasoline consumption. We must rely on the accelerated development of more efficient automobiles, more adequate mass transit, and a system of import controls and allocations.

It is only through these types of actions that we can hope to curb the drain of our Nation's resources to pay for imported oil.

The Library of Congress report follows:

CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., May 13, 1977.

To: The Honorable Charles Vanik.
From: Economics Division.
Subject: Experience of Western industrial countries with gasoline taxes as a means of reducing demand for gasoline.

A number of governments have responded to the energy crisis by raising the prices of gasoline as a means of hopefully reducing consumption. Some countries have also used gasoline taxes, both before and after the rapid world price increases for crude oil, as an important means of raising revenue. In most Western industrial countries, high gasoline taxes have resulted in consumer gasoline prices that are considerably higher than in the United States. Table 1 shows gasoline prices in member countries of the International Energy Agency at the end of 1975 and the percent of the prices accounted for by taxes. Among the member countries of the IEA, the United States had the lowest gasoline taxes, 20.5% of the retail price, while Italy had the highest with 64.6%.

TABLE 1.—GASOLINE PRICES IN INTERNATIONAL ENERGY AGENCY MEMBER COUNTRIES
[As of December 1975]

Country	Retail price (U.S. cents per liter)	Taxes as percent of price
Canada	18.6	39.4
United States	[2] 15.6	20.5
Japan	[2] 36.7	30.8
New Zealand	27.4–28.9	35.8/33.9
Austria	[1] 31.3–35.1	48.5/57.4
Belgium	[1] 35.9–38.1	62.2/60.1
Luxembourg		
Denmark	[2] 37.2	46.0
Germany	[1] 32.5–34.9	54.8/51.0
Ireland	[1] 32.6–33.5	50.0/48.6
Italy	[2] 46.1	64.6
Netherlands	[1] 37.7–38.4	59.7/58.6
Norway	[2] 36.6	52.7
Spain	31.8–43.5	58.8/43.0
Sweden	34.2–35.6	55.0/52.8
Switzerland	[2] 37.8	57.7
Turkey	18.5–22.8	51.7/56.1
United Kingdom	[1] 30.1–30.6	52.7
IEA maximum	[2] 46.1	
IEA minimum	[2] 15.6	
IEA average	[2] 32.4	

[1] Regular/super.
[2] Super.
[3] Regular.

Source: Organization for Economic Cooperation and Development Energy Conservation in the International Energy Agency: 1976 Review, pp. 12–13.

Two kinds of evidence suggest that, as a short-run conservation measure, gasoline taxes have had limited success. Casual observations of consumer behavior and total gasoline consumption in those countries which have high gasoline taxes represent one kind of evidence. Such observations, which have been frequently reported in the press,[1] suggest that high gasoline prices have not markedly reduced driving in those countries.

Another kind of evidence is the estimated price elasticity for gasoline. (Price elasticity shows the percentage change in demand resulting from changes in prices.) Although they vary considerably, most estimates suggest that the price elasticity for gasoline is very low—i.e. that increases in the price of gasoline result in relatively small decreases in quantity demanded. One estimate, by Data Resources, Inc. in 1975, is that short-run and long-run price elasticities for gasoline in the countries of the Organization for Economic Co-operation and Development (including the United States and most other Western industrial countries) are —.070 and —.204

[1] See, for example *Oil Daily*, March 23, 1976, p. 8, "Raising prices does not result in reduced consumption"; *Platt's Oilgram News Service*, December 30, 1976, p. 3, "Swiss motorists indifferent to gas prices"; *Washington Post*, April 24, 1977, pp. 1, 4, "Europeans give high marks to energy programs."

respectively.[2] If this estimate is accurate, a 10% increase in the price of gasoline would result in a .7% decrease in gasoline consumption in the short run and a 2% decrease over time. Using this estimate of the price elasticity of gasoline, Data Resources estimated the change in demand for gasoline in 1980 for Europe and Japan resulting from alternative crude oil prices in 1976 of $10, $20, and $30 a barrel. (See Table 2.) Increases in gasoline taxes would affect gasoline prices and demand in a similar manner. The DRI estimates suggest that increases in the price of gasoline have a relatively small impact on consumption.

[2] Data Resources, Inc. Energy Group. DRI Energy Outlook. Special Analysis: Trends in the World Price of Oil, 1975–1980. August, 1975.

TOTAL 2.—THE IMPACT OF CHANGES IN CRUDE OIL PRICES ON DEMAND FOR GASOLINE IN 1980 FOR EUROPE AND JAPAN [1]

	Demand for gasoline (thousand barrels per day); price of crude oil (dollars per barrel)			Percent change in demand for gasoline; change in price of crude oil	
	10	20	30	10 to 20	20 to 30
Belgium and Netherlands	201.112	195.279	190.331	−2.905	−2.533
France	543.379	521.819	504.502	−3.968	−3.319
Germany	553.345	539.185	526.909	−2.559	−2.277
Italy	334 976	322.158	311.768	−3.827	−3.225
United Kingdom	445.174	417.253	397.226	−6.272	−4.809
Japan	644.623	612.674	602.825	−3.560	−3.032
Total	2,722.642	2,617.369	2,533.560	−3.867	−3.202

[1] Assuming no feedback effects of price changes on GNP, price deflators, or tax variables.

Source: Data Resources, Inc. Energy Group. DRI Outlook. Special Analysis: Trends in the World Price of Oil, 1975–80. August 1975, p.45.

HEARING BEFORE THE SUBCOMMITTEE ON CRIME OF THE HOUSE COMMITTEE ON THE JUDICIARY ON THE SEXUAL EXPLOITATION OF CHILDREN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

Mr. CONYERS. Mr. Speaker, I am pleased to announce that the Subcommittee on Crime of the House Committee on the Judiciary will hold hearings on Monday, May 23, at 10 a.m. and Wednesday, May 25, at 9 a.m. in room 2237 Rayburn House Office Building on the issue of the sexual abuse and exploitation of children.

The problem is one which at least 110 Members of Congress have attempted to rectify by cosponsoring bills that would prohibit the sexual exploitation of children and the transportation in interstate or foreign commerce of photographs or films depicting such exploitation. The subcommittee members will be investigating the scope of the problem and the utility of legislative remedies.

We expect testimony on the seriousness of the matter from child psychiatrists, lawyers, local enforcement officers and people knowledgeable about the distribution of pornography on the first day of hearings. Wednesday, we will hear from the administration, State and local law enforcement authorities, and the motion picture industry on the need for Federal legislation.

There will be hearings at a later date on the various specific bills of Members of Congress and possibly joint hearings with other committees with overlapping jurisdiction.

Those wishing to testify or submit a statement for the record should address their requests to the Committee on the Judiciary, 2137 Rayburn House Office Building, Washington, D.C. 20515.

ST. LOUIS TO LEAD LINDBERGH CELEBRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Missouri. Mr. Speaker, this weekend marks the 50th anniversary of the heroic, historic flight of Charles A. Lindbergh across the Atlantic Ocean.

Volumes have been written about that flight and the brave man who made it. But I would like to add a word or two about the city that sponsored that flight, the airport where Lindbergh spent many of his early flying years and the great celebration planned for this weekend.

As you all know, the name of the fine little plane that carried Lindbergh across the Atlantic was "The Spirit of St. Louis." It was named in appreciation of the good businessmen of the St. Louis area who had the faith and the foresight to raise the money for the flight and to back "Lucky Lindy" to the utmost in the trying days before he took off.

That same spirit is still strong in the city and county of St. Louis today. It is the spirit that has moved St. Louisans to work hard to keep an aviation tradition alive, a tradition that stretches back years before Lindbergh's heyday.

You might recall that in the months that Lindbergh was nothing more than an air mail pilot his flying base was a dusty little spot in my district known as Lambert Field. In the 50 years since Lindy's famous flight, that same airport has been constantly expanded and improved into what is now a great facility—Lambert-St. Louis International Airport.

The people of St. Louis have had to fight to keep that great Lambert tradition alive. In the last few years, there were many proposals that Lambert be virtually abandoned in favor of a new airport elsewhere. But just 2 months ago, Transportation Secretary Brock Adams helped keep a great tradition alive by announcing a decision to retain Lambert as the major airport in the area.

That was an especially fitting decision in the 50th year after Lindbergh's flight in the *Spirit of St. Louis*, which landed at Lambert Field on the way to Europe. And in the coming years, the people of St. Louis are going to reinforce that tradition by making Lambert one of the great airports of the United States.

The Lambert decision also makes it especially appropriate that St. Louis should have a big celebration this weekend to commemorate the 50th anniversary of the Lindbergh flight.

A parade, a massive aviation awards dinner at the new St. Louis Gateway Convention and Exhibition Center, and a colorful air show and fireworks display on the riverfront will highlight a celebration that St. Louisans have been working for months to prepare.

The honorary cochairman of the celebration is a man who has worked for the cause of aviation for more than three decades, a man who served as the first Secretary of the Air Force and who served four terms as a great U.S. Senator from Missouri before his retirement in December—the Honorable Stuart Symington.

Among the many groups that deserve special recognition for their efforts to organize this celebration are: the St. Louis Regional Commerce and Growth Association, which established the "Spirit of St. Louis" committee; the St. Louis Globe-Democrat, which is sponsoring the parade and publishing a special section devoted to Lindbergh; and the Famous-Barr Co., which is sponsoring the riverfront display.

Because of the hard work and combined efforts of these organizations and of thousands of other persons, St. Louis will be—as it should be—the center of attraction in America's celebration of the anniversary of this event.

FORTY MEMBERS SIGN LETTER TO BREZHNEV ON THE CASE OF GUNARS RODE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, Gunars Rode is a Latvian political prisoner currently serving a 15-year sentence in Vladimir prison near Moscow on his conviction in 1962 of "nationalism and anti-Soviet agitation" because of his participation in an informal student group named the Baltic Federation. According to the well-known Soviet dissident Vladimir Bukovsky, the group did nothing more than discuss cultural autonomy and human rights for Estonians, Latvians, and Lithuanians.

The Soviet Government feels especially threatened by Mr. Rode because he has

doggedly insisted upon his innocence despite harsh treatment and his serious physical condition. His prison term expires on May 20 of this year, but according to Samizdat, the underground chronicle of current events, the Soviet authorities may bring new charges against Mr. Rode, resulting in an additional prison term, because of his "unrepentant view" on human rights and his desire for Baltic self-determination.

Bukovsky, who spoke to Rode in September 1976, believes that his health is poor and getting worse and is concerned that he will not live through another prison term, although he notes that Rode's inner resolve remains inflexible.

I am pleased to report that 38 of my colleagues have joined me in signing a letter to General Secretary Leonid Brezhnev expressing our concern for Mr. Rode and urging that he be released when his term expires this Friday.

The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 16, 1977.

HON. LEONID BREZHNEV,
General Secretary of C.T.S.U., The Kremlin, Moscow, Russia.

DEAR MR. SECRETARY: We, the undersigned Members of Congress, are writing to express our concern for Gunars Rode, a Latvian sentenced to 15 years in prison in 1962 for "nationalism and anti-Soviet agitation" because of his membership and participation in an informal student group known as the Baltic Federation, which we understand did nothing more than meet to discuss problems of cultural autonomy and human rights for Estonians, Latvians, and Lithuanians. Mr. Rode, whose sentence expires on May 20 of this year, was not permitted until last summer to see the 1962 court decision accusing him of "having poisoned drinking water, having gathered arms for an armed uprising, and of an intention to start a nuclear explosion or even war that would threaten all of Eastern Europe," charges which appear to have no basis in fact.

It has come to our attention that the Soviet Government may bring new charges against Mr. Rode which would result in another prison term after the current one expires on May 20, because of his persistent assertion of his innocence. When it was reportedly suggested by Soviet authorities in early 1976, for example, that he appeal for clemency, Mr. Rode refused on principle, because to request clemency would be to admit guilt to crimes he never committed.

Because Mr. Rode is gravely ill, he may not survive another prison term; therefore, we appeal to you on humanitarian grounds to release him when his term ends this month. This would indicate that the Soviet Union takes seriously the human-rights provisions of the Helsinki Acord.

Sincerely,

Edward I. Koch, Benjamin S. Rosenthal, John J. Rhodes, Millicent Fenwick, Herman Badillo, Stephen J. Solarz, Jack F. Kemp, Christopher J. Dodd, Frank Annunzio, Lester L. Wolff, Charles B. Rangel, Dante B. Fascell, James H. Scheuer, Allen E. Ertel, Austin J. Murphy, Theodore S. Weiss.

James F. Florio, Joshua Eilberg, Robert J. Lagomarsino, Philip M. Crane, Joe Moakley, Gladys Noon Spellman, Richard L. Ottinger, Bruce F. Vento, Paul Simon, Charles E. Grassley, Henry J. Hyde, Garry Brown.

Donald M. Fraser, James J. Blanchard, Lawrence Coughlin, Clarence D. Long, Norman F. Lent, Bill Archer, William J. Hughes, Mickey Edwards, Andrew Maguire, John Krebs, Tom Harkin, Paul E. Tsongas.

LEGISLATION NEEDED TO CONSOLIDATE OUR CIVIL DEFENSE EFFORT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. EVANS) is recognized for 5 minutes.

Mr. EVANS of Indiana. Mr. Speaker, I would like to bring to the attention of my colleagues a praiseworthy editorial in the Indianapolis News on the importance of our Nation's civil defense effort and the necessity of consolidating our emergency preparedness programs to make them more efficient in expending our tax dollars and more effective in meeting the requirements of our citizens.

As a member of the Joint Committee on Defense Production over the past 2 years, I am very aware of the bearing these programs have on the safety and well-being of the American people. Many experts have testified to the importance of consolidating our emergency preparedness programs, both natural and manmade disasters, to make them responsive to our needs.

Legislation to streamline the three existing Federal agencies responsible for defense preparedness into one independent agency will go a long way to meet our requirements. It will certainly improve program management, insure local and State input into emergency preparedness programs and policies, and will expedite assistance and relief money to stricken areas.

I urge the adoption of the legislation as introduced by members of the Joint Committee on Defense Production, and I certainly hope my colleagues will take a moment to read this editorial.

[From the Indianapolis News, May 10, 1977]

ENDING "ALPHABET SOUP"

What the Federal government has done to the nation's civil defense effort is bureaucratic mismanagement at its worst.

A comprehensive congressional study has revealed that the responsibility for emergency preparedness is scattered among 175 agencies, committees and groups.

Civil defense is now a "many-headed monstrosity," "alphabet soup," "politicizing of the preparedness effort"—to use only a few of the terms from the report.

Preparation against nuclear war is commonly thought of as the major thrust of civil defense. In reality, however, it is deeply involved in the daily threat of all types of natural disasters, including tornadoes, fires and floods. In these latter categories, some agencies have records of outstanding performance under difficult circumstances.

There is strong argument in the congressional study, however, for revamping and consolidating the emergency preparedness program along all lines. Part of the pressure for such improvements grows out of the news that the Soviet Union has established an internal defense system as intensive and as efficient as its external military machine. It is no secret that the Soviets have established a model system, sparing no efforts or resources.

Given the realities of Soviet expansionism, civil defense assumes a position of high priority. There is no excuse for weaknesses in areas in which the American genius for volunteer action can be tapped. What has been lacking, as the report highlights, is central leadership.

Typical of the lack of coherent planning is the story of one coordinator who was told by the Defense Supply Agency, one of the so-called responsible agencies, that its plans called for emergency relocation of certain Washington staff to a Richmond, Va., facility—the location designated by the Defense Civil Preparedness Agency as "a high risk area."

Similar foul-ups have been reported in connection with obtaining aid during natural disasters. Local officials have been confused by endless red tape, stalling and buck-passing.

Congress has approved a 50 percent increase in the civil defense budget for fiscal 1978, bringing the total appropriation to $134.8 million.

With these kinds of funds available it is more urgent than ever to bring this important activity into some kind of central agency and erase at least part of the confusion resulting, as the study puts it, from 30 years of "alphabet soup."

SENATOR RUSSELL B. LONG—"THE CLEVEREST SENATOR"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. WAGGONNER) is recognized for 5 minutes.

Mr. WAGGONNER. Mr. Speaker, Louisiana is noted for its abundance of natural resources. While other States may claim some of the same resources, we have one resource we treasure and are proud to share with the rest of the Nation. That great Louisiana resource is the senior Senator from our State, Senator RUSSELL B. LONG.

For 28 years Senator LONG has served his State and Nation with honor and distinction in the Senate, just as both his father and mother had done before him. For the Longs of Louisiana, public service is not only a family tradition, it is a family obligation.

We are proud of our Senator and the mark he has made on some of the most far-reaching legislation of our generation. As chairman of the Senate Finance Committee RUSSELL LONG has been able to influence legislation to aid the poor and disabled, to revitalize our cities, to simplify the complicated tax system, and to preserve the free enterprise system.

We in Louisiana have known and respected his abilities as a strong leader for many years, and we are willing to continue sharing him as a national leader as we have been doing.

In the current issue of Newsweek magazine, Pulitzer Prize-winning columnist, George F. Will, presents a profile of the Senator which captures an accurate glimpse of his dynamic personality and quiet strength. We who have known RUSSELL over the years realize the accuracy of Mr. Will's description:

When aroused he resembles a hurricane coming ashore among the pines of Plaquemines Parish. But power means not needing to raise your voice. Anyway, Long need not outshout people he can outthink.

At a time when the country vitally needs energy, we of Louisiana are proud to be able to offer the tremendous energy of our "hurricane," Senator RUSSELL B. LONG.

I recommend Mr. Will's column, "The Cleverest Senator," which follows my remarks, to our colleagues. He is my colleague and a personal friend.

THE CLEVEREST SENATOR

(By George F. Will)

May is the month of buses in Washington, buses bringing boys and girls to see senators and other monuments. Bumper-to-bumper

buses form a yellow and silver snake at the foot of Capitol Hill. On a gray morning after a dawn downpour last week the buses were disgorging their tumbling cargo while Sen. Russell Long, a Louisiana Democrat, was nearby, tucking into bacon and eggs in the senators' dining room. For the boys and girls a glimpse of him would be a glimpse of a large chunk of government, and a slice of the century.

First there is the shock of recognition. You are struck by the sovereignty of chromosomes. The cherubic jowliness, the shrewdness, the quickness, intelligence and humor, the darting eyes and restless energy: an assassin shot Huey Long 42 years ago but his genetic code goes marching on.

Russell Long's early memories of Washington are of getting lost in the lower corridors of the Capitol, while Daddy was upstairs raising Cain. He became a senator when the Constitution let him, when he was 30, in 1948. It will be at least 1992 before he removes himself from his office in the Richard Brevard Russell Office Building. Then he will have spent 44 of his 74 years in the Senate (Huey Long lived only 42 years) and will have passed Georgia's late Senator Russell as the longest serving man of first-rate powers in our time.

A HURRICANE COMING ASHORE

Politics often is a family affair, and not just for Adamses, Rockefellers and Kennedys. In 1931 Richard Russell was sworn in as governor by his father, Georgia's Chief Justice. Byrds were in seventeenth-century Virginia politics and Harry Byrd Jr. is Long's colleague on the Finance Committee, which Harry Byrd Sr. chaired before Long.

Russell Long's Uncle Earl was the most novel governor in postwar America. He had Flaubert's flair for bons mots ("Jimmie Davis loves money like a hog loves slop") and a gift for concision, as when he described an uncle's death: "He got drunk and pulled a man out of bed and got into bed with the man's wife, and the man got mad and shot my poor uncle, and he died." Earl's downfall was loose living and the premature declaration that "niggers is people too."

Earl was made possible by Huey, bless him. Huey dominated Louisiana more thoroughly than anyone has dominated any other state. He was a master of the politics of class antagonism. He broke the state to his saddle, yanked the cinch tight, slammed his spurs into its flanks, and set about the business of government, as he understood it: helping friends and hurting enemies.

Russell is the least Technicolor Long. When aroused he resembles a hurricane coming ashore among the pines of Plaquemines Parish. But power means not needing to raise your voice. Anyway, Long need not outshout people he can outthink. He is one of those legislators whose eminence does not carry to the country. He is less well known than most members of the Foreign Relations Committee, the most publicized and least consequential Senate committee. He may be the cleverest senator and his Finance Committee has more than its share of Senate talent, including Democrats like Lloyd Bentsen and Daniel Moynihan, and Republicans like Robert Packwood and John Danforth. The Finance Committee deals with the arcane essence of the modern state, the tax code. More than any other committee, it requires both mastery of complex detail and a comprehensive view of social processes.

"EVERY MAN A CAPITALIST"

Long's heroes were populists of various stripes, Andrew Jackson and Senators Robert La Follette of Wisconsin and George Norris of Nebraska. And Huey Long, whose dying words were, "God, don't let me die. I have so much to do." Huey's son says he is doing Father's work, not roughly redistributing wealth but sculpting the revenue system that shapes production and, hence, the distribution of wealth. He says that changes in the revenue system often are better than appropriations at accomplishing government's ends. That is, government is better at providing incentives than services. For example, he would rather give employers tax breaks for providing employees with health insurance than have government provide comprehensive health insurance. Father wanted to make "every man a king" by squeezing the rich. Son wants to make "every man a capitalist" with tax incentives for employee stockownership plans.

After the new boys in town tried to kill some Louisiana water projects, Long introduced himself to a White House meeting: "I'm Russell Long and I'm chairman of the Senate Finance Committee." Asked why he did this, he replied solemnly: "I saw a lot of strangers and I wanted to make sure they knew who I was." Now they know that his committee is the eye of the needle through which Carter's camels must pass. Does that help explain Carter's tendency toward fiscal conservatism? Golly no, says Long, radiating innocence: "Nobody should blame me if the guy has some sense."

Many of Carter's energy proposals will suffer the scrutiny of Long's committee. When Carter takes up the nasty task of restoring the soundness of the social-security system, Long's committee will take charge of Carter's suggestions. When, in the fullness of time, Carter launches his frail craft of welfare reform, the port it will sail toward will be Long's committee. Long's committee was an unsafe haven for Nixon's "Family Assistance Plan," the special project of White House aide Daniel Moynihan. Later, when Professor Moynihan did an autopsy on the lifeless remains of FAP, he decided it died from, among other things, a collision with Russell Long.

Now Senator Moynihan is the most junior Democrat on Long's committee, and he is impatient. Long says, sweetly: why, shucks, "I guess Senator Moynihan knows just what he wants." But, the chairman did not need to say, Moynihan will do a load of compromisin' on the way to the horizon.

SEPARATION OF POWERS

When Carter tackles the tax system that he says is a "disgrace to the human race" he will be dealing with Long's committee, which has done rather a lot to make the tax system what it is. But Long does not expect the Administration's "reforms" to be offensive. With the calm confidence of a Christian with four acres, he says: "I have a *vague* idea of what the *general* direction will be." And well he should. Carter's Assistant Secretary of the Treasury for Tax Policy is a gentleman who for many years was one of Long's most trusted and talented aides.

That is how a prudent Chief Executive accommodates a powerful legislator. It may not quite square with a purist's theory of the proper separation of powers. But such theories are little brooks that flow with the landscape. They are turned aside by boulders like Russell Long, who was part of the Washington landscape long before Carter was, and will be when Carter has gone.

SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL REPORT

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 30 minutes.

Mr. WOLFF. Mr. Speaker, one of the major by-products of a factfinding mission is the opportunity afforded to Members to obtain information not available to us here in Washington. Such a significant instance occurred in connection with a joint factfinding mission undertaken by some members of the House International Relations Committee and the Select Committee on Narcotics Abuse and Control. I have the honor and privilege of being chairman of the International Relations Subcommittee on Asian and Pacific Affairs and chairman of the Select Committee on Narcotics Abuse and Control. The work of these committees necessarily dovetails to a large extent since issues involving control of narcotics, and political, military and economic assistance are often but two branches of the same tree. Recently, I led a delegation on a visit to Thailand, which, as most of my colleagues know, is the central source for massive heroin transshipments to Europe and the United States, manufactured from opium originating in what has become known as the "Golden Triangle." The Golden Triangle is that northernmost portions of Burma, Thailand and Laos which rests on the southern borders of the Yunan Province of the Peoples' Republic of China. This area grows between 400 and 500 tons of opium annually. The opium is transported across the border into Thailand, where it is refined into heroin and then smuggled in increasing and perilous amounts to the principal capitals of Western Europe, to the United States and other countries. Only a small percentage of the total crop is retained for local consumption, an activity that has been indigenous to this area of the world for hundreds of years. The select committee studies indicate there is cause for real concern with respect to the appearance of larger amounts of Southeast Asian heroin in the United States, as our joint eradication programs with Mexico begin to produce substantive results in eliminating poppy fields and thus reducing the availability of Mexican heroin. Intelligence sources in foreign countries which are either bulk heroin producers or heroin transshipment points are much more likely to have current information on the activities of those nefarious persons who supply the blood money which is the genesis of any narcotics transaction. From just such intelligence sources, I have learned the names and identities of some major ethnic Chinese residing in Thailand who are primarily responsible for the purchase, shipment and support of the large volume of heroin that is distributed from Thailand into the western countries of Europe and the United States.

Before describing the activities of one major group of these individuals and naming them, which I intend to do in a few moments, I would like to present my colleagues with some background on what appears to be one of the recent developments in international heroin trafficking.

I want to pay a special tribute to the present splendid cooperation of the Thai Government. Prime Minister Thanin has made narcotics control one of the primary priorities of the Government. The substantial and cooperative work being done by the Royal Thai Police under General Sarasin and the intensive support given by General Chavalit along with the primary attention of General Kriansak has been of great value in the

results obtained so far. While there is much work yet to be done we are finding that the Thai Government understands its international responsibilities and is doing something about them in the area of drug control.

The Chinese Triad Societies which began their existence centuries ago as self-help organizations, have largely become criminal syndicates in recent years. Because of loose banking regulations and practices in the Far East and the close connection these ethnic Chinese have with relatives and friends scattered all over the globe, they have been able to assume a major role in the distribution, receipt, and dissemination of heroin. They work in mysterious ways, their business transactions clothed in coded language. Much business is transacted by word of mouth and the trust that is extended by one Triad member to a blood brother is inviolate. They have their own code of silence not unfamiliar to law enforcement officers around the world who once dealt with organized gangs of criminals that transported Turkish heroin to the United States.

The secret societies known as the Triad were formed in Mainland China during the 18th century. Their original purpose was self-protection and opposition to the various Chinese dynasties. The names of the various secret societies are taken from the areas in China for which the original members emigrated. The headquarters of the secret societies are in Hong Kong. As members of the secret societies scattered throughout Southeast Asia and Europe, smaller branches were formed. Right up through the 1960's the secret societies were importing No. 3 heroin and opium for use in the countries where they were located. In the early 1970's the secret societies began to import No. 4 heroin along with No. 3 heroin which is used for smoking purposes. These groups, located in the various European countries are connected with the base operation and families of Hong Kong. It is believed that they are largely responsible for the upsurge in heroin trafficking coming from Southeast Asia to Western Europe. The increase in level of heroin smuggling is reflected in the increase of heroin seizures in Western Europe from a level of 15 to 20 kilograms in the 1960's to over 600 kilograms last year. The primary secret society in Western Europe as far as heroin trafficking is concerned was the 14K group which has recently been pushed out by a rival based in Malaysia and Singapore. In most countries, including Hong Kong, it is illegal to belong to a secret society. However, because of the ethnic ties which all members of secret societies have, it is very hard to infiltrate these organizations. The Triads use the trafficking in narcotics to support their other legitimate and illegitimate activities.

Many of these individuals reside in Bangkok, living in baronial splendor, adopting Thai names, and represent the primary reason why Southeast Asian heroin has become an overwhelming threat to the national security of our country. For example, Chang Kai-Cheng—also known as Chang P'u-Ching, also known as Hu Chin-Te, also known as Thawee Sakulthanapanish—left Yunan Province in China in 1949 and took refuge in Burma to escape the Communist takeover. He then married Liu-Chao-Ting and has eight children, some of whom study in Singapore, Taiwan, and the United States. He moved to Chiang Mai, Thailand, in 1965 and began his narcotics operation. Within 5 years, he had become and remains a most prominent figure in the Thai narcotics community. Mr. Chang has residences in Bangkok, Chiang Mai, and Mae Sai, Thailand. He is the head of the largest heroin distribution ring in that country. His list of associates is a "Who's Who" of Chinese ethnics in the Bangkok narcotics market. He has investments and is the coowner of many businesses among them the Broadway Hotel, Bangkok; Bai Cha Hom Tea Co., Bangkok; Tung Hsing-Chan Hardware and Trucking Co., Chiang Rai, Thailand; and the Refined Tea Manufacturing Co. of Bangkok. Mr. Chang's operations in northern Thailand are conducted by confederates who purchase most of his narcotics from the hill tribes with financial support provided by Mr. Chang. Originally, Mr. Chang's narcotics business was located on the northern frontier of Thailand and northern Burma where he produced "999" brand of morphine. After moving to Chiang Mai because of pressure from the Burmese Government, he went to Laos and set up a gold mining company which was a front for a heroin factory at Gold Delta, Laos. In 1976, the heroin refinery was moved to Tachilek, Burma, at the edge of the northern border of Thailand, under protection from certain of the opium warlords in that area. Mr. Chang's confederate, Sha Ming, is the superintendent of the refinery and Mr. Chang remains in Bangkok distributing his poison to regular customers. Mr. Chang has excellent narcotics connections in Holland, Singapore, Malaysia, Hong Kong, and the United States. His "bag man" is Mr. Chang Chen Schen, who also lives in Bangkok and who has contacts with many government officials. Mr. Chang has Thai citizenship, resides at 132–5 Klong Papa Samsen, Bangkok; he also owns a house at 105 Market Street, Mae Sai, Thailand. As of this date, Mr. Chang roams about the globe frequently and can be said to be one of the most important figures in the spreading of Asian poison to the youth of the world.

There are more such persons. Mr. Chang Chen-Ch'eng—also known as A'Pung, also known as Suthep Benjapokee—was born in Thailand with an ancestral home in Teachow, China. He lives in Bangkok in a beautiful modern home which has an underground room used for gambling and smoking opium. He is close to Mr. Chang, whom I have already described, and the various other ethnic Chinese who live in Bangkok who are in the narcotics business. He owns the Victory Hotel in Bangkok and a jewelry store at the rear of the hotel called Beauty Thai Silk. About 10 years ago, he went to the Thai-Laotian border and stayed there for some time before returning to Bangkok. He began to make considerable amounts of money in 1968 when Thailand's armed forces participated in the Vietnam war. This effort gave him the opportunity to smuggle large quantities of heroin to Saigon for sale to American soldiers, in collusion with some Thai Army officers. Intelligence sources reveal that between 1970 and 1971 A'Pung smuggled 100 kilograms of No. 4 heroin and several tons of processed opium to Saigon where fellow triad member Chang Ming distributed the narcotics. Mr. A'Pung has a knack for making friends in Thai Government circles. He has close connections with the Thai Army and the Thai police as well as officials of the former government. Mr. A'Pung also owns two export-import firms, Thai Gem and Lin Ho Trading Co's. in Bangkok. He has recently purchased a sumptuous villa in the area of Suthisan, Thailand, where Mr. Chang and his associates often visit to conduct business and to gamble.

Another significant piece of intelligence relates to a Mr. Sha Ming—alias Old Sua—a Yunnanese Chinese who resides in Thailand. Mr. Sha moved to Thailand from Burma in 1961 and now occupies the first important position of principal assistant to Mr. Chang. In 1966, when Mr. Chang established a heroin factory in the jungle area of Hui Hse, Laos, Mr. Sha was made superintendent of this factory. The chief pharmacist was a well-known heroin refiner named Hsiao Wang. At a later time this refinery was moved to Tachilek, Burma, under the protection of two Chinese opium warlord leaders named Yang Shiash Lee and Lo Hsin Han. Mr. Sha built a large laboratory at this site where he purchased raw opium while Mr. Chang supervised sales in Bangkok. In 1971, as the result of the loss of protection of the local armies and a change in Burmese Government policies, Mr. Sha's heroin refinery lost its armed protection and the result was the scattering of the refinery equipment to several mobile factories in the mountainous Golden Triangle area. At the present time, Mr. Sha is actively operating a comparatively large heroin refinery near Chiang Rai, Thailand.

Another associate of Mr. Chang Kai-Ching is Ma Hseuh-Fu, also a Yunnanese Chinese who came to Burma from China in 1949 and joined Mr. Chang as a partner in the opium business.

Mr. Ma is an extremely wealthy man, having made fortunes in the opium smuggling operation that he conducted from 1961 to the present time in Hong Lo, Burma. In 1964, Mr. Ma and his family moved to Bangkok. He and Mr. Chang, his partner and fellow Triad member, invested in the Cha Mon Tea Co. in Bangkok and used the company as a front for the transshipment of large quantities of heroin into international markets. He owns interests in the June Hotel and the Ming Tea Co., both of Bangkok, and is closely associated with General Li, a notorious opium exporter and Mr. Chang.

Mr. Wa Yao-Tung, another Yunnanese Chinese, who came to Thailand when he was very young, lives in a Western-style ranchhouse with a large garden adjacent to it. He also owns a house in Chaing Mai, Thailand. Between 1969 and 1971 he

worked for a number of refinery operators, including the gentlemen I have already named. He is mainly responsible for supplying the precursors necessary for the manufacture of heroin. He is a major distributor of narcotics in Bangkok and has recently earned the equivalent of $1 million with part of which he purchased two houses, one on Sukuavait Road in Bangkok. Mr. Wa moves around from house to house in order to confuse law enforcement efforts and is known to be well connected in government circles. I wish also to call attention to the following three narcotics financiers and power brokers: Mr. Na Tsai-K'Uei, a Yuannanese Chinese, Mr. Ma Yao-Hua who is also Yuannanese, and Mr. Chu Hsueh-Pin. These three gentlemen reside in Thailand and are principal distributors of No. 3 heroin with connections in the Golden Triangle as solid as those they have in the United States. They own houses, hotels, export-import companies, and other fronts for their nefarious businesses.

It must be realized that these individuals supply the vast amounts of money necessary to guarantee a continuous large flow of opium. They finance the refineries which produce No. 3 and No. 4 heroin. They provide support for the smuggling operations after the merchandise arrives in Bangkok, and also the front money for the costs of distribution. Fortunes are collected in exchange for a nod, a handshake or an understood password from their Triad brethren all over the world. Their wealth is reminiscent of the legendary rulers of ancient days.

Mr. Speaker, to my knowledge, this burgeoning and extremely dangerous situation has never been made public before. I am doing so because it is necessary for the American people to identify their enemies. Together with the corrupt officials without whose connivance this traffic would be impossible, they are princely purveyors of universal misery.

I trust that all appropriate Federal agencies will take note of what has been said here today and will lend more support to the governments of every civilized nation in the world that is dedicated to combating the spread of heroin.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. WOLFF. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I want to thank my colleague, the distinguished chairman of the House Select Committee on Narcotics Abuse and Control for focusing attention on this Thai problem.

There have been recent reports that the production of opium emanating from the Golden Triangle—from Burma, Thailand and Laos—has been increasing and that this area of Southeast Asia now accounts for an estimated 25 percent of the world's production of opium.

Mr. Speaker, it is imperative that these names of the members of organized crime be made known to the public here and abroad. Narcotics trafficking is an insidious business with its corruptive tentacles reaching into every facet of a nation's society, thereby undermining the very roots of that society.

Mr. Speaker, it is essential that the consciousness of the global public be awakened to recognize the devastating effects of narcotics trafficking. Accordingly, Mr. Speaker, I commend the gentleman from New York (Mr. WOLFF) for focusing attention on this worldwide problem and for putting the limelight on the traffickers who are trading on the minds and bodies of our American youth, and of the young people throughout the world.

I thank the gentleman from New York for his comments and also for the major contribution he has made in the fight against drug abuse and narcotics trafficking. He has done an outstanding job.

PERSONAL EXPLANATION

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, yesterday, I was in my district attending the ceremony commemorating the beginning of the construction of our great beach erosion and hurricane prevention project from Baker's Haulover to Government Cut under which our beaches will be extended 200 feet into the ocean and properly protected. This project will cost about $64 million and the Federal Government will contribute about 59 percent of that sum and the work will, of course, be constructed under the Corps of Engineers in accordance with the corps plans.

I was scheduled to take a 12:10 p.m. plane which would have gotten me back here in time to vote on the several bills on which the House voted yesterday but unhappily there was a power failure in all of southeast Florida, including Miami, and my plane was 2 hours late in arriving.

I missed the following rollcalls: Roll Nos. 233, 234, 235, 236, 237, and 238. On each, I would have voted "aye" had I been here.

FINANCIAL DISCLOSURE

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, as I have done every year since my first election to Congress, I am today disclosing my and my wife's statement of assets and liabilities, schedule of the securities we own, schedule of other securities of which we are income beneficiaries, and schedule of the taxes we paid in calendar year 1976. While this disclosure is not required by law at the present time, I believe it should be and am the sponsor of legislation requiring full financial disclosure, believing this to be the best protection of the public against possible conflicts of interest. The statement and schedule are as follows:

RICHARD L. AND BETTY ANN OTTINGER STATEMENT OF ASSETS, LIABILITIES AND CAPITAL AS AT MARCH 31, 1977

ASSETS

Cash (on hand or uninvested)	$64,907
Marketable securities—Betty Ann Ottinger (cost $56,931—at market value (Schedule 1))	210,137
Marketable securities—Richard L. Ottinger Trust dated March 19, 1969 (cost $539,750)—at market value (Schedule 1)	1,689,209
Real estate: Residence in Pleasantville, N.Y., and Washington, D.C.—at estimated market value	400,000
Total	2,364,253

LIABILITIES AND CAPITAL

Liabilities:	
Notes and Loans payable:	
Testamentary Trust u/w/o Lawrence Ottinger f/b/o Richard L. Ottinger	301,912
Patricia L. Chernoff	150,000
Trust u/a dated 10/30/57 f/b/o Richard L. Ottinger	50,000
Other loans payable	40,000
Total	541,912
Income taxes payable on unrealized gain on marketable securities	586,199
Total liabilities	1,128,111
Capital	1,236,142
Total	2,364,253

SCHEDULE 1, RICHARD L. AND BETTY ANN OTTINGER, SCHEDULE OF SECURITIES AS AT MARCH 31, 1977

BETTY ANN OTTINGER

Number of Shares, Corporation, and Current Market Value	
Champion International Corp., 2,175	$51,656
Gulf Oil Corp, 200	5,650
International Business Machines Corp. 175	48,388
Sears Roebuck & Co., 40	2,410
Simplicity Pattern Co. Inc., 184	2,185
Travelers Corp., 160	5,040
Weyerhaeuser Co., 1,500	57,750
Park Value	
U.S. of America Treasury Note 6%, November 15, 1978, $37,000	37,058
Total	210,137

RICHARD L. OTTINGER

Number of Shares	
American Telephone & Telegraph Co., 500	31,375
Anheuser Busch, Inc., 2,850	61,988
Campbell Soup Co., 700	26,162
Champion International Corp., 645	15,319
Connecticut General Insurance Co., 1,800	85,275

RICHARD L. AND BETTY ANN OTTINGER STATEMENT OF ASSETS, LIABILITIES AND CAPITAL AS AT MARCH 31, 1977—Continued

RICHARD L. OTTINGER

Number of Shares	
International Business Machines Corp., 1,038	287,007
Merck & Co. Inc., 200	11,025
Sears Roebuck & Co., 40	2,410
Simplicity Pattern Co. Inc., 11,898	141,289
Texaco Inc., 1,234	32,701
Travelers Corp., 1,200	37,800
Weyerhaeuser Co., 7,494	288,519
Xerox, 8,100	387,788
Par Value	
Ascension, St. James Bridge & Ferry, Auth. La., 4.45%, November 1, 2001, $50,000	37,250
Federal Land Banks, 8.15%, April 20, 1982, 30,000	31,312
Honeywell Finance Inc., 7%, November 1, 1978, 50,000	50,188
New York State Mtge. Finance Agency, 6.9%, April 1, 1983, 50,000	52,755

P/H/A Poughkeepsie, N.Y. 2.84%, December 16, 1977, 25,000	24,994
U.S. of America, Treasury Bill, Due April 21, 1977, 15,000	14,832
U.S. of America, Treasury Bill, Due April 7, 1977, 70,000	69,220
Total	1,689,209

SCHEDULE 2, RICHARD L. AND BETTY ANN OTTINGER, SCHEDULE OF ASSETS OF VARIOUS TRUSTS OF WHICH RICHARD L. OTTINGER IS INCOME BENEFICIARY AS AT MARCH 31, 1977

Corporation, Number of Shares, and market value	Current
American Telephone & Telegraph Co., 400	$25,100
Anheuser Busch, Inc., 3,000	65,250
Atlantic Richfield Co., 400	20,800
International Business Machines Corp., 280.60	77,586
Perkin Elmer Corp., 3,600	63,900
Sears Roebuck & Co., 900	54,225
Total	306,861

Par Value	
Xerox Corp. 8.2%, November 1, 1982, $40,000	41,500
Sears Roebuck Accept. Corp. 4.625% May 1, 1977, $30,000	29,906
Pennsylvania, 4½%, July 1, 2000, $25,000	20,089
New York, N.Y. 5%, May 1, 1991, $15,000	9,807
Federal Land Banks 8.15%, April 20, 1982, $15,000	15,656
Puerto Rico Commonwealth 4.5%, July 1, 1997, $30,000	19,204
Ascension, St. James Bridge & Ferry Auth. La. 4.45%, November 1, 2001, $25,000	18,625
P/H/A Peekskill, N.Y. 2.84%, December 16, 1977, $25,000	24,994
New York State Mtg. Fin. Agency 69%, April 1, 1983, $15,250	16,090
New Jersey Turnpike Auth. 5.2%, January 1, 2008, $9,150	8,189
P/H/A New York City, N.Y. 3.28%, September 16, 1977, $6,100	6,115
P/H/A Mechanicville, N.Y. 2.87%, December 16, 1977, $21,350	21,350
P/H/A Washington, D.C. 2.5%, May 1, 1991, $9,150	6,174
Bedford, New Castle, etc., N.Y. 3% June 1, 1983, $9,150	7,498
Baltimore City, Md. 4%, August 1, 1986, $9,150	7,957
Chelan Co., Wash. 3.4%, December 1, 2003, $9,150	6,680
So. San Joaquin, Calif. 3.05%, July 1, 2004, $9,150	6,954
Total	266,788
Cash	4,173
Total	577,822

NOTE.—The above securities are not reflected as assets of Richard L. Ottinger since he is only an income beneficiary of the trusts. The schedule is prepared for informational purposes.)

Number of shares, Corporation, and market value	Current
Anheuser Busch, Ins., 150	$3,263
Eastman Kodak Co., 200	13,600
Johnson & Johnson, 150	10,050
Procter & Gamble Co., 200	15,800
Weyerhaeuser Co., 306	11,781
Total	54,494

Par Value	
U.S. of America Treasury Note 6%, November 15, 1978, $55,000	55,086
Cash (Overdrawn)	(536)
Total	109,044

(NOTE.—The above securities are not reflected as assets of Betty Ann Ottinger since she is only an income beneficiary of the trust. This schedule is prepared for informational purposes.)

SCHEDULE 3 RICHARD L. AND BETTY ANN OTTINGER SCHEDULE OF TAXES PAID IN 1976

Federal Income Tax	$29,428
State and Local Income Tax	10,310
Total Income Tax	39,738
New York Property and School Taxes	10,045
District of Columbia Property Tax	4,293
Total Taxes paid	54,076

DISASTER RELIEF ACT NEEDS REFORM

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I am introducing legislation today to amend the Disaster Relief Act of 1974 and the National Flood Insurance Act of 1968 to extend the various forms of assistance available under these two major and highly commendable programs.

These laws and their predecessors have served as the congressional response to more than 10,000 serious floods which have occurred since the United States was first settled. In recent years, floods have caused losses averaging $1.5 billion; more than 90 percent of all property damage caused by natural disasters in America results from floods. The 1974 act itself came about, as we all know, following the tragic havoc wreaked by Hurricane Agnes. The philosophy behind this legislation was to provide assistance for individuals, families, nonprofit groups, and local governments adversely affected by a major disaster. The act provided for temporary housing assistance, mortgage and rental payments, unemployment assistance, food commodities, relocation help, crisis counseling and training, emergency public transportation, and grants to individuals and families who are unable to obtain assistance through other sources for disaster-related expenses and serious needs.

This last category of aid, established by section 408 of the act, is perhaps its most important provision and certainly one of the cornerstones of the entire Federal disaster relief program. It is designed mainly to assist low- and lower-middle-income people who cannot obtain SBA disaster loans and who, absent this stipend, would be unable to replace or repair much of the damage suffered in a disaster.

In September of 1975, the State of New York was inundated by Hurricane Eloise, and 12 counties in the State were declared major disaster areas by the President. My own county of Westchester was among them and suffered over $40 million in damage to public and private property. New York State damages totaled approximately $125 million according to Gov. Hugh Carey, and neighboring Pennsylvania sustained $85 million in losses. Needless to say, I have become deeply involved and interested in our disaster relief and flood control programs.

In trying to assist my constituents in picking up the pieces, I have learned of the many problems which today plague the effective administration of the disaster relief program at both the Federal and State levels. The guidelines for the section 408 program in particular have been written and interpreted by the Federal Disaster Assistance Administration so as to exclude major and vital categories of assistance. Westchester County Commissioner of Social Services Charles W. Bates recently discussed some of these problems with me in a letter he wrote early last year in response to consensus I had passed on to him from affected constituents. I am inserting a copy of our correspondence for the benefit of my colleagues:

WASHINGTON, D.C.,
March 9, 1976.

Commissioner CHARLES W. BATES,
Department of Social Services,
White Plains, N.Y.

DEAR COMMISSIONER BATES: My district offices have advised me of a number of complaints from constituents awaiting their 408 flood disaster payments from the New York State Department of Social Services.

As I understand it, the County Department of Social Services has processed applications for the grants and forwarded them to the New York State Department of Social Services. Unfortunately, the processing at the State level has been very slow. I am sure that you, too, are being queried by persons awaiting their grants. Although I have been advised by the FDAA that the State will be moving quickly now in processing applications, it is six months since the flood and many of the flood victims are still living with the effects of the disaster. Additionally, the federal regulations may exclude restoration of certain damages.

Because the Department of Social Services acted as the local agency for the 408 program, I would be very appreciative of learning the Department's experiences in administering the program—its strengths and weaknesses, and any inequities that may exist because of the Federal regulations. A report of this nature will be most helpful to me in determining whether or not the program needs to be changed administratively or through new legislation.

Your response would be appreciated.

Sincerely yours,

RICHARD L. OTTINGER,
Member of Congress.

WHITE PLAINS, N.Y.,
March 22, 1976.

Hon. RICHARD OTTINGER,
Congressman,
White Plains, N.Y.

DEAR CONGRESSMAN OTTINGER: In response to your inquiry of March 9, 1976 regarding the 408 Flood Disaster Program, staff responsible for handling the applications has advised me of the following:

(1) The Program does not restore affected homes to their pre-flood status. This is due in part to the concept of the Program which is defined as one for "basic necessities". The current interpretation of "basic necessities" excludes many items from coverage.

(2) It appears that the 408 Program does not cover all parts of the home. For example, a family room that was damaged would not be covered if there is another living room area in the house.

(3) Areas of the home that are not "lived in" are not covered. Therefore, such rooms as den, playroom or utility room would not be covered even though they may have been severely damaged, as they are not considered essential to the family's functioning.

(4) While repairs to structural damages are covered, it appears that repainting is not. Evidently, under the 408 Program guidelines, repainting is considered a "cosmetic" item. This appears inconsistent, for if the homeowner had National Flood Insurance, repainting would be provided.

(5) The repair or replacement of retaining walls is not taken into consideration unless the condition presents imminent hazard to the occupants. Many of the applications received included claims for such repair or replacement at the retaining walls maintained the existing water table and continued existing drainage patterns to prevent damage to the home. In these cases, the repair or replacement of retaining walls might prevent flooding of the home in the future.

(6) The guideline allowances contained in the New York State Disaster Plan for replacement of furniture and clothing are based on the Public Assistance allowances for these necessities unless original purchase receipts are available. Needless to say, such receipts were not generally on hand.

(7) The Program does not provide coverage for the replacement of rugs or carpeting if they had been used over a hardwood or tile floor. Floor covering was allowed only to cover rough, unfinished floors and then only at the cost of linoleum.

(8) Many of the applications received included necessary repairs to or replacement of interior doors, which we were advised were not covered. Allowances for exterior doors were included.

An additional factor in the operational aspect of the Program should be noted. Applicants are required to obtain two estimates for each item of repair listed on the claim. Following the receipt of these estimates which in some cases proved impossible to obtain without a fee, a Department of Social Services representative was required to visit the home and "certify" the loss. Since there are no professional adjusters on our Agency staff, it would seeem advisable for the State to employ adjusters when the 408 Grant Program is implemented. This would be similar in nature to the procedure used by the Small Business Administration when they move into a disaster area. It would save the applicant a great deal of anxiety and would also provide a more accurate assessment of the amount of money necessary to repair the home and property. Perhaps arrangements could be made to utilize some of the SBA Loss Verifiers to certify 408 Grant losses.

You are undoubtedly aware that the locality receives no reimbursement for costs incurred in administering the 408 Grant Program.

I trust our observations may prove helpful as you assess the Program for possible administrative or legislative change.

We appreciate your inquiry and interest.

Sincerely yours,

CHARLES W. BATES,
Commissioner.

The legislation I am introducing today would provide greater congressional guidance to the FDAA as to the kinds of assistance which section 408 should permit. It would redress many of the specific deficiencies cited by Commissioner Bates, while protecting the integrity of the program as a disaster relief measure. My bill would define "disaster-related expenses and serious needs" more broadly than the interpretation of the law by FDAA. The cost of structural repairs to any room of a home; repair or replacement of floor coverings; repainting the interior of one's home; and repair, replacement, or rebuilding of outdoor retaining walls would be among the categories of assistance available under section 408 if my bill were enacted.

Meanwhile, the bill would exclude by law most of the losses for which no aid is presently allowed under FDAA regulations: business and farm business losses, improvements or additions to real or personal property, landscaping, financial obligations incurred prior to the disaster, or any disaster-related expense or serious need for which assistance was available from other means but was refused by the individual or family.

I believe that clarification of the expenses for which aid is available under section 408 will help make the program work effectively for those who depend upon it when they are unable, for one reason or another, to obtain SBA disaster loan or flood insurance funds. Section 408 serves mainly the unemployed, retired, or person of moderate income who could not otherwise afford to rebuild his home—or his life—following a major disaster.

My legislation would address another serious problem in the 408 program; that is, compensation to the States which by law administer the guidelines and grants, and the localities which assist them in doing so. Under present law, a State may devote 3 percent of any grant under this section to administrative expenses. Local governments receive no reimbursement whatsoever, regardless of how intensive their efforts to assist flood victims may be. This is obviously insufficient.

This bill provides for an increase in State compensation from 3 to 4 percent of any grant, while permitting the State to devote an additional 1 percent to local governments who assist in the 408 relief program. I believe this will encourage States and localities to take a more active and effective role in this very worthwhile effort.

The third section of the bill would deal with a very different problem. As presently written, the law has been interpreted by FDAA to exclude disaster relief assistance under section 402 to nursery schools, preschools, and other early childhood education programs operated by private nonprofit organizations. I do not believe that this is what Congress intended in the 1974 act, but legislation appears to be necessary to correct this problem. This legislation would bring all early childhood educational facilities under the purview of the act. We have discussed the value of these kinds of facilities in other forums, particularly during debate on the day care bill, but if a preschool is forced to shut down as a result of a flood or other disaster, thousands of working parents might be terribly hurt. The expense of this provision would be minimal in comparison to the benefits to be reaped for both children and working parents.

The final change which my bill makes in present law augments the highly successful flood insurance program. The National Flood Insurance Act of 1968 provides insurance for the structure and contents of a home, but does not provide any coverage for outdoor property. I have had many letters from constituents who have suffered tremendous damage to their walks, driveways, or retaining walls asking why this is so. There are reasons why such an extension must be carefully drawn but the principle, in my view, is a sound one. Therefore, I am proposing an amendment which would extend $5,000 in insurance coverage to a homeowner for any outdoor property, or permanent fixture—other than gardens or landscaping which are so easily inundated and damaged in nonflood conditions—which is adjacent to the home and on its property.

Mr. Speaker, this proposed legislation will strengthen the disaster assistance program and will help meet its worthy goals more effectively. The long-term solution to this truly serious problem in our flood-prone areas is to provide permanent and effective flood control of a structural nature wherever this is economically and environmentally feasible. In the meantime, it is appropriate to provide short-term relief where the long-term solutions are not foreseeable. I hope the Committee on Banking, Currency and Housing will give serious consideration to this and other flood disaster relief measures designed to improve this important program.

I am inserting a copy of the text of the bill for the benefit of my colleagues:

H.R. 7237

A bill to amend the Disaster Relief Act of 1974 and the National Flood Insurance Act of 1968, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 408(a) of the Disaster Relief Act of 1974 is amended to read as follows:

"SEC. 408. (a) The President is authorized to make a grant to a State for the purpose of such State making grants to meet disaster-related expenses or serious needs of individuals or families where such individuals or families are unable to meet such expenses or needs through assistance under other provisions of this chapter, or from other means. For the purposes of this section, such disaster-related expenses and serious needs include, but not limited to, the cost of—

(1) structural repairs to any room of a home;

(2) repainting the interior of a home;

(3) repairing or replacing the tile or hardwood floors, or rugs, carpets, linoleum, or other floor covering in any room of a home; or

(4) repairing, replacing, or rebuilding outdoor retaining walls.

Assistance provided under this section does not include—

(A) business losses, including farm businesses;

(B) improvements or additions to real or personal property;

(C) landscaping;

(D) financial obligations incurred prior to the disaster; or

(E) any disaster-related expense or serious need or portion thereof for which assistance was available from other means but was refused by the individual or family.

The Governor of a State shall administer the grant program authorized by this section.".

SEC. 2. Section 408(d) of the Disaster Relief Act of 1974 is amended to read as follows:

"(d)(1) A State may expend not to exceed 4 per centum of any grant made by the President to it under subsection (a) of this section for expenses of administering grants to individuals and families under this section.

"(2) A State may expend not to exceed 1 per centum of any grant made by the President to it under subsection (a) of this section for reimbursement to local units of government for expenses incurred in conjunction with assisting the State in carrying out such State's duties under subsection (a) of this section."

SEC. 3. Section 402(b) of the Disaster Relief Act of 1974 is amended by adding at the end thereof the following: "For the purposes of this section and notwithstanding any other provision of law, educational facilities include preschools, nursery schools, and other facilities in which early childhood education programs are conducted.".

SEC. 4. Section 1306(b)(1)(A) of the National Flood Insurance Act of 1968 is amended—

(1) by striking out "and" at the end of clause (ii);

(2) by redesignating clause (iii), and all references thereto, as clause (iv) and by inserting the following new clause immediately after clause (ii):

"(iii) $5,000 aggregate liability per dwelling unit for any property, and any permanent fixture contained therein or located thereon, not including gardens or landscaping, adjacent to such unit, and".

THE HEROISM OF CLAYTON EDWARD ARD

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. SIKES. Mr. Speaker, earlier this year, a police officer in my district performed an outstanding act of selfless heroism which resulted in saving a young man's life. The story could have ended in tragedy but, because of this officer's courage and endurance, it has a happy ending. At a time when our law enforcement officers seem to be under attack from the courts and from the streets, I found this account of bravery particularly heart-warming and would like to share it with my colleagues.

A 23-year-old serviceman was trapped for more than 10 minutes when his car plunged into Bayou Chico, Pensacola, Fla., early on the morning of February 16. This was a cold winter night with high winds and gusts resulting in a chill factor of 16 to 20 degrees.

The bridge tender who saw the car go off of the end of the dead end street attempted to reach the car while it was still only partially submerged. He was unsuccessful and went for help. Detective Clayton Edward Ard with the Pensacola Police Department was nearby and was summoned to the scene. He arrived in minutes, immediately took off his weapon and boots and dove into the water. After several dives into the cold water, he felt the man's hand but was unable to pull him from the submerged vehicle. He surfaced for breath and was thrown a rope from a fire truck. He dove again and tied the rope to the bumper of the car. The car was pulled out of the water, the door opened, and the subject was freed and given mouth to mouth resuscitation by members of the Pensacola Fire Department.

Danny Harold Lambright, the young sailor who was driving the submerged car, survived the ordeal. Later he returned to duty, completed the Navy Photography School at Corry Field, and is now serving aboard the U.S.S. *Lexington*.

To voluntarily risk one's own life in saving or attempting to save the life of another person is indeed an outstanding act of bravery. Detective Ard is to be commended for his quick and skillful action in saving the life of Mr. Lambright. His unselfish efforts in this incident were above and beyond the call of duty and merit special attention. I am recommending him to the Carnegie Hero Fund Commission for appropriate recognition.

Officer Ard is a native Floridian, born in Pensacola on September 4, 1948. He attended public schools in Pensacola and graduated from Pensacola High School with the class of 1968. He is now pursuing an Associates Degree in Law Enforcement at the Pensacola Junior College. He was employed by the city of Pensacola as a police officer November 17, 1970 and is currently assigned as a plainclothes officer in the major crime control unit of the patrol division.

THE WARREN JERNIGAN FAMILY

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the Arlington United Methodist Church recently published in its newsletter a very complimentary article on the Warren Jernigan Family. Both Warren and his lovely wife, Helen, are very well known on Capitol Hill. He has given excellent service for years and is Chief Doorman of the House of Representatives. Helen, also a Capitol Hill employee, is a distinct credit to the Hill. They have two bright and alert sons, Warren II and Robert, who show the result of good home training. All of them are fine Christian people who devote much of their time to the church and the community. They are to be congratulated for their many accomplishments and I submit their success story as reported by the AUMC newsletter for inclusion in the CONGRESSIONAL RECORD. I do not want to pass up the opportunity to say that Warren is from Pensacola, Fla., in my congressional district and is a member of a highly respected old West Florida family.

The article follows:

PEOPLE TO KNOW . . .

Warren and Helen Jernigan with their two boys Warren II, and Robert may have first come to the attention of AUMC members at the Pancake Breakfast Easter Sunday morning at the church. Yes, they were in charge of those hard working young cub scouts that netted Pack No. 151 over $300.

This success story was no accident. Behind it all are probably two of the most hard working and effective members at AUMC. Warren is the Institutional representative for Scouting at AUMC. Helen is a Den Mother for Pack No. 151, Warren II (11) is a Den Chief and Robert (9) is Denner for Den 1 of Pack No. 151. To know how effective the Jernigans have been with cub scouting is to learn that at the beginning of 1977 there were 4 adults and 5 boys participating. Four months later there are 27 boys and 1 parent participant for each boy in the Pack. Their budget went from $100 in-the-hole to a balance of over $600. Many persons are to be thanked for this splendid achievement according to Warren, but the truth is it could not have happened without the Jernigan enthusiasm and leadership.

The Jernigans came to AUMC 4 years ago when they moved to Arlington from Dale City where they had been members of the Church of the Good Shepherd. Warren is currently serving on the Commission on Education and the Administrative Board. In addition, both Warren and Helen were among the several persons active in helping to launch The Uniter in its early editions.

Warren and Helen lived in the same neighborhood near Capitol Hill where they happened to meet. Warren was a native of Pensacola, Fla., while Helen came to the U.S. from Yugoslavia at the age of 14. Her parents were of Russian ancestry and were forced to leave the country at the time Tito broke off relations with the Soviet Union. An aunt worked at the UN and arranged for the family to come to the U.S. Helen claims to have learned English in only 2 short years. Warren came out of the Air Force in 1958 and came back to Pensacola to look for a job at home. He accepted one as Doorman of the House believing it to be a job right there in Florida. As it turned out the job was in Washington, D.C. in the House of Representatives. He came away and at the writing Warren has been a Chief Doorman of the House longer than any other person in the history of the Congress. He was made Chief Doorman in 1963, a position he still holds today. He is the President and founder of the U.S. House of Representatives Doormen's Society. He is the recipient of numerous awards for service to the House during his years there.

An interesting incident occurred when the Jernigans walked down the hall at AUMC looking at the pictures of former pastors of the church. There they saw a picture of Dr. Latch. It so happened that prior to their joining AUMC their son Robert had been christened by Dr. Latch serving in his official capacity as Chaplain of the House of Representatives. It turned out that Robert was the first baby ever christened by the Chaplain of the House in its history.

Warren is very active in the Masonic Order. Currently he is Worshipful Master, Federal Lodge No. 1, F.A.A.M., D.C., President of 1977 Association of Worshipful Masters, Wash., D.C., and serves on many other Masonic committees.

Warren would like to see adults taking a much more active role with youth programs in the church. He feels that youth and adults working together create a strong family atmosphere. With this in mind, Warren welcomes any adult in the church to just drop in the last Thursday evening in the month at a cub pack meeting and say "hello" to the boys.

The church can only do the Lord's work through the service of its people. Certainly the Jernigans have taken this part of their vows of membership very seriously.

AUMC can thank God that they have come not only to witness, but to serve.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MICHEL (at the request of Mr. RHODES), after 3 p.m. today, on account of death in family.

To Mr. DEL CLAWSON (at the request of Mr. RHODES), from May 9 through May 19, on account of iliness.

To Mr. CORMAN (at the request of Mr. WRIGHT), for today, on account of official business.

To Mr. FISH (at the request of Mr. RHODES), for May 13, on account of illness in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. FENWICK) to revise and extend their remarks and include extraneous material:)

Mr. KEMP, for 15 minutes, today.

Mr. JEFFORDS, for 15 minutes, today.

Mr. DUNCAN of Tennessee, for 10 minutes, today.

Mr. FISH, for 5 minutes, today.

(The following Members (at the request of Mr. CORNWELL) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. VANIK, for 5 minutes, today.

Mr. FORD of Michigan, for 5 minutes, today.

Mr. CONYERS, for 5 minutes, today.

Mr. YOUNG of Missouri, for 5 minutes, today.

Mr. KOCH, for 10 minutes, today.

Mr. EVANS of Indiana, for 5 minutes, today.

Mr. WAGGONNER, for 5 minutes, today.

Ms. HOLTZMAN, for 60 minutes, today.

Mr. WOLFF, for 30 minutes, today.

Mr. BEILENSON, for 5 minutes, on May 18.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PICKLE, to revise and extend his remarks in connection with H.R. 3722.

(The following Members (at the request of Mrs. FENWICK) and to include extraneous matter:)

Mr. SARASIN in two instances.

Mr. GRASSLEY.

Mr. MICHEL.

Mr. CRANE in two instances.

Mr. HORTON.

Mr. GILMAN in three instances.

Mr. BROYHILL.

Mr. DUNCAN of Tennessee.

Mr. ROUSSELOT in two instances.

Mr. TREEN.

Mr. STEIGER.

Mr SAWYER.

Mr. SHUSTER.

Mr. BURGENER.

Mr. CONTE.

Mr. RUDD.

Mr FISH in two instances.

Mr. SYMMS.

(The following Members (at the request of Mr. CORNWELL) and to include extraneous material:)

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. MCDONALD in five instances.

Mr. GAMMAGE.

Mr. VANIK in two instances.

Mr. TSONGAS in two instances.

Mr. MARKEY.

Mr. FLORIO.

Mr. DINGELL in two instances.

Mr. RONCALIO.

Mr. BIAGGI in 10 instances.

Mr. MOAKLEY.

Mr. CARNEY.

Mr. RODINO.

Mr. APPLEGATE.

Mr. EILBERG in 10 instances.

Mr. MIKVA.

Mr. BYRON in two instances.

Mr. KILDEE.

Mr. DUNCAN of Oregon.

Mr. SCHEUER in two instances.

Mr. NEAL.

Mr. RANGEL.

Mr. TEAGUE.

Mr. AMBRO.

Mr. DOWNEY.

Mr. PRICE.

Mr. CONYERS.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res 24. Joint resolution to authorize and request the President to issue annually a proclamation designating the first Sunday of September after Labor Day of each year as "National Grandparents Day"; to the Committee on Post Office and Civil Service.

ENROLLED BILL SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 3477. An act to reduce individual and business income taxes and to provide tax simplification and reform.

ADJOURNMENT

Mr. WOLFF. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 19 minutes p.m.), the House adjourned until tomorrow, Wednesday, May 18, 1977, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1507. A letter from the Governor, Farm Credit Administration, transmitting the 43rd Annual Report of the Farm Credit Administration and the cooperative Farm Credit System, covering fiscal year 1976, pursuant to section 5.18(3) of the Farm Credit Act of 1971; to the Committee on Agriculture.

1508. A letter from the Assistant Secretary of Defense (Comptroller), transmitting the selected acquisition reports and SAR summary tables for the quarter ended March 31, 1977, pursuant to section 811(a) of Public Law 94-106; to the Committee on Armed Services.

1509. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of the proposed final allocation formula and program guidelines for the State Planning Commissions program—intrastate planning, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

1510. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of the proposed final regulations governing the award of grants and contracts in modern foreign language and area studies, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

1511. A letter from the Director of ACTION, transmitting a draft of proposed legislation to provide authorizations of appropriations for programs under the Domestic Volunteer Service Act of 1973; to the Committee on Education and Labor.

1512. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on International Relations.

1513. A letter from the Attorney General, transmitting a draft of proposed legislation to authorize appropriations for the purpose of carrying out the activities of the Department of Justice; to the Committee on the Judiciary.

1514. A letter from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to amend the Disaster Relief Act of 1974 to provide for authorization of appropriations thereunder through fiscal year 1979; to the Committee on Public Works and Transportation.

1515. A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38 of the United States Code to increase the rates of disability and death pension and to increase the rates of dependency and indemnity compensation for parents, and for other purposes; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Omitted from the Record of May 16, 1977]

Mr. BROOKS: Committee on Government Operations. H.R. 6805. A bill to establish an Agency for Consumer Protection in order to secure within the Federal Government effective protection and representation of the interests of consumers, and for other purposes, with amendment (Rept. No. 95-347). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOLEY: Committee on Agriculture. H.R. 7171. A bill to establish more responsive programs for the benefit of farmers and consumers of farm products; to extend and improve the programs conducted under the Agricultural Trade Development and Assistance Act of 1954, as amended; and for other purposes (Rept. No. 95-348). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Committee on Rules. House Resolution 575. Resolution providing for the consideration of H.R. 10. A bill to restore to

Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes (Rept. No. 95-350). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 576. Resolution providing for the consideration of H.R. 6884. A bill to amend the Foreign Assistance Act of 1961 to authorize international security assistance programs for fiscal year 1978, to amend the Arms Export Control Act to make certain changes in the authorities of that act, and for other purposes (Rept. No. 95-351). Referred to the House Calendar.

Mr. MITCHELL of Maryland: Joint Committee on Defense Production. Annual report of the Joint Committee on Defense Production 1976 (Rept. No. 95-352). Referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

[Omitted from the Record of May 16, 1977]

Mr. BROOKS: Committee on Government Operations. H.R. 6804. A bill to establish a Department of Energy in the executive branch by the reorganization of energy functions within the Federal Government in order to secure effective management to assure a coordinated national energy policy, and for other purposes; with amendment (Rept. No. 95-346, pt. I). Referred to the Committee on Post Office and Civil Service for a period ending not later than May 26, 1977, for consideration of such portions of the bill as fall within that committee's jurisdiction under clause 1(o)(5), rule X, and ordered to be printed.

Mr. TEAGUE: Committee on Science and Technology. H.R. 6796. A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes; with amendment (Rept. No. 95-349, pt. I). Referred to the Committee on Armed Services and to the Committee on International Relations for a period ending not later than June 2, 1977, for concurrent consideration of only such portions of the bill as fall within the jurisdictions of those committees under rule X, clause 1(c)(11) and clause 1(k)(15), respectively, and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANNUNZIO (for himself and Mr. BARNARD):

H.R. 7224. A bill to increase for a 5-year period the duty on certain hand tools, and for other purposes; to the Committee on Ways and Means.

By Mr. BURLESON of Texas:

H.R. 7225. A bill to repeal the Occupational Safety and Health Act; to the Committee on Education and Labor.

By Mrs. COLLINS of Illinois (for herself, Mr. MOAKLEY, Mr. CLAY, Mr. STOKES, Mrs. LLOYD of Tennessee, Mr. NIX, Mr. DUNCAN of Tennessee, Mr. JENRETTE, Mr. BADILLO, Mr. MITCHELL of Maryland, and Mr. NEAL):

H.R. 7226. A bill to amend the Internal Revenue Code of 1954 to provide an additional personal exemption for certain elderly individuals whose spouses have died; to the Committee on Ways and Means.

By Mr. CORMAN (for himself, Mr. RANGEL, Mr. STARK, Mr. JACOBS, Ms. KEYS, Mr. FISHER, Mr. BURKE of Massachusetts, Mr. BRODHEAD, Mr. TUCKER, Mr. VANDER JAGT, Mr. KETCHUM, and Mr. GRADISON):

H.R. 7227. A bill to amend the Social Security Act to make needed improvements in the programs of supplemental security income benefits, aid to families with dependent children, child welfare services, and social services, and for other purposes; to the Committee on Ways and Means.

By Mr. DINGELL (for himself, Mr. BROYHILL, Mr. CONABLE, Mr. MANN, Mr. ROBERTS, Mr. RAHALL, Mr. MOLLOHAN, Mr. MATHIS, Mr. CORNWELL, Mr. FOUNTAIN, Mr. GUYER, and Mr. BAUCUS):

H.R. 7228. A bill to amend the Clean Air Act to establish certain motor vehicle emission standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. EVANS of Indiana:

H.R. 7229. A bill to reorganize the executive branch of the Government by consolidation of functions and to increase efficiency and coordination in the area of disaster assistance, emergency preparedness, mobilization readiness, and for other purposes; to the Committee on Government Operations.

By Mr. FISHER (for himself and Mr. STEERS):

H.R. 7230. A bill to amend the Internal Revenue Code of 1954 to eliminate the adjusted gross income limitation for the credit for the elderly and the joint return requirement; to the Committee on Ways and Means.

By Mr. FRASER (for himself, Mr. BYRON, Mr. CORNWELL, Mr. HARRIS, Ms. HOLTZMAN, and Mr. KASTEN):

H.R. 7231. A bill to add certain lands to the Boundary Waters Canoe Area, to redesignate such area as the Boundary Waters Wilderness Area, to withdraw certain authorities for timber harvesting and vehicle use within such area, to increase the payments made to counties respecting such area, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr GOODLING:

H.R. 7232. A bill to amend title 5 of the United States Code with respect to the observance of Memorial Day; to the Committee on Post Office and Civil Service.

By Mrs. HECKLER:

H.R. 7233. A bill to amend title 38 of the United States Code to permit veterans to determine how certain drugs and medicines will be supplied to them; to the Committee on Veterans' Affairs.

By Ms. HOLTZMAN:

H.R. 7234. A bill to amend title 28 of the United States Code to provide for the appointment of a special prosecutor in appropriate cases, and for other purposes; to the Committee on the Judiciary.

By Mr. JEFFORDS (for himself, Mr. WALKER, Mr. BEILENSON, Mr. HARRINGTON, Mr. OBERSTAR, Mr. MCHUGH, Ms. HOLTZMAN, Mr. TSONGAS, Mr. YATRON, Mr. CONTE, Mr. MOFFETT, and Mrs. FENWICK):

H.R. 7235. A bill to establish a national policy concerning agricultural land; to establish an Agricultural Land Review Commission; to establish a demonstration program for protecting agricultural land from being used for nonagricultural purposes; and for other purposes; to the Committee on Agriculture.

By Mr. McCORMACK (for himself, Mr. ANDREWS of North Dakota, Mr. BONIOR, Mr. BOWEN, Mr. BROWN of Ohio, Mr. EDWARDS of California, Mr. ERTEL, Mr. FLORIO, Mr. HOWARD, Mr. HUCKABY, Mr. JONES of Tennessee, Mr. KOSTMAYER, Mr. LAGOMARSINO, Mr. LUKEN, Mr. MURPHY of Pennsylvania, Mr. NEAL, Mr. NICHOLS, Mr. PEASE, Mr. PEPPER, Mrs. SPELLMAN, Mr. SPENCE, Mr. TRIBLE, Mr. VENTO, Mr. WATKINS, and Mr. YOUNG of Alaska):

H.R. 7236. A bill to encourage energy conservation in residences and in use of electric vehicles; to the Committee on Ways and Means.

By Mr. OTTINGER:

H.R. 7237. A bill to amend the Disaster Relief Act of 1974 and the National Flood Insurance Act of 1968, and for other purposes; jointly, to the Committees on Public Works and Transportation, and Banking, Finance and Urban Affairs.

By Mr. PRITCHARD (for himself and Mr. HANNAFORD):

H.R. 7238. A bill to allow service performed by women as members of telephone operating units of the Army Signal Corps during World War I to be considered active duty in the Army for purposes of all laws administered by the Veterans Administration; to the Committee on Veterans' Affairs.

By Mr. RODINO:

H.R. 7239. A bill to amend chapter 313 of title 18 of the United States Code; to the Committee on the Judiciary.

H.R. 7240. A bill to amend section 1963 of title 28, United States Code to provide for the registration of criminal judgments of fine or penalty; to the Committee on the Judiciary.

By Mr. RODINO (by request):

H.R. 7241. A bill to provide for the defense of judges and judicial officers sued in their official capacities; to the Committee on the Judiciary.

H.R. 7242. A bill to amend section 3146 (relating to release of defendants in noncapital cases prior to trial) of title 18 of the United States Code to provide for the consideration of the safety of other persons or the community in the decision as to whether and on what terms to permit such release; to the Committee on the Judiciary.

H.R. 7243. A bill to amend section 1332(a)(1) of title 28, United States Code, to reduce the jurisdiction of the U.S. district courts in actions between citizens of different States; to the Committee on the Judiciary.

H.R. 7244. A bill to amend the Canal Zone Code with respect to the appointment and service of probation officers, and for other purposes; jointly, to the Committees on the Judiciary, and Merchant Marine and Fisheries.

By Mr. RODINO:

H.R. 7245. A bill to amend the Federal Rules of Criminal Procedure to provide for appellate review of sentences; to the Committee on Rules.

By Mr. SKUBITZ (for himself, Mr. CARTER, Mr. GUYER, Mr. LATTA, Mr. GRASSLEY, and Mr. ASHBROOK):

H.R. 7246. A bill to repeal the provisions of the Postal Reorganization Act and reenact the former provisions of title 39, United States Code; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Iowa:

H.R. 7247. A bill to amend the Internal Revenue Code to regulate and prevent multiple taxation of certain kinds of income; jointly, to the Committees on the Judiciary and Ways and Means.

By Mr. WALSH (for himself, Mr. BLOUIN, Mr. CORNWELL, Mr. DEVINE, Mr. DUNCAN of Tennessee, Mr. EDWARDS of Oklahoma, Mr. ERTEL, Mr. GUYER, Mr. HALL, Mr. LENT, Mr. LAGOMARSINO, Mr. MADIGAN, Mr. MCDONALD, Mr. MOLLOHAN, Mr. RISENHOOVER, Mr. ROBERTS, Mr. WALKER, and Mr. WHITEHURST):

H.R. 7248. A bill to prohibit the expendi-

ture of Federal funds for the conversion to the metric system of measurements posted on highways without a direct authorization by the Congress for such expenditure; to the Committee on Public Works and Transportation.

By Mr. DODD (for himself and Mr. CARR):

H.R. 7249. A bill to amend the Federal charter of the Big Brothers of America to include Big Sisters International, Inc., and for other purposes; to the Committee on the Judiciary.

By Mr. DRINAN:

H.R. 7250. A bill to amend the Comprehensive Employment and Training Act of 1973 to establish a community service employment program for young persons; to the Committee on Education and Labor.

By Mr. GILMAN (for himself, Mr. ADDABBO, Mr. BADILLO, Mrs. COLLINS of Illinois, Mr DERWINSKI, Mr. DRINAN, Mr. ERTEL, Mr. FAUNTROY, Mr. HARRINGTON, Mr. KOSTMAYER, Mr. MITCHELL of Maryland, Mr. MURPHY of Pennsylvania, Mr. NEAL, Mr. RICHMOND, Mrs. SPELLMAN, Mr. STARK, Mr. STOKES, Mr. SIMON, and Mr. WAXMAN):

H.R. 7251. A bill to amend title 39, United States Code, to impose civil penalties against persons who fail to comply with orders of the U.S. Postal Service prohibiting the use of the mails to conduct lotteries or to obtain money or property through false representations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. OBERSTAR:

H.R. 7252. A bill to amend part I of the Interstate Commerce Act to prohibit certain rate discrimination on the basis of geographical location, for export commodities to be carried by water in export; to the Committee on Interstate and Foreign Commerce.

By Mr. TSONGAS (for himself, Mr. MITCHELL of Maryland, Mr. EVANS of Indiana, Mr. WYLIE, Mr. BROWN of Michigan, Mr. QUAYLE, and Mr. Udall):

H.R. 7253. A bill to reorganize the executive branch of the Government by consolidation of functions and to increase efficiency and coordination in the area of disaster assistance, emergency preparedness, mobilization readiness, and for other purposes; to the Committee on Government Operations.

By Mr. VANDER JAGT:

H.R. 7254. A bill to amend title 18, United States Code, to prohibit the sexual exploitation of children and the transportation in interstate or foreign commerce of photographs or films depicting such exploitation; to the Committee on the Judiciary.

By Mr. CHARLES WILSON of Texas:

H.R. 7255. A bill to amend titles II and XVIII of the Social Security Act to eliminate the waiting period for disabled individuals to become entitled to coverage under the medicare program; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. BLOUIN:

H.J. Res. 468. Joint resolution to amend the Constitution of the United States to provide for balanced budgets and elimination of the Federal indebtedness; to the Committee on the Judiciary.

H.J. Res. 469. Joint resolution proposing an amendment to the Constitution of the United States for the protection of unborn children and other persons; to the Committee on the Judiciary.

Mr. NOLAN (for himself, Mr. BEVILL, Mr. BINGHAM, Mr. PHILLIP BURTON, Mr. CORNWELL, Mr. CORRADA, Mr. DODD, Mr. EDWARDS of Oklahoma, Mr. EDGAR, Mr. EILBERG, Mr. GLICKMAN, Mr. GRASSLEY, Mrs. KEYS, Mrs. LLOYD of Tennessee, Mr. MAZZOLI, Ms. MIKULSKI, Mr. MILLER of California, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MURPHY of Pennsylvania, Mr. SANTINI, Mr. SPENCE, Mr. STEERS, Mr. BOB WILSON, and Mr. WINN):

H.J. Res. 470. Joint resolution authorizing the President to proclaim the third week of July of 1977, 1978, and 1979, as National Architectural Barrier Awareness Week; to the Committee on Post Office and Civil Service.

By Ms. OAKAR (for herself, Mr. COHEN, Mr. EMERY, Ms. Lloyd of Tennessee, and Ms. MIKULSKI):

H.J. Res. 471. Joint resolution designating the American rose as the national floral emblem of the United States of America; to the Committee on Post Office and Civil Service.

By Mr. ERTEL:

H. Res. 577. Resolution concerning committee hearings on the future telecommunication policy of the Nation; to the Committee on Interstate and Foreign Commerce.

Mr. KASTEN:

H. Res. 578. Resolution to insure that the quality and quantity of free broadcasting service not be impaired; to the Committee on Interstate and Foreign Commerce.

By Mr. McDADE:

H. Res. 579. Resolution recognizing and commending the Lackawanna County Monument Fund Committee; to the Committee on Post Office and Civil Service.

By Mr. PATTISON of New York:

H. Res. 580. Resolution to authorize each Member of the House of Representatives to hire two additional Lyndon Baines Johnson congressional interns and to authorize payment of additional compensation for such interns from the clerk hire allowance; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

146. By the SPEAKER. Memorial of the Legislature of the State of South Carolina, relative to amendments to the Clean Air Act; to the Committee on Interstate and Foreign Commerce.

147. Also, memorial of the Legislature of the Territory of Guam, relative to waiving the visa requirements for aliens visiting Guam for a limited number of days; to the Committee on the Judiciary.

148. Also, memorial of the Legislature of the State of California, relative to Grandparents' Day; to the Committee on Post Office and Civil Service.

149. Also, memorial of the Legislature of the State of Nebraska, relative to transportation of arctic natural gas reserves; jointly, to the Committees on Interior and Insular Affairs, and Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FORD of Michigan:

H.R. 7256. A bill for the relief of Nicholas Szmorhaj; to the Committee on the Judiciary.

By Mr. WEAVER:

H.R. 7257. A bill for the relief of Dr. Colin K. Wong; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 10

By Mr. FISHER:

Page 35, strike out lines 6 through 8 and insert in lieu thereof the following:

"§ 7325. Political activities by employees, etc.; prohibition

"(a) An employee may not hold, or be a candidate for—

"(1) any elective public office, unless such office is—

"(A) a part-time elective public office of a State or political subdivision of a State; or

"(B) to be filled in a nonpartisan election; or

"(2) an elective office of a political party or affiliated organization.

"(b) an employee may not engage in political activity—

"(1) in which such employee actively participates in any campaign activity on behalf of, or in opposition to, any candidate or political party (or affiliated organization), unless such activity is in connection with—

"(A) any campaign by any candidate for an elective public office of a State or political subdivision of a State; or

"(B) any nonpartisan election;

Page 35, line 9, strike out "(1)" and insert in lieu thereof "(2)".

Page 35, line 10, strike out "(2)" and insert in lieu thereof "(3)".

Page 35, line 15, strike out "(3)" and insert in lieu thereof "(4)".

Page 35, line 17, strike out "(b)" and insert in lieu thereof "(c)", and" strike out "subsection (a)" and insert in lieu thereof "subsections (a) and (b)".

Page 36, after line 6, insert the following: "The provisions of subsection (a) and of paragraph (1) of subsection (b) shall not apply to the head or the assistant head of an Executive agency or military department or an employee appointed by the President by and with the advice and consent of the Senate."

Page 36, line 7, strike out "(c)" and insert in lieu thereof "(d)".

Page 36, line 8, strike out "(b)" and insert in lieu thereof "(c)".

Page 36, line 10, strike out "(d)(1)" and insert in lieu thereof the following: "(e)(1)".

Page 36, strike out lines 14 through 22 and insert in lieu thereof the following:

"(A) is in connection with a nonpartisan election; or

Page 37, after line 19, insert the following:

"(f) For purposes of this section—

"(1) 'office of a political party' means the position of chairman, vice chairman, secretary, treasurer, committeeman, or any other substantially similar position of any political party or affiliated organization;

"(2) 'nonpartisan election' means any election—

"(A) in which no candidate is to be nominated or elected as a representative of any political party or affiliated organization which was identified with any candidate who received any vote in the last preceding election at which presidential electors were selected; or

"(B) on any issue, including a constitutional amendment, referendum, or any other issue, which is not identified with any political party or affiliated organization; and

"(3) 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, or any other territory or possession of the United States.

Page 37, beginning on line 23, strike out "elective office", and insert in lieu thereof "any elective office specified in subparagraph (A) or (B) of section 7325(a)(1) of this title".

Page 38, on line 1 and line 6, strike out "elective office" and insert in lieu thereof "any elective office specified in subparagraph (A) or (B) of section 7325(a)(1) of this title".

Page 49, in the item relating to section 7325 in the section analysis following line 8,

strike out "on duty" and insert in lieu thereof "by employees".

By Mr. GLICKMAN:

Page 30, after line 12, strike out all that follows down through page 31, line 22, and insert in lieu thereof the following:

"(9) 'restricted position' means any position with respect to which there is in effect a determination by the Commission, by regulation, that—

"(A) the public interest requires a restriction on the political activity of any employee holding such positions; and

"(B) the duties and responsibilities of such position—

"(i) require such employee, as a substantial part of his official activities, to engage in—

"(I) the enforcement of any civil or criminal law;

"(II) the inspection or auditing of the activities of any person;

"(III) the contracting for goods or services for the Government, including the procurement or sale of real or personal property;

"(IV) the awarding, administration, or monitoring of licenses, grants, subsidies, or other benefits; or

"(V) foreign intelligence or national security activities; and

"(ii) (I) in the case of any enforcement action referred to in subparagraph (B) (i) (I) of this paragraph or any inspection or audit referred to in subparagraph (B) (i) (II) of this paragraph, include the authority to determine who shall be the subject of any such action, include the actual carrying out of any such action, or include the authority to make a final determination with respect to any such action; or

"(II) in the case of any Government contract referred to in subparagraph (B) (i) (III) of this paragraph or any Government license, grant, subsidy, or other benefit referred to in subparagraph (B) (i) (IV) of this paragraph, include the authority to make any substantial determination with respect to any such contract or benefit which involves any funds or other interest having a value which exceeds $25,000; or;

"(III) in the case of any foreign intelligence or national security activity referred to in subparagraph (B) (i) (V) of this paragraph, the primary function of the agency, or office, bureau or entity within an agency relates to such activity.

Page 52, after line 2 insert:

SEC. 4. The Civil Service Commission shall study and review the effects of the amendments made by the Act on:

(1) the level of participation by Federal employees in activities relating to Federal, State, and local elections;

(2) the merit system, particularly the hiring, termination, or advancement of Federal employees, and

(3) matters generally affecting and contributing to the improper use of official influence or official information by Federal employees as prohibited under this Act.

The Commission shall report to the Congress not later than March 31, 1979, and March 31, 1981, the results of such study and review any findings therefrom together with such legislative or administrative recommendations as they consider appropriate.

By Mr. HARRIS:

Page 37, after line 19 insert the following:

"§ 7326. Personnel actions; improper recommendations

"(a) No employee may accept or consider, or influence or direct, or attempt to influence or direct any other employee to accept or consider, with respect to any personnel action, any recommendation unless—

"(1) the recommendation is furnished pursuant to a request made by an authorized representative of the United States solely to determine whether the individual involved in the personnel action meets the loyalty, suitability, and character requirements for employment; or

"(2) the recommendation—

"(A) is furnished pursuant to a request of an employee who is responsible for taking (or directing others to take), recommending, processing, or approving the personnel action; and

"(B) consists solely of an evaluation of the work performance, ability, aptitude, character, or general qualifications of the individual involved in the personnel action.

"(b) (1) Any employee who receives a written recommendation prohibited by subsection (a) of this section shall return such recommendation to the person who provided it, with an appropriate indication that the acceptance or consideration of such recommendation would be in violation of this section.

"(2) Any employee who receives an oral recommendation which is prohibited by subsection (a) of this section shall advise, in an appropriate manner, the person providing such recommendation that the acceptance or consideration of such recommendation would be in violation of this section.

"(c) For the purpose of this section—

"(1) 'personnel action' means—

"(A) an appointment,

"(B) a promotion,

"(C) a removal, suspension, furlough without pay, or reduction in rank or pay,

"(D) a transfer, assignment, or reassignment,

"(E) a reinstatement,

"(F) a restoration,

"(G) a reemployment, or

"(H) a performance evaluation,

with respect to an employee in, or applicant or eligible for, a position in the competitive service;

"(2) 'recommendation' means any communication, oral or written, made directly or indirectly by—

"(A) a Member of Congress, any other individual who holds an elective office, or a candidate;

"(B) a Congressional employee, as defined in section 2107 of this title (determined without regard to whether the employee's pay is paid by the Secretary of the Senate or the Clerk of the House of Representatives);

"(C) an employee appointed by the President or an individual referred to in section 7325(b) (1) or (2) of this title; or

"(D) an employee in a position which is excepted from the competitive service and which is designated by the Commission as being of a confidential or policy-determining character;

"(3) 'recommendation' does not include—

"(A) an inquiry which is limited solely to a request—

"(i) for a statement on the status of any personnel action; or

"(ii) for an explanation of the basis on which a personnel action has been taken; and

"(B) a statement of a type which the Commission determines, by regulation, should be excepted from the application of section (a) of this section in the interest of the orderly and efficient functioning of the Government, but only if such statement is made in such form and manner as the Commission shall determine, by such regulation, to be appropriate.

Strike out "or 7325" at each of the following places and insert in lieu thereof "7325, or 7326"; page 38, on line 18; page 39, on lines 11 and 16; page 40, on line 11; and page 45, on line 18.

Redesignate the sections following the new section 7326 accordingly (including any references to such sections).

By Mr. LEVITAS:

On page 47, strike out line 23 and all that follows through line 4 on page 48 and insert in lieu thereof the following:

"(a) (1) The Civil Service Commission shall promulgate such rules and regulations as may be necessary to carry out its responsibilities under this subchapter.

With promulgation or repromulgation of any such rule or regulation, the commission shall transmit a copy thereof to the Secretary of the Senate and the Clerk of the House of Representatives. Except as provided in paragraph (2), any such rule or regulation shall not become effective, if—

"(A) within 90 calendar days of continuous session of Congress after the date of promulgation, both Houses of Congress adopt a concurrent resolution, the matter after the resolving clause of which is as follows: That Congress disapproves the rule or regulation promulgated by the Civil Service Commission dealing with the matter of , which rule or regulation was transmitted to Congress on , the blank spaces therein being appropriately filled; or

"(B) within 60 calendar days of continuous session of Congress after the date of promulgation, one House of Congress adopts such a concurrent resolution and transmits such resolution to the other House, and such resolution is not disapproved by such other House within 30 calendar days of continuous session of Congress after such transmittal.

"(2) If at the end of 60 calendar days of continuous session of Congress after the date of promulgation of a rule or regulation, no committee of either House of Congress has reported or been discharged from further consideration of a concurrent resolution disapproving the rule or regulation, and neither House has adopted such a resolution, the rule or regulation may go into effect immediately. If, within such 60 calendar days, such a committee has reported or been discharged from further consideration of such a resolution, or either House has adopted such a resolution, the rule or regulation may go into effect not sooner than 90 calendar days of continuous session of Congress after its promulgation unless disapproved as provided in paragraph (1)(A).

"(3) The commission may not promulgate a new rule or regulation identical to one disapproved pursuant to this section unless a statute is adopted affecting the commission's powers with respect to the subject matter of the rule or regulation.

"(4) If the commission proposes a new rule or regulation dealing with the same subject matter as a disapproved rule or regulation, the commission shall comply with the procedures required for the issuance of a new rule or regulation.

"(5) For the purpose of this subsection, calendar days of continuous session of Congress means consecutive calendar days of a session of Congress the continuity of which is broken only by an adjournment sine die, excluding days on which either House is not in session because of an adjournment of more than 3 days to a day certain.

H.R. 6884

By Mr. BONKER:

On page 15, line 18, delete "$675,850,000" and insert in lieu thereof "$660,850,000".

On page 15, line 22, delete "$2,098,500,000" and insert in lieu thereof "$2,083,500,000".

By Mr. HARKIN:

Page 15, line 18, strike "$675,850,000" and insert in lieu thereof "$665,575,000" and in line 22, strike "$2,098,500,000" and insert in lieu thereof "$1,995,750,000".

By Mr. SIMON:

Page 20, line 20, immediately after "purpose of" insert "or which are likely to have the effect of".

EXTENSIONS OF REMARKS

FEDERAI EMERGENCY ASSISTANCE AND PREPAREDNESS ADMINISTRATION ACT OF 1977

HON. PAUL E. TSONGAS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. TSONGAS. Mr. Speaker, I am pleased to introduce today the Federal Emergency Assistance and Preparedness Administration Act of 1977.

This bill will consolidate emergency preparedness powers into one agency instead of the existing three. The result will be better protection and service to Americans during times of national emergency—and a savings of $15 million annually.

Mr. Speaker, this has already been a year of unprecedented national emergencies. There has been an exceptionally severe winter causing ununexpected shortages in heating fuel, industrial shutdowns, and millions of dollars of property damage as well as personal hardship; a severe drought in the Western part of the country necessitating water rationing and other emergency measures; and a series of disastrously large oil spills. They have focused the attention of the Nation on how our Government prepares itself for and reacts to the occurences of unexpected emergency situations.

The fact is that although we will have survived these emergencies, our preparedness and recovery efforts are not adequate.

Right now our Federal preparedness programs are disjointed, duplicative, inefficient, wasteful, and at times even conflicting. Three different agencies, the Federal Preparedness Agency of the General Services Administration, the Federal Disaster Assistance Administration of the Department of Housing and Urban Development, and the Defense Civil Preparedness Administration of the Department of Defense all compete for time and attention. The result is confusion.

Forty-three Governors have reported to the Joint Committee on Defense Production that this confusion causes severe problems in administering State emergency programs. One witness told the committee that his State agency had to prepare 7 pounds of paperwork in order to get Federal assistance in obtaining a $50 siren.

There are literally dozens of committees, interagency task forces, and study groups all working on Federal preparedness planning. But no one is commanding the ship. No one is coordinating or making overall policy decisions. No one in the executive branch can even determine exactly how much the Government is spending each year on preparedness programs—not even the Director of the Federal Preparedness Agency, who theoretically has control.

For many years the civil preparedness program—including preparedness for natural disasters, economic crises, industrial and transportation accidents for industrial mobilization, and for civil defense—has been based on the concept of a partnership between the Federal Government and State and local governments. The Federal Government encouraged States and communities to form single agencies to carry out all emergency services within their jurisdictions. Similarly, the Federal Government maintained a centralized policy and planning mechanism in the old Office of Emergency Preparedness in the Executive Office of the President.

Under this system, the close connection between emergency preparedness, especially in terms of civil defense and industrial mobilization, and national defense, was fully recognized in that the Director of the Office of Emergency Preparedness had a seat on the National Security Council. This is no longer the case today.

The present situation is the product of a long list of Executive Orders and reorganization plans spanning the past 27 years. Since 1950, Congress has enacted a number of significant statutes, creating Federal responsibilities for preparing for and reacting to emergency situations. The situations covered range from civil defense against nuclear attack to emergency relief in case of floods or tornados or other natural disasters, to the continuity of Government subsequent to nuclear attack. However, in drafting these various statutes, Congress has failed to address itself to the question of how to organize these responsibilities within the executive branch. Rather, statutes by and large have simply vested authority in the President himself.

For example, in 1969, through a single Executive Order (E.O. 11490), President Nixon distributed emergency preparedness responsibilities to 28 different agencies—since increased to 37—of the Federal Government. At that time, an Office of Emergency Preparedness existed in the Executive Office of the President to oversee the implementation of those responsibilities by these 37 agencies. However, just 4 years later, this Office was abolished through still another reorganization plan—plan No. 1 of 1973—and its functions were decentralized to less authoritative entities within the Government. As a result, each of those 37 agencies is currently answerable in their performance of these functions only to the General Services Administration, an agency with no statutory authority whatsoever to exercise supervision or dictate uniform policy over this area.

Another sign of institutional fragmentation is found in the structure of disaster relief programs. The "Catalogue of Domestic Assistance" published by the Office of Management and Budget now lists over 45 programs administered by 15 departments and agencies of the Government, again, without centralized supervision. State emergency relief agencies often find themselves confused in dealing with such an arbitrary array of bureaucracy. There is no central point of contact available to applicants for Federal emergency assistance. As a result, localities are often frustrated in obtaining necessary assistance, and American citizens suffer needlessly.

While we clearly have the programs to deal with emergency disaster situations, the haphazard and chaotic structuring of those programs has undermined their effectiveness.

As if these difficulties were not enough, Mr. Speaker, sharp splits have developed between those agencies of the Government responsible for preparing and planning for emergencies and those responsible for reacting to them. Preparedness functions have been isolated in those agencies, particularly DCPA and FPA, which are primarily concerned with civil defense and wartime preparedness, to the exclusion of natural disasters or other more commonplace emergencies. However, the major source of State preparedness funding emanates from just these agencies, and particularly DCPA preparedness grants. In the past, States and localities have used DCPA funds to establish procedures and organizations for both civil defense and natural disaster preparedness. Last year, however, in an effort toward organizational "reform," the States were forbidden from using DCPA funds for any purpose other than wartime civil defense preparedness. As a result, virtually all Federal assistance for natural disaster preparedness has dried up.

Mr. Speaker, the Federal Emergency Assistance and Preparedness Act of 1977 will have the net effect of eliminating two unnecessary Federal agencies and saving $15 million annually. There will be significant savings by reductions in overhead costs and possibly some manpower efficiencies as well. At the same time, the essential national emergency preparedness programs will be upgraded and improved.

Under this bill, a new agency will be created, the Federal Emergency Assistance and Preparedness Administration, with a director as a permanent member of the National Security Council. This new agency would have responsibility in cases of major disasters including hurricane, tornado, storm, flood, highwater, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, fire, explosion, civil disturbance, sabotage, or any other catastrophe which causes or may cause substantial damage or injury to civilian property or persons. It also will have jurisdiction over mobilization of the civilian economy—in times of war—and civil preparations for nuclear attack.

This legislation, in large measure, is the outgrowth of an extensive review undertaken last year by the Joint Committee on Defense Production. Among several major problems which that inquiry revealed was the problem of organization at the Federal level. The committee's report, which was released last week, details these organizational shortcomings in specific terms. This bill is based on the joint committee's recommendations for remedying these organizational deficiencies.

This bill is not so much an effort to reform the organization of the Federal preparedness effort as it is to restore to it a form which it has had in the past

and which, through the variety of changes that I have enumerated, it has now lost.

Mr. Speaker, the joint committee's year-long review of this area uncovered several additional findings.

First, there is no one in the executive branch who can state exactly how much the Government is spending each year on its preparedness efforts. So nominal is the policy control of the Director of Federal Preparedness that when the administration decided to make deep cuts in the civil defense budget, it failed to inform the Director of FPA or seek his advice on the planned reductions.

Second, the authority for many preparedness activities—authority formerly delegated to the Director of Emergency Preparedness—has been retained by the President under an executive order issued in 1973. It is unrealistic to expect the President to devote time on an ongoing basis to these important but not always pressing responsibilities. The result is that they have been neglected.

Indeed, in its hearings, the joint committee found that many preparedness functions assigned to Cabinet-level departments have been neglected. This appears to be a consequence of both overdelegation and underdelegation. In the press of other business, the President and his staff have apparently been unable to adequately oversee on emergency preparedness activities. That authority which has been delegated has been distributed in so diffuse a way that accountability has been lost. Simply stated, the problem is one of a lack of centralized policy and planning control.

Third, the committee found that splitting up the preparedness effort into three separate agencies located in three larger departments—the Federal Preparedness Agency in the General Services Administration, the Federal Disaster Assistance Administration in HUD, and the Defense Civil Preparedness Agency in the DOD—has had two negative results. First, it submerged these agencies so deeply in departments with essentially nonemergency missions that they were unable to get the attention they needed at the Cabinet-level. Lack of access has hampered their effectiveness. At the same time, the three-way split has confounded State and local agencies in their efforts to work with the Federal Government.

The existence of three separate agencies frustrates the coordination that is so vital of effective emergency preparedness. During the committee's oversight review, all of the State and territorial Governors were queried about the Federal preparedness program. Forty-three Governors reported that this three-way split causes severe problems in administering State emergency programs and only one reported that it causes no problems at all.

In its hearings, the joint committee heard from State emergency services directors who told us specifically how their own efforts were frustrated by the duplication of agencies at the Federal level.

According to the State directors, the biggest sources of trouble are the conflicting priorities and directives of the Federal preparedness organizations, as well as the duplication of paperwork which the State agencies must process.

We found several dozen committees, interagency task forces, and study groups trying to sort out the work of the many bureaucracies involved in preparedness programs but we did not find any central coordinating and policymaking authority.

In other hearings the joint committee learned about erosion of the defense mobilizaton base. This has come about for many of the same reasons that have undermined Federal efforts to cope with natural disasters. Various parts of the defense industrial base planning system are strewn throughout the Government—in the Commerce Department, in GSA, in the Labor Department, in the DOD, and elsewhere. Centralized control of these activities is largely a fiction. The lack of a central authoritative organization for overseeing the defense implication of the peacetime civilian economy means that the agencies spend precious time and resources trying to harmonize their own interests rather than monitoring and coordinating the activities of the industrial base. Here, as with other aspects of civil emergency preparedness, conflicts in the program priorities of different departments and agencies lead to lack of agreement about preparedness priorities and thus to misallocated resources, programmatic confusion, and ineffectiveness.

Mr. Speaker, the fragmented Federal emergency preparedness effort is not responsive to the needs of our citizens; it is not effective. It has not kept pace with the many new types of disaster or crisis that threaten life and property in a complex, modern society. Among these are large-scale transportation accidents, suddden resource shortages, nuclear powerplant accidents, sabotage, and terrorism.

And, as presently constituted, the Federal emergency preparedness effort wastes money. How much, we cannot be sure, because there are no fully accurate figures on total disaster preparedness spending. But the administration of three preparedness agencies duplicates overhead costs. And we can be sure that there is something wrong in our spending priorities when one Federal agency can spend millions to build an underground bunker for storing currency against a nuclear attack, while the State and local governments have difficulty getting funds for drought relief or surplus Federal equipment to aid in coping with other natural disasters.

This bill, which I am introducing today, will go a long way toward eliminating these problems, conflicts, and inequities. It will provide a central administration for all types of emergency preparedness policy, planning, and programs. It will give this administration policy and budget control over preparedness activities which, for practical reasons, should be carried out by other departments and agencies. It provides for a unified and comprehensive approach to all preparedness planning. It recognizes that the security of life and property is endangered by many types of natural and manmade events by restoring to the National Security Council the official of Government primarily responsible for emergency preparedness. And it mandates savings in overhead costs by providing spending ceilings for the new Federal Emergency Assistance and Preparedness Administration.

This legislation is based on a long and careful study of the past development and present condition of American emergency preparedness organizations and programs. It seeks to build on the wisdom of our past experience in this area, and to take into account of the many more recent developments that affect the safety of our lives and property. I believe that my colleagues will find that it answers our national preparedness needs very well and deserves expeditious consideration:

H.R. —

A bill to reorganize the executive branch of the Government by consolidation of functions and to increase efficiency and coordination in the area of disaster assistance, emergency preparedness, mobilization readiness, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this Act may be cited as the "Federal Emergency Assistance and Preparedness Administration Act of 1977".

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DEFINITIONS

SEC. 2. As used in this Act—

(1) the term "emergency preparedess" refers to all programs, functions, activities, or expenditures of the Federal Government undertaken for the purpose of preparing, warning, planning, stockpiling, training, or othrwise establishing contingency measures against damage or danger to life, limb, property, the environment, or the economy, or the mitigation of such damage or danger which might result from the occurrence of any one or a combination of—

(A) a major disaster or emergency as defined in the Disaster Relief Act of 1974;

(B) an industrial, transportation, or simlar accident;

(C) an economic crisis resulting from any commodity shortage (including an energy shortage), industrial shutdown, or other disruption caused by any occurrence referred to in this subsection or by any other fortuitous or uncontrollable circumstance resulting in severe personal, business, or community hardship;

(D) the effect on life or property of an act of sabotage or terrorism;

(E) an accident involving radioactive material;

(F) any such emergency or disaster occurring outside the United States or its territories for which the United States might wish to donate assistance; or

(G) the effect on civilian life and property of a military or industrial mobilization or an attack upon the United States involving either conventional or nuclear weapons;

(2) the term "disaster assistance" refers to all programs, functions, activities, or expenditures of the Federal Government undertaken for the purpose of facilitating

recovery from or repair of damage inflicted by or providing immediate relief during the course of any of the occurrences enumerated in clause (1); and

(3) the term "Federal agency" means any department, agency, or other authority of the executive branch of the Government or any subdivision or office thereof.

ESTABLISHMENT

SEC. 3. There is hereby established as an independent establishment of the executive branch of the Government the Federal Emergency Assistance and Preparedness Administration (hereinafter referred to as the "Administration").

DIRECTOR

SEC. 4. (a) The Administration shall have a Director and Deputy Director who shall be appointed by the President, by and with the advice and consent of the Senate, without regard to political affiliation and solely on the basis of fitness to perform the duties and functions of the office. The Deputy Director shall act for and exercise the powers of the Director during the absence or disability of the Director.

(b) The Director shall be responsible for the exercise of all powers and the discharge of all duties of the Administration. The Director shall have authority and control of all of the staff of the Administration and their activities. The Director shall maintain budgets and allocate available funds as appropriate in carrying out the provisions of this Act.

(c) The Director shall be a permanent member of the National Security Council and shall report to the President through his Domestic Council for other than national security matters.

(d)(1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following:

"(66) Director, Federal Emergency Assistance and Preparedness Administration.".

(2) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following:

"(114) Deputy Director, Federal Emergency Assistance and Preparedness Administration.".

ORGANIZATION

SEC. 5. (a) For purposes of carrying out his responsibilities under this Act, the Director may delegate such of his duties and authorities as he sees fit to subordinates within the Administration and to the Deputy Director.

(b) The Director shall establish within the Administration the following Offices to assist him in carrying out the provisions of this Act and the functions transferred to the Administration by this Act:

(1) An Office of Disaster Assistance Operations to implement those functions of the Administration relating to emergency relief for areas declared by the President pursuant to his authority under the Disaster Relief Act of 1974 to be major disaster areas or areas under states of emergency.

(2) An Office of Emergency Preparedness to implement those functions of the Administration related to preparing the American people against contingencies as defined in section 2(1).

(3) An Emergency Information Center to implement the responsibilities of the Administration under sections 6(10), 6(11), 8(a)(4), and 8(a)(6).

(4) An Office of Program Evaluation to review on a continuing basis all programs, functions, and activities of the Administration, including both those under the direct authority of the Administration and those within the supervisory or coordinating functions of the Director under section 7 of this Act, and to make recommendations, based on its review, to the Director for the improvement of such programs, functions, and activities through better coordination, consolidation, institutional realinement, programmatic amendment, or otherwise through legislation or agency action.

FUNCTIONS

SEC. 6. The Administration shall—

(1) implement all Federal disaster assistance programs and authorities transferred to the Administration by section 9;

(2) implement all Federal emergency preparedness programs and authorities transferred to the Administration by section 9;

(3) coordinate all programs, functions, and activities of the Federal Government related to emergency preparedness and disaster assistance;

(4) develop and implement a coherent overall policy framework encompassing all functions of the Administration, and in such framework—

(A) identify priorities for Federal activity,

(B) integrate the preparedness and assistance functions of the Administration to provide a unified approach to Federal emergency activities,

(C) provide adequate emphasis to civil defense and other nuclear preparedness programs, and

(D) identify and integrate the roles of the States and localities in the overall emergency preparedness and disaster assistance effort;

(5) carry out comprehensive planning and policy formulation with respect to industrial mobilization, economic readiness, and such other civil preparedness functions as may be assigned by the President for emergencies and contingencies relating to the national defense and for supervising and coordinating the implementation of Federal economic and industrial mobilization programs;

(6) develop, in coordination with other branches, departments, and agencies of the Federal Government, contingency plans for the continuity of the Federal Government and for supervising the implementation of these plans;

(7) establish and maintain training programs for personnel from public agencies and private institutions concerned with predicting, planning for, and preparing for emergencies and disasters or with providing assistance before, during, or after the occurrence of such emergencies and disasters;

(8) develop, and where appropriate, implement, in consultation with representatives of appropriate Federal agencies contingency plans for fulfilling its responsibilities under this Act, in a manner which—

(A) reflects priorities established under clause (4),

(B) concentrates available resources against those needs most common and costly, and

(C) incorporates the full range of contingency and emergency situations within the jurisdiction of the Administration;

(9) initiate reviews of Federal emergency preparedness and disaster assistance programs and make periodic recommendations regarding how such programs can be improved through greater consolidation, coordination, institutional realinement, programmatic amendment, or otherwise by legislation or Federal agency action;

(10) undertake research and development activities leading to the improvement of programs under the cognizance of the Administration, including generic studies of disasters, emergencies, crises, and other contingencies which adversely affect life and property, and provide the results of such research and development activities to Federal, State, local, and private agencies, as appropriate; and

(11) monitor all programs, functions, and activities of the Federal Government concerned with collecting and analyzing data on natural, economic, industrial, agricultural, technological, scientific, and other phenomena and trends, including data on materials availability and consumption, for the purpose of assisting in the fulfillment of the Administration's responsibilities for predicting, planning for, and preparing for industrial and economic mobilization, strategic stockpiling, economic crises, and emergencies and disasters as defined under section 2(1) of this Act, and assemble and maintain current information relevant to such purposes in a central location and make available to the public and to interested public and private agencies on a periodic basis new information assembled pursuant to this clause.

COORDINATION WITH OTHER FEDERAL AGENCIES

SEC. 7. (a) All expenditures related to emergency preparedness and mobilization authorities under the Defense Production Act of 1950, as amended, as delegated and assigned to Federal agencies under Executive Order 11490 and 10480, as amended, shall be included within the annual budget and appropriation of the Administration, and the Director shall be responsible for coordinating and supervising the implementation of programs and activities pursuant to such authorities.

(b) Upon a declaration by the President, pursuant to the Disaster Relief Act of 1974, of a major disaster or a state of emergency, the Director shall coordinate and supervise all programs functions, and activities of the Federal Government to provide assistance under such declaration. The head of each Federal agency having jurisdiction of any such program, function, or activity, shall cooperate with the Director in fulfilling his responsibilities under this section.

(c) The head of each Federal agency which has jurisdiction of a program or function relating to emergency preparedness or disaster assistance, including those referred to in subsection (b) of this section, shall, within 30 days of the enactment of this section and thereafter at least annually, report to the Director on the status, funding, and activities of each such program or function. The Director, at least annually, shall cause to be published a compilation of reports submitted to him under this subsection. Such compilation shall be made available to the public on such terms as the Director shall prescribe.

(d) The head of each Federal agency which has jurisdiction of a program, function, or activity relating to emergency preparedness or disaster assistance, including international disaster assistance, shall assist and cooperate with the Director in developing contingency plans under section 6(6) and 6(8), and shall likewise assist and cooperate in the implementation of those plans where so requested by the Director.

(e) The head of each Federal agency which has jurisdiction of any program, function, or activity concerned with collecting and analyzing data described in section 6(11) shall cooperate with the Director in fulfilling his responsibilities under that subsection.

COORDINATION WITH STATES AND LOCALITIES

SEC. 8. (a) The Director shall assist States and localities in applying for and participating in all Federal programs relating to emergency preparedness and disaster assistance. This assistance shall include—

(1) providing relevant information and materials to applicants and participants;

(2) maintaining a library of current information to be made available to States and localities;

(3) providing education services and programs to States and localities;

(4) monitoring all Federal agencies concerned with studying natural phenomena and predicting natural occurrences and potential natural disasters, and providing such information on a regular basis to States and localities;

(5) establishing within the Administration a single point of contact for all State, local,

and private preparedness or relief organizations in order to facilitate coordination of programs and standards among different types of government and organizations and to improve the provisions of Federal services;

(6) providing on a regular basis such information as shall have been assembled under section 6(11) of this Act which might be useful to States and localities in predicting, planning for, or preparing for emergencies or disasters; and

(7) providing liaison services to other Federal agencies.

(b) The Director shall develop improved avenues of Federal-State cooperation, including those authorized under the Joint Funding Simplification Act of 1974, and implement these methods where applicable.

(c) The Director shall consult with States and localities in carrying out his functions under this section.

TRANSFERS OF FUNCTIONS AND AUTHORITIES

SEC. 9. All functions, authorities, files, and accounts of the Defense Civil Preparedness Agency in the Department of Defense, the Federal Disaster Assistance Administration in the Department of Housing and Urban Development, and the Federal Preparedness Agency, the Stockpile Storage Division and such other elements as are related to stockpiling in the General Service Administration, are hereby transferred to and vested in the Administration.

ANNUAL REPORTS

SEC. 10. (a) Not later than December 31 of each year, the Director shall report to the President and the Congress on activities pursuant to the provisions of this Act during the preceding fiscal year. Such reports shall include—

(1) an analysis of all funds expended or obligated under each of the programs or activities assigned to the Administration by this Act;

(2) an assessment of the Administration's efforts in providing assistance following each declared major disaster or state of emergency including an accounting of assistance provided, and progress that has been made in facilitating recovery from such declared major disaster or state of emergency;

(3) progress under emergency preparedness programs assigned to the Administration;

(4) a description of activities undertaken by the Administration toward improving coordination and cooperation among agencies of the Federal Government and between the Federal and State and local governments relating to activities under this Act;

(5) recommendations, as appropriate, of the Office of Program Evaluation under section 5(b)(4); and

(6) such other recommendations as the Director deems appropriate and such information as may be useful in assessing the progress of the Administration.

(b) Each report required to be submitted to the Congress by this Act shall be referred to the standing committee or committees having jurisdiction over any part of the subject matter of the report.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. There are authorized to be appropriated to the Federal Emergency Assistance and Preparedness Administration through the close of fiscal year 1981—

(1) for all expenses except those set forth under paragraphs (2) and (3), $126,700,000 for fiscal year 1978, $129,700,000 for fiscal year 1979, $132,700,000 for fiscal year 1980, and $135,700,000 for fiscal year 1981;

(2) for expenses in carrying out the functions of the Administration under the Disaster Relief Act of 1974, not including administrative expenses, such sums as may be necessary; and

(3) for expenses in carrying out the functions of the Administration under section 7(a) of this Act, $38,000,000 for each of the fiscal years 1978, 1979, 1980, and 1981.

AMENDMENT OF PREPAREDNESS PROGRAMS

SEC. 12. (a) Section 2 of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2251) is amended—

(1) by striking out ", in this thermonuclear age," in the first sentence of such section; and

(2) by inserting "or from major disasters" immediately after "from attack" in the second sentence of such section.

(b) Section 3 of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2252) is amended—

(1) by inserting immediately after paragraph (a) the following:

"(b) The term 'major disaster' means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, fire, explosion, civil disturbance, sabotage, or other catastrophe in any part of the United States which causes, or which may cause, substantial damage or injury to civilian property or persons.".

(2) by redesignating paragraphs (b), (c), (d), (e), (f), and (g) as paragraphs (c), (d), (e), (f), (g), and (h), respectively;

(3) by amending paragraph (c) (as redesignated by paragraph (2)) by—

(A) inserting "or by a major disaster" in clause (1) immediately after "attack upon the United States"; and

(B) inserting "or major disaster" after "attack" each place it appears in such paragraph after clause (1); and

(4) by amending paragraph (d) (as redesignated by paragraph (2)) by striking out the period at the end of the first sentence and all that follows through "civil defense plans".

(c) Section 201 of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2281) is amended—

(1) by striking out "of enemy attacks to the civilian population" in paragraph (c) and inserting in lieu thereof "to the civilian population of any attack or major disaster";

(2) by inserting "and major disasters" in paragraph (d) immediately after "effects of attacks";

(3) by striking out "June 30, 1976" in the second proviso to paragraph (e) and inserting in lieu thereof "September 30, 1980";

(4) by inserting "or major disaster" in paragraph (g) immediately after "attack" each place it appears;

(5) by striking out "June 30, 1976" in the fourth proviso to paragraph (h) and inserting in lieu thereof "September 30, 1980";

(6) by striking out "quarterly" in the tenth proviso to paragraph (i) and inserting in lieu thereof "annually".

(d) Section 205 of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2286) is amended—

(1) by inserting "and the areas which may be affected by major disasters" in paragraph (d)(1) immediately after "target and support areas"; and

(2) by striking out "June 30, 1976" in subsection (h) and inserting in lieu thereof "September 30, 1980".

(e) Section 307 of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2297) is amended by striking out "June 30, 1974" and inserting in lieu thereof "September 30, 1980".

U.S.S.R. STANDS TO PROFIT FROM SALES OF ORE TO U.S.

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, May 17, 1977

Mr. HARRY F. BYRD, JR. Mr. President, I have recently come across an article which echoes many of the concerns I have expressed concerning the embargo on Rhodesian chrome.

It was written by Robert S. Allen, a nationally syndicated columnist.

I ask unanimous consent that the full text of this article be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S.S.R. STANDS TO PROFIT FROM SALES OF ORE TO U.S.

(By Robert S. Allen)

There is a strikingly significant omission in Administration gloating over repeal of the Byrd Amendment that gave the U.S. free rein to import Rhodesian metallurgical chrome.

This is the exceedingly moot question—just who won what?

Examination of what's behind this glaring silence quickly reveals the stark answer:

Far and away the principal gainer is Russia—which once again will have a highly profitable near-monopoly as this country's main supplier of metallurgical chrome, essential in the production of missiles, nuclear submarines, jet aircraft, other key weapons and high-grade steel products.

At the same time, the outstandingly heavy loser will be the American consumer who once again will bear the rap for virtually certain rapacious Russian price gouging.

The record is irrefutably predictable on that.

Before 1966, when the United Nations, under Moscow-Arab-African bloc domination, imposed economic sanctions against Rhodesia, Soviet chrome sold at $27 a ton. By 1971, when Sen. Harry Byrd (Ind.-Va.) persuaded Congress to approve his amendment voiding compliance with the United Nations ban, the Russian price had zoomed 183 per cent.

But with Rhodesian chrome once again being shipped to the U.S., the Soviet price declined markedly—until 1974.

That year, the Senate, under vigorous spurring by former Secretary Henry Kissinger, junked the Byrd Amendment and it looked as if the House would follow suit.

Results: Russia doubled its price to $160 a ton.

But the House balked, and the repeal legislation was voted down—taking with it the Soviets' vaulting chrome profits.

Now, of course, the way is wide open for that profiteering to be resumed—at the expense of U.S. consumers who will have to pay in higher weapons and steel costs.

It will be one more deep notch in the inflation gouge.

Grimmest irony of all is that the U.N.'s sanctions have been ignored and violated from the very start. Not only that, but the worst offenders have been the loudest embargo invokers.

High on the list are none other than Russia and the East European satellites—notably East Germany and Czechoslovakia, with others not far behind. In January of this year, a classified United Nations report flatly charged the Soviet Union and four satellites with large-scale violations of the Rhodesian sanctions.

It is interesting to note that this U.N. document got short shift from the media—which never pass up a chance to publicize anything critical of the U.S. But somehow, this report was conveniently disregarded.

That intriguing indifference has characterized the publicizing of violations of the Rhodesian embargo throughout.

Since its imposition in 1966, the United Nations has recorded around 75 formal complaints. Among those charged with violations are Russia, four Eastern European satellites, Britain, Red China, France, West Germany, and most of the black African countries—in the van of denouncers of white ruled Rhode-

sia and demanding rigorous restrictions against it.

"I find it ironic," says Sen. Byrd, "that countries most vocal against U.S. importation of Rhodesian chrome have been in the front rank of violators of the U.N. sanctions. It is these same countries that in arguing for the imposition of the embargo characterized Rhodesia as a 'threat to world peace.'

"Rhodesia is a small, landlocked country, with six million people, virtually no military assets and a police force that is the mainstay for keeping order. That force, incidentally, is predominantly black. There is no way in the world Rhodesia can be considered a threat to world peace. It was ludicrous for the U.N. to so declare."

But it did—and other equally asinine, biased and frenetic antics that have cost U.S. taxpayers hundreds of millions of dollars.

While the United Nations castigated Rhodesia for so-called "minority rule," the characteristically hypocritical world organization has yet to criticize or do anything about outright dictatorial rule in the controlling Soviet-Arab-African bloc. Of the 49 African countries, 15 are iron-fisted military dictatorships and 29 others one-party authoritarian states.

Claims of Byrd Amendment opponents that new technological processes now make it possible to use low-quality chrome are plausible to some extent. Large steelmakers that can afford the expensive equipment necessary for these processes can use inferior-quality chromium. But that doesn't apply to the hundreds of small U.S. factories that make stainless and other high-grade steel. They are compelled to use chromium of the fine type available in large quantities only from Rhodesia, South Africa and Russia. It is these small businesses that will be hurt by the reimposition of the United Nations embargo against Rhodesian chrome.

Byrd Amendment supporters flatly contend the U.N. sanctions are both illegal and unethical. They charge that "in terms of the U.N. Charter, under Articles 39 and 41, an embargo can only be imposed against a country if it is judged to be a threat to world peace."

When former Secretary Kissinger testified before the Senate Finance Committee for the bill to repeal the Byrd Amendment, he was asked by the Virginia legislator, "In your judgment, does Rhodesia represent a threat to world peace?" Replied Kissinger, "No, I do not." Continued Byrd, "Do you think our actions toward Rhodesia are just or unjust?" With characteristic unctuousness, Kissinger weaseled, "Well, I think it reflects the decision of the international community and the general conviction about justice." Byrd, looking Kissinger over coldly, replied, Frankly, I am not clear from what you have just said, whether you regard it as just or unjust."

ANDY YOUNG—THE QUIET DIPLOMAT

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. RONCALIO. Mr. Speaker, I am pleased to include an item from the Christian Science Monitor for Monday, May 16, which responds in part to the remarks made earlier today by my good friend and colleague from Missouri, Mr. ICHORD, regarding our African problems today.

The Monitor item reveals that our former colleague, Ambassador Andrew Young, is a quiet diplomat, and that the shock-approach diplomacy which raises criticisms from some quarters is actually resulting in quite a good job for our best interests in all of Africa.

Mr. Daniel Sutherland, staff correspondent for the Monitor, comments on the improvement in our relations with Nigeria and in seeing this I am reminded of the fact that in the dark days of the oil embargo, to its everlasting credit it was Nigeria which committed its entire royalty oil for the relief of our problems in America, an act that I am not at all sure was followed by so-called friendly types among the OPEC countries.

In any event, I think the item from the Christian Science Monitor merits reading and it follows:

ANDREW YOUNG, THE QUIET DIPLOMAT

(By Daniel Southerland)

WASHINGTON.—Andrew Young, the quiet diplomat?

Is there another side to America's outspoken and controversial Ambassador to the United Nations?

Indeed there is, if you can believe some of the African specialists in, of all places, the State Department, where grumbling about the "Andrew Young problem" has been widespread.

What some of the State Department officials who live with the Africa problem day in and day out are saying is that Mr. Young has been to a great extent responsible for improvements in America's relations with a number of black African nations.

"He's done quite a good job, but a lot of it doesn't get public," said one State Department specialist, pointing to U.S. relations with Tanzania, Zambia, and even Mozambique.

"If Zaire hadn't happened, we would have had significant movement with Angola as well," the official said.

IMPROVEMENTS ELSEWHERE

But what this official and others most often single out is Mr. Young's quiet efforts to improve U.S. relations with Nigeria, black Africa's richest and most heavily populated country.

Mr. Young has just visited Nigeria for the second time since he became Ambassador to the United Nations. Last year, Secretary of State Henry A. Kissinger had planned a trip to the West African country, but the Nigerian Government asked him not to come. After this rebuff to Dr. Kissinger, U.S.-Nigerian relations appeared to reach a low point. But relations have improved considerably in recent months, thanks in no small measure, officials say, to the efforts of Ambassador Young.

Nigeria, which exported $5 billion worth of oil to the United States last year, is currently mounting a drive to attract American investors, and negotiations are under way to establish a joint U.S.-Nigerian economic commission.

Mr. Young has his critics in the State Department, of course. Some officials find his "open mouth" diplomacy extremely unsettling. But there are also those within the department who allege that the bureaucrats are far too comfortable with fixed ideas and could profit from the shock of fresh thinking. Ambassador Young sees himself as a force for change, preparing public opinion—and the bureaucracy—to accept new directions in foreign policy.

A RETHINKING

"Andy Young makes people over here think—justify past policies and rethink what they're doing," said one State Department official in defense of Mr. Young's self-professed role as foreign policy "point man" for the Carter administration.

While Mr. Young's public remarks on South Africa have raised questions about his suitability as a diplomat, they too appear to have helped improve America's image among the black African nations.

When President Carter first announced a month ago that he had designated Vice-President Walter F. Mondale to focus on U.S. policy in Africa, the move was widely interpreted as an attempt to rein in the outspoken Mr. Young. But State Department officials deny that this is the case. Some of them say that if anyone's role has been diminished, it has not been that of Mr. Young but that of the assistant Secretary of State for African Affairs, William E. Schaufele Jr., a carry-over from the Kissinger days, who, officials say, is soon to be replaced as part of a changing U.S. policy on Africa.

ON THE OCCASION OF PEACE OFFICERS MEMORIAL DAY—1977

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. BIAGGI. Mr. Speaker, yesterday was the official observance of Peace Officers Memorial Day. As a 23-year veterans of the New York City Police Department, it is a high personal honor for me to pay tribute to my colleagues in law enforcement, especially the thousands who have given up their lives in service to their fellow man.

The inherent dangers in law enforcement work are graphically demonstrated in the increasing numbers of law enforcement personnel killed each year in this Nation. Already in this year, 28 law enforcement officers have been killed in the line of duty. For the past several years, we have averaged over 100 law enforcement personnel killed. We are somewhat heartened by the fact that Congress has finally passed and the President has signed the Public Safety Officers Death Benefits Act. This law of which I was a cosponsor and ardent supporter of provides a $50,000 lump sum payment for the widows and survivors of law enforcement personnel killed in the line of duty.

While we are grateful that we have provided the means for compensating the families of these slain officers, we are still seeking the answers to prevent their deaths in the first place. There is still strong elements of lawlessness in this Nation, and law enforcement officers as visible signs of authority represent an especially vulnerable target for this element of our society. It is time that the States and the Congress passed laws imposing the death penalty on any person who kills a law enforcement officer in the line of duty. We must provide meaningful deterrents to this type of action which goes to the very heart of this Nation's ability to fight crime.

It is appropriate that on this occasion we pay tribute to our law enforcement personnel who daily are on the front lines in the war against crime. We must also pay tribute to those who have given up their lives so that we can remain free. The job of a law enforcement officer is

dangerous and oftentimes unrecognized for its importance. Peace Officers Memorial Day is an opportunity for this Nation to recognize the essential nature of law enforcement work. Let us pledge ourselves to continued support for our law enforcement personnel and especially commit ourselves to providing better means to guarantee their protection.

INVITATION TO FRAUD

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, May 17, 1977

Mr. HARRY F. BYRD, JR. Mr. President, Chicago, Ill., is a fine city—and the second largest in the United States.

But bearing in mind the voting frauds and voting irregularities which have taken place there over the years, I do not want the State of Virginia to be turned into another Chicago or Cook County.

That is what I fear would happen if the so-called instant registration legislation is approved by the Congress.

The plan would permit anyone who shows up at the polls on Election Day to vote, even though the individual had not previously registered.

Such a fantastic proposal was analyzed in the following way by Steven L. Klein, director of the Americans for Democratic Action in Illinois: "Every tombstone, firehouse and lamppost in the city of Chicago would be enfranchised if pre-election registration were eliminated."

The ably edited Richmond Times Dispatch had an editorial on this subject in its edition of Saturday, May 14. It was captioned "Invitation to Fraud."

I ask unanimous consent that this excellent editorial be published in the Extension of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INVITATION TO FRAUD

The Carter administration wants to encourage voting by citizens who don't now vote, among whom, an administration spokesman says, are a disproportionate number of the less educated people of the nation.

Assuming that the quality of government will be enhanced by getting as many warm bodies as possible to the polls, the administration is proposing a method that has serious shortcomings.

The idea is that anyone who shows up at the polls on election day should be permitted to vote, without any advance registration, provided only that he can present identification or have someone else identify him.

Though it is generally accepted that increasing the number of voters by this method would increase the Democratic party vote, even some liberal Democrats see the fallacy in the plan.

"Every tombstone, firehouse and lamppost in the city of Chicago" would be enfranchised if pre-election registration were eliminated, declares Steven L. Klein, director of the Americans for Democratic Action in Illinois.

Universal registration would be "a flippant approach to a very important problem" because it would encourage "impulse voting" by people who would go to the polls only because other people were going, says a member of the Democratic National Committee, James M. Wall.

Some officials of President Carter's own Justice Department see the President's plan opening the way to widespread political hanky-panky.

"We recognize that election-day registration may increase the opportunity for election fraud," said Thomas H. Henderson Jr., chief of the public integrity section of the department's Criminal Division, in telegrams sent to all U.S. attorneys.

The concept embodied in the bill backed by the administration represents "a dangerous relaxation of what precious few safeguards exist against abuse of the franchise," wrote Craig Dansanto, a career lawyer who heads the election unit of the Criminal Division, in a memo prepared for internal department use.

The people of this country have sense enough to recognize a threat when they see one. A Gallup Poll reported a few days ago that the President's plan is opposed by a percentage of 55-to-40 by persons expressing an opinion when questioned on the subject.

There is no evidence whatever that the quality of government will be improved by getting to the polls people who haven't enough interest in the candidates or issues to spend the little time and energy necessary to meet the pre-election registration requirements now prevailing in most states, including Virginia.

Election day registration simply by identifying oneself or being identified by someone else would be a boon to persons who would want to vote more than once by giving fictitious names and addresses.

The basic idea is unsound to begin with—that is, that the bigger the vote in any election, the better democracy is served. That idea is pure nonsense. There is virtue in a large *informed* vote. There is no virtue in enticing to the polls people who have no knowledge of the issues or candidates and who simply mark their ballots by whim, thereby possibly thwarting the will of those citizens who are casting informed votes.

But none of this bothers those who see political hay in the proposal. The House Administration Committee has approved the universal registration bill by a vote of 17-to-8. Seventeen Democrats voted for it. Eight Republicans voted against. The Senate Rules Committee approved a similar bill by a 5-to-4 vote Thursday, with five Democrats in the majority and three Republicans and one Democrat in the minority.

If members of the House and Senate cast party-line votes on this issue, obviously it will pass easily. In that event, the Democratic politicians may be the winners, but the people of the nation as a whole will be the losers.

POSTAL SERVICE IS LOSING OUT ON R. & D.

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. HORTON. Mr. Speaker, I would like to insert into the RECORD an aritcle which appeared in the Wall Street Journal entitled, "Postal Service Is Losing Out On Research And Development." Mr. Mossberg provides a very thorough discussion of the many issues involved in the development and potential application of electronic mail transmission technology. The article is worthwhile reading for those interested in the policy decisions that will be made by the Congress and U.S. Postal Service, and the private sector regarding the emerging development and implementation of electronic mail transmission techniques. The article follows:

POSTAL SERVICE IS LOSING OUT ON R. & D.

(By Walter S. Mossberg)

WASHINGTON.—The U.S. Postal Service may be assuring its own financial collapse by refusing to expand aggressively into the emerging market for "electronic mail" transmission.

This is the view of a number of experts in government, science, business and labor. They say that by the mid-1980s, billions of messages and financial transactions now handled by mail will be moved electronically by computers and facsimile equipment.

Some predict that by 1985, the equivalent of one-third of the Postal Service's current volume could be lost to electronic transfer.

The mail most adaptable to the changeover is now moving within or between the nation's largest cities, and it thus represents the most profitable part of the Postal Service's business. Losing it would cost the agency heavily in revenues, and would probably doom it to a permanent fate of rising rates and growing tax subsidies.

"Time is running out" for the Postal Service, a National Academy of Sciences panel warned last year. "While it delays its entry into electronic message services, developments by private firms are sure to proceed, possibly foreclosing any opportunities for the (service) to move into the field in any meaningful way."

International Business Machines Corp., Xerox Corp. and other firms are developing electronic systems that will enable business to largely avoid the Postal Service for financial transactions and many other kinds of messages. The speed and quality of facsimile machines are increasing and the cost and size of computers are dropping.

Meanwhile, the supposedly businesslike Postal Service, which is legally required to break even financially by 1984, is spending only $10 million on such research, equal to about six hours' worth of postal revenues. As things stand, postal management couldn't start a partial electronic system for about seven years, and by then critics say it will be too late to compete.

THE COMMISSION'S CHARGES

Last month, a special study commission of business and labor leaders charged that the agency's research has "low priority, little money, no organizational stature and modest top management commitment." A congressional aide calls the research "an attempt to look like you're doing something when you're really doing nothing."

But the go-slow policy is deliberate, according to Postmaster General Benjamin Franklin Bailar. A greater effort isn't needed, he says, because "I don't see any reason why the government ought to be in a business which private industry is willing and able to take care of."

Mr. Bailar, a former American Can Co. executive, concedes that "electronic communications developments means the traditional Postal Service is going to have less volume and be less important." But he adds that "there comes a time when you have to realize that the world's changing and acknowledge it. I don't feel that the preservation of the sheer size of the Postal Service is a concept that ought to be pursued for its own sake."

That attitude infuriates many of the agency's critics. Postal union leader James La Penta professes to see "a conspiracy to turn the mails back to private enterprise." House postal subcommittee chairman James Hanley says "it is very distressing that present

postal management does not see the need to put greater emphasis on the research and development of new electronic message systems."

There are two types of electronic message systems. One is called electronic funds transfer, in which banks and their major customers link computers to switch money into and out of accounts by electronically adding and deducting funds. About 15% of the federal treasury payments, including many Social Security "checks," are already transferred this way.

Because about 70% of all first class mail consists of financial transactions, the potential loss to the Postal Service from electronic fund transfers is enormous. Consumer resistance to "checkess" banking may slow down the growth, but a study by Arthur D. Little, Inc., estimates that about 10% of first-class mail alone will be lost to electronic banking by 1985.

The other major type of electronic mail is the transmission of messages, rather than just numbers, by electronic means. The first stage of this system's development likely will involve putting "hard copy"—paper—into a computer or facsimile machine, flashing it to another such machine electronically, and reconverting it to "hard copy" for delivery by hand. An example of this is the Postal Service mailgram, which is received in post offices via Western Union Co. and then delivered by a carrier.

The second stage of development will involve direct transmission of messages to and from terminals in homes and businesses. A person or company would feed a message into one computer or facsimile machine and it would be speedily received on the recipient's computer TV screen terminal, where he could have it printed out on paper, if he chose.

This may sound futuristic, but several hundred homes in Japan already have it, experimentally receiving letters, bills, theater tickets and even newspapers over modified TV sets. And some deaf people in the U.S. already use a computer-controlled teletype message network that stores messages and issues a newsletter.

The Arthur D. Little study released last month concludes that "our current rate of technological advance makes it almost certain" that "it will be economically feasible to install electronic terminals in essentially all residences and places of business" in the U.S. "as early as the late 1980s."

But senior Assistant Postmaster General J. T. Ellington Jr., says "we're not even attempting to be on the leading edge of electronics, and we have no interest in getting into the banking business." He explains that the Postal Service's research "is focusing almost entirely on the early stage of electronic message systems, where carrier delivery would still be involved." And he adds that the transitory nature of that stage makes the service unsure it should get involved.

According to a schedule published this spring, the service doesn't plan to start testing any electronic message equipment until 1979, and won't even begin installing any system it might offer until 1984. But by 1982, according to a George Washington University study, privately run electronic systems "will be well ahead of any possible (Postal Service) system."

XEROX'S OFFER

Ironically, the Postal Service could have had a system of the type it's studying ready to start this year, if it had accepted an offer made to it last year by Xerox. The company proposed to install high-quality facsimile machines, linked by satellite, in 31 post offices in big cities, according to postal officials. They say Xerox proposed that the agency then offer a same-day guaranteed mail service at $2.50 for the first page, and $1.50 for each additional page.

Postal officials say Xerox claimed that if the system expanded in seven years to 232 post offices, the agency would be making $50 million a year on it, after deducting leasing and marketing fees paid to Xerox.

But the Postal Service rejected the plan, saying it would be unethical to accept the Xerox plan without asking other firms for bids. Requests for other bids aren't planned, however. One reason, postal officials say, is that a similar system failed in Britain.

That decision irritated the congressional study commission that reported on the agency last month. It urged the service to join with private firms to offer just such a "same-day, premium mail facsimile service." It also recommended that Congress modify the agency's legal monopoly to allow private firms to offer extra-speedy mail service if the Postal Service won't.

Postmaster General Bailar declars that "the electronic network is a fundamentally different business where we have nothing special to offer. If we jumped in, we'd be acting in a predatory manner and I don't think the government ought to do that."

He cites practical problems as well—a need for capital to build electronic equipment, and a lack of technical expertise. Postal officials also say electronic mail wouldn't generate enough revenues to help subsidize the dwindling, but costly residue of messages and parcels that will still be delivered by postal carriers.

Mr. Bailar explains that he favors the current postal monopoly on traditional letters only because the agency's 30,000 post offices make it the most efficient carrier. In electronics, he says, no such federal monopoly can be justified, and without a monopoly the government is too far behind to compete.

Mr. Bailar isn't entirely alone in this view. Henry Geller, former general counsel of the Federal Communications Commission, declares that the service should stay out of direct electronic transmission "on legal, policy and pragmatic grounds."

PRIVATE SECTOR'S FUNCTION

And chairman Lionel Van Deerlin (D., Calif.) of a House communications subcommittee urges Congress to formally declare that "telecommunications is properly a private sector function" and that entry of the Postal Service into electronic mail "could cause grave harm to our domestic telecommunications industry."

Charles Jackson, a computer expert who advises the Van Deerlin subcommittee, describes the agency as a hopelessly outmoded "system of people walking around with bags of processed wood pulp that have black marks on them."

Even many of those criticizing the service's research effort aren't certain it should eventually control home-to-home or office-to-office electronic mail. And postal officials doubt that the current legal monopoly on hand-carried letters would extend to the transmission of electronic messages.

But others believe some government control will be needed to ensure the legality and privacy of messages and to regulate electronic carriers.

The Arthur D. Little study concluded that as the operator of any national electronic mail network, the agency might be able "to assure privacy, equity, universality, reasonable charges and service." And a Carter administration official says "some agency has to be in charge of security, and insure privacy, and I'd rather see the Postal Service do it than something like the Federal Reserve Board."

But despite disagreements about whether the agency should handle electronic mail or not, there's widespread agreement with the National Academy of Sciences' conclusion that "by maintaining the status quo it is unlikely that the (service) can be run as a modern, self-sustaining enterprise, without continually raising rates or sacrificing service."

LOCOMOTION, THE ULTIMATE ENERGY CRISIS

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. SCHEUER. Mr. Speaker, while we may all agree in general that conservation of our dwindling nonrenewable energy resources is essential, we neglect at our peril the particular issue of vehicular locomotion—how are we to propel ourselves about if our means of locomotion is petroleum-based power and we are finally without petroleum. Lewis L. Zickel, a distinguished professional engineer, has written a provocative and thoughtful paper on this issue which I urge all Members to read:

LOCOMOTION, THE ULTIMATE ENERGY CRISIS

(By Lewis L. Zickel)

The question of the availability of fossil fuels over the short and intermediate ranges can be argued. However, the most skeptical citizen must admit that somewhere in the foreseeable future the fossil fuels extant on this planet will be consumed. The only debatable question is, "When?". President Carter's announced energy program addresses the matter of dwindling resources of oil and natural gas in terms of coal, nuclear, solar and other potential sources of energy and an effort toward conservation. None of these, not even conservation, relate to the problem of power for locomotion in the long range. Currently, there are alternative sources of energy for heating, cooling and secondary power generation. There are no alternatives for powering our land and air vehicles of the future. Here lies the real technological shortfall in the energy crisis. This is the root of our vulnerability.

Every aspect of our economy and national defense is tied to oil powered locomotion except for a few nuclear ships and submarines. All rail, air and automotive transportation. . . . our entire national capability for movement. . . . are inexorably tied to either reciprocating or reaction engines. The continued functioning of these three vast transportation assets and their satellites is predicated on the perpetual availability of oil. Such perpetuity is not possible. Without an alternate means of powering vehicular movement the failure of these industries (and the function which they serve) is assured.

In structuring our forces for national defense, the availability of petroleum is a parameter of major proportion in the assessment of relative combat power. We now must be aware that there is a new dimension to the defense problem. New generations of combat aircraft, main battle tanks and other combat and combat service support vehicles are developed and placed in the active hardware inventory for a life cycle of approximately twenty-five years. All are now powered by petroleum products. By what means will we power the next generation of vehicles and weapons? In the long range we can neither accept the risk of loss of mobility nor can we assume that our potential adversaries will run out of petroleum reserves before we do. We must assume the reverse. Facts probably verify the latter assumption. Basic locomotion may become our Achilles heel.

It is not a moment too soon to address ourselves to the problem of developing new concepts of locomotion to eventually replace the current systems of vehicular power which will ultimately lose their viability. Regenerable fuels need to be sought or re-

fined around which new engines must be designed.

This could become the major scientific effort in the history of man to date because of the high level of sophistication required of the end product. The problem is to convert a highly mechanized society from one concept of mechanization to another without a drastic drop in capacity and productivity. It took some 80 years of progressive development catalyzed by the technological explosions of two world wars and the space race to bring us to the current level of locomotive sophistication. The first generation of new propulsion systems developed from this proposed scientific effort must function with at least the degree of performance and reliability of systems in use now if we are to minimize the negative impact upon our economic system from such conversion. Its timely success will perpetuate our industrialized culture; its failure will herald in social regressions that may very well rend the fabric of our society. This statement provides grist for the philosopher's mill. Its logic lies with the need to deliver grits to his table. The delivery of food; its distribution from the farm to the kitchen is the basic mobility requirement of our society.

What sector of our society should lead this massive research effort? Despite my strong belief in the market place as the prime instrument of meeting the demands of society for new products, I do not believe that this task can be performed on a timely basis through the leadership and initiative of the private sector without a strong presence and involvement of the Federal Government. The large capital investment existing in the petroleum oriented industries is too immense for these industries to wholeheartedly perform the independent research which will render their investments obsolete just as long as a source of oil exists or is thought to exist anywhere in the world. I would expect, therefore, that the intensity of the research and development effort by the energy oriented industries would be kept in proportion to their perception of oil availability. Any program so throttled would be inimical to our national interest. The technological resources of the private sector must be utilized, but the program must be centrally controlled and administered by the Federal Government.

We have proven the wisdom of this type of technological mobilization through the successes of the Manhattan Project and the Space Program. Both accomplished their objectives. Both generated economic benefits to the full spectrum of our economic system from education to industry.

The development of new concepts of locomotion must become a major component of our national strategy and effort now. The forecasts of the time required and specific outcomes of this massive effort are beyond prediction. In the face of these uncertainties, logic dictates that the maximum amount of time and money be made available to accomplish the basic objective; freedom from reliance on petroleum powered systems of vehicular movement. To not solve this problem presages a national disaster of crippling proportion; to not *attempt* to solve it, a national dereliction.

UNITED NATIONS FUND FOR DRUG ABUSE CONTROL

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. GILMAN. Mr. Speaker, during the February 1977 congressional recess, at the request of the Select Committee on Narcotics and the State Department, Congressman JAMES SCHEUER and I attended the 27th session of the United Nations Commission on Narcotic Drugs in Geneva, Switzerland. Having been accorded the privilege of addressing the Commission meeting, I took that opportunity to call to their attention the need for a broader, more equitable assumption of the fiscal responsibility of the world's narcotic problems. The drug abuse problem is not unique to any one country. . . . It is indeed a worldwide threat to all nations.

In 1971, the Commission on Narcotic Drugs helped to create the United Nations Fund for Drug Abuse Control. UNFDAC is a trust fund of voluntary contributions to finance projects, primarily in developing countries, to strengthen national drug control capabilities, to reduce the demand for illicit drugs, and to encourage regional cooperation to counter the illicit traffic. As of the end of 1976, the fund has received over $23.5 million from some 60 governments. However, of this total more than 80 percent, some $18 million, has come from the United States.

During the 27th session, UNFDAC's Executive Director, Ambassador J. G. de Beus, stated that "there are many countries whose contributions—or sometimes, lack of contributions—is in no way proportionate to the direct benefit they reap." Some of the nations more seriously affected by the growth and abuse of illicit narcotics have not contributed any amounts or at best token sums.

In its short lifetime, UNFDAC has made impressive gains in its efforts to control the flow of narcotic drugs. Its greatest roadblock however, has been the lack of adequate funding for its programs. Since no single nation can counter this threat alone, a concerted international action is essential. Without international support, the international narcotics control community will lose its main instrument for effective concerted world action against illicit drugs.

It is my firm belief that this should not happen. The United Nations Fund for Drug Abuse Control should expand its operations, not phase them out. But, to do this, we need increased support throughout the world in this fight against trafficking and abuse of illicit drugs. As I noted in my address before the Committee, "it is relatively easy to utter the words of a declaration of war, it is far more difficult and much more important to engage in the battle—to give meaning to our words by our deeds."

I have recently received a letter from Executive Director de Beus commenting on the effects of our visit and our requests and reporting on UNFDAC's fund raising efforts and the progress of their various programs. In addition, he states that "the unreserved support of the United States Congress is essential if the United Nations Fund is to continue to receive from the United States the contributions which are essential for the continuation of its operations." He continues, that "one of our problems in fundraising is that we, as a Fund, are dealing and must deal primarily with governments, whereas the parliamentarians of their countries are often not sufficiently aware of our activities and the need for financial support."

In an effort to help make more of my colleagues aware of the valuable contribution that UNFDAC makes to the international narcotics control effort, I am inserting Ambassador de Beus's correspondence for your review. UNFDAC deserves our continued support, both financially and morally.

The text of the Ambassador's letter follows:

UNITED NATIONS OFFICE AT GENEVA,
Palais Des Nations, May 5, 1977.

HON. BENJAMIN A. GILMAN,
Select Committee on Narcotics Abuse and Control, U.S. House of Representatives.

DEAR MR. GILMAN: In response to your letter of April 28, 1977 allow me first of all to express my appreciation for the help you gave us by your and Congressman Scheuer's attendance at the meeting of the Commission on Narcotic Drugs and your intervention in the debate on Fund operations. Your statements to the Commission, which were reported in the summary records of the meeting, on the one hand clearly demonstrated the U.S. Congress' support for our objectives, and on the other hand your expectation that other governments will make greater contributions to our programmes since they are of universal benefit. I have used your statements as well as those made in Congressman Wolff's press conference in Geneva on 9 November 1976 in urging other governments to increase their contributions wherever I believed they would be responsive to your encouragement.

I recognize that the unreserved support of the United States Congress is essential if the United Nations Fund is to continue to receive from the United States the contributions which are essential for the continuation of its operations. If knowledgeable and committed Congressmen from the Select Committee like Congressman Wolff, Congressman Scheuer and yourself could persuade parliamentarians in other countries, especially in western Europe, to take a similar position, this would surely help to obtain the increased contributions which you and we are entitled to expect from those governments. As you may know, we have succeeded in increasing the number of contributing governments from 40, when I took up my position, to 69 now. However, since most of the new contributors are developing countries, the total amount of contributions received has not gone up in proportion with the number of donors.

Visits such as yours to parliamentarians of other countries are particularly useful because one of our problems in fund-raising is that we, as a Fund, are dealing and must deal primarily with *governments*, whereas the *parliamentarians* of their countries are often not sufficiently aware of our activities and the need for financial support. I hope therefore that it will be possible for members of your Select Committee to initiate or maintain such contact with members of Parliaments from other countries.

A second problem which we are meeting in an increasing degree in our efforts to raise additional funds in the following:

During the early stages of our activities the drug problem was mostly considered a problem to be dealt with by the national Ministries of Health or of Justice, because of the initial assumption that drug abuse was primarily a problem in the field of health or of law enforcement. In the course of our activities we have, however, more and more come to the conclusion that an important aspect of our efforts should be to try and cut off the supply of drugs, in particular of

opium and its derivatives, at their source, i.e. in the countries of origin such as Turkey, Afghanistan, Pakistan, Burma and Thailand.

As you are aware, the U.N. Fund for Drug Abuse Control has, in cocperation with the Turkish Government, established and supported a system of poppy growing in Turkey, which has enabled the farmers to continue the production of opium poppy without, however, any opium being tapped from the opium poppy, with the result that Turkey has now been completely closed as a source of opium for the illicit market for the last two years. This programme has cost the U.N. Fund approximately $4 million, of which about ¾ or $3 million was derived from contributions of the U.S. I should like to point out that consequently this result has been achieved at a cost to the U.S. taxpayer of less than 1/10 of the $35 million which the U.S. were prepared in 1972 to make available to Turkey to end the growing of poppy.

The Fund is now concentrating its efforts on the remaining producing countries and has, on the basis of experience, increasingly come to the conclusion that one cannot simply forbid the growing of opium poppy without offering the very poor poppy farmer an alternative, and if possible better, way of gaining his livelihood. This means that in practice our crop replacement programmes in South Asia—and the same may apply in future to coca replacement in Latin America—are more and more taking on a character of development aid. Our experience in fund-raising in the industrialized countries shows that the national Ministries of Health and/or Justice, who used to bear the contributions to the U.N. Fund, have only a very small financial margin for such contributions to international projects. Hence we have recently concentrated on getting the principle accepted that our "crop replacement and community development programmes" have such a strong development aspect that it is justified to use development aid funds for the support of these programmes. We were therefore very happy that the U.N. Commission on Narcotic Drugs at its 27th session in February 1977 adopted a resolution to this effect, which, we hope, will be confirmed by the Economic and Social Council.

It is in this context that one must also consider my recent mission to the Scandinavian countries. Rather than asking for an increase or doubling of their present contributions, we concentrated on the principle that all opium, heroin and other derivatives now coming into Europe, find their origin in certain countries in South Asia and that therefore the most effective way of combatting this flow of drugs is to support the crop replacement and community development programmes aimed at replacing the production of these drugs by that of food and other useful products. I was particularly happy that this thesis found a strong and favorable response in the Nordic countries. I may, in this connection refer to the report on my mission to the Nordic countries, which I sent you earlier. For the convenience of the members of your Commission I enclose as Appendix to this letter a number of statements made by members of the Nordic Governments pledging their support from development aid funds for the crop replacement programmes of the U.N. in the Golden Triangle and other opium producing areas. I likewise enclose a statement made by the Norwegian Minister of Foreign Affairs in the Storting on 18 April 1977, which eloquently states the determination of Norway "to use Norwegian development aid funds to support economic and social efforts which could prepare the ground for substituting production of opium with other agricultural products." The Minister added: "In the light of the communiqué from the Foreign Ministers' meeting in Reykjavik, there is reason to believe that other Nordic countries, too, will contribute to the Fund. Such a joint Nordic initiative would undoubtedly mean a considerable strengthening of the activities of the Drug Abuse Fund and could, moreover, lead to other countries increasing their contributions and to new countries joining in the effort."

In the meantime discussions with the Scandinavian Governments have been going on, the exact purport of which I am not at liberty to disclose as long as the Governments concerned have not come to a final decision and their Parliaments have not given their authorisation. I can, however, state that if the present plans materialize, they would result in very substantial support to the Fund and in particular to its crop replacement programmes. I have good hopes that this combined effort will result in a situation such as the U.S. Senate and House of Representatives, as well as the U.N. Fund, have been striving for, viz. that the U.S. contribution to the Fund should be more evenly balanced by contributions from other countries.

On the basis of the above mentioned resolution of the U.N. Commission on Narcotic Drugs and of the generous support by the Nordic countries we intend now to renew our efforts in other industrialized countries to obtain greater support on their part, in particular using development aid funds.

A next problem which the Fund is facing is to apply and extend the successful results of our pilot projects on a much larger scale. This problem is arising now in Thailand, where our 5-year pilot project is in its last year. It has been very successful in that it has proven to the farmers that they can replace the production of opium poppy with other products with equal or better profit. Our pilot project in the North of Thailand, however, covers only 30 opium producing villages and would gradually have to be extended to all the 800 opium producing villages. It goes without saying that this will be a major undertaking, and also that the Thai Government is accepting this gigantic task not only in the interest of its own hill tribe population, but also of many countries consuming illicit opium, and is therefore entitled to support from the worldwide community. This will require funds on a much larger scale than the U.N. Fund for Drug Abuse Control could ever provide. I do *not* intend to ask for greater U.S. contributions for this purpose, but will try to make the Fund fulfill its role as a *catalyst* in trying to raise and co-ordinate contributions of other U.N. organisations which are spending considerable amounts for development aid in Thailand, such as UNDP, FAO, the World Bank, the World Food Programme, etc. To sound out the possibilities in this field the Fund has just now, in co-operation with the Narcotics Division of the U.N., sent a mission to Thailand.

The Thai Government on its part has undertaken the obligation, in a provisional agreement which I made with them in December last, to draw up a master plan in order to take over the UN/Thai crop replacement programme, to apply the results of this programme in phases to the other poppy growing areas, and to put into effect in these areas the ban on poppy growing.

A similar problem will have to be faced at a later stage in other opium producing countries such as Burma, Pakistan and Afghanistan, when the pilot projects in those countries mature.

It is hoped that as these projects and their financing materialize, this will ultimately result in a situation in which the U.S. contribution will become a smaller part of a truly world wide financing. This would put an end to the present situation where the U.S. are providing more than ¾ of our income, a situation which in the long run can of course not be maintained. At present, however, I must emphasize that the situation is certainly such that the Fund and the numerous activities financed by it are preponderantly dependent on the support of the U.S. and that if that support should be withdrawn, this would mean the collapse of all the ongoing programmes with their hopeful future possibilities.

I hope that this survey will give you and the Select Committee an insight in our future programmes and in our efforts to reduce the share of the U.S. in financing them. Please convey to your colleagues our deepest thanks for the support the U.S. Congress is giving us.

Yours sincerely,

Dr. J. G. DE BEUS,
Executive Director, United Nations Fund for Drug Abuse Control.

MINISTERIAL STATEMENTS

(In connection with the UNFDAC Mission to the Nordic countries)

In a statement after the meeting with the Fund representatives, Mr. Ullsten, Swedish Minister for Development Aid, confirmed that the possibility of using Swedish development aid funds to support the activities of the United Nations Fund in various developing countries had been discussed during the visit. Mr. Ullsten found that the Fund was making a valuable contribution in reducing the flow of narcotics. Some of its activities, he said, aimed at supporting social and economic development in some very poor countries where the opium poppy is now being grown.

Mr. Ullsten further stated, "We believe it is important to offer to poor farmers who cultivate opium poppy socially and economically reasonable alternatives to the cultivation of poppies, which they have been cultivating for generations. These farmers should be offered a chance to switch from the cultivation which has such destructive consequences to a productive cultivation. A large part of the Fund's activities aim at precisely this. The Fund also makes important contributions for instance, through the World Health Organization (WHO) in the fields of health and preventive education. The Government will study in positive terms, and within the framework of the aims of Swedish development assistance, the possibilities of contributing financially to the activities of the Fund. We also plan to contact other industrialized countries to find out what plans they have to expand their support for the Fund."

At a local meeting of the Norwegian Social Democratic Party, Minister Frydenlund made the following statement: "Norway is prepared to use development aid funds to help opium poppy growers to switch to other crops, and I will raise this question at the meeting of Nordic Ministers of Foreign Affairs in Reykyavik. The goal is to establish co-operation with the authorities in the countries concerned in projects which would lead to cultivation of alternative crops. The authorities in the so-called Golden Triangle now seem to be interested in such a change of production".

At the meeting of the foreign ministers of Denmark, Finland, Iceland, Norway and Sweden, held in Reykjavik from 23 to 24 March 1977, the ministers considered the work being accomplished by the United Nations Fund and particularly its crop substitution programmes of particular interest and this was reflected in the final communique of the meeting as follows: "The Ministers

discussed the serious problems which the illegal traffic in narcotics has caused also in the Nordic countries. These call for new international measures. They expressed the intention of the Nordic countries to work actively for initiatives in this field through the organs of the United Nations".

The Nordic Council convening in Helsinki on 5 April 1977 discussed drug abuse. Mrs. Irma Toivanen, Finnish Minister for Social Affairs and Health, emphasized that one of the most effective ways of combatting drug abuse was to go to its source and prevent production. She, therefore, proposed a joint Nordic project within the framework of the United Nations Fund for Drug Abuse Control, for example, in Afghanistan where a programme was being developed for limiting poppy-growing by creating possibilities for cultivation of other products.

REPEAL OF THE EARNINGS LIMIT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. CRANE. Mr. Speaker, in all the discussion we are having these days about expanding or curbing the powers of the labor unions, one hears little about the earnings limit on social security. Presumably, this is due to the fact that people see little relationship between social security legislation affecting those who have retired and labor laws dealing with those who are still working. In reality, however, the two are not only related but, were it not for the vested interests of organized labor, it is unlikely that any limitation on what senior citizens could earn would have much support.

As the law now stands, any senior citizen between 65 and 72 who earns in excess of $3,000, in addition to paying income and payroll taxes on the entire amount, forfeits $1 in social security benefits for every $2 he or she earns over and above the $3,000 limit. The fact that this penalty is exacted against what amounts to a repayment of previous contributions seems to be of little consequence. Nor does it seem to matter that the senior citizen may find the financial going tough on a fixed income and would rather work than live in poverty. As things now stand, encouraging people to retire, even though they may be both able and eager to work, takes precedence over both fair play and individual need.

A look back to the turn of the century indicates what a profound impact the earnings limit has had. In 1890, for instance, 73.9 percent of all elderly males over 65 worked. In 1930, the percentage was still a high 58.3 percent but, by 1970, the percentage had dropped to 25 percent. However, social security benefits have hardly compensated for this loss of income; as of a year ago, the maximum benefit for a man retiring at age 65 was $400 a month and the average benefit was only $208 a month. As anyone who has gone to the store lately knows, $208 a month is hardly adequate for anyone to live on.

Even the folks who administer and supervise social security admit that it does not totally compensate for the income previously derived from working. As the 1965 Advisory Council on Social Security put it:

> The purpose of social security benefits is to furnish a partial replacement of earnings which are lost to a family because of death, disability or retirement in old age.

Subsequent pronouncements by subsequent advisory councils have made the same point; social security benefits are no match for earned income.

The rationale offered in defense of an earnings limit, or retirement test as it is frequently called, is that it will help those who need it the most—those who have retired and are no longer able to work. To do otherwise, so the logic goes, would "water down" the benefits to the extent that they would not be very helpful. However, if everyone has paid into the program over the years, why should some be penalized simply because they are industrious or healthy or both? Not even life insurance policies, which some people inaccurately like to compare to social security, are as discriminatory in their applicability. And, as if that were not enough, the very existence of a retirement test encourages employers to force employees to retire, and go on a fixed income, before they otherwise might. Perhaps the earnings limit would make more sense if this were not the case, but no one can deny the trend toward mandatory retirement at age 65 in recent years.

So, if the aforementioned rationale is not the reason for the earnings limit, what is? As a historian by training, I think a look back at the measure's origins gives us a clue. The retirement test was written into the original Social Security Act of 1935 by a Congress concerned by the effects of the Great Depression. Four years before, a similarly affected Congress had passed the Davis-Bacon Act in order to keep those anxious to work on Federal public works projects—undertaken, in large part, to fight depression-generated unemployment—from driving down wage scales. Three years later, Congress passed the Fair Labor Standards Act, which included provision for a 25-cents per hour minimum wage, in order to keep job hungry people from accepting employment at any wage, thus driving down wage scales. Both bills favored the same group that was responsible for two other depression era measures aside from the two just mentioned. Those measures were the Norris-LaGuardia Act and the Wagner—National Labor Relations—Act and the special interest group was organized labor.

Underscoring the importance of a retirement test to organized labor is the analysis of former HEW Secretary Wilbur Cohen. Writing in a book entitled "Retirement Policies Under Social Security," Cohen explains that without a test:

> The labor movement was particularly concerned, in light of the 1929–1934 experience, with the possibility that the payment of an old age benefit might encourage employers and employees to depress the wage level if any appreciable number of older employees drew old age benefits and continued working at the same time.

Subsequently, labor recognized there was another value to such a test—if older people were encouraged to retire, in fact penalized if they did not retire, there would be less competition with the remaining union members for existing jobs. Thus, it is as much in organized labor's interest to continue to support a retirement test, even though we are far removed from the depths of the Great Depression, as it was to back it in the first place. And, as Mr. Cohen points out, the representatives of organized labor have "* * * supported consistently the inclusion of a retirement test in the law, as have the representatives of business and private insurance companies."

On the surface, at least, the argument that encouraging people to retire reduces the unemployment rate would seem to make sense. However, as W. Kip Viscusi and Richard Zeckhauser point out in a new book entitled "The Crisis in Social Security; Problems and Prospects":

> Removing the elderly from the work force only reduces the scale of the economy, not the rate of unemployment.

Furthermore, they note that the recent entry of massive numbers of women into the work force, which should have increased unemployment if the aforementioned argument were accurate, has not, in fact, had that effect. Instead, the new workers have, as they have in the past, created new products and new markets, provided individual ingenuity, and an expanding economy.

So what we have, in reality, is another piece of special interest legislation. Just as the minimum wage keeps young people out of the work force, thus decreasing job competition for union members, so too does the earnings limit keep older folks out of the work force even though they may have tremendous talent, energy, and experience to contribute. If anything the latter is even more insidious. With the minimum wage, young people at least can look forward to earnings in the future to say nothing of the fact that they are not being denied the fruits of past labor. But for the senior citizens locked into a fixed income by an earnings limit, there is little to look forward to other than inflation and the fact that they are being denied what is rightfully theirs. Given the number of senior citizens who by virtue of their fixed incomes and the ravages of inflation are in the poor or near poor category, such policy makes no sense at all. If anything, we should make it possible for them, without compromising their dignity, to augment their incomes. And the easiest way to do that is to let them work without penalty—if they so choose.

Perhaps the most potent argument that can be raised against eliminating the earnings limit is its cost—an estimated $6 to $7 billion in the first year alone. But, against that, we must take into account the fact that those senior citizens who do decide to keep on working will be paying payroll taxes on their earned income. Thus, the total amount

paid into the social security system will increase—keeping in mind the fact that unemployment rates will not necessarily increase—as benefits paid out increase. Also, the savings of $6 to $7 billion a year is not, in itself, enough to justify the discrimination involved or to obviate the need for financially restructuring the social security system. All it really does is benefit the labor unions at the expense of a lot of senior citizens who have worked hard all their lives, contributed to what they thought would be a decent retirement income, and are now being deprived of the opportunity to work and contribute further.

At a time when study after study is showing that keeping active and working often contributes to better physical and mental well-being in old age, continuation of the earnings limit would not only be anachronistic but unnecessarily cruel. After all, it is not someone else's money senior citizens are being denied; it is their own—plus interest—and they should be able to augment it if they so choose without penalty. To deny them the right to do so in order to benefit another group in society does not reflect well on the operation of social security. If anything, it suggests that we are promoting antisocial insecurity.

MONUMENT DEDICATION

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. McDADE. Mr. Speaker, I would like to bring to the attention of my fellow Members the meritorious public project just completed, that will memorialize those who gave their lives in the defense of the Nation in the 20th century.

Messrs. Gino Merli, Elio Sebastianelli, M.D., Joseph Flannery, and James Kelly, Esquire, organized the "Lackawanna County Monument Fund" to erect a monument that would serve as a constant reminder of the sacrifices of those who have made our country strong.

Messrs. John Dunn, Esquire, William Kays, Pio Ferrario, Prosper Spaletta, Stanley Golden, Leo Cichy, Andy Major, Steve Shebby, Bernice Pace, Ed Kachanski, Mike Pasevento, and E. Ziman volunteered their services to act as fund raising committee. Together they took their laudable goal to the people of Lackawanna County who willingly gave to support this monument.

Through the efforts of all the members of the committee, a monument will be dedicated as a tribute to those local servicemen and women who gave their lives for the security of our Nation.

The monument, which will be located in the heart of the city, will help for each of us to recall some of the finest aspects of our American system; the willingness to give all for the protection of democratic principles and, desire on the part of those who have benefited by the sacrifice of others, to be constantly thankful.

A PERSPECTIVE ON LATIN AMERICA

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. SARASIN. Mr. Speaker, John Davis Lodge has served as U.S. Ambassador to Spain and to Argentina, thus I feel that he speaks with considerable knowledge and authority on aspects of our foreign policy. On April 1, an article written by him appeared in the New York Times which I feel bears reprinting in the CONGRESSIONAL RECORD. Particularly as we in the Congress have a growing concern with the behavior of foreign countries and their observance of basic human rights, his comments should be of considerable interest to us:

KNOW THY ENEMY

(By John Davis Lodge)

To revisit Argentina after more than three years' absence is a revealing experience.

Inflation is still substantial but greatly reduced. Business has improved and foreign investments have increased.

The Argentine crime rate, terrorists excepted, is far lower than that in the United States. Terrorism is definitely in retreat. It is kept alive mainly by the huge sums collected from private concerns as ransom for kidnapping victims and also from robbing banks.

This enables the terrorists to recruit the unemployed, who are willing to risk their lives and lose them for the sake of money. Many of them are not ideologists, just mercenaries. Many terrorists have been killed. Others are in prison. At this juncture, they face the near-certainty of eventually being killed.

If we North Americans were as interested in helping our friends and allies to combat our common "self-style" enemies (Winston Churchill's phrase) as we appear to be in seeking détente with those same enemies, these countries would feel greatly relieved. As it is, they look to the giant of the North with apprehension. They need our leadership in their struggle. Instead they get sanctimonious lectures on human rights.

Our record on human rights is flawed and they know it. We appear hypocritical. If we intervene to help our freedom-loving friends in Chile and to defend American national security interests in that country, there is a quixotic hue and cry as though somehow it were evil to confound the enemy and to protect our own vital interests. Yet when our friends are coping successfully with the enemy's challenge, then, somewhat perversely we intervene with lectures on human rights that discourage our friends and help our enemies. We look as though we did not know who our friends and who our enemies are.

Our foreign policy should be more geopolitical and less evangelical. If we could stop preaching, we might even be able to learn something from our friends in Argentina, Uruguay and Chile regarding how they have successfully handled and are handling the most cunning, cynical, vicious, brutal, relentless challenge of our time.

When will we catch on that the ideological conflict is taking place in a jungle world?

On revisiting Argentina, Uruguay and Chile, one cannot help being struck by the contrast between the attitude of these Latin-American countries toward our common enemies and the attitude of some of the old countries of Western Europe.

In Italy, in France, in the Netherlands, in Belgium and in the Scandinavian countries there is definitely an atmosphere of broad-mindedness—indeed, of hospitality, toward the Communists, a desire somehow to accommodate them, to avoid or at least postpone the moment of truth.

This is a natural result of the Nixon-Kissinger policy of negotiation rather than confrontation, a dangerously pleasant phrase that means appeasement of the enemy in the name of peace, which it is said all men want—a tired shibboleth disproved time and again. So far, détente has been a one-way street.

In Argentina, Chile, Uruguay, Paraguay, Bolivia and in Brazil they have sought the confrontation out of which victory has gradually emerged. The security forces are prevailing against the imperialistic drive from Moscow via Havana. In the countries of Western Europe, the will to resist, sapped by years of war, has been further eroded by chicanery and by raw terrorism.

Why should this be? Why should these countries far to the south of us understand better than the so-called sophisticated societies of Western Europe the greatest challenge to freedom since Hitler's Nazi hordes started the *Blitzkrieg* with their Panzer divisions?

The contrast between the healthy zest for the struggle in South America and the decadent defeatism rampant in Western Europe is dramatic.

Having visited Spain and Argentina in rapid succession, I can report that the Spaniards in general feel much as do the inhabitants of the southern sector of South America.

Yet they are so anxious to enter the Common Market, which is dominated by left-leaning democracies, that they feel obliged to flirt with Communism.

I am confident that basically the Spaniards understand the challenge and that the alien effort to dominate Spain will be no more successful in 1977 than it was in 1936 when the Spanish Civil War began.

The countries of the southern sector of South America do not have to worry about the European Common Market as the Spaniards do. They understand the threat. They realize that the East-West conflict runs North and South. They are winning the undeclared war of our time and generation. They are setting the stage for an eventual revival of free representative institutions.

L. J. ANDOLSEK

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. MICHEL. Mr. Speaker, I would like to pay tribute to a great public servant and a dear personal friend who has recently left Government service. I refer to Lud Andolsek—L. J. Andolsek as he is known in Government circles—who has just retired as U.S. Civil Service Commissioner. Government can ill afford to lose men of the personal integrity and professional capability of Lud Andolsek.

I believe that Lud is living proof that talent and generosity and ability and a capacity for friendship know no bounds of political party or philosophy. He was first appointed Commissioner of the U.S. Civil Service in 1963 by President John F. Kennedy. He was reappointed to a second term in 1969 by President Richard M. Nixon and was reappointed a

third time on June 26, 1976, by President Gerald R. Ford. Now I think you will agree with me when I say that this is an admirable and probably unique record of achievement, to be appointed and then reappointed by three Presidents of different parties and different outlooks. You might say the three agreed on few things but one of them was that Lud Andolsek is the kind of civil servant that this country needs.

He was the AMVETS Civil Servant of the Year in 1966, the winner of the VFW Gold Medal of Merit in 1972, and received the Distinguished Alumni Award of St. Cloud University in 1973. Yet, despite the official public acclaim he has so deservedly received, it is not only the public man but the private man I seek to honor today, the man I met a short while after I first came to this city over 25 years ago.

When you first come to this town it is always a bit bewildering. I suppose it is more bewildering now than it was when I first came here. But the essential feeling is the same for all of us. You want to meet people you can count on, people who can count on you. Well, after I had been here a few years, I met Lud who was then administrative assistant to our good friend and former colleague John Blatnik of Minnesota. Through the years our friendship deepened and I always considered myself fortunate to have as a friend such a marvelous human being.

Mr. Speaker, I am not the only one in this House fortunate enough to be able to call Lud Andolsek his friend. I daresay there is not a man who has worked in this town for any length of time who has made more genuine friends and who has more admirers than Lud.

There is a line in the New Testament that I believe best fits what the American people must feel about Lud's departure: "Well done, Thy good and faithful servant." That is what all of us feel in our hearts about this man who has served our Nation selflessly and with great ability for so many years.

BRONX HIGH SCHOOL OF SCIENCE

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. BINGHAM. Mr. Speaker, I am proud, indeed, that the Bronx High School of Science, one of the outstanding schools in the country, is in my congressional district.

Following is an article on this school which appeared in today's Wall Street Journal:

ELITE HIGH—BRONX SCHOOL OF SCIENCE OFFERS BRIGHT CITY KIDS TOP-NOTCH EDUCATION

(By Roger Ricklefs)

NEW YORK.—Most high schools would be delighted to have even one student like Victor Menon.

At age 16, the slender Bronx High School of Science senior already corresponds with Harvard Medical School professors on research techniques. He spends Saturday mornings taking an electronics course at Columbia University. His biggest research project was one of 40 winners—out of 14,000 entries—in this year's prestigous Westinghouse Science Talent Search. "At this school I think I've received one of the best educations in the country," he says.

But Victor isn't unique at Bronx Science. The school accounted for seven of this year's 40 Westinghouse winners nationwide. Indeed Bronx Science produced more winners than all the high schools in any entire state except New York. Moreover, few affluent suburban high schools or private schools can match its record of National Merit Scholarship winners or student admissions to leading colleges.

Remarkably too, this celebrated high school is actually part of the troubled New York City school system. It is one of four specialized New York public schools that draw their students from the whole city system by competitive examination. Fewer than one in five Bronx Science applicants is accepted.

SOME IN OTHER CITIES

A few schools like this exist in other cities, notably Boston and Philadelphia. Critics say these institutions breed snobbery by isolating the talented from the rest of humanity. But defenders say the elite establishments provide one of the few remaining chances short of expensive private schools for a bright urban youngster to receive a top-quality education.

Students vie to attend these schools to escape the deterioration, violence and hostility to learning found in many urban high schools. "The really great thing about Bronx Science," says senior Steve Gold, "is that you can have a discussion in the corridor about the cardiovascular system of the fetal pig and not be stared at."

Once inside Bronx Science's cheerful, modern, brick-and-glass building, the 3,300 students are thrown into a competitive, nononsense academic atmosphere. More than a quarter of the senior class takes college-level calculus, and an advanced mathematics course considers such topics as "Diophantine Equations" and "Fermat's Last Theorem." The school publishes its own scholarly journals. The Journal of Biology, for example, runs student research papers on subjects like "Evidence for Allelopathic Agents on Bromus Roots Exudates"; the journal is indexed in Biological Abstracts along with university journals, and college professors commonly request reprints of these high school papers.

STRONG IN HUMANITIES

But the school is strong in the humanities as well as science. (Only 60% of the graduates enter science-related careers.) Students must take four years each of English, social studies and science and three years each of foreign language and mathematics. English classes require papers on subjects like "Free Will vs. Determination in Macbeth." Also, seniors must master an English vocabularly list consisting of words such as "desuetide" (meaning disuse), "obloquy" (verbal abuse), "rodomontade" (arrogantly boastful talk) and "teleogy" (the study of final causes).

For the opportunity to work so hard, students gladly suffer long commutes. Andrew Lo says he rises each day at 5:30 a.m. and rides a bus and three subways to reach Bronx Science. Though the trip takes 2¾ hours each way, he says: "I think it's well worth it. This school is almost like a college."

While teachers say student motivation accounts for much of the school's success, the curriculum itself is unusual. The biology department offers a four-year sequence of courses partly designed to make students think like scientists. To an uncommon extent, even sophomores are required to devise their own valid, controlled experiments to test hypotheses. "The 10th grade lab does experiments that practically every other biology program in the world does as teacher demonstrations," says Milton Kopelman, department chairman.

COLLEGE-LEVEL COURSE

In the senior year, 165 students take a college-level biology course that constitutes the largest advanced placement biology program in the nation. One senior, Daniel Petrylak, will have a research paper read to the International Congress of Protozoology in New York in June. Another senior had a paper published in the Journal of Ophthalmology. The department receives a steady stream of foreign and American educators wanting to observe its famous program. It has recently received a federal grant to prepare materials and disseminate the program to other schools.

In the mathematics department, students start working with computers as early as the 10th grade. One youngster, Jacob Goldfield, became so entranced with them that he volunteered to work for nothing at a nearby hospital's computer center. Eighteen months later, the precocious student is now a paid computer consultant there. Indeed, he has made so many changes in the hospital's computer operations that while at school he wears a hospital beeper on his belt to enable the hospital to contact him in case of questions. "Besides," he says, "my mother likes to be able to get in touch with me."

With students like this, the atmosphere at Bronx Science differs greatly from that in the usual urban high school. The students—about 55% male—mostly dress in neat, clean blue jeans and sneakers. Teachers say classroom disciplinary problems scarcely exist.

The school itself is incongruously located a few blocks from a subway car yard. Though surrounded by uninspired apartment houses in a quiet Bronx neighborhood, the four-story building overlooks a grassy playing field and has the atmosphere of a suburban high school. A huge mosaic portraying history's famous scientists in action dominates the entrance. The lobby is also filled with glass cabinets stuffed with trophies won in science, mathematics and debating. Classrooms are clean and graffiti are rare.

Of course, the school has some problems. New York City's financial squeeze has trimmed the faculty and added three or four students to many classes in the past two years. Classes of 35 or 36 students aren't unusual today. Though the school has its own small planetarium with a silver-colored dome protruding from the roof, it goes unused for lack of repair money.

Moreover, even teachers concede the physics and chemistry department is heavy with deadwood waiting for retirement. While some English teachers write detailed, painstaking corrections on student essays, others skimp. Foreign-language teachers often concentrate on grammar and syntax and give students little conversational practice.

Yet students praise much of the faculty effusively. Teachers are eager to work at Bronx Science, especially in view of the problems elsewhere. "I came here because my brain was turning to cheese," says Mark Rifkin, widely praised chairman of the English department, who previously taught in a vocational high school.

SUPERIOR FACULTY

Because of its fine reputation, the school can choose its teaching staff from the cream of the crop. It can offer jobs to anybody eligible for appointment on the basis of civil-service test scores and similar criteria. Teachers appointed through transfer within the city school system are selected on the basis of seniority, but transfers never ac-

count for more than two new teachers a year.

Many faculty members stay for decades. And although the school was founded 39 years ago, it has had only two principals. The current one is Alexander Taffel, a trim and dapper former physics teacher who has held the post since 1958. Like a number of faculty members, he has written widely used textbooks.

Several teachers have also taught in colleges and say they prefer Bronx Science. "I enjoy teaching people at an age when I am likely to have a greater effect on them," says Richard B. Sodikow, an English and forensics teacher. "One way or another, I am going to have an effect on every kid I teach. It's an incredible egotism, I know, but that's my goal," adds the bearded and jovial teacher, whose popularity is even greater than his girth.

Among his many interests, Mr. Sodikow seems to take special delight in coaching the school's highly successful debating team. "We never win fewer than 150 trophies a year, and this year we're averaging about 30 a month," he says. "We have a case in the main hall for our latest trophies; it gets changed every week or so."

The students share his enthusiasm. Through car washes and cake sales, they raise about $12,000 a year to finance the team. Mr. Sodikow also contributes about $4,000 a year of his own money, which he earns by teaching debating at colleges during the summer.

Bronx Science also runs a large program of other extracurricular activities. Predictably, the school has chess and mathematics teams, an astronomy club, a computer society and even a protozoology club for those who like to study microscopic animals. This being New York, one also finds the Gaelic Society, the Greek Club, the Asian Society, the Jewish Students Union, the Latin Cultural Society, the Italian Club and the Black Organization for Student Strength.

In athletic competition with other schools, Bronx Science "often excels in tennis and swimming, and we do pretty well in basketball," Mr. Taffel says. The school offers all major sports except football. "Our kids are usually about a year younger than other kids in the same grade because they have been accelerated; therefore, they are slighter in build," the principal explains. "Also, football is expensive," he adds.

But students concede that most extracurricular activities suffer from a prevailing obsession with high grades. "Everybody wants to have a lot of H's (for honors courses) on the transcript," says Yvonne Wright, a junior. Michael Horowicz, another junior, adds: "You're always hearing, 'What did you get? What did you get?' I know people who cry when they get 90s."

LABOR REWARDED

Clearly the work gets results. Last year, 57 seniors were admitted to Columbia, 60 to Cornell, 26 to Princeton and 17 to Harvard. Year after year, only three or four schools in the country place as many graduates in the Massachusetts Institute of Technology. Over 99% of Bronx Science graduates go to college (with the low-tuition state and city universities the most popular choices).

Many students say they thrive on the school's competition and welcome the pressure. "Most of us feel it does a lot of good to have a little whip behind you," says Susan Wyler, senior class president.

While insiders may appreciate the school's academic superiority, many outsiders have long resented it. "There was considerable hostility from students in other schools," recalls Leonard Dworkin, a 1957 graduate. "On the bus, all the boys at DeWitt Clinton (another Bronx high school) would chant things like 'Science boys take bubble baths.' We had to compensate by looking tough." (Black jeans were part of his tough-look costume, he recalls.)

A decade ago, New York's elite high schools were under such fire that the city's Board of Education moved to make them more like ordinary local high schools, especially in the freshman and sophomore years. Alleged discrimination was one issue. In the mid-1960s, Bronx Science was probably 95 percent white and at least 80 percent Jewish, Mr. Taffel says.

The Board of Education's plans sparked defensive maneuvers by the four schools—Bronx Science, Stuyvesant High School and Brooklyn Technical High School, all specializing in science and mathematics, and the High School of Music and the Arts. A faculty-parent-alumni lobby persuaded the state legislature to pass a law protecting the schools as competitive-entry institutions and, at the same time, making them more racially balanced.

ADMISSION PROCEDURES

Under its admissions procedures, Bronx Science steers clear of subjective appraisals such as interviews and relies solely on the 1½-hour aptitude test. Most black and Hispanic students are admitted through regular competition with everyone else. However, 10 percent of each incoming class is taken from a list of students (including some whites) from disadvantaged neighborhoods who scored below the cutoff point on the test; from this list, the highest scorers also are admitted. These students receive special instruction in the summer before their first year, and then they must sink or swim on their own. About two-thirds of them graduate, Mr. Taffel says.

Today, black and Hispanic students constitute about 25 percent of the Bronx Science student body, and criticism of the school as racist or elitist has declined markedly since the mid-1960s. But the school largely owes its survival during the crisis to the political muscle of its loyal alumni, teachers say.

Indeed, at Bronx Science, even the handful of former teen-age rebels remember the school with gratitude. One alumnus recalls belonging 25 years ago to the Bronx Science version of a youth gang—15 or 20 students who wore special jackets and smoked cigarets in the boys' room. "We rebelled against the rat race for grades and the 'sissyism' of the place, but I'd go there again," says this graduate, now a highly regarded New York journalist. "The thing is, you were with kids who appreciated an education."

SECRETARY HARRIS PAYS TRIBUTE TO NEW YORK CITY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. BIAGGI. Mr. Speaker, it gives me great pleasure to insert into the RECORD an excellent speech delivered by Secretary Patricia Harris of the Department of Housing and Urban Development on the virtues of New York City. Having heard the city maligned so long by Federal officials, Mrs. Harris, words come as a welcome change.

As Mrs. Harris so aptly and eloquently points out the city of New York is unique. Our problems are many but our resolve to resolve is also strong. The remarks speak for themselves and they follow immediately:

REMARKS BY SECRETARY PATRICIA HARRIS

For years urban scholars and analysts have monitored the overall fiscal trends in metropolitan areas. They have been busy documenting the general patterns of growth and decline of America's inner cities and outer suburbs. They have been carefully measuring the fiscal deterioration and the physical distress of the older cities of the Northeast and the Midwest. Despite this considerable research, monitoring and analysis, in 1975, the City of New York shocked the country as it suddenly verged on bankruptcy.

Although many later claimed they had seen it coming, no one was prepared for the crisis. The scholars, the researchers, the analysts, the elected officials, the community leaders, the financiers and the policy makers in City Hall and the State Capitol were swept up in a frenzy of activities, trying to avert the pending default. Washington watched passively as the drama unfolded, awaiting New York's request for Federal aid.

When the request for help in the fiscal crisis came, the response of the previous Administration to New York's fiscal crisis was best described by the now famous Daily News headline of October 30, 1975 which gave New Yorkers the succinct Federal message "Drop Dead."

As the Secretary of Housing and Urban Development I am here today to tell you once again that the Carter Administration has no such message for New Yorkers.

The Carter Administration believes that a healthy, vibrant New York City is necessary to the overall social and economic well being of this nation.

This Administration is prepared to work with New Yorkers who wish to restore this great City's economic vitality just as it is prepared to work with those who care in other cities.

You will see a clear difference between this Administration, and the last on the question of Federal aid to America's distressed cities.

You will see more leadership, more direction, more commitment and more understanding.

This Administration will not give a negative knee-jerk response to New York's economic difficulties. We understand that this City's economic crisis was caused, to some degree, by the City's use of short term borrowing as a revenue source. We also understand to a larger extent, the fiscal plight of this city was shaped by this city's big heart and by economic and social forces beyond local control. The continuing patterns of suburbanization of jobs and industry; regional shifts in the overall economy; a national economy beset by high rates of unemployment and inflation plus sluggish growth; an outflow of middle income residents and an inflow of lower income people, needing higher levels of public assistance—these trends set in motion the economic decline of New York, and it is in this context that the experience of New York must be understood.

For these reasons, the Carter Administration does not view New York as the American prodigal city. (But even if we did, you will recall the treatment of the prodigal son.)

This Administration understands that New York is unique and one of the Nation's greatest assets.

Although it borrowed more than other cities, New York did more for its people than any other city, and the scope of the public services provided is broader and more complex than can be found in any other American city.

As a provider of educational opportunity extended to the Graduate School Level—New York stands alone among American cities.

As a builder of Housing for the poor—New York stands alone among America's cities.

As a dispenser of health and hospital serv-

ices—New York stands alone among America's cities.

Because New York is committed to the provision of social services, the fiscal crisis signalled cutbacks in these services, to groups in great need.

Thus, paring down public sector programs has been a painful process for New York, because New Yorkers know the places where those cutbacks are felt and the people affected.

In the last decade, New York has experienced a period of relatively little population growth. Yet, the demographic composition of the city has changed dramatically. The middle class has exited in large numbers to the suburbs, and has been replaced by the poor, the aged and the minorities.

Nearly one New Yorker in four is black.

Nearly one New Yorker in six is Hispanic.

Nearly one New Yorker in five has an income below the poverty level.

Nearly one New Yorker in six is over age 65.

More than half of the City's adult population has failed to finish high school.

More than a quarter of a million families with children under age 18 are headed by women, and

The mean income for female headed households is less than 60 percent of the mean income for all families.

When all the relevant demographic variables including age, race, ethnicity, income and wealth are analyzed, it is clear that the City's population has a large component of people who depend on public services, and that these families and individuals in greatest need of public services are least able to support the public sector through income generating activities and tax contributions.

At the same time that New York is becoming a city of the poor and dependent populations, it retains a significant group of higher income residents, and continues to subsidize the activities of commuting suburbanites.

Preference and tastes for cultural services and amenities persist, requiring the City to maintain its impressive array of museums, galleries, libraries, landmarks, and parks. We who do not live here, expect all of these resources to be available to us, and indeed, for us, they are New York.

Although the enactment of a City income tax on commuters and selected user charges have increased revenues from nonresidents, the disparities persist, and the compensation does not equal the cost of services.

Clearly, then, this Administration must respond to New York's needs in a way that reflects the unique characteristics of New York's problems—and this is what we plan to do.

Since the beginning of Franklin D. Roosevelt's Presidency, the first 100 days of each new Administration have been closely watched for signs of what can be expected of that Administration during its tenure in office.

Although the Carter Administration has tried to minimize the tendency to over emphasize this period, preferring to focus on the long-term issues, significant program decisions and proposals have been made that clearly indicate a new direction in urban policy.

The Department of Housing and Urban Development has done its part in shaping this new direction.

On matters benefitting New York, we have done the following:

First, we have submitted to Congress a legislative amendment to change the funding formula for entitlement cities participating in the Community Development Block Grant Program. This "dual formula mode" would mean an extra 77 million dollars for New York in 1980 when its hold harmless provisions are scheduled for phase out.

Second, the Department has proposed a three year, 1.2 billion dollar urban development action grant program—to meet the specific, non-recurring development needs of distressed cities.

As it is presently envisioned, the proposed action grant program would make it possible for severely distressed cities to alleviate physical and economic deterioration in two ways: First, through specific economic development activities in areas of population loss, and stagnating, or declining tax base; and Second, through revitalization projects in neighborhoods that exhibit excessive housing abandonment or deterioration.

The special intent of action grants will be to stimulate new and increased private investment while establishing private sector confidence that will protect current investment.

The ultimate purpose of the action grants will be to foster the tri-lateral coalition—the "new urban partnership"—involving government, business and the neighborhoods as equals in the process of revitalizing American cities.

Although we are making no advance commitments, New York is the kind of city that could benefit dramatically from this proposal.

Third, the central office has committed itself to increased levels of technical assistance to the New York Area Office, to help expedite the heavy case load related to insured housing programs.

Nineteen commitments have been made to convert state and city projects to a federally insured status under Section 223(f) of the Housing and Community Development Act of 1974. 8,500 units of housing are involved.

Additionally, Larry Simons, the Assistant Secretary for Housing, informed me that $170 million dollars worth of Section 221(d)(4) projects have been processed since March 1 of this year. 3,500 units of housing are involved.

Mr. Simons also reported that 5,300 units of Section 8 housing will be under construction by May 20.

Ultimately, this activity will have a positive impact on the city's troubled construction industry.

Fourth, the Department has approved the purchase of 14,900 units of state aided public housing.

These projects currently receive state subsidy, but in order to preserve their low rent character the city had assumed an obligation of approximately 12.5 million dollars.

HUD's decision to purchase the properties will benefit the residents in two ways: by insuring the future low rent nature of the projects, and by freeing state funds for needed renovations.

HUD's decision also saves the city the continuing cost of operating subsidies, which would tend to increase each year.

To give you a sense of the scope of this decision, as many as 60,000 people will benefit from this action. If we considered these people to be a community, it would be larger than 95% of the communities currently participating in the Block Grant Program.

Fifth, the Department has already authorized clean-up work on Taino Towers, the East Harlem Pilot Block project. Additionally, an independent evaluator has been hired to ascertain the amount of winter damage to the building, and to provide an estimate for the completion of the work.

Although this project was conceived nearly a decade ago, and was started and stopped under the previous Administration, we are committed to its completion, and we expect the work to begin again in June of this year.

These five actions should be clear indications to you that we are ready to work with you to solve this city's community development and housing problems.

They should also indicate that in the first one hundred days, we have laid the foundation for future federal actions, which will demonstrate not only a marked departure from the past eight years, but also the proper course for the near future.

To keep this Administration on the right course, another significant decision was made.

Rather than declaring the urban crisis to be over, as was done by the last Administration, the President has asked that a Cabinet level Urban and Regional Policy Group be convened. He has given high priority to the development of a coherent national urban policy sensitive to the effects of suburbanization, the continuing plight of disadvantaged groups, and the emergence of economic disparities among different parts of the country.

A comprehensive policy means that the chasm between research and action that opened in recent years will be bridged. Policy decisions must be linked more closely with the world of ideas. In turn, the needs of people must frame the questions we ask. This is what the Urban and Regional Policy Group intends to do as we prepare an urban agenda for the President.

It should be noted that my Deputy on the Urban and Regional Policy Group is Assistant Secretary Donna Shalala, who is no stranger to New York and its fiscal concerns.

CONCLUSION

I have been renewed by this trip to New York City today, to be your guest speaker. I need the sights and sounds of New York. I hope that the news that I have brought encourages you to continue your efforts to restore this great city, because like all great cities, it is a home for all the world.

Yet, there remain those who cannot see the wisdom of our actions, who cannot understand the real and immediate need for the Federal government to increase its aid to New York City.

Perhaps they do not understand what is at issue. I ask them:

Can you imagine a world without London or Paris?

Can you imagine a world without New York?

What is a world without the Met or without the Mets?

What is there to look forward to if we can't take the A train or the Staten Island Ferry?

And believe me, Bloomingdale's in Maryland or Virginia is not Bloomies on 59th.

Certainly it will require a great effort, by many people, to reverse the trends, which caused the economic decline of the city and caused the great pain and suffering to its residents.

But, we must remember John Adam's advice during the challenging days of the Revolution:

"All great changes are troublesome to the human mind, especially those which are attended with great dangers and uncertain effects."

What must be done to make New York City—and all American cities—a place:

Where children are educated to their ability

Where the aged are respected and protected in old age

Where race does not inhibit opportunity

Where workers have jobs to support their families

Where neighborhoods are safe and fun to live in

Where parks are kept open

Where libraries and museums store knowledge

Where men, women, and children are strong, proud, independent and hopeful

Where daily life inspires confidence in tomorrow

What must be done is a major dedication of our lives, our wills and our intellects to realizing this great dream.

Our great cities are the gardens of our culture and you and I must be the gardeners.

As the Secretary of the Department of Housing and Urban Development I have been given the opportunity to meet with the many people who care deeply about the future of their communities.

Most recently I have been with the people of flood torn Appalachia and I have witnessed the havoc wrought by natural disaster.

Just as we at HUD must gather all of our strength to rebuild in the face of this natural disaster, we must summon all of our strength to rebuild this great city.

AMERICAN BICYCLE INDUSTRY 100TH ANNIVERSARY

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. CONTE. Mr. Speaker, it is a pleasure to take this opportunity to draw the attention of my colleagues to the celebration of the "centennial" of the American bicycle industry.

Pedaled by the solitary rider, in tandem on a bicycle-built-for-two, or in groups, the bicycle is the premier recreational vehicle. It has also proven to be a boon to commerce and has contributed to this country's war-time defense. It can help keep you fit and is an economical means of transport. In these days of energy conservation and concern over the environment, the bicycle is the last word in fuel efficiency and pollution control. It can be dressed up—festooned with flags and streamers—or dressed down, stripped of bumpers and chrome to spartan simplicity. Perhaps most importantly, though, the bicycle has provided generations of enjoyment to Americans of all ages.

This weekend, the 100th anniversary of bicycle production in this country will be marked in ceremonies at the Columbia Manufacturing Co. in Westfield, Mass., the direct descendant of the Pope Manufacturing Co., first U.S. producer of bicycles.

The two wheeler was first produced in this country by Col. Albert A. Pope, a Civil War veteran who made a fortuitous visit to the Centennial Exhibit in Philadelphia, saw the European-made bicycles on display and left with the thought of introducing their manufacture in this country.

After a trip abroad, where he bought many of the existing patents, Colonel Pope produced his first bicycle on U.S. soil, a high wheeler patriotically dubbed the "Columbia," in 1877. The Pope firm began operation in Boston, moved to Hartford, Conn., and since the turn of the century has been headquartered in Westfield, Mass.

A true industrial titan of his era, Colonel Pope later diversified his interests into the manufacture of automobiles and motorcycles, in addition to bicycles. Today, while only the bicycle portion of the endeavor has survived, we can also thank this ingenious and enterprising man for yet another accomplishment. Not only is Pope considered the "Father of the American Bicycle Industry," he also earned the title "Father of Good Roads" for his work to promote the improvement of highways for the benefit of all vehicular traffic.

Throughout its century of continuous bicycle manufacturing, the Columbia Manufacturing Co. has remained in the forefront of the bicycle industry. In that time, it has registered a great number of production "firsts," including its latest—it is the first American company to manufacture "mopeds" or motorized bicycles.

Over the years, Columbia Manufacturing Co. has been a good corporate neighbor. One example of that is its sponsorship, concurrent with this "centennial" celebration, of the seventh annual bicycle ride for life, benefiting the local drug rehabilitation center. The company has been and is an asset to the city of Westfield.

At this time, I invite my colleagues to join me in saluting the Columbia Manufacturing Co., one of the oldest and finest firms in my congressional district, and 100 years of bicycle production in the United States.

SETTING THE RECORD STRAIGHT ON U.S. POPULATION GROWTH

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. SCHEUER. Mr. Speaker, recent news reports have mistakenly claimed that the United States is nearing zero population growth. Unfortunately, this is not the case. U.S. population is growing by 7,000 a day, or nearly 2.5 million a year.

Erroneous reports that the United States has reached zero population growth have contributed significantly to the lack of concern in this country about the population problem. Policymakers and the general public generally do not perceive the United States as having a population problem—population, they infer, is a problem of the third world, not the United States.

Two major factors are contributing to U.S. population growth. First, the postwar baby boom babies are now having children of their own. Second, more people are entering the United States every year—both legaly and illegally—than are leaving. In fact, it is estimated that some time this year, the rate of growth from illegal immigration will exceed the rate of natural increase. In 1975, the United States had 3,149,000 new babies, and gained 450,000 people through legal immigration and at least 800,000 through illegal immigration. If this pattern continues, our population will reach 320 million in 50 short years.

It is equally important that people understand that the population problem is not just one of sheer numbers. In addressing the question of creating a balance between population and our physical resources, we must also look at how, not just how many, people relate to their environment. Affluent people place far greater pressures on resources than do the poor. For example, while the United States has only 5 percent of the world's people, we consume one-third of the world's nonrenewable resources, including energy.

In determining growth strategies, we must also begin to rethink and repattern our habits. As we are reaching the limits of the Earth's carrying capacity, the nations of the world are becoming increasingly interdependent. Given this, and current U.S. extravagant use of energy and nonrenewable natural resources, the consequences of continued U.S. population growth are real and of great concern.

I have introduced a resolution calling for the establishment of a Select Committee on Population. Should this Select Committee be formed, I would hope that it would have as one of its goals the education of policymakers and the public on the implications of U.S. population growth and on the need systematically to develop a comprehensive national growth policy for our own Nation.

DINGELL-BROYHILL AUTO VIEWS RE CLEAN AIR

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. DINGELL. Mr. Speaker, we are pleased to inform our House Colleagues that our Separate Views, signed by 18 members of the House Interstate and Foreign Commerce Committee, as contained in House Report 95-294 to accompany the Clean Air Act Amendments of 1977, H.R. 6161, are printed in the CONGRESSIONAL RECORD of Friday, May 13, 1977, on pages 14635-14649, inserted by our colleague, WILLIAM D. FORD.

We urge our colleagues to study our views, which make the basic arguments in support of the Dingell-Broyhill auto emission/auto parts and warranty amendment to be offered on the floor of the House early the week of May 23. The amendment we offered in the Commerce Committee failed on a 21 to 21 tie vote, hardly a conclusive vote. We are pleased that the full House will now have opportunity to correct the Committee legislation by adopting the Dingell-Broyhill amendment.

Our bill, introduced earlier as H.R. 4444, the Mobile Source Emission Control Amendments of 1977, with 119 House cosponsors, will be the basis of our amendment to title II of H.R. 6161. It is supported by labor, industry, automotive small businessmen and automotive consumer groups.

Our views point out the massive fuel waste and higher consumer costs which the auto emission standards in H.R. 6161 would impose upon the Nation: Fifteen billion gallons of gasoline lost from 1978-1985 in comparison to the fuel savings of our standards in H.R. 4444.

Our views also:

Contain health arguments supporting our position.

Note the divergent opinions within the administration regarding its "uniform" position on the emission standards.

Reflect that the auto parts and warranty language open the door for more competition in the auto aftermarket business.

The parts/warranty provisions of our amendment (H.R. 4444) protect the consumer and provide freedom of choice.

We address the employment problems inherent in H.R. 6161.

Our views point out that our amendment encourages the development of new auto technologies to meet emission standards and auto fuel economy standards while continuing to clean up our Nation's air.

Again, we request the attention of our colleagues to the Separate Views in the May 13 RECORD and soon to be published Commerce Committee report. We urge adoption of the Dingell-Broyhill amendment on the floor of the House.

COMMUNICATION DISORDERS

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. SARASIN. Mr. Speaker, there are more than 20 million Americans who have some form of speech, language, or hearing disorder. Too many of them are children—it is a problem that cuts across all socioeconomic and age stratum. Communication is one of the most important elements of our daily lives and of our entire cultural development. It is the foundation of the continued existence of our American heritage. These disorders are a real threat to successful communication.

Therefore, since May is Speech and Hearing Month, I would like to insert in the RECORD the following statement, which I received from a constituent concerning this problem:

COMMUNICATION DISORDERS

One out of every 10 people has a speech, hearing or language problem and cannot communicate easily. Their problems often aren't obvious in the way they look or act, but when they try to communicate, people fail to understand them or the nature of their problem.

Some children and adults with normal intelligence have language disorders. These children who are delayed in comprehending language cannot understand the relationship between nouns, verbs, and prepositions and need special assistance to overcome these problems. Language difficulties can create problems in learning or may be associated with other learning disabilities.

Children and adults who have articulation problems—difficulties with the way sounds are formed and strung together—receive help from the speech pathologist.

Speech pathologists aid the older child or adult in understanding and controlling stuttering. They also counsel parents that certain types of sound or word repetitions can be quite normal in a young child's speech and should not be confused with stuttering. They advise parents on ways to create healthy communication environments.

Audiologists identify people with hearing problems. The audiologist is skilled in hearing conversation techniques and helps the hearing impaired make the most of their abilities through auditory training—lip reading or speech.

These human communication specialists serve people through special education programs, health and rehabilitation centers, public and private schools, private practices and clinics located all over the country. These specialists can help speech and hearing afflicted citizens with our most human characteristic—communication.

TRIBUTE TO MILTON C. SHEDD

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. PATTERSON of California. Mr. Speaker, more and more, the quality and utilization of the marine environment is in the mainstream of public discussion. Whether it be the seizure of a foreign fishing vessel off our shores, the ongoing United States-Soviet naval capability debate, oil-spill damage, the Law of the Sea negotiations, or the intelligence of some aquatic species, one thing is for sure—our dependency on the oceans, because of their extensive supply of living and nonliving resources, their proper utilization as a pathway for an increased world food supply, and their continuing impact on maritime commerce, national security, balanced growth, technology, and scientific understanding is growing day by day.

The utilization of the ocean resources, and the solving of ocean-related problems, depends directly upon developing a greater understanding of the marine environment, protecting its quality, preserving its integrity, and conserving and managing its living resources.

As a member of the House Committee on Merchant Marine and Fisheries, I well appreciate efforts in our country to further this understanding through scientific research. Likewise, I have a great deal of respect and admiration for those individuals who have been instrumental in heightening our understanding of the seas. One such individual is a California man, Milton C. Shedd.

Milt Shedd, a native of El Paso, Tex., has resided in southern California for some 53 years. Perhaps, Mr. Speaker, it was this experience living near the Pacific Ocean that first stimulated Milt's interest in the aquatic environment.

Milt's academic career was temporarily interrupted in 1943 when he was called to serve our country in World War II. Following 2 years of combat duty with the U.S. Army in the South Pacific, he was awarded the Bronze Star, Silver Star, and a Purple Heart in 1944. In 1946, after a distinguished military career, he was honorably discharged as a captain and went on to complete his undergraduate work at UCLA in 1947 with a B.S. degree in Banking and Finance.

He was affiliated with Paine, Webber, Jackson and Curtis and other New York Stock Exchange firms for 25 years and was involved with the financing of recreational and other business over this period. Milt was instrumental in obtaining the initial public financing for the Packard Bell Corp. and numerous then well-known enterprises.

In 1961, as one of two senior partners in a partnership of four, Milt parlayed a lifelong love of the sea into a great marine-related enterprise—Sea World. Sea World, which now operates oceanarium complexes in California, Florida, and Ohio, has thus far displayed the wonders of the sea to over 35 million people. Milt has served as Sea World's board chairman since its inception, except for several months in 1974. Furthermore, he is the sole owner of Axelson Fishing Tackle Mfg. Co., Inc., a sportfishing tackle manufacturer and distributor with sales worldwide, and is cofounder and majority stockholder of Swordfish, Inc., a commercial fishing operation.

I am pleased to bring to the attention of my colleagues that on May 24th of this year, a major event will take place in Milt Shedd's life—the official dedication ceremonies of the Hubbs-Sea World Research Institute in San Diego, Calif. This nonprofit, tax-exempt marine scientific research institute was originally founded, as the Sea World Research Institute, by Milt in 1963, himself an avid fisherman and researcher as well as an obviously highly successful businessman. In fact, he personally has participated in numerous joint marine fisheries research ventures with the California Department of Fish and Game, the National Marine Fisheries Service, and the Mexican Government. He just recently returned from an expedition in Baja, Calif., where he and researchers from the Woods Hole Oceanographic Institute combined their efforts in an attempt to further understand migration patterns of certain aquatic species in order to develop more rational conservation and management programs there.

The upcoming dedication ceremonies, honoring Dr. Carl Hubbs of the Scripps Institution of Oceanography, is the culmination of years of planning and consideration by Milt Shedd. He has secured one of the world's most brilliant and capable marine biologists, Dr. William E. Evans, to serve as director of the institute. The course of action planned for the next several years—marine mammal population studies, aquaculture development and development of aquatic science education programs—is indeed exciting.

Mr. Speaker, Milton Shedd is in the forefront of that new breed of businessmen who subscribe to the new business ethic which demands that commercial enterprises recognize and act upon their public service responsibilities and at the same time strive to be profitable. Sea World and the Hubbs-Sea World Research Institute are perfect examples that this ethic is not only acceptable,

but indeed as necessary as it is successful.

Mr. Speaker, my wife, Mary Jane, joins me in congratulating Milt Shedd on his many contributions to furthering our understanding of an environment we may well have to rely on to sustain life in the years ahead. We are sure his wife, Peggy, and his sons, Steve and Bill, are as proud of him as those who have witnessed his many accomplishments.

IS PRESIDENT CARTER GIVING AWAY THE PANAMA CANAL?

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. RUDD. Mr. Speaker, I am sure that the American people will not be deceived by the propaganda campaign that is being waged in the press and elsewhere to pave the way for a total U.S. giveaway of the Panama Canal.

Such a propaganda item appeared this morning in the Washington Post, with the enticing announcement of "a breakthrough in the Panama Canal treaty negotiations."

But there has been no "breakthrough." This is just a continuation of the build-up towards total surrender of the Canal to Panama Dictator Omar Torrijos.

The headline of the Post story deceivingly proclaimed, "Panama Accepts U.S. Defense Role." A kicker on top of the headline stated, "Shift Could Speed New Treaty." And the two lead paragraphs of the story from Panama City by free-lance correspondent Marlise Simons stated:

A breakthrough in the Panama Canal treaty negotiations is considered near, as Panama moves closer to accepting U.S. demands for a continuing role in defending the waterway after it passes under Panamanian control.

In a lengthy interview, Panama's strongman Brig. Gen. Omar Torrijos said, "Panama can accept the U.S. right to intervene against a third country to protect the neutrality of the canal."

Mr. Speaker, what the headline and these deceiving lead paragraphs of this propaganda story did not properly highlight was the emphatic statement by General Torrijos buried on the paper's inside pages that, "We, Panama, will not accept anything in writing that can justify an American intervention in the future."

What kind of threat is this from Panama's dictator? Under current treaty provisions, which constitute international law on ownership and control of the Panama Canal, the United States has complete legal and political control over the canal and the Canal Zone.

Our people's investment to purchase all rights in the Canal Zone, and in financing canal enterprises over the past three quarters of a century, amounts to more than $7 billion.

The American people are not about to sit by and accept a new treaty that totally gives up all U.S. rights to the canal, in order to solidify and guarantee Dictator Torrijo's political control in Panama. Neither are they likely to accept a commitment to defend the canal unless we have continuing control over operation and security of the waterway under international law.

Mr. Speaker, I believe that the President owes the American people a full and honest accounting now of the administration's position on this matter, and the commitments being made by our negatiators for a new treaty.

I do not believe that the American people will accept a Panama Canal giveaway. If that is what is being negotiated by our American representatives in Panama, the President should forthrightly acknowledge this to our people.

Such a policy would be a complete reversal of the position taken by the President during the recent election campaign. If the current administration position is to negotiate a new Panama Canal treaty that will give up U.S. ownership, control, and operation of the canal and the Canal Zone, such a policy should be debated, endorsed, or rejected by the Congress before these United States-Panama treaty negotiations proceed one step further.

Mr. Speaker, I include the complete Washington Post story at this point in the RECORD:

PANAMA ACCEPTS U.S. DEFENSE ROLE

(By Marlise Simons)

PANAMA CITY, May 16.—A breakthrough in the Panama Canal treaty negotiations is considered near, as Panama moves closer to accepting U.S. demands for a continuing role in defending the waterway after it passes under Panamanian control.

In a lengthy interview, Panama's strongman Brig. Gen. Omar Torrijos said, "Panama can accept the U.S. right to intervene against a third country to protect the neutrality of the canal.

"Above all, this is what our Latin American neighbors and allies demand. To a great extent their economies depend on the freedom of passage."

The formula defining the terms of the canal's neutrality has been the main outstanding point in the latest, and supposedly last, round of discussion about the basic issues. Agreement on the neutrality clause is believed, therefore, to clear the way for the new treaty, which has been the cause of considerable tension between the two countries since 1964.

Until now Panama's official negotiating position has been that under the new treaty the United Nations should act as guarantor of the waterway's neutrality. Washington, however, wants a bilateral guarantee involving a considerable U.S. role.

Even if Panama is now accepting—at least in part—Washington's most crucial demand, the wording of the neutrality formula is still a delicate point that may set off new and lengthy discussions.

According to Torrijos, the Panamanian government will be hammering out its answers to a new set of U.S. proposals today. This morning the Panamanian negotiating team and the country's top military and civilian officials arrived at his home in Farallon, after holding talks among themselves this weekend. They were to return to Washington tonight to resume the talks on Tuesday morning.

Torrijos declined, however, to disclose details of the Panamanian position, adding, "I can say what we do not want. We will not accept anything in writing that can justify an American intervention in the future."

Torrijos went on to say that the new U.S. proposals brought home by his negotiating team were "very good," and proved to be a positive turn in the tense situation that arose during the talks in Washington last week. A problem arose then that almost led "to a breakoff of the talks," he said.

On Wednesday, according to Torrijos, the U.S. negotiating team suddenly produced new demands on points already agreed on.

"So I told my people 'This is no striptease, we can't accept this. Tell the Americans that if we want to reach an agreement we should all get undressed together.' "

Torrijos then reportedly instructed his representative to return to Panama in 48 hours if the United States "did not stop fooling around."

"The Americans bugged the telephone so they must have heard us," said Torrijos. "The next day they came up with these positive proposals."

Seasoned observers here believe that Panama's reference to the will of its Latin American neighbors may provide it with the face-saving device it will need to accept a U.S. defense role.

Torrijos' international campaign to win support in his efforts to get control over the U.S.-owned canal has included regular consultations with Latin America's four civilian governments—Costa Rica, Colombia, Mexico and Venezuela—which have consistently advocated his cause.

"These four presidents have burned their ships for another man's cause," Torrijos said. "It is only just that they give their opinion. For example, they are now being sent the minutes of our meeting with the Americans."

According to Torrijos, the "rightist military regimes of the Southern Cone are pushing us the other way and saying that the United States is already giving away too much. We may not like an American role, but we will have to find a way to keep the peace with the rest of the continent."

SCOUT TROOP'S GOLDEN ANNIVERSARY

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. APPLEGATE. Mr. Speaker, it is indeed a great privilege for me to bring to the attention of this House an occasion of importance to those associated with the Boy Scouts of America.

On Sunday, June 26, 1977, Troop 10 of Steubenville, Ohio, will celebrate their Golden Anniversary in scouting and honor all deceased committeemen, scout leaders, scouts and benefactors. It will be a memorable occasion, marking the dedication of these past leaders and positive influence they have had on a countless number of men from the past half-century.

The Boy Scouts of America is an institution in this country and one that over the past years has come to stand for honesty, trustworthiness, and patriotism. But scouting has attained these qualities only because of the type of men that Troop 10 is honoring.

It would be my hope, Mr. Speaker, and

I am sure that of many of my colleagues, that we will continue to have many more individuals such as those being honored by Troop 10 who are willing to help our youth to develop them into better men and women.

"THE ROLE OF GOVERNMENT IN OUR LIVES"

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. GILMAN. Mr. Speaker, recently I was pleased to have conducted a contest for high school seniors in the 26th Congressional District of New York on the subject of "The Role of Government in Our Lives."

Because of the intense interest shown in the writings of these students for their government and the role it plays in their lives, it is my privilege to submit for the review of my colleagues, the essays of the fourth and fifth place winners and two who received honorable mention.

The essays follow:

[Fourth Place]

"THE ROLE OF GOVERNMENT IN OUR LIVES"

(By Robert James Orr, Pine Bush, N.Y., Pine Bush Central High School)

The government has two major roles in our lives. The first role is governing our actions and our deeds, through laws decided upon through the representation of the people. The second role is the governing, not only of actions but thoughts themselves, by the example set forth by our representatives.

Governments must lead the people, but this leadership must not be an autocratic form led by persons with a "holier-than-thou" attitude toward the populace. Rather it should be a representation of the people's will, tempered by the cautious judgment of the representatives. This is only possible if the people can make their wishes known. The government must make available the means for people to communicate their wishes. This process gives the people the security of knowing that the government is truly representing them, and instills a sense of pride and responsibility in the people.

The government is also expected to be an example for the people to follow. The elected representatives received their post because they were thought by the people to have a high moral character coupled with the appropriate intelligence to guide their constituents. If the government does not uphold this image, it causes the people to lose faith, and to become discontented with the government. A good example inspires the people to improve their own moral fiber. The people must have a model, someone who can prove those good morals, as an essential part of life.

The government, therefore, has a very difficult job. Not only must they represent the people fairly, but they must also do this with a sound moral background in their decisions. People must be shown that honesty is, indeed, the best policy. Only in this way will we survive these troubled times

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[Fifth place]

"THE ROLE OF GOVERNMENT IN OUR LIVES"

(By George F. Burton Nanuet, N.Y., Nanuet Senior High School)

To understand the role of government in our lives it is necessary to first take a brief look at its effects on our daily lives, for from cradle to grave it plays a significant role.

The doctors who delivered us at birth are licensed by the state. The house we live in must comply with the local building codes and zoning laws. The food we eat is government inspected. The cars we drive must be registered with the state government. The money we earn to purchase that car is taxed by the federal, state, and local governments. Should we lose our job, we can apply for state or federal unemployment insurance or federally funded welfare. In the eyes of government, we are nothing more than a number—a Social Security number.

In my opinion, government must regulate, but not hinder. It has a duty to help people help themselves. Government should respond to the wants, needs, and demands of its citizens in a fair, effective, and compassionate manner.

But perhaps the question to be addressed is this: What is the role of our lives in government? For our vote, our participation, and our voice decides what our government's policies shall be. In the final analysis, the citizens in a truly democratic society determine what part government shall play in their lives

And if that government proves to be incessantly unresponsive, it is our duty, as stated in the "Declaration of Independence," ". . . . to alter or to abolish it."

[Honorable mention]

"THE ROLE OF GOVERNMENT IN OUR LIVES"

(By Stacy Lee Saetta, Pearl River, N.Y., Pearl River High School)

As America enters its third century, we, the citizens of the United States, are looking forward to a bright and dynamic future. For two hundred years, the people of America have employed their government to secure the unalienable rights of life, liberty, and the pursuit of happiness. The United States local, state, and national governments have maintained the provision of improvement and protection of society (Keeping in mind the common interest of the members of society) and has managed its task of amelioration exceedingly well.

The United States government is a vast and varied organism of influence over the sphere of human society. Its function is to serve its people in a manner that is significant and meaningful; that is watchful and protective; that will allow the individual, as well as society, to grow and to evolve to his or her full potential. The branches of the United States government should maintain the foundation, the substructure, the base, and the support which underlie the success of America as a nation; for from this base arises America's eminence, unbound and unrestrained by compelling governmental influence.

The role of government is by no means a "basement task,; something which can be ignored most of the time, only to be taken out for a dusting and for nostalgia. The role of government is a vital and viable one: The American citizen turns to government for support and for help, both as an original source of aid and as the last hope in his or her life. Government has demonstrated superiority in the management of large projects: a parks and resources system, a public library and education system, a national postal system, a defense system. The list of successful projects is endless.

Government maintains the holistic nature of society and reminds its citizens of the mutual needs and requirements of their neighbors. For this reason, the Government of the United States of America is a lasting and sustaining one.

[Honorable Mention]

"THE ROLE OF GOVERNMENT IN OUR LIVES"

(By Sally Pinzow, Pearl River, N.Y., Nanuet Senior High School)

"No man is an island unto himself." If man lived alone he could provide for himself, tame the elements, and conquer his environment. He would not need a government. A newcomer upon this scene poses the question, what rights does he have and what rights does the first man have? These are examples of man's need for government—to arbitrate in the discussion of rights, to decide laws, standards, norms, and to protect the rights of all people. Man is a social animal and a specialized animal; he requires representation to tend to these needs and organize them into a basic structure for his society.

The more important the task, the higher the requirements are for the representative organization and the greater its responsibility and power will be. This representative organization must be elected by all it will serve. We must also choose the individuals in this organization who will represent us to present our views and protect our rights in dealing with other communities, states, and countries.

To live in peace and order, we must have these representatives to establish the most equitable manner of economics. As was illustrated during the birth pangs of our country, a standard value is needed for ease in commerce. An impartial arbitrator has to be found to establish a common currency. This arbitrator is our government.

A foreign country infringes upon our nation's rights, our government negotiates for us. A person breaks the laws and attacks the innocent; our government apprehends him and insures his punishment.

The government enacts legislation upon these matters to insure our freedom; the freedom to interact with one another and guarantee recourse for undue advantage taken upon us.

GRAND RAPIDS, MICH., STUDENTS VISIT WASHINGTON TO PARTICIPATE IN 1977 CLOSE UP PROGRAM

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. SAWYER. Mr. Speaker, the third and final group of students and teachers from the Grand Rapids area were in Washington, D.C., last week to participate in the 1977 Close Up program. Close Up is a nonprofit, nonpartisan forum for the involvement of youth in government. During the past 2 years over 1,100 students and teachers from 45 high schools in the Grand Rapids/Kent County area have had the opportunity to participate in this program and increase their understanding and appreciation of the nature of our system of government and its opportunities for involvement.

The success of this program in Grand Rapids is due to the diligent efforts of many people. But there is one person who stands out for his leadership and dedication. Mr. Garrell Adler, deputy superintendent of the Kent Intermediate School District, has been instrumental in the growth and continued success of the Grand Rapids Close Up program. He

has worked successfully with the business and philanthropic community to raise matching funds to extend fellowships to students and teachers to enable them to participate in the Washington program. Through his leadership, two State programs and three local programs modeled on the Close Up format have been carried out in order to extend the concept of learning and involvement. Jerry Adler's enthusiasm for young people and learning, and his dedication have earned him the respect of educators, the business community, and political leaders.

I take this opportunity to applaud Mr. Adler for his dedication to education and youth.

LET US AVOID POLITICS ON THE PORNOGRAPHY ISSUE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. RANGEL. Mr. Speaker, Amitai Etzioni, a very distinguished professor of sociology at Columbia University has written a column which appeared in the New York Times on today regarding the issue of pornography. In that article, this world famous sociologist carefully puts forth the case that pornography may not be as bad as most people think, and worse that the issue is receiving additional publicity as a result of the political demagoguery which some public officials feel may be to their benefit.

The record should be clear from the outset. I am personally not for a proliferation of either lewd literature or of pornographic films. I find both quite distasteful. However, I will defend an individual's right to have this matter available even though I do not subscribe to the contents contained therein. I do this on what I consider are two very sound principles.

Once we as a nation start deciding what individuals can and cannot see and read, we commence on an uncertain road, without any idea of where it will lead or end. For if we say that a particular film is "smut" and thus should be banned, who is to say that 15 years hence the new leaders of this Nation will not seize this action as precedent for their banning the works of Shakespeare as detrimental to their interests? I do not want to give the future leaders any such weapons.

Aside from the legal questions involved, a question must be raised as to does pornography lead to crimes of sex. Apparently many people believe this theory but as Dr. Etzioni carefully points out, this theory just does not fit with the facts. Based upon carefully controlled studies that he is familiar with, Dr. Etzioni states that those people who are "sexually active" are more prone to indulge in pornography than those who are not. This thesis which Dr. Etzioni put forth was supported by the 1970 Presidential Report on Pornography, and thus lays to rest the belief that the more pornography, the more sex crimes.

I know the pornography issue raises within many of us many strong emotions and a sense that something must be done to curb its flow. My colleague from New York, JOHN MURPHY, is attempting to take remedial action to prevent the use of children in the making of pornographic films. I believe that his efforts are laudatory and thus I am a cosponsor of his legislation. But we must be very careful that in our haste to bring this matter under control, we don't take action that seriously jeopardizes the rights and liberties of our citizenry today and of tomorrow.

I would hope that my colleagues would carefully review the comments made by Dr. Etzioni on this issue. It is my hope that his words will help to reduce many of the myths that exist relative to this matter. The article follows:

"PORN IS HERE TO STAY"

(By Amitai Etzioni)

Mayor Beame may well be sincerely disgusted with pornography; only he is much better at keeping his feelings about erotic material private when no election looms.

After all, about 80 percent of all Americans favor tough laws against pornography. But porn is here to stay: Several of the joints Mr. Beame closed were back in business the same night—and the Mayor's drive is almost exclusively for the voters' excitation, not satisfaction—as good a definition as any of an unsavory act.

Studies of pornography document not its dangers but rather the difficulties many citizens experience in dealing with sexuality openly. These studies suggest that most adults who view X-rated materials are not affected by them, or only briefly. During that period, they do a little more of what they have been doing anyhow.

Thus, in the P.G.-rated language of scientific studies of pornography, we learn that "when masturbation follows exposure, it tends to occur among individuals with established masturbatory patterns" and that while "coital frequency increases" it is among "experienced persons with established and available sexual partners." In contrast to the view that porn corrupts people, most experts concur that "established patterns of sexual behavior were found to be very stable and not altered substantially by exposure to erotica," to quote the "Report" of the President's Commission on Obscenity and Pornography (1970).

Contrary to the popular view that porn breeds sex, it seems mainly the other way around: Those already having an active sexual appetite add porn to their menu. Porn is consumed more by men than women, more by younger than older persons, more by people less likely to attend church, and by those generally more active sexually.

In an often-cited experiment, a bunch of young men at the University of North Carolina were served up "repeated" and "prolonged" porn. Result: monumental and increasing boredom. Censorship, this study suggests, makes the material less accessible and shrouds it with the lure of forbidden fruit; ready availability is the best treatment.

Even for those who continue to wallow in porn, there is little support for the widely held notion that pornography breeds criminality. Studies comparing delinquent with nondelinquent youth found generally they were exposed to pornography for the first time at about the same age, viewed the same stuff, guzzled up similar amounts, etc. As to sex crimes, porn seems to provide a relief rather than a stimulant.

In recent rallies against smut in Times Square, porn, prostitution and crimes of violence have been lumped together. Theater and restaurant owners and others are agitated over the effects of concentrations of smut on their neighborhood. But porn is not the cause of prostitution or mugging, and its concentration in Times Square is largely the result of its being persecuted elsewhere in the city.

If it were accessible to all who want it in their neighborhoods, X-rated theaters would be sprinkled across the community the way newsstands are. Explicit displays on the street, which make it impossible to avoid porn, might be curbed. But if it is freely available indoors, it will not be pushed into the streets and flood Times Square. Of course, prostitution and crime will still have to be dealt with in their own right.

Why do 67 percent of Americans agree with the statement in a 1976 Daniel Yankelovich poll that "the government should crack down more on pornography in movies, books and nightclubs"?

About half of these people are "sexual hard hats." They state quite openly that they would wish to suppress it even if there were no evidence that it is harmful and if it were consumed only by consenting adults in their own homes. Indeed, while they are at it, they would also suppress speeches against God and books that attack our form of government.

The other half, which contains a high number of older, less-well-educated, smaller-town folk, also more conservative than average but not quite so blue-nosed about it. They are the soft core of the anti-porn camp.

Many of both groups have difficulty accepting their own sexuality and feel that unless the authorities keep the lid on, their urges may erupt.

A democratic society requires holding at bay these sexual anxieties and their repressive political expressions. Politicians who pander to these feelings would do well to reconsider their campaign themes.

GREEK CONTRIBUTIONS TO DEMOCRACIES

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. FLORIO. Mr. Speaker, as you know, citizens of Greek ancestry recently celebrated Greek Independence Day on March 25. I would like to take this opportunity to belatedly join in their celebration.

As we all know and appreciate, the United States and Greece have long enjoyed amicable relations, and I believe that this stems from the American respect for the Greek devotion to freedom and independence which they celebrated on the 25th of March. This devotion laid the foundation for the Greek culture which was to contribute so much to Western civilization. Modern man is indeed fortunate to have inherited the many examples of Greek art, education, and government. All of my colleagues will undoubtedly agree that Greece has served as a link between predecessor cultures and those that were to follow, such as the Roman and Arab cultures. These cultures in turn transmitted Greek ideas into our ancestors.

Not long ago I had the great honor of being initiated into the American Hel-

lenic Educational Progressive Association—AHEPA—in ceremonies in Cherry Hill, N.J. and I am pleased and impressed with the philosophy on which this association and others like it are premised, and also pleased with the list of outstanding contributions they have made to the Greek-American peoples. And as a member of AHEPA and as a Member of Congress, I salute the Greek people, not only of this Nation, but of the world for their immense contribution toward the formation of democracies around the world.

FERDINAND RUGE, EDUCATOR, DIES

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. BYRON. Mr. Speaker, I am deeply saddened to report that Washington has lost a distinguished and highly respected educator, Ferdinand E. Ruge. Mr. Ruge passed away last week at the age of 76. He was a remarkable individual who taught and inspired students at St. Alban School for Boys for the past 44 years. He had a profound influence on all individuals who were privileged to know him and I am sure I am speaking for other former students of his when I express the deep sense of loss we share with his family and friends. His contributions to others are immense and incalculable and go far beyond the teaching of English to his students, as important as that is. His complete devotion to helping others served as a model for his students and associates to emulate, though none could ever hope to equal it.

I include a recent article from the Washington Post on Mr. Ruge to be entered into the RECORD at this time:

FERDINAND RUGE, ST. ALBANS ENGLISH MASTER, DIES

(By Alice Bonner)

Ferdinand E. Ruge, 76, Master of English at St. Albans School for Boys for the past 44 years, died of a heart attack Sunday at Doctors Hospital.

After teaching at several other schools and once working as a stockbroker, he devoted more than half of his life to St. Albans where he became something of a legend among students and colleagues.

More than a teacher of the language, he was an inspiration to several generations of boys, some of whom remembered him as a demanding, but beloved and unforgettable instructor.

"He taught not only English, but integrity, honesty and responsibility," said the Rev. Charles Martin, headmaster of St. Albans. "He demanded work from his students and friends, but he always demanded more work from himself."

Mr. Ruge served as assistant headmaster from 1960 to 1968, as adviser to the St. Albans News, and as a member of the school's board of governors, in addition to chairing the English department for 44 years, but "it was in the classroom that he made his most significant contribution," his fellow teacher Paul Piazza said.

Astronaut and St. Albans alumnus Michael Collins, now curator of the National Air and Space Museum, said Mr. Ruge "kept his students sitting on the edge of their seats. All in all he was the best teacher I have known."

Piazza said Collins reflected the indebtedness felt by thousands of former students in his book "Carrying the Fire" when he expressed appreciation to "Ferdinand E. Ruge . . . who taught me how to write a sentence."

Mr. Ruge was known not only for his insistence that students learn to write "clear, simple and reasonably graceful English," as he expressed it, but for his unique ways of making them retain the lessons.

Bruce Meader, director of development at St. Albans and another former student, recalled that Mr. Ruge drew elephant tracks on a returned paper to "indicate that the writing was particularly slow and ponderous."

"He loved his work and he found satisfaction in giving countless extra hours to boys who needed his help," said former assistant headmaster Alfred True. "His zest for life and his direct, often blunt approach gave him an easy rapport with the boys he guided, instructed and entertained."

"Mr Ruge used the teaching of English as a pretext for teaching about life," recalled another former student, Donald Graham, executive vice president and general manager of The Washington Post. "He put the English classics in front of 17-year-olds and insisted that they think not about how the sentences parsed, but about what the words meant."

Mr. Ruge used his own time on Saturday mornings to give special attention in extra classes to boys who needed more help.

He was the trainer of the school's spelling team, and drew a surprising crowd of about 200 alumni last Fall when he held a nostalgic spelling bee at St. Albans.

"A commanding presence, a sure knowledge of how to deal with boys and a vast, yet unassuming culture all went into making him the most influential teacher at St. Albans that I have known," said John C. Davis, a 35-year St. Albans official and present assistant headmaster.

J. Willard Marriott Jr., president of the Marriott Corp., who noted that Mr. Ruge taught two generations of his family, said he "had a great sense of humor and was a superb teacher . . . loved and remembered by all of his former students."

A native of Liberty, N.Y., Mr. Ruge spent his boyhood in Decatur, Ga., and earned an AB degree from the University of Georgia in 1921. He received a masters degree from Harvard in 1929.

Before coming to St. Albans in 1933 he had been a stockbroker for W.H. Byers and Company and had taught at several schools in the East and in California.

Mr. Ruge was hospitalized for eye surgery when he was stricken on Sunday.

He is survived by his wife, the former Louise Baldwin, of the home, in the 4600 block of Asbury Place NW; a son, Richard of Washington; a daughter, Elizabeth Noe, of Ridgewood, N.Y.; a brother Arthur, of Lexington, Mass.; a sister, Genevieve Riddle, of Minlation, South Australia, and one granddaughter.

DR. YOSEF BEGUN CASE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. DOWNEY. Mr. Speaker, once again I want to bring to your attention and to the attention of my colleagues another case of religious discrimination in the Soviet Union.

Dr. Yosef Begun is a scientist and former senior scientific worker in the Central Scientific Research Economic Institute of the State Planning Commission of RSFSR. He was discharged in January 1971 after applying for a visa to emigrate with his young son to Israel. Dr. Begun's visa was refused on the grounds that he had previous access to information classified as state secrets. However, the Soviet Government has waived this prohibition 5 years after access to that information has passed. In Dr. Begun's case 6 years have gone by.

After he was fired in 1971 Dr. Begun began giving private Hebrew lessons as a means of support. His application for a state teaching license was denied and subsequently on April 14, 1977, he was arrested and charged with "parasitism," a euphemism for unemployment which the Soviet Government ironically is responsible for.

Dr. Yosef Begun is due to stand trial tomorrow on this trumped up charge of parasitism. Many people familiar with Dr. Begun's case fear that his trial may be the beginning of a new era of religious persecution in the Soviet Union. I urge my colleagues to communicate their opposition of this trial to Soviet officials as I have.

CAMPAIGN FUND WORRIES

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. GRASSLEY. Mr. Speaker, public financing of congressional campaigns is another one of those pet projects of the administration that many of us regard as a grave mistake. I have expressed my opposition to the concept many times. It would, I believe, serve to perpetuate incumbents and diminish citizen participation in political campaigns. It would also be very costly to the taxpayers.

A recent editorial in the Mason City, Iowa, Globe-Gazette outlined some of the problems with public financing of congressional campaigns. The paper holds what I hope will be the mistaken notion that public financing will become law, even though it is not in the best interests of the public. I hope that the majority of Americans will air their opposition to public campaign financing and pressure Congress to reject this ridiculous and dangerous proposal. But in case that does not happen, it would be wise for the House and the public in general to read the Globe-Gazette opinion.

[From the Mason City (Iowa) Globe-Gazette, May 5, 1977]

CAMPAIGN FUND WORRIES

Public financing of congressional campaigns seems to be almost a certainty for the 1978 national elections.

Such financing would resemble that used in the last presidential campaign. The campaigns of House and Senate contenders would be financed from $1 income tax checkoffs—and with ceilings on campaign spending.

Right now, the main disagreement seems to be over whether to include primary races in the system, as is done on the presi-

dential level. While there are such details to work out, the public-finance proponents seem to have the votes to set up a congressional system.

The purpose of publicly financing campaigns is to reduce the role of special-interest groups and fat-cats in selecting (and then influencing) office-holders. It's a worthy purpose.

However, objectors to the plan make points worth considering.

A constitutional objection is that unlimited contributions toward a cause or candidate is a right of self-expression. This seems to be a rather slim case, and in any event it's one that must be decided at law rather than in public debate.

There is also a question as to how massive a bureaucratic system will be necessary to administer campaign finances from coast to coast.

But, legalities and logistics aside, there are worrisome philosophical objections: That public financing combined with spending ceilings could strongly favor incumbents, weaken all political parties and tend to muzzle third parties.

Efforts must be made to measure and minimize the campaign advantages from office-holders' perquisites.

And political groups must find new ways to involve citizens in their causes. Traditional activities linked to fund-raising won't be necessary, and with spending limits there won't even be as many bumper stickers to hang.

Public financing of campaigns has many merits, and—more important—it seems to be coming whether we like it or not. It is thus up to the public to insist that the system be monitored and that drawbacks be brought under control.

If the setup works mostly to bar new faces, new ideas and new political movements, while diminishing citizen involvement in traditional parties, it could be an invitation to revolution.

DR. CARL L. HUBBS AND THE LIVING LEGACY TO HIS LOVE OF THE SEA

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. BURGENER. Mr. Speaker, on May 24, one of my constituents, and more importantly, one of the world's premier ichthyologists, will be honored with a living legacy befitting of his boundless dedication toward understanding the aquatic world and its inhabitants. On that day, his name will be bestowed on the Hubbs-Sea World Research Institute, one of the exemplary facilities for oceanographic research in the Nation.

It is fitting, as well, that Congress pay tribute to this extraordinary man whose unrelenting pursuit of the truth of the world's waters has so broadly expanded man's knowledge of that domain which fills over three-quarters of our planet and whose personal example has inspired so many others around the globe to join him in that pursuit.

Dr. Carl Leavitt Hubbs' long and distinguished career began in San Diego when the blossoming naturalist/scientist became intrigued by the study of birds. Later at Los Angeles Junior College and then at Stanford University and the University of Michigan, Dr. Hubbs' unquenchable thirst for a better understanding of aquatic life and a more thorough understanding of a realm that, at that time, remained largely mysterious, propelled the young biologist into the forefront of his profession and paved the way for a career that would bring increasing order to a misunderstood segment of science.

Dr. Hubbs' affiliation with the Scripps Institution of Oceanography in San Diego, of which he is professor emeritus of biology, began in 1944 and has really never ended, as Dr. Hubbs has never retired. Along with his wife Laura, Dr. Hubbs continues to work full days in their shorefront laboratory, striving continuously to further and broaden man's knowledge of the sea.

It is appropriate, Mr. Speaker, that so distinguished an institute should bear the name of Dr. Hubbs, whose lifelong contributions to the furtherance of scientific understanding have been immense. I am certain my colleagues in the House join me in congratulating a man who has never needed honor—only the satisfaction of a life's work well done and continuing still.

TRANSPORTATION AND ENERGY: GAS TAX UNFAIR TO LOWER AND MIDDLE INCOME AMERICANS

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. SHUSTER. Mr. Speaker, a short time ago I outlined reasons why President Carter's proposed 50-cent-per-gallon gas tax increase as an energy conservation device would be unfair to rural Americans. I would now like to share with my colleagues the reasons I believe such a proposal is unfair to poor and disadvantaged Americans.

President Carter has proposed that the current 4-cent-per-gallon excise tax on gasoline be increased by 5-cents-per-gallon increments, up to a maximum 50-cent-per-gallon increase, when nationwide gasoline consumption exceeds established targets. Ignoring for the moment the regressive nature of this proposal, and the relative price inelasticity of demand for gasoline, it is abundantly clear that the segments of our population which would bear the greatest burden and suffer the most losses are those who are poor or economically disadvantaged.

The proposal to impost progressively heavy taxes on domestic crude oil could make the retail price of fuel skyrocket in future years. Representative CHARLES A. VANIK, a member of the tax-writing Ways and Means Committee, was quoted in the April 21, 1977, Christian Science Monitor as projecting that even without the gas tax increase, the retail price of gasoline may climb by 15 cents per gallon in 2 years. That would make the average price of gasoline around 80 cents per gallon, and the proposed gas tax hike could push that to well over a dollar a gallon a few years hence—while I do not rule out a few cents per gallon to help pay for America's transportation needs, a 50-cent-per-gallon tax is simply too much for the average American to bear.

The Carter tax would have little, if any, effect on those in our society who are blessed with substantial incomes or other means of support, but it would have a severe adverse impact on those forced to live on fixed or meager incomes.

Columnist William Greider summed it up nicely when he said:

> Cars spread equalitarian life values through America—the values of time and mobility—and they spread these qualities downward in our society, more directly than any patch-up government programs. Cars give people more choices. (Greider, William. "Car Crazy in America, A Nation in Overdrive," *Washington Post*, April 25, 1977.)

And the lower economic strata in America enjoy more choices than people of comparable means anywhere else in the world—and the reason is mobility.

Americans own 45 percent of all the cars in the world today, even though we have only a fraction of the world's population. Mr. Greider went on to say in his thought-provoking article that we have more than one car for every two citizens in the United States, while in France there is less than one car for every three citizens and in West Germany, three out of four do not enjoy car ownership.

Thus, the lower economic classes in America can boast of a lifestyle that may be modest by some standards, but must rank at the very top when compared to comparable economic classes around the world. A 50-cent gas tax increase would seriously threaten that lifestyle by making mobility more expensive and limiting the number of choices now enjoyed by Americans in the lower and middle income brackets.

It would make it more expensive for lower income people to engage in their daily activities. It would severely limit job choices by making it prohibitively expensive to take a job that would require extensive travel or commuting. And it would inhibit cultural and recreational opportunities by making it more costly to get to them.

In many cases, alternative forms of transportation, such as buses or subways, may not be available.

The White House will tell you that the gas tax increase is being proposed as a penalty to encourage energy consciousness, and the revenue raised will be redistributed throughout the population so as to avoid a windfall situation. They say, for example, that the rebates on fuel-efficient cars will help ease the pain of higher taxes.

But I ask you, Mr. Speaker, how many poor people do you see driving around in new cars? How many lower or middle income Americans trade in their cars every 2 or 3 years? Not many. It is not at all unusual to see cars 10 or 15 years old on the road, and even when they do trade in, they usually buy a used, rather than new, car.

Additionally, any increase in the cost of fuel is felt disproportionately by the poor and disadvantaged. The Environmental Protection Agency reports that the average annual fuel cost for a mid-size American car ranges from $488 for

a small engine Pontiac Le Mans to $886 for big engine Dodge Monacos and Plymouth Furies.

If we make the assumption—which may not be statistically valid—that the average annual cost for fuel for the average American car is around $700—$488 plus $886 divided by 2 equals $687, rounded off for purposes of this illustration to $700—then the annual fuel cost for a person making $25,000 per year represents about 3 percent of his salary, while it accounts for 10 percent of the salary of a person earning just $7,000 per year.

If the price of gasoline doubles in a few years, all other factors remaining the same, the average annual cost of $1,400 will represent about 5 percent of the $25,000 salary, or an increase of 2 percent, while it will represent 20 percent of the $7,000 salary, or a jump of 10 percent.

What all this means is that those in our society who can least afford it will be asked to bear a disproportionately severe burden of the high cost of energy conservation, with little or no return, while the rich will bear a disproportionately small burden with some or all of that cost returned through rebates and tax breaks. And the less one makes, the greater the burden. It is a classic case of a regressive tax.

Mr. Speaker, considering that the lowest 20 percent of American families receive a little more than 5 percent of all family income, while the top 5 percent receive almost 15 percent, it is clear that the President's proposed gas tax increase would contribute to a further polarization of American economic classes.

At the same time, it would severely reduce the purchasing power of lower and middle income families and impose a strain on their ability to obtain and keep steady, decent jobs. It would reduce the choices in lifestyle now enjoyed by all Americans, and further disadvantage those who are barely able to make ends meet.

COMMEMORATING THE LINDBERGH FLIGHT

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. AMBRO. Mr. Speaker, Lindbergh's triumph of 50 years ago can be seen today as an event with much subtler meaning than simply the first Atlantic crossing by a heavier-than-air craft. Joining as it did the technician and the individualistic dreamer, the crossing suggested a growing link between man's aspirations and his ability to attain those aspirations that has pushed our dreams far beyond the expectations of even a single generation ago.

Long Island's participation in that joining of the technologist and the dreamer is well established, whether the link be land, sea, or spaceborne. The excitement generated by the Lindbergh flight, a flight taking off from the Roosevelt Field airstrip on May 20, 1927, is still very much with those businessmen, scientists, and engineers who have pushed so far beyond Lindbergh-era technology in their defense and space work. Those same Long Islanders are even now entering into the difficult challenges faced by a society that must learn to fully mesh its industrial capability with environmental and social welfare considerations.

There can be no question that Charles Lindbergh would approve of this direction. A man who could simultaneously be at the forefront of his era's technological advance and still hold on to a deep spiritual sense would undoubtedly encourage the application of technology to the society's problems, a course he did in fact follow in his life.

And in reflecting on just what it is that makes it possible for the complex systems of modern technology to enhance the spirit, making possible even more optimistic dreams for the future, one can only look to the individuals who create not only the technology but the society it works in. The individual remains the key, whether it is the lone man in the airplane over the Atlantic or the first man to step on the Moon. And even as the technology broadens the dream, the dream makes possible the technology. Lindbergh's legacy is, in a very real way, his ability to span all elements of spirit and science. He showed the pathway to advancement for a society through the act of an individual.

BEWARE ELECTION FRAUD

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. TREEN. Mr. Speaker, one of the most far-reaching pieces of legislation which this Congress will consider is also one of the most potentially disastrous for the integrity of the election process. Congress will soon be taking up President Carter's legislative proposal to permit registration of voters on election day. The potential for fraud is substantial, as recognized by an internal Justice Department memorandum.

In order to maintain the integrity of the election process, it is essential that the means for committing fraud be detectable. In the October 2 Democrat primary in the First Congressional District of Louisiana, the extensive fraudulent voting that occurred in St. Bernard Parish could not have been detected had the procedures of President Carter's proposed legislation been in effect.

The situation in Louisiana was very ably analyzed by the Washington correspondent for the New Orleans Times-Picayune, Kenneth A. Weiss, in his "Washington Watch" which appeared in the May 8, 1977 edition of the Times-Picayune. Mr. Weiss' article follows:

CARTER VOTING PLAN "POTENTIAL FOR FRAUD"

(By Kenneth A. Weiss)

WASHINGTON.—Election fraud is nothing new in Louisiana. But a proposal by President Carter could make it commonplace nationwide.

A Justice Department memo describes Carter's proposed plan for election-day voter registration as creating a tremendous potential for fraud.

Under Carter's plan, voters would only have to go to polls on election day, show they live in the neighborhood, and vote—without the need for advance registration.

But a Justice Department memo on the plan says that pre-registration of at least 30 days is necessary to detect the common types of vote fraud.

The memo points out that the signatures made on voter registration cards were the principal basis of detecting vote fraud in the recent election fight between ex-Rep. Rick Tonry and James Moreau

Because those signatures were on file, investigators were able to pinpoint the forged votes that a state judge later ruled helped give Tonry his fraudulent victory in the Democartic primary runoff.

The Justice Department memo contends that the requirement under Carter's plan that persons seeking to vote without advance registration produce some kind of identification would be "essentially meaningless."

The official administration line is that making voters pre-register is an unnecessary and unfair barrier to many working persons who can't spare the time prior registration would take.

In reality, it's just politics as usual.

This past week, the House Administration Committee approved the Carter voter registration plan by a 17 to 8 vote.

All the Democrats voted for it, and all the Republicans voted against it.

The vote reflected the widespread belief that election-day voter registration would politically benefit the Democrats.

The administration contends that tough penalties for election fraud would prevent the illegal abuse of same-day voter registration.

However, the fact is there are already stringent laws on the books against election fraud.

Those laws didn't stop vote stealing in Louisiana's First Congressional District.

And those laws won't stop vote fraud in the future—as long as there are unscrupulous and desperate men willing to tamper with the very foundation of a democratic government.

Prior voter registration provides a check on the process—a safeguard against stolen democracy—and a means to track down those who would deny the peoples' will.

Without prior registration, it would have been impossible to prove election fraud in the Tonry-Moreau dispute.

It is true that election-day registration would make voting easier and more convenient for those whose busy lives makes it inconvenient for them to pre-register.

But the price of democracy is never cheap. And a small amount of inconvenience is a tiny price to pay to help protect the integrity of the elctoral process.

The recent sordid election fight in Louisiana was both an embarrassment to the state, and an outrage to its people.

If there is a lesson to be learned from the experience, it is that measures which threaten the security of the democratic process are a threat to the nation itself.

ARMED FORCES WEEK COMMITTEE

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. McDADE. Mr. Speaker, I would like to bring to the attention of my colleagues the meritorious efforts of the

Armed Forces Week Committee of Scranton, Pa.

The committee is comprised of community-minded citizens who are among the leaders of the northeastern Pennsylvania community. Military personnel, city, county, and State officials, educational leaders, service organizations, and the local chamber of commerce have all combined their talents and efforts to produce a week of activities to honor our Nation's Armed Forces. The scheduled events are all designed to demonstrate the manifold skills of today's servicemen and women and the important economic benefits provided to our area by the military.

I think it only fitting that we pay tribute to the committee for their efforts to bring to us a constant reminder of the selfless service of the members of the armed services, who have given so much to defend our democratic principles, and the continuing need for a strong defense force.

MEDICAL FREEDOM OF CHOICE BILL HITS 100 COSPONSORS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. SYMMS. Mr. Speaker, for the past year and a half I have been promoting an idea that is now rapidly gaining the support of my fellow Members of Congress and of the outside community: the American Medical Association, the Association of American Physicians and Surgeons, and numerous individual physicians, economists, pharmacologists, and academicians.

The Food and Drug Administration was given a law in 1962, a law with the most honorable intentions, that greatly expanded their control over the research, development, testing and introduction of new drugs. Unfortunately, this law was passed in the midst of an emotional scare—the introduction of thalidomide in Europe. Thalidomide was dangerous in some instances, and the FDA deserves credit for preventing its introduction in America. The "safety" provisions of the 1938 Food, Drug, and Cosmetic Act worked very well and kept thalidomide from the vast majority of U.S. consumers. But the 1962 Kefauver-Harris amendments to the Food, Drug, and Cosmetic Act, given the impetus for passage as a result of thalidomide, did not deal with the safety of new drugs, but rather with the "effectiveness" of new drugs.

There is virtually no evidence to substantiate that the "effectiveness" provisions were needed in 1962. The 1962 amendments were a misguided, inappropriate congressional response to public outcry: the public exerted pressure and the Congress pased a law—a law that did not have anything to do with safety. The point is that the 1962 amendments were not needed in 1962 and they are not needed now. Fifteen years of experience with the 1962 amendments has given the medical community and the Congress ample time to evaluate the benefits and costs of the "effectiveness" provisions, and some very interesting figures come to light: in the pre-1962 decade, an annual average of 43 new chemical entities and 301 new drugs were introduced; the post-decade figures are 16 NCS's and 92 new drugs—the NCE figure is now somewhere around 13 per year; in 1962, the average drug could be developed, tested and be ready for market after 2 to 4 years, at a cost of $1 million and with as little as 1,000 pages of documentation; today, the average drug takes 7½ to 15 years to be tested, it costs $15–20 million—with one expert predicting a $40-million average by the end of this year, and requires up to 200,000 pages of documentation—naturally, submitted in triplicate. Since passage of the 1962 amendments, the entire drug flow has been cut by over 60 percent. Some FDA officials candidly admit that penicillin, aspirin, digitalis, and insulin—to mention but a few major drugs—would not be able to make it to the market under current regulations. Dr. Michael E. DeBakey, the world-famous cardiovascular surgeon, phrased it this way: "the prosthetic artery, aneurysmal patches and other vascular prostheses would not be here today if we would have had to comply 25 years ago with current FDA regulations." These ills can all be traced back to the 1962 "efficacy" provisions.

Moreover, there is little evidence—if any—that the 1962 effectiveness provisions have improved the quality of drugs on the American market. The 1975 Economic Report of the President states:

> It is not clear that the average efficacy of drugs introduced after 1962 is any higher than that of drugs previously introduced.

Prof. Sam Peltzman, University of Chicago Business School, states:

> The penalties imposed by the marketplace on sellers of ineffective drugs before 1962 seem to have been sufficient to have left little room for improvement by a regulatory agency.

Prof. Yale Brozen sums up the case very well in the foreword to "Drug Regulation and Innovation":

> The 1962 amendments to the Food, Drug and Cosmetic Act have caused more than a "drug lag" in the United States. There has also been a decline in drug innovation . . . it has been demonstrated that the incidence of ineffectiveness among new drugs was not lessened by the requirement imposed in 1962. . . . The sick are being deprived of effective treatment for some of their ailments. Drugs, some of which are drugs of choice, are available abroad but not here. The rate of pharmaceutical innovation has been depressed, further depriving those in need of effective treatment. . . . These are all "benefits" of the 1962 amendments which I, for one, am quite willing to do without.

Dr. Rita Campbell, Stanford University, concludes her analysis by saying:

> Repeal of the 1962 amendments would permit physician/patient to choose among relatively safe therapeutic options tailored to the patient's unique needs, would decrease the administrative costs of FDA, and would increase the net benefit to society.

After reviewing a great deal of material, I came to the same conclusion: The "effectiveness" provisions of the 1962 Amendments to the Food, Drug and Cosmetic Act should be repealed. I introduced legislation, titled "Medical Freedom of Choice," on March 16, 1976, and reintroduced the bill, H.R. 54, on January 4 of this year. The medical freedom of choice bill has now gained the cosponsorship of 100 Members and the support of many others.

In my efforts to help the American consumer by enacting much needed FDA reform, I have always tried to present factual, well-reasoned material to my colleagues. The Food, Drug and Cosmetic Act desperately needs revision, but the change must come about through a deliberate, logical and nonemotional process and not as a result of an emotional plea or scare as has happened so often in the past. The chief counsel of the Health and Environment Subcommittee in the House was recently quoted in a trade association newsletter as saying:

> Ten years ago nobody thought it could happen that the vitamin crazies would succeed in getting legislation passed to curb FDA's authority to regulate vitamins, "but the did . . ." [referring to the so-called Proxmire Vitamin bill that passed both the House and Senate nearly unanimously last year]. "The impact from respected scientists' intellectual arguments and the crazies' pressure may merge" [referring to the Medical Freedom of Choice bill].

I would hope that the pros and cons of this case will be able to avoid more of this type of argumentation. The medical freedom of choice bill is an important piece of legislation and needs to be given serious consideration.

Many people are concerned that this legislation is a pro-Laetrile or legalize Laetrile bill. I think my friend and colleague from Florida, Hon. PAUL G. ROGERS, chairman of the Health and Environment Subcommittee, has presented the best answer to this question in a statement in the April 1 issue of the Democratic Study Group Staff Bulletin:

> With respect to the specific issue of Laetrile or Vitamin B-17, it is my understanding that the Food and Drug Administration has not received a new drug application for Laetrile. In order to meet the current requirements for a new drug application the manufacturers of Laetrile will have to demonstrate that specific standards for safety and effectiveness have been met. Repeal of the efficacy provision would only alter this requirement with respect to effectiveness, the remainder of the existing requirements would still have to be met—and as I have mentioned there is no indication to date that the manufacturers plan on making such an attempt. In other words, repealing the efficacy clause will not automatically make Laetrile available in the United States.

The medical freedom of choice bill makes good sense in the proconsumer, regulatory reform atmosphere we find ourselves in, in Washington. I urge my colleagues to join with me by adding their name to the list of cosponsors on the bill. The present 100 cosponsors represent both political parties and virtually all political philosophies. H.R. 54 is a sincere, bipartisan attempt to reform Food and Drug Administration regulations and the issue needs to be resolved as quickly as possible .

The current list of cosponsors follows:

COSPONSORS OF THE MEDICAL FREEDOM OF CHOICE BILL IN THE 95TH CONGRESS

James Abdnor (D-SD), Joseph P. Addabbo (D-NY), Glenn M. Anderson (D-CA), Bill

Archer (R-TX), John M. Ashbrook (R-OH), Les AuCoin (D-OR), Robert E. Badham (R-CA), Robert E. Bauman (R-MD), Berkley Bedell (D-IA), Tom Bevill (D-OK), William S. Broomfield (R-MI), Clair W. Burgener (D-CA), J. Herbert Burke (R-FL), Elford A. Cederberg (R-MI).

Shirley Chisholm (D-NY), Del Clawson (R-CA), James C. Cleveland (R-NH), Thad Cochran (R-MS), William S. Cohen (R-ME), James M. Collins (R-TX), Tom Corcoran (R-IL), Philip M. Crane (R-IL), Dan Daniel (D-VA), Samuel L. Devine (R-OH), William L. Dickinson (R-AL), Robert K. Dornan (R-CA), Thomas J. Downey (D-NY), John J. Duncan (R-TN), Mickey Edwards (R-OK), Allen E. Ertel (D-PA), Paul Findley (R-IL), Walter Flowers (D-AL), Richard A. Gephardt (D-MO), Barry M. Goldwater, Jr. (R-CA).

William F. Goodling (R-PA), Tennyson Guyer (R-OH), Tom Hagedorn (R-MN), Sam B. Hall (D-TX), John Paul Hammerschmidt (R-AR), George Hansen (R-ID), Marjorie S. Holt (R-MD), William J. Hughes (D-NJ), Richard H. Ichord (D-MO), James M. Jeffords (R-VT), James R. Jones (D-OK), Richard Kelly (R-FL), Jack F. Kemp (R-NY), William M. Ketchum (R-CA), Thomas N. Kindness (R-OH), Robert Krueger (D-TX).

John J. LaFalce (D-NY), Robert J. Lagomarsino (R-CA), William Lehman (D-FL), Norman F. Lent (R-NY), Jim Lloyd (D-CA), Trent Lott (R-MS), Robert McClory (R-IL), Paul N. McCloskey (R-CA), Larry McDonald (D-GA), Dan Marriott (R-UT), James G. Martin (R-NC), Clarence E. Miller (R-OH), George Miller (D-CA), G. V. Sonny Montgomery (D-MS), Carlos J. Moorhead (R-CA), Bill Nichols (D-AL), George M. O'Brien (R-IL), Jerry M. Patterson (D-CA).

Edward W. Pattison (D-NY), Melvin Price (D-IL), Joel Pritchard (R-WA), Dan Quayle (R-IN), Charles B. Rangel (D-NY), Matthew J. Rinaldo (R-NJ), Charles Rose (D-NC), John H. Rousselot (R-CA), Eldon Rudd (R-AZ), Philip E. Ruppe (R-MI), Leo J. Ryan (D-CA), Jim Santini (D-NV), Harold S. Sawyer (R-MI), Keith G. Sebelius (R-KS), Robert L. Sikes (D-FL), Paul Simon (D-IL), Bernie F. Sisk (D-CA), Gene Snyder (R-KY).

Gene Taylor (R-MO), Charles Thone (R-NE), David C. Treen (R-LA), Guy Vander Jagt (R-MI), Joe D. Waggonner, Jr. (D-LA), Robert S. Walker (R-PA), William G. Whitehurst (R-VA), Bob Wilson (R-CA), Charles Wilson (D-TX), Charles H. Wilson (D-CA), Antonio Borja Won Pat (D-GUAM), Gus Yatron (D-PA), Don Young (R-AK), Leo C. Zeferetti (D-NY).

PERSONAL FINANCIAL STATEMENT OF HON. JOHN CONYERS, JR., FOR 1976

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. CONYERS. Mr. Speaker, as a cosponsor of the Financial Disclosure Act—H.R. 1—which would require all candidates for Federal office, Congresspeople and Federal employees to reveal on an annual basis the amount and sources of their income, and as a supporter of House Resolution 287 to amend the financial ethics code in the House of Representatives, and in keeping with my conviction that all public officials should routinely disclose their personal finances to constituents, I am once again making such a disclosure. The following is a statement of my finances for the year 1976:

My income for the year consisted of my congressional salary of $44,600, income from my ownership in the Conyers partnership—automobile dealership—of $1,124, speaking honoraria amounting to $13,142.81, and interest income of $138.40. My total income was $55,018.35 and my adjusted gross income was $52,999.73. I paid Federal income tax in the amount of $17,509.38, Michigan State tax of $1,880.67, and Detroit city tax of $1,102.48.

"CAPITALISTIC PIGS" CHEER FOR CASTRO

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. CRANE. Mr. Speaker, early last week, the Senate Foreign Relations Committee voted to lift part of the 15-year U.S. trade embargo against Cuba in what seems to be only the beginning of a drive to embrace the Communist satellite and shower it with concessions, dispensations, and investments. American businessmen and politicians have seemingly forgotten that in 1959 the Cuban Government seized virtually all the private property owned by U.S. nationals, property valued at approximately $2 billion. Since no compensation was made by Cuba for the expropriated property, I suppose that the businessmen who visited Havana earlier this month will just forget about the property and simply give it to Cuba as a sign of American "good will," just as long as the businesses get a corner of the Cuban market. I would like to share with my colleagues an article by Mr. Patrick Buchanan from the Chicago Tribune, which contains some thought provoking comments, in light of recent Senate action:

"CAPITALISTIC PIGS" CHEER FOR CASTRO

(By Patrick J. Buchanan)

WASHINGTON—Now that Cuban officials have conceded their economy is a basket case, a curious coalition of Americans is galloping to the rescue. Led by Sen. McGovern [D., S.D.], who last week introduced legislation to partially lift the United States embargo, the coalition consists of peachy, pietistic liberals and profit-hungry capitalists.

Kirby Jones, former press aide to McGovern, who serves as "consultant" for U.S. businessmen anxious for a piece of the Cuban action, said last week:

"The amount of trade is limited but somebody's going to get their [the Cubans'] business. If there's a market, Americans want a part of it . . . I don't see how the government can continue to resist the pressure from the business community."

Maybe not, Kirby, but then there always was an element of truth in that Leninist term of contempt, "capitalist pig." Also, a question here arises. Is there not a conflict of interest, with McGovern pushing legislation which will initiate trade from which McGovern's protege is sure to rip off a fat broker's fee?

But back for a moment to the American businessmen, 52 of whom came from such giant Minnesota firms as Honeywell, Control Data, Pillsbury, and General Mills, visited Havana a week ago. One report had it the boys gave Castro a standing ovation. Another, from Wall Street Journal correspondent Robert Keatley described the U.S. performance thus:

"The Castro charm seemed to work once again with these visiting Americans, as it so often does. The group was respectful, almost reverent at times, which is frequently the case when conservative U.S. executives meet famous Communist officials. They asked no difficult questions . . ."

From the U.S. standpoint, a lifting of the embargo, even partially, could not come at a worse time. The embargo is working beautifully. Writes Keatley: ". . . the average Cuban now can only get one ounce of coffee per week, 12 ounces of meat every 10 days, and one pair of trousers annually." Jack Kennedy's economic blockade has, literally, de-pantsed Castro's economy.

We should tighten the screws, and turn the misery of the Cuban people into animosity against the "corrupt and repressive" regime that reduced that once-prosperous island to penury.

Other reasons exist for not moving to relieve Castro. As a recent headline in New York City's second largest morning paper reported—following Fidel's visit to Moscow—"Soviet Union and Cuba Promise More Aid for Guerrilla Groups." Writes the former U.S. ambassador to Yugoslavia, Laurence H. Silberman: "To seriously bargain now for recognition while thousands of Cuban troops are in southern Africa is not only to ratify past Cuban policy; it is an unnecessary confession of our weakness."

And what is the character of the regime with which McGovern, champion of "human rights" in Chile, seeks closer economic ties? Here is the testimony of an American black, Garland Grant, a one-time Panther sympathizer, who hi-jacked an airliner to Cuba years ago:

"I've been in this place for six years and I'm out of my mind. Believe me, I'm all for the United States now. I'd even wear a Nixon button. . . . I'm probably being watched Everybody here is too scared to say anything. . . . They can't do anything more to me than they've already done, but put a bullet in my head. I'm living like a dog in Cuba."

Contributing to Grant's disillusionment may have been the 30-month prison term he served for showing "disrespect for personnel of the Swiss Embassy." During one of those jail terms, Grant went on a hunger strike and was beaten so badly he lost an eye and carries permanent body scars. Another American, says Grant, was murdered by Cuban guards when his "head was bashed against a wall."

Warned he would face a prison sentence if he came home, Grant told the correspondent, "Just open my cell door and I'll walk in." That is, for one American black, prison in the U.S. is preferable to "freedom" in Communist Cuba.

My own feeling is that this whole rotten business offers the GOP an opportunity. Too long tied to, and associated with Big Business, the GOP caucus should adopt a resolution of contempt for those businessmen anxious to bail out Castro; they should also vote, in unanimity, against McGovern's proposal. Finally, they might steal a bit of Carter's "human rights" thunder by adding to the new funds for Radio Liberty and Radio Free Europe, millions for Radio Free Cuba.

PREVENTING POSTAL FRAUD

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. GILMAN. Mr. Speaker, I recently introduced H.R. 6073, to protect unwary consumers from unscrupulous promoters of products and services who engage in misrepresentation and the fraudulent use of the mail.

This bill: First, provides civil penalties of not more than $10,000 for each violation after a promoter has been advised by the Postal Service to cease promotion of goods and services alleged to be deceptive; and, second, empowers the Postal Service—if such deceptive promotion continues—to seek recovery of a consumer's money or property.

Since introducing this bill, a number of my colleagues have indicated their desire to cosponsor this important piece of legislation.

Mr. Speaker, I welcome the support of my colleagues and list the following Members who have joined me in urging passage of this bill:

LIST OF COSPONSORS

Mr. Addabbo, Mr. Badillo, Mrs. Collins of Illinois, Mr. Derwinski, Mr. Drinan, Mr. Ertel, Mr. Fauntroy, Mr. Harrington, Mr. Kostmayer, Mr. Mitchell of Maryland, Mr. Murphy of Pennsylvania, Mr. Neal, Mr. Richmond, Mrs. Spellman, Mr. Stark, Mr. Stokes, Mr. Simon, Mr. Waxman.

A REALISTIC LOOK AT ENERGY DEVELOPMENT

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. RONCALIO. Mr. Speaker, Gillette, Wyo., is one of the best known boomtowns. Extensive studies have been conducted about this community sitting on the world's largest coal deposit. Without any help from the Federal Government, the city and State of Wyoming have cooperated in their struggle to cope with the many problems associated with rapid, unplanned growth. There is still a water shortage, housing shortage, inadequate sewage treatment, and lack of recreational facilities.

Although reaping many benefits from this area, the Federal Government has virtually disregarded the problems with the exception of studying them. The resources will continue to grow in importance to the Nation. I would hope a knowledge of these unwanted side effects of energy development would result in meaningful Federal assistance. The following article by the mayor of Gillette, Michael Enzi, is a sad commentary on the bumbling of the Federal Government on impacted communities.

I commend him for being a lucid writer as well as a great mayor.

The article follows:

[From the Los Angeles Times, May 15, 1977]

WYOMING'S COAL VEINS JUST BRING TROUBLES

(By Michael B. Enzi)

We've known for years that Gillette was sitting on top of the single largest coal deposit in the world—a strip of coal 150 feet deep at some points, 80 miles long and from 20 to 30 miles wide.

If the United States had no coal except the coal in Campbell County, Wyo.—where Gillette is the only incorporated town—it would still be the fourth-largest coal-producing country (instead of the first). Only Russia, China and West Germany have larger coal deposits than Campbell County. To put it another way, the Bureau of Land Management says that the county has 12% of the known coal reserves in the world. And some of it is so close to the surface that we have trouble digging sanitary landfills in Gillette to bury our garbage—we keep striking coal.

Despite the impressive statistics, nobody got very excited about our coal until the energy crisis. There was far more interest when oil was discovered near Gillette in 1967; for a time the town became the center of one of the top oil-producing areas in the country. Although new wells are still being discovered, oil production has leveled off since 1971 and is responsible for only a small increase in the population—and troubles—of Gillette.

Yes, we have troubles. The energy crisis made it obvious that the United States would be forced to return to coal as a primary source of fuel as petroleum supplies ran out. It was also apparent that the easiest and least expensive way to increase coal production was to turn west, where vast supplies lie close to the surface and can be strip-mined. It means the creation of instant boom towns.

Less than a decade ago, at the time of the first big oil strike, Gillette was a ranching community of 3,500 people who exchanged tough winters for glorious summers in a corner of northeastern Wyoming so remote that they had to drive 135 miles to Casper for any excitement.

Today we have a population of 10,000 which is expected to double in the next three years, with a projection for 35,000 by 1985. And we have excitement at last, if you count coal trains rumbling through the town day and night, cutting it in two; a water shortage, a housing shortage, a race with time to secure adequate sewage-treatment facilities, a severe shortage of recreation facilities and even a shortage of accurate information on which to base future planning.

Oh, and we have a money shortage, too.

The City Council has set some priorities and is trying to handle one maior problem each year while beating out brushfires which come up in other areas. This is the year to concentrate on water, and in recent months we have dug new wells and increased our water supply by 45%. Last August we let bids to triple our water-storage capacity. We're looking for other additional water supplies to take care of the continually increasing population. It's going to cost somewhere between $17 and $30 million, and we've been forced to raise the water investment fee, which is like a membership for water users, from $250 to $950 plus costs. That means a water connection for a new house or business costs almost $1,000.

Housing has us almost in despair: In the past 13 years, 300 houses have been built in Gillette. A recent economic base study showed that we should be building 1,500 houses a year—in other words, one out of every thousand new houses in the United States should be built in Gillette, Wyo. Housing developers haven't been flocking here, however, because they weren't sure the coal boom was real. As a consequence, the housing market is very tight. Many of the new workers—who have caused the average age in town to drop to 25—are just getting started in their first jobs and can only afford mobile homes, for which easy financing is available.

We don't have any facilities for large numbers of mobile homes, so quite an encampment has grown up at our local fishing lake and playground. It has only two restrooms—no showers, water supplies or laundry facilities—and therefore we asked the Department of Housing and Urban Development for a grant to build a mobile-home village. I don't think they read our application, however, because when they turned us down they said Gillette didn't need another playground.

It has been equally frustrating trying to get federal help to expand our sewage-treatment facilities, which are at capacity. The Environmental Protection Agency rejected a request for help, saying that Gillette already had a treatment plant and must wait until 27 other towns in Wyoming got their first ones.

The Economic Development Agency turned us down because expanded facilities would encourage growth and therefore create adverse conditions. Encourage growth? We've already got growth and adverse conditions!

If the federal government has been stingy with its money, it has been generous about sending experts here to Gillette to study us. City employes and officials spend endless hours being interviewed by researchers, who arrive in teams and listen carefully as we explain our problems. A few months or even a few years later we receive copies of their reports, which say just what we told them. But this process doesn't give us any new information or help, nor are we ever asked to help design studies which would help.

When the federal government requires environmental impact statements, why doesn't it find out how municipalities are affected by such developments as the coal boom? It is hard to get Gillette people worried about the life span of the antelope when they are on water rationing.

Many times I've asked the researchers from Washington to get us some help in the form of grants, but they come back saying, "You know, you're right, you're not eligible for anything." It's because we're in an economic situation which is out of step with the rest of the nation. The government is set up to stop deterioration with urban renewal programs, for example, not to cope with growth.

If we can't count on the federal government for much help, where can we turn? We haven't been sitting around just wringing our hands. For one thing, the city of Gillette and Campbell County probably have the best city-county cooperation in the state. The city's property tax is at the maximum rate allowed by law, and raises about $100,000 a year. Most of the companies moving to the area are outside the city limits, so the county gets their tax revenue. The county builds and maintains the roads going to all the new mines, and so forth, but it also operates the recreation center, library and hospital, all of which are in Gillette. The county gave us the land for a new water-storage facility and the site for a new well.

A $9 million county bond issue to build a new hospital was passed recently. We're working now to transfer the airport to county jurisdiction—major carriers probably will be flying in here by 1980 and airport improvement is expected to cost about $6 million.

We're hoping the railroad will do something about the tracks which cut Gillette in half. There's constant traffic now with coal, and emergency vehicles have no way to get through when a train is passing. We need to divert the traffic or at least to build an overpass. Railroads are becoming quite an issue in Wyoming. For the first time since World War II new tracks are being built.

Despite all the problems, I'm optimistic. The newcomers have a good spirit and the old-timers accept the fact that growth is inevitable. In a town like Gilette it's easy to see what needs to be done and relatively easy to get it done.

TOM HULETT AND CONCERT'S WEST

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. DUNCAN of Tennessee. Mr. Speaker, I would like to bring to the attention of the Congress today the appre-

ication of my fellow Tennesseans for Mr. Tom Hulett, who has brought the finest in entertainment productions to the citizens of Tennessee.

Tom Hulett is the managing general partner of Concert's West, the prime promoter of another fellow Tennessean, Elvis Presley.

Today with our young people so greatly influenced by what they see on the stage, it is refreshing to see a well produced, class show, as is presented by Mr. Hulett and Concert's West.

Thanks to Mr. Hulett and entertainers like Elvis, young people receive the impression that class and quality are still worthwhile ideals in our free enterprise marketplace.

Concert's West and Tom Hulett are approaching their 10th anniversary in providing quality entertainment from the west to the east coast. The positive influence they have had on our young people is worthy of recognition from this body.

Thanks to Concert's West, Tom Hulett and Elvis we can be sure that high standards in the entertainment industry will continue to be set by these gentlemen.

WHY CONGRESS HAS NOT DEREGULATED NATURAL GAS

HON. BOB GAMMAGE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. GAMMAGE. Mr. Speaker, President Carter, in a speech delivered to a joint session of Congress on April 20, 1977, outlined his comprehensive national energy policy. While I personally appreciate the President providing the Congress a comprehensive energy package with which to work, I am distressed over his proposed treatment of new natural gas.

The President proposes to subject all new natural gas, sold anywhere in this Nation, to a price limitation of the Btu equivalent of the average refiner acquisition cost—before tax—of all domestic crude oil. The price limitations would be $1.75 per Mcf, and the distinction between interstate and intrastate natural gas would be erased.

My view is that this policy will not be conducive to increasing the supply of natural gas to consumers. The small increase in the wellhead price of natural gas, from $1.44 per Mcf to $1.75 per Mcf, will result in natural gas producers continuing to drill 90 percent of their wells in low-cost drilling areas, where only 30 percent of the potential undiscovered resources are thought to be.

It is my earnest opinion that the only way to assure the necessary volumes of natural gas to all users is to decontrol the wellhead price of natural gas. A market-derived wellhead price of natural gas will both encourage conservation by consumers, and provide the capital incentives necessary to encourage producers to step up exploration and production from the high-cost frontier areas.

Therefore, I urge my colleagues to read a compelling article, by my friend Representative BOB KRUEGER, Democrat of Texas, which appeared in Nation's Business, entitled "Why Congress Hasn't Deregulated Natural Gas." Representative KRUEGER's article, coupled with this winter's severe natural gas shortage, sets forth the dire necessity to deregulate the wellhead price of new natural gas.

[From Nation's Business, April 1977]

WHY CONGRESS HASN'T DEREGULATED NATURAL GAS

(By Rep. BOB KRUEGER)

(NOTE.—Rep. Krueger (D.-Texas) was a freshman member of Congress when he assumed a leadership role last year in efforts to remove federal price controls from the wellhead prices of natural gas. He and others supporting that action view deregulation as a necessary first step to stimulate production of new gas supplies. In this article, he gives an inside view of how the deregulation issue was approached in the 94th Congress and what is likely to happen in the 95th Congress this year.)

The energy crisis of this past winter brought grim news from industrial communities large and small.

Production dropped sharply. Unemployment was up. Schools were closed. The entire national economy suffered.

FEDERAL "PROTECTION"

During the height of that crisis I was approached on the House floor by a representative from a Northern industrial state that was among the hardest hit. He and every other Democratic member of his delegation had opposed my bill to remove federal price controls from natural gas.

They had considered themselves to be "protected" by beneficient federal regulation, and some had questioned whether federal price regulation discouraged production or caused shortages.

However, the representative who approached me said only:

"Bob, if you can bring your deregulation bill back to the floor, I believe I can get our entire delegation to vote for it."

Many other representatives who had championed price-controlled gas underwent a similar change of heart due to the winter's dislocations.

To understand why they changed their minds it may be helpful to review the struggle over natural gas deregulation legislation that took place in the winter of 1975–76, and to assess some of the public attitudes that lie behind congressional politics and policies.

General public attitudes on energy are translated in Washington into political action or inaction. If the American people do not believe that we face real energy shortages, their elected representatives will not vote for the difficult measures needed to address these shortages.

LEGISLATING DISCIPLINE

And basically, the American people do not believe in energy shortages, or, indeed, in any shortages at all that cannot be quickly and easily relieved.

In a society in which people are accustomed to being able to gratify most desires quickly and easily, it is difficult to legislate the realities of finite supply, delayed gratification, and the discipline required to plan and implement long-range policy.

Since any congressman has that most basic instinct of all animals and humans—the instinct for survival—he will tend to vote in a way that will be easiest to explain in the next election. Since a House member's reelection is always less than two years away, it is sometimes hard to vote for policies that bring short-term pain even if they bring long-term benefit.

DEFYING REALITY

It was already apparent in 1975 that America faced a serious shortage of natural gas.

Many Americans, however, did not believe this. And many congressmen, therefore, stated that they did not believe it either.

"The gas shortage has been overstated dramatically by deregulation advocates," said a Michigan congressman. A New York representative declared there was "substantial evidence that the industry-proclaimed shortage will not occur."

Such statements were made in the face of official government figures showing that, for the previous ten years, the country had been using natural gas twice as fast as the gas was being replaced.

Demand had soared because of industrial expansion, federal controls on the wellhead price of natural gas shipped in interstate commerce, and the environmental appeal of this clean-burning fuel.

Today, despite the difficulties of the past winter, claims that the natural-gas shortage is imaginary or contrived continue to be made. Conflicts over natural-gas policy persist.

Producing states tend to be pitted against consuming states; the North is against the South; advocates of a free market oppose so-called consumer protectionists; liberals differ with conservatives and Republicans with Democrats.

TEMPORARY REMEDY

All these forces came into play as we entered the winter of 1975–76 and prepared for a gas shortage in states supposedly protected by price controls. In order to make more gas available to those states, an emergency six-month deregulation bill was introduced by Rep. John D. Dingell (D.-Mich.), chairman of the House Commerce Committee's Energy and Power Subcommittee. Under the Dingell bill, distressed interstate pipelines would be allowed to buy surplus gas from the intrastate system at market prices.

A coalition of major users of natural gas, producers, and pipeline companies foresaw much larger problems with natural-gas supply, however, and sought legislation to abolish federal price controls on new gas sold interstate. In response, the Senate in mid-1975 passed the Pearson-Bentsen bill allowing immediate deregulation of new onshore gas and a phased, five-year deregulation of offshore gas from federal lands, all of which is sold in interstate commerce.

The Senate took this long-term action by a margin of almost two to one.

The House, however, approached the question with less alacrity. Rep. Dingell and others wished to confine subcommittee consideration to a temporary approach. Some of us disagreed and thought it time to address the long-term question. After all, the matter had been bottled up in committee for 20 years, since Congress had passed gas deregulation legislation that subsequently was vetoed by President Eisenhower.

Legislation in the House, unlike that in the Senate, is governed by strict rules of germaneness. Rep. Dingell's short-term bill initially amended the Natural Gas Act and therefore could have been amended itself to provide long-term deregulation. Mr. Dingell, an able parliamentarian who realized that the committee might consider deregulation in spite of his wishes, then drafted a new bill to accomplish the same ends without amending the Natural Gas Act. Any long-term deregulation bill that amended the Natural Gas Act thereby became nongermane and out of order.

LOST ON A TIE

When the matter went before the full House Commerce Committee, with its somewhat broader geographical representation, I introduced an amendment that simply

changed from six months to seven years the period under which emergency purchases were allowed at market prices. I lost on a tie vote of 19–19. Nonetheless, strength for the concept of deregulation was evident in the committee. Recognizing that such strength might also be present in the full House, the committee leadership was not eager to move the Dingell bill quickly. The process of bringing the bill to a vote slowed down.

Finally, the committee approved the short-term bill in November, 1975, and sought to bring it to the floor immediately under a procedure that would have prevented me from offering my amendment. That move failed because of opposition from Carl Albert, who then was Speaker of the House. He insisted that the bill go through the Rules Committee, which is the clearinghouse for legislation from all other committees.

Despite strenuous objections from the Commerce Committee leadership, the Rules Committee on Dec. 16 granted permission for House consideration of the Commerce Committee bill under terms allowing me to introduce my deregulation amendment.

DELAYED UNTIL NEXT SESSION

At that point the Commerce Committee leadership was no longer interested in prompt action, and the issue carried over into the 1976 congressional session.

Over Christmas recess and into January, groups interested in natural-gas supply intensified efforts to win deregulation. In January I met with representatives of 22 agricultural groups that supported my legislation because of the importance of natural gas to the production of fertilizer.

I also met with representatives of petrochemical energy users; of the iron, steel, and aluminum industries; of the wood-pulp and paper-products industries; of textile groups; and of gas producers and pipelines. All these people, in turn, contacted their industry members in congressional districts throughout the land. Those users, in turn, wrote and contacted their congressmen asking support for my deregulation bill.

Meanwhile, of course, forces on the other side were preparing for the battle by asking congressmen to oppose the legislation. Labor unions, which had never been very successful in organizing the oil and gas industry, were opposed to deregulation. Consumer groups shortsightedly feared the price impact of deregulation more than they did shortages.

Thus the sides were drawn for what was to be the largest legislative battle in the House in 1976. Chairman Dingell, opposed to deregulation and unhappy that the legislation was to be considered by the full House, called still more hearings to consider the impact of deregulation. One witness was movie actor Paul Newman—show biz had come to Washington.

STILL MORE HEARINGS

Speaker Albert allowed the time for further hearings even though the matter had been discussed for 20 years and Congress had already taken volumes of testimony. An extraordinarily irresponsible study was elicited from the Congressional Research Service of the Library of Congress by antideregulation forces. The study's scholarship was so faulty that the cost of natural gas at the wellhead was confused with the price of natural gas delivered to consumers, which is similar to confusing the price of wheat with the cost of a loaf of bread.

Finally, Speaker Albert indicated that he planned to bring the matter to the floor the first week in February, and Mr. Dingell asked me to meet with him in the Speaker's office on Jan. 30.

SENIORITY VERSUS A FRESHMAN

I arrived there to find not only Mr. Dingell and Mr. Albert, but the chairman of the full Commerce Committee and all six subcommittee chairmen. All but one were opposed to deregulation. Initially, those who opposed deregulation insisted that their own bill had been improperly referred to the Rules Committee and that they required more time for hearings. Speaker Albert told them: "I gave Bob Krueger my word that we would bring it up on Monday; it's up to him."

At that point six of the seven chairmen turned to me, and 150 years of combined seniority came to bear on a first-term freshman.

The chairmen indicated that they wanted only a few more weeks, or perhaps months, in which to hold hearings. They wished to study the matter further. They knew that I wanted to be fair with them, for they knew that I looked forward to a long future in the House and that I would wish to work again with them in the future. It was their concern for my future that made them emphasize the importance of my playing fairly with them now. If I could give them only slightly more time, they would bring out the bill.

I was deeply moved by their compassionate concern for my future. But I also recognized that timing is important in politics. The House had not had the opportunity to consider deregulation for 20 years. I asked if they would guarantee a date in the spring when the matter would be on the floor. They refused. With that, my choice was clear: The matter would come to the House next week.

As the week began, the hallways outside the entrance to the House chamber were filled with union members who had been brought in from all parts of the country to lobby against deregulation. Meanwhile, representatives from user industries and agricultural groups moved about the House office buildings seeking support for deregulation.

STACKED RULES

For three days the battle raged. The arguments could have been anticipated: One side argued that there was no shortage and that a deregulation bill would be a ripoff of consumers. The other side argued that only by allowing the marketplace to work could the shortage ever be eased and conservation achieved.

The rules of the game were stacked against deregulation, however. Mr. Dingell, floor manager for his own bill, had a staff of eight attorneys and committee assistants seated next to him.

One of their assignments was to look after 200 highly technical, proposed amendments to the measure that had been prepared for submission. I was not allowed to have even a staff member of my own on the floor, nor to have a committee staff member sit by me to offer advice. When I asked why not, I was told: "It's the seniority system."

The vote was not expected to come until the following week, but on Thursday afternoon a signal came from a United Auto Workers official who was the outside coordinator for the antideregulation forces. He had observed that a number of representatives had already left to spend the weekend in their districts, and he suggested that a hastily prepared compromise bill, introduced the night before, should be brought to a vote immediately.

This bill ostensibly would have deregulated independent producers. Actually, by regulating major producers of gas in both interstate and intrastate markets, it would have resulted in bringing more, rather than less, gas under federal regulation. Nonetheless, the bill was sold as a compromise deregulation measure to members who had had no opportunity to discuss or study it. I doubt that more than five members on the floor that Feb. 5 understood the nature of the bill.

It is a political truism that, on a particularly divisive issue, members will flock to a compromise when worried about the potential unpopularity of their votes.

As the vote began, each side rallied its forces. Fifteen minutes are allowed for a recorded vote in the House, and the clock counts down the time remaining in which members may vote, while the yeas and nays are recorded electronically.

When the clock ran out, the vote was 196–196. With a tie, the compromise would fail. However, voting was held open as stragglers made it to the chamber, and a few people were talked into switching their votes. When the gavel fell, the tally was 205–201 in favor of the compromise and against the genuine deregulation bill.

Hopes for deregulation in 1976 ended at that point. The House and Senate were stalemated. A conference to try to reconcile the two widely disparate bills would have been a waste of time and was never begun.

One result of all that maneuvering was the closed factories of the winter of 1976–77.

The question is: Will House action on natural gas in 1977 be a rerun of 1976? I think not. The comment from my Northern colleague, mentioned earlier, indicates significant change.

A COMPLEX PROBLEM

While deregulation of natural gas is our best solution, it is not a panacea.

One issue to be resolved is the situation of producing-state consumers who have long been paying market prices for natural gas while the consumers in other states have been getting gas from the same wells at a much lower price. The producing states are concerned about appropriate protection against having their own supplies bid away from them by the very people who have been underpaying them for their products.

In addition, it takes several years to bring new gas on stream after an initial decision is made to seek land for exploration, drill exploratory wells, map out the field, and bring in the production lines. Thus, shortages will persist for several years. None of this is particularly easy, but people should not enter public office if they are simply looking for easy decisions.

The country needs gas. I believe deregulation is an idea whose time came years ago. I expect to see deregulation legislation reach the President's desk in 1977.

How Some Companies Are Coping With the Energy Crunch

American business firms have shown great ingenuity in coping with the nation's energy crisis.

Often their task has been complicated by what government has done.

Environmental regulations have forced some firms to switch from one fuel to another at great cost. Other companies have converted to new sources of energy only to find supplies dried up by government regulations.

Here, in brief, are what some companies have done to survive and thrive in this new energy era.

RETURNING TO COAL

When winter's worst blizzard howled into Ohio in January, SIFCO Industries, Inc., was hard hit.

On Jan. 17 SIFCO's supplier of natural gas cut deliveries to a bare minimum. In Ohio, as in much of the East, there was barely enough of this fuel to heat homes.

"We were put on minimum maintenance," says SIFCO President Kevin O'Donnell. "About enough to keep our plant from freezing. We had no gas for our drop-forges or our forging material."

The Cleveland maker of turbine blades, jet engine parts, and other custom forgings had to shut down its shop for three and a half weeks. Three hundred and fifty employees were thrown out of work.

Not until Feb. 9 did the company get enough natural gas to resume operations.

Yet SIFCO is the kind of smart, sophisticated company that is seldom caught short.

It plans ahead.

Back in 1967 rigorous environmental controls were still a distant threat to industry. Nevertheless, SIFCO saw warning signals.

"We recognized that government regulations would be hard to meet with coal," President O'Donnell says. "At the same time, natural gas distributors were looking for customers."

By 1968 SIFCO had switched from coal to pollution-free natural gas.

In case of emergency, SIFCO's boilers were equipped to burn fuel oil also. Thus the company could still operate with a 60-percent cutback in its supply of natural gas.

It could not, however, operate with almost none.

Now the company is taking steps to avoid a second energy crunch.

SIFCO has bought the output of three Ohio natural gas wells and is starting its own drilling program.

However, the company expects to be able to meet only a small fraction of its energy needs from these sources.

"Now we are being told by some people that we had better switch our boilers back to coal because fuel oil will be difficult to get," Chairman Charles J. Smith, Jr., says, "I don't know how much it will cost, but it has to be a couple of million dollars."

SWITCHING TO COAL

"Remember when people called natural gas our cheapest, most abundant fuel?" Roland R. Speers, president of Amcord, Inc., asks.

"We gambled $9.5 million that they were wrong."

Amcord spent that sum early in 1973 to convert two cement plants in California and one in Arizona from natural gas to coal.

For its $9.5 million, the company got at each of the plants:

A railroad marshaling yard able to handle a 100-car unit train, unload it, and have it back on the main track in four hours flat.

Storage bins, conveyor equipment, and grinding mills that prepare the coal to burn in the kilns.

"When we made this decision," Mr. Speers says, "I spent a lot of sleepless nights.

"The cost was considerable. And when I looked around, no one else was doing what we were doing. My God, I thought, am I out on a limb all by myself?"

Amcord was banking on a growing scarcity of energy, especially natural gas, and higher prices.

"In the fall of 1973 the Arabs made us look good," Mr. Speers says.

Cement-making takes a lot of fuel. Per $1 of sales, the Federal Energy Administration says, the industry ranks as the No. 1 user of BTU's—mostly natural gas.

Amcord, sales $200 million, led a move to coal among cement-makers.

DRILLING FOR GAS CLOSE TO HOME

Miller Brewing Co.'s new, four-million barrel brewery near Auburn, N.Y., burns 6.3 million gallons of fuel oil a year. Miller would prefer natural gas, but it is not available.

Federal price controls partly explain why. Less natural gas is being sent north via pipeline from the rich gas fields of Louisiana and the Southwest.

Once shipped across a state line, natural gas normally is subject to a ceiling price set by Washington. So a bigger percentage of gas stays in the state where it is found. There the market, not a federal bureau, decides what the fuel is worth.

However, Miller is solving its natural gas problem.

The Milwaukee-based brewer has taken out mineral leases on 15,000 acres near Auburn.

"We know gas is there," a company spokesman says.

Miller is spending $20 million to drill wells and build a pipeline to carry the natural gas to its brewery and a companion canning plant.

Small amounts of natural gas have been produced in New York State since the 1880's. With Southwest gas cheap and once abundant, investors lacked incentive to drill for it locally.

"The gas we get here will cost about $1.20 per thousand cubic feet," a Miller spokesman says. "That will be expensive compared to the price-controlled gas from the Southwest.

"Yet it will still be cheaper than alternative fuels—and we will have it."

TRYING OUT SOLAR ENERGY

In sunny Sacramento, an energy source of the future is already at work.

Campbell Soup Co. has its big West Coast canning plant in the California city. One of the plant's 20 production lines is hooked up to solar energy.

On the roof of the building, 7,578 square feet of heat collectors gather energy from the sun. The system supplies 74 percent of the energy needed to bring water up to the sterilizing temperature of nearly 200 degrees.

The solar equipment was designed and installed by Acurex Corp., Mountain View, Calif. The federal Energy Research and Development Administration finances the $500,000 experimental installation.

"The system will provide the Campbell plant with 2.1 billion BTU's a year," Acurex executive Robert Mawhinney says.

"That energy will cost about $7 per million BTU's. That is not much more than electricity costs here—$6 per million BTU's. And, in California, electricity is cheap. The state has lots of inexpensive hydroelectric power."

Campbell expects its solar energy installation to be out of the experimental stage and on a regular production basis by fall.

IN HONOR OF DR. FRANK W. KITTINGER

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. ROUSSELOT. Mr. Speaker, after nearly 30 years of distinguished service to countless appreciative students and parents of Charter Oak, Calif., Dr. Frank W. Kittinger is retiring this year from his position as superintendent of the Charter Oak Unified School District.

Dr. Kittinger's contributions to the Charter Oak Unified District are significant. He started as a seventh grade teacher in the district in 1948. His talent was soon recognized and he was promoted to teaching vice principal in 1949, principal in 1950, and finally superintendent in 1951. When the district was unified in 1960 he became superintendent where he has served until his announced retirement this year.

Not only active in his professional duties, Dr. Kittinger has also performed great service to the community and public education in general. He has been active in the chamber of commerce—Man of the Year in 1965—as well as the PTA to which he was awarded life membership in 1955. Dr. Kittinger is also a recipient of the "Continuing Service Award for Outstanding Service to Children and Youth" which was awarded by the Charter Oaks Council PTA in 1967, and also serves as chairman of the CASA State School Building Aid Committee. Dr. and Mrs. (Julia) Kittinger and their children, Linda, Kathy, John, and David, are active members of the Claremont Methodist Church.

A native Californian, Dr. Kittinger was born in Pomona. He graduated from Claremont High School in 1939; La Verne College—BA, in 1948; Claremont Graduate School—MA, in 1957; and received his Ed. D. in 1967 from the University of Southern California. He holds like credentials in general elementary, general secondary, general administration, elementary administration, and secondary administration.

Additional education activities of Dr. Kittinger include:

Panel member of American Association of School Administrators—AASA; secretary, Association of California School Administrators Superintendents Committee—ACSA; secretary California City School Superintendents—CCSS; member Tri-County Superintendents Committee; member, Irving R. Melbo Chair Search Committee for the University of California, School of Education; Educare Projects Committee—received citation of merit "for his inspiring leadership and untiring efforts as president" 1973–74. He is a member of Phi Delta Kappa, and Society of Delta Epsilon, 1977–78.

While retiring from the Charter Oak District, Dr. Kittinger is not leaving education, but will continue to serve as a faculty member of the USC Graduate Centers Overseas Program in Germany.

The Charter Oak students and residents will miss the leadership and counsel of educator and friend Dr. Frank Kittinger; but we all wish him well in his new assignment and know that others too will benefit from his broad experience and knowledge of teaching and education.

RODINO PAYS TRIBUTE TO BRONZE SHIELDS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. RODINO. Mr. speaker, I would like to bring to your attention, and that of my fellow colleagues, the Fourth Annual Awards Dinner of the Bronze Shields to be held this Sunday, May 22, at the Howard Johnson's Restaurant in Newark, N.J. It is with extreme gratitude that I will accept the 1977 Law Enforcement Award which will be bestowed upon me by this organization.

The Bronze Shields, a public service organization comprised of black police officers of the Newark Police Department, has demonstrated since its inception in 1959 an endless dedication and commitment to all aspects of the community, particularly in the area of law enforcement. As "protectors of freedom and guardians of justice," the Bronze Shields have encouraged police/community partnerships in the prevention of crime, and

fostered and improved communications and mutual understanding between police and community.

Indeed, we, the residents of Newark, are fortunate to have individuals such as these stressing the principle that "the administration of justice and crime prevention is a total community responsibility," and it is with great pleasure that I salute the entire membership for their outstanding service to the city of Newark.

A TRIBUTE OF RECOGNITION TO OPHELIA BONNER

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. KILDEE. Mr. Speaker, I want to take this opportunity to refer my colleagues to a remarkable woman from Flint, Mich. Her name is Ophelia Bonner, and she is responsible for what the Flint Spokesman recently headlined as "Flint's First Black Landmark." Mrs. Bonner helped raise more than $12,000 for development of a park for the families of Flint, and the park recently was named in her honor. She also established the Ophelia Bonner Scholarship Fund, under whose auspices 12 high school students will participate in an oratorical contest on June 5, 1977, at Jefferson Community School in Flint.

She has been active in civic affairs and in helping to build the community's pride and self-reliance ever since she arrived in Flint nearly 30 years ago with the intention of retiring. Her efforts and accomplishments are a tremendous tribute to the great contribution to others that so many retirees and elderly people are making.

I am proud to bring the story of this remarkable, distinguished woman to the attention of my colleagues, and I am inserting at this point in the RECORD an article from the Flint Journal which outlines her accomplishments:

FOLKS SAY "THANKS" TO OPHELIA BONNER

(By Irene Evans)

Mrs. Ophelia Bonner of Lomita St. came to Flint almost 30 years ago to retire—and she's still working on it.

In that time, she's been busy with scholarships, raising funds for community projects and rearing 15 foster children.

Though she's been honored in a number of ways by the people in the Jefferson school community, she was ecstatic Thursday when a small delegation gathered at the school to present her with yet another token of thanks.

"Jefferson's community is a part of my life," Mrs. Bonner said as she accepted the gifts. "I know I came to Flint to retire, but when I arrived I saw that there was a lot of work to do."

Mrs. Bonner is credited with helping to raise $12,000 for the former Jefferson-Oak Knoll Park near the school. The park was named for her in 1976.

She has also established the Ophelia Bonner scholarship fund, and is the recipient of a Liberty Bell award from the Genesee County Bar Association, a Sojourner Truth award from the Negro Business and Professional Women's Club and numerous other awards from civic groups.

Mrs. Bonner, who says she's "around 80 years old," was the founding secretary of the local chapter of the National Association for the Advancement of Colored People; a former head of the Model Cities communication committee; a former member of the Flint Beautification Committee and a fund raiser for Canaan Baptist Church, which later became Christ Fellowship Baptist Church.

"I haven't done all of the work on these things by myself," Mrs. Bonner quickly added. "I had the cooperation of a lot of people."

The delegation had originally planned to walk the two blocks to Mrs. Bonner's home because she had recently undergone surgery.

"But what will be, will be," Mrs. Bonner said. "And besides, I wanted it (the presentation) to be in Jefferson school."

Among her gifts were a bouquet from Mrs. Charles Stewart Mott and a plaque from the Jefferson School Advisory Council.

"My house is just full of all kinds of gifts," Mrs. Bonner said. "I don't know what I'm going to do with them all."

In her spare time, Mrs. Bonner makes framed awards of her own to present to various people who have helped her in community work.

"I've given out at least 50 of them in the last year," she said.

Mrs. Bonner's philosophy is to keep busy when there's work to be done—which probably explains why she can't seem to get around to retiring.

"Everyone in this world should be able to contribute something worthwhile to enrich a great happening," she wrote in a thank you to the community. "There is always something to learn each and everyday of one's life."

ST. JOHN'S UNITED METHODIST CHURCH OF EDWARDSVILLE, ILL., CELEBRATES 150TH ANNIVERSARY

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. PRICE. Mr. Speaker, on Sunday, May 22, the congregation of St. John's United Methodist Church of Edwardsville, Ill., will celebrate its 150th anniversary.

St. John's is one of the oldest congregations in Illinois—in fact, the people of St. John's have been dedicated to the service of God and man for almost as long as Illinois has been a State. The congregation has not only seen its city grow from a small town to a thriving city, but through the hard work and perseverance of its people, St. John's has been an integral part of that growth and success.

Mr. Speaker, we all hear a great deal of talk these days about the destruction and degeneration of American society, of the American way of life. I fear too many people believe that this is the truth and it is for this reason that I wish to call the attention of my colleagues to the milestone reached this week by St. John's. This celebration would not have been possible had not the good people of St. John's stuck together and worked hard to keep their church, their faith, their families intact, hearkening back to the good old pioneer spirit of the first Illinoisans and ever earlier, to our first patriots.

I commend St. John's, its pastor, Dr. William B. Lewis, and its congregation past, present, and future for their fine work. I know I speak for all the Members when I say their dedication to their God and their country is appreciated.

FLORENCE RUBIN

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. MOAKLEY. Mr. Speaker, Massachusetts will lose a most valuable public citizen this year when Florence Rubin retires after 4 years as president of the Massachusetts' chapter of the League of Women Voters. A tireless organizer with a keen sense of political know-how, Rubin has been effective in dealing with many sensitive political issues on the State level.

Mr. Speaker, I wish to share with my colleagues an article from the May 3, 1977, issue of the Boston Globe which details the remarkable accomplishments of Florence Rubin.

LWV LOSES EFFECTIVE PRESIDENT

(By Carol Surkin)

The Massachusetts League of Women Voters will lose one of its most effective persons on May 18 when Florence Rubin retires after four years as LWV president.

Rubin rose to become the state league's most active leader since the presidency of Lucy Benson in the early 1960s. Rubin moves behind the scenes, so she has little public recognition, but her instincts, organizational skills and lobbying ability have been invaluable to the league during her two terms as president.

Court reform is one of many issues Rubin has fought for. She served as a member of the Cox Committee which produced the current blueprint for court reform in Massachusetts. Not only did Rubin work hard developing the committee's proposals, but she also has become an important lobbyist for the committee's package of reforms.

Talking to legislators, the governor's office, community leaders, judges and newspaper editors, she has worked carefully to build public and legislative support for major court reform this year.

Rubin is realistic about the problems facing the Cox Committee's plan. She understands legislators do not want to relinquish their power over courthouse jobs. (Patronage would decline under the proposals.) But she also perceives the need for the Legislature to respond to public pressure for reform. Rubin has been organizing, through the league and outside, to build a public lobby for court reform.

Along with making things happen, Rubin has recognized the importance of being able to kill things. For example, moving very unobstrusively, Rubin was a major factor in the demise earlier this year of Mayor Kevin White's dubious charter change plan for Boston.

Several years ago, Rubin, a Newton resident, served on that city's charter commission, which revised the municipal charter. She had studied charter changes adopted in cities across the country. She knew the merits and weaknesses of many different systems and was concerned about the poor quality of White's plan. As a strong advocate of citizen participation in government, she was alarmed at the way Boston voters' powers would have been limited by the plan.

Technically the state league works only on its issues positions, which are arrived at through study and consensus. Then the state league officially lobbies for its program.

But the league is concerned with the issues of home rule and citizen participation, and that was enough for Rubin! She encouraged the Boston league to challenge the charter plan. That was the first serious, establishment opposition to the mayor's proposal and it lent credibility to other community groups which were also demanding a better plan. In addition to her work with the Boston league, Rubin also lobbied at the State House to change the bill. Finally, City Hall's no-compromise position forced charter opponents to advocate killing the plan.

Since then, Rubin has advised a community coalition which hopes to get an elected charter commission for Boston.

Rubin's official league role has kept her involved in two important state issues. The first is fiscal policy and the need for tax reform. She has been an eloquent advocate of the graduated income tax and property tax reform. League positions sometimes clash with business community interests but Rubin has established rapport with a number of Boston's best business leaders.

(She has a network of contacts—inside and outside government—from top leaders to knowledgeable staffers. This has provided her with valuable information as well as influence.)

The second issue is public higher education. Last year Rubin labored behind the scenes, seeking workable compromises to save the plan to reorganize the state's public higher education system. She had served on the Massachusetts Board of Higher Education and knew the failings of the state system. But the controversial reorganization plan was sponsored, and then killed, by Senate President Kevin Harrington. Although the system still needs reform, Harrington is unwilling to support any new reorganization schemes.

Rubin, a former chemistry teacher, thrives on political issues and political people. She recognizes that, ultimately, whether issues rise or fall depends on the public officials they touch.

Although the league has other accomplished lobbyists, Rubin's activist leadership will be missed. She has no specific plans, which worries those who know her. The repeated question is: "What is Florence Rubin going to do now?" She is too good to drop out of full-time public service.

AGENCY FOR CONSUMER PROTECTION

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. ROUSSELOT. Mr. Speaker, last week the House Committee on Government Operations voted out the Consumer Protection Act, H.R. 6805. The vote was 22 to 21. I believe that this narrow margin indicates the shaky ground upon which this highly unnecessary legislation is based.

The Consumer Protection Act is primarily based upon three faulty assumptions: First, the consumer is gullible; second, business is avaricious and criminal by nature; and third, Government is infallible. Based on this logic, then, we are told that more "big brother" bureaucracy is needed to protect the unwary consumer. This is not the case. Federal agencies already exist which are supposed to operate in the "public interest." If they are not doing their job, then the proper remedy is more diligent oversight by Congress, not the creation of yet another superagency to act as a "watchdog for the watchdogs." During the 94th Congress, when similar legislation was being debated, President Ford sent a letter to Members of Congress regarding the proposed new agency. In part his letter read as follows:

I do not believe that we need yet another federal bureaucracy in Washington, with its attendant costs of $60 million for the first three years, and hundreds of additional federal employees, in government. At a time when we are trying to cut down both the size and the cost of government, it would be unsound to add another layer of bureaucracy instead of trying to improve the underlying structure. It is my conviction that the best way to protect the consumer is to improve the existing institutions of government, not to add more government.

Certainly, given President Carter's goal of reducing the cost and size of Government, these same arguments still apply today.

In an editorial from the May 14 edition of the San Francisco Chronicle. H.R. 6805 is referred to as an "alarming charter of unlimited, unrestrained, undefined powers * * *." I urge my colleagues to consider the arguments of the Chronicle editorial, as well as the administration's goal to cut the cost and size of the bureaucracy. as this issue continues to be debated and ultimately comes to the floor for consideration:

A SUPERAGENCY WE DO NOT NEED

A bill to establish an Agency for Consumer Protection passed a House committee this week by a single vote. We would have been happy if that vote had gone the other way so as, while yet in embryo, to dispose of this 1977 embodiment of the Holy Grail of consumer activists.

The measure creates a new agency, independent of the 33 other agencies and approximately 400 bureaus that conduct 1000 consumer-oriented programs already existing in the federal government. It gives the new agency procedural authority to break into the proceedings of these other consumer-protecting agencies to call their acts into question. It has been called a "litigation strike force," and we don't believe it could be trusted to do anything of redeeming social importance.

It would be charged to "protect" and to "represent" the "interests of consumers" in nearly every activity of the federal government (we quote here from a letter by Leon Jaworski expressing his opposition to the bill). It would grant the ACP administrator the right to appear before agencies and departments, the right to issue subpoenas, the right to sue the government, the right to speak on behalf of the "consumer interest."

What is that interest? The bill does not define it. We doubt if anybody could, in a generalized sense. Moreover, we don't think that Jaworski, the skilled Watergate special prosecutor, can be disputed when he says: "Given that the power to sue executive departments is a keystone of the legislation, I assume that the administrator would not, in fact, be subject to control by the President."

This country does not need or want a super-agent empowered to barge into every private business and industry and into every official regulatory agency or commission or bureau to raise questions about how they're dealing with the interests of 215 million American consumers. This bill, H.R. 6118, is an alarming charter of unlimited, unrestrained, undefined powers that President Carter, Vice President Mondale and, apparently, Ralph Nader have handed to Congress. We're quite surprised that Jimmy Carter, the man who has drawn his sword to snicker-snee all kinds of regulatory agency excesses and overgrowths, would fall for it.

FINANCIAL STATEMENT

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. MIKVA. Mr Speaker, following is a statement of my net worth, earnings, and taxes paid for 1976. I am making this information public as I have each year I have been in Congress and while I was chairman of the Illinois Ethics Board.

I believe that Congress made the right decision by including in the new ethics code a provision for annual disclosure of financial interests and income by each Member of Congress. By making our financial holdings and sources of income part of the public record, we are helping to restore the assurance to our constituents that congressional decisions are not being influenced by secret financial interests.

My financial statement follows:

FINANCIAL STATEMENT—NET WORTH STATEMENT OF CONGRESSMAN ABNER J. MIKVA AS OF MAY 1, 1977

ASSETS	
Home at 1015 Sheridan Road, Evanston, Ill.:	
Purchase price and improvements	$80,000
Less mortgage at Exchange National Bank	42,000
Equity	38,000
One-half interest in house in Lakeside, Mich.:	
Purchase price	17,500
Less loan at Continental Illinois National Bank	12,000
Equity	5,500
Cash in banks:	
Exchange National Bank of Chicago	100
Sgt at Arms	800
Equity in pension funds:	
State of Illinois	5,000
U.S. Congress	25,500
American Bar Association Retirement Plan	1,900
Stocks and bonds:	
Ero Mfg. Co. 1,100 shares at 1¾	1,900
U.S. Gypsum 50 shares at 25	1,250
Unarco Corp. 500 shares at 12½	6,250
State of Israel bonds—purchase price	3,000
Executive House debenture	400
Harper Court bond	100
Carson's—111 shares at 20½	2,300
Cars, furniture, miscellaneous	10,000
Account due from sale of real estate investment in Evanston, Illinois	8,000
Total assets	110,000
LIABILITIES	
Loan from Exchange National Bank of Chicago	3,500
Loan from Amalgamated Trust & Savings Bank	2,000

Loan from National Bank of Washington	$1,500
Total liabilities	7,000
Net worth	103,000

FAMILY INCOME STATEMENT OF ABNER J. MIKVA FOR 1976

Income as member of Congress, Abner J. Mikva	44,600.00
Salary from Evanston School District, Zoe Mikva	12,112.00
Dividends	865.41
Interest income	1,019.00
Honorariums	7,061.00
Total income	65,657.66
Less dividend exclusion	200.00
Less tax deductible expenses, personal exemptions and deductions	21,626.14
Net taxable income	$43,831.52

Income taxes paid: U.S. (joint return) $14,356.95; Illinois (joint return) $1,433.95.

THE SALZBURG CONFERENCE FOR A NONNUCLEAR FUTURE

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. FISH. Mr. Speaker, during the last week in April, citizen groups from 19 nations met at the Salzburg Conference for a Nonnuclear Future to discuss world energy strategy.

A wide spectrum of nations were represented at this conference—Japan, Malaysia, Sweden, the EEC countries, and the United States—citing nuclear proliferation as a threat to the human environment and calling for the phasing out and eventual end to plutonium breeder programs.

This international meeting, together with the recent story in the New York Times which discusses the West German Government's decision to cut back on their breeder programs, points to a strong worldwide citizen opposition to the enormous problems connected with nuclear power.

In the long run, Mr. Speaker, governments must be responsive to their citizens. Following is the declaration of the signatories to the Salzburg Conference:

DECLARATION OF THE SALZBURG CONFERENCE FOR A NON-NUCLEAR FUTURE

We are citizens from 20 countries throughout the world. We differ widely in wealth, in political opinion, in religion and in cultural experience.

But we share a common concern and a common hope.

Our concern is that the present and future wellbeing of mankind is being needlessly endangered by the decisions of governments to continue the use and developments of nuclear power.

Our hope is that mankind will act in time to prevent further irrevocable commitments to a nuclear future. We are part of a global wave of opposition to nuclear power which is growing in force and which has recently moved some governments to review their nuclear policies. We therefore feel a responsibility both to explain our cause for concern and to demonstrate the availability of a nonnuclear world.

Listening to the voices from Hiroshima, Nagasaki and Micronesia, we share the widely held belief that the proliferation and indeed the continued existence of nuclear weapons threatens the future of all people, and that current progress towards general disarmament is totally inadequate. Moreover, nuclear proliferation is only one aspect of this global problem.

Nuclear weapons can be made from a few pounds of plutonium or uranium. Since the purpose of the breeder and the reprocessing of spent fuel is to separate plutonium or equivalent fissile materials, access to those technologies is access to the capacity to manufacture nuclear weapons. The increasing deployment of these technologies will dramatically increase the risks of nuclear warfare.

New technologies involving lasers and centrifuges are being developed for the purpose of reducing the cost and increasing the efficiency of enriching uranium. The commercial development of these technologies represent a danger to world security, as does the absence of adequate safeguards on the production, storage and international shipment of natural and low-enriched uranium.

No level of international safeguards which is remotely feasible can prevent a determined government from diverting fissile material into weapons manufacture. Thus the development of these technologies will inevitably facilitate the proliferation of nuclear weapons.

Weapons proliferation is unlikely to be confined to national bodies. The relative ease with which stolen plutonium could be fabricated into a weapon adds a new dimension to terrorism. The measures necessary to prevent thefts, recover stolen plutonium and respond to credible threats must lead to the erosion of human rights with repercussions for the social and political fabric of our societies.

These and other considerations lead us to reject the breeder reactor and the use of plutonium or other bred fissile materials as nuclear fuels. Reprocessing of spent fuel is therefore unnecessary, uneconomic and undesirable, and all spent fuel has to be securely stored.

Thermal reactors, which form the heart of the present nuclear programme, pose major unresolved problems of proliferation, safety, environmental protection, occupational health and radioactive waste disposal. It is these hazards which have generated the growing public distrust of thermal reactors.

Moreover, the economic case for their further deployment does not stand critical examination. Nor are nuclear reactors essential to the creation of full employment: indeed, they may be inimical to it.

In order to achieve a non-nuclear future as soon as possible, we believe that the building of any further nuclear facilities should be strongly resisted, and that all governments should forthwith adopt energy policies which provide for the replacement of nuclear power by alternative energy sources as soon as possible.

Those governments, institutions and individuals who assert the necessity of nuclear power do so on the basis of a fundamentally mistaken conception of energy policy, which confuses costs and benefits and neglects to consider the end uses of energy.

We believe that energy policies should be conceived in terms of doing more useful work with less energy, of matching production means to end-use needs, and of reducing vulnerability to interruption. Such policies do not require the use of nuclear power, yet they would be adequate to the needs of the whole world.

In the developed nations such policies would rely primarily on the reduction of energy waste (for instance by actively supporting the introduction of cogeneration and stopping inappropriate uses of electricity) together with the forceful development of alternative energy sources, in particular diverse forms of solar energy. This must involve diminishing the energy growth of these nations and in the long term stabilising their per-capita energy use.

In the developing nations centralised electricity generation is no more a priority than in the developed world, and will tend to exacerbate rather than ameliorate the problem of meeting basic energy needs, especially in the villages of the Third World where half of humanity lives.

The energy needs of the developing nations could be met primarily by solar energy, biogas and other decentralised technologies.

Furthermore, nuclear power increases rather than decreases the dependence of developing countries on the industrialised world, while widening the disparity in wealth between them. We cannot see that any global energy strategy which fails to assist a more equitable distribution of wealth could, or should, succeed.

Such a highly centralised and capital-intensive technology as nuclear power leads to a further concentration of economic and political power in all nations.

Compared to nuclear power, the technologies we propose are—for all nations—cheaper, more reliable, easier to deploy, less disruptive of existing social and cultural patterns, more equitable, less damaging to the environment and more amenable to democratic control.

We are unanimous in our conviction that a non-nuclear future, based on the policies we are advocating, offers people a more secure and a more humane world. We believe that such a future is not only possible but widely desired throughout the world, and to this end we call upon concerned citizens everywhere to demand by non-violent means that international institutions and governments shall:

Immediately close down all fast breeder reactor and fuel reprocessing facilities, and end the development and sale of such facilities.

Immediately develop specific programmes for phasing out all thermal reactors as soon as possible.

Immediately halt development of technologies for enriching uranium by means of lasers and small and efficient centrifuges, and add an international escort service for shipments of all nuclear materials between nations to the safeguards functions of the IAEA and EURATOM.

Divert the funds and human energies released by all these shifts of priorities into the deployment of those alternative technologies which are already available.

Establish a substantially funded international energy organization charged with the development, promotion, and transfer of non-nuclear energy technologies, which should not be based on the existing IAEA (although the IAEA and EURATOM should continue to strengthen and perform their safeguards function for as long as necessary).

Redirect development assistance in favour of non-nuclear energy technologies.

Develop widespread mechanisms for public participation at all levels of energy policy decision-making. Such mechanisms should pay special attention to the needs of workers, women and other groups who have uniquely valuable perspectives to contribute.

Emotional and personal involvement have been defined as "unscientific" and "irrational". In fact, issues which concern the lives of human beings must be defended with emotion and personal commitment: they must not any longer be only the subject of abstract calculations. In questions of this magnitude, we may not be detached. We must be partisan.

This declaration represents the common

ground of agreement between the delegates of many nations. Inevitably differences in political tradition and national circumstance create differences in emphasis on some arguments and differences in approach to the handling of the issue. These differences should not be interpreted as any weakening of our resolve to pursue by all possible non-violent means the early arrival of a non-nuclear world.

SIGNATORIES TO THE DECLARATION OF THE SALZBURG CONFERENCE FOR A NON-NUCLEAR FUTURE

Afghanistan

Zalmay Khalizad.

Australia

Joseph Camilleri, Noel Nunan.

Austria

Cheryl Benard, Freda Meissner-Blau, Paul Blau, Robert Jungk, Ruth Jungk, Arthur Sikora, Peter Weish.

Belgium

Petra K. Kelly.

Canada

Gordon Edwards, Barry Spinner, Ralph D. Torrie.

Denmark

Siegfried Christiansen, Tarjei Haaland.

EEC Countries

Hubert David.

Finland

Pekka Suominen.

France

Brice Lalonde, Yves Lenoir, Vincent Richet.

German Federal Republic

Klaus Batjer, Rainer Beeretz, Brigitte Toni Lerch, Martin Mombaur, Holger Strohm, P-Ch Thurnagel, Benne Trautmann, Hans Heinrich Tucker, Siegfried de Witt.

Israel

David Kretzmer.

Italy

Emma Bonine, Giorgio Nebbia, Mario Signorino.

Japan

Sadao Ichikawa.

Malaysia

Gurmit Singh.

Netherlands

Daan W. Everts, Erik van der Hoeven, Klarissa Nienhuys, Rien Rense, R. J. Sijmons, W. A. Smit, Pieter Stallen, H. J. M. de Vries.

Sweden

Sven Bergström, Ingemar Skarp.

Switzerland

Brigitte Fankhauser-Zurbügg, Konradin Kreuzer, Hanswerner Mackwitz, R. Schleicher.

United Kingdom

Tom Burke, Brian Johnson, Walter Patterson, Jon Tinker.

United States of America

Dean Abrahamson, Robert Fleischer, Jane B. Grant, Jeffrey W. Knight, David Lenderts, Paul Leventhal, Amory, Lovins, S. Jacob Scherr, Katherine D. Seelman, Mary P. Sinclair, Thomas B. Stoel Jr.

FOOD AND PEOPLE 1977

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. TEAGUE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a statement made by Mr. Frank Ford, a graduate of Texas A. & M. University concerning food and people. This speech was made by Mr. Ford in New York's Coliseum during the latter part of April, and I commend it to the Members of this body.

The statement follows:

FOOD AND PEOPLE—1977

(By Frank Ford)

This year will probably be remembered as the year that we learned, once and for all, that our food resources are finite. The harsh winter in the East, the severe drouth in the West of our nation has just begun to take their toll as prices for fresh fruits and vegetables double and triple.

The scientists at the National Center for Atmospheric Research have stated that a major drouth appears to be overdue for the U.S. Great Plains, raising the threat of a situation more serious than that in sub-saharan Africa. There are also indications that the Northern Hemisphere is cooling, which would shorten the growing season in Russia, Northern Europe, Canada and China, as well as the Northern U.S. Meanwhile, populations continue to grow.

The U.S. agricultural system, touted as the most efficient in the world, is in fact dependent upon several calories which come from fossil fuel produced half way around the world to produce one calorie of nutrition. We are, of course, very vulnerable to having much of this supply cut off at any time.

Unfortunately, the inefficient barrage of acidulated fertilizers, herbicides, and pesticides which have been unleashed against nature since World War II is not the end of the tragedy. The already weakened foods are then subjected to the most intensive "strip mining" in the history of humankind. The highly refined fiberless foods, filled with coloring agents, additives and preservatives of all sorts, are then foisted upon our children by immense, highly sophisticated advertising budgets as soon as these children are old enough to sit in front of a TV set.

Meanwhile, the increasing incidence of heart disease, colon cancer, diverticulitis and dozens of other maladies is putting such pressure on the health facilities and budgets of families and various levels of government that any geometric projection would indicate a total collapse of society within the next few years. To put it simply, Babylon (here defined as any system which places its confidence in humanism and technology above the laws of God and nature) is falling in upon itself.

When we work with nature, we have millions of little friends in every cubic yard of earth. The mircolife in the soil produces nitrogen from the air, digests last year's stubble, and prepares for the new. Soil is a biological function, not a chemical function, and a living soil should be the goal of every farmer. One can just feel and smell the difference between living soil and the soil where the life has been mined out through short term goals or careless greed.

In addition to the soil bacteria and earthworms, whose castings are much richer in nitrogen, phosphorous and potassium than the soil they ingest while they aerate the soil, and in addition to the stronger plants with thicker cell walls which result from balanced, living soil, we have the beneficial insects working to keep things in balance and harmony. God designed such a remarkable home for us, and we have used our technology to destroy much of it. Hopefully, we have begun to be more aware of this.

In terms of sheer economics, the increasing cost of oil is tilting the scales ever more heavily toward the natural methods, ecologically aware farmer, and his ability to pay the bank off at the end of the crop year is now much better than that of the farmers who have tragically been led into the self-defeating cycle of chemicals.

The whole foods concept, of course, is the key, once the food is grown right and cleaned through good equipment. We are constructed to function well on whole natural foods, such as our ancesters enjoyed through the centuries until profits, shelf-life and other considerations got the best of our national better sense.

Many people are finding out that they can actually reduce their food budget and enjoy much better health at the same time through learning to use grains, beans and seeds in delicious whole food recipes. Sprouting is also a key, and can be done in even the most crowded apartment, along with a small herb garden perhaps in the window sill.

It has been very encouraging to us that *The Deaf Smith Country Cookbook* and *The Simpler Life Cookbook* have each sold nearly a quarter million copies, and are selling at an increasing rate. These two books, containing no meat or refined sugar, are designed to help people get into natural food cooking and contain basic information on different foods, cooking times, sprouting charts, sourdough baking, etc. along with over 200 recipes in each book.

The marketing of natural foods has been an interesting thing to observe and be a part of. The young people, many of whom had no capital or previous business experience, have truly made a good and gentle revolution, and the natural foods industry is here to stay. It is being copied, counterfeited, scoffed at and otherwise honored by those whose boats of economic interest have been rocked a bit, but it is truth and it will keep on coming.

The Average American ends up over 1100 miles from his or her average food supply. This is not 1100 miles as the crow flies. It may have started out as a nice field of beans right next door to the nice family who ultimately bought a wee bit of it. But meanwhile it was hauled three times and processed twice, all with imported fossil fuel.

One of the most important things we should discuss, I think, is growing it at home, and storing and canning as much as possible. The trend toward more organic gardening is really encouraging, and it will do more for a person than supply fresh, healthy produce. It is also very therapeutic to get out and work with the soil.

Hard times are coming that most of us have never seen before, and I think the young people of the sixties who rebelled against the status quo have been and are making some very important contributions to our national life. The problems have not all been solved, nor will they be while we are in this age, but we can each do what we can and be a bit more loving and forgiving of those who don't understand all the truths that we have come across, sometimes very recently. Good, whole food, grown on fertile soil and prepared and eaten with gratitude and love—this can help solve many problems.

There is also a large block of voters who can help solve the problem. I refer to the millions of middle to low-income grocery shoppers in the United States who fill their grocery baskets to over-flowing each week with the worthless junk which has now become "traditional" in their consciousness. They are now voting with their dollars and food stamps for Babylon. But Babylon is doomed. It cannot save itself. And thus it cannot save them. There are some answers. They are called grains, beans, seeds, gardens, sprouts, self-sufficiency, community action, mutual help, education, sharing, love. These are not ethereal concepts. They are practical. They will work. They are the only solutions which will work.

Frank Ford, age 44, has farmed organically in Deaf Smith County, Texas for 25 years.

He is a graduate in Agronomy from Texas A and M University where he was designated

as the Outstanding Graduate, School of Agriculture.

Founded Arrowhead Mills, Inc., a natural whole foods company in 1960. Currently serves as Chairman of the Board.

Serves on an advisory committee to the U.S. Secretary of Agriculture, a position held under the past three Secretaries of Agriculture.

In 1976, was named American of the Year by the American Religious Town Hall, an organization of Protestants, Catholics and Jews for the promotion of better understanding among peoples.

Has spoken at many food conferences and conventions, including the University Conference on Hunger in 1976.

Is the author of two best selling books, *The Simpler Life Cookbook, Back to Nature* and *New Harvest*. His wife, Margie, is co-author of the best selling *Deaf Smith Country Cookbook*.

OPERATION RECOGNITION: SETTING AN EXAMPLE IN MALDEN TO INSPIRE THE WORLD TO ACT

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. MARKEY. Mr. Speaker, I wish to bring the cause of Operation Recognition to the attention of my colleagues. For 27 years the Magen David Adom—or Red Star of David—has been performing humanitarian deeds for people of all backgrounds. Yet the Red Cross has refused to recognize Magen David Adom during this period. The reason for the lack of acceptance is an unfortunate one: Because the Israeli organization, for religious reasons, refuses to accept the Christian symbol of the Red Cross, it has been denied admission to the international organization.

It is important that we show our support for the Red Star of David and that we fight discrimination. Such blatant anti-Semitism should not be tolerated. It is a further indication of the unfortunate battle which Israel must fight to survive as a nation.

The fine work of the Red Star of David must be recognized. The organization should be allowed to join the International Red Cross for the mutual benefit of each of these humanitarian organizations.

At this point in the RECORD I wish to insert the address I made at the Operation Recognition ceremonies held in Malden, Mass. The function was held on April 24, 1977, as a celebration of the 29th anniversary of Israel's proclamation of independence:

OPERATION RECOGNITION: SETTING AN EXAMPLE IN MALDEN TO INSPIRE THE WORLD TO ACT

Allow me first to begin by congratulating Neici Degen for her fantastic job in organizing this strong show of support for Operation Recognition today, the 29th celebration of Israel's proclamation of Independence. It is truly an honor for me to be here with you this afternoon. And it is a pleasure for me to take a moment and report on the success we have had this week in the U.S. House of Representatives, a success very much in the spirit of today's gathering. By a vote of 364 to 43, we have passed legislation which will prohibit U.S. businesses from knowingly complying with the Arab boycott of Israel. This action in the House is long overdue, and I hopo the Senate will swiftly follow suit.

But today we gather in Malden to take another action. We gather to share in a most auspicious moment, to drop a pebble into the water, a pebble whose ripples will extend far beyond this community. For Operation Recognition is an international cause. It brings together many people all over the world, just as today in Malden each of us has come to this place. The Lincoln Junior High School is a place rich with history in the memory of those who recall that many Jewish emigrants at the turn of the century and through the 1920s came here to study for their naturalization papers as U.S. citizens. In this same place today we meet to reaffirm the fundamental principles of brotherhood—and of sisterhood—among peoples and nations.

We meet to give new impetus to the aims of Operation Recognition. We meet to dedicate ourselves to ensure that Israel as a nation is treated equally by the International Red Cross. And we remember that this cause is only one element in the fundamental and underlying pursuit of real peace and defensible territorial integrity for the state of Israel, coming with a settlement of the bloody quarrels in the Middle East through the establishment of a just and permanent peace. We meet, finally, in what is the first occasion when a community joins together in support of fair treatment for Israel in the organization of the International Red Cross.

For 27 years the Magen David Adom—or Red Star of David—has served both friend and foe on the battlefield, and in other times of crisis and human need, with the same humanitarian compassion that is the hallmark of the International Red Cross. Yet the Israeli organization chooses as its emblem the Red Star of David—the Magen David Adom. From religious conviction Israel cannot accept the Red Cross of Christianity as the symbol for its own organization for the relief of human suffering.

Israel qualifies in 9 of the 10 provisions for admission to the International Red Cross. She adheres to the 7 principles of conduct and service. Yet, she is still denied admission into the League of Red Cross Societies. The reason is simple. Unless Israel adopts the Red Cross, the Red Crescent of Moslem nations, or the Red Lion and Sun of Iran, she is refused admission to the League.

When Turkey notified the Swiss Government in 1876 that she would henceforth use her own symbol—the Red Crescent—despite the requirement of one, uniform, identifiable symbol, tacit approval followed. The same policy came into effect when Iran, then called Persia, chose to use the Red Lion and Sun. The religious implication in the use of the Red Lion was the basis for their objection, and though no vote was taken, again there was tacit approval.

But in 1949 when Israel advanced these same grounds on behalf of the Red Star of David, a different policy obtained. By a vote of 22 to 21, with 7 abstentions, Israel was denied the use of her Red Star as an international symbol of recognition.

The issue, year in and year out since 1949, has been that of basic equality of treatment. This is one which touches upon the very heart of the Middle East dilemma. Common sense and common decency dictate that the International Red Cross show Israel the same courtesy it has bestowed upon other nations. No one complains of Israel's humanitarian services. Even her enemies recognize the validity of the Red Star, and what it signifies. Now, what is required is that people everywhere join together to make this simple demand: Admit Israel to her rightful place in the community of nations, and take one step at once in this direction by admitting Israel to her rightful place in the international community of the Red Cross. Already in Massachusetts our state Legislature is one of three state legislatures in America who have passed a resolution to this effect. Now, we in the community of Malden join to ask the International Committee of the Red Cross—an institution composed entirely of Swiss citizens and based in Geneva, Switzerland—to act without further delay and remedy this long-standing injustice.

The immediate benefits to Israel stemming from recognition by the International Red Cross are many. As a member Israel would enjoy complete assurances of assistance from the world community in times of disaster and conflict. Release of prisoners could be negotiated with greater facility. Emergency provisions of food, shelter, and medical supplies would be a matter of right, not of charity.

We must remember, however, that the question of the Red Star of Israel is symbolic of the much larger injustice. We all know that Israel today depends for her immediate survival upon the strength of her arms and the courage of her people. We all remember the dangers which haunt this nation. We all remember the infamy of the Resolution of the United Nations which denounced Zionism as a form of racism, which was itself an endorsement of the world's oldest form of racism: anti-semitism.

Today we do more than call for the recognition and participation of the Red Star of David in the International Red Cross. We call for the recognition and firm guarantee of the right of Israel to exist, free from the threat of a war of extermination. The world must come to know that the existence of Israel is a right of history, born thousands of years in the past. This right was for many ages nothing more than a dream. Since the destruction of the Temple by the soldiers of Rome, the Jews were a wandering people, adrift among nations. But the nourishing dream of a homeland never once died.

And because of that immortal dream, Jews suffered wrongs which must forever haunt humanity.

In 1948 that dream was made real. What Mark Twain described in his travels as a "hopelessly dreary, heartbroken land" has become a nation rich with fertile fields, and strong with the most modern technology, flourishing cities, and democratic government.

Even today the need for this homeland is clear to all who have eyes to see. In the Soviet Union, Jews seeking passage to Israel are denied the basic rights of free emigration and suffer greatly for their efforts. The Accords signed in 1975 at Helsinki have proven a mockery inside Russia. In Congress, we protest. I have sponsored a resolution of protest, which has passed the House, and I have joined to support May 1 as "Solidarity Sunday" on behalf of the right of emigration from the Soviet Union. What greater testimonial could there be for the right of Israel to exist than this harrowing cry for a homeland from these Jews still being persecuted for their beliefs in Russia and elsewhere?

And even this homeland of Israel endures the greatest persecution of all: the never-ending threat to her very survival as a nation. For almost 30 years this people and this nation have lived under constant siege, broken only by the ferocity of intermittent open warfare. Therefore, now more than ever before, let me repeat the basic truth that unwavering American support for Israel is the key to her survival.

It would be foolhardy for America to attempt to dictate solutions to the final settlement which must come, before a lasting peace may be assured. Nevertheless, I believe American foreign policy must be guided by certain fundamental principles essential to a real peace. In general, these principles

are these: Cessation of all states of war. Acknowledgment of respect for the territorial integrity and sovereignty of all states. Limited Israeli withdrawal from territories occupied after the 1967 war, provided that there are American guarantees of real peace. Establishment of demilitarized zones to ensure security of all borders. And finally, the agreement of all parties on an equitable solution to the Palestinian problem.

In its proclamation of Independence, Israel stated its commitment to extend the hand of peace to all the states surrounding it and all nations. I think today is a good day to honor and reaffirm this commitment. It was the great Jewish statesman Moshe Sharett who stated our goal with such simple eloquence. "Let us think of the common people throughout the Middle East, who meet each other in the fields, who rub shoulders on the railways. . . . They are all fundamentally interested in the same things. . . . They want to see their national cultures flourish, and their peoples secure and independent. . . . There is strife today. There is fear and there is hatred. But beneath it all there is an upsurging of common human feeling which is bound to assert itself."

This is the spirit—the spirit of Moshe Sharett—which guides our actions here in Malden on this day of Operation Recognition. This same spirit of "common human feeling" has brought us all together.

This spirit unites us in our dedication to see that the work of Rabbi Rubin Dobin—and those of us here who have made this afternoon's gathering possible—can be realized: that the Red Star of David can take its rightful place among the international communities of mutual aid, the organization of the International Red Cross.

Our community of Malden is the first city to take this step. We are the first in the world. We cast a pebble into a turbulent sea, one pebble that breaks the water, and disappears. But a pebble can cast ripples in its wake that will circle all the globe.

Thank you.

ED KLESSIG: A MODERN DAY FOLK HERO

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. STEIGER. Mr. Speaker, active citizen participation in the political process is at the heart of our Nation's strength. Dating back to Washington, Jefferson, and Adams, we have a rich history of committed, involved individuals fighting for causes in which they believe strongly.

The activism of our forefathers is no less strong today. Americans still stand up to be heard on issues of deep concern to them. One such individual is Ed Klessig, a constituent of mine who was recently featured in a column written by syndicated writer Neal R. Peirce, who has been described as "the only national chronicler of grassroots America."

Ed Klessig is a farmer who has fought for the past several years against encroachment of superhighways on farmland in the eastern part of Wisconsin. As Peirce said:

In the process, Ed Klessig has become a folk hero in Wisconsin, a modern-day embodiment of the state's feisty tradition of populist citizen protest, a man ahead of the politicians.

I can think of no more apt description of Ed Klessig. The story of the "war" he has waged against State officials intent on placing I–43 through the dairylands of eastern Wisconsin is one that all who read the RECORD should consider carefully. Though the highway is being built as the State engineers planned, Ed Klessig has raised the consciousness of all in the State over the consequences of unbridled growth to Wisconsin's most precious resource, its farmland, as well as to people's homes in Milwaukee and other cities.

Neal Peirce did an excellent job of capturing the essence of what Ed Klessig has done for the State. A copy of his article, "Ed Klessig: A Modern Day Folk Hero," which appeared in the May 7 Sheboygan Press follows:

ED KLESSIG: A MODERN DAY FOLK HERO

Whether it's farmlands or city neighborhoods they imperil, new interstate roads and superhighways are coming under mounting attack across the country. Wisconsin, where farmers and city residents are making common cause against the bulldozers, epitomizes the struggle.

This column centers on farmer Ed Klessig, a citizen protestor in the classic Wisconsin tradition. Klessig lost his battle to block an interstate from slashing through his and his neighbors' fertile farmlands.

But he appears to be winning the war to stop unnecessary new expressways across the remainder of rural Wisconsin. Nineteen Milwaukee legislators have now mounted a parallel effort to stop new superhighways in their beleaguered center city.

(By Neal R. Peirce)

"If that animal steps out, we'll shoot her," said the capitol policeman, fear and puzzlement written across his face.

It was not your normal confrontation. The time was four o'clock on an April morning last year, the scene the pristine state capitol lawn in Madison.

And there were a group of farmers, audaciously setting up tents and holding pens, establishing their own little barnyard directly below the windows of the governor's office. But the lead cow obstinately refused to leave the truck.

Farmer Ed Klessig was talking fast, trying to convince the bewildered policeman that he and his little band were legitimate farmers, simply protesting a state plan to send an interstate highway through their rich dairylands along the shores of Lake Michigan, 100 miles to the northeast.

Suddenly the cow took one great lurchy jump and ran into the stockade that the farmers had surreptitiously erected under cover of darkness. "And from that moment," Klessig recalls, "the officers were as if disarmed."

So, for that matter, was official Madison. For a month the farmers and dairy cows camped out on the capitol grounds, dispensing free milk and manure for people's garden's, along with the gospel of why superhighways that disrupt farmlands are a sacrilege in the era of scarce energy and concern over food shortages.

Klessig and his followers were rebuffed: Gov. Patrick Lucey, decided to proceed with the construction of I–43, northward through the dairylands from Sheboygan to Green Bay.

Local officials favored the road, Lucey said, and a more modest highway wouldn't qualify for 90% federal funding. (Moderately heavy traffic on the existing 16-year old road, plus benefits for area trucking and other business interests, had also been cited by the interstate's backers.)

Critics said Lucey had simply knuckled under to the highway lobby—as Klessig puts it, "the county boards, the chambers of commerce, the state highway commission, the steel and cement people, the labor unions all determined to lay their hands on so-called free federal trust fund money and build the biggest dam thing they could."

But today, even as the bulldozers churn up the fields and maple orchards close to the land Ed Klessig, his forefathers and neighbors have cultivated since 1850, it appears that Klessig's band of protestors may have lost a battle but won the war.

Public opinion—in Wisconsin as in many other states—has shifted rapidly against new superhighways. Nineteen Milwaukee area legislators have come out strongly against new freeways in their city, defying union and business interests that helped put them in office.

New rural highways, especially those that parallel adequate older roads, are running into hornets' nests of protest from local farmers and citizens.

And in his budget message this year, Lucey said: "The time has come to curb our appetite for more highways and freeways. We cannot continue to sacrifice agricultural land and city neighborhoods in return for more and more concrete."

In the process, Ed Klessig has become a folk hero in Wisconsin, a modern-day embodiment of the state's feisty tradition of populist citizen protest, a man ahead of the politicians.

Of all the farmlands in America, I have rarely seen any more perfectly manicured, more naturally fertile than the gently rolling fields and scattered woodlands of this premier American dairyland.

And several hours with Klessig and his daughter and sons convinced me their cause goes well beyond narrow economic self-interest. Klessig will lose only 2.5 acres out of 550 he farms, and his son Eric an equal amount from an award-winning wildlife area he's developed.

It's the principle that bothers Klessig—the idea of a "monstrous" interstate on its 300-foot right-of-way, slashing through "priceless agriculture, woodlands and wetlands" lovingly tended and developed by generations of farmers.

Klessig says the interstate will divide farms "like a Chinese wall," forcing many farmers to detour machinery for miles to gain access to their land, while disrupting painstakingly constructed undersurface "tiling" systems that drain surplus moisture from the clay-like soil.

"It's unbelievable," he asserts, "that decision-makers in government would actually plan and willfully execute such a travesty on irreplaceable environment, and then pawn it off in the name of progress. Just that thought spurs you on to fight it to the very end."

Highway builders, Klessig charges, make glib promises about the minimal disruption their roads will cause. "But once they get permission to lay the road, the whole ballgame changes. They're totally in the driver's seat and make all the decisions on road location, timing, the price of the land. Through 40 to 50 years of clever lobbying, they haven't left a stone unturned in usurping the rights of farmers and homeowners."

Klessig is particularly irate about the highway planners' fondness for abandoning usable, existing roadways for new, parallel ones. Wisconsin's highway department, he notes, has plans to relocate enough roads by 1990 to cause the loss of 100,000 acres of agricultural land.

"Highway relocation," he says, "is fostered by real estate agents, land developers and special interest groups that will profiteer on the upsetting of communities."

Local town and county boards, Klessig says, often fall victim to the smooth blan-

dishments of highway builders and land developers promising non-stop progress. Farmers frequently turn out "to be their own worst enemy" when they "treat their land as a commodity, to profiteer and speculate with."

Some Wisconsin farmers are taking a leaf from Klessig's book and fighting new roads, however. When the state highway department recently sought a new fourlane highway paralleling the existing US-45 for 50 miles north of Appleton, their vigorous protest quickly scotched the project. The new state budget contains scant funds for new roads.

There's a striking parallel to Milwaukee's new anti-freeway mood. State Assembly Majority Leader James Wahner says that when he started fighting urban expressways in 1971, he was considered "sort of an odd duck."

But no longer—now his allies range from Mayor Henry Maier and U.S. Rep. Reuss to neighborhood groups agreeing that the superhighways "sack" the city by slicing up residential areas, destroying local businesses and shrinking the tax base.

The message of the 19 Milwaukee legislators who joined the antifreeway crusade, says Wahner, is that "we don't need any more exotic roads at $25 million a mile through center city so someone can get to a downtown job five minutes faster."

The legislators' new stand, Wahner says, "has sent labor and business right up the wall. They think we've all just taken leave of our senses."

But freeway opponents have gathered such strength that Reuss is now pushing a plan to build a "new town" in center Milwawkee on land once designated for expressway.

"That's the final insult, throwing sand in the face of the freeway backers—to take a piece of land, all cleared and ready for freeway construction and start a plan for new neighborhoods and new housing on it," says Wahner.

Ed Klessig, of course, is delighted by the Milwaukee protest. Whether it's farmlands or city neighborhoods, he notes, communities are finally making their voice heard to stop superroads that plough through "people's homes, their farms, their lives."

FRANK THOMPSON, JR., HONORED BY WAKE FOREST UNIVERSITY

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. NEAL. Mr. Speaker, our distinguished colleague and my good friend, FRANK THOMPSON, JR., was honored May 16 with the honorary degree of Doctor of Humanities at his alma mater, Wake Forest University. This recognition is richly deserved by the gentleman from New Jersey because of his pioneering leadership and unwavering commitment to education and the arts and humanities. I am very pleased that Wake Forest University, which is in the district which I am fortunate to represent, has shown its appreciation for the contributions and talents of our colleague.

The Honorable FRANK THOMPSON, JR., also delivered the commencement address at Wake Forest. His remarks again demonstrate his famous wit, incisive intellect, and provocative insights. I would like to share his remarks with all of my colleagues:

LANGUAGE AND POLITICS

(By Frank Thompson, Jr.)

It is a great personal pleasure and privilege for me to have the opportunity to address this commencement day audience at my alma mater. I never dreamed when I left Wake Forest more than thirty years ago that I would return to speak on the day that marks the culmination of a Wake Forest education for the Class of 1977. I am deeply honored.

When I left Wake Forest, I had received a fine liberal arts education. I know that you the Class of 1977, have also been the beneficiaries of Wake Forest's strength as a liberal arts college and a great university.

LANGUAGE AND THE LIBERAL ARTS

In my view, one of the basic goals and accomplishments of a liberal arts education is to give each student a command of the English language. Words and language are one essential way in which we relate to our world. We use words to enlighten or confuse, to clarify or delude, to hurt and to heal. Not all words are appropriate for all places as George Carlin learned from the judge in Milwaukee after he did his monologue on the seven words you cannot say on television.

Dean Henry Rosovsky at Harvard has been leading an extensive re-examination of undergraduate studies at Harvard. He identifies as the first standard for undergraduate education the following: "An educated person must be able to think and write clearly and effectively. Our students, when they receive their bachelor's degrees, must be able to communicate with precision, cogency and force." Former Commissioner of Education, Ted Bell, made the same point by posing some questions which, if one can answer them affirmatively, are indicators of being an educated person. Commissioner Bell asked: "Are you able to say what you think—say it easily and understandably? Can you express your thoughts and ideas in writing so others can understand clearly? Can you listen to others and understand their thoughts? In today's world we must be literate and verbally articulate. There is no greater asset than to be able to listen to others and to be sensitive to the ideas they express and in turn be able to express your own ideas in an understandable way. To express one's thinking and be understood is vital to almost everything." I most emphatically agree that the ability to communicate is a central goal of liberal arts education, a vital skill for life and the mark of an educated person.

I am by profession a lawyer, a legislator and a politician. The effective use of words is essential in my job. I would like to share with you today some of the ways in which the English language is used and abused in politics.

LEGISLATIVE LANGUAGE

First, words are the raw material from which legislators craft the laws. As a sculptor works in stone or clay, the legislator works in words. For example, words of legislative art and artifice can be used to bridge policy differences and disagreements. The declaration of policy of Title I of the elementary and secondary education act states: "The Congress hereby declares it to be the policy of the United States to provide financial assistance to local educational agencies serving areas with concentrations of children from low-income families to expand and improve their educational programs . . . which contribute particularly to meeting the special educational needs of educationally deprived children." That passage certainly lacks literary elegance. But if you listened to it very carefully, you might have discerned that the law blends together quite skillfully three quite distinct goals:

(1) "Financial assistance to local educational agencies," (2) improvement of educational programs and (3) serving "the special educational needs of educationally deprived children." I can personally attest to the great care and craftsmanship that went into balancing the phrases in that sentence and which helped open the way for a major Federal commitment to supporting elementary and secondary education.

A negative example—a case where the sloppy use of language brought us to grief—is the 1964 Tonkin Gulf resolution. It read in part: "The Congress approves and supports the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression." It was adopted unanimously by the House and with only two dissenting votes in the Senate. What seemed like a vote of confidence in the President's handling of a particular naval incident became a legal justification for the Vietnam War. We should have been alert to the dangers inherent in the broad and sweeping words of the legislation, but we ignored them to our great sorrow and shame.

THE LANGUAGE OF STATESMEN

The use of language in politics obviously extends far beyond the drafting of legislation. The eloquence of our great statesmen has inspired the nation and called forth its maximum energies in times of crisis. Franklin Roosevelt rallied the spirit of a nation suffering its worst economic depression by reminding us that "we have nothing to fear but fear itself." Winston Churchill stiffened the resolve of all those opposed to fascism when he said, "I would say to the House, as I said to those who have joined this government, 'I have nothing to offer but blood, toil, tears and sweat.'" John Kennedy reawakened the idealism of America when he said, "Ask not what your country can do for you, but what you can do for your country."

EMPTY RHETORIC

While political rhetoric can be a beacon of our ideals, it can also be a cloud and a miasma that shrouds the truth. It can be simply pompous verbiage that replaces substance with pieties. Take for example this political nominating speech:

"History will record the greatness of his administration. As it is inscribed upon the permanent page, so it is etched in the minds and hearts of a grateful people."

"But his warmth and compassion and sense of justice are implicit in the entire range of his record in public life."

"Mr. Chairman, I proudly rise tonight to confirm a commitment that was wrought in the crucible of another era."

"It is the worst of times that calls for the best in men."

"Destiny has again marked this man. A man to match our mountains and our plains. A man steeped in the glorious traditions of the past. A man with a vision of the unlimited possibilities of a new era."

Would you vote for this man after those words?

SEMANTIC EVASION

Or, language in politics can be deliberately evasive. Watergate gave us a new lexicon of terms—"deniability," "inoperative" statements, "stonewalling," modified limited "hang out" and, most recently, "A legal cover up." The terms themselves are vulgar and crude, illustrating once again the "banality of evil." But what those words stood for is even worse—deliberately misleading and deceiving the listener through semantic juggling. The manipulative use of language was designed to leave us all "twisting slowly in the wind."

POLITICAL EUPHEMISMS

Words in politics can be euphemisms, shading our sensibilities from the harsh realities that lie behind them. The "final solution of the Jewish question" means mass

extermination in death camps. "Pacification" was napalm bombs; a "protective reaction" was an air strike; and "local control" was often a polite code word for segregation and racism.

EMPTY SYMBOLS

Words in the political arena often become empty symbols—emblazoned on banners, shouted through megaphones, painted on walls and writ large in headlines—but devoid of meaning. The French philosopher Simone Weil expressed this point very well:

"The Greeks and Trojans massacred one another for ten years on account of Helen [of Troy.] Not one of them except the dilettante warrior Paris cared . . . about her; all of them agreed in wishing she had never been born. The person of Helen was so obviously out of scale with this gigantic struggle that in the eyes of all she was no more than the symbol of what was really at stake; but the real issue was never defined by anyone, nor could it be, because it did not exist. . . . For our contemporaries the role of Helen is played by words with capital letters. If we grasp one of these words, all swollen with blood and tears, and squeeze it, we find it is empty." Empty symbols and slogans like "peace with honor" or "power to the people" can be like the sirens of Greek mythology luring the unwary to their destruction.

POLITICAL WIT

I should not leave this topic of politics and the English language without pointing to the richness of political language in wit and humor. The barbed retort and the skillful verbal sally often pierce through deception and capture the essence of a person or an issue. President Kennedy, well known for his wit, asked party Chairman Khrushchev what the medal Khrushchev wore was. The Soviet leader replied it was the Lenin Peace Prize Medal. "Let's hope you keep it," Kennedy drily remarked.

During the 1956 Presidential campaign, the Democratic candidate for President, Adlai Stevenson, was asked to characterize the foreign policy of then Secretary of State John Foster Dulles. Stevenson replied that Dulles' foreign policy reminded him of the Australian bushman who got a new boomerang and then spent the next year trying to throw the old one away.

During the 1968 Presidential primaries Senator McCarthy, one of the sharpest wits in politics, was challenging President Johnson for the Democratic Party nomination. He was asked if he felt a groundswell of support for his candidacy in New Hampshire. "No," he said, "it feels more like a frost heave." Senator McCarthy also gave a devastatingly accurate characterization of one of his more pusillanimous Senate colleagues. McCarthy said of the other Senator, "he is a great fellow; but you can always tell when the battle is won, because the Senator is one of the first to come down the hills to help shoot the wounded."

One of my most staunchly conservative colleagues in the House was known as the "abominable no-man" and a particularly devious and dangerous opponent became "the smiling cobra."

I believe that politics is a respectable, indeed even a noble, calling. But its nobility in a democratic society depends on a citizenry that holds politicians accountable and does not let them slip by with verbal trickery. It also depends on citizens who can articulate their concerns with clarity and force. As citizens educated in the liberal arts who will be participating in the democratic process, I hope you will weigh the words you hear and say carefully—brushing aside pomposity and empty rhetoric, looking behind grand symbols and polite euphemisms and comprehending the reality of our ideals, our problems and our public policies.

I hope I have added a useful footnote to your liberal arts education today. Good luck and Godspeed. Thank you.

STATEMENT OF CONGRESSMAN JOSEPH L. FISHER ON BILL TO MODIFY CREDIT FOR THE ELDERLY BY ELIMINATING INCOME CEILING AND JOINT RETURN FILING REQUIREMENT

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. FISHER. Mr. Speaker, although I supported the reform measures adopted in the Tax Reform Act of 1976, I did so despite my opposition to two provisions which adversely affected elderly persons living on a fixed income. The first provision involved changes in the "sick-pay" exclusion, which is no longer available to many disabled retirees. I have offered legislation to correct this problem and the Congress has now delayed the effect of this provision for one year. The second provision dealt with the new restrictions placed upon availability of the "credit for the elderly." Fortunately, a provision in the President's economic stimulus package will allow taxpayers to file an amended return for 1976 in order to elect the retirement income credit under old law or the new credit for the elderly, whichever results in less taxes. However, for years after 1976 the new credit for the elderly, if left unchanged, will mean a significantly higher income tax bill for many retired people.

The credit works in the following way. An eligible taxpayer can subtract from taxes owed 15 percent of up to $2,500 of retirement income. Last year's bill increased the amount of retirement income eligible for the credit and expanded the list of eligible income items. Unfortunately, a number of limitations were imposed upon availability of the credit: The credit is phased out as income increases and married taxpayers 65 and over may claim only if they file a joint return.

The retirement income credit is intended to insure equal treatment between civil service retirees, whose annuity payments are partially taxable, and soical security recipients, whose payments are not taxed at all. The new credit for the elderly departs from this principle. It eliminates the credit for the elderly departs from this principle. It eliminates the credit for retirees whose adjusted gross income exceeds a certain figure—$12,500 for single taxpayers and $17,500 for married couples filing jointly—even though social security recipients with the same adjusted gross income continue to receive the entire amount of their payments tax free.

In addition on income ceiling discriminates against residents of high cost-of-living areas, such as northern Virginia. While an income of $12,500 for a single person and $17,500 for a married couple may be sufficient to enable an individual or couple to maintain a relatively high standard of living in certain regions of the country, this clearly is not the case in areas where the cost of living is above the national average.

There are several other objectionable features of the new "credit for the elderly." It retains the provision of old law that makes retirees from Government eligible for the credit at retirement regardless of age. Non-government retirees must be 65 to be eligible. But conditions that must be satisfied in order to qualify for the credit are now different for those under age 65 than for those 65 and over. For example, the limitations on the credit based on adjusted gross income applies to taxpayers 65 and over, but not to those under age 65. However, a phase-out of the credit based upon earned income exists for those under age 65, but not for those over 65. This double standard can produce anomalous results. For instance, the stricter ceiling on income for those over 65 will mean in some cases that the 65th birthday brings a tax increase of up to $375 for a single taxpayer and $562 for a married couple. This is totally unwarranted and should be changed.

The new provision imposes the requirement that a joint return must be filed by a married couple in order to claim the credit. This requirement increases the so-called "marriage penalty" that exists under current law. For example, an unmarried couple age 65 and over may have a combined adjusted gross income of up to $25,000 and still claim a portion of the credit for the elderly, while a married couple of the same age will be foreclosed from claiming any portion of the credit when their adjusted gross income reaches $17,500. Furthermore, since social security payments reduce the amount of retirement income eligible for the credit, the joint return filing requirement can prevent a married taxpayer 65 and over from claiming the credit simply because of the social security payments received by his spouse. Yet this result would not occur if the couple were unmarried. It seems to me that the tax laws should be moving in the direction of reducing the marriage penalty, rather than increasing it.

For these reasons, Mr. Speaker, today I am introducing a bill to correct the defects in the new provision and make the credit more universally available to elderly taxpayers. My bill adopts the broader definition of retirement income provided for under the Tax Reform Act, but establishes a more uniform standard for determining a taxpayer's eligibility for the credit. Under my bill, the "credit for the elderly" would be revised by making the following changes:

The sum of $2,500 of a taxpayer's retirement income would be eligible for the credit.

Each taxpayer would be eligible to claim the credit of 15 percent of up to $2,500 of retirement income—credit of $375 per taxpayer—without regard to marital status—that is—a married couple where each spouse has $2,500 of retirement income would be able to claim a credit of $750.

Both the income ceiling and the joint return filing requirement would be repealed.

The amount of a taxpayer's retirement income eligible for the credit is reduced by two categories of income: First, social security and other exempt pension in-

come; and secondly, by the amount of a taxpayer's earned income in excess of $2,500.

For the reasons I have set forth, I would urge the Committee on Ways and Means to set my proposal down for a hearing and subsequently to report it favorably to the House for approval.

TRIBUTE TO DR. BERTIE B. BURROWES, M.D., OF YOUNGSTOWN, OHIO

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. CARNEY. Mr. Speaker, I would like to take a few moments to pay tribute to a very distinguished citizen of my congressional district—Dr. Bertie B. Burrowes of Youngstown, Ohio.

Born in Kingston, Jamaica, Dr. Bertie B. Burrowes was an only child and an orphan who was raised by his grandmother. Fortunately, his grandmother recognized his intelligence and character. After he graduated from high school in Jamaica, she arranged for him to join his relatives in New York. Once in the United States, he seized upon his opportunities and worked very hard to attain his goal, which was to be a physician. He received his bachelor's degree in 1934, and his medical degree in 1937, from Howard University in Washington, D.C. He then served an internship at Freedman's Hospital in Washington, D.C., and a 1-year residency at Trinity Hospital in Detroit, Mich.

In 1939, Dr. Burrowes moved to Youngstown at the request of relatives. He became a naturalized American citizen and embarked on a distinguished career as a physician and community leader. He set up practice at 529 North Avenue in Youngstown, and, despite a rapidly growing general practice, he has remained at the same location ever since.

Highly respected by his peers in the medical profession, Dr. Burrowes has served for many years on the staff of the Youngstown Hospital Association and on the courtesy staff of St. Elizabeth Hospital Medical Center. Soon after his arrival in Youngstown, Dr. Burrowes assisted the Junior Civic League in establishing a well child clinic at McGuffey Centre; he has been the physician in charge and a member of the board at the McGuffey Centre ever since it opened in 1941. He also gives the Boy Scouts at McGuffey their annual physical examinations.

Dr. Burrowes' numerous activities include member of the board of the Youngstown Committee on Alcoholism, the Mahoning Chapter of the American Red Cross, the Child Guidance Center, the Youngstown State University Board of Trustees, and the Youngstown Park and Recreation Commission. In addition, he is a member of the national, State, and county medical societies, the American Academy of General Practice, the NAACP, the YMCA, Omega Psi Phi Fraternity, St. Augustine's Episcopal Church, Buckeye Lodge of the Elks, No. 73, Past Exhalted Rulers Council of the Elks, and director of the health department of the Ohio State Association of Elks. He also serves as an editor of The Buckeye Review, and he has served as physician for the Youngstown Police Department. His hobbies are bowling and bridge.

Among the honors bestowed on Dr. Burrowes are the humanitarian award from the Youngstown Chapter of the Negro Business and Professional Women's Clubs, and an honorary life membership from the McGuffey Centre. His latest honor came from Youngstown State University. The YSU board of trustees unanimously passed a resolution praising him for his loyal and faithful service, and for contributing so much of his time and energy to the advancement of the university. The resolution will be engraved on a plaque for formal presentation to Dr. Burrowes. On May 29, 1977, a testimonial banquet will be held for Dr. Burrowes at the Mahoning Country Club in recognition of his many years of dedicated service to the community. A committee of friends and admirers, headed by Dr. Earnest Perry and Mr. Lehman E. Black, is making arrangements for the banquet.

Dr. Burrowes is married to the former Thelma K. Lovelle of Greenville, Pa. Mrs. Burrowes is a registered nurse who still serves parttime at South Side Hospital. Dr. and Mrs. Burrowes have two daughters, Mrs. Olive Jones, a music teacher and conductor in Washington, D.C., and Mrs. Cynthia Hickman, a businesswoman with IBM in Columbus, Ohio, and three grandchildren.

Mr. Speaker, I could speak for a long time about Dr. Burrowes' personal qualities and virtues. He is a good and decent human being, who has given himself unselfishly on behalf of his fellow man. He is respected and loved by everyone who knows him. He is a distinguished physician and an outstanding community leader. He is a man who has sought and achieved excellence in his endeavors, but he is a man who still possesses the virtue of humility. I heartily congratulate Dr. Bertie B. Burrowes for all his fine accomplishments. We are most fortunate to have Dr. and Mrs. Burrowes as members of our community. I wish them, their children and their grandchildren good health, success, and happiness in the future.

THE OSHA OCTOPUS

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. FISH. Mr. Speaker, "Caution, if you think OSHA is a small town in Wisconsin—you're in trouble". At least that is what a sign warns at the office of an offshore diving contractor. Yesterday's Washington Post, in a bylined article by Thomas O'Toole, describes just how much trouble our Nation's effort to explore expeditiously for offshore oil and gas will be in if the supporters of OSHA have their way.

There are approximately 500 commercial divers engaged in oil and gas operations on the Outer Continental Shelf. These well trained and hardy souls average $35,000 per year. The diver who testified to this figure before the ad hoc Select Committee on the Outer Continental Shelf says he himself makes between $60,000 and $70,000; others make even more. They are well compensated for the risks they take.

The industry's own self-imposed regulations are so strict that there have only been one or two deaths per year. Tragic as these deaths are, they represent a better record than the fatality rate for Federal Government civilian workers, including you and me. OSHA partisans, however, would like to see that Agency replace the Coast Guard as the lead agency for safety regulations on the Outer Continental Shelf. They want to create an adversary situation where none presently exists and impose industrywide regulations on these well paid personnel.

OSHA and the Coast Guard have recently negotiated a memorandum of understanding, to be effective this summer, which provides for a single set of basic regulations, with Coast Guard enforcing offshore, and OSHA in inland waters, harbors, et cetera. I am not sure these regulations are necessary. They would do little to improve diving safety In fact, most of the deaths were due to human error, in violation of the industry rules, and would have happened even if an OSHA inspector were qualified to swim alongside. The cost of these regulations, which may be more than the industry grosses in a year, will be passed on to the consumer of oil and gas.

To legislate OSHA as lead agency in offshore areas, however, will completely overturn the memorandum of understanding before it has a chance to work. It will put desk-bound OSHA bureaucrats in charge of deep sea divers, instead of Coast Guard experts in the marine environment. If you were a diver, Mr. Speaker, which would you prefer?

The article follows:

DEEP-SEA DIVERS TRY TO "DEEP SIX" U.S. REGULATIONS

(By Thomas O'Toole)

HOUMA, La.—There's a black-and-yellow sign on the door of Tom Angel's office at the Santa Fe Diving Co. that says succinctly: "Caution. If you think OSHA is a small town in Wisconsin—you're in trouble."

The same sign can be found on the doors and desks of the people who run a dozen commercial diving firms like Santa Fe, whose shops and offices are 60 miles south of New Orleans on the way to the oil rigs and pipelines in the Gulf of Mexico.

The signs are at Sub Sea International in downtown New Orleans and at Taylor Diving & Salvage across the Mississippi River in suburban Belle Chasse. They're 400 miles west at Ocean Systems in Houston and 600 miles east at Logan Diving in Jacksonville.

"We keep these signs around to remind us that OSHA says we have to guarantee a safe workplace," said Angel, who manages 70 divers doing repair and construction work on the floor of the Gulf of Mexico. "Now our workplace is the bottom of the sea and I ask you how in the hell you can guarantee safety on the bottom of the sea."

OSHA, of course, is not a small town in Wisconsin but the Occupational Safety and Health Administration, a branch of the Labor Department created by Congress to watchdog safety in American industry. Only six years old, OSHA now has 2,500 people on its payroll. More than half carry the title "Inspector" to their jobs, which is to enforce safety at 5 million workplaces employing 65 million Americans.

OSHA and the country's commercial diving contractors are locking horns over safety standards for divers.

OSHA thinks commercial diving can be made safer through regulation. The divers believe diving is inherently dangerous, that you can't make it any safer than they've made it and that attempts to regulate it can only ruin it.

There's no question diving is risky. Divers say about half have lost fingers through careless handling of knives or the strong nylon ropes they use underwater. Many divers are hard of hearing. That's because of eardrum damage caused by constant pressure changes divers undergo moving up and down in their workplace.

But divers say the undersea is not as hazardous as the public thinks it is. No commercial diver has ever been killed by a shark, for instance. Barracudas are considered more dangerous, but only because they're more curious than sharks. They're also easier to scare away.

The major marine life danger to divers is the grouper, the huge and clumsy bottom dweller whose lack of teeth and wisdom make it take in everything along the sea floor for food. One diver was sucked in from the bottom of the Gulf of Mexico last summer until he was in the grouper's mouth up to his chest.

"He hit him on the nose, he pulled on his line, and his topside tender pulled on his line," recalls Taylor Diving's James Eberle, who would not identify the other diver. "The grouper finally spit the diver out and let me tell you it was a couple of days before that diver went back to sea."

OSHA has tried for almost two years now to set safety standards for the diving industry, which has never been regulated. So far, the fight has not gone OSHA's way.

Most recently, OSHA lost a federal court test over the emergency diving safety standard it set, one that diving contractors say is not needed and is too expensive. According to the Council on Wage and Price Stability, the emergency standard could cost the diving industry from $33 million to $100 million a year. The latter figure is more than the industry grosses annually.

The wage and price council's $33 million number is its estimate of what it would cost the diving industry to prevent two diver deaths a year, or about $16 million a life. In the most recent study on the subject, the Coast Guard suggested the value of a human life to be set at $370,000 for the purpose of setting standards.

The divers' battle began two summers ago when the United Brotherhood of Carpenters and Joiners petitioned OSHA to set the emergency standard because safety conditions in the Gulf of Mexico—where 90 percent of the commercial deep-sea diving is done—had become "abominable."

It should be pointed out that the carpenters' Washington office is next door to the new Labor Department building, where OSHA is housed. It should also be pointed out that the gulf has largely been closed to the carpenter union, which represents many inland water divers because of its 50-year connection with pile drivers and bridge builders.

One of the more than 20 contractors diving in the gulf, the carpenters have won the right through elections to represent two, Ocean Systems in Houston and the J. Ray McDermott diving Division near New Orleans. Neither firm has signed a contract with the union, which claims it represents as many as 700 divers in the gulf. The contractors say there aren't 700 divers in the United States, much less in the Gulf of Mexico.

"If the carpenters say they've got 700 gulf divers in their union that means they've got 700 guys with union cards that say they're divers," said Santa Fe Diving's Tom Angel.

The number of commercial divers is important to the issue of whether the industry should be regulated. The carpenters say there are 2,300 commercial divers in the United States, a statistic OSHA is using. The diving contractors say there are no more than 600 commercial divers, working, in the United States, meaning the industry is too small to regulate.

The contractors claim the carpenters and OSHA have counted divers they employ in the North Sea and the Persian Gulf.

OSHA counted divers listed in many cities' Yellow Pages, the contractors also say. "They've got at least 400 divers in their tally who dive on weekends and in their spare time for nickels and dimes," Angel said.

Central to the issue of diver regulation is safety, which is in hotter dispute than the divers' numbers.

OSHA took statistics from the carpenters union that said there were more than 20 deaths and 60 serious injuries among divers in the Gulf of Mexico in the last seven years. The contractors challenge those numbers, saying the carpenters tallied diver accidents the way Chicago's aldermen used to count votes.

Angel said he saw the name of a diver working for him listed three times on the accident sheet, each time with his name misspelled. Taylor Diving's president, Ken Wallace, said the carpenters listed the death of a diver who still works for Taylor. The carpenters deny they juggled names.

OSHA is also using underwater accident figures compiled by the University of Rhode Island's John McAniff, who has studied diving hazards with a grant from the National Oceanic and Atmospheric Administration. McAniff found 41 underwater deaths in the last seven years, including six offshore—five in the Gulf of Mexico and one in the Santa Barbara Channel.

Commercial diving contractors dispute 16 deaths on the list, saying divers for treasure, abalone, seaweed and black coral are not commercial divers and shouldn't be counted.

Taylor Diving has lost five divers in 20 years, one struck in the head by a tree being carried down the Mississippi River and another sucked into a pump on a dredging job.

A third was caught by a wire that cut off his air supply; he panicked, tore his helmet off and drowned trying to reach the surface.

The most recent fatality in the gulf involved a diver being brought up slowly in a diving bell to avoid decompression effects. Exhausted, he asked if he could turn off the diving bell light so he could sleep. He was told not to extinguish the light, so he put his shirt over the light to dim it. The shirt caught fire, which raced through the pressurized bell and burned up all the oxygen in seconds. The diver died from seared lungs.

Divers in the gulf are well compensated for taking risks, which might explain why they're hesitant to be unionized or regulated. They are paid by the foot in the depths they dive. Taylor employed 17 divers last year who made more than $60,000, five who made over $70,000, six who topped $80,000, and three more than $90,000. Taylor's top diver last year made $96,000 for about nine months' work.

The fight between OSHA and the diving contractors will intensify in the next few weeks. Hearings are being held by the House Select Committee on the Outer Continental Shelf to decide whether to give OSHA jurisdiction with the Coast Guard over offshore diving. At the same time, OSHA and the Coast Guard have been told to write by July 1 the first legal safety standard governing commercial diving.

If the new standard is anything like the emergency standard OSHA came up with nine months ago, it, too, could wind up in court.

OSHA did not help its case the way it wrote the emergency standard. It wanted divers autopsied at death so doctors could study the effects of diving on their bones. It wanted a paramedic diver standing topside in a suit to help a diver in trouble. It wanted backup radios to communicate with divers in the water and backup instruments to monitor every step the diver took along the ocean bottom.

So many new instruments were recommended by OSHA as standard diving gear that the Navy satirized it in its magazine Faceplate. The Navy said the OSHA diver would weigh 1,000 pounds by the time he went under water.

END OF AN ERA

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. BYRON. Mr. Speaker, what is described as the "end of an era" is coming about in Williamsport, Md., my hometown. A close friend of mine, and of everyone in Washington County is about to close a long and distinguished career.

Richard Doub is retiring after 46 years of teaching and coaching in Williamsport schools. A lifelong resident of the county, Mr. Doub leaves behind him an outstanding legacy. To his students of mathematics and history, he offered knowledge and inspiration. As a coach, his record may never be equaled; his teams have won more than 500 games in three sports.

Richard Doub, in his 68 years, has been a major force and friend to his town and his county. I join with all Washington Countians in saying to Richard, congratulations and thanks for a job well done. To share more of the qualities of this man with my colleagues in the U.S. House of Representatives, I offer this article by Barb Blass as it appeared in the Morning Herald newspaper in Hagerstown:

RICHARD DOUB—END OF AN "ERA"

(By Barb Blass)

"I've done what I really wanted to do. I don't think a lot of people can say that."

Richard Doub will be retiring this spring after his long teaching and coaching career at Williamsport.

Retiring might be the only thing he really doesn't want to do. But he figures it's time.

"Each year things bother you more," says the 68-year-old soft-spoken educator. "I want to quit before I crack up."

Those words seem a little strong for a man who admits "leading a sheltered life" in the classroom. Because he's almost always taught elective or college preparatory classes, discipline has not been a major problem for him.

Doub began preparing for retirement five years ago when he turned over the baseball coaching duties to Larry Wadel. Stan Stouffer became the head soccer coach last fall after serving as Doub's assistant.

"If I'd given up everything at once, it would

be a big letdown," says Doub, who retained his athletic directorship this year.

Doub's coaching record may never be topped in Washington County. His teams have won more than 500 games in three sports, including 217 in soccer and 200 in baseball. He posted a 217–72–28 soccer record during 32 years and a 200–65 baseball record during 29 years. He also coached boys and girls basketball for 10 years, ending in 1953.

Doub was born in a farmhouse not far from the present Williamsport High School. And he lived there until five years ago.

When he was growing up he didn't have much time for sports; his energies primarily were directed at farming. He made up his mind early that he didn't want to be a farmer.

"There were three boys in the family," says Doub. "We decided we didn't want to farm. And the best way not to do that was to go to college."

He and his younger brother, Charles, enrolled at Gettysburg College. And a couple years later, in 1929, Richard Doub became a member of the college's first soccer team. Doub still wears his black and orange letter sweater on occasion.

When Doub got his sheepskin from Gettysburg in 1931, the country was smack-dab in the middle of the Great Depression. Jobs were sparse.

He wanted to teach and coach in high school. He wanted to emulate Williamsport coach and teacher Ralph Beachley. But the only job he could find was teaching seventh and eighth grade math and science at the "elementary" school in Williamsport. His pay was $1,200—a year. The next year his salary dropped $50.

It wasn't until 1939—eight years later—that Doub got his wish. He became the high school soccer and baseball coach, taking over from Paul Barnhart. He also taught history and physical education.

"I had never really played baseball," says Doub, whose favorite participation sport until 1959 was fast-pitch softball.

"I was just fortunate we won. Friends like Boots Poffenberger (a major league player of the day) helped quite a bit," he says.

Doub recalls having Poffenberger demonstrate aspects of the game to his team. He admits learning a lot himself from the demonstrations.

With the opening of the "new" high school in 1939 (the red brick building is now part of the middle school), came Williamsport's first gymnasium.

So, Doub became the basketball coach. Williamsport lost its first boys varsity basketball game to the Marlowe (W. Va.) ninth and 10th grade team, 25–24.

Doub was the boys and girls basketball, soccer and baseball coach until a few months after Pearl Harbor.

His teaching and coaching career at Williamsport was interrupted for four years during World War II.

Doub enlisted in the Army Air Corps in April 1942 at the age of 31. The United States would up the draft age to 35 soon. So Doub, unmarried at the time, signed up. The recruit sergeant "sort of promised" Doub that he would be able to attend meteorology school.

"Enlisting was a matter of pride," Doub says. "I was too proud to think that Uncle Sam would have to force me to serve the country."

Doub never was in combat. He spent three of those four years teaching such things as meteorology, physical education and navigation.

While he was in Miami Beach, Fla. for Officer's Training School, he met actor Clark Gable. Gable was in his early 40s when he enlisted. "They were willing to give him a direct commission," recalls Doub. "But he wanted to earn it."

Doub, who had several occasions to talk with Gable, says the actor was "depressed."

Gable wanted to be a tailgunner on a bomber, but the army wouldn't allow it because of his age.

Later, while serving in San Angelo, Texas, Doub met his future wife, Imogene.

Doub had a penchant for sending and receiving mail while in the service. At one time, he recalls, he was corresponding with 75 different people. He and his wife still keep in touch with many of the same people, although his letter-writing has tapered off markedly.

Doub returned to Williamsport in 1942 after being discharged from the service.

He picked up where he'd left off.

His teams were highly successful. The soccer team won the "Class D" state title in 1946 and 1947 and was runner-up in 1948. The soccer play-offs were discontinued the following year and weren't revived until the 70's.

His boys basketball team captured the state crown in 1948 and the girls team won the title in 1949. For many years girls basketball tournaments were non-existent.

Doub believes that Jack Molesworth, the executive secretary of the state association which controls high school athletics, has had a great deal to do with the resurgence of play-offs in several sports.

"He's really all-out for playoffs," says Doub.

The importance of athletics versus education was also in question. "Principals and superintendents complained that kids were getting out of school too much to participate in sports.

"Now, kids get out of school for all kinds of things," he says.

Doub is proud to point out the variety of sports at Williamsport. "We have offered as many or more opportunities as any high school in the county," says Doub.

"I'm glad we do. They say you might be spreading yourself thin," he says. "But the important thing is to give the boys and girls a choice."

As athletic director, he is also proud that Williamsport's athletic budget has remained in the black, even though several non-revenue producing sports have been added.

"We spend all we have and we don't spend any more" he says, giving a lot of credit to the principal Joe Scott for being so "ultra conservative."

"It was as tough for me to get new baseball uniforms as it was for Mr. Smith to get new basketball uniforms," he added, referring to recently-retired basketball coach Glenn Smith.

But Doub also believes schools will need financial help to keep up with the increased interest in sports. "If the program is worthwhile, the taxpayers are going to have to pick up the bill," he admonishes.

Doub doesn't really remember when he became athletic director. He's just done it for a long time. Athletic directors don't receive any renumeration for their jobs, only time off. And the time off, many times, doesn't have any correlation with the actual hours spent making arrangements for events and seeing that they come off as planned.

It wasn't until six years ago that the county coaches were paid for the extra duties. Doub believes that it won't be too long before athletic directors will be paid for their services.

While he was coaching, he was still busy in the classroom teaching history and mathematics. He felt at home in the classroom. "The life of an administrator is short," he says.

Except for the first teaching job, when he had 59 seventh and eighth graders of various learning interests, Doub figures he's been lucky with the type of students who have crossed his path.

"I just haven't been exposed to characters who were forced to stay in school because of their age," says Doub.

In 1960 Doub began teaching psychology, an elective for seniors. "They don't have to take it, they want to take it," he says of the course he still teaches.

Doub's greatest satisfaction in teaching has been "realizing that many I taught appreciate what I have done." And in coaching? "The good athletes and the good seasons."

"Everyone would be depressed without a satisfying experience. Getting a check is satisfying. You need the check. But the other experiences are more satisfying."

Doub plans to do a lot of traveling, continue playing tennis and "learn to fish" when he retires.

And he'll be free from responsibilities, giving him more time to watch Williamsport's athletic teams.

He's sure to become the Wildcats' No. 1 fan.

SEPARATE VIEWS OF REPRESENTATIVES SAMUEL L. DEVINE, JAMES T. BROYHILL, ROBERT KRUEGER, TIM LEE CARTER, CLARENCE J. BROWN, JAMES M. COLLINS, NORMAN F. LENT, EDWARD R. MADIGAN, W. HENSON MOORE, AND DAVE STOCKMAN ON H.R. 3816—FTC ACT AMENDMENTS OF 1977.

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. BROYHILL. Mr. Speaker, we believe that this legislation should not be enacted in its present form for a variety of reasons. First, H.R. 3816 contains not only the authorization for the Federal Trade Commission, but also some very substantial amendments to the FTC Act. Because of the self-discipline imposed by the Budget Act's requirements, time is of the essence with respect to committee consideration of legislation extending authorizations. As is discussed below, combining the authorization with these substantive amendments to the FTC Act has resulted in haphazard and hurried consideration of the changes being proposed. We submit that this is not a wise way to legislate.

Hearings were called and held within 2 weeks after the bill was introduced. During those hearings, issues of great significance were merely touched on if they were discussed at all. For example, in reviewing the hearing record, we find very little discussion of the class action issue, especially the fluid recovery concept which was so controversial when Congress considered the issue in relation to the Hart-Scott-Rodino Antitrust Act (P.L. 94–435) in the 94th Congress. Indeed, the related provision in Hart-Scott-Rodino contains a number of safeguards against abuse not found in H.R. 3816.

Several witnesses, most notably the American Bar Association, pointed out that they had just not had enough time to review the complex issues involved, but offered to submit a more detailed statement as soon as an analysis of the bill could be performed. Unfortunately, because these amendments were tied to the authorization, we were not able to have the benefit of more complete comments from groups such as the American Bar Association.

The proponents refusal to separate the substantive provisions of the Act from

the authorization is most surprising in view of the fact that the other provisions are not of an emergency nature, and there is no good reason why we cannot examine these issues in detail and in a more leisurely fashion. One can only conclude that the supporters of this bill are concerned that the other provisions of the Act will not stand up to close scrutiny and, therefore, wish to rush these amendments through the legislative process. This is, of course, no way to legislate, and we are disappointed in our colleagues for choosing this route.

PENALTIES FOR NONCOMPLIANCE WITH COMPULSORY PROCESS

The bill contains a number of substantive issues which we do not believe merit enactment. For example, section 2 of the bill deals with penalties for noncompliance with Commission subpenas and orders requiring submission of information. Briefly stated, the bill would substantially increase the penalties for failure to comply with subpenas and orders while limiting the way in which the validity of the subpenas or orders could be challenged. This result would occur because the provision would: First, allow a court to assess penalties of up to $5,000 a day for failure to comply with FTC subpenas and orders; and second, prohibit a party from bringing suit to challenge an FTC subpena or order, until after receipt of a "notice of default" signalling the Commission's willingness to litigate the issue.

Although we support that portion of section 2 which significantly increases the penalties for noncompliance with subpenas and orders, we are concerned over the committee's decision to prohibit a party from bringing a suit challenging an FTC subpena or order prior to receipt of a notice of default. What this provision means is that a party wishing to challenge the validity of a subpena or order will have to wait, possibly for months, until the Commission in a notice of default indicates its intentions to proceed against that party, rather than being able to bring an immediate suit challenging the validity of the subpena.

The committee's decision to prohibit preenforcement review would reverse trends which have been established in a series of cases with *Abbott Laboratories* v. *Gardner*, 387 U.S. 136 (1967), in which the Supreme Court found that a case could be ripe for judicial disposition even though the case was brought in the context of a preenforcement suit.

In *A. O. Smith* v. *FTC*, 417 F.Supp. 1068 (D.Del. 1976), the Court of Appeals specifically found that a preenforcement challenge to an FTC order was properly brought. In related litigation, the U.S. District Court for the District of Columbia recently held that courts do have the discretion to determine whether such a case is properly brought or whether the issues should be determined in the context of an enforcement proceeding. (See *In Re FTC Line-of-Business Report Litigation*, Misc. No. 76-0127 (Jan. 21, 1977).) Also, the District Court in *Ford Motor Co.* v. *Coleman*, 402 F.Supp. 475 (D.D.C. 1975), stated that where the Government delays bringing an enforcement action, a preenforcement review suit can be properly brought, and should an enforcement suit later be filed, the two actions can be consolidated.

It is argued that it is necessary to prohibit preenforcement review, because in cases in which the Commission issues subpenas or orders against a number of different respondents, suits could be brought in a number of judicial districts, forcing on the Commission the inconvenience of litigating the same question in several different fora. Frankly, we are not convinced by this argument.

First, in reviewing the record we find that preenforcement suits are not being filed with great frequency. Further, we must point out that even under present provisions of the bill the Commission may find itself litigating in a number of different circuits, since the bill does not specify the fora in which applications for stays are to be filed. Finally, preenforcement suits could serve to expedite the process, since the issue of the validity of the subpena or order could be litigated at an early stage of the proceedings.

We are surprised that our colleagues are willing to cut off access to the courts in this manner, especially since both Congress and the judiciary have been making access to the Federal courts more and more easy. It is curious that in this one instance our colleagues are willing to foreclose access to the courts until after the Commission has decided to issue a notice of default. Frankly, this decision seems to run counter to recent developing trends in administrative law.

PROCEEDINGS TO ENFORCE COMPULSORY PROCESS

Section 3 would permit the Commission to bring a suit to enforce its compulsory process "within the jurisdiction of which the inquiry of the Commission is being carried on." The Commission would thus be able to sue a respondent anywhere in the country where the inquiry is being carried on, regardless of the location of convenience of the individual respondent. As a practical matter, most proceedings would be brought in the District of Columbia, the jurisdiction which is most convenient to the Federal Trade Commission.

The arbitrariness of this provision becomes even more apparent when it is compared to section 5, which would restrict the location of a respondent's appeal to a Commission order.

Under existing law, such a challenge may be brought where the person resides or carries on business. Section 5 of this bill would require that the action be brought in the court of appeals for the circuit where such person resides or maintains its principal place of business or the Court of Appeals for the District of Columbia.

Thus, it is evident that the Federal Trade Commission would retain the right to "forum shop" throughout the country, regardless of the convenience of fairness to the individual respondent. At the same time, it would not permit a respondent to engage in a similar practice seeking review of court of appeals of its choice, even though under current law, this is limited to a court of appeals for a circuit in which the respondent does business.

EFFECTIVE DATE OF CEASE-AND-DESIST ORDERS

Section 4 of the bill would amend section 5(g) of the FTC act to provide that Commission cease and desist orders become effective automatically 60 days after service, unless the Commission, a court of appeals, or the Supreme Court issues a stay. Presently, a respondent is provided with an automatic stay of an order until his time to appeal expires or, if an appeal is filed, until a court has reviewed the order.

If the Commission, pending such review, wishes to obtain a stay, it must make an application for that relief, making a showing as to why such extraordinary relief is necessary. Thus the amendment would shift the burden of maintaining the status quo during the pendency of an appeal to the party which would be subject to the order.

It has been stated that the bill would merely bring FTC practice into line with that of the other regulatory agenices. However, unlike the other agencies which regulate only a narrow line of commerce, under statutes and rules which cover specifically delineated practices and whose public interest mandate is not nearly so broad, the FTC regulates virtually every action which can affect competitors or consumers subject only to broadly construed jurisdictional and substantive requirements which empower the Commission to regulate "unfair" and "deceptive" acts or practices. Recent FTC proceedings, particularly in the consumer protection area, have sought the imposition of novel remedial orders in "test cases" based on new theories of liability. The orders issued by the FTC in many cases may apply to practices never previously prohibited, or may go well beyond the practices the respondent was actually found to have engaged in.

The severe economic impact which would result from the immediate effectiveness of FTC orders as provided for in H.R. 3816 is not limited to orders requiring divestiture or other structural relief, although such orders unquestionably merit stays pending judicial review. The trend of recent FTC orders is away from mere "cease-and-desist" orders to those containing affirmative disclosure, labeling, affirmation, restitution, and similar other provisions and the immediate enforcement of such orders could result in substantial harm. Thus, to require an order recipient to engage in corrective advertising while he is appealing the decision which found that remedy to be necessary would cause irrevocable injury by requiring him to "correct" statements which, upon review, may be found to have been proper.

The short answer to those who feel that the changes required in FTC practice by section 4 are necessary—a claim that was not documented during the hearings on this bill—is that the FTC already has the authority to seek immediate enforcement of the cease and desist portions of its order during the pendency of an appeal. The Commission, in 1973, was granted the authority to seek preliminary injunctions in cases where it has reason to believe that any law enforced by it is being violated and that an injunction is "in the public interest."

If the Commission is not willing or able to make this showing in an injunction action, it is difficult to understand why it should be entitled to the same result—and more—through the automatic operation of law which this amendment would require.

CONSUMER CLASS ACTIONS

Section 7 of the bill would permit a private right of action for violations of trade regulation rules or cease-and-desist orders. These suits to enforce the FTC Act could be brought in State courts or, if the plaintiff alleges damages in the aggregate of at least $25,000, in Federal courts. With respect to class action lawsuits, the bill sets out a scheme for providing notice of the suit to members of the class which is at odds with the requirements of rule 23 of the Federal Rules of Civil Procedure. Further, the bill would allow a court to estimate the damages suffered by the class as a whole, rather than compute damages for harm actually suffered by the members of the class.

We believe that section 7 should be deleted from any final legislation for a number of reasons. First, we believe that no need for the provision has been shown. The Federal Trade Commission now possesses an impressive arsenal of weapons which can be aimed at anyone who violates the act. For example, under existing law, the Commission can bring a suit on behalf of consumers injured by the violation of a rule or order—or the practices leading up to the order.

The kinds of redress which the court can impose include not only damages but also cancellation or rewriting of contracts, refund of money or return of property, or some form of public notice of the violation such as corrective advertising. The Commission can impose a fine of $10,000 a day for violations of rules or orders. The Commission can also levy a $10,000 fine against a company which engages in a practice prohibited by a cease-and-desist order issued against someone else. Further, the FTC has authority to seek injunctions whenever it believes that someone "is violating or is about to violate" the FTC Act. Finally, section 6 of this bill authorizes the Commission to seek appropriate equitable relief, including appointment of a trustee to prevent dissipation of assets, whenever the FTC believes the act is being violated or is about to be violated. This array of enforcement tools certainly gives the agency the ability to effectively deal with violators.

In addition to being unnecessary, a private right of action could lead to inconsistent and conflicting interpretations of the FTC Act. The courts have consistently refused to allow private citizens to bring suits to enforce the FTC Act. The need for uniform enforcement by the FTC of its own rules and orders is the principal reason underlying this policy. In determining whether to initiate an enforcement proceeding, the FTC must consider many factors which a private litigant could very well ignore, such as whether industrywide enforcement is preferable to case-by-case litigation, possible disruptive effects on commercial practices, and whether the public interest is served by a particular remedy. This point was made in *Holloway* v. *Bristol-Myers Corp.*, 485 F. 2d 981 (D.C. Cir., 1973), when the court, in rejecting a private right of action under the FTC Act, stated:

> Private litigants are not subject to the same constraints. They may institute piecemeal lawsuits, reflecting disparate concerns and not a coordinated enforcement program. The consequence would burden not only the defendants selected, but also the judicial system. It was to avoid such possibilities of lack of coherence that Congress focused on the FTC as an exclusive enforcement authority. (Id. at 997.)

We have seen no evidence in the record nor heard any arguments made which convince us that this policy now should be changed. Indeed, the only argument we have heard in favor of this provision is that the FTC lacks the resources to effectively enforce the act. If such a problem exists, and we do have our doubts, we are convinced that section 7 will only exacerbate this problem, since the Commission will be forced to intervene in the private actions filed in order to safeguard its own enforcement policies. The Court in Holloway pointed this out, saying:

> The effect of requiring the Commission to intervene whenever it felt that a private litigant might stray from its policies, impair its precedents, or disadvantageously compromise meritorious litigation makes it part hostage to private concerns, part competitor (in a race to the courthouse), and risks not only its resources but the extent of its contribution to the public interest. (Id. at 999.)

To require that the Commission use its limited resources to monitor and intervene in private actions brought in the many Federal and State courts across the country will certainly offset any assistance that these private suits might bring to FTC enforcement efforts.

We are reluctant to expand the use of the class action device in the consumer protection area without determining whether it provides a satisfactory remedy for consumer grievances. Before legislation is enacted in this area we believe that it is necessary to examine the class action as a remedial device compared to alternatives available such as small claims courts and consumer arbitration panels. However, in reviewing the hearing record, we find no such comparison. In practical terms, the class action may provide consumers with very little in the way of resolving legitimate consumer complaints.

First, class actions often take years to resolve. In the meantime, the aggrieved consumer goes without a remedy. Second, because the lawsuit might be litigated without notice to the aggrieved consumer and because damages may be assessed in a way that has little relationship to the actual individual harm suffered, the suit, once it is finally determined, may provide the individual consumer with no effective remedy. At best, the consumer will get only a fraction of any damages awarded returned to him and this after probably many years with the question before the court.

Proponents of the expanded use of class action lawsuits argue that the class action is needed to deter corporate wrongdoing. We disagree. The class action is not suitable for use against hardcore fraudulent operators and con artists, since the fraud involved will probably not be common to the entire class. Yet, this is the kind of practice against which the consumer needs the most protection. Instead, we are concerned that suits will be brought on the "deep-pocket" theory—proceeding against large and financially stable companies for highly technical violations of FTC rules or cease-and-desist orders.

Further, it should be obvious that a company cannot be deterred from engaging in a particular practice if the applicable legal standard is so vague and ambiguous that the company does not know whether a particular conduct is indeed illegal. Although the FTC has yet to issue a rule under the new procedures which we recently enacted in the Magnuson-Moss Act, we have reason to believe that these rules may be cast in extremely broad and sometimes unclear terms.

The FTC's rule abolishing the holder-in-due-course doctrine aptly illustrates why we are concerned in this regard. The holder-in-due-course rule became effective on May 14, 1976. It was immediately the source of much confusion, since it was unclear as to precisely what the rule meant and who the rule covered. A number of months elapsed before the Commission issued a statement attempting to clarify the meaning of the rule by setting out examples of situations to which the rule would apply.

Had H.R. 3816 then been law, lawsuits could have been brought against companies which had no way of knowing whether they were covered by the rule or not. Frankly, we cannot understand what purpose is to be served by subjecting a company to liability in such a case. Nevertheless, this is precisely what would happen, should H.R. 3816 be enacted in its present form.

Simply stated then, we do not believe that the class action device provides consumers with an effective remedy nor does it act as an effective deterrent to corporate wrongdoing. Indeed, we are concerned that the provision may have a "chilling effect" on a company's decisions to engage in product development and innovative marketing techniques. As has been pointed out by the commentators:

> Given the large liability class suits may threaten, such uncertainty could give rise to a dynamic encouraging class opponents to settle class suits or simply to forebear from all conduct even arguably prohibited. The ultimate effect, therefore, may be to exaggerate a remedial policy of deterrence to the point that a statute's effective scope is extended beyond its literal reach—in other words, overdeterrence. Developments in the Law-Class Actions, 89 Harvard Law Review 1319 at 1361 (1976).

The above comments are directed at the class action device in general. However, section 7 has a number of specific provisions which are especially troublesome. For example, a private action could be brought in State courts as well as in Federal courts. We strongly recommend

that any final legislation limit these suits to Federal courts.

The FTC Act and the applicable case law developed under it over the last 60 years are based on Federal standards and are enforced in Federal courts. We are concerned that State courts simply do not have the experience necessary to interpret the oftentimes vague and imprecise language of FTC rules and orders. Indeed, we can envision a situation in which a State court could interpret a rule in such a way as to completely negate its effect in a particular State. Although we recognize that many of our colleagues are disturbed about the FTC's ability to preempt longstanding State laws merely by issuing rules, we do not believe that this is the best way to deal with the problem.

Further, authorizing these suits in State courts could result in unfairness to the defendant, who could find himself not only litigating the same issue in several different States, but also having to do business in various States which may have interpreted the rule in different ways.

The notice provisions of section 7 are contrary to the present requirements of rule 23 of the Federal Rules of Civil Procedure. Rule 23, as interpreted by the Supreme Court in *Eisen* v. *Carlisle & Jacquelin*, 417 U.S. 156, requires that if individual members of a class can be identified through reasonable means they must be individually notified of the lawsuit. When individual members cannot be identified, then notice may be by publication. The reason for this requirement should be apparent; since the class representatives are litigating issues on behalf of the entire class and since each member of the class will be bound by the court's decision, the class members must be given the opportunity to "opt out" of the lawsuit, thereby preserving their legal rights, should they so desire.

As pointed out by the Supreme Court, "each class member who can be identified through reasonable efforts must be notified that he may request exclusion from the action and thereby preserve his opportunity to press his claim separately or that he may remain in the class and perhaps participate in the management of the action." *Id.* at 176. Section 7, however, gives the court discretion to determine whether notice to the class will be by general publication or by individual notice to each class member. Further, the court can require that individual notice be given to a sample of members of the class or to a specific subclass, presumably with notice by publication to the other class members.

The bill then sets out a laundry list of items which the court is to consider in determining what kind of notice will be given. Frankly, we are troubled by the nature of the items which the court is directed to consider in this regard. We believe that they not only do not accurately state the policy considerations upon which rule 23 is based, but also raise questions as to whether the due process requirements of the Constitution have been met. For example, the court is directed to look at the "financial and other resources of the parties involved in such action" in determining what kind of notice will be given. We believe that this is an entirely improper consideration for the court to make. A finding that, for example, the plaintiff has few resources and is suing a defendant which happens to be a large and financially stable company, should have no place in the court's determination as to the type of notice which is to be given to the prospective class members. Similarly, a court is directed to consider whether a "significant percentage" of the members of the class could be expected to opt out of the lawsuit.

This provision, of course, raises questions as to what is a significant percentage as compared to an insignificant percentage. In our view, should the court determine that any of the members of the class if notified of the suit, would wish to opt out, then notice by publication would not suffice, should individual notice be possible.

Finally, section 7 contains an "aggregation of damages" provision under which damages could be awarded to the entire class, and not merely to those who can and have proved that they have suffered loss. This is the so-called "fluid recovery" concept and represents an attempt to skirt around those cases which have held that the need to prove individual damages often makes huge consumer class actions unmanageable. The drafter's desire not to have to deal with the question of manageability does not, however, justify ignoring the policy considerations behind and the constitutional underpinnings of rule 23.

It is a basic tenet of our legal system that in a civil action, the plaintiff must show that he suffered damage in a reasonably ascertainable amount before the defendant can be made to pay.

Section 7 would turn this principle inside out by allowing damages to be determined not on proof of actual injury but on surmise and speculation. The courts have consistently rejected this approach.

It is quite conceivable that the harm flowing from the defendant's conduct could vary considerably from consumer to consumer. A good example is a case involving deception advertising. Some consumers might not have purchased the article but for the advertising; others might have purchased different quantities of the article or a different model but for the ad. Some members of the class might not have been affected by the ad at all, while others might not have even seen the ad. In such a case, the various schemes for awarding damages set out in the bill would result in the collection of a sum of money which would have no relationship at all to the amount of harm suffered by the various members of the class. It is our view, and this view is well buttressed by applicable case law, that damages cannot be awarded unless there is individual proof both of the fact that the injury occurred and of the amount of the injury. This is precisely what section 7 would disregard.

Probably the best discussion of the problems inherent in this approach is found in Judge Medina's opinion in *Eisen* v. *Carlisle & Jacquelin*, 479 F. 2d. 1005 (2d Cir. 1973). Judge Medina stated:

> Even if amended Rule 23 could be read so as to permit any such fantastic procedure, the courts would have to reject it as an unconstitutional violation of the requirement of due process of law . . . We hold the "fluid recovery" concept and practice to be illegal, inadmissible as a solution of the manageability problems of class actions and wholly improper. *Id.* at 1017–18.

The fluid recovery concept has been described as a "judicial juggernaut" with Judge Duniway, of the ninth circuit, in a concurring opinion, stating:

> It is inconceivable to me that such a case can ever be tried, unless the court is willing to deprive each defendant of his undoubted right to have his claimed liability proved, not by presumptions or assumptions, but by facts, with the burden of proof upon the plaintiff or plaintiffs, and to offer evidence in his defense. The same applies, if he is found liable, to proof of the damage of each "plaintiff". *Kline* v. *Caldwell, Banker and Co.*, 508 F. 2d 226, 236 (9th Cir. 1974).

The fluid recovery concept was also rejected in the Hotel Telephone case as an unacceptable ploy to avoid the manageability problems from which large class actions often suffer. In that case, brought under the antitrust laws, the court stated that:

> The antitrust laws focus on the compensation of parties actually injured, presupposing that a plaintiff can prove that he was in fact injured. . . . The fact that the injured plaintiff is allowed treble damages does not change the basic nature of the private antitrust action as an action intended to compensate. When, as here, there is no realistic possibility that the class members will in fact receive compensation, then monolithic class actions raising mind boggling manageability problems should be rejected. *In Re Hotel Telephone Charges*, 500 F.2d 86, 89 (9th Cir. 1974).

Simply stated, the court rejected the notion that, in a private action, damages can be imposed when there is little chance that the damaged class will actually receive compensation. Section 7, however, explicitly recognizes not only that the damages imposed will have little relationship to the injury actually suffered but also that there may be no realistic way of compensating the individual class members. Section 7 states that unclaimed damages may be distributed for a public purpose. Presumably, if damages were computed on the basis of actual injury sustained, it would be the rare case where there would be any substantial unclaimed damages. By including this provision in section 7, the proponents seem to be recognizing that the damages collected bear no relationship to the injury sustained. To then require that this sum be put to a public purpose makes a travesty of the whole notion of a private civil action for damages.

Certainly this provision underscores the point that the real purpose of section 7 is not remedial but is instead punitive. However, the proponents' desire to punish those who violate FTC rules and orders does not justify ignoring settled legal principles. As stated by Judge Medina in Eisen III:

Statements about "disgorging" sums of money . . . or the "prophylactic" effect of making the wrongdoer suffer the pains of retribution . . . do little to solve specific legal problems. 479 F.2d at 1013.

If the real purpose of those who support section 7 is to punish the wrongdoer, then thought should be given to injunctions to stop the action coupled with substantial fines. However, we strongly believe that the scheme set out in section 7—that is, suits brought on behalf of an unidentified class who are not notified of the action, who may or may not have sustained injury and who in any event will not receive any individual redress—should be rejected.*

NONPROFIT ORGANIZATIONS

H.R. 3816, as introduced, contained a provision redefining the term "person, partnership, or corporation" to include "any legal entity." At the present time, the jurisdiction of the Commission is limited to profitmaking bodies. The effect of this provision would have been to extend the regulatory reach of the FTC to nonprofit organizations. The full committee deleted this provision and we fully concur in the committee's decision in this regard. In reviewing the record, we note that the FTC made a very weak case for extending its jurisdiction in this fashion. On the other hand, the nonprofit groups presented a very strong case in favor of deleting the provision. In our view, the FTC does not have jurisdiction over nonprofit organizations, nor should they. We are pleased that the committee agreed and chose not to extend the jurisdiction of the Commission.

The signature sheet follows:

SIGNATURE SHEET FOR SEPARATE VIEWS ON H.R. 3816—FTC ACT AMENDMENTS OF 1977

ROBERT KRUEGER, SAMUEL L. DEVINE, JAMES T. BROYHILL, TIM LEE CARTER, CLARENCE J. BROWN, JAMES M. COLLINS, NORMAN F. LENT, EDWARD R. MADIGAN, W. HENSON MOORE, DAVE STOCKMAN.

* It has been argued by proponents of this provision that cases such as *Bigelow* v. *RKO Radio Pictures, Inc.*, 327 U.S. 251 (1946), support the validity of the aggregation scheme set out in section 7 of the bill. We disagree. Bigelow says nothing about dispensing with the need to show individual injury. Instead, Bigelow and related cases support the proposition that once actual injury is proved, the plaintiff's burden to show the amount of damages can be met if damages are shown with reasonable reliability. This is, of course, an entirely different proposition than that presented in section 7 of H.R. 3816. Further, cases under the securities laws provide no precedent for this approach. Again, the fact of injury and the amount of injury are essential elements in determining damages.

FIVE DAYS IN RUSSIA

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1977

Mr. McDONALD. Mr. Speaker, during the last few months a debate has commenced over the scope of the civil defense effort in the U.S.S.R. Nearly all Soviet experts concede the effort to be a huge one. How efficient it is may never be known, but it will not be for lack of effort. A Newsweek article, in its May 23, 1977, issue, entitled "Russia's Bomb Shelters," appeared to be attempting to play down the Soviet effort. However, a group of American civil defense experts visited the Soviet Union in March of this year and I wish to call the attention of my colleagues to their findings as reported in the Journal of Civil Defense for May-June, 1977. It makes for sober reading. The article follows:

FIVE DAYS IN RUSSIA

(By J. Howard Proctor)

Seeing Russia in five days is something like trying to see the USA in two. You don't get to see Minsk or Pinsk just like you wouldn't get to see Chattanooga or Walla Walla in the States. For this reason the trip, as fascinating and revealing as it was, was hardly satisfying. It left us hungry for more. We had to be content with two big-city stops: Moscow and Leningrad.

It is all-important to realize that our trip represented a "first." For it was the first time that a group of Americans had gone to Russia as professionals in the civil defense field with the obvious intent of finding out what they could about Russian civil defense. We expected—at least on the subject of civil defense—a lot of silence and evasion. That's not what we got.

The big surprise, the immediate surprise, was the people They not only looked and acted like Americans, but they were frank and agreeable in their manners and conversation and in answering questions. Even at an official briefing held for us at Friendship House the two men and one woman representing the Soviet Government took the same refreshing attitude. Questions were fielded with a candor that amazed and delighted us.

For instance, we were informed that the Soviet civil defense budget is around one billion rubles—1.35 billion dollars. This was somewhat more than the conservative American estimates we had been hearing for several years.

Subways were deep, very deep—200 to 300 feet—and tiered on three levels. Blast doors were easy to spot. Of course they are shelters, the Russians told us. They were shelters back in World War II during the German invasion. Why not? Shelters protect people, protect resources. Civil defense is basic and natural—a humane necessity. How can it be any other way? Why don't Americans understand this? Puzzling, these Americans.

Russians must not be compared to Americans. "We are a different type of people," they said, "and we have a radically different kind of history." They are intensely proud of 60 years of progress under Communism, and they compare their well-being today with their misery under the heel of the Tsars. And with their pride goes a fiery determination. They point to the fact that they lost 20,000,000 people in World War II. "We want peace because we know first-hand the utter tragedy of war," they say. But it is a Communist peace they want.

Communism must spread throughout the world—peacefully.

In a crisis, they point out, well-trained cadres would implement the national civil defense plan. And civil defense, controlled and commanded by the Soviet military, would work because it is organized and tested from the top right down to the industrial and neighborhood grass roots.

There was physical evidence of civil defense planning, and this included a dispersion of factories. No large factories were to be found in the central urban areas. There was much construction in progress—both apartment buildings and commercial plants—all in a dispersed pattern. Cars were few, but mass transportation—which the Russians count on as a primary tool in evacuation—was impressive.

Younger people were especially warm, and eager for information on life outside the Soviet Union.

But all this friendliness suddenly cooled when President Carter spoke of human rights in his United Nations address and when Brezhnev replied in harsh terms. A curtain came down. Fortunately, our five days were almost up.

Although our movements were not restricted, our travel was, and our transportation between stops took place mainly at night. And although our visit was brutally short we had really accomplished our mission of evaluating Russian civil defense on the spot. This was amazing. No one had expected it.

And what the Russian people had to say was almost like taking a few pages out of Leon Goure's controversial book, *War Survival in Soviet Strategy—USSR Civil Defense*. The Soviet people—unlike the Soviet press—corroborated Goure in everything they said.

In reflecting on this and on Russian behavior I couldn't help thinking of a definition laid down by an American writer: "A Russian," he said, "is only an American who hasn't yet learned to speak English."

Goure's five-star credibility was also bolstered by a U.S. Embassy spokesman in Moscow. When we asked him what Soviet civil defense was really like he answered: "All the facts are in Goure's book."

Those American leaders who still labor under the delusion that the Soviets are not 110% serious about civil defense ought to get the same kind of breath-taking eye-opener we got. It could only result in erasing all doubts.

Our experience must contribute to convincing our government that Americans too deserve the kind of consideration and protection that Russians and others are getting.

Otherwise we throw in the towel. And I don't think we are ready for that or that anyone really wants it.